General Ledger Integration User Guide

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The General Ledger

The CAPIX General Ledger Integration (GL) module is used to automatically generate General Journal entries for posting to a wide variety of third-party General Ledger systems. The CAPIX system does not include a General Ledger. Instead it generates journal entries for posting into external corporate financial systems such as SAP, Oracle Financials, PeopleSoft, Sun Financials, etc.

The purpose of the GL module is to automate the laborious and time-consuming process of general journal creation. Another benefit is that business rules for general journals can be stored in the CAPIX system as software logic, ensuring that journals are generated consistently every time.

The GL process is run in "batch" mode, typically as part of the "end of month" financial processing, although the GL processing can be run at any user-defined time interval.

Every company has different requirements for General Ledger integration, and the GL module has been designed to be "table driven" for maximum flexibility. The design goal was to maximise flexibility so that the GL module could meet a broad range of differing client requirements.

It is possible that the GL module may not meet all general journal posting requirements of every client. In this case CAPIX makes programming changes according to GL interface specifications provided by the client. These programming changes may be required for accounting systems that have unusual file import formats or where other client specific requirements are necessary.

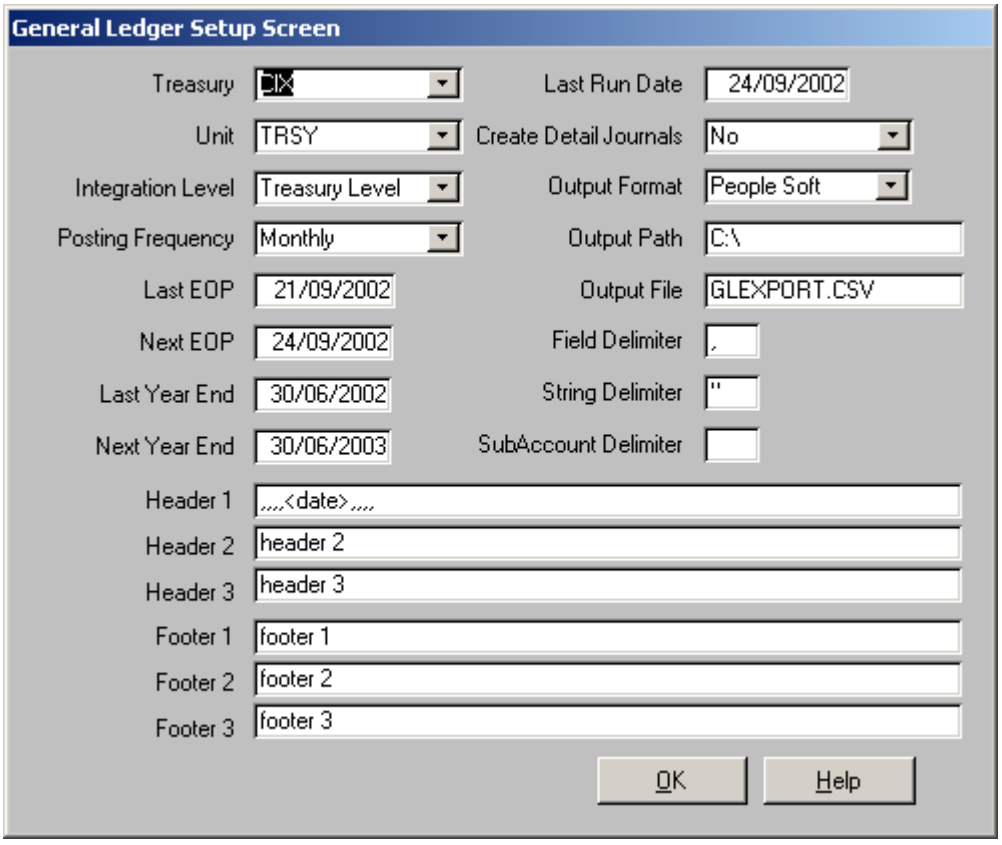
It should be recognised that implementing the GL interface module is a detailed project and that as such requires appropriate resources and project management disciplines. Most of the implementation work is concentrated on defining the integration (GL mapping rules) between Transaction types and the GL Accounts, and then detailed testing to ensure the journals generated are correct.

General Ledger Default Set-Up

When installed, the CAPIX system has a standard General Ledger set-up pre-defined. This set-up is designed as a guide for your own General ledger set-up requirements.

