

Financial Management

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Common Financial Components

Multicurrency

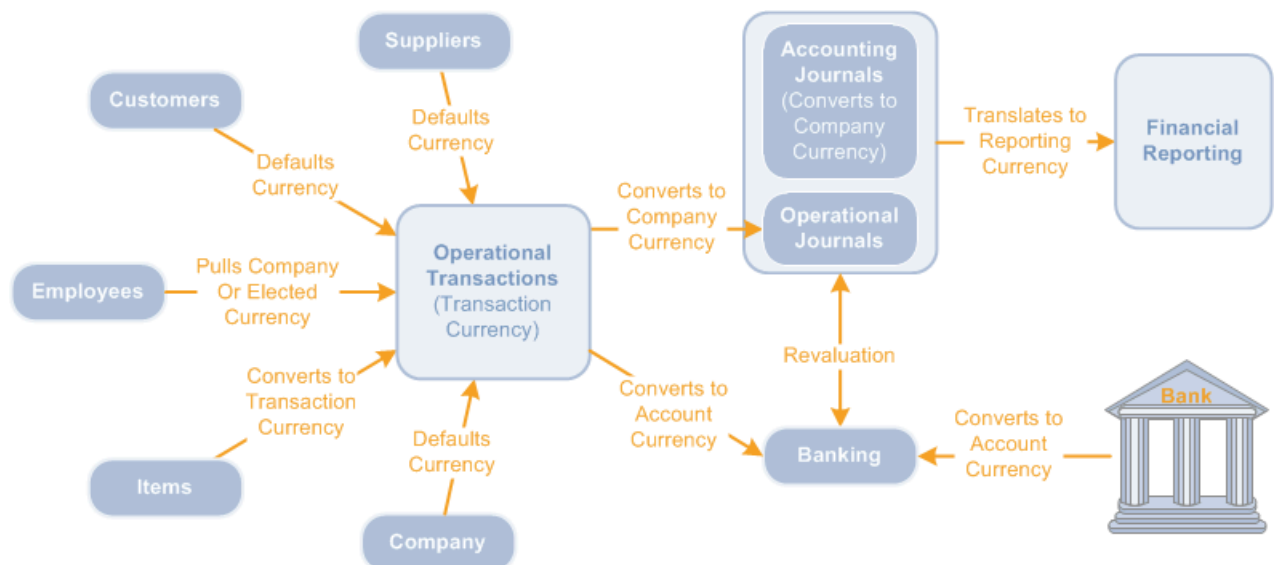
Concept: Multicurrency

Workday provides multicurrency capabilities to meet your money management needs. These capabilities enable you to record and process business transactions that occur in a currency other than the base currency of the recording company.

Example: A USD-based company can record a sale to a French customer with a EUR denominated invoice.

Workday also factors in the impact that multiple currencies have on all appropriate gain/loss calculations and accounting for your transactions and open items.

This diagram displays the flow of currencies through Workday Financial Management, as Workday converts them.



Currency flows into operational transactions from various sources, depending on the transaction. Customers and suppliers have their own currency, which Workday automatically populates to customer and supplier transactions. For expense reports, Workday uses the company currency of the employee or the payment election currency of the employee (if the currencies differ). Items also have currencies associated with them. When used in transactions, Workday converts items to the transaction currency. Other transactions use the company currency as the default.

The currency of a submitted transaction is the transaction currency. This currency remains in place throughout the lifecycle of the transaction. Upon transaction approval, Workday generates operational journals and converts the transaction currency, if different, into the company currency for accounting purposes. When you create accounting journals, Workday also converts their currency into the company currency. Workday rounds conversions to the decimal precision of the currency.

When reporting, you can report in another currency. Workday uses translation rules that you define to determine conversion rates, then uses these rates to translate the company currency into a reporting currency.

Bank accounts also have their own currency in which to store funds. When necessary, Workday and banks convert currencies for deposited and transferred funds into the account.

Concepts

[Concept: Bank Account Currency](#) on page 1425

[Concept: Currencies on Expense Reports](#) on page 1335

[Concept: Currency in Accounting Journals](#) on page 104

[Concept: Currency Translation](#) on page 170

[Concept: Item Currency](#)

[Concept: Sales Item Currencies](#) on page 667

Tasks

[Review Foreign Currency Revaluation](#) on page 162

[Steps: Set Up Currencies](#)

Concept: Company Currency

A *company currency* is the base currency that each company within your Workday tenant uses to generate and perform its accounting. It's also known as the ledger currency.

Example: You have companies in the U.S., Germany, and Canada, each with their own currency.

Since you can use multiple currencies for financial transactions in Workday, the company currency is essential to bookkeeping. To set the currency for a company, use the **Create Company** task.

Once you create a journal or have accounting activity in the company, you can't change the company currency. This ensures a single currency for accounting.

Concepts

[Concept: Currency Conversion](#)

Tasks

[Steps: Set Up Companies](#) on page 56

Concept: Rates, Rate Types, and Conversion

A rate type is a way to identify the source and purpose of a set of rates.

Example: A rate type of current is the current market rate on any given day. A rate type of average is the average of rates over a period. A rate type of historic is a blended rate that, when applied, results in the proper historic valuation of an account.

Depending on the type of conversion, Workday uses different rate types to determine the rate. For conversion from:

- Transaction currency to bank account currency. Workday uses the default rate type, but you can override the rate.
- Transaction or bank account currency to the company currency. Workday always uses the default rate type.
- The company currency to the reporting currency. Workday uses the rate type that you specify in the translation rules.

To obtain the target currency amount for all currency conversions, Workday multiplies the source currency amount by the rate.

Note: Workday supports 12 decimal precision for currency exchange rates that you enter or upload. When calculating exchange rates, such as currency cross rates or inverse rates, Workday rounds the calculated rate to 12 decimal precision. When you calculate a rate with more than 18 digits, Workday truncates display of the rate to 18 digits.

Workday enables you to:

- Define rate types using the **Maintain Currency Rate Types** task.

- Define the default currency rate type for the tenant using **Default Values** section of the **Tenant Setup** task. You can define the default currency rate type using the **Currency Rate Type Override** on the **Edit Company Accounting Details** task.
- Define or modify the exchange rates using the **Maintain Currency Conversion Rates** task.
- Use the **Currency Rates as of Date** report and the **Historic Currency Rates** report to view rates.

Tasks

[Maintain Currency Conversion Rates](#)

[Steps: Set Up Currencies](#)

[Steps: Upload Currency Conversion Rates](#)

Concept: Transaction Currency

The *transaction currency* is the currency that you associate with a transaction when you create or edit it. Depending on the type of transaction, Workday defaults the currency of the company, the customer, the supplier, or the employee.

Although Workday uses the company currency to generate accounting for transactions, you can assign foreign currencies to transactions for a customer, supplier, or another currency. The transaction currency persists throughout the lifecycle of the transaction. Thus, the currency for an invoice and its payment must match.

You can use many tasks within Workday to create operational transactions. It is important that you maintain currency conversion rates between the company currency and other currencies in which you transact. Upon transaction approval, Workday generates accounting entries in the company currency. If the transaction and company currencies differ, Workday automatically converts the transaction currency to the company currency.

Multicompany

Setup Considerations: Single Legal Entity Company Relationships (USA)

You can use this topic to help make decisions when planning your configuration and use of the USA Single Legal Entity (SLE) company relationship type. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

The SLE company relationship type in Workday enables you to roll up multiple companies into 1 managing company that serves as the reporting legal entity.

Business Benefits

- Process U.S. payroll for related companies while respecting tax and withholding order limits for workers in multiple companies in the company relationship.
- Combine wages and taxes paid by all companies for periodic and quarterly payroll tax filing.
- Combine Affordable Care Act (ACA) reporting for all companies.
- Produce financial and managerial reports for the legal entity and its related companies.
- Specify the length of the SLE relationship by tax year.

Use Cases

- Generate balance sheet statements for related companies using the balancing worktag for other purposes.
- Produce consolidated financial statements for all companies in the SLE company relationship that are part of a company hierarchy.

Questions to Consider

Questions	Considerations
How do you review and file tax data for companies in an SLE company relationship?	Workday calculates taxes in the related company. You can report taxes for related companies in 1 of 2 ways: • Combined: The SLE issues a single W-2, which includes wages paid by all companies in the relationship. You can't review and file tax data for individual companies in the company relationship. • Separate: Workday creates 1 W-2 for workers. Your tax filing vendor can create a separate W-2 for each company the worker is in.
Do your workers have withholding orders in the related companies?	You can copy withholding orders to the managing company to continue processing them.
What are your worker's tax elections in the related companies?	You can copy tax elections to the managing legal entity company to continue processing them.
How have you set up taxes for the related companies?	You need to set taxes up the same way for all companies in the relationship.

Recommendations

Workday recommends that you review tax elections in the companies, and align them with tax elections entered in the managing company. Workday takes the tax elections for the worker from the managing company.

Requirements

For tax reporting purposes, Workday treats all companies in the SLE relationship as a single company. For tax reporting purposes, Workday requires that you standardize tax configurations for the SLE and the related companies. For all companies in the relationship, you must use the same:

- Federal, state, and local tax setup.
- Federal Employer Identification Number (FEIN)

Limitations

When you complete a payroll run, you can't modify or delete the SLE relationship. You can only end the relationship at the end of the tax year.

Workday doesn't calculate Fair Labor Standards Act (FLSA) rates based on hours worked in multiple companies in the SLE relationship. Workday calculates FLSA rates for workers by individual company, because Workday processes payroll separately for each company in the relationship. Companies in the SLE relationship are separate, even when they share the same FEIN.

Tenant Setup

No impact.

Security

Domains	Considerations
<i>Set Up: Payroll (Tax Filing/W-2s) - USA</i> in the USA Payroll functional area <i>Manage: Company</i> in the Organizations and Roles functional area.	Enable you to create and edit SLE company relationships.

Business Processes

No impact.

Reporting

Reports	Considerations
All Single Legal Entities	Use to review all SLE relationships.
Tax Filing Periodic Data by Company Tax Filing Periodic Data for Workers Tax Filing Monthly Data for Workers Tax Filing Quarterly Data by Company Tax Filing Quarterly Data for Workers	Use to review tax filing data for SLE relationships.
1099 MISC Report	You can review transactions from the SLE company and its related companies.
Custom Reports	You can use the All Single Legal Entities report data source when creating custom reports for SLE relationships.
Multiple Worksite Report by Company Multiple Worksite Report by Worker	You can use these reports to review combined QTD and YTD amounts for all employees in SLE company relationships.

Integrations

These web services enable you to extract and load SLE relationships:

- *Get Single Legal Entities*
- *Put Single Legal Entity*

Connections and Touchpoints

Touchpoint	Considerations
Tax Filing Vendors	Set up tax filing vendors for correct reporting to the tax authorities.
Financial Accounting	Set up financial accounting features, such as journals and financial statements.

Touchpoint	Considerations
1099 MISC	Set up 1099 MISC reporting.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Steps: Set Up a Single Legal Entity

Review setup considerations for Single Legal Entity company relationships.

To create consolidated financial statements for the legal entity and related companies, create the company hierarchy then add the single legal entity company and related companies.

- Create the managing or legal entity company, and the related companies.
- Security:
 - *Manage: Company* domain in the Organizations and Roles functional area.
 - *Set Up: Payroll (Tax Filing/W-2s)* - USA domain in the USA Payroll functional area.

Set up a company relationship wherein multiple companies roll up to a single managing company that serves as the reporting legal entity.

When you set up a Single Legal Entity (SLE), define each company that's part of the company relationship separately. Then create the SLE relationship. For each company in the SLE relationship, set up and separately maintain:

- Federal Tax ID (FEIN). For the length of the single legal entity relationship, all related companies must use the same FEIN.
- Tax authority information.
- Company-specific information.

1. Access the **Create Company Relationship** or **Edit Company Relationship** task.
2. From the **Company Relationship Type** prompt, select *Single Legal Entity*.

Note: Once you create a relationship and complete a payroll, you can't modify this relationship type.

3. As you complete the task, consider:

Option	Description
Reporting Tax Year	The tax year in which the SLE relationship begins and is applicable for the entire specified tax year. The year must be 2014 or later.
Inactive as-of Tax Year	(Optional) The company relationship ends at the beginning of the tax year entered.
Related Companies	Parent and child companies in a single legal entity relationship: • Must have the same Tax ID. (Only companies with the same tax ID will be available to select.) • Can't be part of another legal entity relationship. • Can be in different countries or in the country listed for the legal entity.
Periodic Tax Reporting	Select whether to report taxes for related companies separately for each company or combined for all companies.

Option	Description
	When combined, you can't review and return tax data for individual companies in the company relationship.
Quarterly Tax Reporting	Select whether to report taxes for related companies separately for each company or combined for all companies. Your selection also applies to monthly tax reporting to ADP for Illinois State Unemployment Insurance (SUI). When combined, you can't review and return tax data for individual companies in the company relationship.
Withholding Order Types to Carry Forward	Select the withholding order types that you want to copy with the <i>Copy Withholding Orders</i> business process. Workday automatically displays previously selected withholding order types.
Affordable Care Act (ACA) Reporting	Select the Combined ACA reporting for all companies check box to enable ACA reporting for a single legal entity.

You can use the SLE company relationship to:

- Generate balance sheets statements for the related nonlegal entity companies that are using the balancing worktag for other purposes.
- Produce consolidated financial statements for all companies in the single legal entity company relationship that are part of a company hierarchy.
- Run the **1099 MISC Report** report, which includes transactions from the single legal entity company and its related companies.

All other reports run for the SLE company and don't include transactions from the related companies.

- Process W-2s and W-2Cs. Impacted employees receive a single W-2 from the managing company (the legal entity).

Workday doesn't allow you to add or delete member companies from an SLE relationship once you create current or prior year W-2 data for the legal entity current member company or the potential member company. If you need to add a company or set the relationship to inactive, consider running the **Cancel W-2 Data** task, only if you haven't filed W-2s for the current or prior year.

Workday Payroll for the USA only applies tax elections and income withholding orders entered under the single legal entity. To add:

- Tax elections, use the *Copy Tax Elections* business process.
- Income withholding orders, use the *Copy Withholding Orders* business process.

You can use the **Delete Single Legal Entity** task as long as there are no completed payroll results for the legal entity.

Concepts

[Concept: Financial Reporting](#) on page 279

Tasks

[Steps: Process Accounting Journals](#) on page 87

[Steps: Set Up 1099 Reporting](#) on page 477

[Steps: Set Up Affordable Care Act Measurements and Eligibility](#)

Concept: Single Legal Entities

Single Legal Entities

A Single Legal Entity (SLE) company relationship establishes a one-to-many relationship between one managing company (designated as the legal entity) and related companies. You can create an SLE company relationship to produce financial and managerial reports for the legal entity and its related companies.

For tax reporting purposes, Workday treats all companies in the SLE relationship as a single company. Workday requires that you set up tax configurations for the SLE in addition to the related companies. Federal, state, and local tax setup must be the same for all companies in the relationship.

SLE relationships enable you to:

- Track transactions for the legal entity company and each related entity company.
- Produce consolidated financial reports for the legal entity.
- Produce individual reports for the related companies in the SLE
- Perform transactions between nonlegal entities within the same SLE relationship
- Segregate sensitive data within the SLE.

Workday processes payroll for each related company in an SLE and respects limits across companies for taxes and withholding orders.

Note: Related companies in the SLE relationship are separate companies, even when they share the same FEIN. Workday processes payroll separately for each company in the relationship. Workday doesn't calculate Fair Labor Standards Act (FLSA) rates for workers based on hours worked in multiple companies in the SLE relationship. Workday calculates FLSA by individual company.

Single Legal Entity Reporting

When you run the **1099 MISC** report for an SLE company, the report includes transactions from the SLE company and its related companies.

Example

- Company A is the managing legal entity company for Company B.
- Company 1 is the managing legal entity company for Company 2.
- Both SLE companies and their related nonlegal entity companies are part of the Global Modern Services company hierarchy.

When you run the **1099 MISC Report** task for the SLE Company A, click the value in the **Reportable Amount** field to display a breakdown of the transactions and their amounts for Company A and Company B.

When you run the **1099 MISC Report** task for the Global Modern Services company hierarchy, the report displays amounts for the Company A and Company 1 single legal entities.

When you create a balance sheet statement for the Global Modern Services company hierarchy, it displays consolidated transaction information for all legal entities and their related companies.

Concepts

[Concept: Reorganizations](#)

Tasks

[Steps: Set Up Companies](#) on page 56

Intercompany

On-Behalf-of Intercompany Transactions

Setup Considerations: On-Behalf-of Intercompany Activities

You can use this topic to help make decisions when planning your configuration and use of on-behalf-of intercompany. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

On-behalf-of Intercompany is a financial accounting structure that enables transactions between different entities within an organization. In on-behalf-of intercompany, an entity pays for a good or service that's purchased by another entity in the organization.

Business Benefits

You can set up your tenant to record intercompany activities. Recording these activities enables an organization to generate activities on behalf of another entity:

- Debts
- Payables
- Receivables

Use Cases

You might need to record an accounting transaction that occurs between at least 2 subsidiary or multinational companies within your organization. Here are a few activities where intercompany enables you to record those transactions:

- Accounting journals.
- Ad hoc bank transactions.
- Allocations.
- Asset accounting.

- Customer contracts, invoices, and invoice adjustments.
- Intercompany payments.
- Payments on behalf of.
- Payroll accounting.
- Supplier invoices and invoice adjustments.

Questions to Consider

Questions	Considerations
Do you have subsidiary companies, or operate multinationally?	If you have subsidiary companies or multinational branches that perform transactions with each other, consider configuring intercompany profiles. Intercompany profiles enable you to record and process those intercompany transactions.
Do you need to provide source documents for statutory requirements?	Transactions between companies in different countries frequently require source documents for statutory reporting requirements. On-behalf-of transactions don't generate source documents. Before you configure intercompany transactions, consider whether you need to set up direct intercompany.
What kind of transactions do your subsidiary companies normally perform with each other?	The transactions that companies within an organization perform with each other determines whether you need to structure Workday for direct or on-behalf intercompany. Configure direct intercompany if you need to represent transactions where the companies conduct business like a supplier and a customer. You can configure a company as both a customer and a supplier to another company. Configure on-behalf intercompany when a company processes the payments and invoices in place of the company that provides the goods and services to customers. If both intercompany relationships apply to you, configure both.
How do your companies use your account sets?	You can only create an intercompany relationship between 2 companies when those companies use the same account set. Before you configure your intercompany profiles, ensure that the companies use the correct account sets.
How do you process and settle your intercompany transactions?	If you want to settle your intercompany transactions, you must configure these options on the Edit Intercompany Profile task: • Default Payment Types • Initiate Allowed • Payment Types

Questions	Considerations
	If you want to record intercompany receipts automatically, select the Record Intercompany Receipts check box. Workday only creates receipts for intercompany payments matched to an intercompany receivable. Workday doesn't consider unmatched accounting journals when automatically creating receipts. When you don't automatically record receipts, you must create manual receipts to use in your settlement runs using the Record Intercompany Receipts task.
How do you configure your security role assignments?	Workday uses the security configuration of the initiating company when determining who can view the intercompany transaction. Example: The company that creates the accounting journal determines the security requirements to access and process the intercompany transaction. Workday instead uses the security configuration of the customer on the original transaction to determine who can view the intercompany transaction when your company operates as the supplier. Consider setting up your company hierarchy role assignments to meet your security requirements if any users need to access both sides of the intercompany transaction.

Recommendations

Functionality	Considerations
Account posting rules	Workday recommends that you configure separate rules for the <i>Intercompany Payables</i> and <i>Intercompany Receivables</i> account posting rules if you want to settle intercompany transactions. Separate posting rules enable Workday to create the payables and receivables necessary for you to run the settlement process. When you don't configure separate account posting rules, you might have trouble finding unmatched on-behalf-of intercompany transactions when you want to close your ledger periods. If you configure both direct and on-behalf-of intercompany, we recommend you add a <i>Direct Intercompany</i> dimension on both the <i>Intercompany Payables</i> and <i>Intercompany Receivables</i> account posting rules. The dimension enables you to split up the account posting rules you use for on-behalf-of and direct intercompany transactions.

Functionality	Considerations
	Depending on the transaction types you use, you also need to configure additional account posting rules. Common posting rules include: • <i>Cash</i> • <i>Spend</i> • <i>Revenue</i> • <i>Transaction Tax</i> If you don't want to post intercompany transactions to <i>Cash</i>, you can instead configure a pseudo bank account to record the costs. Consider configuring the pseudo bank account when you want to reroute settlement transactions from the pseudo account to a different ledger account.
Fiscal schedules	Workday recommends that companies configured for intercompany transactions use a shared fiscal schedule. The shared fiscal schedule can be an alternate or primary schedule. Sharing a fiscal schedule reduces the potential for creating erroneous transactions that you need to eliminate using a consolidation.
Intercompany affiliate worktags	Workday recommends that you enable intercompany affiliate worktags on intercompany transactions you need. We further recommend that you create custom validations that require users to add the affiliate worktags on the associated transaction lines. Intercompany affiliate worktags help identify due-to and due-from companies on intercompany transactions. Identifying these worktags enables Workday to eliminate entries on consolidated financial statements. Workday also recommends that you configure your account posting rules to use the appropriate intercompany affiliate worktags as resulting worktags. Workday strongly recommends that you ensure your configuration doesn't result in a company creating intercompany transactions with itself.

Requirements

Before you can create intercompany transactions, you must:

- Add an initiate intercompany event step on all business processes you want to use for intercompany activities.
- Create intercompany profiles for all your intercompany affiliates on the **Edit Company Intercompany Profiles** task.
- Configure account posting rules for intercompany payables and intercompany receivables.

Limitations

Before you configure intercompany, consider these limitations:

- If you post intercompany activities to book codes that are outside the common book code, you can't settle those activities. To remove the intercompany balance, perform an elimination.
- If you can't add an intercompany event step to a business process, Workday might not currently support intercompany transactions for that activity.

Tenant Setup

You can optionally configure these tenant options on the **Edit Tenant Setup - Financials** task:

Options	Considerations
No Intercompany Payable/Receivable Lines when Journals Self Balance by Company	When you select this check box, Workday doesn't generate intercompany payable and receivable lines on journals balanced by each line company.
Group Intercompany Payable/Receivable Lines	Reduces the number of lines generated on the journal and only displays payable and receivable lines for the transactions. Groups payable and receivable intercompany line amounts with these same details: • Affiliate company. • Ledger account. • Balancing worktags. Workday doesn't net payables and receivables on the summary line.
Unrestricted Intercompany Affiliate Selection	Enables any company to add companies with valid intercompany profiles as intercompany affiliates on journal lines.
Copy Attachments to Intercompany Accounting Journals	Grant other companies access to attachments you add on intercompany parent journals. The other companies can view your attachments from their intercompany child journals. You can only view attachments of companies with a configured intercompany relationship.

Security

To create intercompany activities for another company, you must configure security roles for the activity on the other company. Example: If you're with Company A and you want to create an intercompany activity for Company B, you must have a security role that enables you to also create the activity for Company B.

Domains	Considerations
<i>Set Up: Company Accounting</i> on the Common Financial Management functional area.	Set up intercompany profiles. You need intercompany profiles to create intercompany transactions.
<i>Set Up: Accounting Rules</i> on the Common Financial Management functional area.	Set up account posting rules. You need separate account posting rules for your intercompany payables and receivables when you want to settle intercompany balances.

Business Processes

Configure the *Accounting Journal Event* business process. Add the *Initiate Accounting Journal Intercompany Event* business process step. Enables you to create accounting journals for on-behalf intercompany transactions.

If your company needs to process and settle on-behalf-of intercompany transactions, configure the *Settlement Run Event* business process.

Reporting

Reports or Dashboards	Considerations
Intercompany Out of Balance Report	Identify and resolve intercompany out of balance issues.
Intercompany Payables and Receivables Reconciliation	Find and review out-of-balance amounts from posted journal lines on intercompany affiliate ledgers that remain at the end of the period. Enables you to identify and reconcile all intercompany items for each intercompany affiliate, including both matched and unmatched transactions.
Intercompany Work Area	Review intercompany activities, including in-progress journal lines, unrecorded receipts, and settlement runs. Enables you to find outstanding amounts due to or due from an intercompany affiliate.
Outstanding Intercompany Transactions	Find and review detailed information about outstanding intercompany transactions.

Integrations

Web Services	Considerations
<i>Get Account Posting Rule Sets</i>	Retrieves detailed information about configured account posting rule sets.
<i>Get Intercompany Profiles</i>	Retrieves detailed information about configured intercompany profiles. Enables you to view detailed information across multiple intercompany profiles.
<i>Put Account Posting Rule Set</i>	Creates or configures account posting rule sets. Enables you to set up many account posting rule sets at once.
<i>Put Intercompany Profile</i>	Creates intercompany profiles. Enables you to set up many intercompany profiles at once.

Connections and Touchpoints

You can use on-behalf-of intercompany with many activities in Workday. Intercompany expands existing functionality by enabling you to generate activities on the accounts of other companies. The intercompany profile you configure enables many intercompany activities across Workday.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Concepts

[Concept: Intercompany Transactions](#) on page 50

[Setup Considerations: Payroll Intercompany Accounting](#)

Tasks

[Steps: Set Up On-Behalf Intercompany Transactions](#) on page 37

Reference

[Reference: Edit Tenant Setup - Financials](#)

[The Next Level: On Behalf Of Intercompany](#)

Steps: Set Up On-Behalf Intercompany Transactions

Security: *Set Up Company Accounting* in the Common Financial Management functional area.

On-behalf intercompany enables you to process payments and invoices in place of the company that provides the goods and services. When you configure your intercompany profiles and relationships, you can record, initiate, and settle on-behalf intercompany activities.

1. [Define Bank Accounts](#) on page 1418.

Configure bank accounts for all affiliated companies that use intercompany transactions. We use these accounts for both intercompany settlements and receipts. You need bank accounts for all participants on an intercompany transaction to create intercompany receipts.

2. [Define Intercompany Profiles](#) on page 38.

3. [Set Up Account Posting Rules](#) on page 69.

Configure these account posting rules:

- *Intercompany Payables*
- *Intercompany Receivables*

Workday also recommends you configure additional account posting rules based on the transaction types you need. Common posting rules include:

- *Cash*
- *Spend*
- *Revenue*
- *Transaction Tax*

4. (Optional) [Create Customer Payment Application Rule](#) on page 600.

You can use customer payment application rules to change how Workday processes payments. By default, Workday uses the customer payment application rules associated with the company receiving the payment.

When you need to write off the balances on customer invoices, we use the rules of the company on the customer invoice.

5. (Optional) [Edit Business Processes](#).

Workday uses intercompany business process steps when you add a company on the line of the transaction that differs from the header company. We recommend that you add these business process steps:

- *Initiate Accounting Journal Intercompany Event* step to Accounting Journal Event.
- *Initiate Customer Invoice Intercompany Event* step to Customer Invoice Event.
- *Initiate Supplier Invoice Intercompany Event* step to Supplier Invoice Event.

Configure these additional business processes:

- Record Intercompany Receipt Event
- Settlement Run Event

You can create on-behalf intercompany transactions.

Concepts

[Setup Considerations: Direct Intercompany Activities](#) on page 40

[Concept: Intercompany Transactions](#) on page 50

Define Intercompany Profiles

Security: *Set Up: Company Accounting* domain in the Common Financial Management functional area.

You set up intercompany profiles to establish the relationship between companies if 1 or more of these requirements exist:

- You need to settle Intercompany transactions.
- You need to create On-Behalf-Of or Indirect Intercompany transactions.
- You need to record automatically Intercompany Receipts.

1. Access the **Edit Company Intercompany Profile** task.

2. As you complete the task, consider:

Option	Description
Initiate Allowed	Select to enable your company to initiate intercompany transactions with the company on the To column. You don't need to select Initiate Allowed for a company to initiate a Direct Intercompany transaction. You select it to enable the Intercompany worktag as a valid combination. This check box also allows the line company on an invoice to differ from the header company for On-Behalf-Of transactions. Note: If you don't select Initiate Allowed , you must select the Settle Only check box to enable Direct Intercompany Invoices settlement.
Settle Only	Select to enable your company to settle intercompany transactions with the company on the To column. The company can't initiate intercompany transactions.
Payment Types	Select the allowed payment types in which the current company can settle with the To company.
Default Payment Types	Select the default payment type in which the current company can settle with the To company.
Bank Account	(Electronic payments only) Select the bank account of the To company that you want the current company to use when you settle with the To company. Workday will default the bank account for the To company in the settlement process. The From company, the one initiating the payment, will use the bank account from the bank routing rules. Workday doesn't require that the To company use this bank account when they record the intercompany receipt for the transaction.

Option	Description
Transfer Asset as Original	Select to enable transfer of assets between companies. When a company receives the asset, we generate the asset with the same: • Accumulated depreciation. • In-service date. • Total asset cost. When you don't enable this option, the receiving company generates the asset with a: • Total asset cost equal to the net book value. • An in-service date specific to the receiving company.
Record Intercompany Receipt	Select to generate intercompany receipts automatically after the current company settles an intercompany transaction from the To company. Workday splits the intercompany transaction if the current company: • Enables Record Intercompany Receipt. • Receives an intercompany transaction from the To company with both matched and unmatched transactions. On split intercompany transactions, Workday only generates the receipt for the matched transaction. You need to record the intercompany payment manually for the unmatched intercompany transaction.
Bank Account for Intercompany Receipt	Select an active bank account. When you configure Record Intercompany Receipt, Workday records those automatic receipts with the listed company using the bank account you select. Workday doesn't automatically select this bank account when you manually create intercompany receipts.

You can now create or settle intercompany transactions with affiliated companies.

Configure your **Intercompany Payables** and **Intercompany Receivables** account posting rules.

Concepts

[Setup Considerations: Direct Intercompany Activities](#) on page 40

[Concept: Intercompany Transactions](#) on page 50

Tasks

[Steps: Set Up Customers and Suppliers for Direct Intercompany Transactions](#) on page 47

Steps: Create On-Behalf-of Intercompany Accounting

Define intercompany profiles.

You can create an on-behalf-of intercompany journal to manually record an intercompany transaction.

1. [Create Accounting Journals](#) on page 89.

Change the **Company** on at least 1 journal line to differ from the company on the journal header. Workday only displays companies on the **Company** prompt that have a defined intercompany relationship.

2. [Create Manual Settlement Runs](#) on page 1615.

- Select **Include Payments on Behalf of Other Companies**.
- Click **Add** and then select *Intercompany Items* to find the on-behalf-of transactions you want to pay.

3. (Optional) Access the **Record Intercompany Receipt** task.

- Select *On Behalf Of* on the **Intercompany Invoice Type** prompt.
- Select the bank account used for the settlement of the intercompany transaction. This bank account can differ from the **Bank Account** defined on the **Edit Company Intercompany Profile** task.

When you record the receipt:

- Overpayments post to an account.
- You can write off short payments.
- Invoices account for short pay and overpay when an invoice has a different currency than the company currency.
- You can manage balancing worktag differences to improve reconciling of intercompany payables and receivables. The intercompany receipt posts correctly if a customer invoice has multiple lines using different balancing worktags.

You can also configure your intercompany profiles to automatically record intercompany receipts when you settle an intercompany payment.

Security: *Record Intercompany Receipt Event* business process on the Financial Accounting domain.

Workday displays an additional **Intercompany** tab on the **View Journal** report with the details of associated intercompany journals.

Concepts

[Concept: Intercompany Transactions](#) on page 50

Reference

[The Next Level: On Behalf Of Intercompany](#)

Direct Intercompany Transactions

Setup Considerations: Direct Intercompany Activities

You can use this topic to help make decisions when planning your configuration and use of direct intercompany. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

Direct intercompany is a financial accounting structure that enables transactions between different entities within an organization.

Direct Intercompany functionality automatically generates supplier invoices from customer invoices. It also automatically generates intercompany receipts to settle customer invoices when you settle supplier invoices.

Business Benefits

You can set up your tenant to record direct intercompany activities. Recording these activities enables an organization to generate activities directly with another entity:

- Debts
- Payables
- Receivables

Use Cases

Direct Intercompany transactions are required when there's a legal requirement for a source document to meet statutory requirements. Example: When you enter a transaction for a company in another country or where there are tax reporting requirements.

Direct intercompany enables you to record an accounting transaction that occurs between at least 2 subsidiary or multinational companies within your organization. You can use direct intercompany to purchase goods or services from another company within your organization. Here are a few activities where direct intercompany enables you to record those transactions:

- Customer invoices.
- Customer invoice adjustments.
- Supplier invoices.
- Supplier invoice adjustments.
- Intercompany payment.

Questions to Consider

Questions	Considerations
Do you have subsidiary companies, or operate multinationally?	If you have subsidiary companies or multinational branches that perform transactions with each other, consider configuring intercompany profiles. Intercompany profiles enable you to record and process those intercompany transactions.
Do you need to provide source documents for statutory requirements?	Transactions between companies in different countries frequently require source documents for statutory reporting requirements. On-behalf-of transactions don't generate source documents. Before you configure intercompany transactions, consider whether you need to set up direct intercompany.
What kind of transactions do your subsidiary companies normally perform with each other?	The transactions that companies within an organization perform with each other determines whether you need to structure Workday for direct or on-behalf intercompany. Configure direct intercompany if you need to represent transactions where the companies conduct business like a supplier and a customer. You can configure a company as both a customer and a supplier to another company. Configure on-behalf intercompany when a company processes the payments and invoices in place of the company that provides the goods and services to customers.

Questions	Considerations
	If both intercompany relationships apply to you, configure both.
How do your companies use your account sets?	You can only create an intercompany relationship between 2 companies when those companies use the same account set. Before you configure your intercompany profiles, ensure that the companies use the correct account sets.
How do you process and settle your intercompany transactions?	If you want to settle your intercompany transactions, you must configure these options on the Edit Company Intercompany Profile task: • Default Payment Types • Initiate Allowed • Payment Types If you want to record intercompany receipts automatically, select the Record Intercompany Receipts check box. When you don't automatically record receipts, you must create manual receipts to use in your settlement runs using the Record Intercompany Receipts task.
How do you configure your security role assignments?	Workday uses the security configuration of the initiating company when determining who can view the intercompany transaction. Example: The company that creates the customer invoice determines the security requirements to access and process the intercompany transaction. Workday instead uses the security configuration of the customer on the original transaction to determine who can view the intercompany transaction when your company operates as the supplier. Consider setting up your company hierarchy role assignments to meet your security requirements if any users need to access both sides of the intercompany transaction.
Have you enabled company or cost center partitioning?	Ensure that there are no issues with the combinations as you enter transactions between the companies. Also, ensure that worktags flow from 1 company to another company. If there are some cost centers on the customer side, but not on the supplier side, you can enable a Review step on the supplier invoice to identify and correct the issue.
How many sales and purchase items will you use when mapping revenue and spend categories?	Consider these points: • The amount of maintenance required when using sales and purchase items.

Questions	Considerations
	How mapping items in various combinations and defaulting different worktags on supplier and customer invoices will affect performance.
Do you have multiple intercompany spend categories mapped to a single intercompany revenue category, or the other way around?	Perform one of these actions: - Expand the number of intercompany revenue categories or spend categories to create a 1 to 1 relationship. - Create multiple sales items that map to the single intercompany revenue category. Then, map each of the sales items to a purchase item in a 1 to 1 relationship. Each purchase item then maps to the appropriate spend category.

Recommendations

Functionality	Considerations
Account posting rules	Workday recommends that you configure separate rules for the <i>Intercompany Payables</i> and <i>Intercompany Receivables</i> account posting rules if you want to settle intercompany transactions. Separate posting rules enable Workday to create the payables and receivables necessary for you to run the settlement process. If you configure both direct and on-behalf-of intercompany, consider configuring a <i>Direct Intercompany</i> dimension on both the <i>Intercompany Payables</i> and <i>Intercompany Receivables</i> account posting rules. Adding the dimension enables you to split up the account posting rules you use for on-behalf-of and direct intercompany transactions. Depending on the transaction types you use, you also need to configure additional account posting rules. Common posting rules include: <i>Cash</i> <i>Spend</i> <i>Revenue</i> <i>Transaction Tax</i> If you don't want to post intercompany transactions to <i>Cash</i>, you can instead configure a pseudo bank account to record the costs. Consider configuring the pseudo bank account when you want to reroute settlement transactions from the pseudo account to a different ledger account.
Fiscal schedules	Workday recommends that companies configured for intercompany transactions use a shared fiscal schedule. The shared fiscal schedule can be an alternate or primary schedule.

Functionality	Considerations
	Sharing a fiscal schedule reduces the potential for creating erroneous transactions that you need to eliminate using a consolidation.
Intercompany affiliate worktags	Workday recommends that you enable intercompany affiliate worktags on customer and supplier invoices. Intercompany affiliate worktags help identify due-to and due-from companies on intercompany transactions. Identifying these worktags enables Workday to eliminate entries on consolidated financial statements. Workday also recommends that you configure your account posting rules to use the appropriate intercompany affiliate worktags as resulting worktags. Workday strongly recommends that you ensure your configuration doesn't result in a company creating intercompany transactions with itself.
Automate direct intercompany	Workday recommends that you automate parts of the invoice processing for direct intercompany transactions. You can configure the <i>Customer Invoice Event</i> business process to generate supplier invoices automatically from customer invoices upon business process approval. You can also enable automatic adding of these invoice items when you configure your customer and supplier relationships on the Maintain Companies as Customers or Suppliers task. Automatically adding invoice items reduces manual input and improves documentation. When you automate parts of the invoice processing, we recommend you add a <i>Review Supplier Invoice</i> step to your <i>Supplier Invoice Event</i> business process. The review step enables you to ensure the accuracy of automatic processing.
Custom validations	Workday recommends that you create custom validations to guide the creation and processing of direct intercompany transactions. Some validations we recommend include ones that: • Requires that worktags are included on both customer and supplier invoices. • Verifies that the user added intercompany affiliates on invoice lines for elimination rules. • Confirms that intercompany affiliate populates according to the Company as Customer or Supplier of the transaction. • Requires tax applicability, tax codes, and tax options on customer and supplier invoices.

Functionality	Considerations
	Adds restrictions on the intercompany transactions based on the intercompany profile settings.

Requirements

Before you can create intercompany transactions, you must:

- Create intercompany profiles for all your intercompany affiliates on the **Edit Company Intercompany Profiles** task.
- Configure account posting rules for intercompany payables and intercompany receivables.
- Create customers and suppliers based off the companies in your organization. These customers and suppliers should reflect the intercompany relationships within your organization for initiating and processing direct intercompany transactions.
- Configure 1-1 mapping for:
 - Purchase items to sales items.
 - Revenue and spend categories.
- You can only select mapped configurations (either revenue categories to spend categories or sales items to purchase items) in an intercompany transaction.

Limitations

Before you configure direct intercompany, consider that you can only automatically process adjustments to direct intercompany invoices. You can't manually create a supplier invoice adjustment on a customer invoice adjustment at this time.

Tenant Setup

No impact. The existing intercompany configurations on the **Edit Tenant Setup - Financials** task apply specifically to on-behalf-of intercompany.

Security

To create intercompany activities for another company, you must configure security roles for the activity on the other company. Example: If you're with Company A and you want to create an intercompany activity for Company B, you must have a security role that enables you to create also the activity for Company B.

Domains	Considerations
<i>Set Up: Company Accounting</i> on the Common Financial Management functional area.	Set up intercompany profiles. You need intercompany profiles to create intercompany transactions.
<i>Set Up: Accounting Rules</i> on the Common Financial Management functional area.	Set up account posting rules. You need separate account posting rules for your intercompany payables and receivables when you want to settle intercompany balances.

Business Processes

When you need to initiate direct intercompany transactions, configure the *Customer Invoice Event* and *Supplier Invoice Event* business processes. Enables you to create direct intercompany transactions on customer and supplier invoices. Add the *Initiate Supplier Invoice or Adjustment Creation* service on the *Customer Invoice Event* business process if you want to create automatically supplier invoices off customer invoices.

If your company needs to process and settle direct intercompany transactions, configure the *Settlement Run Event* business process.

Reporting

Reports or Dashboards	Considerations
Intercompany Out of Balance Report	Identify and resolve intercompany out of balance issues.
Intercompany Payables and Receivables Reconciliation	Find and review out-of-balance amounts from posted journal lines on intercompany affiliate ledgers that remain at the end of the period. Enables you to identify and reconcile all intercompany items for each intercompany affiliate, including both matched and unmatched transactions.
Intercompany Work Area	Review intercompany activities, including in-progress journal lines, unrecorded receipts, and settlement runs. Enables you to find outstanding amounts due to or due from an intercompany affiliate.
Outstanding Intercompany Transactions	Find and review detailed information about outstanding intercompany transactions.

Integrations

Web Services	Considerations
<i>Get Account Posting Rule Sets</i>	Retrieves detailed information about configured account posting rule sets.
<i>Get Intercompany Profiles</i>	Retrieves detailed information about configured intercompany profiles. Enables you to view detailed information across multiple intercompany profiles.
<i>Put Account Posting Rule Set</i>	Creates or configures account posting rule sets. Enables you to set up many account posting rule sets at once.
<i>Put Intercompany Profile</i>	Creates intercompany profiles. Enables you to set up many intercompany profiles at once.

Connections and Touchpoints

You can use direct intercompany with customer and supplier invoices in Workday. Intercompany expands existing functionality by enabling you to generate activities on the accounts of other companies. The intercompany profile that you configure enables many intercompany activities across Workday.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Concepts

[Concept: Invoices for Direct Intercompany Transactions](#) on page 50

[Concept: Intercompany Transactions](#) on page 50

Tasks

[Steps: Set Up Customers and Suppliers for Direct Intercompany Transactions](#) on page 47

[Steps: Create Invoices for Direct Intercompany Transactions](#) on page 47

Reference

[Reference: Edit Tenant Setup - Financials](#)

[The Next Level: Direct Intercompany](#)

Steps: Set Up Customers and Suppliers for Direct Intercompany Transactions

- Create customers and suppliers representing your affiliate companies using the **Create Customer** and **Create Supplier** tasks.
- Security: *Set Up: Company Accounting* in the Common Financial Management functional area.

With direct intercompany transactions, you can produce the Accounts Payable and Accounts Receivable documents you need for your global organization. You can also define the relationships between affiliate companies in greater detail, and automate the generation and delivery of intercompany documentation.

1. [Define Intercompany Profiles](#) on page 38

Configure any affiliate companies with which you want to enable intercompany transactions

2. (Optional) Add the *Direct Intercompany* dimension to your **Intercompany Payables** and **Intercompany Receivables** account posting rules.

See [Set Up Account Posting Rules](#) on page 69.

3. [Maintain Companies as Customers or Suppliers](#) on page 48.

You can associate affiliate companies with one another as customers or suppliers.

4. Map purchase items to sales items.

To associate purchase items and sales items with each other, you can use the:

- **Purchase Item Mapping** field on the **Create Sales Item** task.
- **Sales Item Mapping** field on the **Create Purchase Item** task.

See [Create Sales Items](#) on page 663 and [Steps: Set Up Purchase Items for Procurement](#).

5. Map revenue and spend categories.

To associate spend categories and revenue categories with each other, you can use the:

- **Revenue Category Mapping** field on the **Maintain Spend Categories** task.
- **Spend Category Mapping** field on the **Create Revenue Category** task.

See [Create Spend Categories](#) and [Steps: Manage Revenue Categories](#) on page 661.

6. (Optional) [Edit Business Processes](#).

To automate the creation of the supplier invoice, add the *Initiate Supplier Invoice or Adjustment Creation* step to your Customer Invoice Event business process.

If you add this step to your business process, Workday recommends that you also:

- Add the *Review Supplier Invoice* step to your Supplier Invoice Event business process.
- Assign this step to your Accounts Payable Data Entry Specialist.

You can create direct intercompany customer and supplier invoices.

Create a direct intercompany customer invoice.

Concepts

[Concept: Invoices for Direct Intercompany Transactions](#) on page 50

Reference

[The Next Level: Direct Intercompany Invoicing](#)

Steps: Create Invoices for Direct Intercompany Transactions

- Set up customers and suppliers for direct intercompany transactions.
- Security: *Set Up: Company Accounting* in the Common Financial Management functional area.

Direct intercompany customer and supplier invoices provide the Accounts Payable and Accounts Receivable documents you need for your global organization.

1. [Create Customer Invoices](#) on page 524.

In the **Customer** field, select *Companies as Customers*.

2. [Create Supplier Invoices](#) on page 1173.

If you didn't automate supplier invoices on the Customer Invoice Event business process:

- Access the **Supplier Invoice Workbench**.
- Select *Companies as Suppliers* in the **Supplier** field.
- Click **Customer Invoices**.
- Select the customer invoices you want to include on the supplier invoice.

3. [Create Manual Settlement Runs](#) on page 1615.

- Click **Add** and then select *Intercompany Items* to find the direct intercompany supplier invoices you want to pay.
- To limit your search results to direct intercompany transactions, select *Direct* in the **Intercompany Invoice Type** field.

4. Access the **Record Intercompany Receipt task.**

Select *Direct* in the **Intercompany Invoice Type** field. You can only record receipt for 1 intercompany payment at a time.

Note: The recording of the intercompany receipt acts as payment of the customer invoice for direct intercompany transactions. You won't use the **Record Customer Payment** or **Apply Customer Payment** tasks when you process intercompany payments.

When you record an intercompany receipt:

- Overpayments post to an account.
- You can write off short payments.
- Invoices account for short pay and overpay when an invoice has a different currency than the company currency.
- You can manage balancing worktag differences to improve reconciling of intercompany payables and receivables. The intercompany receipt posts correctly if a customer invoice has multiple lines using different balancing worktags.
- The intercompany customer invoice includes the corresponding supplier invoice number.
- The intercompany supplier invoice includes the corresponding customer invoice number.
- The intercompany receipt displays on the customer invoice **Activity** tab.

Check the payment status on the header of the direct intercompany customer invoice to verify that the transaction is complete.

Examples

[Example: Settle Direct Intercompany Transactions](#) on page 1631

Maintain Companies as Customers or Suppliers

Security: *Set Up: Company Accounting* domain in the Common Financial Management functional area.

You can configure your companies to operate as customers, suppliers, or both, enabling them to do business with each other through direct intercompany transactions. This arrangement eliminates the need to create separate customer and supplier invoices, saving you time and improving your data integrity.

1. Access the **Maintain Companies as Customers or Suppliers task.**

2. As you complete the task, consider:

Option	Description
Operates as Customer Operates as Supplier	Select an existing company to operate as an existing customer or supplier. Companies must: • Be part of the same organization or legal entity. • Transact in Workday. Intercompany transactions can occur based on the mapping of the company as either the customer or supplier: • Between 2 companies • Between 2 subsidiaries • A parent company and a subsidiary
Copy Worktags	For companies that operate as customers, select the Copy Worktags check box to transfer valid supplier invoice worktags from customer invoice lines to supplier invoice lines. Copying worktags improves the accuracy of intercompany receipts for invoices that have multiple lines with different balancing worktags.
Copy Tax Fields	Workday selects the Copy Tax Fields check box for companies that operate as customers or both suppliers and customers. Selecting this check box transfers tax codes and withholding tax codes from customer invoice lines to supplier invoice lines. Workday also populates the supplier invoices with the purchase item and spend category tax applicability. If you clear this check box, Workday populates the supplier invoice with: • All tax codes and withholding tax codes from your advanced tax defaulting rules by country. • The tax applicability from the purchase item and spend category or your configured override rules, in that order of priority.
Copy Attachments	Select the Copy Attachments check box to transfer files from your customer invoices to your supplier invoices.
Default Affiliate	Select the Default Affiliate check box to have Workday populate intercompany affiliate worktags on: • Customer invoice transactions for companies that operate as suppliers. • Supplier invoice transactions for companies that operate as customers. • Revenue journal entries for customer invoices. • Spend journal entries for supplier invoices.

Option	Description
	After you create intercompany invoices, you can override the value of the default intercompany affiliate worktag directly on the supplier invoice or customer invoice.

Intercompany supplier invoices use the company ship-to address on the header and lines of the supplier invoice to support tax defaulting at the line level.

Concept: Invoices for Direct Intercompany Transactions

Direct Intercompany Transactions

You can generate customer or supplier invoices in Workday for direct intercompany transactions. After you configure companies as customers, suppliers, or both, you can view the related customer or supplier invoice and process direct intercompany payments. These actions enable you to comply with legal requirements in countries that require additional invoicing documents for direct intercompany transactions.

You can use the **Maintain Companies as Customers or Suppliers** task to designate companies as customers, suppliers, or both, for direct intercompany transactions.

Customer Invoice for Transactions with Affiliate Company

You can send a customer invoice to the affiliate company just like you would do for any other customer. Workday automatically adds the supplier reference number from the customer invoice to the resulting supplier invoice.

Supplier Invoices

The accounts payable specialist of the affiliate company reviews the supplier invoice. You can use the **Supplier Invoice Workbench** to create a supplier invoice for multiple customer invoices. On the **Customer Invoices** tab of the **Supplier Invoice Workbench**, you can search for customer invoice lines that aren't:

- Canceled.
- Denied.
- Fully Invoiced.

Supplier Invoice Adjustments

When you create a customer invoice adjustment for a direct intercompany invoice, Workday automatically creates the supplier invoice adjustment. The **Reference Invoice** prompt on a supplier invoice adjustment includes direct intercompany invoices.

Concept: Intercompany Transactions

Intercompany transactions arise when 1 unit of a single legal entity does business with another unit of the same entity. Intercompany transactions can occur between 2 divisions, 2 subsidiaries, or a parent company and a subsidiary. These transactions improve the flow of finances and assets between the companies.

In Workday, you can perform direct intercompany transactions and on-behalf-of intercompany transactions.

Direct Intercompany Transactions

Direct intercompany transactions occur when 2 units within the same legal entity conduct business with each other as a customer and a supplier.

Example: Global Modern Services (GMS) USA and Global Modern Services (GMS) France are affiliate companies. GMS USA manufactures and sells office furniture. It also supplies the furniture to its affiliate companies. In this case:

- GMS USA operates as a supplier and generates a customer invoice to record the sale to GMS France.
- GMS France operates as a customer and generates a supplier invoice to record the purchase from GMS USA.
- GMS France pays GMS USA through a settlement run.
- GMS USA records an intercompany receipt to accept the payment from GMS France.

To process direct intercompany transactions, you must:

- Configure intercompany profiles.
- Set up the customer and supplier relationships between your companies.
- Map sales items to purchase items.
- Configure revenue category and spend category.
- Create transfer pricing rate sheets for your intercompany project workers to apply to the intercompany contract.
- Configure account posting rules to record intercompany receivables and payables.
- Configure business processes to record intercompany receipt.
- Define elimination rules for intercompany balances remaining at a period close to avoid dual accounting when you create consolidated financial reports.

On-Behalf-Of Intercompany Transactions

On-behalf-of intercompany transactions arise when 1 unit of a legal entity process the invoices and payments on behalf of the unit that supplies good and services.

Example: GMS USA and Green Planet Solutions are affiliate companies. In this case, when Green Planet Solutions provides goods and services to its customers:

- Green Planet Solutions invoices the customer.
- The customer sends the payment to the GMS USA.
- GMS USA records the payment, creates a deposit, and applies the payment on behalf of Green Planet Solutions.
- After payment application, GMS USA sends an intercompany payment to Green Planet Solutions through a settlement run.
- Green Planet Solutions confirms receiving the payment by recording an intercompany receipt.

To process on-behalf-of intercompany transactions, you must:

- Configure intercompany profiles.
- Create bank routing rules.

Indirect Intercompany Transactions

Indirect intercompany arises when 1 unit of the legal entity doesn't fully transact in Workday and only books 1 side of the transaction. Therefore:

- Indirect intercompany transactions create only 1-sided journals in Workday.
- Workday won't create the additional **Intercompany** tab on the **View Journal** report.
- Set up external entity as a company in Workday to be able to tag the transactions with the *Intercompany Affiliate* worktag.

For these transactions you might also need to:

- Provide source documents for statutory requirements.
- Define account posting rules for those customers and suppliers.
- Create workarounds for fully settling indirect intercompany transactions.

Intercompany Receipts

Intercompany receipts act as an acknowledgment of a payment on the books of the company that paid for the intercompany transaction.

On receipt creation, whether manual or automatic, Workday generates a:

- Debit on the *Cash* ledger account.
- Credit on the *Intercompany Receivables* ledger account.

Tasks

[Steps: Set Up Customers and Suppliers for Direct Intercompany Transactions](#) on page 47

[Steps: Set Up On-Behalf Intercompany Transactions](#) on page 37

Reference

[The Next Level: Indirect Intercompany](#)

[The Next Level: Intercompany Transactions and Consolidation Data Capture](#)

Examples

[Example: Settle Direct Intercompany Transactions](#) on page 1631

[Example: Settle On-Behalf-of Intercompany Transactions](#) on page 1630

[Example: Settle Intercompany Transactions with Different Header and Line Companies](#) on page 1629

Custom Validations

Steps: Set Up Custom Validations

Security: *Business Process Administration* domain in the System functional area.

You can use custom validations to help workers identify transaction issues. The custom validations you can create varies by transaction type. Create custom validations to:

- Alert transaction approvers to conditions that need more careful review.
- Display warning or error messages when workers create a transaction that meets the conditions for the validation.
- Prevent workers from submitting invalid transactions until they resolve an error.

1. (Optional) Access the **Maintain Condition Rule Categories** task.

To organize your custom validation rules, define the condition rule categories by selecting the *Custom Validation Rule* option.

2. [Set Up Custom Validation Severity and Conditions](#) on page 52.

3. [Configure Custom Validation Messages](#) on page 54.

You can use Object Transporter (OX) to migrate custom validations from 1 tenant to another. Example: You can test custom validations in your Sandbox tenant, then migrate them to your Production tenant.

Concepts

[Concept: Object Transporter 2.0](#)

Reference

[Workday 32 What's New Post: Custom Validations for Customer Contracts](#)

[The Next Level: Direct Intercompany Invoicing](#)

Set Up Custom Validation Severity and Conditions

Security: *Set Up: Custom Validations* domain in the Common Financial Management functional area.

Create condition rules to have Workday generate errors or warnings during transaction validation.

1. Access the **Maintain Custom Validations** report.

2. Select the type of transaction.
3. Click **New Validation**.

As you select the **Severity** level, consider:

Option	Description
Critical	Prevents workers from submitting an invalid transaction.
Warning	Alerts workers but doesn't prevent transaction submission and approval.

4. As you complete the task, consider:

Option	Description
Description	The message Workday displays to workers when you don't configure a validation message.
Category	Assigning a category makes the validation rule easier to find later. You can create <i>Custom Validation Rule</i> categories using the Maintain Condition Rule Categories task.
Derived Logic	The statement that you've defined through the rule conditions. The field displays: - Existing statements. - New statements after you define and save them.
Copy Condition from Rule	You can copy and modify an existing validation rule to create a new 1.

5. As you complete the **Rule Conditions**, consider:

Option	Description
And / Or	When 2 or more statements exist in the expression, set this condition to control how the statements relate to each other.
()	Use parentheses for 3 or more statements and a combination of <i>And</i> and <i>Or</i> conditions. Example: <i>(A and B) or C</i> .
Source External Field or Condition Rule	The field or condition rule you select as the source determines which other options are available.
Relational Operator	These options depend on the data type.
Comparison Value	Based on the Comparison Type , select a comparison field or enter a value to compare to the source.

To view custom validation performance:

1. Access the **Maintain Custom Validations** report.
2. Click **Test Validations**.

Write custom validation messages.

Configure Custom Validation Messages

- Define custom validations by transaction type.
- Security: *Set Up: Custom Validations* domain in the Common Financial Management functional area.

Create custom validation messages to display to workers when Workday triggers a transaction validation. If you don't create a custom message, Workday displays the description of the custom validation instead.

1. Access the **Maintain Custom Validations** report.
2. Select the type of transaction.
3. From the related action on a validation, select **Validation > Configure Validation Message**.
4. Enter a custom validation message.

Your message can include static **Text** as well as dynamic **External Field** values from report fields and calculated fields.

Workday displays your message, when workers create transactions that meet the conditions for the validations. The message can be a warning or an error that instructs the worker on how to resolve the condition.

Concept: Transaction Revalidation

When you view certain transactions that use custom validations, Workday carries forward any custom validation errors and warnings from the last time you saved the transaction. Because Workday isn't validating every time, you can view transactions quickly, which is useful if you have many custom validations and transactions lines. Use the **View Exceptions** button on the view report for the transaction to verify whether errors and warnings still apply. Workday displays exceptions on the **Errors & Warnings** tab.

Transaction revalidation applies to:

- Accounting journals
- Ad hoc bank transactions
- Ad hoc bank transaction templates
- Ad hoc payments
- Asset registration
- Expense reports
- Ledger accounts
- Payment elections
- Spend authorizations

Workday always checks transactions against the latest custom validations whenever you create, edit, submit, or approve the transactions. If you view a previously valid transaction and take a related action on it, Workday ensures that it's still valid and has no exceptions.

Financial Accounting

Financial Accounting Structure

Steps: Set Up Financial Accounting Structure

Before you set up Workday Financial Management, you must also set up these core Workday areas:

- Tenant
- Security
- Organizations

Set up the basic financial components of Workday Financial Management so you can post a journal. Operational transactions on accounting journals can result in journals that you post.

1. Set up the companies for which you want to:

- Record business transactions.
- Produce financial statements.
- Create other statutory reports.

See [Steps: Set Up Companies](#) on page 56.

2. (Optional) Set up journal sequencing for a company.

Workday assigns unique, sequential, and gapless journal sequence numbers to accounting and operational journals for the Actuals Ledger Type.

See [Steps: Set Up Journal Sequencing](#) on page 115.

3. Establish the calendar of financial periods that control accounting and reporting for your companies.

See [Set Up Fiscal Schedules and Years](#) on page 58.

4. Logically group similar account-related objects or people for posting, searching, and reporting purposes.

See [Steps: Set Up Accounting Categories](#) on page 60.

5. Define journal sources and then map the journal sources to transactions.

See [Steps: Set Up and Update Journal Sources](#) on page 62.

6. Establish your chart of accounts and an aggregate of accounts.

See [Steps: Create and Organize Ledger Accounts](#) on page 67.

See [Steps: Manage Ledger Account Summaries](#) on page 75.

7. Establish your default currency, preferred currency values, currency rate types, and currency conversion rates.

Workday automatically displays your tenant default and preferred currencies in all applicable fields.

Use these currency conversion rates in:

- Financial transactions such as expense reports.
- Translations from base currencies into reporting currencies.

See [Steps: Set Up Currencies](#).

8. Identify where you want to post each type of transaction.

See [Set Up Account Posting Rules](#) on page 69.

9. Configure a set of account control rules to manage basic approval thresholds at the account level for your companies.

See [Create Account Control Rules](#) on page 72.

10. Configure alternate or statutory account set mapping to your preferred account set.

See [Steps: Set Up Alternate Accounts](#) on page 76.

11. Assign Company Accounting Details on page 62.

Perform accounting and assign the necessary financial components to a company.

12. Create Ledgers on page 65.

13. Establish ledger years and ledger periods for each of your companies so that you can record journal entries to their ledgers.

See [Steps: Create and Open Ledger Years and Periods](#) on page 67.

14.(Optional) [Create Custom Labels](#).

Customize all instances of these labels across your tenant:

- Budget
- Budget information
- Budget lines
- Budget structure
- Budget template
- Entry type
- Entry types
- Plan
- Plan/budget
- Plans
- Statistic
- Total budget
- View structure

You can post journals for a company.

Set up these additional financial components of Workday Financial Management:

- Allocations
- Budgets
- Consolidation companies
- Journal processing
- Period-end close
- Taxes
- Translations
- Worktags
- Year-end close

Concepts

[Concept: Tenant Setup](#)

[Concept: Configurable Security](#)

[Concept: Journal Processing](#) on page 102

[Concept: Worktags](#)

Tasks

[Steps: Set Up Plans or Budgets](#)

[Steps: Set Up Currency Translations](#) on page 164

[Steps: Set Up Allocations](#) on page 132

[Steps: Set Up Consolidation Companies](#) on page 196

[Steps: Set Up Transaction Taxes](#) on page 416

Reference

[Reference: Organization Types and Subtypes](#)

Steps: Set Up Companies

Security: *Create: Company* domain in the Organizations and Roles functional area.

Set up the companies for which you want to:

- Record business transactions.
- Produce financial statements.
- Create other statutory reports.

Companies are organizations within Workday that represent the internal business entities within your enterprise. In Workday Financial Management, companies are the primary organization for all business processes.

1. [Set Up Nonsupervisory Organizations](#).

Access the **Create Company** task to set up your Workday company.

Note: Workday recommends that you create a company for every internal entity that has a separate tax ID.

2. (Optional for USA companies only) [Steps: Set Up a Single Legal Entity](#) on page 28.

Set up a company relationship where multiple companies roll up to a single managing company that serves as the reporting legal entity.

3. (Optional) [Add Organizations to Hierarchies](#).

4. Add contact information for the company.

See [Set Up Company Contact Information](#) on page 57 .

5. Set up company tax information.

See [Steps: Set Up Payroll Taxes \(USA\)](#).

See [Steps: Set Up Payroll Taxes \(CAN\)](#).

See [Steps: Set Up Payroll Statutory Contributions \(FRA\)](#).

See [Steps: Set Up Payroll Taxes \(UK\)](#).

6. [Create ID Definitions and Sequence Generators](#)

Specify how Workday constructs and formats IDs that it automatically generates in sequence for various financial transactions, transaction documents, and processes task.

7. Specify sequence generator ID definitions for various transactions, transaction documents, and processes throughout the tenant.

See [Reference: Edit Tenant Setup - Financials](#).

8. Access the **Edit Company ID Definitions task.**

To help you determine what to override, Workday displays the tenant settings for reference. Enter sequence generator ID definitions that are specific to the company rather than the default tenant settings.

Define the fiscal schedule for your company.

Set Up Company Contact Information

- Create a company.
- Security: *Set Up: Company General* domain in the Common Financial Management functional area.

You can set up company contact information to mail company documents and notifications to the correct addresses. Once you set up contacts for your company, you can:

- Mail various documents to more than 1 address at once.
- Identify a primary address and other addresses. The primary address that you select will by default display on selected documents that you create after the effective date. Example: invoices, statements, and remit to.

1. Access the **Edit Company Contact Information task.**

2. As you enter company contact information, consider:

Option	Description
Phone	Enter customer phone information, such as country phone code, phone number, phone

Option	Description
	device. Select the Usage type to specify the reason you'll use the contact for. Select Primary to set the phone number as the primary phone number to populate on selected documents. Note: You can only have 1 primary phone number. In the Use For field, select the documents on which you want to display the primary phone number. Set the Visibility field to <i>Public</i> to make the phone information public.
Address	Enter an Effective Date from when you want the address to take effect. Enter address of the company. Select the Usage type to specify the reason you'll use the address for. Select Primary if you want to set the address as the primary address. Note: You can only have 1 primary address. In the Use For field, select the documents on which you want to display the primary address of the company. Some of the choices are: • Billing • Mailing • Procurement • Remit To • Shipping Set the Visibility field to <i>Public</i> to make the primary address public.

