4th Quarter User's Manual

by Lincoln Stoller, Ph.D.

Contents

CHAPTER 3 *Conventions*

CHAPTER 4 *Chart of Accounts*

CHAPTER 5   *Transactions*

CHAPTER 6   *Templates*

CHAPTER 7   *Cash Accounting*

CHAPTER 8   *Accounts Receivable*

CHAPTER 9   *Accounts Payable*

CHAPTER 10   *General Ledger*

CHAPTER 11   *Journals*

CHAPTER 14   *Sales*

CHAPTER 17   *Inventory*

CHAPTER 18   *Index*

Welcome…

Welcome to 4th Quarter, the most powerful, flexible, and customizable accounting software for desktop systems. This software is a generation ahead of other accounting packages, as you will discover when you read this manual.

…to a new dimension in accounting

4th Quarter (or 4Q) is designed to support redesign. It stores information in a way that satisfies both accounting discipline and the business need for flexibility. Unlike other programs written for an "ideal" end user, 4Q is written to allow your programmer to fit the program to your needs.

Documentation Overview

Documentation for 4th Quarter includes:

1) User's Manual
2) Administrator's Manual
3) Developer Training Manual
4) Developer Technical Notes

The User's Manual, which you're reading, explains how to use the program. The Administrator's Manual explains how to start a new datafile and configure the system for multi-user networks.

If you have licensed the source code to the 4th Quarter application then you can obtain our two developer manuals. The Developer Training manual discusses the

architecture and design of the program. The Technical Notes discuss specific mechanisms that operate within the program.

In addition, we have a product called 4Q Shell™. This product and its manual provide basic programming orientation for the 4th Quarter product line. The shell is a platform from which a 4D program can be written which can later be "scaled up" to include 4th Quarter Accounting. The shell is a development and a learning tool for anyone interested in customizing 4th Quarter Accounting.

■

4Q Product Line

Our two main products, 4th Quarter Core Accounting and 4th Quarter Full Accounting, can be licensed either as off-the-shelf products that run without customization, or as source code that can be customized through the 4th Dimension development environment.

4Q Core Accounting supplies a full suite of accounting functions including:

- Chart of Accounts
- General Ledger
- Income, Expense, Sales, Purchase & General Journals
- Cash Management
- Accounts Payable & Receivable
- Data Import/Export
- Payroll Links
- Financial & Budget Reports
- Database Administration

Chapters of this manual that apply to the Core version of 4th Quarter have the following bar across the top of the page with the label "4Q Core".

4Q Core

4Q Full Accounting provides all the features of 4Q Core plus a light-manufacturing, inventory-oriented business management system that includes:

- Customer & Sales Management

- Vendor & Purchase Management
- Invoices, Quotes & Purchase Orders
- Shipping, Receiving & Order Tracking
- Inventory Pricing, Assembly & Control
- Sales Rep & Sales Tax Management

Chapters of this manual that apply to the Full version of 4th Quarter have the following bar across the top of the page with the label "4Q Full".

4Q Full

In all of these areas we have improved on the design of convention accounting systems to provide you with more flexibility, easier use and new functions. Special features are noted in the relevant areas of the manual.

4Q Shell is supplied only as open source code. Its skeleton framework supports a simple address book that provides an example of how to use the building blocks that the shell provides.

These three products are closely related, each building upon the other. A user of 4Q Core Accounting can do the following in any order:

- upgrade to 4Q Full Accounting
- have the core package customized by Braided Matrix
- purchase source code to perform their own customization

A user of 4Q Shell can:

- develop their own system without needing additional products or support
- develop a system that runs parallel to and can be merged with 4th Quarter

- modify a preexisting system in accordance with 4Q Shell conventions and incorporate it with 4th Quarter Accounting
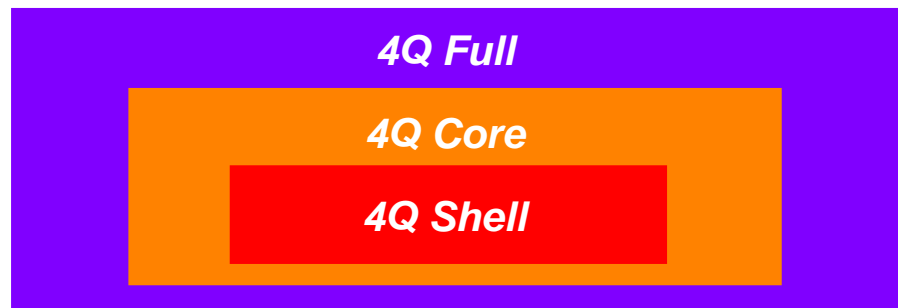
FIGURE 1-1. The 4th Quarter product family

■

Organization of the Manuals

Both the User's manual is divided into two sections. The first covers functions of the core system, the second cover the additional functions of the full system.

The User's Manual explains the operation of 4th Quarter Accounting and the organization of accounting and business information. It also describes how to enter, locate, and display information.

The Administrator's Manual discusses how to import your data and configure the program. It also addresses the setting of database preferences, multi-user access, and the import of payroll data.

Computer programming, source code and customization issues are limited to the Developer Training and Technical Notes.

In addition, Lincoln Stoller has published numerous articles on the implementation of accounting in Relational Database Systems (RBMS) and in 4th Dimension in particular. These articles describe elements incorporated in the 4th Quarter

program and are available from Braided Matrix or from the Braided Matrix web site at www.4thquarter.com.

User's Manual   Core System Operations — Full System Operations

Administrator's Manual   Set up, Configuration, Access, Import/Export

Developer Materials   Code structure, conventions &mechanismss
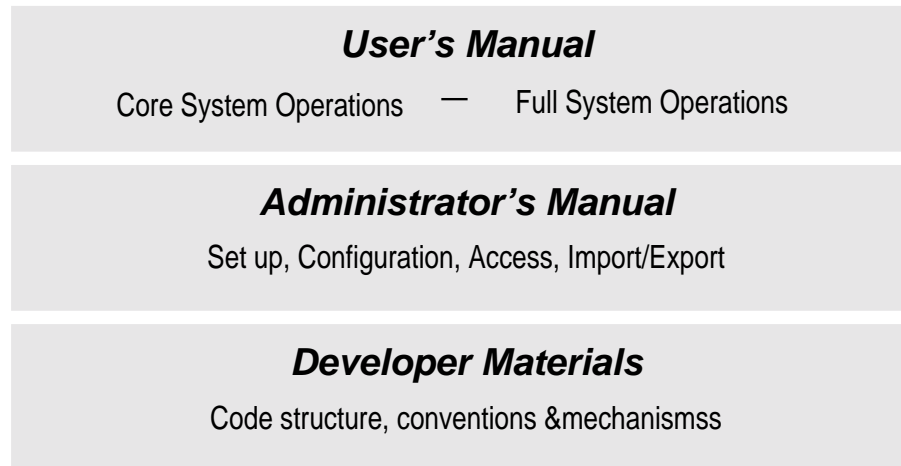
FIGURE 1-2. The three levels of 4th Quarter documentation.

■

Benefits of 4th Quarter

What makes 4th Quarter so special? The answer lies in the structure of the application. 4th Quarter consists of two parts: a self-contained "accounting engine" and a business specific module.

4th Quarter provides an API's (application program interface) that enable you to design your own business system without having to worry about making any changes to accounting.

This feature is revolutionary. It is the heart of our design and core of our patented technology. By building on this technology we can provide unique benefits:

Design Flexibility
- Support any business using 4th Quarter's accounting system.
- Merge existing 4th Dimension databases with the 4th Quarter's accounting engine.
- Add new functions to the 4Q accounting skeleton using its self-contained layouts, menus, and files.

- Designed for easy maintenance and application updating.

Powerful Systems

- Comprehensive system of journals that provide additional management and auditing tools.
- Two-level account system the gives extra flexibility to your chart of accounts and extra speed to posting and financial analysis.
- Password access that is assigned to any individual account and transaction.
- New ways to review transaction and account histories.
- Complete flexibility in handling payments to AR and AP.
- Consolidated invoice and PO system that does away with multiple forms.

Ease of Use

- Choice of three different control screens.
- Easy navigation with the option of simplified or detailed data entry screens.
- Three different methods for locating information: "quick-search" buttons, popup menus, and detailed search screens.
- Streamlined report generation. Financial reports print in minutes instead of the hours required by other programs.
- A context-sensitive help explains every visible button and function and is accessible from any screen.

4th Dimension

- 4th Quarter brings all of the functionality and flexibility of the 4th Dimension programming environment to the task of accounting.
- Drop-in modules allow you to add drawing, word processing, spreadsheet modules to your application.
- A full set of backup, connectivity and developer tools.
- 4D Server provides a multi-user development environment allowing multiple developers simultaneous access to your application.
- 4D Server to provide you with multi-user access that maximizes your benefits without the administrative overhead of other database systems.

■

The Demo

If you're reviewing the 4Q Demo application you should know that this application lets you can view either the Full or Core applications. You switch from viewing one version to the other by clicking on the toggle button in the lower left of the Menu-View screen.

The demo displays the features of 4Q Full application.

The demo displays the features of 4Q Core application.

In the 4Q Demo application each of the control screens will appear differently depending on whether you are viewing the 4th Quarter Full or Core versions.

If you are running a licensed version of 4Q Core or 4Q Full this demo toggle will not appear and your control screens will differ depending on which version you're running.

■

CHAPTER 2

What's New

4th Quarter does some things quite differently from traditional accounting programs. These innovations enhance data security and your ability to manage your accounting system.

In this chapter we'll introduce you to the most significant of these changes. More complete details will be presented in subsequent chapters.
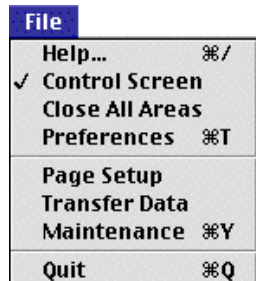
Control Screens

Most programs present a single control screen with access to accounting functions provided through long menu bars.

4th Quarter provides three control screens to help you navigate the application. Each screen uses a different method of organizing the controls that provide access to the programs basic services.

Rather than giving you lengthy menus of functions, 4th Quarter's control screens give you access to the basic user areas. Each user area opens in a separate window and within each of these windows you gain access to those functions that are relevant to that particular area.

In addition to the control screens described below, you can also hide the control screens all together. Do this by selecting the "Hide Control Screen" item from the file menu. The control screen window will close and the menu item will change to "Show Control Screen". To redisplay the control screen, select "Show Control Screen".

When the control screen is hidden you can still access the basic modules from the menu bar at the top of the screen. The only windows that will be displayed are those for the user areas that you have opened.

These ways of navigating 4th Quarter are enable you to get to reach the functions you need immediately in a manner that is most convenient to you. Note that unless otherwise noted, the following control screens are those that are displayed with the Full version of 4th Quarter.

■

Menu-view

The basic control screen is called the Menu-View screen. It presents all 4th Quarter modules in a single screen grouped according to the following general descriptions.

- *General*: the basic accounting elements of accounts, transactions, and repeating transaction templates.
- *Specific*: areas of account management dealing with cash, receivable and payable accounts.
- *Reports*: this area is provides tools to review and report on your data.
- *Stock*: the handling of inventory.
- *Purchase*: vendor management and the entry and review of purchases and purchase related transactions.
- *Sales*: customer management and the entry and review of sales and sales related transactions.
- *Maintenance* (under the **File** menu):

  Imports and exports, default settings, administration.
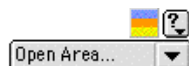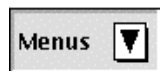
In the Core version of 4Q only the General, Specific, Report and Maintenance areas are visible.

Each popup menu in the Menu-View screen allows you to enter user areas or add records to those areas.

In addition to these main areas, the control screen provides the Menus, List, and Maps navigation buttons which take you from one control screen to another.

In the upper right of the screen are a "help" pop, a popup labeled "Open Areas...", and a small button with three horizontal bands of color. The help but-

ton, found on most screens throughout the program, opens the on-line help system to describes the functions and controls on the screen.

The "Open Areas..." button lists all the areas with currently open windows. Selecting an item takes you to that window.

The tri-colored button opens a screen where you can set the colors the program used for the different kinds of screens it displays. Each user can set their own selection of colors.
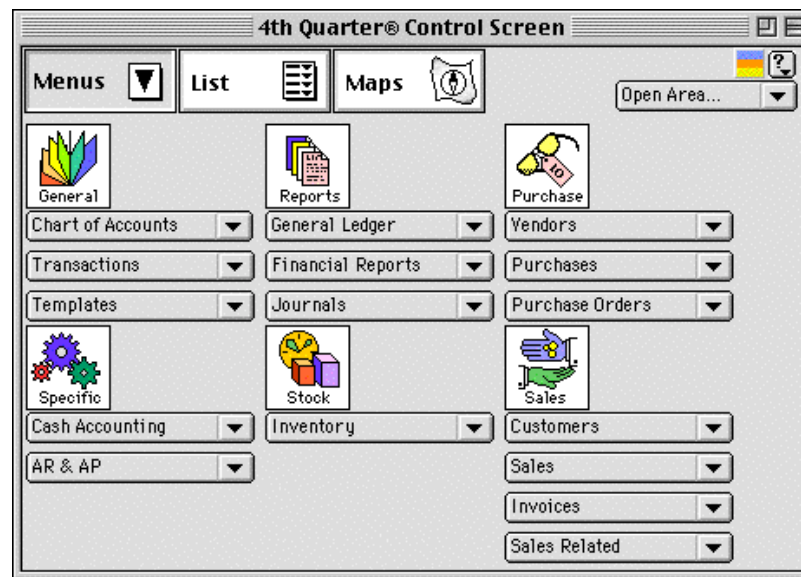
FIGURE 1-3. The Menu-view control screen.

■

Map-view

4th Quarter's Map-View control screen has six pages that lay out the program's functions in patterns that illustrate the relationships between the many modules. The Map-View control screen is only available for the 4Q Full application.

The first page is an overview that shows the five basic modules. Clicking on a module's map icon, or clicking on the module's name in one of the tabs, takes you to that module's page.
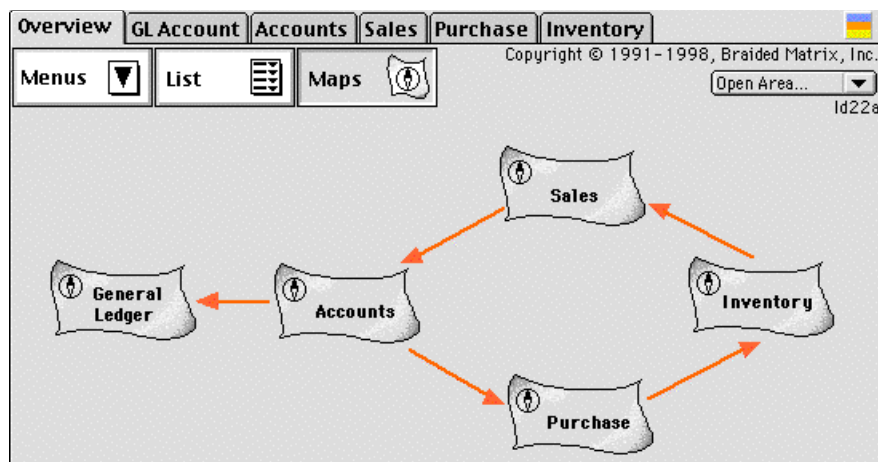
FIGURE 1-4. The Overview page of the Map-view control screen.

Each page of the Map-View screen gives a graphic representation of the elements within that area of the application. The page for the sales area is shown below.
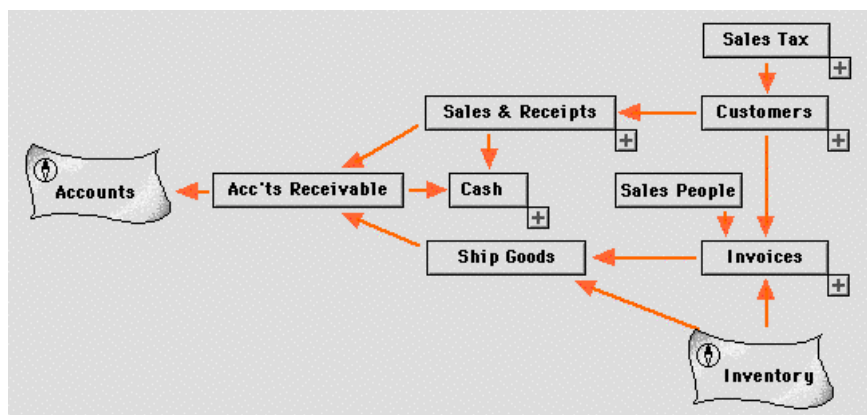
FIGURE 1-5. The Sales page of the Map-view control screen.

In the Map-View screen each label is an clickable icon that will either take you to another page, to a list screen or to an data entry screen. Each page of the Map-

View screen shows different modules connected with arrows that illustrate the module's relation to one another.

Clicking on the name of a modules opens that module in a separate window. You can open as many modules in separate windows as fit in your machines memory. If you open too many modules you may get a message that you've run out of memory. If that happens close one of the open module windows before trying to open another module.
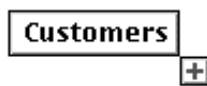
Next to some modules is a "plus" labeling a small, square button. These buttons related to the modules to which they're adjacent and they allow you to quickly open an entry screen to add a record to that module. These are called "add record" buttons.
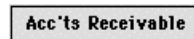
Page Icon	**List Icon**	**Data Entry Icon**
takes you to another page	open a list in a new window	open an entry form in a new window

FIGURE 2-1. The icons in the Map-view control screen.

The arrows on the Map-view pages do not perform any action when clicked. Rather they illustrate the flow of data from one file or area to another.

■

List-view

The most compact control screen is the List-view screen. The List-view screen has all its popup controls tightly fitted within a single window. The different control areas are grouped by area and each area is separated from the next by a line.

4Q Full List-View screen

4Q Core List-View screen
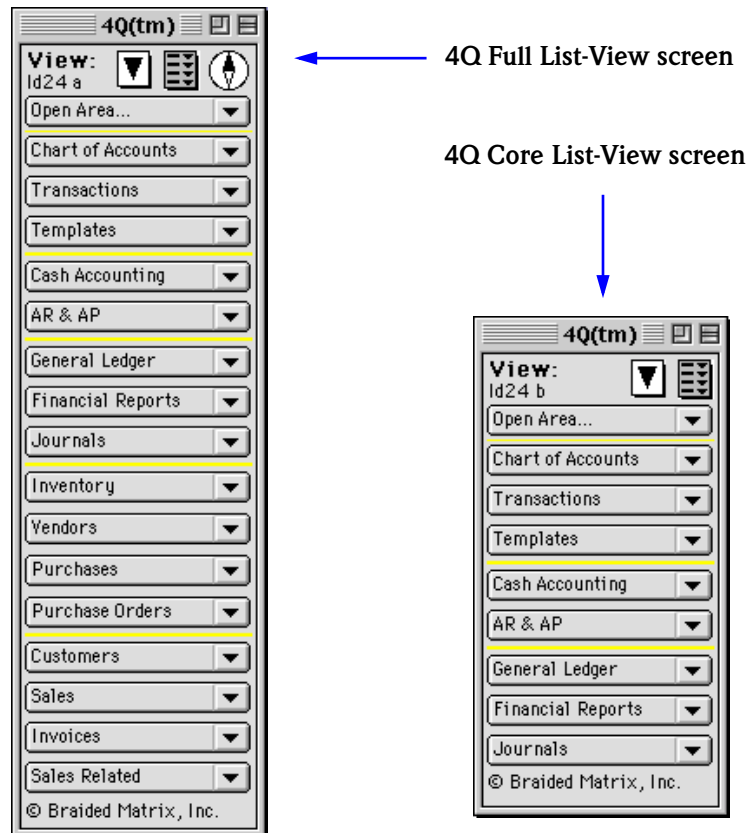
FIGURE 1-6. The 4Q Full (left) and 4Q Core (right) views of the List-view control screen.

■

Accounts

All accounting is based on accounts and transactions. These two concepts are designed into 4th Quarter so fundamentally that once you understand how we handle accounts and transactions, everything else follows naturally.

All financial information is stored in accounts. Accounts and only accounts are debited or credited in financial transactions. While your business may involve entities that are not financial in nature, such as customers and inventory, all financial history associated with these items is stored in an account created for that purpose.

■

General Ledger and Transaction Accounts

General Ledger Accounts

GL Accounts act to group similar accounts together. Each GL account summarizes the entries that affect the balance of one or more accounts. These summaries appear on the General Ledger list screen and are used in financial reports.

4th Quarter's General Ledger analyzes and displays information more quickly than accounting programs because 4Q's GL stores summary information. Detailed account history is always available, but 4th Quarter does not need to return to the details in order to prepare financial reports.

Each GL Account is associated with one or more transaction accounts, simply referred to as accounts. The GL Account balances are equal to the total of the balances of their associated accounts.

GL Account balances are updated when transactions are posted to the general ledger. The posting of transactions is done in batch. It does not occur when transactions are first entered. In actual practice, the GL account balances only equal the posted portion of the balances in their related accounts.

When you first enter transactions of any sort only the related account balances are affected. It is not until you post transactions that the system adds up the contributions to each GL account from its related accounts. A transaction can be modified up to the point where it is posted. After transactions have been posted they are no longer modifiable.

Posting transactions is done through the General Ledger menu that appears above the GL Entries list screen.

Transaction Accounts

4th Quarter uses Transaction Accounts, simply referred to as accounts, as the first place where transactions are recorded. Every account must be related to a GL Account.

All transactions generate debits and credits to accounts. Account balances are immediately updated when transactions are entered. It is only the GL Accounts balances that are updated later, when posting is done.

In 4th Quarter every accounting entity has at least one account. For example, customers have receivable accounts and vendors have payable accounts. Some entities have multiple accounts. For example, inventory items asset, cost of goods sold, and spoilage accounts.

Every account is linked to exactly one GL account. The controlling GL account acts determines many features of the accounts attached to it. For example the controlling GL account determines the type of its related accounts, whether they are asset, equity, or liability. It also determines what journal they appear on, as is discussed in the following section on Journals.

■

Restricted Access

4th Quarter accounts can be individually assigned regular or restricted access. Assign restricted access to Payroll Accounts or other Accounts that contain confidential information. The details of restricted accounts can be viewed or printed by users who are members of the Restricted Access group. (For more, see "Access Privileges" on page a.13 of the Administrator's Manual).

Any transaction that involves a Restricted Account becomes a Restricted Transaction. The details of Restricted Transactions can be viewed or printed by users in the Restricted Access group.

■

Journals

Every Account Appears on a Journal

4th Quarter uses Journals to group accounts in a way that complements the general ledger. Every account appears on exactly one journal. This is a powerful aspect of how 4th Quarter is different from conventional accounting programs.

As in traditional accounting systems, 4th Quarter journals provide a primary means for collecting information. But unlike traditional systems, in 4th Quarter the total amount debited and credited to accounts on the journals always balances. This means that 4th Quarter can generate a Journal Trial Balance in addition to a GL Trial Balance. This is done through the Audit Reports available in each journal area. Balanced audit reports provide an additional means of testing and reviewing your books.

In convention programs journals only show the entries to the journal accounts that have been made through that journal. In 4Q any entry that affects an account on a particular journal will appear in the list of entries for that journal. This means that when you view the cash journal you find all entries affecting cash accounts no matter what their source.

In conventional programs, a sales entry will debit the Cash Account through the Sales Journal, and a direct deposit will also debit the Cash Account but through the Cash Journal. Since the entries are on different Journals, they can't be viewed together or printed as part of the same journal report.

In contrast, 4th Quarter displays all transactions that have an effect on an account on that account's journal. For example, all Cash deposits, whether they're made as Sales or as direct deposits, appear on the Cash Journal.

■

Journals Update Immediately

In 4th Quarter all transaction components, no matter how they're entered, appear immediately on the appropriate journals. Accounts and journals are continuously updated; there is no need to post transactions to bring them up to date.

A complete journals listing provides the same type of information as the Trial Balance available through the General Ledger. The journal information includes all information, posted and not posted, while the GL Trial Balance reports only

posted information. In addition, journals provide account detail, while the Trial Balance displays GL account summaries.

4th Quarter's journal structure enables you to rely on journals as auditing and reporting tools with the assurance that all the information is complete and current. It supplies this information from a management-oriented perspective which complements the financial perspective offered by the General Ledger.

■

Transactions

Many Ways to View Transactions

Transactions are entered through a variety of special screens. These include Sales and Purchases, Invoices and Purchase Orders, general and cash entry screens. Different screens are needed ti handle the entry of extra information that accompanies particular types of transactions. For example, the invoice screen handles Line Items; the Sales screen handles Customers and sales terms; the cash screen handles the numbering and printing of checks.

There is also a general transaction entry area. The General Transaction Entry screen requires that you specify each account involved in the transaction and the amount to debit and credit to each. Transactions whose only effect are the debiting and crediting of accounts are entered here. These include adjustments, depreciation, inventory adjustments, period closing entries and the like.

All transactions, no matter what screen was used to create them, can be viewed in the General Transaction Display screen. However, when they are viewed through the general display screen, only the basic debit and credit structure of the transactions appears.

For example, when you view an existing Sales Transaction through the general transaction screen you see only the amounts debited and credited to the Sales, Cash, and Customer Receivable accounts. You do not have access to details about the customer or the terms of sale. In contrast, when you view the same transaction through the sales screen, all the specific sales details are displayed.

The general transaction area is primarily for maintenance, adjustments, and auditing of accounts. Using this area you can review all transactions from all sources.

Access to the general transaction area should be reserved for people charged with maintaining or reviewing the accounts, such as bookkeepers, accountants, auditors, and controllers.

■

Invoices and Purchase Orders

(*available only in the Full version of 4th Quarter*)

4th Quarter supports what we call a "virtual order." A virtual order is a central means of accessing all order-related events. It tracks items ordered, their shipment history, details of multiple shipments, scheduled returns and the receipt of returned items. Each order is treated as a small-scale "job", and all the details pertaining to that job are displayed, updated, and printed from the virtual order screen.

In traditional systems invoices and purchase orders are static forms. They're entered at one point in time and their information corresponds to a particular printed form. Virtual orders are a significant extension of these traditional concept:

- A virtual order can always be modified
- A virtual order may relate to multiple accounting events spread over different accounting periods.
- The virtual order provides an audit history of order changes and shipments.
- The number assigned to a virtual order corresponds the job and not to any particular document.
- The forms generated from a virtual order can represent the order at any stage in its past history.

For example, one 4th Quarter invoice tracks all stages of an order including multiple back orders and returns. No additional back orders are generated. Orders can be partially filled and items can be assigned return authorization numbers to track their return. Inventory levels and the journal amounts are updated to reflect incremental changes.

Virtual orders do away with the need for back orders, change orders, and return records. A virtual order provides the ultimate record of past actions and present obligations.

■

Payables and Receivables

Dynamic Reconciliation

4th Quarter's AR and AP areas support the basic suite of advanced functions including:

- automatic allocation
- split payments
- advanced payments
- aging reports
- interest on unpaid balances
- removal of unsatisfied sales discounts

In addition 4th Quarter is the first application (to our knowledge) to support *complete flexibility* in the handling of payables and receivables. We call this feature "dynamic statement reconciliation."

In 4th Quarter you always change the way payments are allocated to debts. No matter how much time has passed or the particular source of the entry (invoice, point of sale, advance payment, etc.) you can always allocate and reallocate any payment to any debt.

You can stop worrying about how your client or vendor allocates payments because you can always reallocate funds to match their records. You can let 4th Quarter automatically allocate funds as they're received, post entries to the general ledger, and still change your records at a later time to agree with your clients or vendors records.

■

Priority Based Allocation

All debts can be assigned a priority from 0 to 9. When 4th Quarter allocates payments automatically it does so on the dual basis of priority and due date.

The application first considers the highest priority debts. It first uses the available funds to pays off the earliest debts followed by later debts at that priority level. Once all debts have been covered at one level the application allocates remaining funds to each of the lower priority levels until no funds or no further debts remain.

■

General Ledger Entries

As in conventional accounting, 4th Quarter's General Ledger is a ledger of final entry. Transactions first appear on journals and later, after they've been posted, the transactions are summarized on the GL. Once posted, transactions cannot be modified.

GL Entries Summarize Transactions

4th Quarter's GL Entries list screen displays a list of posting entries. These entries are not a list of transactions. Rather, postings summarize the effect of may transactions that affect a single GL Account within the posting period. When you view 4Q's GL Entry list screen you see lists of summarized contributions to GL Account.

4Q's posting summaries provide access to the full details of the transactions involved. You can view all the postings to any particular GL Account and you can recall the detail of each individual transaction by double-clicking on the posting summary records.

4th Quarter stores summaries in order to assemble financial reports more quickly. Each GL posting may represent tens or hundreds of transactions. This means that the assembly of historical financial information can be done tens to hundreds of times faster than in other programs.

■

Financial Reports Draw on the GL

Financial reports draw exclusively on information stored in the General Ledger, and financial reports display detail only down to the level of GL Accounts. Individual account balances do not appear on financial reports.

Since GL Accounts reflect only posted transactions, financial reports contain only that information that has been posted to the GL. You must post all transactions in the current period in order to generate financial reports that are current up to the end of the period.

∎

Financial Reports

Real-Time Access

You can create an unlimited number of financial reports that draw upon the general ledger. 4th Quarter's Financial Report system actually stores report templates that is used to assemble the report for a specific time period. Because 4th Quarter's general ledger saves period summaries it is possible to assemble a complete financial report in a matter of minutes.

∎

Hypertext Documents

Financial reports can be printed, sent to disk, or viewed on-screen. When viewed on-screen the reports are displayed as active hypertext documents. This means you can double-click the report rows to "drill down" into the line's history. You can follow the accounting data to the level of the original transaction entries. At any stage along the way you can search for related items and print a variety of intermediate reports. You can then return to the top level of the report and drill-down into the history of another line.

∎

A Revolutionary New Structure

A program's source code is the set of instructions that controls all of its actions and its computer interface. As a user you never see the source code even though it underlies every facet of the program. But if you looked at 4th Quarter's source code, if you looked "under the hood" as it were, you'd see a structure very different from those of other accounting programs.

■

Transaction Based

4th Quarter handles data on an accounts and transactions model. This distinguishes it from most other accounting programs that store information according the forms used to enter the data. Where most programs will have separate files for invoices, purchase orders, direct sales, purchases, loans, payments, advances, credits and so on, 4th Quarter uses a single file of transactions in which every entry is distinguished according to its type.

This method has the important consequence that no matter what new function you need to add, you never need to change the way data is stored. All you need to do is to assign a new tag to your new type of entry and give 4th Quarter any special instructions about how this type of entry should be handled.

In this way you can add new types of accounting information without needing to change 4th Quarter's accounting engine. This makes the 4th Quarter program uniquely well-suited for customization and modification.

■

Account Based

Accounting programs traditionally store accounting information with each of various business entities. This makes for problems because when you change the way the business is structured you must also change the way accounting is structured. In 4th Quarter all balances are stored with records stored in a single file, the "accounts" file. No matter who or what is the source or destination for assets, the assets themselves are directed to an account.

This means that whether you're handling clients, vendors, funds, jobs, contracts, whatever, the accounting information is always directed to an account that's associated with that entity. You can create as many accounts as necessary for your needs and it will all be handled by 4th Quarter's existing accounting module.

■

Independent Accounting Module

The structure of other accounting programs tightly binds accounting information to the particular services that the program supports. In contrast, 4th Quarter uses a two-stage structure that separates core accounting from specific business functions. This separation allows us to offer you a system that can support any degree of business-specific modification, with only minor changes to the accounting por-

tion of the program. 4th Quarter can truly be used as the core accounting system for any business.

4th Quarter's existing accounting engine can support any business accounting system. Imagine what this means in terms of the use and maintenance of a 4th Quarter application:

- 4Q applications can evolve with your business.
- Changes to 4Q's core accounting module, supplied by Braided Matrix, can be installed without disrupting your custom application.
- Changes to your custom application can be made without disrupting the core accounting application.
- Your program can evolve over time without the old format of your data becoming incompatible with new format.
- 4Q is the only accounting platform you'll ever need.

■

Patented Technology

We believe that the way we've separated accounting function from business function is so general and useful that *all future modifiable accounting application will have to follow this model*. We've convinced the U.S. Patent and Trademark office that 4th Quarter's concepts are both novel and useful. Braided Matrix now holds a US Patent #5740427 on these methods, giving us exclusive rights to employ this technology.

CHAPTER 3 # Conventions

This chapter reviews the graphical conventions and the
techniques to organize information used throughout 4th
Quarter.

Graphical User Interface

Our screens use certain conventions to help you understand the data you're view-
ing and the functions available to you. We consider these conventions as they
appear on the three types of screens:

List screens
Entry screens
Dialogs

■

Windows vs. Mac   Microsoft Windows and Apply Macintosh largely share the same interface but
there are the following minor differences.

Command vs. Control key

To modify the action of a key Windows systems use the Control key, abbreviated
"Ctrl", while Mac systems use the Command key. On the Mac the Command key
is identified by the cloverleaf symbol (⌘). Windows users should use the Control

key while Mac users use the Command key whenever the Control or Command keys are mentioned in the program or manual,

Close Box

In Windows systems the close box has an "X" in it and is located in the upper right of each window. On Mac systems the close box appears in the upper left of each window.
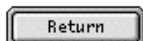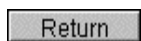
Default Button

The default button is the button that's triggered by pressing the **Enter** key. On Windows systems the default button has a faintly heavier border and, in some cases, can shift from object to object when you press the Tab key. In Mac systems the default button has a double outline. In a given screen the Mac default button never changes.

Shrink Box

The Windows Zoom box shrinks a window to a label on the task bar. The Mac zoom box collapses the window to show only its title bar.

■

Data Entry

Entry Screens

Entry screens show the full record details. Use entry screens to enter new or modify existing information. Access entry screens by either double-clicking on a row in a list screen, or by highlighting a row in a list screen and pressing the Modify button or the Ctrl+M (Command+m) key combination.

User Audit Trail
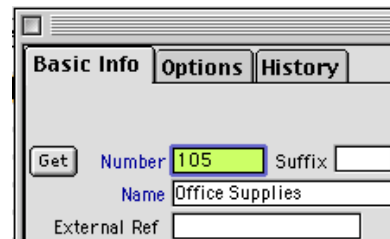
Most accounting related records in 4th Quarter store the date, time and user associate with the last modification of the record. This information is displayed in small type at the lower left hand corner of the first page of every entry screen.

This information cannot be edited. For the most part it cannot be used to search or sort records, nor is it printed on any reports.

You must enter the record entry screen to view this information. Be aware that when you audit user changes by opening records in their entry screens you must press the **Cancel** button when leaving the screen. If you press the **Enter** button, or the **Next** or **Previous** record buttons (buttons marked with the "<" or ">" symbols) the previous audit information will be erased and *your name* will be recorded as the last user to have made modifications to the record. This will happen whether or not you actually modify any of the data in the record.

Entry screens indicate required fields by using labels displayed in blue type. Some value must be entered in all of the required fields or else the system will not accept the entry.

Some entry screens prevent you from making modifications. Your ability to make changes to the record through these screens may be limited to comment or note fields. In some cases you may be prevented from making any modifications at all.

Limited Entry Screens

Limited entry screens of this type occur in the following circumstances

- posted transactions
- invoice or PO transactions viewed through the general transaction screen
- inventory when viewed from a list in which you are asked to select an item
- accounts when viewed from a list in which you are asked to select an account

Tabs

Entry screens often have multiple pages. These are indicated by tabs that will appear across the top of the window. Clicking on a tab move you to the corre-

sponding page of the form. You can also use you keyboard's function keys (also known as "F-keys") to navigate between tabs.

In all screens that employ tabs, pressing F1 will take you to the first page, F2 to the second, and so on.

FIGURE 3-1. Tabs that appear in the Inventory entry screen.

Fields

There are three ways fields can be displayed on entry screens. Each type is graphically distinct.

Required Fields

Blue label, white area with a sunken shadow.

Enterable Fields

White area with a sunken shadow.

Clairvoyant Enterable Fields

White area with an underlined label.
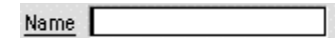
Clairvoyant fields will search the database for a value whose value begins with the letters you've type. This lookup takes place as soon as you tab out of the field or, in some cases, as soon as you type the last of a fixed number of characters.

If you enter an incomplete value into a clairvoyant field -- the first few letters of a name, for instance -- and press the Tab key, 4th Quarter will search for all items that begin with those characters. If it finds a single item it will complete the entry for you. If it finds several items it will display them in a list. If it finds no items of the given description it will tell you so.
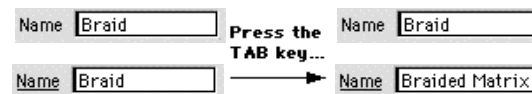
Standard entry field retains entry as typed.

Clairvoyant field performs auto-lookup.

FIGURE 3-2. Different behaviors of the Standard and Clairvoyant entry fields.

String Specification Convention

Clairvoyant fields are always performing a "begins with" search that searches for field values whose beginning string matches what you've typed. However this may not be what you want when you know the exact value that you're looking for.

In order to find exact values Clairvoyant fields employ the following string specification convention. If you type in a string that ends with a blank character (generated by pressing the space bar), then the clairvoyant search takes that as an indication that you're looking for an exact match with the string that precedes the blank space. The clairvoyant search will remove the blank space and search for an exact match.

Nonenterable Fields

Grey area with sunken shadow.

There fields display data stored in the datafile,
that was specified at an earlier item, and that is no longer enterable.

Control Buttons

Entry screens always have a block of buttons with labels in larger type. These are the main control buttons which control whether or not your changes are saved. The button labeled **Enter** saves your changes; the **Cancel** button discards your changes. If you are creating a new item and you press **Cancel**, the new item will not be saved.

There are four types of Enter buttons, they will all save your changes but each does something different afterwards. The **Enter** button saves your changes and returns you to whatever screen you came from.

FIGURE 3-3. The four standard Enter buttons that appear on each Entry screen.

The **Enter+New** button is available when you create a new item. Pressing this button saves your changes to the current item and presents a blank Entry screen for another new item. The **Enter+New** button usually has a heavy outline, indicating that it is the default button. If you are modifying an existing item, **Enter+New**

is replaced with a second **Enter** button, which indicates that "enter only" has become the default action.

The **"<"** and **">"** buttons (enter & previous, and enter & next) save your changes and move to the previous or next record in the current selection. If your selection consists of a single record, as is the case when you're creating a new record, these buttons are disabled. The command key equivalents for the enter & previous, and enter & next are Ctrl+< (⌘ < on the Mac) and Ctrl+> (⌘ > on the Mac).

■

Data Access

List Screens

List screens display summaries of the records you choose and let you access them individually. From a List screen you can add new records and you can review, modify, or delete existing ones.

A List screen shows your data as a scrolling list of rows and columns. The title bar of the List screen displays the name of the items in the list, be they Transactions, Customers, or whatever. Next to the name is the number of items currently shown in the scrollable list.

Account №	GL Account	Account	Notes	Dr. Balance
10001-100	Cash	General Cash		21,954.70
10091-100	Cash-2	General Cash		-34.02

Su270 Highlight an account to work with. Then press Select.

All Cash Active Cash Focus Sort Select Return
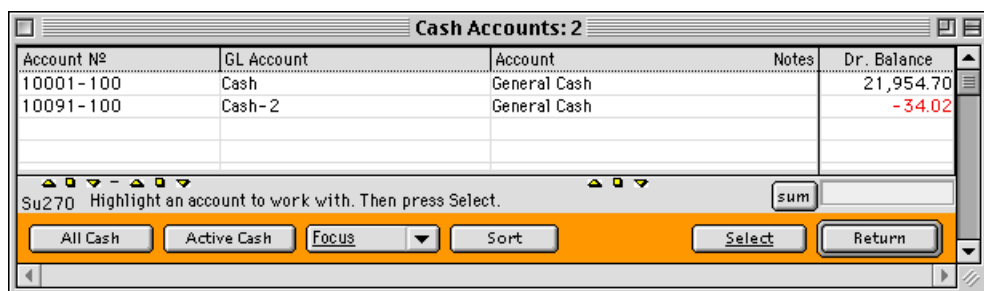
FIGURE 3-4. List screen showing 2 cash accounts.

Current Selection

The items in the list, including those out of view, make up what is called the "current selection." Clicking on a row highlights it. Clicking twice in succession on a row opens an Entry screen for that record and shows it in more detail.

Pressing the up and down arrows when you have a record highlighted will move the highlight up or down in the list of records. If no records are selected then pressing the down arrow highlights the first record. Pressing the down arrow highlights the last record.

Highlighted Selection

A highlighted row or group of rows comprises the "highlighted selection." You can highlight multiple items by holding down the Control key as you click on them. Holding the Shift key highlights all rows between the first- and last-clicked row.

If you hold down the Shift key while pressing the arrow keys the existing highlighted selection will be extended. Pressing Shift+Up arrow extends the selection upward, toward the top of the screen. Pressing Shift+Down arrow extends the selection downward, toward the bottom of the screen.

Selection Menu

Whenever a List Screen is the front-most window, an active Selection menu will appear at the top of the screen. The Selection menu provides access to the following menu items:

TABLE 1. Items on the Selection Menu

Label	Key	Description
Search By Example	E	Opens the Search By Example dialog.
Show All	L	Shows all records in the current table.
Focus	F	Reduces the selection to the highlighted records.
Sort	S	Opens the Sort dialog.
Sets	U	Opens the Sets dialog.
Reports…	P	Opens the Reports & Medium dialog listing reports.

This basic set of functions is supported by every list screen. The same functions are available on the Button Bar that appears at the bottom of the screen. The Button Bar also lists any additional functions which are available for many screens.

Button bar

A block of buttons along the bottom of every List screen shows the functions you can perform on the items in the list. This block of buttons is called the button bar.

- Buttons whose labels are <u>underlined</u> act on a highlighted selection.

- Every screen has a default button whose action is triggered by pressing the **Enter** key on your keyboard. On Windows the default button has a darker border, on Mac it has a double-line outline.

- Any button labeled "Return" is triggered by pressing the **Return** key.

- Buttons with names that end in an ellipsis (…) open screens with additional choices.

- Buttons labeled "sum" will, when pressed, total all the numbers in the column or columns adjacent to the button. The summation is performed over all items in the current selection, not just the visible items.

  In some cases you'll see the summation button labeled as "dr sum" Here the summation displays the total debits minus the total credits.

On-line Help

Throughout the program you'll notice small buttons with a 🔲 or 🔲 symbol. These are your access to the program's on-line help file. Pressing the first of these opens a new window which will explain the screen where the button was located. Pressing the help button with the small triangle displays a popup menu with a selection of help items to choose from.

On-line help records are available for every screen and are designed to describe the functions on that screen. They provide immediate orientation regarding what the fields, functions and buttons are for that you are viewing at that moment. They provide quick direction on all basic functions.
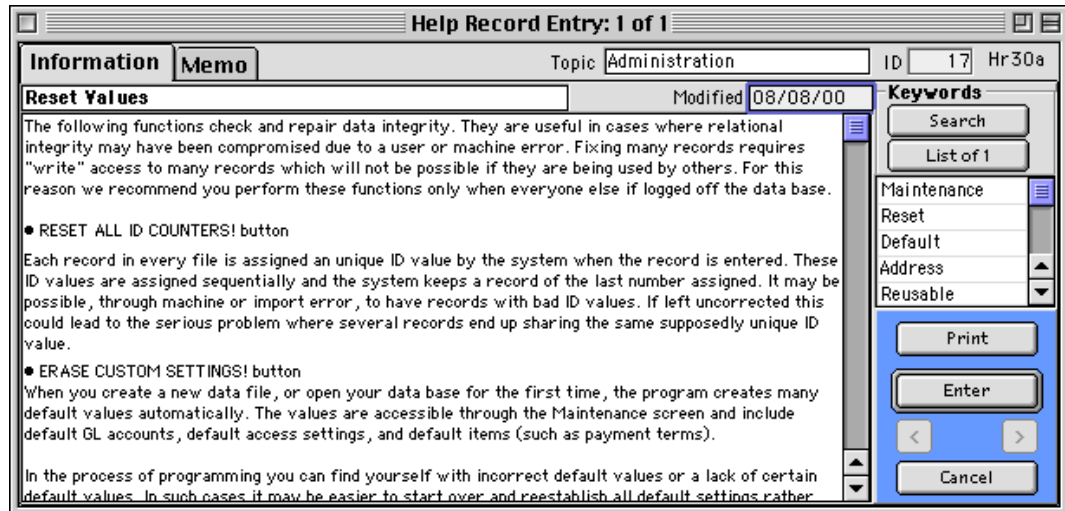
FIGURE 3-5. The Information page of the On-line Help screen.

The help screens open in a window that is independent from the rest of 4th Quarter so that you can view the help information while they continue to work with the program.

Users can press the **Search** button while they are still in the Help Entry screen to search for other or related items.
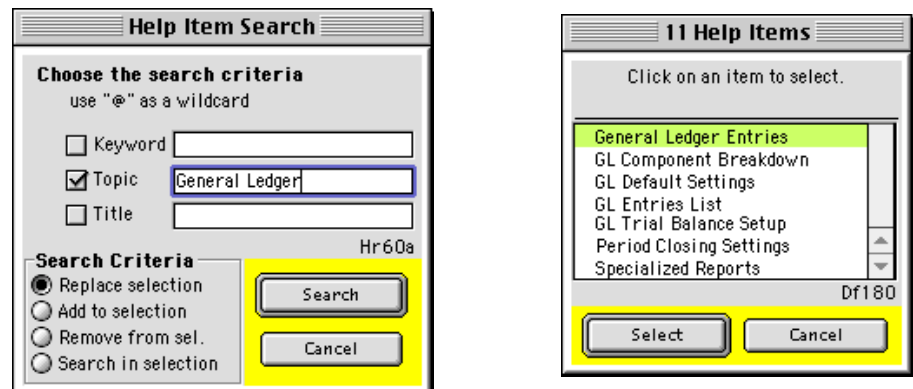
If multiple items are found that satisfy the search criteria, then a list of located items will be presented .

The Memo page of the help screens provides a place for all users to add notes. These notes are shared by all users and a preserved when new help records are imported into the system by the Administrator. For more information see "Importing Updated On-line Help" on page a.96.
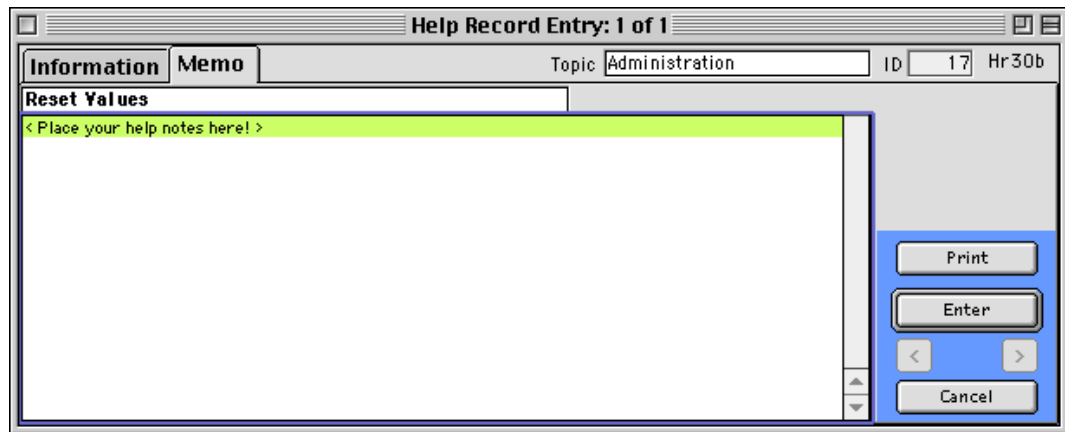
FIGURE 3-6. The Memo page of the On-line Help screen for user notes.

You also have access the all of the on-line help items through the **File** menu from the Control screen.

Tool Tips

Most buttons have control or command key equivalents. These keyboard short cuts are displayed in small "tool tip" labels that appear on-screen if you place the cursor over a button. If no tool tip appears, then there is no keyboard equivalent for that button.

All tool tips display a message of the form "Ctrl+X", where X is the key that must be pressed in addition to the modifier key in order to activate the button. On Windows the modifier key is the Control key, on the Mac it is the Command key. In both cases, however, the tool tips refer to the modifier key as the Control key.

There are a dozen or so keyboard equivalents that are always associated with the same buttons. For example, "Ctrl-A", or " ⌘ a" on the Mac, is used to add a new record. A list of standard keyboard equivalents appears at the end of this chapter.

Quick Search Buttons

The small square buttons and the triangular buttons to either side that appear below certain columns are the quick search and quick sort buttons.

Clicking on the quick search button (the square button) opens a dialog like that shown below asking you for a value for in the corresponding column.

FIGURE 3-7. The Quick Search screen opened by the small, yellow, quick-search buttons.

Clicking on one of the quick sort buttons will sort the displayed records in ascending or descending order on the basis of the values in the corresponding column.

String Specification Convention

When you type in a string using the "starts with" criteria, the search will locate all items whose corresponding value starts with the characters you have typed. If you want to find an items whose value exactly matches the value you type, you can do this either of two ways. Either you can selected the "is equal to" popup criteria, or you can enter a blank space as the last character in your string.

For example, if you type "Smith" using the Starts With criteria, then the system will locate records whose field values are both "Smith" and "Smithers". If you type "Smith ", which contains an invisible trailing blank, then only records with the value "Smith" will be found.

This same convention of interpreting trailing spaces as indicating a desire for an exact match also applies to clairvoyant fields, discussed below.

■

Dialog Screens

Dialogs are screens where you tell 4th Quarter what you want it to do. Dialog screens ask you to specify the details of a particular action, like searching for information or generating a report.

FIGURE 3-8. Dialog screen for report printing prompts you for more information.

Dialogs generally do not change data, but you might use a Dialog to specify direct actions that do change data. An example of this is the "*Apply to...*" Dialog accessed through many List screens. The "*Apply to...*" Dialog gives you the opportunity to make a specific change to all the items in the highlighted selection. If you specify a change and press the **Make Changes** button, this alteration will be applied to each item highlighted.
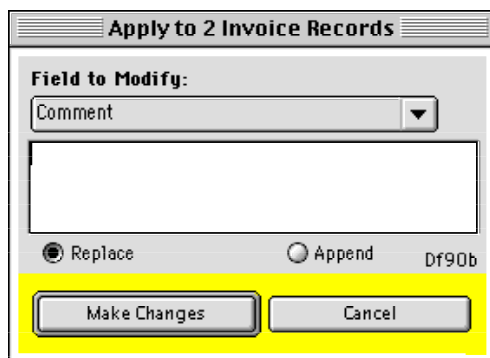
FIGURE 3-9. "Apply to..." Dialog screen where you specify a value to be saved with one or more records.

■

Search Screens

Search screens are a special type of Dialog screen where you select particular aspects of existing records as search criteria. Each file has its own set of Search screens customized for the information in that file. Search functions are accessed through each file's List screen.

Figure 3-10 shows the "Search by example" screen for Accounts. Here you specify the Account Number, Name, or other criteria stored with each record. The check boxes next to the search criteria determine which values are used in locating records.

FIGURE 3-10. The "Search by example" screen for Accounts.

Specifying Search Criteria

To the left of each entry field there is a popup menu that offers the six choices shown below.
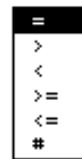
These choices correspond to "equals", "greater than", "less than", "greater than or equal to", "less than or equal to", and "not equal to". When the value specified is a number the meaning of these choices is self-evident.

When the value specified is a string of characters (which may include numbers) then the symbols "equal to" and "not equal to" mean "identical to" or "not identical to". The "greater than" and "less than" symbols refer to items that lie higher or lower than the indicated value in terms of the item's place in alphabetic order.

Remember the crucial difference between the ordering of alphabetic values and numeric values: alphabetic items are ordered according to their leading characters whereas numeric items are ordered according to their total value. For example, alphabetically the value "5000a" comes before the value "9x".

Wildcard

Use the wildcard character to specify a value that either begins or ends with a known series of characters. In 4th Dimension the wildcard character is the "@" sign, usually called the "at sign".

If you specify a value with a series of characters that ends in the @ sign, then the search will locate all items that start with the indicated characters. The @ sign is not included in the search, but is rather a signal to the application that it should locate occurrences that include anything in place of the @ sign.

If you specify a value with a series of characters that starts with the @ sign, then the search will locate all items that end with the indicated characters. In this case the @ sign tells the application to locate occurrences that *end* in the indicated characters.

The effect of wildcards on various searches is discussed on page a.204 of the Administrator's Manual.

Matching Criteria

The "Match any criteria" and "Match all criteria" radio buttons in the lower right hand side of the screen determine whether the search should locate items which match any one or more of the indicated criteria, or only those which match all the criteria simultaneously.

All Search screens have four options:

• Replace the current selection (the previously displayed records) with the located records,

- Add the located records to the current selection,
- Subtract the located records from the current selection,
- Search the current selection for those meeting given conditions.

When you press the **Search** button, the system scans the records in the file, locates those that satisfy your criteria, performs the indicated action, and displays the resulting selection.

■

Sort Operations

Sort Dialog

Each list screen has a button labeled Sort that opens a Sort dialog. In this dialog you can specify up to three sort criteria that determine the order in which the displayed items are shown.
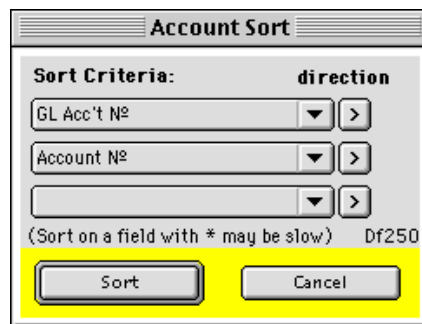
FIGURE 3-11. The Account Sort dialog has the same layout as all sort dialogs.

Select a field from the Sort Criteria pop-up menus. The order in which the fields will be sorted goes from top to bottom. If you select multiple fields, then the displayed records will first be sorted according to the top-most criteria.

Groups of items that have the same values at the highest sort level will be sorted within the group using the second sort field, if one is specified. Any items that have identical values in the first and second criteria will be sorted within the group using the third sort field, if one is specified.

The ">" and "<" buttons appearing to the right of the sort fields indicate whether the sort is to be done on ascending (>) or descending (<) order.

The sort fields appearing in the sort pop-up menus will differ according to the items you are sorting. The sort order you select will be remembered by the system until you exit the user area. If you change the selection of displayed items, using the Search, Focus, or Set options, the new selection will continue to be sorted according to the criteria you indicated.

In most cases, if you print a report that lists items in the current selection, the items will appear in whatever order you have sorted them on-screen.

Slow Sorting

Sorting on multiple sort criteria can be time consuming. If you specify multiple criteria and then change the selection to include a large number of items, the multiple sort might take a long time to complete. If this happens and you don't want to wait, then cancel the sort and the records will be displayed in the order in which they were created. The multiple sort criteria you select will be applied the next time you change the selection.

Quick Sort

In addition to the Sort Dialog many screens also provide Quick Sort buttons. These are the small triangular buttons that appear below columns on list screens.

Clicking these buttons will immediately sort the selection on the indicated column in ascending (up triangle) or descending (down triangle) order.

Quick sort ordering replaces whatever previous ordering you selected through the Sort Dialog. Quick sort ordering is only done on a single column value. No second and third level ordering is performed. The quick sort ordering is remembered, just like the ordering specified through the Sort Dialog.

■

Set Operations

A set is an unordered collection of records from a particular file. 4th Quarter allows you to store sets in special set documents that are stored on disk. The important point to remember about sets is that they store only the locations within the data file of the records they contain. Because they do not store any actual data, sets cannot be used to archive information.

Sets allow you to perform the following familiar operations:

- Union: locating a selection of records from the combination of two sets.

- Intersection: locating a selection of records that consists of records that are present in two different sets

- Difference: locating a selection of records consisting of those records that are present in one set but not present in another.

These operations can be visualized using Venn diagrams. Each dot in following diagram represents a record in some table of your database. Each of the circles in the following diagram encloses some group of records. The result of the set operation in the left diagrams is pictured on the right.
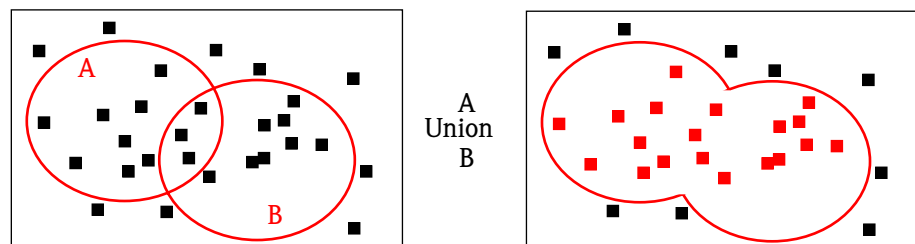
FIGURE 3-12. The union of two sets creates a new set whose records contain all the records that were in either of the previous two sets.
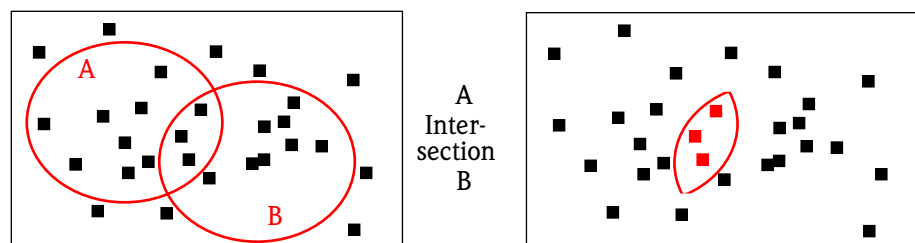
FIGURE 3-13. The intersection of two sets creates a new set whose records contain all the records that were in both of the previous two sets.
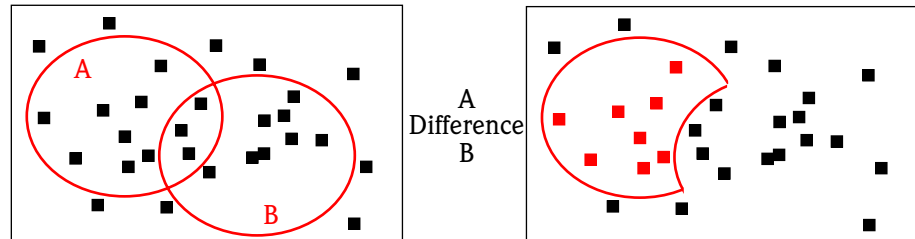
FIGURE 3-14. The difference of two sets creates a new set whose records contain all the records that were in the first of the previous two sets and were not in the second.

When you create a set, the system records the locations of the records in the current selection in the set document. When you restore a set, the system reads the record locations from the set document and displays these records in the current selection. If records have been deleted since the set was created, they will not be found at the recorded locations. If records have been modified since the set was created, the most current information will be found. It's even possible that newly added records will be located if they have been stored at the location of previously deleted records.
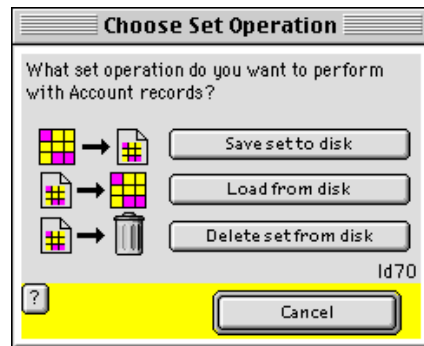
FIGURE 3-15. The Sets Dialog.

Because sets contain references to the location of information, rather than the information itself, sets can be relied upon only for short term reference.

Set operations are performed through the **Sets** button located on each file's List screen. The Sets Dialog, shown in Figure 3-15, gives you the choice of:

• Saving the current selection in a set document on disk,

- Replacing the current selection with a set stored on disk,
- Deleting a set document.

■

Shortcuts

Keyboard Shortcuts

The following key combinations will activate the corresponding buttons whenever these buttons are visible. In addition, any button encircled with a heavy outline will be triggered when the **Enter** key is pressed.

TABLE 2-1. Standard Keyboard Equivalents

Key		Button or Menu Item Label	Action indicated
Win	**Mac**		
Ctrl+N	⌘ **n**	**Add**	Add a new record.
Ctrl+G	⌘ **g**	**Apply to...**	Apply indicated change to selected records.
Ctrl+.	⌘ **.**	**Cancel**	Cancel action; return to the previous screen.
Ctrl+ Alt+Del	⌘ **Opt + Del**	**Delete**	Delete the currently selected record.
Ctrl+F	⌘ **f**	**Focus**	Replace the selection with highlighted records.
Ctrl+M	⌘ **m**	**Modify**	Modify an existing record.
Ctrl+>	⌘ **>**	**Next Record**	Move to the next record in the selection.
Ctrl+<	⌘ **<**	**Previous Record**	Move to the previous record in the selection.
Ctrl+P	⌘ **p**	**Report**	Display a list of reports available for printing.
Return	**Return**	**Return**	Return to the previous screen.
Ctrl+E	⌘ **E**	**Search by Example**	Open the Search by Example dialog for the current table.
Ctrl+1	⌘ **1**	**Select**	Select the highlighted record; return to the previous screen.

4Q Core

TABLE 2-1. Standard Keyboard Equivalents

Key		Button or Menu Item Label	Action indicated
Ctrl+U	⌘ u	**Sets**	Display options for handling sets of records.
Ctrl+L	⌘ l	**Show All**	Display all records in the current table.
Ctrl+S	⌘ s	**Sort**	Display options for sorting current selection.
Ctrl+T	⌘ t	**Total**	Total all the values in the current selection.

■

Abbreviations

4th Quarter uses the following abbreviations for accounting terms.

TABLE 2-2. Abbreviations

AR	Accounts Receivable
AP	Accounts Payable
BOM	Bill of Materials
CD	Cash Disbursement
Cr	Credit
CR	Cash Receipt
Dr	Debit
GL	General Ledger
FY	Fiscal year
PO	Purchase Order
RD	Receipts/Disbursements
YTD	Year to date

CHAPTER 4

Chart of Accounts

This chapter describes the Chart of Accounts. This includes accounts used on the GL (GL accounts) and accounts shown on journals (journal accounts).

Chart of Accounts

The Chart of Accounts has a two-level structure consisting of General Ledger accounts and accounts subordinate to them. General Ledger (GL) accounts must be defined before accounts. The balances associated with GL accounts, and only those balances, are used to generate financial reports. GL balances are changed only by posting transactions to the General Ledger.
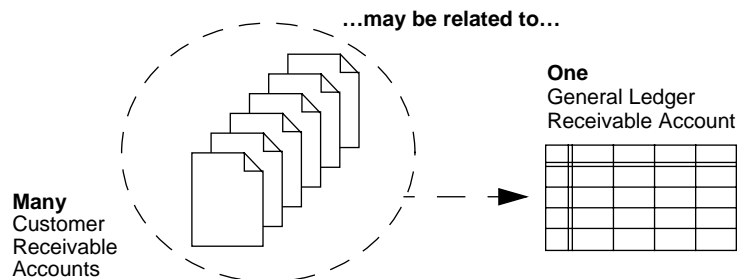
FIGURE 4-1. Many accounts can be related to a single GL Receivable account.

∎

Flow of Data

Account records store primary accounting information. The balances of these accounts are directly affected by transactions.

Accounting transactions occur through journal entries, sales, purchase, cash entries, invoices o PO's. They are also generated by various administration functions such as period closing, item assembly, finance charges and others.

Account balances update as transactions are entered.

GL account balances are only updated the transactions are posted in batch. GL account balances do not updates in real-time. Posting brings GL balances up to date so that they are in agreement with their subordinate accounts.

-FR, trial balance, and audit statements are derived from GL accounts. Journal reports, account statements are derived from account records.
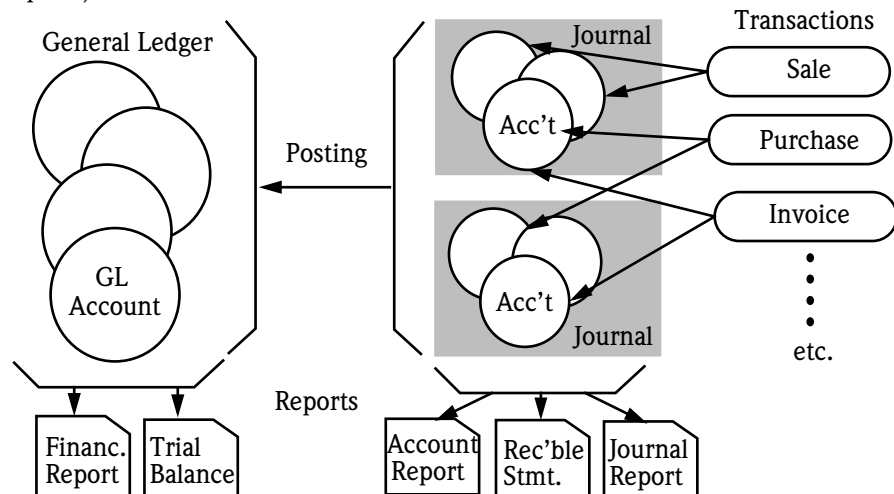
FIGURE 4-2. Flow of data from transactions, to accounts, to GL accounts.

■

General Ledger Accounts

GL Account List

Accounts & Related
GL Accounts
Add Account

GL accounts are accessed through the **Chart of Accounts** pop-up menu on the Control screen. They can also be accessed from the **GL Accounts** menu appearing above the Accounts List screen.

FIGURE 4-3. The GL Account List screen.

Searching
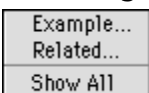
Example...
Related...
Show All

The items above the line on the Search... pop-up menu open screens in which you specify search criteria. The "Show All" item below the line acts as soon as it's chosen.

Example Search

The Example... search opens a screen in which you specify some combination of the criteria shown in Figure 4-4. Mark the check boxes on the left side of the screen adjacent to each criteria that you want to match. Use the pop-up menus next to the entry fields to specify the type of search you want performed. Refer to the section entitled "Search Screens" on page 49 for a description of how to specify search criteria.

The "any" or "all" radio buttons on the lower right determine how your search criteria are applied. The radio buttons in the "Search and..." area at the bottom of the screen determine how the items found affect the items previously displayed in the GL Account list.

FIGURE 4-4. The GL Account Search by Example screen.

Related Search
Mark the items you want to include in your search. Select the values from the pop-up menus. Set the Number of Accounts radio button to indicate to the number of accounts that you want to be associated with the GL accounts that you are looking for.

In this search the criteria you specify are inclusive. That is, the search will look for GL accounts that satisfy all of the criteria you specify.

If you are looking for GL accounts that satisfy one or the other of these criteria, then you must search on each criteria separately and use the Add To radio button each time to add the located GL accounts to those found previously.

FIGURE 4-5. The GL Account Related Search screen.

∎

GL Account Entry   You can create GL accounts from the GL Account List screen. You can also create GL accounts from the Accounts List screen. This is done by selecting the **Add** item appearing on the GL Account menu located on the menu bar above that screen.

FIGURE 4-6. The Basic Info page of the GL Account Entry screen.

Create GL accounts according to your financial reporting needs. Each GL account can appear as a line item on any of 4th Quarter's customizable financial reports. For example, if you want Wages Payable to appear as a liability, you'll need a Wages Payable GL account.

Every GL account is assigned one of ten basic accounting categories:

TABLE 2-3. GL account categories.

Category	1st character	Debits	Credits
Current Asset	1	increase	decrease
Long-term Asset	2	increase	decrease
Current Liability	3	decrease	increase
Long-term Liability	4	decrease	increase
Equity	5	increase	decrease
Revenue	6	decrease	increase
Income	7	decrease	increase

Category	1st character	Debits	Credits
Cost	8	increase	decrease
Expense	9	increase	decrease
Pass through	0	funds out	funds in

Every account is of one of these types. The type determines the first character of the GL Account Number, which ranges from 0 to 9. You are free to assign the 2nd through 5th characters of the GL Account Number.

Asset, Liability, and Equity are standard accounting categories. The distinction between Revenue and Income is that of operating versus nonoperating sources of funds. Similarly Cost tracks operating outlays while Expense accounts track non-operating outlays.

"Pass Through" is a category used by 4Q to designate funds held temporarily but not owned. This includes monies held in escrow and payments collected for third parties. Pass Through GL accounts do not appear on any financial statement. Transactions involving Pass Through accounts can involve only other Pass Through accounts; they cannot affect non-Pass Through accounts. All Pass Through account numbers start with the character "0".

Journal Settings

Each GL account is assigned to a journal, and all accounts related to a given GL account are assigned to the same journal. If you change the journal indicated on a GL account, then all of the related accounts will move to the new journal.

The Cash, AP, and AR features of the program only apply to accounts listed on these journals. For instance, a GL account must be linked to a receivable journal in order to identify its accounts as receivables accounts. If the GL account is not linked to a receivables journal, the accounts will not be listed on the receivables journal and will not support funds allocation, aging reports, and other functions of receivable accounts.

Journal Reports

All journals support audit reports while payables and receivables journals also support aging reports. These reports can be set to display different accounts and dif-

ferent levels of transaction detail. The **List Accounts...** setting, on the GL account entry screen, sets the level of detail shown on these reports.
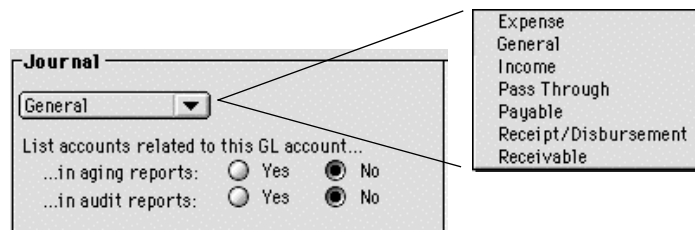
FIGURE 4-7. GL journal report setting buttons in GL entry screen.

Aging Report

In an aging report, if you want to include each account of a particular GL account on a separate line, then set the radio button labeled "List accounts associated with the GL account in aging reports" to **Yes**.

When this radio button is set to **No**, the aging report aggregates all accounts of this GL account in a single item across all aging columns. That is, when the option "No" is selected the aging report will sum the aged amounts for all accounts under this GL account. These aged totals will be displayed as single totals for each period.

The setting stored with the GL account can be overridden when you actually print the aging report. At that time you can set the report to detail all accounts, summarize all accounts, or display the detail indicated by the setting stored with the GL account. Configuring and printing aging reports is discussed in detail in the section entitled "Aging Report" on page 316.

Audit Report

In the audit report, if you want to display the totals credited and debited to the accounts of a particular GL account, then set the **list accounts associated with this GL account in audit reports** to **Yes**. If this is set to **No**, then the audit report summarizes all contributions to this GL account on a single line.

This setting can be overridden at the time the audit report is printed, just as this can be done with aging reports. Configuring and printing audit reports is discussed in detail in the section entitled "Audit Report" on page 308.

Account References: the Update Accounts button
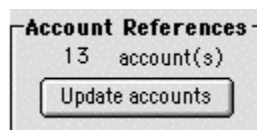
Account records store the numbers of the GL accounts they're related to. When you change the GL account number the references stored with the related accounts need to be updated to reflect this change.

Account updating is done automatically when you change the GL account. The **Update Accounts** button enables you to do the same thing manually. We've given you this option for two reasons:

- Updating the accounts may have taken too much time and the user who made the original change may have terminated the update process before it could update all accounts.

- If some accounts were in use by another user when the update process originally ran, then they would be locked and would not be updated. The process would need to be rerun in an attempt to complete a full update of all related accounts.

Should the updating fail to at a particular account, either because it's locked or because you have aborted the updating process, a note will be stored with the GL account informing you that the GL account number was changed and account updating remains incomplete. You can attempt to perform the update at any later time.

The **Update Accounts** button is only enabled when you have made a change to the number of an existing GL account.

History Graph

To see the last 5 years of GL account history press the **History** button on the Basic Info page on the GL entry screen. This takes you to the following graph screen that displays a multi-year, monthly summary.
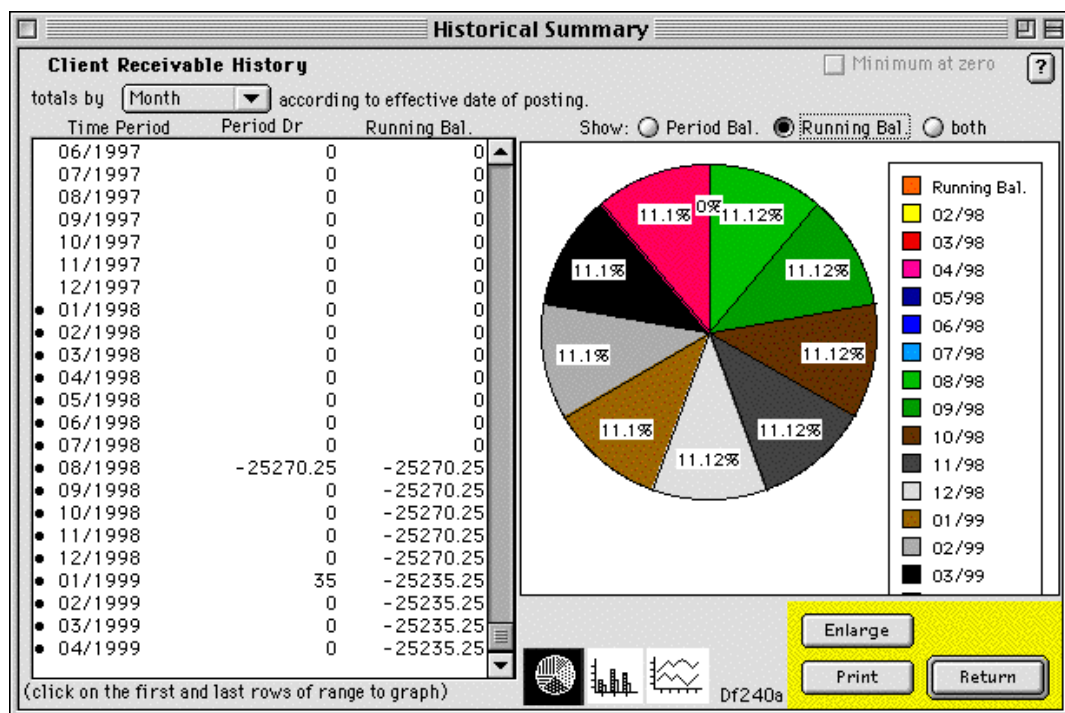
FIGURE 4-8. GL history screen for the Customer Receivable account

The date table on the left has three columns that show the time period (month, quarter, or year), the total of item posted in the period, and the running balance. Above the table is a popup menu where you can set the period summarized by each row.

Select a date range by clicking once on the row at the beginning of the range, and click a second time on the row at the end of the range. A bullet will appear next to each row in the range, and a graph will appear on the right.

Graph variables and graph display

On the right is the graph area which displays the balance in the chosen range. Above the graph area are three radio buttons that determine which historical balance figure is graphed. If you click on the **Period Balance** button, then the graph displays the period balance as a function of the period. If you click **Running Bal–**

ance, the running balance is graphed. If you click **Both,** then both quantities appear in the graph area.

The picture buttons below the graph allow you to choose to display the information in pie, bar, or line chart form. When graphing two variables, only the bar or line chart forms are available.

If you click on the **Enlarge** button, the graph will expand to fill the whole window. If you press the **Print** button, both the graph and the selected values in the table will be printed.

Also above the graph area is a check-box labeled **Minimum at Zero**. If you check this, then the scale on the graph's vertical axis starts at zero; if this is unchecked, then the scale is determined by the range of values that are graphed. The "Minimum at Zero" feature is useful when comparing different graphs or graphs of different ranges.

■

Options Page

Default Account Values

When a new account is assigned to this GL account, it will inherit the following account settings stored with the GL account. These settings do not control the behavior of the GL account, but act as a template that determine the settings assigned to new accounts.

Recall that when you create a new account you must select its GL account. 4th Quarter will then apply these settings to the new account and display them in the account entry screen.

FIGURE 4-9. The Options page of the GL Account entry screen.

The settings do not apply retroactively — their modification will not affect the settings associated with existing accounts. Except for the assignment of the equity account, these settings are described in the section "Account Options" on page 86.

- Active

  GL Accounts can be set as active or inactive. At various places in the program you can limit GL Accounts shown or included in reports on the basis of whether or not they are active.

- Link to equity accounts:

  You must assign an equity account if the GL account is an income, revenue, cost or expense type account. You can direct the equity account setting to apply retroactively if you want. When applied retroactively the equity account assignment will be reassigned to every account of the current GL account.

- Restricted access

- Tax liability

- Sales tax account

- Automatic allocation

- Interactive monitoring of balance levels

- Threshold values to use when monitoring

Account Links

The user can link accounts to other files in the database. This is usually performed automatically, such as payroll accounts being linked to employee records. However, you can also manually link an account to a record in another file. The actual linking process is done in the account's entry screen.
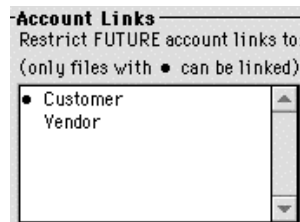
FIGURE 4-10. GL entry screen list of files that can be linked to related accounts.

The GL account entry screen displays a list of files whose records may be linked to related accounts. Clicking on a file name marks it with a bullet, which indicates that its records can be linked to accounts of this GL account. If a file is not bulleted, then the user will not be able to establish a link between the account and the record of the indicated file.

You can change these settings at any time, but the settings will only affect new accounts of this GL account — existing links between accounts and related files will not be affected.

■

Accounts Page

Click on the Accounts tab to view a list of the accounts currently linked to the GL account. If this is a new GL account, then the list will be empty. You can create and modify accounts from this screen.

Accounts that you create from this page are not saved until you save the GL account record in which you are working. If you press the **Cancel** button in the GL account entry screen, then any changes you have made to the list of related accounts will be discarded.

FIGURE 4-11. The Accounts page of the GL Account entry screen.

Limited Account Entry

Accessing accounts from this location using the Add or Modify buttons opens the Limited Account Entry screen shown in Figure 4-12. This is not the same as the Account Entry screen. This screen is more limited in its function. If you need access to all aspects of the account records, then you must use the accounts through the Account Entry screen accessed through the Accounts List area described on page 83.

FIGURE 4-12. The Limited Account Entry screen accessed from the Accounts page of the GL Account entry screen.

■

Budgets Page

Click the Budgets tab to access budgeting for the current GL account. Budget figures are only kept for GL accounts. Budgeting is not performed for individual accounts.

4th Quarter maintains two independent budget sequences for each GL account. A budget figure is kept for each GL period, however you've defined your periods. If you are using monthly periods, then there are 12 budget periods per year. If you are using 4-week periods there are 13 periods per year. (GL accounting periods are set by the Administrator through the Maintenance screen, see page a.47 of the Administrator's Manual).

Budgets are displayed on a calendar year basis. The first budget period is always the first period in the calendar year. The system retains budget figures three years into the past and two years into the future. Old budget figures are erased when the Fiscal Year is reset.

You can set the net budget amount for each period and you can set the initial budget value for each calendar year. The budget amount is interpreted as a debit for asset-type accounts and a credit for all other types of accounts.

Unlike real account balances, initial budget balances are independent from year to year. Each year's initial balance defaults to a zero unless set otherwise. Cumulative budget values are always calculated from that's year's initial budget balance.

Initial budget values for the year shown are entered in the "Year's balances start at:" fields on the entry screen. You can also set the initial balances according to the **Options#1** and **Options#2** buttons described below.

#	Period End	Budget#1	YTD#1	Budget#2	YTD#2
01	1/31/99	60,000	120,000	50,000	100,000
02	2/28/99	61,200	181,200	51,000	151,000
03	3/31/99	62,424	243,624	52,020	203,020
04	4/30/99	63,672	307,296	53,060	256,080
05	5/31/99	64,945	372,242	54,121	310,202
06	6/30/99	66,244	438,487	55,204	365,406
07	7/31/99	67,569	506,057	56,308	421,714
08	8/31/99	68,921	574,978	57,434	479,148
09	9/30/99	70,299	645,277	58,582	537,731
10	10/31/99	71,705	716,983	59,754	597,486

FIGURE 4-13. The budget page of the GL Entry screen.