The GL Set-Up Form

The General Ledger Setup form is used to define global, top-level, static parameters that control the generation and export of General Journal entries by the CAPIX system. Typically these settings are defined once when the GL integration is first implemented and then rarely changed.



Treasury

Where multiple treasuries entities are defined, separate setting may be defined for each treasury. Typically there will only be one treasury and as such one record of settings.

Unit

If General Ledger journals are to be generated at the Unit level, separate settings can be stored for each Unit. If this is the case, specify the Unit for which the current settings apply. Typically there will be one set of definitions across all Units.

I**ntegration Level**

Specify whether the general journals should be created on a consolidated Treasury level, or on an individual Unit level. If the GL is integrated at the Treasury level, entries are generated as the sum of all Units and a consolidated "total" record is calculated i.e.. The journals do not identify individual Unit details. If the GL is integrated at the Unit level, then journals are generated for each Unit. Typically GL integration is set to the "Unit" level.

Posting Frequency

How often the general journals are usually generated for export. Typically, in most corporate environments, this will be "Monthly". This value is used to determine the default date-range for generating the general journals and can be modified or overridden when the batch is run.

Last EOP

This is the last End Of Period date, typically the end of the last financial accounting period, used as the basis for the default date for the next batch generation.
Note: This date will automatically be updated each time a General Ledger Journal file is created and saved. It can be overridden, however this must be done with caution as this may result in duplicate journal entries being created.

Next EOP

This is the next End Of Period date, typically the end of the current financial year accounting period, used as the basis for the default date for the next batch generation.

Last Year End

This is the last end-of-year date.

Next Year End

This is the next end-of-year date.

Last Run date

The last date the general journal batch generation process was run. This value is stored each time the batch generation is run, and may also be set here. **Note:** This date will automatically be updated each time a General Ledger Journal file is created and saved.

Create Detail Journals

Switch to indicate whether a pair of general journals should be generated for each individual transaction, or whether the journals should be consolidated and a single summary journal generated for each general ledger account. Typically this value would be set to "No", although this will depend on how journals should be imported into the external general ledger.
Hint: during the testing process set this value to "true" for more detailed information to make testing and reconciliation easier and more accurate.

Output Format

When the journals have been created they can then be exported to disk in various formats. The most common format is an "ASCII" text file, usually in Comma-Separated-Values (CVS) format. The format chosen will depend on the general ledger system that will import these journals. Contact CAPIX if another "custom" format is required.

Output File

The name of the default Export file for the generated general journals, for example "JOURNALS.CSV" or "TREASURY.XLS". This value is stored so that data can be automatically exported to this file once the general journals have been generated.

Field Delimiter

The export file consists of fields or columns that group and organise data. The field delimiters identify when a field of data begins and ends. Different GL packages use different field delimiters so this value should be set according to the import requirements of that package. Typically GL systems will have a manual or other documentation that sets out the format of data to be imported, which will also include field delimiters. Typical field delimiters are commas (,), pipe characters (|), quotation marks (" or ') and spaces.

String Delimiter

Strings are a collection of characters that form words or sentences. Some GL packages require specific string delimiters, typically single or double quotation marks (" or '). Set this value as appropriate after referring to manual or other documentation that defines the format of data to be imported.

SubAccount Delimiter

The SubAccount delimiter is sometimes required for specific GL import formats. Typically this field can be left blank.

Headers

Some GL import formats require a "header" of specific information be written at the start of the journal export file. If this is the case the header information can be specified here and will be included at the start of the journal export file once the batch generation has been run.

Footers

Similar to "headers", except the data is written to the end of the journal export file.

