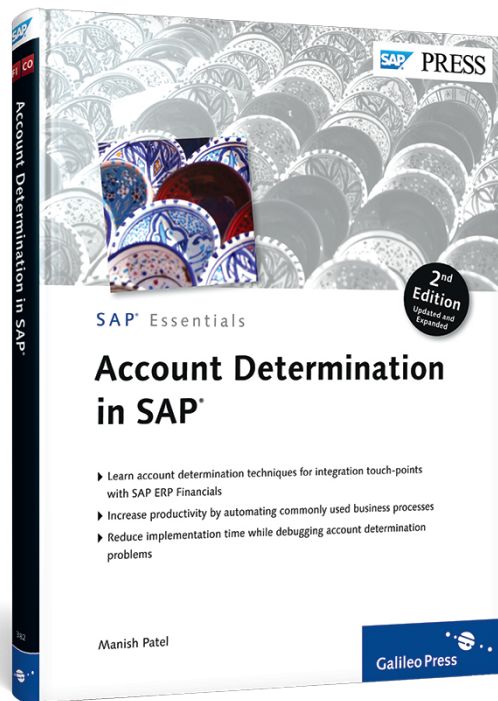


Manish Patel

## Account Determination in SAP®



Galileo Press 

Bonn • Boston

# Contents at a Glance

<b>1</b>	<b>Overview .....</b>	<b>15</b>
<b>2</b>	<b>General Ledger Transactions .....</b>	<b>35</b>
<b>3</b>	<b>Accounts Receivable/Accounts Payable Transactions .....</b>	<b>57</b>
<b>4</b>	<b>Tax Transactions .....</b>	<b>83</b>
<b>5</b>	<b>Bank Transactions .....</b>	<b>103</b>
<b>6</b>	<b>Asset Transactions .....</b>	<b>123</b>
<b>7</b>	<b>Travel Expense Transactions .....</b>	<b>147</b>
<b>8</b>	<b>Sales and Purchasing .....</b>	<b>169</b>
<b>9</b>	<b>Inventory Transactions .....</b>	<b>193</b>
<b>10</b>	<b>Payroll Transactions .....</b>	<b>225</b>

# Contents

<b>1</b>	<b>Overview .....</b>	<b>15</b>
1.1	Chart of Accounts .....	15
1.1.1	Operating Chart of Accounts .....	16
1.1.2	Country Chart of Accounts .....	17
1.1.3	Group Chart of Accounts .....	18
1.2	General Ledger Account Master .....	20
1.2.1	Account Group .....	20
1.2.2	P&L Statement Account or Balance Sheet Account .....	21
1.2.3	Group Account Number .....	21
1.2.4	Reconciliation Account for Account Type .....	21
1.2.5	Alternative Account Number .....	22
1.2.6	Open Item Management .....	22
1.2.7	Sort Key .....	22
1.2.8	Field Status Group .....	23
1.2.9	Post Automatically Only .....	23
1.2.10	Tax Category .....	24
1.2.11	Only Balances in Local Currency .....	24
1.2.12	Authorization Group .....	24
1.3	Account Determination Techniques .....	25
1.3.1	Transaction Key Technique .....	25
1.3.2	Symbolic Account Technique .....	28
1.3.3	Condition Technique .....	29
1.4	Summary .....	31
1.5	Reference .....	32
1.5.1	Configuration Transactions .....	32
1.5.2	Tables and Structures .....	32
<b>2</b>	<b>General Ledger Transactions .....</b>	<b>35</b>
2.1	Foreign Currency Transactions .....	35
2.1.1	Open Item General Ledger Accounts .....	37
2.1.2	Ending Balance General Ledger Accounts .....	38

2.1.3	Other Accounts Relevant to Foreign Currency .....	39
2.2	Other General Ledger Transactions .....	41
2.2.1	Retained Earnings .....	41
2.2.2	Intercompany Transactions .....	42
2.2.3	Account Receivable/Accounts Payable Reclassification ...	43
2.2.4	Bad Debt Reserve .....	45
2.2.5	Clearing Differences for GL Accounts .....	46
2.2.6	Subsequent Balance Sheet Adjustments .....	47
2.3	Accrual Transactions .....	49
2.3.1	Accrual Engine .....	49
2.3.2	Simple Account Determination .....	51
2.3.3	Extended Account Determination .....	52
2.4	Summary .....	53
2.5	Reference .....	54
2.5.1	Configuration Transactions .....	54
2.5.2	Tables and Structures .....	55
2.5.3	Enhancements .....	55

