

Concur Expense: Account Codes

Setup Guide

Last Revised: January 10 2017

Applies to these SAP Concur solutions:

- Expense
 - Professional/Premium edition
 - Standard edition

- Travel
 - Professional/Premium edition
 - Standard edition

- Invoice
 - Professional/Premium edition
 - Standard edition

- Request
 - Professional/Premium edition
 - Standard edition

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Revision History

Date	Notes / Comments / Changes
January 21, 2022	Updated the copyright year; no other changes; cover date not updated
January 6, 2021	Updated the copyright; added Concur to the cover page title; cover date not updated
April 9, 2020	Renamed the Authorization Request check box to Request on the guide's title page; cover date not updated
December 9, 2019	Updated the copyright; no other changes; cover date not updated
January 4, 2019	Updated the copyright; no other changes; cover date not updated
April 4 2018	Changed the check boxes on the front cover; no other changes; cover date not updated
January 3 2018	Updated the copyright; no other changes; cover date not updated
January 10 2017	Added a new section, <i>Expenses Split Between Two or More Records</i> , to clarify use of the Account_Code_2 field in the CT_Journal table.
December 14 2016	Changed copyright and cover; no other content changes.
July 13 2016	The Account Code field maximum number is changed from 20 to 48 to match the extract support for 48 alphanumeric characters
May 13 2016	Updated instances of he/she to they
May 15 2015	Updated the screen shots to the enhanced UI; no other content changes
September 24 2014	Added information about two user interfaces; no other content changes
April 15 2014	Changed copyright and cover; no other content changes
December 28 2012	Made rebranding and/or copyright changes; no content changes
October 19 2012	Addition of Receipt Status as Report Entry-level selectable field
January 20 2012	Added a note that ledgers cannot be deleted - once in use
January 21 2011	Completed transition of document from classic to current interface
December 31 2010	Updated the copyright and made rebranding changes; no content changes
May 2010	Added information about using connected list fields in account code hierarchies
January 2010	Added information about the Account Codes page in current user interface
December 2009	Changed to stand-alone setup guide; no content change
July 2009	Added a reference to the Taxability / Deductibility feature
June 2008	Added information about the two available user interfaces: <ul style="list-style-type: none"> • <i>Classic</i> user interface • <i>Current</i> user interface

Account Codes

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.

Also, the administrator should be aware that some of the tasks described in this guide can be completed only by Concur. In this case, the client must initiate a service request with Concur Client 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 *Expense: Ledgers Setup Guide*.

Account Codes

The purpose of mapping expense types to account codes is to connect Expense with the company's accounting system – the *expense types* are defined in Expense 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 Expense (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 Expense, 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). Expense 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.



Information about the company card clearing account code and the cash advance clearing account code is **not** included in this guide. Refer to the *Expense: Company Card Administrator User Guide* and the *Expense: Cash Advance Administrator User 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. It 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 (airfare, office supplies, salary, 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 entertainment expense generated by an employee of Western Division (003), Seattle Cost Center (608), Sales Department (511) for Entertainment (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.

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.

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 Entertainment expense created by any Expense 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 Entertainment expense created by an Expense 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 report, expense, and allocation information (fields). For example:

- Report-related criteria:
 - ◆ **Country Code:** Home country of the Expense user, as shown in the employee header
 - ◆ **Currency:** Reimbursement currency; currency in which the user is reimbursed
 - ◆ **Policy:** Policy associated with the report
 - ◆ **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
- Expense-related criteria:
 - ◆ **Foreign or Domestic:** The country in which the expense was incurred, compared to the user's home country to determine whether the expense was foreign or domestic
 - ◆ **Currency:** Currency in which the expense was incurred
 - ◆ **Payment Type:** Payment Type associated with the expense
 - ◆ **Org Unit 1-6:** Which may be defined by the company as Department, Division, and so on
 - ◆ **Custom 1-40:** As defined by the company
- Allocation-related criteria:
 - ◆ **Custom 1-20:** As defined by the company

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

NOTE: If you select **Report**, the system uses the data held in the field for the expense report when looking up the account code for the expense type. If you

select **Report Entry**, the system uses the data held in the field for the expense entry 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 report and report entry. If so, it is possible for an employee to have one division on the report, which is copied down from the employee, and another modified division for the report entry.