The General Ledger Account Template

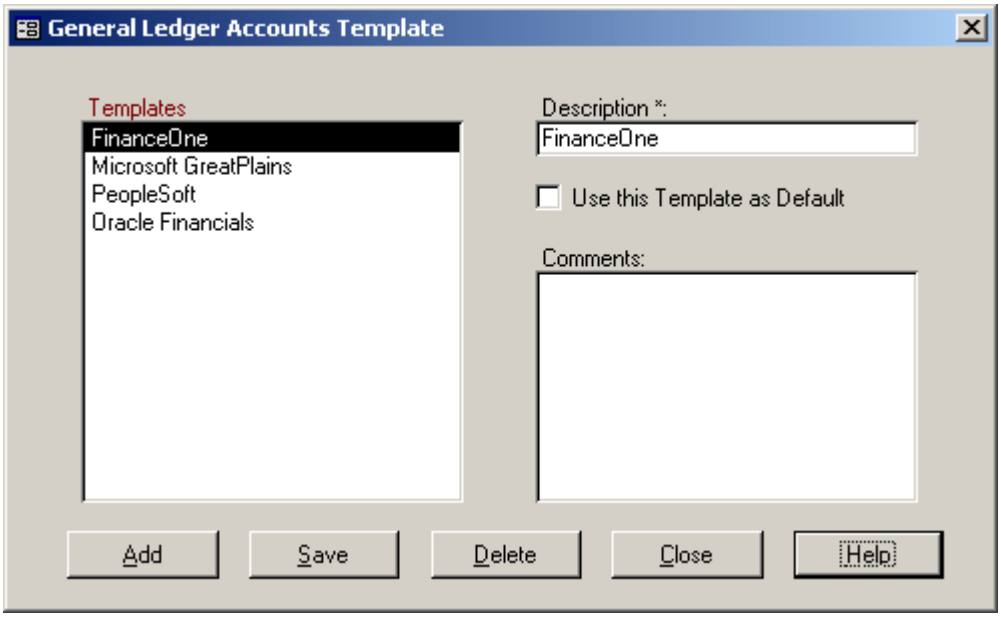
The General Ledger Account Template is used to define and group GL mapping entries into logical posting entities. These codes are attached to the account definitions, at time of creation, to streamline the generation of the general ledger mapping tables. For example, you may wish to account differently across each of your units. In this case a GL Account Template would be created for each Unit and each used individually when processing you GL journals.

When generating a batch of GL journals, a Template of mapping rules must be specified, so at least one template is mandatory.

Having the ability to define multiple templates adds a great deal of flexibility, although it is not uncommon to only have a single G/L Template defined.

Defining a General Ledger Account Template

The following screen facilitates the creation of GL Account Templates and lists any existing templates.



Templates

A listing of all existing Account Templates.

When installed the system is provided with four default templates, however users have the ability to create their own if required.

Description

A free format field used for the template name. This descriptive name is then used when generating new GL Account Codes and during the GL Journal Mapping process.

Default

If this template is to be used as the default throughout the system this field should be activated. This will ensure that the GL Journal Mapping screen and the G: Journal creation screen default to this template upon opening.

Comments

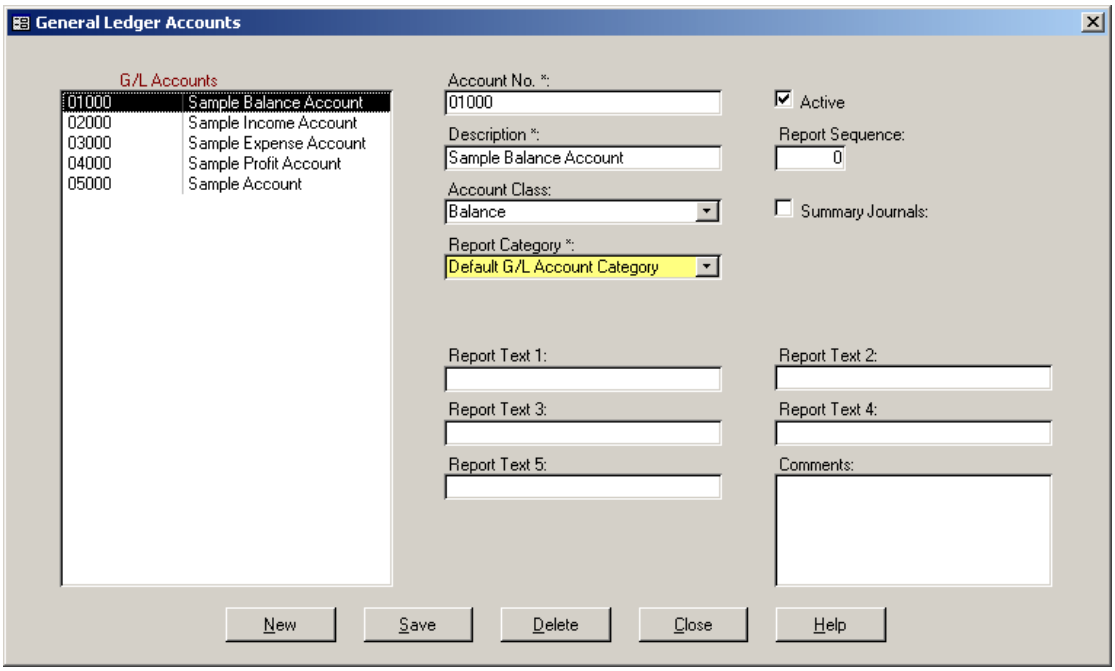
A free format area where a narrative comment can be added that further describes the template. This is an optional field and is purely for narrative purposes.