### **3 Accounts Receivable/Accounts Payable Transactions ..... 57**

3.1	Reconciliation Accounts .....	58
3.1.1	Primary Reconciliation Accounts .....	58
3.1.2	Alternative Reconciliation Accounts .....	59
3.1.3	Special Reconciliation Accounts .....	61
3.2	Basic Accounts Receivable/Accounts Payable Transactions .....	63
3.2.1	Vendor Discounts .....	64
3.2.2	Customer Discounts .....	67
3.2.3	Overpayments and Underpayments .....	67
3.2.4	Rounding Differences .....	69
3.2.5	Alternative Payment Currency .....	70
3.2.6	Bank Charges .....	71
3.2.7	Down Payments .....	71
3.3	Payment Card Accounts .....	72
3.3.1	Clearing House Account .....	73
3.3.2	Cash Clearing Account .....	74
3.3.3	Bank Account .....	75
3.4	Interest Calculation .....	75
3.4.1	Account Determination Objects .....	76

3.4.2	General Ledger Account Determination .....	78
3.5	Summary .....	80
3.6	Reference .....	80
3.6.1	Configuration Transactions .....	80
3.6.2	Tables and Structures .....	81
3.6.3	Enhancements .....	82

## **4 Tax Transactions ..... 83**

4.1	Account Determination Objects .....	84
4.2	General Ledger Account Determination .....	87
4.2.1	Tax Jurisdiction Code .....	88
4.2.2	External Tax Systems .....	89
4.2.3	Non-Taxable Transactions .....	90
4.2.4	Tax Calculation in Sales .....	90
4.2.5	Tax Calculation in Purchasing .....	92
4.3	Other Relevant Information .....	95
4.3.1	Tax Account Maintenance .....	95
4.3.2	General Ledger Account Attributes .....	96
4.4	Withholding Tax .....	97
4.4.1	Simple Withholding Tax .....	97
4.4.2	Extended Withholding Tax .....	98
4.5	Summary .....	100
4.6	Reference .....	100
4.6.1	Configuration Transactions .....	100
4.6.2	Tables and Structures .....	101

## **5 Bank Transactions ..... 103**

5.1	House Bank and Other Subaccounts .....	103
5.1.1	House Bank Account .....	103
5.1.2	Bank Subaccounts by Payment Method .....	104
5.2	Account Determination Objects .....	105
5.2.1	Internal Transaction Type .....	106
5.2.2	External Transaction Type .....	107
5.2.3	Interpretation Algorithm .....	108
5.2.4	Posting Rule .....	108

5.3	General Ledger Account Determination in Banking Processes	109
5.3.1	Electronic Bank Statement	109
5.3.2	Manual Bank Statement	112
5.3.3	Deposited Check Transactions	113
5.3.4	Lockbox Process	113
5.3.5	Payment Request Process	114
5.3.6	Cash Journal	116
5.4	Bill of Exchange Transactions	117
5.4.1	Bill of Exchange Receivable Transactions	117
5.4.2	Bill of Exchange Payable Transactions	120
5.5	Summary	121
5.6	Reference	121
5.6.1	Configuration Transactions	121
5.6.2	Tables and Structures	122

## 6 Asset Transactions 123

6.1	Account Determination Objects	123
6.1.1	Asset Class	124
6.1.2	Depreciation Area	125
6.1.3	Chart of Depreciation	127
6.1.4	Account Determination	128
6.1.5	Other Asset Accounting Objects	129
6.2	General Ledger Account Determination	131
6.2.1	Basic Transactions	133
6.2.2	Assets Under Construction Transactions	136
6.2.3	Other Depreciation Postings	137
6.2.4	Asset Revaluation Postings	139
6.2.5	Imputed Interest Calculation	140
6.2.6	Investment Support Transactions	140
6.3	Summary	143
6.4	Reference	143
6.4.1	Configuration Transactions	143
6.4.2	Tables and Structures	144
6.4.3	Enhancements	145

<b>7</b>	<b>Travel Expense Transactions</b>	<b>147</b>
7.1	Account Determination Objects	147
7.1.1	Infotypes	147
7.1.2	Features	148
7.1.3	Trip Provision Variant	150
7.1.4	TRVCT Feature	151
7.1.5	Personnel Area	152
7.1.6	Employee Trip	153
7.1.7	Expense Type	155
7.1.8	Wage Type	156
7.1.9	Symbolic Accounts	157
7.1.10	Payroll Area	159
7.2	General Ledger Account Determination	159
7.2.1	Reimbursement from Accounts Payable	160
7.2.2	Reimbursement from Travel Management	161
7.2.3	Reimbursement from Payroll	163
7.2.4	Reimbursement for Corporate Credit Card	164
7.2.5	Handling Private Expenses	165
7.2.6	Trip Advances to Employees	166
7.3	Summary	166
7.4	Reference	167
7.4.1	Configuration Transactions	167
7.4.2	Tables and Structures	167
<b>8</b>	<b>Sales and Purchasing</b>	<b>169</b>
8.1	Sales (Order-to-Cash)	170
8.1.1	Pricing Configuration	170
8.1.2	Technical Objects	172
8.1.3	Business Objects	176
8.1.4	Sales-Relevant Accounts	178
8.1.5	Revenue Recognition Accounts	180
8.1.6	Accrual Accounts	181
8.1.7	Reconciliation Accounts	183
8.2	Purchasing (Procure-to-Pay)	184
8.2.1	Pricing Configuration	184
8.2.2	Technical Objects	186