Set Up Fiscal Schedules and Years

Build and maintain the fiscal schedules and fiscal years that your businesses use and can share for financial accounting and reporting purposes. Fiscal schedules don't contain specific years. To create fiscal years and their periods, use fiscal schedules as the building blocks.

If required, you can add the fiscal schedule as an alternate fiscal schedule on the **Edit Company Accounting Details** task.

1. Access the **Create Fiscal Schedule** task.
Define the fiscal schedule.
2. As you complete the task, consider:

Option	Description
Fiscal Schedule Name	You only need 1 fiscal schedule to share across all your businesses. If you need more than 1, include a distinguishing characteristic in each

Option	Description
	name for easy identification. You can update this name anytime.
Auto Populate Fiscal Periods	Select to automatically populate the fiscal period end date for each posting interval when you create fiscal years for this fiscal schedule. Workday bases dates on the prior fiscal year and adjusts accordingly. Clear to enter the dates manually.

3. Access the **Maintain Fiscal Schedule Posting Intervals** task.

Define the posting intervals to apply to any fiscal year that you create for the fiscal schedule. During reporting, you can include or exclude adjusting accounting journals in the financial results. You can decide to no longer include a separate period in your schedule in which to post adjustments, even if you've historically done so.

4. As you complete the task, consider:

Option	Description
Posting Interval	Add a row for each interval that you want to use as a period within a fiscal year. Example: If you post every month, define 1 interval for each month. After you create the initial fiscal year, the posting intervals are in use and you can't add, delete, or change the order of them. You can only rename.

5. Access the **Create Fiscal Summary Schedule** task.

Define summary intervals that roll up posting intervals into a broader reporting period for a fiscal schedule, such as a quarter or a half year.

6. As you complete the task, consider:

Option	Description
Fiscal Summary Interval	Add a row for each group of Fiscal Posting Intervals that you want to combine into a summary reporting period for the fiscal year. Example: Group January, February, and March into Q1 to gain insight into your quarter-to-date financial status. You can add, change, or delete summary intervals anytime.

7. Access the **Create Initial Fiscal Year** task.

Create the initial fiscal year for which to perform accounting and financial reporting.

8. As you complete the task, consider:

Option	Description
Fiscal Schedule	Displays only the fiscal schedules with posting intervals, but no fiscal years are available.
Fiscal Year Number	Assign a unique number to identify the year within the fiscal schedule. Example: Enter the calendar year number associated with the first fiscal period.

Option	Description
Fiscal Year Name	Uniquely identify the fiscal year in relation to other years within the same fiscal schedule. Example: If your fiscal year runs from July through June, you mention both calendar years that it crosses.
Fiscal Year Start Date	The first day of the first period within the fiscal year.
Fiscal Posting Interval	The periods that make up the fiscal year, as set on the Maintain Fiscal Schedule Posting Intervals task.
Fiscal Period End Date	Select the last day of each period. Workday sets the Fiscal Year End Date to the latest end date.

9. (Optional) Access the **Create Previous Fiscal Year**.

10. (Optional) Access the **Create Next Fiscal Year**.

Create previous and next fiscal years as needed. Before you create a ledger year and periods for a fiscal year, you can use the **Edit Fiscal Year** task to edit the name and period end dates.

11. As you complete the task, consider:

Option	Description
Fiscal Year Number	For the previous fiscal year, Workday subtracts 1 from the earliest existing fiscal year; for the next fiscal year, Workday adds 1 to the latest.
Fiscal Year Start Date	For the next fiscal year, Workday sets this date to the first day after the end date of the preceding fiscal year.

Fiscal schedules are distinct from your calendar years, though the two might coincide. A fiscal schedule consists of posting intervals, the chronological periods into which you divide the calendar. You can also combine several posting intervals into consolidated reporting units, such as a quarters or half years, or fiscal summary schedules. Because financial transactions and events have an associated date, you can use your fiscal schedule and fiscal years to control accounting and reporting.

Associate the fiscal schedule as the primary or the alternate fiscal schedule with your companies using the **Edit Company Accounting Details** task. Then use the fiscal years to build a specific ledger year and its ledger periods for the company using the **Create Ledger Year and Ledger Periods** task.

For a list of related reports and their descriptions, access the **Workday Standard Reports** report and select the *Set Up Fiscal Schedule* report category.

Tasks

[Steps: Set Up Financial Accounting Structure](#) on page 54

Steps: Set Up Accounting Categories

You can use accounting categories to logically group similar accounting objects for posting, searching, and reporting purposes. You can establish accounting categories for:

- Customers
- Suppliers
- Revenue
- Spend
- Business assets

- Receivable writeoffs

1. [Create Spend Categories.](#)

2. Access the **Maintain Customer Categories task.**

Create customer categories to classify the types of customers you have.

Example:

- *Technology*
- *Hospitality*

You can also add, edit the name of, view usage, or delete a category.

Security: *Set Up: Customer Categories* domain in the Common Financial Management functional area.

3. Access the **Maintain Supplier Categories task.**

Create supplier categories to classify the types of supplies you want to account for.

Example:

- *Office Supplies*
- *Utilities*

You can also add, edit the name of, view usage, or delete a category.

Security: *Set Up: Supplier Categories* in the Common Financial Management functional area.

4. [Steps: Manage Revenue Categories](#) on page 661.

Example:

- *Product Sales*
- *Interest Income*

5. Access the **Maintain Receivable Writeoff Reasons task.**

Create writeoff categories to describe the receivables you write off.

Example:

- *Bad Debt*
- *Standard Writeoff*

You can also add, edit the name of, view usage of, or delete a category.

Security: *Set Up: Receivable Write-off Categories* in the Common Financial Management functional area.

For all category types, you can use accounting categories to assign as characteristics to accounting objects and people. Workday requires that you assign a category to every customer, supplier, item, business asset, and writeoff. You can then:

- Report on everything assigned to a specific category.
- Route transactions to the appropriate ledger accounts by using categories as conditions in account posting rules.
- Search for and find groups of objects or people according to a specific category.

For spend and revenue categories you can:

- Use the categories as worktags.

Example: When you create a journal, tag it with a spend or revenue category.

- Write transactions against a category without having to specify items.

Example: When you create an invoice, write a line and its amount to a general category instead of a specific item.

Tasks

[Steps: Set Up Financial Accounting Structure](#) on page 54

[Steps: Set Up Asset Accounting](#) on page 1070

Steps: Set Up and Update Journal Sources

You can define journal sources to indicate where or why you created each journal. You can use journal source definitions to report on and analyze journals.

1. [Create Journal Sources](#) on page 86.

2. Access the **Maintain Journal Source Mapping to Operational Transactions** task.

Workday automatically creates operational journals for transactions. To specify which journal source Workday assigns to operational journals:

- Define the journal source by transaction type.
- Remap the journal source that Workday applies to journal entries for all new transactions that you process.

Security:

- *Set Up: Journal Source* domain in the Common Financial Management functional area.
- *Set Up: Payroll - Company Specific (Accounting)* domain in the Core Payroll functional area.

3. Access the **Mass Update Journal Source** task.

Update the journal source on existing transactions by transaction type. Workday recommends that you remap the journal source for all new transactions of the given type. Update all existing operational journals for that transaction type.

Security: *Set Up: Journal Source* domain in the Common Financial Management functional area.

You can assign journal sources to accounting journals. Workday automatically assigns a journal source to operational transactions as you enter them.

Concepts

[Concept: Accounting and Operational Journals](#) on page 102

Tasks

[Steps: Set Up Financial Accounting Structure](#) on page 54

Assign Company Accounting Details

- Define each financial component to associate with the company.
- Security: *Setup: Company Accounting* in the Common Financial Management functional area.

To perform accounting related actions and record all relevant transactions for a company, assign the necessary company financial components.

1. Access the **Edit Company Accounting Details** task.

2. As you complete the task, consider:

Option	Description
Currency	Workday uses the base currency for all financial transactions within the company such as: • Supplier Invoices • Customer Invoices • Expense Reports Workday converts foreign currency to the base currency of the company for accounting purposes when you configure conversion rates.
Currency Rate Type Override	Select the default currency rate type for the company. Leave blank to use the default currency rate type for the tenant.

Option	Description
Fiscal Schedule	Configure the fiscal years for the company to create ledger years or periods and plans based on the fiscal schedule. Once you enter journals or plan details for the company, you can no longer change the fiscal schedule. When you only create ledger years and periods or plans, you can't change the fiscal schedule until you delete them.
Alternate Fiscal Schedule	Select to associate 1 or more alternate fiscal schedules for the company to generate financial statements for either the primary or alternate fiscal schedules. When you run consolidated financial statements, Workday uses the primary or alternate consolidation fiscal schedule defined on the Edit Consolidation Details task. The alternate fiscal schedule can't be the same as the primary fiscal schedule. Once you create beginning balances, you can't change the alternate fiscal schedule.
Account Set	Select an account set to designate as chart of accounts. Once you create ledger years and periods, you can't change the account set.
Alternate Account Set	Select an additional account set for the company to generate reports that map alternate account sets or statutory account sets to your preferred account set. Once you create or post journals, you can't change the alternate account set.
Default Account Set	Workday displays this account set by default when you create: • Journals. • Recurring journal templates. • Ad hoc bank transactions. • Ad hoc bank transaction templates.
Account Control Rule Set	Set approval thresholds for company accounts based on the specified account set.
Account Posting Rule Set	Identify rules about how journal entries post to accounts for this company based on the specified account set.
Account Translation Rule Set	Assign a value to populate automatically the translation rule set when you run translated financial reporting for the company.
Average Daily Balance Rule	Select a rule that uses the same Account Set the company uses.
Average Daily Balance Start Date	The effective date of the Average Daily Balance Rule and the earliest date you can select when processing average daily balances. Workday:

Option	Description
	- Calculates ending balances for journals with an accounting date on or after this date. - Tags the journal lines with the average daily balance date.
Default Reporting Book	Displays the default reporting Book on reports where you select the book as a parameter. You can change the default book by selecting the Tenant Default check box on the Maintain Books task. When you configure a default book for a company hierarchy or company, it overrides the tenant-level default. Note: If you define more than 1 book and don't set a default book, you must select a Book when you run a financial report. Otherwise, the report returns results for all books and you risk double-counting.
Procurement Tax Option	Select a default tax option for these purchase transactions: - Ad hoc payments. - Supplier invoices and supplier invoice adjustments. - Purchase orders.
Translation Currency	Select 1 or more default translation currencies that you want to use when rolling translated beginning balances forward.
Allow Accounting by Approval Date	Select an invoice option to use approval date as the accounting date instead of using the invoice date.
Allow Accounting in Arrears	Select to view: - The Accounting Date when you create, edit, or view an invoice. You can enter an accounting date for customer or supplier invoices and invoice adjustments that differs from the invoice date. <i>In Progress</i> operational journals when you update ledger period statuses.
Accounting Date Requirement	Select to establish whether an accounting date is required or optional on customer invoices.
Enable Automatic Journal Line Numbering	Select to automatically number activity lines of all journals. Workday assigns the line number when you post the journal. Workday doesn't assign line numbers: - To retained earnings lines. - On copied journals.

Option	Description
	In a sorted order.
Disallow Change to Operational Transactions in Closed Periods	Select to prevent users from making changes to approved operational transactions in closed periods. This configuration provides a better audit trail when you reconcile ledger balances to operational transactions.
Reverse Debit/Credit Keep Debit/Credit and Reverse Sign	You can change your selection at any time. Your changes take effect going forward; changes don't take effect retroactively.

For a given company you can:

- Create ledger year and ledger periods.
- Route journals that exceed account thresholds to approvers.
- Post journal entries to specific accounts according to posting rules.
- View beginning balances in default translation currencies.
- Translate financial reports from base currency to a reporting currency.
- Process average daily balances.
- Generate reports in both the corporate and alternate account sets.

Concepts

[Concept: Company Currency](#) on page 24

[Concept: Multicurrency](#) on page 23

Tasks

[Steps: Set Up Financial Accounting Structure](#) on page 54

Reference

[Reference: Tax Options](#) on page 424

[Workday 32 What's New Post: Financial Controls on Operational Transactions](#)

[Workday 32 What's New Post: Journal Line Numbers](#)

Create Ledgers

- Name the actuals ledger type and optionally the commitment and obligation ledger types using the **Maintain Ledger Types** task.
- Security: *Set Up: Ledger and Book* domain in the Common Financial Management Functional area.

Create an actuals ledger and, optionally, a commitment ledger and an obligation ledger for each of your companies. For commitment and obligation ledger types, you can enable the creation of commitments and obligations for payroll transactions (payroll and fringe benefits) and procurement transactions.

Note: For state and local governments:

- The commitment ledger type is commonly known as pre-encumbrance.
- The obligations ledger type is commonly known as encumbrance.

You can name the commitment and obligations ledger types based on your needs.

You can have only 1 actuals ledger type per company.

Note: You can create and use payroll commitment and obligation ledgers only if your company has selected USD or CAD as its default currency.

1. Access the **Create Ledger** task.
2. Select the **Company** for which you want to create ledgers.

3. Select which **Actuals Ledger Type** to use for the company ledgers.

Workday appends the ledger type name to the actuals, commitment, and obligation ledgers of the company. You can't change this value once there are journal entries for the company.

4. To provide budget date visibility on all applicable journal lines, select the **View Budget Date** check box.

When enabled, Workday uses your **Budget Options** configuration on the **Edit Tenant Setup - Financials** task to determine the default budget date for the transaction.

If you have a commitment or obligation ledger, Workday requires the budget date and automatically selects this option. If you have an actuals ledger only and are controlling budget for actuals transactions only, you can turn this option on or off.

5. To enable the selected option for spend and payroll transactions, select the **Create Commitment** or **Create Obligation** check box.

For payroll transactions, you can create commitments and obligations for **Payroll** and **Fringe Benefits** when the company currency is in USD and CAD.

For spend transactions, select:

- Obligations for *Procurement* to create obligations for purchase orders and certain supplier contract types.
- Both commitments and obligations for *Procurement* to create commitments for requisitions and obligations for purchase orders and certain supplier contract types.
- *Expenses* to create commitments for spend authorizations.

6. Select the **Roll Journals Forward for Procurement** check box to have Workday:

- Automatically roll forward the accounting date to the first date of the next open period upon budget approval.
- Post the commitment or obligation journals that you rolled forward to the new period.

Use the company ledger to store accounting results from your original journal entries.

For a list of related reports and their descriptions, access the **Workday Standard Reports** report and select the *Set Up Financial Ledgers and Accounts* report category.

Create and open a ledger year and ledger periods for your company ledgers.

Tasks

[Change the Status of Ledger Periods](#) on page 218

[Steps: Create and Open Ledger Years and Periods](#) on page 67

[Steps: Set Up Financial Accounting Structure](#) on page 54

[Steps: Maintain Access to Ledger Accounts](#) on page 73

Convert Active Ledger Types

- Close all ledger periods for the ledger type that you want to convert.
- Security: These domains in the Common Financial Management functional area:
 - *Set Up: Ledger and Book.*
 - *Process: Historic Ledger Types.*

For existing Workday customers who are implementing Workday Financials, you can convert existing active ledger types to historic types. Converting existing active ledger types to historic types, enables you to retain existing ledger types for reporting and use active ledger types to enter new transactions.

1. Access the **Convert Ledger Types** task.

2. Select the **Ledger Type Group** that you want to convert.

Only active ledgers are available for selection.

3. Click **OK**.

4. Enter a name for the historical actual, commitment, and obligation ledger types.
Workday automatically adds the Historic prefix to the names.
5. Name the new actuals ledger type and optionally the commitment and obligation ledger types.
6. Click **OK**.
7. Review the names of the historical and new ledger types and select **Confirm**.

Workday converts the active ledger types to historic ledger types and creates new active ledger types.

You can only create journals in active ledger types but can report on historic ledger types.

- Create new ledgers using the new ledger types for your existing company.
- Load beginning balances into the new ledgers.

Steps: Create and Open Ledger Years and Periods

- Establish the fiscal year on which to base the ledger year and its periods.
- Create a fiscal schedule using the **Create Fiscal Schedule** task.
- Associate the fiscal schedule with the company using the **Edit Company Accounting Details** task.
- Create ledgers.

Establish ledger years and ledger periods for each of your companies so that you can record journal entries to their ledgers.

1. Access the **Create Ledger Year and Ledger Periods** task.

You can select any fiscal year available for the selected company ledger that doesn't already have a ledger year and periods.

Security: *Set Up: Ledger and Book* domain in the Common Financial Management Functional area.

2. Access the **Update Ledger Period Status** task.

Change the Status of the ledger period to **Open** for periods within the ledger year.

If you have enabled journal sequencing for the company, then you must create sequence ID generators before you can open the ledger period.

Security: *Process: Period End* domain in the Common Financial Management Functional area.

Record journal entries to your company ledgers in the open ledger periods.

Tasks

[Change the Status of Ledger Periods](#) on page 218

[Create Ledgers](#) on page 65

[Steps: Set Up Financial Accounting Structure](#) on page 54

Ledger Accounts

Steps: Create and Organize Ledger Accounts

Build your ledger accounts and their hierarchical relationship to establish your chart of accounts as well as an aggregate of accounts.

1. [Create Ledger Account Types](#) on page 68.
2. [Set Up Account Sets](#) on page 68.
3. [Set Up Account Posting Rules](#) on page 69.
4. (Optional) Set up approval amounts for each account.
See [Create Account Control Rules](#) on page 72.
5. Establish hierarchical relationships between ledger accounts.
See [Steps: Manage Ledger Account Summaries](#) on page 75.

6. (Optional) Restrict ledger accounts to members of security groups.

See [Steps: Maintain Access to Ledger Accounts](#) on page 73.

You can use your ledger accounts and chart of accounts for financial reporting.

View ledger accounts with standard reports. For a list, access **Workday Standard Reports** and select the *Set Up Financial Ledgers and Accounts* category.

Concepts

[Concept: Ledger Accounts](#) on page 79

Tasks

[Steps: Set Up Financial Accounting Structure](#) on page 54

Create Ledger Account Types

Security: *Set Up: Accounts* domain in the Common Financial Management functional area.

You can configure the types of ledger accounts to use on balance sheets and income statements. Account types enable you to group similar accounts within your account sets. After you create a balance sheet or income statement for a company, you can select accounts from the types you create.

1. Access the **Maintain Ledger Account Types** task.
2. As you complete the task, consider:

Option	Description
Account Type Name	At a minimum, define assets, liabilities, and equity for balance sheets, and income versus expense for income statements. Or you can define these basic components to be as granular as you want, such as short term versus long term.
Normal Debit Balance	Select when accounts are normally debits and you want to display them in the debit column. Clear to display in the credit column.
Expense Source	Select to: • Calculate facilities and administration and revenue recognition for manual journal lines. • Identify an expense account for spend.

Set Up Account Sets

- Create ledger account types.
- Security: *Set Up: Accounts* domain in the Common Financial Management functional area.

To establish the chart of accounts for a company, set up your account sets and ledger accounts.

1. Access the **Create Account Set** task.
2. As you complete the task, consider:

Option	Description
Chart of Accounts	You can enable a parent or child account set as your chart of accounts. You can then associate the account set with a specific company using the Edit Company Accounting Details task. After you enter transactions for an account, you can't clear this check box.

Option	Description
Include Account Set	If you want to include one or more account sets as a subset of the parent account set, select or create child account sets. Create as many layers of account sets as needed. Workday displays a complete list of accounts from the parent and child account sets in reports. Example: You have 2 companies where some accounts are specific to each company and other accounts that you share across the companies. You can create 3 account sets: one for each company and one for the shared accounts. In the accounts for each company, you can link to the shared account set.
Identifier	Identifies account number. Example: 1000. You can revise anytime.
Ledger Account Type	You can change the account type for accounts without transactions. For accounts with activity, you can only change to a type within the same account type group. When you create balance sheets and income statements, you can select from accounts appropriate for the report.
Restricted To Companies	Select the companies to which you want to restrict the ledger account. When you enter transactions, Workday validates that the ledger account is available for use with the selected company. Leave blank if you want the ledger account to be available for use with all companies.
Retired	Select when you want to inactivate the account, but have used it with transactions. The account still displays in reports. For historical purposes, you can't delete accounts that you've used. If you have specified guidelines in the account, then you can't retire or delete the account. Example: year-end rules, posting rules, or elimination rules for variance accounts. If you've used the account to report on accumulation, then you can retire the account, but you can't delete it. Example: financial statement definition, definition of an allocation source, elimination rules for used-by accounts.

Manage ledger account summaries.

Set Up Account Posting Rules

- Set up account sets.
- Security: *Set Up: Accounting Rules* domain in the Common Financial Management functional area.

You can configure account posting rule sets that you can associate with a company and use to direct where transaction journals post in company ledger accounts.

1. Access the **Create Account Posting Rule Set** task.
2. Assign a **Name** and specify the **Account Set** you want to apply the posting rules to.
3. Select a posting rule and click **Edit Posting Rule** to add posting rules.
4. As you complete the header section, consider:

Option	Description
Enable Control Account Warning	Select the check box to designate that the specified ledger accounts in this posting rule are control accounts. A control account is a ledger account that includes operational journals from operational transactions only. When you create an accounting journal and select a control ledger account, Workday issues a warning. You can save the journal line to the control account.
Default Ledger Account	Select a default ledger account for any or all account posting types. Workday uses default accounts for transactions that don't match any conditions on an account posting rule. When a transaction doesn't meet any conditions, Workday assigns the: • Transaction to the default ledger account. • Default resulting worktags to the journal line. When you edit the posting rule, you can change this default ledger account for any individual posting rule. If you don't select a default ledger account, Workday flags transactions that don't match any account posting rules. To flag transactions that don't match any account posting rules as errors, leave the default ledger account blank. This configuration makes it easier for you to find and fix invoice or rule errors for nonmatching transactions (using the Fix Operational Journals with Errors task).
Default Resulting Worktags	Select 1 or more default resulting worktags for the account posting rule. Workday applies the default resulting worktags when transactions post to the default ledger account.

5. As you complete the **Posting Rule Conditions** grid, consider:

Option	Description
Evaluation Order	Order conditions from most to least restrictive using Evaluation Order. If there are 100 or more conditions, you can prioritize each line by entering an alphanumeric string. If 2 or more conditions

Option	Description
	have the same string, Workday prioritizes those conditions at random. High-volume processes impact performance when processing account posting rules. To optimize performance, prioritize frequently used account posting rules when they don't include overlapping values.
Resulting Ledger Account	Select a ledger account to have Workday evaluate and post journals for transactions to specific ledger accounts based on whether the transaction meets select criteria.
Resulting Worktags	- You can't select Resulting Worktags that are already in use as primary or optional balancing worktags. - When you select <i>Resulting Worktags</i> values, Workday doesn't override current worktags on the operational journal line. Example: You configure these worktags: - Worker Defaults - <i>Cost Center 1, Fund1</i>. - Costing Override - <i>Location 1</i>. - Resulting Worktags - <i>Region 1, Location 2</i> Workday applies only <i>Region 1</i> as the Resulting Worktag and not <i>Location 2</i>. Since you've defined <i>Location 1</i> as a costing override.
Condition	For each condition, select from a predefined list of dimensions that make sense for the transaction type. For certain dimensions, such as various groups and accounting categories, you can select from a list of values that you defined. If you select <i>Company</i> as a dimension in the account posting rules, Workday validates that the ledger account is valid for use with the company or company hierarchy. Workday evaluates conditions from the top down, posting the journal for the transaction to the resulting ledger account of the first Dimensions and Values that match the rule. Note: Workday doesn't support condition rules on derived lines. Example: You post to Account A based on company and cost center. You post to Account B based on the same company, the same cost center, and a region. Place the latter, more restrictive condition first. Otherwise, Workday posts journals for matching transactions to Account A, which is the first match it finds.

Option	Description
	Note: Workday includes all dimensions for the resulting ledger account and any value in each dimension before Workday matches the rule.

6. Click the **Test Posting Rule** button to test that transactions post to the correct accounts.
7. To test 1 or more available dimensions of the posting rule, select values that a transaction should contain.
Based on the posting rule conditions, Workday displays the ledger account and worktag to which transactions would post with the entered values.
Example: In the *Revenue* posting rule, you create a rule condition that requires any transaction with revenue category of *Product* to post to the *Product Revenue* account.

Workday uses accounting post rule to determine:

- The default ledger account to post the journals.
- The default resulting worktag to post on the journal line for specific operational transactions.

Workday uses the accounting post rule conditions to determine which:

- Resulting ledger accounts to post for debits and credits.
- Resulting worktags apply to the journal line entry.

For optimized performance, when you exceed 100 resulting ledger accounts on a single account posting rule, Workday:

- Displays the **Add condition** button, enabling you to add a single condition at a time.
- Enables you to edit and delete posting condition rules individually.

You create a *Spend* account posting rule to record the value of the purchase of an item. You also create a *Payable* account posting rule to track the value of accounts payable.

When you submit a supplier invoice, Workday processes the account posting rules to debit the *Spend* rule and credit the *Payable* rule.

(Optional) To update a rule set, access the **View Account Posting Rule Set** report. For a selected rule set, you can:

- Edit the account posting rule set name.
- Edit the default ledger account.
- Edit the posting rule.
- Test the edited posting rule.

Tasks

[Steps: Set Up Financial Accounting Structure](#) on page 54

Reference

[The Next Level: Direct Intercompany Invoicing](#)

[2021R1 What's New Post: Redesigned Retained Earnings Reporting](#)

Create Account Control Rules

- Create ledger account sets.
- Configure the *Accounting Journal Event* business process and security policy in the Financial Accounting functional area.
- Security: *Set Up: Accounting Rules* domain in the Common Financial Management functional area.

You can set up the account control rules that enable you to manage basic approval thresholds at the account level for your companies. When a line in an accounting journal exceeds an account threshold, you

can route the journal for approval. You can add account control rule set to add thresholds for each new account you add so that you don't have to modify your business process definitions.

1. Access the **Create Account Control Rule Set** task.

2. As you complete the task, consider:

Option	Description
Currency	Select the currency that you want to associate with the approval threshold amounts for the accounts.
General Threshold	Set the largest journal line amount that users can enter for all ledger accounts, without requiring approval. When the amount exceeds its threshold, Workday routes the journal for approval according to the <i>Accounting Journal Event</i> business process definition.

3. In the **Ledger Account Approval Thresholds** grid, set thresholds for specific ledger accounts. Add a row for each **Ledger Account** from the selected account set for which you want to define a lower **Approval Threshold**, and enter that amount.

Workday prioritizes approval thresholds on ledger accounts over the general threshold.

4. (Optional) Access the **Edit Account Control Rule Set** task to edit the rule set.

When editing a rule set, you can change currency only if there are no companies using the rule set.

Add a conditional rule to the *Accounting Journal Event* business process definition to route journals that exceed thresholds to one or more approvers.

Edit the company accounting details to associate your account control rule sets to one or more companies.

Tasks

[Steps: Set Up Financial Accounting Structure](#) on page 54

[Assign Company Accounting Details](#) on page 62

Steps: Maintain Access to Ledger Accounts

- Understand segment-based security groups and segmented security.
- Determine how you want to control access to ledger account for groups of workers.
- Security: *Ledger Account Segmented Setup* domain within the *Segmented Setup* folder in the System functional area.

You can configure segment-based security to restrict availability of ledger accounts to members of designated security groups.

Workers see only the ledger accounts to which they have access when:

- Performing accounting journal transactions (except recurring journals).
- Running ledger account, trial balance, journal, financial metrics, and manager metrics reports.

Once you enable ledger account segmentation, a ledger account will only be visible if associated to a ledger account segment.

1. Access the **Create Ledger Account Security Segment** task.

Select the ledger accounts to include in the segment. You can include:

- Individual Ledger Accounts.
- All accounts in a Ledger Account Summary.
- All accounts of a Ledger Type.

Create enough segments to cover each unique security access requirement. Included values can cross multiple segments or be mutually exclusive. Workday recommends that you build segments from least to most restrictive.

Security: *Ledger Account Segmented Setup* domain within the *Segmented Setup* folder in the System functional area.

2. (Optional) Access the **Create Security Group** task.

Create the security groups to associate with the security segments if existing security groups don't meet your business requirements.

3. Access the **Create Security Group** task.

- a. Select *Segment-Based Security Group* for **Type of Tenanted Security Group** and enter a name for the security group.
- b. Under the **Group Criteria** section, select the desired security group.
- c. Under the **Access to Segments** section, add the ledger account security segment that you created in Step 1.

See also [Create Segment-Based Security Groups](#).

4. [Edit Domain Security Policies](#).

To enforce your ledger account segment security policy in transactions and reporting:

- Access the **Domain Security Policies for Functional Area** report.
- Select the *Common Financial Management Functional Area*.
- Select the *Access Ledger Account (Segmented)* security policy from the hierarchy.
- Remove the *All Users* default security group.
- Add the desired security groups.

You can include your ledger account segment-based security groups to restrict its members to the values included in their security segments.

5. [Activate Pending Security Policy Changes](#).

6. Test the security policy changes.

For each security segment, sign in as a user of the associated segment-based security group. Then verify that you can only access the ledger accounts for that segment.

Workers can:

- Create journals with only the ledger accounts that they have access to.
- Edit journals only if they have access to all the ledger accounts in the journal.
- View journals as long as they have access to one of the ledger accounts in the journal lines.

If a journal has lines for ledger accounts they don't have access to, they can view the whole journal, but can't take any actions against it.

- Run journal line and ledger account reports for only the ledger accounts that they have access to.
- Run custom and standard financial reports that include journal lines only for the ledger accounts they have access to.

Restrict expense accountants to see the ledger accounts for expense reports that are payable to a worker but not a supplier.

Concepts

Concept: Security Groups

Steps: Manage Ledger Account Summaries

Security: *Set Up: Accounts* domain in the Common Financial Management functional area.

You can establish hierarchical relationships between ledger accounts. You can also group ledger accounts by a range of values. Create multiple snapshots of ledger account summaries by assigning ledger accounts, account ranges, and account summaries with separate effective dates on a single ledger account summary. Change the hierarchy levels for different effective dates and track historical changes by rerunning financial statements.

1. Access the **Create Ledger Account Summary As Of** task.
2. As you complete the task, consider:

Option	Description
Effective Date	Workday automatically populates this field with the current date. You can select a retroactive or future date instead.
Account Set	You can only select account sets that are part of a chart of accounts. You can't change the account set while editing a summary.
Hierarchy Level	Configure the summary location of the ledger account within the hierarchy. When you view ledger account summaries, you can navigate to the subordinate and superior nodes.

3. Select **Ledger Account Summary > Assign Ledger Accounts and Account Ranges** from the related actions menu of the ledger account summary.

Enter an effective date. You can enter a retroactive or future date instead of the default effective date.

Enter 1 or more identifier values for ledger accounts you want to include in the summary. Identifier values can't overlap. Example: Enter 1 or more values that don't overlap for ledger account identifiers you want to include in this summary. Example: Row 1 has a From Value = 1000 and a To Value = 1100. Row 2 has a From Value = 1150 and a To Value = 1199.

You can select 1 or more ledger accounts in the **Ledger Accounts** field to include additional ledger accounts in the ledger account summary.

4. Select **Ledger Account Summary > Assign Included Ledger Account Summaries** from the related actions menu of the ledger account summary.

Enter an effective date. You can enter a retroactive or future date instead of the default effective date.

Add and arrange the ledger account summaries in the order you want Workday to access them.

5. Select **Hierarchy Structure > Create** from the related actions menu of the top-level node of the ledger account summary.

Configure the hierarchy structure, levels, and enforcement for the ledger account summary.

You can use the ledger account summary to report on data such as:

- Hierarchy level.
- Hierarchy name.
- Included ledger accounts.

Create segmented security for all ledger accounts included in the ledger account summary or all ledger accounts of an account type by accessing the **Create Ledger Account Security Segment** task.

(Optional) Edit the ledger account summary name and hierarchy level as of an effective date by selecting **Ledger Account Summary > Edit** from the related actions menu of the summary.

Tasks

[Set Up Account Posting Rules](#) on page 69

[Create Ledgers](#) on page 65

Steps: Set Up Alternate Accounts

- Set up account posting rules for the corporate account set.
- Define alternate account sets.

Configure alternate account sets and alternate account set mapping rules to map the statutory or regulatory account set to the corporate account set.

1. [Create Alternate Account Set Mappings](#) on page 76.
2. [Configure Alternate Account Set Mapping Rules](#) on page 77.
3. [Assign Company Accounting Details](#) on page 62.

Specify an alternate account set and default account set for the company.

You can:

- Enter ledger accounts in either the corporate or the alternate account set for the same company.
- Create financial reports and record transactions in your preferred account set.
- Drill down to see detailed information for a selected account set.

Global Modern Services USA is a global company based in the USA that has a branch office in France. It has 2 companies:

- Global Modern Services USA.
- Global Modern Services FRANCE.

When posting journals to ledger accounts, the accountants use these account sets:

- USA - Corporate account set.
- FRANCE - French Statutory account set.

For the accountant in the USA, Workday uses the Corporate mapping rules for alternate account to derive the French Statutory ledger accounts. For the accountant in France, Workday uses the French mapping rules for alternate account to derive the Corporate ledger accounts.

Create individual or combined reports using the alternate and corporate account sets to review financial transactions.

Concepts

[Concept: Financial Reporting](#) on page 279

Reference

[FAQ: Alternate Account Set Mappings](#) on page 84

Create Alternate Account Set Mappings

- Set up account posting rules for the corporate account set.
- Define alternate account sets.
- Security: *Set Up: Accounts* domain in the Common Financial Management functional area.

You can create alternate account set mapping to:

- Name your forward and reversal alternate account set mapping.
- Select the preferred input and output account sets.
- Use the preferred input and output accounts to configuring mapping rule conditions for your alternate account set mapping rules.

1. Access the **Create Alternate Account Set Mapping** task.

2. As you complete the task, consider:

Option	Description
Name Reversal Mapping Name	Name your forward and reversal alternate account set mapping. When you create mapping rules, Workday derives the reversal mapping from the alternate account set mapping rule conditions and switches the Input Account Set and Output Account Set selections.
Input Account Set Output Account Set	Select the preferred input and output account sets. When you configure mapping rules, select input accounts and output accounts. Workday uses these account sets to derive the alternate account set data. For the reversal account set mapping, Workday switches the input and output account sets. You can only use an input and output account set mapping combination once. Example: You have Account Set 1 (AS1), Account Set 2 (AS2) and Account Set 3 (AS3). You map AS1 to AS3. - You can't create another account set map combination for AS1 to AS3 nor AS3 to AS1. - You can create an account set mapping combination for AS1 to AS2.

Configure rule conditions or condition values in your alternate account set mapping rules.

Reference

[FAQ: Alternate Account Set Mappings](#) on page 84

Configure Alternate Account Set Mapping Rules

- Create alternate account set mappings.
- Security: *Set Up: Accounts* domain in the Common Financial Management functional area.

Add mapping rule conditions to your forward and reverse alternate account sets mapping rules for a ledger account type or a ledger account.

- Access the **View Alternate Account Set Mapping** report.
- Select an **Alternate Account Set Mapping** and a ledger account or ledger account type.
- As you add rule conditions, consider:

Option	Description
Edit Default Ledger Account	In the Include Specific Ledger Accounts or Include All from Ledger Account Types fields, select 1 or more ledger accounts or ledger account types. Workday displays a list of the ledger accounts for the selected alternate account set mapping.

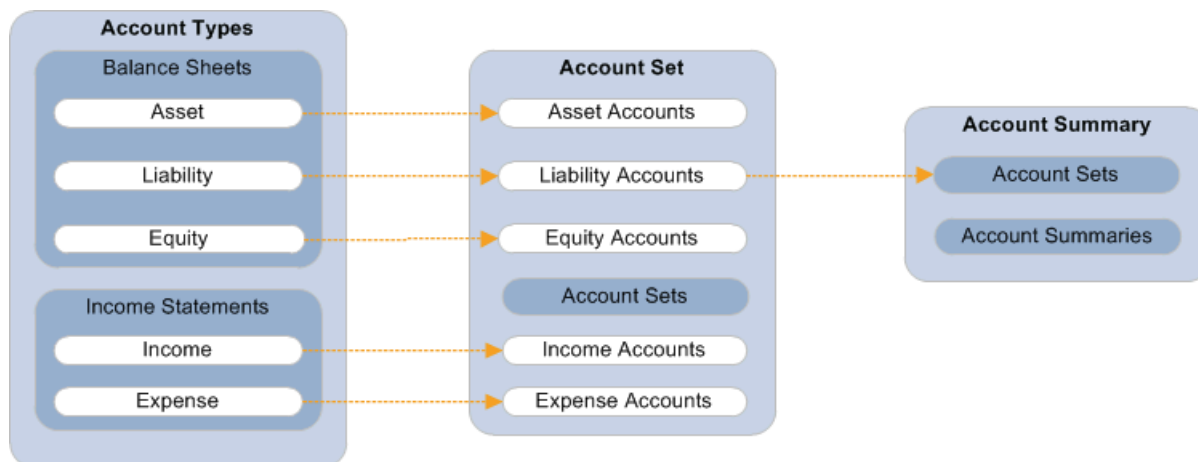
Option	Description
	- For each row, select a related Default Ledger Account, as needed. - You can only use a ledger account as a default once per mapping rule. Workday post journals to the default ledger account when transactions don't match any of the alternate account set mapping rule conditions.
Edit Mapping Name	Change an existing mapping name.
View Specific Mapping Rules	Filter mapping rules to display a smaller range for selected ledger accounts and ledger account types for either forward or reverse alternate account set mapping.
Sort Specific Mapping Rules	Manually order a selected subset of mapping rule conditions. Order conditions from most to least restrictive. Workday evaluates alternate account set condition rules from the top down.
Add New Mapping Rules	Add mapping rule conditions to your mapping rules. You can only use a ledger account once per mapping rule. When defining mapping rule conditions: - Enter 1 or more condition values or resulting values. - You can select either a condition value or a resulting value for mapping rules, but not both. - Use unique mapping Condition Values for each line of a forward or reversal mapping rule. Workday derives the reverse mapping rules based on the rules you define.
Edit Mapping Rule	Modify mapping rule conditions. When you retire ledger accounts, update any relevant mapping rules as soon as the account set changes. The alternate account set mapping rules won't have condition rules that resolve to the retired accounts.
Test Mapping Rule	The test displays the conditions a selected account set mapping rule meets. You can test the values for existing alternate account set mapping rules for a selected ledger account to view: Condition Values Ledger Account Returned Resulting Values

Workday creates the forward mapping rules with condition dimensions and dimension values that have reverse mapping rules with:

- Resulting ledger accounts.
- Resulting dimensions.
- Resulting dimension values.
- Worktags.

Concept: Ledger Accounts

There are 4 main components to building ledger accounts: account types, account sets, accounts, and account summaries.



Account types define the types of accounts that are available for financial statements. You can define unique types for balance sheets and for income statements. When you build account sets, you associate an account type with every account. You can also use account types to build financial statement conditional rules for use in financial statement definitions.

Account sets define a group of *accounts* for a company. When you set up company accounting details, you associate the *chart of accounts* account set with a specific company. Within an account set, you can include accounts directly or link the account set to another set. You can also restrict the use of ledger accounts within the account set to specific companies or company hierarchies.

Example: You have a corporate account set that contains a standard set of accounts that all of your business entities use. Each of these business entities also has their own unique accounts. You can:

- Share the corporate account set across companies, combining that set with the unique accounts to create the chart of accounts for each company.
- Restrict ledger accounts to companies that are part of the consolidation so they can define their own chart of accounts.

Account summaries roll up select accounts from a given account set into a group for financial statement reporting. You can also embed account summaries within other account summaries, creating more levels of hierarchy. Create any number of account summaries to aggregate accounts into a single line on a balance sheet or income statement when you define them. You can also use account summaries in allocations to group accounts when defining a source or basis.

You can assign ledger accounts, account ranges, and account summaries and hierarchies as of an effective date to create multiple snapshots of a ledger account summary and run restatements.

Use ledger account segment security to enable workers to access only those ledger accounts to which they have security permissions. For only the specified ledger accounts, workers can:

- View journals when the worker has permission to at least 1 ledger account used in the journal.
- Create and edit journals when the worker has permission to all ledger accounts used in the journal.

- Create reports.
 - Run journal line and ledger account reports for the specified ledger accounts.
 - Run custom and standard financial reports that include journal lines for the specified ledger accounts.

Tasks

[Steps: Create and Organize Ledger Accounts](#) on page 67

[Steps: Maintain Access to Ledger Accounts](#) on page 73

Reference: Account Posting Rules

This topic illustrates the behavior of these common account posting rules used in financial transactions:

- [Business Asset](#) on page 80
- [Expense](#) on page 81
- [Intercompany](#) on page 81
- [Spend](#) on page 82
- [Revenue](#) on page 82

Business Asset

This table includes the common account posting rules used in business asset transactions and their basic accounting use cases. For more product flows and accounting scenarios, see [Workday Community: Business Asset Product Flow](#).

Rule	Account Type	Use Case	Debit	Credit
<i>Accumulated Depreciation</i>	Asset	Record the depreciation amortization expense for an asset over time.	<i>Depreciation Expense</i>	<i>Accumulated Depreciation</i>
<i>Business Asset Disposal Donation</i>	Expense	Record the donation loss from depreciated assets you dispose.	• <i>Business Asset Disposal Donation</i> • <i>Business Asset Disposal Loss</i>	Asset account
<i>Business Asset Disposal Gain</i>	Income	Record the sales gain from fully depreciated assets you dispose.	• <i>Accumulated Depreciation</i> • <i>Business Asset Disposal Sale</i>	• <i>Business Asset Disposal Gain</i> • Asset account
<i>Business Asset Disposal Loss</i>	Expense	Record the loss from depreciated assets you dispose of by discarding.	• <i>Business Asset Disposal Loss</i> • <i>Accumulated Depreciation</i>	Asset account
<i>Business Asset Disposal Sale</i>	Asset	Record the loss for a sales asset that you dispose of once there's an agreement between parties.	• <i>Business Asset Disposal Sale</i> • <i>Accumulated Depreciation</i> • <i>Business Asset Disposal Loss</i>	Asset account

Rule	Account Type	Use Case	Debit	Credit
<i>Depreciation Expense</i>	Expense	Record the depreciation and amortization of an expense.	<i>Depreciation Expense</i>	<i>Accumulated Depreciation</i>

Expense

This table includes the common account posting rules used in expense transactions and their basic accounting use cases. For more product flows and accounting scenarios, see [Workday Community: Expense Report Product Flow](#).

Rule	Account Type	Use Case	Debit	Credit
<i>Credit Card Payable</i>	Liability	Record the liability of costs workers incur on a company credit card as workers submit the transactions on expense reports.	<i>Spend</i>	<i>Credit Card Payable</i>
<i>Expenses Advance</i>	Asset	Record the cash advance amount provided to an employee.	<i>Expense Advance</i>	<i>Cash</i>
<i>Expenses Payable</i>	Liability	Record the amount owed to an employee based on the expense report that they submit for reimbursement.	<i>Spend</i>	<i>Expense Payable</i>
<i>Expense Payee Receivable</i>	Asset	Record the amount of an employee receivable, where an employee submits an expense report with a personal credit card expense that they need to repay to the company.	<i>Expense Payee Receivable</i>	<i>Credit Card Payable</i>

Intercompany

This table includes the common account posting rules used in intercompany transactions and their basic accounting use cases. For more product flows and accounting scenarios, see [Workday Community: Intercompany Transaction Guide](#).

Rule	Account Type	Use Case	Debit	Credit
<i>Intercompany Payables</i>	Liability	Record the value of payables due between companies on a	<i>Spend</i>	<i>Intercompany Payables</i>

Rule	Account Type	Use Case	Debit	Credit
		direct intercompany supplier invoice.		
<i>Intercompany Receivables</i>	Asset	Record the value of receivables between companies on a direct intercompany customer invoice.	<i>Intercompany Receivables</i>	<i>Revenue</i>

Spend

This table includes the common account posting rules used in spend transactions and their basic accounting use cases.

Rule	Account Type	Use Case	Debit	Credit
<i>Payables</i>	Liability	Record the value of accounts payables generated from supplier invoices or miscellaneous payments.	<i>Spend</i>	<i>Payables</i>
<i>Receipt Accrual</i>	Liability	Record the value of received goods or services or completed work not yet invoiced by suppliers.	<i>Spend</i>	<i>Receipt Accrual</i>
<i>Retention Payable</i>	Liability	Record the value of the supplier invoice retention due from a supplier contract with retention enabled.	<i>Retention Payable</i>	<i>Payables</i>
<i>Spend</i>	Either: - Asset - Expense	Record the value for a purchased item in a supplier invoice.	<i>Spend</i>	<i>Payables</i>
<i>Transaction Tax</i>	Either: - Asset - Expense - Liability	Record the value of tax on purchase transactions, such as a supplier invoice where the tax is nonrecoverable.	<i>Transaction Tax</i> <i>Spend</i>	<i>Payables</i>

Revenue

This table includes the common account posting rules used in revenue transactions and their basic accounting use cases. For more product flows and accounting scenarios, see:

- [Workday Community: Customer Accounts Product Flow](#)

- [Workday Community: Customer Contracts Product Flow](#)

Rule	Account Type	Use Case	Debit	Credit
<i>Deferred Revenue</i>	Liability	Record the accumulated deferred revenue so that you can recognize the revenue in the next period.	<i>Receivables</i>	<i>Deferred Revenue</i>
<i>Receivables</i>	Asset	Record the value of receivables due from customers in a customer payment.	<i>Cash</i>	<i>Receivables</i>
<i>Receivables Overpayment</i>	Income	Record the value of a customer payment with a record of overpayment.	<i>Unapplied On-Account Payments</i>	<i>Receivables Overpayment</i>
<i>Receivable Writeoff</i>	Expense	Record the value of customer invoice writeoff for unrecoverable balances.	<i>Receivable Writeoff</i>	<i>Receivables</i>
<i>Revenue</i>	Income	Record the sale value of an item in a customer invoice.	<i>Receivables</i>	<i>Revenue</i>
<i>Transaction Tax</i>	Either: • Asset • Liability	Record the value of tax on sales transactions in a customer invoice.	<i>Receivables</i>	• <i>Transaction Tax</i> • <i>Revenue</i>
<i>Unapplied On-Account Payments</i>	Liability	Record the value of customer payments deposited but not applied to a customer invoice.	<i>Cash</i>	<i>Unapplied On-Account Payments</i>
<i>Unapplied Recorded Payments</i>	Liability	Record the value of customer payments deposited but unapplied so it doesn't display as part of the customer balance.	<i>Cash</i>	<i>Unapplied Recorded Payments</i>
<i>Unbilled Receivables</i>	Asset	Record the value of receivables not yet billed from an accrued customer contract.	<i>Receivables</i>	<i>Unbilled Receivables</i>

Rule	Account Type	Use Case	Debit	Credit
<i>Undeposited Payments</i>	Asset	Record the value of an on-account customer payment not yet deposited into a bank account.	<i>Undeposited Payments</i>	<i>Unapplied On-Account Payments</i>

FAQ: Alternate Account Set Mappings

How do I correct alternate account set mappings?

1. Access the **Alternate Account Set Mapping Exceptions** report.
2. Click **View Rules with no Conditions or Defaults** to edit the mapping rules for the listed ledger accounts.

How do I associate manually added unmapped ledger accounts to existing alternate account set mappings?

1. Access the **Alternate Account Set Mapping Exceptions** report.
2. Click **Add Rules for Unmapped Ledger Accounts** to add mapping rules to accounts you manually added.

Security: *Set Up: Accounts* in the Common Financial Management functional area.

How do I select ledger accounts from an alternate account set for the line company when my header and line companies differ on the Create Journal task?

You can only select ledger accounts that are on the account set of the journal header company. When you submit the intercompany journal, Workday processes the intercompany journals for both the header and line companies according to the alternate account set from each company. However, when you view the as-entered journal lines, Workday only displays ledger accounts from the alternate account set of the header company.

What dimensions can I use for my alternate account set mappings?

The dimensions you can use for alternate account set mappings depend on the dimensions available on the account posting rule of a transaction type. You can map your account set to more dimensions if your account uses multiple account posting rules across different transaction types. However, Workday only uses dimensions applicable to the transaction type when we derive the alternate ledger account.

FAQ: Can I retire ledger accounts?

Can I retire ledger accounts that I no longer want to use for future transactions?

You can retire ledger accounts on the **Edit Account Set** report if you aren't using the ledger account in:

- An account posting rule or as a default account in an account posting rule.
- An account translation rule.
- An allocation dimension.
- An active allocation definition for Source or Target.
- An ad hoc bank transaction template.
- An elimination rule or it's an account to which the elimination rule posts.
- A year-end close rule.
- A recurring journal template.
- A manual journal with a status of *In Progress*.

To find where ledger accounts are in use, access the **Ledger Account Usage** report.

Book Codes and Books

Steps: Create Book Codes and Books

Security: *Set Up: Ledger and Book* in the Common Financial Management functional area.

You can create book codes and books to record and report on transactions. First, you create book codes that you can use on transactions, then you include the book codes into a book for reporting purposes.

1. Create Book Codes.

- a) Access the **Maintain Book Codes** task.
- b) Add the book code name and description for the book code you want to create.
- c) Click **OK**.

2. Create Books.

- a) Access the **Maintain Books** task.
- b) As you complete the task, consider:

Option	Description
Includes Book Codes	Select the book codes to include in the book.
Includes Blank Book Code	Select to include all transactions posted to the blank book code in the selected book.
Tenant Default	Select a book for the tenant. When you run a report, Workday selects the book in the Book prompt, unless you configure the report differently. Note: If you leave the Book prompt blank, Workday returns all data from all books.

Concept: Book Codes and Books

You can use book codes and books to record and segregate transactions for financial reporting.

Book Codes

Workday associates all accounting transactions to a book code. You can define book codes for your financial transactions based on your reporting requirements. Example: You can define:

- A Generally Accepted Accounting Principles (GAAP) book code to record GAAP adjustments.
- An International Financial Reporting Standards (IFRS) book code to record International IFRS adjustments.
- A Tax Adjustment book code to record tax adjustments.

You can also create additional book codes to meet specific requirements for your reporting requirements.

Workday posts operational transactions to the Blank book code.

Book

You can group book codes together into books for financial reporting. A book rolls up activity from one or more book codes, including the Blank book code. A book code can also belong to multiple books.

Common Book

The Common Book includes accounting transactions in the Blank book code, which are primarily operational journals.

This table provides guidelines of how you can define books and book codes in Workday:

Note: Names of book codes and books are specific to your Workday tenant and might be different from the values suggested here.

Book Name	Includes Book Codes	Includes Blank Book Code	Tenant Default	Description
All Adjustments	IFRS Adjustments Local GAAP Adjustments Tax Adjustments	No	No	Includes the 3 book codes specified. Won't include the Blank book code.
Common Book	GAAP	Yes	Yes	Includes: - All transactions with a Blank book code (all operational transactions and manual journals with a Blank book code). - All journal transactions that have a GAAP book code.
IFRS Book	IFRS IFRS Adjustments	Yes	No	Includes: - All entries with a Blank book code (all the operational transactions and manual journals with a Blank book code). - All journal entries that have the IFRS or IFRS Adjustment book codes.

Journals

Create Journal Sources

- Learn which journal sources to create by using the **Journal Source Mapping to Operational Transactions** report.
- Security:
 - Set Up: Journal Source* domain in Common Financial Management functional area.
 - Set Up: Payroll - Company Specific (Accounting)* domain in Core Payroll functional area.

Create or edit sources for journal entries in your accounting and operational journals. You can create different accounting journal sources from the ones you use for operational journals, or you can use the same journal sources for both.

1. Access the **Maintain Journal Sources** task.
2. As you complete the task, consider:

Option	Description
Accounting Source	Select to make the journal source available on the Create Journal task.
Process Award Costs	For manual journals with spend on a grant, select this check box to calculate: • Facilities and administration. • Revenue recognition.
Ad Hoc Bank Transaction Source	When you create ad hoc bank transactions, you can override the journal source mapped to the transaction.
Enable Suspense Processing for Web Service	Available for use only with accounting journal sources. Select to use suspense processing when you run the <i>Import Accounting Journal</i> web service. Set up suspense processing rules on the Create Suspense Account Rule task. Enter a suspense threshold percent equal to or greater than 1% for suspense processing to run.
Suspense Threshold Percent	Enabled when you select the Enable Suspense Processing for Web Service check box. Enter a whole number. Workday uses suspense processing as long as the journal lines in error are equal to or less than the percentage you enter. Example: If the threshold is 5%, when the number of suspended journal lines becomes 6% or greater, suspense processing stops. When you leave the Suspense Threshold Percent blank, Workday won't use suspense processing.
Workday Source	Select to indicate that the journal source is for journals that Workday creates automatically for operational transactions. Example: customer invoices, supplier invoices, and expense reports.

Workday assigns journal sources to operational journals based on how you map the journal sources to operational transactions.

Tasks

[Steps: Set Up and Update Journal Sources](#) on page 62

Steps: Process Accounting Journals

- Setup financial accounting structure.
- Control access to ledger accounts for group of workers.
- Set up journal sources.

You can create, edit, and post accounting journals to the actuals, commitment, or obligation ledger for your company.

1. [Create Accounting Journals](#) on page 89.

2. (Optional) Access the **Revise Journal** task returned to your **Inbox**.

Change the **Accounting Date**, correct the journal, and resubmit for approval.

Security: *Process: Journals - Core* domain in the Common Financial Management functional area.

3. Create journals based on recurring journal templates.

See: [Steps: Create Recurring Accounting Journals](#) on page 93.

4. (Optional) Create a reversal for a journal.

Access the **Create Journal** or **Create Recurring Journal Template** task. Select the **Create Reversal** check box and enter a **Reversal Date** that is on or after the **Accounting Date**. If the accounting period is in *Not Available* or *Created* status, Workday creates a journal in *Created* status.

Security: *Process: Journals - Core* domain in the Common Financial Management functional area.

5. Access the **Mass Post Reversal Journals** task.

Once the reversal journal period opens, you can post the reversal journals.

You can post intercompany reversal journals only if all companies in the journal have the period open.

Security: *Process: Journals - Core* domain in the Common Financial Management functional area.

6. (Optional) [Create Translation Adjustment Journals](#) on page 95.

7. (Optional) Enable suspense processing for accounting journal sources.

Enable suspense processing for accounting journal sources and enter the suspense threshold percent for each journal source.

8. (Optional) [Configure Suspense Account Rules](#) on page 98.

If you enable suspense processing, configure suspense account rules for use with the *Import Accounting Journal* web service.

9. (Optional) Upload journal data into Workday from a spreadsheet. If you have enabled suspense processing, Workday applies the suspense processing rules when you run the *Import Accounting Journal* web service.

See: [Steps: Upload Journals](#) on page 97.

10. (Optional) Access the **Edit Tenant Setup - Financial** task.

Select **Copy Attachments to Intercompany Accounting Journals** to enable you to copy files attached on an intercompany accounting journal to associated child intercompany accounting journals.

See: [Attach Files on Associated Intercompany Journals](#) on page 97.

11. (Optional) Select **Journal > Add Attachment** or **Journal > Add/Change Attachment** from the related actions menu of manual journals.

You can add attachments only, or add and edit attachments for accounting journals with a status of:

- Created
- In Progress
- Posted
- Unposted

Security: *Process: Journals - Add Attachment* domain in the Common Financial Management functional area.

Security: *Process: Journals - Add /Change Attachment* domain in the Common Financial Management functional area.

(Optional) Review journal and recurring journal details.

If you have security access to at least 1 ledger account, use these reports:

- **Find Journals** to view journals to which you have security permission.
- **Find Journal Lines** to view reversal journals in the Created status.

Security: *Process: Journals - Reporting* domain in the Common Financial Management functional area.

Concepts

[Concept: Journal Processing](#) on page 102

[Concept: Currency in Accounting Journals](#) on page 104

Tasks

[Steps: Set Up Financial Accounting Structure](#) on page 54

[Steps: Upload Journals](#) on page 97

[Steps: Maintain Access to Ledger Accounts](#) on page 73

[Configure Worktags for Transactions](#)

Create Accounting Journals

- Setup financial accounting structure.
- Control access to ledger accounts for group of workers.
- Set up journal sources.
- Security: *Process: Journals (NEW)* domain in the Financial Accounting functional area.

You can create journals so that you can post them to ledger accounts to record:

- Month end adjustments.
- Depreciation.
- Translation adjustments.
- Accrued liability for purchase items that you've received but not paid for.

1. Access the **Create Journal** task.
2. As you complete the journal header, consider:

Option	Description
Ledger	Select a company that includes one of these ledgers: • Actuals. • Commitment. • Obligation. You can also use the Ledgers by Company Hierarchy prompt category to navigate a company hierarchy and then select the company ledger.
Currency	The company currency used on financial transactions. Workday populates the field based on the Ledger that you select.
Journal Source	Displays journal sources you configured as an Accounting Source on the Maintain Journal Sources task.
Display Account Set	Displays account sets you configured on the Edit Company Accounting Details task.
Balancing [worktag type]	When you use worktag balancing, select the worktag you want to use for balancing the journal. Workday dynamically displays the balancing worktag type. Example: When <i>Region</i> is the

Option	Description
	balancing worktag type, Workday displays the name as Balancing Region .
Optional Balancing Worktags	(Optional) Select 1 or more optional balancing worktag types for balancing the journal. When you enable optional worktag balancing on the Maintain Worktag Balancing Configuration task, Workday fully balances journal lines by optional balancing worktags. Journal lines automatically: • Inherit optional balancing worktags based on the worktag types selected. • Generate due to and due from entries to balance transactions.
Currency Rate Type	You can specify a currency rate type when you select the Enable Multicurrency check box. If you don't specify a type, Workday uses the Currency Rate Type Override on the Edit Company Accounting Details task.
Book Code	Leave blank to post to the blank book code.
Reset Currency Rate	You can select this check box when you select Enable Multicurrency . Enables you to recalculate ledger amounts in accounting journals when you save or submit the journal. Workday recalculates the amount based on the journal accounting date and currency rate type.
External Reference ID	(Optional) Enter the reference ID from the original journal source that you imported the journal from. The reference ID enables you to track journals for auditing purposes that you import into Workday. You can also enter an External Reference ID on the journal line.
Record Quantity	(Optional) Select if you want to enable quantities and units of measure on the journal lines.
Enable Multicurrency	(Optional) Select to enable the Currency Rate Type if you want to use a currency rate type other than the default. Workday populates the Enable Multicurrency check box selection based on the last journal submitted.
Include Tax Lines	Select to post, view, and edit transaction or withholding tax details on journal lines with taxable transactions.
Disable Optional Worktag Balancing	Select to create adjusting journal entries for unbalanced transactions. Example: You enable optional worktag balancing. In process transactions are unbalanced by worktags. You

Option	Description
	suspend optional worktag balancing because you want to create adjusting journal entries for unbalanced transactions.
Adjustment Journal	Select to mark the journal as an adjustment. You can only post adjusting journals to the period in which they apply.
Create Reversal	Select to enable the Reversal Date so that you can enter the date you want to have journal entries reversed. The default is the next open period. You can't perform a settlement run if you create an intercompany accounting journal. Workday doesn't display the intercompany journal as a settlement run option because the journal and reversal cancel each other out. If the accounting period isn't open, Workday creates a journal in <i>Created</i> status. Use the Find Journal Lines report to view reversal journals in <i>Created</i> status.
Total Ledger Debits Total Ledger Credits	These fields must balance because Workday doesn't post unbalanced journals.

3. Click **Continue**.

4. As you complete the **Journal Details** section, consider:

Option	Description
Document Link	Add the <i>Accounting Journal Document Link</i> type and the valid uniform resource identifier (URI) patterns on the Maintain External Link Validation task. This configuration enables you to link external documents to accounting journals. If you store supporting documents or images in an external repository, then enter the URL to that location. Once you save the transaction, Workday displays the URL as a live hyperlink to the image. Approvers can reference this document before approving the transaction. Workday validates the link to ensure that it has a valid Uniform Resource Identifier (URI) pattern, as defined by your security administrator. This process provides additional security to help avoid malicious content in external links.

5. As you complete the **Journal Entry Lines** tab, consider:

Option	Description
Ledger Account	Displays the ledger accounts for the Company based on the restricted-to companies you configured on the Create Account Set task. If you selected the company as a dimension in your

Option	Description
	account posting rules, Workday validates that you can use the ledger account with the company or company hierarchy.
Worktags	Use worktags as keywords to more easily classify and find transactions. Configure the allowed worktag types on the Maintain Worktag Usage task. When you select a worktag type that has related worktags, Workday automatically populates transactions with the related worktag values. When you add a new line, Workday populates the worktags from last edited line on the new line.
Exclude from Spend Report	Select to exclude spend accounting lines from budget checking and spend reports.
Tax Details	Displays the amount of withholding or transaction tax for a journal line if you selected Include Tax Lines. Click to add, edit, or view tax details. • Transaction Date Specify a transaction date for the journal line. • Tax Code Select a transaction or withholding tax code. • Tax Rate Select an available tax rate from the transaction or withholding tax code. • Tax Applicability Indicates whether the line is taxable and the specified default tax recoverability. • Tax Recoverability When you specify the tax recoverability, Workday applies the recoverable percentage and the allocation method to the tax amount for tax rates within a tax code. • Tax Recoverability Type Indicates whether the line is fully recoverable or nonrecoverable. • Tax Point Date Type Select the tax point date type for the specified transaction date on the journal line. Workday requires the tax point date type when you specify a Transaction Tax Code on a journal line. Workday populates the tax point date type with the Transaction Date. Enter business entity details for this journal when a selected supplier or customer doesn't already have business details in Workday.

If you've configured the *Accounting Journal Event* business process to budget check, Workday checks that the entered amount is within the budget when you click **Submit**. If the amount is within the budget, Workday routes the journal for approval.

Concepts

[Concept: Journal Processing](#) on page 102

Tasks

[Configure Worktags for Transactions](#)

[Steps: Configure Business Process Definitions](#)

[Attach Files on Associated Intercompany Journals](#) on page 97

Reference

[Workday 32 What's New Post: Reset Currency Conversion Rates](#)

Steps: Create Recurring Accounting Journals

Security: *Process: Journals* - *Core* domain in the Common Financial Management functional area.

Create recurring journal templates to generate recurring journals for transactions that you repeat every accounting period.

Example:

- Accruals.
- Depreciation charges.
- Allocations.

Recurring journals have the same journal lines for the same accounts and amounts. You can apply the same custom validations you created for the accounting journal.

Workday doesn't apply account segment security to recurring journal templates or when you generate a recurring journal.

