

# **Concur Invoice: Account Codes**

## **Setup Guide**

**Last Revised: July 13, 2012**

Applies to these SAP Concur solutions:

- Concur Expense
  - Professional/Premium edition
  - Standard edition
  
- Concur Travel
  - Professional/Premium edition
  - Standard edition
  
- Concur Invoice
  - Professional/Premium edition
  - Standard edition
  
- Concur Request
  - Professional/Premium edition
  - Standard edition



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# Revision History

Date	Notes/Comments/Changes
September 20, 2022	Minor edits; cover date not updated
January 21, 2022	Updated the copyright year; no other changes; cover date not updated
February 17, 2021	Updated the copyright year; no other changes; cover date not updated
April 17, 2020	Renamed the Authorization Request check box to Request on the guide's title page; cover date not updated
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December 17, 2018	Changed copyright, "Concur" to "SAP Concur", and "payment request" to "invoice" where applicable.
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July 13, 2012	Tool now available from within Invoice Admin user interface.
December 31, 2010	Updated the copyright and made rebranding changes; no content changes.
December 2009	Changed to stand-alone setup guide; no content change.

# Account Codes

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**NOTE:** Multiple SAP Concur product versions and UI themes are available, so this content might contain images or procedures that do not precisely match your implementation. For example, when SAP Fiori UI themes are implemented, home page navigation is consolidated under the SAP Concur Home menu.

## Section 1: Permissions

A company administrator may or may not have the correct permissions to use this feature. The administrator may have limited permissions, for example, they can affect only certain groups and/or use only certain options (view but not create or edit).

If a company administrator needs to use this feature and does not have the proper permissions, they should contact the company's Concur administrator.

In addition, the administrator should be aware that some of the tasks described in this guide can be completed only by SAP Concur. In this case, the client must initiate a service request with SAP Concur Customer support.

## Section 2: Overview

### Ledgers

Account codes are part of a ledger. Before using the information in this guide, ensure that you are familiar with ledgers.



For information about ledgers, refer to the *Concur Expense: Ledgers Setup Guide*.

### Account Codes

The purpose of mapping expense types to account codes is to connect Concur Invoice with the company's accounting system – the *expense types* are defined in Concur Invoice while the *account codes* are defined in the company's accounting system. The expense type/account code map is the thread that connects the two systems and ensures that the amounts coming from Concur Invoice (via extract) are applied correctly (via import) in the company's accounting system, which in turn ensures the correct posting to the company's General Ledger.

In Concur Invoice, the expense type/account code mapping allows for a broad range of accounting system structures, including multiple ledgers and different account codes at different levels in the ledger's hierarchy. (The hierarchy can be based on, for example, country, organizational unit, currency, custom fields, and so on). Concur Invoice provides this flexibility while requiring a minimal amount of

configuration effort. It also provides for a *global* set of account codes that can be used as a master set or "umbrella" set of account codes for the entire company.



For more information regarding expense types, refer to the *Concur Invoice: Expense Types Setup Guide*.

## Examples of Accounting Structures

Generally, the relationship between ledgers and accounting systems is one ledger for each accounting system. Within one ledger, there can be multiple sets of account codes.

- **Example 1:** Company A has two ledgers – one for its affiliate in the US and one for its affiliate in Canada. Assume that the Canadian affiliate was a recent acquisition and is still using its legacy accounting system, so it has its own ledger. Each ledger (US and Canada) has its own set of account codes.
- **Example 2:** Company B has one ledger (with one set of account codes) because its three affiliates use the same accounting system and a shared Chart of Accounts.
- **Example 3:** Company C, like Company A, has two affiliates with two separate accounting systems and, hence, two separate ledgers. The first affiliate has one set of account codes. The second affiliate, however, wants to track selected expenses for the Sales division separately. They defined a complete set of codes that applies to all divisions and then defined a few separate account codes specifically for Sales.