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 report forms that are used by the employees that use this ledger. If the fields are not located on the report 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 Report. If this field is not entered on the report 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 report form is defined against policies, which can be used by employees across different ledgers.

NOTE: It is possible to configure a connected list field as a part of the hierarchy, without adding the higher level connected list fields. If this is done, the administrator will be prompted to select the higher level list fields when adding a new hierarchy level in Account Codes.

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 expense 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 of 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 the majority of the company's divisions. However, since the

company wants to track certain expenses (for example, Entertainment and Trade Shows) 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, Entertainment and Trade Shows). For all expenses other than Entertainment and Trade Shows, Sales uses the account codes from the main ledger.

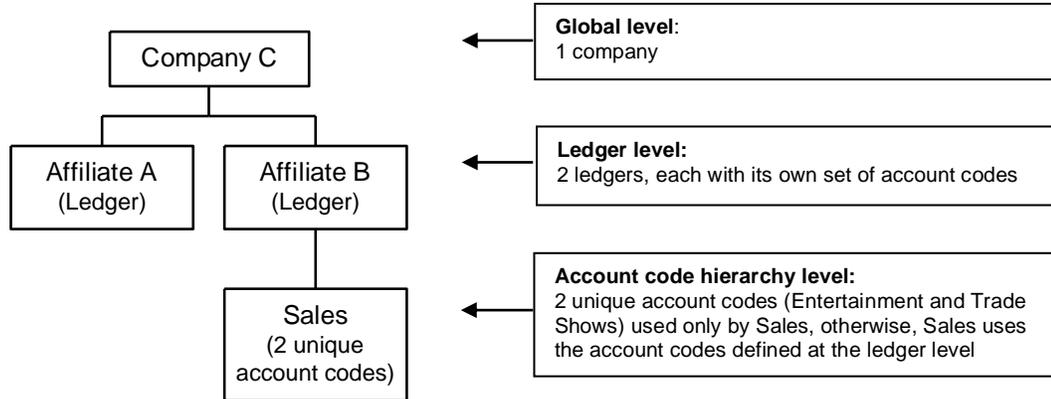


Figure 1: Global, ledger, and account code hierarchy levels

When a member of the Sales division saves an expense, the system searches for the appropriate account code. For Entertainment and Trade Shows expenses, the system uses the 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.

NOTE: The system never searches for account codes for expenses that are marked as personal.

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 expense 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.

Section 2: Overview

- 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. **An expense cannot be processed without an account code.** The Expense user receives a message and is prevented from submitting the associated expense report until the administrator enters an account code into the system.

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.

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

	Airfare	Car Rental	Entertainment	Trade Shows	Train
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 expense type does not have an account code, the user receives a message and is prevented from submitting the expense 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 expense posts to this "missing account code" account, the company is required to correct the missing account code in Expense. 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

	Airfare	Car Rental	Entertainment	Trade Shows	Train
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 train expense would be assigned the account code of 10000-01, which corresponds to the "missing account code" account.

Expenses Split Between Two or More Records

Account code 2 is used for journal records when the expense is split between several records. Examples include the following:

- **Travel allowance:** Account code 2 is used for an amount that exceeds the allowance limit
- **Mileage:** Account code 2 is used for the personal distance when there is a rate for personal miles
- **Taxability/deductibility:** Account code 2 can be used based on configuration

Taxability / Deductibility

A client can also define account codes for:

- **Taxability:** An expense can be "split" into taxable and non-taxable portions in order to account for the portion of an expense that is taxable to the employee. For example, in some countries, if a company pays an employee a car mileage rate higher than the government-published rate, the difference is taxable to the employee.
- **Deductibility:** An expense can be "split" into deductible and non-deductible portions based on the number of attendees. For example, in some countries, a certain portion of an entertainment expense is deductible (on the company's tax return), based on the number of attendees and perhaps whether the attendees are employees or non-employees.