Chart of Accounts

You have full control over the account names and codes in the Chart of Accounts. You can define the Chart of Accounts so that the CAPIX account codes are consistent with your other accounting applications, if required. However you can also create unique account names and codes used to define a high level generic list that may be applicable across several account templates or a very detailed, template specific list of accounts.

How To Define A Chart of Accounts

Then following screen is used to create your chart of accounts.



Account No

A unique, user defined, number to be the default for this account. This is a mandatory field of 25 characters in length.

Description

A user defined field to enter the Account Name.

Account Class

Select from the available list to define this account as a;

- Balance (Balance Sheet),
- Profit (Profit/Loss),
- Income, or
- Expense account

Active

For an account to be available for posting it must have an 'Active' status. This field is particularly useful when an account is no longer used as a posting account. Rather than deleting the account the status is set to 'Non Active'.

Report Sequence

This field allows the user to create a type of account hierarchy. Used in con-junction with the 'Summary Journals' field, this will give the user the ability to create higher level accounts that do not contain detail posting.

e.g. Interest earned may be a summary level account with the Report sequence of '10' whereas all posting level interest accounts (11am interest, 24hr interest, interest bonds etc) may have a sequence of '00'.

Summary Journals

Is this account to be used as a summary or detail posting account?

Accounts Category

Select from the user-defined list of General Ledger Account Categories

Report Text Fields

The 5 Report Text fields are user definable fields that may be used for a number of various reasons. For example, this may include the storage of additional information required at the General Ledger export phase or for additional report grouping fields. Each of these report text fields is not mandatory.

Comments

Ad-hoc comments and notes may be entered here to assist in documenting the selected GL Account. This field is optional.

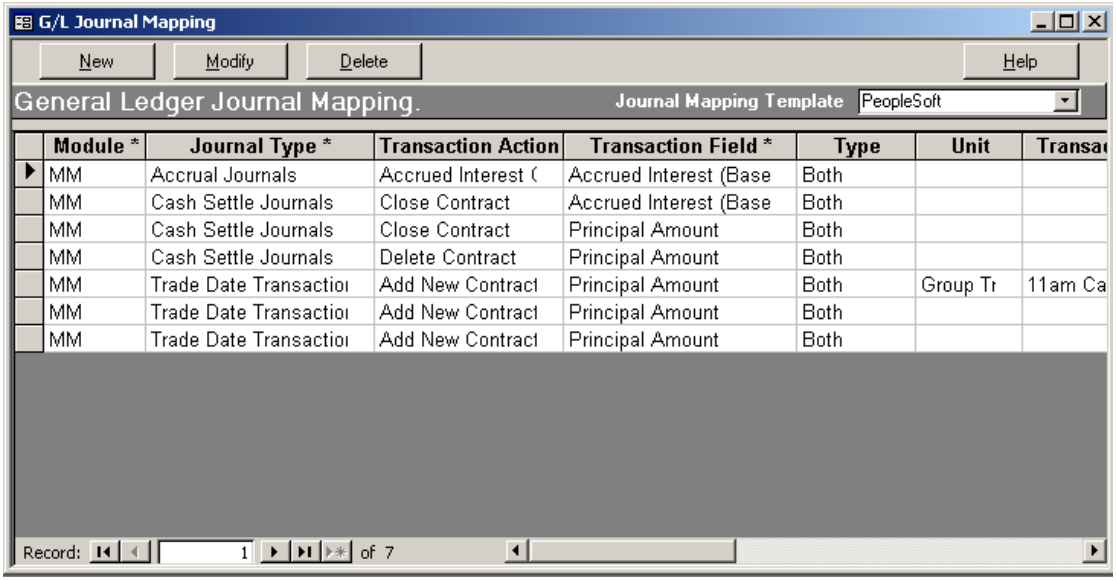
General Ledger Journal Mapping

Once you have defined your Chart of Accounts and Account Template defaults you can then think about how you are going to apply these to the types of transactions you perform.