1. Access the **Create Recurring Journal Template** task.
2. As you complete the task, consider:

Option	Description
Ledger	Select a company that includes one of these ledgers: • Actuals. • Commitment. • Obligation. You can also use the Ledgers by Company Hierarchy prompt category to navigate a company hierarchy and then select the company ledger.
Enable Multicurrency	(Optional) Select to enable the Currency Rate Type and grid, consider: Reset Currency Rate at Journal Generation .
Record Quantity	(Optional) Select to enter quantities and units of measure on the journal lines.
Template Start Date Template End Date	You can enter a start date that is in the future. The recurring journal template becomes <i>Available</i> as of the Template Start Date . You can no longer select a template after the Template End Date .

Option	Description
Journal Source	Displays journal sources you designated as an Accounting Source on the Maintain Journal Sources task.
Currency Rate Type	Available when you select the Enable Multicurrency check box. By default, Workday uses the Currency Rate Type Override on the Edit Company Accounting Details task. If you haven't entered a default currency rate type for the company, Workday uses the default currency rate type for the tenant.
Optional Balancing Worktags	(Optional) Select 1 or more optional balancing worktag types for balancing the journal or leave blank. When you enable optional worktag balancing on the Maintain Worktag Balancing Configuration task, Workday fully balances journal lines by optional balancing worktags. Journal lines automatically: • Inherit optional balancing worktags based on the worktag types selected. • Generate due to and due from entries to balance transactions.
Reset Currency Rate at Journal Generation	(Optional) Available when you select the Enable Multicurrency option. Select to have Workday automatically reset to the default currency.
Document Link	Add the <i>Accounting Journal Document Link</i> type and a valid uniform resource identifier (URI) patterns on the Maintain External Link Validation task. This configuration enables you to link external documents to accounting journals. If you store supporting documents or images in an external repository, then enter the URL to that location. Once you save the transaction, Workday displays the URL as a live hyperlink to the image. Approvers can reference this document before approving the transaction. Workday validates the link to ensure that it has a valid Uniform Resource Identifier (URI) pattern, as defined by your security administrator. This process provides additional security to help avoid malicious content in external links.
Create Reversal	Select if you want to create a reversal journal when you use the template to generate recurring journals.

3. As you complete the **Journal Entry Lines** section, consider:

Option	Description
Ledger Account	Displays only the ledger accounts that are available for use with the selected Company . Based on the restricted-to companies you entered on the Create Account Set or Edit Account Set tasks.
Worktag	Use worktags as keywords to more easily classify and find transactions. Configure the allowed worktag types on the Maintain Worktag Usage task. When you select a worktag type that has related worktags, Workday automatically populates transactions with the related worktag values.
Exclude from Spend Report	Select if you want to exclude spend accounting lines from budget checking and spend reports.

4. Access the **Recurring Journal Generation** task to create journals based on recurring journal templates.

Displays templates with an accounting date that is between the template start and end dates. If you selected **Create Reversal** on the recurring journal template, the default **Reversal Date** is the first day of the next period.

You can create future-dated recurring reversal journals before a reversal period opens. Workday assigns a status of *Created* to future-dated reversal journals.

5. When the reversal period opens, you must use the **Mass Post Reversal Journals** task to post the reversal journals.

Workday verifies any custom journal validations by creating a canceled journal when you submit your recurring journal template. The canceled journal doesn't affect your general ledger.

Tasks

[Configure Worktags for Transactions](#)

[Attach Files on Associated Intercompany Journals](#) on page 97

Create Translation Adjustment Journals

- Run a **Trial Balance - Composite** report to identify accounts requiring translation adjustments.
- Roll forward year-end and translated beginning balances.
- Security: *Process: Journals - Translation Adjustment* domain in the Financial Accounting functional area.

You can create translation adjustment journals to eliminate differences in Equity accounts between the ledger (Base) currency and the translation (Reporting) currency for a company. The differences can occur due to currency rate fluctuations when posting journals on different dates.

1. Access the **Create Translation Adjustment** task.
2. As you complete the task, consider:

Option	Description
Accounting Date	Workday retrieves beginning balances and journal transactions entered as of the accounting date you select.

Option	Description
Translation Currency	Select the currency into which you want to generate an adjustment to the translated balances.
Ledger Accounts	Select accounts requiring translation adjustments. The prompt only displays accounts translated with the <i>Historic Equity</i> rate type. Leave this field blank to retrieve all accounts translated with the <i>Historic Equity</i> rate type. Workday only displays journal lines on the grid for both beginning balance journals and journal entries that match for each combination of ledger account and worktags.
Create Manual Translation Adjustment	Select to create 1 or more translation adjustments using any combination of allowed worktags for: • Accounts using historic currency translation rule sets. • Balance sheet accounts with or without beginning balance journals. • Income statement accounts with beginning balance journals. • Income statement accounts without beginning balance journals when you opt into the redesigned retained earnings reporting feature. (Optional) Access the Opt-In to Roll Forward with Balance Sheet Ledger Account task to confirm whether you opted in or complete the opt-in process.

3. Review the journal lines for the beginning balance and journal entries, and then enter an offsetting amount to adjust the difference in each account.

Example: You have a beginning balance for an Equity account. During the year, you post various offsetting journals with different currency rates into that account. At the end of the year, you find that though the ledger balance in the Equity account is zero the translated amount has a credit balance of 300. The difference is due to the different currency rates of the posted journals.

To adjust the translated balance, you enter a translation adjustment of -300 in the **Translated Debit Adjustment** column of the Equity account.

Workday displays:

- The translated balance in the Equity account as zero.
- Amount of 300 as translation gain or lost in the Balance Sheet.

Run a **Trial Balance - Composite** report in the translated currency to confirm that the ending balance in each account you corrected is zero. You can drill down on the zero balance to review the journal activity.

Concepts

[Concept: Currency Translation](#) on page 170

[Concept: Accounting and Operational Journals](#) on page 102

[Concept: Rates, Rate Types, and Conversion](#) on page 24

Reference

[2021R1 What's New Post: Redesigned Retained Earnings Reporting](#)

Attach Files on Associated Intercompany Journals

- Set up financial accounting structure.
- Set up journal sources.
- Configure the *Accounting Journal Event* business process and security policy in the Financial Accounting functional area.

Workday copies files attached on an intercompany accounting journal to any associated child intercompany accounting journals. Displaying the attached files on the child journals provides associated companies:

- A strong audit trail.
- Increased accountability.

You can also restrict access to the attached files on the child intercompany journals. Restriction prevents users in companies you specify from accessing the attached files.

1. Access the **Edit Tenant Setup - Financials** task.

Select **Copy Attachments to Intercompany Accounting Journals**.

2. Access the **Create Journal** or **Create Recurring Journal Template** task.

On at least 1 of your **Journal Entry Lines**, select a company that differs from your header company. Only companies you select are available on the **Companies Without Access** prompt.

3. Add a file on the **Attachments** tab.

4. (Optional) Select the companies you don't want to have access on the **Companies Without Access** prompt.

Users in companies on associated intercompany accounting journals can view the attached files. You can't view an attachment if your company is 1 of the **Companies Without Access**.

Tasks

[Create Accounting Journals](#) on page 89

[Steps: Create Recurring Accounting Journals](#) on page 93

Reference

[Workday 31 What's New Post: Copy Attachments on Intercompany Accounting Journals](#)

Steps: Upload Journals

Use Enterprise Interface Builder (EIB) to upload accounting journal data from a spreadsheet. When successfully completed, the upload automatically triggers the *Accounting Journal Event* business process. Select the **Automatically Complete** option when you prepare the spreadsheet to have Workday:

- Complete approvals automatically.
- Bypass reviews and *To Do* tasks.
- Skip Notifications in the *Accounting Journal* event business process.

After you successfully upload journals into Workday, you can view the journals by accessing the **Find Journals** report.

1. [Set Up Inbound EIB](#).

Enter *Import Accounting Journal* at the **Template from Web Service Operation** prompt.

2. From the related actions menu of the integration system for the upload, select **Template Model > Generate Spreadsheet Template**.

To maintain the correct spreadsheet format, don't change the .xml file extension.

Security: These domains in the Integration functional area:

- *Integrations: EIBs*
- *Integration Configure*
- *Integration Event*

3. [Customize EIB Spreadsheet Template.](#)

To customize the template, edit the template model of the EIB.

4. [Set Up EIB Spreadsheet.](#)

Enter business data into the spreadsheet.

5. [Launch EIB Spreadsheet Upload.](#)

Confirm that you are in a security group that has these permissions:

- Access to the *Import Accounting Journal* web service initiating action in the *Accounting Journal Event* business process.
- Modify permission on the *Integrations: EIBs* domain and either the *Integration Build* or *Integration Event* domain.

If you have enabled suspense processing, Workday applies the suspense processing rules when you run the *Import Accounting Journal* web service.

Concepts

[Concept: Enterprise Interface Builder](#)

Configure Suspense Account Rules

Security: *Set Up: Accounting Rules* domain in the Common Financial Management functional area.

Configure suspense account rules for use with the *Import Accounting Journal* web service.

1. Access the **Create Suspense Account Rule** task.
2. As you complete the task, consider:

Option	Description
Account Set	You can only use 1 suspense account rule for an account set.
Ledger Account	The default ledger account that you want to post the suspense amount to. Workday recommends that you don't use ledger accounts that are restricted to a company.
Balancing Worktag	The default required balancing worktag type that you want to use on journal entries. Configure the required balancing worktag type on the Maintain Worktag Balancing Configuration task.
Optional Balancing Worktags	The default optional balancing worktag types that you want to use on suspense journal entries. Configure up to 5 optional balancing worktag types on the Maintain Worktag Balancing Configuration task. If you no longer use an optional balancing worktag type, you must remove it from the suspense account rule.
Required Worktags	Use worktags as keywords to more easily classify and find transactions. Configure the allowed worktag types on the Maintain Worktag Usage task. When you select a worktag type that has related worktags, Workday automatically populates transactions with the related worktag values.

Option	Description
	Select 1 or more default Required Worktags that are different from the Balancing Worktag and Optional Balancing Worktags. Example: <i>Cost Center</i> is the default required worktag. You can't select <i>Cost Center</i> as the Balancing Worktag or Optional Balancing Worktag. If you no longer use a required worktag type, you must remove it from the suspense account rule.

When you click **Submit**, Workday validates that the worktags you selected for the suspense accounting rule are allowed or required, based on your worktag configuration.

When you run the *Import Accounting Journal* web service, Workday posts journal entries to the suspense account when they are:

- Unbalanced.
- Missing ledger accounts.
- Missing worktags.

Workday creates new journal lines for entries that meet the suspense rule criteria. On the **View Journal** report, the **Suspended Journal Line** column displays the number of suspended lines in the journal that don't meet the suspense account rules. Click the number to review details for each suspended line.

Use the **View Suspense Account Rule** report to find and update suspense account rules.

On the **Maintain Journal Sources** task, the Finance Administrator for Global Modern Services (Ireland) enables suspense processing for these accounting journal sources:

Field	Value
Enable Suspense Processing for Web Service	<i>Accrual Journal</i> <i>Intercompany Journal</i>
Suspense Threshold Percent	For both: 50

The accountant sets up the suspense account rules on the **Create Suspense Account Rule** task using these values:

Field	Value
Rule Name	<i>IRE-Suspense Account Rule</i>
Account Set	<i>Corporate</i>
Ledger Account	<i>1100:Suspense</i>
Required Worktags	<i>Cost Center</i>

When the accountant runs *Import Accounting Journal* web service, Workday applies the suspense accounting rules:

- Suspense processing completes if up to 50% of the journal lines are in error. When journal line errors exceeded 50%, then suspense processing stops. For the *Intercompany Journal Source*, 51% of the journal lines are in error. Only 20% of the journal lines for the *Accrual Journal Journal Source* are in error.

- For the journal lines that are in error, Workday posts the suspended amount to the *1100:Suspense Ledger Account*.
- On the **View Journal** report, the accountant clicks the number in the **Suspended Journal Line** column to view the details.
- In the details for the suspended journal line, the accountant sees that the **Required Worktags** for *Cost Center* is missing.

On the **Maintain Journal Sources** task, **Enable Suspense Processing for Web Services** and enter the **Suspense Threshold Percent** for accounting journal sources.

Steps: Set Up Financial Accounting Adjustments

You can set up accounting adjustments to help you reclassify and transfer transaction spend for these settled financial transactions:

- Expense reports.
- Procurement card transactions.
- Fully or partially paid supplier invoices, excluding supplier invoices for lease-type supplier contracts.
- Supplier invoice adjustments.

You can also adjust the accounting on billable project worktags and project transfers for these transactions:

- Expense reports.
- Supplier invoices.
- Supplier invoice adjustments.

Accounting adjustments enable you to process reclassifications without needing to create manual accounting journals.

1. (Optional) [Configure Questionnaires and Questions](#).

Configure a questionnaire to capture supporting information about the adjustment.

2. [Edit Business Processes](#).

Configure the *Accounting Adjustment Event* business process in the Financial Accounting functional area.

If you configure a questionnaire, add the *Complete Questionnaire* step to the *Accounting Adjustment Event* business process. Workday recommends that you attach only 1 questionnaire.

3. [Edit Business Process Security Policies](#).

Configure security policies for the *Accounting Adjustment Event* business process in the Financial Accounting functional area.

4. [Create Journal Sources](#) on page 86.

5. Access the **Maintain Journal Source Mapping to Operational Transactions** task.

Map the *Accounting Adjustment* journal source to the accounting adjustment journal entry source.

Security: *Set Up: Journal Source* domain in the Common Financial Management functional area.

6. Access the **Maintain Accounting Adjustment Change Reason Codes** task.

Create change reasons.

Security: *Set Up: Accounting Adjustment Change Reason Code* domain in the Financial Accounting functional area.

Tasks

[Create Amortization Schedules and Installments for Prepaid Supplier Invoices from Accounting Adjustments](#) on page 1159

Create Financial Accounting Adjustments

- Set up financial accounting adjustments.

- Security: These domains in the Financial Accounting functional area:
 - *Manager Reports: Accounting Adjustment*
 - *Process: Accounting Adjustment*

You can create an accounting adjustment to reclassify costs on these settled financial transactions:

- Expense reports.
- Procurement card transactions.
- Fully or partially paid supplier invoices, excluding supplier invoices for lease-type supplier contracts.
- Supplier invoice adjustments.

You can also create accounting adjustments on billable project worktags and project transfers for these transactions:

- Expense reports.
- Supplier invoices.
- Supplier invoice adjustments.

When you cancel a settlement run for an operational transaction, Workday cancels all related accounting adjustments. Otherwise you can't cancel the accounting adjustment after approval of the adjustment.

1. Select **Accounting > Adjust Accounting** from the related actions menu on the transaction.

Workday disables the **Prepaid** check box when you create an accounting adjustment on a billable project worktag transaction or adjustment from a project transfer.

2. As you complete the task, consider:

Option	Description
Proposed Budget Date	Select to change the budget date of the transaction.
Proposed Spend Category	Select to reclassify a spend category on a transaction. You can't reclassify the spend category when the spend category is associated with a purchase item or expense item.
Proposed Adjustment Worktags	Select the worktags you wish to use to adjust the transaction.
Prepaid	Select to reclassify supplier invoices to prepaid. When you reclassify a prepaid supplier invoice, you can't create another accounting adjustment for that transaction line. You also can't create new accounting adjustments for an invoice line when you reclassify a supplier invoice line to prepaid.
Billable	Select to charge spend transactions back to a customer. You can't reclassify: • A procurement card transaction to a billable project. • A transaction that's both billable and prepaid.
Prepaid Amortization Type	Select a prepaid amortization type of Manual or Schedule when you reclassify a prepaid supplier invoice.

Option	Description
	Workday populates the prepaid amortization type options from existing supplier invoice lines.

Workday records the accounting adjustment date when you approve the adjustment transaction. When you approve the adjustment in a closed period, the accounting adjustment date falls in the next open period.

Tasks

[Create Amortization Schedules and Installments for Prepaid Supplier Invoices from Accounting Adjustments](#) on page 1159

Concept: Accounting and Operational Journals

There are 2 types of journals in Workday:

- *Accounting journals*: The journals that accountants create manually for accounting purposes. Workday doesn't automatically tie these journals to transactions.
- *Operational journals*: The journals that Workday creates automatically for operational transactions that you enter through the various Workday transaction tasks.

Reversals

You can generate reversal journals in Workday when you change or cancel an approved operational transaction or when you reverse a posted accounting journal. The reversal journals provide a complete audit trail of the journal entries. They enable you to comply with legal requirements in countries where you can't modify or cancel a posted journal.

Workday creates reversals of accounting or operational journals when you select 1 of these options at the tenant level on the **Edit Tenant Setup - Financials** task:

- **Always Reverse Accounting Journals**
- **Always Reverse Operational Journals**

When you enable the reversal of accounting journals, Workday displays the **Reverse** option on the related actions menu of posted accounting journals. Otherwise, Workday displays the **Unpost** option.

Workday provides a **Reverse Journals** task that you can use to reverse a journal not marked for automatic reversals.

Example: You forget to select the **Create Reversal** check box when creating a journal. You access the **Reverse Journal** task to reverse the missed journal.

Note: Workday strongly recommends using the **Reverse** option on the related actions menu of posted accounting journals for all other journal reversal needs to ensure data integrity as the **Reverse Journal** task bypasses approvals.

Tasks

[Steps: Process Accounting Journals](#) on page 87

[Steps: Set Up and Update Journal Sources](#) on page 62

Concept: Journal Processing

Workday Financial Management automates the accounting resulting from business operations. Based on accounting policies and rules defined by your accounting and control team, Workday automatically generates accounting for:

- Commercial transactions
- Intercompany
- Allocation
- Depreciation

- Accruals
- Reversals

Through an intuitive journal entry facility, Workday also accepts accounting generated in third-party systems or spreadsheet uploads.

Journal processing provides the framework for flexible maintenance of manual accounting activity and period adjustments.

Journal

You must have the appropriate security permissions to the ledger account on the accounting journal. You can enter journals manually or upload them. You can enter journals for month end adjustments, depreciation, translation adjustments, or to record accrued liability for purchase items that you receive but not paid. You can automatically reverse journal entries for accruals.

For commitment or obligation journals, you can have Workday roll forward the accounting date to the first date of the next open period upon plan approval. Select the **Roll Journal Forward for Procurement** check box on the **Create Ledger** task.

You can create reversal journals on or after the accounting date. If the accounting period isn't open, Workday creates a journal in *Created* status. When the reversal period opens, use the **Mass Post Reversal Journals** task to post the reversal journals. You can only post intercompany reversal journals if all companies in the journal have the period open.

You can select **Edit** from the related actions menu of a journal that hasn't posted to correct errors.

You can select **Delete** from the related actions menu of a journal that you've created but not posted or submitted for approval.

Note: You can't delete a journal in *Created* status if it was copied from another journal.

You can select **Correct** from the related actions menu of the business process event to correct a posted journal. The option to correct a posted journal isn't available when you enable the reversal of accounting journals.

Workday creates journals behind the scenes for operational transactions and uses posting rules to interpret the business events into debits, credits, and accounts.

Workday posts journal entries to a ledger defined for each company.

Budget Check for Accounting Journals

To configure an accounting journal for budget check, you configure the *Accounting Journal Event* business process with the *Check Budget (Financial)* business process. Workday budget checks the journal at the initiation step, approval step, or both to ensure that the amount is within the budget.

Once configured, Workday performs a budget check when you:

- **Submit** an accounting journal for approval. If the journal doesn't pass the budget check, modify the amount or request an override from the budget manager.
- **Approve** an accounting journal.

If the journal doesn't pass the budget check, you can take one of these actions:

- Send the request back.
- Modify the amount.
- Request an override from the budget manager.

Workday also automatically validates worktags during the budget check.

Journal Statuses

This table lists permitted activities during each journal status:

Activity	Journal Available for Posting	Journal Posted	Journal Canceled
Create Journal	No	No	No
Edit Journal	Yes	No	No
Post Journal	Yes	No	No
Unpost Journal	No	Yes	No
Cancel Journal	Yes	No	No
Copy Journal	Yes	Yes	Yes

Recurring Journals

Recurring journals are journals you create on a regular basis. They have the same journal lines for the same accounts and amounts. You can create future-dated recurring reversal journals. When the reversal period opens, use the **Mass Post Reversal Journals** task to post the reversal journals.

Journal Reports

Workday provides a number of standard reports to help you manage journals. For a list, access **Workday Standard Reports** and select the **Financial Accounting** category.

Tasks

[Steps: Set Up Journal Sequencing](#) on page 115

[Steps: Maintain Access to Ledger Accounts](#) on page 73

[Steps: Process Accounting Journals](#) on page 87

[Steps: Upload Journals](#) on page 97

[Steps: Configure Budget Checking for Spend Transactions](#)

Concept: Currency in Accounting Journals

Workday provides multicurrency capabilities for accounting journals. Accounting journals enable you to record accounting data not associated with operational transactions manually. When you create accounting journals, you can:

- Use the company currency only.
- Use foreign currencies for the journal lines.

You also have the same capabilities when you set up journal templates for use when creating accounting journals.

When you use the **Create Journal** task to enter foreign currency accounting journals, Workday converts the journal lines to the company currency to create the ledger currency amount. You can override the exchange rate and ledger currency amounts, as necessary. If there are rounding differences in the ledger currency, adjust the ledger amounts.

For intercompany journals where the companies have different currencies, you must have all journal lines in the same currency.

Concepts

[Concept: Multicurrency](#) on page 23

Tasks

[Steps: Process Accounting Journals](#) on page 87

Concept: Valid Company and Cost Center Combinations

You can restrict cost centers to specific companies on the **Create Cost Center** task. When you restrict cost centers, Workday only displays cost centers associated with the company you select on the **Worktags** prompt. This prompt behavior applies to these tasks:

- **Edit Journal**
- **Create Journal**
- **Create Recurring Journal Template**

Workday also supports valid company and cost center combinations at the line and header level on operational journals. Workday puts the journal in *Error* status when it meets these 3 conditions:

- The journal contains invalid company and cost center combinations.
- The cost center is the primary or optional balancing worktag.
- The transaction is an intercompany transaction.

Use the **Fix Operational Journals with Errors** task to review and correct the journals to post them.

Concepts

[Concept: Accounting and Operational Journals](#) on page 102

Tasks

[Create Accounting Journals](#) on page 89

[Steps: Create Recurring Accounting Journals](#) on page 93

[Set Up Nonsupervisory Organizations](#)

Reference

[FAQ: Journal Errors](#) on page 105

FAQ: Journal Errors

How do I correct an unposted journal?

Select **Edit** from the related actions menu of the journal.

How do I cancel an unposted journal that I created in error?

Select **Cancel** from the related actions menu of the unposted journal.

How do I correct a posted journal?

Select **Correct** from the related actions menu of the business process event. The option to correct a posted journal isn't available when you enable the reversal of accounting journals.

Can I correct a posted journal with a journal sequence number?

Yes, but keep these guidelines in consideration:

- You can't change the **Journal Source**.
- You can't change the journal amount.
- You can only change the accounting date to a date within the period on the journal.

How do I cancel a posted journal in an open ledger period?

Select **Unpost** from the related actions menu of the posted journal to unpost and then cancel.

How do I cancel a posted journal in a closed ledger period?

Leave the original journal posted and create a reversing journal in the next open ledger period.

How do I view errors for a journal?

Select **Journal Entry > Fix Operational Journal Errors** from the related actions menu of the journal.

How do I view and edit custom validation errors on journal lines?

Select **Journal Entry > Edit Journal (Errors Only)** from the related actions menu of the journal.

Troubleshooting: Financial Journals

This topic provides strategies for diagnosing and resolving these accounting journal problems:

- [No available ledger periods to post upcoming operational journals.](#) on page 106
- [No account posting rule set associated with company.](#) on page 107
- [Journal line missing ledger account.](#) on page 108
- [Journal line assigned invalid ledger account.](#) on page 108
- [Unable to post created journals.](#) on page 109
- [Journal copied when not submitted or saved for later.](#) on page 109

No available ledger periods to post upcoming operational journals.

You're generating operational journals for an upcoming date, but no ledger period exists to post for that date.

Cause	Solution
Ledger period isn't open or not created for the operational journal.	1. Access the Create Ledger Year and Ledger Periods task. Create ledger periods for the applicable ledger and fiscal year selected. Security: <i>Set Up: Ledger and Book</i> domain in the Common Financial Management functional area. 2. Access the Update Ledger Period Status task for the applicable ledger period for the company. Set the Status of the period of the posting date to <i>Open</i>. Security: <i>Process: Period End</i> domain in the Common Financial Management functional area. 3. Access the Fix Operational Journals With Errors task. Select the operational journals with errors that you want to post. Security: <i>Process: Audits and Corrections</i> domain in the Financial Accounting functional area.
The fiscal period isn't available or not created for that date.	1. Access the Update Ledger Period Status task for the applicable ledger period for the company. Set the Status of the period of the posting date to <i>Open</i>. Security: <i>Process: Period End</i> domain in the Common Financial Management functional area.

Cause	Solution
	2. Access the Fix Operational Journals With Errors task. Select the operational journals with errors that you want to post. Security: <i>Process: Audits and Corrections</i> domain in the Financial Accounting functional area.

No account posting rule set associated with company.

No account posting rule sets display when you try to post a journal.

Cause	Solution
No Account Posting Rule Set assigned to the company.	1. Access the Edit Company Accounting Details task for the company. Assign an Account Posting Rule Set to the company. Security: <i>Set Up: Company Accounting</i> domain in the Common Financial Management functional area. 2. Access the Fix Operational Journals With Errors task. Select the operational journals with errors that you want to post. Security: <i>Process: Audits and Corrections</i> domain in the Financial Accounting functional area.
No default ledger account associated with the account posting rule types on the account posting rule set assigned to the company.	1. Access the View Account Posting Rule Set report. Select the account posting rule set assigned to the company. Security: <i>Set Up: Accounting Rules</i> domain in the Common Financial Management functional area. 2. Click Edit Default Ledger Accounts. For each account posting rule, assign the correct default ledger account. 3. Access the Fix Operational Journals With Errors task. Select the operational journals with errors that you want to post. Security: <i>Process: Audits and Corrections</i> domain in the Financial Accounting functional area.

Journal line missing ledger account.

At least 1 of the lines on a journal you posted is missing a ledger account.

Cause	Solution
The operational transaction doesn't match any of the condition rules for the account posting rules, and you haven't assigned a default ledger account.	1. Access the View Account Posting Rule Set report. Select the account posting rule set assigned to the company. Security: <i>Set Up: Accounting Rules</i> domain in the Common Financial Management functional area. 2. Click Edit Default Ledger Accounts. Assign the correct default ledger account. 3. Select the account posting rule type and click Edit Posting Rule. Add the missing condition rule. 4. Access the Fix Operational Journals With Errors task. Select the operational journals with errors that you want to post. Security: <i>Process: Audits and Corrections</i> domain in the Financial Accounting functional area.
You haven't assigned an account posting type to the Retained Earnings account posting rule.	1. Access the View Account Posting Rule Set report. Select the account posting rule set assigned to the company. Security: <i>Set Up: Accounting Rules</i> domain in the Common Financial Management functional area. 2. Click Edit Default Ledger Accounts. Assign the correct default ledger account to the Retained Earnings account posting rule type. 3. Edit the Retained Earnings account posting rule type. Add the missing condition rule. 4. Access the Fix Operational Journals With Errors task. Select the operational journals with errors that you want to post. Security: <i>Process: Audits and Corrections</i> domain in the Financial Accounting functional area.

Journal line assigned invalid ledger account.

At least 1 journal line has a ledger account that isn't valid for use with the selected company.

The selected company doesn't have a configured ledger account.

Assign a valid ledger account to the company.

1. Access the **View Account Posting Rule** report.

Select a ledger account that's available for use with the company.

Set Up: Accounting Rules

2. Access the **Fix Operational Journals With Errors** task.

Select the operational journals with errors that you want to post.

Security: domain in the Common Financial Management
Security: *Process: Audits and Corrections*
domain in the Financial Accounting functional area.

Configure the ledger account to accept the company.

1. Access the **Edit Account Set** task.

Add the selected company to the **Restricted To Companies** for the ledger account.

Security: *Set Up: Accounts* domain in the Common Financial Management functional area.

2. Access the **Fix Operational Journals With Errors** task.

Select the operational journals with errors that you want to post.

Security: *Process: Audits and Corrections* domain in the Financial Accounting functional area.

Unable to post created journals.

Can't post journals that are in *Created* status. Only available action is copy.

Cause	Solution
You saved the journal for later and need to submit for approval.	1. Configure the <i>Process: Journals - Core</i> domain in the Financial Accounting functional area. 2. Access the Find Journals report to find the journal in <i>Created</i> status. 3. Submit the created journal to start the business process and receive approval. 4. When the reversal period opens, use the Mass Post Reversal Journals task to post the reversal journals you created with a future date.
You've created a reversal journal on or after the accounting date.	During the close process you must decide on 1 of these options for the reversal journal: • Cancel. • Delete. • Leave in <i>Created</i> status.

Journal copied when not submitted or saved for later.

You select **Journal > Copy** from the related actions menu of the journal, enter the header details, and select **Cancel** after you progress to the **Edit Journal** task. Workday creates the journal in *Created* status when you enter header information and click **OK**.

1. Access the **Find Journals** report to find the journal in *Created* status.

Security: **Process: Journals - Reporting** domain in the Financial Accounting functional area.

2. From the related actions menu of the journal, select **Journal > Delete Journal**.

Security: **Process: Journals - Core** domain in the Financial Accounting functional area.

Journal Sequencing

Setup Considerations: Journal Sequencing

You can use this topic to help make decisions when planning your configuration and use of journal sequencing. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

Journal sequencing enables you to provide gapless, sequential identifiers to journals in 1 or more ledger year or ledger period. Journal sequencing uses sequence generator rule configurations to create sequence generators. Workday then generates and assigns sequence numbers to accounting journals using those sequence generators.

Business Benefits

Journal sequencing helps you meet statutory reporting requirements for numbered, unique identifiers on accounting journals. Countries with statutory reporting requirements, such as SAF-T, require these journal line numbers to assist with auditing the financial accounts of their organizations.

Use Cases

You might want to configure journal sequencing when you operate in countries that require sequential line numbers for your journals. Journal sequencing enables you to assign sequence numbers to your journals by accounting date or posting date.

When you set up your sequence generators, you can configure it to sequence journals across these time frames:

- Ledger period
- Ledger year
- Continuously over many ledger periods and years.

You can also configure sequence generators to help you organize or differentiate your journals by including details like transaction types or fiscal periods with the sequence format string.

Questions to Consider

Questions	Considerations
Do you operate in a country with statutory reporting requirements that require regular audits?	Various countries have statutory requirements that mandate journal numbering to assist with audit trails around financial accounting. Workday helps you meet those requirements through journal sequencing.
Do you anticipate a need to reset your journal line number back to the beginning?	Continuous sequence generators don't reset the sequence number to the initial value. If you foresee a need to reset your journal line number regularly,

Questions	Considerations
	consider sequencing by ledger year or ledger period.
Do you need to unpost journals?	When you sequence by posting date, the journal retains its sequence number even if you unpost and repost. Workday doesn't resequence this journal under any circumstances. When you sequence by accounting date, the journal retains its sequence number when you unpost the journal. However, Workday sorts and resequences the period when you repost the journal. Resequencing assigns a new journal number to reposted journals if you cancel or add journals in the date range the sequence generator covers.
Do you need to sequence intercompany journals?	Workday assigns sequence numbers to intercompany journals if the respective companies enable sequencing. Workday doesn't use the same sequence generator for those companies. You can, however, create sequence generators using the same sequence generator rule configuration. Example: The header company on the journal enables journal sequencing. The line company doesn't. Workday sequences the journal for the header company, but not the line company. If the header and line companies both enable journal sequencing, Workday sequences the journal for both companies. However, because the sequence generator differs for the line company, Workday sequences journals of the line company using a different sequence format string.
Do you need to sequence consolidation elimination journals?	Workday assigns sequence numbers to consolidation elimination journals if the companies you're calculating noncontrolling interest (NCI) for, enable sequencing. If you don't want journal sequencing, you can create a separate sequence generator for consolidation elimination journals by creating a sequence generator condition rule for the <i>Noncontrolling Interest</i> Transaction Type.
Do you need a sequence generator that only sequences specific books?	The Book prompt on your sequence generator rule configuration determines the journals Workday sequences. Workday sequences journals that share a book code with the book you select. If you don't specify a book, Workday sequences all journals in the company.
Do you need to change or alter the lifespan or rule configuration of your sequence generator after use?	If you want to alter the lifespan or rule configuration of your sequence generator, you must create and configure a new sequence generator for the next fiscal year. Changes you make to the rule

Questions	Considerations
	configuration only apply to new generators. You can't have posted journals for that year and all ledger periods can't be open.
Do you need to implement journal sequencing in the middle of a fiscal year?	You can implement journal sequencing for a company after the start of a fiscal year under these circumstances: • Your company has never configured journal sequencing. • The ledger periods of the fiscal year aren't open. • You haven't posted journals that are on or after the sequencing start period. • No sequence generators exist for the company. You can also configure your sequence generator to begin from a specific sequence start number. If you use the rule configuration for another generator, that generator also begins at that start number. Workday therefore doesn't recommend that you specify a start number if you want to use the rule configuration on a ledger year or period basis.
How do I create sequence numbers for consolidation journals?	Workday automatically assigns sequence numbers to consolidation elimination journals if the companies you're calculating NCI for support sequencing. You can create a separate sequence generator for consolidation journals by adding a sequence generator condition rule for the Noncontrolling Interest transaction type.

Recommendations

Functionality	Considerations
Sequencing by accounting date or posting date	The sequencing method you select determines when and how Workday assigns sequence numbers to your journal. You can't change the sequencing method of a sequence generator after creation. Workday recommends that you consider which sequencing method best applies to your statutory requirements and audit structure. If you want to sequence by accounting date, consider that Workday: • Assigns sequence numbers to journals and reversal journals when you close your ledger period. • Resequences the journals in the current and subsequent closed periods when you cancel, post, and unpost. If you want to sequence by posting date, consider that Workday:

Functionality	Considerations
	- Assigns sequence numbers when you post the journal. - Doesn't resequence the journal under any circumstances. - Assigns the next available sequence number to reversal journals.
Disabling journal sequencing	Workday recommends that you don't enable journal sequencing if you don't anticipate using it in later years. You can only disable journal sequencing for a company if: - You haven't used sequence ID generators to assign a sequence number to any journals. - You've deleted all sequence ID generators.
Replacing or deleting sequence generators	Carefully review your sequence generator rule configurations before you submit. You can only replace sequence generators that aren't currently in use. You can only delete sequence generators that are completely unused. If you want to replace or delete a generator, the associated ledger years or periods must also have 1 of these statuses: <i>Closed</i> <i>Created</i> <i>Not Available</i>
Sequence format strings	The sequence number Workday assigns to a sequenced journal can include any additional information you want to convey, such as the: - Transaction type. - Fiscal year or fiscal period. Workday recommends that you avoid duplicate sequence numbers by providing additional details on the sequence format, such as the fiscal year or period.

Requirements

Enable the Common Financial Management functional area.

Ensure that the ledger periods you want to sequence are in these statuses:

- Closed*
- Created*
- Not Available*

Opt in to journal sequencing by selecting the **Enable Journal Sequencing** check box on the **Edit Company ID Definitions** task.

Limitations

No impact.

Tenant Setup

No impact.

Security

Configure these domains for journal sequencing:

Domains	Considerations
<i>Set Up: Company General</i>	Users secured to this domain can configure sequence generator rules and create sequencing groups that apply a code to sequenced journals. You also need this domain to opt in to journal sequencing and create or delete the journal sequence generators.
<i>Set Up: Ledger and Book</i>	Users secured to this domain can create ledger years and periods. You can only apply a sequence generator after you create and then open ledger years or ledger periods.
<i>Process: Period End</i>	Users secured to this domain can open and close ledger periods. You can only apply a sequence generator to ledger years or periods with an open status.

Business Processes

No impact.

Reporting

Workday doesn't deliver standard reports that display the journal sequence number. If you want to display the journal sequence number, add **Journal Sequence Number** to a report from the **Journal Entry** business object.

Integrations

You can use these Workday Web Services for journal sequencing:

Web Services	Considerations
<i>Get Accounting Journal</i>	Retrieves all information associated with your accounting journals, including assigned sequence numbers.
<i>Get Sequence Generator Rule Configuration</i>	Retrieves all information associated with your sequence generator rules. Enables you to view the configurations on your sequence generators, such as format strings and sequencing method.
<i>Put Company</i>	You can update company details and enable journal sequencing using this web service.
<i>Put Sequence Generator Rule Configuration</i>	Creates sequence generator rule configurations. Enables you to create many configurations at once.

Connections and Touchpoints

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Other Impacts

No impact.

Concepts

[Concept: Journal Processing](#) on page 102

Tasks

[Steps: Set Up Journal Sequencing](#) on page 115

[Configure Journal Sequence Generator Rules](#) on page 116

[Enable Journal Sequencing for a Company](#) on page 119

[Create Journal Sequence Generators](#) on page 120

Steps: Set Up Journal Sequencing

- Set up ledgers for the companies you want to use journal sequencing.
- To create sequence ID generators for the accounting journal transaction type, set up journal sources on the **Maintain Journal Sources** task.
- Security: *Set up: Company General* domain in Common Financial Management functional area.

You can configure Workday to assign unique journal sequence numbers to accounting and operational journals for the actuals ledger. Workday can apply journal sequence numbers to journals based on accounting date or posting date. You can use journal sequence generators to help you comply with global auditing standards.

1. (Optional) Access the **Maintain Journal Sequencing Groups** task.

You can create journal sequencing groups in your local language to organize, filter, and report on journals.

You can set a unique **Journal Group Code** to identify a type of journal or transaction that you want Workday to group. Example: If you want to sort supplier invoices in your journal sequencing report, you can create a SUPINV journal group code to represent supplier invoice journals.

2. [Configure Journal Sequence Generator Rules](#) on page 116.

Configure default and condition rules for generating sequence ID generators.

3. Create, but don't open the ledger years and periods for the company.

To enable journal sequencing, the journal sequence **Start Period** and all subsequent periods must:

- Be in *Created*, *Closed*, or *Not Available* ledger period status.
- Have no posted journals from the specified start period.

See: [Steps: Create and Open Ledger Years and Periods](#) on page 67.

4. [Enable Journal Sequencing for a Company](#) on page 119.

5. [Create Journal Sequence Generators](#) on page 120.

Create unique sequence ID generators for companies based on the:

- Rules and conditions you configured on the **Create Journal Sequence Generator Rule Configuration** task.
- Ledger years, periods, or continuous configuration you selected.

When you post journals, Workday automatically assigns each a journal sequence number that displays in the **Journal Sequence Number** field when you view or edit journals.

When you process journals, Workday assigns them these journal sequence numbers:

Journal Entry Order	Journal Source	Journal Sequence Number
1	Customer Invoice	2015-Apr-0001
2	Manual Journal	2015-Apr-0002
3	Supplier Invoice	SupInv-2015-Apr-001
4	Supplier Invoice	SupInv-2015-Apr-002
5	Manual Journal	2015-Apr-0003

Process accounting journals.

Concepts

[Concept: Journal Processing](#) on page 102

Tasks

[Create Ledgers](#) on page 65

Reference

[Workday 31 What's New Post: Journal Sequencing by Accounting Date](#)

Configure Journal Sequence Generator Rules

- Set up ledgers for the companies you want to use journal sequencing.
- Set up journal sources.
- Security: *Set up: Company General* domain in Common Financial Management functional area.

You can assign numbers to journals through journal sequencing, enabling you to comply with global auditing standards. Workday assigns these numbers based on rules you configure for sequence generators.

1. Access the **Create Journal Sequence Generator Rule Configuration** task.
2. As you complete the header, consider:

Option	Description
Sequence By	Select the sequencing method you want to use. Your selection determines when Workday sequences your journals, and in what order. • <i>Accounting Date</i>: Sequences your posted journals based on the accounting date. Workday initiates sequencing when you close your ledger period. Workday only sequences a ledger period again if you make changes after reopening the period, as when you unpost or cancel a ledger period. • <i>Posting Date</i>: Sequences your posted journals based on the posting date. Workday assigns a sequence when you post your journal.
Sequence Generator Lifespan	Select the time period you want Workday to use for journal sequencing numbers. <i>Continuous</i> enables Workday to provide continuous journal sequencing. Continuous sequencing uses the same sequence ID generator and format string across many ledger years.

Option	Description
	For <i>Ledger Period</i> and <i>Ledger Year</i>, Workday restarts the sequence at the end of the sequence generator lifespan. Once a sequencing generator assigns a sequence number to a journal, you can't: • Disable journal sequencing for the company. • Change the sequencing configuration options. You can still edit the format strings. You can only change the sequence ID generator for future years if: • There are no posted journals. • Periods aren't in <i>Open</i> status.
Book	Leave the Book prompt blank to apply the sequence rules to all journals in the company. Select a book on the prompt to apply the sequence rules to all journals with book codes in the selected book.

3. As you complete the **Default Sequence Generator Rule** section, consider:

Option	Description
Transaction Type	Workday populates all operational and accounting journals. You can enter Sequence Generator Rule Conditions to configure unique sequence format strings for specific transaction types.
Journal Group Code	(Optional) Select a journal sequencing group that you created on the Maintain Journal Sequencing Groups task. You can use journal sequencing groups to more easily organize and report on journals.
Sequence Start Number	Enter the number you want to begin sequencing with. Use this field if you used a different ID generation system and want to continue from where the ID ended.
Sequence Padding	Enter the minimum number of digits you want to use in journal sequence numbers. You can use padding to help Workday sort journal sequences when you generate reports. Example: When you enter a Sequence Padding value of 3: • Sequence number 1 displays as 001. • Sequence number 4321 displays as is. • Workday sorts the numbers 1, 2, and 10 as 01, 02, 10 instead of 1, 10, 2.
Sequence Format String	Enter any text you want Workday to include with the sequence number. You can also enter

Option	Description
	these bracketed string constant patterns to have Workday automatically insert text: • <i>[f]</i> inserts the fiscal year number. • <i>[ff]</i> inserts the fiscal year name. • <i>[pp]</i> inserts the fiscal period name. • <i>[seq]</i> inserts the next sequence number. Include <i>[seq]</i> in the format string for any configuration. When you select <i>Ledger Year</i> as the sequence generator lifespan, the format string can include: • <i>[f]</i> • <i>[ff]</i> When you select <i>Ledger Period</i> as the sequence generator lifespan, the format string can include: • <i>[f]</i> • <i>[ff]</i> • <i>[pp]</i> When you select <i>Continuous</i> as the sequence generator lifespan, the format string can only include <i>[seq]</i>. You can configure sequence format strings to ensure that Workday doesn't duplicate sequence numbers across multiple generator lifespans. Example: You set the sequence generator lifespan to <i>Ledger Period</i> and enter the sequence format string <i>JRNL-[f]-[pp]-[seq]</i>. By including the period name, you avoid duplicate sequence numbers, such as 2 journals numbered <i>JRNL-2019-1</i>.

4. (Optional) Enter the condition rules that refine the default sequence ID generator rule. As you complete the **Sequence Generator Rule Conditions** section, consider:

Option	Description
Transaction Type	If you select more than 1 operational transaction for the rule condition, Workday generates 1 ID generator for multiple transaction sources.
Accounting Journal Source	Displays when you select <i>Accounting Journal</i> as the Transaction Type. Leave blank to select all accounting journal sources. If you select transaction types and an accounting journal for the same rule, Workday uses all accounting journal sources.
Sequence Start Number Sequence Increment Sequence Padding	Refine the Default Sequence Generator Rule for each condition rule.

Option	Description
Sequence Format String	Example: To have Workday use a different sequence generator ID for customer invoices, you must: - Enter a condition rule with a Sequence Format String that uses the <i>CustInv</i> prefix for supplier invoices. - Enter a Sequence Start Number of 300 for customer invoices.

You can now enable journal sequencing for a company so that you can create journal sequence generators.

You can edit your rule configuration to add or delete conditions.

This example illustrates how you can configure the **Create Journal Sequence Generator Rule Configuration** task. For the 2015-Apr ledger period:

Default Sequence Generator Rule Values

Field	Value
Sequence Start Number	1
Sequence Padding	4
Sequence Format String	[f]-[pp]-[seq]

Sequence Generator Rule Conditions

Field	Value
Transaction Type	<i>Supplier Invoice</i>
Journal Group Code	<i>SUPINV</i>
Sequence Start Number	1
Sequence Padding	3
Sequence Format String	[f]-[pp]-[seq]

- Enable journal sequencing on the **Edit Company ID Definitions** task.
- Create sequence ID generators on the **Create Journal Sequence Generators** task.

Tasks

[Steps: Create and Open Ledger Years and Periods](#) on page 67

Reference

[Workday 31 What's New Post: Journal Sequencing by Accounting Date](#)

Enable Journal Sequencing for a Company

- Set up the company for which you want to create sequence ID generators.
- Set ledger periods you want to sequence to *Available*, *Created*, or *Closed* status.
- Security: *Set up: Company General* domain in Common Financial Management functional area.
- Enable a company to use journal sequencing.
- Apply or define sequence ID generator rules and conditions.

1. Access the **Journal Sequence Settings** tab on the **Edit Company ID Definitions** task for your company.
2. As you complete the tab, consider:

Option	Description
Enable Journal Sequencing	Select to enable the Journal Sequence Generator Rule Configuration and the Sequence Start Period fields. Once you post a journal that uses a sequencing number, you can no longer disable journal sequencing for the company.
Sequence Generator Rule Configuration	Select or create a sequence ID generator rule. Access the Create Journal Sequence Generator Rule Configuration task to define sequence ID generator rules and conditions.
Sequencing Start Period	Select the current or a subsequent ledger period. Workday creates ID generators for all periods from the selected period. • The sequencing start period and all ledger periods after the sequencing start period can't have posted journals and must be in 1 of these statuses: • <i>Closed</i> • <i>Not Available</i> • <i>Created</i>
Create Sequence ID Generators with New Ledger Years	Select to have Workday generate ID generators when you create ledger years or periods.

Once you enable journal sequencing for the company, you can only disable it if:

- You haven't used any ID generators.
- You've deleted all ID generators.

Access the **Mass Delete Journal Sequencing Generators** task to delete all unused ID generators. You can only delete generators when you haven't used a generator to add journal sequence numbers within a fiscal year.

Create journal sequence ID generators.

Tasks

[Steps: Set Up Companies](#) on page 56

Create Journal Sequence Generators

- Enable journal sequencing for your company or company hierarchy.
- Security: *Set Up: Company General* in the Common Financial Management functional area.

You can create journal sequence ID generators to assign a unique journal sequence number to posted journals for the actuals ledger. Journal sequence IDs enable you to comply with global auditing standards.

1. Access the **Create Journal Sequence Generators** task.

2. As you complete the task, consider:

Option	Description
Companies or Company Hierarchies	For company hierarchies, Workday only generates journal sequence numbers for the companies within the hierarchy that you've enabled journal sequencing for.
Replace Unused Generators	Select to have Workday replace the existing sequence ID generators for ledger years that haven't used sequence ID generators. Workday then creates a new sequence ID generator. You can't replace a sequence ID generator that is or was in use.
Create Continuous Sequence Generator	Select to create or replace a continuous sequence generator. You can replace a continuous sequence generator if the ledger periods or ledger years: • Aren't open. • Don't have a posted journal.

Workday uses the sequence ID generators to assign sequences to journals based on the configured sequencing rules.

Process accounting journals and create operational journals.

Concepts

[Concept: Journal Processing](#) on page 102

Tasks

[Steps: Process Accounting Journals](#) on page 87

Concept: Journal Sequencing

You can enable journal sequencing for a company and define the sequence generator rules. Workday uses the sequence generator rules to create sequence ID generators for unique, sequential, and gapless journal sequence numbers. Workday derives the sequence ID generators based on the source and accounting period of the journal.

You can sequence journals by **Accounting Date** or **Posting Date**. This sequencing method determines when Workday sequences your journals, and in what order.

Accounting Date sequences your journals when you close a ledger period and sequences them based on the accounting date. For journals with an accounting date on the same day, Workday sequences the journals based on the business document sequence IDs, and then the transaction type.

Example: You create 3 journals with an accounting date of 11/06/2017. Workday sequences the journals based on the business document sequence IDs:

- SUPINV-001
- SUPINV-002
- SUPINV-003

If the business document sequence IDs are undefined, Workday sequences by transaction type:

- Customer Contracts
- Payroll

Posting Date sequences your journals when you post the journals based on the posting date.

To enable journal sequencing, the journal sequence **Start Period** and all subsequent periods:

- Must be in *Created*, *Closed*, or *Not Available* ledger period status.
- Have no posted journals from the specified **Start Period**.

You can only disable journal sequencing for a company if:

- You haven't used sequence ID generators to assign a sequence number to any journals.
- You've deleted all sequence ID generators.

FAQ: Journal Sequencing

What happens to reversal journals when I change my journal sequencing method?

Workday uses the new sequencing method to sequence the reversal journal when you change your sequencing method.

Journal Insights

Steps: Set Up Journal Insights

Note: You must subscribe to Innovation Services to use this feature. Contact your Customer Success Manager to request the Innovation Services Addendum (ISA), or see [Workday Innovation Services](#) in the Workday Community for more information.

- At least 12 months of historic journal line data must exist on your tenant.
- Configure these security policies for the Innovation Services functional area:
 - *Manage: Innovation Services*
 - *View: Innovation Services*

Journal Insights enables you to close accounting periods with greater efficiency and confidence. The innovation service uses machine learning to identify these errors and anomalies and recommend alternatives:

- Missing or unusual combinations of worktags.
- Amount anomalies.
- Ledger account errors.
- Line company errors.

1. Access the **Innovation Services and Data Selection Opt-In** report.

The report lists all the innovation services available. Click the link to view additional information for each innovation service, security exhibit, and the data processing exhibit.

- a) In the **Innovation Service Opt-In** tab, under **Available Services > Financials**, select the **Financials: Financial Management Machine Learning GA Features** service check box.
- b) In the **Maintain Innovation Services Data Selection Opt-In** tab, under **Financials: Financial Management Machine Learning GA Features**, select the **Opt In** check box for the **Journal Line Data** category to contribute data for Machine Learning.
- c) In the **Summary** tab, you can verify the innovation services available and opted into. You can also view the data contribution opt-in for various categories.

Security: *Manage: Innovation Services* domain in the Innovation Services functional area.

2. (Optional) Access the **Run On-Demand Machine Learning Activation for Implementation Tenant** task to set up testing on Implementation Tenants.

After setting up the task, it can take up to 2 weeks to view the machine learning feature functionality in your tenant. Then, you have 2 weeks to complete testing.

Note: Workday recommends using a Preview tenant to test this functionality because compared to Implementation tenant, you have unlimited time to test. Also, you can more easily enable Financials machine learning.

3. (Optional) Access the **Edit Tenant Setup - Machine Learning** task. Select the region in which Workday hosts data contributed to the Machine Learning Development Environment (MLDE). The default region for the MLDE is the U.S.

Security: *Set Up: Tenant Setup - Machine Learning* in the System functional area.

4. [Edit Domain Security Policies](#).

Set up these security domains in the Financial Accounting functional area:

- *Process: Journal Insights*
- *Reports: Journal Insights*

5. Access the **Edit Business Process Security Policy** task and configure security policy permissions for the *Journal Insights Feedback Event* business process type in the Financial Accounting functional area.

You can configure these actions for the *Journal Insights Feedback Event* business process:

- *Dismiss Journal Line Anomalies*
- *Report Errors To Journal Insights*
- *Confirm Journal Line Anomalies*
- *Confirm/Dismiss Similar Journal Line Anomalies*

See:

- [Steps: Configure Business Process Definitions](#).
- [Edit Business Process Security Policies](#).

6. Access the **Create Business Process Definition (Default Definition)** task and set up the new *Journal Insights Feedback Event* business process.

Tasks

[Create Accounting Journals](#) on page 89

Reference

[The Next Level: Journal Insights: Journal Anomaly Detection for a Faster, More Accurate Period Close](#)

Confirm and Dismiss Journal Line Anomalies

- Set up Journal Insights.
- Configure these actions on the *Journal Insights Feedback Event* business process:
 - *Dismiss Journal Line Anomalies*
 - *Confirm Journal Line Anomalies*

The **Journal Insights** report enables you to:

- Review detected journal line anomalies.
- Use the **Anomaly Reasons** prompt to filter journal line anomalies by the specific reason that Journal Insights believe a journal line is anomalous. Filtering by Anomaly Reason, gives you increased visibility as to why Journal Insights believes a journal line is anomalous. You can then make a more informed decision to correct, confirm, or dismiss the anomaly.
- Create any journals that you need to correct or adjust the worktags on the journal line.

You can also use the **Journal Insights** report to provide feedback on Journal Insights by confirming and dismissing journal line anomalies as errors.

Workday recommends that you use the prompt filters on the Journal Insights report to filter out general ledger accounts or time periods that seem less relevant to you.

1. Access the **Journal Insights** report.
2. As you select the prompts, consider:

Option	Description
Worktags	Select 1 or more Worktags to filter by specific Worktags. Journal Insights will retrieve all journal lines with the selected Worktags. Note: If you select more than 1 Worktag, each journal line must have all the Worktags that you specify.
Anomaly Reasons	Select a specific reason to filter all anomalies: • All Reasons: Select by: • Custom organizations • Ledger account • Line company • Specific worktags, including custom worktags • Reason by Category: Select to filter journal lines by either: • Credit Amount • Debit Amount Journal Insights will flag debit and credit amounts as anomalous if they're significantly higher or less than journal lines with similar attribute. You can either select a credit amount or debit amount or both. • Ledger Account • Line Company You can select either an incorrect ledger account or line company or both. • Worktags: Select a single worktag or multiple worktags. When you don't select any option in the prompt, Workday retrieves all journal line anomalies. Example: You select Business Unit - 100 for the Worktags prompt and select Cost Center for the Anomalies Reason prompt. Journal Insights will retrieve all journal lines that it thinks has an anomalous cost center whenever the Business Unit -100 worktag is used on a journal line.

3. Click **OK**.

The **Priority** tab displays journal line anomalies that Workday believes are most relevant for you to take action. Workday recommends that you regularly review the journal lines on the **All** tab to help improve the accuracy of journal line anomalies.

4. Access the ledger account you want to review.

5. To act upon anomalies, select the journal line anomalies.

The **Priority** column indicates whether the anomaly is a priority. If the column is blank, the anomaly isn't a priority.

The **Anomaly Reason** column displays the anomaly reason for each journal line. You can filter and sort the column by anomaly reason. Filtering and sorting on the column enables you to refine your search further.

The **Recommendation** column provides recommendations for anomalous Worktags, debit and credit amounts, and ledger account on a journal line.

Sometimes, the **Recommendation** column might be left blank. This is because Journal Insights might not have a recommendation as what makes a journal line anomalous.

The **Current Worktags** column:

- Displays all current Worktags that currently exists on the journal line.
- Highlights the 1 Worktag that Journal Insights believes is causing the Journal Line to be anomalous.

6. (Optional) Select **Similar Lines Feedback** to view feedback you have historically given on similar journal line anomalies. This feedback:

- Gives you visibility of similar journal lines that you've confirmed or dismissed as anomalies.
- Provides you guidance on how you can classify the particular journal line.

Note: If you haven't provided any previous feedback for the journal line, Workday won't display the **Similar Lines Feedback** button.

The **Similarity Criteria** section displays the criteria Workday uses to identify a similar journal line based on the journal line you're viewing.

You can click **Close** to go back to the **Correct and Dismiss Journal Line Anomalies** task.

7. (Optional) Create a reclassification journal that corrects or adjusts those journal lines.

The reclassification journal that you create with the **Create Journal** button reverses the anomalous journal line and posts a new journal line with the correct worktags.

Creating the reclassification journal from the **Journal Insights** report also links the correcting journal and the corrected journal. Workday doesn't create this link when you create a reclassification journal outside the **Journal Insights** report.

8. Confirm or dismiss the journal line anomaly as an error.

9. Click **Submit**.

10.(Optional) Click **Confirm/Dismiss Similar Journal Line Anomalies**.

The **Confirm/Dismiss Similar Journal Line Anomalies** task displays similar journal lines to the one you confirmed or dismissed.

11.(Optional) To confirm or dismiss the journal lines, review the journal lines, and either select all or select individual journal lines.

You can review journal line anomalies that you correct, confirm, or dismiss on the **Journal Line Anomalies By Ledger Account** report.

When you confirm, correct, or dismiss a journal line anomaly, we remove the journal line from the **Journal Insights** report.

We also retain the feedback that you provide to Workday to train and improve the Journal Insights machine learning model:

- When you confirm or correct a journal line anomaly, Journal Insights will in the future, detect, and display more of the same or similar journal line anomalies.
- When you dismiss a journal line anomaly, Journal Insights will in the future, display less of the same or similar journal line anomalies.

Tasks

[Create Accounting Journals](#) on page 89

Reference

[2022R1 What's New Post: Journal Line Anomaly Feedback](#)

[2022R2 What's New Post: Journal Line Anomaly Reasons](#)

[2023 R1 What's New Post: Journal Line Anomaly Based on Amounts](#)

Statistics

Steps: Upload Statistics

Use the Enterprise Interface Builder (EIB) to load statistics into Workday from a spreadsheet. The upload enables you to add new statistics or update existing statistics. You can use statistics as the basis for allocations, as well as for reporting based on:

- Statistics
- Statistic Lines report data sources

After you successfully upload statistics into Workday, you can view them by accessing the **View Statistic** report.

Instead of delivering a predefined spreadsheet template for uploading statistics, Workday enables you to generate and customize a spreadsheet template based on the *Put Statistic* web service operation. To bring statistics into Workday, use these steps to set up the EIB interface, generate the spreadsheet, and launch an upload.

1. Set up the EIB upload process.
See [Set Up Inbound EIB](#).
2. Generate and modify a spreadsheet template for the upload.
See [Customize EIB Spreadsheet Template](#).
3. Launch the upload and verify the results.
See [Launch EIB Spreadsheet Upload](#).

Concepts

[Concept: EIB Template Models and Spreadsheet Templates](#)

Reference

[The Next Level: Statistic Ledger Accounts vs Statistic Definitions](#)

Define Statistic Types

- Create accounting ledgers.
- Create plan structures.
- Security: *Set Up: Statistics* domain in Common Financial Management functional area.

Statistic definitions establish the statistic types, business dimensions, and ledgers or plan structures to base statistics upon. Dimensions could include regions, cost centers, or custom dimensions such as stores.

1. Access the **Create Statistic Definition**.
2. As you complete the task, consider:

Option	Description
Statistic Type	Select: • <i>Activity</i> for statistics that change from period to period, such as number of customers or number of units sold. The statistic amount

Option	Description
	is either the period activity or the activity for multiple periods. • <i>Balance</i> for statistics that don't often change, such as facility square footage or number of campuses. Workday uses the period end balance as the statistical amount and uses the last period with a balance for basis calculations. • <i>Percent</i> for fixed percentages that include allocated charges or marketing plans. Workday uses the period end balance as the statistical amount.
Required Dimensions	Select 1 or more worktags. Workday automatically populates worktags identified by administrators as required on the Maintain Worktag Usage task. Primary worktag types display as standalone columns on the Create Statistic task. These rules apply for required worktag dimensions. You can't: • Remove worktags that are required on the Maintain Worktag Usage task. • Remove worktags that are in use by a statistic. • Reclassify Required Dimensions as Optional Dimensions. • Delete a required dimension after you've added it to a statistic definition.
Optional Dimensions	(Optional) Select 1 or more worktags that aren't in use as a required dimension. You can configure Optional Dimensions that: • Use worktags. • Are blank. You can reclassify Optional Dimensions as Required Dimensions.
Ledger/Plan Structure	Associate the statistical values with either 1 or more ledger types or 1 or more plan structures, but not a combination of both.
Include Company	Sets the company as a required field on the statistic. Example: When you want to specify companies on statistics for intercompany allocations.
Used by Allocations	Click the number to view details on the allocations using the statistic definition.

Use the statistic definitions to create statistics. Workday applies the dimensions and statistics when processing allocations and financial reports.

Specify values for the statistics using the **Create Statistic** task.

Reference

[The Next level: Statistic Ledger Accounts vs Statistic Definitions](#)

Enter Statistic Values

- Create a statistic definition.
- Security: *Process: Statistics* domain in the Common Financial Management functional area.

Use the statistic type definitions to define the period and company or worktag combinations from which to draw statistic values.

1. Access the **Create Statistic** task.
2. As you complete the task, consider:

Option	Description
Statistic Definition	Select the statistic definition with the statistic type and dimensions that are required for the statistic.
Ledger/Plan Structure	You can associate the statistical values to 1 or more ledger types or plan structures. If you selected ledger types and plan structures on the statistic definition, you can select values for either a ledger (actuals) or plan. Only the plan structures with matching worktag dimensions are available for selection. Select ledger types to include statistics for actuals in financial, custom, or composite reports. Select plan structures for plan statistics in custom or composite reports.
Period	Lists fiscal periods that don't have a statistic.
Required Dimensions Optional Dimensions	Displays worktags for the dimensions you entered on the statistic definition. You define which worktags display as stand-alone columns or within the Additional Worktags column on the Maintain Worktag Usage task.
Values Total	Financial reports display actual or plan statistic line values by selected period. You can also use statistic line values as an allocation basis.

3. Enter dimension values in the **Statistic Values** grid.

The fields that display in the grid are determined by the worktag types administrators set up on the **Maintain Worktag Usage** task. Primary worktag types display as standalone columns in this grid.

Option	Description
Company	If you selected the Include Company check box on the statistic definition, you must enter a company for each statistical value row.
Plan Name	For custom plan structures, you can specify a plan name on each statistic line. Unique plan names enable you to enter different statistical values for each plan using the custom plan structure.

Option	Description
Additional Worktags	Use worktags as keywords to more easily classify and find transactions. Configure the allowed worktag types on the Maintain Worktag Usage task. When you select a worktag type that has related worktags, Workday automatically populates transactions with the related worktag values. Select from the list of additional worktags for the optional and required dimensions you entered on the statistic definition. Select 1 worktag for each required dimension. You can only use a worktag as an optional dimension or a required dimension, but not both. When you restrict cost center or supplier to specific companies, Workday displays only the cost centers and suppliers associated with the company.

- Allocations: Workday allocates source amounts based on the statistic values across the dimensions.

Example: You can allocate costs to each store based on sales by division (dimension).

Workday allocates source funds and prorated amounts to a target account and worktag combination based on the statistical values. You can:

- Report on statistics, such as plans versus actuals, across the various dimensions in financial reports.
- Report key performance indicators (KPIs) for your business, such as customer attrition by store or region.
- Record statistics in ledgers to enhance reporting or use them in allocations.
 - Set up allocations using an allocation definition that specifies a statistic definition.
 - Create an actuals versus plans report including statistic values or calculations with statistics.
 - Create a financial statement with the statistic definition as part of the financial statement definition.

To add new statistics or update existing statistics in Workday, use the Enterprise Interface Builder (EIB).