For more information, refer to the *Expense: Taxability / Deductibility Setup Guide*.

Section 3: What the Expense User Sees

The user does not see or can in any way change an account code that is associated with an expense type. The only time a user is aware that there is a problem with an account code is if the user saves an expense that has an expense type that does not have an account code (that is, the system cannot locate a code). In this case, the

Section 4: The Basic Process – Overview

user receives a message and cannot submit the expense until the administrator adds the account code to the system.

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.

Changes Made by the User or Processor

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

NOTE: The system never searches for account codes for expenses that are marked as personal.

Section 4: The Basic Process – Overview

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

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



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

- **Step 2:** Define the account code hierarchy (if any) for each ledger.
- **Step 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

Section 5: Procedures

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

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

Step 2: Defining the Expense Account Code Hierarchy

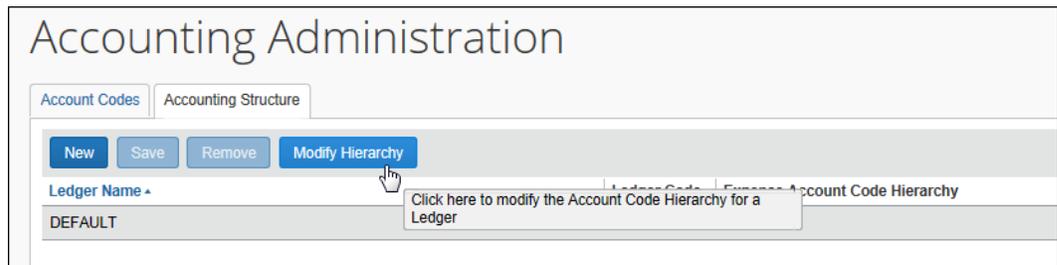
The Expense Account Code Hierarchy can be defined or modified for each ledger. This hierarchy defines the data fields that are to be used for Expense account code assignment. Each ledger must have at least one expense type account code segment. The fields used to define these segments are listed in the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

Only the Global Expense Configuration administrator has the ability to add segments to the expense account code hierarchy. The Group Expense Configuration administrator can view the information in read-only text.

Accessing the Account Code Hierarchy for Ledger page

► **To access the Account Code Hierarchy for Ledger page:**

1. Click **Administration > Expense**.
2. Click **Accounting Administration**.
3. Click **Accounting Structure**.
4. Select the ledger you want to affect under **Ledger Name**.



5. Click **Modify Hierarchy**. The **Account Code Hierarchy for ledger** page appears.

Account Code Hierarchy for ledger: DEFAULT

Level	Segment Name	Order
Report	Org Unit 1	↓
Report	Org Unit 2	↑

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

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 drop-down lists that you must click *directly* to open.

Account Code Hierarchy for ledger: DEFAULT

New Remove

Level	Segment Name	Order
Report	Org Unit 1	↓
Report	Org Unit 2	↓ ↑
Report		↑

Report
Report Entry
Allocation

Cancel Save

3. Complete the following information:

Field	Description
Level	Select Report, Report Entry (Expense), or Allocation. The Segment Name options will change, depending on which level you select.

Field	Description
Segment Name	<p>Select an option from the Segment Name field. Your choices may include:</p> <ul style="list-style-type: none"> • Report: These are all fields that may appear on the expense report. <ul style="list-style-type: none"> ◆ Country Code ◆ Currency ◆ Custom 1-20 ◆ Org Unit 1-6 ◆ Policy • Report Entry: These are all fields that may appear for expense entry. <ul style="list-style-type: none"> ◆ Currency ◆ Custom 1-40 ◆ Foreign or Domestic ◆ Is Billable ◆ Org Unit 1-6 ◆ Payment Type ◆ Receipt Status • Allocation: These are all fields that may appear for expense allocations. <ul style="list-style-type: none"> ◆ Custom 1-20

4. *Optional:* Reorder the level of the segment by clicking the up and down arrows to move the segment to the correct location.