It is via the Journal Mapping screen where you define the Chart of Accounts default journal generation process. You define the accounting posting rules using different attributes and filters. The accounting entries created within CTM are consistent with a wide range of generally accepted accounting principles.

When the GL Journal creation process in run, CTM uses these Journal Mapping defaults to determine the accounting journal entries that it needs to generate. It is on this screen that you record the various posting rules for the system to follow when creating G/L entries. The General Ledger Account defaults are where the actual G/L Account codes to which each entry is sourced, are stored.

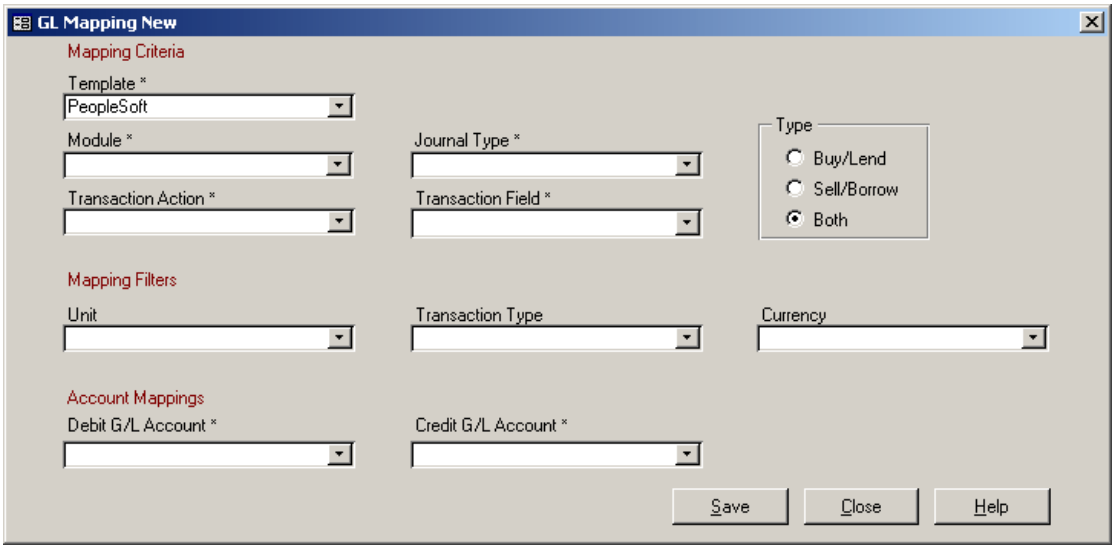
The recommended method for defining your Journal Mapping is to set up a high-level default record. Then create separate line items, based on the default, which define the specific exceptions to this.



Adding a New Mapping Item

To add a new line item to your Journal mapping table, the user needs to open the G/L mapping screen as displayed below.

It is on this screen that you record the various individual posting rules for the system to follow when creating G/L entries. The GL Account defaults are where the actual G/L Account codes to which each entry is sourced, are stored.



Mapping Criteria

The mapping criteria are the required fields that must be completed in order for a template line item to be generated. These criteria fields define how posting entries will be generated for each of the modules within CTM. These entries are at a high or generic level. If users want to be more specific in the way journal entries are created then the optional 'Mapping Filter' fields will need to be completed.

The recommended method for defining your Journal Mapping is to set up a high-level default record. Then create separate line items, based on the default, which define the specific exceptions to this.

Template

The name of the Template that the new line item will be included. **Note**: This field will default from the Journal Mapping screen and cannot be modified.

Journal Type

The Journal Type indicates whether the value to be posted comes directly from the systems tables or if the value is calculated. If calculated it will define where/ how the calculation is derived. i.e. the basis for the calculation.

The items available to the user in this field will vary depending upon the Module selected.

Transaction Action

Defines the type of action being performed specific to this line item. Examples of this include adding a new contract, deleting a contract, modifying a contract etc.

The items available to the user in this field will vary depending upon the Journal Type selected.

Transaction Field

The description of the field that the value to be posted is derived from. The items available to the user in this field will vary depending upon the Transaction Action selected.

Type

Will this mapping item be specific to buy/lend, sell/borrow contracts or both? The system will default to both. The user will be required to change if required.