Budget Year

You can view budget values for the six consecutive years shown on the Year pop-up. Selecting an year from the pop-up displays the budget values for that calendar year. New years are added and past years are removed when the Administrator updates the Fiscal Year starting date.

Reverting to Saved Values	Pressing the Revert to Saved button returns the budget values to those that were previously saved for the year being displayed. Revert To Saved only acts on that year that is displayed. Once you press the **Enter** button all budget changes are saved to disk. If you press the **Cancel** button, then all budget changes are discarded.
Starting Each Year's Budget	Each budget of each year starts at some indicated value and then changes according to the budget value set for each consecutive period. Type the year's starting value in the "Year's values start at…" fields for either budget#1 or budget#2. Instead of typing a value directly you can use the **Options** buttons to look up the values from previous years.
	After you enter a starting value and move the cursor out of the starting value field the corresponding budget's Year to Date figures will immediately update. The starting value will not affect the budget amounts in the budget periods. The budget amounts in the budget periods are the values that are *added to* the previous period's budget.
Copying Previous Year Values	The **Options#1** and **Options#2** buttons enable you to set the initial balances for either budget #1 or budget #2 according to previous year budgets. Pressing either of these buttons asks you if you want to set the initial year's value to either the initial or the final budget balances of the previous year.
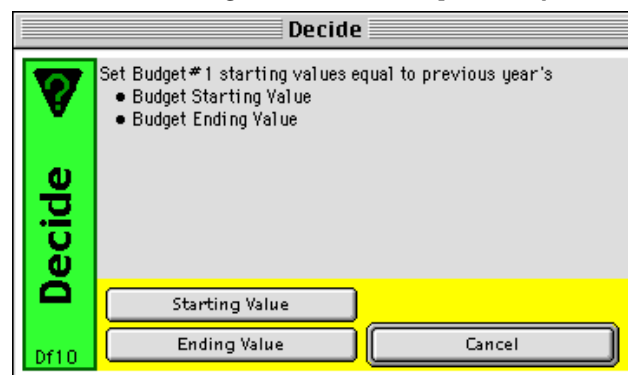
FIGURE 4-14. Two choices offered by pressing the budget **Options** buttons.

If you first press **Options#1** and then press **Starting Value**, the starting budget value for the previous year will be used as a basis for the current year's budget. The values in the YTD#1 column will immediately reflect this change. The values in the Budget#1 column will not change.

Entering Budget Values

You can enter and modify each period's budget values independently. Click the mouse to place the cursor in each of the budget fields and type in the desired budget value.

The four radio buttons in the Update Budget area provide different means for setting either of the two budget values. Set the radio button to the desired action and press one of the two the Apply Command to... buttons. Pressing **Budget#1** will perform the indicated budget update action on budget#1. Pressing **Budget#2** will do the same for budget#2.

Note that before using the *Compound values by…* or *Multiple each by…* functions you must first have some values in each of the budget periods. Use the *Copy first value* function to set the initial values.

The radio buttons in the Update Budget area perform the following actions:

- *Copy previous year's values*

  This will lookup the values of budget 1 or 2 from the previous year and use them to overwrite the current values.

- *Compound values by...*

  This will perform a periodic compound interest calculation to each of the currently displayed budget values.

  To use this feature you must first enter a compound% amount. The budget value in the first period will be increased by this percent. The budget value in the second period will be increased by this percent squared. The third period by this percent cubed, and so on.

- *Multiply each by...*

  This will perform a straight multiplication of each budget value by the indicated percent. The same percent will apply to each period's value.

- *Copy first value*

  This will simply copy whatever value has been entered for the first budget period down to all other budget periods for the currently displayed year.

- *Copy from … (other GL Account budget)*

  Select another GL Account from the popup menu. Then press the **Budget#**1 or **Budget#2** buttons to copy the corresponding budget from the specified account to the currently Account for the displayed year.

Printing the Budget

Pressing the **Print** button gives you the option of printing the budget values for the year that is displayed or for all years. The values can either be printed to paper or to disk.
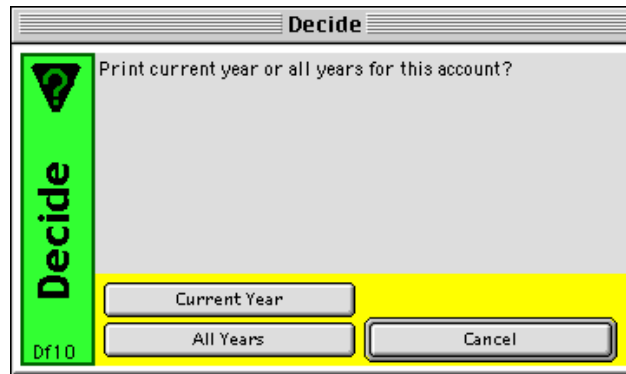
FIGURE 4-15. Budget printing choices in the GL Account entry screen.

The budgets for multiple accounts can be printed from the GL Account list screen by displaying the accounts whose budgets you want to print in the current selection. The press the **Report...** button and select the GL Account Budget report.

Budgets can also be displayed for any period or date and for any account or combination of accounts by assigning them to columns in a financial report template.

Financial reports are the recommended method of printing budget information. You can create a template that reports only budget values for any set of GL accounts over any period. For details see "Financial Reports" on page 319.

■

Departments

4th Quarter keeps a file of Department records. Each Department is assigned a Name and a three-numeral Code.

A GL account may be related to a Department. When a GL account is related to a Department, it inherits the 3-digit Department Code. The Department Code determines the 6th through 8th numerals of the GL account number. If a GL account is not assigned a Department, the GL account number has zeros in the 6th through 8th places.

4th Quarter uses Departments to group GL accounts. You can print audit reports, Trial Balances, and financial reports limited to one Department. You can also search for, examine, and report on GL accounts related to a specific Department.
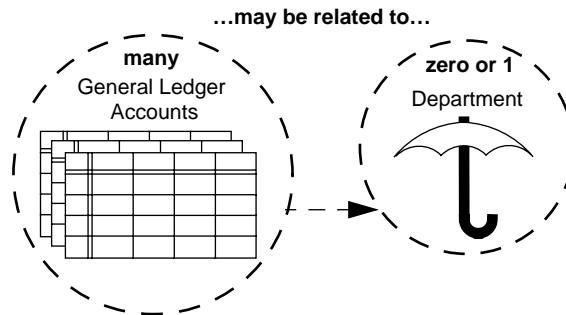
FIGURE 4-16. Many GL accounts can be covered by a Department.

Departments are accessed through the General Ledger Accounts page of the Administrator's Maintenance screen.

■

Department Access

Departments are created at the time the system is setup and they are rarely modified. Adding, modifying and deleting departments can only be done by the Administrator through the GL Accounts page of the Maintenance screen. For details refer to "Departments" on page a.48 of the Administrator's Manual.

■

Profit Centers

4th Quarter has a file of Profit Centers, each having a Name and three-numeral Code.

GL accounts may be related to a Profit Center, and when this is the case the account inherits the 3-digit code. The Profit Center Number determines the 9th through 11th numerals of the GL account number. If a Profit Center is not assigned to a GL account, then the GL account number has zeros in the corresponding places. GL accounts are uniquely identified by their eleven-digit numbers. No two GL accounts can have the same number.

4th Quarter uses Profit Centers in the same manner it uses Departments, as a way to help you group GL accounts. You can print audit reports, Trial Balances, and financial reports limited to one Profit Center.
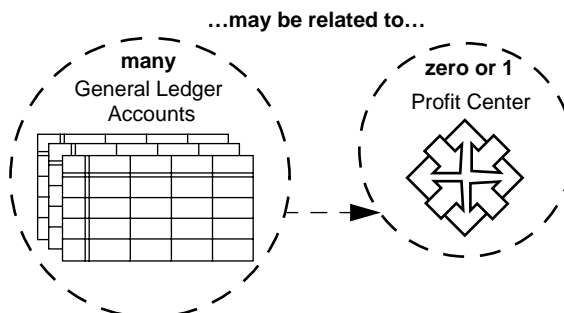
FIGURE 4-17. Many GL accounts can be related to a Profit Center.

Profit Centers are accessed through the Related Items menu which appears above the **Accounts List** screen. The **Accounts List** screen is accessed by selecting the **Accounts & Related** item from the **Chart of Accounts** pop-up menu on the Control screen.

■

Profit Center Access

Profit Centers are created at the time the system is setup and they are rarely modified. Adding, modifying and deleting profit centers can only be done by the Administrator through the GL Accounts page of the Maintenance screen. For details refer to "Profit Centers" on page a.50 of the Administrator's Manual.

Journals

Every GL account must be listed on a Journal. 4th Quarter supports seven Journal types:

Expense

Income

General

Payable

Receivable

Receipt/Disbursement (Cash)

Pass Through

The program initially contains a journal of each type. You can change the names of these journals and you can add other journals. Any journal you create must be assigned one of these types.

Accounts on the Payable Journal and the Receivable Journal appear in the Accounts Payable and the Accounts Receivable areas of the program. Accounts on the Receipt/Disbursement Journal appear in the Cash Accounting area of the program. Journals are discussed further in the chapter titled "Journals" on page 291.
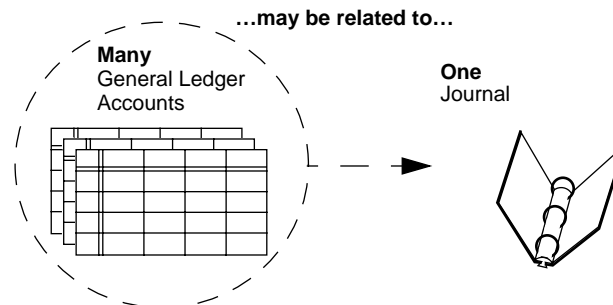
FIGURE 4-18. Each GL account must be assigned to a Journal. A Journal contains many GL accounts.

■

Accessing Journals   Journals are created at the time the system is setup and they are rarely modified. Adding, modifying and deleting journals can only be done by the Administrator

through the GL Accounts page of the Maintenance screen. For details refer to "Journals" on page a.57 of the Administrator's Manual.

Certain types of GL accounts are restricted to certain types of journals. For instance, only Expense type accounts can appear on Expense type journals; only Asset type accounts can appear on Receipt/Disbursement (Cash) journals.

■

Specifying an Equity Account

When the year is closed the balances in expense and income accounts are moved to equity accounts, such as a Retained Earnings account. Each expense or revenue-type account can be linked to a different equity account.

You can set the equity account that is to be used for new or existing accounts by checking the **Link Journal's Accounts to Equity** check-box and selecting and equity account and selecting the **New Accounts** radio button. This equity account will be linked to any new GL accounts or any new accounts created and associated with this journal.

If you select an equity account and click on the **New & Current Accounts** radio button, then the indicated equity account will be reassigned to all accounts on this journal when you press the **Enter** button. This will overwrite whatever equity accounts were previous set in this journal's accounts.

■

Accounts

Each GL account can have any number of accounts associated with it, and every account must be associated with one GL account. Transactions move funds to and from accounts; all accounting influences act through accounts. Every accounting entity, from Customers to Taxes Payable, must have an account.

Account balances are updated as transactions are entered. This contrasts with GL accounts, which are updated only when transactions are posted. While account balances are always up to date, they are subject to revision because unposted transactions can be modified.

Unusual Account Record Handling

The account table, like the inventory table, is handled in an unusual manner. Access to records in other tables in 4th Quarter is handled on a first-come, first-served basis. That is, the first person to open the record in the entry screen has complete access to the information. No other user can make changes to the record until the first user completes their modifications.

This way of handling records is not practical for accounts because it could prevent the entry of transactions since these records need to change account balances when their components are processed.

To support the concurrent access to inventory, 4th Quarter handles the inventory using a technique called "optimistic record access." This means, in effect, that the many users can have access to the record at the same time and it is the changes made last that are reflected in the data that is stored.

As a result of this, one user can have an account record open in the entry screen and, at the same time, other users can be entering transactions that affect this account's balance. This is it must be, and this presents no problems.

However, it is also possible to have the situation where two users open the account record entry screen at the same time, on different computers. Both users will think that they have access to the record but, in fact, both users are only working with temporary copies of the record. In this case, the user who saves their entry last is the user whose changes are stored in the datafile. This situation happens rarely, and this is why this record handling technique is called "optimistic".

Access to Accounts

Accounts & Related
GL Accounts
Add Account

Accounts are accessed through the **Accounts & Related** item on the **Chart of Accounts** pop-up menu on the Control screen. The Account List screen is displayed. The screen is initially blank. To view accounts select a criteria from either the **Accounts of Type...** popup, or the **Search** popup.

All accounts are related to a General Ledger account. Whenever you create a new account, you must specify the General Ledger account it's associated with.

FIGURE 4-19. The Account List screen accessed from the Control screen.

From the Account List screen you can create, modify and delete accounts. Accounts can only be deleted if two conditions hold:

- Account must have a zero balance.
- Account setting in the maintenance screen allows for account deletion.

Whenever accounts are deleted an archive record is created in the database. This list of archived accounts can be accessed by the Administrator to determine when the account was deleted, by whom, and what GL account it was related to.

Access to archived accounts is through the Archive page of the Maintenance screen. Refer to "Account Archiving" on page a.112 of the Administrator's Manual for more information.

■

Searching

You can locate accounts using either the "Accounts of type…" pop-up menu or the "Search…" pop-up menu. Selecting a type from the "Accounts of type…" pop-up immediately affects the current selection according to whether the Replace Selection or Add to Selection radio buttons have been chosen.

Example Search

The Search… pop-up provides access to three detailed search specification screens. In the Example… screen mark the items you want included in your search by clicking on the check boxes at the left. Specify the search values in the corresponding entry fields and the way the value is to be used by selecting from the adjacent pop-ups (refer to "Search Screens" on page 49 for more details).

FIGURE 4-20. The account Search by Example screen.

Select either the "any" or the "all" matching criteria and one of the radio buttons from the "Search and…" area. Then press the **Search** button.

GL Account Search

The "GL Account…" search options opens the GL Account List screen. Locate GL accounts using the search tools available here. Highlight the GL accounts you're interested in. Then press **Select**. The system locate all accounts related to the selected GL accounts.

Account Type Search

The "Account Type…" item opens the Search by Type Criteria dialog. This operates much the same way as the Search by Example screen mentioned above. Check the items you want included in the search. Specify the criteria and press

Search. In this screen the criteria you indicate are applied inclusively. That is, the system looks for accounts that match all the specified criteria, not just one or two.

FIGURE 4-21. The account Search by Type screen.

■

Account Entry

Press the **Add** button to create a new account, or the **Modify** button to edit an existing account. You can also create and edit accounts from the Accounts page of their related GL account. Refer to the section entitled "Accounts Page" on page 69 for more details.

A shortcut for creating accounts is to highlight an existing account that is related to the GL account you want your new account to be related to. Press the **Add** button and a blank account entry screen appears with the indicated GL account already assigned.

FIGURE 4-22. The first page of the account entry screen. The parent GL account is specified at the bottom of the screen.

Independent Properties

Accounts are identified by a name, number, and suffix. The name can be up to 40 characters. The number is a one- to six-character label, and the Suffix is a zero- to 3-character label. Each part can include letters and numbers.

The number and suffix make up the account's label. The nine possible label characters, together with the eleven characters of the GL account label, constitute the full account reference. The combined GL and account numbers must be unique for every account. Since every GL account has a different label, this means accounts related to the same GL account must also have different labels.

Accounts can be marked as active or inactive. An account's active status is independent from the active status of its parent GL Account's active status, though usually if a GL Account is inactive, then all of its related accounts will also be set to be inactive as well.

Accounts carry other properties, including links to other files, and fields labeled Name on Check, Attention, and Restricted Access status.

The Name on Check field is used for expense accounts to which checks are written. This name is used when an account is the first one specified on a check. In that case the Payee field if the check is automatically assigned the value stored in the Name on the Check field. The user entering the check can overwrite this value at the time the check is being entered.

The Attention field is hold up to three characters and can be assigned to an account from almost any location. It provides users with a way to assign thousands of different 3-character code values to mark accounts for special attention or further processing.

An account assigned a Restricted Access status can be viewed or modified only by users who belong to the "Restricted Access" group. These and other account properties are discussed in detail below.

GL Dependent Properties

Accounts inherit all the properties of the GL account they are linked to. That is to say that all the accounts linked to a GL account will inherit the account type, journal, department, and profit center assigned to the GL account. In fact, the only way to assign these properties to an account is to link it to a GL account which has these types.

GL accounts act as folders for the accounts related to them. The GL account specifies the type, journal, department, and profit center and all of the accounts "in its folder" share these properties.

Relations Between Accounts and Other Records

Most accounts are linked to other records in the database. For example receivable accounts are usually linked to a particular customer, payable accounts are usually linked to a particular vendor, and asset accounts often linked to inventory items. Accounts of this type are created automatically when the record they're linked to is created.

In some cases an account will relate to many other accounts. For example a sales account for a particular region may be related to all the customers in that region. A spoilage account may be related to many inventory items. 4th Quarter is so flexible that there is no way to enumerate all the different ways that accounts may be attached to other records in the database. Even without additional customization there are many different options.

You can also create accounts that are independent, that do not relate to any other records in the database. You create such accounts by entering them directly from the accounts List screen accessed through the Chart of Accounts pop-up. All of your internal accounts will be created in this manner. This includes your equity accounts, depreciation accounts, as well as certain liabilities and assets.

Independently created accounts can be linked to other files in the database.

Account Options

The following account settings are accessed by pressing the **Options** tab in the account entry screen.

FIGURE A0-1. The "options" page of the account entry screen.

Link to Equity Account button

The equity account specified here receives the account's current balance when a period is closed. Equity accounts are only used for transferring receivable and pay-

able balances. If the account is not a payable or receivable account, this setting is not used.

Restricted Access

Restricted access is a property of accounts and transactions. The details of accounts that are assigned restricted access are only accessible to users who are members of the "restricted access" group. In addition, restricted access accounts can only be added to, or included in, transactions by users with restricted access.

Automatic Allocation Check-Box

This check-box determines how funds are allocated to payable and receivable accounts. When an account is set to automatic allocation, then new debts entered to that account are automatically covered with available funds, and any new funds paid in are automatically used to cover existing debts. If automatic allocation is turned off for an account, then new debts are not covered with existing funds, and payments of new funds are not made available for use in covering existing debts. Although payable and receivable accounts indicate whether or not entries are to be allocated automatically, this setting can be overridden when you enter a transaction.

Monitoring Balance Levels

When the **Checking alert levels** option is turned on, the computer will check if proposed changes to accounts are within the balance limits specified with each account. The user is alerted when an entry would cause the balance to move beyond the indicated range. That is, the account balance is checked before the transaction is entered.

An account's recommended debit balance range lies between the upper and lower "notify" limits. Beyond these are the higher and lower "alert" limits. The system compares the resulting debit balance with the notify and alert limits and notifies you which limits, if any, are being exceeded. Transactions can still be entered even if they violate these limits.

The system tells the user which level is exceeded, along with a message associated with that level. The four messages are set in the maintenance area.
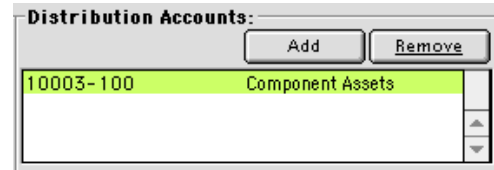
Notify and alert levels can be specified with GL accounts. These values are assigned to new accounts assigned to the GL account but do not affect any existing accounts.

Linking to a Record in Another Table

When entering a new account you can click the "Associate with" check-box and you'll be presented with a list of tables that account can be linked to. Once you select a table, you'll then be presented with a list of records in that table and you'll select a particular record. Once you press **Select** you'll return to the account entry screen where the selected record and table name will appear.

Distribution Accounts

Every account can be linked to a number of distribution accounts. This link to distribution accounts facilitates transaction entry by bringing in both the account and its distribution accounts when the account is specified as part of a general entry transaction.

For example, if the J.F. Turner company is a vendor of components that you manufacture, and most of the times when you enter a credit to J.F. Turner's payable account you debit the Component Assets account, then you can assign the Component Assets account as a distribution account for the J.F. Turner account. If this is done, then whenever you specify the J.F. Turner account in a component list, the Component Assets account is be added to the list as well. If distribution accounts are added that are unneeded, then they can be deleted.

Distribution accounts do not take the place of transaction templates. The distribution accounts have no associated debit or credit values. There is no further information stored except for the identity of these distribution accounts. There is only one set of distribution accounts for each source account. Note also that one account may be listed as the distribution account for many different source accounts.

Press the **Add** button in the Distribution Account area to get a list of accounts. Click on one or more accounts and press **Select** to add these accounts to the dis-

tribution account list. Highlight an existing distribution account and press the **Remove** to unlink this account from the source account.

The same distribution accounts that are managed in this fashion can also be added and removed directly from the transaction entry screen. This is done using the use of the small **Distribution** button whose icon looks like two links in a chain. For more information see the section titled "Distribution Button" on page 113.

Account Address

After the account is linked, you can press the **Address** button to specify an address. The account address is used on account reports, statements, and checks.

The address entry screen offers two ways to specify an address: linked or fixed.

- The account's address can be the address that's assigned to the associated record. In the case the account links to the address stored with the related record. In Figure Figure 4-23 the account is related to a customer record.

  A related address will only be available when the account is associated with another record.

- The account can be given it's own fixed address. If the account is not linked to any other record then only the fixed address will be available. The fixed address is stored with the account as a single block of text. You cannot search for accounts according to the information stored in their fixed address.

Use the radio buttons in the Account Address Entry screen to specify which address you want used for this account.

FIGURE 4-23. The account address screen.

If you select the Use Linked option, and there happen to be more than one address for the indicated record, then the system will display all of the related addresses. Highlight the address you want to use for the account and press **Select**.
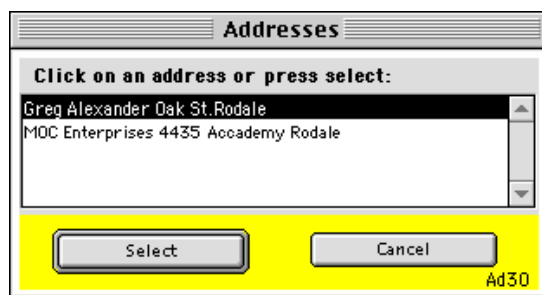
FIGURE 4-24. The Addresses selection screen showing two alternative addresses.

Accounts are normally linked to customers or vendors. This is done at the time the customer or vendor is created, or when the customer or vendor is changed to a type of customer or vendor that requires an account.

You can link a new account to a record in another table directly from the Account Entry screen. Do this by pressing the Associate with check box on the Options page of the Account Entry screen.
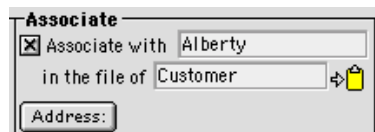
FIGURE 4-25. The Associate check box located on the Account Entry screen and used to link a new account with the address of a record in another table.

Selecting this check box opens a list of tables to which the account may be linked. The tables that the account may be linked to are stored with the account's GL account.

FIGURE 4-26. The Tables List dialog in which you indicate the table to which you want the account linked. Different tables will be available for different accounts as specified in their GL account record.

Highlight a table and press **Select**. This will open a list of records currently stored in the table that you've just indicated. Locate the record that you want the account linked to, highlight it and press Select. The account will then use the address that is stored with that record. If the record has multiple addresses, then you'll be asked to select one. If no address is stored with the record, then none will appear in the account address screen.

Finance Charges

The following finance charge settings are accessed through the account entry screen. The generation of finance charges is discussed in the section "Generating Finance Charges" on page 184.

Finance Rate

The finance rate shown here is only applicable to payable and receivable accounts. It is used to compute late charges on unpaid balances. The Last Finance Date field indicates the last day in the last period when finance charges were assessed on this account.

Finance charges are generated for payable or receivable accounts from the Payable Accounts or the Receivable accounts list screens. You reach these areas using the

Sales or the Purchases popup menus on the control screen.Once in the Receivable or the Payables Accounts List screen, you'll find the **Generate Finance Charges** item on the **Special Items** menu.

Finance charges are assessed on unpaid balances, charged at the rate stored with that account or specified in the finance charges screen shown below. Charges are assessed from the due date associated with each overdue entry, or from the last date when charges were levied, whichever is later. Charges are computed up to the current date, or any other date you specify.

Last Finance Date

The last date up to which charges were levied is stored with each account. This date is used to insure that the finance charges are not levied twice for the same period. Since finance charges are only assessed at your instruction, they compound at whatever intervals you choose.

Finance charges are determined by the specified monthly rate, multiplied by 12 to get an annual rate, and then divided by 365 to get a daily rate. This daily rate is applied to each overdue item according to the number of days since the item was due, or since finance charges were last assessed, whichever is later.

Finance charges will only be assessed on an account if it has no unallocated credits. That is, any customer who has credit that has not been allocated will not be assessed finance charges regardless of their debt. If you assess finance charges on a group of accounts, those with unallocated credit will be skipped.

Days Grace

The number of days grace set here is used when finance charges are assessed on overdue items. Items that are overdue by less than the number of days in the grace period are not subject to a finance charge.

■

Account History

Component History

To see the account's transaction history press the **History** button in the account entry screen. This will take you to a list showing transaction components that have affected this account.Use the **Search, Sort**, and **Hide** buttons to locate the components of interest.

This screen displays transaction components that have affected the current account. You can only edit the components item field, which is a string of up to 80 characters of text, or the transactions attention field.

To view a complete transaction, place your cursor in one of the enterable areas. Then press the **View** button. This opens a display-only window. Access transactions through one of the transaction areas if you want to make modifications.

FIGURE 4-27. The account transaction history screen.

History Graph

To graph an account's historical balance press the **History Graph** button at the bottom of the account transaction history screen. This will display the account graph screen, which shows the account balance at the end of the period for each of the last 5 years. You can choose whether the periods displayed are months (calendar or 4 weeks), quarters, or years.

This graph screen offers the same features, and is handled the same way, as described in "GL history screen for the Customer Receivable account" on page 66.
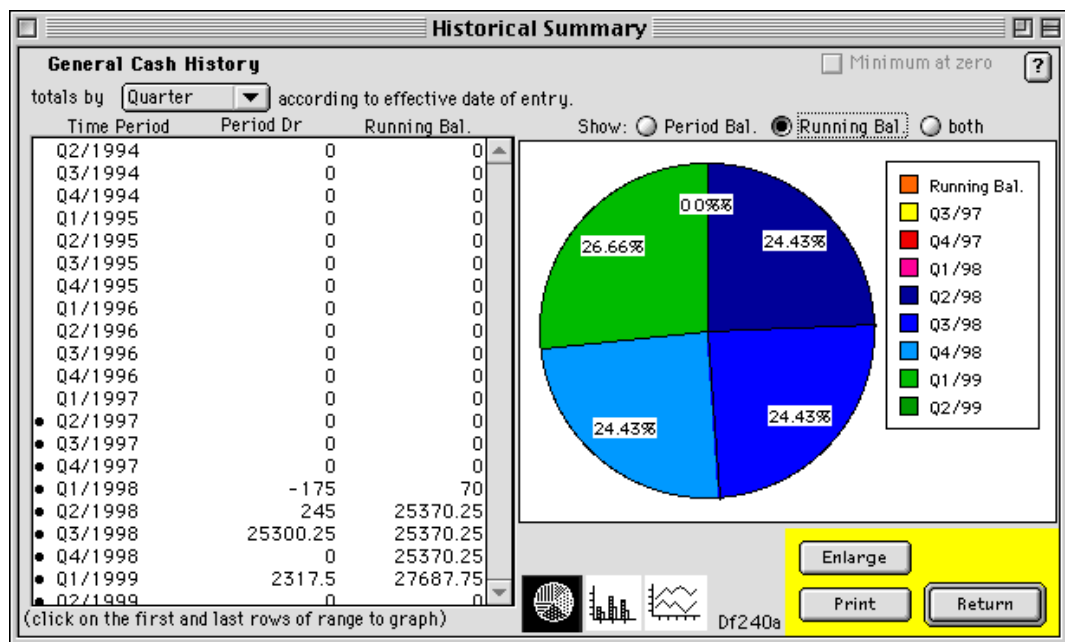
FIGURE 4-28. Account history graph can display up to 5 years of data by month, quarter, or year.

■

Reports

Accounts

The following reports are accessed through the **Reports...** button on the Accounts List screen.

Account Summary

A single-line summary of the accounts in the current selection.

FIGURE 4-29. Sample account summary report.

Account Detail

A full description of the accounts in the current selection without transaction details.

FIGURE 4-30. Sample account detail report.

Running Balance

Before printing the system opens a report specification dialog shown in Figure 4-31. A running balance report is then printed within the specified range for each account in the current selection. Multiple accounts will be printed on each page, as space allows.

FIGURE 4-31. Specification screen for Running Balance reports.

FIGURE 4-32. Sample account running balance report.

GL Accounts   The following reports are accessed through the **Reports...** button on the GL Accounts List screen.

Summary

A single-line summary of the GL accounts in the current selection.

General Ledger Account List Tue, Jun 8, 1999 12:12
Sample GL Summary Report Page 1

GL N°	Name	Journal	# account	Description	Posted Dr.Bal.
10001	Cash	Receipt/Disbursement	1		22,024.70
10005	Inventory	General	1		6,016.65
10101	Client Receivable	Receivable	1		-450.00
				Total	27,591.35

FIGURE 4-33. Sample account summary report.

Full Detail

A full description of the GL accounts in the current selection. This report does not include a listing of the accounts related to the GL accounts.

General Ledger Account Details Tue, Jun 8, 1999 12:23
Sample Detail Report Page 1

N° 10001 Active ☒ Created 10/5/97 Category Current Asset
Name Cash # of Acc'ts 1 Dr.Bal. 22,024.70
Journal Receipt/Disbursement Description
List on aging report ☐
List on audit report ☐

FIGURE 4-34. Sample account detail report.

Department & Profit Center

The following reports are accessed through the Department List screen, the Profit Center List screen, and the Journal List screen. All of these screens can be accessed from the **Related Items** menu that appears above the Accounts List screen.

Department List

Departments 6/8/99 12:26 PM
Department List Report Page 1

N°	Name	active	Heading	# GL accounts
001	test Sales Department	√		11

FIGURE 4-35. Sample Department list report.

Profit Center List

Nº	Name	active	Heading	# GL accounts
001	Support Center	√		12

Profit Centers   6/8/99   12:29
Sample Profit Center Report   Page   1

FIGURE 4-36. Sample Profit Center list report.

CHAPTER 5

Transactions

This chapter describes the variety of accounting transactions, and transaction entry screens, that appear throughout 4th Quarter.

General Transactions

Transactions move funds from one account to another, and the account balances are updated as transactions are entered. A transaction consists of debits and credits to accounts. Two or more accounts can be involved. The amount of the debits must equal the amount of the credits.

Transactions are at the core of any accounting system and they appear in different forms in different areas of the program. The **Transactions** pop-up menu gives you access to the General Transaction List and General Transaction Entry screens.

■

Flow of Data

Transactions debit and credit accounts. Transactions must be balanced, which means their credits must equal their debits. A single transaction can debit and credit two or more accounts.

Simple transactions, like cash deposits or nontax cash sales, usually involve two accounts. A cash deposit, for example, will record a debit to the cash account and a credit to a sales, receivable, or equity account.

Complex transactions involve many accounts. An invoice for the sale taxable goods on credit will typically involve the following combination of debits and credits:

Debit	Credit
Receivable	
Cost of Goods Sold	
	Sales
	Tax Payable
	Inventory Asset

Because of the many conditions of sale is it common for an invoice to involve shipping and discount expense accounts and possibly other accounts as well.

4th Quarter has various entry screens for different types of transactions. Some screens, such as the cash and the general transaction entry screens, explicitly display the accounts and the amounts debited and credited to each.

Account №	Name	Item	Pri	Debit	Credit
21474-119	1-Component Assets		1:G	300.00	
10004-100	Finished Goods Assets		1:G	200.00	
50001-100	Retained Income		1:G		500.00

FIGURE 5-1. The account details area of the general transaction entry screen.

Other screens, such as the sales, purchase, invoice, and PO screens show the action that's taking place but do not show the details of the transaction that they will create.

FIGURE 5-2. The Sales screen where only the customer, sale amount, and terms are specified.

The Sale Through Receivable screen shown above, shows the customer's terms and charges, but it does not display the which part of the sale is going to each of the different accounts. The system will automatically create the correct transaction entries based on the system's default accounts, the accounts associated with the terms of sale, and the accounts linked to the customer.
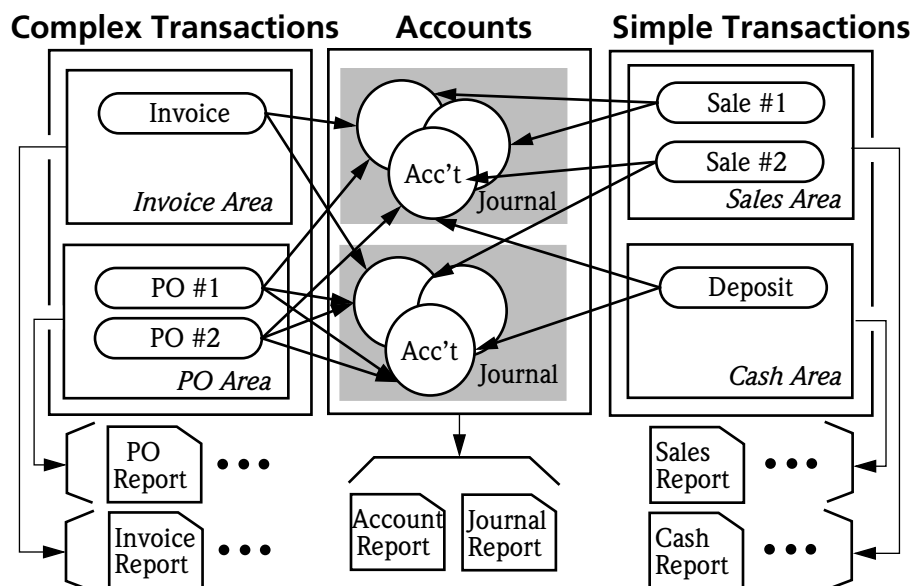
FIGURE 5-3. The data from transactions flows into accounts. Each transaction can affect two or more accounts.

Debit and credit information flow from each transaction into the system's various accounts. Each account is on some journal. The system produces various different reports based on the transactions, the accounts and the journals.

■

General Transaction List
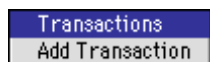
The General Transaction List screen can show any transaction in the datafile. No matter where a transaction was created or what action it performs, it can be displayed in the General Transaction List. This means you can see any transactions, from any period, from any journal, on the screen at the same time.

While all transactions can be viewed from the General Transaction List, only simple transactions can be modified from this location. Complex transactions, such as those related to invoices, can only be modified from the area where they were created.

In the case of invoices this means that all modifications to invoice-related transactions must be done by making modifications to the invoices themselves. However,

you can still enter correcting, reversing, or adjusting transactions that will impact inventory, client, and sales accounts through using the general transaction entry screen described below.

FIGURE 5-4. The General Transaction List screen.

The list screen shows, among other features, two accounts and the amounts debited or credited to them. If a transaction has more than two components, as occurs for transactions generated by Invoices, an asterix(*) will appear in the "Notes" column.

Other notes column codes are:

    a = always perform: match amounts paid with amounts owed whenever debiting or crediting to Payable or Receivable accounts,

    . = don't perform allocation for any account in the transaction,

    C = correction of another transaction,

    √= verified,

    • = reconciled,

    S = involves Suspense account; transaction won't post to the GL,

    P = posted: transaction can't be modified,

    R = reversing transaction: affects how the transaction is treated on reports,

    X = corrected by another transaction,

    Z = restricted access,

$ = involves the Receipt/Disbursement Journal,

*= 3 or more components,

] = a period-closing transaction, which reduces an account's balance to 0.

Special Items Menu

The following three items appear on the Special Items menu:

Create Cash Transfer

This opens the Cash Transaction Entry screen for entering a cash deposit or withdrawal. This item is only available to users who are members of the Cash Disbursements Group. This screen is the same screen that is used in the Cash Accounting area for entering cash account related transactions.

Display Transaction

Highlighting a transaction and selecting this item will show any transaction in a display-only screen. This enables you to view all of the components associated with a complex transaction, such as an invoice. You will not be able to change any of the accounts or amounts.

List of Accounts

This opens a list of accounts in a separate window.

■

List Screen Functions

The list screen has buttons that allow you to add, modify and delete transactions. We'll look at the **Template**, **Reverse**, and **Apply to...** buttons.

The **Template** button allows you to create a new transaction using a transaction template. Transaction templates, discussed in the next section, are models of Transactions with transaction values already filled in. When you press this button you'll be shown a list of templates. If you highlight a template and press **Select**, 4th Quarter will create a new transaction and assign it the values stored in the template.

If you want to enter a sequence of transactions based on templates, then there are two ways you can do this:

If you want to create a single transaction from each of a series of templates, then press the **Template** button. Locate and highlight the series of templates that you want to use. Sort them in the order in which you want to use them. Press the

Select button in the Template List screen. A series of new transactions will be created based on each template. Press the **Enter+New** button in the transaction entry screen to enter the current transaction and create a new transaction based on the next template.

If you want to create multiple transactions from a single template, then locate that template in the Template List screen, highlight it and press **Select**. This creates a transaction based on the template.

Because you selected only one template a new check box will appear in the transaction entry screen. This check box is named "Reapply Template" and it only appears on the transaction entry Detail Form page. If this box is checked, then pressing the **Enter+New** button will save the current transaction and generate a new transaction based on the same template. If you unchecked this box and press **Enter+New**, then the subsequent new transaction will not be built from any template. Instead, all of it's values will be unassigned.

FIGURE 5-5. The Reapply Template check box that appears on the Detail Form page of the Transaction Entry screen only when a single template has been used to define the transaction.

Restricted Templates can only be accessed or applied by users who are members of the Restricted Group. Transactions that involve a cash account can only be entered by users who are members of the Cash Disbursements Group.

If you highlight a row and press the **Reverse** button, the system will create a new transaction whose components exactly reverse the item you highlighted. You can then add the correct components and accept the entry. This allows you to correct posted transactions; transactions which cannot be directly modified.

The **Apply to...** button acts on a highlighted selection of rows. It displays a dialog box with a pop-up list showing fields whose information is auxiliary to the transaction. If you select a field and type in a new value, the **Apply to...** function will assign this value to all the transactions in the highlighted selection.

■

Searching

Transaction…
Account…
Date Range…

Show All
All 30 Days

The search pop-up provides access to search screens and to immediate search functions. The items appearing above the line on the pop-up open search screens. Those appearing below the line perform the indicated search as soon as they're selected.

Transaction Search

The Transaction… search opens the general transaction search screen. Check the items on which you want the search performed on the left hand side. Enter your search criteria in the entry areas and use the adjacent pop-up menus to specify how your criteria are to be used. Refer to the section entitled "Search Screens" on page 49 for more details.

FIGURE 5-6. The general transaction search screen.

Accounts Search

The Accounts… search screen enables you to locate transactions according to the accounts they affect. You can indicate one or more GL accounts, or one or more accounts. You can also specify a date range for the transactions that are located.

FIGURE 5-7. The Accounts page of the Account… search screen.

The Account… search screen also has an Attention page that provides a direct way to locate transactions according to the attention values assigned to them.

FIGURE 5-8. The Attention page of the Account... search screen.

Date Range Search

The Date Range... search screen provides an easy way to enter a variety of date ranges. It also provides access back to the Transaction and Account search screens.

FIGURE 5-9. The Date Range... search screen.

■

General Transactions Entry

To see the details of a transaction, double-click on the row. This opens the Entry screen in which the transaction was created. You can modify transactions as long as they have not been posted to the General Ledger.

Those transactions created from invoices and purchase orders are displayed here but can only be modified through the invoice and purchase order screens. See "Purchase Entry" on page 475 and "Invoice Data" on page 397.

To create a new transaction, press the **Add** button.

FIGURE 5-10. The Brief From page of the brief version of the General Transaction Entry. screen.

The entry screen contains four areas:

1) Status area,
2) Title area,
3) Control button panel,
4) Components area.

Just below the title bar is the Status area. In the Brief Form, shown in Figure 5-10, this shows the Date of Entry, ID Number and other items.

Below this on the left is the Transaction Title area for assigning a Name, Date, Reference number and Memo. Below and to the right are the control buttons. At the bottom of the screen is the Components area, where you specify which accounts to debit and which to credit.

Special Items menu

The General Transaction Entry screen has an associated **Special Items** menu that appears on the right side of your menu bar.

The **Use Template** item in the **Special Items** menu allows you to replace the contents of the current transaction with the values assigned to a template. 4Q displays a list of templates when you select this menu item. Select a template and the current transaction is completely replaced with the specifications on the template.

Duplicate creates a new transaction that is a duplicate of the currently displayed transaction. This means that if you open an existing transaction, make changes to it, and select this item, a new transaction is then created that is a copy of the present transaction *after* your changes. This new transaction is not saved until you press the **Enter** or **Enter+Add** buttons.

The **Change Restricted Status** item toggles the status associated with the current transaction from Restricted to Unrestricted. Only users with access to Restricted items, as determined by the users' group membership, can view or change Restricted items. Only users with access to Restricted items can add a component to the transaction that involves an account marked as being "Restricted." If you do not have access to Restricted items, you won't be able to select this menu item and you won't be able to debit or credit a Restricted Account.

Entry fields

4Q accepts any title, effective entry date, reference number, attention value and memo. If an effective date is too far in the past or future, the system will question the entry. The system monitors this date according to a tolerance established by the Database Administrator.

The Address button enables you to assign an address to the transaction. This feature is discussed later in this chapter on page 120.

The Components area at the bottom of the screen has an entry field where an account is specified by Number or Name. Below this is a list of accounts involved in the transaction.

The Detailed Form page provides some additional control of the components. The following component fields that are shown one the Detail Form page are not displayed on the Brief Form page:

- quantity
- rate (where quantity x rate= amount)
- GL account name
- item text (in both an enterable and a scrollable area)
- priority

Locating an Account

Clairvoyant Search

You can refer to an account by its Name or full reference Number. The full reference Number includes a GL account number, an account number, and an account prefix. Notice that the "Number" and "Name" labels are underlined. This means that they are clairvoyant fields; they will search the data file for records that meet any partially specified value.

For instance, if you enter "120" in the GL Number field and press the Tab key, the system will open a new window with a list of all the GL accounts whose Numbers start with 120. If you select a GL account that has only a single account, then that account will be used automatically to fill in the remaining fields. If there are multiple accounts, the rest of the account area will remain blank and the cursor will jump to the Account Number field.

The Account Number is also clairvoyant; if you enter a partial number, the system will display a list of all accounts starting with that number. If only one account is located, then it is used to fill in the remaining fields.

If you don't happen to know the account's number but you do know its name, then tab your way through the three-number fields, without entering any values, until you reach the name field. Enter the first characters of the name of the account and press the Tab key. The system will look up accounts whose first letters match the Name entered and display a list for your selection.

Recall the specification convention mentioned in "String Specification Convention" on page 47. The convention is that if you append a trailing blank value to a value in a clairvoyant field, the system interprets that to mean that you are looking for an exact match to the string that precedes the final blank space.

In this case the system removes the trailing space before searching for a match. If you end your string with a nonblank character, then the system will find all items whose leading characters match the values you have entered.

Search Buttons

If you're not sure of either the Number or the Name, press the **Account** button. This opens the Account List screen, allowing searches on various account criteria.

If you're on the Detailed Form page you can also press the **GL Account** button. This opens a GL account list screen in which you can search for and select a GL account. If there is only one account related to the GL account you choose, then the system will automatically use it.

If there is more than one account, then the system will leave the account area blank. If you then press the **Account** button the list of accounts will only display accounts related to the GL account you previously selected.

Transaction Components

Once an account is fully specified it is automatically added to the list of components. You can then tab to, or click in, the Debit or Credit column to enter the debit or credit amount. You can change the debit and credit amounts for any component by retyping the value shown.

To change the account specified by a particular component, either delete it and replace it with a new component or modify it. To modify the account, put the cursor in the Debit or Credit column for that row and press the **Modify** button. This removes the component from the list and places it in the entry area, where a new account can be specified.

Cash Accounts are Excluded

The general transaction entry screen enables you to specify any account except cash accounts. Transactions involving cash accounts must be entered through the Cash Accounting user area discussed in this chapter on page 121 and in chapter 7 on page 149.

Distribution Button

Each account in 4th Quarter can be linked to other accounts for the purpose of making it easier to enter distributions to these other accounts. This can be done from the transaction entry or the account entry screen (For information on how this is done through the account entry screen see the section titled "Distribution Accounts" on page 88).

When an account has distribution accounts linked to it, then when this account is added to the list of transaction components the system automatically adds the related distribution accounts to the transaction component list as well.

Setting or to reset the distribution accounts that are linked to a source account can also be done from the transaction entry screen using the **Distribution** button located in the upper right hand corner of the component list. To set a list of accounts as distribution accounts to a single source account you must first add both the source and the distribution accounts to the list of accounts in the transaction components area.

FIGURE 5-11. The component list area and the Distribution button on the Transaction Entry screen.

Then place your cursor in any field of the source account (the account to which others will be linked) and press the **Distribution** button. A dialog will ask you to confirm the new setting.
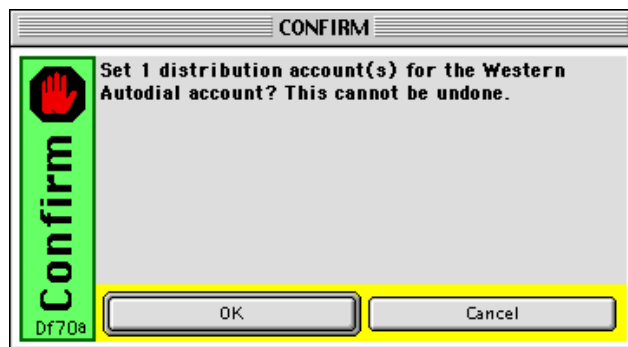
You can assign any number of source accounts to one (or more) distribution account. However, there is only one set of distribution accounts for a given source account. If you reset the distribution accounts from one location, then it is reset for all users.

After setting distribution accounts in this fashion, whatever distribution accounts were previously linked to the source account will be replaced by the other accounts listed in the transaction components area.

Setting distribution accounts can repeated any number of times. However, once accounts have been linked there is no way to automatically restore the previous distribution accounts. To restore previously set distribution accounts you must know what the previous distribution accounts were, relocate them, and manually relink them either through the account entry area or by pressing the **Distribution** button.

Entries Must Balance   The General Transaction Entry screen requires you to specify all the account components. The component amounts must balance so that debits equal credits. If the components don't balance, the system won't allow the transaction to be entered.

However, it is possible, if the Administrator has enabled this feature, for the system to accept a transaction that appears unbalanced. When this occurs the system forces the entry to balance by automatically debiting or crediting the system's "Suspense" account.

The system's Suspense Account is not on the Chart of Accounts, and you cannot add a Suspense Account component by hand. The Suspense Account exists only to force transactions to balance temporarily.

The Suspense Account can be used only for temporary transaction entry because transactions involving a Suspense Account component will not post. Such transactions remain unposted until you remove the Suspense Account component by going back and explicitly balancing them through the Transaction Entry screen. This allows you to enter transactions you are unsure of without their being posted to the GL.

■

Options

The following fields are accessed through the second page of the general transaction entry screen shown below.

FIGURE 5-12. Option page of the general transaction screen.

Verified field

The verified field can be toggled between "Verified" and "Unverified" by clicking on the field. The value is simply a marker that you can use to distinguish transactions that have been processed from those that have not been processed.

The Verified field is used in conjunction with the cash reconciliation process. In this process you mark as Verified all the items in your cash journal that appear on your bank reconciliation statement. The program computes the change in the account balance since the last statement.

When the journal matches the statement you tell the system to accept the reconciliation. The system then marks the Verified transactions as Reconciled. Once the Verified field is marked as Reconciled you will not be able to change it.
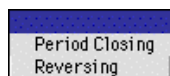
Type of entry popup

A transaction can be marked as being one of several types: Standard (blank), Period Closing, or Reversing. You can change the Type by selecting an item from the Type of entry popup. Transaction types do not affect the manner in which a transaction is processed but the may affect how and where a transaction appears.

A **Standard** transaction is indicated by a blank value in the Type of entry area. Most transactions are created as Standard. Transactions are only assigned other types under special circumstances.

A **Reversing** transaction reverses a previous transaction's effects on accounts. Reversing transactions are used to undo posted transactions since posted transactions cannot be modified. Transactions that are created using the Reverse button are automatically marked as reversing.

When you reverse a transaction using the Reverse button the transaction that's created, and the transaction that's reversed, are linked together for easier cross reference. Links to reversed transactions are accessible through Related Transaction ID References buttons that are also shown on the Options page.

You can also manually assign a transaction the Reversing type by choosing this option in the Type of entry popup. However, when you assign this manually the transaction is not linked to any other transaction. In this case no transaction will appear in the Related Transaction ID References area. The transaction will still be handled as a Reversed transaction on reports.

A transaction marked as reversing is also treated differently on reports. If you specify that a report for an account should only include credit entries, that report will still include those debits to the account that are marked as reversing transactions. Similarly, a report for an account that's specified to include only debit entries will also include reversing credit entries.

To understand the reason for this, imagine a series of deposits to a cash accounting which one of the checks bounces. If all the deposits are posted before you learn about the problem, you'll have to correct it by entering a reversing withdrawal.

When you print a deposit report you want to see what funds have really been deposited. If reversing entries were treated the same as other transactions the reversing withdrawal would not appear but the failed deposit would. But because of the way 4th Quarter recognizes reversing components your report will include both the failed deposit and the reversing withdrawal.

Period closing type transactions are created by the system when the system is directed to automatically close a period. When you close a period, the balances of accounts that appear on the income and the expense journals are moved to the equity accounts associated with these accounts. After the period is closed the income and expense accounts have a zero balance.

The program will automatically generate period closing entries when directed to do so from the general ledger screen. Manual period closing entries can be generated at any time.

Entries created by the system in this manner are assigned the Period closing type. You can also assign this type to transaction you create manually as part of the period closing process.

Period closing transaction have the character "]" added to the notes field for that transaction. This field appears in transaction lists making it easy to distinguish transaction by eye according to their type.

Do not post check-box

Transactions marked as Do Not Post will not be posted to the GL with other transactions. You mark a transaction in this manner whenever you want to retain the ability to change it. As long as a transaction is not posted, it can be modified or deleted.
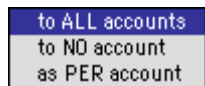
Autoallocate

The autoallocate setting determines whether or not payments and receipts are automatically allocated to cover outstanding debts. Allocation is only performed for payable and receivable accounts, and the autoallocation settings only affect accounts of this kind.

When autoallocation is performed, the following things take place:

- Debits to a payable account are automatically subtracted from the account's cash fund, and then the fund is used to cover all outstanding credits first in order of priority (highest to lowest) and within each level of priority in order of date (oldest to youngest).

- Credits to a receivable account are automatically added to that account's cash fund, and then the fund is used to cover all outstanding debits in order of priority and date as before.

- Debits to receivable and credits to payable accounts are left unallocated.

The autoallocate flag has no effect on accounts that are neither of type payable or receivable, as these accounts do not have cash accounts. Payments can only be used to cover debts in the same account -- payments made on one account cannot be used to cover debts in another account.

Autoallocate has three possible settings:

- to ALL accounts: allocation is done for all payable and receivable subaccounts involved in this transaction.

- to NO accounts: allocation is NOT done for any accounts involved in this transaction.

- as PER account: allocation is done according to the individual default settings of each payable or receivable accounts. That is to say, when an account's **Autoallocate** check-box is set, then payments made by or to that account are automatically matched with outstanding debts.
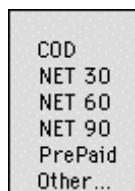
Terms

Credit terms can be assigned to any transaction. The system provides some basic terms, such as Cash and Net 30. You can modify, delete, and add additional terms. When you select an item from the Terms popup it will apply to the payable and receivable components. When a particular term of sale is selected, the Due Date is reset, as is discussed in the next section.

Selecting the blank item in the terms popup removes any terms. Users who are members of the Terms group can select the "Other…" item. This opens the Terms of Sale List screen where they can modify the terms available to all users of the system. Such changes will not affect the terms that have already been assigned.

The Terms of Sale List screen can also be accessed from the Transactions page of the Maintenance screen, see "Transactions" on page a.61 of the Administrator's Manual.

From the general transaction entry screen you cannot assign terms that include sales discounts. Sales discounts can only be assigned from sales and purchase entry screens.

FIGURE 5-13. The Terms of Sale List screen where you can modify the terms used throughout the system.

Due Date

The Due Date is used to track entries to AR and AP accounts. You can enter any due date by typing directly into the Due Date field.

Whenever a term of sale is selected a new Due Date is assigned according to the current effective date and the number of days before payment is due as specified in the terms of sale. For example, if the current date is 4/1/01 and Net 15 terms are selected, then the Due Date will be assigned the value 4/16/01. You can override this automatic Due Date by typing in a different date.

Discount Due

The Discount Due can be set when transactions are entered through the sales or purchase areas. If a discount date has been set through a sales or purchase screen, then it can be modified here. But you cannot assign a discount date to a new entry from this screen.

Related transaction ID references

If you have entered a transaction as a correction to a previous, posted transaction using the **Correct** button, then the two transactions will be linked. When you view either the corrected or the correcting transaction there will be a new or old transaction referred to in the Related Transaction ID References area.

The **Old** and the **New** buttons are only active when transactions are referenced. Pressing these buttons displays the contents of the referenced transaction.

■

Address

Assign an address to a transaction by pressing the **Address** button on the Brief or Detailed pages of the transaction entry screen. When a transaction has an address associated with it the **Address** label on this button is preceded by a check mark. Pressing the **Address** button opens the address entry screen.
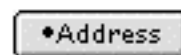
FIGURE 5-14. The address entry screen for transaction addresses.

Mailing addresses are associated with transactions and templates. The mailing address given to a cash withdrawal is also printed on the face of checks. You assign static addresses to transactions; you can assign either static or dynamic addresses to templates.

A transaction's mailing address is set by pressing the **Address** button in the transaction entry screen. If you create a transaction using a template, the transaction will be assigned the template's address. This address is called "static" because it remains unchanged no matter what other changes occur in the database.

When a transaction is created from a transaction template, the template's static or dynamic address is copied to the transaction. Once the address is assigned it is stored with the transaction as static text; dynamic relations are not maintained in the transaction record.

■

Cash Transactions

Cash User Area

Cash entries are handled by account through the Cash User Area discussed in detail in Chapter 7.

Cash transactions are transactions which have at least one cash account component. Nearly every type of transaction can, under some circumstances, involve a cash account. For example, a sale, purchase, or invoice will generate a cash transactions if it involves the some transfer of cash.

4th Quarter has a special entry screen for cash transactions entered through the Cash User Area. This multi-page screen, shown in Figure 5-15, recognizes the cash component from the other transaction components and display it at the top of the screen.

This cash entry screen, along with other cash accounting functions, is discussed in detail in the Chapter "Cash Accounting" on page 149.

FIGURE 5-15. The Brief Form page of the Cash Transaction Entry screen.

It is possible to enter a cash-related transaction through the general entry screen discussed in the section "General Transactions Entry" on page 109. You can add a cash account to the accounts list and, if you're a member of the Cash Disbursement Group, the system will allow you to enter the transaction. A cash transaction entered in this manner will be visible in Cash Account area.

■

Other Types of Transactions

The full version of 4th Quarter supports a variety of transaction entry screens in addition to the cash and general entry screens discussed above. These include screens for entering sales, purchases, invoices, and purchase orders. These screens, discussed in this section, are not supported in the core version of 4th Quarter.

Each of these entry screens are discussed further in those chapters that deal with their particular functions. They are reviewed here in order to make clear that although these entry screens relate to different functions, they still create records in the transaction table. As such, the records that they create will always appear in the General Transaction List. In some cases they will also appear in the Cash Transaction List.

Sales

Sales transactions are those that involve a Customer Receivable or a Sales account. 4th Quarter provides a special sales entry screen that can be configured of one of six types of sales entries:

TABLE 3. Six types of Sales Transactions

Name	Accounts Involved
Sale Through Receivable	**debit to receivable** **credit to sales**
Receive Payment	**credit to receivable** **debit to cash**
Issue Credit	**credit to receivable** **debit to sales**
Cash Sales	**debit to cash** **credit to sales**
Sales Refund	**credit to cash** **debit to sales**
Receivable Advance	**debit to receivable** **credit to cash**

These sales entry screens are only available when entering transactions through the Sales user area.

Three of these six types of sales involve cash accounts. These three are both sales-type and cash-type transactions. Once entered they can be viewed from either the Sales List screen, the General List screen, or the Cash List screen.

The Sale Through Receivable screen is shown below in Figure 5-16. Refer to Chapter 14 on page 99 for a complete description of the Sales user area.

FIGURE 5-16. The Sale Through Receivable entry screen. One of six sales transaction entry screens.

■

Purchases

Purchase transactions are those that involve a Vendor Payable or a Purchase account. 4th Quarter provides a special purchase entry screen that can be configured of one of six types of purchase entries:

TABLE 4. Six types of Purchase Transactions

Name	Accounts Involved
Purchase Through Payable	**credit to payable** **debit to purchase**
Make Payment	**debit to payable** **credit to cash**
Receive Credit	**debit to payable** **credit to purchase**
Cash Purchase	**credit to cash** **debit to purchase**

TABLE 4. Six types of Purchase Transactions

Name	Accounts Involved
Purchase Refund	**debit to cash** **credit to purchase**
Payable Advance	**credit to payable** **debit to cash**

These purchase entry screens are only available when entering transactions through the Purchase user area.

Three of these six types of purchases involve cash accounts. These three are both purchase-type and cash-type transactions. Once entered they can be viewed from either the Purchase List screen, the General List screen, or the Cash List screen.

The Cash Purchase screen is shown below in Figure 5-17. Refer to Chapter 16 on page 471 for a complete description of the Purchasing user area.

FIGURE 5-17. The Cash Purchase entry screen. One of six purchase transaction entry screens.

■

Invoices

Invoices are a complex entry that always involve customer, account, and inventory tables and usually involve a number of other tables as well. An invoice is a kind of sales contract that become an accounting transaction once it has been executed.

4th Quarter supports a comprehensive approach to invoicing in which a single entry screen manages all aspects of the sale and delivery of goods and services. In order to support a variety of invoice-related processes each invoice in 4th Quarter's can be related to one or more transactions.

When goods or services that are listed on an invoice are delivered, the system creates an accounting transaction. If several deliveries are required to fulfill a given order, then several transactions will be created.

Once transactions are created they will appear in the General Transaction List screen. You will be able to double-click to view these transactions but you will not be able to modify them. Modifications to invoice transactions can only be done through the invoice entry screen. Refer to chapter 14's section titled "Invoice Data" on page 397 for complete details.

■

Purchase Orders

PO's are, like invoices, a complex entry that always involve vendor, account, and inventory tables. An PO will generate accounting transaction once any of the items listed on it are received.

4th Quarter supports a comprehensive approach to purchase orders in which a single entry screen manages all aspects of the purchase and delivery of goods and services. In order to support a variety of PO-related processes each PO in 4th Quarter's can be related to one or more transactions.

When goods or services that are listed on a PO are received, the system creates an accounting transaction. If several deliveries are received, then several transactions will be created.

Once transactions are created they will appear in the General Transaction List screen. You will be able to double-click to view these transactions but you will not be able to modify them. Modifications to PO transactions can only be done through the PO entry screen. Refer to chapter 16's section titled "Purchase Order Data" on page 479 for complete details.

Reports

General Transactions   The following reports are accessed from the general Transaction List screen.

Summary Report

| Transactions List | | | | | | | Tue, Jun 8, 1999 12:40 PM | |
| Sample Summary Report | | | | | | | Page | 1 |

Attn	Ref. №	ID #	Entry Type	Date	Notes	Title	Comment		
			Account				Memo	Debit	Credit
		233	Gen. cash entry	2/24/99	▪	Service charge			
		10001–100	General Cash						3.70
		80005–100	Bank Expenses					3.70	
		232	General entry	2/24/99	P*Z	Disassembly 2/23			
		80021–100	Finished Goods Purchase V						164.06
		10003–100	Component Assets						164.06
		10004–100	Finished Goods Assets					164.06	
		80018–100	Component Purchase Value					164.06	
							Report Total	331.82	331.82

A brief summary of the currently displayed transactions.

FIGURE 5-18. Sample Transaction Summary report.

Detailed Report

Complete transaction information for each of the currently displayed transactions.

| Transaction Details | | | | | Tue, Jun 8, 1999 12:43 PM | |
| Sample Detail Report | | | | | Page | 1 |

Title Disassembly 2/23				Notes P*Z
Ref.№	Effective 02/24/99	Entry type		Posted 2/28/99
Doc.№	Entry 02/24/99	Status Unverified		Check#
ID # 232	Attn	Autoallocate PER		Entered by Designer
Memo				

Account		Journal	Debit	Credit
80021–100	Finished Goods Purchase V	Expense		164.06
10003–100	Component Assets	General		164.06
10004–100	Finished Goods Assets	General	164.06	
80018–100	Component Purchase Value	Expense	164.06	
		Report Total	328.12	328.12

FIGURE 5-19. Sample Transaction Detail report.

Cash   These are discussed in Chapter 7 on page 167.

4Q Core

Sales   These are discussed in Chapter 14 on page 436.

Purchase   These are discussed in Chapter 16 on page 500.

Templates

CHAPTER 6

This chapter describes the transactions templates. Templates make it easy to enter and manage repeating transactions.

Transaction Templates

Templates store information that appears on a transaction. Templates can also have a recurring schedule that is monitored by the system. Templates have no effect on account balances.

When the system notices that a template is due to be used for the creation of a transaction the template is flagged as "due for entry". Templates that are due are marked with an exclamation point in the left-most column of the template list screen.

Templates can be turned into transactions by pushing the **Template** button in the Transactions List screen.

Templates can be viewed in three ways:

- Templates list screen.
- Template Component list screen.
- Template Entry screen.

These will be described below.

■

Flow of Data
Templates are constructed based on the accounts stored in the system at the time they're entered. They can list any number of accounts and specify and debit or credit amount to each account. They never have any impact on accounting, but they can be used to create transactions which do.

Template are created in their own area, the templates user area, and can be used to create new transactions from either the Cash user area, or the General Transactions user area.

You can specify a template be used for creating a new transaction from either the cash or transaction list screen. You can also specify a template after you're already in the cash or general transaction entry screens.

Templates can include restricted accounts. Templates that do include restricted accounts are marked as restricted templates. Only users with restricted-level access can create, modify, or delete restricted templates. Only users with restricted-level access can use restricted templates to create transactions. Transactions created from restricted templates become, naturally, restricted transactions.
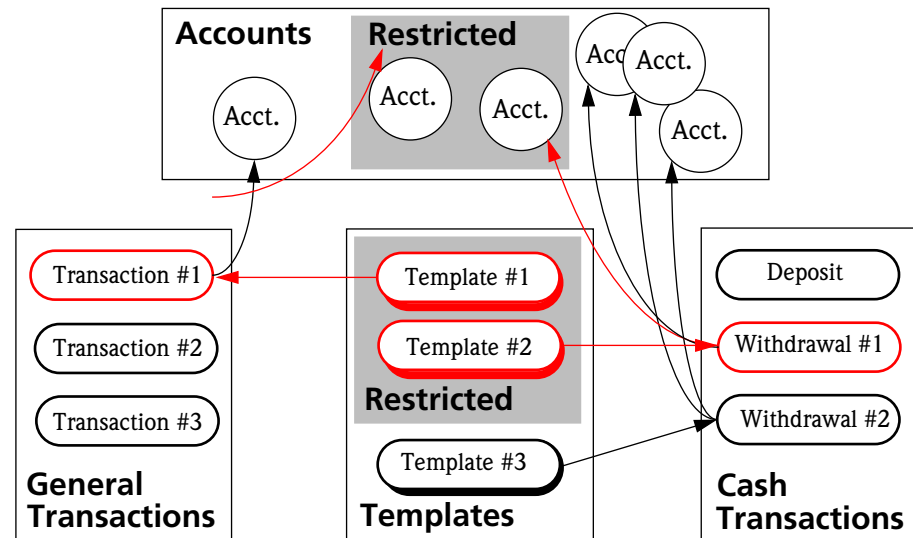
FIGURE 6-1. Flow of data from templates to general or cash transactions, to accounts.

■

Templates List
Access the Templates List screen by choosing **Template** from the Templates pop-up menu on the Control screen.
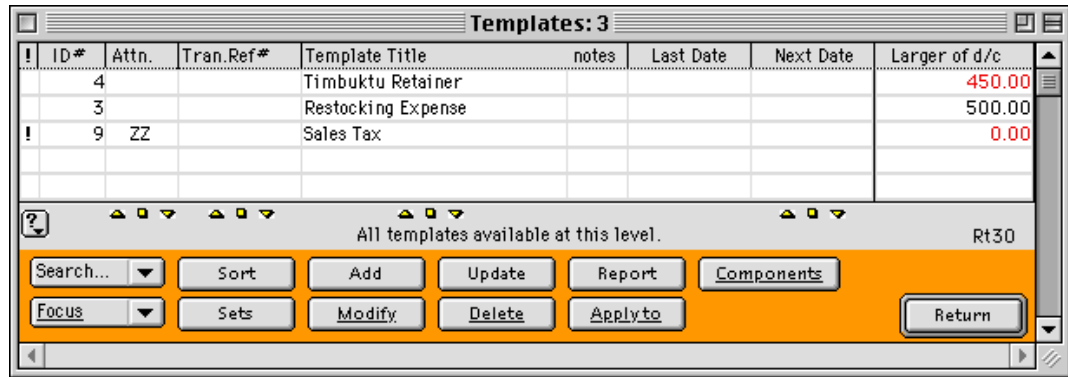
FIGURE 6-2. The Transaction Templates list screen.

■

Searching
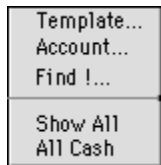
The Templates List screen provides access to all template records. The **Search...** pop-up menu provides various search options. The items above the line in the pop-up menu open screens for specifying additional search criteria. The items below the line perform the indicated search immediately.

Show All	displays all templates.
All Cash	locates templates that involve Cash Disbursements;

Template Search
This opens the Template Search screen. This screen provides single criteria search. Indicate the value on which you want to search by selecting one of the radio buttons along the left side of the screen. Enter the range of values that correspond to the templates that you want to locate.

Alpha and Numeric Ordering
When searching on the Template Title or Template Code fields you can specify whether you want the range of values entered to be considered alphabetically or numerically. The difference lies in how the range is interpreted.

When searching alphabetically all entries are first sorted alphabetically. The first and last values are located according to your criteria. All values in between are returned. For example, if you search alphabetically for codes between "A" and "F", then all codes that begin with an "A" or an "F" will be displayed.

When searching numerically all entries are first sorted numerically. In a numerical sorting alphanumeric values are assigned a numeric value based on the total of all their characters. In a numeric ordering the value "F1" precedes the value "AAA" whereas the opposite is true for an alphabetic ordering. For more information on alpha and numeric ordering refer to the section entitled "Search Specification Syntax" on page a.204 of the Administrator's Manual.

FIGURE 6-3. The Template Search screen opened from the Template List screen.

Account Search

The account search screen has pages Account, Recurring Date, and Attention. The Account page enables you to specify one or more GL account or one or more account. Pressing Search will then locate all templates that include the indicated accounts.

Type the GL account or account number. If you want to locate templates related to multiple GL accounts or accounts, then press the **GL Account** or the **Account** buttons. This opens the GL Account List or the Account List screens. Locate the target records and press **Select**. Once back in the Template Search screen press **Search**.

FIGURE 6-4. The Account page of the Template Search screen.

The Entry Date page enables you to search for templates according to their recurring dates. Select the appropriate radio button, enter a date range, and press **Search**.

- Reference Date

  The first date upon which the template becomes active.

- Previous Entry Date

  The is the last date the system has record of the template being applied.

- Next Entry Date

  The next date at which the template is scheduled to be due for entry.

- Final Entry Date

  The last date after which the template is no longer active.

4Q Core

Templates

FIGURE 6-5. The Recurring Date page of the Template Search screen.

Enter criteria on the Attention page if you want to locate templates according to the attention value assigned to them.

FIGURE 6-6. The Attention page of the Template Search screen.

134   **Templates**   **4th Quarter User's Manual**

"Find !" Search

Selecting this item opens a dialog asking how far into the future you want the system to look in order to find items that are scheduled to become due.

FIGURE 6-7. The Search for Alert Components date range dialog.

Specify the number of days into the future or the past that you want to look.

Examples

- To locate templates that have their alert flags set now and also those that will have their alert flags set within the next 5 days, enter the value "5".
- To locate templates that have had their alert flags set now and within the last week, enter the value "-7".
- To locate only those templates that have their alert flags currently set, enter "0".

■

Other List Functions

Other special functions are triggered by the following buttons:

Apply to   global replacement of values in template fields;

Update   directs the system to locate templates that are due for entry
                and mark them with a "?"

Components displays a list of the components in the current selection. Each
                component specifies a separate account.

■

Special Items Menu

The Templates List screen supports a **Special Items** menu with the items:

Add Template an alternative to pressing the **Add** button.

Alerts On   Highlight the templates whose alert flags you want to turn

Alerts Off   on or off. Then select this item. The same operation can also
be done using the **Apply to** button.

■

Template Components

Components List   Each template can contain any number of components. Unlike a transaction, a template may have no components or it can contain components that do not balance. Press the **Components** button in the Templates List screen to view a list of template components. This list shows all the components of the templates in the current selection.

The benefit of viewing by components is that you can see which templates affect which accounts. You can sort and group templates by the accounts they affect. This is helpful in dealing with templates affecting a particular account.

The drawback of viewing by components is that, because most templates have several components, the same template will be represented several times. This can be confusing if you use components to segregate templates.
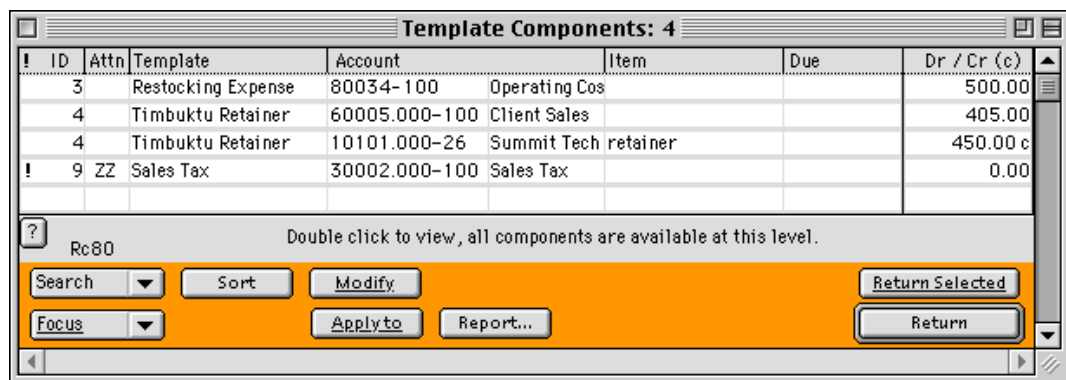
FIGURE 6-8. The Template Components List screen.

If you highlight a selection of components and press the **Return Selected** button, you will return to the Templates List screen to see only the templates corresponding to the previously selected components.

If you highlight a component and press the **Modify** button, you will enter the full Template Entry screen, described below, where you will be able to modify all templates values.

■

Searching
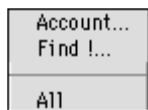
The Components Search pop-up contains a subset of the same search options that appeared on the Template List screen. The only difference between searching from this location and searching from the Template List screen is that here the components of the located templates are displayed, whereas in the Template List screen the templates themselves were displayed.

Refer to the description of the Template List search dialogs on page 131 for details on how to use these search screens.

■

Template Entry Screen

Double-click on a row in the Templates List screen to open the entry screen for an existing template. To create a new transaction, press the **Add** button.

The Template Entry screen can be viewed with either more or less detail. The detailed version contains five areas, the brief version only four.

Special Items menu

The **Change Restricted Status** item toggles the status associated with the current template from Restricted to Unrestricted. Users with access to Restricted items, as determined by the users' group membership, can view or change Restricted items from transaction areas. Since the Templates List area affords access to both Restricted and Unrestricted templates, only users with access to Restricted information are allowed to enter this area.

Brief Form Page

FIGURE 6-9. The Brief Form page of the brief form of the Template Entry screen.

The ID Number and a statement of the alert condition are displayed at the top of the form. The alert condition indicates whether the template is due for entry. Below this is the Template Title area for assigning a name and manually setting the template's Alert condition.

The transaction area fills the lower half of the screen. The information given here is assigned to a new or existing transaction when the template is used. To the right are the control buttons, and at the bottom of the screen is the Components area, where you specify which accounts to debit and credit.

The Components area has an entry field to specify an account. You refer to an account according to its full reference Number or Name in the same way as in the Transaction Entry screen. The "Number" and "Name" labels are italicized, meaning they are clairvoyant fields.

The **Account** button opens a list screen providing various means to locate a particular Account. To choose a particular Account, click once on its row and press the **Select** button.

Once an Account is fully specified it is automatically added to the list of accounts.

To change the account specified by a particular component, put the cursor in that row and press the **Modify** button. This removes the component from the list and places it in the entry area, where a new account can be specified.

Tab to, or click in, the Item, Debit or Credit columns to enter a value. You can change the debit and credit amounts for any component by typing over the displayed value.

Templates, unlike transactions, do not have to balance. That is because a template has no effect on accounts. In fact, a template has no effect on any accounting information. In order to create a new template record, the only thing you must assign to a template is a title.

Detail Form Page

The Detail Form differs from the Brief Form in having the following additional transaction fields and functions. Values entered here a part of the transaction part of the template. That is, these are values assigned to a transction that is created using the template.

- Address button: associates an address with the transaction that's created. This is discussed below.
- Reference Number
- Attention: the attention value assigned to the transaction. This is to be distinguished from the attention value that is assigned to the template.
- Allocation: allocation instructions for all components. This setting is only relivant for components that affect AR or AP accounts.
- GL Account button: enables you to search for GL accounts as a means of locating an account.
- GL Account Name: allows you to enter the name of the GL account as a means of locating its associated accounts.
- Quantity: multiplied by the rate to yield the amount.
- Rate: multiplied by the quantity to yield the amount.

- Amount: can either be entered directly, or is assigned the product of the quantity times the rate.
- Item: a string of up to 80 characters that is stored with each of the components.

FIGURE 6-10. The Detail Form page of the brief form of the Template Entry screen.

Template Address

You can assign an address to the template by pressing the **Address** button. If an address is assigned to a template, this is indicated by a bullet in the name of the A**ddress** button as it appears in the template entry screen.
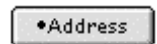
This address is assigned to any transaction created from the template. There are two ways to assign an address. The first is by entering what is referred to as "static text". This is a string that is assigned to a transaction in exactly the manner in which you have entered it.

Alternatively, ou can also assign a "dynamic text" address. If you choose this option you will need to identify a record in a related file which itself carries an address. When an address is dynamically linked in this manner, the address that is assigned to any created transactions is the address that is assigned to that record when the template is applied.

To assign a dynamic address select the **Dynamic** radio button and press the **Linked to** button. This will open a list of tables that contain record with addresses. Click on one of the tables.

A list screen for records in the selected table will appear. You must locate the record whose address you want by using the usual search and sort functions. Once you have located the record, in this example a customer record, click to highlight it an press the **Select** button.

If there is more than one address stored with this record you will be presented with a list of addresses fromwhich to choose. If there is only one address it will be used automatically.

After you have selected the record whose address you want to use and have returned to the Template's Address , the current address will appear in the Mailing Address screen, along with the name of the table and record to which it belongs.

This is only the current value of the dynamic address and is not necessarily the address that will be assigned in the future when the template is used. Should the address change at a later time, then the new current address will appear if you return to the Mailing Address screen.

You cannot change the value of the dynamically related address through the template's Mailing Address screen. The address is stored with the record in the linked file and can only be changed from the entry screen inside that selected file.

To disconnect the related file, press the **Unlink** button. Any number of templates can be linked to the same address.

In most cases you would assign a dynamic address to a template so that you could be sure the correct, current address would always be assigned. Static text is used in cases where there is no existing address record, or the address that is linked is not the correct address.

Restricted Templates

Because templates can carry the same confidential information that appears on a transaction, templates also can be assigned a restricted access status.

The template status is determined automatically, according to whether or not it refers to restricted subaccounts. When you add a restricted subaccount component the template is automatically assigned a restricted status. When you remove all restricted components the template automatically becomes nonrestricted.

Restricted status can also be set manually through the Special Items menu. The **Change Restricted Status** item toggles the restricted status assigned to the template on or off each time it is selected. You must be a member of the Restricted Access group in order to access this item.

■

Recurring Schedule

Entering the schedule

Templates can be given a period of days, bi-monthly, or a number of months. The system monitors templates set on a recurring schedule and tags those that are due for entry. When you create transactions from these tagged templates, the "due" tags are removed until the next date in the template schedule.

Access the recurring schedule from the template entry screen by pressing the **Interval** tab on the template entry screen. The recurring entry page is shown below.

4Q Core

FIGURE 6-11. Recurring entry page of the template entry screen.

Set the interval for the template by choosing one of the three radio button options:

- At N-day intervals;
- Bimonthly at date-1 and date-2;
- Or every N-months on a given date.

Once you select one of these options, you may need to fill in a date or dates in the fields just to the right.

In order to activate the recurring feature, you must set a reference date. This is the date used to compute the next due date. If you leave the reference date blank, then the recurring interval will never be applied. A template must also be marked "active" for the system to calculate next entry dates.

The Previous Entry field is filled in automatically when the template is used. Whenever the system calculates a new "Next Entry" date, it checks if there is already a value in the Next Entry field. If there is, it moves this previous next entry date to the Last Entry field before replacing it with a new Next Entry date. The value is displayed for reference and can be modified.

The Next Entry field is calculated by applying the recurring interval with respect to the reference date. It indicates when the template is next due for entry.

When the current date passes the next entry date, the system sets the template's "alert" flag. The alert flag can also be turned on manually, independent of the next due date. When the alert flag is set you will see a "!" in the template or component list screen.

The Final Date is the date after which the system the template to be inactive. The system will not set a template "Due for Entry" if it calculates the next entry date to be beyond the final date. The Final Date value marks the end of the active period.

If a template's alert flag is set, you can turn it off either by manually unchecking the alert box in the entry screen, or by using the template to create a transaction. In the latter case the alert flag is turned off automatically.

Updating the schedule

The system checks the list of templates at certain times in order to locate templates due for entry. This occurs:

- When the first user logs into the database on a new day (if set this way);
- When any user enters the template list screen (if set to perform this way);
- If any user presses the Update button in the template list screen.

The first option can be turned off for quicker program start up.

FIGURE A0-2. The administrator settings for transaction templates.

The second option, where the system automatically checks for templates upon entering the template list screen, is turned on or off by the administrator from the maintenance screen.

■

Reports

Templates

The following reports are available through **Report...** button on the Template List screen.

Summary

A simple list of the current selection of templates.

Template Summary   Thu, Jun 3, 1999 8:40 AM
Sample Summary Report   Page   1

!	Tmpl Attn	Template Title	Notes	Last Date	Next Date	Attn	Code	Transaction Title	
		Account		Item			Prior.	Debit	Credit
		Timbuktu Retainer						Timbuktu Retainer	
		60005.000–100 Client Sales-Client Sales						405.00	
		10101.000–26 Client Receivab..-Summit Technolo	retainer						450.00
!		Restocking Expense		6/1/99	6/1/99			Restocking title	
		80034-100 Operating Inven..-Operating Cost o						500.00	
	ZZ	Sales Tax						Sales Tax	
		30002.000–100 Sales Tax Payab..-Sales Tax							

FIGURE 6-12. A sample Template Summary report.