Concepts

[Concept: Allocations](#) on page 144

Allocations

Setup Considerations: Allocations

You can use this topic to help make decisions when planning your configuration and use of allocations. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

Allocations is a financial process that enables you to:

- Distribute ledger activity from 1 organization to another.
- Assign costs within the same company or across companies.

When you process allocations, Workday creates operational journals to record the allocations on the ledgers.

Business Benefits

You can:

- Maintain more flexibility and greater control over accounting results.
- Perform complex allocations automatically by defining arithmetic calculations, reducing time and manual effort.
- Apply reusable filter conditions to your source or basis ledger transactions, to improve configuration and allocation performance.

Use Cases

An account manager or financial analyst can:

- Distribute IT costs over all cost centers based on headcount.
- Group allocations by worktag, reducing the number of allocation definitions you need to configure. This saves you time when you manage large amounts of data during close.
- Allocate marketing expenses to regions based on revenue per region.

Questions to Consider

Questions	Considerations
What can you do in Workday if your basis, such as headcount, is a statistic?	Create a statistic definition so you don't have to create 1 retrospectively when you're creating your allocation definition.
What kinds of sources do you have? Are there any you want to exclude from the allocations?	You can filter your allocation definitions so that you only include the sources and basis that you need. You can specify: • Fixed rate amounts. • Fixed source amounts. • Ledgers. • Plan structures (for budgets).
What kind of basis types do you have?	You can calculate proration for: • Headcount, using percentages. • Ledger accounts. • Statistic values.

Recommendations

To process allocations faster:

- Create a statistics definition with a value of 100% and use that as your basis so that Workday can bypass searching every combination of ledger account.
- Display no more than 50,000 result lines to reduce the number of allocation calculations.

- Map only the worktags that you need to the target and offset to save yourself manual effort, in addition to reducing processing time.

Requirements

If you want to select a:

- Headcount basis type, create a headcount definition.
- Fixed percent pro rata basis type, create a statistic definition with a statistic type of *Percent*.

Limitations

You can only:

- Allocate from budget plan structures when the budgets are approved and no longer in a draft state.
- View up to 10,000 lines on a statistic without needing to export it.
- Configure up to 53 allocation downstream dependencies when you schedule or mass finalize allocations unless you configure group sets to be dependent on each other.

Tenant Setup

You can group allocations by the fiscal periods on budget dates.

Security

In the Financial Accounting functional area:

Domains	Considerations
<i>Process: Allocations</i>	Users can process allocations.
<i>Set Up: Allocations</i>	Users can create allocation definitions that specify the: • Basis. • Offsets. • Sources. • Targets.

Business Processes

Business Process	Considerations
<i>Allocation Run Event</i> in the Financial Accounting functional area.	Enables you to run allocations across a company. Workday sets the allocation status to Pro Forma . For allocations that result in a journal, the event also creates a pro forma journal.
<i>Allocation Run Intercompany Event</i> in the Financial Accounting functional area.	Enables you to run allocations across multiple companies. The event creates a pro forma intercompany journal for each company.
<i>Budget Amendment Event</i> and its security policy in the Budgets functional area.	Enables you to create draft budget amendments for allocations.

Reporting

- The **Find Allocations** report displays allocation results.
- The **Allocation Work Area** report provides detailed information for month end processing.

Integrations

Web Services	Considerations
<i>Get Allocation Definitions</i> <i>Get Allocation Group Sets</i>	Enables you to fetch allocation definitions or allocation group sets.
<i>Get Financial Condition Rules</i>	Retrieves existing financial condition rules.
<i>Put Allocation Definition</i> <i>Put Allocation Group Set</i>	You can: • Export data to XML files and reconfigure allocation definitions and allocation group sets before resubmitting the web services. • Use a unique reference ID to either overwrite existing allocation definitions or allocation group sets or create new allocation definitions or group sets.
<i>Put Financial Condition Rule</i>	You can: • Export data to XML files and reconfigure financial condition rules before resubmitting the web service. • Use a unique reference ID to either overwrite existing financial condition rules or create new rules.

Connections and Touchpoints

Workday amends your budgets to reflect your allocations.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Concepts

[Concept: Allocations](#) on page 144

Reference

[Workday 29 What's New Post: Arithmetic Calculations on Allocation Definitions](#)

[Workday 30 What's New Post: Filtering in Allocation Definitions](#)

[The Next Level: Allocations Basics](#)

[The Next Level: Resource Guide for Allocations Troubleshooting and Performance](#)

[The Next Level: Statistic Ledger Accounts vs Statistic Definitions](#)

Examples

[Example: Set Up the Journal Lines by Allocation Report](#) on page 146

Steps: Set Up Allocations

- Review setup considerations for allocations.
- To use statistics as the basis for allocations in allocation definitions, create statistics and statistic definitions.
- Security: *Set Up: Allocations* and *Process: Allocations* domains in the Financial Accounting functional area.
- Configure the *Allocation Run Event* and *Allocation Run Intercompany Event* business processes and security policies in the Financial Accounting functional area.
- Configure the *Allocation Finalize Event* and *Allocation Finalize Intercompany Event* business processes and security policies in the Financial Accounting functional area.

- For allocations resulting in a budget amendment:
 - Add the *Initiate Budget Amendment Event* service step to the *Allocation Finalize Event* business process.
 - Configure the *Budget Amendment Event* business process and security policy in the Budgets functional area.

Set up allocations for an organization to automate the distribution of costs or other ledger amounts for either actuals or budgets.

1. (Optional) Access the **Edit Tenant Setup - Financials** task and select the **Group Allocations by Budget Date** check box in **Budget Options**.

You can opt in to group allocations by the fiscal periods on budget dates. When you select this check box, Workday displays a budget date column in these tabs on the allocation results:

- **Offset**
- **Source**
- **Target**

See [Reference: Edit Tenant Setup - Financials](#).

2. [Create Allocation Definitions](#) on page 133.
3. [Group Allocation Definitions](#) on page 139.
4. After you save allocation group sets, select **Update Dependencies** from the related actions menu of the allocation group set to access the **Update Allocation Group Set Dependencies** task.
5. [Test Allocations](#) on page 140.

For a list of allocations-related reports, access **Workday Standard Reports** and select the *Set Up Financial Accounting* category.

Concepts

[Concept: Allocations](#) on page 144

Tasks

[Steps: Process Allocations](#) on page 141

Reference

[The Next Level: Statistic Ledger Accounts vs Statistic Definitions](#)

Create Allocation Definitions

Security: *Set Up: Allocations* domain in the Financial Accounting functional area.

Allocation definitions specify the source, basis, target, and offset of allocations. For faster processing, group related allocation definitions into allocation group sets.

To display worktag types, ensure that you've defined them for accounting journal transactions in the **Maintain Worktag Usage** report.

Note: Workday doesn't automatically assign related worktags. Select where your worktags are from in the **Target** section.

1. Access the **Create Allocation Definition** task.

As you complete the sections, consider:

Option	Description
Currency Rate Type	Select the rate type to use for translating multicurrency allocations between companies.
Account Set Fiscal Schedule	Select the ledger accounts and business calendar for the allocation definition.

Option	Description
Used By	Select the source companies for this allocation. Use the allocation definition across companies that share account sets and fiscal schedules. The allocation process generates separate results for each company that uses the allocation definition.
Create Reversal	Select to create reversal journal entries on the first day of the next period. Workday creates reversing entries after you initiate the Run Mass Finalize for Allocations task. Before you run the allocations process, you can change the reversal date to a date after the run date in the next fiscal period. Workday posts the reversal journal when the ledger period for the selected date opens. You can't create reversal journal entries for budget amendments. When you rerun allocations with reversals, Workday doesn't reuse existing reversal journals, but creates new ones.
Used in Group Set	Displays after you add the definition to a group set.
Optional Balancing Worktag	When you enable optional worktag balancing on the Maintain Worktag Balancing Configuration task, Workday fully balances journal lines by optional balancing worktags. Journal lines automatically: • Inherit optional balancing worktags based on the worktag types selected. • Generate due to and due from entries to balance transactions.
Inactive	Select when the allocation definition isn't ready for use or to discontinue use. The definition can't be part of an allocation group set or have unfinalized or uncanceled allocation results.

2. In the **Source** section, specify the source amounts to allocate.

As you complete the section, consider:

Option	Description
Source Type	See Reference: Source Types on page 149.
Allocation Percent	Select what percentage of the ledger amounts from the source journal lines to allocate. Workday automatically populates 100 for all source types. For <i>Fixed Rate Amount</i> or <i>Fixed Source Amount</i>, Workday restricts the allocation percent to 100.
Fixed Amount	Enabled only when you select <i>Fixed Source Amount</i> or <i>Fixed Rate Amount</i> . For:

Option	Description
	• <i>Fixed Source Amount</i>, enter the total amount you want to allocate. • <i>Fixed Rate Amount</i>, enter the rate you want to apply to a specified fixed charge.
Ledger/Plan Structure	Select whether to allocate amounts from actuals or a financial plan. You can select from financial plan structure types that enable amendments. You can group budget dates from actuals, but not from financial plans.
Book Code	Filter the source journal lines used in the allocation by a specific book code. You can't filter plans by book code. If you don't select a book code, Workday returns only transactions with blank book codes.
Ledger Account / Ledger Account Summary	You can select retired accounts as the source, but not for your target and offset allocation components. The allocation process takes activity only, whether you select a balance sheet or income statement account. It also summarizes activity when the group set that contains the allocation definition is for a summary period. When the source type is a plan structure, you can filter only on source ledger summaries if the related plan structure contains a ledger summary hierarchy level. Workday only groups budget dates if the Source Filter Conditions grid displays values.
Worktags	The allocation process treats worktags of: • Different types as an AND condition. Example: Cost center and region. • The same type as an OR condition. Example: Western region or eastern region.
Financial Condition Rule	You can select a financial condition rule for ledger or plan structure source types, enhancing your filtering capabilities.

3. In the **Basis** section, define how to distribute the source amounts.

As you complete the section, consider:

Option	Description
Ledger/Plan Structure	Select whether to distribute the source amounts based on actuals or a financial plan. You can select from financial plan structure types that enable amendments.

Option	Description
Allocation Method	Select a methodology for distributing allocated amounts. See Reference: Allocation Methods on page 149.
Basis Type	See Reference: Basis Types on page 150.
Dimension	Select the worktag or value used to calculate the basis percentages. Example: Calculate proration by cost center, region, or any other worktag or worktag combination. You can only map worktags specified as dimensions in the target from basis. We support up to 3 dimensions when using the Spread Even allocation method. Don't specify more than 3, as additional dimensions can result in unexpected results.
Group By	Select up to 5 worktag types to group the allocation definition. You can't select a worktag type if you've already selected 1 on the Dimension field. If you specify a worktag type, it must be the same as the worktag type you select on the Target field.
Financial Condition Rule	You can select a financial condition rule for ledger accounts basis types, enhancing your filtering capabilities. A condition rule is a method of checking specified values with logical comparison operators and consists of 1 or more logical statements, separated by the logical operators AND or OR.
Translation Currency	Select the account translation currency Workday will use for prorating multiple actuals ledger accounts. Select a translation currency if you're prorating more than 1 actuals ledger accounts.
Account Translation Rule Set	Select the currency translation rule set that Workday will use during proration of multiple actuals ledger accounts.

4. In the **Target** section, define where to record the journal entry or budget amendment for the allocated amounts.

As you complete the section, consider:

Option	Description
Ledger/Plan Structure	Select whether to allocate to actuals or plan. You can select from financial plan structure types that enable amendments. Selection of a plan structure limits target account and worktag mapping to its allowable accounts, account summaries, and worktags. The plan structure for the offset is automatically the same as the target.

Option	Description
	You can group budget dates from actuals only.
Budget Amendment Type	Select the type of amendment to create, such as original or allocation amendment, to help you identify the budget amendment later on for reporting.
Company is from	The company where you want to record the target journal entry. You can only create a budget amendment for the source company. • <i>Source</i>: Records to the same company that you specified in the Source section of the allocation definition. The source of any allocation can come only from a single company. If more than 1 company uses the allocation definition and the target Company is from is the same as the source, Workday allocates the costs within each company. • <i>Basis</i>: For proration, this option enables you to set basis companies as the target using the values from the Company column on the Basis Filter Conditions grid. • <i>User Specified</i>: Select to specify the target company in the Company field. You can select from the companies that you've defined as intercompany affiliates to the source company. Note: If the target company isn't from the source, the allocation process generates an intercompany accounting journal.
Ledger Account is from	The accounts where you want to record the target journal entry or budget amendment. • <i>Source</i>: Record to the same ledger accounts that you specified in the Source section of the allocation definition. • <i>User Specified</i>: Summarize the allocated amounts and record to a single ledger account that you specify in the Ledger Account field.
Ledger Account	If you select <i>Source</i> or <i>User Specified</i> from the Company is from and Ledger Account is from fields, the Ledger Account field displays ledger accounts that are valid for the specified companies. When you restrict ledger accounts to specific companies, Workday only validates the company and ledger account combinations when you select OK to submit the allocation definition.
Book Code	To redistribute and account for activity in a particular book code, select the book code for posting the resulting journal lines of the allocation. You can use a different book code than the ones

Option	Description
	in your allocation source and basis. Book code isn't available for budget amendment.
Worktag Mapping	Use to include 1 or more worktags in the target journal entry or budget amendment for the allocation. For each Worktag Type that you include, specify whether you want to use: • The same worktag values as the <i>Source</i> section. • The same worktag values as the <i>Basis</i> section. • A <i>User Specified</i> worktag value that you select in the User Entered Value field. When you restrict cost center or supplier to specific companies, Workday only validates the company and cost center or supplier combinations when you click OK to submit the allocation definition. If you can't find a worktag, ensure that the worktag type is defined for usage with Accounting Journal in the Maintain Worktag Usage report.

5. In the **Offset** section, define the balancing side of the allocation accounting to relieve the source of the amounts allocated.

For the offsetting journal entry and budget amendment, the allocation process can use either the same company as the source (set in the **Used By** field) or you can select an alternative company, which reduces the number of intercompany journal lines that you produce and eliminates the need to maintain multistep intercompany allocations.

As you complete the section, consider:

Option	Description
Company is from	The company where you want to record the offset journal entry or budget amendment. • <i>Source</i>: Records to the same company that you specified in the Used By section of the allocation definition. The source of any allocation can come only from a single company. If more than 1 company uses the allocation definition and the offset Company is from is the same as the source, Workday allocates the offset within each company. • <i>User Specified</i>: Select to specify the offset company in the Company field. Note: You can only select a company that has the same currency as your source company.
Ledger Account is from	The accounts where you want to record the offset journal entry or budget amendment. • <i>Source</i>: Record to the same ledger accounts that you specified on the Source Filter Conditions grid.

Option	Description
	<i>User Specified</i>: Summarize the allocated amounts and record to a single ledger account that you specify in the Ledger Account field.
Ledger Account	In the Ledger Account is from field, if you select <i>User Specified</i> , you can select a specific ledger account for the company.
Worktag Mapping	Use to include 1 or more worktags in the offset journal entry or budget amendment of the allocation. For each Worktag Type that you include, specify whether you want to use the same worktag values as the <i>Source</i> section or a <i>User Specified</i> worktag value that you select in the User Entered Value field. When you restrict cost center or supplier to specific companies, Workday only validates the company and cost center or supplier combinations when you click OK.

Use the new allocation definitions in an allocation group set. Revised allocation definitions produce updated results when run.

If your allocation definition produces more than 50,000 journal lines, Workday recommends that you split the allocation definition.

Group allocation definitions into sets for processing and to establish interdependencies.

Tasks

[Create Business Process Condition Rules](#)

[Configure Worktags for Transactions](#)

Reference

[Workday 2021R1 What's New Post: Companies on Allocation Offsets](#)

[The Next Level: Allocations Basics](#)

[The Next Level: Resource Guide for Allocations Troubleshooting and Performance](#)

Group Allocation Definitions

- Create allocation definitions.
- Security: *Set Up: Allocations* domain in the Financial Accounting functional area.

By grouping allocation definitions, you can:

- Run allocations for a particular company and time frame (monthly, quarterly, annually).
- Set interdependencies between allocations within and between groups so that they run in order.
- Monitor allocation processing in an organized manner.

You can't change the details of an allocation group set that has pending allocations. Cancel or finalize pending allocations before changing these settings.

1. Access the **Create Allocation Group Set** task.

2. As you complete the **Details** section, consider:

Option	Description
Time Frame	Workday uses your selection to determine the time frames available for processing allocation definitions in a group set.
Ledger/Plan Structure	You can select 1 or more plan structures that you specified as targets in your allocation definitions.
Inactive	Workday limits you to 1 active allocation group set for each allocation definition.
Allocation Definitions Included in Group	If your allocation group set is active, you can only select an allocation definition that isn't already in use by another allocation group or group set for the same company.

You want to include facilities costs as part of your marketing costs before allocating those marketing costs to sales. Create an allocation group set, and make the *Marketing Cost to Sales* allocation definition dependent upon the *Facilities* allocation definition.

Test allocations.

Tasks

[Schedule Allocation Runs](#) on page 142

Test Allocations

- Ensure your allocation definitions are in allocation group sets.
- Security: *Process: Allocations* domain in the Financial Accounting functional area.

You can test your allocation definitions to ensure that your allocation methodologies produce the expected results.

Note: When you test your allocation definitions, you won't post any journals to the ledger.

1. Access the **View Allocation Definition** report.
2. From the related actions menu of an allocation definition, select **Allocation Definition > Test Allocation**.
3. As you complete the task, consider:

Option	Description
Company	Select from the companies that use this allocation definition.
Ledger Period Ledger Year Summary Interval	Select the time range for which you want to test the allocation definition. For the selected company, available options depend on the time frame of the allocation group set that contains the selected allocation definition.

4. After the process completes, click the **Allocation** magnifying glass in the **Allocations to be Processed** grid to view the allocation results.
5. As you review the report, verify:

Option	Description
Source Details	Click to view the source transaction that the allocation process used for its allocation calculation. You can also view the total amount

Option	Description
	and percent that the process allocated to the target journal lines or budget amendment.
Basis Details	To see how the allocation processes allocated amounts, click to view the basis settings. You can also see the amounts used in the basis calculation.
Target	The resulting journal lines or plan lines created by the allocation. Displays the debit or credit amounts by target ledger account and worktags that the allocation process redistributes from the source amounts.
Offset	The journal line or plan line debit or credit amounts by ledger account and worktags, which offset the amounts from the target.
Source	Displays the debit and credit amounts that the allocation process allocates to the target journal lines. It displays by source ledger account and worktags. The source transaction journal lines or plan lines that the allocation process used as the pool for its allocation calculation.
Basis	The amounts the allocation process used in its basis calculation, grouped by ledger account and worktag combination.

Workday saves the allocation results as *Draft* and doesn't generate a journal or budget amendment.

- Edit allocation definitions and group sets as needed. Repeat allocation definition testing until you determine that the settings produce the expected results.
- Run the allocation at period end as part of your close process.

Reference

[Reference: Source Types](#) on page 149

[Reference: Basis Types](#) on page 150

Steps: Process Allocations

- Set up allocations.
- Configure the *Allocation Finalize Event* and *Allocation Finalize Intercompany Event* business processes and security policy in the Financial Accounting functional area to include approval steps.

After you define your allocation methodologies, you can run allocations as part of your period close process.

1. [Schedule Allocation Runs](#) on page 142.

2. Access the **Find Allocations** report.

Review the:

- Allocation results of any status to verify the success of the allocation run.
- Processing warnings and errors on the report.

(Optional) From the related action menu of allocations on the report, select:

- **View Accounting** to review the operational journal of an allocation, including journal status and journal lines. You can access this related action only if the allocation uses a plan structure as the source ledger. If the allocation has an actuals ledger, you can select the related action **View Accounting** on the allocation.
- **View Budget Amendment** to review the budget amendment for the allocation, including status and entries.

3. [Finalize Allocations](#) on page 143.

Finalize each allocation so that you move its journal from *Pro Forma* to *Posted* or budget amendment from *Draft* to *Available*.

4. (Optional) Open the action item in your **Inbox**.

Verify and approve the final allocation results before posting the allocation journal or making the budget amendment available.

You can use the finalized allocation results on financial statement reports.

Concepts

[Concept: Allocations](#) on page 144

Schedule Allocation Runs

- Group your allocation definitions.
- For intercompany allocations, set up intercompany profiles for each company.
- Configure the *Allocation Run Event* and *Allocation Run Intercompany Event* business processes and security policies in the Financial Accounting functional area. Workday only applies the *Allocation Run Intercompany Event* business process to allocations resulting in a journal.
- For budget allocations, configure the *Budget Amendment Event* business process and security policy in the Budgets functional area.
- Security: *Process: Allocations* domain in the Financial Accounting functional area.

You can schedule an allocation run to create pro forma journals or draft budget amendments for allocations.

When you schedule an allocation run, you can process allocations for:

- A single allocation definition.
- Multiple allocation definitions.
- An allocation group set.

You can access the related actions menu of allocation definitions to process single allocations.

If your operational journals have more than 100,000 journal lines after you run allocations, consider splitting your allocation definitions to avoid performance degradation.

1. Access the **Schedule Allocation Run** task.

2. As you complete the task, consider:

Option	Description
Disable Allocations Preview	For faster processing, select to run but not display the allocations included in this run.

Option	Description
Period Year Summary	Workday uses the time frame you select for the allocation group that includes the allocation definition.
Process Dependencies	When you select this check box, Workday processes dependent allocations first.
Dependent Allocations That Need to be Rerun	When you select the Process Dependencies check box, Workday automatically reruns dependent allocations. You can also rerun them manually.

3. (Optional) If you need to cancel an allocation, select **Allocation > Cancel** from the related actions menu.

You can cancel allocations with a status of *Draft*, *Pro Forma*, or *Final*.

Workday:

- Sets the status of the allocation and its journal or budget amendment to *Canceled*.
- Resets the status of any dependent allocations affected by the cancellation to *Requires Rerun*.

Tasks

[Create Allocation Definitions](#) on page 133

[Group Allocation Definitions](#) on page 139

Finalize Allocations

- Run allocations and review the pro forma allocation results. Complete any approval steps.
Note: If you have an allocation result that continues to have a status of pro forma, remove all the dependencies from the allocation group set and rerun the allocation.
- Configure the *Allocation Finalize Event* and *Allocation Finalize Intercompany Event* business processes and security policies in the Financial Accounting functional area. Workday applies intercompany only to allocations resulting in a journal.
- For allocations resulting in budget amendments, add the *Initiate Budget Amendment Event* service step to the *Allocation Finalize Event* business process and configure the *Budget Amendment Event* business process and security policy in the Budgets functional area.
- Security: *Process: Allocations* domain in the Financial Accounting functional area.

By finalizing allocations, you can move:

- Journals from pro forma to posted.
- Budget amendments from draft to available.

Note: You can rerun finalized allocations. When you rerun a finalized allocation Workday cancels the allocation and resets the status to **Pro Forma**.

When an allocation includes dependencies, finalize the dependencies first.

You can finalize a single allocation using the **Allocation Work Area** report.

1. Access the **Run Mass Finalize for Allocations** task.
2. As you complete the task, consider:

Option	Description
Override Reversal Date	Leave blank if you want to reverse allocations on the first day of the next fiscal period. Otherwise,

Option	Description
	select another date from the next fiscal period. You can't select a date from the current fiscal period.
Finalize All Dependents	When you select this check box, you can select Show Dependent Allocations and view the dependent allocations that are ready to be finalized.
Allocations Available for Finalization	You can only finalize allocations after Workday fully processes the allocation definition.
Show Dependent Allocations	Select to view upstream calculations that require approval.

Run your financial statements.

Concept: Allocations

In Workday financial accounting, you can use allocations to distribute ledger amounts, usually costs, from 1 organization to another based on a preconfigured definition. You can allocate the costs either within the same company or across companies to generate intercompany allocations. When you process allocations, Workday calculates and distributes the allocation amounts to each target. It then creates the operational journals to record the allocations in the ledger.

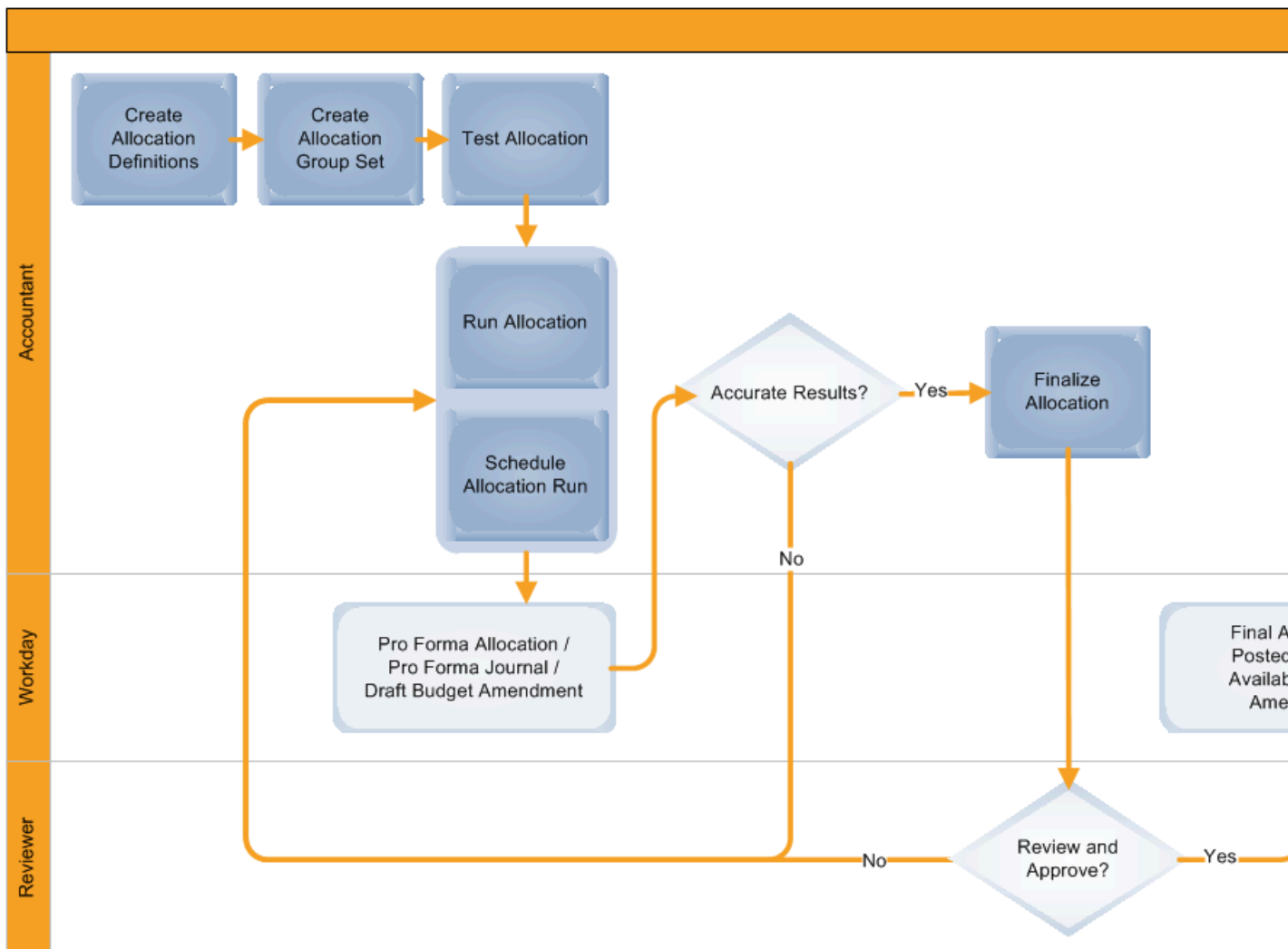
You can also use your plan data in your allocations, helping you automate month end journals. Or you can allocate to a target plan, creating budget amendments to help ensure that your plan data replicates your actuals.

Examples:

- A company distributes *Facilities* expenses (such as building maintenance and staff salaries) over all cost centers that use the provided space and services. Using a square footage allocation basis methodology (created as a statistic), each cost center shares the facilities operating expenses.
- A company distributes IT costs over all cost centers based on headcount in those cost centers. This includes those costs recorded through an allocation, such as facilities expenses.
- A company allocates marketing expenses to regions based on revenue per region. The company allocates in actuals and plan for consistent reporting.

Allocations Workflow

The diagram illustrates how allocations work:



As an accountant, when you define and process allocations, you work with:

- *Allocation definitions:* Represent each step of an allocation and define:
 - What amounts to allocate.
 - How to allocate these amounts.
 - Where to post the allocation results.
- *Allocation group sets:* A grouping of allocation definitions and their interdependencies to help you organize allocation definitions for processing.
- *Testing:* After defining allocation definitions and group sets, you can test them to ensure that they produce the expected results.
- *Allocation runs:* Generate pro forma journals or draft budget amendments of the allocations. You can manually run the allocation process or schedule Workday to run it at a specific day and time.
- *Allocation results:* The results of allocation processing provide support for the amounts allocated.
- *Finalization:* The process of finalizing your pro forma allocation and posting its operational journal or making its budget amendment available.
- *Final approval:* An optional business process step to verify the final allocation results before posting the allocation journal or making the budget amendment available.

Allocation Work Area

Use the **Allocation Work Area** to:

- Monitor your allocations for a fiscal period.
- Track progress toward completion.
- Easily identify allocations that are available for finalization.

The work area, which arranges information by company and allocation group set, includes:

- A **Summary** of the allocation processing, including:
 - **Allocations to Run:** The total number of allocations in the group set.
 - **Draft:** The number of allocations you have saved but not yet run.
 - **Requires Rerun:** The number of dependent allocations that you need to rerun due to a change in the allocation it's dependent upon.
 - **Pro Forma:** The number of allocations that you have run that are in pro forma status (not yet finalized).
 - **Error:** The number of allocations that you can't post because there's an error in the allocation results.
- **Processing Exceptions** to help you troubleshoot issues.
- A list of **Allocations Not Finalized** with a button to finalize each allocation.
- **Allocation Details** for each allocation in a group set, including whether the allocation is for actuals or a plan.

Tasks

[Steps: Set Up Allocations](#) on page 132

[Steps: Process Allocations](#) on page 141

Reference

[The Next Level: Allocations Basics](#)

Example: Set Up the Journal Lines by Allocation Report

This example illustrates how to set up a custom report to identify which allocations produce the most result lines.

When you submit the **Run Mass Finalize for Allocations** task, the process takes longer than usual. The reduced performance might be a result of 1 or more allocations exceeding the Workday-recommended limit of 50,000 result lines. You create a custom report to list allocations by the number of result lines so that you can split them if necessary.

- [Steps: Set Up Allocations](#) on page 132
- [Steps: Process Allocations](#) on page 141
- Security: These domains in the System functional area:
 - *Custom Field Management*
 - *Custom Report Creation*

1. Access the **Create Calculated Field** task.

a) Enter these values:

Option	Description
Field Name	<i>RPT LRV Journal Line Allocation Definition to Line</i>
Business Object	<i>Journal Line</i>

Option	Description
Function	<i>Lookup Related Value</i>

b) Click **OK**.

c) Enter these values:

Option	Description
Lookup Field	<i>Journal</i>
Return Value	<i>Allocation Definition</i>

d) Click **OK** and **Done**.

2. Access the **Create Custom Report** task.

a) Enter these values:

Option	Description
Report Name	<i>Journal Lines by Allocation</i>
Report Type	<i>Matrix</i>
Data Source	<i>Journal Lines for Financial Reporting</i>

b) Click **OK**.

c) In the **Row Grouping** section on the **Matrix** tab, add a row to the grid and enter these values:

Group by Field	Label Override	Sort Rows	Options
<i>RPT LRV Journal Line Allocation Definition to Line</i>	<i>Allocation Definition</i>	<i>Alphabetical - Ascending</i>	Leave blank.

d) In the **Maximum Number of Rows** field, enter 12000.

e) In the **Column Grouping (Optional)** section, add a row to the grid and enter these values:

Group By Field	Label Override	Sort Columns	Options
<i>Company</i>	Leave blank	<i>Alphabetical - Ascending</i>	Leave blank.

f) In the **Maximum Number of Columns** field, enter 200.

g) In the **Define the Field(s) to Summarize** section, add 3 rows to the grid and enter these values:

Summarization Type	Summarization Field
<i>Count</i>	None.
<i>Sum</i>	<i>Translated Debit Amount</i>

Summarization Type	Summarization Field
<i>Sum</i>	<i>Translated Credit Amount</i>

h) Access the **Drill Down** tab.

i) In the **Detail Data** section, add 8 rows to the **Columns** grid and select these fields:

- *Journal*
- *Company*
- *Ledger Account*
- *Accounting Date*
- *Translation Currency*
- *Translated Debit Amount*
- *Translated Credit Amount*
- *Worktags*

j) Access the **Filter** tab.

k) In the **Filter on Instances** section, add a row to the grid and enter these values:

And/Or	Field	Operator	Comparison Type	Comparison Value
<i>And</i>	<i>Journal Source</i>	<i>in the selection list</i>	<i>Value specified in this filter</i>	<i>Allocation</i>

l) Access the **Prompts** tab.

m) In the **Prompt Defaults** grid, add 8 rows and enter these values:

Field	Default Type	Default Value
<i>Company</i>	<i>No default value</i>	Leave blank.
<i>Amount Type</i>	<i>Specify default value</i>	<i>Activity</i>
<i>Ledger</i>	<i>No default value</i>	Leave blank.
<i>Period</i>	<i>No default value</i>	Leave blank.
<i>Time Period</i>	<i>Specify default value</i>	<i>Current Period</i>
<i>Translation Currency</i>	<i>No default value</i>	Leave blank.
<i>Account Translation Rule Set</i>	<i>No default value</i>	Leave blank.
<i>Balancing Worktags</i>	<i>No default value</i>	Leave blank.

n) After you add the fields, select the **Populate Undefined Prompt Defaults** check box.

o) Access the **Share** tab.

p) Select **Share with all authorized users**.

q) Click **OK**.

You can run your **Journal Lines by Allocation** custom report by company or company hierarchy. The report displays:

- Allocation definitions for each company.
- Result line counts.
- Translated debit and credit amounts.
- Totals for each company and allocation definition.

Update your allocation definitions to split any allocations that produce more than 50,000 result lines.

Concepts

[Setup Considerations: Allocations](#) on page 129

Reference: Source Types

You can only select *Fixed Source Amount* or *Fixed Rate Amount* if the source companies have the same company currency.

You can group budget dates for *Ledger/Plan Structure* source types only.

Option	Description
<i>Ledger/Plan Structure</i>	Allocates ledger or plan amounts.
<i>Fixed Source Amount</i>	Allocates a fixed amount. Example: Allocate the total amount of worker insurance premium based on head count.
<i>Fixed Rate Amount</i>	Allocates a fixed rate based on a calculated fixed charge. Example: Allocate a fixed rate for facilities based on square footage.

Tasks

[Create Allocation Definitions](#) on page 133

Reference: Allocation Methods

Select an **Allocation Method** on the **Create Allocation Definition** task to distribute allocated amounts:

Option	Description
<i>Fixed Percent</i>	Allocate the source amount based on statistical values that you've predefined. Also select: - The percent-type statistic Definition, which stores the percentages as a statistic that sums to 100%. To define a percent type statistic that stores precalculated percentages by dimension, use the Create Statistic Definition task. To store the statistics to use in allocations, use the Create Statistic task. Example: Square footage percentages by cost center. - Required and optional worktags or business Dimension to use from the statistic definition. Example: Cost center, region, worktag, or a combination.
<i>Pro-rata</i>	Use headcount, ledger accounts, or statistic values (the Basis Type) and a Dimension (cost center) to calculate the percentage basis. The allocation process calculates a percentage of the total for each dimension and uses these percentages to prorate the source amount.
<i>Spread Even</i>	The allocation process calculates and distributes the source ledger amounts evenly over a business Dimension or multiple dimensions. Example: Allocate facilities cost to various cost centers, giving them equal weight so they receive an equal portion of the allocation.

Option	Description
<i>Arithmetic Calculation</i>	Multiply the headcount, ledger accounts, or statistic values (the Basis Type) with the Fixed Rate Amount to calculate the target amount. Only available when you select <i>Fixed Rate Amount</i> as the Source Type.

Tasks

[Create Allocation Definitions](#) on page 133

Reference: Basis Types

For the:

- **Pro Rata Allocation Method**, select the type of data you want to use in the percentage basis calculation.
- **Arithmetic Calculation Allocation Method**, select the type of data you want to multiply by the fixed rate amount:

Option	Pro Rata Allocation Method	Arithmetic Calculation Allocation Method
<i>Headcount</i>	Calculates proration percentages. Select: • A financial headcount Definition that can include any combination of active employees, inactive employees, and contingent workers. To define it, use the Create Financial Headcount Definition task. • A worktag or business Dimension to use for calculating the proration percentage (such as cost center, region, or a combination). • Basis Filter Conditions to include headcount for specific companies and worktags in the proration only.	Can include any combination of active employees, inactive employees, and contingent workers.
<i>Ledger Accounts</i>	Calculates proration using ledger accounts. Select whether to use: • The Balance or Activity of the ledger accounts. • <i>Activity</i> prorates the period or summary period activity (as defined in the allocation group set that contains the	Can include <i>Balance</i> or <i>Activity</i> of the ledger accounts.

Option	Pro Rata Allocation Method	Arithmetic Calculation Allocation Method
	allocation definition) of the account only. • <i>Balance</i> prorates based on both the beginning balance and activity. • A worktag or business Dimension to use for calculating the proration percentage (such as cost center, region, worktag, or combination). • A Book Code to filter the basis data used in the allocation by a specific book code. • Basis Filter Conditions to include specific ledger accounts and worktags in the proration only. The company for the ledger account comes from source.	
<i>Ledger Accounts (Multiple Companies)</i>	Calculates proration using the ledger accounts of 1 or more companies. Define the Translation Currency that Workday will use to prorate the balances of the actuals ledger accounts. If the translation currency and the currency of any of the companies you specify in the filter condition are different, you must specify an Account Translation Rule Set. Translation Currency and Account Translation Rule Set display only if you select Ledger Accounts (Multiple Companies).	Can include the <i>Balance</i> or <i>Activity</i> of the ledger accounts.
<i>Statistic Values</i>	Calculates proration using statistics. Select: • A statistic Definition, which stores the statistical values that the allocation process uses to calculate the proration percentages. You can define activity, balance, and percent statistic types using the	Can include any activity and balance statistic types.

Option	Pro Rata Allocation Method	Arithmetic Calculation Allocation Method
	Create Statistic Definition task. <i>Activity</i> statistic types store statistics that change from period to period such as new customers or number of units produced. The allocation process uses period or summary period activity (as defined in the allocation group set that contains the allocation definition). The process treats statistics with no value in a period as a zero amount. <i>Balance</i> statistic types store statistics that are less variable, such as square footage. The allocation process uses the period end balance for statistical amounts, and the last period with a balance for basis calculations. - Required and optional worktags or business Dimension from the statistic definition to use for calculating the proration percentage. Example: cost center, region, or worktag combination. Basis Filter Conditions to include statistics for specific companies and worktags in the proration only.	

Tasks

[Create Allocation Definitions](#) on page 133

Allocation Pools

Steps: Set Up Allocation Pools

You can create and manage allocation pools to track distribution of revenue or cost. You can also set up the allocation pool worktag usage.

1. [Create Allocation Pools](#) on page 153.
2. (Optional) [Create Allocation Pool Hierarchies](#) on page 153.
Create allocation pool hierarchies and configure role-based security for the hierarchy.
3. [Configure Worktags for Transactions](#).
Configure the *Allocation Pool* worktag type for transactions.

4. [Configure Related Worktags](#).

Configure the worktag usage for the *Allocation Pool* taggable and worktag type.

Include allocation pools and allocation pool hierarchies on:

- Account posting rules as condition dimensions.
- Business process definitions as a condition rule.

Include the allocation pool worktag and related worktag on transactions.

Access the **Inactivate** task from the related action menu of an allocation pool or allocation pool hierarchy to discontinue its use.

Create Allocation Pools

Security: *Set Up: Allocation Pool* domain in the Financial Accounting functional area.

You can create allocation pools to track the distribution of costs or revenue.

1. Access the **Create Allocation Pool** task.
2. As you complete the task, consider:

Option	Description
Allocation Pool ID	When you don't enter an ID, Workday creates it when you save the allocation pool. When you submit the allocation pool, the allocation pool ID becomes the reference ID for integration purposes. Only an administrator can change the allocation pool ID and reference ID.
Include Allocation Pool ID in Name	Select to add the allocation pool name to the allocation pool ID. Workday uses the allocation pool ID to create a unique name, enabling you to use a name multiple times.
Assign Roles	You can create or assign a role to associate with the allocation pool. Example: Configure an Allocation Pool Manager role.

Create Allocation Pool Hierarchies

- Create allocation pools.
- Security: *Set Up: Allocation Pool Hierarchy* domain in the Financial Accounting functional area.

You can create a hierarchical structure to group allocation pools for more enhanced reporting. You can also assign roles to each hierarchy and enable role-based security.

1. Access the **Create Allocation Pool Hierarchy** task.
2. As you complete the task, consider:

Option	Description
Allocation Pool Hierarchy ID	When you don't enter an ID, Workday creates one when you save the allocation pool hierarchy. When you submit the allocation pool hierarchy, the allocation pool hierarchy ID becomes the reference ID for integration purposes. Only an administrator can change the allocation pool hierarchy ID and reference ID.

Option	Description
Include Allocation Pool Hierarchy ID in Name	Select to add the allocation pool hierarchy name to the allocation pool hierarchy ID. Workday uses the allocation pool hierarchy ID to create a unique name, enabling you to use a name multiple times.
Superior	Configure to use a multilevel hierarchy. When you define a superior, users with assigned roles and security access on the superior can manage the child hierarchies and allocation pools. Workday recommends creating the highest level hierarchy first.
Includes	Select the allocation pools that belong to the allocation pool hierarchy. You can't have the same allocation pool in more than 1 level of a hierarchy.
Assign Roles	You can create or assign a role to associate with the allocation pool hierarchy. Example: Configure an Allocation Pool Hierarchy Administrator role.

Revaluation

Setup Considerations: Revaluation

You can use this topic to help make decisions when planning your configuration and use of revaluation. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

Revaluation is the process of calculating currency fluctuations over time, usually the difference between when you enter transactions during the period and the period end date. You can create revaluation rules to identify:

- Accounts that require revaluation.
- Currency rate type to revalue the foreign currency balances at period end.

Business Benefits

- Record the gains and losses caused by fluctuating exchange rates since the transaction date.
- Recalculate foreign currency amounts in your company ledger at period end enabling you to analyze your currency exposure.

Use Cases

On a daily basis, you might receive and pay supplier invoices that are in another currency. Since rates change daily, you might enter different exchange rates when entering and paying an invoice. As per U.S.

Generally Accepted Accounting Principles (GAAP) and International Financial Reporting Standards (IFRS) you must account for realized and unrealized gain and loss due to fluctuating exchange rates. To revalue your accounts at period end, you create a revaluation rule to record period end revaluations on foreign currency balances in specified ledger accounts.

Questions to Consider

Before creating revaluations, consider these questions:

Questions	Considerations
Do you want to automate the creation of the revaluation journal?	If yes, create a revaluation rule that will automatically create a revaluation journal when you run the revaluation process.
Do you want to run some rules separately or concurrently?	If concurrently, create revaluation group sets to group the revaluation rules you want to run concurrently.

Recommendations

When configuring the revaluation rules on the **Create Revaluation Rule** task, consider these recommendations:

Option	Recommendations
Company	If you select more than 1 company or company hierarchy, ensure that all of them share the same account set and fiscal schedule.
Book Code	You can define separate rules for each book code. If you leave this field blank, Workday revalues all results for the Blank book code.
Balance or Activity	For revaluing balance sheet accounts, select Balance . For revaluing income statement accounts, select Activity .
Create Reversal	When you don't check it, Workday includes only incremental changes each period.
Revaluation Currency Rate Type	Revalue revenues and expenses at the average period rate. Revalue cash, account receivables, and account payables and other current assets and liabilities at the period end rate. Revalue certain investment accounts at the historic rate.
Worktags to Retain on Target	Workday automatically defaults the primary balancing worktag. Add optional balancing worktags as needed. Workday recommends selecting: Bank account for cash accounts because reconciliation reports are by bank account.

Option	Recommendations
	• Supplier for accounts payable accounts. • Customer for accounts receivable accounts.

Requirements

- Configure revaluation rules if you want to create the revaluation journal automatically. Use these rules when you run revaluation during the close process to record period end revaluations.
- Run the revaluation as the final task before closing the period to ensure that Workday properly remeasures the allocated foreign transactions.

Limitations

- Workday revalues all accounts that have a balance. If you close an account, ensure that the account has zero balance for all worktag combinations in both the ledger currency and the transaction currency.
- Workday doesn't post revaluation results to a specific book code unless you define the book code in each Revaluation rule.

Tenant Setup

No impact.

Security

Domains	Considerations
<i>Set Up: Revaluation</i> domain in the Financial Accounting functional area.	Can configure and group revaluation rules.
<i>Process: Revaluation</i> domain in the Financial Accounting functional area.	Can run revaluations.
<i>Reports: Financial Accounting</i> in the Common Financial Management functional area.	Can view revaluation results.

Business Processes

Configure the *Revaluation Run Event* business process to run, process, and approve revaluation results.

Reporting

Use the **Foreign Currency Revaluation** report to review:

- Revalued amount in accounts that have unpaid invoices with gains or losses due to currency fluctuations.
- Balance sheet account with a balance in a foreign currency.

Integrations

No Impact.

Connections and Touchpoints

Revaluations interact with these other areas in Workday:

Features	Considerations
Banking and Settlement	Revalues monetary balances that are in foreign currency.
Customer Accounts	Revalues uncollected receivables that are in foreign currency.
Supplier Accounts	Revalues unpaid payables that are in foreign currency.
Worktag Balancing	If balancing your books by worktag, include the balancing worktag type when you define your revaluation rules.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Tasks

[Define Revaluation Rules](#) on page 157

[Review Foreign Currency Revaluation](#) on page 162

Reference

[Reference: Frequency Combinations for Revaluation Rules](#) on page 163

[The Next Level: Mastering Revaluation in Workday](#)

Steps: Automate Revaluation

- Security: *Set Up: Revaluation* and *Process: Revaluation* domains in the Financial Accounting functional area.
- Configure the *Revaluation Run Event* business process and security policy.

Automate posting of the revaluation journal to:

- Recalculate foreign currency amounts in your company ledger at period end.
- Record the gains and losses caused by fluctuating exchange rates since the transaction date.

1. [Define Revaluation Rules](#) on page 157.
2. [Run Revaluation](#) on page 160.
3. Access the **Find Revaluations** report.

Locate and review revaluation results from the process. To access the **View Revaluation Result** report, click **Revaluation Result**. The report displays:

- The accounting date.
- Details about the revaluation rule.
- Debit and credit revaluation amounts in the target and offset ledger accounts.
- Process history.

4. [Review Foreign Currency Revaluation](#) on page 162.

To ensure that you created revaluations correctly, review the **Foreign Currency Revaluation** report.

As you review the results, keep these guidelines in consideration:

- Rerun the report until the *Exchange Gain/(Loss)* column displays zero amounts.
- To determine foreign currency transactions, drill into the amounts on the *Recorded Base Amount* column, and filter by source and period.

Define Revaluation Rules

Security: *Set Up: Revaluation* domain in the Financial Accounting functional area.

Create and update rules to automate the revaluation journal. You assign revaluation rules to companies. Use these rules when you run revaluation during the close process to record period end revaluations on foreign currency balances in specified ledger accounts.

Note: Workday revalues all accounts that have a balance. If you close an account, ensure that the account has zero balance for all worktag combinations in both the ledger currency and the transaction currency.

1. Access the **Create Revaluation Rule** task.
2. Define high-level details about the rule.

As you complete the **Details** section, consider:

Option	Description
Company	Select one or more companies and company hierarchies that use the rule. They must share account set and fiscal schedule.
Book Code	You can assign only 1 book code to a revaluation rule. To revalue multiple book codes, you can copy a revaluation rule for each book code. Example: To revalue 5 book codes, you can create 5 identical revaluation rules, 1 for each book code. You can define different rules for each book code. If you leave this field blank, Workday revalues all results for the Blank book code only.
Inactive	Select when the revaluation rule isn't ready for use or to discontinue use. You can inactivate a rule if it's not included in a group.

3. As you complete the **Frequency** section, consider:

Option	Description
Time Frame	Select how frequently to run the rule, such as every period or summary period. Before you close a period, you can see pending revaluations for the time period on tasks that update ledger period status.
Fiscal Summary Schedule	Select what to base a summary time frame on.
Balance or Activity	Select to run the rule for ledger account balances or ledger account activity. You can select Activity only when you select Period on the Time Frame prompt. If you select Activity, you can't create a reversal.
Create Reversal	Defaults to creating a reversal journal entry on the first day of the next period. You can change the reversal date to a date after the run date on the Run Revaluation task. Workday posts the reversal journal when the ledger period for the selected date opens.

Option	Description
	When you don't check it, Workday includes only incremental changes each period.

4. Define rule criteria for handling revaluation accounting.

As you complete the grid, consider:

Option	Description
Ledger Account / Ledger Account Summary	Select the balance sheet or income statement accounts and ledger account summaries that have foreign currency amounts to revalue. Available summaries include at least 1 balance sheet or income statement account. If multiple companies are linked to the rule, then the list displays only valid accounts across the selected companies.
Revaluation Currency Rate Type	Select the currency rate type to use for the revaluation. When you run reports with revalued amounts, you can select a currency rate type consistent with the revaluation rule. Example: Revalue intercompany payables and receivables at the average period rate. Revalue cash, account receivables, and account payables at the period end rate.
Worktags to Retain on Target	Select the worktags from the source entry to retain on the target debit or credit entry on the originating ledger accounts. If balancing your books by worktag, include the balancing worktag type. Workday recommends selecting: • Bank account for cash accounts because reconciliation reports are by bank account. • Supplier for accounts payable accounts. • Customer for accounts receivable accounts. When you select an optional balancing worktag, Workday automatically populates the same value on the Worktags on Offset.
Offset Account Posting Rule	To determine the account in which to post the realized, unrealized, or translation gain or loss, select the account posting rule for the offset journal line. Example: You select <i>Realized Gain/Loss</i> for a cash account, <i>Unrealized Gain/Loss</i> for a payable or receivable account, and <i>Translation Gain/Loss</i> for an intercompany account.
Worktags on Offset	To record the gain/loss entry on the offset account, select the worktags from the target

Option	Description
	account entry. If balancing your books by worktag, include the balancing worktag type. When you select an optional balancing worktag, Workday automatically populates the same value on the Worktags to Retain on Target.

After you create revaluation rules, you can use the:

- **Edit Revaluation Rule** task to update the revaluation rule.
- **View Revaluation Rule** report to review your rules and copy a rule from its related actions menu.

Reference

[Reference: Frequency Combinations for Revaluation Rules](#) on page 163

[The Next Level: Mastering Revaluation in Workday](#)

Group Revaluation Rules

- Create revaluation rules.
- Security: *Set Up: Revaluation* domain in the Financial Accounting functional area.

Revaluation group sets are groupings of revaluation rules. You can incorporate each revaluation rule into a group set. They enable you to:

- Organize revaluation rules to run concurrently.
- Provide an organized way for you to monitor revaluation processing.

1. Access the **Create Revaluation Group** task.

2. As you complete the task, consider:

Option	Description
Revaluation Group Name	Enter a name for the revaluation group.
Revaluation Rules	You can assign a revaluation rule to multiple revaluation groups. Select from the revaluation rules that: • Are active. • Have the same account set. • Are associated with companies on the same fiscal schedule.
Inactive	Select when the revaluation group isn't ready for use or to discontinue use.

After you create revaluation groups, you can use the:

- **Edit Revaluation Group** task to update the revaluation group.
- **View Revaluation Group** report to review revaluation rules in a revaluation group.

Run Revaluation

- Configure the *Revaluation Run Event* business process and security policy.
- Define and group revaluation rules.
- If the revaluation rule creates a reversal, open the next period.
- Security: *Process: Revaluation* domain in the Financial Accounting functional area.

As part of your close process, run revaluation for a specified company or group of companies. You can revalue foreign currency journal amounts based on your revaluation rules for a fiscal period.

Note: When you run revaluation in a new fiscal year, ensure you first roll forward prior year balances to create beginning balances. If you want to rerun roll forward, mass cancel the revaluation results and rerun revaluation for all periods.

Automatic revaluation supports incremental processing. If you rerun revaluation using the same criteria more than once in a period, the process only adds the incremental amount to the preceding run in the new result. Example: You reprocess because of an incorrect exchange rate.

If you need to run the complete revaluation again, cancel the existing revaluation result and rerun the revaluation.

Note: You can see pending revaluations on the ledger period status tasks.

1. Access the **Run Revaluation** task.
2. As you complete the task, consider:

Option	Description
Revaluation Group or Revaluation Rule	Select from active revaluation groups or rules. Revaluation rules are associated with the specified companies and company hierarchies. If a rule includes a specific book code, the revaluation is for that book code only. If the rule requires the creation of a reversal journal, that reversal period must be open to submit the revaluation request. When you run the revaluation for a group, you can only select companies or hierarchies specified on a given rule within the group.
Company	The revaluation process creates a separate revaluation result for each company.
Fiscal Period for Revaluation	Workday uses the end date of the selected period for the revaluation.
Revaluation Reversal Date	Populates to the first day of the next period. To change the date, enter a reversal date that is after the run date. Workday posts the reversal journal when the ledger period for the selected date opens. Workday populates this field when you enable the Create Reversal option on the revaluation rule.

For each company, the revaluation result creates the revaluation journal, target result lines, and offset result lines in the specified period based on the revaluation group or rule you select.

Workday also initiates the *Run Revaluation* business process for review and approval of these revaluation results. If the business process includes an approval step, the journal remains in a *Proforma* status until the reviewer approves or denies the revaluation results. For denied revaluation results, the business process updates the journal status to *Canceled*. For approved revaluation results, the business process:

- Posts the results to the revaluation journal.
- Updates the revaluation journal to *Posted* status.
- Creates and posts a reversal journal in the next period or on the specified date, if the revaluation rule requires it.

If you rerun the entire revaluation, you can cancel the original revaluation result. Use the **Find Revaluations** report to locate the result, and from its related action menu select **Revaluation Result > Cancel**.

To cancel all *Approved* revaluation results for an open or closed period, use the **Mass Cancel Revaluation Results** task.

When you enable the **Always Reverse Operational Journals** option on the **Edit Tenant Setup - Financials** task, Workday creates reversal journals for the canceled revaluation result.

Review Foreign Currency Revaluation

- Maintain currency conversion rates.
- Security: *Reports: Financial Accounting* domain in the Financial Accounting functional area.

At the end of the month or quarter, there could be currency exchange gains or losses for ledger accounts that have balances in foreign currencies. For balance sheet accounts that have transactions in foreign currencies, you can:

- View the impacts of currency rate fluctuations.
- Analyze your currency exposure by ledger account and currency.

Note: The report identifies ledger accounts with foreign currency amounts that Workday will revalue. It doesn't display the revaluation result. To review results, access the **Find Revaluations** report and select **View Revaluation Result**.

1. Access the **Foreign Currency Revaluation Report**.
2. As you complete the run criteria, consider:

Option	Description
Balance or Activity	Select whether you want to report on ledger account balances or activity. Select Balance to revalue ledger accounts on a Year to Date (YTD) basis that includes beginning balances. Select Activity to revalue ledger accounts for period activity that excludes beginning balances. Consider using saved filters to run the report for these separate groups: • Balance sheet accounts revalued at Current rate using Balance. • Income statement accounts revalued at Average rate using Activity.
Currency Rate Type	To calculate the revaluation amounts, use the default or select the same currency rate type that you use in your revaluation rule.
Ledger Accounts	Select specific income, expense, or balance sheet accounts to include or exclude in the report. Example: you can exclude equity accounts.

3. Review the impact of each foreign currency within each affected ledger account:

Option	Description
Ledger Account	The account impacted by foreign currency transactions.

Option	Description
Foreign Currency	For an account that has foreign currency transactions, Workday displays each foreign currency on a separate line.
Foreign Amount	The total account balance of transactions in this currency, recorded as part of the transaction. You can drill into the journal entries behind the amount.
Recorded Base Amount	The foreign amount, converted into base currency of the company as part of the transaction. To calculate, Workday uses the <i>Default</i> rate type in your tenant to convert the foreign currency for the transaction to the base currency of the company as of the transaction date. Displays as a debit or credit. Click to drill into the journal entries behind the amount.
Base Currency	The base currency of the company. Workday uses this currency to calculate the recorded base and revalued base amounts.
Currency Rate	The selected currency rate type, as of the period end date, to convert the amount from the transaction currency to the base currency. Workday uses this rate and the foreign amount column to calculate the revalued base amount.
Revalued Base Amount	The foreign currency account balance, revalued into the base currency for the company as of the end of the period. Workday uses the selected exchange rate as of the period end date to convert the foreign currency amount for the transaction to the base currency for the company. Displays as a debit or credit.
Exchange Gain/(Loss)	This column in the report will display a zero amount once revaluation is complete. If the gain or loss resulting from the foreign currency rate change doesn't zero out, the revaluation isn't complete. Rerun the revaluation till you get a zero balance.

View the revalued foreign currency amounts. If you've processed your revaluation journal for the period, the gain or loss amount should be zero for all accounts included in the revaluation rules.

Workday summarizes journal entries by:

- Ledger Account/Ledger Account Summary.
- Time frame, and Balance or Activity parameters.

Reference: Frequency Combinations for Revaluation Rules

Consider these guidelines as you configure the **Time Frame** and **Balance or Activity** prompts on the **Frequency** section when defining a revaluation rule:

Combinations	Workday Calculates	Comments
Time Frame - Period Balance or Activity - Activity	Revaluation for the current period activity only.	
Time Frame - Period Balance or Activity - Balance	Year to date balance, includes beginning balance journals for balance sheet accounts.	There are no beginning balances for profit and loss accounts. Assuming you are on a calendar fiscal schedule, year to date balance is from January 1 to the revaluation process run date.
Time Frame - Summary Balance or Activity - Balance	Year to date balance as of the end of summary period. Includes beginning balance journals for balance sheet accounts.	When you select Summary on the Time Frame prompt, Balance is the only option available on the Balance or Activity prompt.
Time Frame - Year Balance or Activity - Balance	Current year activity starting with the first day of the fiscal year to the revaluation process run date. Includes beginning balance journals for balance sheet accounts.	When you select Year on the Time Frame prompt, Balance is the only option available on the Balance or Activity prompt.

Tasks

[Define Revaluation Rules](#) on page 157

Currency Translation

Steps: Set Up Currency Translations

You can use currency translations when you perform transactions in different currencies and need to translate them for financial reporting.

1. [Set Up Account Posting Rules](#) on page 69.

Set up the *Translation Gain* and *Translation Loss* rules to define which ledger accounts to use to capture translation gain and loss.

2. [Maintain Currency Rate Types](#).

Define rates for all of your companies.

3. [Set Up Currency Translation Methods](#) on page 165.

Create methods for translating from company currency into translation currency during financial reporting.

4. [Create Rules for Translating Ledger Accounts](#) on page 167.

Define rule sets to determine which translation method each account uses.

5. (Optional) [Assign Company Accounting Details](#) on page 62.

Assign 1 default account translation rule set for each company. When you run translated financial reports for the company, Workday populates the account translation rule set into your reporting criteria. You can override the default for the selected company with any translation rule set that uses the same account set.

6. Maintain Currency Conversion Rates.

Enter conversion rates for each currency rate type. Workday uses these rates to complete currency translations for the currency rate types that you specify in your account translation methods.

To maintain accurate currency translations, regularly enter updated currency conversion rates into Workday.

Concepts

Concept: [Currency Translation](#) on page 170

Set Up Currency Translation Methods

Define currency user-defined rate types.

You can create methods for translating account currencies into translation currencies during financial reporting.

To reflect your typical accounting standards, use one of these user-defined translation types to reflect your typical accounting standards:

- *Average*: Typically used with income statement accounts. Translates activity at the designated average rate as of the end date of the period in which the activity occurred.

Example: Translates revenue for January at the average as of the end of January. Similarly, translates revenue for February at the average as of the end of February.

- *Current*: Typically used with balance sheet accounts.
- *Historic*: Translates beginning balance for balance sheet accounts.

1. Access the **Create Account Translation Method** task.

2. As you complete the task, consider:

Option	Description
Translation Type	Select: • Average to translate income statement activity at the designated average rate as of the end date of the period in which the activity occurred. • Current to translate balance sheet accounts, such as beginning balance, activity, and ending balance at the current rate as of the last day of the reporting period. • Historic to translate beginning balances for balance sheet accounts using: • A blended rate. • An entered translated amount to translate activity at the current rate on the date of the transaction. This type translates activity for income statement accounts using the current rate on the transaction date. • Custom when the other translation types don't meet your needs.

3. As you complete the **Fiscal Year Beginning Balance** section, consider:

Option	Description
Use Historic Translation Amounts	For:

Option	Description
	Historic or Custom translations, select this check box to use the historic amount approach to beginning balance currency translations. With this approach, define 1 translation method. All accounts for which you translate beginning balance amounts will share it. You don't need to create a different method for each account. This translation method uses the beginning balance amounts that you enter on the Maintain Beginning Balance Translation Amounts task.
Currency Rate Type	For: • Average translations, select nothing. • Current translations, select the same value for both the beginning balance and activity. Workday sets it to equal the rate type for the activity. • Historic translations, select to determine which currency rates to use in the calculation when using a historic blended rate approach to currency translation. With this approach, you create a different account translation method and rate type for each account that you want to translate. • Custom translations, select any rate type.
Currency Rate As Of Date	For: • Average translations, select nothing. • Current translations, select the date at the end of the report period. • Historic translations, the date is preset to year begin date. Used with a historic blended rate approach to currency translation. • Custom translations, select the report end date or begin date of the year.

4. As you complete the **Fiscal Year Activity** section, consider:

Option	Description
Currency Rate Type	For: • Average and Custom translations, select any type. • Current and Historic translations: typically select the current or daily rate.
Currency Rate As Of Date	For: • Average translations, select the end date of the transaction period for each period you're reporting. • Current translations, select the date at the end of the report period.

Option	Description
	• Historic translations, the date Workday presets to the transaction date. • Custom translations, select the report end date, transaction date, transaction period end date, or year begin date.

Workday uses the currency rate in effect as of the date specified in the **Currency Rate As of Date** field.

If there's no current rate at the end of the period, Workday uses the most recent rate before that date.

Use this account translation method as part of a translation rule set.

Concepts

[Concept: Currency Translation](#) on page 170

Create Rules for Translating Ledger Accounts

- Define account translation methods.
- Security: *Set Up: Currency Translation* domain in the Financial Accounting functional area.

You can specify the translation method for each account in an account set by defining translation rules. These rules control how Workday translates monetary amounts from company currencies for each account during financial reporting.

