

# **Solomon IV**

**Multi-Company Overview**

**White Paper  
I**

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## Multi-Company Feature Overview

Medium-sized enterprises are made up of many domestic and overseas entities. These are subdivided into smaller operating units that may maintain multiple sets of balanced books with varying fiscal years and different charts of accounts. In some cases, even the currency in which they maintain their books is different. In addition, these operating units may have separate legal and tax requirements, and operate in locations with varying needs for multi-currency and sales tax processing.

Ultimately, the financial results of these units must be combined and a final consolidated view of the enterprise must be prepared. If these overseas units are a subsidiary of a U.S. corporation, the consolidation process is further complicated by the need to adjust the local books to U.S. GAAP, and to translate these local-currency books into the U.S. dollar reporting currency. At the same time that the parent company information is being assembled, the overseas unit must also create additional adjusted sets of books for local management and local tax reporting.

*Solomon IV for BackOffice Financial Series supports all of the above, and more.* The Solomon IV for BackOffice Multi-Company feature (in combination with Multi-Ledger, Financial Statement Translation, and Consolidation) provides a sophisticated, intuitive feature set that allows you to support a wide and varied set of requirements. The rest of this section summarizes the key elements that define Solomon IV Multi-Company processing.

The four facets of Multi-Company are:

- Single Point of Entry for Invoices in Accounts Receivable and Vouchers in Accounts Payable
- Centralized Cash Control in Accounts Receivable and Accounts Payable
- Inter-Company Transaction Processing in General Ledger, Accounts Payable and Accounts Receivable
- Translation and Consolidation Support

### Single Point of Entry for Invoices and Vouchers

Solomon IV for BackOffice provides a very efficient Single Point of Entry for Invoices in both Accounts Payable and Accounts Receivable. With this feature you may enter invoices for multiple companies all within a single batch, provided that all companies reside in the same database and that you have the appropriate access rights. Solomon IV will assign all invoices and book all General Ledger entries to the appropriate companies.

In Accounts Payable, Single Point of Entry processing occurs in *Voucher and Adjustment Entry*, *AP Recurring Voucher*, and *Quick Voucher and Pre-Payment Entry*.

In Accounts Receivable, Single Point of Entry processing occurs in *Invoice and Memo Entry*.

## Centralized Cash Control

Solomon IV for BackOffice provides a Centralized Cash Control feature that allows you to designate a Master Company and to empower it with certain important capabilities. In Accounts Payable, the Master Company pays invoices centrally on behalf of all other companies located in the same database. In Accounts Receivable, the Master Company applies payments centrally on behalf of all other companies located in the same database.

In Accounts Payable, the Centralized Cash Control feature works with the Single Point of Entry for Invoices feature and the Inter-Company Transaction Processing feature. The end result is a high-volume voucher entry and payment processing flow that automatically books the inter-company Due-To and Due-From General Ledger entries

Accounts Receivable mirrors the Centralized Cash Control features in Accounts Payable, working seamlessly with the Single Point of Entry for Invoices feature and the Inter-Company Transaction Processing feature. The end result is a high-volume invoice and payment application processing flow that automatically books the inter-company Due-To and Due-From General Ledger entries.

## Powerful Inter-Company Transaction Processing

Solomon IV for BackOffice provides a very powerful Inter-Company Transaction Processing capability that allows you to process inter-company transactions in the following three modules: General Ledger, Accounts Payable and Accounts Receivable.

In the General Ledger, Inter-Company Transaction Processing allocates expenses among companies that reside in the same database or in other databases. This occurs in ***Journal Transactions, Generate Recurring, and Allocation Group Maintenance / Generate Allocations.***

In Accounts Payable, Inter-Company Transaction Processing allocates expenses among companies that reside in the same database or in other databases. This occurs in ***Voucher and Adjustment Entry, AP Recurring Voucher / Generate Recurring Vouchers, and Quick Voucher and Pre-Payment Entry.***

In Accounts Payable, Inter-Company Transaction Processing also supports the Centralized Cash Control feature when used along with the Single Point of Voucher Entry feature. This occurs when a Master Company pays an invoice centrally on behalf of other companies located in the same database. This processing takes place in ***Manual Check Entry*** and in ***Checks.***

In Accounts Receivable, Inter-Company Transaction Processing allocates revenue among companies that reside in the same database or in other databases. This occurs in ***Invoice and Memo Entry*** and ***AR Recurring Invoice / Generate Recurring Invoices.***

In Accounts Receivable, Inter-Company Transaction Processing also supports the Centralized Cash Control feature when used along with the Single Point of Invoice Entry feature. This occurs when a Master Company receives cash on behalf of other companies located in the same database. This processing takes place in ***Payment Application.***

Solomon IV for BackOffice Inter-Company Transaction Processing supports companies located in the same database, as well as companies located anywhere on your network. In addition, these Inter-Company Import/Export files may be transferred to and from any remote sites via e-mail attachments or any other standard file transfer method.

## **Translation and Consolidation**

The Solomon IV for BackOffice Multi-Company feature (in combination with Multi-Ledger, Financial Statement Translation, and Consolidation) provides a significant capability to perform timely and efficient month-end closes for even the most complex multi-national organizations.

For domestic operating units, you may create multiple companies within a single database, or multiple companies within multiple databases. Each of these companies operates independently, and may be consolidated into any other company, even when there are differences in their charts of accounts. In addition, you may take advantage of the multi-ledger capability within the General Ledger, and create multiple ledgers within multiple companies within multiple databases. With Solomon IV there is no limit to the way you may assemble the basic building blocks of Ledgers, Companies and Databases.

For overseas operating units, you have all the same flexibility mentioned above for domestic units plus the features provided by the Financial Statement Translation module. For example, you could maintain multiple ledgers within a single company. In the first ledger you could maintain a local currency set of books to support local financial reporting, a second ledger to support management reporting in local currency, and a third ledger to support tax reporting in local currency. Finally, you could create a fourth ledger to support a local currency U.S. GAAP adjusted set of books.

Using the Financial Statement Translation module you could then translate the local currency U.S. GAAP set of books into the U.S. dollar reporting currency. This U.S. dollar translated set of books could be located in a U.S. dollar ledger located in the same company as the local currency set of books. Or, alternatively, it could be located in a second company in a second database. Regardless of where the translated set of books is located, you may create a consolidation export file, and transfer the translated Financials to the parent company for consolidation and financial reporting.

## **Flexible Setup to Support Diverse Organizational Structures**

Solomon IV for BackOffice provides two basic Database Models that, when combined, support even the most complex organizational structures. The “**Single Database with Multiple Companies**” model supports the needs of companies that have standardized their organizations with the same fiscal years, charts of accounts, base currencies, vendors and customers, and basic operational requirements. These organizations would have very similar operating procedures and would tend to have standardized system defaults and setup options. Examples of this type of organization would be sister companies in a large division or property management companies.

The second model, “**Multiple Databases with a Single Company per Database**”, supports the needs of organizations where there is very little standardization across operating units. Thus, these organizations may have different fiscal years, charts of

accounts, even different base currencies. These organizations would have very different operating procedures, and would have little similarity in the way they would set up system defaults and options. Examples of this type of organization would be acquisition-oriented enterprises, and companies that operate a wide variety of dissimilar businesses.

## **Multi-Company Reporting**

All reports in Solomon IV for BackOffice contain a powerful company selection feature that allows you to select a single company, multiple companies or all companies in the same database for which you have been granted access rights. Each report may be previewed on-line and then printed, or immediately printed.

## **Security**

Solomon IV for BackOffice allows you to assign access rights to an individual user ("User ID") or a group of users ("Group ID"). An individual User ID or Group ID may have access rights to a single company, multiple companies or to all companies.

Solomon IV uses access rights as a filter allowing a user access only to companies for which he has permission. This filter is used whenever inter-company processing occurs and for all reports that contain company-specific data. Thus, each company has security both at the processing and reporting level.

## Strategic Implementation Decisions

The Solomon IV for BackOffice Multi-Company feature supports a large number of Database and Implementation Models supporting a wide variety of company requirements.

### Database Model

One of the most important decisions to be made during implementation is the determination of the Database Model necessary to support the requirements of the specific site. However, in order to develop a Database Model appropriate for the implementation, it is necessary first to understand the underlying rules associated with each Database Model.

The models illustrated below represent the two primary Database Models. These Database Models form the basic building blocks for the Implementation Model described later in this document.

- **Single Database with Multiple Companies** – Multiple companies exist in one database.
- **Multiple Databases with a Single Company per Database** – Multiple databases exist with only one company per database.

### Rules for the “Single Database with Multiple Companies” Model

In this model, multiple companies reside in a single database and all companies share certain key setup data. The following rules will assist you in deciding whether this model is the appropriate Database Model for your implementation. In order to implement this model, the following rules must be followed:

#### Critical Determining Factors

- The Fiscal Calendar is the same for all companies located in the same database.
- All companies in the same database must close their books at the same time.
- All companies in the same database share the same Chart of Accounts.
- All companies in the same database have the same Base Currency.
- All companies in the same database have the same Price, Currency and Quantity Decimal Precision.
- All companies in the same database share the same Customer and Vendor lists.

#### Optional Determining Factors

The following optional factors will also help determine the appropriateness of the *Multi-Companies in a Single Database* model:

- All companies tend to require centralized cash control.
- All companies tend to have a low transaction volume.
- All companies tend to have similar operating units with many standardized processes.

## **Rules for the “Multiple Databases with a Single Company per Database” Model**

In this model, a single company resides in a single database. The following determining factors will assist you in deciding whether this model is the appropriate Database Model for your implementation:

### **Critical Determining Factors**

- The Fiscal Calendar may be unique for each company.
- Each company may close its books independently of all other companies.
- Each company may have its own unique Chart of Accounts.
- Each company may have a different Base Currency.
- Price, Currency and Quantity Decimal Precision may be unique for each company.
- Each company may maintain separate Customer and Vendor lists.

### **Optional Determining Factors**

The following optional factors will also help determine the appropriateness of the *Multiple Databases with a Single Company per Database Model*:

- Companies have dissimilar operating units with many non-standardized elements.
- Companies tend to want de-centralized cash control.
- Companies tend to have a medium to high transaction volume.

## **Rules that Apply to Both Models**

The following rules apply regardless of the Database Model:

- If inter-company processing is used, all Charts of Account for all companies must share the same SubAccount structure per the Flexkey Definition program.
- Inter-company transaction processing between companies requires that the Base Currency of each company is the same.

## **How Setup Data is Shared by Companies Located in the Same Database**

How data is shared is an important consideration when using the *Multi-Companies in a Single Database* model, since certain defaults and processing options are defined once, and used for all companies that are located in the same database. This section is not relevant for the second Database Model, *Multiple Databases with a Single Company per Database*, since by definition only one company will reside in a single database.

The information below summarizes all such global setup data.