Detail

A report giving both the components and recurring schedule of each template in the selection.

Template Details   Thu, Jun 3, 1999 8:45 AM
Sample Detail Report   Page 1

Title: Timbuktu Retainer		ALERT is OFF	ID#: 4
Attn:	Last Entry:	Interval:	Active: Yes
Reference	Next Entry:		Restricted: No
	Final Date:		

Tran.Title: Timbuktu Retainer   notes:
  Refer.#:   Autoallocate: PER   Attn: Cash No
  Address assoc. w/ record: Cundiff in file Customer

Components	Description	Qty.	Rate	Debit	Credit
60005.000–100	Client Sales:Client Sales			405.00	
10101.000–26	Client Receivable:Summit Technologies, Ltd				450.00
	retainer				

FIGURE 6-13. A sample Template Detail report.

■

Components

The following reports are available through **Report...** button on the Template Component List screen.

Summary

Basic information about the current selection of templates. A list of the template's components is not included.

Template Components Summary   Tue, Jun 8, 1999   1:08 PM
Sample Summary Report   Page   1

ID 3   Title   Attn   Item   ▪ ALERT is ON: Due for entry ▪   Next 1/16/98
Tmplt. Restocking Expense
Trans. Restocking   Goods purchased for resale
  Acc't 10002–16   Client Receivable: Quest Corp
Debit   750.00   Cash Disburs. No   Interval MultiDay every 15 days

ID 4   Title   Attn   Item   ALERT is OFF
Tmplt. Timbuktu Retainer
Trans. Timbuktu Retainer
  Acc't 60005.000–100   Client Sales: Client Sales
Debit   405.00   Cash Disburs. No   Interval unassigned

FIGURE 6-14. Sample Template Component Summary report.

Full Detail

Complete information on the current selection of templates including a list of compoenents for each.

Template Details   Tue, Jun 8, 1999 1:19 PM
Sample Full Detail   Page 1

     Title Restocking Expense   ▪ALERT is ON: Due for entry▪   ID# 3
     Attn   Last Entry   Interval MultiDay   Active Yes
Reference 01/01/1998   Next Entry 01/16/1998   Every 15 days   Restricted No
                       Final Date
     Memo Goods purchased for resale
Tran. Title Restocking   Notes
    Ref.#   Autoallocate PER   Attn   Cash No
Components   Description   Qty.   Rate   Debit   Credit
80034–100   Operating Inventor: Operating Cost of Goods   1,000.00

10002–16   Client Receivable: Quest Corp   750.00

FIGURE 6-15. Sample Template Component Full Detail report.

4Q Core

Templates

CHAPTER 7

Cash Accounting

This chapter describes the Cash Accounting area. This includes the creation, review and reconciliation of cash accounts, and the printing of checks.

Cash Account Management

Flow of Data

Cash accounts are any accounts that are specified to appear on a Receipt/Disbursement journal. You can create any number of cash accounts and cash accounting services will be provided to each.

In terms of how data is stored cash accounts are much the same as other asset-type account. 4th Quarter provides a different graphical interface for managing cash accounts because additional functions apply to cash accounts.

The cash interface provides transactions list and cash entry screens. You add modify and delete entries, print checks, and reconcile past statements from the cash transactions list screen. You enter receipts and withdrawals through the cash entry screen.

Creating Sales, Invoice, and PO entries can also effect cash accounts. These are called "cash related transactions" because they are not created directly from the cash management area. To modify a related cash entry you must access these records from the area in which they were created. Invoices must be modified through the invoice area and similarly for the other types of entries.
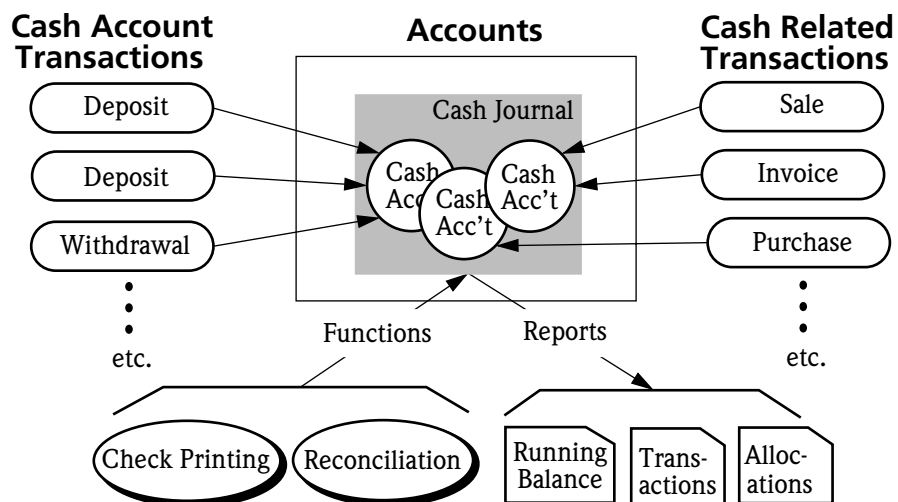
FIGURE 7-1. Flow of data from cash and cash related transactions to the cash accounts.

■

Cash Account List

Selecting the **Cash Accounts List** from the Control screen takes you to one of two different areas depending on how many accounts are on your Receipts and Disbursements journal. If there is only one cash account, it is displayed directly. If there multiple accounts, then they are displayed in a list. To work with an account, click on its row to highlight it and press the **Select** button.

Note that when you open a new datafile the system automatically creates one Receipts and Disbursements Journal and one cash account.

FIGURE 7-2. The Cash Account list screen.

Cash Transaction List Once you've selected and account, the program displays the Cash Account Trans-
actions screen that shows deposits and withdrawals for this one account. If you
have only a single account on the Receipts and Disbursements Journals, then the
program will skip the Cash Accounts List screen and go directly to the Cash Trans-
actions screen.

FIGURE 7-3. The Cash Account Transactions screen.

Searching

The Transactions screen has the following search options under the Search popup menu:

Transactions	Searches based on transaction-specific information;
Accounts	Searches based on account-specific information;
Date Range	Searches for Items within the date range you specify.
All NN Days	Finds transactions for this account entered within the last NN days, where NN is a number set in the Preferences area.
Show All	Displays all Items for this account.

The screen provides special transaction management features through the following buttons in the **Changes to Transactions** area:

Add	Opens a new Transaction Entry screen.
Template	Displays a list of templates that involve receipt / disbursement invoices. Choose one and press **Select,** and its template values will be assigned to a newly created (but not yet saved) Cash Transaction.
	If can select multiple templates, then each template will be used for a sequence of new transactions. Press the **Enter+New** button to enter each transaction to apply the next template to the next new transaction.
Del/Void	Deletes the highlighted Item when the Item has not been posted. If the Item represents a printed check, it reverses the effect of withdrawal and marks the withdrawal as having been voided. Voided withdrawals cannot be modified.
Apply to...	Makes changes in all highlighted records. A dialog is displayed showing you the fields you can affect by means of a global function and requesting a new value to assign to these fields.
Modify	Opens an item so it can be modified. Items that have been posted and checks that have been printed can not be modified.

Reverse	Creates a new transaction that has exactly the reverse effect of the highlighted transaction. It does not affect the transaction that is being reversed. Use this if you need to reverse a transaction that has been posted.
	If you enter the reversed transaction it will effectively "undo" the actions of the transaction it corrects. Alternatively you can add additional components representing correct entries and enter this appended transaction. In this case the correcting transaction both reverses the posted entry and enters a new entry.
	Reversing transactions are marked with a "C" in the notes field. The transaction that they've reversed is then marked with an "X" in its notes field. The reversed transaction is treated just the same as any other transaction. It continues to be modifiable until it is posted.
Report...	Displays a choice of reports for the current list of Items. You can either print the Items as shown, or you can print a running balance report for a given period.
Reconcile...	Opens the account reconciliation screen where the account balance and reconciled items are brought into agreement with the balance and items that appear on your bank statement.

The Cash Transaction screen lets you print checks by using the three buttons in the **Check Print** area:

Set Up	Lets you set the type of paper the check is to be printed on and the next check number to be assigned;
Unprinted...	Queues all unprinted checks and asks you if you want to print them;
Selection...	Queues all unprinted checks in the highlighted selection.

To modify an existing deposit or withdrawal that has not been posted or printed, double-click its row and an entry screen will appear.

Transaction-Related Functions   ■

Reverse

This function creates a new transaction that exactly reverses the components of a selected transaction. This option allows you to reverse a posted transaction, which is itself unmodifiable.

■

Delete / Void

This enables you to delete or void unposted deposits and withdrawals. When a transaction is deleted, monies are replaced and the record is completely erased. Deletion cannot be undone.

All unposted cash transactions can be deleted except checks printed by the system which are voided instead. When a printed check is voided, the following things happen:

- The transaction's title is preceded with the word VOID;
- Assets are returned to their original accounts;
- Debit and credit component amounts are set to 0 and;
- A note is written in the transaction's comment field recording the amount of the check before it was voided.

The check number from a voided check is not reused. A voided check, like a printed check, cannot be modified or unvoided.

■

Cash Reconciliation Screen

This screen is for bringing your records into agreement with what appears on your bank statement. In this screen you:

- supply the beginning and ending balances that appear on the statement,
- supply the amounts of any interest and services fees that have been applied for the period,
- mark off the items that have been processed by the bank in this period.

The program totals the marked items and adds their contributions to the starting balance to get the ending balance. When you press the Enter button the marked items are given the status "reconciled" and transactions are created for the associated entries you've indicated, such as interest, fees, or adjustments.

The reconciliation screen consists of two pages. On the first is called the Setup page and it's shown in Figure 7-4 on page 155. In the Setup page you specify the beginning and ending balances that appear on the bank statement. You also specify the date and amount of the interest earned and the service fees deducted.

FIGURE 7-4. The Setup page of the Cash Reconciliation screen.

By default 4th Quarter directs service and interest to those accounts assigned to be used for this purpose by default. These accounts are assigned by the administrator through the default accounts area. The **Offset Account** button lets you select alternate accounts to receive expense and income that accrue from the service charge and interest.

The second page is called the Items page and it's shown in Figure 7-5 on page 157. This page lists all of the unreconciled items in the account. Here you need compare the unreconciled items with those that appear on your statement. Clicking each item in the list that appears on the statement will cause an "X" to appear in the left hand column. Clicking the item a second time will remove the "X".

To make it easier for you to mark items you can also click on the small "X" button at the top of the left hand column. This will mark all or unmark all items in the list, even those that might be out of view in the scrolling area. Use this button

when you think it would be easier to start by marking all items and then unmarking the few items that do not appear on the statement.

You can also use the arrow keys to mark and unmark items. The up and down arrow keys will move you up and down in the list of items. The left and right arrows will both mark or unmark the highlighted item.

As you mark and unmark items the total number and amount of deposits and withdrawals automatically updates at the bottom of the screen. As you reach the point where you have marked the same items as appear on your bank statement the discrepancy should shrink to zero. This discrepancy is displayed in the current period area and automatically updates as you mark items.

Sometimes a discrepancy may remain between the ending balance on your statement and that calculated by the program even though you've marked all the marked items that appear on your statement. As an example the figure below shows a 50 cent discrepancy. This could either be the result of a transaction whose amount was entered incorrectly, or from transactions that had not been entered at all.

4th Quarter gives you several ways of making corrections. You can change the items in the list, add new items, or have the 4th Quarter create an adjustment automatically.

FIGURE 7-5. The Items page of the Cash Reconciliation screen.

Modifying Existing Items

If an item has not been posted you can highlight it and select **Modify** from the Transaction menu. This opens the transaction entry screen, if this is available for the selected item, where you can make modifications. Certain entries, such as invoices and purchase orders, can not be modified through this screen and must be modified through the areas where they were originally entered.

The Transaction menu also allows you to add new items and delete existing ones. New items that affect the current account will be appended to the items list.

You should be aware that when you create, modify or delete items the changes you make are saved when they are entered. Changes to items are not held pending your pressing the Enter button on the reconciliation screen. For example, if you selected Add from the Transaction menu, entered a new item, and then

pressed Cancel on the Reconciliation screen, the new item would already have been saved and would be in the system.

Automatic Adjustment

If you check the Automatic Adjustment check box, located at the bottom of the Items page of the Reconciliation screen, then the system will create an adjusting entry to offset the discrepancy shown. Once the Automatic Adjustment box has been checked the screen will display the amount of the adjustment and a zero discrepancy.

Unlike those entries that you can create manually, the adjusting entry is created by the system only when you press the Enter button on the Reconciliation screen. If you cancel the reconciliation, then no adjustment is made. Also, if the adjustment amount is reduced to zero, such as by adjusting some of the items, then the system will not create any adjustment.

Entering the Reconciliation Information

Two things happen when you press the screen's Enter button

- marked items are assigned the "reconciled" status
- interest, service fee, and adjusting entries are created

Items have a status setting that can take the values "verified", "unverified" and "reconciled". When items are first entered their status is unverified. You can change any item's status from unverified to verified and back again from the various transaction entry screens (this setting is sometimes located on the "options" page of the entry screen). However, you can not mark items as reconciled, or change the status of items that have been marked as reconciled.

Whatever status items have when they enter the reconciliation screen, that status is changed to "reconciled" if the items is marked and cash reconciliation is entered. That means that items can only be assigned reconciled status through the Cash Reconciliation screen. Once the system has marked items as reconciled their status can not be changed.

Interest, service fee, and adjusting entries are also handled automatically by the system when reconciliation is entered. You control which of these automatic entries is made by either specifying an interest or service fee amount, or by checking the Automatic Adjustment check box. When these entries are made the sys-

tem will assign them the reconciled status. You can not change this status but you can modify or delete the items up until the time they are posted.

If you press the Cancel button in the Cash Reconciliation screen, then the system will not change the status of any items and will not create any of the previously mentioned automatic entries.

Cash Entry Screen

This entry screen is designed especially for Cash Transactions and, like the general Transaction Entry screen, it can be viewed in detailed or brief versions. The following discussion describes the brief entry screen.

This entry screen has the same **Special Items** menu as appeared with the General Transaction Entry screen, discussed above, with the addition of the **Enter & Print Check** item.

This screen has the same four main areas: the Status, Title, and Components fields and the control buttons.

FIGURE 7-6. The Brief Form page of the Cash Transaction Entry screen.

The Status area shows whether the transaction has been printed as a check. Once a check has been printed, its transaction cannot be modified. Note that each trans-

action also carries a status, as described below. Don't confuse the Status area at the top of various entry screens with the status of the transaction being displayed.

The Title area has a pop-up menu with a choice of cash accounts and two radio buttons for indicating whether the transaction is a deposit or withdrawal. If it is a withdrawal and you want the computer to print the check, you must check the **Printable** box so that the value "{to print}" appears in the transaction number area. Check printing is described in more detail on page 167.

Verified and Reconciled

Each transaction carries a status value that can take the value "verified", "unverified", or "reconciled". By default new transactions are assigned the value "unverified".

A transaction is verified once it is confirmed that the exchange it represents has actually taken place. For instance, a cash deposit is verified once you are sure that the funds were transferred. A check is verified once you know that the funds have been withdrawn. You can toggle this value from "verified" to "unverified" by clicking on it.

Transactions can also be marked as "reconciled". This can only be done by the system through the Cash Reconciliation area. Once items are reconciled their status can not be changed.

The meaning of these labels is as follows:

- *Unverified*: an item which may or may not have been entered, confirmed, or processed by the other party involved in the transaction (if there is another party involved).
- *Verified*: an item which has been entered, confirmed, or processed by the other party involved in the transaction.
- *Reconciled*: an item which has appeared on a bank statement and whose affect upon the account is already reflected in the account balance maintained by the bank.

Check Numbers & Printable Setting

In order for the computer to print a check, the Printable box must be checked. This causes the label "{to print}" to appear in the number field. The program will

assign the final check number when it prints the check. The computer will not print a check if you assign a number manually.

There are two administrator settings relevant to the handling of check printing (Refer to the Administrator Manual's section titled "Transaction Handling" on page a.61).

- *Printable by default*: The administrator can set 4Q so that it checks the Printable check box by default for every new cash withdrawal.
- *Printing or hiding numbers on checks*: The administrator can instruct 4Q to assign check numbers but not to print them. This is for users who print their check on pre-numbered check forms.

Cash Components

Specify the accounts that will balance the cash entry in the lower half of the screen. Type in the Account Number, starting with the GL account portion of the number. Press the tab key to move to the account number field.

- If you've entered a partial GL account number the system will display all GL accounts whose numbers begin with the character's you've typed.
- If you've entered a complete GL account number and this GL account has only account associated with it, then that account is automatically added to the components lists.
- If there are multiple accounts associated with the specified GL account the cursor will move to the account number field. If you know the account number, or some portion of it, enter it here.

Once the account is fully specified it is automatically added to the components list. Each new component is assigned an offsetting amount that balances whatever portion of the transaction remains.

To change the amount associated with a component, place your cursor in the Balance Amount column and type in a new value. Debit values are displayed in black numerals, credit values in red numerals.

Debit/Credit Reversal

If you want to change the value from a debit to a credit, then enter a negative value or press the small red and green button at the top of the Balance Amount column.

Balance Button

If the transaction that you've specified is not in balance the Balance button, located beside the cash amount field, will turn red to indicate an out of balance condition.

Click the red out of balance button to adjust the cash amount to exactly balance the total of the components in the account list area.

Cash Transactions must be balanced or 4th Quarter will not allow them to be saved. That means the amount of your deposit or withdrawal, as shown in the Title area, must equal the total amounts apportioned to the accounts in the Components section.

Once the transaction is complete you can enter it by pressing the **Enter**, **Enter & New**, Previous Record **(<)**, or Next Record **(>)** button in the Control area. If you've written a check, you can select the **Enter & Print Check** item on the **Special Items** menu.

Distribution Button

Each account in 4th Quarter can be linked to other accounts for the purpose of making it easier to enter distributions to these other accounts. If an account has distribution accounts associated with it, then when this account is added to the transaction components list, the other distribution accounts are added to the list as well.

Distribution accounts can be set from the account entry screen (See "Distribution Accounts" on page 88.) or by pressing the **Distribution** button on the transaction entry screen. Setting distribution accounts from the transaction entry screen is described in the section titled "Distribution Button" on page 113.

Address

Pressing the **Address** button opens the mailing address dialog. Here you can type in an address or press the Get button to retrieve an address stored with another record.
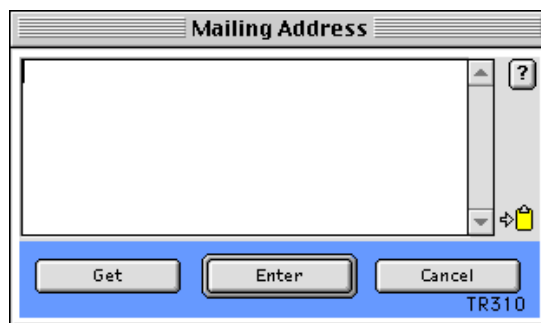
The computer will print the address you assign on the face of a check. This address is permanently assigned to the transaction and is independent of the original source of the address information. Even if the address changes somewhere else in the data file, the address on the withdrawal remains as entered.

Pressing **Get** opens the tables list dialog. Click on the table that contains the record you're looking for. This opens a record list screen in which you can locate a record in the selected table. Once you've located a record, in this case a Customer record, highlight it and press **Select**.

If the record you've selected has multiple address associated with it, then you'll be shown a list of addresses. Clicking on an address copies it to the Mailing Address screen. If only one address is associated with the selected record, then it will be copied to the Mailing Address screen directly.
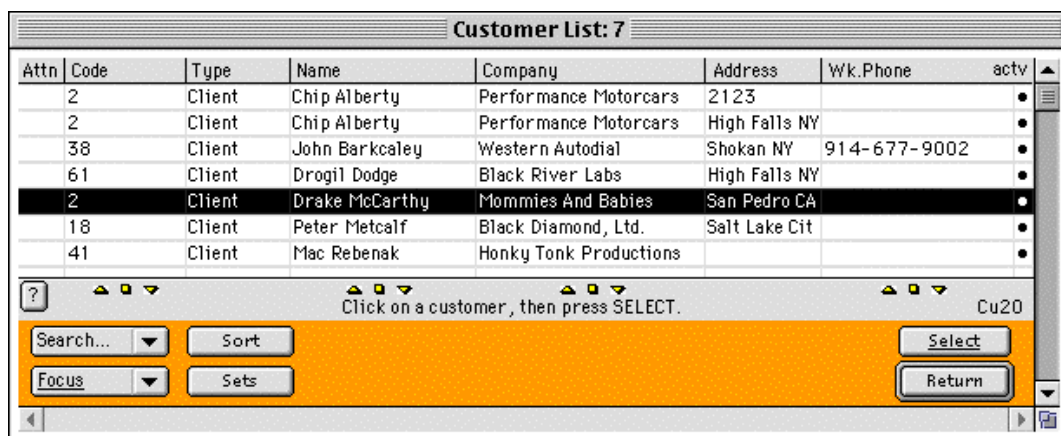
FIGURE 7-7. The Customer List screen displayed to enable a selection of a customer address.

As mentioned, the address that is retrieved is stored "as is" with the transaction. If the retrieved address is incomplete or inaccurate you can correct it in the Mailing Address screen. This will not change the address as saved with the related record, but it will change the address stored with the transaction.

When an address is stored with the transaction, the **Address** button label appears with a bullet mark to its left.

■

Cash Options

Pressing the **Options** tab takes you to the Options page where you can set other values to control how the transaction is processed and recorded. The options available here are the same as those available though the general transaction entry screen. Refer to the section title "Options" on page 115 for complete details.

FIGURE 7-8. Options page of the cash transaction entry screen.

Special Items Menu

This opens the Template List screen from which you can locate and select a template to use in defining the current transaction. This feature can be used to redefine the values and components of an existing transaction.

When you select a template and return to the Cash Entry screen, you will see a new check box labeled "Reapply Template" on the Detailed Form page. I this box is checked when you press the **Enter+New** button, then the new transaction will be created based on the current template. If the box is unchecked, then the new transaction will be blank.

Duplicate   The item will create a new cash entry that is a duplicate of the current cash entry. This option is only available when you are viewing an existing entry. It cannot create a duplicate based on a new, unsaved entry.

If you make changes to an existing entry and select the Duplicate item, then the new transaction will be a duplicate of the previous entry including the modifications. However, by selecting the Duplicate item you will lose the changes made to the previous entry. The new entry will embody the changes, but these changes will not be made to the previous entry.

If you want to make changes and create a duplicate, then you'll need to first make the changes and press Enter to save them. Then you'll need to reenter the form and select the Duplicate item to create the new entry.

Restricted Status

Account and transactions can be assigned restricted or nonrestricted status. Account status is set using a check-box in the account entry screen; transaction status is set using the **Change Restricted Status** item on the Special Items menu in the general and the cash transaction entry screens.

Restricted accounts can only be viewed by users who belong to the Restricted Access group. The account balance for a restricted account will not be displayed if that account has restricted status.

When a transaction is created that includes a restricted account it automatically becomes a restricted access transaction. The transaction "inherits" the status of the most restricted component. This means that if employee payable accounts are marked as "restricted," then all transactions that involve employee accounts are also restricted.

While transactions are automatically restricted when they involve a restricted component, you can make them unrestricted by manually choosing the Change Restricted Status item on the Special Items after the restricted component has been added. Similarly, you can turn any transaction into an unrestricted one just by selecting the **Change Restricted Status** item. Restricted access transactions are marked with a "Z" in the notes column of transaction list screens.

■

Reports

This section is divided into two parts. In the first we consider printing checks for cash disbursement transactions. Then, on page page 172, we consider transaction summary reports.

Check Printing

Check printing is handled on an account-by-account basis from the Cash Account Transactions List screen. Checks can be printed in a batch or in selected groups. Batch printing means that all written but unprinted checks are processed at once.

There are three check printing buttons accessible in the Check Print area of the cash account screen. These buttons are labeled **Set up**, **Unprinted**, **Selection**. The Setup button takes you to the printing setup dialog shown below.
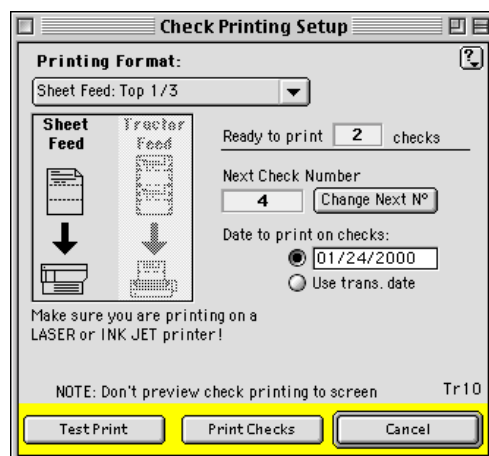

FIGURE 7-9. Setup dialog accessed through the cash account transactions list.

Setup button

The Setup screen allows you to set up the type of preprinted check form you'll be printing on, the date, and the next check number that will appear on printed checks.

Laser forms are configured to print one check per sheet of paper, according to Deluxe Corporation's form #081004, or form #081013. The check can appear either on the top or the middle third of the sheet.

The Check Printing Setup screen always defaults to the check format set by the administrator (see "Check Printing" on page a.64 of the Administrator's Manual).

Deluxe form #081004 prints the actual check on the top 3 1/2" (8.9 cm) of the page, a summary of the transaction on the middle third of the page, and a list of items paid on the final third of the page. Form #081013 prints the same information except the summary is on the top third of the page, the actual check is in the middle third, and a list of items paid on the final third of the page.

The tractor feed format prints to Deluxe Corporations' form #091004 that is 8 1/2" wide and 7" tall. The first 3 and 15/32" (8.8 cm) of the form is the check itself, while the remaining part of the form is called the stub.

You can choose to print either a summary of the transaction on the stub, the distribution details, or you can use stock that has no stub at all. You control this choice using the Printing Format popup menu. The system defaults to whichever of these options is selected by the administrator as the default (see "Check Printing" on page a.64 of the Administrator's Manual).

When you press the **Test Print** button a sample check is printed with the word VOID printed across it. Use this feature to ensure that your forms are properly aligned.

Press the **Change Next №** button to change the number of the next check for this account. Each account has its own check sequence, which you can change to a higher number to accommodate checks that have been hand written. The check number cannot be lowered.

The Date to Print on Checks field allows you to date the checks to either have a fixed, specified date or the same effective date the transaction was entered.

Unprinted button

Confirm Check Printing

This button activates the program to search the subaccount for all unprinted checks and to place them in a print queue. The unprinted checks are then displayed in the list below for printing approval.

FIGURE 7-10. The queue for printing displayed in the confirmation screen.

Click in the **Print** column to remove the check mark for the check on a particular row. When the check mark is removed, that check will not be printed this time. Pressing the **Print** button causes the items with check marks to be printed as checks.

Check Printing Setup

4th Quarter prints checks in either sheet fed or track fed formats.

Laser Form

The sheet fed format is for printing on laser or ink jet printer printers and is formatted according to Deluxe Corporation's preprinted check form #081004. These forms should be obtained by you with your account and bank routing numbers preprinted with magnetic ink. 4th Quarter does not print this information on the form.

The laser fed form prints one check per page, along with a confirmation and distribution stub. The system can print the actual check on the top or the middle portion of the form. The location of the check is set by the Administrator on the Transaction page of the Maintenance screen. This setting is used by default when you print checks. This check location can be changed by the user from the Check Printing Setup dialog.

Two Hundred and Thirty Four --

    Acme Tire Retreads   Mon, Apr 5, 1999   234.95

Acme Retreads
636 Tire Flats
Rakonkonoma, MI 48372

┌─Check Printing Confirmation───

                                    Number: **2**
                                  $ Amount: **234.95**
    Credit to account: Date: Mon, Apr 5, 1999
    10091-100   Made Out To: Acme Tire Retreads
    General Cash
                                Addressed To:
    Memo

                                       Printed: 04/05/1999   11:46 AM

┌─Distribution──
ID   Reference   Title   Memo   Amount
242   Payable Purchase   155.00
243   Payable Purchase   79.95

Tc180

FIGURE 7-11. The sheet fed check format with its three separate areas.

Track Fed Form

The track fed format only prints the check and a summary. The summary is printed on the next form after the actual check and is of the same dimension as the check. Alternately, you can use track fed stock that has no summaries.

If you are printing a summary, then you can choose to have your track feed summary print either a confirmation or distribution summary. The confirmation reiterates the details printed on the check. The distribution summary indicates which the payable items the check has been allocated to.

The administrator sets the default check printing format on the Transaction page of the Maintenance screen. This setting determines whether the confirmation or distribution information is printed on the tractor fed stub.

You can change this through the check printing area when checks are being printed. Choose the check printing format from the Printing Format popup on the Check Printing Setup dialog.

Track feed printing is usually done using duplicate or triplicate forms that are loaded on a printer devoted to the printing of checks. Track feed check forms should also be obtained with preprinted bank account and routing numbers.

Before printing using the track feed format, be sure the job is directed to the correct printer. 4th Quarter can be configured to automatically store the location of different printers and to use certain printers a appropriate times. However this requires custom programming. Contact Braided Matrix for more information.

```
Two Hundred and Thirty Four -------------------------------------------

   Acme Tire Retreads                    Mon, Apr 5, 1999        234.95

Acme Retreads
636 Tire Flats
Rakonkonoma, MI 48372
```

FIGURE 7-12. The tract fed check format only prints the actual check.

Verify Check Printing

After your checks have printed you'll be shown a confirmation dialog where you verify that all the checks have been printed successfully.
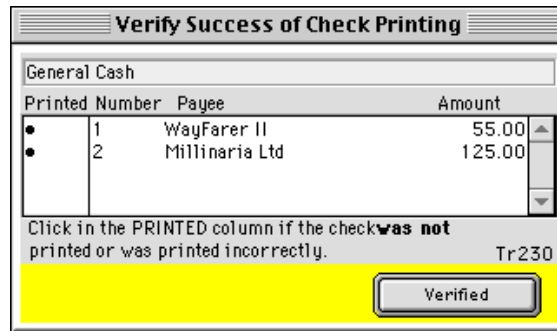

FIGURE 7-13. The dialog for verifying that checks were successfully printed.

Once a check is verified as having been printed successfully, it becomes locked and cannot be modified or reprinted. If you have any problem that requires reprinting a check, be sure to click in the **Printed** column, thereby removing the check mark and allowing the check(s) either to be modified or reprinted.

Selection button

First highlight the checks you want to print in the transaction list. Then press the **Check Print Selection** button to print a single or multiple checks. You'll be shown the same Confirm Check Printing box shown above, and you'll be asked to confirm successful check printing.

Selecting checks and using the **Selection** button has the same effect as using the Unprinted button and removing all but the particular checks you're interested in from the Confirm Check Printing dialog box.

■

Transaction Reports

The following reports can be printed from the Cash Account Entry screen by pressing the **Report...** button that is located there.

Check Register

10001-100 Money Market   Thu, Jun 3, 1999   10:51 Page   1
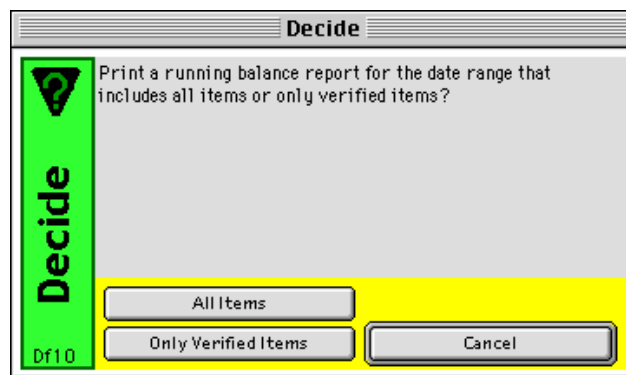   Receipt/Disbursement Journal

Sample Component Report

Attn	Ref. Nº	Effect.	Notes	Item	Debits	Credits
		5/21/99		Acme Tire Retreads		250.00
		5/7/99			10.00	
		5/7/99		Client Sales		25.00
	{to print}	5/7/99		Acme Tire Retreads		50.00
		5/7/99		Acme Tire Retreads	50.00	
				DR TOTAL -265.00 =	60.00	325.00

FIGURE 7-14. A sample components report.

Running Balance

Before the report prints you'll be asked for a date range. Then you'll be asked whether the report should include all items, or only verified items in the indicated date range.

Running Balance for 10001-100 Money Market

Sample Running Balance Report   Fri, Jun 4, 1999   23:42
Includes covered and uncovered items.   Page   1

Journal: Receipt/Disbursement			Linked to:				
Ref. Nº			Descrip: General cash account.				
ID: 6	Active		START DATE	1/1/99	Opening DR Balance		21,357.34
Attn	Ref. Nº	Effective	Note	Title	Item	Debits	Credits	Running Balance
		3/19/99	P	Child support		100.00		21,457.34
		3/21/99	P			750.00		22,207.34
		3/21/99	P		Retained Income	1,500.00		23,707.34
		3/21/99	P	Withdrawal	Retained Income		137.00	23,570.34
		3/25/99	P			47.00		23,617.34
		3/25/99	P	Deposit	Braided Matrix	45.00		23,662.34
		3/25/99	P	Deposit	Retained Income	12.50		23,674.84
		END DATE		4/4/99 TOTALS		2,454.50	137.00	
Most Recent Transaction 3/25/99					ENDING DR Balance			23,674.84

FIGURE 7-15. A sample running balance report.

Allocations

The allocation report lists the currently displayed items and below each it breaks out those accounts to which each item is allocated. No details appear below the lines of items that are not allocated.

Allocation Report   Fri, Jun 4, 1999   23:50 Page   1
10001-100 Money Market
Sample Allocation Report

Attn	Ref. Nº	Effect.	Notes	Item		Debits	Credits
		5/21/99		Acme Tire Retreads			250.00
		5/5/99	30011-26 Acme Tire Retreads	Restocking			115.00
		5/5/99	30011-26 Acme Tire Retreads	Restocking			35.00
		5/7/99				10.00	
		5/7/99		Client Sales			25.00
{to print}		5/7/99		Acme Tire Retreads			50.00
		5/5/99	30011-26 Acme Tire Retreads	Restocking			50.00
		5/7/99		Acme Tire Retreads		50.00	
{to print}		4/9/99	P	Braided Mat			25.00
		4/27/99	10002-16 Braided Mat				25.00
		4/21/99		Payroll		250.00	
{to print}		4/21/99		Acme Tire Retreads			265.00
		5/5/99	30011-26 Acme Tire Retreads	Restocking			290.00
					TOTAL	310.00	615.00

FIGURE 7-16. A sample allocations report as printed from the Cash Entry screen.

CHAPTER 8

Accounts Receivable

This chapter describes the Accounts Receivable area, the process of allocation of payments to debts, and the production of aging and other reports.

Accounts Receivable Area

Flow of Data

4th Quarter's Accounts Receivable (AR) area provides access to all accounts listed on Receivable-type journals. From the AR area you can:

- receive payments,
- allocate payments to debts,
- remove sales discounts,
- assess finance charges,
- add, modify and delete transactions made to receivable accounts,
- produce reports that include statements, running balance and aging reports.

Entries to accounts on AR journals can be made either directly, through the AR area, or indirectly through sales and invoice transactions or via deposits and withdrawals made through the cash area. GL accounts do not appear in the AR area because entries cannot be made directly to GL accounts.

4th Quarter is unlike other accounting programs in that the AR area shows all entries made to AR account without regard to how the entries were made. The AR

---

area provides a complete, real-time record of all entries made to all AR accounts through any means.

AR account balances are updated whenever transactions are entered. The balances of Receivable GL accounts, like the balances of all GL accounts, are updated when transactions are posted.
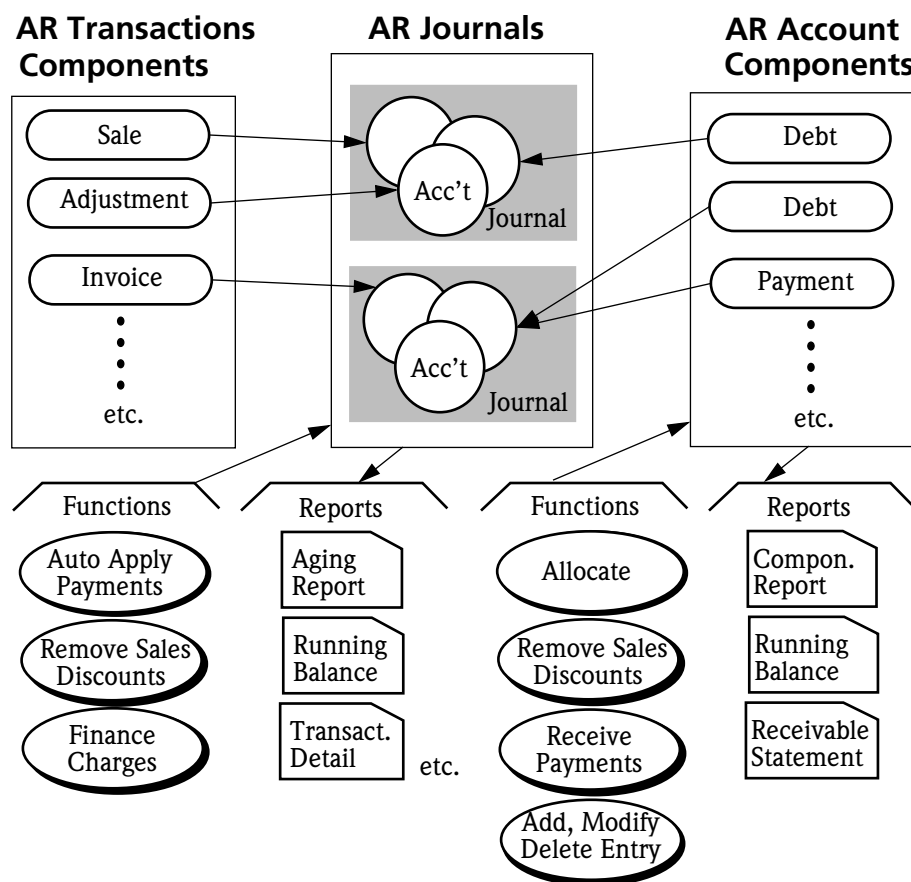
FIGURE 8-1. Flow of data from transaction components into AR accounts, and from AR accounts to reports.

■

Accessing AR

Accounts Receivable can be accessed either through the **AR & AP** popup in the Specific area of the control screen, or from the **Receivable Accounts** item on the **Accounting** menu.

If you have defined only one receivable journal, then the name of that journal appears in the upper half of the **AR & AP** popup. If you have multiple receivable journals, say one for each profit center, then each of these journals appears as a separate item under the heading "Receivable Journals:".

Selecting one of these journals opens an Receivable Accounts area that is limited to accounts on that journal. If you open other receivable journals, then they will open separate receivable areas each of which will be limited to the display of accounts on the respective journals.

If you select the **Receivable Accounts** item on the **Accounting** menu, and you have only one receivable journal, then the program will open that journal in a Receivable Accounts area. If you have multiple receivable accounts the system will display a list of receivable journals. Select one to open that journal in a Receivable Accounts area.

The process of accounting for receivables involves

- Receivable Journals
- Receivable Accounts (accounts on receivable journals)
- Receivable Transactions (transactions involving receivable accounts).

A receivables journal is any journal that you create that is assigned the "receivable" type. The system requires at least one receivable-type journal and you can create as many additional receivable-type journals as you like.

Journals act like folders. You create various Receivable Journals to segregate different receivable accounts by associating them with different journals.

Receivable accounts track obligations for items or services sold but yet not paid for. Receivable transactions are those that convey credit offered and on which some payment remains due. A receivable transaction will usually involve sales, cash, and inventory accounts, and it may also involve other accounts as well. There are several kinds of Receivable transactions that are discussed in more detail in the section titled "Sales Entry" on page 393.

Many receivable accounts are linked to a few receivable General Ledger accounts. Entries make to the accounts are totalled by period and copied to the GL accounts in the posting process. The system maintains separate GL receivable accounts for each type of customer. All the receivable entries for customers of a given type post through to a GL account specifically for customers of that type.

Accounts Receivable functions are divided among four different list screens:

- *List of Sales* screen (See page 391)

  The List of Sales screen is accessed from the **Sales** pop-up menu on the Control Screen.

- *List of AR Accounts* screen (See page 175)

  The Receivable Accounts list is accessed by selecting **Accounts Receivable** from the **AR & AP** pop-up on the Control Screen.

- *Multiple Account Receivable Allocation* screen (See page 188)

  The Multiple Account Allocation screen is access by pressing the **Items Due...** button on this list screen.

- *Receivable Account Allocation* screen (See page 196)

  The Receivable Account Allocation screen is accessed by selecting a particular account from the list of AR accounts and pressing the **Select** button.

■

| **Receivable Accounts List** | In order to purchase on credit, each Customer must have a receivable account. Receivable accounts can also be created directly through the accounts entry screen in the Chart of Accounts area discussed in the section entitled "Accounts" on page 79. |

FIGURE 8-2. The Receivable Accounts List screen.

All receivable accounts related to each receivable journal can be displayed on the Receivable Accounts List. Receivable Accounts list screens for other receivable journals can be opened in separate User Area windows. Each journal is listed on the **AR & AP** popup menu on the control screen.

Locating Accounts

You can search for account using the options on the Search… popup menu. The results of these searches will be screened and the display will be limited to only those accounts related to the current journal.

The Example…, GL Account…, and Account Type… searches are described on page 82.

You can also locate accounts according to whether they contain unallocated payments whose total value is greater than an amount that you specify. Selecting the Amount Due… search opens the Amount Due Criteria screen.

FIGURE 8-3. The Amount Due Criteria screen locates accounts according to test performed on the account components.

The Amount Due Criteria screen provides you with four types of searches. You can join search criteria by checking more than one box. When multiple criteria are selected accounts will be found that satisfy all criteria inclusively.

- By overdue criteria enables you to locate accounts that contain items overdue by more than a specified number of days.

- By amount owed criteria locates accounts whose total unpaid debt is above or below a specific figure.

- Accounts with items whose discounts expire… examines the sales discount dates assigned to the journal's accounts.

- Accounts with unallocated payments in excess of… looks for accounts that contains payments whose unallocated payments total more than the specified amount within each account.

Functions that Act on Receivable Accounts

The Receivable Accounts list screen performs the following functions specific to receivable accounts.

- *Group Account Allocation*: matches payments with obligations for a selection of accounts. Your options are displayed if you highlight one or more rows and select the **Allocation for Accounts** on the **Special Items** menu.

- *Multiple Account Allocation*: manages multiple items due for receipt across many accounts. Locate the accounts whose outstanding items you want to review. Then press the **Items Due...** button. This brings you to the Multiple Account Allocation screen described below.

- *Individual Account Allocation*: manages the individual items within a particular account. Highlight an account and press the **Select** button. This brings you to the Account Allocation screen described below.

- *Finance Charges*: assesses carrying charges on overdue accounts. Choose **Generate Finance Charges** from the **Special Items** menu. See "Generating Finance Charges" on page 184 for details.

- *Discounts Not Taken*: removes discounts from accounts which have not been paid within the time limits set with particular Sale. Choose the **Sales Dis‐counts Not Taken** from **Special Items** menu. See "Removing Sales Discounts" on page 186 for complete details.

■

Allocation

Funds paid toward debts may or may not be allocated. Funds will be allocated to debts when these situations prevail at the time the transaction is entered:

- The "**Autoallocate to ALL accounts**" option is specified in the transaction entry screen.

- The "**Autoallocate as PER account**" option is specified in the transaction entry screen, and the receivable account is set (through the account entry screen) so that receipts are automatically allocated.

- The receipt was not allocated when the transaction was originally entered, but was manually allocated at a later time.
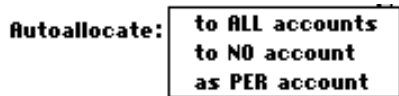

FIGURE 8-4. The **Autoallocation** pop-up menu available in many transaction entry screens.

Because this sort of situation can arise in any account, 4th Quarter provides you with the means of allocating, or reallocating, the funds awaiting distribution in each account. Automatic allocation is described below.

The process of allocating funds does not create new transactions. Allocation only matches payments with debts where both the payments and debts have already been entered. The following allocation processes only match funds within each account, and since funds are not moved between accounts no new transactions are generated.

Automatic allocation to groups of accounts

Go to the Receivable Accounts List, accessed through the **Receivable Account** item on **Sales** pop-up menu in the Control Screen. Highlight a group of accounts and select the **Apply Payments** item on the **Special Items** menu. This presents you with a dialog that applies funds allocation for those accounts in the highlighted selection.
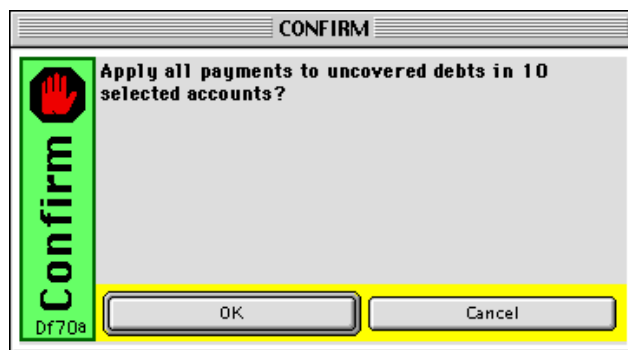
FIGURE 8-5. The Apply Payments dialog for automatically allocating funds stored with accounts to cover outstanding debts.

When you press the **OK** button the system analyzes each of the highlighted accounts and distributes all the funds available to outstanding debts. Debts are covered first in order of payment priority and age. Within each payment priority group oldest debts are covered first. If there are extra funds they are left undistributed.

Autoallocation performed within a journal's receivable accounts area only applies to accounts on that journal. To perform autoallocation for accounts on other jour-

nals you must open those journals in their own receivable accounts area and apply payments from those screens.

Automatic allocation within an account

Highlighting a receivable account in the Receivable Accounts List and pressing **Select** brings up the Receivable Allocation screen. This screen provides various ways to match payments with debts. You can

- mark groups of items to be paid,
- allocate specific receipts to specific debts,
- split receipts,
- cover or uncover debts,
- reallocate receipts among debts.

These options are available to you at any time without regard to whether transactions have been posted to the GL, or whether the periods have been closed. Complete instructions for using the receivable allocation screen are found on page 196.

■

Generating Finance Charges

Selecting the **Generate Finance Charges…** item from the Special items menu opens the Finance Charges dialog.

FIGURE 8-6. The Finance Charges dialog for levying finance charges on overdue accounts.

Finance charges are interest assessed on unpaid balances, charged at the rate stored with that account or specified in the Finance Charges screen. Charges are assessed from the due date associated with each overdue entry, or from the last date when charges were levied, whichever is later. Charges are computed up to the current date, or other date you specify.

The last date up to which charges were levied is stored with each account. This date is used to insure that the finance charges are not levied twice for the same period. Since finance charges are only assessed at your instruction, they compound at whatever intervals you choose.

Finance charges assessed on the accounts in a particular journal's Receivable Accounts area will only apply to accounts on that journal.

Grace Period

Each account stores a grace period and the Finance Charge dialog allows you to set an overriding grace period. The grace period is the number of days within which past due items are not assessed finance charges. For example, with a grace period of zero days all overdue items are subject to charges. With a grace period of 5 days only those items that are overdue by more than 5 days will be charged.

Finance Rate

Finance charges are determined by the specified monthly rate, multiplied by 12 to get an annual rate, and then divided by 365 to get a daily rate. This daily rate is applied to each overdue item according to the number of days since the item was due, or since finance charges were last assessed, whichever is later.

No Affect on Accounts with Credit

Finance charges will only be assessed on an account if it has no unallocated credits. That is, any customer who has credit that has not been allocated will not be assessed finance charges regardless of their debt. If you assess finance charges on a group of accounts, those with unallocated credit will be skipped.

To assess finance charges correctly you should apply all credits to debts using the **Apply Payments** item located on the Special Items menu. This insures all credits have been applied so that finance charges may be assessed on any remaining overdue debts.

■

Removing Sales Discounts

Selecting the **Sales Discounts Not Taken...** item from the Special Items menu brings up the Untaken Sales Discounts dialog.
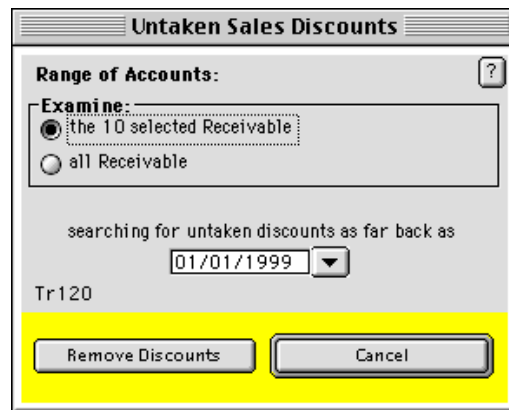
FIGURE 8-7. The Untaken Sales Discounts dialog for removing discounts from accounts that did not provide payment within the sales discount period.

Sales discounts are offered for payments made within a specified time period in order to encourage early payment. For example a discount specified as "5/10" means a 5% discount is offered on the item total if payment is received within 10 days. 4th Quarter removes untaken sales discounts from both sales and purchases.

When sales are entered or invoices journalized with a sales discount, it is assumed that the discount will be taken and the discount is used to compute the actual receivable amount. In the event that payment is not received within the discount period the transaction's sales discount must be removed or reversed to reflect the fact that the full, undiscounted amount is now due.

Discounts on Sales and Invoices

The dialog in Figure 8-7 gives you two options:

- Remove Discounts from Selected Accounts
- Remove Discounts from All Accounts

If you choose the first option 4th Quarter looks only at those sales and invoices written to the receivable accounts in the current selection. If you choose the second option 4th Quarter reviews all receivable accounts looking for untaken sales discounts.

4Q searches for sales and invoice transactions whose sales discounts have expired and that are not fully paid. Invoices may be found in any of following three stages of processing and 4th Quarter will handle each of these cases differently.

Handling Invoices

- Unjournalized Invoices:
  These are invoices for which there are no transactions either because they have not been shipped or because they're being batch processed. In this case 4Q simply sets the discount that appears beneath the line items to zero and recalculates the total amount of the order.

- Journalized, Unposted invoices:
  These are invoices that have been journalized but whose transactions have not posted to the General Ledger. In this case 4th Quarter increases receivables by the discount amount and then reduces the discount to zero.

- Journalized, Posted invoices:
  These are invoices that have been journalized and whose transactions have been posted. Since these invoice transactions can not be changed, 4th Quarter creates an adjusting entry that increases receivables and credits the invoice discounts account(s). These new transactions will appear separately in the customer receivable accounts and on future customer statements.

Discount Dates After Discount is Removed:

When a discount is removed from a transaction, the discount date stored with the transaction is set to 00/00/00. In cases where transactions are created from invoices, the discount due date stored with the invoice remains unchanged. This is done so that invoice continues to record the sale discount date based on the most recent shipment.

As a consequence of this, once a discount is automatically removed from a transaction, the transaction no longer indicates that there ever was a discount date. Only the invoice records the discount date for reference.

Remember that 4th Quarter implements a "virtual invoice" that record all phases of product shipment and back orders. If the invoice records terms of sale that include a sales discount, then any future shipments made on this invoice can generate a discounted receivable amount that is subject to a sales discount. That is, the process of automatically removing sales discounts removes expired discounts but does not prevent the generation of future discounts. If you want to prevent an

invoice from applying a discount on future shipments, then you must enter the invoice and modify either the discount percent, or the terms of sale.

Discounts removed from entries made to accounts in a particular journal will only apply to accounts on that journal.

■

Multiple Account Allocation

**Multiple Item
Allocation screen**

This screen, accessed by pressing the **Items Due...** button, shows outstanding debts for all the accounts displayed in the Receivable Account list. This screen will show any or all outstanding debts for the current journal.

FIGURE 8-8. Multiple Account Receivable Allocation screen for reviewing debts and receiving payments.

When this screen is first opened it displays all currently due items for the previously selected accounts. The accounts and account attention values that are associated with these debts are shown in the "Atn" and "Account" columns.

The remaining columns display information associated with the debt items themselves. A series of popup menus at the top of the columns allows you to choose which values to display. These includes dates, reference numbers, comments and annotations.

The column labeled "P" shows the priority assigned to the item. Funds are automatically allocated to items with a lower priority number. Within each priority number items are allocated from earliest to latest due dates.

The Original Due column shows what amount was originally due for the selected item. The Amount Due column shows what amount currently remains due. The Amount Due can be totalled by pressing the **Sum** button.

This screen allows you to explore outstanding items for any range of accounts on the current journal. Using the search options available here you can locate items according to the transaction or account. These search options are described in the following section.

Marking Items

Once you've located a range of items you then mark the rows for those items whose payments are to be received. Items are marked by placing an "X" in the left-most column. Do this either by clicking on individual rows to mark or unmark them, or by pressing the mark button, the button labeled with an "X", located atop the left-most column.

Receiving Multiple Items

Once you have marked the items to be received, press the **Receive Marked** button. The system will total all receipts for the marked items by account. The system will then display a series Cash Deposit entry screens. Each screen in the sequence will display the total being received from each account. You can annotate the transaction or modify the amount received from the Cash Deposit screen.

FIGURE 8-9. The Cash Deposit screen opened when the Receive Marked button is pressed in the Multiple Accounts allocation screen. The display shows the total of all marked items for the selected AR account.

Pressing the **Enter** button in the Cash Deposit screen saves the deposit and allocates the funds to the marked items. If you modify the received amount to be less than the amount required to cover the selected items for that account, then whatever funds are deposited are allocated to the marked items on a priority basis.

Pressing the **Enter** button also moves you to a deposit screen for the next account. Once the system finishes soliciting deposit confirmation for all of the accounts in your list of marked items it will return you to the Multiple Account Receivable Allocation screen.

If you press the **Cancel** button, then the sequence of Cash Deposit screens is terminated. Whatever deposits you previously entered will have been saved and distributed. No additional deposits or distributions are made. The system returns you to the Multiple Account Receivable Allocation screen.

Accounts with Outstanding Unallocated Amounts

If any of the items that are marked belong to accounts that have outstanding payments, then you will be informed of this by the appearance of the Payments Outstanding window.
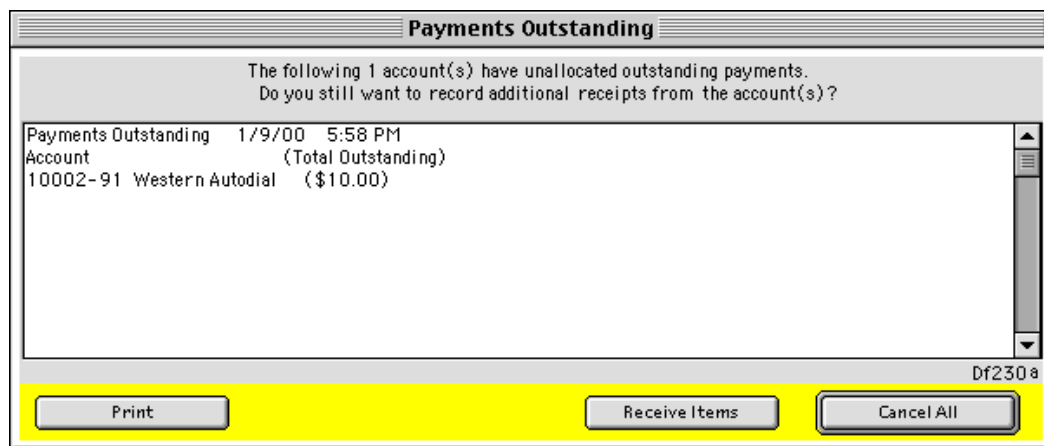

FIGURE 8-10. The Payments Outstanding screen is displayed whenever items in the selection to be received correspond to accounts with unallocated payments.

Accounts that have payments outstanding have payments that have been received and have not been allocated to any debt. These could either be advance payments, payments received that are set to be manually allocated, or credits accorded to the accounts for other reasons.

Receivable accounts with net credit balances always have unallocated items. But a receivable account can have some unallocated credit items even when it has a debit balance. If an account has unallocated payments then you may want to allocate these payments to outstanding debts before receiving additional payments.

The Payments Outstanding screen shows which accounts of the currently selected items have unallocated payments and the total payment amount that is currently unallocated for each. You can copy and paste this information to the clipboard, or you can print it be pressing the **Print** button.

The Payments Outstanding screen offers two choices of how to proceed. Pressing the **Receive Items** button proceeds with receiving the selected items. Pressing the **Cancel All** button returns you to the Multiple Account Allocation screen.

By going back to the Receivable Accounts list, the screen that precedes the Multiple Account Allocation screen, you can manage the individual accounts that have the unallocated items.

Locating Debts by Items

The Multiple Account Receivable Allocation screen provides a variety of tools for locating and marking debts to be received. The Items Due page displays a list of items, their related accounts and amounts due. The following functions are available for locating and review debt items.

Pressing the **Mark** Button (labeled with an "X")marks or unmarks all items depending on the state of the first item in the list. If the first item is unmarked, then pressing the X button places an "X" in the left hand column of all rows. If the first item is already marked, then pressing the X button removes the "X" for all lines.

Items that are marked can be acted upon using the **Focus** popup and the **Sum** and **Receive Marked** buttons.

Pressing the **Sum** button totals the amounts shown in the Amount Due column. It also subtotals the Amount Due for marked items only. Whenever you change the selection of items the total values are erased. Press the **Sum** button to recalculate the totals.

The **Show Only Items with Amounts Due** check box adds an additional criteria to all your searches. This criteria limits all searches to display only items that represent amounts that are still due. Receipts and fully received items are not displayed.

By unchecking this check box you remove this additional criteria. When unchecked the items found as the result of a search may include items still due, items no longer due, and payments.

Search… popup

The **Search...** popup menu enables you to locate outstanding receivable or items already paid. Only items on the current journal are displayed. To find items on other journals open a separate AR area for that journal.

- *By Transaction...* item

  Search for items according to transaction criteria.

- *By Account...* item

Search for items by account. You can specify any account criteria but only items related to accounts on the current journal are displayed.

- *By GL Account...* item

  Search for items by GL account. You can specify any GL account criteria but only items related to accounts on the current journal are displayed.

- *Due Within <N> Days* item

  This option locates items with due dates that lie between one and <N> dates in the future. Each user can set their own <N> value through the **Preferences** item found on the **File** menu above the Control Screen.

- *All Overdue* item

  This locates outstanding items that have due dates equal to or earlier than the present date.

- *All Receivable* item

  This locates outstanding items due in the past, present, or future.

The **Focus** popup menu reduce the selection by marking items and selecting **Focus** or **Exclude**. The action applies only to marked items.

The **Sort** button sorts the displayed items. The sort criteria you choose continues to apply to items located using the search criteria.

The displayed items can also be sorted by pressing the **Quick–Sort** buttons. These are the small up and down pointing triangles located below certain columns. Mini-sort allows resorting the current selection in ascending or descending order based on the values in the columns above each set of buttons.

The **Report...** button prints a list of the displayed items to paper or to a file on disk. This list includes all items in the current list printed in their display order.

Transaction Menu - Items Due Page

The transaction menu enables you to create a transaction for the account that's indicated by the currently highlighted item.

- **Customer Entry** item (only available in the Full version of 4th Quarter)

  This opens the sale-type transaction entry screen with selected customer already filled in.

- **General Cash Entry** item

This opens the cash-type transaction entry screen with selected customer's account already filled in.

- **General Entry** item

  This opens the general journal transaction entry screen. No account are initially listed when this screen is opened.

- **Modify** item, **Delete** item

  The Modify and Delete items apply to the currently highlighted item. If an item has been posted it cannot be modified or deleted.

Locating Debts by Account

Press the **Account Totals** tab to reach the second page of the Multiple Account Receivable Allocation screen. This second page provides a shortcut to limiting your items to selected accounts.

This screen shows only those accounts that are related to the items displayed on the Items Due page. Accounts are listed by account number and name. The current balance of each account is shown along with a total of the amount due for all items shown and a total for all items marked.

You cannot search for accounts from this page, but you can reduce the selection of accounts that have been located from searches performed on the Items Due page. In addition, you obtain a variety of account-specific information, enter transaction for selected accounts, and print account related reports from the Account Totals page.

Reducing the Selection

To reduce the list of items to specific accounts you must first reduce the list of accounts shown.

To reduce the selection you must first mark the accounts you're interested in. Press the left-most "mark" column (the column labeled with the "+") to mark individual accounts.

Marked Accounts

Press the **Mark** Button (labeled with a "+") to mark or unmark all accounts. If the first account is unmarked, then pressing the **+** button places an "+" in the left hand column of all rows. If the first item is already marked, then pressing the **+** button removes the "+" for all lines.

Accounts that are marked can be acted upon using the **Focus** and **Exclude** items on the Focus popup menu.

Once you've reduced the displayed accounts, click the **Items Due** tab to return to the Items Due page. The Items Due page will now display only those items related to the accounts you chose.

Other Buttons

Clicking on the small up and down **Quick Sort** triangle button immediately sorts the displayed rows in ascending or descending order. The sort is performed based on the values in the column directly above the button you click.

The **Sum** button totals the Balance, Items Shown, and Items Marked columns.

The **Sort** button resorts the displayed accounts according to various sort criteria.

The **Report...** button allows you to chose one of various account reports. These reports will include only those accounts that are currently displayed. The accounts will appear on the reports in the order displayed on the screen.

Reports that you can choose from include the Account Summary, Account Detail, Allocations, and Running Balance Reports.

The **Info** button displays additional details for the account that is currently highlighted. Click on a row to highlight it.

The **Return** button exits the Multiple Account Receivable Allocation screen.

Transaction Menu - Accounts Page

The transaction menu enables you to create a transaction for the account in the currently highlighted row.

- **Customer** item (Available only in the Full version of 4Q)

  This opens the sale-type transaction entry screen with selected customer already filled in.

- **General Cash Entry** item

  This opens the cash-type transaction entry screen with selected customer's account already filled in.

- **General Entry** item

  This opens the general journal transaction entry screen. No account are initially listed when this screen is opened.

■

Individual Account Allocation

Allocation screen

This screen, accessed by selecting an account in the Receivable Accounts List and pressing **Select**, shows credit obligations and payments for a particular account.

FIGURE 8-11. Allocation screen for matching Payments received to amounts due.

The allocation process is at the heart of the AR module. The Receivable Account Allocation screen allows you to explore the complete debt and payment history for a given account. Using the search options available here you can view any subset of items according to the type of entry, the date range, the original or outstanding amount, among many other criteria.

In the top portion of the screen in Figure 8-11 displays the total account balance and the undistributed balance. The undistributed balance represents the total of payments that have not been distributed, it does not represent prepayments although that is possible in some cases. For example, the account could have a net balance due and still have undistributed funds if some payment had yet to be allocated.

The heading area of the screen also displays the total number of items in the scrollable area, which may exceed the items that are actually visible. The summation button will compute the four totals for all the items in the scrollable area.

The Original Debt column tells you the amount originally owed for this item, and the Balance Due column tells how much remains unpaid. The Original Paid column shows the customer's payments to their account, while the Payment Available column shows what portion of this payment has not yet been distributed.

Dynamic Reconciliation

4th Quarter's Special Feature

As mentioned before, one of 4th Quarter's unique features is how allocation is independent from the action of entering debits and credits. Allocation is simply a matter of matching existing debit entries with credit entries — it does not affect the total amounts credited or debited to an account. Allocation has no affect on account balances.

Because allocation is independent in this manner it is unaffected by the process of posting entries to the general ledger. The upshot is that you can allocate items after they've been posted, and reallocate them at any time after that. We call the power to reallocate items at any time "dynamic reconciliation."

We emphasize that this feature is a natural consequence accounting. Computers should *always* have enabled you to do this. The fact that other applications don't provide this feature is a reflection of their inadequate designed. It does not reflect any proscription against this feature according to the generally accepted accounting principles!

Allocating Payments

Matching Debts with Payments Received

The most important function of the Receivable Allocation screen is matching debts with payments. You can do this automatically, letting the computer match items according to seniority, or manually in any manner you want.

Automatic allocation proceeds according to the dual criteria of due date and priority. Each debt carries a priority from zero to 9. The higher the priority the greater preference is given to retiring the debt. The system give an item's priority rating precedence over its due date — all items of a higher priority level are retired before items of a lower priority level. When allocating to items that share the same priority the system will retire the oldest debts first. A debts age is given by the time since it was due. This can be independent from the date on which the debt was entered.

Manual allocation allows you to split Payments among multiple obligations, apply multiple Payments to a single obligation, or redistribute several Payments among several obligations.

The following functions provide ways to allocate funds:

- automatically when payments are received
- automatically to all unpaid items
- automatically to all marked items
- manually to the selected item

We'll consider each of these options in turn.

When Payments are Received

When an AR transaction is entered the system will or will not allocate payments to debts automatically depending on how the Allocation pop-up is set in any of the various transaction entry screens. The Allocation pop-up gives three choices:

- *Allocate to All*

  In this case the system will match any new payments with any existing debts, or match any new debts with prepayments. Autoallocation will be performed for all entries that affect AR and AP accounts.

- *Allocate to None*

  The system will not match payments with debts for any entries affecting AR and AP accounts. The Allocate to All and the Allocate to None options override any settings that are recorded with the customer or the customer's account.

- *Allocate as Per Account*

This option, which is the default, will allocate payments for those accounts in which automatic allocation has been turned on. If automatic allocation has been turned off for any particular account, then the system will leave payments undistributed.

An account will normally inherit the automatic allocation assignment from the GL account that it's attached to. This can be overridden through the account entry screens. In these screens you can set automatic allocation to be set differently for every account.

Allocation done at the time the transaction is entered is not controlled through the AR area. Rather, the AR area allows you to review the state of the account whose ongoing maintenance is being handled automatically.
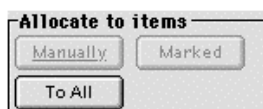
… To All Unpaid Items

Pressing the **To All** button in the lower left side of the allocation screen in Figure 8-11 tells the system to apply all available payments to all open debts in accordance with the priority/due date payment scheme mentioned above. This is the easiest way to make sure that all payments are distributed, and that any payments that are not distributed are prepayments.

… To All Marked Items

The column labeled "X" on the left hand side of the Account Allocation screen is the "marked" column. Clicking in this column places an "X" along the corresponding row. Pressing the "X" that appears as the column label will toggle the x-mark on and off for all items.

When at least one item is marked with an "X" the "Allocate to Items **Marked"** button becomes enabled. Pressing the **Marked** button tells the system to apply only those payments in the set of marked items to the debts that appear in the same marked set. This enables you to mark exactly which items are going to be used to pay off which debts.

X	attn	Title	Due		P	Terms	Orig. Paid	Pay. Avail.	Orig. Debt	Bal. Due
		Timbuktu Retaine	4/17/99				405.00	405.00		
X		Timbuktu Retaine	4/17/99				450.00	450.00		
X		Receivable Sale	4/12/99			Net 5 10/5			32.10	32.10
X		Sales Discount Un	3/2/99						15.00	15.00
X		Receivable Sale	2/20/99			Net 5 10/5			135.00	135.00

FIGURE 8-12. Four items marked with X's in the Account Allocation screen.

When performing allocation for marked items the system will still proceed on the priority/due date payment scheme but it will apply this only to the marked debts. That is to say, it will apply payments first according to priority and then according to due date. If there are greater debts than there are payments, then certain items will be left uncovered.

… Manually to Selected Items

Manual allocation gives you the most freedom to assign, or reassign, any portion of any payment to any portion of any debt at any time. You can manually assign payments to any combination of debts, or assign a debt to any combination of payments.

You begin by clicking to highlight an item in the scrollable area of the Receivable Accounts Allocation screen and pressing the "Allocate **Manually**" button. Note that the X's used to "mark" an item are unrelated to the highlighted row toward which the **Manually** button directs its action.

X	attn	Title	Due		P	Terms	Orig. Paid	Pay. Avail.	Orig. Debt	Bal. Due
		Timbuktu Retaine	4/17/99				405.00	405.00		
X		Timbuktu Retaine	4/17/99				450.00	450.00		
X		Receivable Sale	4/12/99			Net 5 10/5			32.10	32.10
X		Sales Discount Un	3/2/99						15.00	15.00
X		Receivable Sale	2/20/99			Net 5 10/5			135.00	135.00

FIGURE 8-13. A row highlighted for use with the manual allocation option in the Account Allocation screen.

Item Allocation Screen

Allocation of Payment Received

If the item you selected is a payment you will go to the Allocation of Payment screen. If the item is a debt you'll go to the Allocation of Debt screen. Because the two screens are so similar, being effectively mirror images of each other, well limit this discussion to the Allocation of Payment screen.

FIGURE 8-14. Allocation of Payment screen for performing split allocations.

The Allocation of Payment screen consists of three parts. In the header area it displays the particular payment item that's being allocated. It give the title, date and other particulars. The header area also tells you the payment amount and how much has been distributed. These are indicated by the values next to the following labels:

- "Payment" gives the amount of the original payment.
- "Used" gives the total amount of the payment that's been allocated to debt items.
- "Available" is the amount that has not yet been allocated and is available to pay off other items.

You cannot change these values directly, but they change dynamically as you add and remove items from the Items Paid area.

Below the header is the Items Paid area. This lists all items to which this payment has contributed. Items can be added to this area or removed from it by using the **Add** and **Remove** buttons.

Outstanding Items

At the bottom of the screen is a scrollable list labeled "Outstanding Items". These are items for which some amount remains unpaid. If there is some payment amount available, then you can select an outstanding item and press the **Add** button. The item will move from the Outstanding Items area and into the Items Paid area.

When an items is moved into the Items Paid area the system will use all the funds necessary to completely pay off the item. If there are not enough available funds to pay of the item, then whatever funds are available are allocated.

You can manually type an amount to be allocated in the "Allocated Here" column of the Items Paid area. You can enter any amount between zero and the amount of the debt, up to the limit of funds available. You can not change the original debt or payment amount from this screen, only that amount that's allocated.

If you place your cursor in the "Allocated Here" column for a given row and press the **Remove** button, then the indicated items will be removed from the list of items paid and transferred to the list of outstanding items. All amounts that were allocated to the removed items will be returned to the payment and will become available.

Consider the example shown in Figure 8-14. Here you're looking at a $1,843 payment that's been partially allocated to two items. A remaining amount of $788.00 is still available to cover other items.

Press the **Accept** button to save your changes to disk. If you press **Cancel** all changes are discarded. In either case you will be returned to the Receivable Account Allocation screen.

Receiving Payments & Creating Transactions
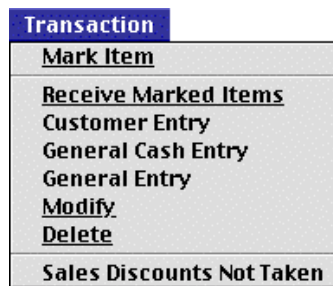
In addition to allocating existing items the Receivable Account Allocation screen enables you to modify and create new entries. These functions are accessed through the Transactions menu that appears on the menu bar. The Transaction menu offers the following functions:

Mark Item: places or removes an "X" for the selected row.

Receive Marked Items: creates a deposit entry for the current account in an amount equal to the total of all the marked receivable items. For example, if you marked the second item that appears in Figure 8-11, then when you selected the Receive Marked Items item the system will create a cash deposit for the amount of $585, which is the amount receivable for this item. If you marked more than one item the system would create a deposit for their total.

Customer Entry: opens the Sales Transaction entry screen for the customer. From this screen you can select which of the different types of sales entries you want to make.

General Cash Entry: opens the general cash entry screen with the current customer's account pre-declared. You can proceed to enter any cash withdrawal or deposit. While you can create a cash withdrawal, if the user group to which you below affords you this power, the actual printing of checks must still be done through the cash account screen.

Modify: opens the appropriate entry screen for the currently selected item. Modifications made in this manner affect the original debt or payment amount. All allocated funds are returned when an items is modified. Modification is only allowed for unposted items and for cash withdrawals that have not already been printed.

Delete: deletes the selected item. All allocated funds will be returned. Only non-posted items and unprinted checks can be deleted.

Sales Discounts Not Taken: analyzes all receivables to determine if there are any sales discounts that have expired unpaid. If any are found then they are reversed, thereby increasing the receivable amount. Removing sales discounts will change the original entry if it has not yet been posted. If the entry whose discount has expired has been posted, then removing the sales discount will create an additional transaction.

Exiting the Allocations Screen

When you have finished making modifications, press either the **Return** or the **Go To** buttons. Neither of these is a "Cancel" button because they will not undo the changes that have been made. The **Return** button simply tells the system to exit from the Allocation screen and display the previous screen.

Navigating Through
Accounts

The **Go To** button opens a dialog for you to specify the name or number of the next account you want to work with. When you open the Go To Account dialog you will notice that the GL account number of the account you're currently working with is already specified. The cursor is already in the account number field.
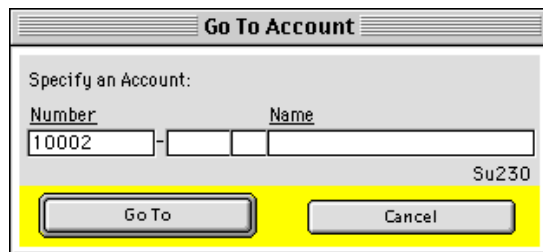
FIGURE 8-15. The Go To Account dialog that takes you directly from one AR account to another.

This dialog also uses the convention that if you add a trailing blank space to the name of the account you're searching for, then 4th Quarter will search for an account with exactly the name given (after the blank space is removed). If you do not end your account name with a blank, then 4th Quarter will locate all accounts whose names begin with the string you've typed.

You can also press the next record (>) or previous record (<)buttons. These bring the next or previous account, in your original list of accounts, into view.

The Go To Account function will only take you to another account on the same journal as the account you are starting from. To reach accounts on other journals you must open those journals in their own Receivable Accounts screen.

Since the Allocation screen does not have a **Cancel** button, you must make your changes carefully. The only way to undo all your changes to restore each value manually to the value it had before you changed it.

■

Reports

Receivable Accounts List

The following reports are available from the AR list by pressing the **Reports...** button. The report will include all accounts in the current selection, unless the report specifies otherwise.

Account Summaries

The summary report prints the information displayed on-screen for each account in the current selection.

Account List   Wed, May 26, 1999   11:48 PM
Sample Account Summary Report   Page   1

Atn	Account Nº	GL Account	Account	Journal	Notes	Debit Balance
	10002-12	Client Receivable	Grundwald Construction	Receivable		308.70
	10002-17	Client Receivable	Bob Cross	Receivable		150.00
	10002-29	Client Receivable	J.F. Turner & Co.	Receivable		0.00
	10002-65	Client Receivable	Mommies And Babies	Receivable		100.00
	10100-91	Client Receivable	Western Autodial	Receivable		173.12
	10101-126	Client Receivables	Moonhole Company, Ltd.	Receivable		0.00
	10101-132	Client Receivables	Conch Shell Bar	Receivable		0.00

FIGURE 8-16. A sample Account Summary report.

Account Details

The detail report prints account details for each account in the current selection. A new page is not started for each account. Account details do not include transaction details. The information for each account in this report is shown below:

Account Details Wed, May 26, 1999 11:50 PM
Sample Account Details Report Page 1

Atn Account Nº **10002-12** Debit Balance 308.70
   GL Name **Client Receivable**
   Account **Grundwald Construction** notes created Wed, Jul 22, 1998
   Journal Receivable active ☒ external #
      GLactive ☒ associated w/ Customer: Grundwald Construction
         no address

Last Transact.(eff.) Sat, Apr 17, 1999 Max. Dr $1,890.95 04/05/1999
   Finance %/mon 0 Last Charge Fri, Dec 11, 1998 Grace Period -1

Atn Account Nº **10002-17** Debit Balance 150.00
   GL Name **Client Receivable**
   Account **Bob Cross** notes created Wed, Jul 22, 1998
   Journal Receivable active ☒ external #
      GLactive ☒ associated w/ Customer: Bob Cross
         no address

Last Transact.(eff.) Sun, Apr 11, 1999 Max. Dr $150.00 04/11/1999
   Finance %/mon 0 Last Charge Fri, Dec 11, 1998 Grace Period -1

FIGURE 8-17. A sample Account Details report.

Allocation Report

The allocation report lists debts or payments, or debts *and* payments, that have been made to one or more receivable accounts. This report is available from both the Receivable Accounts List screen and from the Receivable Account Detail screen.

The report contains two types of items. The first are the primary items. These are the items that meet your specification criteria. The report will display how these items are allocated to one or more corresponding entries.

Below each primary item the report details corresponding entries that were allocated to the primary items. These are called the secondary items. If no allocations were made to or from a particular primary item, then no secondary items will appear beneath it.

The report shows the primary items with a white background and the secondary items with a grey background. The secondary items are listed below the primary item to which they are related. Both primary and the secondary items listed below them are related to the same account.

The amounts of each item are shown in the debit and the credit columns. The report totals both the primary and secondary contributions.

Allocation Specifica-
tion Dialog

This report requests that you specify the date range for the primary items that are to appear on the report. This date range can either apply to the effective date of the entries, or it can apply to the date at which the last allocation was made to the entries.

FIGURE 8-18. Allocation Report specification dialog requests information on both the range of items, the way they are to be sorted, and whether you want to review them before printing.

You can configure the report to include as primary items only debts, only payments, or both debts and payments.

* Only Debts: This option lists only debts found within the date range. Below each debt is listed the payment transactions made toward these debts. The report shows the amount from each payment that is allocated to cover the debt.

* Only Payments: This option lists only the payments found within the date range. Below each payment is listed the debts that received some funds from the payment. The report shows the amount from each debt that is covered by the payment.

* Debts and Payments: This option lists as primary items both debts and payments found within the date range. Below each debt is listed the payment transactions made toward these debts. Below each payment is listed the debts that received some funds from the payment.

This report will show the same set of items two times. First, the debts will appear as primary items with their associated payments listed below. Second the payments will appear as primary items with their associated debt items below.

If you check the "Locate and display components for selection before printing" check box, then the system will first show you a list of all the primary components that will appear on the report. You will then need to highlight and select those items that you want to include on the report. The allocation report will be limited to the items you select.

FIGURE 8-19. Allocation report shows primary items in white, and the secondary items allocated to them with a grey background.

Running Balance

A running balance report is printed for each of the accounts in the current selection. The items included on the report are those that match the criteria in the Allocation Report Specification dialog, shown below.

FIGURE 8-20. Account item specification dialog used for both Running Balance and Receivable Statements.

You can include transactions entered within a date range according to the effective or the, or only outstanding items. A sample report is shown below.

Running Balance Report

Wed, May 26, 1999 11:52 PM   Page 1
From: 00/00/00   to: 5/26/99

Sample Running Balance Report

10002-12		Ref. #			notes			
Grundwald Construction								
Account of: Customer: Grundwald Construction								

			Starting Dr Bal.	Dr. Change	**Ending Dr Bal.**
			47.95 +	260.75 =	**308.70**

attn	Doc. №	Code	Effect.	Due	Notes / Title	Debit	Credit	Running Dr
			1/20/99	00/00/00	P /	35.00		82.95
			1/21/99	1/26/99	P√/ Receivable Sale	180.00		262.95
			3/18/99	00/00/00	P / new receivable	156.00		418.95
			4/5/99	00/00/00	P /		191.00	227.95
			4/5/99	5/5/99	P / Receivable Sale	585.00		812.95
			4/5/99	00/00/00	P /		585.00	227.95
			4/5/99	5/5/99	P / Receivable Sale	1,055.00		1,282.95
			4/5/99	5/5/99	P / Receivable Sale	788.00		2,070.95
			4/5/99	5/5/99	P / Receivable Sale	440.00		2,510.95
			4/5/99	5/5/99	P / Receivable Sale	155.20		2,666.15
			4/5/99	00/00/00	P /		1,843.00	823.15
			4/6/99	00/00/00	P /		14.45	808.70
			4/17/99	00/00/00	P / Restocking		500.00	308.70
					TOTALS	3,394.20	3,133.45	308.70

FIGURE 8-21. Sample running balance report.

Receivable Statement

This report uses the same Allocation Report Specification dialog shown in Figure 8-20. A new page is started for each account's receivable statement. The report will only those items that match your specifications.