Example: To translate revenue and expense accounts from dollars to yen on financial reports ending March 31, use an *Average* rate type at the period end date. In March, Workday translates the monetary amounts for those accounts using the average rate as of March 31.

Workday displays account translation methods as: *<user-defined name> (<translation type>)*.

Example: *Daily (Current)*.

1. Access the **Create Account Translation Rule Set** task.
2. When creating a rule set, select an **Account Set** for which to define the translation rule set.
3. Enter a name for the rule set.
4. As you complete the task for setting the **Account Translation Method**, consider:

Option	Description
Ledger Account Type	Specify a method for every account type so that all accounts have a translation method. Workday first evaluates the individual account-based method, then the summary method, and finally the account type.
Ledger Account Summary	Specify the method to use for accounts within an account summary. Workday evaluates ledger account summaries from lowest Sequence Number to highest, using the first match that it finds. List your account summaries from most to least specific.
Ledger Account	(Optional) Specify the method to use for an individual account. Workday evaluates from most to least granular. This method takes precedence over methods you specify for ledger account summary and account type.

You can run translated financial reports with an account translation rule set that uses the same account set as the company.

(Optional) Assign the account translation rule set to company accounting details. Workday populates the translation rule set when you run translated financial reporting for that company.

Steps: Enter Translated Beginning Balances for Financial Reporting

- [Set Up Currency Translation Methods](#) on page 165.

Enable the manual entry of historic translation amounts for fiscal year beginning balances.

- [Create Rules for Translating Ledger Accounts](#) on page 167.

Associate the account translation method with at least 1 balance sheet account.

You can use historic amounts to translate beginning balances by entering beginning balance amounts for accounts in the translation currency.

1. Run a year-end Balance Sheet report that displays prior-year ending balances translated from company currency to the translation currency.

You can use these amounts to establish your translated beginning balances.

2. [Roll Year-End Balances Forward](#) on page 222.

Create beginning balance journals for the fiscal year of the company.

3. [Enter Translated Beginning Balance Amounts for Ledger Accounts](#) on page 168.

Enter beginning balance translation amounts for each translation currency for the year after the one you rolled forward.

4. Repeat the procedure to do back reporting for historic years using this historic amount approach to translating beginning balances.

You can run the translated financial reports for the company. The reports use the translated beginning balance amounts that you've entered for each currency. When you run the reports, select:

- The currency and fiscal year for which you've entered translated beginning balance amounts.
- A translation method rule set that contains an account translation method that uses historic translation amounts.

Concepts

[Concept: Currency Translation](#) on page 170

Enter Translated Beginning Balance Amounts for Ledger Accounts

- Enable account translation methods for manual entry of historic translation amounts.
- Set up the translation rule set.
- Roll forward year-end balances for the preceding fiscal year to create beginning balance journals.
- Security: *Process: Close Year End* in the Common Financial Management functional area.

You can, for any currency that you want to translate to another currency during financial reporting, enter and maintain beginning balance amounts in each target currency.

When you use historic translation amounts for beginning balances, you can set up beginning balances in the translation currency; otherwise the beginning balance is zero for those accounts.

Workday recommends that you run a year-end report that returns prior-year ending balances translated from company currency to the translation currency. Use the translated currency amounts to establish your translated beginning balances.

1. Access the **Maintain Beginning Balance Translation Amounts** task.

2. As you complete the task to retrieve ledger accounts that have beginning balance journals, consider:

Option	Description
Company	The account set for the company must have at least 1 balance sheet account with a translation method that uses historic translation amounts.
Fiscal Year	Select the fiscal year for which you created beginning balance journals through the roll forward year-end process. For multiple fiscal schedules, you must enter the beginning balances for both the primary and alternate fiscal schedule. To enter beginning balances for the: • Primary schedule, select Standard Corporate Schedule. • Alternate schedule, select Alternate Fiscal Schedule.
Ledger	Select the ledger for which you created beginning balance journals through the roll forward year-end process.
Translation Currency	Select the currency in which you want to enter beginning balances to produce translated financial reports.
Book Code	When using multibook accounting and reporting, select a value to retrieve ledger accounts that have beginning balance journals for transactions with the specified book code. Leave blank to retrieve beginning balances for transactions with no book code.
Ledger Accounts	Select the ledger accounts that are associated with a historic translation method for which you want to define translated beginning balances. Leave blank to return all applicable ledger accounts.

3. Review the beginning balance **Debit Amount** and **Credit Amount** for each account in the company currency.

Workday displays a separate line for each unique **Ledger Account** and **Worktag** combination.

4. Enter the beginning balance **Translated Debit Amount** or **Translated Credit Amount** in the translation currency.

Workday recommends that you specify a translated beginning balance for each line that has a balance in the company currency. If you don't, you won't get accurate translated financial statements.

You can now run financial reports for the company in the translation currency using the translated beginning balance amounts that you entered for each currency.

Enter your beginning balance amounts and make adjustments to the prior year. Rerun the **Roll Forward Year-End Balance** task and re-enter the translated beginning balance amounts.

Tasks

[Roll Year-End Balances Forward](#) on page 222

Concept: Currency Translation

Currency translation enables you to report on financial balances and activity in a currency other than the company currency. Example: Your U.S. corporation has companies in the U.S., France, and Germany. To see results for the German company, you can run the trial balance from Germany and translate it to U.S. currency. The currency to which you translate is the translation currency.

Account Translation Methods and Rule Sets

You can specify how you want to calculate fiscal year beginning balance and activity using account translation methods. Translation methods use:

- Delivered translation types (current, average, historic, custom) to determine how Workday calculates the translated amounts.
- User-defined currency rate types to determine which specific currency rates to use in the calculation.

After you create account translation methods, you create rule sets to associate the methods with your ledger accounts in an account set. Each company has an account set, and that account set can have more than 1 translation rule set. Select 1 translation rule set as the default for the company.

Historic Rates and Currency Translation

Workday provides these approaches to translation of beginning balances:

- Historic amount approach: Enter beginning balances by company and worktag for each account to get beginning balance amounts for each individual company. When you make prior-year adjustments after you enter beginning balances, you must reenter the translated beginning balance amounts.
- Blended rate approach: Set up a historic, blended currency conversion rate for each account. To have Workday calculate the beginning balance amounts, use your historic rate type in your account translation method. The same blended rate applies to the entire ledger account. To calculate the historic blended rate, divide the translated ending balance for the prior year by the ending balance in company currency.

If you're running consolidated statements, the translation rule set that you use applies for all companies in the consolidation. The blended rate for consolidated and individual company reporting might differ.

When you make prior-year adjustments, you must recalculate and update all the blended rates.

- Workday recommends that you run a report that displays prior-year ending balances translated from company currency to the translation currency. Use the prior-year translated ending balance amounts to establish your translated beginning balances.

Example:

You use the account translation method of *Historic* rate type for:

- Beginning balances that use either a blended historic rate or manual entry of translated amounts.
- Activity that uses the *Current* rate type as of the specific transaction date.

Description	Transaction Date	Ledger Amount	Translation Rate Type	Translation Rate Effective Date	Translation Rate	Translated Amount	Comment
2020							
Transaction	2020-08-01	1000	Current	2020-08-01	2	2000	Translated activity
Transaction	2020-09-01	1000	Current	2020-09-01	3	3000	Translated activity

Description	Transaction Date	Ledger Amount	Translation Rate Type	Translation Rate Effective Date	Translation Rate	Translated Amount	Comment
Ending Balance	2020-12-31	2000	#	#	#	5000	Sum of ledger amounts and sum of the translated amounts. Enter 5000 as the translated beginning balance. Or divide the total translated amount by the total ledger amount to get the blended historic rate beginning balance for the next year. $5000/2000 = 2.5$
2021							
Beginning Balance	2021-01-01	2000	Historic	2021-01-01	2.5	5000	Translated beginning balance
Transaction	2021-05-01	1000	Current	2021-05-01	4	4000	Translated activity
Ending Balance (Sum)	2021-12-31	3000	#	#	#	9000	Sum of ledger amounts and sum of the translated amounts. Enter 9000 as the translated beginning balance.

Description	Transaction Date	Ledger Amount	Translation Rate Type	Translation Rate Effective Date	Translation Rate	Translated Amount	Comment
							Or divide the total translated amount by the total ledger amount to get the blended historic rate beginning balance for the next year. 9000/3000 = 3
2022							
Beginning Balance	2022-01-01	3000	Historic	2022-01-01	3	9000	Translated beginning balance

Currency Translation in Financial Reporting

You can specify a translation currency when you run:

- Financial statements and consolidated financial statements.
- Trial balance and consolidated trial balance.
- Consolidated plan summaries and plan details.

You can run these reports in any currency in which you have exchange rates for conversion. Each time you run a financial report, Workday recalculates the translated amounts based on the translation rule set. You can use the default or any of the other translation rule sets. Workday doesn't store the calculated amounts for future use.

Report fields for translated amounts are available in the **Ledger Account Balances** and **Journal Lines** report data sources. Use reports to view beginning balances, activity, and ending balances for ledger accounts.

The currency translation complies with FASB 52 and IAS 21 standards.

Concepts

[Concept: Multicurrency](#) on page 23

Tasks

[Steps: Set Up Currency Translations](#) on page 164

[Steps: Enter Translated Beginning Balances for Financial Reporting](#) on page 168

Reference

[Next Level: Translation and Multicurrency Consolidations](#)

Consolidation Data Capture

Concept: Consolidation Data Capture

You can use Consolidation Data Capture to load summarized trial balance data from external Enterprise Resource Planning (ERP) endpoints to arrive at a consolidated trial balance in Workday for your legal entities that aren't transacting in Workday.

Workday doesn't recommend using this feature for high-volume use cases such as ledger conversion or to replace any Accounting Center use cases. Refer to product comparison matrix here for more detail: [Accounting Ingestion Feature Comparison](#).

You can load consolidation data manually from the Consolidation Data Hub or by Document Retrieval Services. Example: Secure File Transfer Protocol (SFTP).

Load consolidation data in the Workday defined file format. See [Reference: Consolidation Data - Inbound Integration CSV File Format](#) on page 189.

Additional Guidelines

When loading consolidation data into Workday, consider these guidelines:

- Workday identifies each consolidation data (that is, each created journal) by a Grouping Dimension composed of:
 - Company
 - Accounting Date
 - Book Code
- Workday recommends that each consolidation data that you load contains a maximum of 100,000 lines. Loading more than 100,000 lines for each consolidation data will impact performance. Example: You're using one .CSV file to load 3 consolidation data files. Each consolidation data file can't contain more than 100,000 lines.
- Workday doesn't calculate period activity. Therefore don't submit ending trial balances.
- Workday doesn't support incremental activity when you resubmit post-close data. If you're resubmitting the data, you must resubmit the entire consolidation data for the non-Workday company.
- To reduce the number of journals created, Workday recommends that you use the period end date as the Accounting Date. Example: 1/31/23.
- Workday won't default related worktags in your mapping tables unless you've included them in your mapping definition as additional worktags.
- Opening up .CSV data files with certain editors (Example: Excel) might lead to data parsing or conversion challenges as some will automatically update certain field display formats. Examples: Including commas representing thousands separators in number fields, reformatting dates and so on. Some editors will also remove non-English values such as accents, symbols, and characters. Ensure you reformat the field formats using a text editor (Example: TextEdit) if these changes take place during file editing before loading your Consolidation Data.
- There can be only 1 approved journal per Book Code, Company, and Accounting Date. If you reload the same file with the same grouping dimension, Workday cancels the previous journal and replaces it with the most recent upload.

Note: If you have enabled **Always Reverse Operational Journals** option on the **Edit Tenant Setup - Financials** task, Workday won't cancel the journal, but will instead create a reversal of the original journal and will create a new approved journal with the same grouping dimension. The reversal journal provides a complete audit trail of the original journal.

- Workday shares custom validations set and worktag configurations (Example: primary worktags) with Accounting Journal.

Limitations

Workday doesn't support:

- Auto-generating intercompany lines or worktag balancing lines. Workday will create 1-sided journals if you include any intercompany or worktag balancing lines.
- Suspense accounting for created journals.
- Journal sequencing.
- Evaluation of account posting rules.

Concepts

[Concept: Accounting Center](#) on page 412

Reference

[Reference: Consolidation Data - Inbound Integration CSV File Format](#) on page 189

[2023R1: What's New Post: Consolidation Data Capture](#)

[The Next Level: Consolidation Data Capture](#)

[The Next Level: Intercompany Transactions and Consolidation Data Capture](#)

Steps: Set Up Consolidation Data Capture

Access the **Maintain Functional Area** task and enable the Advanced Close and Consolidation functional area.

Set up Workday to capture consolidation data before you can upload consolidation data from external Enterprise Resource Planning (ERP) endpoints.

1. [Create Source Systems](#) on page 174.
2. [Create Consolidation Data Mapping Table Definitions](#) on page 175.
3. [Create Consolidation Data Mapping Tables](#) on page 176.
4. [Steps: Create Consolidation Data Capture Integration](#) on page 179.
5. [Map Source Systems to Integration Systems](#) on page 181.

Create Source Systems

Security: *Set Up: Map Worktags* in the Common Financial Management functional area.

You can create separate source systems for each external Enterprise Resource Planning endpoint (ERP) from which you want to upload consolidation data into Workday.

Note: When legal entities transacting outside of Workday are on different instances of the same external ERP, Workday recommends that you create source systems for each entity in Workday. Creating separate source systems enables you to better manage the security permissions for Consolidation Data Mapping Definitions, Consolidation Data Mapping Tables, and file uploads.

For more information on configuring security, see [Configure Consolidation Data Capture Security on Community](#).

1. Access the **Maintain Source Systems** task.
2. Add a row.
3. Enter a source system name and optionally a description.
4. Click **OK**.

Map the source system to the integration system.

Tasks

[Create Consolidation Data Mapping Table Definitions](#) on page 175

[Create Consolidation Data Mapping Tables](#) on page 176

Create Consolidation Data Mapping Table Definitions

Use the **Maintain Worktag Usage** task to enable worktag as either a primary or alternate dimension for the taggable type of Accounting Journal.

Use the **Maintain Source Systems** task to create source systems that corresponds to your external Enterprise Resource Planning (ERP) endpoint.

Security: *Set Up: Consolidation Data Capture Mapping Definition* domain in the Advanced Close and Consolidation functional area. For more information, see [Configure Consolidation Data Capture Security on Community](#).

You can create a consolidation data mapping table definition to:

- Define the number of input values in your mapping table.
- Define the number and type of outputs.

You can also use the table definition to configure how to define input values by using wildcards and ranges.

Note: Once you create a Consolidation Data Mapping Definition and create a Consolidation Data Mapping Table based on that definition, you can't edit the Consolidation Data Mapping Definition except for changes to the definition name.

1. Access the **Create Consolidation Data Mapping Definition** task.
2. Enter a name for the mapping definition.
3. Select a Source System.
4. As you complete the **Parameters** tab for the parameter inputs for the mapping definition, consider:

Option	Description
Display Name	Enter the display name for each parameter. Example: Company, Ledger Account, Cost Center.
Allow Wildcards	Select if you want to enable wildcards when you define mapping rules. Note: Workday doesn't support wildcards in ranges. If you have wildcards (* and ?) in your dataset and want to evaluate them as string values, you might not want to enable this option.
Range Field	Select if you want to specify a range when you define mapping rules. You can't specify a range and wildcard for the same external code.

Note: You can enter a maximum of 20 parameter inputs.

5. Click the **Additional Dimensions** tab to map company and ledger accounts.
6. Select **Company** to map a company.
7. Select **Ledger Account** to map ledger accounts.
8. Select an **Account Set** for the ledger account mapping.
9. Click the **Worktags** tab.

10. As you complete the **Primary Worktag Types** and **Additional Worktag Types** grids, consider:

Field	Description
Accounting Worktag Types	Select worktag types to which you want to map your consolidation data.
Worktag Type Required	Set up worktag types as required. If you require a worktag type, you must select a worktag value for every row when you create mapping table rules.
Disallow Inactive Values	Select for Workday to remove inactive values automatically.

Each primary worktag type that you define is displayed in a separate column. All additional worktag types are displayed in a single column, enabling you to select additional worktags from a single column.

Note: Related worktags defined at the tenant level, will only populate if you define the worktags types as additional worktags when creating a Consolidation Data Mapping Definition. Workday won't automatically retrieve the related worktags you define on the **Maintain Related Worktag Usage** task.

11. Click **OK** to create the structure for the consolidation data mapping table.

Tasks

[Create Source Systems](#) on page 174

[Configure Worktags for Transactions](#)

Create Consolidation Data Mapping Tables

You've created a consolidation data-mapping table definition.

Security: *Set Up: Data Capture Mapping Table* domain in the Advanced Close and Consolidation functional area.

You can create a consolidation data-mapping table to define rules to map your input values to your target output values.

You can only create 1 consolidation data-mapping table per mapping table definition, but can create unlimited mapping table definitions for each source system.

In addition to 1-to-1 mapping, you can also map:

- One input value to many output values.
- Many input values to 1 output value.
- Many input values to many output values.

Once you create a consolidation data-mapping table based on the definition, you can edit mapping table rules (Example: add, delete, reorder) but can't modify mapping definitions, except for changes to the definition name.

1. Access the **Create Consolidation Data Mapping Table** task.
2. For **Consolidation Data Mapping Definition**, select the consolidation data-mapping table definition you previously created, and click **OK**.

Workday displays the mapping table with the structure of the selected definition.

Note: To display accounting worktags for a consolidation data-mapping table when using an Enterprise Interface Builder (EIB), you must edit the template to add the Accounting Worktag columns. See [Customize EIB Spreadsheet Template](#).

3. As you complete mapping inputs to target output values, keep these guidelines in consideration:

Mapping Functionality	Guidelines
Input Values	For each row, enter a combination of input values that maps to a particular output value. If you leave value blank, Workday won't evaluate the column for that row.
Operators	When entering input values, you can use these operators: • NOT: Checks whether a value isn't equal to OR isn't like an input value. Examples: NOT abc, NOT ab? • IS NULL: Checks whether a field value is empty. • IS NOT NULL: Checks whether a field value isn't empty. • IN (list): Checks whether a value is within a set of values. Example: IN (abc, def, xyz). • NOT IN (list): Checks whether a value isn't within a set of values. Example: NOT IN (abc, def, xyz).
Wildcard Expressions	If you selected to include wildcards when defining a parameter on the mapping definition, use? to match any single character. Example: 10? 0 matches these codes: 1020, 1030, 1080. Use * to match any number of characters. Example: A*00 matches all codes starting with A and ending with 00, such as A100, A1000, A1100, A1200.
Range Expressions	If you selected Range Field on the mapping table definition, enter a Range Start and Range End value. You can enter Alphanumeric ranges. Example: A100 - D300 Workday evaluates range expression as a string. Example: Value of 5 falls outside a range of 1-19, but value of 05 falls within a range of 01-19.
Output Values	Select the desired output value resulting from the combination of input values.

Note: Workday evaluates rules from the top down and once it finds a matching mapping table rule, it stops further evaluation. Therefore, order rules from *most* to *least* specific using **Order**.

4. Once you complete creating all rules, click **OK** and then **Done**.

Tasks

[Create Consolidation Data Mapping Table Definitions](#) on page 175

Concept: Consolidation Data - Inbound Integration

Import consolidation data from an external ERP endpoint into Workday with the Consolidation Data Capture integration. This integration (and related Workday tasks) translates data between:

- External ERP endpoint account structures.
- Your Workday worktag and account structures

The integration imports data in a Workday-defined Comma-Separated Value (CSV) file format.

Consolidation Data Capture Integration and Supporting Tasks

The Consolidation Data Capture Integration consists of these components and supporting tasks:

Component	Description
Create Source System	This task enables you to define external source endpoints.
Maintain Source System to Integration Mappings	This task enables you to map your source system to the integration system.
Create Consolidation Data Mapping Definitions	This task enables you to: • Define the number and type of input values in your mapping table. • Define the number and type of outputs.
Create Consolidation Data Mapping Tables	This task enables you to create a data capture mapping table to define rules to map your input values to your target output values.
<i>Consolidation Data - Inbound</i> integration template	This integration template enables you to create an integration system that you can use to: • Manually load consolidation data from the Consolidation Hub report or retrieve a CSV file from an external Document Retrieval Service (Example: SFTP) endpoint that contains the consolidation data. • Translate data by applying the mapping rules that you define with the Create Consolidation Data Mapping Table task. • Map rules that you define directly in the integration as part of integration maps.

Launch/Schedule Options for Document Retrieval Services

Workday provides these launch schedule options for the Consolidation Data Capture Integration:

- Launch on schedule. You specify a run frequency, and Workday launches the integration automatically. Upon launch, the integration retrieves any files from the endpoint.
- Launch immediately. You can launch the integration manually.

Tasks

[Map Source Systems to Integration Systems](#) on page 181

[Create Source Systems](#) on page 174

[Create Consolidation Data Mapping Table Definitions](#) on page 175

[Create Consolidation Data Mapping Tables](#) on page 176

Steps: Create Consolidation Data Capture Integration

- Access to a Document Retrieval Service server (Example: SFTP), including user ID and password that contains the consolidation data files.
- Consolidation data files must be in the Workday-defined Comma-Separated Value (CSV) format.

See [Reference: Consolidation Data - Inbound Integration CSV File Format](#) on page 189.

- Create source systems.

Create 1 source for each external Enterprise Resource Planning (ERP) endpoint task.

Note: When you have different instances of an ERP endpoint, Workday recommends that you create separate source systems to secure, and better manage Mapping Table Definitions and Mapping Tables.

You can create integrations to load consolidation data in the form of summarized trial balance lines into Workday from various external endpoints.

1. [Create Integration System.](#)

Enter *Consolidation Data - Inbound* at the **New using Template** prompt.

2. (Optional) Configure integration services. As you complete this section, consider:

Option	Description
Consolidation Data - Inbound/Import Consolidation Data Configurations	Enable this service to provide these additional configuration options in Message Audit: • Attribute: Input File Tag • Include Web Service Requests In addition, this service also provides the launch parameter for Auto Submit and Parallel Thread Count Override configuration.
Consolidation Data - Inbound/Financials Document Retrieval Service	Enable this service to retrieve files for processing through the related integration system. Select the Configure Files for External Delivery integration attribute to enable this service to deliver the CSV Audit Diagnostic File output file to external endpoints. To deliver this file, you must select the Create Audit File in CSV Format integration attribute. To deliver files to external endpoints, configure a document delivery step on a business process in the integration system. We don't support backslashes on these fields when you generate an audit file on a CSV import file: • Journal Entry Memo • Journal External Reference ID • Journal Line External Reference ID • Journal Line Memo
Filter Import Process Messages	This service provides technical processing that isn't impactful to your integration. You can either enable or disable it with no meaningful impact.

3. [Set Up Integration Retrieval.](#)

4. (Optional) [Create Integration Notifications](#).

5. Create an Integration System User (ISU) and grant the ISU *Get* and *Put* access to these domains:

- *Process: Consolidation Data Capture*
- *Integration Event*

See: [Steps: Grant Integration or External Endpoint Access to Workday](#).

6. Select **Integration System Configure Integration Attributes** as a related action on the integration system and if required, enter these integration service attributes:

- For the Import Trial Balance Configurations attribute provider:
 - Input File Tag
 - Include Web Service Requests in Message Audit.
- For the Integration Document Retention attribute provider:
 - Document Retention Policy

Security: *Integration Build* and *Integration Configure* domains in the Integration functional area.

7. Select **Integration System > Configure Integration Maps** as a related action on the integration system to map tables to external values in the input file.

Security: *Integration Build* and *Integration Configure* domains in the Integration functional area.

As you configure the integration map, consider:

Option	Description
Internal Value	Select the name of the mapping tables you defined on the Create Data Capture Mapping Table task to match the external codes to: • Company • Workday Ledger Accounts • Worktags
External Value	Provide a value that will correspond to the column header values for the Table Name in the input file. It must be an exact match to what displays in the input file. Workday doesn't support special characters. Each mapped column must follow this format: • EC. indicates that the column is a Mapping Table column. • TableName is the exact name of the external value in the <i>Map: Apply Mapping Tables</i> located on the integration system. • ColumnName is the exact name of the column within the Referenced Mapping Table in Workday.

Tasks

[Create Source Systems](#) on page 174

[Create Consolidation Data Mapping Tables](#) on page 176

Reference

[Reference: Consolidation Data - Inbound Integration CSV File Format](#) on page 189

Map Source Systems to Integration Systems

You've created a source system using the **Maintain Source Systems** task.

You've created an integration system. See [Create Integration System](#).

Security: *Set Up: Source System to Integration Mapping* in the Advanced Close and Consolidation functional area.

Before uploading data from the **Consolidation Data Hub** report you'll need to map your source system to the integration system. Mapping your source system to the integration system enables you to upload data from your external Enterprise Resource Planning (ERP) endpoint into Workday.

Workday supports 1 to 1 mapping (1 source system to 1 integration system).

You can only map a source system to an integration system if the integration system has mapping tables assigned to that particular source system.

Note: This task is optional if you're using a Document Retrieval Service connection (Example: SFTP) to import consolidation data.

1. Access the **Maintain Source System to Integration Mappings** task.
2. Enter a name for the mapping.
3. Select a source and integration system.
4. Click **OK**.

Tasks

[Create Source Systems](#) on page 174

Load Consolidation Data into Workday

Set up Consolidation Data Capture. See [Steps: Set Up Consolidation Data Capture](#) on page 174.

For new entities on external ERP endpoints, you can use either the *Put Beginning Balance Journal* or the *Import Beginning Balance Journal* web services to load beginning balances in Workday.

Configure the *Consolidation Data Journal Creation Event* business process.

See [Steps: Configure Business Process Definitions](#).

Map the **External Consolidation Data Journal Entry Source** to operational transactions using the **Maintain Journal Source Mapping to Operational Transactions** task.

See [Steps: Set Up and Update Journal Sources](#).

Security: *Process: Data Capture* in the Advanced Close and Consolidation functional area.

You can load consolidation data manually or by a Document Retrieval Service connection (Example: Secure File Transfer Protocol (SFTP)).

Load only period activity for the current open period.

Note: Workday won't recalculate period activity based on ending balances loaded.

Note: Workday will only retain the name of the CSV file that you uploaded and won't save the file. Workday assumes that your external ERP endpoint will continue to serve as the system of record for your non-Workday entity for audit purposes.

When reloading consolidation data in an open period for the same Company, Book Code and Accounting Date (or Grouping Dimension), consider these statuses for the consolidation data:

Consolidation Data Status	Description
Approved	An accounting journal is posted and associated with this data. Workday cancels the previous consolidation data with the same Grouping

Consolidation Data Status	Description
	Dimension, including all journals, and will replace it with the new consolidation data.
Replaced	Workday has replaced this data by a subsequent consolidation data with the same Grouping Dimension. Its associated journal has been canceled.
Draft	No accounting journal is associated with this data. Therefore, Workday won't cancel the previous consolidation data. You'll need to cancel the consolidation data manually by clicking Cancel .

Note: If you want to resubmit the consolidation data for the same Grouping Dimension, you must reload the entire summarized trial balance period activity. Don't load incremental adjusting journal entries.

1. (Optional) Based on your requirements, create custom validations to identify transaction issues that need a more careful review or further action. Example: Create a custom validation to ensure that anytime you update a line using the **Correct Consolidation Data** task, Workday will create a line memo for audit trail purposes. See [Steps: Set Up Custom Validations](#).

You can share these validations in accounting journals as long as the fields exist in both places.

For a list of Workday delivered validations during the integration event and before creating the Consolidation Data load, see Consolidation Data Capture Validations on [Community](#).

2. Access the **Consolidation Data Hub** report.
3. Click **Upload**.
4. As you complete the task in the **Upload Consolidation Data** page, consider:

Option	Description
Source System Integration	Select the name of the integration to run. You assigned an integration name at the Maintain Source System to Integration Mappings setup task.
Auto Submit	Check this option if you want to have Workday automatically initiate the Business Process for error free consolidation data. Note: When your mapping rules yield conflicting output values, Workday: • Won't populate the mapping result. • Will display a warning. • Won't automatically submit the data even if you select the Auto Submit.
Attachments	Use the Drop files here or Select files option to add the Consolidation Data files. You can only load files based on a Workday-defined file format. See Reference: Consolidation Data - Inbound Integration CSV File Format on page 189.

5. Confirm that consolidation data files load successfully and then click **OK**.

6. On the **Consolidation Data Hub** report, click **Refresh** to confirm that integration event completes successfully.

Note: Once the integration events complete successfully, Workday replaces the **Processing** tab on the **Integration Events (Last 30 Days)** grid with the **Completed** tab, if no integration errors took place.

The **Consolidation Data Hub** report displays details of the consolidation data on these 2 grids:

- Consolidation Data (This grid will by default display consolidation data for the current open period. You can customize this view by the search prompt).
- Integration Events (Last 30 Days)

7. On the **Consolidation Data** grid, review details of each consolidation data uploaded, such as:

Option	Description
Company	Name of the company that contains the consolidation data.
Source System	The name of the external ERP endpoint.
Status	Indicates these statuses of each consolidation data file: • Approved: You've approved the consolidation data and generated accounting. • Draft: You've successfully loaded the consolidation data but haven't submitted the data for approval. There might be errors/warnings that require your attention before submitting the data through the Business Process. • Canceled: You've canceled the consolidation data using the Cancel button • Replaced: You've resubmitted a file containing the same Grouping Dimension: • The consolidation data being replaced changes from <i>Approved</i> to <i>Replaced</i> status. • The associated journal has a status of <i>Canceled</i>. • Error: You've successfully submitted the consolidation data for approval but on completion of the business process, Workday creates an error journal. If you can't resolve the error, contact your Workday Customer Support for further help. • Submitted: You've submitted the data using the <i>Consolidation Data Journal Creation Event</i> business process for approval.
Errors	Indicates the number of errors in the consolidation data. You can click the number to view details of the errors.
Journal	Journal that Workday creates after approval of the consolidation data.

Option	Description
	You can click the journal to drill into the details of the journal.

8. Click **View** to review details of the consolidation data you uploaded.

a) Check **Only Updated Lines** if you want to view only updated lines for ledger accounts and worktags that you previously corrected.

b) Click **OK**.

Workday displays information for the consolidation data, such as:

- Mapped and current ledger accounts.
- Transaction and ledger currency.
- Transaction and ledger amounts.
- Mapped and current worktags.
- Mapping results
- Name of the user who last updated the data and the minute of the last update.

9. Click **Correct** to correct errors in the consolidation data. After correcting the errors, you can submit the consolidation data for approval.

10.(Optional) Click **Cancel** to cancel the consolidation data. You can only cancel consolidation data that is in *Draft* status.

11. Review the 4 tabs on the **Integration Events (Last 30 Days)** grid.

- The **Processing** tab displays details of the integration event that Workday is still completing.
- The **Completed** tab displays details for each completed integration event, such as:

Option	Description
Integration Event	Instance of the integration event. You can click the instance to drill into the details of the event.
Diagnostic Audit Download URL	Instance to the diagnostic file. To diagnose file errors, click the URL and click the '+' button to expand the selection. Diagnostic Audit Download provides an integration summary and displays file-related errors, if any.
Integration Messages	Integration messages display integration-related errors. If you're unable to resolve all errors after reuploading the file, Workday recommends that you contact your system administrator.
View Consolidation Data	Click the down arrow to: • View details of the consolidation data. • Export to Excel.

Option	Description
	Export to PDF.

- The **Incomplete** tab displays details of each integration event that creates some consolidation sets due to errors. It displays information, such as:

Option	Description
Integration Event	Instance of the integration event. You can click the instance to drill into the details of the event.
Diagnostic Audit Download URL	Instance to the diagnostic file. To diagnose file errors, click the URL and click the '+' button to expand the selection. Diagnostic Audit Download, primarily displays file-related errors.
Integration Messages	Integration messages display integration-related errors. If you're unable to resolve all errors after reuploading the file, Workday recommends that you contact your system administrator.

- The **Failed** tab displays details of failed integration events where Workday created no consolidation data sets due to a system error. It displays information, such as:

Option	Description
Integration Event	Instance of the integration event. You can click the instance to drill into the details of the event.
Diagnostic Audit Download URL	Instance to the diagnostic file. To diagnose file errors, click the URL and click the '+' button to expand the selection. Diagnostic Audit Download, primarily displays file-related errors.
Integration Messages	Integration messages display integration-related errors. If you're unable to resolve all errors after reloading the file, Workday recommends that you contact your system administrator.

Tasks

[Correct Consolidation Data](#) on page 186

Reference

[The Next Level: Data Validations for Consolidation Data Capture](#)

Correct Consolidation Data

Upload consolidation data into Workday. See [Load Consolidation Data into Workday](#) on page 181.

Create the default definition for the *Consolidation Data Journal Creation Event* business process.

Edit the business process security policy to include relevant security groups. For more information, see [Configure Consolidation Data Capture Security](#) on [Community](#).

See [Steps: Configure Business Process Definitions](#).

Security: *Process: Data Capture* in the Advanced Close and Consolidation functional area.

You can review and correct line level errors once you have uploaded consolidation data into Workday. After you resolve the errors, you can submit the corrections, if any for approval and creating accounting journals.

Note: You can correct errors for the ledger account and worktags only.

1. Access the **Consolidation Data Hub** report.
2. Click **Refresh** to display all consolidation data uploads.
3. For the consolidation data upload that you want to correct, click **Correct**.

Note: Workday will only display the **Correct** button if the Consolidation Data is in a *Draft* status. For more information on document statuses, see [Load Consolidation Data into Workday](#) on page 181.

Workday displays the **Correct Consolidation Data** task.

4. (Optional) On the **Line Summary** section:
 - Click **Errors** and **Warnings** to view summary of line errors and warnings.
 - Review number of **Updated Lines** that have an error. You can't drill down to view the details.
5. On the **Search Criteria** section, select a search category to narrow your results.
6. As you narrow your search criteria, consider:

Option	Description
Mapped Ledger Account Mapped Worktags	Select mapped ledger account and worktags. To resolve these mapping errors, you can modify rules you defined in the mapping table. See Create Consolidation Data Mapping Tables on page 176.
Errors and Warnings	Select errors or warnings that you want to correct. You can select a single error or warning or multiple errors or warnings. Note: If you select more than 1 error or warning, only those lines that satisfy all the selected errors, or warnings will populate in the grid below.
Row ID Minimum Row ID Maximum	Select a minimum and maximum row that you want to retrieve in the grid.
Only Updated Lines	Select if you want to search for errors from lines you previously updated.

7. Click **Search**.

Workday loads a maximum of 250 lines at one-time in the grid, as specified by your criteria.

8. Review these columns in the grid:

Option	Description
Column Heading	Represents the row from the .CSV file. Example: First row after header row will have a Row ID of 1, and so on.
Mapped Ledger Account	Ledger account that Workday maps after evaluating referenced mapping tables. If this field is blank, Workday was unable to find a mapping table rule match.
Current Ledger Account	Mapped ledger account plus any corrections (additions or deletions) that you want to submit as your final ledger account for the given consolidation data line.
Mapped Worktags	Worktags that Workday maps after evaluating referenced mapping tables. If this field is blank, Workday was unable to find a mapping table rule match.
Current Worktags	Mapped worktags plus any corrections (additions or deletions) that you want to submit as your final worktags for the given consolidation data line.
Mapping Results	Provides details of the mapping tables that Workday creates by the integration and input values from the .CSV values, and the output results.
Memo	Line level message that you can provide when performing error handling.
Updated	A Yes indicates that you've corrected a ledger account or worktags for this consolidation line from what you mapped.

Note: You can either select to update single lines individually or mass update selected lines in the grid.

9. To correct single lines individually

- a) Select a line or lines in the grid.
- b) Enter the correct values for the current ledger account or the current worktag.
- c) Click **Update** to update the lines in the grid with the correct values to process any changes made.

Note: When you resolve errors or warnings and click **Update**, Workday updates the error/warning count in real time. Example: Workday initially displays 10 errors. As you keep resolving errors, the number of errors displayed on the **Line Summary** section will adjust accordingly.

If you're making changes to more than 20 lines at a time, review the number of **Processing Lines** under the **Line Summary** section that Workday is processing. Click **Update** again, to have Workday complete processing these lines.

Note: While Workday is processing the lines, you can't search for and modify these lines.

- d) (Optional) Click **Save for Later** if you want to review the lines before submitting them for approval.
- e) Click **Submit** to submit the lines for approval.

Workday launches the *Consolidation Data Journal Creation Event* business process to submit the lines for approval.

Note: Submit will only display once Workday resolves all critical errors.

- f) (Optional) Click **Cancel** if you want to cancel your actions.

10. To mass update lines

- a) Select the lines that you want to update in the grid. You can also select all of them if you want to update all lines in the grid.
- b) On the **Mass Update Selected Lines** section, select the correct values for the ledger account and worktag.

Note: Workday will apply the values that you specify to all the selected lines in the grid.

- c) As you select **Actions**, consider:

- **Add:** Workday either adds the correct values to the missing values or replaces the existing values in the grid with the correct values.
- **Remove:** Workday removes all existing values from the selected lines in the grid.
- **Do not apply:** Workday won't apply any values in the grid. You'll have to enter the correct values individually for each transaction line in the grid.

- d) Click **Update** to update the lines in the grid with the correct values and process the corrections.

Note: When you resolve errors or warnings and click **Update**, Workday updates the numbers in real time. Example: Workday initially displays 10 errors. As you keep resolving errors, the number of errors displayed on the **Line Summary** section will adjust accordingly.

If you're making changes to more than 20 lines at a time, review the number of **Processing Lines** under the **Line Summary** section that Workday is processing.

Note: While Workday is processing the lines, you can't search for and modify these lines.

- e) On the **Mass Updated Selected Lines** section, for **Actions**, select **Do not apply** and then click **Update** again.

Workday completes processing these lines.

- f) (Optional) Click **Save for Later** if you want to review the lines before submitting them for approval.
- g) Click **Submit**.

Workday launches the *Consolidation Data Journal Creation Event* business process to submit the lines for approval.

Note: Submit will only display once Workday resolves all critical errors.

- h) (Optional) Click **Cancel** if you want to cancel your actions:

- Enter a comment and click **OK**.
- Click **Done** to navigate back to the **Consolidation Data Hub** report.

Concept: Period Close Activity Group of Consolidation Data Capture

Workday provides a Consolidation Data Capture period close activity group, enabling you to close your Consolidation Data Capture journals separately from other journals. You can now close these 2 groups independently, providing greater control and flexibility in processing different types of journals as you work through your ledger period close. You still have the ability to add them to your configured groups.

Access the **Maintain Period Close Activity Groups** task to configure your period close activity group. See [Set Up Period Close Activity Groups](#) on page 217.

Before closing the period, Workday recommends that you:

- Confirm that all consolidation data for a unique grouping dimension has an approved journal.
- Run the **Trial Balance Composite** report each period to reconcile YTD balances between the Source System and Workday.

Concepts

[Concept: Ledger Close Activity Groups](#) on page 233

Reference: Consolidation Data - Inbound Integration CSV File Format

You can't generate a CSV file from a delivered template. Your organization will have to create one using the Workday defined guidelines as specified below:

The CSV import file format has 2 types of rows:

- **Header** row. The first row in the CSV file is a fixed header row. The header row describes the columns that the consolidation data rows populate. There can be only 1 header row in a file, and it must be the first row of the file. You can skip the optional columns in the input file by removing the column or leaving it empty.
- **Consolidation Data** are rows that display the summarized trial balance lines. The integration separates the CSV file by grouping all lines with the same *Grouping Dimension* that consists of:
 - Company
 - Book Code
 - Accounting Date

For each set of lines with the same Grouping Dimension, Workday will:

- Create a single Consolidation Data file.
- Process the single Consolidation Data file into a single journal entry in Workday.

The CSV import file format has 2 types of fields that you can use to upload consolidation data from the **Consolidation Data Hub** report or using a Document Retrieval Service connection (Example: SFTP):

- **Standard Fields**

You can include these standard fields:

Field Name	Supported Data Type	Grouping Dimension	Required	Description
ACCOUNTING_DATE	YYYY-MM-DD MM/DD/YYYY MM-DD-YYYY MM/DD/YY MM-DD-YY	Yes	Yes	Determines ledger period based on Company fiscal schedule.

Field Name	Supported Data Type	Grouping Dimension	Required	Description
BOOK_CODE	Integration ID-for the Book Code Access Integration IDs > View IDs as a related action on the book code.	Yes	No If left blank, Workday records the journal to blank/common book code.	Segregates transactions for financial reporting.
HEADER_MEMO	Free Text	No	No	Header message
TRANSACTION_CURRENCY	Alpha#3 code	No	No	Currency in which a transaction takes place.
TRANSACTION_AMOUNT	Amount with no commas.	No	No	Amount in transaction currency.
LEDGER_CURRENCY	Alpha#3 code	No	Yes	Ledger currency of specified Company.
LEDGER_AMOUNT	Amount with no commas.	No	Yes	Amount in ledger currency of specified Company.
LINE_MEMO	Free Text	No	No	Line level message

Note: Enter the field name as shown in the **Field Name** column above. Example: Enter ACCOUNTING_DATE not ACCOUNTING.DATE.

Column names are case-sensitive.

- **Mapping Fields**

You can use these fields in your mapping tables:

Mappable Field	Data Type	Singular	Grouping Dimension	Required	Description
Company	Mapping Value	Yes	Yes	Yes	Company in Workday
Ledger Account	Mapping Value	Yes	No	No	Ledger accounts from the account set of the company.
Worktags	Mapping Value	One per type.	No	No	Attributes for each

Mappable Field	Data Type	Singular	Grouping Dimension	Required	Description
					consolidation data line.

As you enter mapping values, keep these guidelines in consideration:

Mapping Value	Valid Values
Alphabet	aA-zZ
Numbers	0 to 9

Note: Expressions aren't case-sensitive.

Use this format for a field or column header on your CSV file for mapping values:

EC.TableName.ColumnName, where:

- EC indicates that the column contains mapped values. Every mapping field must start with 'EC.'
- TableName is the external value of the mapping table name. This name should correspond to the external value in the *Map: Apply Mapping Tables* located on the integration system.
- ColumnName is the exact name of the Column in the Referenced Mapping Table in Workday.

For more information about the configuration, see Integration Maps Configuration, on [Community](#).

Example:

EC.Map1.Ledger Acct	EC.Map2.Company	ACCOUNTING_DATE	LEDGER_CURRENCY	LEDGER_AMOUNT
Cash	Company A	2023-01-31	USD	1000
Accounts Receivable	Company A	2023-01-31	USD	250
Fixed Assets	Company A	2023-01-31	USD	3000

Additional Guidelines

Consider these additional guidelines when you format a CSV file:

- Workday records positive ledger amounts or transaction amounts as Debits and negative ledger amounts or transaction amounts as Credits.
- When you open CSV files with certain editors (Example: Excel) Workday might convert certain field display formats. Remove non-English values such as accents, symbols, and characters and so on. After using such an editor, view the CSV file with a program such as TextEdit to ensure file wasn't altered.
- Field or column order doesn't matter.
- Commas in Ledger Amount or Transaction Amount fields aren't supported (Example: input 1000 vs 1,000).
- Workday considers a field required unless otherwise stated.
- Boolean values are *1* (true) and *0* (false).
- Date value formats accepted are:
 - YYYY-MM-DD
 - MM/DD/YYYY
 - MM-DD-YYYY
 - MM/DD/YY
 - MM-DD-YY
- Field or Column header names must display in the file exactly as this document specifies.

- Column header names *are* case-sensitive.
- For HEADER_MEMO, Workday will use a memo per unique grouping, based on Company, Accounting Date, and Book Code.

Reference

[The Next Level: Historic Translation Method/Revaluation and Consolidation Data Capture](#)

Consolidations and Eliminations

Setup Considerations: Consolidations and Eliminations

You can use this topic to help make decisions when planning your configuration and use of consolidations and eliminations. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

Consolidation aggregates financial transactions from multiple companies in a hierarchy into a single financial statement. You create rules to eliminate these transactions when consolidating:

- Intercompany transactions.
- Investments in subsidiaries.
- Noncontrolling interest (NCI).

Business Benefits

You can:

- Consolidate 2 or more companies as a single entity to meet global statutory and tax reporting requirements.
- Eliminate intercompany transactions to prevent double counting.
- Run consolidated reports throughout the period and include elimination information in your reporting at any time.
- Create journals that record the NCI for subsidiaries.

Use Cases

When a parent company either directly or indirectly controls a majority interest in a subsidiary, you can consolidate the affiliated companies and run consolidated financial statements. A consolidated financial statement eliminates equity, intercompany, and NCI transactions, and displays the parent and its subsidiaries as a single entity.

Questions to Consider

Questions	Considerations
Are the subsidiaries wholly owned or partially owned by the parent company?	For partially owned subsidiaries, define the ownership percentage.

Questions	Considerations
What intercompany ledger accounts do you want to eliminate during consolidations?	Include the intercompany and interworktag ledger accounts you want to eliminate when you configure elimination rules. Use the first tab of the elimination rules for these types of eliminations.
How will you settle intercompany transactions?	To settle by cash, ensure that you create organizations as companies in Workday. Otherwise, you can create a custom organization or another type of organization such as a cost center as a primary balancing worktag. Interworktag eliminations can't settle with cash and will only eliminate for the primary balancing worktag.
What sort of interest does the parent company have in subsidiaries?	When the parent company has a controlling interest in a subsidiary, configure elimination rules to eliminate the parent company investments from the subsidiary. If a third party has a noncontrolling interest in a subsidiary, define elimination rules for NCI.
Which accounting method will you use when consolidating?	If you use the equity method, automate equity pickup calculation by defining rules on the Equity Pickup tab of the elimination rules.
Will you be reporting consolidated results for an alternate fiscal schedule?	Create a separate hierarchy for the alternate fiscal schedule and select the alternate fiscal schedule on the Edit Consolidations Details task.

When you're planning to calculate and record NCI eliminations using the **Run Noncontrolling Interest** task, consider:

Questions	Considerations
What currencies and hierarchies do you perform consolidation reporting for?	Create: • NCI journals for each currency and hierarchy that you're reporting in. • Translated beginning balances for each translated reporting currency you're consolidating in. Example: If you perform consolidation reporting in USD and EUR, ensure that you have NCI journals for both currencies, and for all hierarchies that you're performing the consolidation reporting for.
Who should opt in when they want to perform reporting using NCI journals?	If you currently derive NCI, you can opt in to run persisted NCI reports. If you don't opt in, you won't be able to report using NCI journal lines. If you're new to Workday, Workday opts you in automatically.

Questions	Considerations
At what level do you want to approve NCI results?	You can approve or deny NCI results at: • Hierarchy level, reducing the number of business process events that need your approval. • Company level, providing you with more visibility and control over your NCI results.
When are you going to run NCI?	You can run NCI now or schedule to run it in the future.
What type of NCI ownership does your company have?	You can set up NCI to calculate for direct ownership on the Maintain Elimination Rules task. Workday calculates NCI for indirect and direct ownership by default.

Recommendations

- When you're configuring elimination rules for intercompany and interworktag ledger accounts, select a unique account as the variance ledger account. A unique account ensures that Workday tracks differences if the intercompany and interworktag accounts don't net to zero upon consolidation.
- When you're recording NCI, set up an elimination rule for each ledger account or ledger account summary that you want to calculate NCI on.
- When you're configuring elimination rules for equity pickup:
 - Select a provision account. If you don't select an account, Workday tracks losses but won't record them.
 - Record equity pickup results in the subsidiary base currency to record eliminations accurately, and to automate revaluation of the investment in subsidiary.
- Add NCI and equity pickup journals to new or existing period close activity groups.

Requirements

To ensure that Workday calculates consolidations accurately:

- Complete the company hierarchy.
- Ensure each company in the hierarchy shares the same account set, and either a primary or an alternate fiscal schedule. The companies can have different ledger (base) currencies.
- Complete the company ownership details for every company in the hierarchy.
- Configure eliminations and equity method consolidation rules.
- Opt in to report using NCI journal lines if you've been deriving NCI.
- Enable the **Translated Currency** prompt when you're creating a custom report to perform consolidation reporting. Workday uses this value to perform eliminations for NCI, and investment in subsidiary and subsidiary equity.

Limitations

No impact.

Tenant Setup

You can use the **Edit Tenant Setup - Financials** task to enable options to:

- Include worktag types for retained earnings.
- Add the intercompany affiliate worktag type.
- Reverse operational and NCI journals.

Security

Domain	Consideration
<i>Set Up: Consolidation</i> in the Financial Accounting functional area.	Can configure elimination rules.
<i>Process: Equity Pickup</i> in the Financial Accounting functional area.	Can run and calculate equity pickup.
<i>Set Up: Financial Accounting</i> in the Common Financial Management functional area.	Can create ownership details.
<i>Process: Noncontrolling Interest</i> in the Financial Accounting functional area.	Can create journal entries.
<i>Process: Noncontrolling Interest Opt-in</i> in the Financial Accounting functional area.	Can opt in to report NCI using NCI journals. Only applies to unconstrained groups.

Business Processes

Business Process	Consideration
<i>Equity Pickup Event</i>	You can approve and deny equity pickup entries.
<i>Noncontrolling Interest Group Run Event</i>	You can approve and deny NCI group results. Workday creates 1 NCI group result per hierarchy that you run NCI for.
<i>Noncontrolling Interest Run Event</i>	You can add <i>Noncontrolling Interest Run Event</i> as a subprocess of the <i>Noncontrolling Interest Group Run Event</i> business process. This enables you to pre-approve and deny NCI results for individual subsidiaries or companies in a hierarchy.

Reporting

You can run the **Consolidated Trial Balance** report to review these eliminations:

- Intercompany and interworktag.
- NCI.

You can use these reports to view NCI results and journal lines:

- **Find Consolidation Journal**
- **Find Consolidation Journal Lines**

You can use the **Find Noncontrolling Interest Results** report to view and cancel NCI results.

You can view equity pickup journals in a:

- Standard trial balance report.
- A composite consolidated trial balance report.

Integrations

Web Services	Considerations
<i>Get Company Ownership Details Full List</i>	Retrieves information about company ownership, including all related snapshots for the company.
<i>Get Consolidation Details of Company Hierarchy</i>	Retrieves consolidation details on company hierarchies.
<i>Get Noncontrolling Interest Results</i>	Retrieves all NCI results.
<i>Put Company Ownership Detail Full List</i>	Uploads snapshots of company ownership details.
<i>Put Consolidation Details of Company Hierarchy</i>	Uploads the consolidation details of company hierarchies.
<i>Put Noncontrolling Interest Result</i>	Mass creates NCI balances when you perform reporting using persisted elimination journals.

Connections and Touchpoints

Features	Considerations
Company Intercompany Profile	You use this profile to define relationships between companies in Workday. The profile enables you to specify which companies can initiate transactions and which companies can only settle transactions.
Set Up a Single Legal Entity	You share this feature with a Workday Payroll (USA) implementation. Define the company relationship to enable multiple companies to roll up to a single company.
Worktag Balancing	You can eliminate primary worktags, but you can't eliminate optional worktags.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships across your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Tasks

[Set Up Intercompany and Interworktag Rules](#) on page 199

[Steps: Set Up for Persisting Noncontrolling Interest](#) on page 199

[Configure Equity Pickup Method Elimination Rules](#) on page 201

[Run Noncontrolling Interest](#) on page 204

[Calculate Equity Pickup Results](#) on page 205

Reference

[2021R2 What's New Post: Run Noncontrolling Interest](#)

Steps: Set Up Consolidation Companies

- Create a company hierarchy that includes all companies that are part of the consolidation.
- Review setup considerations for consolidations and eliminations.

You can:

- Set up ownership for investments in subsidiaries, noncontrolling interest (NCI), and elimination rules for equity pickup.

- Generate reports to view detailed information about these eliminations:
 - Intercompany and interworktag.
 - Investment in subsidiary and subsidiary equity.
 - NCI.
- 1. [Set Up Company Ownership Details](#) on page 197.
 Select the legal companies that are part of the consolidation hierarchy, and define either of these percentages:
 - Ownership.
 - Income attribution.
 Security:
 - *Set Up: Consolidation* domain in the Financial Accounting functional area.
 - *Set Up: Financial Accounting* domain in the Common Financial Management functional area.
- 2. [Set Up Intercompany and Interworktag Rules](#) on page 199.
 Set up rules for using intercompany affiliate worktags to eliminate ledger accounts for the consolidation.
 Security: *Set Up: Consolidation* domain in the Financial Accounting functional area.
- 3. (Optional) [Set Up Investment in Subsidiary and Subsidiary Equity](#) on page 211.
Note: If you're new to Workday, you don't have access to the **Investment in Subsidiary/Subsidiary Equity (To Be Retired)** tab on the **Maintain Elimination Rules** task.
 Security: *Set Up: Consolidation* domain in the Financial Accounting functional area.
- 4. Set up your tenant for NCI using either:
 - [Steps: Set Up for Persisting Noncontrolling Interest](#) on page 199 (Recommended).
 - [Set Up for Deriving Noncontrolling Interest](#) on page 212.**Note:** If you're new to Workday, you can't derive NCI.
- 5. [Configure Equity Pickup Method Elimination Rules](#) on page 201.
 Define the equity method accounting rules that consolidation investor and investee companies use to eliminate equity pickup earnings.
- 6. [Create Trial Balance Reports](#) on page 279.
 View these eliminations by running the standard composite consolidated trial balance report:
 - Investment in subsidiary and subsidiary equity eliminations, including any NCI portion.
 - NCI activity.
 - Equity pickup.
 You can view equity pickup journals in a:
 - Standard trial balance report.
 - Composite consolidated trial balance report.

Tasks

[Steps: Set Up Companies](#) on page 56

Reference

[2021R2 What's New Post: Run Noncontrolling Interest](#)

Set Up Company Ownership Details

- Create a company hierarchy that includes all companies that are part of the consolidation.
- Security: *Set Up: Consolidation* domain in the Financial Accounting functional area.
- Security: *Set Up: Financial Accounting* domain in the Common Financial Management functional area.

You can set up ownership details for your investments in subsidiaries for legal companies that are part of a company hierarchy.

When you change the third party ownership details of a parent company, consider the impact on subsidiaries associated with it. We recommend that you create a separate ownership change snapshot on the date of change.

1. Access the subsidiary company.

You can search for a subsidiary company:

- Using global search.
- From the **Edit Consolidation Details** task, and selecting a **Consolidating Parent Company** for the company hierarchy.

If you don't define a parent company, Workday won't apply any elimination rules that you define for:

- Investment in subsidiary and subsidiary equity.
- Noncontrolling Interest (NCI).

2. From the related actions menu of the subsidiary company, select **Company > Edit Company Ownership Details.**

Enter an **Effective Date**.

Workday uses this date to calculate net income and prior year retained earnings based on the date that these changes go into effect:

- **Ownership %**
- **Income Attribution %**

3. As you complete the **Edit Company Ownership Details task, consider:**

Option	Description
No Owner Companies	Select when the company is a consolidating parent that doesn't have any owner companies.
Owner Company	Select an owner company or a third party. Select Create > Create Third Party to create a worktag for owners that don't have a company within your Workday tenant. Third-party worktags enable you to associate third-party owners with their corresponding elimination entries.
Ownership %	Enter whole or decimal numbers from zero to 100 that represent ownership in the company. The Total for all owner companies and third-parties must equal 100. If you reduce the ownership percentage of an owner company to zero, don't remove the value for the fiscal period. You can remove the zero percent ownership line in a subsequent period after Workday records the ownership adjustment.
Income Attribution %	Enter a percentage if you're attributing income that isn't based on relative Ownership % . Enter whole or decimal numbers from zero to 100. The Total for all owner companies and third-parties must equal 100.

You can configure elimination rules for the company hierarchy.

Tasks

[Steps: Set Up Companies](#) on page 56

Reference

[The Next Level: Introduction to Workday Consolidations](#)

Set Up Intercompany and Interworktag Rules

- Create a hierarchy that includes all companies that are part of the consolidation.
- Complete ownership details for each company in the company hierarchy.
- Security: *Set Up: Consolidation* domain in the Financial Accounting functional area.

You can configure rules for all intercompany and intercompany worktag ledger accounts that you want to eliminate upon consolidation.

Example: You can create separate rules to eliminate:

- Intercompany receivable and intercompany payable accounts.
- Intercompany revenue and intercompany expense accounts.
- Interworktag receivable and interworktag payable accounts.

1. Access the **Maintain Elimination Rules** task.
2. Select the **Account Set** for which you're defining elimination rules.
Create 1 or more elimination rules for the account set.
3. As you complete the **Intercompany/Interworktag** tab, consider:

Option	Description
Elimination Ledger Accounts	Select the consolidation intercompany or interworktag ledger accounts you want to eliminate. Consider the account translation method of the ledger accounts. If you've different translation methods, it can result in translation variances.
Variance Ledger Account	Select the variance amounts if the intercompany or interworktag ledger accounts don't eliminate on consolidation. Workday recommends that you: • Select a different variance ledger account for each elimination rule. • Don't define intercompany or interworktag accounts as the variance ledger account.

Workday calculates and displays the elimination entries in an elimination column on each consolidated financial report, when you select 1 or more of these prompts:

- **Eliminations Only**
- **Perform Intercompany Eliminations**

You can use the **Intercompany Elimination Out of Balance** report to reconcile:

- Intercompany accounts in an elimination rule.
- Differences with the suspense account in the **Consolidated Trial Balance** report.

Steps: Set Up for Persisting Noncontrolling Interest

- Review setup considerations for consolidations and eliminations.

- Configure the *Noncontrolling Interest Group Run Event* business process to approve and deny NCI group results at hierarchy level.
- Security: *Process: Noncontrolling Interest* domain in the Financial Accounting functional area.

You can configure noncontrolling interest (NCI) for persisted journals.

If you currently derive NCI and want to perform reporting using NCI journal lines, you must opt in.

1. (Optional) Set up security for preapproving and denying NCI results for companies and subsidiaries in a hierarchy.

Configure the *Noncontrolling Interest Run Event* business process, which is a subprocess of the *Noncontrolling Interest Group Run Event* business process.

2. (Optional) Set up security for opting in to persist NCI.

Configure the *Process: Noncontrolling Interest Opt-in* domain in the Financial Accounting functional area for unconstrained groups only.

3. Access the **Maintain Elimination Rules** task.

4. Select the **Account Set** for which you're defining elimination rules.

Create 1 or more elimination rules for the account set.

5. (Optional) If you're opting in to persist NCI, remove your configuration details on the **Investment in Subsidiary/Subsidiary Equity (To Be Retired)** tab.

6. Access the **Noncontrolling Interest Activity** tab.

Create a rule for each ledger account and ledger account summary that you want to calculate NCI on.

As you complete this tab, consider:

Option	Description
Direct Ownership Only	If you don't select, Workday calculates NCI for both direct and indirect ownership when you run NCI.
NCI Source Ledger Accounts/Summaries	Select the ledger account or ledger account summaries that you want to use for calculating NCI activity. These accounts are typically your income statement and equity accounts. To prevent double-counting, Workday recommends that when you select ledger account summaries for parent companies in company hierarchies, you: • Exclude the earnings in subsidiary accounts in the parent companies from the ledger account summaries. • Create separate ledger account summary for the earnings in subsidiary accounts. You don't need to apply this recommendation if you select the Direct Ownership Only check box and opted in previously.
NCI Attribution Method	Select either of these methods to calculate NCI activity: • Income Attribution % • Ownership %

Option	Description
	To change the percentages, select Edit Company Ownership Details from the related actions menu of the subsidiary company.
NCI Target Ledger Account	Select the ledger account that you want to record NCI eliminations to that offsets the NCI equity account.
Ownership Change Adjustment Account	Select a ledger account that isn't retired to record the ownership change adjustments. When you update ownership details, Workday calculates ownership change adjustments based on the activity posted to date in the source ledger accounts that you define on the NCI rule. It records the ownership change adjustments to the ledger account that you select. Workday calculates ownership adjustment separately on prior year activity and current year activity to date. If you don't select a ledger account, the Run Noncontrolling Interest task won't calculate ownership change adjustments even if there are changes in ownership in the period that you're running the task for.
NCI Offset Ledger Account	Define the NCI offsetting ledger account that you want to use for balancing NCI target ledger accounts.

7. Create NCI balances for each period, company hierarchy, and reporting currency that you're reporting on using either the:

- **Run Noncontrolling Interest** task.
- **Put Noncontrolling Interest Result** web service. Workday creates the NCI journals when you approve the NCI results.

8. (Optional) Access the **Noncontrolling Interest Journal Lines Opt-In** task to perform reporting using NCI journal lines.

Ensure you've performed the tasks in the checklist, and select the **Report noncontrolling interest journal lines** check box.

You can opt out of reporting using NCI journal lines by clearing the **Report noncontrolling interest journal lines** check box.

Run NCI using the **Run Noncontrolling Interest** task.

Tasks

[Steps: Set Up Consolidation Companies](#) on page 196

[Run Noncontrolling Interest](#) on page 204

[Roll Year-End Balances Forward](#) on page 222

Reference

[2021R2 What's New Post: Run Noncontrolling Interest](#)

Configure Equity Pickup Method Elimination Rules

- Set up company ownership details for investor and investee companies.

- Security: *Set Up: Consolidation* domain in the Financial Accounting functional area.

You can define rules for eliminating equity pickup earnings for the investor and investee companies when you consolidate subsidiaries using the equity method of accounting. For each equity pickup rule, you can define:

- Default ledger accounts.
- Ledger accounts for 1 or more companies with their own set of accounts.

1. Access the **Maintain Elimination Rules > Equity Pickup** tab.

2. As you complete the **Equity Pickup** tab, consider:

Option	Description
Rule Name	You can't use a rule name more than once.
Record in Subsidiary Base Currency	Select to record equity pickup in the base currency of the subsidiary. If you don't select, Workday calculates the equity pickup results in the ledger (base) currency of the parent company or companies.
Journal Source	Select only 1 journal source. You can define journal sources on the Maintain Journal Sources task.
Currency Rate Type	Select to override the default currency rate types Workday defines at the company or tenant level.
Source Ledger Accounts/Summaries	Select 1 or more default ledger accounts or ledger account summaries that you want to use to derive equity pickup results. Each account must be unique, and typically comprises the net income of the subsidiary. You can create more than 1 row for each ledger account or ledger account summary entry. Example: Select 1 source ledger account for net income and another for dividends. If you have multiple levels of ownership, ensure that you include the profit/loss account so that your results flow to the various levels of ownership in the hierarchy. Do this also if you configure the Ownership Change Adjustment Account option.
Investment Account	Select a default ledger account to record the change to the parent investment in the subsidiary. Select an account that is different to the provision account to avoid processing errors.
Profit/Loss Account	Select a default ledger account to record the change to the parent equity income or loss in the subsidiary. The equity pickup process creates duplicate results if you calculate equity pickup using a different rule with the same:

Option	Description
	- Company or Company Hierarchy. - Fiscal Period. - Source Ledger Accounts.
Provision Account	(Optional) Select a provision account to record equity pickup losses for the parent company. If you leave this field blank, Workday tracks losses but won't record them to any account. Select a provision account when you select a ledger account from the Ownership Change Adjustment Account option. Select an account that is different to the investment account to avoid processing errors.
Ownership Change Adjustment Account	(Optional) Select a ledger account to record the change in ownership from prior period to current period. If you don't select an account, Workday won't record ownership changes. Workday records the offset on adjustments to the profit/loss account.
Worktags	(Optional) Select 1 or more worktags, which can include balancing worktags, that you want to associate with target journal lines.