8.2.3	Business Objects .....	188
8.2.4	GL Account Determination .....	189
8.3	Summary .....	190
8.4	Reference .....	190
8.4.1	Configuration Transactions .....	191
8.4.2	Tables and Structures .....	192

**9 Inventory Transactions ..... 193**

9.1	Material Valuation .....	193
9.1.1	How Materials Are Valuated .....	194
9.1.2	Controlling Object Assignments .....	195
9.2	Account Determination Objects .....	196
9.2.1	Stock Type .....	196
9.2.2	Geographical/Manufacturing Unit .....	197
9.2.3	Transaction Type .....	198
9.2.4	Additional Objects .....	199
9.2.5	Objects for Valuation Areas .....	200
9.2.6	Objects for Material Types .....	201
9.2.7	Objects for Movement Types .....	202
9.2.8	Transaction Keys .....	202
9.3	General Ledger Account Determination—Procurement .....	204
9.3.1	Inventory Accounts (BSX) .....	204
9.3.2	GR/IR Clearing Account (WRX) .....	205
9.3.3	Purchasing Tax (VST) .....	206
9.3.4	Planned and Unplanned Delivery Costs .....	206
9.3.5	Price Variance Accounts .....	208
9.3.6	Other Differences in Logistics Invoice Verification .....	209
9.3.7	Foreign Currency transactions .....	210
9.3.8	Differences in Stock Transfer (AUM) .....	210
9.3.9	Consignment Process .....	211
9.3.10	Subcontracting Process .....	212
9.3.11	Volume Rebate Arrangements (BO1—BO3) .....	213
9.4	General Ledger Account Determination—Revaluation and Other Accounts .....	214
9.4.1	Revaluation Revenue/Expense (UMB) .....	214
9.4.2	Work in Process Revaluation .....	214



9.4.3	Revaluation for Inflation .....	215
9.4.4	Cost Object Hierarchy Settlement .....	215
9.4.5	Inventory Offsetting Accounts (GBB) .....	216
9.4.6	Account Grouping Codes .....	217
9.5	Summary .....	220
9.6	Reference .....	220
9.6.1	Configuration Transactions .....	220
9.6.2	Tables and Structures .....	221
9.6.3	Enhancements .....	222
9.6.4	Account Modifier Matrix .....	222

## 10 Payroll Transactions ..... 225

10.1	Account Determination Objects .....	226
10.1.1	Infotype .....	226
10.1.2	Feature .....	227
10.1.3	Wage Type .....	227
10.1.4	Payroll Schema .....	229
10.1.5	Payroll Components .....	230
10.1.6	Processing Class .....	231
10.1.7	Payroll Area .....	233
10.1.8	Symbolic Accounts .....	234
10.2	General Ledger Account Determination .....	236
10.2.1	General Ledger Accounts .....	237
10.2.2	Customer/Vendor Accounts .....	238
10.2.3	Technical Accounts .....	239
10.2.4	Symbolic Account Derivation .....	240
10.3	Other Transactions .....	241
10.3.1	Month-End Accruals .....	241
10.3.2	Bank Account Determination .....	243
10.4	Summary .....	243
10.5	Reference .....	244
10.5.1	Configuration Transactions .....	244
10.5.2	Tables and Structures .....	245
10.6	Conclusion .....	246

<b>Appendices</b> .....	<b>247</b>
A Field Status Group .....	249
A.1 An Overview .....	249
A.2 Field Status Group Configuration .....	252
B Validations and Substitutions .....	255
B.1 Validations .....	255
B.2 Substitutions .....	259
C The Author .....	263
Index .....	265

# 1 Overview

One of the major goals of any SAP installation is to improve efficiency by automating as many manual, cross-departmental activities as possible.

General Ledger (GL) account determination in the SAP ERP Financials component assists in reaching this goal by providing a structured framework and methodology. Using GL account determination, business transactions originating in different SAP ERP components automatically determine the appropriate GL account for posting—therefore eliminating manual intervention for the most part.

By design, SAP uses different techniques for GL account determination in different SAP ERP components. This Essentials guide provides you with an overview of the GL account determination techniques used in some of the major SAP components. This Essentials guide is relevant up to SAP ECC 6.0.