If you want to use different specifications for different accounts, then locate each set of accounts in a separate selection and print the reports in separate batches.

Receivable Statement

Thu, May 27, 1999 12:11 AM   Page   1
From 00/00/00   to: 5/26/99

10002-12   Ref.#
Grundwald Construction
Account of Customer: Grundwald Construction   Terms: NET 30

					Due before items	Change in Period	**Ending Balance**
					1,471.50 +	-1,162.80 =	**308.70**

Doc. №	Tran.Ref	Date	Due	Title	Origianal Due	Outstanding	Paid	Available	Running Total
		4/5/99		Receivable Sale	585.00	585.00			2,056.50
		4/5/99		Receivable Sale	440.00	440.00			2,496.50
		4/5/99		Receivable Sale	155.20	155.20			2,651.70
		4/5/99					1,843.00	585.00	808.70
		4/17/99		Restocking			500.00	334.45	308.70

Please send remittance to: **TOTAL** 1,180.20   1,180.20   2,343.00   919.45
                                    Ending Balance Due   **308.70**

FIGURE 8-22. Sample Receivable Statement report.

■

Aging Report

Aging reports can be accessed from either the AR and AP areas, or from Journal Account list screens in those cases where the journals are payable or receivable-type journals.

Separate print specifications are saved for each journal. Aging reports for accounts on different journals must be printed from the Receivable Accounts area for that journal.

Selecting **Aging Report…** opens a 4 page specifications dialog. Pressing the **Next Page** key will take you through the sequence of pages until you reach the last page. Pressing the **Print** key when you're on the last page will print the report. You can return to any previous page using the tabs at the top of the screen.

When the again report is printed, the report settings are saved to disk. A separate set of report settings is saved for each journal.

Date Range Page

Here you specify the aging criteria (aging based on due, entry, or effective date), the starting date, and the aging range in each of the reports four aging periods.

The report also includes a popup with the options of including both outstanding receivable items and items already received, or only outstanding receivable items.

If you're aging a Receivables Journal, for example, then the Receivable Only option shows the aging of unpaid receivables. If you choose Receivable & Received the report shows all components effecting the chosen accounts in the aging periods. This second option results in a report that shows all sales made in each of the aging periods, not just those awaiting payment.

FIGURE 8-23. Date Range page of the Aging Setup dialog.

Accounts Page

Unlike the other reports available from the Allocation List screen, the aging report either includes those accounts in the current selection, all accounts on the journal, or all accounts related to a particular profit center. This is set using the radio buttons in the **Report On** area.

There is a great deal of flexibility in what is included in and Aging Report. One of the settings that most affects the amount of account detail. As set through the radio buttons on the Accounts page.

The three radio button settings in the **Display aging details for** area determine the amount of detail to include on the aging report.

- *Only GL account*: Aging totals are only give for the totals of each GL account. That is, the report's rows list only GL accounts.

- *GL & all accounts*: Aging totals are displayed for each account. These are then grouped and subtotaled for each GL account.
- *Accounts as specified in each GL account*: The account details for some GL accounts are displayed, and for others only the GL account totals are displayed. Which GL accounts are shown with account details and which are not is determined according to the "List accounts related to this GL account" setting in the GL account entry screen (see section entitled "Journal Reports" on page 63).

FIGURE 8-24. Accounts page of the Aging Setup dialog.

The three radio button settings in the **Report on** area determine which accounts will be included on the aging report.

- *All*: reporting is performed for all receivable accounts.
- *Currently selected*: reporting is limited to the accounts in the current selection.
- *Limit to profit center*: reporting is limited to accounts in the indicated profit center.

Transactions Page

The aging report can include or exclude transaction details. That is, you can display only the outstanding balances in each period, or you can also display the outstanding balances and the transactions that contribute to each.
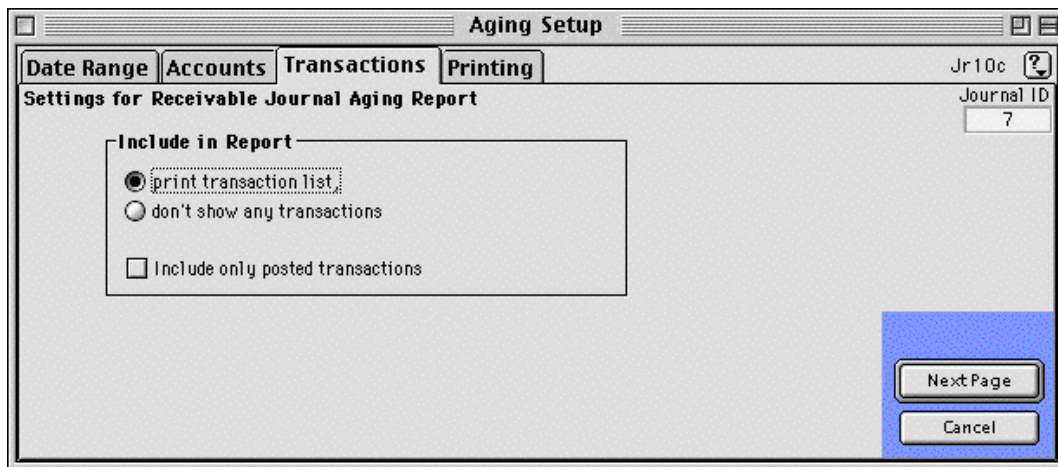
FIGURE 8-25. Accounts page of the Aging Setup dialog.

If you choose to include the transaction details, then you can also set the "include only posted transactions" check box to further limit the details that will be included in the aging criteria.

Printing Page

The aging reports, like all other reports, can be printed to paper and/or disk. Its report heading is entered here on the Printing page of the specification screen.

The "Show and sort by profit center names" check box will group the GL account that appear on the report by profit center, and display each group alphabetically according to the name of the profit center.

The display format for the numbers on the report is set in the "display format" area. Refer to the section titled "Numeric Formats" on page a.196 of the Administrator's Manual for details on the codes used for display formats.

FIGURE 8-26. Printing page of the Aging Setup dialog.

Because of the flexibility in configuring the Aging Report we cannot give examples of each report that can be produced. The following two examples both show a report covering a selection of accounts in which account aging details are shown. In the first report transaction information is suppressed. In the second transaction information is displayed.

Receivable Aging Report

Sample Aging Report (no transactions)

Aging on Due dates from Wed, Apr 1, 1998 of outstanding receivable (Debits) and received amounts (Credits).

Summary includes both posted and unposted transactions.

6/8/99   3:20 PM

Page   1

Tallies shown for selected active and inactive Receivable type accounts.

Account N°		GL Account	Account Name	Total Owed (Original Dr)	Aged: 0 to 30 4/1/98 to 3/2/98	31 to 60 3/1/98 to 1/31/98	61 to 90 1/30/98 to 1/1/98	beyond 90 days 12/31/97 and older	Total All Periods
10002	2	Client Receivable	Performance	135,000.00	0.00	0.00	0.00	3,628.80	3,628.80
	16		Quest Corp	940.00	0.00	0.00	0.00	911.00	911.00
	18		Black Diamond	77.00	0.00	0.00	0.00	77.00	77.00
	60		Frank Anzalone	-189.00	0.00	0.00	0.00	-189.00	-189.00
			Client Receivable Totals:	135,828.00	0.00	0.00	0.00	4,427.80	4,427.80
10092	912	Client Receivable-2	2-Bob Cross	0.00	0.00	0.00	0.00	0.00	0.00
			Client Receivable-2 Totals:	0.00	0.00	0.00	0.00	0.00	0.00
			Grand Totals	135,828.00	0.00	0.00	0.00	4,427.80	4,427.80

FIGURE 8-27. Sample Aging report without transaction details.

Receivable Aging Report
Sample Aging Report (with transactions)

Tue, Jun 8, 1999
3:24 PM   Page   1

Aging on Due dates from Wed, Apr 1, 1998 of outstanding receivable (Debits) and received amounts (Credits).

Summary includes both posted and unposted transactions.

Tallies shown for selected active and inactive Receivable type accounts.

Account Nº		GL Account		Account Name		Total Owed (Original Dr)	Aged: 0 to 30 4/1/98 to 3/2/98	31 to 60 3/1/98 to 1/31/98	61 to 90 1/30/98 to 1/1/98	beyond 90 days 12/31/97 and older	Total All Periods
ID	Ref.Code	Effective	Due	Prior	Title						
10002-16		Client Receivable			Quest Corp	940.00	0.00	0.00	0.00	911.00	911.00
222		02/20/1999	00/00/00		Restocking test	1,000.00	0.00	0.00	0.00	875.00	
213		02/04/1998	00/00/00	1		50.00	0.00	0.00	0.00	21.00	
197		02/12/1999	00/00/00			-75.00	0.00	0.00	0.00	0.00	
189		01/10/1999	00/00/00		Deposit	-50.00	0.00	0.00	0.00	0.00	
84		08/25/1998	12/4/97		Receivable Sale	15.00	0.00	0.00	0.00	15.00	
10002-18		Client Receivable			Black Diamond	77.00	0.00	0.00	0.00	77.00	77.00
228		02/21/1999	00/00/00	1		65.00	0.00	0.00	0.00	65.00	
217		02/17/1999	00/00/00		Withdrawal	12.00	0.00	0.00	0.00	12.00	
				Client Receivable Totals:		1,017.00	0.00	0.00	0.00	988.00	988.00
				Grand Totals		1,017.00	0.00	0.00	0.00	988.00	988.00

FIGURE 8-28. Sample Aging report with transaction details.

■

Allocation Screen   The following reports are available from within the Receivable Allocation screen:

Components Shown
A list of the components displayed. Use the search criteria in the Allocation screen to locate the items you want included on the report.

Selected Transactions Report
Sample Components Report

Tue, Jun 8, 1999 2:42 PM   Page   1

Address:

Acc't Nº **10002-12**
Name **Jeff Alonzo**
Journal Receivable
Linked to Customer: Jeff Alonzo
Descrip.

Ref. #

Notes

Balance   132.00

Doc. Nº	Ref. Nº	Effect.	Attn	Item	Owed	Paid	Outstanding
		2/20/99			45.00		45.00
		2/17/99			125.00		90.00
		2/14/99				40.00	
		1/10/99			45.00		
		4/8/98			17.00		
		2/6/98				60.00	3.00
TOTALS					232.00	100.00	138.00

FIGURE 8-29. Sample Components report.

Running Balance (described above)

A running balance report is printed for the current account between the dates you specify, or including only outstanding items.

Receivable Statement (described above)

Account statement is printed for the current within the date range you specify, or including only outstanding items.

Accounts Payable

CHAPTER 9

This chapter describes the Accounts Payable area, the process of allocation of payments to debts, and the production of aging and other reports.

Accounts Payable Area

Flow of Data

4th Quarter's Accounts Payable (AP) area provides access to all accounts listed on Payable-type journals. From the AP area you can:

- make payments,
- allocate payments to debts,
- remove sales discounts,
- add, modify and delete transactions made to receivable accounts,
- produce reports that include statements, running balance and aging reports.

Entries to accounts on AP journals can be made either directly, through the AP area, or indirectly through purchase and PO transactions or via deposits and withdrawals made through the cash area. GL accounts do not appear in the AP area because entries cannot be made directly to GL accounts.

4th Quarter is unlike other accounting programs in that the AP area shows all entries made to AP account without regard to how the entries were made. The AP area provides a complete, real-time record of all entries made to all AP accounts through any means.

AP account balances are updated whenever transactions are entered. The balances of Receivable GL accounts, like the balances of all GL accounts, are updated when transactions are posted.

AP Transactions Components **AP Journals** **AP Account Components**
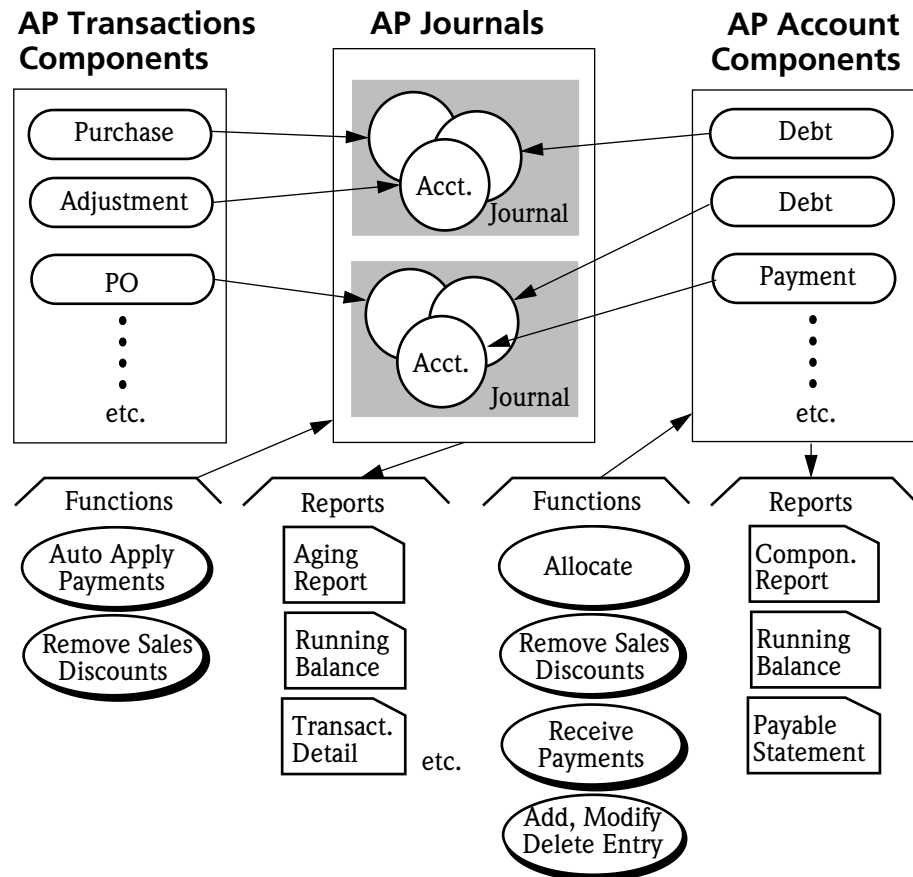
FIGURE 9-1. Flow of data from transaction components into AP accounts, and from AP accounts to reports.

■

Accessing AP

Accounts Payable can be accessed either through the **AR & AP** popup in the Specific area of the control screen, or from the **Purchases** popup in the Purchase area. For the most part 4th Quarter's AP features match those in the AR area, except that the word "payable" appears in place of "receivable."

If you have defined only one payable journal, then the name of that journal appears in the lower half of the **AR & AP** popup. If you have multiple payable journals, say one for each profit center, then each of these journals appears as a separate item under the heading "Payable Journals:".

Selecting one of these journals opens an Payable Accounts area that is limited to accounts on that journal. If you open other payable journals, then they will open separate payable areas each of which will be limited to the display of accounts on the respective journals.

If you select the **Payable Accounts** item on the **Accounting** menu, and you have only one payable journal, then the program will open that journal in a Payable Accounts area. If you have multiple payable accounts the system will display a list of payable journals. Select one to open that journal in a Payable Accounts area.

The process of accounting for payables involves

- Payables Journals
- Payable Accounts (accounts on payable journals)
- Payable Transactions (transactions involving payable accounts).

A payables journal is any journal that you create that is assigned the "payable" type. The system requires at least one payable-type journal and you can create as many additional payable-type journals as you like.

Payable accounts track obligations for items or services purchased but yet not paid for. Payable transactions are those that convey credit offered and on which some payment remains due. A payable transaction will usually involve purchase, cash, and inventory accounts, and may involve other accounts as well. There are several kinds of Payable transactions that are discussed in more detail in the section titled "Purchase Entry" on page 475.

Each vendor is linked to a payable account. Entries to these accounts post to separate GL Payable accounts that are specific to each type of vendor.

Accounts Payable functions are divided among three different list screens:

- *List of Purchases* screen (page 473)

  The List of Purchases screen is accessed from the **Purchases** pop-up menu on the Control Screen.
- *List of AP Accounts* screen (page 219)

Payable accounts are accessed by selecting **Accounts Payable** from the **AR & AP** pop-up on the Control Screen.

- *Multiple Account Payable Allocation* screen (See page 229)

  The Multiple Account Allocation screen is access by pressing the **Items Due...** button on this list screen.

- *Payable Account Allocation* screen (See page 237

  The Payable Account Allocation screen is accessed by selecting a particular account from the list of AP accounts.

Payable Accounts List

In order for you to purchase on credit from a Vendor, that Vendor must have a payable account. Payable accounts can also be created directly through the accounts entry screen in the Chart of Accounts area discussed in the section entitled "Accounts" on page 79.

All payable accounts associated with a particular journal can be located on the Payable Accounts List. This screen performs the following functions specific to payable accounts:
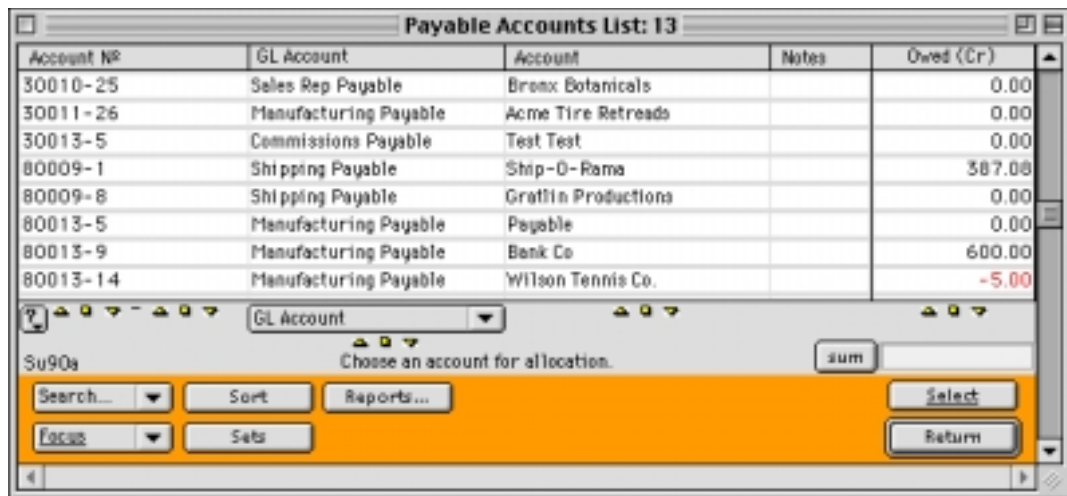
FIGURE 9-2. The Payable Accounts List screen. The "Payable" in the window's title is replaced by the name of the selected journal.

```
Example...
GL Account...
Account Type...
Amount Due...

All Payable Accounts
```

Locating Accounts

You can search for account using the options on the Search... popup menu. The results of these searches will be screened and the display will be limited to only those accounts related to the current journal.

The Example..., GL Account..., and Account Type... searches are described on page 82.

You can also locate accounts according to whether they contain unallocated payments whose total value is greater than an amount that you specify. Selecting the Amount Due... search opens the Amount Due Criteria screen.

FIGURE 9-3. The Amount Due Criteria screen locates accounts according to test performed on the account components.

The Amount Due Criteria screen provides you with four types of searches. You can join search criteria by checking more than one box. When multiple criteria are selected accounts will be found that satisfy all criteria inclusively.

- By overdue criteria enables you to locate accounts that contain items overdue by more than a specified number of days.

- By amount owed criteria locates accounts whose total unpaid debt is above or below a specific figure.

- Accounts with items whose discounts expire... examines the sales discount dates assigned to the journal's accounts.

- Accounts with unallocated payments in excess of… looks for accounts that contains payments whose unallocated payments total more than the specified amount within each account.

Special Items

Funds paid may or may not be allocated toward existing debts. Funds will be allocated to debts when these situations prevail at the time the transaction is entered:

- The "Autoallocate to ALL accounts" option is specified in the transaction entry screen.

- The "Autoallocate as PER account" option is specified in the transaction entry screen, and the payable account is set (through the account entry screen) so that payments are automatically allocated.

- The payment was not allocated when the transaction was originally entered, but the payment was manually allocated at a later time.
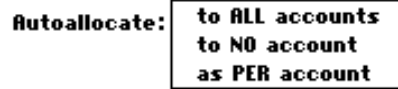
FIGURE 9-4. The autoallocation pop-up menu available in many transaction entry screens.

Funds will not be allocated to debts when these situations prevail at the time the transaction is entered:

- The "**Autoallocate to NO account**" option was specified in the transaction entry screen.

- The "**Autoallocate as PER account**" option was specified in the transaction entry screen, and the payable account has been set (through the account entry screen) so that payments are not automatically allocated.

- The payment may have been allocated once, but the debts were uncovered manually, leaving the funds available for future redistribution.

Remember that the process of covering debts, or more properly allocating funds, does not create any new transactions. This is because allocation only matches payments with debts where both the payments and debts have been entered already. All of the following allocation processes only match funds within each account, and since funds are not moved between accounts, no new transactions are generated.

Special Items
Add Account
Modify Account

Apply Payments
Generate Finance Charges...
Sales Discounts Not Taken...

Functions that Act on Payable Accounts

All Payable accounts can be accessed through the Payable Accounts List. This screen performs the following functions specific to payable accounts:

- *Group Account Allocation*: matches Payments with obligations for a selection of Accounts. Various options are displayed if you highlight one or more rows and select **Allocation for Accounts** on the **Special Items** menu.
- *Individual Account Allocation*: manages the individual items within a particular Account. Highlight a particular Account and press the **Select** button. This brings you to the Account Allocation screen described below.
- *Finance Charges*: the generation of finance charges is not available in the Accounts Payable area.
- *Discounts Not Taken*: removes discounts from accounts which have not been paid within the time limits set for a particular purchase. Choose the **Sales Discounts Not Taken** from **Special Items** menu. See "Removing Sales Discounts" on page 227.

Apply Payments

Automatic allocation to groups of accounts

Go to the Payable Accounts List, accessed through the **Payable Account** item on **Purchases** pop-up menu in the Control Screen. Highlight a group of accounts and select the **Apply Payments** item on the **Special Items** menu. This presents you with the following dialog:

FIGURE 9-5. The Apply Payments dialog for automatically allocating funds to cover outstanding debts.

When you press the **OK** button the system analyzes each of the highlighted accounts and distributes all the funds available to outstanding debts. Debts are covered first in order of payment priority and age. Within each payment priority group oldest debts are covered first. If there are extra funds they are left undistributed.

Autoallocation performed within a journal's payable accounts area only applies to accounts on that journal. To perform autoallocation for accounts on other journals you must open those journals in their own payable accounts area and apply payments from those screens.

Automatic allocation within an account

In the Payable Accounts List, accessed through the **Payable Account** item on the **Purchases** pop-up menu in the Control Screen, select a payable account. Do this either by highlighting the account and pressing **Select**, or by double-clicking the record. This brings up the Payable Allocation screen.

The payable account allocation screen provides various ways to match payments with debts. You can mark groups of items to be paid, or allocate specific payments to specific debts. You can split payments, cover or uncover debts, or reallocate payments among debts. These options are available to you at any time without regard to whether transactions have been posted to the GL, or whether the periods have been closed.

■

Removing Sales Discounts

Selecting the **Sales Discounts Not Taken...** item from the Special Items menu brings up the Untaken Sales Discounts dialog.
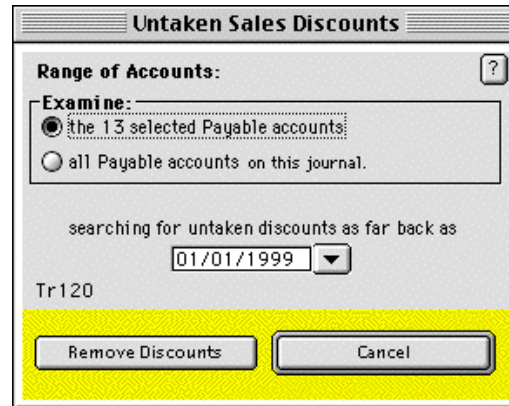
FIGURE 9-6. The Untaken Sales Discounts dialog for removing discounts from those accounts in which your payment was not within the sales discount period.

Sales discounts are offered for payments made within a specified time period. For example a discount specified as "5/10" means a 5% discount is offered on the item total if payment is received within 10 days. 4th Quarter removes untaken sales discounts from both sales and purchases.

When purchases are entered and purchase orders journalized with a sales discount, it is assumed that the discount will be taken and the discount is used to compute the actual payable amount. In the event that payment is not made within the discount period the transaction's sales discount must be removed or reversed to reflect the fact that the full, undiscounted amount is now due.

Discounts on Purchases and PO's

The dialog in Figure 9-6 gives you two options:

- Remove Discounts from Selected Accounts
- Remove Discounts from All Accounts

If you choose the first option 4th Quarter looks only at those purchases and PO's written to the payable accounts in the current selection. If you choose the second option 4th Quarter reviews all payable accounts looking for untaken sales discounts.

4Q searches for purchases and PO's whose sales discounts have expired and that are not fully paid. PO's may be found in any of following three stages of processing and 4th Quarter will handle each of these cases differently.

Handling PO's

- Unjournalized PO's:
  These are PO's for which there are no transactions either because they have not been shipped or because they're being batch processed. In this case 4Q simply sets the discount that appears beneath the line items to zero and recalculates the total amount of the order.

- Journalized, Unposted PO's:
  These are PO's that have been journalized but whose transactions have not posted to the General Ledger. In this case 4th Quarter increases receivables by the discount amount and then reduces the discount to zero.

- Journalized, Posted PO's:
  These are PO's that have been journalized and whose transactions have been posted. Since these invoice transactions can not be changed, 4th Quarter creates an adjusting entry that increases payables and credits the PO's discount account(s). These new transactions will appear separately in the vendor payable accounts and on future vendor statements.

Discount Dates After Discount is Removed:

When a discount is removed from a transaction, the discount date stored with the transaction is set to 00/00/00. In cases where transactions are created from purchase orders, the discount due date stored with the PO remains unchanged. This is done so that PO continues to record the sale discount date base on the most recently received shipment.

As a consequence of this, once a discount is automatically removed from a transaction, the transaction no longer indicates that there ever was a discount date. Only the PO records the discount date for reference.

Remember that 4th Quarter implements a "virtual purchase order" that record all phases of products ordered and back orders received. If the PO record terms of sale that include a sales discount, then any future shipments made on this PO will generate a discounted payable amount as a result of this sales discount. That is, the process of automatically removing sales discounts removes expired discounts, but does not prevent the generation of future discounts. If you want to prevent a

PO from applying a discount on future received shipments, then you must enter the PO and modify either the discount percent, or the terms of sale.

Discounts removed from entries made to accounts in a particular journal will only apply to accounts on that journal.

■

Multiple Account Allocation

Multiple Item Allocation screen

This screen, accessed by pressing the **Items Due...** button, shows outstanding debts for all the accounts displayed in the Payable Account list. This screen will show any or all outstanding debts for the current journal.

FIGURE 9-7. Multiple Account Payable Allocation screen for reviewing debts and disbursing payments.

When this screen is first opened it displays all currently due items for the previously selected accounts. The accounts and account attention values that are associated with these debts are shown in the "Atn" and "Account" columns.

The remaining columns display information associated with the debt items themselves. A series of popup menus at the top of the columns allows you to choose

which values to display. These includes dates, reference numbers, comments and annotations.

The column labeled "P" shows the priority assigned to the item. Funds are automatically allocated to items with a lower priority number. Within each priority number items are allocated from earliest to latest due dates.

The Original Due column shows what amount was originally due for the selected item. The Amount Due column shows what amount currently remains due. The Amount Due can be totalled by pressing the **Sum** button.

This screen allows you to explore outstanding items for any range of accounts on the current journal. Using the search options available through the **Search...** popup you can locate items according to the transaction or account. These search options are described in the following section.

Marking Items

Once you've located a range of items you then mark the rows for those items that you want to pay. Items are marked by placing an "X" in the left-most column. Do this either by clicking on individual rows to mark or unmark them, or by pressing the mark button, the button labeled with an "X", located atop the left-most column.

Paying Multiple Items

Once you have marked the items to be paid, press the **Pay Marked** button. The system will total all marked amounts due by account. The system will display a series Cash Withdrawal entry screens. Each screen in the sequence will display the total being paid to each account. You can annotate the transaction or modify the amount paid from these Cash Withdrawal screens.

FIGURE 9-8. The Cash Withdrawal screen opened when the Pay Marked button is pressed in the Multiple Accounts allocation screen. The display shows the total of all marked items for the selected AP account.

Pressing the **Enter** button in the Cash Withdrawal screen saves the withdrawal and allocates the funds to the marked items. If you modify the payment amount to be less than the amount required to cover the selected items for that account, then whatever funds are withdrawn are allocated to the marked items on a priority basis.

Pressing the **Enter** button also moves you to a withdrawal screen for the next account. Once the system finishes soliciting withdrawal confirmation for all of the accounts in your list of marked items it will return you to the Multiple Account Payable Allocation screen. Checks can be printed from these withdrawal records from the Cash Account user area, see "Check Printing" on page 167.

If you press the **Cancel** button, then the sequence of Cash Withdrawal screens is terminated. Whatever withdrawals you previously entered will have been saved

and distributed. No additional deposits or distributions are made. The system returns you to the Multiple Account Receivable Allocation screen.

Accounts with Outstanding Unallocated Amounts

If any of the items that are marked belong to accounts that have outstanding payments, then you will be informed of this by the appearance of the Payments Outstanding window.
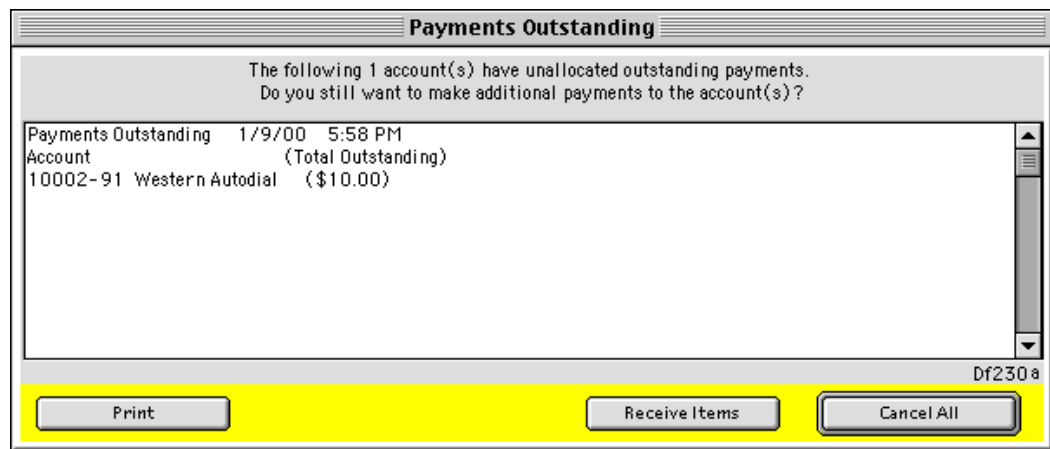
FIGURE 9-9. The Payments Outstanding screen is displayed whenever items in the selection to be paid correspond to accounts with unallocated payments.

Accounts that have payments outstanding have payments that have been made and not yet allocated. These could either be advance payments, payments made that are set to be manually allocated, or credits received from the vendor for other reasons.

Payable accounts with net debit balances always have unallocated items. But a payable account can have some unallocated items even when it has a credit balance. If an account has unallocated payments, then you should allocate these payments to existing debts before making additional payments.

The Payments Outstanding screen shows which accounts of the currently selected items have unallocated payments and the total payment amount that is currently unallocated for each. You can copy and paste this information to the clipboard, or you can print it be pressing the **Print** button.

The Payments Outstanding screen offers two choices of how to proceed. Pressing the **Pay Items** button proceeds with creating cash withdrawals for the selected items. Pressing the **Cancel All** button returns you to the Multiple Account Allocation screen.

By going back to the Payable Accounts list, the screen that precedes the Multiple Account Allocation screen, you can manage the individual accounts that have the unallocated items.

Locating Debts by Item

The Multiple Account Payable Allocation screen provides a variety of tools for locating and marking debts to be paid. The Items Due page displays a list of items, their related accounts and amounts due. The following functions are available for locating and review debts.

Pressing the **Mark** Button (labeled with an "X")marks or unmarks all items depending on the state of the first item in the list. If the first item is unmarked, then pressing the X button places an "X" in the left hand column of all rows. If the first item is already marked, then pressing the X button removes the "X" for all lines.

Items that are marked can be acted upon using the **Focus** popup and the **Sum** and **Pay Marked** buttons.

Pressing the **Sum** button totals the amounts shown in the Amount Due column. It also subtotals the Amount Due for marked items only. Whenever you change the selection of items the total values are erased. Press the **Sum** button to recalculate the totals.

The **Show Only Items with Amounts Due** check box adds an additional criteria to all your searches. This criteria limits all searches to display only items that represent amounts that are still due. Withdrawals and fully paid items are not displayed.

By unchecking this check box you remove this additional criteria. When unchecked the items found as the result of a search may include items still due, items no longer due, and payments received.

Search… popup

The **Search...** popup menu enables you to locate outstanding receivable or items already paid. Only items on the current journal are displayed. To find items on other journals open a separate AR area for that journal.

By Transaction...
By Account...
By GL Account...

Due w/in 30 Days
All Overdue
All Payable

- *By Transaction...* item

  Search for items according to transaction criteria.

- *By Account...* item

  Search for items by account. You can specify any account criteria but only items related to accounts on the current journal are displayed.

- *By GL Account...* item

  Search for items by GL account. You can specify any GL account criteria but only items related to accounts on the current journal are displayed.

- *Due Within <N> Days* item

  This option locates items with due dates that lie between one and <N> dates in the future. Each user can set their own <N> value through the **Preferences** item found on the **File** menu above the Control Screen.

- *All Overdue* item

  This locates outstanding items that have due dates equal to or earlier than the present date.

- *All Payable* item

  This locates outstanding items due in the past, present, or future.

The **Focus** popup menu reduce the selection by marking items and selecting **Focus** or **Exclude**. The action applies only to marked items.

The **Sort** button sorts the displayed items. The sort criteria you choose continues to apply to items located using the search criteria.

The displayed items can also be sorted by pressing the **Quick–Sort** buttons. These are the small up and down pointing triangles located below certain columns. Mini-sort allows resorting the current selection in ascending or descending order based on the values in the columns above each set of buttons.

The **Report...** button prints a list of the displayed items to paper or to a file on disk. This list includes all items in the current list printed in their display order.

Transaction
Vendor Entry
General Cash Entry
General Entry
Modify
Delete

Transaction Menu - Items Due Page

The transaction menu enables you to create a transaction for the account that's indicated by the currently highlighted item.

- **Vendor Entry** item (only available in the Full version of 4th Quarter)

  This opens the purchase-type transaction entry screen with selected vendor already filled in.

- **General Cash Entry** item

  This opens the cash-type transaction entry screen with selected vendor's account already filled in.

- **General Entry** item

  This opens the general journal transaction entry screen. No account are initially listed when this screen is opened.

- **Modify** item, **Delete** item

  The Modify and Delete items apply to the currently highlighted item. If an item has been posted it cannot be modified or deleted.

Locating Debts by Account

Press the **Account Totals** tab to reach the second page of the Multiple Account Payable Allocation screen. This second page provides a shortcut to limiting your items to selected accounts.

This screen shows only those accounts that are related to the items displayed on the Items Due page. Accounts are listed by account number and name. The current balance of each account is shown along with a total of the amount due for all items shown and a total for all items marked.

You cannot search for accounts from this page, but you can reduce the selection of accounts that have been located from searches performed on the Items Due page. In addition, you obtain a variety of account-specific information, enter transaction for selected accounts, and print account related reports from the Account Totals page.

Reducing the Selection

To reduce the list of items to specific accounts you must first reduce the list of accounts shown.

To reduce the selection you must first mark the accounts you're interested in. Press the left-most "mark" column (the column labeled with the "+") to mark individual accounts.

Marked Accounts

Press the **Mark** Button (labeled with a "+") to mark or unmark all accounts. If the first account is unmarked, then pressing the **+** button places an "+" in the left hand column of all rows. If the first item is already marked, then pressing the **+** button removes the "+" for all lines.

Accounts that are marked can be acted upon using the **Focus** and **Exclude** items on the Focus popup menu.

Once you've reduced the displayed accounts, click the **Items Due** tab to return to the Items Due page. The Items Due page will now display only those items related to the accounts you chose.

Other Buttons

Clicking on the small up and down **Quick Sort** triangle button immediately sorts the displayed rows in ascending or descending order. The sort is performed based on the values in the column directly above the button you click.

The **Sum** button totals the Balance, Items Shown, and Items Marked columns.

The **Sort** button resorts the displayed accounts according to various sort criteria.

The **Report...** button allows you to chose one of various account reports. These reports will include only those accounts that are currently displayed. The accounts will appear on the reports in the order displayed on the screen.

Reports that you can choose from include the Account Summary, Account Detail, Allocations, and Running Balance Reports.

The **Info** button displays additional details for the account that is currently high-lighted. Click on a row to highlight it.

The **Return** button exits the Multiple Account Payable Allocation screen.

Transaction Menu - Accounts Page

The transaction menu enables you to create a transaction for the account in the currently highlighted row.

- **Vendor** item (Available only in the Full version of 4Q)

  This opens the purchase-type transaction entry screen with selected vendor already filled in.

- **General Cash Entry** item

  This opens the cash-type transaction entry screen with selected vendor's account already filled in.

- **General Entry** item

  This opens the general journal transaction entry screen. No account are initially listed when this screen is opened.

■

Individual Account Allocation

Allocation screen

This screen, accessed by selecting a vendor account from the Payable Account List screen and pressing **Select**, shows amounts owed and paid for a particular account.

4Q Core

FIGURE 9-10. Allocation screen for matching amounts paid with amounts owed.

The allocation process is at the heart of the AP module. The Payable Account Allocation screen allows you to explore the payment history for a given account. Using the search options available here you can view any subset of items according to the type of entry, the date range, the original or outstanding amount, among many other criteria.

The top of the screen in Figure 9-10 displays the total account balance and the undistributed balance. The undistributed balance represents the total of payments that have not been distributed, it does not represent prepayments although that is possible in some cases. For example, the account could have a net balance due and still have undistributed funds if some payment had yet to be allocated.

The heading area of the screen also displays the total number of items in the scrollable area, which may exceed the items that are actually visible. The summation button will compute the four totals for all the items in the scrollable area.

The Original Debt column tells you the amount originally owed for this item, and the Balance Due column tells how much remains unpaid. The Original Paid column shows the customer's payments to their account, while the Payment Available column shows what portion of this payment has not yet been distributed.

Allocating Payments

Matching Debts with Payments Made

The most important function of the Payable Allocation screen is matching debts with payments. You can do this automatically, letting the computer match items according to seniority, or manually in any manner you want.

Automatic allocation proceeds according to the dual criteria of due date and priority. Each debt carries a priority from zero to 9. The higher the priority the greater preference is given to retiring the debt. The system give an item's priority rating precedence over its due date — all items of a higher priority level are retired before items of a lower priority level. When allocating to items that share the same priority the system will retire the oldest debts first. A debts age is given by the time since it was due. This can be independent from the date on which the debt was entered.

Manual allocation allows you to split Payments among multiple obligations, apply multiple Payments to a single obligation, or redistribute several Payments among several obligations.

The following functions provide ways to allocate funds:

- automatically when payments are made
- automatically to all unpaid items
- automatically to all marked items
- manually to the selected item

We'll consider each of these options in turn.

When Payments are Made

When an AP transaction is entered the system will or will not allocate payments to debts automatically depending on how the Allocation pop-up is set in any of the various transaction entry screens. The Allocation pop-up gives three choices:

- *Allocate to All*

  In this case the system will match any new payments with any existing debts, or match any new debts with prepayments. Autoallocation will be performed for all entries that affect AR and AP accounts.

- *Allocate to None*

The system will not match payments with debts for any entries affecting AR and AP accounts. The Allocate to All and the Allocate to None options override any settings that are recorded with the customer or the customer's account.

- *Allocate as Per Account*

  This option, which is the default, will allocate payments for those accounts in which automatic allocation has been turned on. If automatic allocation has been turned off for any particular account, then the system will leave payments undistributed.

  An account will normally inherit the automatic allocation assignment from the GL account that it's attached to. This can be overridden through the account entry screens. In these screens you can set automatic allocation to be set differently for every account.

Allocation done at the time the transaction is entered is not controlled through the AP area. Rather, the AP area allows you to review the state of the account whose ongoing maintenance is being handled automatically.

… To All Unpaid Items

Pressing the **To All** button in the lower left side of the allocation screen in Figure 9-10 tells the system to apply all available payments to all open debts in accordance with the priority/due date payment scheme mentioned above. This is the easiest way to make sure that all payments are distributed, and that any payments that are not distributed are prepayments.

… To All Marked Items

The column labeled "X" on the left hand side of the Account Allocation screen is the "marked" column. Clicking in this column places an "X" along the corresponding row. Pressing the "X" that appears as the column label will toggle the x-mark on and off for all items.

When at least one item is marked with an "X" the "Allocate to Items **Marked"** button becomes enabled. Pressing the Marked button tells the system to apply only those payments in the set of marked items to the debts that appear in the same marked set. This enables you to mark exactly which items are going to be used to pay off which debts.

X	attn	Ref. Nº	Due	P	Terms	Orig. Debt	Bal. Due	Orig. Paid	Pay. Avail.
X		PR-1/20	4/20/99			45.45	45.45		
X		PR-1/20	4/20/99			45.45	45.45		
X		PR-1/20	1/20/99					45.45	45.45
X		PR-1/2	1/2/98					3,167.36	3,167.36

FIGURE 9-11. Four items marked with X's in the Account Allocation screen.

When performing allocation for marked items the system will still proceed on the priority/due date payment scheme but it will apply this only to the marked debts. That is to say, it will apply payments first according to priority and then according to due date. If there are greater debts than there are payments, then certain items will be left uncovered.

… Manually to Selected Items

Manual allocation gives you the most freedom to assign, or reassign, any portion of any payment to any portion of any debt at any time. You can manually assign payments to any combination of debts, or assign a debt to any combination of payments.

You begin by clicking on an item in the scrollable area of the Payable Accounts Allocation screen and pressing the "Allocate **Manually**" button. Note that the X's used to "mark" an item are unrelated to the highlighted row toward which the **Manually** button directs its action.

X	attn	Ref. Nº	Due	P	Terms	Orig. Debt	Bal. Due	Orig. Paid	Pay. Avail.
X		PR-1/20	4/20/99			45.45	45.45		
X		PR-1/20	4/20/99			45.45	45.45		
X		PR-1/20	1/20/99					45.45	45.45
X		PR-1/2	1/2/98					3,167.36	3,167.36

FIGURE 9-12. A row highlighted for use with the manual allocation option in the Account Allocation screen.

Item Allocation Screen

Allocation of Payments Made

If the item you selected is a payment you will go to the Allocation of Payment screen. If the item is a debt you'll go to the Allocation of Debt screen. Because the two screens are so similar, being effectively mirror images of each other, well limit this discussion to the Allocation of Payment screen.

FIGURE 9-13. Allocation of Payment screen for performing split allocations.

The Allocation of Payment screen consists of three parts. In the header area it displays the particular payment item that's being allocated. It give the title, date and other particulars. The header area also tells you the payment amount and how much has been distributed. These are indicated by the values next to the following labels:

- "Payment" gives the amount of the original payment.
- "Used" gives the total amount of the payment that's been allocated to debt items.
- "Available" is the amount that has not yet been allocated and is available to pay off other items.

You can not change these values directly, but they change dynamically as you add and remove items from the Items Paid area.

Below the header is the Items Paid area. This lists all items to which this payment has contributed. Items can be added to this area or removed from it by using the **Add** and **Remove** buttons.

Outstanding Items

At the bottom of the screen is a scrollable list labeled "Outstanding Items". These are items for which some amount remains unpaid. If there is some payment amount available, then you can select an outstanding item and press the **Add** button. The item will move from the Outstanding Items area and into the Items Paid area.

When an items is moved into the Items Paid area the system will use all the funds necessary to completely pay off the item. If there are not enough available funds to pay of the item, then whatever funds are available are allocated.

You can manually type an amount to be allocated in the "Allocated Here" column of the Items Paid area. You can enter any amount between zero and the amount of the debt, up to the limit of funds available. You can not change the original debt or payment amount from this screen, only that amount that's allocated.

If you place your cursor in the "Allocated Here" column for a given row and press the **Remove** button, then the indicated items will be removed from the list of items paid and transferred to the list of outstanding items. All amounts that were allocated to the removed items will be returned to the payment and will become available.

Consider the example shown in Figure 9-13. Here you're looking at a $622.08 payment that's been allocated to four items. No amount remains to pay any addition items. However you could remove some of the items paid to free funds that would then become available. You could then cover other payments. You could also leave the freed funds without allocating them to any debts. These funds could be applied to future debts.

When you press the **Accept** button your changes are saved to disk. If you press **Cancel** all changes are discarded. In either case you will be returned to the Payable Account Allocation screen.

Making Payments & Creating Transactions

In addition to allocating existing items the Payable Account Allocation screen enables you to modify and create new entries. These functions are accessed through the Transactions menu that appears on the menu bar. The Transaction menu offers the following functions:

Mark Item: places or removes an "X" for the selected row.

Pay Marked Items: creates a cash withdrawal in an amount equal to the total of all the marked payable items. For example, if you marked the two unpaid items that appear in Figure 9-10, then when you selected the Pay Marked Items item the system will create a cash withdrawal for the amount of $136.08, which is the sum of the marked items.

Vendor Entry: opens the Purchase Transaction entry screen for the vendor. From this screen you can select which of the different types of purchase entries you want to make.

General Cash Entry: opens the general cash entry screen with the current vendor's account pre-declared. You can proceed to enter any cash withdrawal or deposit. While you can create a cash withdrawal, if the user group to which you below affords you this power, the actual printing of checks must still be done through the cash account screen.

Modify: opens the appropriate entry screen for the currently selected item. Modifications made in this manner affect the original debt or payment amount. All allocated funds are returned when an items is modified. Modification is only allowed for unposted items and for cash withdrawals that have not already been printed.

Delete: deletes the selected item. All allocated funds will be returned. Only non-posted items and unprinted checks can be deleted.

Sales Discounts Not Taken: analyzes all payables to determine if there are any sales discounts that have expired unpaid. If any are found then they are reversed, thereby increasing the payable amount. Removing sales discounts will change the original entry if it has not yet been posted. If the entry whose discount has expired

has been posted, then removing the sales discount will create an additional transaction.

Exiting the Allocations Screen

When you have finished making modifications, press either the **Return** or the **Go To** buttons. Neither of these is a "Cancel" button because they will not undo the changes that have been made. The **Return** button simply tells the system to exit from the Allocation screen and display the previous screen.

The **Go To** button opens a dialog for you to specify the name or number of the next account you want to work with. When you open the Go To Account dialog you will notice that the GL account number of the account you're currently working with is already specified. The cursor is already in the account number field.
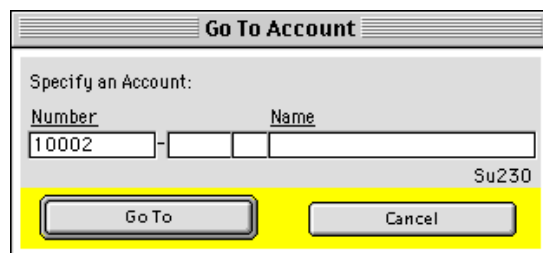
FIGURE 9-14. The Go To Account dialog that takes you directly from one AR account to another.

This dialog also uses the convention that if you add a trailing blank space to the name of the account you're searching for, then 4th Quarter will search for an account with exactly the name given (after the blank space is removed). If you do not end your account name with a blank, then 4th Quarter will locate all accounts whose names begin with the string you've typed.

You can also press the next record (>) or previous record (<)buttons. These bring the next or previous account in the list into view.

The Go To Account function will only take you to another account on the same journal as the account you are starting from. To reach accounts on other journals you must open those journals in their own Payable Accounts screen.

Since the Allocation screen does not have a **Cancel** button, you must make your changes carefully. The only way to undo all your changes to restore each value manually to the value it had before you changed it.

■

Reports

Payable Accounts List

The following reports are available from the AR list by pressing the **Reports...** button. The report will include all accounts in the current selection, unless the report specifies otherwise.

Account Summaries

The summary report prints the information displayed on-screen for each account in the current selection.

Account List   Thu, May 27, 1999   12:57 AM
Sample Account Summary Report   Page   1

Account Nº	GL Account	Account	Journal	Notes	Debit Balance
30001-55	Tax Payable	Employer FUTA	Payable		-733.35
30005-28	Shipping Payable	Shipton Cavalle & Co., Ltd.	Payable		-20.00
30007-34	Manufacturing Payable	Y S Babolat & Sons	Payable		-175.00
30009-6	Shipping Payable	Hong Kong Carriers, Ltd	Payable		-290.00
30011-26	Manufacturing Payable	Acme Tire Retreads	Payable		-3,946.00
80009-1	Shipping Payable	Ship-O-Rama	Payable		-424.08
80009-8	Shipping Payable	Gratlin Productions	Payable		-1,000.00

FIGURE 9-15. An sample Account Summary report.

Account Details

The detail report prints account details for each account in the current selection. A new page is not started for each account. Account details do not include transaction details. The information for each account in this report is shown below:

FIGURE 9-16. An account as it appears on the Account Details report.

Allocation Report

The allocation report lists debts or payments, or debts *and* payments, that have been made to one or more payable accounts. This report is available from both the Payable Accounts List screen and from the Payable Account Detail screen.

The report contains two types of items. The first are the primary items. These are the items that meet your specification criteria. The report will display how these items are allocated to one or more corresponding entries.

Below each primary item the report details corresponding entries that were allocated to the primary items. These are called the secondary items. If no allocations were made to or from a particular primary item, then no secondary items will appear beneath it.

The report shows the primary items with a white background and the secondary items with a grey background. The secondary items are listed below the primary item to which they are related. Both primary and the secondary items listed below them are related to the same account.

The amounts of each item are shown in the debit and the credit columns. The report totals both the primary and secondary contributions.

Allocation Specification Dialog

This report requests that you specify the date range for the primary items that are to appear on the report. This date range can either apply to the effective date of

the entries, or it can apply to the date at which the last allocation was made to the entries.

FIGURE 9-17. Allocation Report specification dialog requests information on both the range of items, the way they are to be sorted, and whether you want to review them before printing.

You can configure the report to include as primary items only debts, only payments, or both debts and payments.

- Only Debts: This option lists only debts found within the date range. Below each debt is listed the payment transactions made toward these debts. The report shows the amount from each payment that is allocated to cover the debt.

- Only Payments: This option lists only the payments found within the date range. Below each payment is listed the debts that received some funds from the payment. The report shows the amount from each debt that is covered by the payment.

- Debts and Payments: This option lists as primary items both debts and payments found within the date range. Below each debt is listed the payment transactions made toward these debts. Below each payment is listed the debts that received some funds from the payment.

This report will show the same set of items two times. First, the debts will appear as primary items with their associated payments listed below. Second the payments will appear as primary items with their associated debt items below.

If you check the "Locate and display components for selection before printing" check box, then the system will first show you a list of all the primary components that will appear on the report. You will then need to highlight and select those items that you want to include on the report. The allocation report will be limited to the items you select.

FIGURE 9-18. Allocation report shows primary items in white, and the secondary items allocated to them with a grey background.

Running Balance

A running balance report is printed for each of the accounts in the current selection. The items included on the report are those that match the criteria in the Allocation Report Specification dialog, shown below.

FIGURE 9-19. Account item specification dialog used for both Running Balance and Payable Statements.

You can include transactions entered within a date range according to the effective or the, or only outstanding items.

Running Balance Report   Thu, May 27, 1999 1:01 AM   Page 1
                                      From: 00/00/00   to: 5/27/99

Sample Running Balance Report

30007-34		Ref. #			notes			
Y S Babolat & Sons								
Account of: Vendor: Y S Babolat & Sons								

						Starting Dr Bal.	Dr. Change	**Ending Dr Bal.**
						0.00 +	-175.00 =	**-175.00**

attn	Doc. Nº	Code	Effect.	Due	Notes / Title	Debit	Credit	Running Dr
	8	8	11/1/98	11/6/98	P.O.ID#8, code 8	2.50		2.50
	8	8	11/1/98	11/6/98	P.O.ID#8, code 8		25.00	-22.50
	8	8	11/6/98	00/00/00	PO 8 discount untaken.		2.50	-25.00
			4/8/99	4/8/99	P / Payable Purchase		150.00	-175.00
					TOTALS	2.50	177.50	-175.00

FIGURE 9-20. A sample running balance report.

Payable Statement

This report uses the same Allocation Report Specification dialog shown in Figure 9-19. A new page is started for each account's payable statement. The report will only those items that match your specifications.

If you want to use different specifications for different accounts, then locate each set of accounts in a separate selection and print the reports in separate batches.

Payable Statement

Thu, May 27, 1999   1:19 AM   Page   1
From 00/00/00   to: 5/27/99

Sample Payable Statement
30007-34   Ref.#
V S Babolat & Sons
Account of   Vendor: V S Babolat & Sons   Terms: PrePaid

| | | | | | Owed before items | Change in Period | **Ending Balance** |
| | | | | | | 0.00 + | 175.00 = | **175.00** |

Doc.Nº	Tran.Ref	Effect.	Due	Title	Paid	Available	Owed	Outstanding	Running Total
8	8	11/1/98		P.O.ID#8, code 8	2.50	2.50			-2.50
8	8	11/1/98		P.O.ID#8, code 8			25.00	22.50	22.50
8	8	11/6/98		PO 8 discount untaken.			2.50	2.50	25.00
		4/8/99		Payable Purchase			150.00	150.00	175.00

Please send correspondance to: **TOTAL**   2.50   2.50   177.50   175.00
Ending Balance Owed: **175.00**

Thank You

FIGURE 9-21. A sample Payable Statement.

■

Aging Report

Selecting **Aging Report...** opens a 4 page specifications dialog. Separate print specifications are saved for each journal. Aging reports for accounts on different journals must be printed from the Payable Accounts area for that journal.

Pressing the **Enter** key will take you through the sequence of pages until you reach the last page. Pressing the Enter key when you're on the last page, the Print page, will print the report. You can return to any previous page using the tabs at the top of the screen.

When the again report is printed, the report settings are saved to disk. A separate set of report settings is saved for each journal.

Date Range Page

Here you specify the aging criteria (aging based on due, entry, or effective date), the starting date, and the aging range in each of the reports four aging periods.

The report also includes a popup with the options of including both outstanding payable items and items already paid, or only outstanding payable items.

If you're aging a Receivables Journal, for example, then the Receivable Only option shows the aging of unpaid receivables. If you choose Receivable & Received the report shows all components effecting the chosen accounts in the aging periods. This second option results in a report that shows all sales made in each of the aging periods, not just those awaiting payment.

FIGURE 9-22. Date Range page of the Aging Setup dialog.

Accounts Page

Unlike the other reports available from the Allocation List screen, the aging report either includes those accounts in the current selection, all accounts on the journal, or all accounts related to a particular profit center. This is set using the radio buttons in the **Report On** area
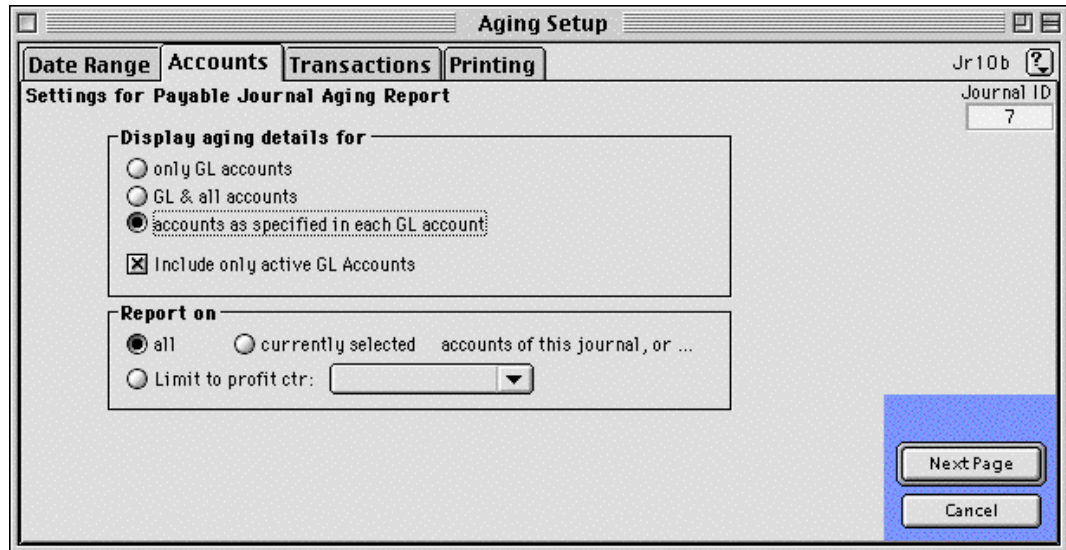
FIGURE 9-23. Accounts page of the Aging Setup dialog.

The three radio button settings in the **Display aging details for** area determine the amount of detail to include on the aging report.

- Only GL account:
  aging totals are only give for the totals of each GL account. That is, the report's rows list only GL accounts.

- GL & all accounts:
  aging totals are displayed for each account. These are then grouped and subtotaled for each GL account.

- Accounts as specified in each GL account:
  the account details for some GL accounts are displayed, and for others only the GL account totals are displayed. Which GL accounts are shown with account details and which are not is determined according to the "List accounts related to this GL account" setting in the GL account entry screen (see section entitled "Journal Reports" on page 63).

Transactions Page   The aging report can include or exclude transaction details. That is, you can display only the outstanding balances in each period, or you can also display the outstanding balances and the transactions that contribute to each.

4Q Core
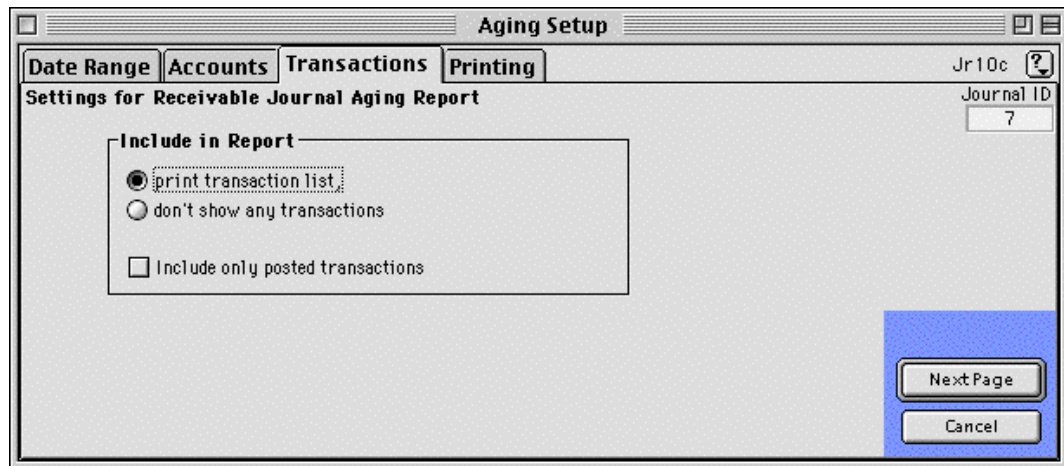
FIGURE 9-24. Transaction page of the Aging Setup dialog.

If you choose to include the transaction details, then you can also set the "include only posted transactions" check box to further limit the details that will be included in the aging criteria.

Printing Page

The aging reports, like all other reports, can be printed to paper and/or disk. Its report heading is entered here on the Printing page of the specification screen.

The "Show and sort by profit center names" check box will group the GL account that appear on the report by profit center, and display each group alphabetically according to the name of the profit center.

The display format for the numbers on the report is set in the "display format" area. Refer to the section titled "Numeric Formats" on page a.196 of the Administrator's Manual for details on the codes used for display formats.

FIGURE 9-25. Printing page of the Aging Setup dialog.

Because of the flexibility in configuring the Aging Report we cannot give examples of each report that can be produced. The following two examples both show a report covering a selection of accounts in which account aging details are shown. In the first report transaction information is suppressed. In the second transaction information is displayed.

Payable Aging Report

Sample Payable Aging Report (no transactions)
Aging on Due dates from Sun, Oct 5, 1997 of outstanding payable (Credits) and paid amounts (Debits).

6/8/99   3:50 PM
Page   1

Summary includes both posted and unposted transactions.

Tallies shown for selected active and inactive Payable type accounts.

				Aged: 0 to 30	31 to 60	61 to 90	beyond 90 days	
Account Nº		GL Account	Account Name	Total Owed (Original Cr)	10/5/97 to 9/5/97	9/4/97 to 8/6/97	8/5/97 to 7/7/97	7/6/97 and older	Total All Periods
30010	40	Sales Rep Payable	Marty Howe	0.00	0.00	0.00	0.00	0.00	0.00
			Sales Rep Payable Totals:	0.00	0.00	0.00	0.00	0.00	0.00
80009	1	Shipping Payable	Ship-O-Rama	51.51	0.00	0.00	0.00	51.51	51.51
			Shipping Payable Totals:	51.51	0.00	0.00	0.00	51.51	51.51
80013	14	Manufacturing Payable	Wilson Tennis Co.	-2,440.00	0.00	0.00	0.00	-2,440.00	-2,440.00
			Manufacturing Payable Totals:	-2,440.00	0.00	0.00	0.00	-2,440.00	-2,440.00
			Grand Totals	-2,388.49	0.00	0.00	0.00	-2,388.49	-2,388.49

FIGURE 9-26. Sample Aging report without transaction details.

Payable Aging Report
Sample Payable Aging Report

Tue, Jun 8, 1999
3:52 PM   Page   1

Aging on Due dates from Sun, Oct 5, 1997 of outstanding payable (Credits) and paid amounts (Debits).

Summary includes both posted and unposted transactions.

Tallies shown for selected active and inactive Payable type accounts.

Account Nº		GL Account		Account Name	Total Owed (Original Cr)	Aged: 0 to 30 10/5/97 to 9/5/97	31 to 60 9/4/97 to 8/6/97	61 to 90 8/5/97 to 7/7/97	beyond 90 7/6/97 and older	days Total All Periods
ID	Ref.Code	Effective	Due	Prior Title						
30010-40		Sales Rep Payable		Marty Howe	0.00	0.00	0.00	0.00	0.00	0.00
				Sales Rep Payable Totals:	0.00	0.00	0.00	0.00	0.00	0.00
80013-14		Manufacturing Payable		Wilson Tennis Co.	-2,440.00	0.00	0.00	0.00	-2,440.00	-2,440.00
177		09/03/1998	00/00/00	Withdrawal	-2,500.00	0.00	0.00	0.00	-2,500.00	
51	R-	08/10/1998	00/00/00	Return:Make Payment	60.00	0.00	0.00	0.00	60.00	
				Manufacturing Payable Totals:	-2,440.00	0.00	0.00	0.00	-2,440.00	-2,440.00
				Grand Totals	-2,440.00	0.00	0.00	0.00	-2,440.00	-2,440.00

FIGURE 9-27. Sample Aging report with transaction details.

■

Allocation Screen

The following reports are available from within the Payable Allocation screen:

Components Shown
A list of the components displayed. Use the search criteria in the Allocation screen to locate the items you want included on the report.

Selected Transactions Report
Sample Components Report
Address:

Tue, Jun 8, 1999 3:38 PM   Page   1

Acc't Nº **80013-14**   Ref. #   Notes
Name **Wilson Tennis Co.**
Journal Payable
Linked to Vendor: Wilson Tennis Co.
Descrip.

Balance -2,400.00

Doc. Nº	Ref. Nº	Effect.	Attn	Item	Paid	Owed	Outstanding
		9/3/98			2,500.00		2,500.00
	pp3	8/10/98	ef			40.00	40.00
	551	8/10/98	d			40.00	40.00
	480	6/1/98				40.00	40.00
	R-	6/1/98				60.00	60.00
	456	6/1/98				40.00	80.00
TOTALS					2,500.00	220.00	2,760.00

FIGURE 9-28. Sample Component Report

Running Balance (described above)
A running balance report is printed for the current account between the dates you specify, or including only outstanding items.

Payable Statement (described above)

Account statement is printed for the current within the date range you specify, or including only outstanding items.

4Q Core

General Ledger

CHAPTER 10

This chapter describes the report printing options of the program's General Ledger area.

General Ledger Data

All areas of 4th Quarter provide means for producing reports. However the General Ledger (GL), Financial Report, and Journal areas of the program provide the most flexible tools for account auditing and oversight. In this section we will consider the structure of the General Ledger, the role of posting, and the means for generating reports.

■

Flow of Data

All transaction entries affect journal accounts. These entries are created as unposted transactions. Their debits and credits only update general ledger account balances when transactions are posted. You cannot directly debit or credit general ledger accounts.

Posting is a batch process. You specify the transactions you want to post and the program systematically marks these transactions as posted and updates the balances of the general ledger accounts to which they point.

In addition to marking transactions as posted, the posting process also creates summary records. A summary record is created for each period and for each GL account whose balance is affected by transactions posted in the current batch.

The summary will reflect a large or small number of transactions depending on:

- the frequency with which you run the batch posting process,
- the number of accounts linked to each GL account,
- the number of transactions entered.

Summary records store the net change in the GL account's balance due to all transactions in the batch. They are marked with the date of the posting period.Posting summary records provide the system with a break-down of the total balance by period. Summaries enable the system to quickly generate financial reports based on posting periods.

Once transactions are posted they cannot be modified. The posting records created in the posting process also cannot be modified. In this fashion the balances in the GL accounts have a fixed audit trail: once a transaction contributes to a GL account it cannot be changed. However, you can post to previous periods by creating post-dated transactions and including them in subsequent batches for posting.
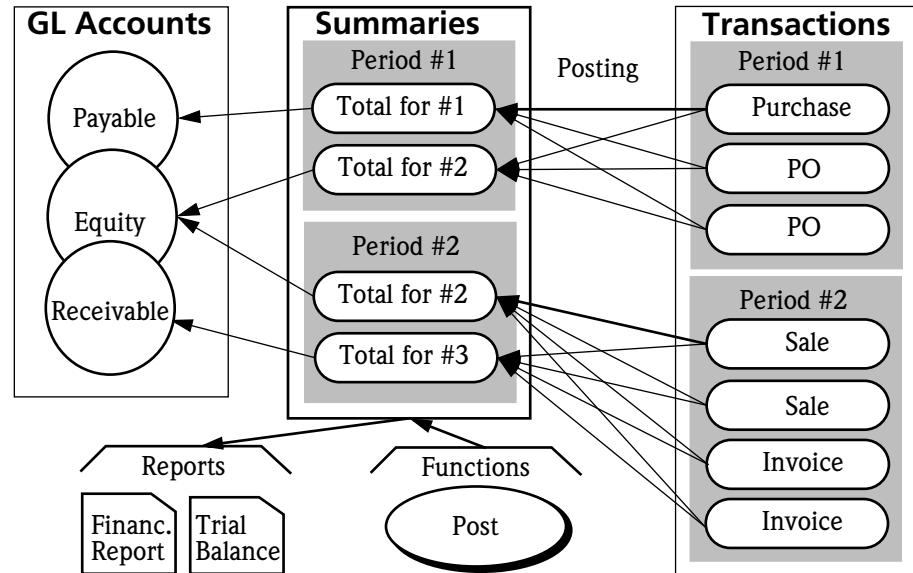
FIGURE 10-1. The flow of GL account information from transactions to summary records to GL account balances.

■

General Ledger Accounts

The General Ledger is known as a "journal of final entry." It presents a summation of unmodifiable transactions. The General Ledger consists of records of amounts posted to GL accounts. The amounts posted summarize the transactions affecting these accounts over a period that you define. Posting records stores the total debits and credits to GL accounts

Transactions do not affect the associated GL accounts until the transactions are posted. When a transaction is posted it contributes a new GL posting record, which collects all transaction components directed to a given GL account. Once posted, transactions can no longer be modified.

Only the balances, or changes in balances, of GL accounts appear on financial statements. GL account balances are affected only by the posting of transactions; you cannot post records directly.

General Ledger Posting List

Access the list of the values posted to the General Ledger by selecting **GL Entries List** in the **General Ledger** pop-up menu from the Control screen. This displays the posting summary records. The buttons at the bottom of the screen provide 4Q's familiar data management options.

attn	Effect. Date	Account		Journal	Debits	Credits
	1/31/99	10002	Client Receivable	Receivable	35.00	
	1/31/99	80031	Sales Rep Purchases	Expense		35.00
	3/31/99	30009	Shipping Payable	Payable		100.00
	3/31/99	80008	Shipping Purchases	Expense	100.00	
	4/30/99	30009	Shipping Payable	Payable		525.00
	4/30/99	80008	Shipping Purchases	Expense	540.00	
	4/30/99	30007	Manufacturing Payable	Payable		150.00
	4/30/99	80007	General Inventory Expe	Expense		15.00
	4/30/99	80028	Manufacturing Purchase	Expense	150.00	
	1/31/99	10002	Client Receivable	Receivable	325.00	
	1/31/99	60001	Client Sales	Income		325.00
	2/28/99	10002	Client Receivable	Receivable	192.00	

General Ledger Postings: 81

Effect. ▼   sum   18,612.76   18,482.76

Gp40   To post use NEW POSTING item on the GL menu.

Search... ▼   Sort   Details   Set GL Attn.   Report...

Focus ▼   Sets   Return

FIGURE 10-2. General Ledger Postings list shows amounts posted to GL accounts over a given period.

■

Searching

In the General Ledger Postings screen, the **Search** popup offers various choices for locating posting records.

General Criteria...

Show All
Last Posted Date
Fiscal Year Previous
Fiscal Year Current

The General Criteria... item opens the dialog below. This dialog has two search criteria areas: the GL account area above, and the Posting Date area below.

To search on a criteria specified in the upper area place a check mark in the GL Account check box. Locate a single GL account by typing its account number in the entry area next to the Account radio button, or press the GL Search button to locate multiple GL account.

If you want to locate posting entries by account type, department, profit center or journal, then select the criteria using the radio buttons and specify the corresponding value using the popup menus.

You can specify additional criteria to limit the located posting records by their attention values, debit or credit amounts. To indicate these additional criteria select the corresponding check box or boxes on the right side of the screen and enter a search value. To locate posting items whose debit or credit amounts are greater or less then a particular value you should proceed the value with the character ">" or "<" to find values greater or less than the number that follows.

If you need to locate posting items according to account rather than GL account, then you can do this through the Posted Components screen that is discussed in the section entitled "Posted Components List" on page 269.

Posting Date Search

To locate items posted within a certain period check the Posting Date check box and enter a date range. Select the "System Date" radio button to indicate that you are interested in items posted *on* a particular date, or the "Effective" radio button to indicate you are interested in items posted *to* a particular date.

Remember, these are the dates assigned to the posting summary item, not the dates of the items that the entries summarize. Normally you would post items that were entered in a period to the date at the end of that period. However you also have the option of posting to past or future periods.

Show All, Last Posted, Previous & Current FY items

These search options, available directly from the Search... popup in the GL Postings list screen, locate items with requiring further specification. The Fiscal Year criteria use the effective posting date and the currently assigned Fiscal Year.

■

Updating GL Balances

Posting

General Ledger
New Posting...
Posting Entry Range...
Year End Close...

Posting transactions summarize the effect of transactions on GL accounts. Each posting record summarizes the contributions to a particular GL account of all transactions entered within a particular period.

The process of posting transactions is the process of summarizing and recording the effects of transactions on GL accounts. A separate posting record is created for each GL account in each period for which items affect that account.

Posting is performed manually by selecting the **New Posting...** item on the General Ledger menu accessible from the General Ledger List. The posting screen is shown in Figure 10-3 on page 266.

When posting is performed, the system locates unposted transactions in the indicated date range. The contributions that these transactions make to each GL account is calculated and stored in a posting summary record. The system then marks the transactions as having been "posted". Once transactions have been posted they cannot be modified or deleted.

Posting entries themselves cannot be modified or deleted. However, additional posting entries with the same effective date can be added in order to correct errors or omissions.

Every posting entry has an effective posting date, a system posting date (given by the system clock), a GL account, a total of all the credits and a total of all the debits summarized by the posting. Both the debit and credit totals are recorded.

A transaction involves at least two components and, as a result, posting a single transaction will affect at least two GL accounts. Transactions must be balanced before they can be posted (the credits must equal the debits), and because of this, posting always creates an equal amount of credits and debits. Consequently, the General Ledger, and any Trial Balance obtained from it, is always in balance.

Posting with Periods or Fixed Dates

You control the transactions to be posted by specifying all unposted transactions, or a range of dates. This transaction date range can either refer to the date on which the transaction was entered, as recorded by the system, or the effective

transaction date, as recorded by the user. The system totals all unposted debit and credit contributions in this date range and creates a series of posting entries.

FIGURE 10-3. The New Posting screen requests options for what transactions are to be posted.

To assign a specific date to all the posting entries, select the radio button labeled **Assign the date <date> to all postings**. If you specify a posting range in the lower part of the screen, then the assigned date must be within the posting range. When you specify posting in this manner, the GL posting entries that are created— summarizing the debits and credits in the posting period — are all assigned the same specified date.

The other option is to select the "Create Postings by Period" radio button. This instructs the system to create posting entries that summarize each period. The unposted transactions in the range are segregated by period (as specified in the GL area of the Maintenance screen). Their contributions are summed within each period. A posting entry is created for each period and it's assigned the date at the end of the period. Refer to the section entitled "GL Accounts" on page a.47 of the Administrator's Manual for information on how to set GL posting periods.

Example	Suppose you are posting transactions with effective dates between November 1st and December 31st, and you are using calendar months as your GL periods. When you press the **Post** button the system locates all unposted transactions dated November 1st through November 30th, totals the debits and credits from these transactions, creates a November posting entry summarizing these totals, and assigns this entry the date November 30th. The system will then locate all unposted transactions dated December 1st through December 31st, perform the same operation, and create posting entries dated December 31st.
Transactions to be Posted	You can select the transactions that you want to post according to the dates when the transactions were entered, or you can manually select transactions using any criteria at all. This is determined by which if the following radio buttons you select:
	Effective date range: specify the first and last effective date that is included in the posting range. Only unposted transactions will be located.
	Entry date range: specify the first and last transaction entry date that is included in the posting range. Recall that the entry date is the actual system date on which each transaction was entered. Only unposted transactions will be located.
	Selected transactions: this option opens a transaction list screen in which you can perform a variety of searching and sorting operations to locate the transactions you would like to post. Once you've located the transactions you're looking for, highlight them and press the Select button to return to the Posting Specifications screen.
	If you've selected this option, located transactions to post, and then need to change the transactions you selected, press the "Selected Transactions" radio button again to reopen the Transaction List screen.
	After you've fully specified the transactions to be posted, press the **Post** button to begin the posting process. The system processes the selected transactions one day at a time beginning at the first day in the posting period. The system displays the date being considered and the accounts that are affected as posting progresses.
Transactions that Will Not Post	The system will not post transactions if they:

- do not balance
- involve the Suspense account

- are marked as Do Not Post
- do not meet the posting criteria
- have been previously posted

You can abort the posting process by pressing the usual Control+. (Windows) or Command+. (Mac) key combination. In the event that you do cancel posting the system will halt any further posting operations but it will not undo whatever posting operations it has already completed.

■

Lock-out Dates

The lockout dates are the earliest and latest dates that can be assigned to new GL items. Setting the earliest date allows closing earlier periods because it prevents transactions from being posted to them. Setting the latest date prevents transactions from being posted to periods in the future.
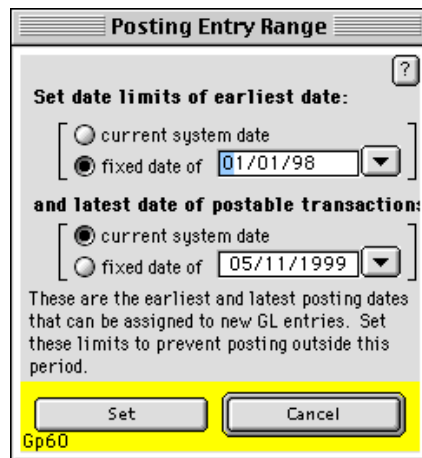
FIGURE 10-4. The Posting Lockout Date screen allows you to prevent entries to past or future periods.

If there are unposted transactions with an effective date that is earlier than the Lockout Date, then these transactions **will not post.** If you have somehow failed to post transactions that affect an earlier closed period, then you'll have to temporarily lower the GL Lockout date in order to post them.

If you do post to a previously closed period, remember to raise the Lockout Date when you're finished. Also remember to regenerate financial reports for that period since the new postings may make the previous reports incorrect.

■

Posted Components List

Each posting record summarizes the effects of one or more transactions on a particular GL account in a specified time period. The number of transactions summarized depends on the accounts activity and how frequently you post.

You can trace the history of a posting by examining the transaction components that it's composed of. Highlight a posting record and press the **Details** button to look at its components.

FIGURE 10-5. The Posted Components screen shows components of several GL posting entries. Each row refers to a transaction component.

■

Searching

The Posted Components screen enables you to search through all posted components, not just those associated with the chosen entry. Select "Account…" from the Search popup menu to open the Component Search criteria dialog.

FIGURE 10-6. The Components Search dialog.

This criteria screen enables you to locate components of posted transactions on the basis of the account, amount, entering user, or posting date. To extend a search on a string of characters append the "at" symbol (@) at the end of your search criteria. To locate items that end in a group of characters place the "at" symbol at the beginning of your search string.

As is the case in all 4th Quarter search dialogs, you can search for items that meet multiple criteria by performing multiple search operations. For this you use the Replace, Add to, Remove From, and Search in Selection radio buttons at the bottom of the screen to apply additional criteria to those items already located.

■

Posted Component Details

To view the complete, posted transaction highlight a component and press the **View** button. This will open the transaction to which the indicated component is attached. Since the transaction is posted it can not be modified. It will be displayed in a display-only screen.

Even though transaction have been posted you can still make limited changes that do not affect the transfer or allocation of assets. These changes can be made to the title, attention and memo fields. You will find these fields to be enterable on the Transaction Display Only screen.

FIGURE 10-7. The Transaction page of the Transaction Display Only screen allows limited modifications.

The purpose of allowing this limited entry is to enable you to better audit and manage your entries. If you need to research entries that have been posted you can use these still modifiable fields to store your comments and annotations.

■

Archived Transactions

Transactions are archived through a process that's initiated by the administrator. Refer to "Transaction Archiving" on page a.108 of the Administrator's Manual for more details. When transactions are archived they are removed from the datafile and a brief archive record is created in their place.

The original transaction information is written to a separate file that is no longer part of the 4th Quarter datafile. This original information can be restored from 4th Quarter's Restore Archived Transactions area using this archived data file. Refer to "Restoring a Transaction Archive" on page a.112 of the Administrator's Manual.

■

Access from Components List

If the original transaction has been archived, its components will not be displayed in the Posted Components List screen. If there are archived transactions associated with the posting summary records, the label on the lower right-hand side of the Posted Components list screen will say "<n> related archive records," where <n> is the actual number of transactions archived.

If there is no mention of archive records in this area, then there is no archive information for the entries you are viewing. This means all the transaction information related to the selected posting records is available on-line.

FIGURE 10-8. Labels in the GL Posted Components screen indicating no archived transaction records and 3 archived records, respectively.

Archive Transaction List

When the screen says there are related archive records, as shown below, you can press the **View Archive** button.

This displays the Archived Transaction List screen. This shows archived records that summarize transactions contributing to the postings you're viewing, but whose original details have been removed from the database.

FIGURE 10-9. The archived transaction screen showing the information that remains after a posted transaction has been removed from the data file.

From the Archived Transaction List screen you can search, sort, and print reports. Any search performed here will apply to all archived transactions, not just those that apply to the posting item you were viewing.

■

Searching

Press the **Search** button on to open the archive transaction search screen. The first page of this screen enables you to locate archived transactions by account. Press the **GL Account** or the **Account** buttons to open either the GL Account List or the Account List screens.