Mapping Filters

Mapping filters allow the user to be very specific, within modules, as to the way the GL mapping is defined. They allow for additional levels of journal mapping to be created. E.G You may wish, within the Money Market module, to use different posting accounts for 11am trades and Discounted paper. By selecting these fields the system will then generate journal mapping items at a far more detailed level being Unit, Transaction Type and Currency.

Unit

If General ledger entries vary depending upon the unit the trade is dealt under, this can be achieved by selecting the required unit. If this field is left blank all trades across all units will use the same GL mapping default.

Transaction Type

If General ledger entries within a module vary depending upon the transaction type, this can be achieved by selecting the required type from this list. If this field is left blank all trades in the module will use the same GL mapping default.

Currency

If General ledger entries vary depending upon the currency of the trade, this can be achieved by selecting the required currency. If this field is left blank all trades across all currencies will use the same GL mapping default.

Account Mappings

Debit G/L Account

Select from the available list of General Ledger Account codes. If a code does not exist the user can double click on this field and create a new General Ledger Account.

Credit G/L Account

Select from the available list of General Ledger Account codes. If a code does not exist the user can double click on this field and create a new General Ledger Account.

Note: The system will not allow duplicate line items. When generating a line item the combination of 'Mapping Criteria' and 'Mapping Filters', must be unique. The system will return an error message if you try to save a duplicate entry.

Function Buttons

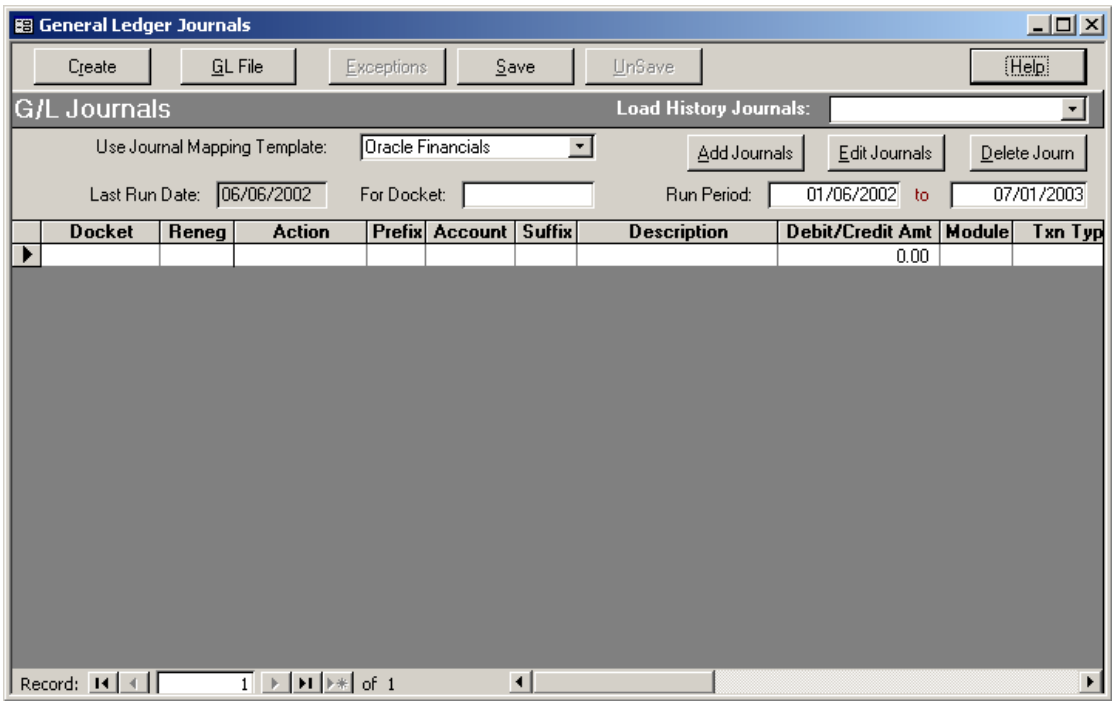
Save - Once all details have been entered for a new template line item, you must select the OK button to write your addition to the database

Close - Will close the form. If a new account template details have not been saved you will be prompted prior to the form being closed.

Help - Launches the on-line Help system

General Ledger Journal Batch

General Ledger Create Journal Batch is the process that is run periodically to calculate and export general journal entries from the CAPIX system. The General Ledger Create Journal Batch process is run every time the corporate general ledger financial system is updated Eg. At the end of each month.