Account Code Hierarchy for ledger: DEFAULT

New Remove

Level	Segment Name	Order
Report	Org Unit 1	↓
Report	Org Unit 2	↓ ↑
Report Entry	Custom 10-Project	↑

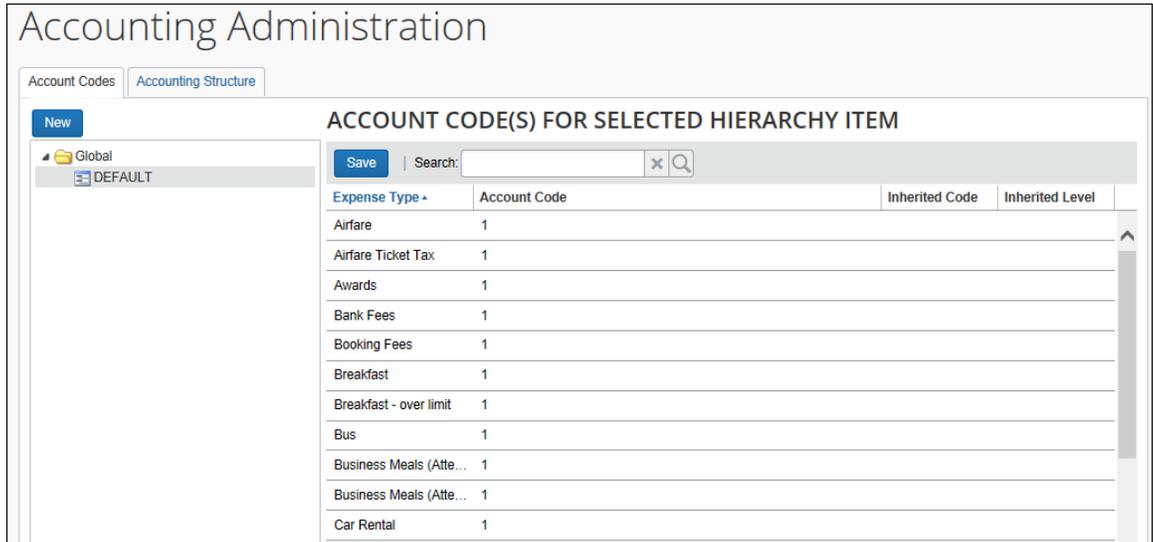
Cancel Save

5. Click **Save**. The new segment is added and you are returned to the **Accounting Structure** page.

Step 3: Account Codes Procedures

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.



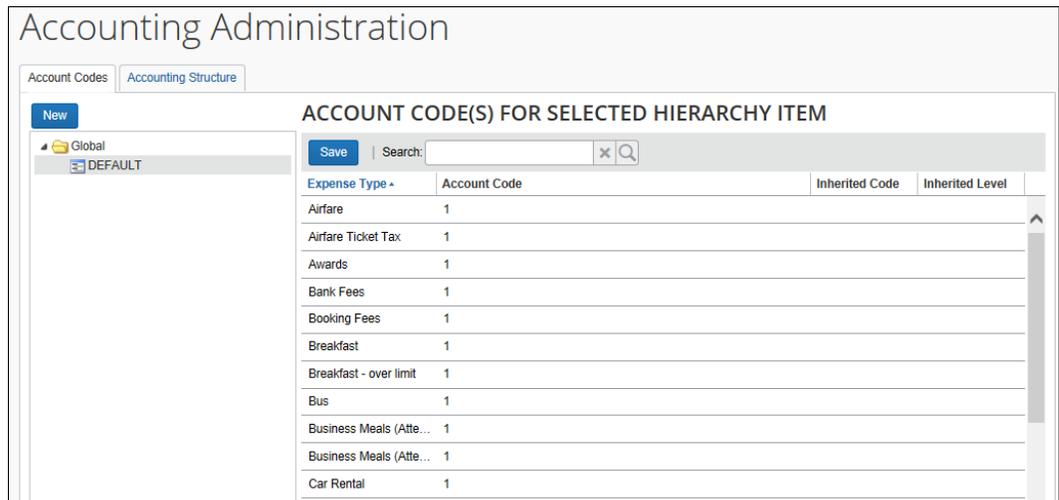
The account code hierarchy is displayed in the left pane. The root node is Global. Level one is for Ledger. If there are levels set up for the Account Code Hierarchy for a Ledger, these appear as levels two though the number of levels set up. The right pane displays the account code fields for the expense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