Accounts Search

If you only specify one or more GL accounts, then the system will search for archived transactions related to the selected GL accounts. If you specify one or more accounts the system will look for archive records relating to these accounts. Specifying accounts results in a narrower search than if you only specify GL accounts.

FIGURE 10-10. The Accounts page of the Archive Transaction Search screen.

Transactions Search   On the Transaction page of the Search screen specify the aspects of the original transaction whose archive record you want to locate. The values that you specify here pertain to the original transaction, not the archived record.

Since archive transaction records do not retain the full information of the original transaction records the system is only able to locate archive records using the limited set of properties displayed here.

In addition to the transaction ID, date, and reference number you can also specify whether the archive records are for transactions that have or have not been restored.

Archive records relate to transactions that have not been restored when the original transaction data is no longer in the datafile. If the transactions were archived once and later restored, then the system will still have archive records for them, but these records will be flagged as pertaining to transactions that have been restored.

If you do not select either the Restored or the Not Restored radio buttons, then the search will locate archive records without regard to this property.

FIGURE 10-11. The Transactions page of the Archive Transaction Search screen.

■

Archive Transaction Display

The archive records do not contain the full information stored with the original transaction, but if you double-click on an archive record you will see the basic accounting information associated with the transaction. Notice that while the transaction code, dates, and components are stored with the archive record, the transaction title, comment, and other nonessential information is not retained with the archive record.

FIGURE 10-12. The Archive Transaction Summary screen displays the basic accounting effects of the transaction that has since been moved off-line.

If you need to the complete transaction information, then the archived transactions will have to b e loaded back into the 4Q datafile from their archive disk files. Once this is done the full, original information is again available.

The Archive Transaction Summary record includes the folder path and name of the file in which the original transaction information was saved. This information will help you locate this information should you need to locate the archive file.

For more information on archiving and restoring transactions refer to the section entitled "Archiving Functions in 4th Quarter" on page a.108 of the Administrator's Manual.

Archived transactions can also be accessed through hypertext reports (see page 358 in Chapter 12) and through the Administrator's Maintenance screen (see page a.108 of the Administrator's Manual)

■

Period Closing

Year End Closing

General Ledger
New Posting...
Posting Entry Range...
Year End Close...

Periods are closed through the **Year End Close...** item under the General Ledger. Selecting this item opens the Generate Closing Transactions dialog, shown below, where you specify the date of closing, the journals to close, and the title and code to assign to the closing transaction.

When a period is closed a transaction is created that zeros out the balances of accounts on income and/or expense journals. The balance on these accounts is transferred to the designated equity account. This is usually one or several accounts used to track retained earnings.

The date you set is both the date assigned to the closing transaction and the date up through which the indicated accounts are "closed".

FIGURE 10-13. The Closing Transaction dialog for specifying what accounts will be closed and what values should be assigned to the closing transactions.

Retained Earnings Accounts

The balance of every income or expense account is transferred to the equity account that's associated with the parent GL account. Every GL account can specify a different equity account, the same equity account, or any combination of equity accounts. For example, all national sales accounts could be closed to a National Retained Earnings account while International Sales account could close to an International Retained Earnings account.

The equity account used to receive any account's balance upon year-end closing is listed in the account's GL parent account. Equity accounts can be reassigned to existing accounts on the Options page of the GL account entry screen, shown below. Making a change through the GL account entry only affects accounts related to this particular GL account.
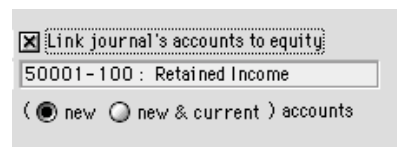
FIGURE 10-14. Equity accounts can be assigned or reassigned through the Options page of the GL account entry screen.

Equity accounts can also be reassigned to existing accounts on the Journal entry screen. A change made here will affect the equity accounts listed for all accounts and all GL accounts that are linked to the journal.

That is, if you change the equity account listed on the Journal entry screen, a portion of which is shown in below Figure10-15, then it will also be changed for every GL account linked to that journal. This means that the next time you open a GL account linked to that journal you will see the new equity account link displayed in that portion of the screen shown above in Figure 10-14.

FIGURE 10-15. Equity accounts can be assigned or reassigned through the Journal entry screen.

Example

The indicated accounts are to be "closed" as of the end of December. The system then calculates the balances for these accounts are calculated as of the indicated date. Then a closing transaction is created that contains a component that reverses each of the accounts' balances as of this date. These reversals are balanced by an entry to the appropriate equity account.

Note that once you close the accounts the new accounts' balances becomes zero as of the indicated date. There may still be subsequent entries that change the accounts' balance as of some later date. If you were to re-close the same accounts as of the same day, then the system would find all accounts to have zero balances as of that date and there would be nothing to close. As a result no new closing transaction would be created.

Note also that you can perform this closing operation at any time, not just at the end of the year. The scope of the closing entries is determined solely by the closing date that you specify in the Generate Closing Transactions screen.

■

Reports

GL Postings

There are three GL reports accessed from the General Ledger Posting screen:

- Line Summary
- Account Summary
- Trial Balance

These are accessed through the **Reports...** button on the Postings list. The Trial Balance and Account Summary are also available as items on the **General Ledger** pop-up menu on the Control screen.

Line Summary

The Line Summary simply prints the information displayed on screen for the list of General Ledger Posting records in the current selection.

Since you can locate records that represent only parts of transactions, the total amounts debited and the total credited by all items are usually not equal for a line summary report.

FIGURE 10-16. Section of a line summary report listing GL posting items.

■

Account Summary

The Account Summary prints the total amounts posted to the GL for specified Accounts and periods. It reports the total amounts debited and credited to each account in two, three, or four periods.

The Account Summary can be printed through the **Reports...** button on the General Ledger Postings List screen, and through the General Ledger pop-up menu on the control screen.

The Account Summary Specifications screen, which appears before the Account Summary is printed, prompts you for formatting information and stores your settings in the database. Settings assigned though this screen are network-wide — changes in specifications affect all users printing a trial balance.

FIGURE 10-17. Account Summary specification screen.

Rows & Formatting Page

The Rows & Formatting page allows for the following specifications:

- Base reports on…

  The trial balance can be printed based on posting summaries, or posted transactions, unposted transactions, or posted and unposted transactions.

  – posting summaries: date and balance information is drawn from summaries.

  – posted and/or unposted transactions: dates are drawn from transactions, balances are calculated from transaction totals.

  Reports based on posting summaries and reports based on posted transactions may show different account activity. This is because transactions can be created in one period that are posted to another period.

  Reports based on posting summaries will print much more quickly than reports based on the original transaction data.

- Accumulate totals based on …

Here is where you determine whether the trial balance is based on the effective dates or the date of entry (system date). If you're basing the report on posting summaries, then this specification applies to the effective or system date of the posting summary record. If your basing the report on unposted transactions, then it applies to the transaction dates.

- Print summaries for …

  These two options determine whether the report will include GL accounts that have no contributions for the period. If you select the "only accounts with transactions" radio button, then a line item will appear for accounts with activity in any of the reporting periods.

Additional check boxes on this screen allow you to limit the accounts that appear on the report to the accounts of a particular profit center. You can also configure the report to break out subtotals by account category and profit center.

These two checkboxes are interdependent. If you select the Account Category box, then you can check the additional Profit Center box. If you do not select the Account Category, then you cannot select the Profit Center box.

In the Format and Media area you specify how the numerical account totals will be formatted and the output media. If you check the Send to Printer and the Send a Copy to a Text File check boxes, then the system will both print and save the report. Reports saved to disk are stored in tab delimited format with carriage returns after each line.

Be attentive to your selection of a number display format. If you specify a format that is too small to fits any or all of your total values, then these values will appear on your report replaced by the symbols "<<<<<<<<". This indicates that the number has more figures than can be fit in the format specified. Should this occur you'll need to respecify the format. The codes used in specifying the various formats are discussed in the section "Numeric Formats" on page a.196 of the 4Q Administrator's Manual.

The Columns Page

On the Columns page of the Summary Specifications dialog you specify the number of periods to be displayed, and the duration and ending dates of these periods.
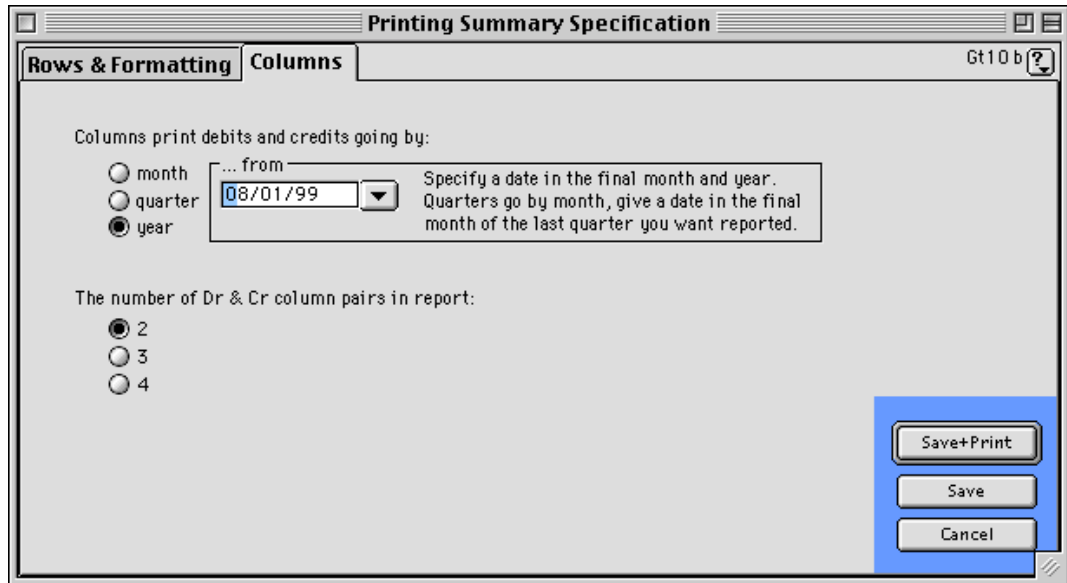
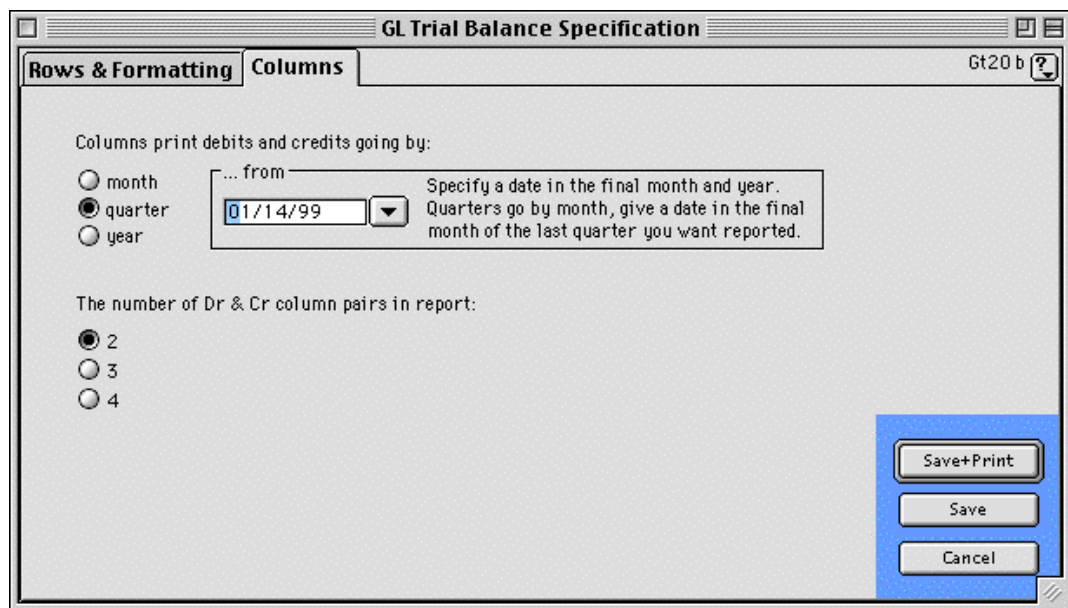*FIGURE 10-18.* The Column specification page of the Account Summary Specification dialog.

The date entered indicates the final month of the final reporting period.

- If you're reporting by year, then each year-end balances is calculated up to the month of the specified date.
- If you're reporting by quarter, then the consecutive quarter-end balances are calculated based on quarter that ends in the month of the date specified.
- If you're reporting by month, then the consecutive month-end balances are calculated base on a final period month that ends at the end of the month specified.

In each of these cases only the month and year portion of the specified date are used.

When you press the **Save+Print** button a report is created and printed according to your specifications. If you press the **Save** button your settings are saved, but the

report is not printed. If you press **Cancel** then any changes you've made to the settings are discarded and no report is created.

Posting Summary

Current date 5/19/94   11:18 AM

Includes postings up to   12/31/93

Page   1

Postings summed by quarter

and grouped by effective date at posting

Account			7/1/93 - 9/30/93		10/1/93 - 12/31/93	
			debits	credits	debits	credits
Asset						
	11101	Cash	0.00	0.00	0.25	10.00
	12101	Inventory	11.00	63.46	0.00	0.00
	13101	Customer Receivable	116.87	0.00	0.00	0.00
		Total Asset	*127.87*	*63.46*	*0.25*	*10.00*
Liability						
	31101	Vendor Payable	0.00	10.78	0.00	12.50
		Total Liability	*0.00*	*10.78*	*0.00*	*12.50*
Revenue						
	61101	Sales	0.00	3.25	0.00	0.00
	62101	Inventory Sales	0.00	40.00	0.00	0.00
	64000	Sales	0.00	73.66	0.00	0.00
		Total Income	*0.00*	*116.91*	*0.00*	*0.00*
Cost	7					
	71101	Inventory Expense	63.50	11.22	0.00	0.00
	74101	Purchases	11.00	0.00	22.50	0.25
		Total Expense	*74.50*	*11.22*	*22.50*	*0.25*
		Grand Total	*202.37*	*202.37*	*22.75*	*22.75*

FIGURE 10-19. Sample Posting Summary report.

■

Trial Balance

The Trial Balance displays GL account balances at the end of two, three, or four periods, using a number of possible formats. The GL Trial Balance Specifications screen, which appears before the Trial Balance is printed, prompts you for formatting information and stores your settings in the database. These settings are network-wide — changes in specifications affect all users printing a trial balance.

The Trial Balance can be printed through the **Reports...** button on the General Ledger Postings List screen, and through the General Ledger pop-up menu on the control screen.

FIGURE 10-20. Trial balance specification screen.

Rows & Formatting Page

The Rows & Formatting page allows for the following specifications:

- Report will show…

  The trial balance can be printed as an end-of-period report, or as a within-period report. When printing it as an end-of-period report the values on the report will be based on the posting summary records that contribute to the balances of all GL accounts.

  If you base the report on within-period activity, then you have three choices as to how the figures are calculated:

  — unposted transactions: that do not contribute to GL account balances.

  — posted transactions: that do contributed to GL account balances.

  — posted and unposted transactions

  When printing a within-period report the trail balance will be based on the posting dates when handling posted transactions, and the assigned dates (effective or system) when handling unposted transactions.

Note that when printing a report that includes unposted entries, the figures displayed on the report will generally not match the balances in the GL accounts.

- Accumulate totals based on …

    Here is where you determine whether the trial balance is based on the effective dates or the date of entry (system date). If you're basing the report on posting summaries, then this specification applies to the effective or system date of the posting summary record. If your basing the report on unposted transactions, then it applies to the transaction dates.

- Print summaries for …

    These two options determine whether the trial balance report will include GL accounts that have no contributions for the period. If you select the "only accounts with transactions" radio button, then a line item will appear for accounts with activity in any of the reporting periods.

Additional check boxes on this screen allow you to limit the accounts that appear on the trail balance to the accounts of a particular profit center. You can also configure the report to break out subtotals by account category and profit center.

These two checkboxes are interdependent. If you select the Account Category box, then you can check the additional Profit Center box. If you do not select the Account Category, then you cannot select the Profit Center box.

In the Format and Media area you specify how the numerical account totals will be formatted and the output media. If you check the Send to Printer and the Send a Copy to a Text File check boxes, then the system will both print and save the report. Reports saved to disk are stored in tab delimited format with carriage returns after each line.

Be attentive to your selection of a number display format. If you specify a format that is too small to fits any or all of your total values, then these values will appear on your report replaced by the symbols "<<<<<<<<". This indicates that the number has more figures than can be fit in the format specified. Should this occur you'll need to respecify the format. The codes used in specifying the various formats are discussed in the section "Numeric Formats" on page a.196 of the 4Q Administrator's Manual.

The Columns Page

On the Columns page of the GL Trial Balances Specifications dialog you specify the number of periods to be displayed, and the duration and ending dates of these periods.

FIGURE 10-21. The Columns page of the Trial Balance specification screen.

The date entered indicates the final month of the final reporting period.

- If you're reporting by year, then each year-end balances is calculated up to the month of the specified date.
- If you're reporting by quarter, then the consecutive quarter-end balances are calculated based on quarter that ends in the month of the date specified.
- If you're reporting by month, then the consecutive month-end balances are calculated base on a final period month that ends at the end of the month specified.

In each of these cases only the month and year portion of the specified date are used.

When you press the **Save+Print** button a report is created and printed according to your specifications. If you press the **Save** button your settings are saved, but the

report is not printed. If you press **Cancel** then any changes you've made to the settings are discarded and no report is created.

Trial Balance

Page 1

Current date 5/19/94 11:25 AM

Includes postings up to 1/31/92

Postings reported by year
according to effective date at posting

Account		Period Ending 1/31/91		Period Ending 1/31/92	
		debits	credits	debits	credits
Asset					
11000	Petty Cash		20,000.00		20,000.00
11101	Cash		497.50		497.50
12001	Banks		1,720.00		1,735.00
12101	Inventory		250.00		250.00
13101	Customer Receivable		100.00		100.00
	Total Asset		*22,567.50*		*22,582.56*
Liability					
30000	Accounts Payable				10.00
31101	Vendor Payable				
31102	Tax Payable		2.50		2.50
	Total Liability		*2.50*		*12.56*
Equity					
50000	Retained Earning	10,020.00		10,043.45	
51400	Partner's Contributions	2,000.00		2,043.45	
	Total Equity	*12,020.06*		*12,086.96*	
Revenue					
61101	Sales				
62101	Inventory Sales				
64000	Sales	9,950.00		9,975.00	
	Total Income	*9,950.00*		*9,975.00*	
Cost					
81000	Operating Expenses		500.00		500.00
81101	Inventory Expense				
83101	Tax Expense				
84000	Food and Lodging	1,100.00		1,033.10	
84101	Purchases				
	Total Expense	*1,100.00*	*500.00*	*1,033.10*	*500.00*
	Grand Total	*23,070.00*	*23,070.00*	*23,095.00*	*23,095.00*

FIGURE 10-22. A sample 2-period Trial Balance report.

■

Posted Components

Pressing the Reports... button in the Posted Components List screen enables you to print a list of the displayed components. The Posted Components List screen is

accessed from the GL Posting List screen by selecting a group of posting records and pressing the **Details** button.

Summary

80018-100 Component Purchase Value   Tue, Jun 8, 1999   15:59 Page   1

Income Journal

Sample Posted Components Summary

Attn	Ref. Nº	Effect.	Notes	Item	Debits	Credits
Account Client Sales						
		8/25/98	P			15.00
		8/25/98	P			15.00
	slip4	8/25/98	P		51.51	
	slip4	8/25/98	P			51.51
	slip4	8/25/98	P		51.51	
	slip4	8/25/98	P			51.51
T3	slip3	8/25/98	P	another item described.		4,477.50
T3	slip3	8/28/98	P		4,477.50	
T3	slip3	8/28/98	P		4,477.50	
				Subtotal for Client Sales	9,058.02	4,610.52
				DR TOTAL 4,447.50 =	9,058.02	4,610.52

FIGURE 10-23. Sample Posting Components Summary report.

4Q Core

General Ledger

CHAPTER 11   Journals
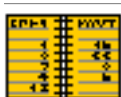
Journals

This chapter describes the audit, data entry, and printing options of the program's Journals areas.

Journals are a means of groups together accounts of similar type for easier audit and review. Journals provide a means of viewing transaction and account history that is different from the views afforded by the account and transaction lists.

In 4th Quarter you can create an unlimited number of journals and you can open a separate user area for each journal. You can view entries related to a single or multiple accounts on the journal.

Journal user-areas support audit reports that provide details of the transactions affecting particular accounts, plus a summary of the offsets to each accounts. Aging reports can be created for payable and receivable-type journals.

■

Structure

Traditional Journal Structure

4th Quarter uses journals in a manner that is different from traditional paper-based accounting systems and, consequently, from most other computer based systems as well.

Journals are traditionally used as single-line entry ledgers. The single-line entries made in these journals are broken out into several columns. Each column is associated with a different offset account. This is illustrated in for a hypothetical sales journal.

Sales Journal (traditional style)						
Date	Item	Sale Total	Cash	Rec'ble	Tax Pay'ble	P
3/15/99	**Invoice #5699**	137.50	0	125.00	12.50	
3/15/99	**Invoice #5700**	460.00	100.00	345.00	15.00	
3/15/99	**Cash Sale**	86.77	78.88	0	7.89	
3/16/99	**Invoice #5701**	215.00	50.00	150.00	15.00	

FIGURE 11-1. A traditional journal records entries on single lines, broken out to accounts listed in a fixed set of columns.

This spreadsheet type of journal is well-suited for manual ledger systems. It is easy to read and manage, as long as the number of columns fits on the page, and has a small degree of extensibility through the use of additional columns to the right.

A business based on traditional journals will have several such ledgers, such as a cash, sales, and purchase journal. These different journals will typically contain some columns that relate to the same accounts. The cash account, for example, will appear on most journals.

The information on these disparate journals is periodically consolidated to a central ledger, the General Ledger. The traditional journal will have one column used to record posting. This column, labeled "P" in Figure 11-1, is given a posting number or a check mark when the journal entry is copied to the general ledger.

This traditional journal structure has several major drawbacks:

- They are unreadable and unmanageable when the number of columns exceeds the size of the page.
- They decentralize information by recording entries to cash, and possibly other accounts, on different journals.
- They don't accommodate exceptions or revisions of the account structure.
- They are ill suited to database management systems.

■

4Q's Journal Structure

In 4th Quarter a journal is not a form for entering a particular type of transaction. Instead, 4th Quarter journals are a means to review account activity. The 4Q system overcomes the limitations of conventional journals using the following features:

- Journals are independent from any particular transaction format.
- Transactions are not associated with a unique journal, but instead, appear on all the journals that are related to the transaction's components.
- This system provides a real-time, multi-user view of all entries affecting all accounts.
- Every account is attached to a journal, so journal present a comprehensive picture.
- This system provides a complete business picture that complements the General Ledger. 4th Quarter's unique journal system makes journals simpler and more powerful.

Journal List – popup on Control Screen

Account List – access to all accounts on a journal

Component List – access to all components of one or more journal accounts.
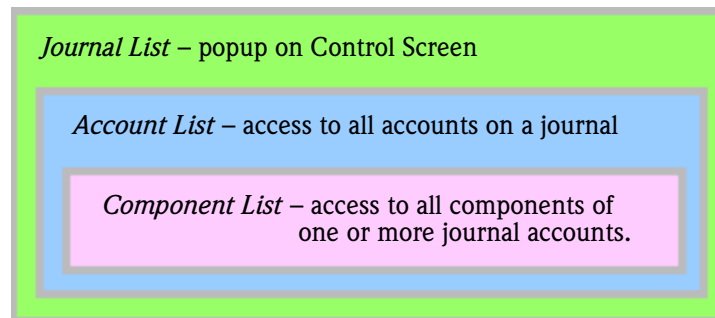
FIGURE 11-2. A view of the hierarchy of journals, accounts, and transaction components illustrates the flexibility that allows elements to be added at any level.

Example #1

A traditional sales journal records a sales transaction on each row and has columns for sales, receivable, tax payable, and other accounts.

In contrast, 4th Quarter's Income Journal lists only income accounts. By selecting income accounts singly or in groups you can display, total, and report on the debits and credits entered for those accounts.

4Q's Audit Report (see "Audit Report" on page 308) which is available for all journals, provides a way to list both the entries made to the journal's accounts and the offsetting entries to all other accounts.

Each 4Q journal consists of two screens, one lists accounts and the other lists entries to those accounts. Figure 11-3 shows the first of these two lists in which three income accounts have been highlighted.

FIGURE 11-3. The first part of the Income Journal area is the income account's list.

The second part of the Journal Area displays entries to the indicated accounts for the indicated date range. Figure 11-4 shows the entries made between 5/1/99 and 5/12/99 to the three accounts highlighted in Figure 11-3.

FIGURE 11-4. The second part of the Income Journal lists entries to selected income accounts.

Example #2

Each row of a traditional cash journal records a cash deposit or withdrawal. The columns of the cash journal correspond to various cash accounts.

4Q's Receipts & Disbursements Journal lists only Receipts & Disbursements accounts. All entries that affect Receipts & Disbursements accounts, no matter where or how they're entered, can be located, displayed, and reported from the Receipts & Disbursements journal.

Sales and Purchase Areas

The Full 4th Quarter application does have Sales and Purchase areas where you enter transactions of a limited form. The structure of these areas is close to that of a traditional journal. However,

- Sales and Purchase areas are not referred to as journals.

- They only support data entry in a set of fixed formats.

- Sales and Purchase areas are not supported by the 4Q Core product.

Sales areas are discussed in Chapter 14 on page 389. Purchase areas are discussed in Chapter 16 on page 471.

■

Flow of Data

The Journal Account List screen only displays account balances. Journals do not display GL accounts. However, each GL account is associated with exactly one journal and all accounts related to any GL account will appear on the journal referred to by that GL account. As a consequence, all accounts that are linked to a particular GL account will appear on the same journal.

When transactions are entered they immediately update their related account balances. Since journal reports are comprised of these account balances, journal reports are always up to date.

The journals do not store cumulative balances. However, by printing a report that includes all the accounts on the journal you can effectively obtain such a balance.

Since journals are composed of accounts, and account balances are determined by both posted and unposted transactions, the information on each journal is subject to modification and revision. Journal reports are less definitive than GL-based reports whose values are composed entirely of posted information.
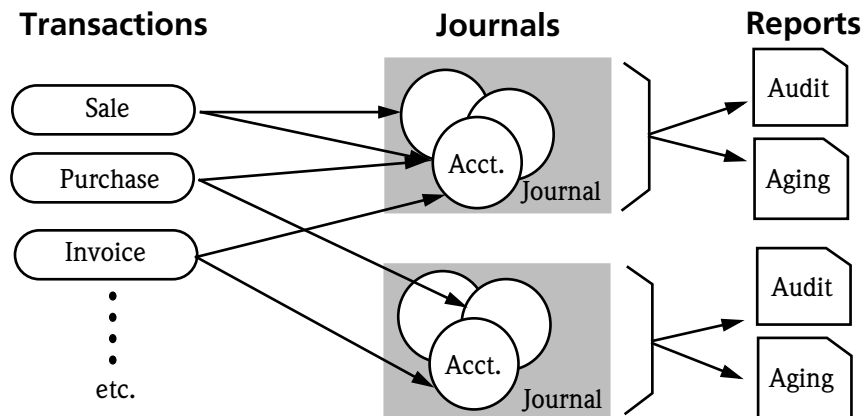
FIGURE 11-5. Accumulation of journal-based information through transactions and accounts.

■

Types of Journals

4th Quarter enables you to create your own journals. These must be of one of the seven following types. 4th Quarter automatically supplies one journal of each type when a new datafile is created. You can create as many instances of each type of journal as you wish.

General	All accounts that do not appear on other journals
Income	Income and revenue type accounts.
Expense	Cost and expense type accounts.
Payable	Liability accounts.
Receipt/Disbursement	Cash accounts.
Receivable	Credit accounts.
Pass Through	A repository for all non-asset type accounts.

Each type of journal has its own restrictions about what kinds of accounts it can include. For instance, Income and Expense type journals can include only Revenue and Income, and Cost and Expense Accounts, respectively.

This means, for example, that these Income Journals can contain only accounts related to a revenue or income GL account. Restrictions of this sort apply to the accounts appearing on other journals.

Journals provide a means of grouping accounts. They provide functions for reporting, auditing, reviewing, and summarizing the accounts associated with them. There are two big differences between journals and the General Ledger:

- Journals contain accounts, while the GL contains accounts.
- Journals report account balances affected by posted and unposted transactions, while the GL reports GL account balances affected only by posted, unmodifiable transactions.

In addition to these minor differences:

- The GL contains all types of accounts. Most journals are limited to one type of account.
- Journal entries can be modified until they are posted. GL summary records are represent the contribution of posted transactions. They cannot be modified.

■

On-Line Auditing

Access to Journals

The database is normally set to prevent anyone from making changes to the journals or adding new journals. In order to access the journal's list you must go to the "Journals, Allocation" page of the Maintenance screen. There you'll see the "Add, modify or delete Journals" setting that you can set to "Yes, until next user logs on." You must then press the **Accept All** button to effect this change.
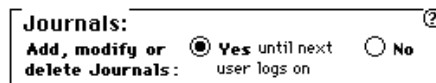
FIGURE 11-6. The maintenance screen setting that allows journals to be modified.

The Journal Editor can be accessed only when set to be modifiable in the Maintenance screen. When modification is allowed, the journals are accessed through the **Accounts List** item on the Control screen's **Chart of Accounts** pop-up menu. Once you are at the Accounts List screen, choose the **Journals** item from the **Related Items** associated menu.

Journals are assigned to GL accounts through the GL account's entry screen. The journal associated with a GL account is inherited by all its accounts. The relationship of accounts to journals is totally automatic once the GL accounts are defined.
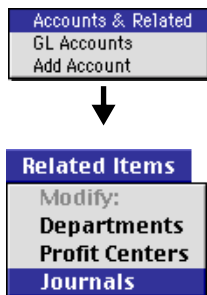
To access journals from the control screen, choose the Account List item on the Chart of Accounts pop-up. From this screen choose the **Journals** item from the **Related Items** menu associated with this list screen.

If you have unlocked the journals, you'll see the Journals List screen shown below. If you have not gone to the maintenance screen to unlock the journals, you'll receive the message "The data base has been set so that the journals cannot be modified".

FIGURE 11-7. Journal List screen for adding, modifying, or deleting journals.

Double click on a journal to modify it through the entry screen shown in Figure 11-8. You can modify the journal name, and the change will appear on your computer as soon as it is entered. However, other users will be unaffected unless they log on after you've made the changes. If there are GL accounts assigned to the journal, you will not be able to delete the journal or modify the journal's type.

Press the **Add** button to create a new journal, or double click on a journal record to modify it. A journal's type can be modified as long as no GL accounts are assigned to it. Journals that are not associated with any GL account can also be deleted.

Equity Account Assignment

Equity accounts can be assigned to journals and these equity accounts are used to receive accumulated income and expenses when the year (or period) is closed. These equity accounts are usually but not necessarily given the name "Retained Earnings". A different equity account can be assigned to every journal.

The equity account assigned to a journal is the default equity account used by any GL account linked to this journal. However, you can assign different equity accounts to GL accounts thereby overriding default set for the journal.

FIGURE 11-8. The Journal Entry screen from which equity accounts can be assigned globally.

Example

An National Income Journal can be assigned a National Retained Earnings equity account. The journal may have the Chemical Sales and the Glassware Sales GL accounts related to it. When the journal is closed all chemical and glassware accounts on that journal will close to the National Retained Earnings account.

At some later time you could decide you wanted to separately track the retained earnings for Chemical Sales and the Glassware Sales. At this time you go to the Chemical Sales GL account and change the equity account to one named Chemical Retained Earnings. You go to the Glassware Sales GL account and change its equity account to one named Glassware Retained Earnings.

When you next close your accounts, Chemical and Glassware retained earnings will flow to these different retained earnings accounts.

■

Journal Accounts   Select the **Journal...** item from **Accounting** menu or choose a journal directly
from the **Journal** pop-up menu on the Control Screen.
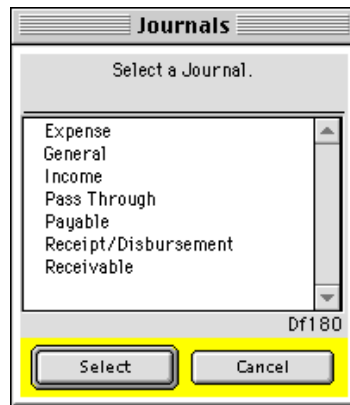
FIGURE 11-9. The Journal List dialog opened by selecting **Journals...** from the
Accounting menu.

Selecting a journal opens a journal accounts list. Only accounts that are associated
with this journal are displayed in this list. Searching for accounts from a list of
accounts associated with a particular journal will only locate accounts that are
listed on that journal.

Journal Accounts List Screen

Accounts listed on the Expense Journal are shown in Figure 11-10. This is the first
of the two main list screens that give you access to the accounting information
available through any journal. From here you can print journal reports or examine
the components of a journal.

FIGURE 11-10. Accounts on the Expense Journal.

■

Journal Components List

To examine the journal entries you can either first specify a date range, or first view the account components and then limit them to a date range. It is less work for the program, and therefore the program will perform more quickly, if you first specify a range of dates. Do this by pressing the **In Range** button at the bottom of the account list. This opens a dialog in which you can specify the starting and ending dates in your range of interest.

Components of Many Accounts

Next, highlight the accounts whose components you want to view and press the **View** button. This brings you to the Journal Components screen. This is the second of the two list screens that provide access to journal information and is shown in Figure 11-11. The caption at the bottom of the screen, just above the **Sort** button, informs you that you're viewing the components of two accounts.

FIGURE 11-11. Components of multiple selected accounts on the Expense Journal.

Components of One Account

If you select only a single account before pressing the **View** button, then a slightly different component list screen will appear, as shown in Figure 11-12. This screen shows the accounts name, balance, year-to-date balance, and other information in addition to the list of requested components. If the screen displays these details for a particular account, then you know you're looking at the components of a single account.

FIGURE 11-12. Components of a single Expense Journal account.

Just as these two list screens are different, so to do the single and the multiple account screens provide different reports. Decide which reporting functions you need before deciding how to view the component information.

■

Searching

Both component list screens enable you to search for components that meeting new criteria, but the components located will be limited to the accounts you are viewing.
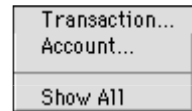
The "Show All" option will either show you all components on the current journal or all components related to the currently displayed account.

- It locates all components of the current journal if you are selecting it from Figure 11-11 that displays data for multiple accounts.

- It locates all components associated with the current account if you are selecting it from Figure 11-12 that displays data for a single account.

Transaction Search

Select the "Transaction…" to locate components using Transaction search screen. This is the same search screen that was discussed in Chapter 5 on page 106. However, this search performs differently depending on whether you are looking at the components of many accounts, or the components of a single account.

- If you are looking at the components of many accounts, then components will be viewed through the list screen shown in Figure 11-11. The transaction search performed from this location will only locate components that appear on the current journal's accounts.

- If you are looking at the components of one account, then components will be viewed through the list screen shown in Figure 11-12. The transaction search performed from this location will only locate components that are associate with the current account.

This is in contrast to the way the same search performed in Chapter 5. In that case there was no limitation of the items found being related to the current journal or the current account.

Account Search

Selecting the "Account…" search criteria from the Search popup opens the Accounts screen that was discussed in Chapter 5 on page 107. However, just like the transaction search, this search also performs differently depending on whether

you are looking at the components of many accounts, or the components of a single account.

- If you are looking at the components of many accounts, then components will be viewed through the list screen shown in Figure 11-11. The account search performed from this location will only locate components that appear on the current journal's accounts.

- If you are looking at the components of one account, then components will be viewed through the list screen shown in Figure 11-12. The account search performed from this location will only locate components that are associate with the current account.

Example

If you are viewing the components of one account and you perform a search for all components in the previous year, then you will find all previous year's components for that one account.

If you are viewing the components of 10 accounts and you perform a search for all components in the previous year, then you will find all the previous year's components for those 10 accounts.

■

Reports

Component List

If you are viewing the components of multiple accounts and press the **Report...** button you can print the list of components that is displayed on-screen either with or without subtotals for each account. A section of this report that provides account subtotals is shown in Figure 11-13.

							Thu, May 13, 1999 Page 1	
								Expense Journal
Account								
Attr	Code	Tran. ID#	Effective	Entered	Notes	Title	Item	Debits	Credits
80001-100 Sales Commission Expense								
	31	333	3/1/99	4/22/99	*	Invoice ID#31, code 3		4.60	
AA	asdfasdfa	237	4/4/99	4/4/99	P	qeqweqweqweqe	5 pallettes		150.00
						80001-100 Sales Commission Expense Total		4.60	150.00
80004-9001 Payroll								
	ET-1/2	408	1/2/98	5/6/99		CheckMark Payroll	expense	583.68	
	PR-1/20	291	1/20/99	4/12/99	P	CheckMark Payroll	Wages 2586-265		395.98
	PR-1/20	326	4/20/99	4/20/99	*	CheckMark Payroll	Wages 2586-265	395.98	
	PR-1/20	331	4/20/99	4/22/99	*	CheckMark Payroll	Wages 2586-265	395.98	
		329	4/21/99	4/21/99		Deposit		260.00	
	{to print}	330	4/21/99	4/21/99		Withdrawal			25.00
						80004-9001 Payroll Total		1,635.64	420.98

FIGURE 11-13. The components of multiple accounts printed with subtotals for each account.

If you are viewing the components of a single account and press the Report… button you can print a Component, Transaction, or Running Balance report. These reports include information about the current condition of the target account. The component report is shown in.

80001-100 Sales Commission Expense					Thu, May 13, 1999	01:44 Page 1	
							Expense Journal
Attn	Ref. Nº	Effect.	Notes	Item		Debits	Credits
	31	3/1/99	*			4.60	
AA	asdfasdfa	4/4/99	P	5 pallettes			150.00
					DR: TOTAL -145.40 =	4.60	150.00

FIGURE 11-14. The Component report for a single account.

Account List

Journals offer a wide variety of reporting options: account summaries, running balance reports, audit reports with different levels of transaction detail, and aging reports for Payable or Receivable Journals. These reports are accessed through the **Reports...** button on the journal Account List screens.

The reports available will depend on the type of journal you are looking at. Payable and Receivable type journals support Statements and Aging Reports. These reports

are not available on other types of journals. The different Report and Medium dialogs are shown in Figure 11-15.
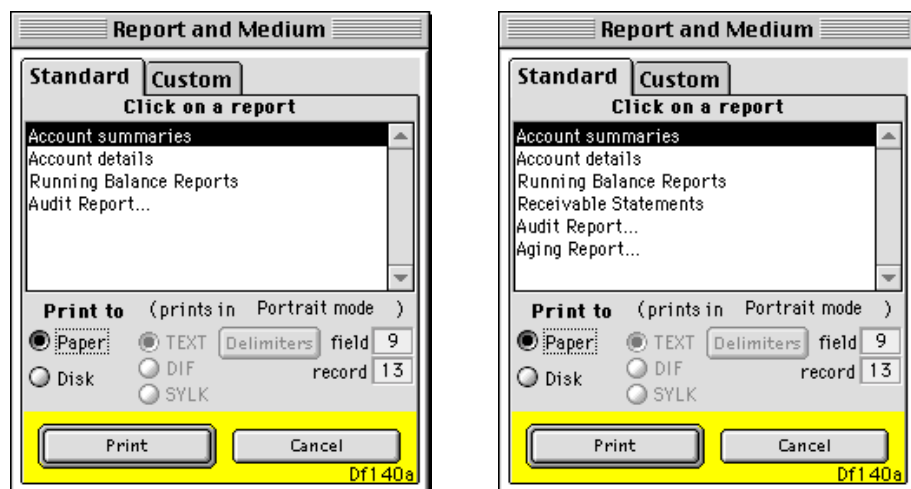
FIGURE 11-15. List of reports available for General, income, Expense, and Cash journals on the left. The list of reports available for Receivable and Payable journals on the right.

Account Summary

A single-line summary of the accounts in the current selection. See Chapter 4, page 94 for an example.

Account Detail

A full description of the accounts in the current selection without transaction details. See Chapter 4, page 95 for an example.

Running Balance

The running balance over any specified time period. See Chapter 4, page 95 for an example.

Payable/Receivable Statements

A statement of account that is available only for accounts on Payable or Receivable journals. For Payable accounts see Chapter 9 page page 251 for an example. For Receivable accounts see Chapter 8 page 210 for an example.

Audit Report, Aging Report

Audit and Aging reports are particularly rich in printing options. Aging Reports are only available for Payable Journals and Receivable Journals. These reports are described in detail in the following sections.

■

Audit Report

An audit report is available for all journals. The audit report can be configured to print account summaries or detailed transaction lists. When printing a summary the audit report shows the total amounts debited and credited to a selection of accounts. When printing a detailed transaction history, the audit report displays account totals, breaks this down by transaction, and can list all the balancing accounts involved in each transaction.

Expense Journal

Sat, May 21, 1994
Page 1

Summary of transactions Includes only posted from posted date transactions. 00/00/00 to 12/31/93

Listing dr, cr, and reversing transactions from the Expense journal.

Tallies shown for ACTIVE and INACTIVE Expense type GL accounts.

Account №	GL Account	Subaccount	Debits	Credits
71000-110	Operating Expenses	Accounting Expenses	252.62	0.00
71101-100	Inventory Expense	Cost of Goods Sold	1.18	11.00
71101-200	Inventory Expense	Spoilage	5,000.00	5,000.00
		Report Total	5,253.80	5,011.00

FIGURE 11-16. An example summary version of the audit report.

Expense Journal

<div align="right">Sat, May 21, 1994
Page   1</div>

Summary of transactions
from posted   date
 00/00/00 to 12/31/93

Includes only posted transactions. Listing dr, cr, and reversing transactions
from the Expense journal.

Tallies shown for ACTIVE and INACTIVE
Expense type GL accounts.

Account Nº		GL Account	Account	Expense Debits	Credits	Offsetting Components Debits	Credits
81000	**110**	**Operating Expenses**	**Accounting Expenses**	**252.62**	**0.00**		
		{to print} 9/14/92 Withdraval		250.00			
		3/8/93 Withdraval		1.29			
		3/8/93 Withdraval		1.33			
11101	102	Cash	1st Rhinebeck			0.00	1.33
11101	110	Cash	General Cash			0.00	251.29
			Accounting Expenses Offsetting Subtotals			0.00	252.62
81101	**100**	**Inventory Expense**	**Cost of Goods Sold**	**1.18**	**11.00**		
	1	9/14/93 Invoice		1.18			
	4	9/14/93 Purchase Order			11.00		
12101	100	Inventory	Inventory			11.00	1.18
13101	15 m	Customer Receivable	Bill Gates			3.21	0.00
31101	28	Vendor Payable	Helmuth's Salvage			0.00	10.78
61101	100	Sales	InvoSales			0.00	2.00
61101	300	Sales	Shipping Income			0.00	1.25
81101	400	Inventory Expense	Discount Sales			0.04	0.22
84101	100	Purchases	Purchases			11.00	0.00
			Cost of Goods Sold Offsetting Subtotals			25.25	15.43
81101	**200**	**Inventory Expense**	**Spoilage**	**5,000.00**	**5,000.00**		
		6/25/92 a big expense			5,000.00		
		6/25/92 Close the period		5,000.00			
11000	100	Petty Cash	General Cash			5,000.00	0.00
50000		Retained Earning	from Income			0.00	5,033.45
84000		Food and Lodging	–			33.45	0.00
			Spoilage Offsetting Subtotals			5,033.45	5,033.45
			Totals	**10,507.60**	**10,022.00**	**5,058.70**	**5,301.50**

FIGURE 11-17. An example of the detailed version of the audit report.

To configure the audit report press the **Report...** button located at the bottom the journal accounts list. Select Audit Report… from the list of reports displayed. This brings you to the first page of the audit report setup screen that is shown in Figure 11-18.

4th Quarter stores audit report settings for each separate journal. These settings are part of the central data file and are accessible to all users. The values set in the Audit Report Setup dialog are retained until they're changed by any user.The values displayed in this dialog can be set differently for each journal.

Date Range

The date range setting determines what transactions are printed or summarized on the report. Specify both the starting and ending date and which of the three transactions date this range is to apply: effective, entry, or posted date. If you

select the "posted" option, then only posted transactions will appear on the report.
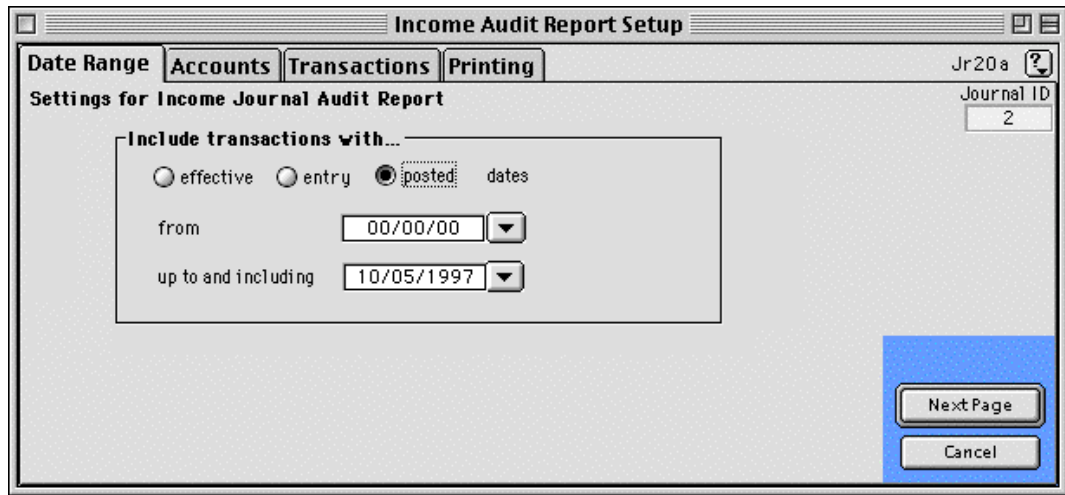
FIGURE 11-18. The Date Range page of the Audit Report Setup screen. Different settings can be established for each journal.

Account Range

On the second page of the specification screen you indicate the range of accounts that are to appear on the report. There are two types of account ranges that need to be specified.

The first is the range of the origination accounts. These are the journal accounts to which the transactions were entered. Set the report to include all of the journal's accounts, those currently selected, or limit the selection to the profit center that you indicate using the popup menu.

You can also use the "Include only active..." check box to exclude those accounts that are inactive.

The second is the range of balancing accounts. These are the accounts that balanced the journal entry in the located transactions. Balancing accounts may or may not be on the same journal as the origination accounts.

When displayed on the report balancing accounts appear as a list of offsets below each origination account. You can display these offsets summarized by GL account, detailed by account, or as indicated in the origination GL account (allow-

ing for a different amount of detail for each origination account). In addition, you can suppress the display of balancing accounts entirely. Indicate the configuration by selecting one of the four radio buttons in the Balancing Accounts area.

FIGURE 11-19. The Account Range page of the Audit Report Setup screen.

Example #1

If you are examining entries made in transactions on an income journal, then credits to sales accounts are likely balanced with entries to cash, receivables, and tax payable. In this case the origination accounts are the sales accounts located on the income journal. The balancing accounts are the cash, receivables, and tax payable none of which are on the income journal.

Example #2

If you are examining entries made in transactions on an expense journal, then debits to expense accounts are likely balanced with entries to cash, payables, and asset accounts. However, it's likely that expenses are split across multiple expense account.

In a transaction containing two expense accounts, call them Expense#1 and Expense#2, the balancing accounts for Expense#1 include cash, payables, asset and Expense#2 accounts. The balancing accounts for Expense#2 include cash, payables, asset and Expense#1 accounts. In this case some of the balancing accounts are on the same journal, the expense journal, as the origination accounts.

As a consequence, when you configure the Audit Report to print both the origination and the balancing components for selected accounts and transactions, you may find that origination entries for one expense account are also balancing entries for other expense accounts.

Transactions

The transactions included on the audit report are determined by your Date Range setting and the options you choose on the Transaction page of the Setup screen. The radio buttons labeled "print transaction list" and "don't show any transactions" determine the amount of transaction detail that appears on the report. These two alternatives have no affect on what contributions are included in the net balance contributions to the indicated accounts.

In contrast, the settings in the area labeled "To include in totals" does affect the transactions that are included as part of the contributions to each account's balance. The "Limit printed report to" popup has three options:

Credit   Only entries that credit the origination accounts will be included on the report. If you select this option for an Income journal, then the report will only include items that represent a positive income to the selected accounts.

Debit   Only entries that debit the origination accounts will be included on the report. If you select this option for an Expense journal, then the report will only include items that represent costs related to the selected accounts.

Dr or Cr   The report will include all debits and credits to the selected account in the indicated date range. If assigned to an Income journal this setting will generate reports that include reversing and adjusting entries.

The "Include only posted transactions" check box will exclude from the journal report all unposted transactions.
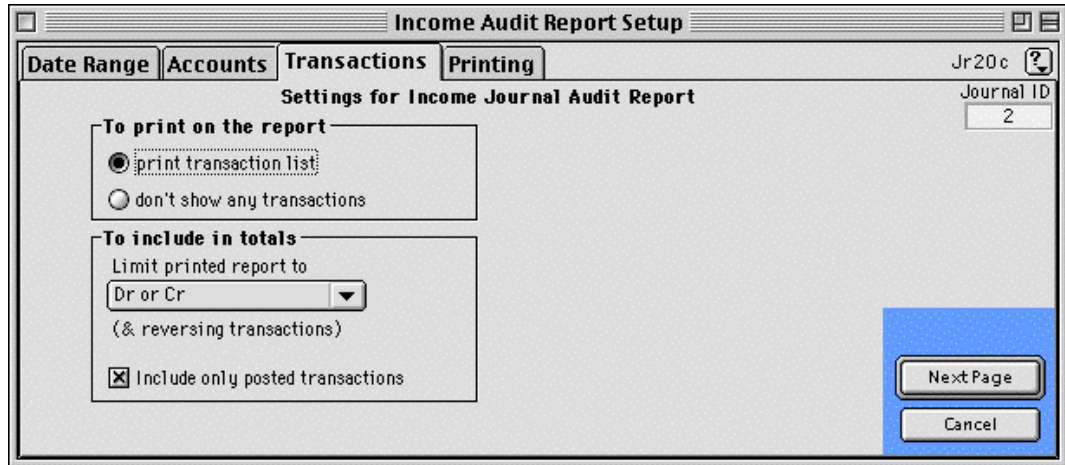
FIGURE 11-20. The Transaction Range page of the Audit Report Setup screen.

Print Settings

The "Send to Printer" and "Write to disk" check boxes enable you to print the report directly, archive it to a disk file, or both. If you print the report you will be able to preview it on-screen.

The Audit Report Heading area is where you enter a value that is printed at the top of the report.

The format number determines the numerical format used in the report. This determines how zero and negative values are presented, and how decimals are formatted. The format setting will never actually change the value of a number, but it can make the report more readable.
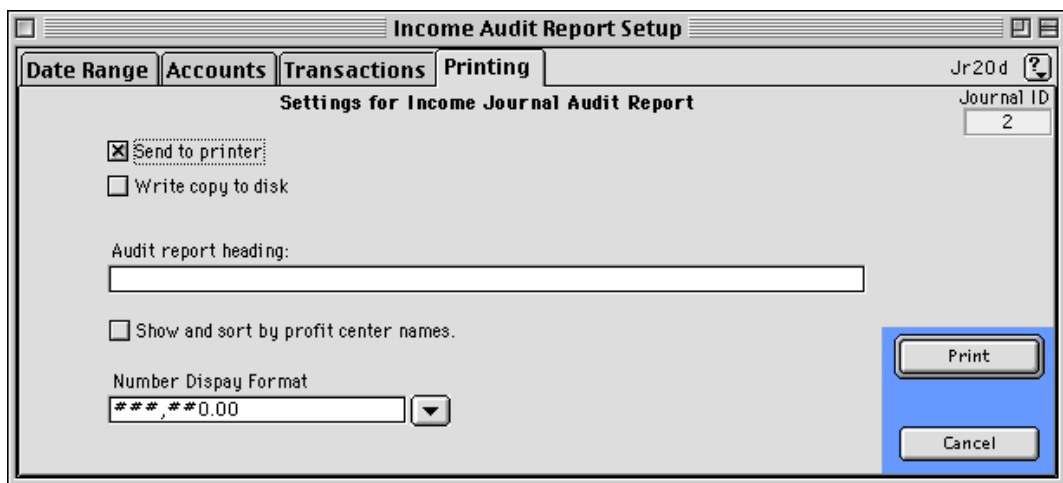
FIGURE 11-21. The Printing page of the Audit Report Setup screen.

Because of the flexibility in configuring the Audit Report we cannot give examples of each report that can be produced. We give you three examples:

Example #1   Only the origination accounts are shown.

FIGURE 11-22. Audit report showing only origination accounts.

Example #2   Both origin and destination accounts appear.

Income Journal

Sample Audit Report (balancing accounts, no transactions)

Wed, Jun 9, 1999   1:08 PM

Page   1

Summary of transactions from effective date 00/00/00 to 6/8/99 | Includes both posted and unposted transactions. | Listing dr, cr, and reversing transactions from the Income journal. | Tallies shown for active and inactive Income journal type GL accounts.

Account N°		GL Account			Account		Income		Offsetting Accounts	
	Code		Date	Title		Memo	Debits	Credits	Debits	Credits
70001	100	Interest Income			Interest Income		10.00	25.00		
10001	100	Cash			General Cash				25.00	10.00
						Interest Income Offsetting Subtotals			25.00	10.00
70002	400	Shipping Income			Shipping Income		0.00	45.95		
10002	2	Client Receivable			Performance				1,175.95	0.00
10003	100	Inventory			Component Assets				0.00	579.15
10005	100	Inventory			Operating Assets				16.65	0.00
10100	91	Client Receivable			Western Autodial				61.33	0.00
30010	40	Sales Rep Payable			Marty Howe				66.28	254.37
60001	100	Client Sales			Client Sales				0.00	1,170.00
60005	100	Client Sales			Client Sales				0.00	21.33
80001	30	Sales Commission Expense			Commission Expense				254.37	66.28
80017	100	Inventory Cost of Good Sold			Component Cost of Goods				579.15	0.00
80023	100	Inventory Cost of Good Sold			Operating Cost of Goods				0.00	16.65
						Shipping Income Offsetting Subtotals			2,153.73	2,107.78
						Totals	10.00	70.95	2,178.73	2,117.78

FIGURE 11-23. Audit report showing origin and destination accounts.

Example #3   Origin and destination accounts plus transaction histories are shown.

Income Journal

Sample Audit Report (balancing accounts with transactions)

Summary of transactions	Includes both posted and unposted	Listing dr, cr, and reversing transactions from the	Tallies shown for active and inactive Income journal
from effective date	transactions.	Income journal.	type GL accounts.
00/00/00 to 6/8/99			

Wed, Jun 9, 1999   1:14 PM

Page   1

Account Nº		GL Account			Account		Income		Offsetting Accounts	
	Code		Date	Title		Memo	Debits	Credits	Debits	Credits
70001	100	Interest Income			Interest Income		10.00	25.00		
			06/03/1999	Deposit				25.00		
	{to print}		03/15/1999	Withdrawal			10.00			
10001	100	Cash			General Cash				25.00	10.00
						Interest Income Offsetting Subtotals			25.00	10.00
70002	400	Shipping Income			Shipping Income		0.00	45.95		
	13		11/01/1998	Invoice ID#13, code 1				40.00		
	15		08/13/1998	Invoice ID#15, code 1				5.95		
10002	2	Client Receivable			Performance				1,175.95	0.00
10003	100	Inventory			Component Assets				0.00	579.15
10005	100	Inventory			Operating Assets				16.65	0.00
10100	91	Client Receivable			Western Autodial				61.33	0.00
30010	40	Sales Rep Payable			Marty Howe				66.28	254.37
60001	100	Client Sales			Client Sales				0.00	1,170.00
60005	100	Client Sales			Client Sales				0.00	21.33
80001	30	Sales Commission Expense			Commission Expense				254.37	66.28
80017	100	Inventory Cost of Good Sold			Component Cost of Goods				579.15	0.00
80023	100	Inventory Cost of Good Sold			Operating Cost of Goods				0.00	16.65
						Shipping Income Offsetting Subtotals			2,153.73	2,107.78
						Totals	10.00	70.95	2,178.73	2,117.78

FIGURE 11-24. Audit report showing origin and destination accounts and transactions.

∎

Aging Report

(for Payable or Receivable Journals)

An aging report is available for payable journals and receivable journals. It prints the amounts outstanding in a six-column format. The first column shows the total amount of the payable or receivable. The second through fourth columns show the amounts due from each of three consecutive aging date ranges. The fifth column shows the total of amounts due beyond the last period. The last column shows the total amount due from all periods.

For example, if the aging periods are 30, 60, and 90 days of being due, the six rows will have the following contents:

Column 1	Original receivable or payable amount
Column 2	Receivable or payable from 0 to 30 days overdue
Column 3	Receivable or payable from 31 to 60 days overdue
Column 4	Receivable or payable from 61 to 90 days overdue
Column 5	Receivable or payable overdue by 91 days or more
Column 6	Total currently overdue

The aging report can be configured to print account summaries or detailed transaction lists. When printing a summary, the aging report shows the total amounts debited and credited to a selection of accounts. When printing a detailed transaction history the report displays account totals and breaks this down by transaction. The aging report does not list the balancing accounts involved in each transaction.

A separate Aging Report setup is stored with each receivable- or payable-type journal. As with the Audit Report discussed above, Aging Report configurations are stored in the datafile and are available to all users. Changing the report configuration for any journal change the configuration information that is accessed by all other users of the database.

The Aging Report Setup dialog has four pages of settings that determine what items to include, how to display the details, and what constitute the aging periods. For a detailed explanation of each setting of the receivables Aging Setup dialog see Chapter 8, "Aging Report" on page 211. For an explanation in the context of the payables see Chapter 11, "Aging Report" on page 251.

4Q Core

Journals

CHAPTER 12

Financial Reports

This chapter describes the Financial Reports area. This includes the creation and printing of Balance Sheets, Income Statements, and other report templates.

Generating Reports

Overview

Templates

Financial reports are reports whose information is drawn strictly from entries to GL accounts. Account level detail is not shown. Each financial report is created when it's printed according to the instructions on a financial report template. Financial report templates are accessed though the Report Editor user area.

The Report Editor enables you to create and to edit templates. Each template displays the rows and columns that you want to see on your financial reports. Each row can display information drawn from a single GL account, or a "roll-up" of multiple GL accounts.

Each template, and consequently each printed financial report, can have up to 4 columns of figures. Each column can present actual or budget figures all drawn from the same period or from different periods. A column can also be specified to display a percentage breakdown of the numbers that appeared in the previous column.

You can create as many financial report templates as you like. Each can be customized to display a different selection of GL accounts. The system will also create financial report templates for you automatically, or verify the rows on a particular template according to various criteria.

The report templates do not store any financial information, such as account balances. They store only the format of the report which that is generated from them. This format information includes:

- Report style (Change Within Period or Position Statement)
- GL accounts that are to appear on each row.
- Text labels and subtotals.
- Number of columns of the report.
- Data displayed in each columns (balance, budget or percent).
- Time period summarized in each column.

Financial reports are build "on the fly" according to the structure of the template. Since they only include financial information taken from GL Posting Summary records they only display information that has been posted to General Ledger accounts.

Hypertext Reports

Financial report templates can be used to create "hypertext" on-screen reports. These are interactive reports that allow you double-click on particular rows to obtain more detailed information. From the summary data on a hypertext financial report you can follow the audit trail back to the original transactions.

The hypertext on-screen reports can be used as a data exploration tool. You can perform new search, sort and report operations as you drill into the information shown on the report. While viewing a report on-screen you can print other reports that contain information which, in accordance with your search criteria, may or may not even appear on the original report.

Manual Template Creation

The accounts that are included on templates is not determined automatically. The names that you assign to templates are completely arbitrary. You can design your own templates to contain any set of accounts. The template editor will:

- help you create Balance Sheet and Income Statement templates using the Automate function,
- help ensure that the templates you create are complete using the Verify function,
- prevent you from specifying any account on more than one line in any particular report.
- allow you to change the names of existing GL accounts without having to update the template.
- give accurate financial reports according to the template's specifications,

However, there are some important things that the template editor **will not** do. The template editor:

- will not require any particular accounts to appear on any template,
- will not ensure templates generate reports that accurately reflect their title,
- will not prevent you from generating misleading reports when the accounts listed on the template are not what you intend.

The point to remember is this: if you create a Balance Sheet or Income Statement template and then change your General Ledger by adding or deleting an account, then your templates will not automatically update.

While templates are not affected by changes in the names of accounts, they will not automatically add or remove accounts when you change the structure of your General Ledger.

■

Flow of Data

Figure 12-1 shows the relatively simple relation of data between templates and posting summaries. The financial report templates, shown in the ovals, generate the actual financial reports, shown under the heading "Financial Reports." These reports draw on information stored in the Posting Summary file. The Posting Summary file also contributes to Account Summary, Trial Balance, and other reports which are not generated from templates.
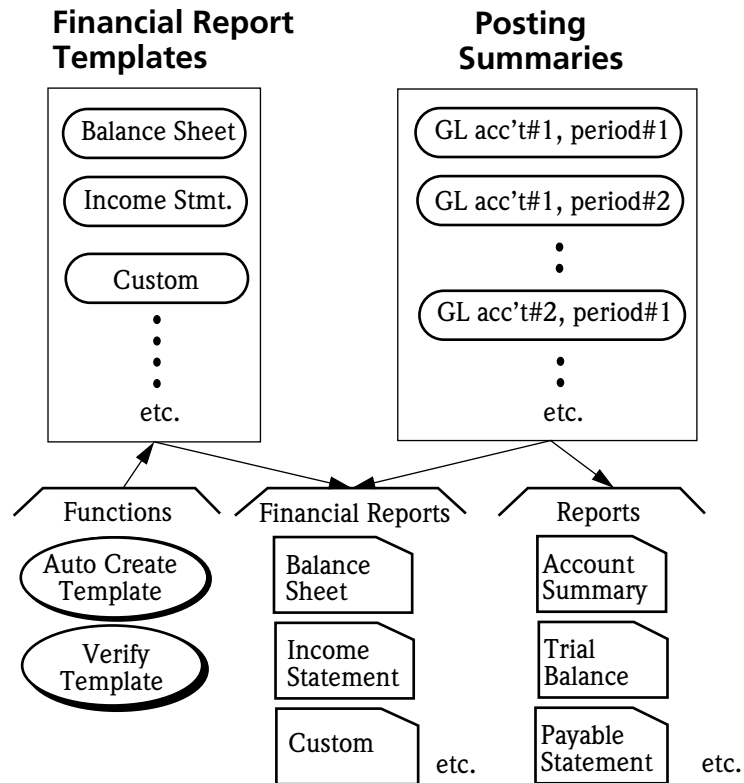
FIGURE 12-1. Flow of data from transaction components into AP accounts, and from AP accounts to reports.

■

Printing Reports

The financial reports are assembled from information posted to the GL according to report templates. The report templates store the form of the reports — what items appear on what rows and columns — and a default range of dates or periods. You can redefine the date range of a report at the time you create it. Financial reports can be printed to disk, paper, or viewed on-screen.

Financial reports can be formatted to print up to four columns of information. Each column can display the actual or budget values of GL accounts. A column can

alternatively display a percent analysis or figures that appeared in the previous column. These alternatives are illustrated below.

Sales Breakdown	1/1/97 to 3/31/97	4/1/97 to 6/30/97	7/1/97 to 10/31/97	11/1/97 to 12/31/97
Dealer Sales	9,665.00	14,680.00	18,115.00	4,916.00
Retail Sales	6,894.00	6,224.00	13,580.00	25,050.00

FIGURE 12-2. A four-column report showing actual figures in each of four periods.

Sales Breakdown	1/1/97 to 3/31/97	percent	7/1/97 to 10/31/97	percent
Dealer Sales	9,665.00	58.4	18,115.00	57.2
Retail Sales	6,894.00	41.6	13,580.00	42.8

FIGURE 12-3. A four-column report displaying two periods and a percent analysis of each.

Report Editor
Print Reports...

To print a financial report, choose **Print Reports...** from the **Financials** pop-up menu in the Control Screen. This opens the Batch Report Printing dialog that lists financial report templates. Click on a report to mark it for printing. All reports with a check mark next to them will be printed in sequence when you press the **Print** button.
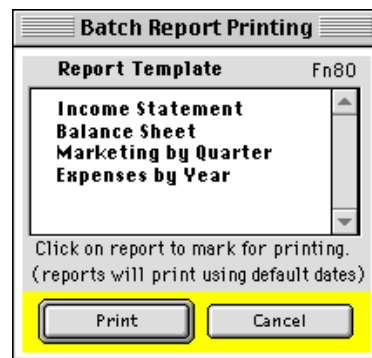
FIGURE 12-4. Print several reports at once from the Batch Report Printing screen.

Reports printed from this Batch Report screen use the default dates ranges saved with the report templates. To print the reports with different dates you must print them from within the Financial Report Editor.

When printed in batch reports can only be sent to the printer or to disk. To view on-screen hypertext reports you must go to the Financial Report Editor. There you must highlight a report, press the **Report** button to open the Specification screen, then press the **View** button.

There are two basic kind of reports: Position Statements and Changes in Position. Position Statements give account ending GL account balances at up to four points in time. Change in Position reports give the changes in the GL account balances over a set of time periods. They can display up to four periods.

■

Hypertext
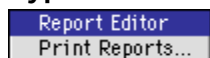
To view a financial report as a hypertext document, enter the Financial Report Editor by selecting the **Report Editor** item from the Control screen's **Financials** pop-up menu. Then highlight a report template and press the **Print Report** button. Fill in the necessary specs and press the **View** button.

Once the report is prepared, it is displayed on-screen just as it would appear on paper. However, the on-screen report has hypertext capabilities. If you click on a row it will highlight. If you double-click on an item the screen will change to show you more detail.

In particular, if you double-click on an account you'll see all the posted items that are summarized by the single line item. You can navigate through the rows and columns of the financial report from within the layout shown in Figure 12-5 on page 325. Double-click on one of the posted items to see the transactions that contributed to the posting.

The cell you're examining is specified at the top of the General Ledger Posting screen. The number of the row and column are given. To their right are the headings of these rows and columns. These headings appear in popup menus. If you click on one of these popup menus you'll see the full list of row titles, or the full list of column headings. Select an item from either of these lists to move to that particular cell.

In the footer area at the bottom of the screen you will see 4 arrows pointing in up, down, left and right. Clicking these buttons will move you one cell in the indicated direction.

On the left side of the screen there are **Do Search**, **Sort**, **Details** and **Print** buttons. The **Do Search** button locates items for the particular account or accounts

viewed in the date range you specify. The **Details** button shows the transaction details that contribute to the item you highlight. Only one item can be highlighted at a time.

FIGURE 12-5. The posting details of column 3, row 2 of a sample financial report.

■

Templates List

A list of Financial Report Templates is accessed through the Report Editor item in the Financial Reports pop-up menu. This takes you to the following screen.
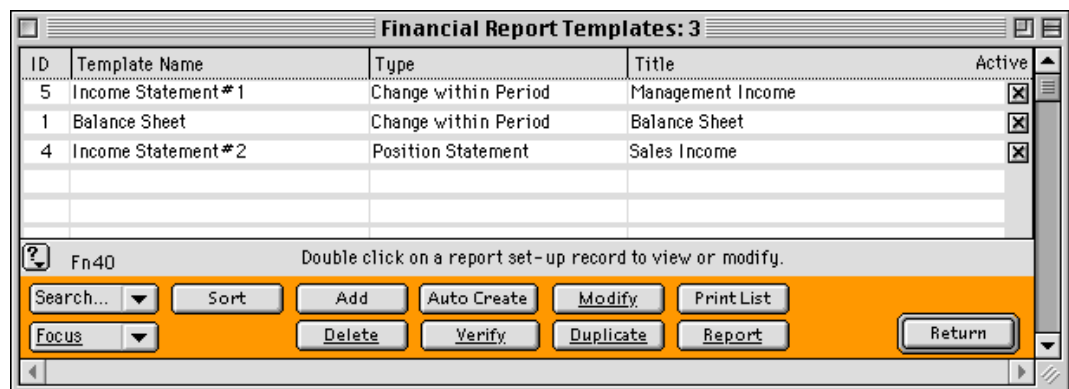
FIGURE 12-6. The Financial Report Template list screen.

This screen provides you with functions to help you create your Financial Reports.

- **Add**: Presents a blank template screen in which you specify the individual line items that are to appear on the Financial Report.
- **Auto Create**: Asks you to specify a type of report according to various criteria and then creates the template for you.
- **Duplicate**: Creates a duplicate of an existing Financial Report which you can then modify.
- **Verify...**: Asks you to specify a type of report and then checks the highlighted report template to determine if it complies with these specifications.

These functions are described further in the next section.

Opening report template in the Template Editor allows you to add four types o rows:

Item rows: one or more GL accounts individually specified.

Range rows: one or more GL accounts specified by number range.

Sum rows: rows that sum account contributions.

Text rows: for comments.

You can rearrange the order of the rows and change the style of the text printed in the row. By defining groups of rows you can compute percentage contributions from each row to the group in relation to the total of the group.

Each report template specifies between one four columns of financial information. These columns can be set independently and they display either of the following four types of account balance or balance change information.

- actual
- budget #1
- budget #2
- percent (of previously displayed column)

■

Template Related Functions

Each report template can be customized. You can create new report templates that include any combination of accounts. Only users in the Financial Reports Group can access financial report templates or print financial reports. Each individual report can also be given a separate password in order to prevent unauthorized or inadvertent changes.

In order for financial reports to present a complete picture, they must include all the required GL accounts. For example, the income statement for a particular profit center must include all of the income and expense accounts for that profit center.

In order to help you ensure completeness, 4th Quarter has three special report functions: automatic report template creation, report template duplication, and report template verification.

Automatic Creation

Press the **Create** button to enter the specification window for automatic report template creation. In this window you specify the type and extent of the report you want. When you press the **Create** button the system will assemble and save a new report template according to your specifications.

Since it is easier to modify an existing, complete report than it is to build a new report from scratch, you should use this function whenever you need to create a template that is close to one of the types generated automatically.

FIGURE 12-7. The report template specification window for automatic creation of new report templates.

The template specification screen offers the following choices:

- *Report type*: automatically created reports can be either balance sheets or income statements. The resulting balance sheet or income statement will be limited in scope according to your specifications.

- *Report Template Title*: the title distinguishes this from other templates. It is not printed on the report itself.

- *Profit Center*: you can specify a particular profit center from the profit center pop-up menu; if you don't want to specify a particular profit center, uncheck the profit center check box.

- *Use Only Active Accounts*: GL accounts are either active or inactive. If you want your report to include only active accounts check this box.

Templates created automatically are configured to display a single column of information. The number of columns and the content of the columns can be changed from within the report entry screen.

No default dates are assigned to automatically created templates. You must assign a date or date range before producing a report.

Templates created automatically do not contain any range-type rows. All accounts are individually specified and the accounts included in the report template are based exclusively on the accounts that exist at the time the template is created.

This means that an automatically created template that lists all the correct accounts when it was created may not list the correct accounts in the future if the GL chart of accounts is changed. Automatically created templates must be kept up to date with your chart of accounts. You do this by using the Verification function (described below) and manually adding or removing accounts from the template as needed.

Templates defined using range-type rows are less prone to require updating. As long as the changes to the chart of accounts conform to the ranges specified in the templates the template will continue to generate reports based on the accounts that lie within the ranges. However, range-type reports are not generated automatically.

■

Duplication

The template duplication function acts on the highlighted report template. It creates a duplicate template with all the same specifications but with a different template title. The duplicate template will produce the same financial report unless it is modified.

Use this duplication function when you want to create a new report template whose specifications are close to an existing template. Once the existing template has been duplicated, use the template editor to perform final modifications.

■

Verification

The verification option acts on the highlighted template and verifies that the template satisfies the specified criteria. When you click on the **Verify** button, the system presents the Template Verification window where you specify criteria with which you want the selected record to be consistent.

The financial report that any template produces is completely determined by the accounts indicated on the template. Just because a template is named "Income Statement" or "Balance Sheet" does not mean that it will produce an income statement or balance sheet. And even if it does, they may be incomplete.

Templates defined using item-type rows can become out of date if a new account is added to the chart of accounts. Templates defined using range-type rows can become out of date should if new accounts are added outside of the range specified.

In contrast, templates defined using item-type rows are unaffected by changes in GL account numbers. Item-type rows identify accounts independently from the name and number. Templates defined using range-type rows automatically include new accounts that are assigned numbers within the specified range. Whether this generates the report that you expect is another matter.

If a template is assigned an incomplete set of accounts, if additional accounts have been added, or if you have changed the numbering scheme used on your chart of accounts, then the template will produce a report that is probably not what was originally intended. In particular, it will be missing certain accounts.

The only constraint that is imposed on all templates is that they never include the same GL account more than once. This integrity constraint applies to accounts listed on separate row, accounts included in a roll-up, accounts specified item-type or range-type rows. The template editor prevents the entry of duplicate account references. In this way it ensures that no financial report is generated that contains the same account listed on any line or included in any subtotal more than once.

This constraint will not prevent you from creating a template that includes accounts that should not appear, nor omitting accounts that should appear. In order for a assessment of the completeness of any report you must use the **Verify** button.

When you press the **Verify** button the system constructs a temporary template of the type you've specified, and compares it with the highlighted template. The system notes any account that should not be on existing reports as well as any neces-

sary GL accounts that are missing. The results are displayed on screen and can be printed.
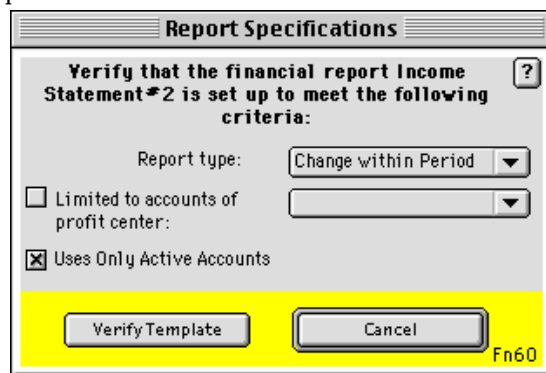
FIGURE 12-8. The template verification window.

Verification only checks the accounts included on the report, it does not involve the column or date settings. Verification will tell you if a report is missing an account or has erroneous accounts, but it is indifferent to whether the report displays actual or budget information, and current or historical values.

■

Configuring Templates

Overview

The financial report editor allows you to add rows to, or remove rows from, financial report templates. You can also create rows that present a summary of multiple accounts, change the headings, the type face, the number format, and the row labels. Columns are specified separately, as is discussed in the section titled "Columns" on page 349.

To modify a report template shown in the list screen, either double click on the template record or highlight a template and press the **Modify** button. This will bring you to the Line Items page of the template editor screen.

FIGURE 12-9. The report template editor screen.

The top of the screen displays the template's type, title, and three lines that are printed at the beginning of each report. To the right of each line is a pop-up menu that you use to set the text style for each line.

Template Type

A template is either of Position Statement type or of Change in Period type. This type applies to all of the columns that appear on the report. The type determines how date are used when a report is created. It does not affect any other feature of the report.

Position Statement templates use a single date in extracting the information that appears in each column of the report. The report will show the balances of the accounts as they were as of the date used for each column.

Change in Period templates use a beginning and an ending date to compute a change in balance for each report column. The report then shows the change in the balances of the accounts that took place between the dates assigned to each column.

■

Rows

Specify the individual line items that will appear on the report in the lower half of the screen. The **Insert, Modify,** and **Delete** buttons on the right apply to the line items contained in the report.

Each row can be one of three types:

- *Item*: present the balance or change in balance associated with one or a group of GL accounts individually specified from the current charge of accounts.
- *Range*: present the balance or change in balance associated with one or a group of GL accounts specified by a range of account number. The specified range may or may not contain any accounts at the time the template is created.
- *Sum*: performs the summation of the items at one of the four levels. An item's level can be read from the entries in the "Level of Sum" columns.
- *Text*: offers simple annotation.

When you add a new column you must specify whether it is to be an account, summary or text item. When you click on an item the appropriate item type is selected. Press the **Modify** button to redefine the selected item, or press the **Delete** button to remove it.

You can also delete multiple rows at once by marking a group of rows and then pressing **Delete**. Rows are marked by clicking on the left-most column. See "Marked Rows" on page 334.

Item-Type Rows

When you select a row the text below the **Insert** button says "above row," indicating that if you press **Insert** a new row will be placed above the selected row. If you scroll to the last line item and click below it — that is, click where there are no line items — then the message below the **Insert** button reads "at bottom" to indicate the new row will be added at the end.

To insert a row, select the row below which you want the new row to appear. Click on the radio button corresponding to the type of row you want to create, and then click the **Insert** button.

Marked Rows

The **Roll–up**, **Unroll**, and **Delete** buttons act on marked item-type rows. You mark a row by clicking on a row's left-most column, the column labeled "X". When a row is marked an "X" appears. To unmark, click on that column again.

Single-Account Rows

If the "item" radio button is selected, the **Insert** button will present a list of GL accounts using the standard GL account list screen. Locate the GL account to appear in the report's row, highlight it, and press the **Select** button.

Roll-up Rows

A roll-up is a row on the report that represents the sum of multiple accounts. This represents a summation of the balances of two or more GL accounts in which the individual accounts are not broken out.

A roll-up row is created in the same way as a row that represents a single account. The only difference is that when selecting the account that's to appear on the row you highlight multiple accounts instead of just one account.
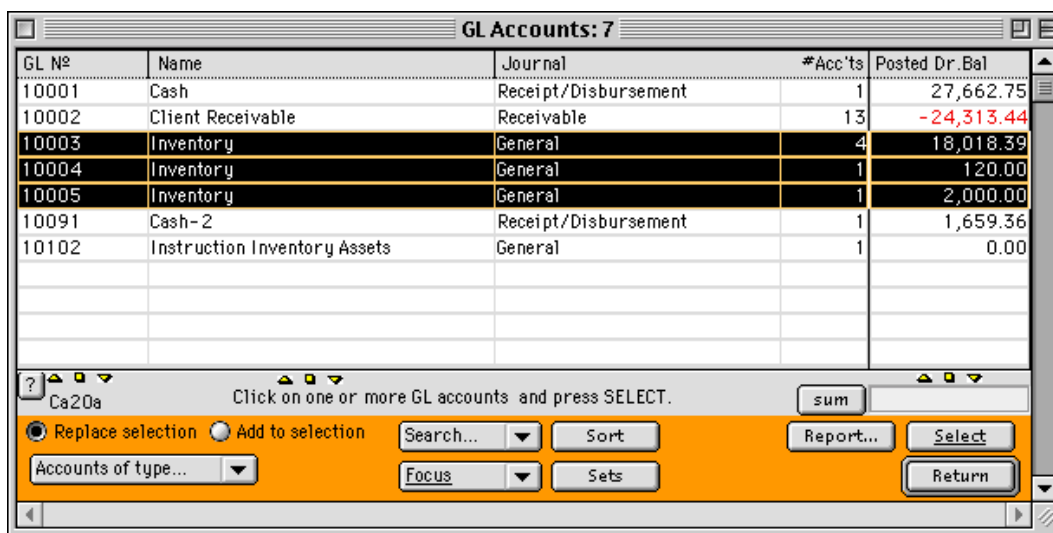
FIGURE 12-10. The GL Account list with three accounts selected to appear as a roll-up on one row of the template.

When you select accounts to appear in a roll-up the system applies two criteria:

- All accounts appearing in a roll-up must be of the same type. For example, a roll-up can several asset accounts or several non-asset accounts, but it cannot contain a combination of asset and non-asset accounts.

- A roll-up cannot contain accounts that already appear on other rows of the template. To prevent duplication of this sort the system checks all others accounts listed on the template, both on single-account rows and on other roll-up rows.