Title Bar

Load History Journals

This drop-down list displays previously saved GL Journal batches. Selecting a batch here loads it from the database and displays it in the batch details grid. Once a GL Journal batch has been loaded from the database it can be printed and exported again. GL Journal batches may be saved by pressing the *Save* button. This feature is useful for saving and recalling GL Journal batches if they are required after the initial processing.

Batch Definition

It is here where the user defines the properties for the generation of the batch.

Use Journal Mapping Template

As the system can have multiple General Ledger Templates defined, you must specify the template to be used for this journal creation run. This field will initially be populated with the template defined in the GL Accounts Template as the 'default template'. If another template is required select from the available list.

Last Run Date

The date that the *General Ledger Create Journal Batch* process was last run. This field is system generated and cannot be edited. It is only intended to provide information about when the last GL Batch was run.

For Docket

This filed should be left blank for the Batch process function. It should only be used for the viewing of journals for a single docket number.

Run Period

Journals are created from Transactions that fall within a selected date range. These fields are used to specify the beginning and end dates (date range) of Transactions to be selected for the GL export.

(The '*From*' date is generated from the GL Set-Up Tab - '*Last EOP*' field, and cannot be modified on this screen).

Note: the date range is inclusive of the dates selected. For example, when exporting journals for Transactions during the end of month processing for January 2000 select the *Run Period 01-Jan-2000 to 31-Jan-2000*.

The three option buttons located in the batch definition area are:

Add Journals - After a batch has been created, users have the ability to **Add** individual journal entries into that batch.

Edit Journals - After a batch has been created, users have the ability to **Edit** individual journal entries that make up that batch. Place the cursor on the journal entry you wish to edit and select the *'Edit Journals'* button. **Delete Journals** - After a batch has been created, users have the ability to **Delete** individual journal entries that make up that batch. Place the cursor on the journal entry you wish to edit and select the *'Delete Journals'* button

Batch Details Display Grid

The gird area displays details of the current GL Journal batch. The GL Journal batch may have been generated by pressing the Create button, or a previously saved batch that has been reloaded from the database by selecting it from the *Load History Journals* drop-down list.

Note: the amount of detail displayed in this view will vary according to how the batch has been configured to run. For example, more detail will be displayed if the GL Journals are generated for each transaction rather than just a summary of journals.

Function Buttons

Create - When the parameters for your General ledger batch have been completed select the **Create** button. This button will generate the GL Journals based on the Run Period date range specified above. The GL Journals will be generated from Transactions stored in the CAPIX system, based on parameters defined when the GL integration module was implemented.

GL File - Press this button to save data from the current GL Journal batch to a file. Once a GL File has been created the GL Journals are exported into the file. The GL File can then be imported into external corporate General Ledger systems. Typically data in the GL File will be stored as Comma Separated Values (CSV) within a text file. The actual format that the GL Journals are exported to using this function will depend on how the GL Setup parameters have been configured.

Exceptions - If the GL Account Transaction Types have not been properly set or if some GL account definitions are missing, then the *Missing General Ledger Accounts* report will be generated to detail exceptions that were encountered when generating the GL Journals batch. To view this report, select the Exceptions button.

Save - Once a GL Journal batch has been generated, press the *Save* button to save the current batch to the database. Once a batch has been saved it can be recalled by selecting the desired batch from the *Load History Journals* drop-down list above. Saving a GL Journal batch is an optional step and it is not necessary to save a batch.

Unsave - Pressing this button will cause changes to the current GL Journal batch to be reversed or undone. This feature is useful when the GL Journal batch that has been generated is incorrect and should be discarded to allow the GL Journal batch generation to be created again,

Help - Launches the on-line Help system

Typical Periodic GL Export

The periodic procedure for generating and exporting the GL Journals batch will typically follow these steps:

- Open the *General Ledger Create Journal Batch* form from the *GL* menu.
- Select the required *Journal Mapping Template.*
- Enter the appropriate *Run Period* Start and End dates.
- Press the *Create* button. Processing may take a few minutes, depending on the number of transactions in the system for the selected date range and the number of modules that are configured to export GL Journals.
- View the exception report by selecting the *Exceptions* button. If there are any exceptions it may be necessary to change the GL Account integration parameters and repeat this step.
- Press the *Save* button to save the current batch.
- Press the *GL File* button to export the current GL Journal batch to a file. This file can then be sent for importing into the external corporate account system General Ledger.