## Natural Account Code

To ensure that financial transactions are properly accounted for, accounting systems require full accounting codes that define both *who* and *what* were involved in the transaction:

- The *who* portion relates to the portion of the business for which this expense applies (division, department, cost center, and so on).
- The *what* portion describes the type of expense (rent, office supplies, freight, and so on). This portion relates to the company's Chart of Accounts and is commonly called the *natural* account code.

For example, assume there is an invoice generated by an employee of Western Division (003), Seattle Cost Center (608), Sales Department (511) for Training (Chart of Accounts code 7000). The full accounting code required by the company's accounting system to accurately account for the expense would be 003-608-511-7000.

The expense type/account code mapping described in this guide involves only the *what* portion, which is the Chart of Accounts portion and, using the example above, would be 7000. The expense type/account code mapping **does not** include the *who* portion (division, department, cost center, and so on) because it is assumed that the information is available on the employee header, the report header, or at the expense level.

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**NOTE:** Both portions are accounted for during the extract process. The system obtains the *what* portion from the expense type/account code map and the *who* portion from the employee header, the report header, or the expense.

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## Account Code Hierarchy

Every ledger has an account code hierarchy. The simplest hierarchy is based only on the ledger and expense type. For example, the same account code is assigned to every Training expense created by any Invoice User associated with that ledger.

The more complex form of hierarchy is based on the ledger, the expense type, and additional criteria. For example, the same account code is assigned to every Training expense created by an invoice user assigned to that ledger if the user also belongs to a specific division, department, and cost center.

When defining the criteria, the administrator can select from certain invoice, invoice line item, and allocation information (fields). For example:

- **Invoice-related criteria:**
  - ◆ **Country:** Home country of the Invoice User, as shown in the employee header
  - ◆ **Currency:** Vendor currency; currency in which the vendor is paid
  - ◆ **Policy:** Policy associated with the invoice
  - ◆ **Org Unit 1-6:** Which may be defined by the company as Department, Division, and so on
  - ◆ **Custom 1-20:** As defined by the company
- **Invoice Line Item criteria:**
  - ◆ **Custom 1-20:** As defined by the company
- **Allocation-related criteria:**
  - ◆ **Custom 1-20:** As defined by the company

Then, when an invoice user saves an invoice, the system locates the correct account code based on the expense type, the ledger, and all the criteria.

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**NOTE:** If you select **Request**, the system uses the data held in the field for the invoice when looking up the account code for the expense type. If you select **Request Line Item**, the system uses the data held in the field for the invoice when looking up the account code for the expense type. As an example, assume that you define the Org Unit of "Division" for both the invoice and invoice line item. If so, it is possible for an employee to have one division on the invoice header, which is copied down from the employee profile, and another division assigned on the **Distributions** page for one or more line item entries.

Depending on the level at which the expense account code hierarchy is defined, a different account code could be assigned to the entry.

In addition, the selected fields must be added to the invoice forms that are used by the employees that use this ledger. If the fields are not located on the invoice form, it is possible that the account codes will not resolve properly, and that the employee receives an error. For example, assume that the Org Unit 2 field is set up as Division in the expense account code hierarchy and is selected for the invoice. If this field is not entered on the invoice form, the system always looks up the account codes with "Division" as null and may not return any account codes. Be aware that this may be more difficult than it appears, since the invoice form is defined against policies, which can be used by employees across different ledgers.