Once you have selected the accounts to appear on the row the Item Row dialog appears. Here you give the caption for this row as it will appear on the template and on the printed report.

If you have selected only one account, then this caption will default to the name of the account. If you've selected multiple accounts the default caption will give the number of accounts. in either case you can edit the caption.

FIGURE 12-11. The Item Row dialog specifying how account entries will appear.

To insert a tab, place your cursor at any location in the text and press the **Tab** button. Use the style pop-up below the entry area to set the style for the whole line. Press the **Enter** key to create the row and return to the report entry screen.

The contribution from an item-type rows appears as a debit or credit. The code "#dr" or "#cr" appears in the column labeled "Value". The debit or credit mark indicates which type of balance will be displayed as a positive number. If, for example, the actual balance should be a credit when the column shows debits as a positive number, then the credit balance will appear as a negative number.

The values of item-type rows are assigned to the zeroth summation level, as described below.

Reliability of Item-Rows

Templates defined using item-type rows are the susceptible to becoming out of date should there be a change in the chart of accounts. A new expense account, for example, will not appear on a financial report generated from a template if that template was created before the new account was added and if that template is defined using only item-type rows.

Templates defined using item-type rows are not affected by changes in GL account numbers. Item-type rows identify accounts independently from the name and number assigned to them. As a result item-type template rows will locate and include the same accounts when creating financial reports after the accounts are renamed or renumbered.

Roll-up Button

This button will roll-up all marked item-type rows into a new, single item-type row. If your selection of marked rows contains rows that already represent account roll-ups, then accounts represented by these rows will be consolidated in the new roll-up that will be created.

You can marked a discontinuous selection of rows for roll-up. All the marked accounts will be rolled-up and placed at the position of the first marked row. All subsequent marked rows will be removed.

Note that the system will *only* roll-up marked rows *if* the marked rows meet the following requirements:

- All marked rows must be of item type. That is, they must represent individually specified accounts, not account ranges and not sum or text lines.
- The accounts represented by all marked rows must either be of asset or non-asset type. The system cannot create a roll-up consisting of a mixture of asset and non-asset accounts.
- All marked rows must not have any percent group associated with them. That is, the % column of all marked rows must be blank.

If any of these conditions are not met the system will not create the roll-up.

Unroll Button

This button will unroll all marked item-type rows that currently represent roll-ups. If your selection of marked rows contains rows that are not roll-ups, then these rows will not be affected.

You can marked a discontinuous selection of rows for unrolling. Each marked row that is a roll-up will be unrolled. The unroll button has no affect on range-type rows.

When a row is unrolled it is replaced with a new set of rows beginning at the line where the roll-up occurred. Every account in the roll-up is given a separate line. The unrolled accounts are ordered by their GL account number. All subsequent rows are moved down to accommodate the new rows.

Note that the system will only unroll marked rows if the marked rows meet the following requirements:

- All marked rows must be of item-type. That is, they must represent individually specified accounts, not ranges of accounts and not sum or text lines.
- All marked rows must NOT have any percent group associated with them. That is, the % column of all marked rows must be blank.

If any of these conditions are not met the system will not unroll the marked rows.

Range Rows

A range row displays accounts specified only by the starting and ending values of their GL account numbers. A range-type row will include those accounts whose numbers matches the starting and ending numbers, or fall within the range of these numbers.

When you set the **Range** radio button and press **Insert** you're presented with a GL Account Range screen. Type in the starting and ending number of the range

using the leading 5-character GL account numbers. Press the **GL Account** buttons to search through lists of GL Accounts.

FIGURE 12-12. The GL Account Range screen in which you enter a range of accounts in terms of account numbers.

To limit accounts to particular department and/or profit centers use the Department and the Profit Center popup menus. If no department and/or profit center is specified, then all accounts within the range will be included.

The numbers you specify for the starting and ending range need not correspond to existing account. Nor does the range need to include any accounts. The accounts summarized on the actual report will be those that fall within the specified range at the time the report is printed. A blank line will appear on the final report if no accounts are found.

Specify whether only active accounts should be included in those accounts within the range.

Range-type Rollup

Use the radio buttons to indicate whether the range row should appear as a roll-up summary of all specified accounts, or whether each account in the range should be broken out to appear on a separate line on the printed report.

If the accounts are rolled up, then you can enter the caption that you want to appear on this line on the financial report.

FIGURE 12-13. You can specify the caption that is used when printing a range-type roll-up line.

Range-type Captions

If the accounts are not rolled up but are instead broken out, then you will not be able to specify the captions that will appear for each of the separate lines. Instead, each line will be captioned with the number and name of the account being displayed. The instructions in the Range Row dialog alert you to this situation.

FIGURE 12-14. While the specified caption does not print, the number of blank spaces to the left of the caption are carried over to the financial report.

The label you provide in the Range Row dialog will appear on this row in the template, but it will not be assigned to the accounts that will be broken out when a financial report is generated

The number blank spaces that you place to the left of the label will be used as "padding" on the left side of the number and names printed for each of the broken out accounts. In this way you can affect the alignment of the labels for this type of item.

The sum of all balances of the selected accounts will be displayed on the range line as either a debit or credit, according to your specifications.

When you press the Enter button the system will check that the accounts you've specified do not appear on any other line in the template. If one or more of the accounts do appear on some other line, then the system will alert you to this conflict. Both item- and range-type rows are tested to determine if they specify duplicates at the time these rows are created. The system will prevent you from entering any template rows that refer to accounts already referenced on some other row.

Reliability of Range-Rows

Templates defined using range-type rows can become out of date should if new accounts are mistakenly added outside of the range specified. They can also become out of date if you renumber your accounts such that the previously assigned ranges are no longer correct.

In contrast, templates defined using range-type rows automatically include new accounts assigned numbers within the specified range. This means that any accounts that you add having numbers that falls within the specified range will automatically appear on financial reports generated by this range-type item.

For example, if all of your expense accounts are given numbers between 83000 and 88000, then any new expense accounts added within this range will be included in the report that's generated by range-type item that spans the range of accounts from 83000 to 88000.

By assigning an existing account a new number that falls outside the specified range you will cause the account to be excluded from the set of accounts located by that range-type item.

Differences between Range-type and Item-type Rows

A range line will either present a summary of the indicated accounts on a single row of the printed report, or it will breakout all of the accounts onto separate lines of the report. This behavior is determined by the radio button settings chosen in the range item entry screen. In either case, however, only a single range-type line will appear on the financial report template.

The difference between an item- and a range-type line is that item-type lines will display only those accounts indicated at the time you created the line as part of the report template. Range-type lines will include whatever accounts lie within the range at the time you print the report.

Another difference is that accounts must exist in order for them to be included in the accounts reported on an item-type row. In contrast, you can specify a range-type line using any range of account numbers whether any accounts lie within that range or not.

The Rollup and Unroll buttons apply only to item-type rows. They have no affect on range-type rows.

Both item- and range-type rows can represent account roll-ups. That is to say a roll-up can be specified using either an item-type row or a range-type row. The two ways of specifying the roll-up differ in how they locate accounts according to the behavior or these two types of rows.

When you specify individual accounts using item-type rows each account will appear on the template as a separate row. You can assign whatever caption you like to each account.

In contrast, when you specify a range of individual accounts using a range-type row, only one range-type row will appear on the template. That is, even though the generated report may list tens of accounts the template locates these many accounts through a single range-type row. The accounts are only broken out when the report is printed.

Also, when a range-type row specifies individual accounts you cannot assign your own captions when these accounts are listed on the final report. In this case the final report will always list the accounts in the range according to their GL account number and name.

The only power you have regarding the captions of these lines is to insert spaces to the left of the GL account number and name. Specify these spaces through the Range Row dialog by adding leading spaces to the left of the indicated range.

Automatic Template Creation (page 327) generates templates that do not contain any range-type rows. All accounts in templates created in this manner are of item-type. However the Verification function can be applied to templates that contain any mix of item- and range-type rows.

Item- and range-type rows both have their strengths and weaknesses in the way they react to changes in your chart of accounts. The reports they generate will only reflect the indications contained in the financial report template. Whether this generates the report that you expect is something that you must consider.

Summation Rows

Sum-type rows display totals calculated for each of the columns that appear on the report (except for percent columns). Sums are assigned two values: the level of the rows being summed, and the level at which their sum is displayed. This range is shown graphically across the columns labeled "Value" and "Level of Sum". You can define up to three levels of summations.

All account values are indicated in the "Value" column of the template entry screen. They have a sum level of zero, meaning they are not sums. This is true even for those rows defined as a "roll-up" of multiple GL accounts. Rows that have values displayed at the zero level can be included in subtotals that are displayed at levels one, two, or three.

For example, if the sum is designated to appear at the second level, then it will appear on the screen as a "Σ" (the Greek letter sigma) in the Value column, and a "Cr" in the second Level of Sum column.

Caption	Value	Level of Sum		
Operating Income				
61101 Sales	#cr			
62201 Inventory Sales	#cr			
Total Operating Income	Σ.	....	Cr	

Subtotals at level two can be included as elements in further subtotals. The next summary total would be displayed at level three.

To do this, add a sum-type row after the last of the level two sum items. In the sum row entry screen indicate the row is to calculate the sum of all preceding level two items and display this total at the third level. This is done in the sum row entry screen as is described below. The template screen then displays a "Σ" in the second Level of Sum column, and a "Cr" in the third column, as shown below.

The "Level of Sum" columns enable you to clearly see how your subtotals are arranged. The subtotals on the actual report are calculated for each column and are all displayed in the column to which they apply. The printed report does not display the subtotals staggered to the right in the way they are displayed on the template entry screen. On the final report all totals and subtotals appear in the same column as the figures from which they are composed.

Specifying a Summation Row

Create a sum-type row by selecting the **Sum** radio button and pressing **Insert**. This opens the Summation Row dialog where you specify the row's text, the level to sum, and the level assigned to the result.

FIGURE 12-15. The Summation Row dialog.

The row's text is entered in the Row Caption area. This text can be formatted using the Style pop-up menu. Indicate which level you want summed by clicking on one of the boxes labeled Level 1, Level 2, or Level 3.

FIGURE 12-16. The column settings as they initially appear.

Once you've selected the summation level the "Σ..." symbol appears in the corresponding box, and the box becomes inactive. The boxes to the left, if there are any, become inactive, while those to the right become active. This symbol indicates that the template will add all values at this level up to the row where previous Σ... symbol appears. If there is noΣ... symbols on previous rows, then all values are added up to the first row of the template.

Click a second time in one of the active boxes to set the level given to the subtotal. The symbol "...=" appears in the box for the corresponding level. This is called the totals level. Press the **Reset** button if you make a mistake and want to respecify the levels. Once both the summation and the total levels are selected, the **Enter** button becomes active.

FIGURE 12-17. The column settings as they appear after the summation is fully specified.

Select either the **Credit Balance** or the **Debit Balance** radio button to indicate which of these balances should be displayed as a positive number. If, for example, you indicate that the credit balance should be displayed and the total of figures in the summation yields a net debit, then the subtotal will appear as a negative value.

Text-Type Rows

Rows of text type are simply labels. They are not linked to account data or to other rows on the report. Use text lines for captions or to insert blank lines.

Add a text line by selecting the **Text** radio button and pressing **Insert**. Type the text you want to appear in the entry area, set the format, and press **Enter**.

FIGURE 12-18. The Text Row entry screen used for inserting labels and blank lines.

Moving rows

You can move rows up or down by pressing the up-arrow or down-arrow buttons that appear below the **Move Row** caption at the bottom of the template entry screen. The template editor does not allow you to cut and paste rows in the way that you cut and paste rows of text. You can also move a row by deleting and reinserting it at a new location.

Computing percentages

Financial reports can be configured to analyze the percent contributions of each row. You must define percentage groups in order to determine the total to which a given row contributes. Percentage groups consist of a contiguous series of item-type rows. You can define as many percentage groups as you want.

The percentage group of a set of items is identified by the number that appears in the "%" column. For example, all items marked with "%(3)" are elements in the third percentage group. When printed, the contribution each items in this group makes to the group's total will appear in the column specified to display percentages.

When you establish percent groups, these groups apply to the rows. For the purposes of computing percentages a group is a group, independent of whatever you choose to display actual account or budget balances.

On actual report every row's percent contribution is calculated with respect to the total of all row values in the group. Percents are calculated separately for each column in which percentages are displayed.

For example, if you have a group of accounts labeled "Assets", then the report will display the percent contribution of each asset row to the asset total. To define the asset group you click on the first item-type row *above* the asset group. This defines a percentage group that stops before the first asset row. Then you click on the last item-type row in the asset group. This identifies the percent group starting on the first and ending on the last asset row.

Let's follow another example in more detail. We want to define the range of several percent groups. We do this by clicking on various rows in the % column.

To mark the last row in a percentage group, click on that row inside the bounds of the heavily outlined box that spans the full height of the scrollable area of rows. The system senses which row you've clicked on. If the % area is empty and you click on the fifth line, it will display a column of numbers in parentheses, as shown in Figure 12-19(a).
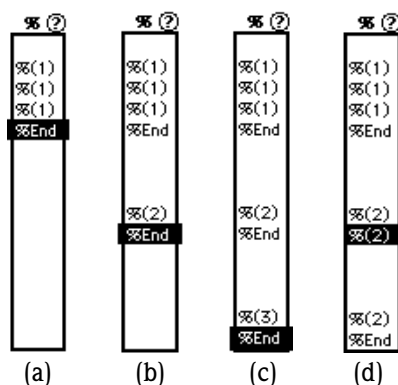
FIGURE 12-19. The values displayed in the % column indicate the range of each percentage group. See text for explanation.

The %-column shows the extent of the first percentage group by displaying a % sign on each item row, which it follows with the number of the percentage group

in parentheses. The last row of every percentage group is marked by the code "%END."

To define the range of the second percentage group, click in the rectangular % column on a row that is further down the report. A second percent group results from clicking in the % column on row ten. This is shown in Figure 12-19(b). A third group is defined by clicking on line 15, as shown in Figure 12-19(c).

To remove any percentage group, click on the last item in that group. This row is always marked with the %End symbol. This will cause all the items for that group to be merged with the percentage group below it. If there is no other percentage group below the %End symbol, then the group will be erased. This means that the "%(n)" symbols in the % column will disappear.

For example, clicking on line 10 after the three groups have been established erases the middle group and causes lines 9 through 15 to form a single percentage group. This is shown in Figure 12-19(d).

Percentage groups are always composed of a group of contiguous item-type rows. Only item-type values are used in calculating percentages. You cannot define percentages for subtotals. Even if a percent group spans a subtotal, the subtotal value is excluded from the percentage calculations.

Be careful when defining percentage groups. Make sure that all items within a given percent group are displaying either all debit totals or all credit totals.

Percentages will be computed using the *absolute value* (i.e. negative values will be interpreted as positive) of the values in the percentage group. That is to say an items will be shown to have to same percentage of the total regardless of whether the items in the groups have positive or negative values.

However, if an item in a percent group does display a negative value, then the percent associated with that item is displayed within a parenthesis. Refer to the example in the following figure.

Assets	Balance on12/31/97	%
Inventory	45,000.00	66.1
Receivables	2,000.00	2.9
Investments	15,000.00	22.1

Cash	5,000.00	7.4
Goodwill	-1,000.00	(1.5)

FIGURE 12-20. Negative value are interpreted as positive values for the purpose of calculating percent. Their contribution appears in parenthesis.

■

Other Settings

Template names are independent of the report headings. The template name is not printed on the actual report. The first three lines in the report's heading are specified on the lines labeled Heading #1, #2, and #3.

The number format specification you assign applies to all numbers appearing on the report. When checked, the **Print Line** check-box instructs the system to print the line numbers that appear in the left-most column of the template editor. Numeric formatting codes are explained in "Numeric Formats" on page A-196.

The **Active** and the **Public** check-boxes determine whether or not templates appear in the list of report templates shown in the Batch Report Printing window. This window is accessed from the control screen by selecting the **Print Reports...** item on the **Financials** pop-up. Templates that are either inactive or private can only be accessed through the Financial Report Editor.

Check the "Show 1000's" check box indicates that all values should be shown as thousands. The effect of this option is to move the decimal place three places to the left for all displayed values. Values are not rounded because the decimal places are not lost. In this mode values in the hundreds range will appear to the right of the decimal point according to the number format you have chosen. Selecting this option will ensure that numeric values fit within the width of each column.

Template passwords and template security

Financial reports play a crucial role and often require careful design and specifications. Once you have specified a report template you can assign a password to it. This will assure that the report can only be modified by users who know the password. To set a password for a report, move to the Options page, by clicking on the tab labeled **Options**., and type a value in to the Password field.

4Q Core
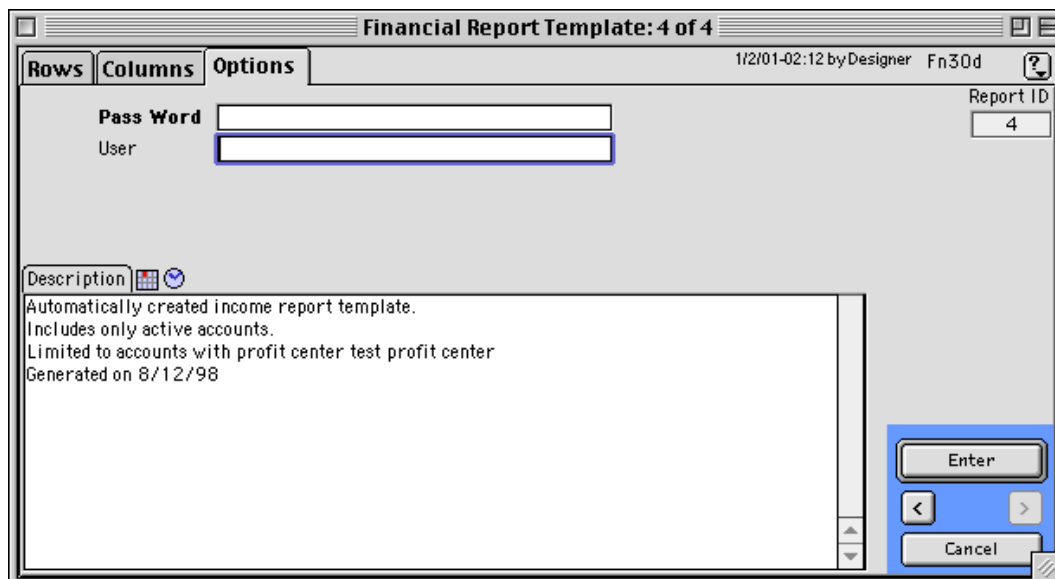
FIGURE 12-21. The password screen for a report template. Each template can be assigned a different password.

Once you have assigned a password, anyone who opens the template will be asked to enter this password before they reach the template entry screen. Without the password they cannot view or modify the template.

If you forget the password you can use the system's master password. The master password is set by the administrator and applies to all report templates.

Templates also store the name of the user who created them. Templates can be searched and sorted by user name.

■

Columns

Templates specify what appears in each of the four columns, as well as default dates for each of these columns. The information displayed in each column (actual, budget, or percent) is set in the template and can only be changed from within the template editor. The default date range for each column stored the template editor can be changed "on the fly" before generating a report from a template.

Columns are specified independently from rows. Click on the **Columns** tab to display the column page of the template screen. Here you specify the type of values to appear in each of the four columns, and you assign default dates that determine what portion of the General Ledger is reflected in each column.

Column Types

Each column can display one of four different types of values:

- Actual: values taken from actual General Ledger entries.
- Budget#1: values taken from the 1st budget series assigned to GL accounts.
- Budget#2: values taken from the 2nd budget series assigned to GL accounts.
- Percent: values computed with respect to entries in the previous column.

In addition to these types you may set up to three columns as blank columns. When a blank type is assigned the corresponding column will not appear on the report. Columns set as blank must all lie to the right of other columns.

When a column is set to display percentages, the percentages are calculated according to the percent groups set on the Rows page of the entry screen. These percent groups apply to all columns set to display percents.

In order to display percentages on a financial report you must both assign percent groups on the Rows page and assign a least one percent-type column on the Columns page.

FIGURE 12-22. The columns page of the template entry screen showing the default dates appropriate to "change within period" type reports.

The first column must be set to display actual, budget#1, or budget#2 values. A percent value can not be assigned here because percents are derived from the values that appear in the column to their left.

You cannot assign two adjacent columns to be of percent-type. This is because a percent-type column always gets the values used in calculating percentages from the column to its left. If you had two adjacent percent-type columns, then the percentages appearing in one would be calculated from percentages appearing in the other.

In a new template only the first column type is assigned. You must assign the other columns by hand. Assign types to the other columns progressing from left to right.

The system requires that to assign a type to a column you must first assign a type to the column to its left. If you assign a blank type to a given column, then all columns to the right of this will also be assigned a blank type.

The above rules are just meant to orient you but you do not need to memorize them. The entry screen automatically enforces these rules. The system will inform and correct you if you make an error.

Default Dates

Each template stores default dates for each column. The template stores either a single date or a range of dates depending on whether the report is of "Position" or "Change Within Period" type. Different date entry fields will appear depending on the type of the report.

A Position-type report only requires an ending date for each column. This type of report displays the running balance of accounts as of the ending date. This applies to all the rows of the report. For budget columns the ending date is used to accumulate budget values for the indicated account from the beginning of the year up to the ending date.

A Change Within Period-type report requires a starting and ending date for each column. This type of report displays the net contribution to the indicated accounts over the period.

The "All Use Date #1" button next to the default date fields will copy the dates specified for the first column to all other columns. Date values are not used for percent-type columns.

When you print financial reports in batch from the control screen the system uses the default dates assigned to the multiple report templates.
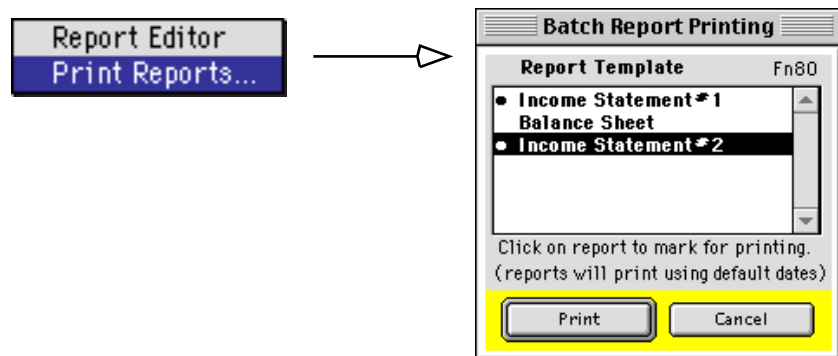
FIGURE 12-23. The batch report printing dialog accessed from the control screen.

When you print a financial report directly from the Financial Report Templates area you can override the default dates. You cannot override the type of information displayed in each column.

FIGURE 12-24. The report specification screen accessed from the **Report...** button on the template list screen.

■

Viewing Hypertext

4th Quarter's hypertext reports are interactive documents from which you can obtain additional details. In contrast to a regular report that presents a static summary, a hypertext report is a graphical interface to underlying information.

Hypertext documents are viewed on-screen and look identical to their printed counterparts. The difference is that each row of the hypertext report is actually an active record that can be opened to explore the data behind it.

Hypertext financial reports can only be generated from the Financial Report Editor screen. To generate a hypertext report, go to the Financial Report Editor by selecting the Report Editor item from the Financial Reports menu on the Control Screen. You can also select the **Financial Reports Editor** item from the **Account-ing** menu.

In the report editor locate a report template you want to use, highlight it, and press the **Report...** button. This opens a specification screen where you set the heading, number format, and time periods for the report.

FIGURE 12-25. Financial Report Specification screen used to view or print a financial report from the report editor screen.

Pressing the **View** button on the Specification screen instructs the system to prepare the report and display it in hypertext format. The hypertext report can still be printed in hard copy form after it has been assembled. Pressing the **Print** button instructs the system to prepare the report and send it directly to the printer without displaying its hypertext form. Once created, the report is displayed in the current window.

FIGURE 12-26. A sample section of a hypertext income report.

Exploring Hypertext

The rows of the report displayed in Figure 12-26 are actually records in the database that are linked to the data they summarize. By double clicking on these rows, you can see what took place in the business that generated these numbers. This process of tunneling does not just give access to the general ledger, but gives complete access to all transaction data. This includes individual transaction components as well as summaries of transactions that may be archived off-line.

The description that follows leads you down through successive layers of the hypertext report. We'll do this by examining a single item in each of the lower level screens. We won't bother to perform searches for other items or to print reports at these lower levels, which can also be done.

General Ledger Postings Screen

Hypertext rows summarize a particular GL account or group of accounts. Double click on a row to open the General Ledger Postings screen. This shows the posting items contributing to the summary. From this screen you can search for other

postings related to the same account, print the displayed components, or explore
their origins.

FIGURE 12-27. General Ledger Postings screen displaying the posting items that have
contributed to a particular cell on the hypertext report.

This screen has four arrows in the lower right hand corner that allow you to navi-
gate around the report in any direction. Some cells do not refer to GL history.
These cells simply show the value that appears on the report. As you navigate
around the report the display changes to display the history of the cell you've
selected. Press the **Return** button to return to the top level of the hypertext
report.

Posted components screen

For a list of the transaction components behind the posting item, highlight that
item and press the **Details** button to open the Posted Components screen. This
shows a list of the transaction components that contributed to the GL account's
posting entry.

To see the complete transaction details associated with a particular component,
highlight that component and press the **View** button. This shows all components
of the posted transaction.

It is possible that some of the original transaction information has been archived so that some contributing components will not appear in the Posted Components list.

When transactions are archived they are removed off-line and stored in a separate file. They are not available for examination from within 4th Quarter until the archive is restored. However, a brief archive record is kept in the database and is accessible from the Posted Components screen through the **View Archive** button.

The system knows when transactions contributing to current posting have been archived and the Posted Components screen will indicate in the lower right- hand caption area the number of archived records related to this posting. In the example below there is 1 related archive record.

FIGURE 12-28. Posting Components screen displaying the transaction components that are summarized by a posting item.

From the Posting Components screen you can use the following functions:

- **Search:** This search will locate components contributing to other periods, other posting items, and other GL accounts.
- **View:** This displays the complete transaction showing the balancing components and other transaction information.
- **View Archive:** If transactions relating to this posting have been archived, this will be indicated by a caption in the Posted Components screen telling you the number of related archive records. A list of brief archive records containing basic transaction information can be seen by pressing this button.

The archive transactions are not related to the transaction components displayed in the Posted Components window. The items appearing in the Posted Components window are from transactions that are not archived and are still on-line.

Archive Transaction List

The **View Archive** button takes you to the Archive Transactions list. This display shows the archived transaction's dates, type, ID, and its first two components. The second component is described in the columns that are outside the window to the right. Scroll to the right to view the second archive summary.

FIGURE 12-29. The Archived Transaction Summaries list screen showing the summary records of two archived transactions, one of which has been restored. Information extends beyond the right edge of the window.

This screen supports the following functions:

- **Search:** This affords a complete search over archived records on the basis of transaction or account. All archive summary records meeting the search criteria will be displayed.

- **Report...:** The report prints the full summary information in all records in the current selection.

- **Summary Details**: If there are more than two components to the archived transaction, they cannot be seen from the list window. Double click on a particular summary record to see the other component accounts. This opens the Archive Transaction Summary screen shown below.

FIGURE 12-30. The Archive Transaction Summary screen displaying all the information retained by 4th Quarter once a transaction has been archived.

The archive summary record shows the effective, posted, and archive date of the transaction. The code shown is the code assigned by the user assigned, such as the sales ticket or check number. The transaction type, shown below the code, is assigned by the system and indicates relations between the transaction and other files in the data base.

The **Restored** check box indicates whether the transaction's information has been restored to the data file. If unchecked, the original transaction record, with all its details, is not part of the data file. If the **Restored** box is checked, the original transaction was archived and then reloaded into the data file where it is currently accessible from 4th Quarter. Archive summary records are not deleted when the archived information is reloaded.

Additional transaction information, such as comments or titles, are not kept with the archive summary record. These details were written to the archive file named in the summary screen and then deleted from the data file. If the archive file's

name was changed after it was created, then the name shown in the summary record will be incorrect. It is your responsibility to keep track of your archive files, and to be able to relocate it when necessary.

Archived transactions can also be accessed through GL Postings List screen (see page 272 in Chapter 10) and through the Administrator's Maintenance screen (see page a.108 of the Administrator's Manual).

CHAPTER 13

Customers

This chapter describes the Customers area and the management of customers and customer accounts.

Customers are supported in the Full version of 4th Quarter.

Customer Data

Flow of Data

Customers are stored in their own file. Customer records contain business-specific information but not accounting information. Accounting information, such as receivable balances and account history, is stored in the customer's receivable and sales accounts.

When you enter a customer record, the system creates the customer's receivable account. Once created, this account can be found with all other accounts in the Chart of Accounts list.

There are also customer sales accounts related to each customer record. A default sales account is assigned to all new customers according to their type. There is also a taxable sales and a non-tax sales account for each type of customer.

Customer reports are available in various areas. The customer area itself supports reports detailing the customer but not their account history. The customer's account history reports can be accessed from the accounts area. A report of sales or invoices to particular customers can be printed from the sales, transaction, or invoice areas.

.

Sales Transactions   **Accounts**
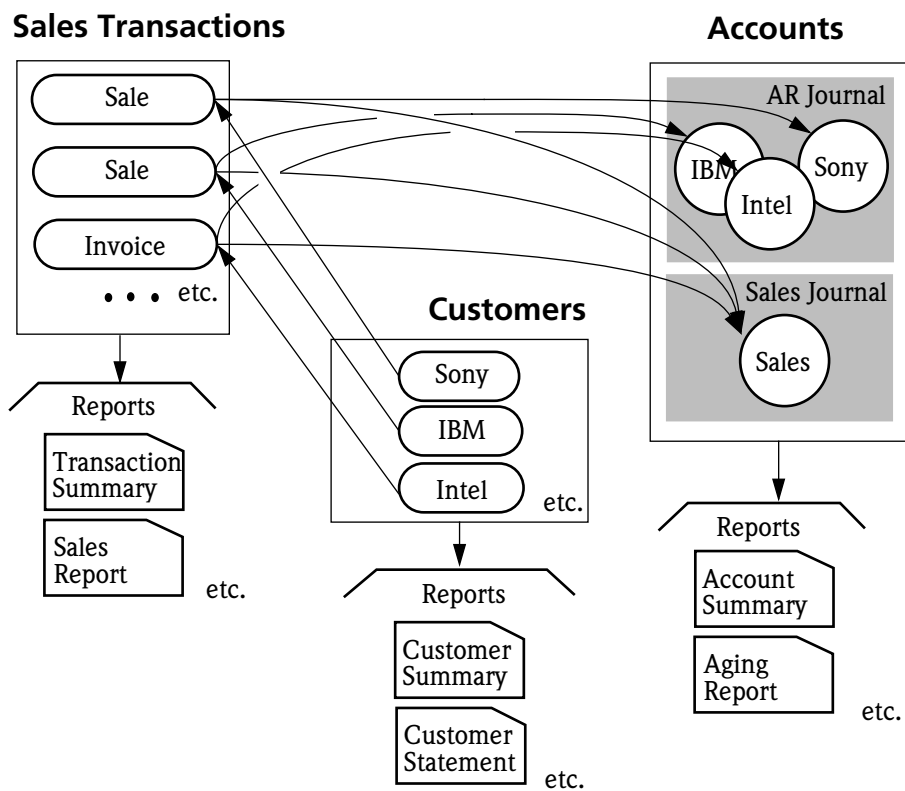
FIGURE 13-1. Flow of data from customers, through sales, to customer accounts.

■
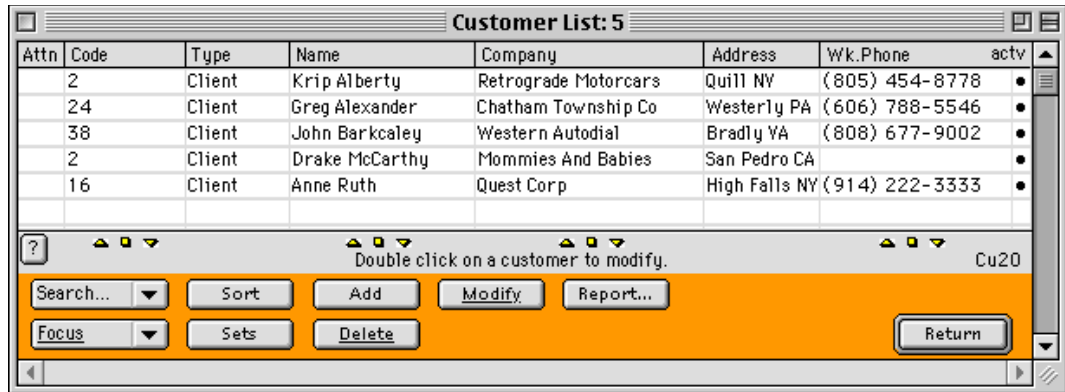
Customer List

Select the **Customer List** item on the **Customers** pop-up menu in the Control screen. The Customers List appears with the standard function buttons at the bottom of the screen.

FIGURE 13-1. Customer List screen.

■

Searching

Various search functions can be accessed from the Search… pop-up. The items above the line on this menu all open screens in which you specify search criteria.

Below the line appear each of the types of customer that are defined for your system. Customers are located by type as soon as you select the item from the pop-up list.

Example Search

The Example… search opens a screen in which you specify some combination of the criteria shown in Figure 13-2. Mark the check boxes on the left side of the screen adjacent to each criteria that you want to match. Use the pop-up menus next to the entry fields to specify the type of search you want performed. Refer to the section entitled "Search Screens" on page 49 for a description of how to specify search criteria.

The "any" or "all" radio buttons on the lower right determine how your search criteria are applied. The radio buttons in the "Search and…" area at the bottom of the screen determine how the items found affect the items previously displayed in the customer list.

FIGURE 13-2. The customer Search by Example screen.

Attention Search

The Attention... search dialog, shown in Figure 13-3, is designed specifically for locating customer records according the values you've assigned to their "attention" fields.

FIGURE 13-3. The customer Search by Attention screen.

Address Search

The Address... search screen locates customers according to their related geographical or electronic address information. Since customers can have multiple addresses, this search will locate customers any of whose addresses match the specified criteria.

FIGURE 13-4. The customer address search screen.

The address search locates all address records that have values that start with the criteria you specify. For example, if you enter "Oak" as a city, then search will locate the cities "Oakwood", "Oakdale", "Oakmont". If you want to locate a literal value such as a city whose name is exactly "Oak", then add a space at the end of your search specifier.

■

Customer Entry

Company Information

To reach the Customer Entry screen, either double-click an existing customer record or press the **Add** or **Modify** button. At the top of the screen appear tabs that take you to the different pages of the entry screen. Each of the fields in the customer entry screen will be described below.

Basic Info Page

Information on the Basic Info page includes names, addresses and phone numbers as shown in Figure 13-5. To enter a customer you must supply either a last name or a company name and you must indicate a customer type. Additional information can be added at a later time.

Each type of customer is linked to a different sales account. The exception is any customer assigned the type of "prospect". These customers are not setup for sales and have no accounts linked to them. The administrator can change the list of customer types through List Manager screen. Refer to page page a.28 in the Administrator's Manual for complete details.

FIGURE 13-5. First page of the Customer Entry screen.

On the Basic Info page, the billing address can be copied to the primary shipping address area by clicking the arrow button (labeled ">"). Clicking the little yellow clipboard icons copies the address to the computer clipboard. Once on the clipboard the address can be pasted into documents opened in other applications.

Details Page

The discount, terms, ship via, and other values that are entered here are used as default values when an invoice is created for this customer.

The pricing code relates assigned to the customer relates to the pricing codes that identify different price schedules for inventory items. When items are ordered for this customer the price of the items is recalled from the item's pricing tables according to the customer's pricing code. If the item has no price schedule for a given customer's price code, then the item's default unit price is used.

The detail page of the customer entry screen enables you to specify additional shipping addresses. This is discussed in detail on page 368.

FIGURE 13-6. The Details page of the Customer Entry screen.

∎

Shipping Addresses

Each customer has a billing and a primary shipping address. Additional shipping address can be added from the Details page of the customer entry screen.

On the Details page you will find the shipping address area. Press the **Add, Modify,** or **Delete** buttons to create new shipping addresses. Highlight one of the addresses in the address list and press the **Primary** button to mark it as the customer's primary shipping address. The primary address will appear on the first page of the entry screen and will be used on shipping labels.

∎

Sales Tax

In the Sales Tax area, press the **Add** or **Remove** button to add additional Taxes to the customer. The **Add** buttons displays a Sales Tax List screen where you can locate existing or add new Tax records. You may select multiple Tax records for each customer.

The customer's total sales tax rate is the sum of its tax record components. This total is recalculated from the original sales tax records whenever sales tax is recomputed. Consequently, the tax rate on invoices and other sales will change as the rate is changed in the component sales tax records.

Each sales tax record has a sales tax payable account associated with it. There can be any number of sales tax payable accounts. When sales taxes are generated each sales tax payable account is credited by the appropriate amount.

The sales taxes listed in the customer's record are used by default when entering a customer invoice. They can be modified through the invoice entry screen.

■

Payment Terms

The payment terms are set on the second page of the customer entry screen through the **Terms** pop-up menu. Payment terms are assigned each customer through the customer entry screen. These terms apply to the customer's receivable account, and are used for new sales to this customer.

Terms are specified according to the format:

(% discount)/(days for discount) Type (Days until due)

The quantities shown in parentheses are optional. For example, terms where the net balance is due within 30 days are written "Net 30." If a 3% sales discount is also offered for payments within 10 days from shipping goods, the payment terms are given as "3/10 Net 30."

Modifying Payment Terms

Terms records are managed from the Modify Terms screen. Access this screen by choosing the **Other...** item from any payment terms pop-up menu. These menus

are located in sales and purchase entry screens. Selecting this item will bring up the following list and entry screen:

FIGURE 13-7. The Modify Terms list and entry screen, where the management of term records is performed.

To enter a new record, assign its properties in the entry fields in the Terms Modification screen and press the **Add** button. These fields are:

Discount%: The discount percent.

w/in Days: The number of days for which this discount is extended.

Type: The type of payment term.

w/in Days: The number of days from entry or shipping until payment is due.

To modify an existing record, highlight it and press the **Modify** button. The term will be removed from the list and its values will appear in the entry areas. Make changes in the entry areas and press the **Add** button. Terms marked as defaults cannot be modified.

To reset the records used as the default terms, highlight the term record that you want to set as either the payable or receivable default. Press the **Default** button. In the dialog that appears indicate whether you want the record to be the payable or receivable default. The record will be marked with a "P," "R," or "PR" in the Default column.

To save your changes to the term records press **Enter;** to discard all changes press **Cancel**. When you return to the term's pop-up menu, its items will reflect any changes you have made.

■

Attaching Notes

Notes Page

Notes can be attached to customers through the Notes page. Notes can be created, modified, deleted or printed. To display notes of a particular type use the Types popup that appears above the list of notes.

To print a note first mark it with an "X" by clicking on the note you want in the left hand column. You can mark any number of notes. The click the **Print–X** button.
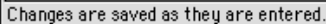
FIGURE 13-8. The Notes page of the Customer Entry screen.

The notes "When" and "Memo" fields can be edited directly from this page of the Customer Entry screen. To modify other notes fields place your cursor in the When or Memo field of the note you want to modify and press the **Modify** button. This will open the note in the Note Entry screen shown below.

FIGURE 13-9. The Note entry screen.

Entering Time Values

Use military time when entering time value in the When and Until areas. That is, if you want to enter 1:30 pm, then type in the value 13:30. When you tab out of the field it will convert the value from military time to standard time with the "AM" or "PM" suffix.

■

Accounts

Customer information consists of accounting and non-accounting information. The customer account information relates to how you want to handle sales and receivable for the customer. In this section we'll consider customer accounts: what these are, how they're assigned, and what functions they serve.

Certain types of customer records are set up to make sales. For these types the system creates a receivable account for that customer when the customer record is entered.

There is also a general sales account, a taxable sales account, and a non-tax sales account related that tracks sales to each of the different customer types. An administrator setting determines whether sales are credited to the general sales account, or distributed to tax and non-tax accounts according to the type of sale.

Receivable Account

Press the **Accounts** tab to the Accounts page of the Customer Entry screen.

FIGURE 13-10. The Accounts page of the Customer Entry screen.

The system will create a new receivable account for each new Customer record if that record is one of a certain type. The types of customers for which the system creates receivable accounts are set on the Customer page of the Maintenance screen. Sales can only be made to those types of customers that have receivable and sales accounts. The creation of receivable accounts for different types of customers is discussed on page 376.

Once a receivable account has been created it can not be removed short of deleting the customer. If you return a customer from type "Client" to type "Prospect" the receivable account will remain attached to the customer.

You can override the system's default rule for creating an account. To do this, go to the customer accounts page, shown in Figure 13-10, and press the **Modify** button. If the customer is of a type that for which the system *does not* create an account, then when you press this button the system will ask you if you want to

create one. If you say OK, then a specification screen will open. The receivable account will be created when the customer is entered.

On the other hand, if the system normally creates an account for this type of customer and you want it not to, then when you press the **Modify** button the system will ask you if you *still* want to create one. If tell it to cancel, then the account will not be created when then new customer is saved.

The receivable account is not created until the customer is saved. This means that as long as the customer has not been saved you can press the **Modify** button again if you change your mind. However once the customer has been entered and the account created you will not be able to remove it.

For additional information on changing a customer's type see "Receivable Account" on page 376.

Sales Account

The Accounts page displays the sales accounts assigned to the customer. New customers are assigned three default sales accounts. These default settings are discussed on page 375. You can assign different accounts by pressing the **Reassign** button. Linking to a new account will affect only entries made in the future. Past sales recorded with the previous sales account are still recorded with that account.

Customer sales are credited either to the general sales account for that type of customer, or the amount of the sale is divided into a taxable and untaxed portion and credited to the Taxable/Nontaxable Sales Accounts. There is a pair of taxable and non-tax sales account for each customer type.

The administrator sets which of the two methods of sales accounting the system uses by default when a new invoice is entered. The setting is either to use the general sales account of the taxable and non-tax sales accounts. This is set from the Customer page of the Maintenance screen.

In the case of invoices, the user can redirect the system to record income to either the general sales account, or the tax and non-tax sales accounts.

Distribution Accounts

Distribution Accounts can be associated with each customer. Add income or revenue-type accounts to the Distribution List by pressing the **Add** button. Accounts

are added from the list of currently existing accounts. The **Remove** button only removes an account from the Distribution List, it does not delete the account itself.

The distribution accounts linked to the customer will appear on the distribution page of the Sales Transaction entry and the Invoice entry screens. See "Sales Entry" on page 393. When entering a sales transaction through one of these screens you'll be able to distribute the sales to these accounts. You can distribute to other accounts at that time but the accounts listed in the customer's record will appear by default.

■

Default Accounts

Customer records do not store accounting information. Instead, customers are related to receivable and sales accounts. This allows for greater flexibility in determining the most appropriate accounting system for any particular business.

Sales Accounts

New customers are initially assigned the default accounts for general sales, taxable sales, and nontaxable sales. To see the accounts assigned to each customer for this purpose, press the **Sales Acts** button on the customer's entry screen.

Sales Accounts:		Cr Balance
● General sales	60005-100 Consulting	-2,586.41
○ Taxable sales	60005-200 Client Taxable Sales	0.00
○ Nontax sales	60005-300 Client Notax Sales	0.00
Info	Reassign	

FIGURE 13-11. The sales account specifications shown on the customer entry screen.

The accounts assigned for these purposes are the default accounts assigned to all customers. You can set new defaults from the Default Account's page of the system Maintenance screen. The accounts appear in the default accounts list with the following labels:

- SALES: income through direct & invoiced sales.

- SALES: taxable income through direct & invoiced sales.

- SALES: nontaxable income through direct & invoiced sales.

To change the default account, highlight the sales row and press the **Reassign** button located above the default account list. You can reassign the default to any account of an income journal.

FIGURE 13-12. The default purchase account (highlighted) seen on the defaults accounts page of the Maintenance screen.

Receivable Account

A new receivable account may be created for each new customer depending on the type of customer. On the Customer page of the Maintenance screen the Administrator indicates which types of customers are created with receivable accounts and which types are not. Selecting items from the Customer Type popup alternately places and removes a bullet in front of the names of each type.

Receivable accounts are automatically created for all types whose names are preceded with a bullet. Also located on this screen is the entry area for setting the account suffix assigned to each new customer receivable account. This value can contain up to 3 alpha or numeric characters.

FIGURE 13-13. The Customers page of the Maintenance screen where you set the types of customer given their own receivable accounts.

Example

The administrator can declare four types customers: Operating, Prospect, Reference, and Client. You can configure the system so that a receivable account is only created for customers of Operating and Client types. The system will

not create receivable accounts for Prospect or Reference-type customers. However, if you modify an existing Prospect by assigning it the type "Client", then the system will create an account for the record.

When you create a customer you must assign it a Customer Type. It is this type that determines whether or not a receivable account is created for the customer. If a receivable account is not created for a particular customer you will not be able to enter an invoice for that customer or enter a credit sale.

Changing a Customer's Type

You can change the type associated with a customer at any time through the customer entry screen. If you change the type from one that does not have a receivable account to one that does, then the system will create a new receivable account for the customer. If you change the type from one which has a receivable account to one which normally does not, the system will not remove any associated receivable account.

When a receivable account is created it is assigned the customer's first and last name, or if no name is given, the company name. The account number will be the customer's ID number and a default suffix that is set by the administrator. These values can be modified by pressing the **Modify** button in the receivable specification area on the customer entry screen. It is also possible to modify the customer's account from the account entry screen after the customer has been entered.

FIGURE 13-14. The receivable account specifications shown on the customer entry screen.

Changing the System's Default Account

The customer accounts are tied to the default receivable general ledger account that is set for the entire system. To change this default account go to the Default Account page of the Maintenance screen. Locate the account labeled RECEIV-ABLE GL in the Default GL Accounts list and press the **Reassign** button located above the default GL account list. You can reassign the default to any account on a receivables journal. For more information on managing the system's default accounts refer to the section entitled "Default Accounts" on page a.53 of the Administrator's Manual.

FIGURE 13-15. The default Client Receivable GL account on the defaults accounts page of the Maintenance screen.

■

Finance Charges

You can generate finance charges for a customer's account from Finance Charges screen, shown in Figure 13-16. This is accessed through the Receivable Account List screen that is displayed when you choose **Receivable Accounts** from the Control Screen's **Sales** pop-up menu. Once in the Receivable Accounts List screen, go to the **Special Items** menu and choose the **Generate Finance Charges** item.

FIGURE 13-16. Finance Charges screen for automating the creation of new finance charges for receivable accounts.

Finance charges are only assessed on those accounts that are part of the current selection. By limiting the current selection you limit those accounts that will be assessed charges.

Finance Rate

Finance charges can either be assessed at the rate stored with that account or at a rate specified in the Finance Charges screen. This means that if each of the accounts in the current selection has a different finance rate stored with it, then the finance charges you assess will each be computed on a different percentage basis. On the other hand, if you want to use the same percentage for all accounts in the current selection without regard to the rate that has been stored with them, then specify this rate in the Finance Charges window.

The rate you type in will only be used in calculating the current finance charges. The rates stored with each account are not changed, although they are overridden in this case.

Finance charges for any given period are determined by the daily rate. The specified monthly rate is multiplied by 12 to get an annual rate, which in turn is divided by 365 to get a daily rate. This daily rate is applied to each overdue item according to the number of days since the item was due, or since finance charges were last assessed on that account, whichever is more recent.

Finance Dates

The last date up to which charges were levied is stored with each account. This date is used to ensure that the finance charges are not levied twice for the same period. Since finance charges are only assessed at your instruction, they compound at whatever intervals you choose. Charges are computed up to the current date, or another date you specify.

No Effect on Accounts with Undistributed Funds

Finance charges will only be assessed on an account if it has no unallocated credits. These are payments you've received that have not been allocated to cover receivables in any particular account. When such receipts are present, the system will not assess any finance charges on that account no matter how large the debt. If you assess finance charges on a group of accounts, those with unallocated receipts will be skipped.

To correctly assess finance charges you should first apply all receipts to debts using the **Apply Payments** item located on the **Special Items** menu. This ensures that all receipts have been applied, meaning that there are no unallocated credits. Finance charges may then be assessed on whatever debts remain.

■

Sales Discounts

Sales discounts are discounts offered for payments made before a specified date in order to encourage early payment. For example, a discount specified as "5/10" means a 5% discount is offered on the item total if payment is received within 10 days.

When invoices with a sales discount are journalized, 4th Quarter assumes that the discount will be taken. The discount is used to compute the actual receivable amount. In the event that payment is not received within the discount period, the transaction's sales discount must be removed or reversed to reflect the fact that the full, undiscounted amount is now due.

Removing Untaken Discounts when Journalizing in Batch

When invoices are journalized, the journal entries are assigned the date the invoiced items were shipped. If the invoice is not fully paid and the sales discount has expired, the program will either journalize the invoice with the discount or remove the discount before journalizing. The action taken depends on which option is set in the invoice area of the maintenance screen.
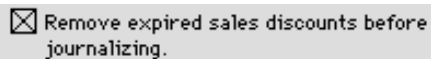
FIGURE 13-17. The check-box that determines how expired sales discounts are handled when invoices are journalized.

The sales discount will be removed automatically at the time the invoice is journalized if the following conditions are met:

- The administrator has set the above option.
- Some amount remains receivable on the invoice.
- The invoice entry date is later than the last day of the sales discount.

When these conditions are met, the discount amount is removed and added to the amount receivable. The modified invoice is saved and the journal entry reflects the increased receivable amount.

If this option is not checked or one of these conditions is not met, then the program journalizes the discount, however it appears on the invoice.

Removing Untaken Sales Discounts

To remove untaken sales discounts go to the Receivable Accounts list accessed from the Control Screen. Select the **Remove Untaken Discounts** item from the **Special Items** menu. You are given two options in the Untaken Sales Discounts dialog:

- Remove Discounts from Selected Accounts
- Remove Discounts from All Accounts

If you choose the first option, 4th Quarter looks only at those invoices written to the receivable accounts in the current selection. If you choose the second option, 4th Quarter reviews all receivable accounts looking for untaken sales discounts.
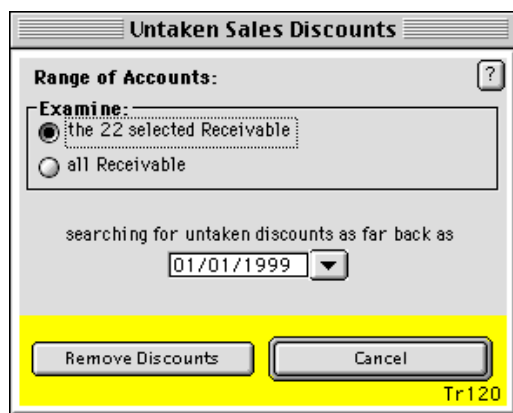
FIGURE 13-18. Dialog controlling how expired sales discounts can be removed from existing entries.

4Q searches for invoices that are not fully paid and whose sales discounts have expired. Invoices may be found in any of the following three stages of processing; 4th Quarter will handle each of these cases differently:

- Unjournalized invoices:

  These are invoices for which there are no transactions, either because they have not been shipped or because they're being batch processed. When this option is checked 4Q simply modifies the invoice by setting the discount to zero.

- Journalized, unposted invoices:

  These are invoices that have been journalized but not yet posted to the general ledger, either because they're marked "Do Not Post," or because they are not yet fully shipped. When this option is checked 4th Quarter reduces to zero the discount shown on the invoice and increases receivables by the previous discount amount. In this case both the invoice and the journalized transaction are modified.

- Journalized, posted invoices:

  These are invoices that have been journalized, shipped, and posted to the general ledger. In this case the invoices and their transactions cannot be changed. In order to reverse the discount, 4th Quarter creates an adjusting entry that

increases receivables and credits the invoice discounts account. These new transactions will appear in the customer's receivable accounts and on future customer account statements.

In addition to these actions on a selection of accounts, you can also delete or reverse untaken sales discounts from individual accounts from within their Receivable Allocation screens. The Receivable Allocation screens are accessed by selecting an account in the Receivable Accounts list.

To reverse untaken discounts while working with a particular account, select the **Sales Discounts Untaken** item under the **Transactions** menu.
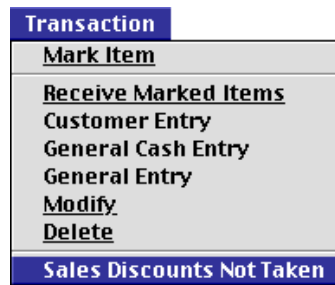
FIGURE 13-19. The **Transactions** menu located above the receivable account allocation screen.

Selecting this item displays a dialog asking you to indicate the date range in which sales discounts are to be removed. For a transaction to be a candidate for having a sales discount reversed it must:

- be recognized as containing a discount entry,
- contain a receivable entry that has not been paid in full,
- be assigned a discount date that has passed.

Transactions that meet these requirements and which lie in the specified date range will have their sales discount reversed. This is done by the creation of a new transaction that reverses the sales discount. In addition, the sales discount date on the entry that contained the expired discount is reset to the date "00/00/00". This is done so that the system knows that this discount is no longer in effect.

This method of removing untaken discounts *does not* have any effect on the contents of invoices that have not yet been journalized.
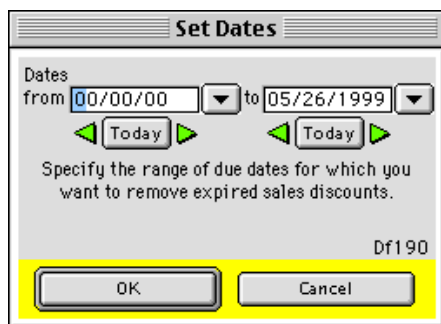
FIGURE 13-20. The date range dialog used for specifying sales discounts from within the Receivables Account screen.

■

Reports

The following reports are available by pressing the **Reports** button in the Customer List screen.

Customer List

Summary

A simple list of the currently selected customers.

FIGURE 13-21. Sample Customer Summary report.

Full Detail

The details of the selected customers excluding account histories.

FIGURE 13-22. Sample customers Detail report.

Detail + Notes

This is the same as the Full Detail report except that all of the customer notes are included.

Customer Details   June 3, 1999   10:45 AM
Sample Detail + Notes   Page   1

Company Graham Group	Phone	Active ☒	Cust. Type Client
Code 73 Attention	wk.1 (404) 889-1548		Ship Via Airborne
Contact 10002-67 , Braided Matrix	wk.2 (914) 333-4444		Terms NET 30
Title Manager	home (914) 444-5555		C.Card MC
Dept. IM Dept.	FAX		C.Card# 1111 5555 6666 7777
Account 10002-67 , Braided Matrix		Dr 139.65	Expires 1/1/00

Billing
Transameria Bldg, #3408

San Francisco
CA   58998   USA

Primary Shipping
Transameria Bldg, #3408

San Francisco
CA   58998   USA

Total Tax   0 %
Tax№ 999999
Price Code   A
Discount   17.17 %

Gen. Sales 60001-100 , Client Sales	4,256.00
Taxable Sales 60001-200 , Client Taxable Sales	0.00
Nontax Sales 60001-300 , Client Notax Sales	0.00

Type Appointment	Created 5/28/99	Time 11:08 PM	Note ID 6
Status In Progress	When Fri, May 28, 1999 1:00 PM	User Mark	☐ Marked
Memo	Until Fri, May 28, 1999 2:00 PM		
2/8/99-Wants additional details on multi-user licensing.			

Type Meeting	Created 3/18/99	Time 11:09 PM	Note ID 7
Status Not Done	When 00/00/00 12:00 AM	User Designer	☐ Marked
Memo	Until 00/00/00 12:00 AM		
First inquiry from Bill Saddell			

FIGURE 13-23. Sample Customer Detail + Notes report.

Receivable Statements...

This report can be printed as either a complete listing of the account's activity, or a summary of outstanding debts for the current selection of accounts. The allocation specification dialog, Figure 13-24, is displayed before printing. A separate report is printed for each account. Each report starts on a new page.

Logo Printing

You can place your own logo at the top of the receivable statement. The logo that is used on this report is stored in 4th Quarter's Picture Library accessible by the Administrator through the Maintenance screen, see the Administrator's Manual page a.33. Pictures in the picture library are identified by their codes, and the picture that's placed atop the receivable statement has the code "4QRcbl1".

The logo graphic is placed at the top of the statement in an area 1.25" high and 5.5" wide. The graphic is printed at actual size. A sample receivable statement report is shown in Figure 8-22 on page 211.

Billing Labels…

Selecting this option first opens a sort screen for arranging the current selection of customers. You then enter 4th Dimension's Label Wizard for creating billing labels associated with the current customers.

Receivable Account List

The following reports are available by pressing the **Reports** button in the Receivable Accounts list:

Account Summaries

One-line summary of each account in the current selection. A sample Account Details report appear in Figure 8-16 on page 205.
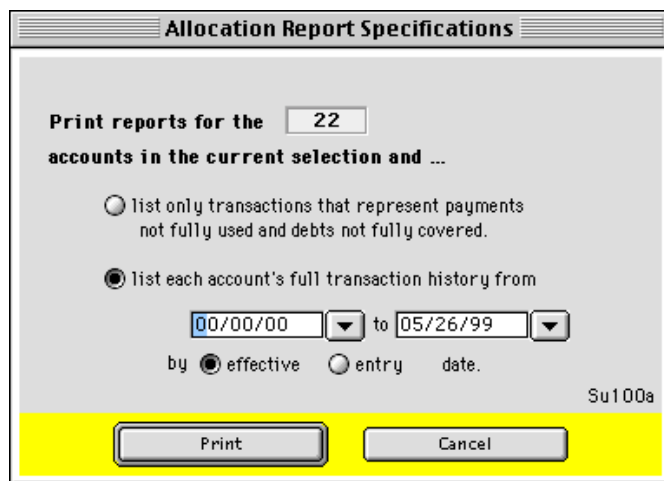
Account Details

Detailed report of the state of the accounts in the current selection. This does not include a transaction history. A sample Account Details report appear in Figure 8-17 on page 206.

Running Balance Reports

This prints a chronological list of entries affecting the balances of the currently selected accounts. You can specify whether this report includes all items in a

given range of dates, or whether it includes only items that are not fully allocated. This is indicated on the Allocation Report Specifications screen.

FIGURE 13-24. The receivable account specification dialog shown when printing either running balance or account summary reports.

A separate report is printed for each account. A sample running balance report is shown in Figure 8-21 on page 210.

Receivable Statements

This is the same report discussed above on page 388 and shown on page 210.

Aging Reports

This complex, configurable report is described in detail in the section entitled "Aging Report" on page 211.

CHAPTER 14 Sales

This chapter describes the sales and invoice transaction entry, list and reporting, as well as the Sales People area, and Sales Tax Rates area.

Sales functions are supported in the Full version of 4th Quarter.

Sales Data

Flow of Data

There are two types of sales events: sales with line items and sales without line items. Sales with line items are handled through the invoice area discussed on page 397. Sales that do not have line items are discussed in this section.

Sales that do not include line item details draw on the data stored in the customer, terms, and sales tax tables. Sales events create an accounting transaction which affects the balances of customer and other accounts.

The Sales List shows sales transactions entered through sales entry screens. These screens support six types of sales entries including cash sale, credit sale, refund, and others. Each type is discussed on page 393.

Sales made on credit require further processing because of the payment expected in the future. These sales involve customer receivable accounts. When payment is received it can automatically be applied to open items, or it can be allocated manually. The management of receivable accounts is done through the AR area discussed in Chapter "Accounts Receivable" on page 175.

Sales or refunds made in cash require no further actions, besides their eventual posting to the general ledger.

The flow of data between the customer, tax, terms, and account tables is shown in Figure 14-1. This illustrates the role that sales transactions play in drawing on information stored in the customer, sales tax, and payment terms tables. This information is considered in the context of the sales information provided by the user in order to correctly update accounts.
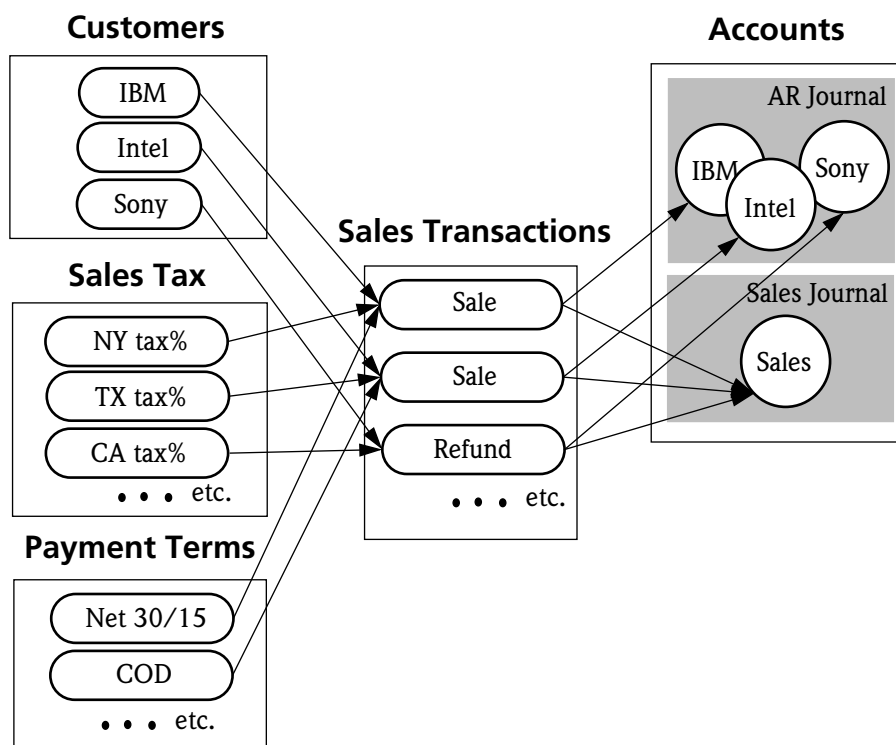
FIGURE 14-1. Flow of data from customers, through sales, to customer accounts.

■

Accessing Sales Information

Sales functions are divided among four different list screens:

- List of Sales,
- List of Invoices,

- List of Receivable Accounts (AR),
- Receivable Account Allocation.

The List of Sales is accessed from the Sales pop-up menu on the control screen. This lists all transactions entered through the Sales Entry screen. The Sales Entry screen can be accessed either from the control screen, using the Sales pop-up, or from the List of Sales screen.

Sales entered through these screens are limited the non-inventory sales — they do not list inventory and they do not include invoice-related sales. Inventory-related sales are handled through the Invoice pop-up.

The List of Invoices is accessed from the Invoices pop-up menu on the control screen. This lists all transactions entered through the Invoice Entry screen. The Invoice Entry screen can be accessed either from the control screen, using the Invoice pop-up, or from the List of Invoices screen. Invoices handle inventory or line-item sales and are discussed on page 397.

AR accounts are accessed through the AR & AP pop-up menus. This opens a window with a list of receivable accounts.

The Receivable Account Allocation screen is accessed by selecting a particular account from the list of receivable accounts. Refer to "Accounts Receivable" on page 175 for further details.

■

Sales List

Choose the Sales item from the Control screen's Sales pop-up menu. The same area is also accessed by choosing the **Sales** item on the **Sales** menu that appears above the control screen.

The List of Sales screen only displays sales transactions entered through the Sales area. Sales entered as invoices and sales entered through the general or cash transaction entry screen are not displayed in this list.

Sales entered through the Sales Entry screen are those paid in cash or through credit. They involve income and revenue accounts. They may also involve sales tax payable accounts as well. They do not involve inventory and inventory-related accounts.

FIGURE 14-2. The Sales Transaction screen.

The List of Sales screen provides three search dialogs accessed through the Search... pop-up menu. It provides several reports through the **Reports...** button, and enables global modifications through the **Apply to...** button. To view a sale or to modify it, double-click on its row. The system will display the sale using the appropriate Sales entry screen.

■

Searching

The transaction search opens a dialog in which you specify general transaction criteria. When you press the **Search** button the system will locate purchase transactions satisfying the criteria you indicate, but only transactions entered through the Sales Entry screen will be displayed. This search is discussed in the section "Transaction Search" on page 106.

The account search opens a dialog in which you specify the accounts that are affected by transactions. When you press the **Search** button the system will locate sales transactions satisfying these criteria you indicate but will only those entered through the Sales Entry screen. This search is discussed in the section "Accounts Search" on page 107.

The customer search opens the Customer List screen. Use this screen's search and sort functions to locate the customers whose sales you would like to view. Highlight the customers you're interested in and press **Select**. The system will locate all sales entered through the Sales Entry screen that involve these customers. The Customer List screen is discussed on page 362.

■

Sales Entry

4th Quarter supports a number of different entry screens with the following titles:

```
Sale thru' Receivable
Receive Payment
Issue Credit
Cash Sale
Sales Refund
Receivable Advance
```

Create a sales entry by choosing one of these titles from the Sales pop-up menu. Once in the entry screen you can change to any other type of entry by selecting from the titles that appear on the **Sales Action** menu, or by selecting another type from the pop-up menu that appear in the upper left hand corner of the entry screen.

FIGURE 14-3. Sales Transaction Entry screen that charges to the Customer's Receivable Account.

All sales require that you specify a customer account in one of four ways:

- Press the **Customer** button for a list of customer to select from,
- Enter all or the first part of a customer Code,
- Enter all or the first part of the customer Last Name, or
- Enter all or the first part of the Company Name.

These last three options involve clairvoyant fields. In each case the system will search for matching customer records.

Once you've entered a sales transaction, it appears as one of the Items in the List of Sales. Since all sales involve customers, all sales transactions can also appear in lists of the customer's transactions. If the transaction involves a deposit or withdrawal, it will also appear under the appropriate cash account.

Each sales entry screen has the same basic format but differs slightly in the information required. Each requires you specify a customer. Some allow you to specify a set of distribution accounts, as described on page 396.

■

Types of Sales

The areas in the center of these screens that displays different fields are shown below.

- *Sale Through Receivables*: Handles sales and tax amounts. Supports distribution accounts. Creates a debit to receivables and a credit to sales and to taxes payable.

- *Cash Sale*: Sales and tax amounts and the cash account. Supports distribution accounts. Credits sales and taxes payable and debits the cash account.

• *Receivable Advance*: Sales and tax credit amounts. Debits receivables and credits the cash account.:

■

Credits and Refunds

• *Receive Payment*: Specify payment amount and cash account. Set the payment priority. Debits the cash account and credits receivables.

• *Issue Credit*: Sales and tax credit amounts. Supports distribution accounts. Debits sales and taxes payable and credits receivables.

- *Cash Refund*: Specify sales and tax refund amounts and cash account. Refund checks can be printed from the Cash Accounts area. Supports distribution accounts. Debits sales and taxes payable and credits the cash account.

Distribution Accounts

Some of the above screens enable you to specify a list of distribution accounts. Use distribution accounts when you want the balancing accounting entry to appear on accounts *other than* the customer's sales account. Press the **Distribute** button to go to the Sales Distribution page.

Example

For example, suppose you bill a customer $550 for a combination of services. Rather than having the whole sale appear on the Training Revenue account, which is established as the customer's sales account, you'd like $250 to appear in the Consulting Revenue Account.

To do this you go to the Distribution page and press the **Add** button to select the Consulting Revenue Account. This account will appear in the list of distribution accounts. Enter $250 in the Amount entry field, highlight the account, and press the Apply to Item button. When the sale is entered $300 will be credited to the Training Revenue account and $250 to the Consulting Revenue account

FIGURE 14-4. The Distribution page of the Sales Transaction Entry screen.

■

Invoice Data

Flow of Data

Invoice sales can involve a large number of tables including account, transaction, inventory, customer, sales tax, sales people, address, shipping history, and others.

An invoice that had sales terms, sales tax, a sales person, and a partial cash receipt would refer to information stored in these tables in order to implement all the rules to which the invoice is subject. Even without any terms, tax or sales person an invoice will still draw on information stored in the customer and inventory tables.

Invoicing typically proceeds through some or all of the following stages:

- A quote or order is taken.
- Items are shipped, some may be back ordered,
- Customer is billed, sales taxes & commissions are payable.
- Back ordered items ship.

- Payment is received and allocated.
- Items are scheduled for return.
- Return items are received, credit or refund is issued.
- Sales taxes & commissions are paid.

4th Quarter's Virtual Invoice form enables you to track all aspects of the quote, order, shipment, back order, and return phases of this process. Receivable and payable entries are created automatically as items are shipped or returns received.

The receipt of payment and the payment of obligations associated with the invoice are be done separately through the AR and AP areas. Refer to "Accounts Receivable" on page 175 and "Accounts Payable" on page 219.

4th Quarter's Sales People table support a variety of methods of calculating sales commissions for invoice sales. Sales commissions are only supported on invoices, not on the Sales Entry screen discussed above. The Sales People area is discussed on the page 431.
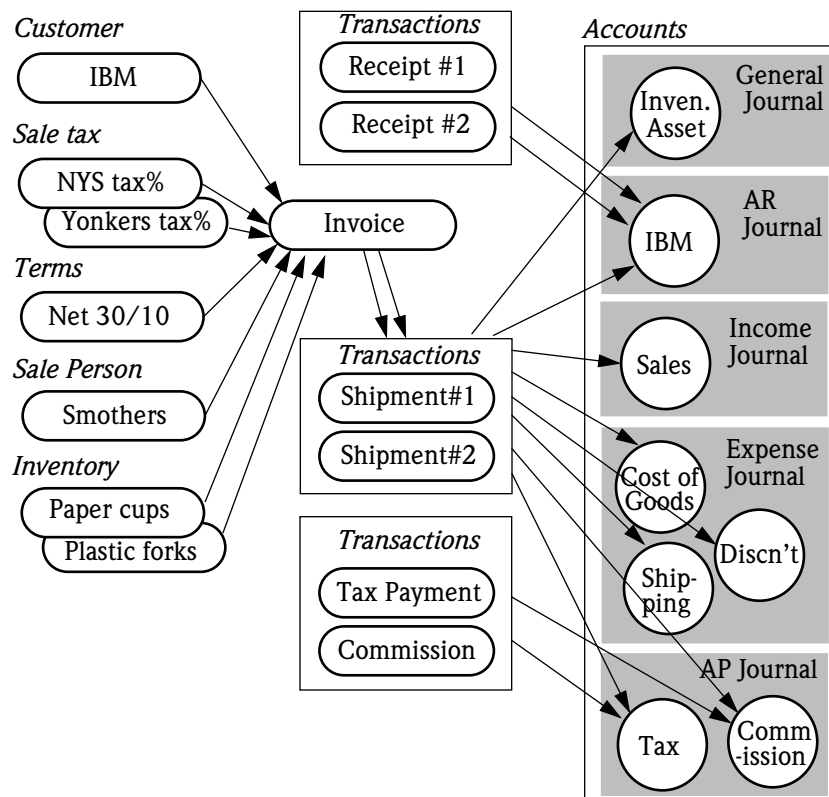
FIGURE 14-5. Flow of data through a single invoice. The case shown involves the largest number of tables.

■

Virtual Invoices

An invoice is a record of an order from a customer for goods or services. 4th Quarter supports a "virtual invoice" which, like the virtual purchase order, tracks the ordering process from being a quote, to and order, to the delivery of the goods or services.

The virtual invoice is the dynamic extension of the static, piece of paper. 4th Quarter's virtual invoice tracks the ongoing history of the order. The same invoice tracks changes, partial shipments (back orders), and returns; additional forms are unnecessary.

When 4th Quarter prints a virtual invoice, it prints a snap-shot of the order at that time. When we speak of a invoice we will mean a virtual invoice. When we want to refer to the printed document we'll refer to a printed invoice, invoice form or invoice document.

Invoices may create an obligation to you, they may be paid directly, or they can involve a combination of debt and payment. They all accounting for sales, tax payable, shipping, as credits for items returned. New transactions are created as needed. An invoice record can be changed at any time — it is not constrained by the process of posting to the General Ledger.

∎

Invoice List
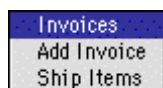
Select the **Invoice List** item from the **Invoices** pop-up menu on the Control screen. The list screen provides buttons for searching for invoices, sorting, printing, and reporting.
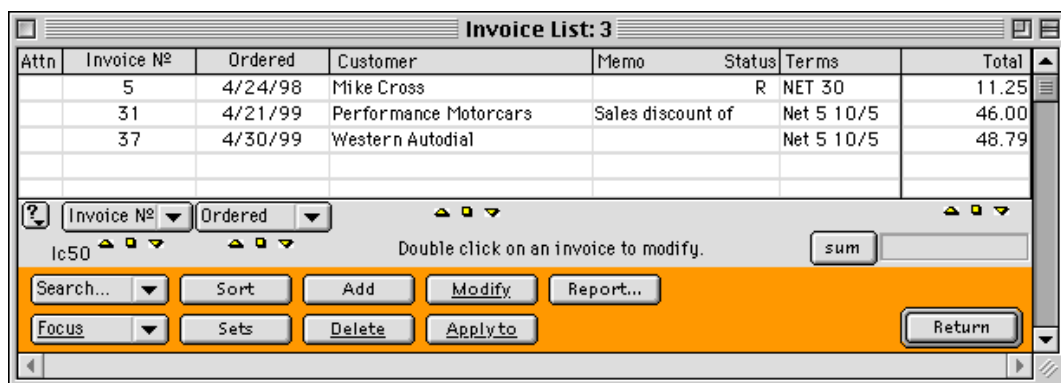
FIGURE 14-6. Invoice List screen.

The **Report...** button opens the Select Report and Media dialog that prints the current selection of invoices according to the report option selected. You can print a line or detailed summary, invoice forms, packing slips, or billing labels.

If the report details the quantities shipped you have the option of include items shipped most recently or all items shipped. To print reports that include combinations of previous shipments you must print the report from within the invoice where more options are available. For more details see "The Special Items menu enables you to perform special actions on invoices that are either less common, or should be restricted to certain users. This includes printing various order history

reports, changing payment priority, and determining how sales will be handled." on page 410.

Back Orders

Back orders are partially shipped invoices. You do not need to create a separate invoice to track back ordered items. If you specify a partial shipment on an invoice, then only the amount shipped will be journalized using the "ship date" value. When additional shipments are made update the "quantity shipped" field for the newly shipped line items and additional journal entries will be made.

Batch processing

The **Special Items** menu offers batch processing control. When batch processing is in effect, new invoices are entered but not journalized. Batched invoices do not update the balances of the various invoice accounts (such as sales, receivable, or cash disbursement accounts). Because batched invoices are not entered on the Journals, the debts they can generate will not appear as Receivables. Batch processing defers journalizing to speed up the invoice entry process.

Invoices are entered either in batched mode or in real-time mode. In real-time mode, new invoices update both Inventory and Accounts as they are entered. Of course, if nothing has been shipped or received then there will not be anything to journalize.

Invoices update inventory as soon as invoices are entered. For example, if 100 flying carpets are ordered and 50 are shipped, then 100 flying carpets are immediately removed from available Inventory and 50 are removed from Inventory on hand. Inventory updating proceeds whether or not the invoice is batch processed. The exception to this is when an invoice is marked as a quote, as described below.

Turn batch processing on or off by selecting the **Invoice Batch Processing** item. A check mark appears next to this item when batch processing is in effect. Once turned on (or off), batch processing remains on (or off) for subsequent entries at that user's station. The batch process setting does not affect other users. The default batch processing mode is restored the next time the user logs on to the system. Invoice batch processing is independent of purchase order batch processing.

When invoices have been entered in batch processing mode, you will need to process the batch in order to journalize the transactions. Do this by selecting the **Process Batched Invoices...** item on the **Special Items** menu. 4th Quarter

locates all approved invoices and creates a separate accounting transaction for each of them. Account balances are updated as transactions are created. The invoices remain modifiable even after their transactions are posted to the General Ledger. Subsequent invoice modifications will create additional transactions.

■

Searching

```
Example...
Reference...
Formula...

Show All
Unshipped
Unreturned
Quotes
```
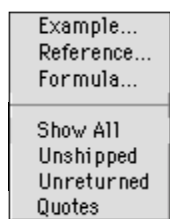
The Search... pop-up menu on the Invoice List screen provides access to immediate location criteria, those on the lower half of the pop-up below the line, and additional specification screens.

The Invoice Search by Example... options opens the Invoice Search screen. Here you check the boxes of the items you want included in the search and enter search values in the corresponding entry fields. Use the pop-up menus to indicate how the entry values are to be used in the search. (See "Search Screens" on page 49.)

Example Search

Select the "any" or the "all" radio buttons to locate items that meet any of the marked criteria, or to find only items that match all the indicated criteria.

Select the Replace, Add to, Remove From, or Search in Selection radio buttons. Then press **Search**.

FIGURE 14-7. The invoice Search by Example screen.

Reference Search

The invoice Search by Reference... screen opens to the Inventory page. This enables you to locate invoices according to the inventory item or items listed on the invoice.

Press the **Find Items** button to open the Inventory List screen. Locate items in this screen using the Search and Sort options, highlight the ones you want to find on invoices. Then press **Select**.

Alternately, set one of the other radio buttons to locate invoices that include items that fall within a range of item codes, item names, bin numbers, or item attention field values. Enter the range of items you are interested. Press **Search** to see the invoices that include the specified items.

FIGURE 14-8. The inventory page of the invoice Search by Reference screen.

The Accounts page of the invoice Search by Reference screen enables you to locate invoices whose transactions affect specified accounts.

For invoices to be located according to account-related criteria they must first have been journalized since transactions are only created for journalized invoices. Invoices that are batched and have not yet been journalized cannot be located by this method.

On the Accounts page, you can enter a GL or account number directly in the areas labeled by the "Number" caption. Using this method you will only be able to locate a single account

If you only want to locate a single GL account or account, then If you want to locate multiple accounts, then press the **GL Account** or the **Account** buttons. This will take you to the GL Account list or the Account list screens.

Use the Search and Sort buttons in these screens to locate GL accounts or the accounts. Highlight the items you're interested in and press **Select**.

Once you have specified the accounts press the **Search** button.

FIGURE 14-9. The accounts page of the invoice Search by Reference screen.

Formula Search

Select the Formula … item from the invoice search pop-up to opens the search by formula screen shown in Figure 14-10. This screen enables you to locate invoices that have a range of cancel dates, tracking codes, or R.A. numbers. Since each invoice can related to multiple shipments and returns, each invoice can therefore related to multiple tracking codes or R.A. numbers.

You can also locate invoices that are within a specified number of days of a particular cancellation date. The cancellation date is the latest date on which the invoice can be filled.

FIGURE 14-10. The invoice Search by Formula screen.

■

Invoice Entry

Customer Page

Press the **Add** button in the footer of the Invoice List to add a new invoice. Specify the invoice and customer particulars on the first page of the entry screen and the Line Items on the second page. The status area below the title bar shows you whether or not batch processing is in effect and whether the invoice has been journalized.

Quotes

The **Quote** checkbox appears at the upper left. The Quote status prevents you from shipping or returning any items. Setting an invoice to "quote" means:

- Available inventory will not be drawn down when the quote is entered.
- Items cannot be shipped.
- Accounting transactions are not created (quotes cannot be journalized).

To use an invoice as a quote, check the **Quote** box. You can change an invoice from a quote to an active invoice by simply unchecking the quote check box.

Once this is done the ordered quantities will lower the quantity of inventory available and you will be able to ship items. Once an invoice has been journalized, it can no longer be marked as a quote.

As long as no items are shipped on an invoice you can change an active invoice back to a quote. When an active invoice is returned to being a quote the items sold are returned to available inventory.

If there is some reason why you want to "undo" a shipment and return an invoice to being a quote, then you must first change all shipped quantities to zero and enter the invoice. This returns shipped items to inventory. Then you can reenter the invoice and, as long as there are no shipped items, change it to being a quote.

Dates

Also at the top of the first page are various date fields described below.

Each invoice stores a number of important dates that include the date the invoice was ordered, shipped, due, and the deadline for special discount offers.

- *Ordered*: the date the invoice is first entered. The Order Date is initialized to the current date.