3. (Optional) In the **Company Overrides** grid, configure an equity pickup rule for 1 or more investor companies when each company has different investment, profit and loss, and provision accounts. Ledger accounts and worktags that you specify on the grid override default ledger account and worktag values for investor companies.

Use the **Equity Pickup** task to calculate equity pickup results.

Tasks

[Set Up Company Ownership Details](#) on page 197

[Create Journal Sources](#) on page 86

Steps: Create Alternate Fiscal Year Consolidations

- Review setup considerations for consolidations and eliminations.
- Create a company hierarchy that includes all companies that are part of the consolidation.
- Security:
 - Set Up: Consolidation* domain in the Financial Accounting functional area.
 - Set Up: Financial Accounting* domain in the Common Financial Management functional area.

Workday enables you to create consolidated financial statements for companies with different fiscal schedules. When you want to roll up companies with alternate fiscal schedules into a hierarchy, each company in the hierarchy must share either:

- A primary fiscal schedule.
- An alternate fiscal schedule.

Note: Create a separate hierarchy if you want to report consolidation results for the alternate fiscal schedule.

1. Consolidate companies in the hierarchy to eliminate:

- Intercompany.
- Equity pickup.
- Transactions.
- Noncontrolling interest (NCI).

See [Steps: Set Up Consolidation Companies](#) on page 196.

2. Associate 1 or more alternate fiscal schedules with each company in the hierarchy.

See [Assign Company Accounting Details](#) on page 62.

3. Access the **Edit Consolidation Details** task and enter a standard or alternate fiscal year to define the consolidation fiscal schedule for the company hierarchy.

4. Roll forward year-end balances and translated beginning balances for all companies in the hierarchy at the end of their fiscal years.

When you have no translated beginning balances to roll forward, enter these balances manually.

See [Roll Year-End Balances Forward](#) on page 222 and [Enter Translated Beginning Balance Amounts for Ledger Accounts](#) on page 168.

Run the **Consolidated Trial Balance** report.

Tasks

[Create Trial Balance Reports](#) on page 279

Run Noncontrolling Interest

- Set up Workday to persist noncontrolling interest (NCI).
- Security: *Process: Noncontrolling Interest* in the Financial Accounting functional area to secure NCI tasks and reports, and enable you to create journal entries.

You can create consolidation journals that record the NCI for subsidiaries in persisted elimination journals.

When there's a change in NCI ownership, Workday calculates your NCI ownership change adjustment amounts, based on:

- NCI source amounts.
- Previous NCI percentages.
- Current NCI percentages.
- Change in NCI ownership percentages.

1. Access the **Run Noncontrolling Interest** task.

2. As you complete this task, consider:

Option	Description
Company Hierarchy	Select the company hierarchy that you want to record the NCI eliminations for.
Fiscal Schedule	Workday calculates NCI eliminations for the current earliest open period. Example: If you schedule to run the task on the 1st of April and the March period is open, Workday calculates and records NCI eliminations for the March period.
Currencies	You can select 1 or multiple currencies for hierarchies.

You can drill into **Group Result Detail** per hierarchy to gain insight on NCI activities.

If NCI ownership changes occur, you can view how Workday calculates the NCI change adjustment amounts.

Workday creates separate result lines for each rule and ownership change based on activity for the:

- Current year.
- Prior year.
- If NCI results look inaccurate, you can cancel NCI group results using the **Noncontrolling Interest Result Group > Cancel** related action.
- You can roll forward NCI beginning balances using either of these tasks on the *Process: Close Year End* domain in the Common Financial Management functional area:
 - **Roll Forward Noncontrolling Beginning Balances** when you want to roll forward just NCI journal lines.
 - **Roll Forward Year-End Balance** when you want to roll forward all beginning balances, including NCI.

Workday creates beginning balance journal lines for unique combinations of:

- Company hierarchy.
 - Book codes.
 - Ledger accounts.
 - Intercompany affiliates.
 - Third parties.
- To view NCI entries, use the standard composite consolidated trial balance report.

Tasks

[Steps: Set Up Consolidation Companies](#) on page 196

[Set Up Company Ownership Details](#) on page 197

[Steps: Set Up for Persisting Noncontrolling Interest](#) on page 199

Reference

[2021R2 What's New Post: Run Noncontrolling Interest](#)

Calculate Equity Pickup Results

- Define equity pickup rules.
- Verify that the current ledger period status of the investor company isn't:
 - *Closed*.
 - *Close In Progress* for the **Equity Pickup** journal source.
 - *Not Available*.
- Ensure that equity pickup journals for earlier fiscal periods are in a **Posted** state before running equity pickup for subsequent fiscal periods to avoid processing errors.
- Configure the *Equity Pickup Event* business process and security policy in the Financial Accounting functional area so that you can approve journal entries for equity pickup before posting them to target and offset ledger accounts of investor companies.
- Security: *Process: Equity Pickup* domain in the Financial Accounting functional area.

Record the equity earnings of a consolidated subsidiary onto the books of the parent company.

When you record equity pickup results in the base currency of a subsidiary, the journal entry displays in the subsidiary currency.

1. Access the **Equity Pickup** task.

2. As you complete the task, consider:

Option	Description
Company	Select the investor company or company hierarchy for recording equity pickup results.
Equity Pickup Rules	When you run equity pickup for 2 rules that use the same source and profit or loss accounts, Workday calculates equity for both. If you select multiple rules, Workday displays results for each rule when you run the task. The Equity Pickup task performs equity pickup for all rules simultaneously. It doesn't calculate them sequentially. Note: To avoid processing errors, run equity pickup 1 rule at a time if you have overlapping investment and provision ledger accounts.
Fiscal Period	Ensure that periods are open for all investor companies to post equity pickup results.
Source Book	(Optional) Select a default source book for equity pickup. Leave blank to select source journals from the blank book code.
Target Book Code	(Optional) Select a book code to assign to the equity pickup journal entries. Leave blank to post equity pickup results to the blank book code.
Post to Subsidiary Companies	Select to post the equity pickup journal entries to all investor companies. If you clear the check box, Workday won't create operational journals and sets the equity pickup Status to <i>Complete</i> .
Account Translation Rule Set	Select the rule to translate accounts in a subsidiary onto the parent books.

3. (Optional) From the related actions menu of the *Equity Pickup* business process and security policy in the Financial Accounting functional area, select **View Accounting** to display the equity pickup **Journal Entry**.

- When there's a pending approval step, the business process sets the:
 - Equity pickup status to *In Progress*.
 - Operational journal status to *Pro forma*.
- If there's no business process or you approved the equity pickup results, the:
 - Equity pickup status is *Approved*.
 - Operational journal status is *Posted*.
- If there's no accounting associated with the equity pickup results, the:
 - Equity pickup status is *Complete*.
 - The equity pickup process doesn't create an operational journal.

4. (Optional) To cancel the results of an equity pickup run, find the results that you generated and select **Cancel** from the **Equity Pickup Result** related actions menu.

When you process equity pickup, it creates a result for each investor company that you run the **Equity Pickup** task for. If you run the task for a hierarchy with multiple investor companies, Workday creates separate equity pickup results for each investor company and includes the:

- Percentage the investor company owns in the subsidiary.
- Source amount that Workday uses to calculate equity pickup.
- Provision amount that the equity picks up.

If you selected an ownership change adjustment ledger account on the equity pickup rule, Workday displays an **Ownership Change Details** tab on the result. You can use this tab to drill into how Workday calculates your equity pickup.

- Workday calculates direct ownership change adjustment amounts based on the:
 - Change in ownership percentage from the current period to the prior period.
 - Opening source amount at the beginning of the period multiplied by the ownership change amount.
- Workday calculates indirect ownership change adjustment amounts based on the:
 - Current period ownership percentage.
 - Source amount deriving from the direct ownership change adjustment result of the subsidiary on the same equity pickup run. Workday multiplies this value by the current period ownership percentage.

When no indirect ownership changes occur during the current period, Workday displays values of zero.

Use the **Find Equity Pickup Results** report to view previous equity pickup results.

Tasks

[Change the Status of Ledger Periods](#) on page 218

[Create Trial Balance Reports](#) on page 279

Reference: Equity Pickup Results

Run the equity pickup process for these parent and subsidiary companies:

Parent Company	Subsidiary	Ownership	Net Income Debit/(Credit) USD	Change in Parent Investment Debit/(Credit) USD	Provision for Loss
GMS USA	Green Planet	100%	151,900	(150,000)	1,900
GMS USA	GMS Hong Kong	65%	(46,501)	30,225	
GMS USA	GMS Canada	100%	(3,162)	3,162	
GMS USA	GMS Australia	80%	(17,337)	13,870	
GMS Canada	GMS Australia	20%	(17,337)	3,467	
Third-party Company	GMS Hong Kong	35%	(46,501)	16,275	

Workday displays results on the parent books in either of these base currencies, depending on how you calculate equity pickup:

- Parent
- Subsidiary

Equity Pickup Results in Subsidiary Base Currency

When you record equity pickup results in the base currency of the subsidiary, Workday posts these accounting entries to the books of the parent company in the subsidiary base currency:

GMS USA

Ledger Account/ Worktag	Debit (Subsidiary Currency)	Credit (Subsidiary Currency)	FX Rate	Debit (Company Currency)	Credit (Company Currency)
Investment in subsidiary Green Planet		150,000	1.000000		150,000
Equity income in subsidiary Green Planet	151,900		1.000000	151,900	
Provision for Loss Green Planet		1,900	1.000000		1,900
Investment in subsidiary GMS Hong Kong	234,389		0.128955	30,225	
Equity income in subsidiary GMS Hong Kong		234,389	0.128955		30,225
Investment in subsidiary GMS Canada	3,671		0.861334	3,162	
Equity income in subsidiary GMS Canada		3,671	0.861334		3,162
Investment in subsidiary GMS Australia	12,855		1.078958	13,870	
Equity income in subsidiary GMS Australia		12,855	1.078958		13,870

GMS Canada

Ledger Account/ Worktag	Debit(Subsidiary Currency)	Credit(Subsidiary Currency)	FX Rate	Debit(Company Currency)	Credit(Company Currency)
Investment in subsidiary	3,214		1.078958	3,467	

Ledger Account/ Worktag	Debit(Subsidiary Currency)	Credit(Subsidiary Currency)	FX Rate	Debit(Company Currency)	Credit(Company Currency)
GMS Australia					
Equity income in subsidiary GMS Australia		3,214	1.078958		3,467

Third-Party Company

The Equity Pickup amount is related to the noncontrolling interest parent. Workday uses the rules for recording net income attributions for noncontrolling or minority interest consolidations. You can configure these rules on the **Maintain Elimination Rules** task.

The equity pickup process doesn't create operational journals for noncontrolling interest in Workday. When you run the **Consolidated Trial Balance** report, these results are the accounting entries in the currency of the Hong Kong subsidiary:

Ledger Account/ Worktag	Debit (Subsidiary Currency)	Credit (Subsidiary Currency)	FX Rate	Debit (Company Currency)	Credit (Company Currency)
NCI Expense	126,210		0.128955	16,275	
NCI Accrual		126,210	0.128955		16,275

Troubleshooting: Reconcile Currency Translation Adjustment Accounts

Your current configuration in your tenant is preventing Workday from reconciling currency translation adjustment (CTA) accounts.

1. Configure the *Set Up: Consolidation* domain in the Financial Accounting functional area.
2. Access the **Maintain Elimination Rules** task.
3. In the **Investment in Subsidiary/Subsidiary Equity (To Be Retired)** tab, use these configurations so that Workday can reconcile the CTA account:

Option	Description
Segregate CTA and Suspense for Consolidation	Select for multicurrency transactions.
Investment in Subsidiary Ledger Accounts/ Summaries	Create a new ledger account for the manual entries that you want to make to the CTA account. Don't: • Combine manual entries with entries derived from the account posting rules. • Include accounts that you assign to the translation gain or translation loss account posting rule set.
Subsidiary Equity Ledger Accounts/ Summaries	Create a new ledger account for the manual entries that you want to make to the CTA account. Don't: • Combine manual entries with entries derived from the account posting rules.

Option	Description
	Include accounts in your year-end closing rules.
NCI Source Ledger Accounts/Summaries	Select the same accounts as in the Subsidiary Equity Ledger Accounts/Summaries field. Leave blank if there are no noncontrolling interest (NCI) transactions. Don't include accounts that are in your year-end closing rules.
NCI Portion of Equity	Leave blank if there are no NCI transactions.
Variance Ledger Account	Select a unique variance suspense account for each elimination rule.

Tasks

[Set Up Investment in Subsidiary and Subsidiary Equity](#) on page 211

Reference

[Setup Considerations: Consolidations and Eliminations](#) on page 192

[Workday Community: Guide to Updating the Investment in Subsidiary Elimination Rule](#)

Troubleshooting: Equity Pickup Processing

After the equity pickup process completes, Workday displays an error message when either the:

- Provision ledger account doesn't have a zero balance and the investment ledger account has a debit value.
- Investment ledger account doesn't have a zero balance and the provision ledger account has a credit balance.

Manual posting to ledger accounts can create balances in both investment and provision ledger accounts for an intercompany affiliate.

Before processing equity pickup for the fiscal period, create a manual journal or set up an allocation definition that clears the balance to zero for either of these accounts:

- Investment
- Provision

1. Access the **Create Allocation Definition** task.

Security: *Set Up: Allocations* in the Financial Accounting functional area.

2. In the **Details** section, select a source company in the **Used By** field.

In the **Source** section, select these values:

Option	Description
Ledger Account/Ledger Account Summary	Provision or investment account.
Worktags	Intercompany affiliate worktag.

In the **Basis** section, select these values:

Option	Description
Ledger/~Plan~Structure	<i>Actuals</i>
Allocation Method	<i>Fixed Percent</i>

Option	Description
Definition	Select a fixed percentage statistic definition that results in 100%.

In the **Target** section, select these values:

Option	Description
Company is From	Source
Ledger Account is from	User Specified
Ledger Account	Either: - Investment in subsidiary account. - Provision account.
Worktag Type	Intercompany Affiliate
Worktag Value is from	Source

In the **Offset** section, select these values:

Option	Description
Ledger Account is from	Source
Worktag Type	Intercompany Affiliate
Worktag Value is from	Source
Company is from	Source

Tasks

[Calculate Equity Pickup Results](#) on page 205

[Create Allocation Definitions](#) on page 133

[Define Statistic Types](#) on page 126

[Enter Statistic Values](#) on page 128

[Set Up Intercompany and Interworktag Rules](#) on page 199

Reference

[Setup Considerations: Consolidations and Eliminations](#) on page 192

Deriving Eliminations

Set Up Investment in Subsidiary and Subsidiary Equity

- Define elimination rules for elimination ledger accounts or ledger account summaries for account sets.
- Select a **Consolidating Parent Company** on the **Edit Consolidation Details** task.
- Security: *Set Up: Consolidation* domain in the Financial Accounting functional area.

You can set up rules to eliminate investment in subsidiary and subsidiary equity when you're deriving noncontrolling interest (NCI).

Note: If you're new to Workday, you don't have access to the **Investment in Subsidiary/Subsidiary Equity (To Be Retired)** tab on the **Maintain Elimination Rules** task.

- Access the **Maintain Elimination Rules** task.
- Select the **Account Set** for which you're defining elimination rules.

You can only create 1 rule for an account set.

3. Access the **Investment in Subsidiary/Subsidiary Equity (To Be Retired)** tab.

As you complete this tab, consider:

Option	Description
Investment in Subsidiary Ledger Accounts/ Summaries	Select the parent investment, equity income, and provision for loss accounts you want to eliminate. • Configure the parameters defined on the Edit Consolidation Details task for each company hierarchy that you're consolidating. • Select a ledger account that has an intercompany affiliate worktag that corresponds to the subsidiaries in the hierarchy. • Create a new ledger account for any manual entries that you want to make to the currency translation adjustment (CTA) account. • Don't include accounts that you assign to the translation gain or translation loss account posting rule set.
Subsidiary Equity Ledger Accounts/ Summaries	• Select the equity ledger accounts or ledger account summaries of all the subsidiaries that you want to eliminate against the investment accounts of the parent. • Don't include intercompany affiliate worktags on subsidiary equity accounts, as Workday eliminates all account balances for the selected ledger accounts. Workday doesn't eliminate balances in the consolidating parent. • Workday recommends that you don't include accounts on year-end closing rules. • The balances of these equity accounts must equal the balances of the parent investment accounts defined in the Investment in Subsidiary Ledger Accounts/Summaries tab.
Variance Ledger Account	• Select a separate variance suspense account. • Don't use target accounts associated with the elimination process.

Workday uses the rules to calculate the elimination entries.

To view the investment in subsidiary and subsidiary equity elimination entries, use the standard composite consolidated trial balance report.

Tasks

[Create Trial Balance Reports](#) on page 279

[Set Up Intercompany and Interworktag Rules](#) on page 199

Reference

[Workday Community: Guide to Updating the Investment in Subsidiary Elimination Rule](#)

Set Up for Deriving Noncontrolling Interest

- Define elimination rules for investment in subsidiary and subsidiary equity for an account set.

- Select a **Consolidating Parent Company** on the **Edit Consolidation Details** task.
- Security: *Set Up: Consolidation* in the Financial Accounting functional area.

Set up noncontrolling interest (NCI) for derived frameworks.

Note: Workday recommends that you persist NCI. If you're new to Workday, you don't have the option to derive NCI.

1. Access the **Maintain Elimination Rules** task.
2. Select the **Account Set** for which you're defining elimination rules.
Create 1 or more elimination rules for the account set.
3. Access the **Investment in Subsidiary/Subsidiary Equity (To Be Retired)** tab.

As you complete this tab, consider:

Option	Description
NCI Source Ledger Account Summaries	Select the ledger accounts or ledger account summaries of the subsidiaries to calculate the equity portion of the NCI. Workday recommends that you: • Select the same accounts as in the Subsidiary Equity Ledger Accounts/Summaries tab. • Don't include accounts that are in year-end closing rules. • Enter a value even if you don't have any NCI activity, to ensure best practice.
NCI Portion of Equity	Select the ledger account that you want to record the NCI derived from the NCI Source Ledger Accounts/Summaries accounts. Workday recommends that you enter a value even if you don't have any NCI activity.

4. Access the **Noncontrolling Interest Activity** tab.

As you complete this tab, consider:

Option	Description
Direct Ownership Only	This functionality isn't available when you derive NCI.
NCI Source Ledger Accounts/Summaries	Select the ledger account or ledger account summaries that you want to use for calculating NCI activity. To prevent double-counting, Workday recommends that when you select ledger account summaries for parent companies in company hierarchies, you: • Exclude the earnings in subsidiary accounts in the parent companies from the ledger account summaries. • Create a separate ledger account summary for the earnings in subsidiary accounts.

Option	Description
NCI Attribution Method	Select either the Income Attribution % or Ownership % as the method for calculating NCI activity. To change the percentages, select Edit Company Ownership Details from the related actions menu of the subsidiary company.
NCI Target Ledger Account	Select the ledger account that you want to record NCI eliminations to that offsets the NCI equity account.
Prior Year Retained Earnings Ledger Account	Select the subsidiary retained earnings account you want to use for displaying prior year NCI retained earnings.
Ownership Change Adjustment Account	Select 1 ledger account, enhancing ownership for equity on retained earnings. If an ownership change results in an NCI equity change, Workday derives the current year offset to the NCI equity change from the ledger account. If you don't select a ledger account and there's an NCI equity change within the current year, the consolidated trial balance will be unbalanced by the offset amount.
NCI Offset Ledger Account	Define the NCI offsetting ledger account that you want to use for balancing NCI target ledger accounts. Select the same account you defined in the NCI Portion of Equity field on the Investment in Subsidiary Ledger Accounts/Summaries tab.

Workday uses the rules to calculate NCI activity entries and related equity pickup results.

To view NCI activity entries, use the standard composite consolidated trial balance report.

Tasks

[Steps: Set Up Consolidation Companies](#) on page 196

[Set Up Company Ownership Details](#) on page 197

[Set Up Intercompany and Interworktag Rules](#) on page 199

[Steps: Set Up for Persisting Noncontrolling Interest](#) on page 199

Reference

[Workday Community: Guide to Updating the Investment in Subsidiary Elimination Rule](#)

Troubleshooting: Elimination Balance Variances

You're getting out-of-balance accounts when eliminating intercompany balances using the **Investment in Subsidiary/Subsidiary Equity (To Be Retired)** tab on the **Maintain Elimination Rules** task.

Note: Workday recommends that you:

- Eliminate intercompany and interworktag balances using the **Intercompany/Interworktag** tab on the **Maintain Elimination Rules** task.
- Troubleshoot out-of-balance accounts using the **Intercompany Elimination Out of Balance Report**.

1. Ensure that you've assigned a unique variance account and not a suspense account to each elimination rule. Example: Investment in Subsidiary - Variance.

A unique variance account makes it easier to identify the account with an out of balance amount.

2. Run the **Consolidated Trial Balance** report and identify the out-of-balance amount.
3. In the **Total** column, drill down on the out of balance amount.
4. In the **View by:** field, select **Company**.
5. In the **and then by:** field, select **Intercompany Affiliate**.
6. Click **Refresh**.

Workday analyzes the ledger accounts you selected on the **Investment in Subsidiary/Subsidiary Equity (To Be Retired)** tab on the **Maintain Elimination Rules** task.

Workday displays:

- The equity balance of each subsidiary in the **(Blank)** column.
- Investment of the parent in each subsidiary in each affiliate column.

Example: Company by Intercompany Affiliate Grid

Company	Inter- Company Affiliate Subsidiary 1	Inter- Company Affiliate Subsidiary 2	(Blank)	Elimination Amount
(Parent)	100,000	250,000		350,000
Subsidiary 1	Blank	Blank	110,000 Equity of Subsidiary 1.	(110,000)
Subsidiary 2	Blank	Blank	250,000	(250,000)
Total	100,000 Investment of parent in Subsidiary 1	250,000	(360,000)	(10,000) Difference between the equity of Subsidiary 1 and investment of parent in Subsidiary 1.

7. Compare the equity balance of each subsidiary with the investment of the parent in each subsidiary. The balances should net to zero.
8. For balances that don't net to zero, drill down to review and correct the journal entries.
9. If you've more than 20 companies in the hierarchy, create a custom variance report to identify the elimination variances.

Tasks

[Set Up Investment in Subsidiary and Subsidiary Equity](#) on page 211

Reference

[Setup Considerations: Consolidations and Eliminations](#) on page 192

Period and Year Close

Steps: Set Up Close Process

Before closing, you should define rules and activity groups that pertain to the close process. You can also create an optional close checklist to manage period, quarter, and year-end closes directly in Workday through the business process workflow. A close checklist enables you to:

- Monitor close progress.
- Analyze key metrics.
- Send notifications to workers about the close.

1. [Define Rules for Processing Year-End Close](#) on page 217.

2. [Set Up Period Close Activity Groups](#) on page 217.

3. Create and Maintain a To Do.

Create *To Do* items that reflect the steps you perform during period-end and year-end close processes, in Workday and external resources.

4. Create and Maintain Checklist.

Create a close *Checklist* to add groups of *To Do* items to your period close process. Each checklist is a single ordered step within the business process, but you can complete the *To Do* items within that checklist in any order.

5. [Create Custom Business Processes](#).

Add the *To Do* items and checklists as steps to the *Period Close Event* business process for your organizations. Assign security groups to workers who are responsible for the completion of each step.

6. Configure the *Period Close Notification Event* business process.

The business process enables you to send notifications about a close to any worker.

Your close checklist is built into the *Period Close Event* business process. Place the close checklist tasks in a logical order and designate the responsibility for each step. Workday notifies the responsible person when they need to complete a task.

You can create your checklist with these typical tasks to do within Workday:

- Reconcile cash to operational transactions.
- Run reconciliation reports for accounts payable.
- Approve pending transactions, such as expense reports.
- Match transactions on journal lines.
- Update ledger period statuses.
- Review year-end closing rules.
- Certify accounts.
- Run the year-end close process.

You can also create your checklist with these tasks to do outside of Workday:

- Collect on customer accounts.
- Coordinate with people responsible for completion of each step.
- Review steps.
- Approve steps.
- Send close notifications.

Start period, quarter, and year-end closes.

Concepts

[Concept: Close](#) on page 233

Tasks

[Steps: Reconcile Cash Operational Transactions to Ledger](#) on page 244

[Steps: Process Manual Transaction Matching on Journal Lines](#) on page 239

[Steps: Process Automated Transaction Matching on Journal Lines](#) on page 241

[Steps: Process Account Certifications](#) on page 246

[Start a Close Process](#) on page 225

[Close Ledger Periods](#) on page 220

[Close a Ledger Year](#) on page 225

[Process: Procure to Pay Period Close](#) on page 226

Set Up Period Close Activity Groups

- Security: *Set Up: Period Close* domain in the Common Financial Management functional area.

You can group your period close activities and use these groups when you update the status of your ledger periods. These activity groups enable you to close a set of transactions, rather than an entire ledger period. Each close activity is a group of operational transactions. Workday automatically populates a set of these close activity groups, but you can also create your own for a more granular close process.

1. Access the **Maintain Period Close Activity Groups** task.
2. Remove operational transaction types from pre-existing period close activity groups for use with other groups.

You can only assign operational transaction types to 1 period close activity group at a time.

3. Create new period close activity groups and assign them operational transaction types.

You can select period close activity groups in the **Closed Activity** field when you update your ledger period status to *Close in Progress*. You can't edit closed activities that are in use.

You can't delete a close activity group that is used for *Close in Progress*. However, you can edit the activity group even if the ledger period has a status of *Closed*.

Update your ledger period status.

Concepts

[Concept: Ledger Close Activity Groups](#) on page 233

[Concept: Close](#) on page 233

Tasks

[Change the Status of Ledger Periods](#) on page 218

Define Rules for Processing Year-End Close

Define account sets for the company.

Define rules that map source accounts to target accounts when rolling account balances forward.

1. Access the **Maintain Year-End Closing Rules** task.
2. As you complete the task, consider:

Option	Description
Account Set	The set of accounts for which you want to establish the year-end closing rules.
Ledger Account Source	The ledger account from which you want to move balances when you close a ledger year. You can only select from balance sheet accounts.

Option	Description
Ledger Account Target	The ledger account to which you want to move balances when you close a ledger year. You can only select from balance sheet accounts.

Workday applies these rules when you:

- Roll year-end balances forward using the **Roll Forward Year-End Balance** task.
- Close a ledger year using the **Close Ledger Year** task.

You can specify a rule with the same source and target retained earnings account. If you don't specify a rule, Workday rolls account balances forward to the same account during roll-forward and year-close processing. If you want to apply changes to future closes, change the rules. If you want to reopen prior ledger years and close them again, use new rules. You can change rules at any time.

Use the **Year-End Closing Rules** report to review existing rules by account set.

You keep current year and prior year retained earnings in separate accounts. At year-end, move the retained earnings balance from the current year account to the prior year account. This creates a blank current year account to use for the next year. When you report for your new current year, you see the net income.

Close a ledger year.

Concepts

[Concept: Close](#) on page 233

Tasks

[Close a Ledger Year](#) on page 225

Change the Status of Ledger Periods

- Configure the *Period Close Event* business process and security policy.
- Create the ledger year and ledger periods.
- To manage period and year-end closes through the workflow, define a close checklist to include steps for updating ledger period statuses.

Update ledger period status of a single ledger or multiple ledgers to:

- Open a ledger period.
- Limit journal activity as a period close progresses.
- Close the ledger period.
- Reopen the ledger period.

Note: You update ledger period statuses for Primary fiscal schedules only. Alternate fiscal schedules are for reporting purposes only.

If you have journals and pending transactions that you haven't processed, understand what the account impact is going to be before closing the period. To close a period for specific groups of operational transactions, you can update the status to *Close in Progress* and select the activity groups to close. You can create or configure your own activity groups for *Close in Progress* in the **Maintain Period Close Activity Group** task.

Note: When changing the status of activity groups to *Close in Progress*, you can always create an adjustment journal.

- **Option A: Update the Status of Single Ledger Period**

a) Access the **Update Ledger Period Status** task.

b) As you complete the task, consider:

Option	Description
Ledger Period	Select by company and ledger year the ledger period that you want to update.
All Book Codes Blank Book Code Select Book Code	Workday selects All Book Codes by default. Workday uses the book code to filter transactions, the ledger status, and pending transactions. Use Select Book Code to specify 1 or more specific book codes. Updates to the ledger period status apply only to accounting journals and operational transactions for the book codes you select.
Status Closed Activity	Select the new status of the ledger period. The ledger period must be in <i>Open</i> status before you can post transactions to the ledger. If you select <i>Close in Progress</i>, select 1 or more close activities. Workday considers those close activities as <i>Closed</i>. You can't edit close activities that are in use.

- **Option B: Update the Status of Multiple Ledger Periods**

a) Access the **Mass Update Ledger Period Status** task.

b) As you complete the task, consider:

Option	Description
Year	Select the fiscal year for the ledger periods you want to update.
Company	Select 1 or more companies or a company hierarchy. You can select from only the company hierarchies where every company within it has the selected fiscal year.
Sort By	Select <i>Period</i> or <i>Company</i> by which you want to sort the processing results.
All Book Codes Blank Book Code Select Book Code	Workday selects All Book Codes by default. Workday uses the book code to filter transactions, the ledger status, and pending transactions. Use Select Book Code to specify 1 or more specific book codes. Updates to the ledger period status apply only to accounting journals and operational transactions for the book codes you select.
Select All New Status Closed Activity	Select the new status for all or selected periods. If you select the <i>Close in Progress</i> status, select 1 or more Closed Activity .

Option	Description
	To schedule updates for multiple ledger periods, use the Schedule Mass Update Ledger task. You can't close a ledger year if the period for a book code is in <i>Closed</i> status.

- Workday updates the status of the ledger journals.
- You can review journal statuses, pending transactions, and ledger period status history. You can close out work-in-progress before you update the ledger period status.
- After you close a period, you can no longer post anything to it.
- If there are pending operational transactions, Workday posts them to the next open ledger period once you complete them.
- You can view the process monitor on the **My Reports** tab to see status of any periods that didn't update.

These messages include the reason Workday didn't update the statuses and provide recommendations for how to correct those periods.

Example: *The status of the following periods was not updated because there were accounting journals pending approval.*

- Change the status for these and other ledger periods to:
 - Open them.
 - Limit journal activity.
 - Select which activity groups to close.
 - Close them.
 - Reopen them.
- Close a ledger year.

Concepts

[Concept: Journal Statuses and Pending Transactions](#) on page 230

[Concept: Close](#) on page 233

Tasks

[Create Ledgers](#) on page 65

[Steps: Create and Open Ledger Years and Periods](#) on page 67

[Steps: Set Up Close Process](#) on page 216

[Set Up Period Close Activity Groups](#) on page 217

Reference

[Reference: Period Statuses and Permitted Transactions](#) on page 235

Close Ledger Periods

- Create ledger years and ledger periods.
- To manage period, quarter, and year-end closes directly in Workday through the business process workflow, create close checklists.

To close a ledger period, follow these high-level steps.

1. If you are using a close checklist within Workday, use the *Period Close Event* business process to begin a close.
2. Review the journal statuses and pending transactions.
3. As the close progresses, limit journal activity. Close out work-in-progress before you change ledger period statuses to *Closed*.

After you close a period, you can no longer post anything to it. Workday posts any pending operational transactions to the next open ledger period once you complete them.

You can use the **Ledger Year** report to view a snapshot of period and year-end close status. You can view:

- All ledger periods for the ledger year of a company.
- The status of each ledger period.
- The status history of the ledger year overall.
- Close other ledger periods.
- Close a ledger year.

Concepts

[Concept: Close](#) on page 233

[Concept: Journal Statuses and Pending Transactions](#) on page 230

Tasks

[Create Ledgers](#) on page 65

[Steps: Set Up Close Process](#) on page 216

Set Up Worktag Types for Roll Forward

- Associate journal lines with worktags.
- Security: *Set Up: Accounting Rules* domain in the Common Financial Management functional area.

To optimize the roll-forward, configure rules to group beginning balances only for the worktags that belong to specific worktag types. Using configuration rules can also reduce the number of beginning balance lines.

When you set up more than 1 rule for the same company and ledger account, Workday applies the first rule and disregards the rest.

You can apply worktag type configuration rules only to balance sheet accounts.

You can't configure worktag type rules for:

- Retained earnings accounts.
- Income statement accounts.

When you don't set up a configuration rule with worktag types for a company ledger account, Workday includes all used worktags when you roll forward that account.

1. Access the **Maintain Worktag Types for Beginning Balance Journals** task.
2. As you complete the task, consider:

Option	Description
Ledger Account	For ledger accounts with year-end closing rules, select the target ledger accounts. For ledger account summaries, Workday uses the version in effect at the time you run the roll-forward. You can't use the Maintain Worktag Types for Beginning Balance Journals task to configure worktag type rules for: • Retained earnings accounts. • Income statements.
Worktag Types to Include for Retained Earnings	To configure worktag types that you want to include in retained earnings accounts, see the

Option	Description
	Retained Earnings section in Reference: Edit Tenant Setup - Financials. If you don't configure anything for retained earnings on the Edit Tenant Setup - Financials task, Workday drops all worktags and aggregates your beginning balance into 1 journal line specific to that retained earnings account.
Inactive	When you select this check box, Workday ignores the configuration rule during a roll-forward. You can use this option to activate 1 out of multiple configuration rules for the same company and ledger account.

When you roll forward year-end balances for accounts with configuration rules, Workday retains only the worktag types you include in the beginning balances.

Roll forward year-end balances.

Reference

[Workday 33 What's New Post: Roll Forward Ledger and Translated Balances](#)

Roll Year-End Balances Forward

- Create the next ledger year.
- Security: *Process: Close Year End* in the Common Financial Management functional area.

Roll year-end balances forward on accounts to the beginning balance for the next ledger year. You can report on the new year based on beginning balances rolled over from the last year.

When you consolidate multiple fiscal schedules, you must roll forward year-end balances and translated beginning balances for both the primary and alternate fiscal years.

Note: Workday recommends that you must always first run or rerun roll forward year-end balances for the primary schedule and then for the alternate fiscal schedule.

You can roll forward balances as often as necessary before you close the current year. Workday considers the beginning balance for the year plus activity for the year when you report on the data. You can also configure Workday to roll translated beginning balances forward after rolling year-end balances forward.

1. Access the **Roll Forward Year-End Balance** task.
2. As you complete the **Criteria** tab, consider:

Option	Description
Company	When a company hierarchy has companies with different fiscal schedules, you must run the process for each fiscal schedule.
Fiscal Year	For multiple fiscal schedules, select: • Standard fiscal year to roll forward year-end balances for the primary schedule. • Alternate fiscal year to roll forward year-end balances for the alternate fiscal schedule. Example: If Company A is on a January to December fiscal schedule, run the roll-forward after close of the December period. If Company B

Option	Description
	is on an alternate fiscal schedule (July to June), run the roll-forward after close of the June period. When you roll forward year-end balances for an alternate fiscal year for the first time, you must include all balances since inception. Example: If you have tenanted data since 2006, you must roll forward balances from 2006 to the current year. When the year for which you want to roll forward balances isn't available, you must close all of its ledger periods.
Journal Source	Select the accounting source to assign the beginning balance journals you created. Example: You can use a year-end journal source that identifies journals created during year-end processing.
Roll Forward Translated Beginning Balances	For multiple fiscal schedules, roll forward translated beginning balances for both the primary and alternate fiscal schedules. Select to: • Enable the fields on the Roll Forward Translated Beginning Balances tab. • Run the Roll Forward Translated Beginning Balances task for the primary and alternate fiscal schedules after rolling forward year-end balances.
Roll Forward Noncontrolling Interest Beginning Balances	Select to roll forward NCI journal lines.
Journal Source for Noncontrolling Interest Beginning Balance Journal	Define a journal source for NCI beginning balances. Select this journal source when you have checked Roll Forward Noncontrolling Interest Beginning Balances .
Roll Forward up to Current Year	Select to roll multiple years forward for the same company all at once.
All Book Codes Blank Book Code Select Book Code	Workday uses the book code to filter transactions, the ledger status, and pending transactions. Updates to the ledger period status apply only to accounting journals and operational transactions for the book codes that you select.

3. (Optional) As you complete the **Roll Forward Translated Beginning Balances** tab, consider:

Option	Description
Ledger	Lists ledger accounts with a translated beginning balance as of the first day of January for the fiscal year that you selected.

Option	Description
Translation Currencies	Displays your configured default translation currencies. You can add or remove translation currencies.

When you complete the task, Workday:

- Creates a separate event for each company.
- Sends you inbox notifications when the process completes.
- Creates a beginning balance journal for the next fiscal year or replaces the beginning balances for existing journals.
- Creates retained earnings in both the transaction and ledger currencies.

Workday automatically rolls account balances forward to the same account during processing. When you configure year-end closing rules, Workday applies them instead of the default setting. You can move prior-year balances to a separate account and start with a blank account for the current year.

When you add additional worktags on the **Edit Tenant Setup-Financials** task, Workday includes the additional worktags (up to 10) in addition to the primary and optional balancing worktags when grouping the income statement (current year retained earnings) lines during the year-end roll forward process.

Close the ledger year.

Concepts

[Concept: Close](#) on page 233

Reference

[The Next Level: Year-End Roll Forward and Close Processing](#)

[2021R2 What's New Post: Redesigned Retained Earnings Reporting](#)

Roll Translated Beginning Balances Forward

- Complete roll forward year-end balances to create beginning balance journals.
- Enter the translated beginning balance amounts for ledger accounts that don't have translated balances. Workday requires this step if the account has a historic type translation method that uses historic translation amounts, with a new combination of company and translation currencies.
- Security: *Process: Close Year End* domain in the Common Financial Management functional area.

As part of the year-end roll forward process, you can roll forward the translated balances to establish translated beginning balances for the new ledger period.

1. Access the **Roll Forward Translated Beginning Balances** task.
2. As you complete the task, consider:

Option	Description
Company	Determines the translation currencies, based on the translation currencies you configured in the company accounting details.
Fiscal Year	Select a year for which you've already rolled forward year-end balances. For multiple fiscal schedules, roll forward the translated beginning balances for both primary and alternate fiscal schedules.
Ledger Accounts	Select from ledger accounts with beginning balances as of January 1 of the Fiscal Year you select.

Workday sends you inbox notifications when the process completes.

To see the translated beginning balances for specific worktags or book code, run the **View Beginning Balance Translation Amounts** report.

If there's a translation variance, you can correct it by manually entering the translated beginning balance for the ledger accounts. For accounts with a zero ledger balance, use the *Put Beginning Balance Translation Amounts* web service to enter the corrected translated beginning balances.

Calculate changes to retained earnings by adding these translated balances:

- Prior year retained earnings (the beginning balance of the prior fiscal year).
- Ending balances of the profit and loss accounts (as of the last day of the prior fiscal year).

Tasks

[Steps: Enter Translated Beginning Balances for Financial Reporting](#) on page 168

[Enter Translated Beginning Balance Amounts for Ledger Accounts](#) on page 168

Reference

[The Next Level: Year-End Roll Forward Processing](#)

Close a Ledger Year

- Close all periods for the ledger year.
- Define or update the rules for processing year-end close.
- To begin the close, start the *Period Close Event* business process.
- Use the **Roll Forward Year-End Balance** task to obtain the beginning balances for the next ledger year.
- Security: *Process: Close Year End* domain in the Common Financial Management functional area.

You close ledger periods to control journal entry and posting, as well as calculate period and year-end actual and budget account balances for reporting. Run the year-end close process after you define your year-end closing rules. You can also create an optional close checklist to manage year-end closes directly in Workday through the business process workflow.

1. Access the **Close Ledger Year** task.
2. When you select the **Roll Forward Beginning Balances** check box, you can schedule the roll forward to run in the future under the **Run Once in the Future** section.

Note: You can't schedule ledger year close to run in the future, only roll forward for beginning balances.

Workday updates the ledger year status to *Closed*. After you close a ledger year, it's no longer available for processing but remains available for reporting.

To change one of the ledger periods, use the **Reopen Ledger Year** task. Once you reopen the ledger year, you can reopen the ledger period.

Concepts

[Concept: Close](#) on page 233

Tasks

[Change the Status of Ledger Periods](#) on page 218

[Steps: Set Up Close Process](#) on page 216

[Roll Year-End Balances Forward](#) on page 222

Start a Close Process

- Create ledger years and ledger periods.
- Create a checklist to manage year-end closes directly in Workday using the Period Close Event business process.

Close open ledger periods for companies.

1. Access the **Start Period Close** task directly from the related action menu of a company.
2. As you complete the task for an open **Period**, consider:

Option	Description
Company	Each company or company hierarchy can have only 1 close event per ledger period. A close for a company hierarchy doesn't start the close process for each company in the hierarchy. Each company within the hierarchy needs its own close process.
Period Close Type	Select <i>Period</i> , <i>Quarter</i> , or <i>Year</i> close. Workday displays the type in period close reports, metrics, and notifications. If the <i>Period Close Event</i> business process includes check list steps that are applicable to a certain type, Workday includes those steps in the workflow.
Expected Completion Date	Track the actual completion date against this target date. Workday displays the date in period close reports, metrics, and notifications. To change the date later, select Period Close > Edit Period Close Details from the related action of the period close.

Submit initiates the *Period Close Event* business process. For close events that are in progress, you can:

- Attach documents.
- Use the **Period Close Work Area** to manage your period, quarter, and year-end closes.
- Review the **Find Period Closes** report for details about the close business process.
- Use the **Period Close Metrics** report to analyze close metrics.
- Click the **Period Close Notification** button to send ad hoc notifications to workers about a period close.

Concepts

[Concept: Close](#) on page 233

Tasks

[Steps: Set Up Close Process](#) on page 216

[Process: Procure to Pay Period Close](#) on page 226

Process: Procure to Pay Period Close

Review the [Period Close Product Flow](#) to familiarize yourself with the period close process.

This topic provides a checklist of tasks for requisitioning, purchasing, receiving, paying for, and accounting for goods and services during period close.

Your procure-to-pay process checklist might consist of different tasks. Use the information as a guide.

1. Source requisitions into purchase orders.

Manually create or schedule a job to search for unsourced requisitions and source them into purchase orders.

a) Access the **Find Requisitions** report to:

- Review and change the status of *In Progress* requisitions to *Successfully Completed* status so you can source them into purchase orders.
- Filter by **Has Unsourced Lines** to source unsourced requisitions into purchase orders.

Security: *Process: Requisition-Reporting* domain in the Procurement functional area.

b) [Schedule Automatic Sourcing of Requisitions](#).

c) (Optional) [Manually Source Requisitions](#).

d) Access the **Mass Close Procurement Documents** task.

Mass close any outstanding requisitions that you won't issue as purchase orders.

Security: *Procurement Document Mass Action Event* business process and security in the Procurement functional area.

e) (Optional) Access the **Requisitions Pending Approval or Sourcing** report in your wdsetup tenant. Locate all requisitions that you haven't sourced.

For more information, see [Procurement Reports](#).

2. Approve and issue any outstanding purchase orders or change orders.

a) Access the **Find Purchase Orders** report.

Review purchase orders with a status of *In Progress* or *Draft* and change their statuses to *Approved* so you can issue them.

b) [Issue Purchase Orders](#).

Issue all purchase orders so you can create receipts and supplier invoices.

c) (Optional) [Create Change Orders](#).

Create change orders for issued purchase orders.

d) (Optional) Access the **Mass Close Procurement Documents** task.

Mass close any outstanding purchase orders that you'll never receive.

Security: *Procurement Document Mass Action Event* business process and security in the Procurement functional area.

For more information, see [Steps: Mass Close Procurement Documents](#).

3. (Optional) Access the **Supplier Contracts Needing Attention report in your wdsetup tenant.**

This report displays all contracts expiring in the next month and contracts with less than 10% remaining balance.

You can select to either:

- Create an amendment to extend the contract.
- Copy the contract to a new contract.
- Close the contract.

Security: *Process: Supplier Contract - Reporting* domain in the Procurement functional area.

4. Review and accrue any open supplier invoices.
 - a) Access 1 or all of these reports:
 - **Find Supplier Invoices:** Process invoices in *Draft* or *In Progress* status.
Security: These domains in the Supplier Accounts functional area:
 - *Reports: Supplier Accounts*
 - *Process: Supplier Invoice - Reporting*
 - **Supplier Open Items:** Pay any partially paid on unpaid invoices.
Security: *Reports: Supplier Accounts* in the Supplier Accounts functional area.
 - (Optional) **Unapproved Supplier Invoice Line Accrual** in your wdsetup tenant.
Use the report to create a reversing manual journal entry at the end of each period to accrue properly supplier invoices.
Security: *Reports: Supplier Accounts* in the Supplier Accounts functional area.
- For more information, see [Supplier Invoice Accrual Dashboard and Reports](#).
5. [Register Assets](#) on page 1057
Register and capitalize the assets and place them in service before you record depreciation. Placing them in service will accurately state your assets and depreciation expenses.
6. [Record Asset Depreciation and Amortization Expenses](#) on page 1118.
Create a schedule to record depreciation and amortization expenses for company assets.
7. Do 1 or both of these:
 - [Create Amortization Schedules for Prepaid Purchase Orders](#) on page 1157.
 - [Create Amortization Schedules and Installments for Prepaid Supplier Invoices](#) on page 1157.You amortize prepaid invoices and related installments for the period to decrease prepaid liability by debiting expense accounts.
8. [Create Receipt Accruals](#).
Create period-end accruals for approved uninvoiced receipts for goods and services.
9. [Create Manual Settlement Runs](#) on page 1615.
Pay and settle all applicable supplier invoices.
For more information, see [Concept: Settlement Processing](#) on page 1624.
10. Access the **Fix Operation Journals with Errors** task.
Correct any operational journal errors not posted to the current period.
Security: *Process: Audits and Corrections* domain in the Financial Accounting functional area.
For more information, see [Troubleshooting: Financial Journals](#) on page 106.
11. [Change the Status of Ledger Periods](#) on page 218.
Close activity groups for procurement, suppliers, and ad hoc payments.
For more information, see [Concept: Ledger Close Activity Groups](#) on page 233.
12. (Optional) [Run Revaluation](#) on page 160.
For multicurrency organizations, revalue foreign currency journal amounts based on your rules for the period.

13.Reconcile payables to the ledger.

Use 1 or all of these reports to reconcile your payables to the ledger balance:

- **Payables Aging.**
Security: *Reports: Supplier Accounts* domain in the Supplier Accounts functional area.
- **Payables to Supplier Balances Reconciliation.**
Security: *Reports: Financial Accounting* domain in the Financial Accounting functional area.
- **Payables to Supplier Reconciliation Exception Summary.**
Security: *Reports: Financial Accounting* domain in the Financial Accounting functional area.
- **Trial Balance** for the Payables ledger account.
Security: *Reports: Financial Accounting* domain in the Financial Accounting functional area.

14.Complete bank reconciliation.

Reconcile bank statements against your cash transactions.

- a) [Reconcile a Bank Statement Automatically](#) on page 1504 or [Reconcile Multiple Bank Statements Automatically](#) on page 1505.
- b) Access the **Book to Bank Summary - Uncleared Bank Statement Lines** report.
Check for unreconciled lines.
Security: *Process: Bank Statement-Reporting* domain in the Banking and Settlement functional area.
- c) [Reconcile a Bank Statement Manually](#) on page 1506.
Manually reconcile any remaining unreconciled lines.
For more information, see:
 - [Steps: Use Bank Account Reconciliation](#) on page 1498.
 - [Reconcile First-Notice Items on a Bank Statement](#) on page 1508.
 - [Bank Reconciliation Product Flow](#).

15.Access 1 or both of these reports to reconcile cash to bank balances.

- **Book to Bank Summary Report**
 - **Book to Bank By Bank Account Currency Report**
- Security: *Report Execution* domain in the Tenant Non-Configurable functional area.
- For more information, see:
- [Reference: Book-to-Bank Reports](#) on page 1525.
 - [Reference: Bank Account Reconciliation Reports](#).

16.Reconcile cash transactions to ledger account.

Use these reports to reconcile your cash transactions to your ledger accounts.

- **Cash to Bank Reconciliation Composite** report to reconcile cash operational transactions to the ledger account in ledger currency.
- **Cash to Bank Reconciliation in Bank Currency** report to reconcile cash operational transactions to the ledger account in bank currency.

Security: *Report Execution* domain in the Tenant Non-Configurable functional area.

17.Roll Forward Procurement Documents.

During year-end closing, roll forward commitment and obligation journals to the first date of the next open period.

Access the **Create Ledger** task and select the **Roll Journals Forward for Procurement** check boxes for the **Create Commitments** and **Create Obligations** grids.

Security: *Set Up: Ledger and Book* domain in the Common Financial Management functional area.

Concepts

[Concept: Close](#) on page 233

[Concept: To Do Step](#)

[Concept: Checklist Step](#)

Reference

[The Next Level: Period Close](#)

Concept: Journal Statuses and Pending Transactions

You can use the **Ledger Period Journal Status** report, **Update Ledger Period Status** task, or **Mass Update Ledger Period Status** task to review ledger period details and statuses.

Before closing ledger periods, make sure that:

- You've posted everything for the period.
- Everything in progress has an *In Progress* status.
- Everything you need finalized is in its final state.

If you have journals in progress that you need to finalize, you should cancel or post them before closing the period. Ensure that all journals balance because Workday prevents you from posting unbalanced journals.

On the tabs or columns of these tasks and reports, consider:

Tab / Column	Description
Journal Status	Displays how many accounting and operational journals you have for each journal status. Make sure that all the journals are in the status that you want when you close. After you close, the journals remain in these statuses: • <i>Created</i>: You've created the journal and saved it for later or created a reversal journal on or after the accounting date. Submit the created journal to start the business process to get it approved. If you want to post journals, submit them for approval. When the reversal period opens, use the Mass Post Reversal Journals task to post the reversal journals you created. Otherwise, cancel the journals, delete them, or leave them in this status when you close. • <i>In Progress</i>: You've created the journal and started the business process, but haven't approved the journal. Approve the journal to post it or deny the journal to change it to a <i>Canceled</i> status. Before you can close the period, you must post or cancel <i>In Progress</i> journals. Note: To view <i>In Progress</i> status journals, you must select Allow Accounting in Arrears on the Edit Company Accounting Details task. • <i>Pro forma</i>: The journal has allocations that you haven't yet posted or equity pickup results waiting for your approval. Post these journals and finalize allocations before you close the period. To cancel these journals, cancel the

Tab / Column	Description
	allocation or leave them in this status when you close. • <i>Posted</i>: You've posted the journals. Review to make sure that you haven't posted any journals in error. • <i>Unposted</i>: You've formerly posted the journals then changed your mind. Rather than leaving journals in this status, either edit the journal, or cancel the journal if you don't need it. • <i>Canceled</i>: Is a finalized status. Review to make sure that you haven't canceled any journals in error. If someone cancels a transaction and the original ledger period is still open, Workday cancels the journal for the transaction. If you've closed the ledger period, perform these actions: • Leave the original journal posted. • Create a reversing journal in the next open ledger period. • <i>Correct In Progress</i>: You processed an accounting journal and are editing it using the Business Process > Correct related action. The accounting journal status changes to Posted when you submit the accounting journal. • <i>Error</i>: Operational journals that have errors that you need to fix before close. To troubleshoot, use the Fix Operation Journals with Errors task. • <i>Reserved</i>: Workday reserves the journal when the budget check step in the accounting journal event business performs a budget verification for the ledger account and any other dimensions defined. The journal has a status of <i>Reserved</i> whether or not the budget check passes, fails, or isn't required. Before you can close the period, you must approve or cancel <i>Reserved</i> journals.
Pending Accounting Journal Events	Displays accounting journals that have <i>Unpost in Progress</i> statuses. Approve the journal to post it or deny the journal to return it to the <i>Created</i> status. From there, you can cancel the journal.
Pending Operational Transactions	Displays operational transactions that you've either saved as drafts or submitted into the business process but not yet approved. Decide whether you want these transactions to post in this period or the next open period. To post to this period, approve the transaction so that Workday generates operational journals for it.
Pending Depreciation Transactions	Displays assets that have depreciation you need to record. You can post them or leave them pending

Tab / Column	Description
	for the next period. If you have depreciation transactions and select not to depreciate their value for this period, they roll forward into the next period. Workday adds them to the depreciation total for that period. To post, use the Record Depreciation Amortization Expense task. You can cancel a depreciation transaction except when it is: • In a ledger period with a status of <i>Closed</i> or <i>Close in Progress</i> for Operational Accounting. • Containing assets that you've disposed of or further depreciated. • An adjustment (catchup depreciation or reversal). • Created by an asset transfer, recategorization, or disposal because these events automatically record depreciation for periods up to the transaction period. • Canceled.
Pending Allocations	Displays the allocations ready for processing. Based on the allocation schedule, decide whether to: • Post them now and have the accounting impact this period. • Cancel them. • Run the allocations later. To resolve the allocations that aren't yet run or in process, use the Allocation Work Area.
Pending Receipt Accruals	Displays receipt accruals that you've either saved as draft or submitted into the business process but not yet approved. Workday prevents you from closing a period with pending/draft accruals to ensure that they post to the current period. For receipt accruals in draft, either submit and approve them or cancel them. For receipt accruals already processing, approve them or deny and then cancel them.
Status History	Displays status change history for ledger periods and their associated <i>Closed Activity</i> groups on the Ledger Period Journal Status report. If any periods are in <i>Close in Progress</i> status, you can't update those activity groups with new transaction activity.

Tasks

[Change the Status of Ledger Periods](#) on page 218

[Close Ledger Periods](#) on page 220

Reference

[The Next Level: Guide to Period Close Journal Entries](#)

Concept: Ledger Close Activity Groups

Context

Workday provides period close activity groups that categorize operational transactions and accounting activity. You can close these groups independently to provide greater control and flexibility as you work through your ledger period close. You can configure your own period close activity groups in Workday to customize further your close process to suit your business needs.

Note: Workday includes each activity in only 1 period close activity group.

Period Close Activity Groups and Operational Transactions

The **View Period Close Activity Groups** report displays the period close activity groups and their associated operational and accounting transaction types.

Example: Change Ledger Period Close Statuses for Activity Groups

Your organization has separate teams for processing customer and supplier transactions, and you want to close the transaction ledgers on different dates.

Close the *Procurement* activity group on the first day of the close period to stop processing purchase orders and supplier invoices. To post backlog payments, you should still keep the *Customer Accounts* activity group open, which includes customer invoices and payments you received during the current ledger period.

Keeping this activity group open gives you the flexibility to finalize expense activities and analyze their impact early in the close period. Workers can still post supplier invoices to the same period.

First, access the ledger period you want to close using the **Update Ledger Period Status** task. Next, change the status to *Close in Progress* from the **Status** prompt, and then select *Procurement* from the **Closed Activity** prompt.

You have now stopped procurement transactions from posting to the period you changed to *Close in Progress*, and kept the period open for processing customer transactions.

Tasks

[Change the Status of Ledger Periods](#) on page 218

[Set Up Period Close Activity Groups](#) on page 217

Concept: Close

Workday provides several tools to help you complete close activities at the end of an accounting period, quarter, or year. These activities enable you to:

- Change ledger period and year statuses.
- Close periods for some operational transaction groups before closing them for others.
- Roll forward year-end balances.
- Roll forward translated beginning balances.
- Create and execute a close checklist.

You can use these tools, along with other tasks performed outside of Workday, to manage your close processes.

Ledger Period Close

Workday enables you to have multiple ledger periods open at the same time. While you're finalizing a ledger period, you can get the next ledger period under way. You can select new statuses and close activities for one or more ledger periods, and use different statuses and close activities for other ledger periods.

If you have more than 1 ledger type, the corresponding ledger periods and statuses are always in sync.

Example: If your company uses *Actuals* and *Commitments* ledger types, you update the ledger periods and statuses for each ledger type concurrently.

To close a ledger period, you gradually lock it down to limit new journal activity as you work towards the close.

Example: On February 2, you change the January ledger period status from *Open* to *Close in Progress*. This status prevents operational journal activity for specific activities, such as *Procurement*. You keep the Payroll close activity as *Open* to process payroll on the next run date of February 15.

Roll Forward Year-End Balances

Before closing the previous ledger year, Workday enables you to roll journal balances forward into the beginning balance of the current ledger year. At any point in the close timeline, you can run the *Roll Forward Year-End Balance* process to create or replace journal beginning balances. These beginning journal balances, combined with current-year journal activity, give you the latest numbers when you report on the current ledger year.

Example: You run the roll forward process in mid-January after you've changed the status for previous year ledgers to *Adjustments Only*. Running the roll forward process in mid-January enables you to create a more realistic January balance sheet.

You can also have Workday roll forward translated beginning balances after rolling year-end balances forward.

Ledger Year Close

Just as you can have multiple ledger periods open simultaneously, in Workday you can have the preceding ledger year open as you work in the next ledger year. Leave at least 1 ledger period open (typically the last) for a place to post adjustments until you're ready to close the ledger year.

Example: You open the January ledger period in late December. You gradually limit your December journal activity by changing the ledger period status. On January 10, you limit the ledger period to *Adjustments Only*. After you make adjustments and close all periods, in early March you close the preceding ledger year.

To close a ledger year, you define year-end closing rules and run the ledger year close process. Close all ledger periods for the year before you can close the ledger year. The process:

- (Optional) Rolls forward remaining balances from the preceding ledger year into the beginning balance of the current ledger year, for the last time.
- Updates the ledger year status to *Closed*.

Close Checklist

To manage your close procedures, you can create close checklists in Workday to incorporate all your close steps into your business process workflow. At the scheduled time, Workday sends a notification to complete the task to the assigned worker. By using a close checklist, you can also analyze close metrics and send workers additional notifications about a close step anytime.

Tasks

[Define Rules for Processing Year-End Close](#) on page 217

[Steps: Set Up Close Process](#) on page 216

Reference

[The Next Level: Guide to Period Close Journal Entries](#)

Reference: Period Statuses and Permitted Transactions

Period statuses control what you can process in your accounting period and by which source.

You can set up different statuses for ledger periods that will affect the activities that you can perform during that period.

This table lists permitted transactions during each period status:

Period Status	Operational Journal	Reversal Journal	Accounting Journals, Depreciations, and Receipt Accruals	Adjustment Journal
<i>Created</i>	No	Yes	No	No
<i>*Not Available</i>	No	Yes	No	No
<i>Open</i>	Yes	Yes	Yes	Yes
**Close in Progress Depends on the individual status of your activity groups.	Configurable	Configurable	Configurable	Yes
<i>Adjustment Only</i>	No	No	No	Yes
<i>Closed</i>	No	No	No	No

Reversals: For reversals of accounting journals, Workday creates reversal journals in *Created* status but doesn't post them.

***Not Available Status:** You can set periods you open in error to a *Not Available* status.

****Close in Progress Status** You can close activity groups independently giving you flexibility to close some groups and leave others open.

Concepts

[Concept: Ledger Close Activity Groups](#) on page 233

Tasks

[Change the Status of Ledger Periods](#) on page 218

Reference: Period Close Work Area

As your workers complete steps in the *Period Close* event business process, you can use the **Period Close Work Area** report to manage your period, quarter, and year-end closes.

Security: *Process: Period End* domain in the Common Financial Management functional area.

You can access these tasks from the work area:

Task	Description
Change Fiscal Period	Workday automatically displays the latest period that has one or more closes. Change the fiscal period as necessary.

Task	Description
Find Period Closes	Review details of the period close process.
Period Close Metrics	Analyze period close metrics and review the progress for the latest fiscal period with a close event.
Period Close > Manage Attachments from the Period Close related actions menu.	Attach documents to the closed period. Example: • Attach completed balance sheet reconciliations for the accounting manager to review and sign off on. • Attach final financial statements for the controller to review and approve. The documents are then available on: • Close notifications. • The View Period Close report.
Period Close > Edit Period Close Details from the Period Close related actions menu.	Change the expected completion date of the period.
Period Close Notification	Notify workers regarding a period close that's in progress. When you submit the notification, Workday launches the <i>Period Close Notification</i> event business process. Each close event can have only one active notification event. If a notification is in progress when you submit another one, Workday cancels the existing notification and launches a new notification event. If you included the <i>Review Period Close</i> action step, the business process creates an Inbox notification for the worker. If the worker has appropriate security access, the notification includes: • Detailed period close information. • Period close business process information. • Process history.

Concepts

[Concept: Journal Statuses and Pending Transactions](#) on page 230

Tasks

[Steps: Set Up Close Process](#) on page 216

Period Close Management

Setup Considerations: Reconcile Cash Operational Transactions to Ledger

You can use this topic to help make decisions when planning your configuration and use of reconciling cash operational transactions to your cash ledger account. It explains:

- Why to set it up.
- How this feature fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

You can use Workday to reconcile cash operational activities to the corresponding cash ledger account by company and bank account.

Business Benefits

You can reconcile cash operational transactions to your cash ledger account within Workday. This eliminates the need to reconcile cash operational transactions outside of Workday.

Use Cases

As part of your reconciliation process during period end, you must reconcile all your cash operational transactions to your cash account.

Questions to Consider

Before reconciling cash operational transactions, consider these questions:

Questions	Considerations
For what period should I create an initial balance?	Select a period from which you want to start reconciliation. Note: You must have reconciled cash transactions for all prior periods.
How many times can I create an initial balance?	You usually create initial balances once, but can create them again if you want. Note: If you create initial balances again, Workday deletes all previously created beginning operational cash balances.

Recommendations

Before you create an initial balance, Workday recommends that you reconcile cash transactions for all prior periods. Example: You've reconciled all cash transactions for the period ending June 30th, 2016. Create initial balances for the Period and Fiscal Year, July 2016. Once you run the process, Workday creates initial balances by Company and Bank Account dated July 1, 2016.

Requirements

To reconcile operational cash transactions, you must:

- Create initial balances as a starting point for your reconciliation. If you don't, the reconciliation reports won't display any data.

- Close your fiscal year or run the **Generate Period Beginning Balances for Reconciliation Activities** task to create beginning balances for each open period. If you don't, the reconciliation reports will display only activity.

Note: The **Generate Period Beginning Balances for Reconciliation Activities** task creates beginning balances for all subsequent open periods. Example: If you run the task for February 2019, Workday creates beginning balances for March and all subsequent open periods.

Limitations

- The **Cash to Bank Reconciliation Composite** report only reconciles cash balances in Ledger currency. To reconcile cash transactions in Bank Account currency, Workday recommends that you use the existing **Cash to Bank Account Balances Reconciliation** report.
- When you recreate an initial balance, Workday deletes all previously created initial balances and beginning balances.