### **Shared Information Module**

The following setup programs allow entry of data that is shared across all companies located in the same database:

- Flexkey Definition (21.320.00)
- Flexkey Table Maintenance (21.330.00)
- Terms Maintenance (21.270.00)
- Tax Categories (21.310.00)
- Tax Maintenance (21.280.00)
- Tax Group Maintenance (21.340.00)
- State/Province Maintenance (21.290.00)
- Country Maintenance (21.300.00)
- Address Maintenance (21.250.00)

### **Currency Manager Module**

The following setup programs allow entry of data that is shared across all companies located in the same database:

- Currency Maintenance (24.250.00)
- Currency Rate Type Maintenance (24.260.00)
- Currency Rate Maintenance by ID (24.270.00)
- Currency Rate Maintenance by Date (24.271.00)

### **General Ledger Module**

The following setup programs allow entry of data that is shared across all companies located in the same database:

- GL Setup (01.950.00)
  - Definition of Master Company
  - Activation of Multi-Company with Inter-Company Processing
  - Activation of Centralized Cash Processing
  - Definition of Fiscal Calendar
  - Definition of Base Currency

- YTD Net Income and Retained Earnings Accounts
- Last Batch Number
- Default Ledger ID
- Default Budget Year and Budget Ledger
- Other Miscellaneous Setup and Default Data
- Ledger Maintenance (01.310.00)
- Account Class Maintenance (01.380.00)
- Chart of Accounts Maintenance (01.260.00)
- Subaccount Maintenance (01.270.00)

The following setup program allows entry of data that is defined uniquely for each company located in the same database:

- Account/Subaccount Maintenance (01.320.00)

### **Multi-Company Module**

The following setup program allows entry of data that is shared across all companies located in the same database:

- Inter-Company Setup (13.260.00)

### **Accounts Payable Module**

The following setup programs allow entry of data that is shared across all companies located in the same database:

- AP Setup (03.950.00)
  - Default Accounts and Subaccounts
  - Fiscal Period Definition
  - Last Batch Number
  - Last Reference Number
  - Default Decimal Precision for Quantities and Prices
  - Default Aging Categories definition
  - Default Tax Processing Data
  - Default 1099 Data
  - Other Miscellaneous Default Data
- Vendor Class Maintenance (03.290.00)
- Purchase Order Address Maintenance (03.272.04)
- Vendor Maintenance (03.270.00) allows you to set up vendors that all companies located in the same database may use. The following setup data is shared:
  - Address Information
  - Default Payment and Terms Information

- Default Sales Tax Information
- Default Vendor Currency ID and Rate Type
- Default GL Accounts and Subaccounts
- Default 1099 Tax Information
- Default Purchasing Information

From Vendor Maintenance, other data that was captured by company is available to be viewed either by individual company or in summary across all companies in the database.

- 1099 Tax information is captured by company but may be viewed either for a specific company or all companies in the database.
- Vouchers, Debit and Credit Adjustments, and Payment transactions are captured by company. However, the transaction detail and balance information may be viewed either for a specific company or for all companies in the database.

## **Accounts Receivable Module**

The following setup programs allow entry of data that is shared across all companies located in the same database:

- AR Setup (08.950.00)
  - Default Accounts and Subaccounts
  - GL Posting Options
  - Fiscal Period Definition
  - Customer Defaults
  - Finance Charge defaults and options
  - Last Batch Number
  - Last Reference Number
  - Default Credit Checking Information
  - Default Sales Tax Information
  - Miscellaneous Other Defaults
- Statement Cycle Maintenance (08.280.00)
- Sales Territory Maintenance (08.320.00)
- Salesperson Maintenance (08.310.00)
- Customer Class Maintenance (08.290.00)
- Shipping Address Maintenance (08.262.00)
- Customer Maintenance (08.260.00) allows you to set up customers that all companies located in the same database may use. The following setup data is shared:
  - Address information
  - Default Terms and Pricing Information
  - Default Credit Information

- Default Sales Tax Information
- Default Customer Currency and Rate Type Information
- Default GL Accounts and Subaccounts
- Default Order Processing and Shipping Information
- Default Statement Options
- Default Credit Card Information

It is important to note that from the Customer Maintenance program other data that was captured by company is available to be viewed, either by an individual company, or in summary across all companies in the database.

- Customer Activity (08.260.04). Invoice, Debit and Credit Memos, and Payment transactions are captured by company. However, the transaction detail and balance information may be viewed either for a specific company or for all companies in the database.
- Customer History (08.261.00). Period and YTD Net Sales, Cost of Goods Sold, Debit Memos, Credit Memos, Finance Charges, Discounts and Receipts may be viewed either for a specific company or for all companies in the database.

## Implementation Model

Once you have a good understanding of the established rules that govern both a single and multiple company Database Model, you are in a position to use the Database Models to create an Implementation Model. The Implementation Model is a concise description of key setup information that ultimately will be loaded into Solomon IV to support the specific Multi-Company requirements of the site. Reference the **Multi-Company Setup Programs** section below to understand how the Implementation Model data will be used.

The following important concepts are illustrated in the Implementation Models below:

- There is one “Master Company” in each database. The “Master Company” is a key concept that is described in more detail in the glossary in Appendix C.
- Each Implementation Model contains at least one System database and one Application database.
- The “Multi-Company with Inter-Company Processing” GL Setup option determines whether inter-company Due-To / Due-From processing will be allowed. This option is defined at the database level, and applies to all companies located in the database.

Below are five examples of some simple **Implementation Models**:

Impl. Model	Company Description	Inter-Company Processing	Central Cash Processing	Fiscal Calendar Start Date	Base Currency / Decimal Precision	Database Names	Companies	Ledger IDs
1	Single Company in a Single Database	No	No	January 1	USD <u>Amt Price Qty</u> 2 - 3 - 2	SYSTEM DB APP50 DB	50 <sup>1</sup>	ACTUALS
2	Three Companies Each in Their Own Separate Database	No No No	No No No	January 1 January 1 July 1	USD/USD/USD <u>Amt Price Qty</u> 2 - 3 - 2 2 - 4 - 2 2 - 3 - 4	SYSTEM DB APP50 DB APP51 DB APP52 DB	50 <sup>1</sup> 51 <sup>1</sup> 52 <sup>1</sup>	ACTUALS CORP DIV52
3	Three Companies in a Single Database	Yes	Yes	January 1	USD <u>Amt Price Qty</u> 2 - 3 - 2	SYSTEM DB APP60 DB	60 <sup>1</sup> 70 80	ACTUALS ACTUALS ACTUALS
4	Multiple Companies in Three Databases DB1 has 3 Companies DB2 has 2 Companies DB3 has 1 Company	Yes Yes Yes	Yes No No	January 1 July 1 April 1	USD/USD/USD <u>Amt Price Qty</u> 2 - 3 - 2 2 - 4 - 4 2 - 3 - 3	SYSTEM DB APP60 DB APP10 DB APP50 DB	60 <sup>1</sup> , 70, 80 10 <sup>1</sup> , 20 50 <sup>1</sup>	ACTUALS <sup>2</sup> ACTUALS <sup>2</sup> ACTUALS
5	Two Companies in Two Databases DB1 has 2 Companies DB2 has 2 Companies	Yes Yes	Yes Yes	January 1 January 1	USD/USD <u>Amt Price Qty</u> 2 - 3 - 2 2 - 3 - 4	SYSTEM DB APP10 DB APP60 DB	10 <sup>1</sup> , 20 60 <sup>1</sup> , 70	CORP <sup>2</sup> DIV <sup>2</sup>

<sup>1</sup> Master Company

<sup>2</sup> Each company must have a default Ledger ID. The same Ledger ID can be used in multiple companies within the same database, as is shown here.

## **Multi-Company Implementation Example**

The following example illustrates how you would use the Database and Implementation Models described above to develop an implementation plan for a medium-sized, multi-national corporation. This example will begin with a detailed description of the operations of a hypothetical multi-national corporation, HI-Tech International, that has extensive U.S. and overseas operations. HI-Tech International intends to use Solomon IV for BackOffice for all local and international sites, as well as for all translation and consolidation processing handled by the home office.

This implementation example will develop both the Database and Implementation Models for HI-Tech International to illustrate how you would go about developing the implementation strategy in a more complicated, real-world situation. This example is primarily intended to illustrate how you would use the Multi-Company module. However, it will also provide some insight into how the Multi-Company processing feature is combined with other closely related features in Solomon IV to support the needs of a multi-national company operating in a variety of domestic and international locations.

### **HI-Tech International Company Overview**

HI-Tech International manufactures and sells high-technology components used in the manufacture of PCs. As illustrated on the next page, HI-Tech International is organized into three main operating units: HI-Tech Production, HI-Tech Sales and HI-Tech Holding, which is a holding company for all overseas operating units.

HI-Tech Production is the domestic manufacturing unit made up of two divisions. HI-Tech Sales is also composed of two divisions. HI-Tech Holding is made up of three subsidiaries, each of which is a legal entity incorporated overseas. The three overseas companies are: HI-Tech Canada, HI-Tech UK, and HI-Tech Italy.

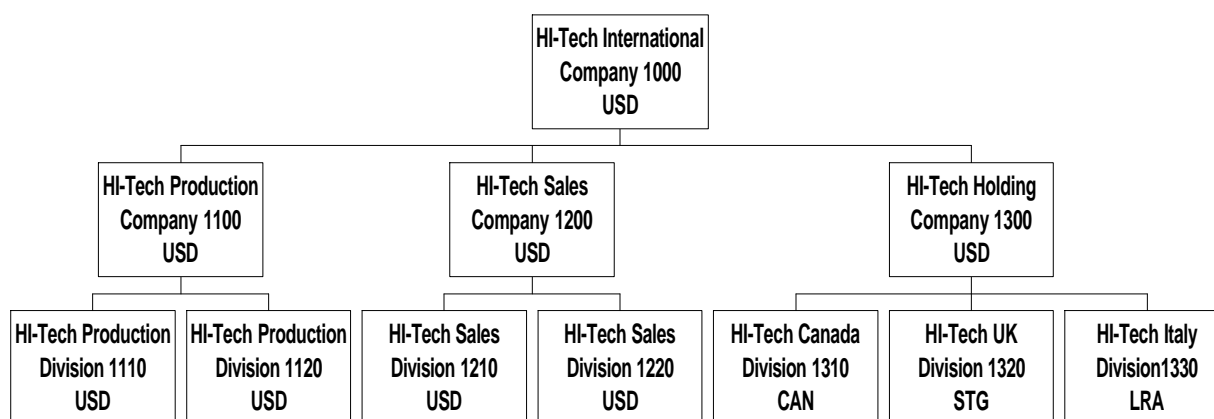
HI-Tech Holding's overseas subsidiaries use many of the same features used by their U.S. counterparts, and, in addition, use many of the international features such as: VAT/GST/PST support, multi-currency invoicing, Bi-Monetary Inventory processing, unrealized and realized gain/loss processing, revaluation processing, and financial statement translation.

## HI-Tech International Organizational Chart

HI-Tech International is organized into three main operating units: HI-Tech Production, HI-Tech Sales and HI-Tech Holding.