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## Levels of Account Codes

Account codes can be defined at any of these levels:

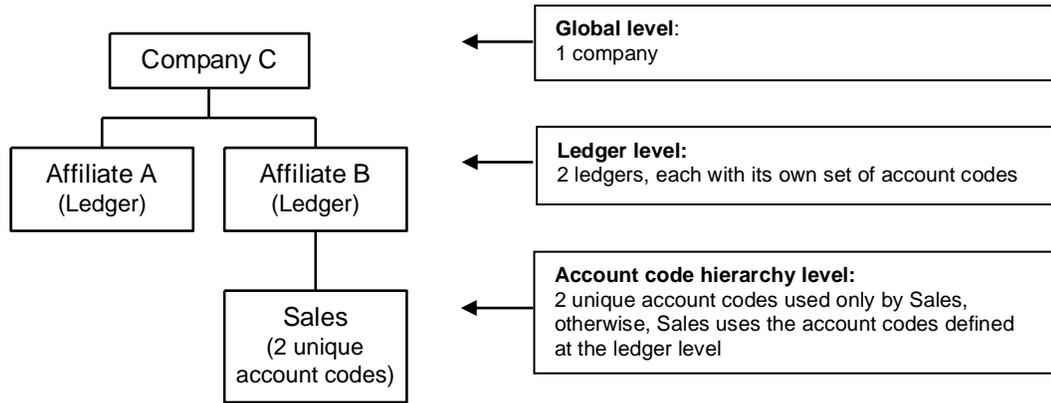
- Global
- Ledger
- Account code hierarchy

Though none of these levels is required, the company must have an account code defined for each expense type in order for an invoice to be processed. The company can choose any combination of these levels. For example, the company can define most of the account codes at the ledger level, some at the account code hierarchy level, and none at the global level. Depending on the needs of the company, the company can define all the account codes at the global level. There are uses and purposes for defining the account codes at each level, as described on the following pages.

### ***Ledger and Account Code Hierarchy Levels***

A common scenario is for a company to define its account codes at the ledger level and then define the *differences* at the account code hierarchy level (if the company uses the account code hierarchy level). For example, in Figure 1, using the Company C example described previously, there are two ledgers: one for Affiliate A and one for Affiliate B. Within Affiliate B, the account codes are set at the ledger level and those account codes apply to most of the company's divisions. However, since the company wants to track certain expenses (for example, Training and

Conference/Seminar Fees) for the Sales division, there are unique codes for Sales. *The company does not have to define an entire set of codes for Sales, only the ones that differ from the main ledger* (in this case, Training and Conference/Seminar Fees). For all expenses other than Training and Conference/Seminar Fees, Sales uses the account codes from the main ledger.



**Figure 1:** Global, ledger, and account code hierarchy levels

When an invoice is saved by a member of the Sales division, the system searches for the appropriate account code. For Training and Conference/Seminar Fees expenses, the system uses the unique account codes defined especially for Sales. For all other expenses, the system uses the account codes defined at the ledger level.

**Global Level**

The global set of account codes is above the ledger level and can be used as a master set or "umbrella" set of account codes for the entire company.

This example (using Table 1) explains how the system searches for account codes and the purpose of the global set of account codes.

**Table 1:** Search for account codes

Expense Type ⇒	#1	#2	#3	#4	#5
Global	(code)	(code)	(code)	(code)	
Ledger level	(code)		(code)		
Account code hierarchy level		(code)	(code)		

When an invoice is saved, the system searches for the appropriate account code. The system starts at the *lowest* level. Using Table 1 as a sample, the system would find:

- For expense type #1, the system locates the ledger-level code.
- For expense type #2 and #3, the system locates the code at the account code hierarchy level.

- For expense type #4, the system locates the global-level code.
- For expense type #5, the system assumes there is no account code. *A request cannot be processed without an account code.* The Invoice User receives a message and is prevented from submitting the associated invoice until the administrator enters an account code into the system.

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**NOTE:** To ensure the user is not inconvenienced by absent account codes, the administrator should ensure that *every* expense type is mapped to an account code, perhaps using global account codes.

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The global set of account codes can be used in several ways:

- If the company uses a single chart of accounts, the company can define one set of codes at the global level (Table 2). For example, Company B described previously that has one ledger because its three affiliates use the same accounting system and a shared Chart of Accounts. Instead of setting three sets of identical ledger-level account codes, the company could set one at the global level.