Column	Description
Expense Type	<p>This column shows all expense types in the Expense system (regardless of the associated policy and regardless of whether the expense type is currently in use). In addition:</p> <ul style="list-style-type: none"> • The "child" portion of itemized expense types appears; the "parent" expense types do not. • If the company uses the cash advance feature, then cash advance expense types appear. • If the company uses the company car feature, then two expense types appear – one for <i>Company Car Mileage - Business</i> and one for <i>Company Car Mileage - Personal</i>. • If the company uses the travel allowance feature (specifically <i>fixed meals and/or fixed lodging</i>), then <i>Fixed Meals</i> and/or <i>Fixed Lodging</i> appear. • If the company uses the travel allowance feature (specifically <i>reimbursable meals and/or reimbursable lodging</i>), then the company must track any amount paid to the employee that is over the limit stipulated either by company or government rates. <p>NOTE: The over limit expense types for meals and/or lodging appear in the list of expense types whether or not a company uses travel allowances. However, these fields should not be left blank. If the company does not use reimbursable travel allowances, then the company should enter the same account code for the over limit meals and lodging expense types as for the standard meals and lodging expense types.</p>
Account Code	<p>Type the account code in this field, up to 48 alphanumeric characters (not case sensitive).</p> <p><i>There is no validation on these fields. Two or more expense types can have the same account code.</i></p> <p>For example, two expense types appear for the company car feature (Company Car Mileage - Business and Company Car Mileage - Personal). This allows the company to have separate account codes for business and personal mileage. However, if the company chooses to have business and personal expenses post to the same account, the administrator would enter the same account code for both expense types. This also applies to the multiple expense types provided for travel allowance. If the company chooses to use only one account, then the administrator can enter the same account code for both expense types.</p>
Inherited Code	<p>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.</p>
Inherited Level	<p>This column displays the level at which the account code in the Inherited Code column is defined.</p>

Accessing the Accounting Administration Page

▶ **To access Accounting Administration:**

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

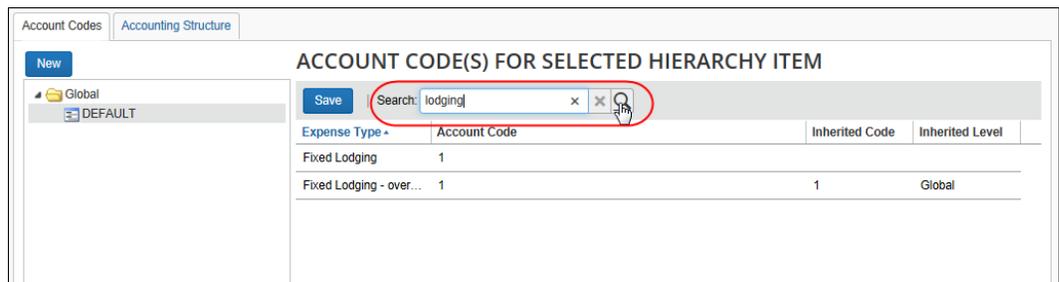


Adding and Editing Account Codes

▶ **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.

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



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

ACCOUNT CODE(S) FOR SELECTED HIERARCHY ITEM

Save | Search:

Expense Type ▾	Account Code	Inherited Code	Inherited Level
Airfare	1		
Airfare Ticket Tax	1		
Awards	1		
Bank Fees	3384 <input type="text"/>		
Booking Fees	1		
Breakfast	1		
Breakfast - over limit	1		

- Click **Save**.