- *Last Shipped*: the last date on which items where shipped. This date is displayed on the Shipping Page. The Last Ship date is set automatically when items are shipped.

- *Due*: when full payment from the client is due. This is determined from the terms of sale and the date shipped, though it can be overridden.

- *Pay by*: relevant only when the customer is offered a sales discount as part of their payment terms. The Discount Date is the last date at which the sales discount will be honored. Payments received after the discount date are applied to an undiscounted invoice total.

The Due and Discount Dates are set automatically according to the terms of sale when all Items are shipped or delivered. If they are left unspecified, 4th Quarter will assign these dates automatically as "00/00/00". However, 4th Quarter will not change any date that you set yourself.

- *Cancel*: the latest date at which the order can be satisfied. Orders delivered after this date may not be accepted by the customer.

- *Request by*: the date on which the customer would like to receive delivery.

- *Last Printed*: the date when some for of the invoice was printed. Refer to the Line Item Printing History page for details on when each line item was last printed. Access this page from the History Printing... popup located on the line Items page.

- *Last Modified*: at the lower left hand side of the Customer page of the invoice there appears the date, time and user who entered the last modification.

Sales Person

The Sold By pop-up menu lists all active names in the Sales Person table. Selecting a sales person from this pop-up will automatically generate sales commissions for that person according to that person's commission specifications. Refer to the section entitled "Sales People" on page 431 for information on specifying sales commissions.

FIGURE 14-11. First page of the Invoice Entry screen.

Customer

Specify a customer for each invoice by entering the customer's Code, Last Name, or Company. These fields are clairvoyant, as indicated by the italic labels above the entry fields. This means that 4th Quarter will use whatever partial value you enter to search for a customer of that description. Append a blank space to the value you enter to indicate to 4th Quarter that you want to use a customer associated with the exact value specified. If several customers meet your description, choose one from the list of alternatives.

To search through all customers, press the **List** button.

Once you specify a customer, the Address, Term, and Credit Card fields are automatically filled in from the customer record.

Shipping Address

Press the **Other...** button in the Ship To area to select from a list of the customer's other Shipping Addresses.

Print on Entry

The **Print on Entry** check box is above the entry screen control panel. When **Print on Entry** is selected, an invoice is automatically sent to the printer when the record is entered. The invoice that's printed in this manner will only display the most recently shipped items. To print an invoice form that includes additional shipments used the **Print Forms** item under the **Special Items** menu, as described below.

■

Print Forms

The **Special Items** menu enables you to perform special actions on invoices that are either less common, or should be restricted to certain users. This includes printing various order history reports, changing payment priority, and determining how sales will be handled.
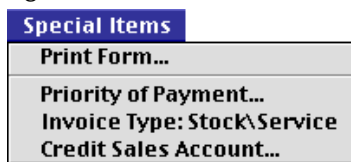
The **Print Forms** item prints invoice information in a variety of formats. You can print the a list of all items shipped, or combinations of past shipments.
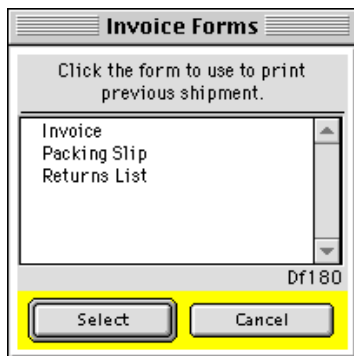
FIGURE 14-12. The list of forms accessible from within the Invoice Entry screen.

After you select the Print Forms item a list of possible forms appears.If there has only been one shipment, then the printed form will include this information and will print immediately.
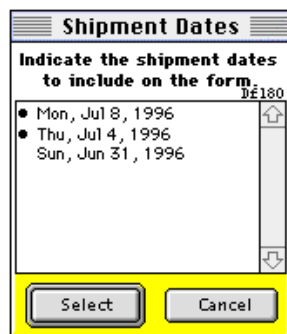
FIGURE 14-13. List of past shipments made on the current invoice.

If multiple shipments have been received, then a list of shipments is displayed. Click on each date that you want included on the printed report.

■

Payment Priority

The **Priority of Payment** item on the **Special Items** menu in the Invoice Entry screen allows you set the payment priority associated with this invoice. The priority assigned to an invoice, along with the invoice date, determines the order in which it will be paid.

When you make a single lump sum payment for several invoices, they will be paid off first in order payment priority and then according to date. PO's with the highest priority are paid first. When several have the same priority the older ones are paid before the more recent ones. Funds are distributed to debts on the consecutively lower levels until either all debts are covered, or all funds are allocated.

You can assign a different "priority level" to each invoice using the **Special Items** menu in the invoice entry screen.

When you assign various priority levels the system knows that it should pay off all the debts in higher priority levels before paying off debts in lower priority levels.

Within each priority level funds are used to pay off older debts first. 4th Quarter performs this automatic allocation of funds separately for each account.
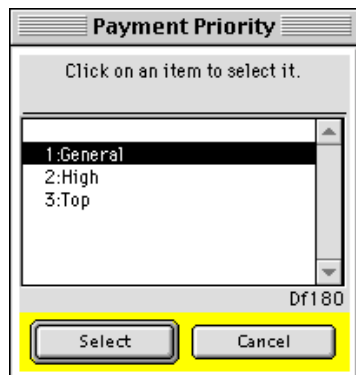
FIGURE 14-14. Payment priority dialog.

The priority levels can be changed through the List Manager on the System Parameters page of the Maintenance screen. The number of levels can be changed and their names modified. However, all payment priority options are either blank, or start with a number from 1 to 9. The number determines the priority from low (1) to high (9). A blank payment priority behaves like a priority of zero, which is the lowest that can be created.

■

Invoice Type

The **Invoice Type** item on the **Special Items** menu in the Invoice Entry screen determines the way line items are displayed and printed. Both Stock and Service types of invoices are available. The line items that are display for a Service-type invoice provide more space for comments.

By choosing this menu item you can toggle from one type of screen to the other.

Stock-type

Code	LotNº	Item Name	Ordered	Shipped	Per Unit	Item Total	Tx
1-144		tennis racquet	0	0	195.00	0.00	

Service-type

Order	Deliver	Per Unit	Code	Item Name Comments	Tx	Item Total
0	0	195.00	1-144	tennis racquet		0.00
Add comments here.			This space is for additional comments.			

FIGURE 14-15. Comparison of the Stock-type line item with the Service-type line item.

The invoice is associated with which ever type is set when you save the record. It will display line items in the appropriate format when the entry screen is next open to display this invoice.

■

Sales Accounts
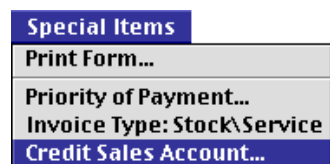
The **Credit sales account**… item on the **Special Items** menu in the Invoice Entry screen opens a dialog in which you determine how the invoice sales are to be credited when the invoice is journalized. The four options are shown in Figure 14-16.

The invoice amount can either be credited to sales in either of four ways:

- to the customer's general sales account,
- to the customer's taxable and nontaxable sales accounts,
- to the individual inventory item sales accounts,
- to any combination of revenue and income accounts.

The way the system is set up will determine which method is used by default.

General Sales Account

Each customer is linked to a sales account. There are different sales accounts for each type of customer, and customers can also be assigned individual sales accounts. Customer sales accounts are set through the Customer entry screen.

When this option is chosen, the sales income from the currently delivered items is credited to the customer's sales account. Additional deliveries further credit this account.

Taxable and Nontaxable Sales Account

Each customer is linked to a taxable sales and a nontaxable sales account. There are different taxable sales and nontaxable sales accounts for each type of customer, and customers can also be assigned individual taxable and nontaxable accounts. These accounts are set through the Customer entry screen

When this option is chosen, the taxable sales and the nontaxable sales income from the currently delivered items is credited to the customer's sales account.

Whether an item generates taxable or nontax sales income is determined by the setting of the Taxable check box that appears in the list if line items. Miscellaneous income entered on the invoice below the line items is considered nontaxable.

The total expense or income amount is displayed in the Total field at the top of the screen along with the remaining amount to be offset to purchase or sales.

Inventory Sales Accounts

When you choose the **Inventory** option the sales of each line item is credited to the sales account linked to the inventory item specified on that line. Miscellaneous charges are still credited to the customer's sales account.

There is a different sales account for each type of inventory item. The sales accounts associated with items can also be tailored individually through the inventory entry screen. (For more information see "Accounts" on page 541).

Be aware that should you credit sales to the customer accounts in some cases and to the inventory accounts in other cases, then some sales will be recorded on customer accounts and others in inventory accounts.

Custom Sales Accounts

Here you specify any income or revenue type accounts to be used as sales accounts. Whatever sales amount that's generated that exceeds the allocation you indicate for the specified accounts is credited to the customer's General Sales account.

When you choose the Custom Distribution option, the Total field shows the amount of the total expected sale. This is the total of all items listed for delivery. You specify distribution accounts and amounts in the Account list. The system credits these accounts only when items are delivered.

Credits are entered for the accounts in the order of their appearance. The order of the sales accounts can be changed using the up and down arrow buttons at the bottom of the screen.

If the current total sale is less than the specified distribution amount, then only the current total is credited. If the current total sale exceeds one of the specified distribution amounts, then the overflow is credited to the next specified account.

The amount by which the current total sale exceeds the total distributed to all specified accounts, the overflow is credited to the customer's General Sales account.

FIGURE 14-16. The Choose Sales Account dialog opened from the Invoice Entry screen's Special Items menu.

Default Sales Accounts

By selecting one of these items the processing switches from general customer sales, to taxable and nontaxable customer sales, to inventory sales accounts.

There is a default option that is set through the Invoice area on the Maintenance screen. This option is applied to all new invoices.

FIGURE 14-17. The default sales account processing option set through the Maintenance screen.

Invoice discounts account

An invoice discounts account is stored with each invoice. This account was recorded at the time the invoice was entered, according to whatever account was set as the default invoice discounts account at that time.

■

Line Items

Press the **Line Items** tab to move to the Line Items page. When you move to the second page of a new invoice, the cursor is already in the Code area of the first Line Item. Both the Code area and the Item Name area are clairvoyant fields: if you type in the leading characters of an Item's Code or Name, 4th Quarter will locate the Item and enter it on that line. Alternatively, press the **Items** button to select an Item from a full list of Inventory.

You can also entry text line items. You can enter anything in the item name or item comment fields, located on the Service Invoice page, and this text will appear on the printed invoice. If you create a text line you can not specify a price or quantity.

FIGURE 14-18. Second page for entering Line Items on the Stock Invoice Entry page of the Invoice screen.

If you are entering Service Items instead of Stock Items, choose the **Invoice Type: Stock/Service** Item on the **Special Items** menu. This toggles the Line Items display from a Stock Item format to a Service Item format. Each time you select this Item, the format switches from one from to the other. 4th Quarter remembers this format and uses the appropriate format when printing the invoice.

Line Item Buttons

The panel of buttons above the Line Items offers functions related to the line items.

Add
Creates a new, unspecified line item.

Delete
Removes the Item where the cursor is currently located.

Sort
Enables you to reorder the items. The up arrow and down arrow buttons move the item where the cursor appears up or down relative to the other lines.

Total
Tallies the Total Cost of all Items along with tax, and it enters these values in the fields below the item list. The

All Shipped
Resets the quantities in the Shipped column for all items to be equal to the quantities in the Ordered column.

History...
This button is described below.

Fill in the Quantity Ordered and Quantity Shipped. You can modify the Per Unit Price, the Total Price, and whether or not the sale of this Item is subject to sales tax.

The Subtotal area shows all charges for line items. You can change the customer's discount, sales tax, and terms. The total shipping amount displayed is that entered through the Shipping page. Enter the cash amount paid in the Paid field and the remainder automatically becomes the receivable amount.

Line Item Entry Screen

Double-clicking in a line item opens the Line Item Entry screen. In this screen you can make the same changes you could make in the line items list, and you have additional controls to make other changes.

This entry screen provides a popup for you to select alternative ordering units, if this item supports alternative units (See "Other Units" on page 532.)

FIGURE 14-19. Line Item Entry screen accessed by double-clicking on an invoice line item.

The Line Item Detail screen shows all the information stored with the line item. The comments fields shown above are displayed in Line Item list of the service-type of invoice, but not in Line Item list for the stock-type invoice.

The shipping units can be changed by selecting units from the Unit popup. The units available are those set in the item's entry screen. The Items/Unit quantities are also drawn from the settings in the item's entry screen, however this value can be over written.

When you specify alternate units the system uses its knowledge of the number of items in the unit, the customer code, the quantity pricing structure, and the total number of units ordered to calculate a price for the item.

If lot tracking is enabled for the item, then the **Lot #** button will be enabled. Pressing this button opens the same dialog for selecting lots as will be opened when you specify a quantity shipped value in the Shipped field.

Specifying Quantities Shipped

Entering an invoice that specifies items as not yet having been shipped decreases quantities available. If more items are listed than are available, then the available quantities of the affected items will become negative.

The system will not let item quantities in stock become negative. The system will prevent you from entering an invoice that specifies the shipment of more items than are not in stock.

An exception is the shipping of assembled items. Assembled items can be assembled automatically as they're shipped. This action can be set for each user independently. It is set on the Invoice page of each user's Preference screen.

If this option is turned on, and if there are insufficient quantities of assembled items in inventory to satisfy the amount shipped, then the system will create the necessary number of assembled items from the item's B.O.M. If, in the course of automatically assembling items, the system finds that quantities of components in stock are too low to complete the assembly, then the invoice entry will be halted. The user will be informed and will have to modify the invoice.

Lot number tracking

4th Quarter supports the tracking of items by lot. This feature is activate only for those inventory items that are specifically set to be tracked by lot. This is set by checking the "Track by Lot Nº" check box on the Description page of the Inventory Item entry screen (See "Description page" on page 529.)

The tracking of lots for sold items only comes into play when items are shipped or delivered. When a shipped amount is entered for an item that is subject to lot tracking, 4th Quarter will open Lot Number selection screen. In this screen the user must specify one originating lot.

If there are not enough items in any given lot to satisfy the shipment, then the user must add another line item. Each line item subject to lot tracking can only draw from one lot because each line item on records one lot number.

FIGURE 14-20. Select From Lots dialog accessed either from the line item detail screen, or by entering a quantity shipped directly into the line item.

The Select From Lots dialog is displayed whenever you enter or change the quantity shipped for a line item that is being tracked by lot. In this screen you specify which lot to draw the items from.

If you are shipping items for this line item the first time, then column labeled "Available to Draw" shows items still in stock. If you are modifying the quantity shipped for a line item that was already partially shipped, then the quantities in the "Available to Draw" column are a combination of items previously shipped plus those that are in stock and available for shipment. If you change the lot from which items are being shipped, then the items that were previously shipped are returned to inventory.

When you first specify some shipment for a lot tracked item the Select From Lots screen attempts to satisfy the quantity to be shipped with the first available lot. The first available lot is that lot which has sufficient quantity to satisfy the ship-

ment and which has priority according to the LIFO or FIFO inventory costing strategy specified in your data base.

Item History List

The **History...** button displays the history of items that have been shipped. It lists the item, the quantity shipped, and the specifics of the shipment. These records are handled automatically by the system, you can not modify them directly. The shipping information that's related to these items can be modified through the Shipping page, described below.

FIGURE 14-21. Item Shipment dialog accessed from the History... button on the Invoice Entry screen.

When items are shipped, either from the Virtual Invoice or from the Shipping User Area, the date, time and name of the user who made the entry is recorded

with the shipping record. This is displayed at the bottom of the record that's displayed when you double-click on the shipment record.

FIGURE 14-22. Item history detail screen accessed from the History... button on the Invoice Entry screen.

■

Shipping Items

Click the Shipping tab to go to the page where new shipments are entered and past shipments records.

Every time items are shipped a shipping record is created and attached to the invoice. You specify the shipping details for present and past shipments through the Shipping page.

This screen is both an entry and a list screen. The fields at the top of the page, next to the Current Shipment label, are for entering the details of the current shipment. The fields below this, next to the Past Shipments label, list previous shipments of items listed on this invoice.

Past shipment records can only be created through the action of shipping items. Once past shipments have been created they will appear on this page and will be modifiable.

The Latest Ship Date field indicates the date of the current and most recent shipment. This value is copied to the shipping record created when shipment is indicated and the invoice is entered. The Latest Ship Date field will display the latest ship date when you reenter the invoice.

The Carrier, Priority, Tracking, and Amount fields also apply to the current shipment. When items are shipped these values, like the Latest Ship Date, are stored with the shipping record and are displayed in the Past Shipment area.

Unlike the Latest Ship Date value the Carrier, Priority, Tracking, and Amount values are not stored with the invoice. That means that when the invoice is reentered at a later time, the Carrier, Tracking, Priority and Amount fields will be blank. These values will be displayed in the list of past shipments.

Modifying Past Shipments

Items in the list of past shipments can be modified. If your looking at an invoice that has been shipped, then shipment records will appear in the Past Shipments area. Click on one of the shipments displayed in this area and its values will be

copied to the fields just above the scrolling area. These are the fields that appear below the **Apply**, **Clear Entry,** and **Receive as Previous** but-
tons.

FIGURE 14-23. The Shipping page of the Invoice Entry screen.

The copied values can then be edited. To assign the edited values to the historical record press the **Apply** button.

To remove a previous shipping record entirely, highlight it and press the **Delete** button. Use this option with caution.

To clear the entry fields press the **Clear Entry** button.

Using Previous Shipment

In some cases there is a modification of the quantities shipped that is to be associated with a previous shipment. This is probably because there was an error in previously entered description. In this case you don't want to create a new shipping record but instead want the changes to be related to one of the past shipments.

To indicate that current changes apply to a past shipment, click on the past shipment record to highlight it. Press the **Receive as Noted** button. The shipment will be marked with a bullet (•) in the Use column. Any entered values in the Current Received fields will be erased. When marked in this manner, and changes in quantities shipped will be associated with this past shipment.

Below each of the columns in the Past Shipments area appear 4th Quarter's small mini-sort buttons. Clicking on the upward arrow button sorts the shipment records in ascending order according to the values in the corresponding column. Clicking on the downward button sorts the items in descending order.

■

Returned Items

Press the **Returns** tab to move to the returns page. Here you can assign return codes (or "return authorization" codes) to items scheduled for return. Items are specified in the entry fields, located above the display area's column titles.

The Item Code and the Item Name column titles are underlined to indicate that they are clairvoyant entry fields. If you type in the leading characters of an Item's Code or Name, 4th Quarter will locate the Item and enter it on that line. Alternatively, press the **Items** button to select an Item from a full list of Inventory.
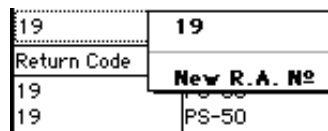
FIGURE 14-24. The Return Code popup allows you to assign a new code, or any of the codes already assigned to items on this invoice.

Return Code

You must specify a Return Code before you can add an item to the list. Return Codes are assigned by the system in sequence using the popup menu in the Return Code column. The popup allows you to assign a new code, or to assign any

of the codes previously assigned lines on this page. Return codes can not be typed in directly, but the administrator can specify a return code prefix through the Invoice page of the Maintenance Screen.

Once you have fully specified the item to be returned press the **Add** button. This creates a new row in the display area which will have the values you specified.

Journal entries are only created when items are received, as specified in this screen or on the returns page of the Invoice Shipping screen. Journal entries are given the Received Date specified at the top if the page. Update this date when new items are received.

To modify a listed item, click on the row to highlight it. This copies the values in the row to the entry areas. The values can then be modified and reassigned to the highlighted row by pressing the **Apply** button.

FIGURE 14-25. The Returns page of the Invoice Entry screen.

■

Shipping User Area

Invoices
Add Invoice
Ship Items
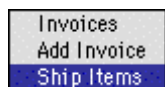
4th Quarter has an Invoice Shipping List area that facilitates shipping Items that appear on invoices. Access the Invoice Shipping List screen through the **Ship Items** element on the **Invoices** pop-up menu on the control screen. This screen lists invoices and provides search and report functions.

When you modify an invoice, either by double-clicking or by pressing the **Modify** button, you enter the Ship Invoice Items screen. This is a limited entry screen that allows modification only to shipping information; it does not allow changes to the client, terms, payments, or line items.

The Ship Invoice Items screen supports a second page where you can record the receipt of items scheduled for return. This page only allows the changes to the quantity received and the lot numbers.

This screen is designed to be used by people who are responsible for packing and shipping but who are not authorized to create or modify invoices.

FIGURE 14-26. The Invoice Shipping screen.

Sales Tax Area

Sales tax records track tax payments due from customer sales. The records have fields that identify the tax, the tax rate, and the tax payable account. Sales that are subject to multiple sales taxes are handled by assigning to them multiple sales tax records.

The system stores a default set of sales tax records. These can be applied to invoices or sales transactions through the **Sales Tax** pop-up menus that appear in those entry screens.

Customers are linked to sales tax records through the Customer Entry screen. Each customer can be assigned his own set of sales tax records, and these are used to compute the sales tax once a customer has been specified on an invoice or sales transaction.

■

Tax Rate List

Sales People
Sales Tax Rates
Add Tax Rate
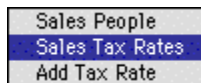
Select the **Tax Rate List** item from the **Sales Related** pop-up menu on the Control screen. This opens a window containing sales tax rates. Sales tax entries store the tax jurisdiction, a sales tax code, state, zip or postal code, and the sales tax rate.

Each row in this list is a separate sales tax linked to a tax payable account. Each sales tax record may be linked to its own tax payable account. When you assign a sales tax rate to a customer, the customer becomes linked to both the tax rate and the tax payable account.

FIGURE 14-27. Sales Tax Selection screen for selecting applicable sales tax rates.

The left-most column is the record's Code. The Code value is for linking several tax records. Each tax record has both the Code assigned to it and a Code referencing other tax records. One tax record can link to one or more other records through their tax codes.

For example, suppose you create a state-wide tax record for New York State and you give it the Code NYS. Counties in New York also have their own county tax rates, and each of these could be entered as a separate county tax record. When you specify "NYS" in the Link To field in each County's record, the County records are linked to the State record. Linked records can then be located quickly using the **Find Linked** button.

Find Linked Tax Records

The **Find Linked** button operates on the highlighted selection. It locates all the tax records that are linked to the current selection and adds these to the current selection. If there is a chain of tax records linked to each other, then the portion of the chain from the selected records on down will be located and displayed.

For example, say the City of Yonkers tax record is linked to the New York City tax record, and this is in turn linked to the New York State tax record. If you locate the Yonkers record, highlight it, and press the **Find Linked** button, 4th Quarter

will locate the City and State tax records and display them along with the Yonkers record. This is a quick way of locating all the tax records that apply to a given customer or locality.

Assign Tax Records by Zip

The **Assign Zip** button enables you to link all customers in a given zip code area to sales tax records sharing that zip code. Use this function when you've imported customer records that have zip codes and you want to assign tax records to these new customer records. The Assign Zip function does the assignments for you so that you do not have to go through each customer individually.

The **Assign Zip** button operates on the highlighted tax records. These tax records must have a zip code assigned to them. The Assign Zip function locates all customers with zip codes that match one of the highlighted tax records. It assigns to each customer the tax record or records that share their zip code. It also assigns to the customer any tax rates linked to the tax record with the matching zip code.

For example, suppose you've given zip or postal codes to local tax rates and linked the local tax rates to a state tax rate. The state tax rate has no zip code assigned to it. The **Assign Zip** function will automatically assign *both* Local *and* state tax records to those customers with zip codes matching the highlighted local tax zip code records.

■

Sales Tax Entry

Press the **Add** button to create a new sales tax record. The Sales Tax Entry screen shows the Payable Account associated with the tax record. You can change the assigned Payable Account by pressing the **Reset** button. This presents you with a list of Accounts to choose from.

FIGURE 14-28. Sales Tax Entry screen.

Type in the code, jurisdiction, state, zip code, code of any "linked to" records, and the tax rate in the form of a percent. You are required to enter a value only in the Jurisdiction field; the other values are optional.

■

Sales People

Sales People Data

This table records the details of commissioned sales people. It provides various methods for computing commission rates that can be assigned differently to each sales person.

Sales People List

The Sales People area is accessed by selecting the Sales People item from the Sales Related pop-up on the control screen. This opens the Sales People List screen.

FIGURE 14-29. The Sales People List screen, accessed from the control screen.

Searching

Example Search

The search pop-up supports the options to search by "Example" or to show all. The search by example screen presents the now familiar search interface for locating Sales People records.

FIGURE 14-30. The Sales People Search screen.

■

Sales People Entry

The Sales People entry screen consists of 3 pages. The first for personal details, the second for the commission formula, and the third for related accounts.

Basic Info Page

All sales people who are marked as "active" will appear on the Sales Rep. pop-up menu in the invoice entry screens.

FIGURE 14-31. The Basic Info page of the Sales Person entry screen.

Commission Page

The Commission page offers various formulas for computing the sales persons commission rate. The formulas consist of specifying a flat percentage of sales, and then indicating when this formula should be applied.

FIGURE 14-32. The Commission page of the Sales Person entry screen.

Accounts Page

Press the Accounts tab to view the accounts linked to the sales person. A payable account is created for each sales person assigned a nonzero commission. If the commission is zero, then no payable account is created.

Each sales person assigned a payable account must also be assigned an Expense account. This account is initial set according to the system's default Sales Rep. Expense account. The expense account can be changed for individual sales people by pressing the **Reassign** button.

FIGURE 14-33. The Accounts page of the Sales Person entry screen.

■

Reports

Sales

The following reports are available by pressing the **Reports** button in the Sales list:

Transaction Summary

A summary of each sales transaction listing each component.

Transactions List   Mon, Jun 7, 1999 2:03 AM

Sample Transaction Summary   Page   1

Attn	Ref.Nº	ID #	Entry Type	Date	Notes	Title		Comment		
			Account				Memo		Debit	Credit
		281	Receivable sale	4/12/99	P	Receivable Sale		Sales discount of 10.00 dated 4/22		
			60006–100	Client Sales						40.00
			30002–100	Sales Tax						2.10
			80007–200	Discounts on Sales					10.00	
			10101–26	Summit Technologies, Ltd					32.10	
		319	Receivable sale	2/20/99	P	Receivable Sale		Sales discount of 15.00 dated 3/2/		
			60006–100	Client Sales						150.00
			80007–200	Discounts on Sales					15.00	
			10101–26	Summit Technologies, Ltd					135.00	
								Report Total	192.10	192.10

FIGURE 14-34. Sample Transaction Summary report.

Transaction Details

Details of each sales transaction listing all components.

Transaction Details   Mon, Jun 7, 1999 2:08 PM

Sample Transaction Detail Report   Page   1

Title Receivable Sale   Notes P

Ref.Nº   Effective 04/12/99   Entry type   Posted 4/30/99

Doc.Nº   Entry 04/12/99   Status Unverified   Check#

ID # 281   Attn   Autoallocate ALL   Entered by Designer

Memo Sales discount of 10.00 dated 4/22/99 removed through transaction ID = 351 by Designer on 4/30/99 at 12:58 AM. Discount date reset to 00/00/00.

Account		Journal	Debit	Credit
60006–100	Client Sales	Income		40.00
30002–100	Sales Tax	Payable		2.10
80007–200	Discounts on Sales	Expense	10.00	
10101–26	Summit Technologies, Ltd	Receivable	32.10	
		Report Total	42.10	42.10

FIGURE 14-35. Sample Transaction Detail report.

Sales List

A list if the currently displayed sales items.

Sales List   Mon, Jun 7, 1999 2:10 PM

Sample Sales List Report   Page   1

attn	Ref.Nº / Title	Entry Type	Effective	Due	Account Nº: Name / Comment	Amount
	Receivable Sale	Receivable sale	4/12/99	4/17/99	26: Summit Technologies, Ltd Sales discount of 10.00 dated 4/22/99 remove	32.10 d
	Receivable Sale	Receivable sale	4/11/99	5/11/99	17: Bob Cross	50.00 d
	Receivable Sale	Receivable sale	4/5/99	5/5/99	12: Grundwald Construction	585.00 d
	Receivable Sale	Receivable sale	2/20/99	2/25/99	26: Summit Technologies, Ltd Sales discount of 15.00 dated 3/2/99 removed	135.00 d

FIGURE 14-36. Sample Sales List report.

■

Invoice

The following reports are available by pressing the **Reports** button in the Invoice list:

Line Summary

One-line summary of each invoice in the current selection.

Invoice List   Tue, Jun 1, 1999   5:16 PM

Sample Invoice Line Summary   Page   1

Attn	Invoice	Ordered	Shipped	Due	Client	Status	Due	Total
	5	4/24/98	9/12/97	10/12/97		R	11.25	11.25
	13	8/12/98	8/12/98	9/11/98	Western Autodial	UR	69.87	85.13
	49	3/1/99	3/1/98	3/6/98	Braided Matrix	U	24.96	40.91
	31	4/21/99	3/1/99	3/6/99	Performance Motorcars		0.00	46
	37	4/30/99	3/15/98	11/28/02	Western Autodial		107.76	103.79
	38	4/30/99	3/30/99	4/4/99	Western Autodial		53.34	53.34

FIGURE 14-37. Sample Invoice Summary report.

Detailed Summary

Detailed summary of each invoice in the current selection, not including line items.

Invoice Nº Cust. PO Nº Attn	Ordered Shipped Due Cancel	Customer Code Company Sold by Terms	Ship to Memo	Journalized On hold Shipped Printed	Last Ship Priority Track Code Finance	Total Paid Due
13	8/12/98 8/12/98 9/11/98	38 Western Autodial NET 30	John Barkcley/Western Autodial/S	☒ ☐ ☐ ☐	G.O.D. 3rd day adsd 0	85.13 15.26 69.87

FIGURE 14-38. Sample Invoice Detail report.

Invoice Form

Since invoices store all shipment history you must specify which shipments you want to appear on the printed invoice. When you choose Invoice Form from the Reports… list you are given two options. Either print an invoice listing only the most recently shipped items, or to print an invoice listing all items shipped.
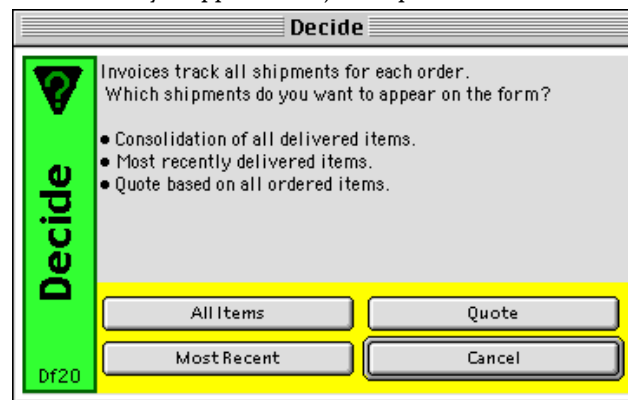
FIGURE 14-39. Dialog offering choices for including items when printing invoice forms from the Invoice List screen.

If you want to pick and chose which individual shipments to include on the invoice, then you must open the invoice in the Invoice Entry screen and select the **Print Form** item from the **Special Items** menu. This will enable you to select the individual shipments that will be included on the printed invoice.

Quotes

Quotes for any number of virtual invoices by selecting **Invoice Forms...** from the Report and Media dialog. Press the **Quote** button in the Decide dialog.

Logo on Form

You can place your own company graphic or logo in the header of the printed invoice. The graphics used for this form are stored in 4th Quarter's Picture Library accessible by the Administrator through the Maintenance screen, see the Administrator's Manual page a.33.

Pictures in the picture library are identified by their codes. The picture placed atop the service-type invoice has code "4QICSrvc". The picture placed atop the stock-type invoice has code "4QICStck". The graphic is placed at the top of the statement in an area 1.25" high and 5.5" wide. The graphic is printed at actual size.

Unlike the Summary and Detail reports, the printed invoices include line items. Also, one invoice form is printed per page. A sample invoice form is shown below.

```
Invoice #  13                                                    Page    1
                                                           Order 8/12/98
Sample invoice                                              Ship  8/12/98
Sold to:   John Barkcley                                    Due   9/11/98
Code:      38                   PO:                         Cancel
Bill to:                        Ship to:                    Sold by
┌─────────────────────────┬─────────────────────────┐     Paid by
│ John Barkcley           │ John Barkcley           │      Terms NET 30
│ Western Autodial        │ Western Autodial        │
│ 125 Persons Dr          │ Same                    │      Ship via
│ Shokan NY 12481         │                         │        Priority
│ USA                     │                         │      Track Code
├──────────┬──────────────┴────────┬─────────┬──────┴────────┬──────────┤
│ Code     │ Item                  │ Ordered │ Shipped │ Per Unit  Tax│ Extension │
├──────────┼───────────────────────┼─────────┼─────────┼───────────────┼──────────┤
│ A-131    │ tennis strings        │      10 │       8 │   3.75 ☐      │    30.00 │
│ AS-198   │ Motrin                │       5 │       4 │   3.12 ☐      │    12.48 │
└──────────┴───────────────────────┴─────────┴─────────┴───────────────┴──────────┘
Please Remit Payment to:        Comments:              Subtotal        42.48
                                               % Discount  15.00       -6.37
                                               % Sales Tax  1.50
                                                       Ship Total       40.00
                                                       Miscel
                                                       Total           76.11
C.C.              Expire 00/00/00                      Paid             0.00
C.C#                                                   Rec'bl          76.11
    Shipping Details:
    G.O.D. 3rd day adsd
    RPS Overnight
```

FIGURE 14-40. Sample invoice form.

Packing Slip

Itemized shipping record — one form for each invoice in the current selection. You are asked to make the same choice of shipments as was requested when printing the invoice form. This form shows the quantities ordered and shipped but does not show prices.

A graphic specific to the packing slip may be printed at the top of this form. The graphic used for this form is stored in 4th Quarter's Picture Library and has code "4QICPkng". The graphic is placed at the top of the statement in an area 1.25" high and 5.5" wide. The graphic is printed at actual size.

Packing Slip # 13			Page 1	
Sample Packing Slip			Order date 8/12/98	
Sold to: John Barkcley			Ship 8/12/98	
Code: 38			Ship via	
Bill to:		Ship to:	Priority	
John Barkcley		John Barkcley	Track Code	
Western Autodial		Western Autodial	Sold by	
125 Persons Dr		Same		
Shokan NY 12481				
USA				
Code	Item		Ordered	Shipped
A-131	tennis strings		10	8
AS-198	Motrin		5	4
For further information contact:	Comments:			

FIGURE 14-41. Sample packing slip.

Billing Labels (3 up)

Sheet of billing addresses associated with selected invoices in 3-up form.

John Barkcley	Dick Scheider	John Barkcley
Western Autodial	Performance	Western Autodial
125 Persons Dr	2123 East Alemeda	125 Persons Dr
Berkeley CA 48233		Berkeley CA 48233

FIGURE 14-42. One line of a sample 3-up Billing Label report.

Shipping Labels (3 up)

Sheet of shipping addresses associated with selected invoices in 3-up form. Prints using the same format as the Billing Labels.

Sales Report…

The invoice analysis reports show sales totals by item. The information on the reports is drawn from purchase order records. The analysis of purchase orders is performed according to the criteria set on the following screen.

FIGURE 14-43. Analysis specifications dialog for invoice reports.

This report prints a list of inventory items that are analyzed according to the criteria described below. The report lists the inventory items code, name, quantity sold, quantity shipped, total value of the amount sold, and the total value of the amount shipped:

- Analyze period dates...

  These two dates determine the range over which invoices will be examined. The date range will include invoices dated on or after the starting date and on or before the ending date. Screening is done on either the date the invoices were entered (the order date) or the date the invoices were fully shipped (the ship date).

- Report on inventory items...

This option allows you to choose to view only the top or bottom items on the invoice report. For example, you can look at only the top 10 items in terms of sales value or the bottom 5 items in terms of quantity shipped.

If you click the **Selected** option an inventory item list opens, allowing you to chose one or more items. The report will then focus on the invoices listing these items within the specified period.

- In terms of...

You must specify what sorting criteria you're interested in. Your options include:

- Quantity sold

- Quantity shipped

- Value of amount sold

- Value of amount shipped

This is essential if you've chosen to view only a partial list of the top or bottom items. The criteria you specify determine the ranking that is used. The final report will sort the displayed items using these criteria.

- Send report to...

Like all 4th Quarter reports, you can send this either to the printer or to a file on disk.

- Value and quantity number formats...

These codes specify the format used to print numbers representing monetary values and inventory quantities. Refer to on-line help, accessed through the **Help** button, for information on how to use these codes. See also "Numeric Formats" on page a196.

Inventory item sales

June 2, 1999   12:42 AM

Page   1

Analysis for period starting 1/1/99 and ending 6/2/99 according to date ordered.

Rank	Code	Name	Qty Sold	Qty Shipped	Value Sold	Value
1	1-25	tennis racquet-Head II	43	43	255.85	255.85
2	1-456	tennis racquet overgrips	35	31	138.25	122.45
3	1-325	grommets-tennis racquet	25	25	43.75	43.75
4	1-146	tennis balls (can of 3)	20	15	79.8	59.85
5	2-25	tennis bag	4	3	160	120
6	3-558	sweat bands	0	0	0	0
		Total	127	117	677.65	601.9

FIGURE 14-44. Sample Inventory item Sales report.

■

Sales People

The following reports are available through **Report...** button on the Sales Person List screen.

Summary

A simple list of the current selection of sales people.

Sales People List

Sample Summary Report

ID	Name	Title	Firm	Phone#1	% Rate	Payable
3	Adrian Cook	Sales West	Excalibur	(808) 899-9867	10	-4.60
5	Alistair Cowles	Sales NE	Excalibur	(808) 899-9125	0	- no account -
4	Ying Kwan	Sales South	Excalibur	(808) 899-9659	20	0.00

June 2, 1999   1:48 PM

Page   1

FIGURE 14-45. A sample sales person summary report.

Full Detail

The personal details and commission formula for the current selection of sales people. Sales history is not included.

Sales People Details

Sample Full Detail Report

June 2, 1999   1:48 PM

Page   1

ID	3		Phones		Active ☒	SS#	
Name	Adrian Cook		wk.1	(808) 899-9867		Birthdate	02/09/1966
Title	Sales West		wk.2			Employ	01/01/1998
Firm	Excalibur		home			Release	00/00/00
Email			mobil				
			FAX				

Calculation Formula

Rate   10 %, calculated   After % Discount ; After Sales Tax ; After Shipping Charges ; After Miscelaneous Charges.

Account 30013-5 Adrian Cook   Payable $ -4.60
Memo:

FIGURE 14-46. A sample sales person full detail report.

Sales by Order Date...

This report requires a range of sales dates. It prints all sales assigned to the current selection of sales people, made within the indicated date range.

FIGURE 14-47. A sample Sales by Order Date report.

Payable Statement...

This is a standard payable account report for the sales people in the current selection. It requires you to specify whether the report should include items within a date range, or all unallocated items.

FIGURE 14-48. The allocation report specification screen that applies to all Sale People Payable Statements.

Payable Statement

Wed, Jun 2, 1999   2:33 PM   Page   1
From 1/1/98   to: 6/2/99

30013-5   Ref.#
Adrian Cook
Account of Sales People: Adrian Cook

		Owed before items	Change in Period	**Ending Balance**
		0.00 +	2546.00 =	**2546.00**

PO / Doc. Nº	Tran.Ref	Effect.	Due	Title	Paid	Available	Owed	Outstanding	Running Total
	31	3/1/99		Invoice ID#31, code 31			2546.00	2546.00	2546.00

FIGURE 14-49. A sample sales person payable statement.

■

Sales Tax

Summary Report

This report is a simple list of sales tax data. Go to the individual accounts, or to the Payables Journal, for tax account information.

Sales Tax Rates

Mon, Jun 7, 1999   1:57 PM

Sample Sale Tax Summary

Page   1

Account	Code	Jurisdiction	State	Zip	Link to	Sales Tax %
100 Sales Tax		Ulster	NY	12484	456	7.75
100 Sales Tax		Syracuse	NY	13207		1.50
100 Sales Tax		NYC	NY	10012		9.75
100 Sales Tax	456	Mass State	MA	99448		1.50
100 Sales Tax	789	Columbia	NY	12344	789	5.25

FIGURE 14-50. Sample Sales Tax Summary report.

CHAPTER 15

Vendors

This chapter describes the Vendors areas and the management of vendors and vendor accounts.

Vendors are supported in the Full version of 4th Quarter.

Vendor Data

Flow of Data

Vendors are stored in their own file. Vendor records contain business-specific information but not accounting information. Accounting information, such as payable balances and account history, is stored in the vendor's payable and purchase accounts.

When you enter a vendor record, the system creates the vendor's payable account. Once created, this account can be found with all other accounts in the Chart of Accounts list.

There is also a vendor purchase account related to each vendor record. A default purchase account is assigned to all new vendors according to their type. The system maintain separate accounts, each linked to separate GL accounts, for each type of vendor.

Vendor reports are available in various areas. The vendor area itself supports reports detailing the vendors but not their account history. The vendor's account history reports can be accessed from the accounts area. A report of purchases or

PO's to particular vendors can be printed from the purchase, transaction, or PO areas.

.
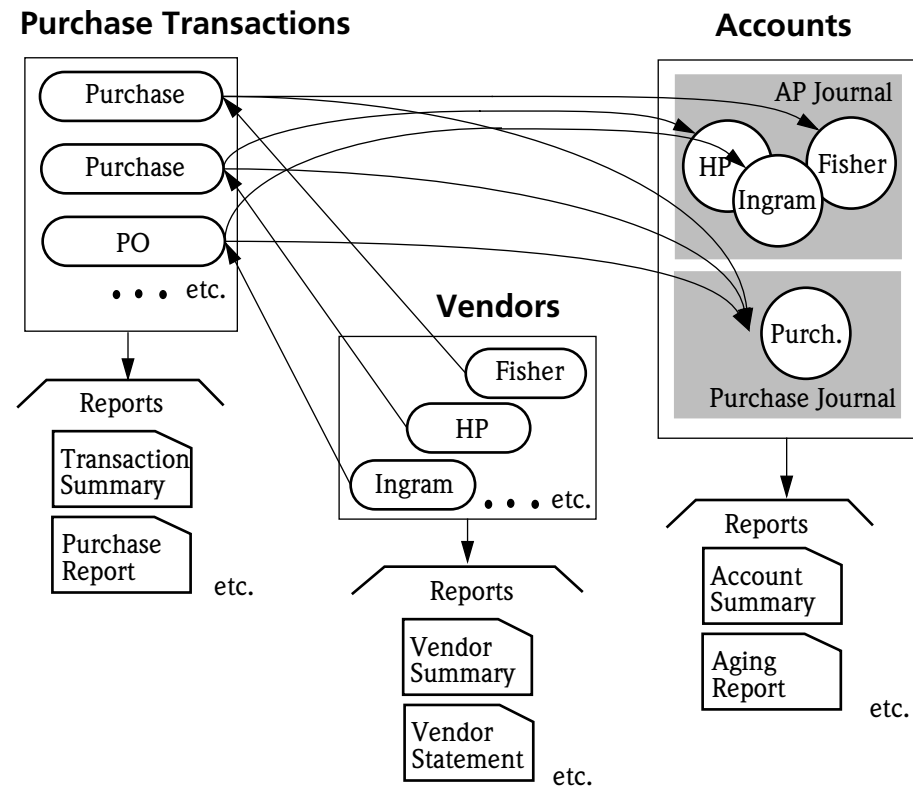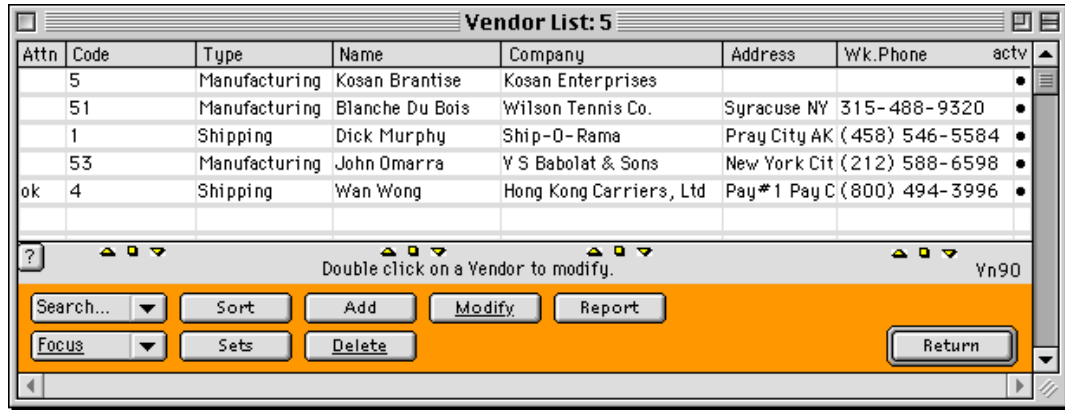
FIGURE 15-1. Flow of data from vendor records, though purchases, into vendor accounts.

■

Vendor List
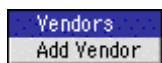
Select the **Vendor List** item on the **Vendors** pop-up menu in the Control screen. The Vendor List appears with the standard function buttons at the bottom of the screen.

FIGURE 15-2. The Vendor List screen.

■

Searching

Various search functions can be accessed from the Search… pop-up. The items above the line on this menu all open screens in which you specify search criteria.

Below the line appear each of the types of vendors that are defined for your system. Vendors are located by type as soon as you select the item from the pop-up list.

The Example… search opens a screen in which you specify some combination of the criteria shown in Figure 15-3. Mark the check boxes on the left side of the screen adjacent to each criteria that you want to match. Use the pop-up menus next to the entry fields to specify the type of search you want performed. Refer to the section entitled "Search Screens" on page 49 for a description of how to specify search criteria.

Example Search

The "any" or "all" radio buttons on the lower right determine how your search criteria are applied. The radio buttons in the "Search and…" area at the bottom of the screen determine how the vendors found affect the items previously displayed in the vendor list.

FIGURE 15-3. The vendor Search by Example screen.

Attention Search

The Attention… search dialog, shown in Figure 15-4, is designed specifically for locating vendors records according the values you've assigned to their "attention" fields.

FIGURE 15-4. The vendor Search by Attention screen.

Related Search

The Related... search screen provides a means to locate vendors that are related to other records in the datafile. At present this is used to locate vendors associated with particular items in inventory. In the future other related search criteria will be added.

FIGURE 15-5. The vendor related search screen.

Address Search

The Address... search screen locates customers according to their related address information. Since customers can have multiple addresses, this search will locate customers any of whose addresses match the specified criteria.

FIGURE 15-6. The vendor address search screen.

The address search locates all address records that have values that start with the criteria you specify. For example, if you enter "Oak" as a city, then search will locate the cities "Oakwood", "Oakdale", "Oakmont". If you want to locate a literal value such as a city whose name is exactly "Oak", then add a space at the end of your search specifier.

■

Vendor Entry

Company Information

To reach the Vendor Entry screen, either double-click an existing vendor record or press the **Add** or **Modify** button. At the bottom of the screen appear tabs that take you to the different pages of the entry screen.

Basic Info Page

The Basic Info page of the Vendor Entry screen provides access to names, phone numbers, and primary addresses as shown in Figure 15-7. To enter a vendor record you must supply either a name or company, and you must assign the vendor a type. Additional information can be added at a later time.

Each type of vendor is linked to a different purchase account. The exception is any vendor assigned the type of "prospect". These vendors are not setup for purchasing and have no accounts linked to them. The administrator can change the list of vendor types through List Manager screen. Refer to page page a.28 in the Administrator's Manual for further details.

FIGURE 15-7. Basic Info page of the Vendor Entry screen.

On the Basic Info page, the primary Shipping address can be copied to the Pay To address area by clicking the arrow button (labeled "<"). Clicking the little yellow clipboard icons copies the address to the computer clipboard. Once on the clipboard the address can be pasted into documents opened in other applications.

Details Page

The discount, terms, ship via, and other values that are entered here are used as default values when a PO is created for this vendor.

The terms assigned here are used by default on purchase orders made to this vendor. They determine the date payment is due, as well as the conditions of any sales discount.

The detail page of the vendor entry screen enables you to specify additional shipping addresses.

FIGURE 15-8. The Details page of the Vendor Entry screen.

■

Vendor Addresses

Each vendor has a "Pay To" and a primary shipping address. Additional shipping address can be added from the Details page of the vendor entry screen.

On the Details page, press the **Add**, **Modify**, and **Delete** buttons to create new Shipping Addresses. Highlight one of the addresses in the address list and press the **Primary** button to mark it as the vendor's primary Shipping Address. The primary address will appear on the first page of the entry screen and it will be used on shipping labels.

■

Payment Terms

Payment terms are assigned each vendor through the vendor entry screen. These terms apply to your payable account, and they are usually assigned to you by the vendor. Since they are not usually set at your discretion, the value you set only acts as a reminder of the terms the vendor has extended to you.

The payment terms are set on the second page of the vendor entry screen through the **Terms** pop-up menu. For new vendors the system assigns the default payable terms. The list of possible terms is stored in the main data file, and is available to all users. Any change in terms is immediately available to other users.

Terms are specified according to the format:

   (% discount)/(days for discount) Type (Days until due)

The quantities shown in parentheses are optional. For example, terms where the net balance is due within 30 days are written "Net 30." If a 3% sales discount is also offered for payments within 10 days from shipping goods, the payment terms are given as "3/10 Net 30."

Modifying Payment Terms

Terms records are managed from the Modify Terms screen. Access this screen by choosing the **Other...** item from any payment terms pop-up menu. This will display the same list of Terms of Sale as is displayed whenever you select the **Other...** item from any payment terms pop-up menu.

The format of terms of sale items, and the means of adding, modifying and deleting terms of sale items has been discussed in the section entitled "Payment Terms" on page 369.

■

Attaching Notes

Notes Page

Notes can be attached to vendors through the Notes page. Notes can be created, modified, deleted or printed. To display notes of a particular type use the Types popup that appears above the list of notes.

To print a note first mark it with an "X" by clicking on the note you want in the left hand column. You can mark any number of notes. The click the **Print–X** button.

FIGURE 15-9. The Notes page of the Vendor Entry screen.

The notes "When" and "Memo" fields can be edited directly from this page of the Vendor Entry screen. To modify other notes fields place your cursor in the When or Memo field of the note you want to modify and press the **Modify** button. This will open the note in the Note Entry screen shown below.

FIGURE 15-10. The Note entry screen.

Entering Time Values

Use military time when entering time value in the When and Until areas. That is, if you want to enter 1:30 pm, then type in the value 13:30. When you tab out of the field it will convert the value from military time to standard time with the "AM" or "PM" suffix.

■

Accounts

Every vendor is linked to a purchase account and (optionally) to a payable account. Press the **Accounts** tab to customize the accounts associated with each vendor.

FIGURE 15-11. The Accounts page of the Vendor Entry screen.

Purchase Account

The Accounts page also displays the Purchase account assigned to the vendor. The system recognizes this as the account to be debited by default when you enter purchases from this vendor.

The system maintains separate purchase accounts for each vendor type, except for the type named "prospect" which is not assigned any purchase account. Each of these type-specific accounts links to a type-specific GL purchase account. This means that purchases for each type of vendor are tracked separately on the GL and can be reported separately on financial reports.

Because changing a vendor's type will affect their accounting, the ability to assign types can be restricted to just new vendors. Depending on the administration settings you can or can not change the type of an existing vendor. If this restriction is relaxed, then you can change vendor types at any time. The restriction is set on the Vendor page of the Maintenance screen.

In the case of purchase orders you can direct the system to record the expense either with the vendors purchase account, the account specified here, or to record the expense with the purchase accounts for the actual items being purchased. That is to say you can either tally expenses by vendor (the source), or by item (the destination).

New vendors can be reassign to a different purchase account on an individual basis. You do this by pressing the **Reassign** button that appears next to the purchase account on the Accounts page. Linking to a new account will affect only entries made in the future. Past purchases recorded with the previous purchase account are still recorded with that account.

Vendor Payable Account

The system will create or not create a payable account for new vendors depending on the vendor's type. The system is set to create new accounts for vendors of specific types through the Vendor page of the system Maintenance screen.

If you assign to a new vendor one of the type that gets a payable account, then when the vendor is entered a payable account is created for them. Each vendor will have their own payable account linked to a common general ledger payable account. All payable entries to vendors of a given type post a common, type-specific GL account.

The creation of vendor payable accounts operates in much the same way as the creation of customer receivable accounts. For vendors, as for customers, you can modify the payable account that the system creates automatically.

Distribution Accounts

Distribution accounts can be associated with each vendor. Add Cost or Expense-type accounts to the Distribution list by pressing the **Add** button. Accounts are added from the list of currently existing accounts. The **Remove** button only removes an account from the Distribution list, it does not delete the account itself.

The distribution accounts linked to the vendor will appear on the distribution page of the Purchase entry and Purchase Order entry screens. When entering a purchase transaction through one of these screens you'll be able to distribute the expense to these accounts. You can distribute to other accounts at that time but the accounts listed in the vendor's record will appear by default.

Default Accounts

Vendor records do not store accounting information. Instead, vendors are related to payable and purchase accounts. Because vendors are related to accounts 4th Quarter can be customized to support any number, type, or combination of accounts for each vendor. This allows for great flexibility in determining the best accounting system for your business.

Purchase Account

New vendors are initially assigned the default purchase account. This account is used as the default for all users. You can reset the default from the Default Account's page of the system Maintenance screen. See "Default Accounts" on page a.53 of the Administrator's Manual.

FIGURE 15-12. The purchase account specifications shown on the vendor entry screen.

Payable Account

New payable accounts may be created for each new vendor depending on the type of vendor. On the Vendor page of the Maintenance screen the Administrator indicates which types of vendors are created with payable accounts and which types are not. This is discussed on page page a.77 of the Administrator's Manual.
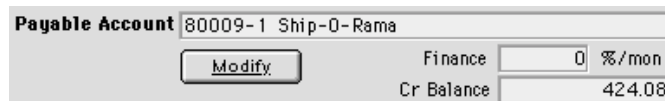
When you create a vendor you must assign it a vendor type. The type determines whether or not a payable account is created for the vendor. If a payable account is

not created for a particular vendor, then you will not be able to enter a purchase order or credit purchase for that vendor.

Changing a Vendor's Type

You can change the type associated with a vendor at any time through the vendor entry screen. If you change the type from one that does not have a payable account to one that does, then the system will create a new payable account for the vendor. If you change the type from one which has a payable account to one which normally does not, the system will not remove any associated payable account.

The payable account that's created will be assigned the vendor's first and last name, or if no name is given, the company name. The account number will be the vendor's ID number and a default suffix that is set by the administrator. These values can be modified by pressing the **Modify** button in the payable specification area on the vendor entry screen. It is also possible to modify the vendor's account from the account entry screen after the vendor has been entered.

FIGURE 15-13. The payable account specifications shown on the vendor entry screen.

The vendor accounts are tied to a default payable general ledger account that is used for all vendor payable accounts. To change this default account, go to the Default Account page of the Maintenance screen. Changing default GL accounts is discussed in the Administrator's Manual on page a.53.

■

Finance Charges

You can generate finance charges on your own payable accounts in accordance with the terms set up for those accounts. You may not want to assess charges on your own accounts since this is generally the lender's responsibility, but 4th Quarter can automate the task for you if necessary.

The Finance Charges screen, shown below, is accessed through the payables account list screen that is displayed when you choose **Payable Accounts** from the Control Screen's **Purchases** pop-up menu. Once in the payables account list

screen, go to the **Special Items** menu and choose the **Generate Finance Charges** item.

FIGURE 15-14. Finance Charges screen for automating the creation of new finance charges for payable accounts.

Finance charges are only assessed on those accounts that are part of the current selection. By limiting the current selection you limit those accounts that will be assessed charges.

Finance rate

Finance charges can either be assessed at the rate stored with that account, or at a rate specified in the Finance Charges screen. This means that if each of the accounts in the current selection has a different finance rate stored with it, then the finance charges you assess will each be computed on a different percentage basis. On the other hand, if you want to use the same percentage for all accounts in the current selection without regard to the rate that has been stored with them, then specify this rate in the Finance Charges window.

The rate you type in will only be used in calculating the current finance charges. The rates stored with each account are not changed, although they are overridden in this case.

Finance charges for any given period are determined by the daily rate. The specified monthly rate is multiplied by 12 to get an annual rate that is divided by 365 to get a daily rate. This daily rate is applied to each overdue item according to the number of days since the item was due, or since finance charges were last assessed on that account, whichever is more recent.

Finance Dates

The last date up to which charges were levied is stored with each account. This date is used to ensure that the finance charges are not levied twice for the same period. Since finance charges are only assessed at your instruction, they compound at whatever intervals you choose. Charges are computed up to the current date, or another date that you specify.

No Effect on Accounts with Undistributed Funds

Finance charges will only be assessed on an account if it has no unallocated debits. These are payments that you've made that have not been allocated to cover payables in any particular account. When such payments are present the system will not assess any finance charges on that account, no matter how large the debt. If you assess finance charges on a group of accounts, those with unallocated payments will be skipped.

To correctly assess finance charges, you should first apply all payments to debts using the **Allocation for Accounts** item located on the **Special Items** menu. This ensures that all payments have been applied, meaning there are no unallocated debits. Finance charges may then be assessed on whatever debts remain.

■

Sales Discounts

Sales discounts are discounts offered for payments made before a specified date in order to encourage early payment. For example, a discount specified as "5/10" means a 5% discount is offered on the item total if payment is made within 10 days.

When purchase orders with a sales discount are journalized, 4th Quarter assumes that the discount will be taken. The discount is used to compute the actual payable amount. In the event that payment is not made within the discount period, the transaction's sales discount must be removed or reversed to reflect the fact that the full, undiscounted amount should now be paid.

Removing Untaken Discounts When Journalizing in Batch

When purchase orders are journalized, the journal entries (the transactions) are logged with the date the purchase order was entered. If the order was entered on the 10th and journalized on the 20th, the journal entry will show an entry date of the 10th, and this will determine what period it's posted to. In particular, note that the journal entry is not assigned the date the items were received.

If the purchase order is not fully paid and the sales discount has expired, the program will either journalize the purchase order at the discounted amount, or remove the discount before journalizing. The action taken depends on which option is set in the purchase order area of the maintenance screen.

☒ Remove expired sales discounts before journalizing.

FIGURE 15-15. The check-box that determines how expired sales discounts are handled when purchase order are journalized.

The sales discount will be automatically removed at the time the purchase order is journalized if the following conditions are met:

- The administrator has set the above option.
- Some amount remains payable on the purchase order.
- The PO journal entry date is later than the last day of the sales discount.

When these conditions are met, the discount amount is removed and added to the amount payable. The modified purchase order is saved and the journal entry reflects the increased payable amount.

If this option is not checked, or one of these conditions is not met, then the program journalizes the discount however it appears on the purchase order.

Removing Untaken Sales Discounts

To remove untaken sales discounts, go to the Payable Accounts List accessed from the Control Screen. Select the **Remove Untaken Discounts** item from the **Special Items** menu. You are given two options in the Untaken Sales Discounts dialog:

- Remove Discounts from Selected Accounts
- Remove Discounts from All Accounts

If you choose the first option, 4th Quarter looks only at those purchase orders written to the receivable accounts in the current selection. If you choose the second option, 4th Quarter reviews all payable accounts in its search for untaken sales discounts.
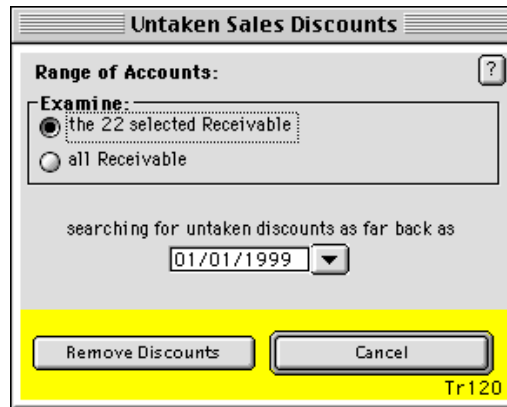
FIGURE 15-16. Dialog controlling how expired sales discounts can be removed from existing entries.

4Q searches for purchase orders that are not fully paid and whose sales discounts have expired. Purchase orders may be found in any of the following three stages of processing, and 4th Quarter will handle each of these cases differently:

- Unjournalized purchase order:

   These are purchase orders for which there are no transactions because they are being batch processed or because they are not yet approved. When this option is checked, 4Q simply modifies the purchase order by setting the discount to zero.

- Journalized, Unposted purchase order:

These are purchase orders that have been journalized but not yet posted to the general ledger either because they're new or because they're marked "Do Not Post." When this option is checked, 4th Quarter reduces to zero the discount shown on the purchase order and increases payables by the previous discount amount. In this case both the purchase order and the journalized transaction are modified.

- Journalized, posted purchase order:

These are purchase orders that have been journalized and posted to the general ledger. In this case the purchase orders and their transactions cannot be changed. In order to reverse the discount, 4th Quarter creates an adjusting entry that increases payables, and credits the purchase order discounts account. These new transactions will appear in the customer's receivable accounts and on future customer account statements.

In addition to these actions on a selection of accounts, you can also delete or reverse untaken sales discounts from individual accounts from within their Payable Allocation screens. The Payable Allocation screens are accessed by selecting an account in the Payable Accounts list.

To reverse untaken discounts while working with a particular account, select the **Sales Discounts Untaken** item under the **Transactions** menu.
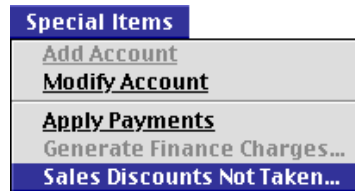
FIGURE 15-17. The **Transactions** menu in an account allocation screen.

Selecting this item displays a dialog asking you to indicate the date range in which sales discounts are to be removed. For a transaction to be a candidate for having a sales discount reversed it must:

- be recognized as containing a discount entry,
- contain a payable entry that has not been paid in full,
- be assigned a discount date that has passed.

Transactions that meet these requirements and which lie in the specified date range will have their sales discount reversed. This is done by the creation of a new

transaction that reverses the sales discount. In addition, the sales discount date on the entry that contained the expired discount is reset to the date "00/00/00". This is done so that the system knows that this discount is no longer in effect.

This method of removing untaken discounts *does not* have any effect on the contents of purchase orders that have not been journalized.
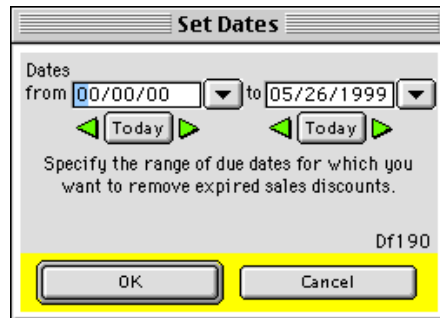
FIGURE 15-18. The date range dialog used for specifying sales discounts from within the Payables Account screen.

Purchase Order Discounts Account

A discounts account is stored with each purchase order. This account was recorded at the time the purchase order was entered, according to whatever account was set as the default purchase order discounts account at that time. This account can be reset on the Default Accounts page of the Maintenance screen.

■

Reports

Vendor List

The following reports are available by pressing the **Reports** button in the Vendor List screen.

Summary

A simple list of the currently selected vendors.

FIGURE 15-19. Sample Vendor Summary report.

Full Detail

The details of the selected vendors excluding account histories.

FIGURE 15-20. Sample Vendor Detail report.

Detail + Notes

This is the same as the Full Detail report except that all of the vendor notes are included.

```
Vendor Details                                              Thu, Jun 3, 1999    9:03 AM
                                                                     Page      1

Company  WayFarer                    Phone          Active ☒    Payable $  0.00
   Code  54        Attention         wk.1                      Vend. Type  Shipping
Contact                              wk.2                          Status
  Title                              home                        Ship Via
  Dept.                              FAX                           Terms   PrePaid
Account  3000946  Shipping Payable, WayFarer                    Discount     0 %
        ┌Pay To:─────────────┐     ┌Ship To:──────────┐        IRS Id#


        └────────────────────┘     └──────────────────┘

┌──────────────────────────────────────────────────────────────────────────────┐
│  Type Follow Up              Created 6/3/99        Time 9:01 AM    Note ID 13   │
│  Status Not Done        When 00/00/00    12:00 AM  User Designer   ☐ Marked     │
│  Memo                   Until 00/00/00   12:00 AM                               │
│ Group rate set at $2,199. Five are committed. Three others possible. Deadline for commitments set 11/15/99. Barry will │
│ handle contacts on the other side.                                             │
├──────────────────────────────────────────────────────────────────────────────┤
│  Type Call                  Created 6/3/99        Time 9:00 AM     Note ID 11   │
│  Status Not Done        When Thu, Jun 3, 1999  12:00 AM  User Designer  ☐ Marked│
│  Memo                   Until Thu, Jun 3, 1999  12:00 AM                        │
│ Quoted travel plans to Barry. Estimated $2,500 per person.                     │
└──────────────────────────────────────────────────────────────────────────────┘
```

FIGURE 15-21. Sample Vendor Detail + Notes report.

Payable Statements...

This report can be printed as either a complete listing of the account's activity, or a summary of outstanding debts for the current selection of accounts. The allocation specification dialog, Figure 15-22, is displayed before printing. A separate report is printed for each account. Each report starts on a new page.

Logo Printing

You can place your own logo at the top of the payable statement. The logo that is used on this report is stored in 4th Quarter's Picture Library accessible by the Administrator through the Maintenance screen, see the Administrator's Manual page a.33. Pictures in the picture library are identified by their codes, and the picture that's placed atop the payable statement has the code "4QPybl1".

The logo graphic is placed at the top of the statement in an area 1.25" high and 5.5" wide. The graphic is printed at actual size. A sample payable statement report is shown in Figure 9-21 on page 251.

Billing Labels…

Selecting this option first opens a sort screen for arranging the current selection of vendors. You then enter 4th Dimension's Label Wizard for creating billing labels associated with the current vendors.

Payable Account List

The following reports are available by pressing the **Reports** button in the Payable Accounts list.

Account Summaries

One-line summary of each account in the current selection. A sample Account Details report appear in Figure 9-15 on page 246.

Account Details

Detailed report of the state of the accounts in the current selection. This does not include a transaction history. A sample Account Details report appear in Figure 9-16 on page 247.

Running Balance Reports

This prints a chronological list of entries affecting the balances of the currently selected accounts. You can specify whether this report includes all items in a

given range of dates, or whether it includes only items that are not fully allocated. This is indicated on the Allocation Report Specifications screen.

FIGURE 15-22. The payable account specification dialog shown when printing either running balance or account summary reports.

A separate report is printed for each account. A sample running balance report is shown in Figure 9-20 on page 250.

Payable Statements

This is the same report discussed above on page 468.

Aging Report

This complex, configurable report is described in detail in the section entitled "Aging Report" on page 251.

CHAPTER 16

Purchasing

This chapter describes the Purchase and Purchase Order
transaction entry, list, and reporting.

Purchasing is supported in the Full version of 4th Quarter.

Purchasing Data

Flow of Data

Purchase events are of two types: purchases with line items and purchases with-
out line items. All purchases with line items are handled through the purchase
Order (PO) area discussed on page 479. Purchases that do not have line items are
discussed in this section.

Purchases that don't involve PO's draw on the data stored in the vendor and terms
tables. Purchases of this sort are created through the purchase entry screens.
These purchases create accounting transactions which affects the balances of ven-
dor, cash and purchase accounts.

The Purchase List shows purchase transactions entered through purchase entry
screens. These screens support six types of purchase entries including cash pur-
chase, credit purchase, refund, and others. Each type is discussed in detail on
page 476.

Purchases made on credit do require further processing because of the payment
that needs to be made. These purchases involve vendor payable accounts. When
payment is made it can automatically be applied to open items, or it can be allo-

cated manually. The management of payable accounts is done through the AP area discussed in the Chapter "Accounts Payable" on page 219.

Figure 16-1 shows the relationship that non-inventory purchases have to the vendor, payment terms, and accounts tables. These entries draw information from the vendor and payment terms and use this information, along with the details provided by the user, to update accounts.
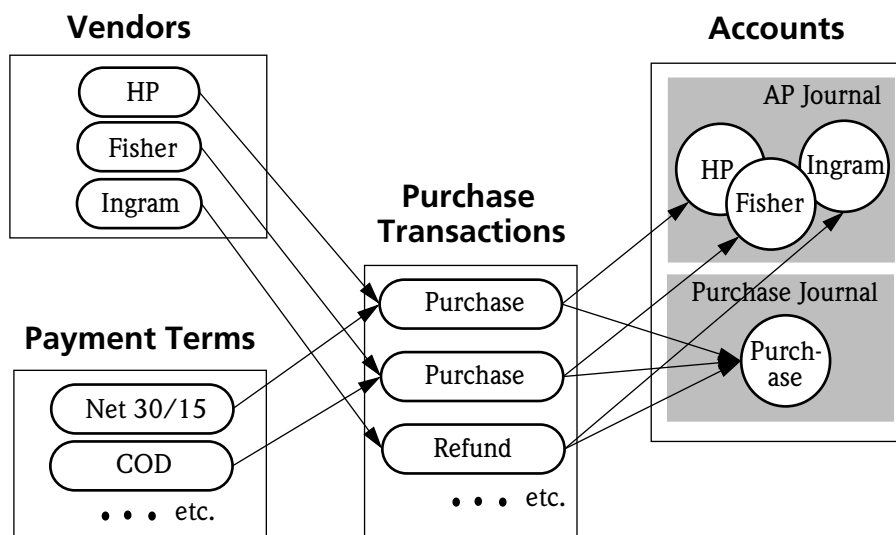
FIGURE 16-1. Flow of data from vendors, through purchases, to vendor accounts.

■

Accessing Purchase Information

Purchase functions are divided among four different list screens:

- List of Purchases,
- List of Purchase Orders (PO's),
- List of Payable Accounts (AP),
- Payable Account Allocation.

The List of Purchases is accessed from the Purchases pop-up menu on the control screen. This lists all transactions entered through the Purchase Entry screen. The Purchase Entry screen can be accessed either from the control screen, using the Purchase pop-up, or from the List of Purchases screen.

Purchases entered through these screens are limited the non-inventory purchases — they do not list inventory and they do not include PO-related sales. Inventory-related purchases are handled through the Purchase Order pop-up.

The List of PO's is accessed from the Purchase Orders pop-up menu on the control screen. This lists all transactions entered through the PO entry screen. The PO entry screen can be accessed either from the control screen, using the Purchase Order pop-up, or from the List of PO's screen. PO's handle inventory or line-item purchases and are discussed on page 479.

AP accounts are accessed through the AR & AP pop-up menus. This opens a window with a list of payable accounts.

The Payable Account Allocation screen is accessed by selecting a particular account from the list of payable accounts. Refer to "Accounts Payable" on page 219 for further details.

■

Purchase List

Choose the Purchases item from the control screen pop-up menu or from the **Pur–chases** menu. The List of Purchases screen will show purchase transaction entered through the Purchases Entry screen. These purchases do not affect inventory. It will not show purchases entered through the general or the cash transaction entry screens.

The List of Purchases screen provides three search dialogs accessed through the Search… pop-up menu. It provides several reports through the **Reports...** button, and it enables global modifications through the **Apply to...** button. To view a purchase or to modify it, double-click on its row or press the **Modify** button. The system will display the purchase using the appropriate Purchase Entry screen.

Purchases

Purchase thru' Payable
Make Payment
Receive Credit

Cash Purchase
Purchase Refund
Payable Advance

FIGURE 16-2. Purchase transaction list screen.

■

Searching

The transaction search opens a dialog in which you specify general transaction criteria. When you press the **Search** button the system will locate purchase transactions satisfying the criteria you indicate, but only transactions entered through the Purchase Entry screen will be displayed. This search is discussed in the section "Transaction Search" on page 106.

The account search opens a dialog in which you specify the accounts that are affected by transactions. When you press the **Search** button the system will locate purchase transactions satisfying these criteria you indicate but will only those entered through the Purchase Entry screen. This search is discussed in the section "Accounts Search" on page 107.

The vendor search opens the Vendor List screen. Use this screen's search and sort functions to locate the vendors whose sales you would like to view. Highlight the vendors you're interested in and press **Select**. The system will locate all purchases entered through the Purchase Entry screen that involve these vendors. The Vendor List screen is discussed on page 448.

■

Purchase Entry

4th Quarter supports a number of different entry screens with the following titles:

Create a purchase entry by choosing one of these titles from the Purchases pop-up menu on the control screen. Once you're in a Purchase Entry screen, you can change to any other type of purchase by selecting from the titles that appear on the Purchase Action menu.

FIGURE 16-3. Purchase Transactions Entry screen that credits the vendor's payable account.

All purchases require that you specify a vendor account in one of four ways:

- Press the **Vendor** button for a list of vendors to select from,

- Enter all or the first part of a vendor code,
- Enter all or the first part of the vendor last name, or
- Enter all or the first part of the company name.

These last three options involve clairvoyant fields. In each case the system will search for matching vendor records.

Once you've entered a purchase transaction, it appears as one of the items in the List of Purchases. Since all purchases involve vendors, all purchases transactions can also be displayed in lists of the vendor's transactions. If the transaction involves a deposit or withdrawal, it will also appear under the appropriate cash account.

Each purchase entry screen has the same basic format but differs slightly in the information required. Each requires you specify a vendor. Some allow you to specify a set of distribution accounts, as described on page 478.

■

Types of Purchases

The areas in the center of these screens that displays different fields are shown below.

- *Purchase through Payable*: Handles purchase amounts. Supports distribution accounts. Creates a debit to purchase and a credit to payable.

- *Cash Purchase*: Specify purchase amount and the cash account. Credits cash and debits purchase accounts.

```
                                      Ref. №        Status         Date
 Cash Purchase          ▼                       Unverified    6/2/99
                    Code       Name First    Last          Company
   Vendor        4          Wan        Wong        Hong Kong Carriers, Ltd
   Draw from  General Cash            ▼
 Title
 Cash purchase                                   Purchase          0.00
```

- *Payable Advance*: Specify amount advanced and the cash account. Credits the payable account and debits the cash account.

```
                                      Ref. №        Status         Date
 Payable Advance        ▼                       Unverified    6/2/99
                    Code       Name First    Last          Company
   Vendor        4          Wan        Wong        Hong Kong Carriers, Ltd
   Deposit in:  General Cash          ▼
 Title:
 Payable advance                                 Payable        400.00
```

■

Payments and Credits

- *Make Payment*: Specify payment amount and cash account. Indicate whether the payment will be automatically applied to current debts. Credits the cash account and debits payables.

```
                                      Ref. №        Status         Date
 Make Payment           ▼                       Unverified    6/2/99
                    Code       Name First    Last          Company
   Vendor        4          Wan        Wong        Hong Kong Carriers, Ltd
   Draw from  General Cash         ▼      Autoallocate  to ALL accounts   ▼
 Title:
 Make payment                                    Paid           1000
```

- *Receive Credit*: Specify credit amount received. Indicate whether to automatically apply the credit to exiting debts. Debits payable, credits purchase account.

• *Purchase Refund*: Specify refund amount and cash account. Debits cash and credits purchase accounts.

Distribution Accounts

Some of the above screens enable you to specify a list of distribution accounts. Use distribution accounts when you want the balancing accounting entry to appear on accounts *other than* the vendor's purchase account. Press the **Distribute** button to go to the Purchase Distribution page.

Example

For example, suppose you purchase $1,500 of machinery. $150 are to go for office use and $1,350 are for manufacturing. The purchase should be split across two expense accounts with 150 debited to Office Expense and 1,350 to Manufacturing Expense.

To do this you go to the Distribution page and press the **Add** button to select an office expense account. This account will appear in the list of distribution accounts. Enter $150 in the Amount entry field, highlight the account, and press the Apply to Item button.

You don't need to specify the second account because the Manufacturing Expense account is the account that's specified as the default purchase account for this vendor. When the purchase is entered $150 will be credited to the office account and $1,350 to the manufacturing expense account.

FIGURE 16-4. Distribution Accounts page of the Purchase Transactions Entry screen.

■

Purchase Order Data

Flow of Data

PO purchases draw data from the sales terms, vendor, and inventory tables. PO's typically proceeds through some or all of the following stages:

- A pre-approved PO (a "voucher") is entered.
- PO is approved for submission to the vendor.
- Items are received, at which time the system creates an amount payable.
- Additional items received, if some were back ordered. Additional amount become payable.
- Payment is made and allocated.

4th Quarter's Virtual Purchase Order form enables you to track all aspects of the voucher, order, receipt of items, and back order of items. Payable entries are created automatically as items are received. Payment of obligations associated with

the PO is done separately through the AP area. Refer to "Accounts Payable" on page 219.
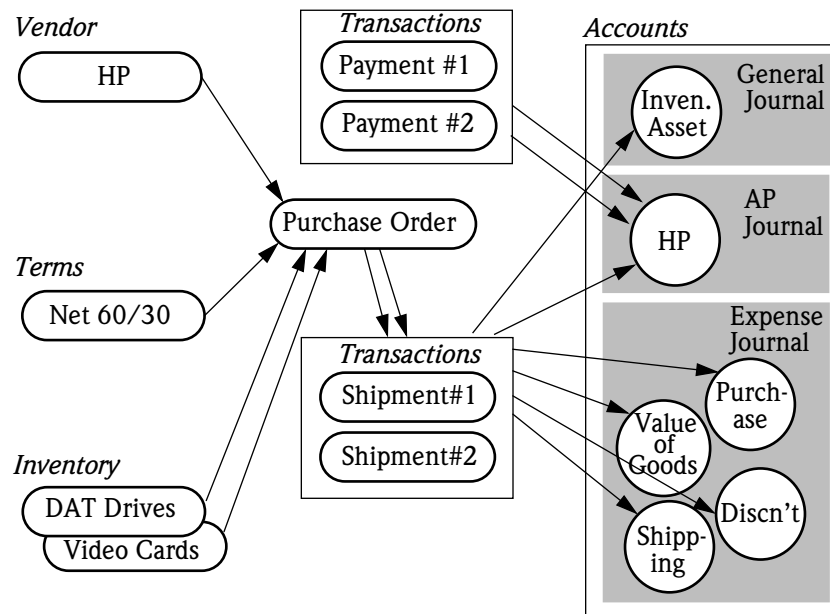
FIGURE 16-5. Flow of data through a single PO. The case shown involves the largest number of tables.

■

Virtual Purchase Orders

A purchase order is a record of an order from you to a vendor for goods or services. 4th Quarter handles something we call a "virtual purchase order" since it tracks the requisition, order, and receipt of goods or services.

The virtual PO is a dynamic extension of the static, printed report. Such a static record is what most people associate with the notion of a purchase order. When 4th Quarter prints a "purchase order" form, it prints a snap-shot of the order at that time. When we speak of a virtual purchase order we'll call it a PO. When we want to refer to a piece of paper used as an order document we'll call it a PO form or report.

When a virtual PO is first created a vendor and a list of items are specified. The order still needs to be approved before items can be received and the PO becomes

payable. Once approved items can be received, the order can be journalized, and amounts will become due.

The virtual PO record tracks the receipt of all items. There are no additional documents tracking back ordered items. The PO tracks the total quantity ordered and received, the carriers and dates of receipt.

Purchase orders may be credited to accounts payable or they may be paid in cash. They can also involve a combination of debt and payment. The order only generates payable entries for items that have been received. The order can be changed at any time — it is not constrained by the process General Ledger posting process.

Purchase Order List

Purchase Orders
Add Purchase Order
Receive Items
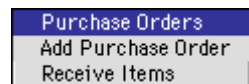
Select the Purchase Orders item from the Purchase Orders pop-up menu on the Control screen, or select **Purchase Orders** from the **Purchase** menu. The list screen provides buttons for searching for purchase orders and for sorting, printing, and reporting.

FIGURE 16-6. List of purchase orders.

The **Report...** button opens the Select Report and Media dialog that prints the current selection of purchase orders according to the report option selected. You can print a line or detailed summary, purchase order forms, or receiving slips.

If the report details the quantities received you have the option to include either those items received most recently or all items received. To print reports that include other shipments you must print the report from within the purchase order

where more options are available. For more details see "Print Forms" on page 486.