**Table 2:** Only global account codes defined

	Catering	Internet	Legal Services	Conference /Seminar Fees	Training
Global	6100-01	6400-01	7000-01	8200-01	8250-01
Affiliate 1					
Affiliate 2					
Affiliate 3					

For all expenses in all ledgers, the system uses the global codes.

- As noted previously, if an invoice type does not have an account code, the user receives a message and is prevented from submitting the invoice until the code is entered into the system by the Global Configuration administrator. To eliminate this inconvenience for the user, all global codes can be mapped to a "missing account code" account (Table 3). This account code could correspond to an account specifically set up to deal with missing account codes.

When an invoice posts to this "missing account code" account, the company is required to correct the missing account code in Concur Invoice. The company typically transfers the transaction amount (from the account associated with the "missing account code," into the correct account) manually, but the user is not inconvenienced.

**Table 3:** Global account codes that correspond to a "missing account code" account

	Catering	Internet	Legal Services	Conference /Seminar Fees	Training
Global	10000-01	10000-01	10000-01	10000-01	10000-01
Affiliate B	6100-01	6400-01	7000-01	8200-01	
Affiliate B - Sales			7000-02	8200-02	

In Table 3, a training expense would be assigned the account code of 10000-01, which corresponds to the "missing account code" account.

## Section 3: End-User Experience

The user neither sees nor can in any way change an account code that is associated with an invoice type. The only time a user is aware that there is a problem with an account code is if the user saves an invoice that has an invoice type that does not have an account code (that is, the system cannot locate a code). In this case, the user receives a message and cannot submit the invoice until the administrator adds the account code to the system.

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**NOTE:** To ensure the user is not inconvenienced by missing account codes, the administrator should ensure that every expense type is mapped to an account code, perhaps using global account codes.

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### Changes Made by the User or Processor

As described previously, the system searches for the appropriate account code when an invoice is saved. Assume the user saved an invoice and the system located the appropriate account code for the invoice type. Later, if the user selects a different invoice type, itemizes an invoice, or changes other invoice-related fields that are defined in the account code hierarchy, the system again searches for the appropriate account code. If the processor changes any invoice-related fields that are defined in the account code hierarchy, the system searches again for the appropriate account code.

## Section 4: The Basic Process

The steps are discussed briefly here and are described in detail on the following pages:

1. The company's ledger (or ledgers) must already be in place.



For information about setting up the ledger, refer to the *Concur Invoice: Ledgers Setup Guide*.

2. Define the account code hierarchy (if any) for each ledger.
3. Map the expense types to the account codes:
  - ◆ For global account codes
  - ◆ For ledger-level account codes
  - ◆ For account codes for ledgers with hierarchies

### Permissions

These roles are required:

- The Shared Configuration administrator defines the ledger.
- The Invoice Configuration administrator:
  - ◆ Defines the account code hierarchies
  - ◆ Maps the expense type/account codes

The Account Codes tool is available if the user has been assigned the Invoice Configuration administrator (Restricted) role.

## Section 5: Procedures

### Step 1: Defining the Company's Ledger(s)

Refer to the *Concur Invoice: Ledgers Setup Guide* for information about defining the company's ledger(s).

### Step 2: Defining the Expense Account Code Hierarchy

The Expense Account Code Hierarchy can be defined or modified for each ledger. This hierarchy defines the data fields that are to be used for Concur Expense account code assignment. Each ledger must have at least one expense type account code segment. The fields used to define these segments are listed in the order to be used within the hierarchy to define the necessary accounts.

Only the administrator can add segments to the expense account code hierarchy. All other administrators can view the information in read-only text.

### Accessing the Account Code Hierarchy page

▶ **To access the Account Code Hierarchy page:**

1. Click **Administration > Invoice Admin.**
2. Click **Accounting Administration**, and then click the **Accounting Structure** tab.
3. Select the ledger you want to affect under **Ledger Name**.
4. Click **Modify Hierarchy** to display the **Account Code Hierarchy for Ledger** page.