- **HI-Tech International - 1000 - Consolidated operations**
  - **HI-Tech Production Inc. - 1100 - U.S. production company**
    - HI-Tech Production Division 1110
      - HI-Tech Production Companies: 1111, 1112, 1113, 1114 and 1115
    - HI-Tech Production Division 1120
      - HI-Tech Production Companies: 1121 and 1122
  - **HI-Tech Sales Inc. - 1200 - U.S. sales company**
    - HI-Tech Sales Division 1210
      - HI-Tech Sales Companies: 1211 and 1212
    - HI-Tech Sales Division 1220
      - HI-Tech Sales Companies: 1221 and 1222
  - **HI-Tech Holding Inc. - 1300 - U.S. holding company for all overseas subsidiaries**
    - HI-Tech Canada Ltd. - 1310 - Canadian sales subsidiary
      - HI-Tech Canada Companies: 1311, 1312 and 1313
    - HI-Tech UK Ltd. - 1320 - UK sales subsidiary
      - HI-Tech UK Companies: 1321, 1322, 1323, 1324 and 1325
    - HI-Tech Italy SpA - 1330 - Italian sales and light manufacturing subsidiary
      - HI-Tech Italy Companies: 1331, 1332, 1332, 1334 and 1335

### HI-Tech International



## HI-Tech International - U.S. Operations

### HI-Tech Manufacturing Division - 1110

**U.S.-based production division:** This division produces most of the company's goods. Purchases of raw material and components are primarily from domestic sources outside of the company. Some purchases are from overseas sources, so multi-currency is enabled for sales and purchasing. Most sales are inter-company to the U.S. sales divisions. Most payments to vendors and cash receipts from customers are done centrally.

**Company information:** The chart below describes the attributes of companies in this division. The following operating units exist in this division:

- Company 1111 - Administration
- Company 1112 – Plant A
- Company 1113 – Plant B
- Company 1114 – Plant C
- Company 1115 – Plant D

Company Attributes	All Companies
Fiscal Calendar <sup>1</sup>	Begins January 1
Chart of Accounts <sup>1</sup>	HI-Tech Standard Chart of Accounts
Base Currency <sup>1</sup>	U.S. dollars
Decimal Precision: Amounts <sup>1</sup>	2 decimals
Prices <sup>1</sup>	3 decimals
Quantity <sup>1</sup>	2 decimals
Customers & Vendors <sup>1</sup>	All companies use the same customers & vendors
Centralized cash control <sup>2</sup>	Yes
Volume of transactions processed <sup>2</sup>	Medium
Inter-company processing required <sup>2</sup>	Yes
Foreign-currency purchases & sales	Yes
Sales Tax Method	U.S. Sales Tax
Translation required	No

<sup>1</sup> Critical determining factor for the type of Database Model used

<sup>2</sup> Optional determining factor for the type of Database Model used

## HI-Tech Manufacturing Division - 1120

**Second U.S.-based production division:** This division produces specialized components for internal use and external sales. Purchases of raw material and sub-components are primarily from domestic sources outside of the company, but located domestically. Purchases from overseas sources are done only by one of the two companies in this division. Most sales are inter-company to the U.S. sales divisions. All payments to vendors and cash receipts from customers are handled by each company's own staff.

**Company information:** The chart below describes the attributes of companies in this division. The following operating units exist in this division:

- Company 1121- Administration
- Company 1122 - Plant A

Company Attributes	Company 1121	Company 1122
Fiscal Calendar <sup>1</sup>	Begins January 1	Begins January 1
Chart of Accounts <sup>1</sup>	<b>HI-Tech Standard COA</b>	<b>Unique to Co. 1122</b>
Base Currency <sup>1</sup>	U.S. dollars	U.S. dollars
Decimal Precision: Amounts <sup>1</sup>	2 decimals	2 decimals
Prices <sup>1</sup>	3 decimals	3 decimals
Quantity <sup>1</sup>	2 decimals	2 decimals
Customers & Vendors <sup>1</sup>	<b>Domestic Only</b>	<b>Domestic &amp; foreign</b>
Centralized cash control <sup>2</sup>	No	No
Volume of transactions processed <sup>2</sup>	High	Medium
Inter-company processing required <sup>2</sup>	Yes	Yes
Foreign-currency purchases & sales	<b>No</b>	<b>Yes</b>
Sales Tax Method	U.S. Sales Tax	U.S. Sales Tax
Translation required	No	No

<sup>1</sup> Critical determining factor for the type of Database Model used

<sup>2</sup> Optional determining factor for the type of Database Model used

## HI-Tech Sales Division - 1210

**U.S.-based sales division:** Most inventory is sourced from the domestic production divisions. However, some finished goods are obtained from the overseas Italian subsidiary. Sales are primarily in U.S. dollars, however, there are occasional sales to Canada, the UK and France. Overseas purchases and sales are done only by one of the two companies in this division.

**Company information:** The chart below describes the attributes of companies in this division. The following operating units exist in this division:

- Company 1211 - Administration
- Company 1212 – Sales and Marketing

Company Attributes	Company 1211	Company 1212
Fiscal Calendar <sup>1</sup>	Begins January 1	Begins January 1
Chart of Accounts <sup>1</sup>	HI-Tech Standard	HI-Tech Standard
Base Currency <sup>1</sup>	U.S. dollars	U.S. dollars
Decimal Precision: Amounts <sup>1</sup>	2 decimals	2 decimals
Price <sup>1</sup>	4 decimals	4 decimals
Quantity <sup>1</sup>	2 decimals	2 decimals
Customers & Vendors <sup>1</sup>	<b>Domestic Only</b>	<b>Domestic &amp; foreign</b>
Centralized cash control <sup>2</sup>	No	No
Volume of transactions processed <sup>2</sup>	High	Low
Inter-company processing required <sup>2</sup>	<b>Yes</b>	<b>Yes</b>
Foreign-currency purchases & sales	<b>No</b>	<b>Yes</b>
Sales Tax Method	U.S. Sales Tax	U.S. Sales Tax
Translation required	No	No

<sup>1</sup> Critical determining factor for the type of Database Model used

<sup>2</sup> Optional determining factor for the type of Database Model used

## HI-Tech Sales Division - 1220

**Second U.S.-based sales division:** This is a very small division that was recently purchased from a competitor. All inventory is sourced from the domestic production division. Sales are exclusively in U.S. dollars.

**Company information:** The chart below describes the attributes of companies in this division. The following operating units exist in this division:

- Company 1221 - Administration
- Company 1222 - Sales and Marketing

Company Attributes	Company 1221	Company 1222
Fiscal Calendar <sup>1</sup>	Begins January 1	Begins January 1
Chart of Accounts <sup>1</sup>	HI-Tech Standard	HI-Tech Standard
Base Currency <sup>1</sup>	U.S. dollars	U.S. dollars
Decimal Precision: Amounts <sup>1</sup>	2 decimals	2 decimals
Price <sup>1</sup>	4 decimals	4 decimals
Quantity <sup>1</sup>	2 decimals	2 decimals
Customers & Vendors <sup>1</sup>	Domestic Only	Domestic Only
Centralized cash control <sup>2</sup>	No	No
Volume of transactions processed <sup>2</sup>	Low	Low
Inter-company processing required <sup>2</sup>	<b>No</b>	<b>No</b>
Foreign-currency purchases & sales	No	No
Sales Tax Method	U.S. Sales Tax	U.S. Sales Tax
Translation required	No	No

<sup>1</sup> Critical determining factor for the type of Database Model used

<sup>2</sup> Optional determining factor for the type of Database Model used

## HI-Tech International - International Operations

### HI-Tech Canada Ltd. - 1310

**Ontario-based sales division:** Most inventory is sourced from the U.S. production division. However, some components are obtained from local sources. Sales are primarily to Canadian customers in Canadian dollars; however, there are occasional sales to the U.S. in U.S. dollars.

**Company information:** The chart below describes the attributes of companies in this division. The following operating units exist in this division:

- Company 1311 - Administration
- Company 1312 - Sales and Marketing - East
- Company 1313 - Sales and Marketing - West

Company Attributes	Company 1311	Companies 1312 and 1313
Fiscal Calendar <sup>1</sup>	Begins January 1	Begins January 1
Chart of Accounts <sup>1</sup>	Unique for Division 1310	Unique for Division 1310
Base Currency <sup>1</sup>	Canadian dollar	Canadian dollar
Decimal Precision: Amounts <sup>1</sup>	2 decimals	2 decimals
Price <sup>1</sup>	<b>4 decimals</b>	<b>4 decimals</b>
Quantity <sup>1</sup>	2 decimals	2 decimals
Customers & Vendors <sup>1</sup>	Domestic & foreign	Domestic & foreign
Centralized cash control <sup>2</sup>	Yes	Yes
Volume of transactions processed <sup>2</sup>	Low	Medium
Inter-company processing required <sup>2</sup>	Yes	Yes
Foreign-currency purchases & sales	Yes	Yes
Sales Tax Method	GST and PST	GST and PST
Translation required	Yes	Yes

<sup>1</sup> Critical determining factor for the type of Database Model used

<sup>2</sup> Optional determining factor for the type of Database Model used

## HI-Tech UK Ltd. - 1320

**London-based sales division:** Most inventory is sourced from the U.S. production division. However, some components are obtained from local sources. Sales are primarily to UK customers in pounds sterling; however, there are occasional sales to the U.S. in U.S. dollars.

**Company information:** The chart below describes the attributes of companies in this division. The following operating units exist in this division:

- Company 1321 - Administration
- Company 1322 – Sales and Marketing - East
- Company 1323 – Sales and Marketing – West
- Company 1324 – Sales and Marketing – North
- Company 1325 – Sales and Marketing – South

<b>Company Attributes</b>	<b>Company 1321</b>	<b>Companies 1322 through 1325</b>
Fiscal Calendar <sup>1</sup>	Begins January 1	Begins January 1
Chart of Accounts <sup>1</sup>	<b>Unique for Company 1321</b>	<b>Unique for Companies 1322-1325</b>
Base Currency <sup>1</sup>	Pounds Sterling	Pounds Sterling
Decimal Precision: Amounts <sup>1</sup>	2 decimals	2 decimals
Price <sup>1</sup>	4 decimals	4 decimals
Quantity <sup>1</sup>	2 decimals	2 decimals
Customers & Vendors <sup>1</sup>	Domestic & foreign	Domestic & foreign
Centralized cash control <sup>2</sup>	Yes	Yes
Volume of transactions processed <sup>2</sup>	Low	Low
Inter-company processing required <sup>2</sup>	Yes	Yes
Foreign-currency purchases & sales	Yes	Yes
Sales Tax Method	UK VAT	UK VAT
Translation required	Yes	Yes

<sup>1</sup> Critical determining factor for the type of Database Model used

<sup>2</sup> Optional determining factor for the type of Database Model used

## HI-Tech Italy SpA - 1330

**Italian-based sales and light manufacturing:** Sales and light manufacturing takes place at this small operation. Most raw material and components are sourced locally; however, occasionally components are sourced from the U.S. production divisions. Most sales are inter-company to the U.S. and Canadian sales companies.