Chapter 1 begins by explaining the GL account setup in the SAP ERP system. This is primarily for the benefit of readers who are familiar with the setup of GL accounts in SAP but are not necessarily experts in SAP ERP Financials. Even if SAP ERP Financials is your primary area of expertise, the section in Chapter 1 on different types of account determination techniques used in SAP ERP will be useful to you.

You do not have to read this guide in any particular sequence, although it helps if you read the chapters that form the basis of the discussion first. You should definitely read this first chapter before proceeding through the remainder of this guide in the order you choose. Section 1.3 is particularly important because it explains the three techniques discussed in this guide on a conceptual level.

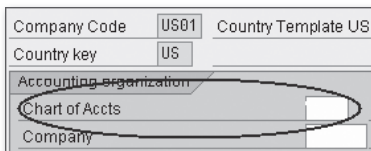
## 1.1 Chart of Accounts

GL accounts master data is maintained in SAP ERP at two levels: the chart of accounts level and the company code level. This type of master data maintenance enables the same chart of accounts to be shared by multiple company codes. The chart of accounts assigned to a company code is its operating chart of accounts.

### 1.1.1 Operating Chart of Accounts

Every operative company code in SAP ERP is assigned an operating chart of accounts. This chart of accounts contains GL accounts to which transactional postings are made for the business transactions posted to the company code. Primary financial statements and most of the operational reports of the company code are generated using GL accounts from the operating chart of accounts.

The operating chart of accounts (see Figure 1.1) is assigned to the company code as part of the global parameters for the company code via the menu path FINANCIAL ACCOUNTING IMG • FINANCIAL ACCOUNTING GLOBAL SETTINGS • GLOBAL COMPANY CODE • ENTER GLOBAL PARAMETERS.



Company Code	US01	Country Template	US
Country key	US		
Accounting organization			
Chart of Accts			
Company			

**Figure 1.1** Operating Chart of Accounts

However, consider SAP installations for a large company, with multiple company codes in multiple countries. In such an implementation, business, management, or statutory requirements make it difficult to use a single, common worldwide chart of accounts. Each company must be able to generate financial statements that meet local statutory requirements. At the same time, if companies start using different charts of accounts, it becomes difficult to obtain a consolidated financial picture at the head office. Such requirements can be broadly classified into the following two groups:

- ▶ Requirements to generate consolidated financial statements across all companies at the head office
- ▶ Requirements of individual companies to generate financial statements that meet their local management and statutory requirements

To handle these requirements, SAP ERP provides two charts of accounts that can optionally be set up for a company in addition to the operating chart of accounts:

- ▶ Country chart of accounts
- ▶ Group chart of accounts

Let's take a look at these two charts of accounts.

### 1.1.2 Country Chart of Accounts

This chart of accounts contains country-specific GL accounts to enable preparation of financial statements per local statutory requirements. If you choose to use the country chart of accounts for your implementation, you can also include GL accounts that meet your unique local management requirements.

The country chart of accounts is useful, (e.g., if all company codes in a group are set up with the same operating chart of accounts). In this type of setup, consolidated reports across company codes are prepared with relative ease because all company codes use the same chart of accounts. At the same time, local statutory financial statement requirements are met by the country-specific chart of accounts.

The country chart of accounts is assigned to the company code along with other global parameters maintained for the company code (see Figure 1.2) via the menu path FINANCIAL ACCOUNTING IMG • FINANCIAL ACCOUNTING GLOBAL SETTINGS • COMPANY CODE • ENTER GLOBAL PARAMETERS.

Company Code	US01	Country Template US
Country key	US	
Country chart/accts	<input type="checkbox"/>	
FM Area	<input type="checkbox"/>	

**Figure 1.2** Country Chart of Accounts Assignment

In the GL account master data, the GL account corresponding to the country chart of accounts is maintained in the ALTERNATIVE ACCOUNT NO. field. If the country chart of accounts is assigned to a company code, then this alternative account number provides a link between the operating chart of accounts and the country chart of accounts. The ALTERNATIVE ACCOUNT NO. field is available on the CONTROL DATA tab of the company code GL account master data (Figure 1.3).

GL account no.	111000	Cash Desk
Company Code	US01	Country Template US
Type/description    Control data    Create/bank/tr		
Account control in company code		
<input type="checkbox"/> Posting without tax allowed		
Recon. account for acct type		
Alternative account no.		
<input type="checkbox"/> Acct managed in ext. system		

**Figure 1.3** Country Chart of Accounts—Account Number

### 1.1.3 Group Chart of Accounts

The group chart of accounts consists of GL accounts relevant for consolidation purposes. This chart of accounts is useful; for example, if each company code in a group is set up with its own localized operating chart of accounts. In this type of setup, it is relatively easy to prepare local statutory financial statements.

However, it becomes difficult to generate consolidated financial statements because the same information can be in different accounts in different company codes. You can use the group chart of accounts in such a scenario to meet the requirements of group consolidation.