**Account Code Hierarchy for ledger: DEFAULT**

New
Remove

Level	Segment Name	Order
Request	Policy Name	↓
Line Item	Custom 10	↑

Cancel
Save

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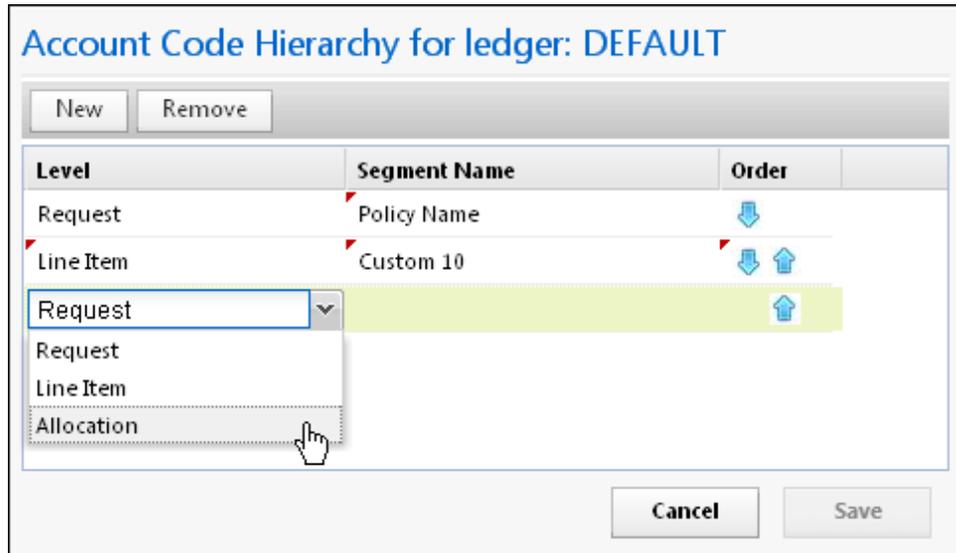
**NOTE:** This page is blank if you have not yet added segments to the ledger. There are no default values.

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### Adding a New Segment

► **To add a new segment:**

1. On the **Account Code Hierarchy for Ledger** page, click **New**.
2. The page adds a new row to the page—each row includes two lists that you must click *directly* to open.



3. Complete the following information:

Field	Description
Level	Select <i>Request</i> , <i>Line Item</i> , or <i>Allocation</i> . The <b>Name</b> options will change, depending on which level you select.
Segment Name	Select an option from the <b>Segment Name</b> field. Your choices may include: <ul style="list-style-type: none"> <li>• <b>Request</b> - These are all fields that may appear on the invoice: <ul style="list-style-type: none"> <li>◆ Country</li> <li>◆ Currency</li> <li>◆ Custom 1-20</li> <li>◆ Org Unit 1-6</li> <li>◆ Policy Name</li> </ul> </li> <li>• <b>Line Item</b> - These are all fields that may appear for an invoice: <ul style="list-style-type: none"> <li>◆ Custom 1-20</li> </ul> </li> <li>• <b>Allocation:</b> These are all fields that may appear for payment allocations: <ul style="list-style-type: none"> <li>◆ Custom 1-20</li> </ul> </li> </ul>

4. (Optional) If you wish to, reorder the segments as necessary.
5. Click **Save**. The new segment is added to the ledger and the **Accounting Administration** page appears.