**Company information:** The chart below describes the attributes of companies in this division. The following operating units exist in this division:

- Company 1331 - Administration
- Company 1332 – Sales and Marketing - East
- Company 1333 – Sales and Marketing – West
- Company 1334 – Sales and Marketing – North
- Company 1335 – Sales and Marketing – South

<b>Company Attributes</b>	<b>Company 1331</b>	<b>Companies 1332 through 1335</b>
Fiscal Calendar <sup>1</sup>	Begins July 1	Begins July 1
Chart of Accounts <sup>1</sup>	<b>Unique for Co. 1331</b>	<b>Sales &amp; Mkting COA</b>
Base Currency <sup>1</sup>	<b>Italian lira</b>	<b>Euro</b>
Decimal Precision: Amounts <sup>1</sup>	<b>0 decimals</b>	<b>2 decimals</b>
Price <sup>1</sup>	<b>4 decimals</b>	<b>3 decimals</b>
Quantity <sup>1</sup>	<b>2 decimals</b>	<b>3 decimals</b>
Customers & Vendors <sup>1</sup>	Domestic & foreign	Domestic & foreign
Centralized cash control <sup>2</sup>	No	No
Volume of transactions processed <sup>2</sup>	Low	Low
Inter-company processing required <sup>2</sup>	No	No
Foreign-currency purchases & sales	Yes	Yes
Sales Tax Method	Italian VAT	Italian VAT
Translation required	Yes	Yes

<sup>1</sup> Critical determining factor for the type of Database Model used

<sup>2</sup> Optional determining factor for the type of Database Model used

## HI-Tech International - Database Model

The following illustrates key decisions that were made in developing the Database Model for HI-Tech International. The resulting Database Model is based on an application of the “Critical Determining Factors” and “Optional Determining Factors” that govern the Single versus Multiple Companies per Database Models. Reference the definition of these rules under the “Database Model” section above.

### Operating Division Database Models

Database Location	Database Name	Division	Companies
Central Office	MFG1110	1110	1111, 1112, 1113, 1114, and 1115

#### Determining Factors for Database Model Decision

The “*Critical Determining Factors*” along with the “*Optional Determining Factors*”, indicate that the *Single Database with Multiple Companies Model* is the appropriate Database Model for all companies in Division 1110. Thus, one database, MFG1110, will be created and used for the processing of all companies in the division.

#### Critical Determining Factors:

All companies in this division share the same Fiscal Calendar, Chart of Accounts, Base Currency, Decimal Precision (for Amounts, Prices and Quantities), and use the same Customers and Vendors.

#### Optional Determining Factors:

Centralized cash processing is required. Inter-company processing is required for all companies. The volume of transactions is within the range for efficient transaction processing in a single company.

Database Location	Database Name	Division	Companies
Central Office	MFG1121	1120	1121
	MFG1122	1120	1122

#### Determining Factors for Database Model Decision

The “*Critical Determining Factors*” along with the “*Optional Determining Factors*”, indicate that the *Multiple Databases with a Single Company per Database Model* is the appropriate Database Model for all companies in Division 1120. Thus, two databases, MFG1121 and MFG1122, will be created.

#### Critical Determining Factors:

Company 1121 and 1122 do not share the same Chart of Accounts, thus, two databases must be established, each with its own Chart of Accounts. Note: both companies’ chart of accounts structure (Subaccount Flexkey Definition) must be the same since inter-company processing is required.

#### Optional Determining Factors:

Centralized cash processing is not required. The volume of transactions is high enough to warrant separate databases. Inter-company processing is required for all companies.

## Operating Division Database Models

Database Location	Database Name	Division	Companies
Central Office	SAL1200	1210	1211
			1212
		1220	1221
			1222

### Determining Factors for Database Model Decision

The “*Critical Determining Factors*” along with the “*Optional Determining Factors*”, indicate that the *Single Database with Multiple Companies Model* is the appropriate Database Model for all companies in both Divisions 1210 and 1220. Thus, a single database, SAL1200, will be created to support both Division 1210 and Division 1220.

#### Critical Determining Factors:

All four companies in both divisions share the same Fiscal Calendar, Chart of Accounts, Base Currency, and Decimal Precision (for Amounts, Prices and Quantities).

A second consideration, although not critical, is the fact that Company 1212 uses foreign vendors and the other three companies do not. The solution is that all domestic and foreign customers and vendors will be added to the shared customer and vendor files, but only 1212 will use the foreign customers and vendors.

#### Optional Determining Factors:

Centralized cash processing is not required for either division. The volume of transactions is low in three of the four companies so one database will be able to support the volume.

Inter-company processing is required only for the companies in Division 1210. Since this processing option is defined at the database level, it will be necessary to enable inter-company processing for the database, but just not use it for Division 1220 that does not need it.

## Operating Division Database Models

Database Location	Database Name	Division	Companies
Ontario	ONT1310	1310	1311 1312 1313

### Determining Factors for Database Model Decision

The “*Critical Determining Factors*” along with the “*Optional Determining Factors*”, indicate that the *Single Database with Multiple Companies Model* is the appropriate Database Model for all companies in Division 1310. Thus, one database, ONT1310, will be created and used for the processing of all companies in this division.

#### Critical Determining Factors:

All companies in this division share the same Fiscal Calendar, Chart of Accounts, Base Currency, Decimal Precision (for Amounts, Prices and Quantities), and use the same Customers and Vendors.

#### Optional Determining Factors:

Centralized cash processing is required. Inter-company processing is required for all companies. The volume of transactions is within the range for efficient transaction processing in a single company. Inter-company processing is required for all companies.

Database Location	Database Name	Division	Companies
London	LON1320	1320	1321 1322 1323 1324 1325

The “*Critical Determining Factors*” along with the “*Optional Determining Factors*”, indicate that the *Single Database with Multiple Companies Model* is the appropriate Database Model for all companies in Division 1320. Thus, one database, LON1320, will be created and used for the processing of all companies in this division.

#### Critical Determining Factors:

All companies in this division share the same Fiscal Calendar, Base Currency, Decimal Precision (for Amounts, Prices and Quantities), and use the same Customers and Vendors.

The Chart of Accounts used by the Administration company (1321) is different than that used by the Sales and Marketing companies (1322-1325). However, since the number of accounts in the Administration company is relatively small, a combined chart of accounts will be created and used by all companies in the division.

#### Optional Determining Factors:

Centralized cash processing is required. Inter-company processing is required for all companies. The volume of transactions is low for all companies, and is within the range for efficient transaction processing in a single company. Inter-company processing is required for any companies.

## Operating Division Database Models

Database Location	Database Name	Division	Companies
Rome	ROM1331	1330	1331
	ROM1332	1330	1332
			1333
			1334
			1335

### Determining Factors for Database Model Decision

The “*Critical Determining Factors*” along with the “*Optional Determining Factors*”, indicate that the *Single Database with Multiple Companies Model* is the appropriate Database Model for Companies 1332-1335, and that the *Multiple Databases with a Single Company per Database Model* is appropriate for Company 1331. Thus, two databases, ROM1331 and ROM1332, will be created.

#### Critical Determining Factors:

Company 1331 has many differences between itself and the four Sales and Marketing companies (1332-1335). The following critical differences exist: the Chart of Accounts are dissimilar, Base Currency (lira vs. euro), Decimal Precision (Amounts: 0 vs. 2; Prices: 4 vs. 3; and Quantity: 2 vs. 3). However, the Customers and Vendors are the same across all companies.

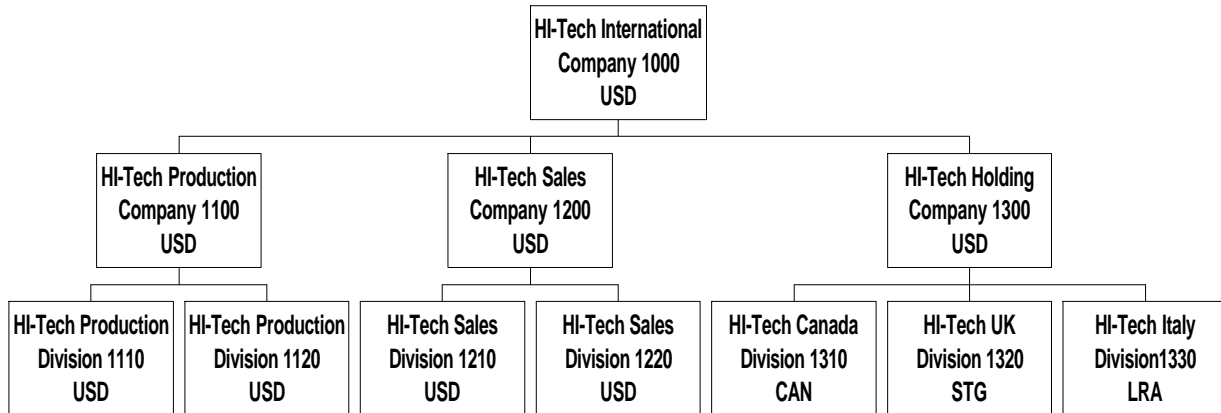
#### Optional Determining Factors:

Centralized cash processing is not required. The volume of transactions is low for all companies. Inter-company processing is not required for any companies.

## Consolidated Companies Database Model

The following describes the Database Model for the Consolidated Companies (Companies: 1000, 1100, 1200 and 1300 shown below) used in HI-Tech International's translation and consolidation processing. The Database Model for the Consolidated Companies also includes the GL Ledger ID. The Ledger ID is found only in the General Ledger and allows one to maintain multiple balanced sets of books within a company for such purposes as Translation and Consolidation.

Consolidated sets of balanced books from the Operating Companies will be organized by Ledgers in the General Ledgers of the Consolidated Companies. This is summarized on the following page. The Ledger IDs in the Consolidated Companies will reflect the Company ID of the Operating Companies from which they came. The Consolidated Companies in HI-Tech Holding will maintain Ledger IDs for both the USD reporting currency books and the local currency books of the foreign Operating Company.



## Consolidated Companies Database Model

Database Location	Database Name	Consolidated Companies	Reporting Currency (USD) Ledgers	Local Currency Ledgers
Central Office	CON1000	1000	1100	N/A
			1200	
			1300	
		1100	1110	N/A
			1120	
		1200	1210	N/A
			1220	
		1300	1310	1310CAD
			1320	1320GBP
			1330	1330LRA

### Determining Factors for Database Model Decision

The “*Critical Determining Factors*” along with the “*Optional Determining Factors*”, indicate that the *Single Database with Multiple Companies Model* is the appropriate Database Model for all HI-Tech International Consolidated Companies: 1000, 1100, 1200 and 1300.

One database, CON1000, will be created and used for the processing of all HI-Tech International Consolidated Companies and their associated ledgers.

#### **Critical Determining Factors:**

All companies in this division share the same Fiscal Calendar, Chart of Accounts, Base Currency, and Amount Decimal Precision. Processing will occur only in the General Ledger for all Consolidating Companies and their associated Ledgers.

It is important to note that Ledgers may be maintained in multiple currencies within a single company. Also, multiple Ledgers may exist only in the General Ledger module. They do not exist in the Accounts Receivable and Accounts Payable modules.

#### **Important but not Critical Factors:**

Centralized cash processing is not required. Inter-company processing is not required. The volume of transactions is low and well within the range for efficient transaction processing in a single database.

## HI-Tech International - Implementation Model

The following Implementation Model illustrates the resulting implementation decisions that were made based on the data provided in the previous two sections. This data will be used later during Multi-Company setup.