To restore beginning balances, run the **Generate Period Beginning Balances for Reconciliation Activities** task.

Tenant Setup

No impact.

Security

Domains	Considerations
<i>Process: Cash to Bank Reconciliation Initial Balance</i> in the Financial Accounting functional area.	Users with security enabled for this domain can create initial balances.
<i>Reports: Financial Accounting</i> in the Financial Accounting functional area.	Users with security enabled for this domain can run the reconciliation reports.
<i>Process: Period End</i> in the Financial Accounting functional area.	Users with security enabled for this domain can run the Generate Period Beginning Balances for Reconciliation Activities task to create beginning balances.

Business Processes

No impact.

Reporting

Reports or Dashboards	Considerations
Cash to Bank Reconciliation Composite	Use this report to confirm that cash operational transactions reconcile to the ledger account.
Cash to Bank Reconciliation Initial Balances Composite	Use this report to confirm and review the initial balances.
Find Cash to Bank Reconciliation Activities.	Use this report to view details of cash operational transactions for a specific period.
Find Cash to Bank Reconciliation Initial Balances.	Use this report to view initial balances. Also, use the related actions from the report to edit initial balances.

Reports or Dashboards	Considerations
Cash to Bank Reconciliation by Reconciliation Status Composite.	Use this report to view the reconciliation status of each cash operational transaction to cash ledger balance.

You can use the Cash to Bank Reconciliation Activity report data source (secured to the *Reports: Financial Accounting* domain) to create custom reports to reconcile cash operational transactions to cash ledger balance.

Integrations

No impact.

Connections and Touchpoints

Cash to Bank reconciliation interacts with these other areas in Workday:

Features	Considerations
Customer Accounts	Reconciles cash transactions collected from customers.
Supplier Accounts	Reconciles cash transactions paid to suppliers.
Expenses	Reconciles cash transactions paid for expenses.
Payroll	Reconciles cash paid for payroll transactions.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Tasks

[Steps: Reconcile Cash Operational Transactions to Ledger](#) on page 244

Reference

[The Next Level: Automate Your Account Reconciliation Process with Transaction Matching](#)

[The Next Level: Efficiently Certify Your Reconciliation Accounts with Account Reconciliation](#)

Steps: Process Manual Transaction Matching on Journal Lines

You can match and unmatch transactions manually to reconcile your ledger account ending balances on journal lines.

Example: You can manually match transactions that:

- Are small in number that you want to match quickly without creating a matching rule set.
- Are missing identifiable attributes that you can't include in rule sets.

You can mark offsetting journal lines as matched and focus on journal lines that remain unmatched.

1. (Optional) [Mass Mark Journal Lines as Unavailable for Manual Matching](#) on page 240.

2. [Match Journal Line Transactions Manually](#) on page 240.

- Use custom reports to report on journal lines that remain unmatched.
- Open transactions that make up the balance.
- Unmatch journal lines in case of mistakes in matching.

Concepts

[Concept: Close](#) on page 233

Tasks

[Steps: Unmatch Journal Lines](#) on page 244

Reference

[The Next Level: Automate Your Account Reconciliation Process with Transaction Matching](#)

[The Next Level: Efficiently Certify Your Reconciliation Accounts with Account Reconciliation](#)

Mass Mark Journal Lines as Unavailable for Manual Matching

Security: *Process: Account Certifications - Create* domain in the Financial Accounting functional area.

You can schedule mass updates to mark existing journal line transactions as unavailable for matching.

Example: When you want to focus on transactions from the current year, you can mark journal lines from previous years as unavailable to match.

1. Access the **Mass Update Journal Lines as Unavailable for Matching** task.
2. As you complete the task, consider:

Option	Description
Ledger Account	Select a ledger account or alternate ledger account. You can only select balance sheet accounts that are available for use with the Company you select. The alternate ledger account option only displays for companies with alternate accounts defined.
Mark as Available	(Optional) Select when you want to correct an error and now want to make previously marked unavailable lines as available for matching.

Journal lines you mark as unavailable:

- Aren't displayed when you match transactions using the **Transaction Matching on Journal Lines** task.
- Aren't considered for automatic matching when using the **Schedule Matching Run** task.

Use the **Select Journal Lines as Available for Matching** task to mark individual journal lines you previously marked unavailable as available for matching. Example: You previously marked all journal lines from previous years as unavailable for matching, but now want to match 1 journal line from the previous year with a current year journal line. You can use this task to select the previous year journal line as available for matching with a current year journal line.

Reference

[Workday 32 What's New Post: Transaction Matching on Journal Lines for Alternate Accounts](#)

Match Journal Line Transactions Manually

Security: These domains in the Financial Accounting functional area:

- *Process: Account Certifications - View*
- *Process: Account Certifications - Create*

You can manually match journal lines during period close to:

- Increase data integrity.
- More accurately analyze your ledger account ending balances.

1. Access the **Transaction Matching on Journal Lines** task.

2. As you complete the task, consider:

Option	Description
Ledger Account	Select a ledger account or alternate ledger account. You can only select balance sheet accounts that are available to use with the Company you select. The alternate ledger account option only displays for companies that you defined alternate accounts for.
Match On Type	Workday populates this field based on the Match On Type selected in the Set Up Transaction Matching task.
Filter By Book Code	Leave blank to retrieve journal lines for all book codes. You can't match transactions across book codes.
Adjustment Journal	Select to include only adjustment journals.

3. Select the journal lines you want to match, and click **Match**.
4. (Optional) To adjust your search criteria, for additional journal lines, expand the **Select Journal Lines** section, enter new search criteria, and then click **Get Journals**.
Workday retrieves additional journal lines based on the new criteria.
5. Select the additional journal lines, and then click **Match**.
Workday generates a Match ID to record the match and to display journal lines included in the match. You can click the Match ID to view match details and from the related actions menu, perform an Unmatch.

Concepts

[Concept: Close](#) on page 233

Reference

[Workday 32 What's New Post: Transaction Matching on Journal Lines for Alternate Accounts](#)

Steps: Process Automated Transaction Matching on Journal Lines

You can create rule sets that process matching rules to automate transaction matching on journal lines, enabling you to reconcile your ledger account ending balances on journal lines. Using the automated matching process, you can then mark offsetting journal lines as matched and focus on journal lines that remain unmatched.

1. Access the **Set Up Transaction Matching** task.

Select the **Match on Type** that Workday with use on all matches.

Note: Switching the **Match on Type** will inactivate any rule sets using the previous matching type.

Security: *Set Up: Account Certifications* domain in the Financial Accounting functional area.

2. [Create Rule Sets for Matching Transactions](#) on page 242.
3. [Schedule Matching Run](#) on page 243.

Use the **Find Journal Lines** report or create custom reports to gather data on journal lines that remain unmatched and review open transactions that make up the balance.

Concepts

[Concept: Close](#) on page 233

Tasks

[Steps: Unmatch Journal Lines](#) on page 244

Reference

[Workday 31 What's New Post: Automated Transaction Matching on Journal Lines](#)

Create Rule Sets for Matching Transactions

- Use the **Set Up Transaction Matching** task to select a matching type.
- Security: These domains in the Financial Accounting functional area:
 - *Set Up: Matching Rule Set*
 - *Access: Matching Rule Set (Segmented)*

You can create a rule set consisting of different matching rules to match transactions on journal lines automatically. In addition to a 1-to-1 matching method, matching rules enable you to compare:

- One journal line to many journal lines.
- Many journal lines to 1 journal line.
- Many to many journal lines.

1. Access the **Create Matching Rule Set** task.

You can't change the matching type for a rule set once it's created.

2. As you complete the task, consider:

Option	Description
Matching Type	Select Journal Line to match transactions on journal lines.
Order	Enter a number 1 through 50 for the order of the rule. Workday evaluates and processes the rules in the order you specify. Place the most specific rules before rules that require less precision in the match. That way, when Workday identifies more granular matches first, it removes the matched journal lines from future consideration.
Matching Method	Select a matching method.
Filter Criteria	You can specify filter criteria to reduce the number of transaction lines to match from Source 1 to Source 2.
Match On	For more precise matching, you can select multiple criteria for each ledger account.
Matching Options	Select Include Blank Values for Line Memo, Worktags, External Reference ID , if you want to include them in the matching criteria. Note: Workday automatically excludes the options from the Match On criteria.

When you run automatic transaction matching, Workday uses the rules in the matching rule set to match transaction lines.

To view the defined matching rule sets and the number of rules within each set, you can access the **Maintain Matching Rule Sets** task. You can then drill down to view these details for each rule in the set:

- Matching method.

- Rule order.
- Whether the rule is currently active.

Reference

[Workday 32 What's New Post: Automated Transaction Matching on Journal Lines](#)

Schedule Matching Run

- Create a matching rule set.
- Use the **Set Up Transaction Matching** task to select a matching type.
- Security: *Process: Account Certification – Create Auto Match* domain in the Financial Accounting functional area.

You can schedule the matching run to apply the matching rule sets to match transactions.

Workday limits each match to contain a maximum of 99,999 journal lines.

1. Access the **Schedule Matching Run** task.
2. Select a **Run Frequency**.
3. For **Matching Run Type**, select **Journal Line**.
4. Enter a **Request Name** to provide more visibility for the matching run.
Workday appends a date and time stamp on each request name when you process the matching run.
5. As you complete the **Run Criteria**, consider:

Option	Description
Company	You can select multiple companies or company hierarchies.
Ledger Account	You can select multiple ledger accounts, ledger account summaries, or alternate accounts. Alternate ledger account option only displays values for companies with alternate accounts defined.
Include All Open Items	Includes all nonmatched journal lines in the selected Fiscal Year up to the Job Run Date .
Fiscal Year	You can select a maximum of 2 fiscal years.
Fiscal Period	You can select more than 1 fiscal period. This option isn't available when you select Include All Open Items .
Use Job Run Date for As Of Effective Date As Of Effective Date	Enter a date as the effective date for the job run. Workday uses effective date to identify the snapshot of the selected company hierarchy and ledger account summary for the matching run.
Matching Rule Set	Select a matching rule set for which you want to match transactions. You can only select rule sets using the matching type selected in the Set Up Transaction Matching task.

Workday uses the matching rules in the selected rule set to match transactions on journal lines.

(Optional) On the **Match Statistics** grid, click **Matches** to view details of all the matches in the matching run.

Reference

[Workday 32 What's New Post: Transaction Matching on Journal Lines for Alternate Accounts](#)

Steps: Unmatch Journal Lines

Match journal line transactions.

You can unmatch large volumes of journal lines at a time.

1. Access the **Find Journal Lines** report to unmatch a single journal line.

For matched journal lines, select **Matched Journal Lines > Unmatch** from the related actions menu of the matched ID.

Security: *Process: Account Certifications - Cancel* domain in the Financial Accounting functional area.

2. Access the **Mass Unmatch Journal Lines** task to unmatch journal lines based on multiple criteria.

As you complete the task, consider:

Option	Description
Accounting Date On or After	Workday unmatched journal lines on and after this date.
Accounting Date On or Before	Workday unmatched journal lines on and before this date.

Security: These domains in the Financial Accounting functional area:

- *Process: Account Certifications*
- *Process: Account Certifications - Cancel All Match*

Based on the filters you configure Workday unmatched all journal lines and makes them available for matching again.

Tasks

[Steps: Process Automated Transaction Matching on Journal Lines](#) on page 241

[Steps: Process Manual Transaction Matching on Journal Lines](#) on page 239

Steps: Reconcile Cash Operational Transactions to Ledger

You can reconcile cash operational transactions to your cash ledger accounts.

1. [Create Cash to Bank Reconciliation Initial Balances](#) on page 245.

Create initial cash balances as a starting point for your reconciliation.

2. [Change the Status of Ledger Periods](#) on page 218.

Change the status of ledger period to *Closed*. The process creates beginning balances for the next period. Create beginning balances before you run the reconciliation reports. If you don't, the reconciliation reports will display only activity.

Note: If you don't change the status of ledger periods, you must access the **Generate Period Beginning Balances for Reconciliation Activities** task to generate beginning balances. You can use this task to create beginning balances only if initial balances exist.

3. Run the Reconciliation Reports.

Access the **Cash to Bank Reconciliation Composite** report to confirm that cash operational transactions reconcile to the ledger account.

Note:

The **Cash to Bank Reconciliation Composite** report only reconciles cash balances in Ledger currency. If you want to reconcile cash transactions in Bank Account currency, Workday recommends that you use the existing **Cash to Bank Account Balances Reconciliation** report.

Access the **Find Cash to Bank Reconciliation Activities** report to view details of cash operational transactions for a specific period. You can run this report using any selected time period, but it defaults to the current period.

Concepts

[Setup Considerations: Reconcile Cash Operational Transactions to Ledger](#) on page 236

Reference

[Reference: Workday-Delivered Reports for Financial Close](#) on page 280

[Workday 33 What's New Post: Reconcile Cash Operational Transactions to Cash Ledger Balances](#)

[The Next Level: Automate Your Account Reconciliation Process with Transaction Matching](#)

[The Next Level: Efficiently Certify Your Reconciliation Accounts with Account Reconciliation](#)

Create Cash to Bank Reconciliation Initial Balances

Roll year-end balances forward.

Security: *Process: Cash to Bank Reconciliation Initial Balance* domain in the Financial Accounting functional area.

You can create initial operational cash balances for the period from which you want to start reconciliation. Example: If you want to start reconciling cash operational transactions from a specific month, select the month and year for the **Period** prompt.

Create initial balances before you can run the reconciliation reports. If you don't, the reconciliation reports won't display any data.

You usually create initial balances once, but can create them again if you want.

Note: If you create initial balances again, Workday deletes all previously created beginning operational cash balances. Note that ledger beginning balances you create using the **Roll Forward Year-End Balance** task aren't deleted.

1. Access the **Generate Cash to Bank Reconciliation Initial Balances** task.

2. Select a **Run Frequency**.

3. As you complete the task, consider:

Option	Description
Company	Select a company or company hierarchy.
Period	Can be open or closed. Workday creates initial operational cash balances for the period you select.

4. Confirm that the process completes.

5. Access the **Cash to Bank Reconciliation Initial Balances Composite** report to confirm and review the initial balances.

6. (Optional)

- To edit initial balances, access the **Find Cash to Bank Reconciliation Activity Initial Balances** report. From the related actions of the Reconciliation Activity, select **Cash to Bank Reconciliation Initial Balance > Edit**.
- To delete initial balances, access the **Find Cash to Bank Reconciliation Activity Initial Balances** report. From the related actions of the Reconciliation Activity, select **Cash to Bank Reconciliation Initial Balance > Delete**.

Note: Workday only deletes the specific initial balance. To recreate initial balances, you must rerun the **Generate Cash to Bank Reconciliation Initial Balances** task. The task recreates all previously created initial balances and regardless of the period you select, deletes all initial and beginning balances.

Workday:

- Retrieves all posted journals for cash operational transactions from the inception of your financial activity to create an initial balance.
- Retrieves journals for all cash operational transactions that you post after the date of the initial balance and creates reconciliation activity for them.

Steps: Process Account Certifications

You can set up a process to:

- Create account certifications and assign certification roles to specific employees.
- Decertify account certifications that have ledger activities or ledger balance changes.

Workday then routes the certification or decertification to employees with the assignable roles for their review and approval.

If you're using worksheets, you can enter amounts to certify in a workbook and submit the workbook and certification for review and approval.

1. (Optional) [Create Account Reconciliation Template Definitions](#) on page 246.

You create a template if you want to use Worksheets to reconcile and certify your account balances.

2. (Optional) Access the **Create Policy Purpose and Procedure** task.

Create a Policy and Procedure document to identify company policies and procedures for reconciling account balances for period close.

Security: *Set Up: Account Certifications* domain in the Financial Accounting functional area.

3. [Create Account Certification Sets](#) on page 247.

4. [Run Account Certification Sets](#) on page 249.

5. (Optional) [Decertify Account Certifications](#) on page 250.

Decertify previously approved certifications with ledger activity or ledger balance changes.

Use custom reports to report on completed, decertified, and open account certifications.

Concepts

[Concept: Close](#) on page 233

Reference

[Workday 31 What's New Post: Account Certification Sets and Role Assignment](#)

[2020R2 What's New Post: Automated Decertification of Account Certifications](#)

[2020R2 What's New: Policies and Procedures for Account Certification Definitions](#)

Create Account Reconciliation Template Definitions

Security:

- Security: *Set Up Account Reconciliation Template* domain with the security group type of *Unconstrained Groups* in the Financial Accounting functional area.
- *Drive* in the System functional area.

You can create account reconciliation template definitions to reuse existing names of workbooks and sheets when you create new reconciliation workbooks.

1. Access the **Create Account Reconciliation Template Definition** task.
2. As you complete the task, consider:

Option	Description
Name	The name you enter displays for selection in prompts only when selecting a template. It doesn't display in the final workbook that you generate from the template definition.
Sheet Name	Add a sheet name to your plan template definition. Template definitions must include at least 1 reconciliation entry sheet.

3. Click **OK** and then **Done**.

You've created a reconciliation template definition that is now available for selection when you create an account certification.

Use the **Edit Account Reconciliation Template Definition** task to maintain or reuse your reconciliation template definition.

Reference

[2020R1 What's New Post: Account Reconciliation Using Worksheets](#)

[The Next Level: Automate Your Account Reconciliation Process with Transaction Matching](#)

Create Account Certification Sets

- Security: *Set Up Account Certifications* domain in the Financial Accounting functional area.
- From the **Maintain Assignable Roles** task, assign each of these roles enabled for Account Certification the same security groups that are assigned on the *Setup: Account Certifications* domain:
 - Approver
 - Preparer
 - Reviewer

See [Set Up Assignable Roles](#).

You can create account certification sets to:

- Include 1 or more account certifications in the set.
- Assign these roles to your employees for each certification:
 - Approver
 - Preparer
 - Reviewer
- If using Worksheets, associate an Account Reconciliation Template definition to each account certification.

1. Access the **Maintain Account Certifications Sets** report.
2. Click **Create**.

3. As you complete the task, consider:

Option	Description
Company/Company Hierarchy	You can select a company or company hierarchy. All companies in the company hierarchy must contain the same ledger currency.
Account Reconciliation Template Definition	Select an Account Reconciliation Template Definition if you're using Worksheets to reconcile and certify balances. You can select the same reconciliation definition for multiple certifications. If you don't select the template definition, Workday won't generate the reconciliation workbook when you create the certification.
Policy Purpose and Procedure	Select or create a policy and procedure document that you want to associate with the account certification.
Ledger Account/Ledger Account Summary	Select the ledger accounts and ledger account summaries that you want to certify for the certification.
Balance or Activity	Select if you want to certify a ledger account balance or ledger account activity. Year to date balance includes beginning balance journals for balance sheet accounts. Ensure that you roll year-end balances forward before you select Balance .
Book	Leave blank to select all books.
Worktags	Select specific worktags to enable reviewers and approvers to drill down and certify individual worktag balances for the ledger account. When you want to specify more than 25 individual worktags, Workday recommends that you use a worktag hierarchy on the Account Certification to improve performance and scalability. Leave blank to select all worktags associated with the ledger account.
Priority	Select how you want to prioritize processing certifications. Example: Select a high priority for certifications that you want to complete early.

4. Click **OK** and then **Done**.

5. For each account certification set, click **View Roles**.

6. To assign roles to each account certification, click **Assign Roles**.

7. Select an effective date and click **OK**.

8. As you complete the **Assign Roles** grid, consider:

Option	Description
Role	Select 1 of the Assignable Roles.

Option	Description
Restricted to Single Assignment	Select if you want to assign the role to a single employee.
Assigned To	You can assign each role to multiple employees.

To edit a certification set, access the **Maintain Account Certification Sets** report and for the account certification set you want to edit, click **Edit**.

Run Account Certification Sets

- Create an account certification set and assign account certification roles to employees.
- Trial balance is ready for approval.
- Security: These domains in the Financial Accounting functional area:
 - *Set Up Account Certifications*.
 - *Process: Account Certifications*.
- These domains in the System functional area:
 - *Drive*
 - *Worksheets*

You run the account certification sets to:

- Generate and route account certifications to the assigned employees for their necessary action.
- Generate workbooks (if using Worksheets) with the latest ledger account balances.

Note: To avoid duplicate certifications, run an account certification only once for a period. If you need to rerun the account certification, first cancel the existing account certification from the related actions menu of the account certification.

You can configure your account certification process to route certifications to reviewers and approvers, with or without worksheets. You can also set up condition rules to bypass the routing for approval of accounts with no activity.

If using Worksheets, always click **Refresh Grid Data** from the first sheet before submitting to ensure that workbook has consistent data.

Note: Click **Save for Later** on your certification before you navigate back to the workbook to refresh the data.

1. [Edit Business Processes](#).

Add steps to the *Account Certification Event* business process to route account certifications to employees assigned to the account certification roles.

(Optional) Configure additional conditional rules for the *Account Certification Event* business process to certify ledger accounts automatically that have no activity for the fiscal period.

2. Access the **Run Account Certification Sets** task.

3. As you complete the task, consider:

Option	Description
Company/Company Hierarchy	You can select multiple companies or company hierarchies. All companies in a company hierarchy must have the same ledger currency.
Account Certification Set	You can select multiple account certifications.
Account Certification for the Selected Set	Select:

Option	Description
	• All Account Certifications to certify ledger accounts or ledger account summaries for all account certifications. • Select Account Certification to certify or recertify ledger accounts or ledger account summaries for specific account certifications.

Workday initiates the *Account Certification Event* business process and for accounts with:

- Activity, routes for approval as configured. If you configured the certification to include worksheets, Workday routes the worksheet and certification.
- No activity (if you've configured the additional conditional rules), Workday automatically certifies the accounts.

Concepts

[Concept: Business Processes and Organizations](#)

Tasks

[Steps: Configure Business Process Definitions](#)

Reference

[2020R1 What's New Post: Automatically Certify Ledger Accounts with Zero Activities](#)

[2020R1 What's New Post: Account Reconciliation Using Worksheets](#)

Decertify Account Certifications

- You've created and approved account certifications.
- Configured the *Account Certification Event* business process to route account certifications to employees assigned to the account certification roles.
- Security: These domains in the Financial Accounting functional area:
 - *Process: Account Certification - Decertify.*
 - *Process: Account Certification - Decertify All.*

You can decertify previously approved certifications that have ledger activity or ledger balance changes by either:

- Scheduling an automated process to decertify mass account certifications.
- Decertifying a single account certification.
- **Option A: Mass Decertify Account Certifications**
 - a) Access the **Schedule Automated Decertification** task.
Run the task to identify and decertify previously approved certifications with ledger activity or ledger balance changes.
 - b) Select a **Run Frequency**.
 - c) As you complete the **Criteria** tab, consider:

Field	Description
Company/Company Hierarchy	Select a company or company hierarchy.
Current Period Prior Period	Select the fiscal period for which you want to run the schedule. If you want to run the schedule for a time period that spans both periods, select both Current Period and Prior Period . Example: You're running the schedule on June 19, 2020 but want to identify and decertify

Field	Description
	certifications from May 19, 2020 to June 19, 2020.

- d) (Optional) If you select a recurring schedule for **Run Frequency**, consider these guidelines as you complete the **Schedule** tab:

Field	Description
Recurrence Type	Select a recurring schedule for the task.
Catch Up Behavior	Select how many times that you want to run the task after your environment goes offline for maintenance issues. Example: You schedule a process to run multiple times in a day. When your environment goes offline for maintenance, you can limit the process to run once instead of catching up on all missed runs. Select: • None: If you don't want to run any occurrences of the missed schedule, but to run it on the current schedule. • Run Once: If you want to run the schedule once, usually the last run before your environment went offline.

- e) Click **OK**.

Workday identifies and decertifies all account certifications with ledger activity or ledger balance changes.

• **Option B: Decertify a Single Account Certification**

- Access the **Find Account Certifications** report.
- From the related actions of the approved certification that you want to decertify, select **Account Certification > Decertify**.
- On the **Confirm Account Decertification** page ensure that the certification has a status of *Certified*.
- Click **Confirm** and then click **OK**.

Workday decertifies the account certification and changes the status of the certification to *Decertified: Recertification in Progress*.

Workday initiates the *Account Certification Event* business process and sends an Inbox notification for correction, approval, and recertification as configured. If you configured the certification to include worksheets, Workday routes the worksheet and certification.

Review details of decertifications, including which person Workday assigns to the next task to complete the recertification:

1. Access the Find Decertified Certifications report.

Security: *Process: Account Certifications - Reporting* in the Financial Accounting functional area.

2. Click an account certification to access the View Account Certification report.

Security: *Process: Account Certifications - View* in the Financial Accounting functional area.

3. Click **Decertification Details** to access the **Decertification Details Report** report.

Security:

- *Report: Execution* domain in the Tenant Non-Configurable functional area.
- These sub reports in the Financial Accounting functional area:
 - **Sub Report - Journal Lines for Account Certification - Journal Activity Post Certification** report secured to the *Reports: Financial Accounting* domain.
 - **Sub Report - Account Certification Lines Filter by Certification - Ledger Balance as of Approval Date** report secured to the *Process: Account Certifications - Reporting* domain.
 - **Sub Report - Journal Lines Filtered by Status for Account Certification - Ledger Amount** report secured to the *Process: Journals-Reporting* domain.

Tasks

[Run Account Certification Sets](#) on page 249

[Steps: Configure Business Process Definitions](#)

Reference

[2020R2 What's New Post: Automated Decertification of Account Certifications](#)

Certify Account Balances

- Define the *Account Certification Event* business process and security policy.
- You've reconciled all accounts you want to certify.
- Trial balance is ready for approval.
- Security: These domains in the Financial Accounting functional area:
 - *Process: Account Certifications - View*
 - *Process: Account Certifications - Reporting*
 - *Process: Account Certifications - Cancel*

You can create quick, one-off, account certifications that require immediate action without creating certification sets and assigning roles. You can then submit the reconciled account balances for review and approval.

1. Access the **Create Account Certification** task.
2. As you complete the task, consider:

Option	Description
Ledger Account/Summary	Select the ledger accounts and ledger account summaries you want to certify for the certification.
Book	Leave blank to select all books.
Balance or Activity	Select if you want to certify a ledger account balance or ledger account activity. Year to date balance includes beginning balance journals for balance sheet accounts. Ensure that you roll year-end balances forward before you select Balance .
Worktags	Select specific worktags to enable reviewers and approvers to drill down and certify individual worktag balances for the ledger account. Leave blank to select all worktags associated with the ledger account.

Option	Description
Priority	Select how you want to prioritize processing certifications. Example: Select a high priority for certifications you want to complete early.

3. Click **OK**.

In the **Ledger Accounts to Certify** grid, Workday populates these fields with the balances of the accounts you select in the **Ledger Account/Summary** field:

- **Ledger Account Balance**
- **Amount to Certify for Account**

4. In the **Amount to Certify for Account** field, enter the amount to certify for each account.

Workday calculates and populates the **Variance** field with the difference between the amounts you enter in the **Amount to Certify for Account** field and the **Ledger Account Balance**.

5. (Optional) Attach supporting documents.

6. (Optional) Click **Save for Later** to save the certification in a *Draft* status.

You can still edit and cancel an account certification from the related actions menu of the account certification in a *Draft* status on the **Find Account Certification** report.

Workday initiates the *Account Certification Event* business process and sends **Inbox** notifications to reviewers and approvers for necessary action at their end.

(Optional) To cancel an approved account certification, navigate to **Find Account Certifications** report and from the related actions menu of the approved certification, select **Cancel**.

Concepts

[Concept: Close](#) on page 233

Reference

[Workday 31 What's New Post: Account Certification](#)

Configure Account Certification Dashboard

- Create a Ledger Account summary of all balance sheet accounts.
- Map the standard alias `_BS_Balance_Sheet_Accounts` to the Ledger Account Summary.
- Security: *Process: Account Certifications - Reporting* domain in the Financial Accounting functional area.

You can configure the Account Certification Dashboard to display these reports on the dashboard:

- Account Certification Definitions for Balance Sheet Accounts.
- Balance Sheet Certification Progress.
- Number of Account Certifications by Status.

1. Access the **Maintain Dashboards** report.

2. Locate the *Account Certification Dashboard*, and click **Edit**.

3. On the **Content** tab, click **Add**.

4. In the **Tab Name** field, enter a name for the dashboard. Example: Account Certification Statistics.

5. Clear the **Configurable By User** option.

6. In the **Prompt Set** field, select **Account Certification Prompt Set**.

7. Expand **Worklets**, and add these 3 Account Certifications reports as worklets to the grid:

Option	Description
Worklet	• Balance Sheet Certification Progress. • Account Certification Definitions for Balance Sheet Accounts.

Option	Description
	Number of Account Certifications by Status. Note: If required, you also add custom reports as Worklets.
Worklet Size	1x or 2x You also select a combination of 1X and 2X to configure the report layout to meet your needs.

8. For the **Balance Sheet Certification Progress** report, click **Map Prompts** and for the **Actual Ledger Type** prompt field, enter:

Value Type	Value
Specify default value.	Actuals

9. Click **Done**.

10. From your Home page, click the **Configure Applications (gear)** icon to display the **Configure Worklets** page.

11. Under **Optional Worklets**, add a row and select the **Account Certification** worklet.

12. Click **OK** and then **Done**.

Workday displays the Account Certification dashboard icon on your home page.

- Click to open the dashboard.
- Enter the dashboard prompts and click **OK** to view the reports.

Note: The value you enter on these prompts will apply to all the reports displayed on the dashboard.

Concepts

[Concept: Account Certification Dashboard](#) on page 254

Reference

[2020R1 What's New Post: Account Certification Dashboard](#)

Examples

[Example: Map Aliases to Ledger Account Summaries](#) on page 293

Concept: Account Certification Dashboard

The Account Certification dashboard is a configurable workspace, enabling you to monitor progress of your account certifications in a single place. You can select the account certification reports and custom reports you want to display on the dashboard using the **Maintain Dashboards** report. To add links to account certification reports, custom reports and external links, click **Edit**.

Workday provides these reports as worklets that you can add to your Account Certification dashboard:

- Account Certification Definitions for Balance Sheet Accounts** - Identifies account certification definitions for each balance sheet account. It also indicates if there are no account certifications for specific balance sheet accounts.
- Balance Sheet Certification Progress Report** - Tracks the certification progress for balance sheet ledger accounts.
- Number of Account Certifications by Status** - Tracks account certifications by their statuses.

The value you enter on the Dashboard prompts will apply to all reports displayed on the dashboard.

Example: When you enter Company A for the *Company/Company Hierarchy* prompt and *Feb-2020* for the Fiscal Period prompt, Workday displays all certification status reports on the dashboard for the selected prompts.

Once you configure the dashboard, you can add it as a worklet to your Home page.

Tasks

[Steps: Process Account Certifications](#) on page 246

[Configure Account Certification Dashboard](#) on page 253

Reference

[2020R1 What's New Post: Account Certification Dashboard](#)

Journal Balancing by Worktag

Steps: Configure Worktag Balancing for Journals

- Security: *Set Up: Worktag Balancing* domain in the Common Financial Management functional area.
- Review setup considerations on worktag balancing for payroll.

You can set up the required balancing worktag type you want to use in addition to company for balancing journals, for all companies in your tenant. You can enable worktag balancing for:

- New implementation.
- Workday Expenses.
- Workday Payroll.
- Workday Student.

Note: Carefully plan the business dimension that you want to use as your required balancing worktag. Once you enable worktag balancing, you can't disable it or change the balancing worktag type.

Set up the optional balancing worktag types you want to use in addition to company for balancing journals, for all companies in your tenant. You can enable worktag balancing for new implementation and existing implementation.

Optional balancing worktags aren't mandatory on a transaction. You can add or remove optional balancing worktags. Create reclassifying journal entries when transactions that are in process no longer balance after you update the optional balancing worktag configuration.

1. If already using Workday Expenses or Payroll, ensure the control ledger account balance nets to zero before you load beginning balance journals.
 - a) Before enabling worktag balancing, complete all in-process transactions and settle payments in your tenant.
 - Fringe benefit (fringe benefit, commitments, obligations, facilities, and administration expense).
 - Expenses (expense report, expense report payment, and expense credit card payment).
 - Payroll (payroll accrual, forward accrual, payment, commitments, and obligations).
 - Settlement (prenote payment, payment return, ad hoc payment, ad hoc bank transaction, bank transfer, and intercompany payment / receipt).
 - b) Create a manual journal to reverse account balances and close all prior periods.

Closing all periods restricts modifications to historic transactions after enabling worktag balancing. If you later reopen a period for adjustment, add new transactions as opposed to changing historic details.

2. Set up worktag balancing rules for required balancing worktags.

- a) If using required worktag balancing for financial transactions, define financial balancing rules.

Set up how you want Workday to assign a required balancing worktag to the offset side of journals that use balancing rules.

See [Define Worktag Balancing Rules for Financial Transactions](#) on page 257.

- b) If using required worktag balancing with Workday Payroll, define payroll balancing rules.

Set up how you want Workday to assign a balancing worktag to:

- The deductions portion and net accumulation of gross-to-net payroll (including forward accruals).
- Fringe benefit charges.

If you change historic payroll transactions after you enable worktag balancing, the transactions have an error status because they don't have a balancing worktag. The **Fix Operational Journals With Errors** task tags the payroll accounting entries with the default worktag from the **Worktag Balancing Transaction Rule Set** that you entered on the company accounting details. Use the **Fix Operational Journals With Errors** task to resolve issues.

See:

[Define Worktag Balancing Rules for Payroll Accrual](#) on page 259.

[Define Worktag Balancing Rules for Fringe Benefit Actuals Transactions](#) on page 260.

- c) If using worktag balancing for cash transactions, define a cash balancing rule to associate primary balancing worktags to bank accounts.

Workday generates worktag balancing entries at the time of settlement to reflect accurate balances for cash balance checks or financial reports.

See [Define Cash Balancing Rules for Cash Transactions](#) on page 261.

- d) Define worktag balancing transaction rule sets to associate balancing rules for required balancing worktags with applicable transactions.

See [Configure Worktag Balancing Rule Sets for Transaction Journals](#) on page 263.

- e) Configure a balancing worktag for the tenant.

Use the **Maintain Worktag Balancing Configuration** task to configure the balancing worktag Workday uses to balance journals in addition to company.

See [Configure Worktag Balancing for the Tenant](#) on page 266.

- f) (Optional) Configure optional balancing worktags for the tenant.

You can balance operational transactions and accounting journals by optional balancing worktags without setting up required balancing worktags. Use the **Optional Balancing Worktag** section on

the **Maintain Worktag Balancing Configuration** task to select up to 5 of these worktag types for use when balancing company books:

- Business Unit
- Cost Center
- Custom Organizations
- Custom worktags
- Fund
- Gift
- Grant
- Location
- Program
- Project
- Region

When transactions that are in progress no longer balance after you update the optional balancing worktag configuration, create adjusting journal entries.

See [Configure Optional Worktag Balancing for the Tenant](#) on page 267.

- g) Update account posting rules for *InterWorktag Payables* and *InterWorktag Receivables*.

Account posting rules define where to post due to and due from journal lines for transactions between worktags.

See [Set Up Account Posting Rules](#) on page 69.

3. Configure the balancing worktag as required for all worktag objects on the **Maintain Worktag Usage** task.

See [Configure Worktags for Transactions](#).

4. Load beginning balance journals from your external ledger into Workday.

For required balancing worktags, Workday:

- Balances journals by company.
- Uses the balancing worktag you configured to balance all journals.

Concepts

[Setup Considerations: Worktag Balancing for Payroll](#)

Reference

[FAQ: Journal Errors](#) on page 105

Define Worktag Balancing Rules for Financial Transactions

Set up any custom worktags that you want to use in your balancing rule.

Define rules that instruct Workday on how to assign a balancing worktag to the offset side of an operational transaction journal. You need a rule for applicable transactions for which you want to specify the balancing worktag.

Example: If you balance by fund, the rule enables you to settle and receive payments for a group of funds using a single, specified fund. You don't need a rule if you want the offset journal line to always inherit the balancing worktag from the operational transaction side.

Changes to balancing rules affect new transactions only.

1. Access the **Create/Edit Financial Balancing Rule** task.
2. As you complete the task, consider:

Option	Description
Worktag Type	Worktag types are groupings of worktags by a business dimension: Cost center, business unit,

Option	Description
	region, fund, and custom organization. Select the type to use to balance journals for transactions subject to this rule. Your choice determines the worktags available for selection within this balancing rule. Your tenant can use only 1 balancing worktag type for all companies.
Default Option	The Default Option applies to all worktag values except worktags listed in the Balancing Worktag Offset grid. Select whether you want the offset transaction journal (liability or receivables) to: • <i>Inherit</i> the same balancing worktag as the operational transaction side (spend or revenue). The journal lines automatically balance by the balancing worktag value of the transaction. • <i>Specify</i> a different balancing worktag than the operational transaction side. Example: You can settle and receive payments for a group of funds using a single fund. To balance the journal, generate due to and due from journal lines.
Default Value	Select <i>Specify</i> to apply the balancing worktag offset to a transaction journal when there's no matching balancing worktag on the operational transaction.

3. Use the **Balancing Worktag Offset** grid to list exceptions to the default setting of the rule.

Workday compares the balancing worktag on the operational transaction to the worktags specified in the grid. On first match, Workday uses the balancing **Option** for that row. If there's no match, Workday applies the **Default Option** for the rule.

Option	Description
Worktags	Select one or more worktags or worktag hierarchies that: • Are exceptions to the default of the rule. • Share the same balancing option and offset balancing worktag.
Option	Select whether you want the offset transaction journal to: • <i>Inherit</i> the worktag from the operational transaction side. • <i>Specify</i> a different worktag value. Example: <i>Specify</i> enables you to settle and receive payments for a group of funds using a single fund.

Option	Description
Offset Balancing Worktag	If you selected <i>Specify</i> , select the worktag that you want to apply to the offset side.

You can use the rules for a given worktag type to build rules sets. These rule sets define which rule to use for each of the various types of transactions subject to worktag balancing.

Review the **View Financial Balancing Rule** report to confirm the rules that you have set up to balance financial transactions by worktag in addition to company.

Set up a rule for supplier invoices where all cost centers use the *Inherit* option except *Cost Center A* and *Cost Center B*. Use the *Specify* option for *Cost Center A* and *Cost Center B*. Also, indicate that *Cost Center Z* is the worktag balancing offset. In this case, *Cost Center Z* settles payment for the other 2 cost centers provided that you associate the rule to supplier invoices in the worktag balancing transaction rule set.

- (Payroll implementations) Create a payroll balancing rule to associate a balancing worktag with the deductions and net accumulation portions of gross-to-net payroll.
- Define a worktag balancing transaction rule set.

Concepts

[Concept: How Transactions Get Balancing Worktags](#) on page 268

Define Worktag Balancing Rules for Payroll Accrual

Set up any necessary custom worktags.

If using Workday Financials, define a financial balancing rule.

Create a payroll balancing rule to associate a balancing worktag with the deductions portion and net accumulation of gross-to-net payroll. You can use the payroll balancing rule for forward accruals.

You can override defaults of the balancing rule and specify at the paygroup level how you want transactions to carry worktag information.

Note: Changes to balancing rules affect new transactions only, not previously completed ones.

1. Access the **Create Payroll Balancing Rule** or **Edit Payroll Balancing Rule** task.
2. When using the **Create Payroll Balancing Rule** task, select *Payroll Accrual* for your **Transaction**.
Specify is automatically selected as the **Default Option**.
3. When using the **Edit Payroll Balancing Rule** task, select a **Payroll Balancing Rule to Edit** from **Payroll Accrual Rules**.

The **Transaction** name defaults in.

4. Select a **Worktag Type** to balance journals for your worktag balancing transaction rule for payroll.
5. Specify a **Default Value** for payroll accrual transactions using this balancing rule.

The **Default Value** must be the same type as the **Worktag Type**.

6. Identify a **Payroll Balancing Source** for the worktag balancing rule.
 - Select *Assign by Pay Group* to create a worktag balancing rule based on a pay group.
 - Select *Default by Organization* to create a worktag balancing rule based on an employee organization assignment.
7. (Optional) If you use the **Edit Payroll Balancing Rule** task for payroll accruals, note any worktag balancing rule sets that use the rule.

8. (Optional) Once you've established a balancing rule for *Payroll Accrual*, you can create a **Balancing Worktag Offset** to exclude specific pay groups from the rule.

To create a **Balancing Worktag Offset**, select *Assign by Pay Group* as the **Payroll Balancing Source**.

You can't specify rules by **Pay Group** if you set *Default by Organization* as the **Payroll Balancing Source**.

If you later change the rule, you can't make retroactive transactions for a previously completed payroll. Don't change a rule if a payroll is calculated but not settled. Settle all payrolls before making any change to the rule.

To limit the application of the balancing rule:

- From the **Pay Group** prompt, select one or more pay groups.
- For selected pay groups, select an **Offset Balancing Worktag**, which must be the same type as the **Worktag Type**.

Review the **View Payroll Balancing Rule** report to confirm its details.

To associate a balancing worktag with actual fringe benefit charges, create a payroll balancing rule.

Define Worktag Balancing Rules for Fringe Benefit Actuals Transactions

Set up any necessary custom worktags.

If using Workday Financials, define a financial balancing rule.

Create a payroll balancing rule to associate a balancing worktag with actual fringe benefit charges.

Note: Changes to balancing rules affect new transactions only, not previously completed ones.

1. Access the **Create Payroll Balancing Rule** or **Edit Payroll Balancing Rule** task.
2. When using the **Create Payroll Balancing Rule** task, select *Fringe Benefit Actuals* for your **Transaction**.
3. When using the **Edit Payroll Balancing Rule** task, select a **Payroll Balancing Rule to Edit** from **Fringe Benefit Actuals Rules**.

The **Transaction** name defaults in.

4. To balance journals for your worktag balancing transaction rule, select a **Worktag Type**.
5. Select *Fringe Benefit Actuals* for your **Transaction**.
6. Select a **Default Option** to indicate whether the worktag balancing value:

- Is *inherited* from the operational side of the transaction.
- Or the value is based on a *specified* balancing worktag rule.

If you select *Inherit*, don't select a *Default Value* or a *Payroll Balancing Source*.

7. (Optional) If you select *Specify* as your **Default Option**, indicate a **Default Value** for fringe benefit actuals transactions using this balancing rule.
8. (Optional) If you select *Specify* as your **Default Option**, identify a **Payroll Balancing Source** for the worktag balancing rule.
 - To create a worktag balancing rule based on a pay group, select *Assign by Pay Group*.
 - To create a worktag balancing rule based on an employee organization assignment, select *Default by Organization*.
9. (Optional) If you use the **Edit Payroll Balancing Rule** task for fringe benefit actuals, note any worktag balancing rule sets that use the rule.

10.(Optional) Once you've established a balancing rule for *Fringe Benefit Actuals*, you can create a **Balancing Worktag Offset** to exclude specific pay groups from the rule.

To create a **Balancing Worktag Offset**, you must select *Specify* as your **Default Option** and select *Pay Group* as your **Payroll Balancing Source**.

You can't create a **Balancing Worktag Offset** if you select *Inherit* as your **Default Option** or select *Default by Organization* as your **Payroll Balancing Source**.

If you later change the rule, you can't make retroactive transactions for a previously completed payroll. Don't change a rule for calculated payroll that you have yet to settle. Settle all payrolls before making any change to the rule.

To limit the application of the balancing rule:

- From the **Pay Group** prompt, select one or more pay groups.
- For one or more of the selected pay groups, select an **Offset Balancing Worktag**, which should be the same type as the **Worktag Type**.

Review the **View Payroll Balancing Rule** report.

Create a balancing rule set for your balancing worktag.

Define Cash Balancing Rules for Cash Transactions

- Process all open transactions and payments that generate cash accounting.
- Security: *Set Up: Worktag Balancing* domain in the Common Financial Management functional area.

You can create a cash balancing rule to associate a primary balancing worktag to a bank account.

Example: A specific fund or pooled cash funds as a primary balancing worktag. When you add this rule to your worktag balancing transaction rule set, Workday:

- Derives the balancing worktag defined in the rule on cash accounting entries.
- Generates interworktag payable and receivable journal lines to balance at the bank account level.

You can generate interworktag entries at the time of settlement to reflect accurate balances for cash balance checks or financial reports. When you use this rule, you no longer need to create manual journal entries to balance between funds at period close.

1. Access the **Create Cash Balancing Rule** task.

2. As you complete the task, consider:

Option	Description
Worktag Type	Worktag types are groupings of worktags by a business dimension: Cost center, business unit, region, fund, and custom organization. Select the type to use to balance journals for transactions subject to this rule. Your choice determines the worktags available for selection within this balancing rule. You can use only 1 balancing worktag type for all companies. Note that when the cash balancing rule is In Use as part of your worktag balancing configuration, you can't change the worktag type.
Default Option Default Value	The Default Option applies to all bank accounts except for accounts specified in the Balancing Worktag Offset grid. Select to either:

Option	Description
	<i>Inherit</i> the same balancing worktag as the operational transaction side (spend or revenue). The offset journal lines automatically balance by the balancing worktag value of the transaction. <i>Specify</i> a default balancing worktag value to use.

3. (Optional) In the **Balancing Worktag Offset** grid, map a specific bank account to a primary balancing worktag. Workday applies the balancing worktag to the cash entries with the matching bank account worktag.

4. [Configure Worktag Balancing Rule Sets for Transaction Journals](#) on page 263.

To add the cash balancing rule to your worktag balancing transaction rule set, you:

- Edit the worktag balancing transaction rule set.
- Select the **Always Inherit** check box for all worktag balancing transaction types in the **Financial Transaction Types** grid.

The transaction accounting entries will inherit the balancing worktag from the offset lines. This prevents Workday from generating the due to and due from entries at the time of accrual.

- Clear **Always Inherit** in the **Cash Transaction Type** grid.
- Select the cash balancing rule to apply it to all cash entries associated with a bank account.

Workday uses the primary balancing worktag to create interworktag balancing entries when generating cash accounting or settling cash transactions for each bank account. Any predefined optional balancing worktags also display on the interworktag balancing entries.

Workday overrides any balancing worktags defined in the financial balancing rule with the bank account worktag defaults for:

- Ad hoc bank transactions
- Ad hoc payments
- Miscellaneous payment requests (cash basis accounting)
- Prenote payments

For bank account transfers and transfers for settlement, Workday derives the associated balancing worktag when generating the transactions.

Your proposed amount of \$100,000 for your project that uses Fund A is approved for budget. You receive a federal grant of \$100,000 for the approved budget in your Treasury Fund. This intermediary fund assigned to the Treasury bank account pays and receives on behalf of other funds. In turn, Fund A has a claim on cash with the Treasury Fund.

When you create the customer invoice for the federal agency, Workday uses the worktag balancing transaction rule to generate accrual accounting entries with the inherited *Fund A* worktag:

Ledger Account	Debit	Credit	Worktag
Accounts Receivable	100K		<i>Fund A</i>
Revenue		100K	<i>Fund A</i>

When you receive the grant, you record the customer payment and apply the payment to the agency invoice. Workday generates the cash entry with the *Treasury Fund* worktag mapped to the Treasury bank account defined in the cash balancing rule. Workday also generates initial claim on cash (interworktag) entries between the *Treasury Fund* and *Fund A* worktags:

Ledger Account	Debit	Credit	Worktag
Cash	100K		<i>Treasury Bank Account</i> <i>Treasury Fund</i>
Accounts Receivable		100K	<i>Fund A</i>
Claim on Cash		100K	<i>Treasury Fund</i>
Claim on Cash	100K		<i>Fund A</i>

You expend the grant funds and record a supplier invoice for Fund A. Workday uses the worktag balancing transaction rule to generate accrual accounting entries with the inherited *Fund A* worktag:

Ledger Account	Debit	Credit	Worktag
Spend	100K		<i>Fund A</i>
Accounts Payable		100K	<i>Fund A</i>

When you settle the supplier invoice, Workday generates the cash entry with the *Treasury Fund* worktag mapped to the Treasury bank account. Workday also generates claim on cash entries to balance between Treasury Fund and Fund A:

Ledger Account	Debit	Credit	Worktag	Interworktag Affiliate
Accounts Payable	100K		<i>Fund A</i>	
Cash		100K	<i>Treasury Bank Account</i> <i>Treasury Fund</i>	
Claim on Cash	100K		<i>Treasury Fund</i>	<i>Fund A</i>
Claim on Cash		100K	<i>Fund A</i>	<i>Treasury Fund</i>

To help ensure manual cash accounting entries post with the correct balancing worktag, use the **Worktag doesn't match Cash Balancing Rule** report field to create:

- A custom validation to inform you when a manually entered balancing worktag on a cash journal line doesn't match the rule definition.
- A custom report to identify manual cash journal lines with a bank account and balancing worktag that doesn't match the rule definition.

Concepts

[Concept: How Transactions Get Balancing Worktags](#) on page 268

Tasks

[Steps: Configure Advanced Cash Balance Checking](#) on page 1592

Reference

[2022R1 What's New Post: Associate Balancing Worktags with Company Bank Accounts](#)

Configure Worktag Balancing Rule Sets for Transaction Journals

- Define a financial balancing rule for each type of financial transaction subject to the rules.
- Define a payroll balancing rule for each type of payroll transaction subject to the rules.
- Security: *Set Up: Worktag Balancing* domain in the Common Financial Management functional area.

Create a set of rules for how to balance journals by worktag for operational transaction that use balancing rules. Each transaction type can use a different balancing rule.

1. Access the **Create/Edit Worktag Balancing Transaction Rule Set** task.
2. Enter the rule set details:

Option	Description
Worktag Type	You can use only 1 balancing worktag type for all companies in the tenant. Worktag types are groupings of worktags by a business dimension: cost center, business unit, region, fund, and custom organization. Select the type to use to balance journals for transactions subject to this rule set. Your selection determines the rules available to assign to transaction types within the rule set. The rule sets for a selected worktag type are available for use when defining the worktag balancing configuration for the same worktag type. If the rule set is In Use as part of your worktag balancing configuration, you can't change the worktag type.
Default Worktag for Unapplied Customer Payments	To account for unapplied cash when you deposit a customer payment or put a remaining amount on account, the journal lines must balance by worktag. Workday assigns this default worktag to the journal lines for unapplied deposited payments and on account payments, as well as the corresponding cash entry. When you apply the payment to an invoice, Workday transfers the amount from the default worktag to the invoice receivables distribution worktag. The amount is transferred based on the Financial Balancing Rule for <i>Customer Invoice and Cash Sale</i> transactions. If you change the default worktag, run a trial balance to check whether you have any unapplied cash from customer payments with the prior worktag value. If there's an account balance, manually create accounting journals to move the balance from the former worktag to the new one.
Default Worktag for Fix Operational Journals	To account for reversal journals generated due to canceling historic transactions, the journals lines must balance by worktag. To balance the reversal journals for these historic transactions by worktag and remove them from error status, use the Fix Operational Journals With Errors task to find them. Select the journals that are missing a balancing worktag and submit them for posting again. For transactions that involve employees (such as payroll), Workday first looks to the employees organization assignment for the balancing worktag to use. If that isn't

Option	Description
	available, or if the transaction doesn't involve an employee, then Workday assigns the default worktag to the journal lines to balance the journal. Workday doesn't assign a balancing worktag to historic journals in posted status.
Default Worktag for Facilities and Administration	To account for expenses generated due to facilities and administration transactions, the journals lines must balance by worktag. The credit side of the transaction identifies the account used to record facilities and administration revenue. Which is typically a revenue account. If worktag balancing is enabled, the balancing worktag is determined based on the Facilities and Administration Expense worktag balancing rule.
Default Worktag for Unapplied Student Payments	Workday assigns the default worktag to the journal lines for unapplied and on account student payments. When you apply the payment to a student charge, Workday transfers the amount from the default worktag to the student receivables distribution worktag. The amount is transferred based on the Financial Balancing Rule for <i>Student Charge</i> transactions.
Use Default Worktag for Unapplied Student Payments for Award Disbursements	Select to assign the default worktag for unapplied student payments as the balancing worktag for the on account operational journal lines created by overpayments on student award disbursement payments. When clear, Workday assigns the balancing worktag configured on the associated student award item.
Default Worktag for Expense Payee Receivable	When you enable worktag balancing, you must select a balancing default worktag to enable accounting for negative reimbursable expense reports. Workday assigns the default worktag to these account posting rules to balance journals for negative reimbursable expense reports: • <i>Expense Payee Receivable</i> • <i>Credit Card Payable</i>
Default Worktag for Customer Contract Asset and Liability Reclassification	When you enable worktag balancing, you must select a balancing default worktag to enable accounting for the reclassification of customer contract assets and liabilities. Workday assigns the default worktag to the credit and debit journal lines created by running the task.

3. As you complete the rules for each worktag balancing transaction type, consider:

Option	Description
Financial Balancing Rule	Select a balancing rule for a given transaction or group of transactions. The balancing rule enables the receivables or liability side of the transaction journal to inherit the balancing worktag from the operational transaction side or use a specified worktag.
Always Inherit	Leave the rule blank and select this check box to have the offset side of the transaction journal always use the same balancing worktag as the operational transaction side.

The rule set has a limited number of transaction types because not every transaction uses a balancing rule. Some transactions use other worktag balancing options.

You can use the worktag balancing transaction rule set on the **Maintain Worktag Balancing Configuration** task as part of your worktag balancing configuration. When Workday generates accounting for operational transactions, it evaluates the balancing option on the rule set to determine which balancing worktag to apply to the offset side of journals.

Review the **View Worktag Balancing Transaction Rule Set** report to confirm the details of your rule set.

Configure worktag balancing at the tenant level.

Concepts

[Concept: How Transactions Get Balancing Worktags](#) on page 268

Configure Worktag Balancing for the Tenant

- Determine which worktag type to use as the balancing worktag for your tenant.
- Create a worktag balancing transaction rule set to associate balancing rules with transactions.

You can plan the business dimension you want to use as your balancing worktag. Workday doesn't require you to enable balancing worktag for your tenant. Once you enable balancing worktags, you can't change it or disable it. Workday assigns the required balancing worktag to the offset side of journals for all financial transactions that use balancing rules.

1. Access the **Maintain Worktag Balancing Configuration** task.
2. As you complete the task, consider:

Option	Description
Worktag Type	Worktag types are groupings of worktags by a business dimension: • Business unit • Region • Fund • Custom organization Select the worktag type to balance journals for transactions subject to worktag balancing. Your choice determines the rule sets available for selection within this task. For Workday Student, you must include the <i>Fund</i> Worktag Type option.

Option	Description
Worktag Balancing Transaction Rule Set	When Workday generates accounting for operational transactions, it evaluates the rule set to determine which balancing worktag to apply to the offset side of the journal. You can only select from the rule sets of the selected worktag type. You can later change the rule set. For any transaction in progress, Workday applies the rule set in effect when the transaction is completes. For Workday Student, select <i>Fund</i> on the Default Worktag for Unapplied Student Payments field.

For the current period forward, all journals must balance by a worktag of the selected worktag type. Workday uses the selected rule set to determine the worktag to balance the operational transaction journal.

Configure Optional Worktag Balancing for the Tenant

Security: *Set Up: Worktag Balancing* domain in the Common Financial Management functional area.

Set up the optional balancing worktags you want to use for balancing operational transactions for all companies in your tenant. You can use optional balancing worktags with or without setting up a required balancing worktag.

1. Access the **Maintain Worktag Balancing Configuration** task.
2. As you complete **Optional Balancing Worktag** section, consider:

Option	Description
Worktag Types	Worktag types are groupings of worktags by a business dimension. Select up to 5 worktag types to balance transactions subject to worktag balancing. Worktags that are in use as a required balancing worktag or resulting worktag aren't available for selection as an optional balancing worktag.
Default Optional Worktags for Unapplied Payments	Available options depend on the optional balancing Worktag Types you select. You can select 1 or more default optional balancing worktags that you want assigned to: • Journal lines for unapplied deposited payments. • On Account payments. • Corresponding cash entries for unapplied payments. When you apply the payment to an invoice, Workday transfers the amount from the default optional balancing worktag to the balancing worktag you selected for the <i>Customer Invoice Cash Sale</i> financial transaction types.
Default Optional Worktags for Student Unapplied Payments	Available options depend on the optional balancing Worktag Types you select. You can select up to 5 default optional balancing worktags that you want assigned to journal lines for

Option	Description
	unapplied and on account payments. When you apply the payment to a student charge, Workday transfers the amount from the default optional balancing worktag to the student receivables distribution worktag.
Default Optional Worktags for Expense Payee Receivable	Available options depend on the optional balancing Worktag Types you select. You can select up to 5 default optional balancing worktags. Workday assigns the default optional worktags to these account posting rules to balance the journals for negative reimbursable expense reports: • <i>Expense Payee Receivable</i> • <i>Credit Card Payable</i>

Optional balancing worktags aren't required on a transaction. You can add or remove optional balancing worktags at any time. Create adjusting journal entries if in-process transactions no longer balance after you update the optional balancing worktag configuration.

When in use, Workday-generated journal lines are fully balanced by optional balancing worktags and automatically:

- Inherit optional balancing worktags on based on the worktags selected.
- Generate due to and due from entries to balance transactions.

You can create trial balance reports and balance sheets by optional balancing worktags.

Associate a Balancing Worktag with Procurement Card Transactions

Determine the worktag type to use as the balancing worktag for your tenant.

Enable worktag balancing for procurement cards and verification of procurement card transactions.

1. Access the **Maintain Worktag Balancing Configuration** task and specify the **Worktag Type**.

Balancing worktags for procurement cards and verification of procurement card transactions don't require a **Worktag Balancing Transaction Rule Set**.

2. Access the **Create Corporate Credit Card Billing Account** task.
3. In **Account Details**, select the **Balancing Worktag**.

You can't update an existing procurement corporate card with existing transactions; you must start with a new corporate procurement card.

When workers verify procurement card transactions, you must enter the balancing worktag from the **Worktags** prompt.

Tasks

[Create Corporate Procurement Card Accounts](#)

[Verify Procurement Card Transactions](#)

Concept: How Transactions Get Balancing Worktags

After you enable required worktag balancing, transactions that generate accounting must balance by worktag.

This table lists the balancing option Workday uses to determine the balancing worktag for the offset journal line of applicable transactions:

Always Inherits from Predecessor Transaction	Always Inherits from Transaction	Determined by Balancing Rules and Rule Set	Balancing Worktag Specified in Transaction
Assign asset accounting	Depreciation	Ad hoc bank transaction	Allocation You can specify the balancing worktag in the transaction header. Workday automatically creates due to and due from entries for the other balancing worktag values in the journal. Alternatively, you can manually create journal entries to balance the journal by balancing worktag.
Customer payment deposit	Fringe benefit commitment	Ad hoc payment	Asset disposal
Customer refund	Fringe benefit commitment liquidation	Customer cash sale	Asset transfer
Expense credit card payment	Fringe benefit obligation	Customer invoice	Asset reclassification
Expense payment	Fringe benefit obligation liquidation	Customer invoice adjustment	Bank account transfer
Intercompany payment	Grants transactions	Customer invoice writeoff	Journal entries You can specify the balancing worktag in the transaction header. Workday automatically creates due to and due from entries for the other balancing worktag values in the journal. Alternatively, you can manually create journal entries to balance the journal by balancing worktag.
Intercompany receipt	Payroll commitment	Expense report	Procurement card transaction verifications You specify the balancing worktag in the Create Corporate Credit Card Billing Account task.
Payment return	Payroll commitment liquidation	Fringe benefit	Roll forward year-end balances

Always Inherits from Predecessor Transaction	Always Inherits from Transaction	Determined by Balancing Rules and Rule Set	Balancing Worktag Specified in Transaction
Payroll payment	Payroll accrual	Payroll result	
Prenote payment	Payroll forward accrual	Supplier invoice	
Prepaid spend amortization	Payroll obligation	Supplier invoice adjustment	
Procurement card load	Payroll obligation liquidation		
Supplier invoice payment	Purchase order		
	Receipt accrual		
	Requisition		
	Revenue recognition		
	Reverse depreciation		
	Supplier contract		

Concepts

[Concept: Worktags](#)

Tasks

[Steps: Configure Worktag Balancing for Journals](#) on page 255

Average Daily Balance

Setup Considerations: Average Daily Balances

You can use this topic to help make decisions when planning your configuration and use of average daily balance functionality. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

Workday enables you to track daily ending balances for ledger account and worktag combinations to calculate average daily balances for regulatory reporting.

Business Benefits

You can:

- Calculate average daily balances and daily ending balances on a combination of ledger accounts and worktag types.
- Calculate the average daily balances on a month-to-date, quarter-to-date, or year-to-date basis.

- Configure average daily balance rules to calculate on any balance sheet account including current year retained earnings.
- Filter both average daily balances and daily ending balances by company, book, ledger account, and worktag type.
- You can also create consolidated balance sheets with these elimination values:
 - Intercompany.
 - Interworktag (if you have a primary balancing interworktag).
 - Investment in subsidiary.
 - Subsidiary equity.

Use Cases

You can use average daily balance to comply with banking regulations. Examples:

- Banks calculate and pay interest to their customers based on the average daily balances of customer deposits.
- Credit card companies calculate and charge interest based on the average daily balances of customers outstanding balances.

Questions to Consider

Questions	Considerations
What do you need to do to produce consolidated reports on average daily balances?	Set up reports using the Average Daily Balance Lines for Financial Reporting report data source. Then select the Intercompany Affiliate worktag on the average daily balance rule so that eliminations generate correctly when you run reports.
Do you want to process average daily balances on retained earnings?	When processing average daily balances on balance sheet accounts, you can select the Calculate Current Year Retained Earnings check box in the average daily balance rule. If you select the check box, Workday requests the account used for the retained earnings beginning balances, and includes the amount in the process. If you're using the latest version (ADB 3.0), Workday uses the accounts specified in the Year End Closing Rules to calculate average daily balances on retained earnings.
Do you need to set up worktags for average daily balance retained earnings?	For ADB 2.0, Workday doesn't support any worktag carryover from net income, for both the current and prior year retained earnings accounts in the average daily balance job. For ADB 3.0, Workday preserves worktags on ADB lines for Retained Earnings accounts as defined in your ADB rules. Note: High-volume worktag types can significantly impact your ADB processing and reporting performance.

Recommendations

When calculating average daily balance on balance sheet accounts, select the **Calculate Current Year Retained Earnings** check box in the average daily balance rule.

Workday recommends balancing to source systems based on either the transaction posting date or the transaction accounting date (value date) using the **Journal Lines** report data source. In Workday, the posting date is the last updated date, not the accounting date. When balancing to source systems based on posting date, Workday recommends not editing the journal at a later date. The reposted journal will reflect the edit date, not the original post date.

Workday also recommends using only those ledger accounts and worktag combinations required for the average daily balances.

Requirements

No impact.

Limitations

Average Daily Balance doesn't support detailed payroll journals, and only supports summarized payroll journals when configured.

Actuals ledgers are the only supported ledger type.