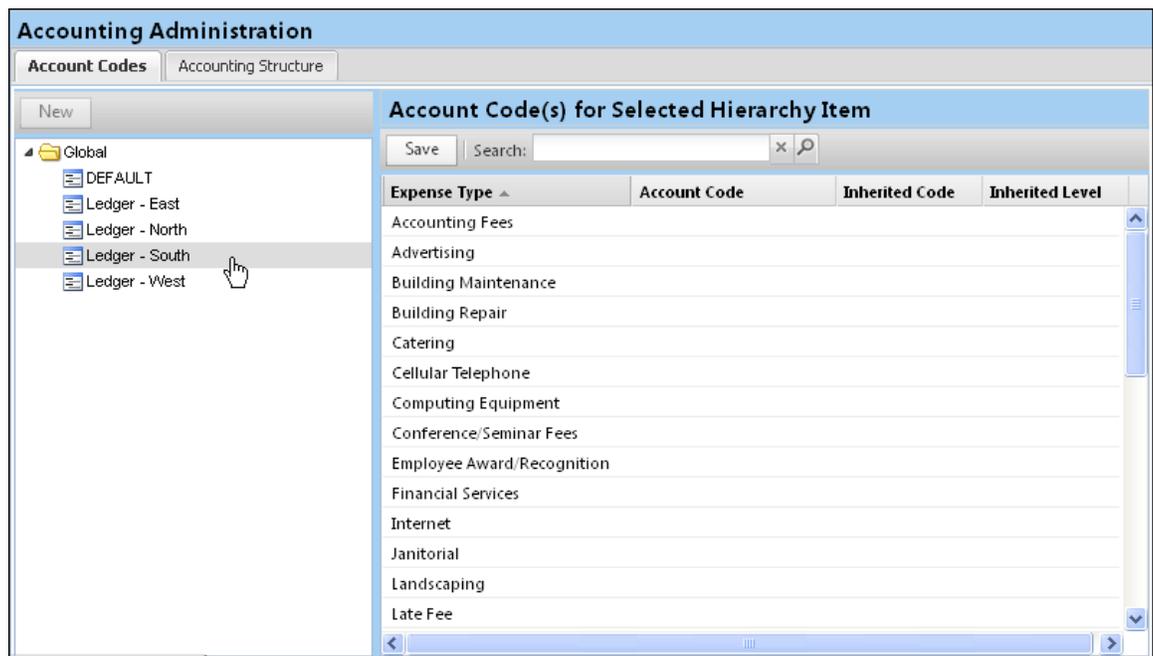
### Step 3: Account Codes Procedures

#### Understanding the Account Code Pages

Use the following information to understand the **Account Codes** pages *before* mapping account codes.

#### Account Codes Tab

The **Account Codes** tab of the **Accounting Administration** page is used to enter and edit account codes and add new account code hierarchy levels.



The account code hierarchy is displayed in the left pane. The root node is Global. Level one is for Ledger. If there are levels set up for the Account Code Hierarchy for a Ledger, these appear as levels two though the number of levels set up. The right pane displays the account code fields for the expense types for the node selected in the left pane. The columns in the right pane are described below.

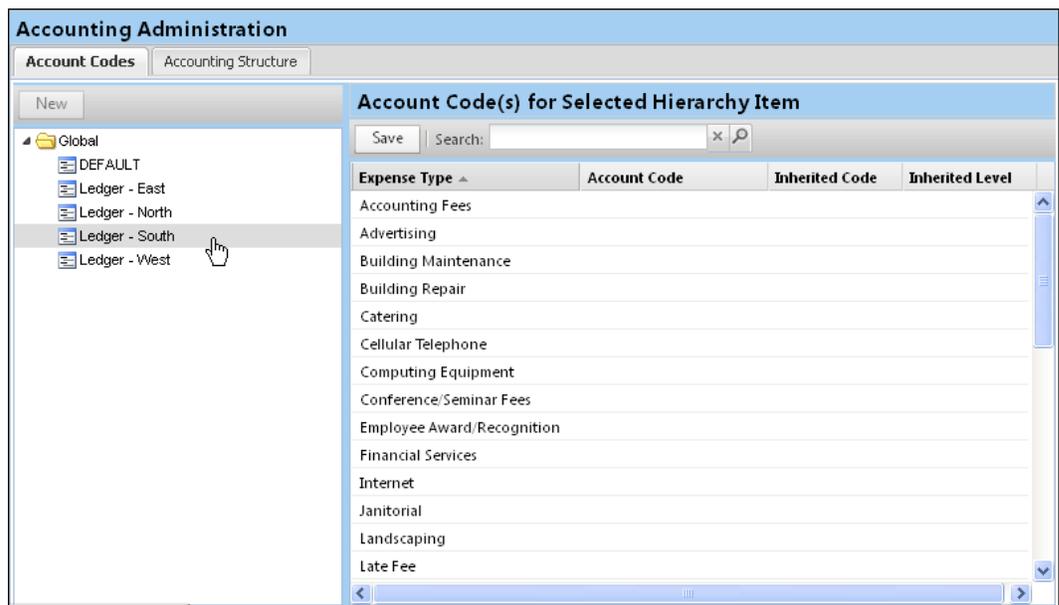
Column	Description
Expense Type	This column shows all expense types in the Invoice system (regardless of the associated policy and regardless of whether the expense type is currently in use).