DB Name	Inter-Company Processing	Multiple Companies per DB	Central Cash Processing	Currency Manager Enabled	Calendar Start Date	Base Currency / Dec. Precision	Companies	Ledger IDs
MFG1110	Yes	Yes	Yes	Yes	January 1	<b>USD</b> Amount - 2 Price - 3 Quantity - 2	1111 <sup>1</sup> 1112 1113 1114 1115	MFG MFG MFG MFG MFG
MFG1121	Yes	No	No	No	January 1	<b>USD</b> Amount - 2 Price - 3 Quantity - 2	1121 <sup>1</sup>	MFG
MFG1122	Yes	No	No	Yes	January 1	<b>USD</b> Amount - 2 Price - 3 Quantity - 2	1122 <sup>1</sup>	MFG
SAL1200	Yes	Yes	No	Yes	January 1	<b>USD</b> Amount - 2 Price - 4 Quantity - 2	1211 <sup>1</sup> 1212 1221 1222	SALES SALES SALES SALES
ONT1310	Yes	Yes	Yes	Yes	January 1	<b>CAD</b> Amount - 2 Price - 4 Quantity - 2	1311 <sup>1</sup> 1312 1313	ACTUALS ACTUALS ACTUALS
LON1320	Yes	Yes	Yes	Yes	January 1	<b>GBP</b> Amount - 2 Price - 4 Quantity - 2	1321 <sup>1</sup> 1322 1323 1324 1325	ACTUALS ACTUALS ACTUALS ACTUALS ACTUALS
ROM1331	Yes	No	No	Yes	July 1	<b>LRA</b> Amount - 0 Price - 4 Quantity - 2	1331 <sup>1</sup>	ACTUALS
ROM1332	Yes	Yes	No	Yes	July 1	<b>EUR</b> Amount - 2 Price - 3 Quantity - 3	1332 <sup>1</sup> 1333 1334 1335	ACTUALS ACTUALS ACTUALS ACTUALS
CON1000	Yes	Yes	No	Yes <sup>2</sup>	January 1	<b>USD</b> Amount - 2 Price - 3 Quantity - 2	1000 <sup>1</sup>  1100  1200  1300	1100, 1200 1300  1110, 1120  1210, 1220  1310, 1320 1330  1310CAD 1320GBP 1330LRA

<sup>1</sup> Master Company

<sup>2</sup> Used for FST Processing

## Multi-Company Setup

The following summarizes how you would setup and use the key Multi-Company features found in the Solomon IV for BackOffice Financial Series. The way in which you configure the options described below determines which of the Database and Implementation Models noted above will be supported.

### Implementation Considerations

#### Implications of the “Master Company”

The Master Company is the first company that is defined in a multi-company database. *The designation of which company is the Master Company is an extremely critical decision, since once defined in GL Setup the Master Company may not be changed.* In addition, you must enter the Chart of Accounts and Subaccounts in the Master Company. These are then available for all companies located in the same database.

When you enable the “Activate Centralized Cash Processing” option in GL Setup (01.950.00), the Master Company has specific functionality in Accounts Receivable and Accounts Payable. The Master Company may apply cash and pay invoices on behalf of all other companies located in the same database. Reference the *Multi-Company Processing* section below under Accounts Payable and Accounts Receivable for additional information.

#### “Activate Multi-Company with Inter-Company Processing” Multi-Company Setup Option

In order to activate the Multi-Company processing globally for all Solomon Application Databases, you must enable the “Activate Multi-Company with Inter-Company Processing” option in Multi-Company Setup (13.950.00). The default is disabled.

#### “Multi-Company with Inter-Company Processing” GL Setup Option

Once the setup option “Activate Multi-Company with Inter-Company Processing” in Multi-Company Setup (13.950.00) is enabled globally for all databases, it is still possible to disable Multi-Company processing for a specific database and all companies located in this database. Use the “Activate Multi-Company with Inter-Company Processing” option in GL Setup (01.950.00) to accomplish this.

#### “Allow Multiple Companies in a Single Database” GL Setup Option

The following GL Setup option is a prerequisite for this GL Setup option:

- “Activate Multi-Company with Inter-Company Processing”

The “Allow Multiple Companies in a Single Database” option allows you to maintain multiple companies within the same Solomon Application Database.

## “Activating Centralized Cash Processing” GL Setup Option

The following two GL Setup options are prerequisites for this GL Setup option:

- “Activate Multi-Company with Inter-Company Processing”
- “Allow Multiple Companies in a Single Database”

The “Activate Centralized Cash Processing” GL Setup option enables the Centralized Cash Control feature in AP and AR. The Master Company may apply cash and pay invoices on behalf of all other companies located in the same database. Reference the *Multi-Company Processing* section below under Accounts Payable and Accounts Receivable for additional information.

## Implications of Inter-Company Account/Subaccount Definition

Inter-Company Account/Subaccount Maintenance (13.260.00) is an important setup step, since it is here that you define the specific set of default accounts and subaccounts that will be used to drive all inter-company “Due To” and “Due From” processing logic in GL, AR and AP.

There are three levels of definition of these accounts that facilitate a very specific set of default accounts:

- **All** - One set of Due To/Due From accounts is used for all programs in all modules where Inter-Company processing exists.
- **Module** - One set of Due To/Due From accounts is used for all programs in a specific module.
- **Screen** - One set of Due To/Due From accounts is used for a specific program.

The “Company” fields in the “Detail” grid section of the screens in GL, AR and AP have validation and lookup logic that uses the information set up in this program. This is important, for if no inter-company accounts and subaccounts have been set up in the Inter-Company Account/Subaccount Maintenance program, then the lookup and validation logic will indicate the Company entered does not exist, even though it has been defined as a valid Company. In addition, a user must have access rights to all companies in which a Due To/Due From relationship is established.

## Multi-Company Setup Programs

The following setup programs are used in the order indicated during a Multi-Company implementation. See Appendix B for examples of how to set up Multi-Company processing in various environments.

### Utility Menu - Database Administration

*Database Administration* (98.270.00) is used to identify the Database Name and Server Name for the multi-company database installation. Database Administration is a Utility program accessed from the Solomon Utility menu.

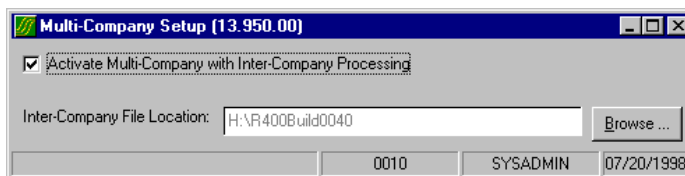
### Utility Menu - Company Maintenance

*Company Maintenance* (98.280.00) is used to review the Master Company data that was entered during the installation procedure. You may review all Master Companies for all databases on this one screen. Company Maintenance is a Utility program accessed from the Solomon Utility menu. The Master Company is the first company that is defined in a single-company per database environment or in a multi-company per database environment.

It is important to differentiate what the *Utility - Company Maintenance* (98.280.00) program is intended to do versus what the *Multi-Company - Company Setup* (13.250.00) program is intended to do. You use the 98.280.00 program to review the Master Company data. You use the (13.250.00) program to enter data for all additional companies that reside in a multi-company database with the Master Company.

## Multi-Company Module – Multi-Company Set Up

*Multi-Company Setup* (13.950.00) is used to enable Multi-Company processing for all companies in all databases. It also is used to identify the location of the inter-company files used in the transfer of GL transactions among different companies in different databases.



## GL Module – General Ledger Setup

*GL Setup* (01.950.00) is used to define General Ledger setup information for the Master Company. All companies in the same database share the same GL Setup information.

**General Ledger Setup (01.950.00)**

Options | Master Company Info | Fiscal Info | Currency Info | Chart of Acct Order | Budget Info

**Account Information**  
 YTD Net Income: 2750  
 YTD Net Income  
 Retained Earnings: 2740  
 Retained Earnings

**Auto Reference**  
 Automatic Reference Increment  
 No Automatic Increment  
 Optional On Each Batch

**Batch Information**  
 Last Batch Number: 101196  
 Post Batches On Release: No Batches  
 Automatic Batch Reports  
 Edit only in Init Mode

**Retention**  
 Periods to Retain Module Trans: 12  
 Periods to Retain GL Trans: 12  
 Years to Retain GL Balances: 5

**Automatic Reversing Entries**  
 Generate while closing  
 Generate while releasing

**Department Setup**  
 Department Subaccount Segment: 2

**Database Defaults**  
 Default Ledger ID: 0000000000  
 Activate Multi-Company with Inter-Company Processing  
 Allow Multiple Companies in a Single Database  
 Activate Centralized Cash Processing

**Account Validation**  
 Validate Account/Subaccount  
 Validate Account/Subaccount at Posting

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## Multi-Company Module – Company Setup

*Company Setup* (13.250.00) is used to review Master Company data defined in Utility Company *Maintenance* (98.280.00), and to enter data for all other companies that reside in the same database with the Master Company.

**Company Setup (13.250.00)**

(F4 - for grid/form view)

Company ID: 0010  
 Company Name: Hi-Tech Division 0010  
 Database Name: FMB0120APP1020  
 Active  
 Master Chart of Accounts: 0010  
 Master Subaccount Table: 0010  
 Address: Division Headquarters  
 1000 Michigan Ave., Suite 0010  
 City: Chicago  
 State/Province: IL  
 Country: USA  
 Postal Code: 60606  
 Phone: (312) 555-1100  
 Fax: (312) 555-1101  
 Base Currency ID: BAS  
 Employer Tax ID: 10

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## GL Module – Chart of Accounts Maintenance

*GL Setup* (01.950.00) is used to define accounts that are used for all companies in the same database. Chart of Accounts must be entered in the Master Company.

## GL Module – Subaccount Maintenance

*Subaccount Maintenance* (01.270.00) is used to define Subaccounts that are used for all companies in the same database. Subaccounts must be entered in the Master Company.

## Multi-Company Module – Inter-Company Account/Subaccount Maintenance

Multi-Company Inter-Company Account/Subaccount Maintenance (13.260.00) is used to define the inter-company Due To and Due From accounts and subaccounts that are used to balance the GL Entries issued from AR, AP and GL.

The screenshot shows a window titled "Inter-Company Account/Subaccount Maintenance [13.260.00]". It is divided into two main sections: "From" and "To".

**From Section:**

- Company ID: 0010
- Module: ALL (dropdown)
- Screen: ALL
- Account: 1050 (Due From Company 0010)
- Sub: 00-000-00-00-00-0 (Default)

**To Section:**

- Company ID: 0020
- Account: 2002 (Due to Company 0020)
- Sub: 00-000-00-00-00-0 (Default)

At the bottom of the window, there is a status bar with the following information: 0010, SYSADMIN, 07/20/1998.

# Multi-Company Processing

## Overview

The four components to the Solomon IV for BackOffice Multi-Company feature set are spread across the following modules: GL, AP and AR.

- Single Point of Entry for Invoices in Accounts Receivable and Vouchers in Accounts Payable
- Centralized Cash Processing in Accounts Receivable and Accounts Payable
- Inter-Company Transaction Processing in General Ledger, Accounts Payable and Accounts Receivable
- Translation and Consolidation Support

## General Ledger Processing

Multi-Company processing in the General Ledger occurs in the following programs:

### Journal Transactions (01.010.00)

#### Transaction-level Inter-Company processing:

GL accounts (i.e., expenses) may be allocated to multiple companies in the same database as well as to those companies in different databases.