The group chart of accounts is assigned to the operating chart of accounts in the configuration activity for the chart of accounts (see Figure 1.4) via the menu path FINANCIAL ACCOUNTING IMG • GENERAL LEDGER ACCOUNTING • G/L ACCOUNTS • MASTER DATA • PREPARATIONS • EDIT CHART OF ACCOUNTS LIST.

Chart of Accts	INT
Description	Sample chart of accounts
Consolidation	
Group chart of accts	<input type="checkbox"/>

**Figure 1.4** Group Chart of Accounts Assignment

In the GL account master data, the GL account corresponding to the group chart of accounts is maintained in the GROUP ACCOUNT NUMBER field (Figure 1.5). This field forms a link between the operating chart of accounts and the group chart of

accounts, and is maintained on the TYPE/DESCRIPTION tab of the GL master data at the chart of accounts level.

The screenshot shows the SAP GL Master Data form for account 111000 (Cash Desk). The 'Type/description' tab is active. The 'Group account number' field is circled in red.

G/L account no.	111000	Cash Desk
Company Code	US01	Country Template US
Type/description   Control data   Create/bank/		
Consolidation data in chart of accounts		
Trading partner		
Group account number		

**Figure 1.5** Group Chart of Accounts—Account Number

Whether to implement either of these charts of accounts depends on the business requirements of the individual implementation. You can implement these charts of accounts after an SAP ERP system has already become productive. However, it is strongly advisable to implement these charts of accounts during the original implementation of an SAP ERP system.

You can also use other functionalities or approaches to meet the business requirements of unique local reporting combined with the ease of worldwide consolidation. For example, you can use an additional set of accounts in your operating chart of accounts to meet any local requirements of individual company codes. Another option is to use an operating chart of accounts for consolidation purposes, and then use the special purpose ledger component to prepare ledgers for individual countries. Yet another option is to use SAP ERP's consolidation component that has its own financial statement definition. GL accounts from the operating chart of accounts of individual company codes are directly mapped to the financial statement items to generate consolidated statements.

The country chart of accounts and the group chart of accounts were introduced in this section so that you are aware of their existence in SAP ERP, and, if required, you can trace an automatic posting while carrying out top-down or bottom-up analysis from a report. These charts of accounts will not be mentioned any further. All references to GL accounts from this point on will be to the operating chart of accounts, unless explicitly noted. Using the links described in this section, you can arrive at the corresponding GL account in the country chart of accounts and the group chart of accounts.

## 1.2 General Ledger Account Master

We will now look at some of the important fields in the GL account master that are relevant for automatic GL account determination. This list also includes fields that are not directly used in automatic GL account determination but which have an indirect influence on which GL account can or cannot be used in automatic GL account determination.

### 1.2.1 Account Group

Even though it is not directly linked to GL account determination, the account group (SKA1-KTOKS) controls which fields are available for maintenance in the GL account master data.

A chart of accounts consists of multiple account groups that arrange different types of GL accounts and also determine a valid number range for those GL accounts. At the very minimum, you'll have two account groups: Balance Sheet accounts and Income Statement accounts. The field status group associated with an account group controls the fields that are available in GL account master maintenance. This is important because unless a field is enabled or made available in GL account master maintenance, you won't be able to maintain it to influence account determination.

Figure 1.6 shows an example of a field status group setup for the account GROUP PL for P&L STATEMENT ACCOUNTS. You can reach this configuration activity via menu path FINANCIAL ACCOUNTING IMG • GENERAL LEDGER ACCOUNTING • G/L ACCOUNTS • MASTER DATA • PREPARATIONS • DEFINE ACCOUNT GROUP • FIELD STATUS.

General Data		Page 1 / 1			
Chart of accounts INT Group PL P&L Statement Accounts					
Account management					
	Suppress	Req. Entry	Opt. entry	Display	
Line Item Management	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	
Open item management	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	
Sort key	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	
Authorization group	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	
Administrator	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	

**Figure 1.6** Field Status Group Definition



### 1.2.2 P&L Statement Account or Balance Sheet Account

Now let's see the relevance of the P&L STATEMENT ACCOUNT (SKA1-GVTYP) or BALANCE SHEET ACCOUNT (SKA1-XBILK) fields.

For example, in Asset Accounting (AA) (see Chapter 6), depreciation expenses can be posted only to a P&L type of GL account, whereas accumulated depreciation can be posted only to a balance sheet type of GL account. Similarly, in the revenue recognition process (see Chapter 8), recognized revenue is posted only to a P&L type of GL account, whereas deferred revenue is posted only to a balance sheet type of GL account.

Many configuration transactions for GL account determination have built-in validations to expect only one of these types of accounts. If you try to assign the incorrect type of GL account in those configuration activities, you'll get an immediate error.