Adding a New Account Code Hierarchy Level

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

- Select the desired hierarchy level.
- Click **New**.

Accounting Administration

Account Codes | Accounting Structure

ACCOUNT CODE(S)

Click here to add a new level value to the accounting hierarchy. Search:

Expense Type ▾	Account Code
Airfare	1
Airfare Ticket Tax	1

Section 6: Maintaining Hierarchies and Account Codes

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

Enter the value for this level

Org Unit 1:

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

4. 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 **Accounting Structure**.
2. Select the ledger with the desired segment.
3. Click **Modify Hierarchy**. The **Account Code Hierarchy for Ledger** page appears.

Account Code Hierarchy for ledger: DEFAULT

New
Remove

Level	Segment Name	Order
Report	Org Unit 1	↓
Report	Org Unit 2	↑

Cancel
Save

4. Select the desired segment.
5. Edit the information as necessary.
6. Click **Save**. The **Accounting Structure** tab appears.

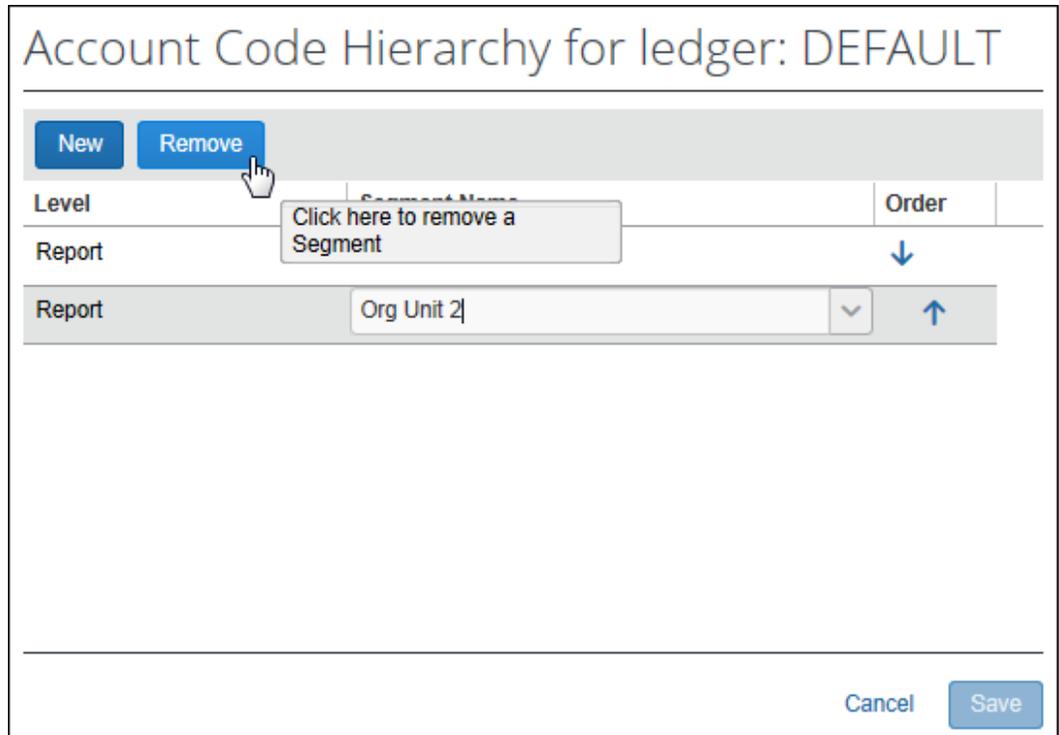
Deleting a Segment

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

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

▶ 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.

Section 7: Maintaining Ledgers

Once a ledger is in use, it cannot be deleted.



For information about setting up and maintaining ledgers, refer to the *Expense: Ledgers Setup Guide*.