Column	Description
Account Code	Type the account code in this field, up to 20 alphanumeric characters (not case sensitive). <b><i>There is no validation on these fields. Two or more expense types can have the same account code.</i></b> For example, two expense types appear for the company car feature (Marketing - Business and Marketing - Personal). This allows the company to have separate account codes for business and personal functions of Marketing. However, if the company chooses to have business and personal expenses post to the same account, the administrator will enter the same account code for both expense types.
Inherited Code	This column displays the account code from a previous level. If nothing is entered in the Account Code field for this level, this is the code that will be used.
Inherited Level	This column displays the level at which the account code in the <b>Inherited Code</b> column is defined.

### Accessing the Accounting Administration Page

► **To access Accounting Administration:**

1. Click **Administration > Invoice Admin.**
2. Click **Accounting Administration.** The **Account Codes** tab of the **Accounting Administration** page appears.



## Adding and Editing Account Codes

### ▶ To add or edit account codes:

1. On the **Account Codes** tab, in the left pane, select the desired level of the account code hierarchy. The account code values appear in the right pane.

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**NOTE:** You can search for a particular account code using the **Search** field.

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2. Click in the **Account Code** column and enter the desired account code.

The screenshot shows a dialog box titled "Account Code(s) for Selected Hierarchy Item". At the top left is a "Save" button and a "Search:" field with a magnifying glass icon. Below this is a table with two columns: "Expense Type" and "Account Code". The "Expense Type" column lists various categories, with "Advertising" highlighted in yellow. The "Account Code" column has a text input field containing the value "113668", which is circled in red. A mouse cursor is pointing at the end of the text in the input field.

Expense Type	Account Code
Accounting Fees	
Advertising	113668
Building Maintenance	
Building Repair	
Catering	
Cellular Telephone	
Computing Equipment	
Conference/Concession Fees	

3. Click **Save**.

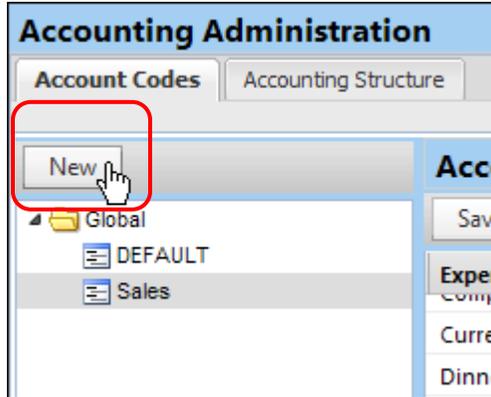
The screenshot shows the same dialog box as above, but now the "Save" button is highlighted with a red box and a mouse cursor is clicking on it. The "Expense Type" is now "Dues" and the "Account Code" is "22975".