### 1.2.3 Group Account Number

As already discussed, this field is relevant only if your implementation uses group chart of accounts. In such an implementation, this field (SKA1-BILTK) contains the GL account number from the group chart of accounts.

### 1.2.4 Reconciliation Account for Account Type

The reconciliation account for the account type (SKB1-MITKZ) field determines whether the GL account is a reconciliation account. You can indicate an account as a reconciliation account for customers, vendors, assets, and others.

There are few automatic account determination configuration activities where you have to enter a reconciliation GL account. For example, you can specify alternate reconciliation accounts for special GL transactions (see Chapter 3), or you have to use asset reconciliation accounts in configuration activities of AA (see Chapter 6). However, where applicable, it is usually intuitively obvious whether the reconciliation GL account is for assets, for customers, or for vendors.

### 1.2.5 Alternative Account Number

As already discussed, this account is relevant only if a country chart of accounts is used in an implementation. In such an implementation, this field (SKB1-ALTKT) contains the GL account number from the country chart of accounts.

### 1.2.6 Open Item Management

This flag (SKB1-XOPVW) in the GL account master is relevant only for balance sheet types of GL accounts. This flag determines whether an account is maintained as an ending balance account or whether debit and credit postings on the account have to be cleared. If a GL account is maintained as an ending balance account, then this flag is not selected. These types of GL accounts include bank accounts, cash accounts, most tax accounts, equity accounts, and so on.

On the other hand, if GL account determination posts to an account that requires subsequent clearing between debit and credit entries, then this flag should be selected for the corresponding GL account. For example, consider a goods receipt/invoice receipt (GR/IR) account in a purchase-to-pay business process. In this type of account, you must be able to match individual credits and debits of goods receipts and invoice receipts by purchase order. Similarly, for an accrual account, you would like to match credits and debits of individual accruals with actual expense entries. If this flag is not set, then that reconciliation can be a laborious manual process. Whereas if this flag is set, you can use automatic clearing transactions and processes in SAP ERP to match debit and credit entries posted to a GL account.

Please carefully consider this flag before making postings to a GL account in a productive environment. Changing this flag is typically not an easy process after a GL account already has transaction postings.

### 1.2.7 Sort Key

This field (SKB1-ZUAWA) determines how, and with what value, the allocation field in the document posted to this account is filled. The sort key for a GL account should be selected judiciously to assist in account clearing for open item managed accounts or to assist in easy grouping and reporting of documents posted in other accounts.

Even though it is advisable to select the appropriate sort key during the initial setup of GL accounts, this field in the GL account master can be changed easily. Any change will impact all subsequent document entries posted to that account. For existing documents, you can simply override allocation field values as necessary. For example, you can set the sort key for the GR/IR account to a purchase order + line item number. This will enable you to easily group together all goods receipts and invoice receipts for the same purchase order item, thereby assisting in easy clearing or reporting of any discrepancies.

You configure sort keys in SAP ERP via menu path FINANCIAL ACCOUNTING IMG • GENERAL LEDGER ACCOUNTING • G/L ACCOUNTS • LINE ITEMS • DISPLAY LINE ITEMS • DETERMINE STANDARD SORTING FOR LINE ITEMS. Because the sort key can be configured to derive values even from a line item text entered in a document, you can create your own rules for what should be updated in the allocation field. By combining this feature with the automatic clearing processes discussed in the previous section, you can considerably automate month-end reconciliation and clearing processes.

### 1.2.8 Field Status Group

This field (SKB1-FSTAG) also indirectly impacts GL account determination postings. It controls fields that are available while posting transactions to a GL account. This field is so important to automatic account postings generated by SAP ERP that Appendix A discusses its configuration in detail.

Carry out settings for Field Status using the menu path: FINANCIAL ACCOUNTING IMG • GENERAL LEDGER ACCOUNTING • BUSINESS TRANSACTIONS • G/L ACCOUNT POSTING • MAKE AND CHECK DOCUMENT SETTINGS • DEFINE FIELD STATUS VARIANTS.

### 1.2.9 Post Automatically Only

Most of the GL accounts set up in automatic GL account determination have this field (SKB1-XINTB) selected, though very few GL account determination configuration transactions explicitly check for this flag. Separating automatic postings from manual adjustment postings usually translate into easier account reconciliation and troubleshooting of any problems. If there is a business requirement to make manual adjustments, you should create a separate GL account to post manual adjustments.

### 1.2.10 Tax Category

The tax category field value (SKB1-MWSKZ) indirectly influences automatic account determination in SAP ERP. As we will discuss in the chapter on tax accounting (see Chapter 4), taxes can be either input tax (in the procure-to-pay cycle) or output tax (in the order-to-cash cycle). Depending on the business transaction, only a specific type of tax is allowed.