Batch	
Module:	GL
Number:	000002
Journal:	GJ
Type:	Nonrecurring
Period:	10-1999
Status:	Posted
Handling:	No Action
Ledger ID:	0000000000
Current Cycle:	0
Number of Cycles:	0
Orig BatNbr:	
Control:	1500.00
Debit Total:	1500.00
Credit Total:	1500.00

Detail (F4 - for grid/form view)	
Company:	0010
Account:	1030
Cash-US Dollars-USA	
Date:	07/20/1998
Employee Id:	
Labor Class:	
Quantity:	0.00
Debit Amount:	250.00
Credit Amount:	0.00
Sub:	00-000-00-00-00-0
Default	
Ref Nbr:	
Description:	

### Allocation Group Maintenance (01.290.00)

#### Transaction-level Inter-Company processing:

GL accounts (i.e., expenses) may be allocated to multiple companies in the same database as well as to those companies in different databases.

### Generate Allocations (01.580.00)

May generate allocations by ledger, company or all companies.

## Generate Recurring (01.530.00)

### Transaction-level Inter-Company processing:

May generate batches by company or all companies.

## Release GL Batches (01.400.00)

May release batches by company or all companies.

The screenshot shows the 'Release GL Batches (01.400.00)' dialog box. It has a title bar with a green icon and the text 'Release GL Batches (01.400.00)'. The dialog is divided into several sections. At the top, there is a 'Select Company' section with two radio buttons: 'Specific' (selected) and 'All'. To the right of 'Specific' is a text field containing '0010' and the text 'Hi-Tech Division 0010'. Below this is a section labeled '[E4 for grid/form view]' with a checkbox labeled 'Selected' (unchecked). To the right of this checkbox are several input fields: 'Batch Number' (empty), 'Company' (empty), 'Status' (a dropdown menu), 'Journal Type' (empty), 'Ledger ID' (empty), and 'Batch Control' (containing '0'). At the bottom of the dialog are three buttons: 'Select All', 'Clear All', and 'Begin Processing ...'. The status bar at the very bottom shows '0010', 'SYSADMIN', and '07/20/1998'.

## Post Transactions (01.520.00)

May post batches by module, single company or all companies.

The screenshot shows the 'Post Transactions (01.520.00)' dialog box. It has a title bar with a green icon and the text 'Post Transactions (01.520.00)'. The dialog is divided into several sections. At the top, there are two 'Select' sections. The first is 'Select Module' with two radio buttons: 'Specific' (unchecked) and 'All' (selected). To the right of 'Specific' is a dropdown menu showing 'AR'. The second is 'Select Company' with two radio buttons: 'Specific' (selected) and 'All' (unchecked). To the right of 'Specific' is a text field containing '0010' and the text 'Hi-Tech Division 0010'. Below these sections is a 'Refresh' button. Below that is a section labeled '[E4 for grid/form view]' with a checkbox labeled 'Selected' (checked). To the right of this checkbox are three input fields: 'Batch Number' (containing '000025'), 'Module' (containing 'AR'), and 'Company' (containing '0010'). At the bottom of the dialog are three buttons: 'Select All', 'Clear All', and 'Begin Processing'. The status bar at the very bottom shows '0010', 'SYSADMIN', and '07/20/1998'.

## Reprint GL Batch Control Reports (01.410.00)

### Centralized Cash Option = Yes or No:

May reprint Batch Control Reports for own company only, or for all companies, provided access rights have been granted.

## Accounts Payable Processing

Multi-Company processing in Accounts Payable occurs in the following programs:

### Voucher and Adjustment Entry (03.010.00)

#### Centralized Cash Option = Yes or No:

Single Point of Voucher Entry for All Companies in the Same Database: Invoices may be vouchered for all companies in the same batch, provided access rights have been granted.

#### Company Data Maintained at Three Levels:

- Batch-Level: The login company is the Batch Company.
- Document Level: With multiple documents, AP Liability and Tax Expense entries may be recorded to multiple companies.
- Transaction-level - Inter-Company processing: GL accounts (i.e., expenses) may be allocated to multiple companies in the same database as well as to those companies in different databases.

The screenshot displays the 'Voucher and Adjustment Entry (03.010.00)' window. It is divided into several sections for data entry:

- Batch Information:** Includes fields for Batch Number, Status (set to 'Hold'), Control (0.00), Per to Post (10-1999), Handling (set to 'Hold'), and Total (0.00).
- Document Information:** Includes Ref Nbr, Vendor ID, Date (7/9/98), Invoice Date (7/9/98), Type (set to 'Voucher'), Invoice Nbr, and Balance (0.00).
- Transaction Details:** Features tabs for 'Voucher/Adjustment', 'Defaults', 'Override', 'Manual Check', and 'Apply Adjustment'. It includes fields for Terms, Amount (0.00), Discount (0.00), Status (set to 'Active'), Company ID (HITECH), PO Nbr, Pre-Pay Nbr, Discount Date (//), Due Date (7/9/98), and Pay Date (//).
- Detail (F4 - for grid/form view):** Contains fields for Company ID, Task ID, Qty (0.00), PD Line Type (set to 'None'), Account, Unit Price (0.00), PD Line ID, Subacct, Amount (0.00), Rept Nbr, Invoice Type, 1099 Box (set to '<None>'), Tax Cat, Tax ID, Ext Ref Nbr, Unit Desc, Employee Id, Project ID, Description, and Labor Class.

At the bottom right, there are buttons for 'Transaction Detail...' and 'Tag...', and a status bar showing 'HITECH', 'SYSADMIN', and '7/9/98'.

## AP Recurring Voucher (03.260.00)

### Centralized Cash Option = Yes or No:

Single Point of Entry for All Companies in the Same Database: Invoices may be vouchered for all companies in the same batch, provided access rights have been granted.

### Company Data Maintained at Two Levels:

- Document Level: Documents for multiple companies may be entered in this screen one document at a time. Later they may be grouped into a single batch in Generate Recurring Vouchers (03.510.00).
- Transaction-level - Inter-Company processing: Expense entries may be set up for multiple companies in the same document.

## Generate Recurring Vouchers (03.510.00)

### Centralized Cash Option = Yes or No:

Creates Vouchers for own company and all other companies, provided access rights have been granted.

### Company Data Maintained at Three Levels:

- Batch-Level: The login company is the Batch Company.
- Document Level: With multiple documents, AP Liability and Tax Expense entries may be recorded to multiple companies.
- Transaction-level - Inter-Company processing: GL accounts (i.e., expenses) may be allocated to multiple companies in the same database as well as to those companies in different databases.

**Generate Recurring Vouchers (03.510.00)**

Batch Number: [ ]  
Generation Date: 7/23/98  
Period to Post: 12-1996  
Handling: Release Now

Select Company  
 Specific  
 All  
Company ID: PROGRESS  
Progress Corporation

Detail (F4 - for grid/form view)  
 Selected  
Voucher Nbr: R18  
Vendor ID: DCR  
Company ID: PROGRESS  
Voucher Amt: 2.00

Select All Clear Selections Begin Processing

PROGRESS SYSADMIN 7/23/98

## Quick Voucher and Pre-Payment Entry (03.020.00)

### Centralized Cash Option = Yes or No:

Single Point of Voucher Entry for All Companies in the Same Database: Creates Vouchers one document at a time for login company and all other companies, provided access rights have been granted.

### Company Data Maintained at Two Levels:

- Document Level: AP Liability and Tax Expense entries for multiple companies may be entered in this screen one document at a time.
- Transaction-level - Inter-Company processing: GL accounts (i.e., expenses) may be allocated to multiple companies in the same database as well as to those companies in different databases.

## Release Accounts Payable Batches (03.400.00)

### Centralized Cash Option = Yes or No:

May release batches for own company only, or for all companies, provided access rights have been granted.

Due To and Due From GL distribution is created at this time.

**Release Accounts Payable Batches (03.400.00)**

Select Company:  
 Specific Company ID: PROGRESS  
 All PROGRESS

Detail (F4 - for grid/form view)  
 Selected

Batch Nbr:   
Company ID:   
Screen Nbr:   
Status: Hold  
Journal Type:   
Batch Control:   
Currency ID:

Select All Clear Selections Begin Processing

PROGRESS SYSADMIN 5/7/98

## Payment Selection (03.500.00)

### Centralized Cash Option = Yes - "Master Company" Processing:

Invoices may be selected for payment for the Master Company's own invoices or for any other company's invoices.

### Centralized Cash Option = No or Non-Master Company:

Invoices may be selected for payment for the company's own invoices only.

The screenshot shows a software window titled "Payment Selection (03.500.00)". It contains several input fields and buttons. At the top, there are fields for "Batch Number" (000651), "Checking Acct." (1030), "Period to Post" (12-1996), "Checking Sub:" (01-000-AA-00-00-1), and "Adm, North". Below this is a section with "Document" and "Company" tabs. Under "Document", there are fields for "Check Printing Date:" (8/1/98), "Payment Selection:" (Pay Date), "Currency Selection:" (Same Currency as Check), "Next Check Printing Date:" (8/1/98), and two checkboxes: "If past Discount Date, pay by Due Date" and "Clear Previous Payment Selections". Below this is a "Detail (F4 for grid/form view)" section with fields for "Reference Number:" (000843), "Company ID:", "Vendor:", "Account:", and "Subaccount:". At the bottom, there are four buttons: "Pre-View...", "View Selected...", "Advanced Select...", and "Begin Processing". The status bar at the very bottom shows "PROGRESS", "SYSADMIN", and "7/23/98".

## Check Preview Report (03.610.00)

### Centralized Cash Option = Yes - "Master Company" Processing:

All companies' vouchers may be previewed one company at a time.

### Centralized Cash Option = No or Non-Master Company:

Company's own vouchers only may be previewed.

## Checks (03.620.00)

### Centralized Cash Option = Yes - "Master Company" Processing:

Checks may be printed for all companies one company at a time.

### Centralized Cash Option = No or Non-Master Company:

Company may print its own checks only.

## Manual Check Entry (03.030.00)

### Centralized Cash Option = Yes - "Master Company" Processing:

May pay vouchers for any company.

### Centralized Cash Option = No or Non-Master Company:

Company may pay vouchers only for its own company.

**Check Reconciliation (03.060.00)**

**Centralized Cash Option = Yes - “Master Company” Processing:**  
Reconciliation allowed for all companies’ payments.

**Centralized Cash Option = No or Non-Master Company:**  
Reconciliation allowed for company’s own payments only.

**Void Check Entry (03.040.00)**

**Centralized Cash Option = Yes - “Master Company” Processing:**  
Void check allowed for all companies’ checks.

**Centralized Cash Option = No or Non-Master Company:**  
Void check allowed for company’s own checks only.

**Reprint AP Batch Control Reports (03.410.00)**

**Centralized Cash Option = Yes or No:**

May reprint Batch Control Reports for own company only, or all companies, provided access rights have been granted.

## Accounts Receivable Processing

Multi-Company processing in Accounts Payable occurs in the following programs:

### Invoice and Memo Entry (08.010.00)

#### Centralized Cash Option = Yes or No:

Single Point of Invoice Entry for All Companies in the Same Database: Invoices may be entered for all companies in the same batch, provided access rights have been granted.