Expense Type	Account Code
Company Car Wash	
Currency Gain/Loss	
Dinner	
Dinner - over limit	
Dues	22975
Duplicating	

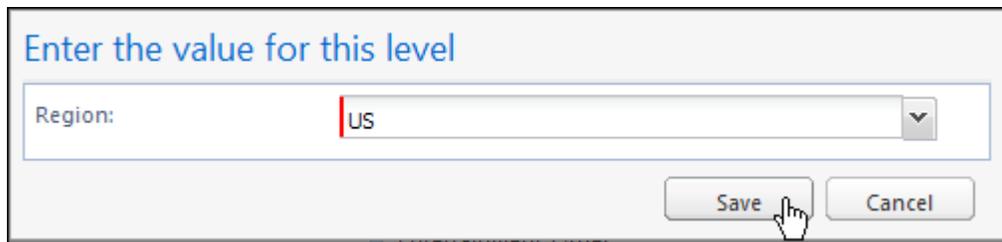
### **Adding a New Account Code Hierarchy Level**

▶ **To add a new account code hierarchy level:**

1. Select the desired hierarchy level, and then click **New**.



2. Enter the name of the new hierarchy level or select the correct list values.



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**NOTE:** If the account code hierarchy includes a connected list field, the higher-level list fields will display as well.

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3. Click **Save**.

## Section 6: Maintaining Hierarchies and Account Codes

### Editing a Segment

Once a segment is added to a ledger, it can be edited.

! **WARNING:** Reordering or changing an account code segment changes the hierarchy structure in the ledger and may invalidate your existing configuration.

▶ **To edit an existing segment:**

1. Click the **Accounting Structure** tab and select the ledger with the segment to be edited.
2. Click **Modify Hierarchy** to display the **Account Code Hierarchy for Ledger** page.
3. Click the name of the segment to be edited and edit the information as necessary.

Level	Segment Name	Order
Request	Country	↓
Line Item	Custom 20	↓ ↑
Allocation	Custom 10	↑

4. Click **Save**. The **Accounting Structure** tab appears.

## Deleting a Segment

If a segment no longer applies, it can be deleted.

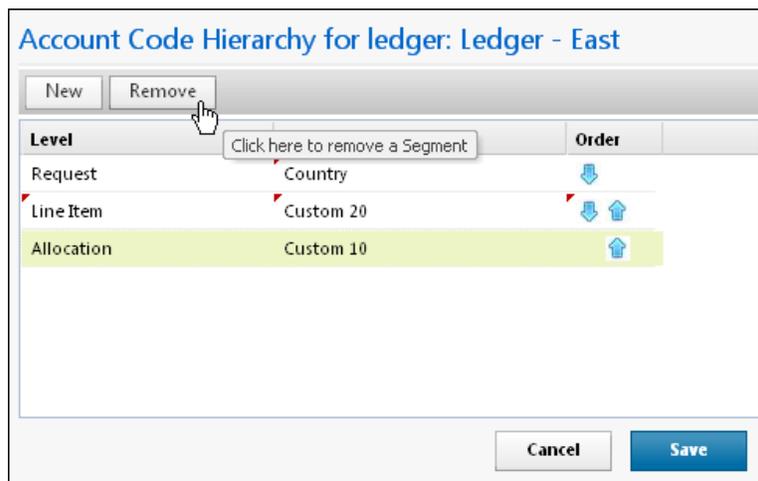
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**! WARNING:** Deleting an account code segment changes the hierarchy structure in the ledger and may invalidate your existing configuration.

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▶ **To delete an account code segment:**

1. Click the **Accounting Structure** tab and select the ledger with the segment to be deleted.
2. Click **Modify Hierarchy** to display the **Account Code Hierarchy for Ledger** page.
3. Select the segment that you want to remove.



4. Click **Remove**.
5. Click **Save**. The **Accounting Structure** tab appears.

## Editing Account Codes

The process for editing account codes is the same as for adding.



For more information, refer to *Step 3: Mapping the Account Codes* in this guide.