The value in this field determines the types of taxes that can be posted to a GL account. It is possible to use a field value so that any type of taxes can be posted to the corresponding GL account. However, if you happen to run into a “tax type not allowed” error while posting a transaction in SAP ERP, you should check the value in this field for a corresponding GL account.

### 1.2.11 Only Balances in Local Currency

This flag (SKB1-XSALH) controls whether balances for a GL account are updated only in the local currency (the operative currency of the company code). This field value indirectly influences automatic account determination and, in particular, account determination for clearing transactions.

If this flag is not selected, SAP ERP translates any foreign currency transactions into local currency at the time of posting a clearing entry. For example, you may want to look at this flag for relevant GL accounts if you run into any error about local currency posting or local currency balance not being zero.

### 1.2.12 Authorization Group

The authorization group (SKB1-BEGRU) is used to extend SAP ERP's authorization protection to specific accounts. This functionality allows you to provide authorization to only specific groups of individuals who can post to certain accounts. If those accounts are used in automatic account determination, then this is another field value in the GL account master that you will need to keep an eye on.

Even though it may appear that the field values are freely definable, you will need to coordinate with your authorization and securities team to decide on valid values for this GL account field.

# Index

## A

---

Access sequence, 175  
Account assignment, 110, 153  
Account assignment type, 235, 237, 238  
Account determination, 15, 105, 128, 179  
    *Object*, 84, 143, 149, 167, 226  
    *Rule*, 143  
Account group, 20  
Account grouping, 212  
    *Code*, 202  
Accounting, 162  
Accounting document, 160  
Accounting principle, 51  
Account key, 86, 92, 189  
Account key in Purchasing, 206  
Account master data, 18  
Account modifier, 110, 204, 220, 222, 236  
Account reference category, 201  
Accounts acquisition, 134  
Accounts Payable (AP), 25, 54, 80, 160, 161, 165  
Accounts Receivable (AR), 25, 54, 80  
Account symbol, 109  
Accrual, 30, 49  
Accrual account, 181  
Accrual Engine, 49, 54  
Accrual object, 50  
Accrual process, 51  
Accrual type, 50, 51  
Activity, 215  
Adjustment account, 44  
Alternative reconciliation account, 80  
Asset Accounting (AA), 123  
Asset acquisition, 141  
    *Cost*, 141  
Asset capitalization account, 133  
Asset catalog, 124  
Asset class, 124  
Asset revaluation, 139  
Attendance, 230

Authorization process, 73  
Automatic payment, 60

## B

---

Bad debt reserve, 45  
Balance sheet, 237  
    *Account*, 41, 131, 133  
Bank account, 120  
    *Data*, 106  
Bank account determination, 243  
Bank charge, 71, 120  
Bank subaccount, 119  
Bank transaction, 28, 103  
Basic pay, 230  
Bill of exchange (BoE), 103, 117  
Book depreciation area, 126  
Business transaction code, 112

## C

---

Capital cost tracking, 123  
Cash clearing account, 74  
Cash journal, 116  
Chart of accounts, 15, 18  
Chart of depreciation, 127, 128, 143  
Clearing account, 135, 165, 210  
Clearing house, 73, 74, 75  
Clearing house account, 73  
CO account assignment, 196  
Company code, 128  
Condition technique, 29, 33, 84, 170  
Condition type, 171, 207  
Consignment process, 211  
Corporate credit card, 164  
Cost collector, 136  
Cost object hierarchy, 215  
Country chart of accounts, 17, 19  
Credit management, 60

Custom duty, 30  
Customer account, 238  
Customer master, 92  
Customizable calculation, 123

## D

---

Daily transaction data, 164  
Debit entry, 240  
Deduction, 230  
Delivery costs, 207  
Depreciation accounts, 131  
Depreciation area, 125  
Depreciation calculation, 123  
Difference write-off, 209  
Direct assignment, 57  
Discount, 30  
Domestic customer, 58  
Down payment, 72

## E

---

Electronic bank statement, 105, 109, 112  
Employee account, 161  
Employee grouping, 234  
Expense account, 161, 164, 237  
Expense settlement, 153  
Expense type, 164, 166  
External tax systems, 89

## F

---

Field status group, 23  
Financial account, 237  
Financials, 15  
Financial statement, 36  
Fixed asset, 123  
Foreign currency, 35  
Foreign customer, 58  
Freight expense, 30  
Freight provision, 207

## G

---

General ledger accounting, 25, 35, 87  
General ledger (GL), 15, 141  
General modifier, 206  
Generic account, 110  
GL account, 178, 181, 197, 246  
    *Assignment*, 190  
    *Attribute*, 96  
    *Configuration*, 144  
    *Determination*, 35, 39, 41, 44, 51, 57, 73,  
        80, 82, 83, 84, 88, 96, 103, 113, 123,  
        131, 143, 145, 147, 159, 162, 166,  
        167, 169, 189, 192, 200, 201, 202,  
        217, 220, 225, 243, 246  
    *Master*, 20  
    *Master data*, 17  
Goods issue revaluation, 215  
Goods receipt, 35, 196, 212  
GR/IR clearing account, 204, 205  
Group account number, 21  
Group chart of accounts, 18, 19  
Group consolidation, 128  
Group currency, 128  
Group depreciation, 128