#### Company Data Maintained at Two Levels:

- Document Level: AR and Tax account entries may be recorded to multiple companies in the same batch.
- Transaction-level: Revenue may be recorded to multiple companies in the same batch within and across databases.

**Invoice and Memo (08.010.00)**

Batch  
Number: 000368 Status: Unposted Total: 100.00  
Period to Post: 12-1996 Handling: No Action Control: 100.00

Document  
Type: Debit Memo Customer ID: C360 Date: 7/22/98  
Invoice/Memo Nbr: 000086 Amount: 50.00  
Domingev & Veazey

Invoice/Memo Account Override  
Company ID: PROGRESS A/R Account: 1110 Accounts Receivable-Trade  
Progress Corporation A/R Subaccount: 03-430-AA-00-00-1  
S&M, North

Detail (F4 for grid/form view)  
Company ID: PROGRESS Quantity: 0.00 Ext Ref Nbr:  
Account: 3030 Sean's Account Unit Desc: Tax Category:  
Project ID: Unit Price: 0.00 Tax ID:  
Task ID: Amount: 50.00  
Subaccount: 03-430-AA-00-00-1 Eff Amount: 50.00  
S&M, North Description: C360 Domingev & Veazey

Tag...  
PROGRESS SYSADMIN 7/23/98

### Document Maintenance (08.250.00)

#### Centralized Cash Option = Yes or No:

May update non-financial data (i.e., discount and due date) for the Signon Company only.

## AR Recurring Invoice (08.270.00)

### Centralized Cash Option = Yes or No:

Inter-Company Processing.

### Company Data Maintained at Two Levels:

- Document Level: AR and Tax account entries may be recorded to multiple companies in the same batch.
- Transaction-level: Revenue may be recorded to multiple companies in the same batch within and across databases.

## Generate Recurring Invoices (08.500.00)

### Centralized Cash Option = Yes or No:

May generate invoices for own company only, or for all companies, provided access rights have been granted.

May select for processing by company or all companies.

## Reprint AR Batch Control Reports (08.410.00)

### Centralized Cash Option = Yes or No:

May reprint Batch Control Reports for own company only, or for all companies, provided access rights have been granted.

## Release Accounts Receivable Batches (08.400.00)

### Centralized Cash Option = Yes or No:

May release batches for own company only, or for all companies, provided access rights have been granted.

Due To and Due From GL distribution is created at this time.

**Release AR Batches (08.400.00)**

Select Company

Specific      Company ID: PROGRESS  
Progress Corporation

All

[F4 - for grid/form view]

Selected

Company ID: PROGRESS

Batch Nbr: 000139

Status: Partially Released

Edit Screen Number: 08010

Journal Type: AR

Batch Control: 225.00

Currency: USD

Select All      Clear Selections      Begin Processing...

PROGRESS      SYSADMIN      7/23/98

## Payment Application (08.030.00)

### Centralized Cash Option = No or Non-Master Company

A Company may apply payments to any of its own invoices. Cash may be applied only to the company's own cash account

### Centralized Cash Option = Master Company

The Master Company may apply payments to any other company's invoices as long as the other company resides in the same database. Cash is applied only to the Master Company's cash account.

Inter-Company Due To/Due From GL transaction processing exists for cash payment by Master Company on behalf of other companies.

**Payment Application (08.030.00)**

Batch Number: 000364  
Period to Post: 12-1996  
Deposit Date: 5/18/98  
Status: Hold  
Handling: No Action  
Total: 150.00  
Control: 150.00

Document Customer ID: C301  
Cody Gas  
Type: Payment  
Balance: 15222.13  
Date: 7/23/98  
Pmt/Memo Orig Amt: 0.00  
Balance Write-Off...

Payment/Memo: Auto Apply Sort Order

Bank Account: 1020 Cash on Hand  
Project ID:  
Subaccount: 00-000-00-00-0 Defaults  
Application Total: 0.00  
Unapplied Balance: 0.00  
Cash Discount: 0.00

Detail (F4 - for grid/form view)

Reference Nbr: 001173  
Company ID: PROGRESS  
Amount to Apply: 150.00  
Doc Balance: 13138.65  
Orig Currency: USD  
Description: Training  
Type: Invoice  
Due Date: 7/13/96  
Cash Disc: 0.00  
Disc Balance: 277.35  
Doc Date: 6/13/96

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## Application Reversal (08.240.00)

### Centralized Cash Option = Yes - "Master Company" Processing:

The Master Company may reverse any payment applications that it itself has made. The Master Company may reverse payment applications made in its own company, or in any other company for which it has applied a payment. However, the Master Company may not reverse a payment made in another company when the company itself applied the payment.

### Centralized Cash Option = No or Non-Master Company:

A company may only reverse a payment that it itself has made.

## Small Balance/Credit Write-off (08.450.00)

### Centralized Cash Option = Yes or No:

Any company may write off small balances in its own company or in any other company for which it has access rights.

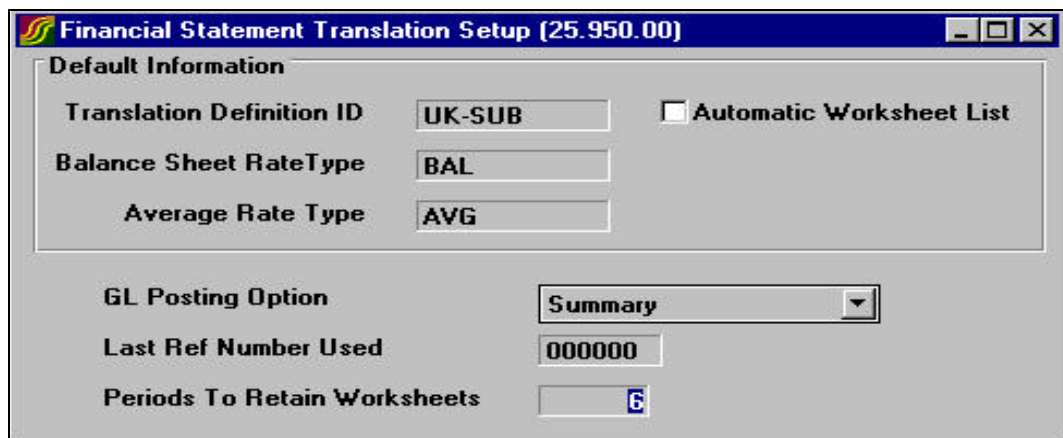
## Translation and Consolidation Processing

The Financial Statement Translation (“FST”) module, along with the Multi-Company and Consolidation features in the General Ledger, provides a significant capability to perform a timely and efficient month-end close. You may create an adjusted Local Currency set of books to conform to GAAP requirements, then translate this adjusted set of books to the parent’s Reporting Currency. You may then create a consolidation export file, and transfer the translated Financials to the parent company for consolidation and financial reporting.

The Solomon IV Financial Statement Translation feature is specifically intended to conform to the requirements of both Translation and Remeasurement as this is defined by the following countries and international bodies: U.S. (FASB 52), U.K. (SSAP 20), Australia, Canada, European Economic Community (EC Directives 4 and 7), and the International Accounting Standards Committee (IAS 21).

### Setting Up the FST Module

When setting up the Solomon IV Financial Statement Translation module, you can define various defaults, options, and control information, including the default Balance Sheet and Average Rates used to automatically calculate the monthly Translation Gain or Loss. Other options control the level of detail posted to the General Ledger and the number of periods for which the worksheets will be maintained.



The screenshot shows a window titled "Financial Statement Translation Setup (25.950.00)". The window contains a "Default Information" section with the following fields and values:

Field	Value
Translation Definition ID	UK-SUB
Balance Sheet RateType	BAL
Average Rate Type	AVG
GL Posting Option	Summary
Last Ref Number Used	000000
Periods To Retain Worksheets	6

There is also an unchecked checkbox labeled "Automatic Worksheet List".

The Translation Definition Maintenance screen is used to define the financial statement translation rules. These rules identify the specific algorithms and exchange rates to be used to create the Reporting Currency set of books from the Local Currency set of books. In addition, since some companies perform the month-end financial statement translation in the actual subsidiary while other companies perform the translation in a central location, the FST module has been designed to allow you to perform this function in either location.

The screenshot shows the 'Translation Definition Maintenance' window. At the top, the title bar reads '\* Translation Definition Maintenance (25.250.00)'. Below the title bar, there are input fields for 'Translation Definition ID' (UK-SUB) and 'Description' (Translate GBP to USD). A section below contains 'Source' and 'Destination' information, with 'Source' set to 'FINANCIALS' and 'Destination' set to 'REPORTING'. It also shows 'Currency ID' for 'Source' as 'GBP' and 'Destination' as 'USD', and 'Balance Type' dropdowns set to 'Actual' and 'Reporting Currency'. At the bottom is a table with columns: Beginning Account, Beginning Sub, Ending Account, Ending Sub Account, Rate Type, Translation Rule, and Auto Calc Method.

Beginning Account	Beginning Sub	Ending Account	Ending Sub Account	Rate Type	Translation Rule	Auto Calc Method
1010	00-000-00-00	2710	99-999-99-99	BAL	Current Period YTD Balance	None
2720	00-000-00-00	2720	99-999-99-99	HIST1	Current Period PTD Activity	None
2730	00-000-00-00	2750	99-999-99-99	BAL	Current Period YTD Balance	None
2760	00-000-00-00	2760	99-999-99-99	HIST2	Current Period PTD Activity	None
3020	00-000-00-00	9990	99-999-99-99	AVG	Current Period PTD Activity	None

## Monthly Translation Processing

Establishing the Translation Definition is a one-time step that allows you to run the Translate Financial Data process with minimal data entry. Each month you would perform two tasks:

- Update the Currency Exchange Rates with new exchange rates
- Process each subsidiary that requires translation using the Translate Financial Data program.

## Automatic Calculation of Translation Gain and Loss

You use the Translate Financial Data screen to compute automatically the Translation Gain or Loss amount, and to book it to the Reporting Currency set of books. As part of the Currency Maintenance setup, you have already defined the default Translation Gain and Loss accounts used by this program.

## Unlimited Local Currency and Reporting Currency Sets of Books

Since many companies that perform Translation at a central location wish to maintain both the original Local Currency and translated Reporting Currency sets of books, the Solomon IV General Ledger provides two approaches to maintaining these sets of books:

- Maintain multiple Ledgers within a single company, thus, allowing an unlimited number of Local Currency and Reporting Currency sets of books to be maintained in a single Solomon IV General Ledger company.
- Maintain multiple companies in multiple databases, where each database has a different Base Currency. All translated sets of books can be stored in a single Reporting Currency database.

### **Unlimited Translation and Remeasurement**

The FST module allows an unlimited number of Translations and Remeasurements to be performed at a single installation. Solomon IV provides extensive support for translation from any set of books to any other set of books. Multiple overseas entities located in the same country can be translated or remeasured based on entity-specific translation rules defined in the Translation Definition setup program.

With Multi-Company and GL Ledger features enabled, the number of different companies or ledgers within companies is unlimited, supporting a very sophisticated translation and consolidation scenario.