Batch processing

The **Special Items** menu offers batch processing control. When batch processing is in effect, new purchase orders are entered but not journalized. Batched purchase orders do not update the balances of the various PO accounts (such as the purchase, payable, or cash disbursement accounts). Because batched purchase orders are not entered on the journals, the debts they generate will not immediately appear as payables. Batch processing defers journalizing to speed up the entry process.

Purchase orders are entered either in batched mode or in real-time mode. In real-time mode, new, approved purchase orders update both Inventory and accounts as they are entered. Setting the system to journalize purchase orders as they are entered slows down the system but ensures that all accounts are always up to date. For instance, if entering another PO would overextend your credit with the vendor, you would notice it when you entered the order in real-time mode, since the account would be updated at that time.

The items ordered on the purchase order have to be received in order to be journalized. Only the amounts associated with items received are journalized. If you modify the quantities received on an existing PO accounts will be updated incrementally. That is, the amounts associated with your changes will be entered as a new transaction.

To keep a PO from being journalized assign it a non-approved status. This will prevent unjournalized PO with received items from being journalized interactively or in batch. Once a PO is journalized it can no longer be assigned non-approved status.

Purchase orders update inventory when they are entered. For example, if 99 bottles of beer are received, then 99 bottles of beer become immediately available. However, these 99 bottles are not in stock until they are received. Inventory updating proceeds whether or not the purchase orders are being batch processed. Inventory updating proceeds even when the PO is assigned a non-approved status.

Turn batch processing on or off by selecting the **PO Batch Processing** item. A check mark appears next to this item when batch processing is in effect. Once turned on or off, batch processing remains on (or off) for subsequent entries at

that user's station. The batch process setting does not affect other users. The default batch processing mode is restored the next time the user logs on to the system. Purchase order batch processing is independent from Invoice batch processing.

When purchase orders have been entered in batch processing mode, you will need to process the batch in order to journalize the transactions. Do this by selecting the **Process Batched PO's...** item on the **Special Items** menu. 4th Quarter locates all approved purchase orders and creates a separate accounting transaction for each of them. Account balances are updated as transactions are created. Purchase orders are always modifiable.

Approved Status

A purchase order will not generate any payable entries, and items listed on the PO cannot be received until the PO's status has been marked as "approved." All new PO's are created as "unapproved" and they can only be approved by selecting the **Change Approval Status** from one of the **Special Item** menus. You cannot un-approved a PO on which items have already been received.

The **Change Approval Status** item available above the PO List screen enables you to change the approval status on many PO's at once. Do this by highlighting the PO's you want to change. Then select **Change Approval Status** from the **Special Item** menu. This will flip the approval status from Unapproved to Approved, or from Approved to Unapproved, for all the PO's that are highlighted. If the system is unable to change the approval status for some PO's then it will alert you with a message such as the one shown below. You can also change the approval status of a PO from within the PO entry screen.
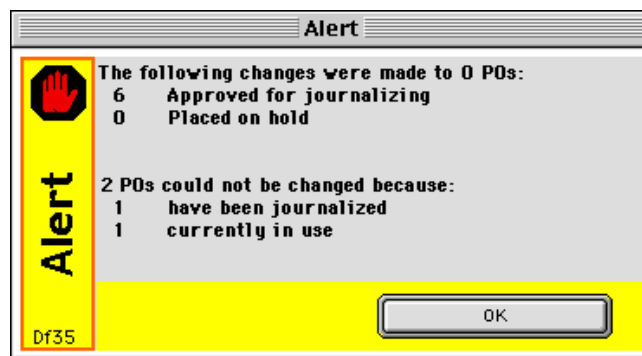
FIGURE 16-7. Dialog alerting you to the status of selected PO's.

Only users who are members of the "PO Approval Group" are able to select either of these **Change Approval Status** menu items. Other users will not be able to change the approval status of existing PO's.

■

Purchase Order Entry

Vendor Specification

Vendor Page

Press the **Add** button in the footer of the Purchase Orders list to add a new purchase order. Specify the PO and vendor particulars on the first page of the entry screen and the Line Items on the second page. The status area below the title bar shows you whether or not batch processing is in effect, whether the PO has been approved, and whether the PO has been journalized.

FIGURE 16-8. Vendor page of the Purchase Order Entry screen.

PO Dates

At the top of the first page are various dates that are explained below.

- *Ordered*: the date the PO is first entered.

- *Date Due*: when full payment is due. This is determined from the terms of sale and the date shipped.

- *Discount by*: the latest date at which the vendor is offering a sales discount. Payments received after this date may be subject to a higher charge due to the removal of the discount.

This field is for informational purposes only. The system will not automatically remove the sales discount of payment is not made before this date.

The Order Date is initialized to the current date, the Due and Discount dates are set automatically according to the terms of sale once all items are received. 4th Quarter will assign these dates automatically as "00/00/00" if they are left unspecified. However, 4th Quarter will not change any date that you set yourself.

- *Cancel*: the latest date at which the order can be satisfied. It indicates to the vendor that you will refuse to accept any order received after this date. This date is printed on the PO is for the vendor's information only.

- *Request by*: the latest date on which you want this order shipped. This date is printed on the PO is for the vendor's information only.

- *Last Printed*: the date when some form of the invoice was printed. Refer to the Line Item Printing History page for details on when each line item was last printed. Access this page from the History Printing... popup located on the Line Items page of the PO.

- *Last Modified*: at the lower left hand side of the Vendor page of the PO there appears the date, time and user who entered the last modification.

Specify a Vendor

Specify a vendor for each purchase order by entering the vendor's Code, Last Name, or Company. These fields are clairvoyant, as indicated by their underlined labels. This means that 4th Quarter will use whatever partial value you enter to search for a vendor of that description. Append a blank space to the value you

enter to indicate to 4th Quarter that you want to use a vendor associated with the exact value specified. If several vendors meet your description, choose one from the list of alternatives.

To search through all vendors, press the **List** button.

Once you specify a vendor, the Address and Terms fields are automatically filled in from the vendor record.

Shipping Address

Your default shipping address is automatically placed in the Ship To area. Press the **Other...** button to select from a list of other Shipping Addresses. The system supports an unlimited number of alternative shipping addresses that are defined through Maintenance screen, located under the File menu appearing above 4th Quarter's Control Screen.

Print on Entry

Below the screen's control panel is the **Print on Entry** check box, which, when selected, automatically prints the PO when the record is entered. The PO form printed in this manner only includes those items received most recently. If there items have been received in multiple shipments and you want the form to summarize their contributions, then print the form manually using the **Print Forms** item described below.

Print Forms
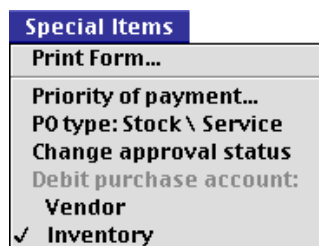
The **Special Items** menu enables you to perform special actions on orders that are either less common, or should be restricted to certain users. This includes printing various order history reports, approving the order, and determining how it will be handled for the purposes of accounting.

Special Items
Print Form...
Priority of payment...
PO type: Stock \ Service
Change approval status
Debit purchase account:
Vendor
✓ Inventory

Print Form...

The **Print Forms** item prints purchase order information in a variety of formats. You can print the a list of all items shipped, or combinations of past shipments.

FIGURE 16-9. The list of forms accessible from within the Purchase Order Entry screen.

After you select the **Print Forms** item a list of possible forms appears. If only one shipment has been received, then the printed form will include this information and will print immediately. If multiple shipments have been received, then a list of shipments is displayed. Click on each date that you want included on the printed report.

FIGURE 16-10. List with all past shipments received have been selected.

Change Approval Status

The **Change Approval Status** item changes the purchase order's status back and forth from Approved to Not Approved each time the item is chosen. Items can not

be received until the PO is approved. Once the items are received the PO can be journalized causing an amount, equal to the cost of the received items, to become payable.

You cannot un-approve a PO that has already received items.

■

Payment Priority

The **Priority of Payment** item allows you set the payment priority associated with this purchase order. The priority assigned to a PO, along with the PO date, determines the order in which it will be paid.

When you make a single lump sum payment for several PO's, they will be paid off first in order payment priority and then according to date. PO's with the highest priority are paid first. When several have the same priority the older ones are paid before the more recent ones. Funds are distributed to debts on the consecutively lower levels until either all debts are covered, or all funds are allocated.

You can assign a different "priority level" to each purchase order using the **Special Items** menu in the purchase order entry screen.
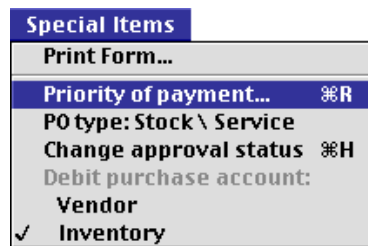
FIGURE 16-11. Select the Priority of payment item to change payment options from within the purchase order entry screen.

When you assign various priority levels the system knows that it should pay off all the debts in higher priority levels before paying off debts in lower priority levels.

Within each priority level funds are used to pay off older debts first. 4th Quarter performs this automatic allocation of funds separately for each account.
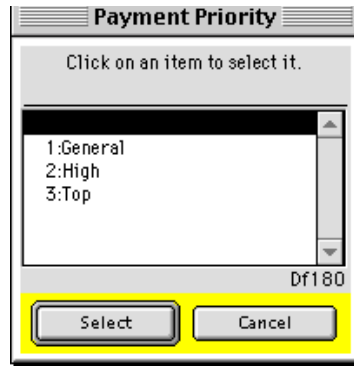
FIGURE 16-12. Payment priority dialog.

The priority levels can be changed through the List Manager on the System Parameters page of the Maintenance screen (See "List Manager" on page a.28 of the Administrator's Manual). The number of levels can be change and their names modified.

All payment priority options are either blank, or start with a number from 1 to 9. The number determines the priority from low (1) to high (9). A blank payment priority behaves like a priority of zero, which is the lowest that can be created.

■

PO Type

The **PO Type** item determines the way line items are displayed and printed. Both Stock and Service types of purchase orders are available. The Line Items screen allows more space for comments on a Service type PO.

Stock-type

Code	Lot №	Item Name	Ordered	Received	Per Unit	Item Total
2-25		tennis bag	0	0	15.00	0.00

Service-type

Order	Rec'd	Per Unit	Code	Item Name	Comments	Item Total
0	0	15.00	2-25	tennis bag		0.00
Add comments here.			This space is for additional comments.			

FIGURE 16-13. Comparison of the Stock-type line item with the Service-type line item.

By choosing this menu item you can toggle from one type of screen to the other. The PO is associated with which ever type is set when you save the record.

■

Purchase Accounts

Purchase and Inventory Accounts

Purchase orders' debit the amount purchased to one or more purchase accounts. Select the **Debit purchase account...** item from the **Special Menu** to specify how distributions are made. The three purchase account distribution settings are shown in Figure 16-14.

The PO amount can either be debited to purchase accounts in either of three ways:

- to the vendor's general purchase account,
- to the individual inventory item purchase accounts,
- to any combination of cost and expense accounts.

General Vendor Purchase

Each vendor is linked to a purchase account. There are different purchase accounts for each type of vendors, and vendors can also be assigned individual purchase accounts. Vendor purchase accounts are set through the Vendor entry screen.

When this option is chosen, the purchase expense from the currently delivered items is debited to the vendor's purchase account. Additional deliveries further debited this account.

Inventory Purchase

Each inventory items is linked to a purchase account. There are separate inventory purchase accounts for each inventory accounting type. When the Inventory Purchase option is chosen purchases are debited to the individual item purchase accounts. Any additional purchase amount, such as from entries in the Nontax Miscellaneous field, are debited to the Vendor's General Purchase account.

Custom Distribution

Here you specify any cost or expense type accounts to be used as purchase accounts. Whatever purchase amount that's generated that exceeds the allocation you indicate for the specified accounts is debited to the vendor's General Purchase account.

When you choose the Custom Distribution option, the Total field shows the amount of the total expected purchase. This is the total of all items listed for delivery. You specify distribution accounts and amounts in the Account list. The system debits these accounts only when items are shipped.

Debits are entered for the accounts in the order of their appearance. If the current total purchase is less than the specified distribution amount, then only the current total is debited.

If the current total purchase exceeds one of the specified distribution amounts, then the overflow is debited to the next specified account. The amount by which the current total purchase exceeds the total distributed to all specified accounts, the overflow is debited to the vendor's General Purchase account.

The Remaining field shows the amount of the total that remains undistributed. As you specify amounts to your list of accounts by pressing the **Apply to Account** button, the Remaining amount decreases.

FIGURE 16-14. The purchase distribution screen accessed from the Special Items above the PO entry screen.

Press **Vendor Accounts** button to replace the current list of distribution accounts with a list of those accounts specified with the vendor. Pressing this will cause all distributed amounts to be reset to zero.

The **Up** and **Down** arrows move the highlighted account up or down within the list of accounts. The order in which the accounts appear determines the order in which amounts are debited to accounts in the list. In the case of a partial shipment, only the amount actually shipped will be distributed as expense to the indicated accounts.

Default Purchase Distribution

The Administrator sets a default purchase option, in effect for all users. This is set through the Purchase Order area on the Maintenance screen.

Purchase account to debit by default:
- Vendor purchase account
- Inventory purchase account(s)

FIGURE 16-15. The default purchase account processing option set through the Maintenance screen.

■

Line Items

Press the **Line Items** tab to move to the second page. In a new purchase order the cursor appears in the Code area of the first line item. Both the Code area and the Item Name area are clairvoyant fields: if you type in the leading characters of an item's Code or Name, 4th Quarter will locate the Item and enter it on that line.

You can respecify an Item by typing in a different Code or Name. However, you cannot use a Code that is not associated with an Item. If you would rather select an item from a full list of inventory, then press the **Items** button.

After you have specified and item fill in the quantity ordered and received. You can modify the Per Unit Price and the Total Price.

Vendor Item Codes

You can display either your own item code on the PO or the item code used by the vendor. To use a vendor's item code you must have assigned the item a cost schedule that is associated with the vendor. To use the vendor's item code rather than your item code check the "Use Vendor Codes" check box. Checking this option has no effect on those items that do not have a code linked to this vendor. Refer to page 537 in Chapter 17 for details on assigning vendor codes.

Text Lines

You can enter lines of text annotations. You can enter whatever description on each line in the Item Name field, or in the comment fields that appear on the Ser-

vice PO layouts. You can not enter quantities ordered, received, unit, or total prices for text line items. Text lines are printed on the purchase orders.

FIGURE 16-16. Service Items page of the Purchase Order Entry screen.

If you are entering Service Items instead of Stock Items, choose the **PO Type: Stock/Service** item on the **Special Items** menu. This toggles the Line Items display from a Stock Item format to a Service Item format. Each time you select this menu item, the format switches from one to the other. 4th Quarter remembers this format and uses the appropriate format when printing the purchase order.

Line Item Buttons

The panel of buttons above the Line Items offers functions related to Line Items.

Add
Button creates a new, unspecified Line Item.

Delete r
Removes the Item where the cursor is currently located.

Sort

Allows you to reorder the Line Items. The up arrow and down arrows move the line item on which the cursor is located up or down relative to the other line items.

Total

Tallies the total cost of all Items along with tax, and it enters these values in the fields below the Item list.

All Received

Resets the quantities in the Received column for all Items to be equal to the quantities in the Ordered column.

History...

This button is described below.

The Subtotal area shows all charges for Line Items. You can change the vendor's Discount, Tax, Terms, Shipping Costs and Carrier. Enter the cash amount paid in the Paid field; the remainder automatically becomes the amount payable.

Item History List

The **History...** button displays the history of the receipt of items. It lists the item, the quantity received, and the specifics of the shipment. These records are handled automatically by the system, you can not modify them directly. The shipping information that's related to the received items can be modified through the Shipping page, described below.

FIGURE 16-17. Item history dialog accessed from the History... button on the Purchase

Order Entry screen.

When items are received, either from the Virtual Purchase Order or from the Receiving User Area, the date, time and name of the user who made the entry is recorded with the shipping record. This is displayed at the bottom of the record that's displayed when you double-click on the shipment record.

FIGURE 16-18. Item history detail screen accessed from the History... button on the Purchase Order Entry screen.

Line Item Entry Screen

Double-clicking in a line item opens the Line Item Entry screen. In this screen you can make the same changes you could make in the line items list, and you have additional controls to make other changes.

This entry screen provides a popup for you to select alternative ordering units, if this item supports alternative units (See "Other Units" on page 532.

FIGURE 16-19. The Line Item Detail screen shows all the information stored with the line item. The comments fields shown above are displayed in Line Item list of the service-type of invoice, but not in Line Item list for the stock-type invoice.

FIGURE 16-20. Line Item Entry screen accessed by double-clicking on an PO line item.

The shipping units can be changed by selecting units from the Unit popup. The units available are those set in the item's entry screen. The Items/Unit quantities are also drawn from the settings in the item's entry screen, however this value can be over written.

When you specify alternate units the system uses its knowledge of the number of items in the unit, the vendors quantity price structure, and the total number of units ordered to calculate a cost for the item.

If lot tracking is enabled for the item, then the **Lot #** button will be enabled. Pressing this button opens the same dialog for selecting lots as will be opened when you specify a quantity shipped value in the Shipped field.

■

Receiving Items

Every time items are received a shipping record is created and attached to the purchase order. You specify present and past shipping details through this page.

This screen is both an entry screen and a list screen. It has fields for entering the details of the current shipment, next to the label Current Received, and it lists past shipments in the scrollable area below this.

The Latest Received value indicates the date of the current and most recent ship-ment. This value copied to the shipping record, when one is created. When you reenter the PO the Latest Received value is will reflect the date of the latest ship-ment received.

The Carrier, Priority, Tracking, and Amount fields apply to the current shipment. When items are received, these values are stored with a shipping record that indi-cates how those particular items arrived. These values are stored with the ship-ping record, not stored with the PO. This means that when you reenter the PO the Carrier, Priority, Tracking, and Amount values displayed in the Current Ship-ment area will be blank.

Modifying Past Shipments

Items in the list of past shipments can be modified. Click on one of the displayed shipments and its values will be copied to the fields just above the list area. These are the fields below the **Apply**, **Clear Entry**, and **Receive as Previous** buttons.

FIGURE 16-21. The Shipping page of the Purchase Order Entry screen.

The copied values can then be edited. To assign the edited values to the historical record press the **Apply** button.

Using Previous Shipment

In some cases there is a modification of the quantities received that is to be associated with a previous shipment. This is probably because there was an error in previously entered description In this case you don't want to create a new shipping record but instead want the changes to be related to one of the past shipments. When marked in this manner, and changes in quantities received will be associated with this past shipment.

To indicate that current changes apply to a past shipment, click on the past shipment record to highlight it. Press the **Receive as Noted** button. The shipment will be marked with a bullet (•) in the Use column. Any entered values in the Current Received fields will be erased.

■

Receiving User Area

Purchase Orders
Add Purchase Order
Receive Items
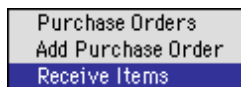
4th Quarter has a Purchase Order Receiving area that facilitates receiving items that appear on purchase orders. Access this area by selecting the **Receive Items** item on the **Purchase Orders** pop-up menu on the Control screen. The PO Receiving screen lists purchase orders and provides the usual search and print functions.

When you modify a purchase order, either by double-clicking or by pressing the **Modify** button, you enter the Receive PO Items screen. This screen has a Line Items and a Shipping page. This limited entry screen only allows modification to the quantity received and the date and manner of shipment. It does not allow changes to the vendor, terms, payments, or line items.

FIGURE 16-22. The Purchase Order Receiving screen.

The PO Receiving screen is designed to be used by people who are responsible for receiving and restocking but who are not authorized to create or modify purchase orders.

■

Reports

Purchases

The following reports are available by pressing the **Reports** button in the Purchases list:

Transaction Summary

A summary of each sales transaction listing each component.

FIGURE 16-23. Sample Transaction Summary report.

Transaction Details

Details of each sales transaction listing all components.

FIGURE 16-24. Sample Transaction Detail report.

Purchases List

A list if the currently displayed purchase items.

Purchases List

Sample Purchase Summary Report

Tue, Jun 8, 1999 1:27 PM

Page   1

attn	Ref.Nº / Title	Entry Type	Effective	Due	Account Nº: Name / Comment	Amount
	Payable Purchase	Payable purchase	4/15/99	3/20/99	8: Gratlin Productions	270.00 c
	Payable Purchase	Payable purchase	4/8/99	4/8/99	34: V S Babolat & Sons	150.00 c
55	Payable Purchase	Payable purchase	4/6/99	2/15/99	6: Hong Kong Carriers, Ltd	345.00 c
	Payable Purchase	Payable purchase	4/5/99		26: Acme Tire Retreads	155.00 c

FIGURE 16-25. Sample Purchases List report.

■

Purchase Orders

The following reports are available by pressing the **Reports** button in the Purchase Order list:

Purchase Order Line Summary

One-line summary of each purchase order in the current selection.

Summary Purchase Order List

Sample Summary Report

Thu, Jun 3, 1999   1:49 PM

Page   1

Attn	P.O. Nº	Ordered	Received	Due	Vendor	Memo	Due	Total
	13	5/6/99	1/1/98	1/6/98	Dick Murphy		49.00	34.50
	7		11/1/98	11/6/98	Blanche Du Bois		14.47	11.61
	9	12/8/98	2/8/98	2/13/98	Bart Conners		47.50	55.37
	14	5/6/99	3/9/98	3/14/98	Ralso Kradock		240.00	180.00
	15	5/6/99	2/15/98	2/20/98	Ralso Kradock		141.00	141.00
	16	5/6/99	2/1/98	2/6/98	Ralso Kradock		235.00	212.50
	8	12/7/98	11/1/98	11/6/98	John Omarra		25.00	75.37

FIGURE 16-26. Sample Purchase Order Summary report.

Detailed Summary

Detailed summary of each purchase order in the current selection, not including line items.

FIGURE 16-27. Sample Purchase Order Detail report.

Purchase Order Form

Complete purchase order with line items — one for each P.O. in the current selection.

Since PO's store all shipment history you must specify which shipments you want to appear on the printed PO form. When you choose PO Form from the Reports… list you are given two options. Either print an PO listing only the most recently received items, or to print a PO listing all items received.
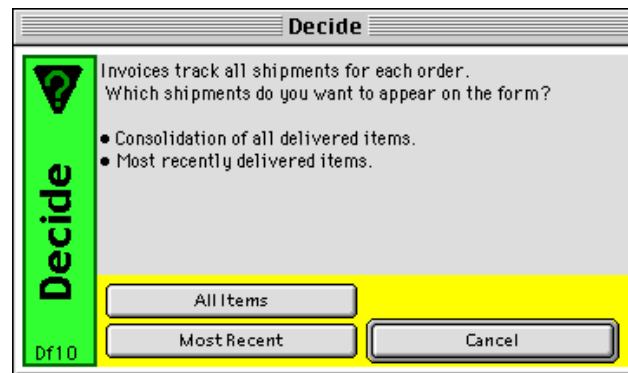
FIGURE 16-28. Dialog offering two choices for including items when printing PO forms from the PO List screen.

If you want to pick and chose which individual shipments to include on the PO, then you must open the PO in the PO Entry screen and select the **Print Form** item from the **Special Items** menu. This will enable you to select the individual shipments that will be included on the printed PO form.

Logo on Form

You can place your own company graphic or logo in the header of the printed purchase order. The graphics used for this form are stored in 4th Quarter's Picture Library accessible by the Administrator through the Maintenance screen, see the Administrator's Manual page a.33.

Pictures in the picture library are identified by their codes. The picture placed atop the service-type purchase order has code "4QPOSrvc". The picture placed atop the stock-type purchase order has code "4QPOStck". The graphic is placed at the top of the statement in an area 1.25" high and 5.5" wide. The graphic is printed at actual size.

Unlike the Summary and Detail reports, the printed PO's include line items. Also, one PO is printed per page. A sample PO form is shown below.

Purchase Order # 13

Ordered from: Dick Murphy
Code: 1   Invc#::
Pay to: Ship to:

Mr Wack Mclure
China Palace
Pier 480
Hoboken NK 48909
USA

Code	Item	Ordered	Received	Per Unit	Tax	Extension
1.131	tennis strings (1 package)	500	400	1.75		700.00
1-146	tennis balls (can of 3)	250	250	1.29		322.50

Please Send Invoice to: Comments:
                               Sales discount of 2.50 removed 5/6/99

Shipping Details:

Page   1
Order   5/6/99
Received Ship 1/1/98
Due   1/6/98
Terms Net 5 10/5

Ordered b
Cash paid b

Shipp via Airborne
Priority Overnight
Track Code

Subtotal	1,022.50
%Discount 10.00	-102.25
%Tax 0.00	596.00
Ship Total	12.00
Miscel	
Total	1,516.25
Paid	0.00
Payable	1,516.25

FIGURE 16-29. Sample purchase order form.

Receiving Slip

Itemized receipt record — one form for each P.O. in the current selection. You are asked to make the same choice of shipments as was requested when printing the invoice form. This form shows the quantities ordered and shipped but does not show prices.

A graphic specific to the receiving slip may be printed at the top of this form. The graphic used for this form is stored in 4th Quarter's Picture Library and has code "4QPORcvg". The graphic is placed at the top of the statement in an area 1.25" high and 5.5" wide. The graphic is printed at actual size.

```
Receiving Slip # 13                                      Page    1
Sample Receiving Report
Ordered from: Dick Murphy                    Order date  5/6/99
Code:         1                               Received   1/1/98
Pay to:                        Ship to:      Ordered by
                                             Ship via  Airborne
                                             Priority  Overnight


┌─────────┬─────────────────────────────┬──────────┬──────────┐
│ Code    │ Item                        │ Ordered  │ Received │
│ 1.131   │ tennis strings (1 package)  │     500  │     400  │
│ 1-146   │ tennis balls (can of 3)     │     250  │     250  │
└─────────┴─────────────────────────────┴──────────┴──────────┘

Comments:

Shipping Details:
```

Billing Labels (3 up)

Sheet of billing addresses associated with selected P.O.'s in 3-up form.

```
John Barkcley          Dick Scheider          John Barkcley
Western Autodial       Performance            Western Autodial
125 Persons Dr         2123 East Alemeda      125 Persons Dr
Berkeley CA 48233                             Berkeley CA 48233
```
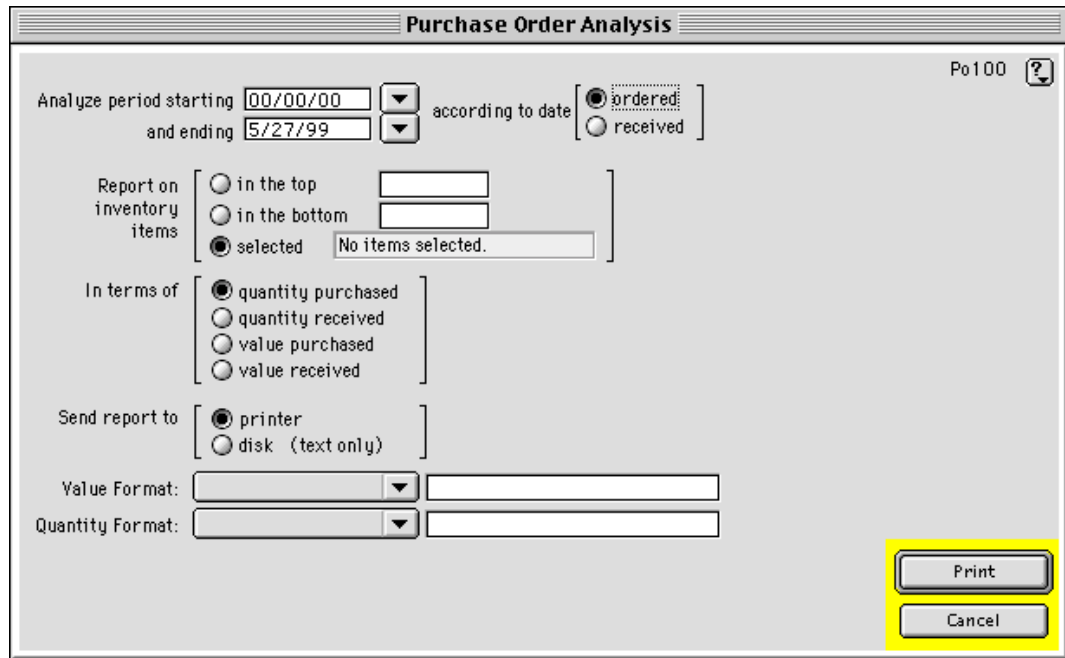
FIGURE 16-30. One line of a sample 3-up Billing Label report.

Shipping Labels (3 up)

Sheet of shipping addresses associated with selected P.O.'s in 3-up form.

Purchase Report...

The PO analysis reports show purchase totals by item. The information on the reports is drawn from purchase order records. The analysis of purchase orders is performed according to the criteria set on the following screen:

FIGURE 16-31. Analysis specifications dialog for purchase order reports.

This report prints a list of inventory items that are analyzed according to the criteria described below. The report lists the inventory items code, name, quantity purchased, quantity received, total value of the amount purchased, and the total value of the amount received.

- Analyze period dates...

  These two dates determine the range over which purchase orders will be examined. The date range will include purchase orders dated on or after the starting date, and on or before the ending date. Screening is done on either the date the purchase orders were entered (the order date), or the date the purchase orders were fully received (the receive date).

- Report on inventory items...

  This option allows you to choose to view only the top or bottom items on the purchase order report. For example, you can look at only the top 10 items in terms of purchase value, or the bottom 5 items in terms or quantity received.

If you click the "Selected" option, an inventory item list opens allowing you to chose one or more items. The report will then focus on the purchase orders listing these items within the specified period.

- In terms of...

You must specify what sorting criteria you're interested in. Your options include:

- Quantity purchased
- Quantity received
- Value of amount purchased
- Value of amount received

This is essential if you've chosen to view only a partial list of the top or bottom items. The criteria you specify determine the ranking that is used. The final report will sort the displayed items using these criteria.

- Send report to...

Like all 4th Quarter reports, you can send this either to the printer or to a file on disk.

- Value and quantity number formats

These codes specify the format used to print numbers representing monetary values and inventory quantities. See the HELP button adjacent to these items for information on how to use these codes. See also "Numeric Formats" on page a196.

Inventory item purchases
Sample Inventory Item Report
June 3, 1999 2:48 PM
Page 1
Analysis for period starting 1/1/98 and ending 6/3/99 according to date ordered.

Rank	Code	Name	Qty Purchased	Qty Received	Value Purchase	Value Received
1	1.131	tennis strings (1 package)	500	400	875	700
2	1-146	tennis balls (can of 3)	350	350	451.5	451.5
3	1-456	tennis racquet overgrips	50	0	87.5	0
4	1-110	bumper guards - tennis racquet	0	0	0	0
		Total	1100	760	1464	1154

FIGURE 16-32. Sample Inventory item Purchase report.

4Q Full

Purchasing

CHAPTER 17 Inventory

This chapter describes the creation and management of stock and service type inventory items. This includes setting price and cost levels, adjusting inventory levels, assembling inventory items, and handling the bill of materials.

Inventory is supported in the Full version of 4th Quarter.

Inventory Data

Flow of Data

We'll consider the relationship of inventory to other data in the database in two parts. First we'll review the information stored with inventory items themselves. This includes the way assembled items are related to each other and that way items are related to accounts.

Assemblies & Accounts

The system distinguishes three kinds of inventory: service, component, and assembled items. Assembled items are those that carry a Bill of Materials (BOM). The BOM can list components, service items, or subassemblies (other assembled items). Both service and non-service items can have a BOM.

Inventory items are linked to a variety of accounts including asset, sales, purchase, cost of goods, value of goods, and spoilage. 4th Quarter creates a separate set of these accounts for each inventory accounting type. You can create an unlimited number of inventory account types.

All the inventory of a given account type usually shares the same set of accounts. This is in contrast to customers who share a sales account but have their own receivable accounts. Items can also be configured to have their own accounts that are specific to certain items or groups of items.
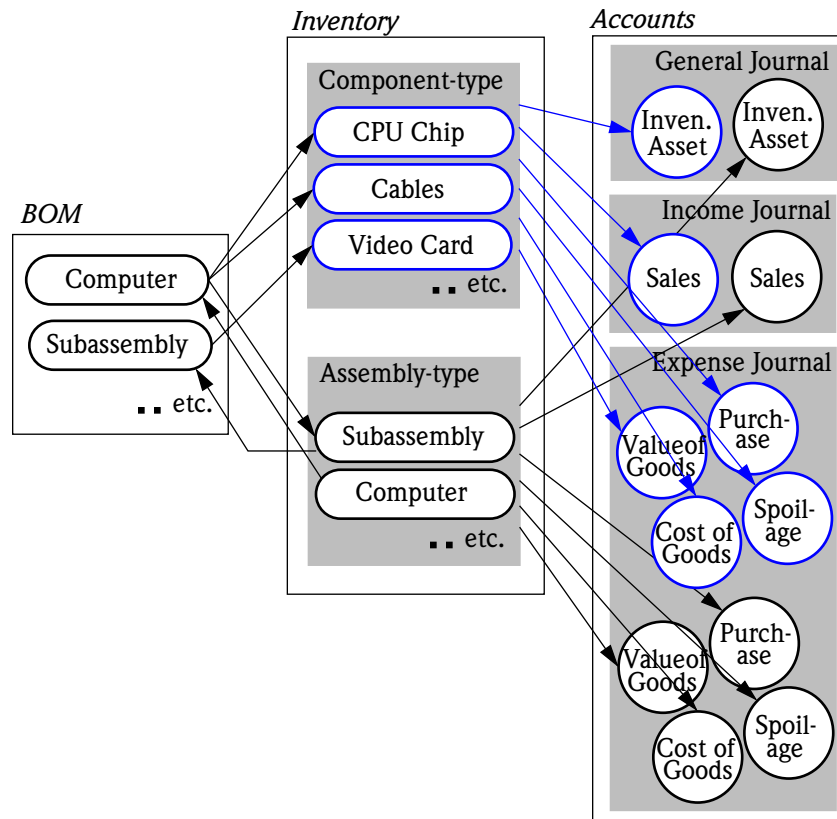
FIGURE 17-1. The account and BOM relations of inventory items and item types.

Invoices and PO's

Now we'll consider the relation inventory items have with invoices and purchase orders. These are relationships that develop as orders are placed and items are shipped or received.

Inventory levels are affected through the sale or purchase of items, or through the direct addition or removal of items. Sales and purchases of items are handled through the creation of invoices and purchase orders. Direct additions and removal of items is done through the Adjustment or the Assembly screens.

When items are purchased or sold they are listed as a line item on an invoice or PO. Each line item refers to one item in inventory and records it's price or cost, quantity ordered and quantity shipped or received.

Items carry a list of cost and price levels. A price level is a set of prices that apply to different ordered quantities. Each price level is marked with a code and these match codes that are assigned to customers. The price levels are used to set the default prices that appear on invoice line items. Each item can have any number of price levels.

A "cost level" is a set of costs, each cost being associated with a quantity or "price break". Each cost level is linked to a vendor. An item can have any number of levels, each associated with a different vendor. These cost levels determine the default cost that appears on PO's.
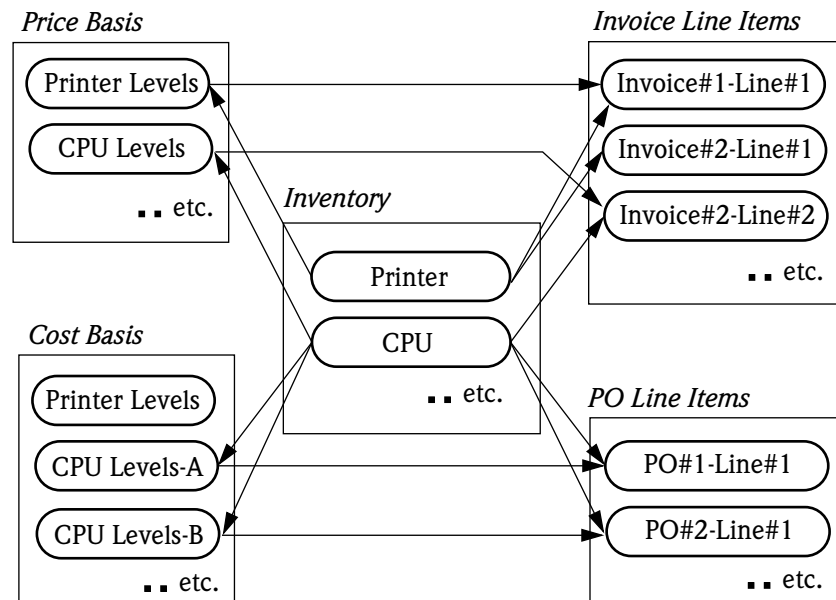
FIGURE 17-2. The relationship of inventory items to line items and price bases.

■

Inventory List

To reach the Inventory Area select Inventory Items from the Inventory pop-up menu on the control screen, or select **Inventory Items** from the **Products** menu.

The inventory search screen opens at which point you can either indicate which items you want to be displayed, or press the **Show All** button. This search screen is discussed on page 513.

The Inventory List screen appears once items have been located. The screen displays items and provides access to summary and detail reports as well as Bill of Materials and Stock History reports. These reports are described on page 546.

There are several screens for handling inventory, including screens to enter items, adjust levels, and assemble and disassemble items composed of other items.

The adjustment screen, described on page 520, facilitates raising and lowering inventory for multiple preexisting items at one time. The assembly screen, described on page 524, allows you to assemble multiple items according to their predefined list of components. You can also change their constituent components temporarily. The inventory entry screen, described on page 528, provides all of these features for a single item.

FIGURE 17-3. Inventory list screen.

The buttons labeled **Add, Modify,** and **Delete** buttons perform the usual functions. The **Report...** button opens the Report and Media dialog in which you can chose the report to be printed for the currently displayed records. These reports are listed at the end of this chapter. See "Reports" on page 546.

Apply to function

The **Apply to** button opens the Apply to dialog in which you can specify a global change that will affect all the highlighted records in the current selection. The popup menu in this dialog lists all the fields which support global changes. Different fields support different kinds of changes depending on the type of data stored in the field. For example, date values can only be replaced, while text values can be either replaced or appended.
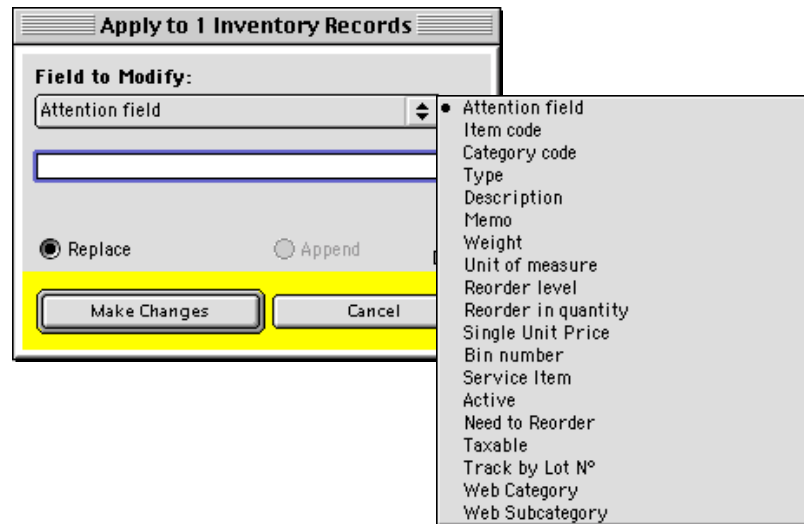
FIGURE 17-4. The Apply to dialog supports global changes to inventory records. It is accessed from the list screen.

■

Searching

Various search functions can be accessed from the Search… pop-up. The items above the line on this menu all open screens in which you specify search criteria. You can locate items according to:

- item properties
- appearance on invoices
- appearance on PO's
- relationship to vendors
- current stock levels

Searching on these criteria is accomplished using the screens described below.

Listed below the horizontal line on the search pop-up are the inventory account types defined for your system. Items are located by type as soon as you select a type from the pop-up list.

You can also perform various searches to look for duplicate items. Duplicate searching is handled through the inventory entry screen. Refer to page 529 for further details.

Example Search

The Example… search opens a screen in which you specify some combination of the criteria shown in Figure 17-5. Mark the check boxes on the left side of the screen adjacent to each criteria that you want to match. Use the pop-up menus next to the entry fields to specify the type of search you want performed. Refer to the section entitled "Search Screens" on page 49 for a description of how to specify search criteria. Use the "@" sign as part of your search value as a wildcard character.

Note the presence of a Keyword field on this search screen. Each item can be assigned any number of keywords from a list of keywords setup by the Administrator. A list of available keywords is displayed when you click in the Keyword field. You can only search for one keyword at a time.

The "any" or "all" radio buttons on the lower right determine how your search criteria are applied. The radio buttons in the "Search and…" area at the bottom of the screen determine how the items found affect the items previously displayed in the inventory items list.

FIGURE 17-5. The Example Search dialog accessed from the Search… pop-up.

Reference Search

The references search screen has three pages. The first is for specifying invoice criteria. If you're looking for items that are listed on invoices within a range of order codes, order dates, customer codes, or invoice attention values, then enter this range and set the adjacent radio button.

If you want to see the items listed on a particular set of invoices, then press the **Find Invoices** button. This opens the Invoice List screen. Use the search and sort functions in that screen to locate particular invoices. Highlight invoices in the Invoice List screen and press **Select**. The number of invoices selected will be displayed in the search screen. Press **Search** to locate related inventory items.

FIGURE 17-6. The Invoices page of the Inventory Reference Search screen.

Move to the Purchase Orders page to locate items according to their appearance on PO's. Enter a range of PO codes, order dates, vendor codes, or PO attention values.

If you want to see the items listed on a particular set of PO's, then press the **Find PO's** button. This opens the PO List screen. Use the search and sort functions in that screen to locate particular PO's. Highlight PO's in the PO screen and press **Select**. The number of PO's selected will be displayed in the search screen. Press **Search** to locate related inventory items.

FIGURE 17-7. The Purchase Orders page of the Inventory Reference Search screen.

To locate inventory items according to the vendors that are related to them move to the Vendors page of the search screen. Vendors are related to items through item cost level records.

Press the **Vendors** button to open the Vendor List screen. Use the search and sort functions to locate vendors, highlight one or more vendors and press **Select**. The number of vendors selected will appear in the search screen. Press the **Search** button to locate all inventory associated with the selected vendors.
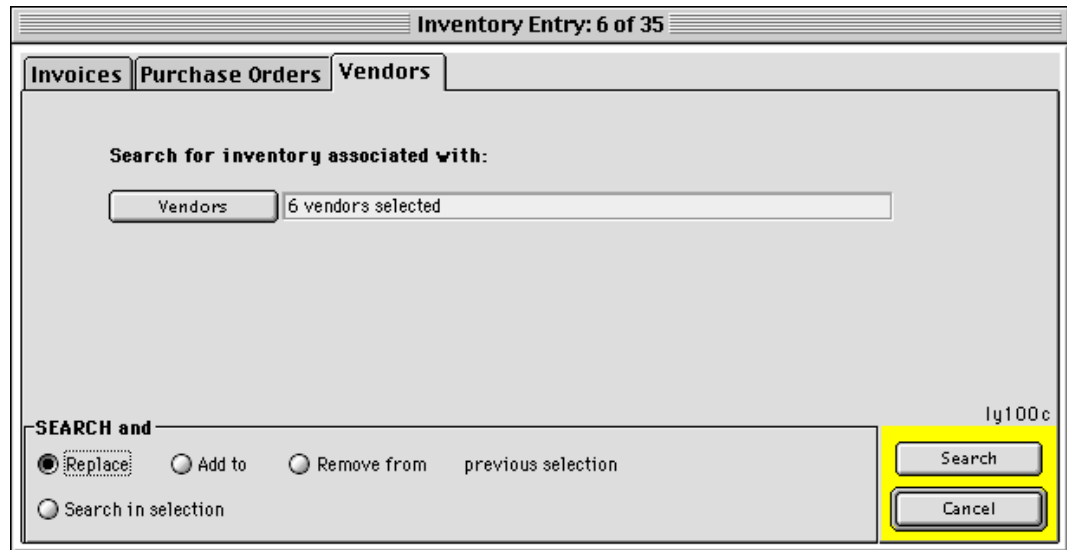
FIGURE 17-8. The Vendors page of the Inventory Reference Search screen.

Quantity Search

Monitoring Inventory
Level

The Search by Quantity screen enables you to locate items according to their stock levels. You can specify a variety of ranges applied to a variety of levels.

On the upper left of the screen you specify the level's range according to one of the following options:

- *Above*

  More items than the value specified.
- *Below*

  Less items than the value specified.
- *Above reorder level by X%*

  Level of items is above the reorder level by the percentage value specified. Use this option to find items whose quantities are approaching the reorder levels.
- *Below reorder level by X%*

  Level of items is below the reorder level by the percentage value specified. Use this option to locate items that have recently fallen below the reorder levels.
- *Insufficient to fill orders*

Use this option to locate items that have been sold but are not in stock. Check the box on the right labeled "…on selected invoices" to locate particular orders, such as those within a certain time period, to certain customers, or scheduled to ship to certain locations.

To the right of the quantity values areas are a set of four radio buttons corresponding to the four levels of inventory recorded for each item. These include:

- *in stock*

  The quantity that is currently "on the shelf". It is not adjusted downward by the quantities that have been sold but are not yet shipped.

- *on order*

  The quantity that is currently listed as having been ordered on PO's but has not yet been received.

- *currently available*

  The quantity that is currently on the shelf and has not yet been already obligated by listing on an invoice.

- *currently available plus on order*

  The quantity currently available (above) plus the quantity on order and pending receipt.

Once you have specified the appropriate item level, press the **Search** button.

FIGURE 17-9. The Inventory Quantity Search screen.

Need To Reorder Search

The search item labeled "Need to Reorder" locates all inventory items whose current quantity in stock is below the reorder level specified in the item entry screen.

■

Adjustments

**Inventory
Adjustment Screen**

The **Adjust** button, located on the Inventory list screen, acts on the highlighted items. It displays these items in a special screen where you can easily change the level for any item.

Inventory level changes are saved only when you press the **Enter** button. At that time all changes are written at once and a single accounting transaction is created that records all changes of account balances. This is in contrast to the transaction created when you change inventory levels from within an Inventory Entry screen.

Every change in levels made through an Inventory Entry screen creates a separate transaction.

FIGURE 17-10. Inventory Adjustment screen for quickly modifying the levels of multiple items.

To modify the inventory level of an item, move it to the modification area. Do this by highlighting the row and pressing the **Modify** button.

Specify changes and apply these to the item in list area by pressing the **Apply to List** button. Remember to press the **Apply to List** button after you make changes or else your specifications will be ignored.

To learn more about a particular item, highlight its row and press the **Details** button.

Different changes affect different inventory accounts. For example, if items are lost, debit the spoilage account, while items shipped debit the sales account. Table 5 on page 522 lists the accounting consequences of each type of adjustment.

TABLE 5. Reasons for Changes and their Accounting Affects

Reason	Debit	Credit
Received	Asset	Purchase
Restock	Asset	Purchase
Found	Asset	Purchase
Repaired	Asset	Purchase
Gift	Asset	Purchase
Shipped	Cost of Goods Sold	Asset
Sent Back	Cost of Goods Sold	Asset
Lost	Spoilage	Asset
Broken	Spoilage	Asset
Given Away	Spoilage	Asset

In order to fully specify the transaction you must specify the reason for each adjustment. Do this by selecting one of the options in the Reason for adjustment area for each item that you adjust.

To make sure the system is performing the actions you intend, press the **View Transaction** button. This button displays all the debits and credits to currently affected accounts. This will show all the changes currently displayed in the inventory adjustment screen. This transaction will change as you add or remove adjustments.

FIGURE 17-11. The Transaction page that displays what the accounting consequences will be for the currently specified adjustments.

The actual transaction, as well as the changes in inventory levels, in not entered until the adjustment screen is entered. This is done by pressing the **Enter** button on the Item List page. If you cancel the adjustment, then the transaction is not created and inventory levels are left intact.

Adjustments for Assembled Items

Raising or lowering the levels of assembled items through the adjustment screen the does not affect the level of the inventory components. Changes made here do not "assemble" items from or "disassemble" items to their components in the manner that is done through the Assembly screen, discussed below. Instead, changes in levels is assumed to be through the addition or removal of preassembled items.

■

Assembly & Disassembly

**Inventory Assembly
Screen**

The **Assemble** button, located on the Inventory List screen, acts on the high-
lighted assembled items. It displays these Items in a special screen where you can
easily add to the quantities of existing Assembled Items. You can also disassemble
items by going to the Disassembly page. Only items that have a Bill of Materials
attached to them can be assembled through this screen.

Items can also be assembled from the Assembly page of the Item Entry screen.
This requires that you open the entry screen for each item that you want to assem-
ble and is discussed on page 543.

Assembled items can also be assembled automatically as they're shipped through
an invoice. This is the "automatic assembly" option that each user can set on the
Invoice page of their Preference screen. Refer to "Specifying Quantities Shipped"
on page 419 in Chapter 14 of this manual, and "Invoices" on page a.92 in Chap-
ter 5 of the Administrator's Manual.

If this option is turned on, and if there are insufficient quantities of assembled
items in inventory to satisfy the amount shipped, then the system will create the
necessary number of assembled items from the item's B.O.M.

Assembly Page

FIGURE 17-12. The Assembly page of the Assembly Management screen.

Specify the quantity of each item to be assembled by clicking the row on which the assembled item appears. Enter the quantity to assemble in the "#To Assemble" field and the lot number, if applicable. Then press the **Apply to Item** button. Remember to apply your changes to the rows, otherwise they will have no effect.

Clicking on an assembled item in the area on the left displays its components in the scrollable area on the right. To add components press the **Add** button. This opens the Inventory List screen. Locate one or more additional components, highlight them, and then press **Select** in the Inventory List screen. The items will be added to the current Bill of Materials.

To remove a component highlight its row and press the **Remove** button.

These changes to the Bill Of Materials for each assembled item are only temporary. They do not affect the Bill Of Materials stored with the assembled item. Changes made here will only be used for items assembled through the current screen.

When an assembly is first selected from the list on the left, the system looks up component quantities from the item's permanent BOM and displays it on the

right. You can temporarily change the quantities of each component in each assembly. To do this, click on a component, change the number of components displayed in the "# Components" area, then press the **Apply to Item** button.

The changes you make to each Bill of Material are remembered while you are in the Assembly Management screen. If you change the BOM of one item and then click on another item from the list on the left, you can return to the first item and find that your changes are remembered.

Once you've made changes to the Bill Of Materials of each item and specified the number of assemblies to create, press the **Assemble** button to update the inventory levels. The available quantity of component items will be depleted while the available quantity of assembled items will increase. If you press the **Cancel** button no changes are made.

Disassembly Page

Previously assembled items can be disassembled from the Disassembly Page. This page operates in much the same was as the Assembly page. Assembled items are listed on the left, the Bill of Materials on the right. Click on an assembly to display its BOM on the right. Changes made to the BOM are temporary. They persist while you're in the Assembly Management screen but do not affect the BOM stored with the items.

Remember to press the **Apply to Item** buttons to record your changes in the item lists.

Once the items to be disassembled are fully specified press the **Disassemble** button. The system will prevent you from disassembling assemblies that do not exist in inventory.

FIGURE 17-13. The Disassembly page of the Inventory Assembly Management screen.

When items are assembled or disassembled the system creates a single transaction that records the movement of assets from the component to the assembled item asset accounts.

Transaction Page

Additional transaction information can be specified on the Transactions page. This page does not display a previous of the transaction that will be created. Instead it offers a place to specify a title, comment, reference number, and date.
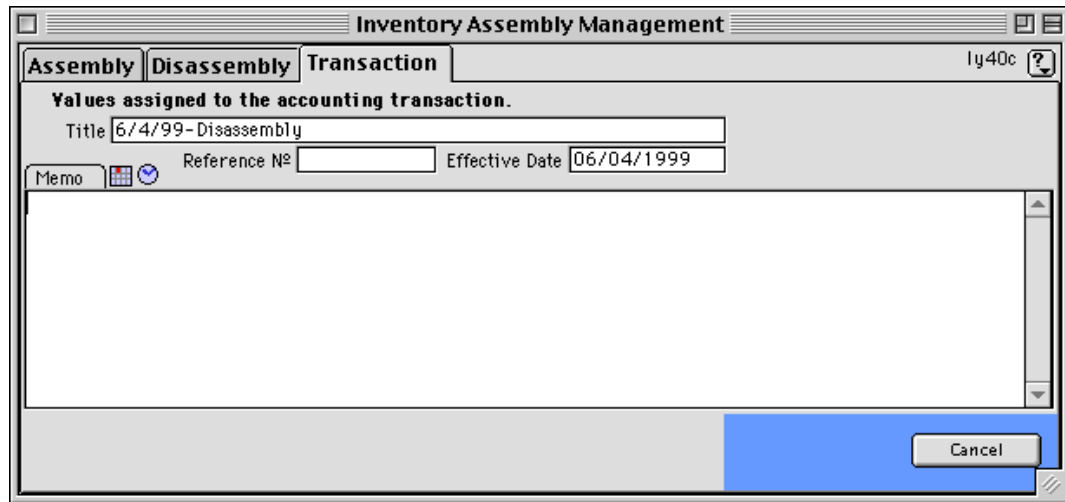
FIGURE 17-14. The Transactions page of the Assembly Management page.

∎

Inventory Entry

Unusual Inventory Record Handling

The inventory table, like the account table, is handled in an unusual manner. Access to records in other tables in 4th Quarter is handled on a first-come, first-served basis. That is, the first person to open the record in the entry screen has complete access to the information. No other user can make changes to the record until the first user completes their modifications.

This way of handling records is not practical for inventory because it could prevent the entry of invoices and purchase orders since these related records need to change the inventory when their line items are processed.

To support the concurrent access to inventory, 4th Quarter handles the inventory using a technique called "optimistic record access." This means, in effect, that the many users can have access to the record at the same time and it is the changes made last that are reflected in the data that is stored.

As a result of this, one user can have an inventory record open in the entry screen and, at the same time, other users can be entering invoices that draw down inventory levels. This is it must be, and this presents no problems.

However, it is also possible to have the situation where two users open the inventory record entry screen at the same time, on different computers. Both users will think that they have access to the record but, in fact, both users are only working with temporary copies of the record. In this case, the user who saves their entry last is the user whose changes are stored in the datafile. This situation happens rarely, and this is why this record handling technique is called "optimistic".

Item Properties

To reach the entry screen, double-click on an item in the Item List screen or press the **Add** button. The Inventory Entry screen can also be accessed by the Add Inventory item in the Inventory pop-up menu of the control screen.

The entry screen has six pages. The number of Items in stock, on order, and currently available, and the ID of the current item are displayed at the top of every page.

Description page

The Description page displays item parameters that include name, code, accounting type, category, weight, to name a few. Here you specify whether an item is a service item, an active item, an item that needs to be reordered, a taxable item, or an item whose sales are tracked by lot number.

- *Code*: the alpha numeric locator code that you assign.

  The system can be configured to automatically assign code according to the item's account type. If this option is turned on, then each new item will be assigned a code that starts with a number indicating the type, followed by a dash, and then a sequence number that is unique for items of that type. Refer to "Stock Code Assignments" on page a.81 of the Administrator's Manual for more information.

Next Code N° Button

If the automatic code assignment option is not being used, you can still request the next number for items of the assigned type by pressing the **Next №** button. The action of this button is to find the largest number assigned to item's of this type and to return the next higher value. This new value is prefixed with a number that indicates the accounting type assigned to the item.

- *Account Type*: Each item must be assigned an account type. The system keeps a separate set of accounts for each inventory account type. When you assign an item to an account the system will automatically track this item using the default inventory asset, spoilage, cost of goods, value of purchase, sales and purchase accounts that are created for items of this type.

  The list of assignable accounting types can be modified by the Administrator through the List Manager screen. See "List Manager" on page a.28 of the Administrator's Manual.

- *Category*: Item categories are static tags that you can freely assign to items. Category values have no affect on the sales, purchase or processing of inventory. You can change the list of possible categories through the List Manager discussed on page a.28 of the Administrator's Manual.

- *Description:* This field provides space for additional item description to complement the item name. The description field is displayed with item information in most places where the item name is shown, though it does not appear on line items in PO's or invoices.

- *Stock Units:* This is the stocking unit quantity. That is to say, this is the units which describes how items are tracked in inventory. Every item is drawn from inventory represents a draw of one stock unit. Other units can be specified in addition, but these other units only apply to how items are listed on invoices and PO's.

- *Default Stock Units button:* Pressing this button sets the stock units as the default units used when items are listed on invoices and PO's. This can be changed on the invoice or PO entry forms.

- *Unit Weight:* The weight of one stock unit.

- *Quantity 1 Price:* This is the base price for the sale on one stock unit. It is the basis on which various quantity pricing formulas build.

- *Quantity 1 Cost:* This is the base cost for the purchase of one stock unit. It is the basis on which various quantity costing formulas build.

- *Average Cost:* This value is maintained by the system and represents the average cost of items currently in stock. The average cost value changes as items are received, or delivered.

- *Service Item:* Items can be either stock or service items. The level of stock-type items changes as items are received and delivered. Inventory levels for service-type items do not change.

- *Active:* Items can be active or inactive. Lists of items shown to the user are screened to show only active items, unless the user specifically asks to see items that are inactive, or both active and inactive.

- *Reorder:* Items can be located on the basis of whether their Reorder box is checked or unchecked. Items whose levels fall below their Reorder Level have their quantities displayed in red on the list screen, and can be located by performing a search. The Reorder check box can be turned on for multiple selections of items using the **Apply To** button on the list screen (see page 513.)

- *Taxable:* Items marked as Taxable will be set as such when added to invoices. Taxes on the invoice are automatically computed on the basis of the customer's tax rate and the taxable settings for each of the listed items. Whether an items is taxed or not can be turned on and off for particular line items.

- *Track Sales by Lot N°*: Turn this option on when you want the system to list shipped items according to their lot number.

  When *lot tracking is turned on* for an item, and that item is shipped on an invoice, or received on a purchase order, the user will be prompted to specify the precise lot from which, or to which, the shipment is being made.

  When *lot number tracking is turned off* lot numbers are not recorded in the shipment of items. Rather, items will be drawn automatically on a last in, or first in basis, depending on the costing method set for your application. Even if you assign lot numbers to the items in your inventory they will only be tracked if this box is checked.

- *Reorder Level*: The level of the inventory in stock below which items need to be reordered.

- *Reorder Quantity*: The quantity in which items should be reordered.

- *Bin Number*: This is a reference location number useful when storing items in a warehouse.

- *Cost Method*: The LIFO, FIFO, or Average method of costing inventory is set by the Administrator for all items in the data base.

Keywords

Inventory items can also be assigned key words to help in locating similar items. Click the "+" button to add a keyword. When you place your cursor in the keyword entry area a list of available keyword appears. You can select from this list or type in keywords of your own.

To delete a keyword place your cursor in the text of the keyword to be deleted and press the garbage can icon.

Other Units

Items can be sold and purchased in units other than the units in which they're stocked. For example, items could be stocked by the bottle but sold in 6-packs and 24-bottle cases. Any alternative units can be defined as long as there are no duplicates, and as long as some number of items per unit is provided.

The Other Units area enables you to define alternative sales and purchase units and to specify the number of items in these units. The value for the "items/unit" is the number of Stock Units that are packaged in corresponding alternative unit. This needs to be set on a per item basis since because the quantity of items in a given "package" may differ from item to item. For example, not all cases have the same number of bottles.

When items are first listed on the line item of an invoice or PO they will appear specified in the default units. The ordering units can be changed at the time the invoice or PO is entered by double-clicking the line item and respecifying the unit. See "Line Item Entry Screen" on page 417.

When alternative units are specified, the system prices the quantity being ordered on the basis of the actual quantity of the stock units involved in the shipment. That is, the system converts the number of items in the listed units to a number of stock units. Then it system looks up the price for the number of stock units being ordered, uses this to figure the item cost, then converts back to get a price for the specified unit.

For example, if bottles are priced at $1 each and you order for 5 ten-bottle cases, the system will return a price of $10 per case, or $50 for five cases.

However, if there is a 10% discount for orders of more than 100 bottles and you order 15 cases, then the system recognizes that this amounts to 150 bottles and applies the 10% discount. This reduces the per-bottle price to.90.

As a result, the system changes the per case price to $9. The new total price for 15 cases will then be listed on the invoice or PO as $135. This automatic pricing mechanism can be overridden on a line-item by line-item basis when entering the order.

Default Unit

Any of the specified units can be set as the default. The default unit is used when items are first listed on an invoice or PO. To set the Stock Unit as the default press the Default button adjacent to the Stock Unit field.

To set any of the Other Unit values as the default, place your cursor in one of the alternative unit fields and press the Default (+) button that appears above the list of Other Units. When an alternative unit is set as the default a "+" sign will appear to the left of this unit.

Only one default unit can be set for each item. If no default is set, then the system uses the Stock Units as the default units.

FIGURE 17-15. The description page of the inventory entry screen.

The entry screen also provides you with a search function to locate similar items before making a modification or entering a new record. This enables you to locate duplicates before you go to the trouble of assigning new values.

Duplicate Checking

Inventory Item
✓ **Check for Duplicates**

To search for duplicates at you're entering records use the **Check for Duplicates** item on the **Inventory Items** menu. This item opens the inventory entry screen shown in Figure 17-16. Here you specify which fields are used to distinguish items.

The initial duplicate screening criteria are set according to system defaults. The default criteria can be reset by the Administrator through the Maintenance screen. By checking or unchecking fields in "Search for matching records" screen you make a local change in which fields are compared when searching for duplicates.

All subsequent duplicate checking, which is performed whenever a new record is entered, will be done according to the indicated criteria. Your changes only affect checking done on your machine. Default criteria, set by the administrator, are reestablished when you next log on to the system. These settings do not affect other users.

FIGURE 17-16. The duplicates specification screen accessed from Inventory Items menu above the inventory entry screen.

When you press the **Search** button the system immediately locates items that match your specifications. These are displayed in the Duplicate Records screen. This search is done before you attempt to enter the current record so you can make changes accordingly.

The Duplicate Records screen opened from within the Item Entry screen.

In addition to this manual search the system will also automatically search for duplicates when you enter a record. This automatic search will locate all preexisting items whose field values match the fields checked in the "matching records" screen. If you do not set the criteria in this screen, then duplicate checking will still be done but will use the default criteria set by the administrator.

■

Pricing

Prices Table Page

The Prices Table page enables you to set graduated price schedules. These schedules are used automatically when you specify a quantity in an invoice. Each schedule is assigned a code that can match the price code assigned to a customer. The system uses the price table that is appropriate to each customer.

If there is no pricing schedule matching the customer's price code, then no schedule is used. In this case items are priced according to the flat single-item price entered on the Description page of the Inventory Entry screen.

If you want to establish a default pricing schedule used for customers that have not price code, then create price schedules with the price code set to blank. Since a blank price code is assigned to all new customers by default, this will correspond to the default price schedule unless you assign a different code to the customer.

Press **Add** to create a new schedule at the bottom of the list of price schedules. Enter a single unit price in the first column. This is the default price assigned to orders of less than the number of items specified in column #2 as the start of the second price break.

The unit price entered in the second column applies to quantities greater than or equal to that specified in the second column and less than the third price break in column three.

In general, the value entered for the Price Per Unit applies to any quantity greater than or equal to the corresponding units ordered and less than the next higher quantity level.

This quantity price, automatically supplied in Invoices, can be overwritten in the Invoice Entry screen.

FIGURE 17-17. The Prices Table page of the Inventory Entry screen.

■

Costing

Costs Page

Each item can have any number of vendor cost schedules associated with it. When a quantity is specified on a purchase order, the system looks up the cost according to the vendor listed on the PO and this vendor's cost schedule stored with the item. If the item has no cost schedule for the specified vendor, then the item's basic unit cost is used. The user can always overwrite the cost when entering the PO.

On the Costs page of the Item Entry screen press the **Add** button to create a new cost schedule. Specify a vendor by typing in the vendor's code. If you don't know a vendor's code you can type in as much as you remember and the system will locate all vendors whose codes begin with the characters you've supplied. You can also press the **Assign Vendor** button to search through vendors in the Vendor List screen.

If a vendor has multiple cost schedules, then create multiple rows assigned to the same vendor and assign different cost codes to each.

Vendor Item Codes

For each cost schedule you can specify a code that the vendor uses for this item. You will be able display and print the PO using either your item code or the vendor's item code. This is option is set individually on the Line Items page of each purchase order. See "Vendor Item Codes" on page 493.

Graduate costs are entered in the same way as graduated prices. First specify a single unit cost. This will apply for quantities below the second cost break given in column #2. The second cost level will be used for costing quantities less than the third cost break in column #3.

FIGURE 17-18. The Costs page of the Inventory Entry screen.

■

Item History

History Page

The History page shows the origin of items currently in stock. These historical records are created automatically when items are added to inventory. Items are removed from these history records as they're removed from inventory. History records are deleted from the database when the quantity of items they record is reduced to zero.

You cannot create or delete history records directly. They are created and deleted automatically by they system as items are added and removed.

Double-click on a history record to open the entry screen that will show the date and time of last modification and the user who performed this modification. This audit track is only changed as a consequence of manual changes. Changes to the

number of items is handled by the system and does not affect the information about last modification.

You can also make certain modifications to the history records by typing directly into the Lot Date, Lot Number, Vendor ID, and Comment fields. One way to relabel existing inventory for lot tracking or other purposes is to split an existing history record and then enter changes to one of the resulting records.

FIGURE 17-19. The History page of the Inventory Entry screen.

Splitting Inventory History Records

While you cannot raise or lower inventory through the manual creation of new inventory history records, you can split an existing history record into two separate records. When you do this, a new history record is created that is a duplicate of values stored in an existing history record, except that the total number of items in the two records remains the same.

To split an existing history record place your cursor in one of the fields of the record that you want to split. Press the **Split History** button. A confirmation dialog will inform you that splitting records is a process that cannot be reversed. Once you've split a history record the only way to remove it is to fully deplete the items in it, as is done through the various avenues for inventory adjustment.

Once you've confirmed that you want to split the history, you'll be asked to provide the number of items that you want to move to the new history record.
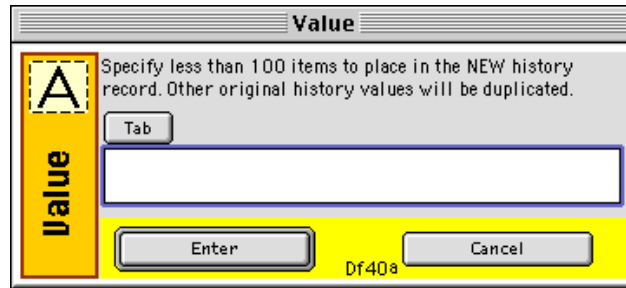
FIGURE 17-20. The Value dialog in which you indicate the number of items being moved to the new item history record.

The new history record will copy all the values of the old history record. Once you have created a new history record you can modify the date, lot number, vendor ID, and comment. Items will be drawn from the new history record based on the date you assign and according to the LIFO, FIFO or Average costing method set in your data base.

■

Levels

Quantities page

The Quantities page allows you increase or decrease the level of the current inventory item. Since this change affects account balances you must specify the kind of change that's taking place. Specify the change by selecting an item from the Reason for Change pop-up menu shown here.

This enables the program to determine which accounts to credit and debit. A description of the transaction to be created is provided in the Effect on Accounts area.
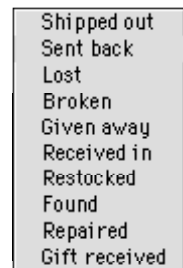
The accounting transaction recording the change in item levels is created when you press the **Enter** button. A single transaction is created for every item you modify in this manner.

FIGURE 17-21. The Quantities page of the Inventory Entry screen.

■

Accounts

Accounts Page

Inventory items are linked to the Chart of Accounts using Asset, Sales, Purchase, Cost of Goods Sold, and Spoilage Accounts. These accounts are assigned to each inventory item according to the item type. These accounts may be reassigned individually through Item Entry screen. The balance of these accounts are affected by changes in inventory levels.

The system maintains a set of these five accounts for every type of inventory item. The administrator can modify the list of inventory item types through the List Manager access from the System Defaults page of the Maintenance screen. Item types are stored in the list named "Inventory Account Types". Changing the items

in this list will modify your chart of accounts. See "List Manager" on page a.28 of the Administrator's Manual for more details.

The Accounts page is where you specify the accounts used for this particular item. These Accounts are initially assigned according to system defaults, but they can be reset by pressing the **Reassign** button and indicating alternate accounts.

FIGURE 17-22. The Accounts page of the Inventory Item Entry screen.

Value of Goods Pur-chased Account

Of these six accounts the Value of Goods Purchased is uncommon. 4th Quarter creates this as a contra account to the asset account. When inventory is purchased the asset account is debited and the Value of Goods Purchased credited. This enables the system to track historical inventory purchases by type of item.

When Items are sold 4th Quarter creates balancing entries to reflect the depletion of inventory and increase in the Cost of Goods Sold. When items are purchased 4th Quarter debits the specified Inventory Asset account and create a balancing (credit) entry in Value of Goods Purchased. The use of both an Inventory Asset account and a Value of Goods Purchased account provides you with greater flexibility in tracking your inventory expenses.

You can track items using an Average Cost, Last-in-first-out (LIFO), or First-in-first-out (FIFO) method. The costing method is set on the Inventory page of the Maintenance screen and applies to all items.

■

Assembly & Bill of Materials

Assembly Page

The Assembly page is only used when an item is constructed from other items also stored in inventory. This would include manufactured items, items packaged in quantities, or bundles. This page is where you specify the Bill of Material that is stored with the item.

Specify the items to include in the assembly by pressing the **Include** button in the Components area. Highlight one or more items that will contribute to the assembly. You can select multiple items. Press the **Select** button to return to the Item Entry screen. Specify the number of units of each component in the assembly.

If you've added a component that should not be part of the assembly you can remove it by placing the cursor on the row in the Assembled Item Components area and pressing the **Remove** button.

To print a Bill of Materials (BOM) press the **Print List** button.

Creating Assemblies

You can create assemblies directly from within the Inventory Entry screen. Assembling items will either draw-down the component inventory levels and increase the quantity of the assembled item, or increase the quantity of assembled items without drawing down the component inventory.

To assemble items that draw down component inventory you must first specify a Bill of Material. Then specify the number of assemblies to create in the area below the list labeled "Number of items to assemble". Fill in an assembly date and,

optionally, a reference and lot number and memo value. These values will be assigned to the accounting transaction that is created.

FIGURE 17-23. The Assembled Item page of the Inventory Entry screen.

Select the **Deplete components** radio button in the Item area. Press the **Assemble** button to effect the assembly. Component inventory levels will be depleted at this point. The number of components used will be the number of units used per assembled item times the number of assemblies you are creating.

To increase levels for assembled items without depleting inventory select the **Preassembled items** radio button. Provide a value for the cost per item. Then press **Assemble**. You do not need to specify a bill of materials when adding preassembled items.

Pressing the **Assemble** button saves the current record and all changes made to it. Once you have assembled items the assembly process cannot be "undone" by canceling the entry screen.

When items are assembled an item history record is created. The new history record created can be viewed on the History page. These records are used for costing items sold from inventory. You can change certain aspects of the history records, such as the date, lot number, vendor ID, and comment, but you cannot change the number of items or the cost basis. Be sure you are entering the correct cost basis and quantity before pressing the **Assemble** button!

Accounting Transaction

When the item is assembled an accounting transaction is created. It is records a credit to the asset accounts of the components and a debit to the asset account of the assembled item. The transaction is dated according to the Date of Assembly and annotated with the reference, lot number, and memo you provide.

If the components and the assembled item all have the same asset account, then an accounting transaction will not be created. This is because in this case there is no change in any account balance. A history record noting the quantities assembled will still be created and can be viewed on the History page.

■

Item Lot Tracking

Lot numbers are assigned to items when they're added to inventory. Items can be individually set to be tracked by lot number as they're sold. When items are tracked in this manner the lot numbers for ordered items appears as part of the invoice line item once the invoice is entered.

To track lot numbers for a particular item click on the "Track Sales by Lot Number" check-box on the first page of the item entry screen. This instructs the program to fill orders for individual line items from a single lot on invoices. Each invoice line will then show the respective lot numbers.

This breakdown by lot numbers is performed when you specify the quantity shipped for each line item. At that point you manually specify the quantities associated with each lot. See "Lot number tracking" on page 419.

To see the lot number history of items in stock, go to the History page of the item's entry screen. This gives a breakdown of current inventory in list form. Each addition to inventory is detailed on a separate line showing the number of items

added, the nature of the increase, the cost, date, lot number, and a comment. You can modify the date, lot number, and comment at any time.

You can specify new lot numbers for existing items in your inventory by either adding new stock, or by splitting existing history records into two parts. This is described above in the section "Splitting Inventory History Records" on page 539.

FIGURE 17-24. The History page shows the number of items remaining in each lot.

To create new history records that represent changes in overall inventory level go to the Quantities page of the entry screen and specify the change in quantity and other values. If you specify particular lot number at the time you remove items, the items will be removed from the specified lot only.

■

Reports

Inventory

The following reports can be printed by pressing the **Reports...** button on the Inventory List screen.

Summary

A printed list that reflects the currently selected items displayed on-screen.

Inventory List Sat, Jun 5, 1999 1:42 PM

Sample Summary Report Page 1

Attn	Code	Type	Name	Bin Num.	On Order	In Stock	Available	Needed	Reord.Lev	Av.Cost	Price
	1-456	Component	tennis racquet overgrips		50.00	69	115	0	100	1.75	3.95
	1-144	Component	tennis racquet			16	16	0	20	89.00	195.00
	1-146	Component	tennis balls (can of 3)		-100.00	520	515	0	100	1.29	3.99
	1.131	Component	tennis strings (1 package)	131	98.00	436	534	0	20	1.72	3.75
	1.3	Component	grommets -tennis racque	132		25	25	0	100	0.95	1.75
	2-25	Finished Goo	tennis bag	138		47	46	0	10	15.00	40.00
	1-110	Component	bumper guards -tennis ra	134		50	50	0	25	0.75	1.50
	1-112	Component	tennis racquet (stringing			3	3	0	0	895.00	

FIGURE 17-25. A sample inventory summary report.

Price Detail

A list of the values assigned to items on the Description page of the Inventory Entry screen along with the price schedule details for each item.

Inventory Pricing Sat, Jun 5, 1999 1:58 PM

Page 1

Attn	Code / Category	Type / Bin №	Name / Key Words				Reord:Level Qty	Reord Tax	On Order In Units Of	In Stock Available	Av.Cost Qty 1 Price
		Code	Single	Qty 2/Price	Qty 3/Price	Qty 4/Price	Qty 5/Price	Qty 6/Price	Qty 7/Price	Qty 8/Price	
	1.131	Component	tennis strings (1 package)				20.00	☐	98.00	436	1.72
	46	131					10.00	☐	oz	534	3.75
			3.75	–	–	–	–	–	–	–	–
	2-25	Finished Goo	tennis bag				10.00	☐		47	15.00
	46	138					25.00	☐	lbs	46	40.00
		A	40	2 / 35	–	–	–	–	–	–	–
		C	36	2 / 32	4 / 28	8 / 26	–	–	–	–	–

FIGURE 17-26. A sample Price Detail report.

Cost Detail

A list of the values assigned to items on the Description page of the Inventory Entry screen along with the cost schedule details for each item.

Inventory Costs   Sat, Jun 5, 1999   2:39 PM

Page   1

Attn	Code Category	Type Bin №	Name Key Words			Reord:Level Qty	Reord Tax	On Order In Units Of	In Stock Available	Av. Cost Qty 1 Cost
		Vendor / Item	Code	Single/Cost	Qty 2/Cost	Qty 3/Cost	Qty 4/Cost	Qty 5/Cost	Qty 6/Cost	Qty 7/Cost
	1-456 stock	Component	tennis racquet overgrips			100.00 200.00	☐ ☐	50.00 oz	69 115	1.75 1.75
		4 1-456		1.85	50 1.55	150 1.35	–	–	–	–
		5 1-456		1.75	10 1.50	50 1.40	100 1.25	–	–	–
	1-146 stock	Component	tennis balls (can of 3)			100.00 100.00	☐ ☐	-100.00 oz	520 515	1.29 1.29
		54 1-146		1.29	100 1.05	500 0.89	–	–	–	–

FIGURE 17-27. A sample Cost Detail report.

Stock History

A list of the values assigned to items on the Description page of the Inventory Entry screen along with the history details of current stock for each item.

Inventory Stock History   Sat, Jun 5, 1999   2:19 PM

Page   1

Attn	Code Category	Type Bin №	Name Key Words			Reord:Level Qty	Reord Tax	On Order In Units Of	In Stock Available	Av. Cost Qty 1 Price
	Date	Lot №	Cost / Item	#Available	History	Comment				
	1.131 stock	Component	tennis strings (1 package)			20.00 10.00	☐ ☐	98.00 oz	436 534	1.72 3.75
	05/06/99		1.75	500	Received in					
	08/13/98		1.29	24	Received in					
	08/12/98		1.29	10	Restocked	Change in quantity invoiced.				
	2-25 stock	Finished Goo	tennis bag			10.00 25.00	☐ ☐	lbs	47 46	15.00 40.00
	05/06/99		15	15	Received in					
	05/06/99		15	9	Received in					
	08/13/98		15	23	Received in					

FIGURE 17-28. A sample Stock History report.

Bill of Materials

A BOM for each assembled item in the current selection is printed. Each BOM is printed on a separate page.

Bill of Materials for item:
Sample Bill of Materials
15 – Yegtable Basket

Sat, Jun 5, 1999   2:42 PM
Page   1

Code	Name	#/Assmbly	Bin N°	On Order	In Stock	Available	Av.Cost	Tot.Wght	Total Cost
Spi	Spinach	6	a-1717		995	995	4.25	72.00	25.5
Rut	Ruttabaga	3	a-1717		995	995	4.25	36.00	12.75
Car	Carrot	5	a-1717		995	995	4.25	60.00	21.25
ABC-2	Cabbage	1	a-1717		995	995	4.25	12.00	4.25
CAU	Cauliflower	1	a-1717		995	995	0.25	12.00	0.25
ABC	Cabbage	2	a-1717		0	0	5.95	24.00	11.9
Total Per Unit Cost for N° 15 – Yegtable Basket								216.00	75.90

FIGURE 17-29. A sample Bill of Materials report.

4Q Full

Inventory

Symbols

Numerics

A

payment priority	411
printing of	410
quote	406, 440
report	
detailed summary	439
invoice form	410, 439
labels	441
line summary	438
packing slip	441
sales report	442
sales account	413
sales person	408
searching	
by example	402
by formula	405
by reference	403
shipping	
address	409
history	422
item	427
using previous	425
transaction	126
type, stock or service	412, 417
units specification	418
virtual order	399
items due	
to be paid	229
to be received	188

J

journal	
accounts listed on	301
accounts payable type	221
as used in 4th Quarter	293
assigned to GL accounts	298
assigning to account	63
components listed on	302
equity account assigned to	79, 299
flow of data	296
for grouping accounts	29
list of journals	298
report	
account	306
aging report	316
audit report	308
component	305
searching for entry	304
tranditional use of	29, 291
types of	78, 296

unlocking	78
updated in real time	29
journalizing process	
for invoices	406
for purchase orders	484

K

keyboard	
control vs command key	37
shortcuts	55

L

LIFO	542
Lincoln Stoller	16
line item entry, on invoice	417
links, of accounts to other files	69
logos	
on invoices	440
on PO	504
on statement	386, 468
lot number	
on inventory	531
used on invoices	419
lot tracking	
on invoice	418
on PO	497

M

manuals	
information in	14
organization of	16
marked row	
on AP accounts list	236
on AP items list	230
on AR accounts list	194
on AR items list	189
on FR template	334
minimum at zero	67
monitoring account balances	87
multiple allocation	
account totals screen	194, 235

N

note, linked to	
customer	371
vendor	455