## H

---

House bank, 110, 120  
HR personnel number, 238

## I

---

Imputed interest, 140  
Individual credit, 22  
Inflation, 215  
Infotype, 147, 152, 159, 226, 233, 244  
Intangible asset, 123  
Intercompany transaction, 42  
Internal transaction type, 107  
Inventory account, 204, 212  
Inventory Management, 25  
Inventory transaction, 202, 220  
Investment subsidy, 142

Investment support, 141  
 Invoice posting, 204  
 Invoice reduction, 209

## **L**

---

Legacy system, 143  
 Liquidity management, 207  
 Logistics Invoice Verification (LIV), 204

## **M**

---

Manual accrual, 49  
 Manual adjustment, 23  
 Manual bank statement, 112  
 Master data field, 239  
 Material, 215  
 Material tax indicator, 93  
 Material type, 201  
 Month-end accrual, 241, 243  
 Movement type, 198  
 Moving average price (MAP), 190, 195

## **N**

---

Non-taxable transaction, 90

## **O**

---

Open item, 37  
 Open item management, 22  
 Operating chart of accounts, 16  
 Operating currency, 36  
 Operation, 229  
 Ordinary depreciation, 137  
 Origin of stock, 201  
 Overpayment, 67

## **P**

---

Parameter, 229  
 Payables, 44

Payables accounts, 36  
 Payment card, 72  
 Payroll area, 159  
 Payroll calculation, 243  
 Payroll component, 230, 244  
 Payroll period, 242  
 Payroll processing, 236, 241, 243  
 Payroll results, 241  
 Payroll run, 237, 238  
 Payroll schema, 229  
 Payroll transaction, 234  
 Periodic asset posting, 142  
 Periodic asset posting run, 139  
 Personnel area, 152  
 Planned cost, 207  
 Price variance, 208  
   *Posting, 208*  
 Pricing procedure, 170  
 Processing type, 240  
 Procurement, 208  
 Product costing, 215  
 Purchase account determination, 184, 187  
 Purchase tax, 80  
 Purchasing, 92, 100, 184  
 Purchasing tax, 206

## **R**

---

Receivables, 36, 44  
 Receiving material, 211  
 Reconciliation account, 21, 44, 57, 59, 60,  
   119, 183  
 Reconciliation account determination, 183  
 Reduction in asset, 141  
 Regular depreciation run, 139  
 Reimbursement, 161  
   *Amount, 160*  
   *Rate, 160*  
 Retained earnings, 41  
 Revaluation, 214  
 Revaluation adjustment, 139  
 Revenue, 30  
 Rounding difference, 40, 210  
 Rules, 229

## **S**

---

Sales account determination, 190  
Sales relevant account, 178  
Sales revenue account, 179  
SAP ERP Financials, 35, 49, 84, 90, 92, 100  
SAP Payroll, 225, 229, 231  
    *Transaction, 246*  
SD (Sales and Distribution), 170  
Sequence number, 91  
Settlement process, 73  
Special depreciation, 138  
Special GL indicator, 119  
Special reserves account, 131  
Standard account determination, 241  
Standard price, 195  
Subledger, 58  
Symbolic account, 28, 158, 164, 234, 240  
    *Assignment, 241*  
    *Technique, 33*  
System configuration, 207

## **T**

---

Target account, 44  
Tax account key, 95  
Tax calculation, 83, 90, 92  
Tax category, 96  
Tax code, 26, 86, 88, 89, 91, 96, 206  
    *Determination, 91*  
Tax configuration, 84  
Tax jurisdiction code, 88  
Tax procedure, 83, 86, 87

Tax rate, 86, 89

*Determination, 89*

Transaction currency, 110  
Transaction data, 165  
Transaction key, 25, 27, 196  
Travel expense maintenance, 153  
Travel expense transaction, 147  
Travel Management (TV), 161, 163  
Travel Planning subcomponent, 147  
Travel Request subcomponent, 147  
Trip advance, 166  
Trip expense reimbursement, 159  
Trip provision variant, 151

## **U**

---

Underpayment, 67  
Unplanned depreciation, 138  
Usage of tax jurisdiction code, 88

## **V**

---

Valuation area, 198  
Valuation category, 201  
Vendor account, 238  
Volume rebate arrangement, 213

## **W**

---

Wage type, 156, 158, 164, 228, 231  
Work in process (WIP), 214