### **Multi-Tiered Translations**

The FST module supports multi-tiered translations, where a Local Currency set of books must first be remeasured into the Functional Currency, and then translated into the Reporting Currency. In addition, the FST module also supports multi-level consolidations where business entities own other entities in different countries. For example, a U.K. company could own a German company, which in turn owns an Italian company.

The Solomon IV GL Ledger, Multi-Company, and FST features provide a powerful solution to perform even the most demanding of translation and consolidation scenarios.

## Automated Export/Import of Translated Set of books

The FST module, used in conjunction with the Solomon IV General Ledger, provides an automated export/import feature to transmit Local Currency Financials to the parent for translation and consolidation. Alternatively, you also could perform the translation in the subsidiary, and export the Reporting Currency set of books to the parent for consolidation.

**Generate Consolidation (01.500.00)**

This process may take several minutes depending upon the number of accounts to be consolidated. It is recommended that backup copies of your database be made immediately prior to this process. You may interrupt this process by pressing ESC. However, not all account amounts will be included in the consolidation file.

Company to Consolidate:  Hi-Tech Division 0010  
Ledger to Consolidate:   
Period to Consolidate:   
Name of File to Generate:

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**Read Consolidation (01.510.00)**

This process may take several minutes depending upon the number of accounts that were consolidated. It is recommended that backup copies of your database be made immediately prior to this process. You may interrupt this process by pressing ESC. However, not all transactions from the consolidation file will be included for the batch.

Consolidate to Company:  Hi-Tech Division 0010  
Consolidate to Ledger:   
Period to Post:   
Name of File to be Read:

0010 SYSADMIN 07/20/1998

## Inter-Company Export/Import Processing

Inter-Company Export/Import (13.510.00) provides a single interface point for a user to export and import inter-company GL transactions that have been created as part of the inter-company processing features in GL, AR and AP. For companies that reside in different databases, the Batch Release program flags those batches that will be exported using the Inter-Company Export/Import program. For companies that reside in the same database, Inter-Company Export/Import processing is not required, and inter-company GL transactions are created at Batch Release.

On export, files are created in the default “Inter-Company File Location” that has been defined in the Multi-Company Setup (13.950.00) program.

On import, one may select specific files or all files found in the Inter-Company Export/Import subdirectory.

The screenshot shows the 'Inter-Company Export/Import (13.510.00)' window. It features a 'Operation' section with two radio buttons: 'Export Inter-Company Transactions' (selected) and 'Import Inter-Company Transactions'. Below this are input fields for 'Company ID' (0010, Hi-Tech Division 0010), 'Ledger ID' (0000000000), 'Period' (10-1999), and 'Path' (H:\R400Build0040). An 'Import Options' section includes a 'Filter' field with an asterisk, an 'Available files' list (About.exe, Autorun.inf, Bsl.dh, client.cfg, Crpe32.dll, Crpehpr.exe, Dbupdate.exe, Delta.mn3), and a 'Selected files' list. Navigation buttons include '>>', '<<', 'Select All >>', and '<< Remove All'. At the bottom are 'Reset Transactions' and 'Begin Processing' buttons. A status bar at the bottom right shows '0010', 'SYSADMIN', and '07/20/1998'.

# Appendix

## Appendix A: Implementation Checklist for BackOffice Financial Series

The following Implementation Checklist outlines the steps necessary to implement the Solomon IV for BackOffice Financial Series, Version 4.0:

Module	Description
Initial Signon and Preliminary Multi-Company Setup	<ul style="list-style-type: none"> <li>The starting point is a successful installation.</li> <li>Login to Solomon with a blank in the Company field.</li> <li>Review the database and Server Names in (Utility) Database Administration (98.270.00).</li> <li>Define the Master Company for the database just defined using the (Utility) Company Maintenance (98.280.00). The Master Company is the first Company defined for a database.</li> <li>Close the Company. Open/Login to the Company just created.</li> <li>Perform (MC) Multi-Company Setup (13.950.00).</li> <li>Perform (GL) GL Setup (01.950.00).</li> <li>Add the remaining companies located in the same database using (MC) Company Setup (13.250.00).</li> </ul>
Setup Shared Information	<ul style="list-style-type: none"> <li>Perform Flexkey Definition (21.320.00)</li> <li>Perform Flexkey Table Maintenance (21.330.00)</li> <li>Perform Terms Maintenance (21.270.00)</li> <li>Perform Tax Category Maintenance (21.310.00)</li> <li>Perform Tax Maintenance (21.280.00)</li> <li>Perform Tax Group Maintenance (21.340.00)</li> <li>Perform State/Province Maintenance (21.290.00)</li> <li>Perform Country Maintenance (21.300.00)</li> <li>Perform Address (21.250.00)</li> </ul>
Setup General Ledger	<ul style="list-style-type: none"> <li>Perform GL Setup (01.950.00)</li> <li>Perform Ledger Maintenance (01.310.00)</li> <li>Perform Account Class Maintenance (01.380.00)</li> <li>Perform Chart of Accounts Maintenance (01.260.00)</li> <li>Perform Subaccount Maintenance (01.270.00)</li> <li>Perform Account/Subaccount Maintenance (01.320.00)</li> <li>Perform Allocation Group Maintenance (01.290.00)</li> </ul>
Setup Remaining Multi-Company	<ul style="list-style-type: none"> <li>Multi-Company Setup (13.950.00) (Already done above)</li> <li>Company Setup (13.250.00) (Already done above)</li> <li>Inter-Company Setup (13.260.00)</li> </ul>
Setup Currency Manager	<ul style="list-style-type: none"> <li>Perform Currency Manager Setup (24.950.00)</li> <li>Perform Currency Maintenance (24.250.00)</li> <li>Perform Currency Rate Type Maintenance (24.260.00)</li> <li>Perform Currency Rate Maintenance by ID (24.270.00)</li> <li>Perform Currency Rate Maintenance by Date (24.710.00)</li> </ul>
Setup Accounts Payable	<ul style="list-style-type: none"> <li>Perform AP Setup (03.950.00)</li> <li>Perform Vendor Class Maintenance (03.290.00)</li> <li>Perform PO Address Maintenance (03.272.04)</li> <li>Perform Vendor Maintenance (03.270.00)</li> </ul>
Setup Accounts Receivable	<ul style="list-style-type: none"> <li>Perform AR Setup (08.950.00)</li> <li>Perform Statement Cycle Maintenance (08.280.00)</li> <li>Perform Sales Territory (08.320.00)</li> <li>Perform Salesperson Maintenance (08.310.00)</li> <li>Perform Customer Class (08.290.00)</li> <li>Perform Shipping Address Maintenance (08.262.00)</li> <li>Perform Customer Maintenance (08.260.00)</li> </ul>
Setup Cash Manager	<ul style="list-style-type: none"> <li>Perform Cash Manager Setup (20.950.00)</li> <li>Perform Cash Account Maintenance (20.250.00)</li> </ul>

## Appendix B: Examples of Setting up Companies in Different Environments

The following are examples of the specific steps to follow in setting up a multi-company environment. The beginning point for these implementation steps is the completion of the installation steps described in the Installation Guide. Three different scenarios are shown:

- Single Company in a Single Database - Company 0050 in Database DB1
- Multiple Companies in a Single Database - Companies 0010 and 0020 in Database DB2
- Multiple Companies in Multiple Databases - Company 0030 in DB3, and Companies 0040 and 0045 in Database DB4

### Single Company in a Single Database

Company 0050 in Database DB1:

- Login to Solomon with a blank Company ID.
- **Utility Menu - Database Administration (98.270.00):** Review the Database Name and Server Name entered as part of the installation procedure.
- **Utility Menu - Company Maintenance (98.280.00):** Enter Company Information for the Master Company 0050.
- Close the Company, and Open/Login to Company 0050.
- **GL Module – GL Setup (01.950.00):** Enter the GL Setup for DB1.

### Multiple Companies in a Single Database

Companies 0010 and 0020 in Database DB2:

- Login to Solomon with a blank Company ID.
- **Utility Menu - Database Administration (98.270.00):** Review the Database Name and Server Name entered as part of the installation procedure.
- **Utility Menu - Company Maintenance (98.280.00):** Enter Company information for the Master Company (0010) for the DB2 Application Database.
- Close the Company, and Open/Login to Company 0010.
- **Multi-Company Module - Multi-Company Setup (13.950.00):** Activate Multi-Company processing.
- **GL Module – GL Setup (01.950.00):** Enter the GL Setup for DB2, Master Company 0010.
- **Multi-Company Module - Company Setup (13.250.00):** Review data for the Master Company 0010. Add the second company (0020) that will reside in the same database as the Master Company 0010.

## Multiple Companies in Multiple Databases

Company 0030 in DB3, and Companies 0040 and 0045 in Database DB4:

- Login to Solomon with a blank Company ID.
- **Utility Menu - Database Administration (98.270.00):** Review the Database Names and Server Names entered as part of the installation procedure.
- **Utility Menu - Company Maintenance (98.280.00):** Enter Master Company information for the Master Companies 0030 for DB3 and 0040 for DB4.
- Close the Company, and Open/Login to Company 0030.
- **Multi-Company Module - Multi-Company Setup (13.950.00):** Activate Multi-Company processing.
- **GL Module - GL Setup (01.950.00):** Enter the GL Setup for Company 0030.
- Close Company 0030, and Open/Login to Company 0040.
- **GL Module - GL Setup (01.950.00):** Enter the GL Setup for Company 0040.
- **Multi-Company Module - Company Setup (13.250.00):** Review data for the Master Companies: 0030 (DB3) and 0040 (DB4). Add the second company (0045) that will reside in the same database as the Master Company 0040.

## Appendix C: Glossary of Terminology

### Centralized Cash Processing

With “Centralized Cash Processing” one may apply payments in Accounts Receivable or make payments in Accounts Payable from a single Master Company on behalf of other companies.

### Consolidated Company

A Consolidated Company is used in this document to refer to a company in which only the General Ledger and Financial Statement Translation modules are used to handle the translation and consolidation processing of HI-Tech International. Examples of Consolidated Companies are HI-Tech Production Company (1100) and HI-Tech Sales Company (1200).

### Ledger ID

The Ledger ID is found only in the General Ledger and allows you to maintain multiple balanced sets of books within a single Company for such purposes as maintaining GAAP adjusted sets of books, Translation, and Consolidation. Typically a Ledger ID is appropriate when there are many balanced sets of books with low volume and a need for a similar Chart of Accounts.

### Master Company

The Master Company is the first company that is defined in a multi-company database. *The designation of which company is the Master Company is an extremely critical decision, since once defined in GL Setup the Master Company may not be changed.*

When you enable the “Activating Centralized Cash Processing” option in GL Setup (01.950.00), the Master Company has specific functionality in Accounts Receivable and Accounts Payable. See Centralized Cash Processing for additional information.

### Operating Company

An Operating Company is used in this document to refer to a company in which a full set of financial modules is implemented to handle the daily operations of a company. Examples of Operating Companies are: the Manufacturing Companies (1112 - 1115) in the HI-Tech Production Division, or the Sales and Marketing companies (1322-1325) in the HI-Tech Sales Division.



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