Additional Considerations

Average Daily Balance supports:

- Company security on all average daily balance report data sources.
- Organization security on the **Average Daily Balance Lines** report data source, but not on the **Average Daily Balance Lines for Financial Reporting** report data source.
- Consolidated reporting for wholly owned companies using the same ledger currency, using the **Average Daily Balance Lines for Financial Reporting** report data source.

You can't process Average Daily Balances for more than 6 months at a time.

Tenant Setup

No impact.

Security

Configure these domains in the Financial Accounting functional area:

Domains	Considerations
<i>Process: Average Daily Balance</i>	Enables users to process average daily balances.
<i>Reports: Average Daily Balance</i>	Enables users to create average daily balance reports.
<i>Reports: Organization Average Daily Balance Lines</i>	Enables users to filter average daily balance lines by company and organization.

Business Processes

Configure the *Average Daily Balance Event* business process to approve the average daily balance results.

Reporting

You can use these report data sources to create custom reports:

- **Average Daily Balance Headers**
- **Average Daily Balance Line for Financial Reporting**
- **Average Daily Balance Lines**

Integrations

Web Services	Considerations
<i>Get Average Daily Balance Rule</i> <i>Put Average Daily Balance Rules</i>	Returns and creates average daily balance rule configurations.
<i>Put Historic Average Daily Balances</i>	Uploads daily ending balances.

Connections and Touchpoints

Workday updates your average daily balance with any activity in manual and operational journals.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships across your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Reference

[2022R1 What's New Post: Performance Enhancements for Average Daily Balance](#)

Steps: Process Average Daily Balance

Set up rules and the process for calculating the average daily balance for the time period or date range.

Note: Average Daily Balance doesn't support detailed payroll journals, and only supports summarized payroll journals when configured.

1. [Create Average Daily Balance Rule](#) on page 274

You can create rules that calculate the average daily balance by:

- Ledger.
- Ledger account summaries.
- Worktags.

Example: Set up rules that use asset and liability accounts or ledger account summaries to generate regulatory reports.

2. [Assign Company Accounting Details](#) on page 62.

3. [Calculate Average Daily Balances](#) on page 275.

Process average daily balances and set up the average daily balance process frequency. You can run ad hoc processes or schedule processes to run:

- Daily.
- On a selected date.
- For a predefined journal date over a specified date range.

4. (Optional) Create custom reports.

See [Concept: Custom Reports](#).

Run average daily balance processes according to your schedule.

Use the Report Writer to define custom reports that:

- Provide a month end average daily balance of cash, by fund, for allocating monthly investment income to funds.

- Compare average daily balances for a selected account, worktag, or book combination.
- Calculate product profitability.
- Display differences between actual ledger by date and average daily balance in transaction currency.
- Display a balance sheet in actual ledger balances and average daily balance, within the same report.

Reference

[Workday 31: What's New Post: Eliminations for Average Daily Balance Reporting](#)

[2022R1 What's New Post: Performance Enhancements for Average Daily Balance](#)

Create Average Daily Balance Rule

Security: *Set Up: Accounting Rules* domain in the Financial Accounting functional area.

You can configure ledger accounts and associated worktags that you want to include in average daily balance calculations.

1. Access the **Create Average Daily Balance Rule** task.
2. As you complete the task, consider:

Option	Description
Rule Name	You can only change the name once you start using the rule.
Account Set	When you assign an average daily balance rule to a company, you must select the same account set for both the rule and the company.
Book	Select 1 or more books to filter the source journal lines used in the average daily balance rule. When you don't enter a book code, Workday returns all journal lines with a blank book code. Workday uses the book code to calculate average daily balance.
Calculate Current Year Retained Earnings	Select this check box to generate average daily balance values for current year retained earnings. When you select this check box, Workday hides income statement ledger accounts on the Ledger Account/Summary field. You'll be able to select an account to send your current year retained earnings in the Retained earnings account for fiscal year beginning balance prompt.
Worktag Type	When you balance your books by worktag, you must include the balancing worktag type. Workday displays worktag options according to your Ledger Account/Summary selections. When you select all balance sheet ledger accounts for the Ledger Account , select the ledger account to which you want to assign retained earnings. When you process average daily balances for the first time in the next fiscal year, net income from the preceding year rolls forward in the account you select. Workday calculates beginning balances based on the type of ledger account.

- Assign the average daily balance rule to a company.

Tasks

[Assign Company Accounting Details](#) on page 62

Calculate Average Daily Balances

Create average daily balance rules.

Security: These domains in the Financial Accounting functional area:

- *Process: Average Daily Balance*
- *Reports: Average Daily Balance*
- *Reports: Organization Average Daily Balance Lines*

Configure the *Process Average Daily Balance Event* business process and security policy in the Financial Accounting functional area.

You can configure a time period or date range to calculate the average daily balance.

1. Access the **Process Average Daily Balance** task.
2. Select a **Run Frequency**.
3. On the **Average Daily Balance** tab, you can only select companies that you assigned average daily balance rules to.
4. (Optional) On the **Schedule** tab, you can set up recurring average daily balance processing.
Workday processes average daily balances from the accounting date of the earliest transaction posting or adjustment up to the current date.

Example: You process the average daily balance from February 1 through June 30. On July 1, you adjust 2 journals dated March 25 and April 5. When you process the average daily balance on July 7, Workday processes the balance from the earliest adjustment date (March 25) up to July 7.

For each company or company hierarchy, Workday:

- When configured, initiates the *Process Average Daily Balance* business process for review of the average daily balance results.
- Calculates both the transaction and base amount.

Create custom average daily balance reports or other financial reports.

Concepts

[Concept: Custom Reports](#)

FAQ: How do I change an average daily balance rule?

You can't change an average daily balance rule while it's in use by 1 or more companies. To edit or delete a rule, you must first cancel or mass cancel the Average Daily Balance header:

- To cancel individual headers, select **Cancel** from the related actions menu of the **Average Daily Balance Header**.
- To cancel all average daily balance headers from the average daily balance start date for a company, use the **Mass Cancel Average Daily Balance Headers** task.

After you change an average daily balance rule, recalculate canceled headers by rerunning the *Average Daily Balance* process using these **Start Dates**:

- For individually canceled headers, select the **Average Daily Balance Header Date** of the first canceled header.
- For mass header cancellations, select the **Average Daily Balance Start Date** on the **View Company Accounting Details** report.

Financial Reporting

Steps: Create and Schedule Groups of Financial Reports

- Define fiscal reporting time periods.
- Define financial statement profiles.

Schedule groups of financial reports to run at the same time. You can create different report groups to meet your needs. For a report group, you can burst a set of reports by company or cost center, generating a separate report for each company or cost center in the set.

1. [Save report filters](#) for the financial reports that you want to include in your report group.

Saved filters define preset run parameters for reports. You can use them to run recurring reports more quickly, and as criteria when you create a schedule group of reports. You can create saved filters to use in report groups for:

- Financial statements (run with or without using a report profile) and the **Manager Financial Report**.
- Trial balance
- Ledger detail
- Custom reports (through the Report Writer)

2. [Group financial reports](#) so that you can schedule them to run as a single unit.

You can include a bursting set in the report group to generate multiple versions of each report by company or cost center. A bursting set eliminates the need to run each company or cost center report individually.

3. [Schedule the report group](#).

At the scheduled time, Workday generates all financial reports in the report group by company or cost center, if the report group includes a bursting set.

- Create a report group for month-end reporting and schedule it to run after period close.
- Use report groups to schedule financial statements for reporting to the U.S. Securities and Exchange Commission (SEC), such as:
 - Annual Form 10-K.
 - Quarterly Form 10-Q.

Tasks

[Burst Reports](#)

Create Reporting Time Periods

- Set up the fiscal, award, or summary schedule you can use to create reporting time periods.
- Security: *Reports: Financial Accounting* domain in the Financial Accounting functional area.

Reporting time periods define the years and periods that you can use to report on financial, award, and project transactions. You can create time periods relative to the report time, or use specific years and periods. You use reporting time periods to build predefined profiles for financial and award statements.

Workday delivers various common reporting time periods. You can use any of these Workday-delivered time periods in a financial statement profile, or define your own fiscal or award time periods.

Note: To create new time periods, use the delivered time periods as examples.

1. Access the **Create Reporting Time Period** task.

2. As you complete the task, consider:

Field	Description
Schedule Type	Determines the type of reporting period you're creating, depending on whether it is on a fiscal, award, or project schedule. The default selection is Fiscal , which allows you to view and set options specific to the fiscal period or summary schedule.
Fiscal Schedule	Set this field to use a specific fiscal year or period.
Summary Schedule	Select a summary schedule if you plan to use a summary period. The summary schedule can be specific or relative to the report run date.
Inactive	To override the default tenant time period, select the Inactive check box.

3. As you complete the **Year** and **Period** sections, consider:

Field	Description
Use Report Run	Base the reporting time on the period you select at the time of report run. You can further adjust this time by using the Add or Subtract option. For reporting time period following a fiscal schedule, you can clear this check box to select a specific fiscal year, period, or summary schedule.
Add or Subtract	Use this option to move the reporting year or period backward or forward relative to the report run period. If you specify a negative number, the reporting time period will move to before the report run period, by the specified number of periods. If you specify a positive number, the reporting time period will move to after the report run period, by the specified number of periods. This field can only be set when you select the Use Report Run check box. Example: To create a time period for the previous year of the report run period, enter -1 under Year.
Use Specific	For reporting time period based on a specific fiscal year, select the fiscal year under Year. For reporting time period based on a specific summary schedule, select the summary period under Period. If you select to Use Report Run for year and Use Specific for period, the reporting time period will cover the specified period during the report run year. This option is only available for the fiscal schedule reporting time.

4. As you complete the **Periods to Include** section, consider:

Field	Description
Periods to Include	Enter the number of fiscal, award, or summary periods up to and including the report run or specified period. Example: Enter 4 Periods to Include to see a full-year quarterly report when using a quarterly fiscal or award summary schedule.
Year To Date or Award Year To Date	Select to include cumulative activities for all periods from the beginning of the fiscal or award year to the report run or specified period. Clear to include activities from only the specified period.
Year From Date	For fiscal schedules, select to include cumulative activities from the period after the report run or specified period to the end of the fiscal year. If you select a summary period, this option will report from the next summary period. If you do not select a summary period, this option will report from the next month.
Plan to Date	Select to include plan activities from the inception of the fiscal financial plan to the report run or specified period.
Award Life to Date or Project Life to Date	Select to include activities from inception of a project or award to the report run or specified period.
Grant Life to Date	Select to include grant activities from the inception of a fiscal schedule grant to the report run or specified period.
Summary Schedule to Date	Select to include all periods in the summary schedule up to and including the report run period, for all years.
Include all Periods in Previous Summary Schedules	Select to include all periods in the previous summary schedule up to and including the report run period, irrespective of the year.
Include Periods Based on Period Selection in Summary Schedules (To Date)	Select to include all periods in the summary schedule up to and including the report run period, for all summary periods in the report.
Summary Schedule from Date	Select to include all periods in the summary schedule that occur after the report run period, for all years.
Include all Periods in Future Summary Schedules	Select to include all periods in the summary schedule that occur after the report run period, irrespective of the year.
Include Periods Based on Period Selection on Summary Schedules (From Date)	Select to include all periods in the summary schedule that occur after the report run period, for all summary periods in the report.

You can use the fiscal and award reporting time periods you created to build reports for financial and award statements.

Create Trial Balance Reports

The Workday trial balance is a list of all the ledger accounts with balances for your company. You can only view and report on ledger accounts to which you have security permission.

When run for a single company, the report lists the:

- Ledger account.
- Beginning balance.
- Total debit amount.
- Total credit amount.
- Ending balance for the reporting period.

When run for multiple companies, you can select from these display options:

- Company: Displays an ending balance column for each company that you include in the report request.
- Summary: When running the report for a multilevel company hierarchy, displays an ending balance column for each subordinate company hierarchy.
- Total: For a company hierarchy, displays an ending balance column with the total amount for each company in the company hierarchy.

When run for multiple fiscal schedules, Workday:

- Summarizes journal lines by journal date instead of accounting period and fiscal year. You can then run financial statements for either the primary or alternate fiscal schedules.
- Determines the correct fiscal period based on the fiscal schedule you select.

To balance by both required and optional balancing worktags, you must run the nontranslated trial balance report. Workday only balances translated trial balance reports by the required balancing worktag.

Workday also delivers a standard composite consolidated trial balance report that is useful for reporting on company hierarchies. Use Workday Report Writer to copy and configure column and row types that enable you to:

- View a list of companies and their respective totals.
- View intercompany entries.
- View elimination entries.
- Define calculations for columns and row types.
- Select fields that you want summarized.
- Select fields for which you want to view detailed data.
- Configure filter conditions.
- Define prompt defaults.

Note: Filters and data are specific to your Workday tenant, and might be different than the values used in the standard composite trial balance report. Use any value in the report as guidance.

Tasks

[Steps: Create Composite Reports](#)

[Steps: Set Up Consolidation Companies](#) on page 196

Concept: Financial Reporting

Workday provides standard financial accounting reports so you can analyze activity and meet financial statement needs. You can run reports in any of the currencies you set up. You can display, download, and print Workday reports in tabular or graphical formats. Workers can report only on ledger accounts to which they have permission using configurable ledger account security.

Statutory Reporting

In addition to standard reports, Workday provides these tools to create statutory reports:

- The Report Writer for customizing standard reports.
- Journal Connector for loading accounting data from an external source into Workday.
- Integration with a third-party service to enable statutory reporting.

Standard Financial Reports

Most financial reports are fiscal period based, meaning that once you run a report for a closed period, you can't change its content.

Workday delivers standard reports and a financial statement generator. Use the financial statement generator to define the content of the report by specifying rows and time periods.

Custom Reports and Data Sources

You can create your own reports using the Workday Report Writer tool. Workday defines financial information to enable you to add required data to your report.

For a list and description of report data sources (RDSs) and RDS filters used in Financial Reporting, access the **Data Sources** report and filter on **Category** by:

- Financials
- Financial Accounting
- Financial Reconciliation and Close

Tasks

[Steps: Maintain Access to Ledger Accounts](#) on page 73

Reference: Workday-Delivered Reports for Financial Close

This table lists some of the Workday-delivered reports that enable you to:

- Gain visibility into your data.
- Reconcile operational transactions.
- Track the status of account certifications.

Report	Description	Subreports and Security
Account Certification Definitions for Balance Sheet Accounts.	Lists all balance sheet ledger accounts and their associated account certification definitions.	<i>Set Up: Account Certifications</i> domain in the Financial Accounting functional area.
Balance Sheet Certification Progress.	Use this report (secured to the <i>Report Execution</i> domain in the Tenant Non-Configurable functional area) to display ledger balances versus amounts to certify with variances. Also, the report indicates if a given account certification has: • Has started • Not started • Isn't created	The 3 subreports: • Sub Report - Journal Lines for Account Certification - Ledger Amount, secured to the <i>Reports: Financial Accounting</i> domain in the Financial Accounting functional area. • Sub Report - Account Certification Lines By Status, secured to the <i>Process: Account Certifications - Reporting</i> domain in the Financial Accounting functional area.

Report	Description	Subreports and Security
		Sub Report - All Balance Sheet Ledger Accounts with Optional Ledger Account Filter, secured to the <i>Reports: Financial Accounting</i> domain in the Financial Accounting functional area.
Cash to Bank Reconciliation	Use this report (secured to the <i>Report Execution</i> domain in the Tenant Non-Configurable functional area) to reconcile cash to bank for a single company and one or more bank accounts for a specified fiscal period and time period. Reconciles in company currency, operational cash ending balances to the operational ledger ending balances and displays any differences by company, ledger account, and bank account. Note: If you run this report without creating initial balances or Beginning Balances, Workday displays zeroes.	These 6 subreports secured to the <i>Reports: Financial Accounting</i> domain in the Financial Accounting functional area: - Sub Report - Cash to Bank Journal Non-Operational Transaction Activity Ending Balance (Standard). - Sub Report - Cash to Bank Ledger Balances by Balancing Worktag (Standard). - Sub Report - Cash to Bank Reconciliation Activities (Standard). - Sub Report - Cash to Bank Reconciliation Future Period Activities. - Sub Report - Cash to Bank Reconciliation Error Activities. - Sub Report - Cash to Bank Reconciliation Beginning Balances (Standard).
Cash to Bank Reconciliation in Bank Currency	Use this report (secured to the <i>Report Execution</i> domain in the Tenant Non-Configurable functional area) to reconcile cash to bank for a single company and one or more bank accounts for a specified fiscal period and time period. Reconciles in bank currency, operational cash ending balances to the operational ledger ending balances and displays any differences by company, ledger account, and bank account.	These 6 subreports secured to the <i>Reports: Financial Accounting</i> domain in the Financial Accounting functional area: - Sub Report - Cash to Bank Reconciliation Beginning Balances. - Sub Report - Cash to Bank Reconciliation Activities. - Sub Report - Cash to Bank Reconciliation Future Period Activities. - Sub Report - Cash to Bank Reconciliation Error Activities. - Sub Report - Cash to Bank Journal Non-Operational Transaction Activity Ending Balance in Transaction Currency.

Report	Description	Subreports and Security
		Sub Report - Cash to Bank Ledger Balances in Transaction Currency by Balancing Worktag.
Cash to Bank Reconciliation by Reconciliation Status	Use this report (secured to the <i>Report Execution</i> domain in the Tenant Non-Configurable functional area) to view the reconciliation status of each cash operational transaction to cash ledger balance. This report is similar to the Cash to Bank Reconciliation report.	These 6 subreports secured to the <i>Reports: Financial Accounting</i> domain in the Financial Accounting functional area: - Sub Report - Cash to Bank Reconciliation Beginning Balances. - Sub Report - Cash to Bank Ledger Balances. - Sub Report - Cash to Bank Reconciliation Activities - Unreconciled Prior Periods. - Sub Report - Cash to Bank Reconciliation Activities - Reconciled. - Sub Report - Cash to Bank Reconciliation Activities - Unreconciled. - Sub Report - Cash to Bank Journal Non-Operational Transaction Activity Ending Balance.
Cash to Bank Reconciliation by Reconciliation Status in Bank Currency	Use this report (secured to the <i>Report Execution</i> domain in the Tenant Non-Configurable functional area) to view the reconciliation status of each cash operational transaction to cash ledger balance in bank currency.	These 6 subreports secured to the <i>Reports: Financial Accounting</i> domain in the Financial Accounting functional area: - Sub Report - Cash to Bank Reconciliation Beginning Balances. - Sub Report - Cash to Bank Reconciliation Activities - Unreconciled Prior Periods. - Sub Report - Cash to Bank Reconciliation Activities - Reconciled. - Sub Report - Cash to Bank Reconciliation Activities - Unreconciled. - Sub Report - Cash to Bank Journal Non-Operational Transaction Activity Ending Balance in Transaction Currency.

Report	Description	Subreports and Security
		Sub Report - Cash to Bank Ledger Balances in Transaction Currency.
Cash to Bank Reconciliation Initial Balances	Use this report (secured to the <i>Report Execution</i> domain in the Tenant Non-Configurable functional area) to verify and reconcile cash to bank initial balances for a single company and one or more bank accounts. For each company and bank account, compares cash ledger ending balances, including manual cash journals to the related operational cash ending balances.	These 3 subreports secured to the <i>Reports: Financial Accounting</i> domain in the Financial Accounting functional area: - Sub Report - Cash to Bank Journal Non-Operational Transaction Activity Ending Balance for Reconciliation Initial Balances (Standard). - Sub Report - Cash to Bank Ledger Balances for Reconciliation Initial Balances(Standard). - Sub Report - Cash to Bank Ledger Balances for Reconciliation Initial Balances by Balancing Worktag (Standard).
Cash to Bank Reconciliation Initial Balances in Bank Currency	Use this report (secured to the <i>Report Execution</i> domain in the Tenant Non-Configurable functional area) to verify and reconcile cash to bank initial balances for a single company and one or more bank accounts. For each company and bank account, compares cash ledger ending balances, including manual cash journals to the related operational cash ending balances in bank currency.	These 6 subreports secured to the <i>Reports: Financial Accounting</i> domain in the Financial Accounting functional area: - Sub Report - Cash to Bank Reconciliation Beginning Balances. - Sub Report - Cash to Bank Reconciliation Activities - Unreconciled Prior Periods. - Sub Report - Cash to Bank Reconciliation Activities - Reconciled. - Sub Report - Cash to Bank Reconciliation Activities - Unreconciled. - Sub Report - Cash to Bank Journal Non-Operational Transaction Activity Ending Balance in Transaction Currency. - Sub Report - Cash to Bank Ledger Balances for Reconciliation Initial Balances in Transaction Currency by Balancing Worktag

Report	Description	Subreports and Security
Currency Translation Adjustment Reconciliation	Use this report (secured to the <i>Report Execution</i> domain in the Tenant Non-Configurable functional area) to: - Reconcile currency translation gains and losses by ledger account for a single company. - Compare the currency translation adjustment for the current period with the prior period. View derived journal entries by drilling on the Currency Translation Gain and Loss accounts in the Reconciliation section of this report. You can run this report for a single company only.	These 3 subreports secured to the <i>Reports: Financial Accounting</i> domain in the Financial Accounting functional area: - Sub Report - Current Period CTA Derivation (Standard). - Sub Report - Journal Lines Translated for CTA Gain (Standard). - Sub Report - Journal Lines Translated for CTA Loss (Standard).
Currency Translation Adjustment Reconciliation by Company	Use this report (secured to the <i>Report Execution</i> domain in the Tenant Non-Configurable functional area) to: - Reconcile currency translation gains and losses by ledger account for a company or company hierarchy. - View derived journal entries by drilling on the Currency Translation Gain and Loss accounts in the Reconciliation section of this report.	These 3 subreports secured to the <i>Reports: Financial Accounting</i> domain in the Financial Accounting functional area: - Sub Report - Current Period CTA Derivation (Standard). - Sub Report - Journal Lines Translated for CTA Gain (Standard). - Sub Report - Journal Lines Translated for CTA Loss (Standard).
Intercompany Elimination Out of Balance Report	Use this report to reconcile: - Intercompany accounts in an Elimination rule. - Differences with the Suspense account in the Consolidated Trial Balance report. The report displays Intercompany and Intercompany Affiliate Elimination Ledger account differences in both transaction and translated currencies. The report by default runs for all Elimination rules, but you can select to run it for a specific rule. Clear the Include all Intercompany Affiliates option if you want to run the report for	<i>Reports: Financial Accounting</i> domain in the Financial Accounting functional area.

Report	Description	Subreports and Security
	affiliates that are only under the company hierarchy.	
Find Cash to Bank Reconciliation Activities	Use this report to view details of cash operational activities for a company and one or more bank accounts. Displays cash operational activity by: • Accounting date • Bank account • Company • Ledger account • Reconciliation activity type • Transaction date	<i>Reports: Financial Accounting</i> in the Financial Accounting functional area.
Find Cash to Bank Reconciliation Initial Balances	Use this report to view initial balances for company or company hierarchy and one or more bank accounts and ledger accounts. Displays initial cash balances in ledger and bank currency by company, ledger account, bank account, and accounting date. Also, use this report to edit and delete an initial balance using related actions.	<i>Reports: Financial Accounting</i> in the Financial Accounting functional area.
Ledger Year Beginning Balances by Company	Use this report (secured to the <i>Report Execution</i> domain in the Tenant Non-Configurable functional area) to display the ledger year beginning balances for a company or company hierarchy in: • Ledger Currency • Translation Currency	These 2 subreports secured to the <i>Reports: Financial Accounting</i> domain in the Financial Accounting functional area: • Sub Report - Beginning Balance Journal Lines. • Sub Report - Beginning Balance Journal Lines Translated.
Number of Account Certifications by Status.	Provides the number of account certifications grouped by Account Certification status. Drill-down provides details of ledger accounts included in each Account Certification along with other pertinent data.	<i>Process: Account Certifications - Reporting</i> domain in the Financial Accounting functional area.
Outstanding Intercompany Transactions	Use this report to review outstanding intercompany transactions by paying company and intercompany affiliate.	<i>Reports: Financial Accounting</i> in the Financial Accounting functional area.

Report	Description	Subreports and Security
	Note: Workday doesn't include any posted reversal journals that have a related reversal journal in the next period. This prevents you from adjusting any journals that Workday will automatically reverse the next period.	
View Ledger Period Statuses	Use this report to view Reference IDs of all ledger period statuses.	<i>Process: Period End</i> in the Common Financial Management functional area.
Balance Sheet Retained Earnings Reconciliation	Use this report to reconcile the current year retained earnings calculated from balance sheets and income statements.	<i>Report Execution</i> domain in the Tenant Non-Configurable functional area.
Income Statement Retained Earnings Reconciliation	Use this report to reconcile the current year retained earnings calculated from income statements.	<i>Report Execution</i> domain in the Tenant Non-Configurable functional area.
Balance Sheet - Consolidated	Use this report to view a consolidated balance sheet across companies in a hierarchy.	<i>Report Execution</i> domain in the Tenant Non-Configurable functional area.
Balance Sheet - Non Consolidated	Use this report to view a balance sheet for a single company.	<i>Report Execution</i> domain in the Tenant Non-Configurable functional area.

You can also access the **Workday Standard Reports** report to view a list of all Workday-delivered reports.

Concepts

[Concept: Financial Reporting](#) on page 279

Reference

[Workday 31 What's New Post: Common Financial Management Reporting](#)

[Workday 32 What's New Post: Common Financial Management Reporting](#)

Reference: Additional Options Prompt on Journal Lines for Financial Reporting RDS

This table describes details of the **Additional Options** prompt on the Journal Lines for Financial Reporting Data Source (RDS):

Prompt	Description
Calculate Ledger Amount for Translated Beginning Balances	Enables you to convert loaded journals to the company currency of the report. The Ledger Beginning Balance and Translated Beginning Balance amounts display separately in the report.
Exclude Adjustment Journals	Select to exclude adjustment journals.
Exclude Allocation Journals	Select to exclude allocation journals.

Prompt	Description
Exclude Pro forma Journals	Select to exclude pro forma journals. Workday places unposted allocation journals in <i>Pro Forma</i> status.
Include In Progress Journals	Select to include journals with <i>In Progress</i> status.
Include Payroll Details <i>Security: Reports: Financial Reports with Payroll Details</i> domain in the Financial Accounting functional area.	- Select to include detailed operational payroll accounting journal lines. Details include: - Employee Name - Cost Center - Base Pay - Job Profile - Location - Position <i>Security: Worker Data: Position and Employee Worktag</i> domain in the Common Financial Management and Core Payroll functional areas. - Leave unselected to include summarized operational payroll accounting journal lines. Won't include any payroll details.
Include Reserved Journals	Select to include reserved journals. Workday places journals in <i>Reserved</i> status as soon as a requisition passes budget check.
Report by Accounting Date using Plan Structure	When using plan structures, select to report by accounting date instead of budget date.

Concepts

Concept: [Business Objects, Data Sources, and Fields](#)

Example: Composite Income Statement Report

This example illustrates how you can create a custom report that displays a detailed income statement. Composite reporting uses matrix report types as sub reports to enable you to combine data into 1 report. Use financial-specific report data sources (RDS) to define the *primary business object's* row and column:

- Types.
- Groupings.
- Calculations.

As a company accountant, you need an actuals income statement with configurable rows and columns that:

- Lists the amounts for Current Period Year-to-date.
- Lists the Last Year Current Period Year-to-date.
- Calculates net income or loss.
- Displays certain expenses in detail.
- Displays revenue in summary.

Note: Filters and data are specific to your Workday tenant and might be different than the values suggested in this example. Use the information as a guide.

- Have the appropriate security permissions:
 - For ledger account segments.
 - To all journals, including the accounting and operational journals.
- Create a basic matrix report consisting of the ledger accounts and activity for each cost center. To provide source data into your Composite Report Income Statement, use the report as a sub report. Use:
 - *Journal Lines for Financial Reporting* as the data source.
 - One of these data source filters:
 - *Journal Lines for Company and Reporting Time Period.*
 - *Journal Lines for Organization and Reporting Time Period.*

Define the report to include:

- Default prompts for company.
- Amount type.
- Ledger.
- Period and time period.

1. Access the **Create Custom Report** task.

2. Enter:

Field	Value
Report Name	A unique name for your composite report income statement
Report Type	<i>Composite</i>

3. Click **OK**.

4. From the available action menu of column **C1**, select **Define > Control Field**.

5. Enter:

Field	Value
Column Name	<i>Ledger Account</i>
Business Object	<i>Ledger Account</i>

6. Click **OK**.

7. From the available actions menu of column **C2**, select **Define > Data**.

8. Enter:

Field	Value
Column Name	<i>Current YTD</i>
Sub report	Select the basic matrix sub report for journal lines you previously created. Workday populates the Map Sub Report Prompts grid with prompt values you defined in the sub report.

9. In the **Map Sub Report Prompts** grid, enter:

Prompt field	Value Type	Value
Company	<i>Specify Value</i>	Select your company
Amount type	<i>Specify Value</i>	Activity
Period	<i>Specify Value</i>	Period (Example: 2013 - Mar)

Prompt field	Value Type	Value
Time period	<i>Specify Value</i>	Current period YTD

10. Select **Field to Aggregate > Amount**.

11. In the **Style** field, select **Workday Styles > Default**.

12. Click **OK**.

13. From available actions menu of column **C3**, select **Define > Data**.

14. Enter:

Field	Value
Column Name	<i>Prior YTD</i>
Sub report	Select the basic matrix sub report for journal lines you previously created. Workday populates the Map Sub Report Prompts grid with prompt values you defined in the sub report.

15. In the **Map Sub Report Prompts** grid, enter:

Prompt Field	Value Type	Value
Company	<i>Specify Value</i>	Name of your company
Amount type	<i>Specify Value</i>	Activity
Period	<i>Specify Value</i>	Period (Example: 2013 - Mar)
Time period	<i>Specify Value</i>	Current period YTD

16. Select **Field to Aggregate > Amount**.

17. In the **Style** field, select **Workday Styles > Default**.

18. Click **OK**.

19. From the available actions menu of row **R1**, select **Define > Lookup Data**.

20. Enter:

Field	Value
Row Name	<i>Revenue</i>
Row Label Override	<i>Revenue</i>

21. In the **Filter Data in Sub Report** grid, enter:

Field	Detailed Instances to Include
Ledger Account	4000: Revenue 4500: Other Income 4900: Sales Discounts 4999: Management Fee Revenue

22. In the **Outline Options** section, select **Options > Reverse the Sign**.

23. Click **OK**.

24. From the available actions menu of row **R2**, select **Define > Lookup Data**.

25. Enter:

Field	Value
Row Name	<i>Cost of Sales</i>
Row Label Override	<i>Cost of Sales</i>

26. In the **Filter Data in Sub Report** grid, enter:

Field	Detailed Instances to Include
Ledger Account	• <i>5000: Cost of Sales</i> • <i>5100: Billable Travel Expenses</i> • <i>5900: Purchase Discounts</i>

27. Click **OK**.

28. From the available actions menu of row **R3**, select **Define > Calculation**.

29. Enter:

Field	Value
Row Name	<i>Gross Profit</i>
Calculation Type	<i>Sum</i>
Rows	• <i>Revenue</i> • <i>Cost of Sales</i>

30. In the **Outline Options** section, select **Options > Reverse the Sign**.

31. Click **OK**.

32. From the available actions menu of row **R4**, select **Define > Empty**.

33. Enter:

Field	Value
Row Name	<i>Empty Row 1</i>

34. Click **OK**.

35. Starting with row **R5**, add these values:

Reference	Name/ Override	Row Type	Calculation	Options	Ledger Account > Detailed Instances to Include
R5	Salaries & Benefits	<i>Look Up Data</i>			• <i>6000: Salaries & Wages</i> • <i>6010: Benefits Expenses</i> • <i>6020: Employer Paid Taxes</i> • <i>6030: Retirement</i>

Reference	Name/ Override	Row Type	Calculation	Options	Ledger Account > Detailed Instances to Include
					6040: Bonus - Quarterly
R6	Legal Service & Fees	<i>Look Up Data</i>			6400: Legal & Service Fees
R7	Contingent Labor	<i>Look Up Data</i>			6600: Contingent Labor Expense
R8	Employee- Related Expense	<i>Look Up Data</i>			6850: Staff Meeting Food 6860: Employee Expense
R9	Travel & Entertainment	<i>Look Up Data</i>			6800: Travel & Entertainment
R10	Marketing	<i>Look Up Data</i>			6200: Marketing
R11	Facilities & Rent	<i>Look Up Data</i>			6100: Facilities 6300: Office & Administrative 7200: Utilities
R12	IT Expense	<i>Look Up Data</i>			6500: Information Technology 6700: Depreciation 7500: Repairs & Maintenance
R13	Amortization	<i>Look Up Data</i>			6790: Amortization Expense
R14	Miscellaneous Expense	<i>Look Up Data</i>			6900: Insurance 7300: Taxes & Licenses

Reference	Name/ Override	Row Type	Calculation	Options	Ledger Account > Detailed Instances to Include
					• 7310: Postage Expense • 7400: Spend • 7800: Bad Debt • 7900: Other Expenses • 7999: Other Direct Costs
R15	Total Operating Expense	Calculation	Sum Range Starting Row • R5 (Salaries & Benefits) Ending Row • R14 (Miscellaneous Expense)		
R16	Empty Row 2	Empty			
R17	Other Income & Expenses	Look Up Data			• 8000: Interest Income • 8100: Interest Expenses • 8200: Impairment Expense • 8300: Motor Pool Allocation • 8500: Telecommunications Allocation • 9000: Gain/Loss on Sale of Assets
R18	Income Taxes	Look Up Data			8900: Income Taxes
R19	Net Income	Calculation	Sum Rows:	Reverse the Sign	

Reference	Name/ Override	Row Type	Calculation	Options	Ledger Account > Detailed Instances to Include
			• <i>R3 (Gross Profit)</i> • <i>R15 (Total Operating Expense)</i> • <i>R17 (Other Income/ Expenses)</i> • <i>R18 (Income Taxes)</i>		

36. Click the **Run** or **Preview** button to view the report.

The matrix report RDS accesses the journal line as its primary object. The income statement definition:

- Uses Reporting Time Periods as relative time spans.
- Includes journal lines that are in *Posted* or *Pro Forma* status.
- Excludes journals that are *Canceled*, in *Error*, or in *Draft* status.

Depending on which fields you designated as drillable on the matrix sub report, some of the detailed data for column and row groups you can view include:

- Company.
- Cost Center.
- Ledger Account.
- Revenue Category.
- Region.
- Spend Category.

You can:

- Share the report definition with organization members that have the appropriate security level.
- Produce the report output in table format.
- Use your income statement as the basis for other composite financial reports.

Tasks

[Steps: Create Composite Reports](#)

Example: Map Aliases to Ledger Account Summaries

This example illustrates how you can run a standard income statement and balance sheet.

As an accounting manager, you need to produce an income statement and balance sheet for an urgent board meeting. You decide to use and configure the Workday-delivered income statement and balance sheet by mapping Workday aliases to your ledger account summaries.

Note: Ledger account summaries are specific to your Workday tenant and might be different from the values suggested here.

Security:

- Access to the *Aliases* domain.

- Appropriate ledger account segment security permissions to all journals, including the accounting and operational journals.
- *Reports: Financial Accounting* domain in the Financial Accounting functional area.

1. Access the **Map Standard Aliases** task.
2. From the **Business Object** prompt, select **Ledger Account Summary**.
3. Map these Workday-delivered aliases to your ledger account summaries:

Field	Value
_BS_Current_Assets_Row1 _BS_Current_Assets_Row2 _BS_Current_Assets_Row3	Map the ledger account summary you want to display in the first, second, and third rows of the Current Assets section for the Balance Sheet. Example: 1: Corporate: Cash and Cash Equivalents 2: Corporate: Receivables 3: Corporate: Investments
_BS_Current_Liabilities_Row1 _BS_Current_Liabilities_Row2 _BS_Current_Liabilities_Row3 _BS_Current_Liabilities_Row4 _BS_Current_Liabilities_Row5	Map the ledger account summary you want to display in the first to fifth rows of the Current Liabilities section for the Balance Sheet. Example: 1: Corporate: Accounts Payable 2: Corporate: Notes Payables 3: Corporate: Interest Payable 4: Corporate: Customer Deposits 5: Corporate: Short Term Loans
_BS_Equity_Row1 _BS_Equity_Row2 _BS_Equity_Row3 _BS_Equity_Row4 _BS_Equity_Row5	Map the ledger account summary you want to display in the first to fifth rows of the Equity section for the Balance Sheet. Example: 1: Corporate: Capital Stock 2: Corporate: Retained Earnings 3: Corporate: Currency Translation Adjustments 4: Corporate: Accumulated Other Comprehensive Income 5: Corporate: Treasury Stock
_BS_Noncurrent_Assets_Row1 _BS_Noncurrent_Assets_Row2 _BS_Noncurrent_Assets_Row3	Map the ledger account summary you want to display in the first to third rows of the Noncurrent Assets section for the Balance Sheet. Example: 1: Corporate: Property, Plant, and Equipment 2: Corporate: Goodwill 3: Corporate: Other Noncurrent Assets

Field	Value
_BS_NonCurrent_Liabilities_Row1 _BS_NonCurrent_Liabilities_Row2 _BS_NonCurrent_Liabilities_Row3	Map the ledger account summary you want to display in the first to third rows of the Noncurrent Liabilities section for the Balance Sheet. Example: 1: Corporate: Long Term Debt 2: Corporate: Deferred Revenue 3: Corporate: Other Noncurrent Liabilities
_IS_Expense_Row1 _IS_Expense_Row2 _IS_Expense_Row3 _IS_Expense_Row4 _IS_Expense_Row5 _IS_Expense_Row6	Map the ledger account summary you want to display in the first to sixth rows of the Expense section for the Income Statement. Example: 1: Corporate: Salary and Benefits 2: Corporate: Other Employee Related Expenses 3: Corporate: Contingent Labor 4: Corporate: Operating Expenses 5: Corporate: Facilities Related Expenses 6: Corporate: Misc. Expenses
_IS_Other_Revenue_Expense_Row1 _IS_Other_Revenue_Expense_Row2 _IS_Other_Revenue_Expense_Row3	Map the ledger account summary you want to display in the first to third rows of the Other Revenue or Expense section for the Income Statement. Example: 1: Corporate: Interest Expense 2: Corporate: Income Taxes 3: Corporate: Other Income
_IS_Revenue_Row1 _IS_Revenue_Row2	Map the ledger account summary you want to display in the first and second rows of the Revenue section for the Income Statement. Example: 1: Corporate: Total Income 2: Corporate: Operating Income

4. Click **OK** and **Done**.

You can run the standard income statement and balance sheet.

When you select **Copy** from the related actions menu of the income statement and balance sheet, Workday automatically creates custom financial reports. You can then edit the custom reports according to your company needs.

Concepts

[Concept: Custom Reports](#)

Tasks

[Create Custom Reports](#)

Financial Reporting with OfficeConnect

Steps: Set Up Your Tenant for OfficeConnect for Financial Management

Note: The solutions described in this section are not part of the Workday Service. See [Legal Notice](#) for details.

Before you set up your tenant for OfficeConnect, you must:

- Set up the Workday Financial Management area.
- Meet eligibility requirements as described in [Enable OfficeConnect for Workday Financial Management](#).

You can set up your tenant for OfficeConnect to use with Financial Management data.

1. [Enable OfficeConnect for Workday Financial Management](#) on page 296.
2. Create or edit a security policy for these security domains:
 - *Set Up: Financial Reporting and Analytics Data Model*. The users in the groups you add to this policy are able to set up the financial reporting data model. Add a security group with View permissions, such as Finance Administrator.
 - *Access Workday Financials OfficeConnect*. The users in the groups you add to this policy have permission to log in to Workday from OfficeConnect using the financial modeled data source. Add a security group with View and Modify permissions.

See [Edit Domain Security Policies](#).

3. [Activate Pending Security Policy Changes](#).
4. [Set Up the Financial Reporting Data Model](#) on page 297.
5. Install OfficeConnect on the computer of each financial analyst.

You can install OfficeConnect either as:

- An Administrator. See [Install OfficeConnect as an Administrator](#).
 - An end user. See [Install OfficeConnect as an End User](#).
6. [Connect OfficeConnect to Your Financial Management Tenant](#) on page 299.

Use the API client settings Workday generated when you enabled OfficeConnect for Workday Financial Management.

Concepts

[Concept: Reporting on the Financial Modeled Data Source](#)

[Concept: Currencies and Currency Translation](#)

[Concept: Differences in OfficeConnect Between Financials and Planning Data Sources](#)

Tasks

[Connect OfficeConnect to Your Financial Management Tenant](#) on page 299

[Install OfficeConnect as an Administrator](#)

[Install OfficeConnect as an End User](#)

Reference

[The Next Level: Setting the Foundation for Financial Management](#)

[2022R1 What's New Post: OfficeConnect Availability for Financial Management](#)

Enable OfficeConnect for Workday Financial Management

Security: *Set Up: Tenant Setup - Financials* domain in the System functional area.

You can enable OfficeConnect in your tenant to use it with Workday Financial Management data.

1. Access the **Tenant Setup** report.
2. Navigate to **Financials > OfficeConnect**.
3. Select **Enable OfficeConnect**.
4. Click the **API Client** link.

Copy these values and save somewhere for a later step:

- Client ID
- Workday REST API Endpoint
- Authorization Endpoint

Tasks

[Connect OfficeConnect to Your Financial Management Tenant](#) on page 299

Reference

[The Next Level: Video Shorts - OfficeConnect - Financial Management](#)

Set Up the Financial Reporting Data Model

Security: *Set Up: Financial Reporting and Analytics Data Model* domain in the System functional area.

Set up the financial reporting data model before you sign in to Workday in OfficeConnect. By defining the reporting data model, you're curating the Workday Financials data model (FDM), so that you only expose the components of the FDM needed for reporting. When you set up the financial data model, Workday creates the financial modeled data source.

1. Access the **Set Up Financial Reporting and Analytics Data Model** task.
2. As you complete this task, consider:

Option	Description
Company	Select the primary top-level hierarchy for the company to report on. The company you select determines the Account Set value and the Fiscal Schedule value. In the Alternate Company Hierarchies field, optionally select one or more additional company hierarchies to use.
Ledger Accounts	Select the top-level hierarchy that includes the accounts to report on and analyze. The company you select determines the Account Set value. In the Alternate Account Top-Level Hierarchies field, optionally select one or more additional ledger account hierarchies to use. The Default Amount Field is summarized by ledger debit minus credit. When creating a report in OfficeConnect, you can select a different amount field, such as Natural Amount, by applying a filter to the worksheet or workbook.
Time	Select a Fiscal Summary Schedule that represents a time period in the selected Fiscal Schedule that's between year and the posting interval period, such as quarter. Workday creates a three-tier time hierarchy in the reporting data model that goes from year (based on Fiscal Schedule) to the selected Fiscal Summary Schedule to the posting interval period. Example: FY2021 > Quarter > Month

Option	Description
	The company hierarchy that you select determines the Fiscal Schedule value.
Currency	Select the default currency to use when reporting on the Corporate currency or any company hierarchy level. When reporting on a single company, Workday uses the ledger currency for that company by default. Select the Default Translation Rule Set that defines the translation method to apply based on ledger account type when Workday performs currency translation. In OfficeConnect, you can select a different translation rule set by applying a filter to the worksheet or workbook.
Versions	For journal line, Actuals is selected by default. For plan lines, select the financial plan structures and plans to report on. There's a limit to the number of plans you can select (listed on the setup page).
Effective Date	Select the default effective date that determines the dimension hierarchies and values in your model elements. The date can be: - Dynamic. Select a date relative to the current date (or the current date itself). Example: Prior Period End Date. If the period is monthly and the current date is April 5, 2022, then the effective date is March 31, 2022. If the period is monthly and the current date is May 5, 2022, then the effective date is April 30, 2022. - Static. Commonly used static dates that the system populates. These dates are auto-generated based on the model's selected fiscal schedule and summary schedule. The list updates automatically over time. Example: The date of the end of each interval posting period for the past 12 months. - Custom: Define custom dates that represent something specific to the company. These dates are available for selection indefinitely. Example: An org change that occurred on <i>mm/dd/yyyy</i>. A change in the date applies to all users of the model. Note: OfficeConnect displays the effective date as a label under Labels > Model > Model Effective Date so that users know which effective date is used.
Dimensions	Select the optional dimensions, such as worktags and organizations, to drill down into the data. If you add a hierarchical dimension, select a hierarchy to use. If you don't specify a hierarchy, Workday includes the values as a flat list. The dimensions you select determine how report creators can filter and group the data.

Option	Description
	In Alternate Top-Level Hierarchies , optionally select one or more additional hierarchies to use. You have to select a primary hierarchy before you can add alternate hierarchies.
Show Details	Manage the journal line details users can view for a report cell when they click Show Details for deeper analysis. You can: • Delete any optional fields. • Search for and add fields. • Reorder the fields to change the display and sort order. If you don't change anything, Show Details displays the default set of fields from OfficeConnect reports. Note: The number of fields you configure to display in the OfficeConnect worksheet impacts performance. A large number of rows and columns creates larger and slower reports.

Workday creates the financial modeled data source using the components you defined in the financial reporting data model. You can use this modeled data source when you sign in to Workday from OfficeConnect.

Concepts

[Concept: The Financial Reporting Data Model](#) on page 301

Tasks

[Display Journal Line Details for Report Cells](#)

Reference

[2022R2 What's New Post: Workday Financial Plan Lines in OfficeConnect for Financial Management](#)

[2022R2 What's New Post: Journal Line Details in OfficeConnect for Financial Management](#)

[2022R1 What's New Post: OfficeConnect Availability for Financial Management](#)

Connect OfficeConnect to Your Financial Management Tenant

Ensure that:

- OfficeConnect is available to your Financial Management instance, based on specific eligibility requirements.
- You have the Access OfficeConnect permission.
- You've enabled OfficeConnect on the **Financials** tab on the **Tenant Setup** report and saved the OfficeConnect API Client information.
- You have set up the Financial Reporting and Analytics Data Model.
- Based on the security policy of your company, you've downloaded and installed the latest version of OfficeConnect.

Security:

- *Access Workday Financials OfficeConnect* domain in the Financial Accounting functional area.

- At least 1 of these security domains in the Financial Accounting functional area:
 - *Reports: Financial Accounting* (Company based).
 - *Reports: Organization Financial Reporting* (Organization based).
 - *Reports: Organization Journal Lines* (Organization based).
 - *Reports: Projects* (Project based).
 - *Process: Budget* (Company based)
 - *Reports: Company Financial Budgets* (Company based)
 - *Reports: Manager Budgets* (Organization based)
 - *Reports: Manager Financial Budgets* (Organization based)

You can set up an OfficeConnect installation with Workday sign-in settings. Users can then sign in to OfficeConnect for Financial Management with their Workday credentials. If you don't include the Workday sign-in settings, users can manually enter these settings when they first sign in to OfficeConnect.

1. Get these sign-in settings from the **Financials** tab on the **Tenant Setup** report for each Workday tenant you want to connect to:
 - Client ID
 - Workday REST API Endpoint
 - Authorization Endpoint URL

2. Click **Log In** from the **OfficeConnect** tab in Excel.
Workday automatically displays the Planning sign in page.

3. Select **Log in with Workday**.
Workday automatically displays the **Manage Tenants** page.

4. On the **Manage Tenants** page specify these connection details:

Option	Description
Name	The name of the Workday tenant you're connecting to. Example: Production tenant or Sandbox tenant.
Data Source	The data source for the tenant: Financials.
Client ID API endpoint URL Authorization Endpoint URL	Created when you enabled OfficeConnect for Financial Management. See Enable OfficeConnect for Workday Financial Management on page 296.

5. Click **Save** and then **Close**.
6. Sign in to your Financial Management tenant.
7. At the prompt, select **Allow**.
8. (Optional) Create additional tenant connections. When saved, the tenant names display in the drop-down.
9. (Optional) If you configured multiple tenants for Workday Single Sign-On and your identity provider automatically signs you in, change the **Connections** user setting to allow users to select a tenant when signing-in. See [Reference: User Settings Fields](#).

The settings persist after the first successful sign-in. The next time you sign in to OfficeConnect, you see the Workday sign-in page. The Workday tenant that you last signed into automatically populates.

Use the Manage Tenants option to add, edit, or delete tenants. To switch to a different Workday tenant, select the tenant name from the **Select Tenant** drop-down menu.

Your organization can use this process to setup multiple connections, such as to Preview, Sandbox or Production instances of Financial Management. Continue to sign in to a single selected instance from the list of connections you setup.

Tasks

[Steps: Set Up Your Tenant for OfficeConnect for Financial Management](#) on page 296

Concept: OfficeConnect and Reporting on the Financial Modeled Data Source

You can use the financial model data source in OfficeConnect to query Workday Financial Management data directly, enabling easy, performant, reporting.

OfficeConnect is a Microsoft Excel add-in that enables you to create reports in Excel using financial data in Workday from the financial model data source. With OfficeConnect, you can create financial reports using the Excel interface you're familiar with, using data backed by Workday, such as journal lines.

OfficeConnect updates the data when you run or refresh your report in real time. These reports are based on model elements like ledger accounts, time period, and worktags.

You might want to use OfficeConnect to perform ad hoc analysis on journal line data.

When creating and editing a report, you can:

- Use formatting capabilities of Excel.
- Use cell formulas and calculations of Excel.
- Expand and collapse hierarchies in the data model.
- Filter Workday data.

Example: You can use OfficeConnect for Financial Reporting to:

- Create an income statement.
- Create a balance sheet.
- Perform ad hoc dimension analysis.
- Perform salary and benefit analysis.
- Calculate product and customer margin.

Workday supports OfficeConnect only on Windows operating systems.

Concepts

[Concept: OfficeConnect for Excel Interface Tour](#)

[OfficeConnect Tab Buttons on the Excel Ribbon](#)

[Concept: Caching and Refreshing the Financial Modeled Data Source](#)

[Concept: Currencies and Currency Translation](#)

Tasks

[Steps: Manage OfficeConnect Reporting Workbooks](#)

Reference

[OfficeConnect Report Elements](#)

[OfficeConnect Reporting Workbooks](#)

[OfficeConnect Report Settings and Properties](#)

[OfficeConnect for PowerPoint](#)

[OfficeConnect for Word](#)

[Reference: OfficeConnect Technical Requirements](#)

[OfficeConnect FAQs and Troubleshooting](#)

[2022R1 What's New Post: OfficeConnect Availability for Financial Management](#)

[The Next Level: OfficeConnect - Financial Management - Getting Started](#)

Concept: The Financial Reporting Data Model

The financial reporting data model is a curated subset of components selected from the Workday financial data model (FDM). The reporting data model determines which information from the FDM, such as which

company hierarchies, ledger account hierarchies, and dimensions, is available for analyzing and reporting on in OfficeConnect.

When you set up the financial reporting data model, Workday creates the financial modeled data source that you can access from OfficeConnect.

When you sign in to Workday from OfficeConnect using the financial data source, OfficeConnect displays most of the information in the reporting data model in the Elements tab. You can drag and drop individual elements, such as a company or ledger account, from the Elements tab into the worksheet.

OfficeConnect summarizes the data in your Workday ledger accounts as determined by the intersection of the elements you place in the worksheet.

The financial reporting data model includes these elements:

Model Elements	Description
Company	The primary top-level company hierarchy you can report on. One or more alternate company hierarchies you can report on.
Ledger Accounts	The primary account top-level hierarchy you can report on. One or more alternate ledger account hierarchies you can report on.
Time	The three-tier time hierarchy defined in the reporting data model. Typically, the hierarchy goes from year to quarter to month/period: • Year is based on the Fiscal Schedule. • Quarter is based on the configured Fiscal Summary Schedule. • Month/Period is based on the posting interval period. Example: FY2021 > Quarter > Month
Currency	Defines: • The default currency to use when reporting on the Corporate currency or any company hierarchy level. • The translation method to apply based on ledger account type when Workday performs currency translation.
Versions	The scenarios used for comparison: Journal Line or Plan Lines.
Effective Date	The default effective date that determines the dimension hierarchies and values in your model elements (prepopulated dynamic and static dates, or custom dates defined by an administrator).
Dimensions	The list of optional dimensions, such as worktags and organizations, that you can use to group and filter the data. For hierarchical dimensions, a primary top-level hierarchy and optionally one or more alternate hierarchies. Required dimensions don't count toward your maximum number of dimensions that can have alternate hierarchies.
Show Details	The contributing journal line and transaction details that users can view for a data point.

The financial reporting data model:

- Includes aggregated data at the ledger account level. You can display the contributing journal line and transaction details from a cell intersection with actuals data.

- Summarizes the amount field by Ledger Debit Minus Credit. When creating a report in OfficeConnect, you can select a different amount field, such as Natural Amount, by applying a filter to the worksheet or workbook. You can't change the amount field at the row, column, or cell level.
- Specifies a default translation rule set to use for currency translation. You can select a different translation rule set by applying a filter to the worksheet or workbook. You can't change the translation rule set at the row, column, or cell level.
- Includes these amount types:
 - Ending Balance (default)
 - Beginning Balance
 - Beginning Balance Translation Adjustment
 - Adjusted Beginning Balance
 - Activity
- Displays intercompany eliminations in OfficeConnect at the lowest common parent level.

Considerations for Plan Lines

When working with plan lines, keep these considerations in mind:

- Only Workday Financial Plan Lines are supported.
- You can't disable the currency translation adjustment (CTA) account, which might affect your partial balance sheet plans.
- Revisit the dimensions selected for the model to ensure that the selected plan structure dimensions are also in the model, or add them.

Example: If a plan uses Cost Center as its dimension, the model doesn't require that specific dimension to be present. For reporting purposes, you need to add the same dimensions to the model so that they're available in reports.

- When applying a plan version in a report, specify the company (or companies) and time periods for the report.

Example: Even if a plan name says 2012 Company A Plan, the time period for 2012 and Company A aren't automatically applied and should be applied to the row, column, cell, or worksheet filter.

- When using dimensions for plan lines that are intended only for journal lines:
 - *Journal Status*: Plan lines have a default status of Posted because there's no journal status for plan lines.
 - *Journal Source*: Plan lines have a blank status and appear under Journal Source (Uncategorized/Blanks) because there are no journal sources for plan lines.
 - *Match Status*: Plan lines have a match status of Not Matched and can't be changed.

Note: These fields can't be ignored for plan lines because the same summarized Plan Value would be applied for every instance of Journal Status.

- You can now include a new dimension called Plan Entry Document Status in the financial reporting data model to filter on the financial plan line status explicitly (Available, Draft, In Progress). Otherwise, all available Plan Entry Document Statuses are included.
- If your plan is at a higher summary level than period, OfficeConnect uses the last period for any activity on that plan and the last period's end date to match up with its translation exchange rate.

Example: If your plan is at the quarterly level for Q3 (Jul-Sep), the plan amount registers activity in September and uses the September 30 end date for the currency translation exchange rate. A similar impact would apply to a plan amount meant to cover an entire year.

- All plan amounts entered in Workday Budgets are considered as period activity (plan amount for a specific time period). If you enter plan ending balances as plan amounts, use the Amount Type of "Activity" when reporting on ending balances for these plans.

Concepts

[Concept: Currencies and Currency Translation](#)

[Concept: Modeled Data Sources](#)

Tasks

[Set Up the Financial Reporting Data Model](#) on page 297

[Display Journal Line Details for Report Cells](#)

Reference

[2022R2 What's New Post: Workday Financial Plan Lines in OfficeConnect for Financial Management](#)

[2022R2 What's New Post: Journal Line Details in OfficeConnect for Financial Management](#)

[2022R1 What's New Post: OfficeConnect Availability for Financial Management](#)

Concept: Differences Between OfficeConnect and Report Writer

This section describes the differences between reporting on journal line data using OfficeConnect with the financial modeled data source and using Workday Report Writer with a Workday-delivered data source.

Eliminations

OfficeConnect supports intercompany elimination rules only. OfficeConnect doesn't support other elimination rules, such as interworktag or noncontrolling interest (NCI).

OfficeConnect displays intercompany eliminations at the lowest common parent level.

Currency Translation Adjustment

OfficeConnect only uses Translation Loss account and its posting conditions for currency translation adjustment.

Current Year Retained Earnings

OfficeConnect doesn't automatically calculate the current year retained earnings. To include current year retained earnings in your worksheet, add a row that aggregates net revenue and expenses.

Filtering Data

OfficeConnect filters data differently than Report Writer. In Report Writer, data source filters, built-in prompts, and report filters all filter the data displayed in the report in an additive way, further constraining the data that ultimately is displayed.

OfficeConnect uses default values for filtering data in the report, and you can define filters at different levels. The filters you define at the different levels might conflict with each other, so OfficeConnect follows predefined precedence rules to determine what data to display.

Example: Cells override rows.

Breadth of Data

When you create a report in Report Writer, you specify a data source and data source filter to determine the data that the report displays.

When you create a report in OfficeConnect, the modeled data source contains data that comes from multiple security domains. The data you see in a report in OfficeConnect is all data you have access to in all applicable domains. As a result, the data in your OfficeConnect report is a union of data you have access to in multiple domains.

Rounding and Significant Digits with Currency Translation

Significant digits and rounding are important when performing arithmetic operations. When you report on a currency that's different than the ledger currency, the report performs currency translation.

When performing currency translation, OfficeConnect and Report Writer round numbers at different times. This difference in rounding might lead to a small, but noticeable difference in numbers when you compare reports using the same data from each tool.

- OfficeConnect retains all significant digits without rounding when performing internal calculations. OfficeConnect leaves all formatting decisions, such as rounding, to the user. Retaining the precision until the last possible moment improves performance when performing currency translation.
- Report Writer performs currency translation for each journal line and then rounds the value before performing other calculations.

If you compare the numbers in an OfficeConnect worksheet to a Workday Report Writer report with the same data, there might be a difference in numbers due to the different method of handling significant digits.

Time Period Planning

If your plan is at a higher summary level than period, OfficeConnect uses the last period for any activity on that plan and the last period's end date to match up with its translation exchange rate.

Example: If your plan is at the quarterly level for Q3 (Jul-Sep), the plan amount registers activity in September and uses the September 30 end date for the currency translation exchange rate. A similar impact would apply to a plan amount meant to cover an entire year.

In contrast, Report Writer uses the first period in the summary period but the end for the translation rate. In the prior example, the plan amount registers activity in July, but uses the September 30 end date for the currency translation exchange rate.

Concepts

[Concept: OfficeConnect and Reporting on the Financial Modeled Data Source](#) on page 301

[Concept: Default Types and Precedence Rules](#)

Financial Analytics

Configure Manager Metrics Reporting

Configure definitions for the **Manager Metrics** report for your companies and company hierarchies. The report provides managers with a quick snapshot of organization costs and average cost per headcount for a cost center, region, custom organization, or project.

1. Access the **Configure Manager Metrics** task.
2. As you complete the task, consider:

Option	Description
Company	Select one or more companies and company hierarchies that the manager metrics definition applies to. All must use the same fiscal schedule and belong to the same account set.
Translation Currency	The currency of the report. You can run the report in any currency in which you have exchange rates for conversion.
Translation Rule Set	If the company currency differs from the translation currency, select the translation rule set to use to calculate the translated amounts. You can use any of these translation rule sets: • The default translation rule set of the company.

Option	Description
	Any other account translation rule set of the company.
Default Time Period	The relative time period choices that Workday provides, such as current period year to date (YTD), last 12 periods, and last year. The user who runs the report can change this selection.
Book	Narrow the activity in the reporting metrics to a specific book.

3. Select the **Organization Metrics**, including the key **Account/Account Summary** for each measure.
4. (Optional) Select a **Financial Headcount Definition** to include a headcount metrics section in the report.

This selected definition drives the calculation of headcount on the report. The metric fields on the report include: **Budgeted**, **Filled**, **Open**, **Available Plan**, and **Plan Usage**. When you run the report for an organization hierarchy, Workday aggregates the headcount metrics for all child organizations.

Managers can run the **Manager Metrics** report. Metrics default to the organization and time period from the definition, but managers can click **Change Selection** to select a different organization and relative time period. If the manager belongs to more than 1 organization, Workday uses the highest organization within the highest hierarchy node.

Configure Financial Metrics Reporting

Configure definitions for the **Financial Metrics** report for your companies and company hierarchies. The report enables accountants and financial analysts to provide executives with a quick snapshot of key metrics such as liquidity, balance sheet, and profit/loss.

1. Access the **Create/Edit Financial Metrics Definition** task.
2. As you complete the task, consider:

Option	Description
Company	Select one or more companies and company hierarchies that the financial metrics definition applies to. All must use the same fiscal schedule and belong to the same account set. Financial metrics default to the company of the user but the user who runs the report can change it. If the user has a financial reporting role in more than 1 company, Workday uses the highest company within the highest hierarchy node.
Translation Currency	The currency of the report. You can run the report in any currency in which you have exchange rates for conversion.
Account Translation Rule Set	If the company currency differs from the translation currency, select a translation rule set to calculate the translated amounts. You can use the default rate or any other translation rule sets of the company.
Default Time Period	The relative time period choices that Workday provides, such as current period year to date

Option	Description
	(YTD), last 12 periods, and last year. The user who runs the report can change this selection.
Book	Narrow the activity in the reporting metrics to a specific book.

3. Select each **Metric**, whether to **Display** the metric, and the **Measures** used to calculate the metrics, including the key **Account/Account Summary** for each measure.

Users permitted to view financial metrics information (such as executives) can run the **Financial Metrics** report. They can click the **Change Selection** button to select a different company, translation currency, and relative time period than the ones from the definition.

Concept: Financial Executive Scorecard

The **Financial Executive Scorecard** is a configurable dashboard that gives you insight into important performance indicators for your organization. With the Financial Executive Scorecard, you can:

- Create snapshots of your organization key financial metrics for a given fiscal period.
- Review the financial performance of your business in a consolidated view.

You can customize the dashboard with worklets that you want to display from the **Reports and Dashboards** profile group.

Workday provides these scorecard components:

- Composite reports enabled as worklets for the dashboard.
- **Financial Executive Scorecard Sub-Report - Published** report that provides initialized, calculated, and published scorecard metric values.
- *Scorecard* prompt set that specifies the metric set, organization, and period for the subreport.
- *Financial Executive* metric set that defines the organizations, fiscal schedule, and published period for the scorecard metrics.
- Standard financial metrics.

The **Financial Executive Scorecard** reports use these layouts to display these metrics:

Report	Layout	Using these Metric Calculations and Metrics
Financial Executive Scorecard - Net Income	KPI Card	WD Matrix Report Metric Calculation • Net Income
Financial Executive Scorecard - Revenue per Employee	KPI Card	WD Simple Arithmetic Metric Calculation • Revenue per Employee
Financial Executive Scorecard - Spend per Employee	KPI Card	WD Simple Arithmetic Metric Calculation • Spend per Employee
Financial Executive Scorecard - Operations	KPI List	WD Simple Arithmetic Metric Calculation: • Profit % • Gross Margin %

Report	Layout	Using these Metric Calculations and Metrics
		WD Matrix Report Metric Calculation: • Total Revenue • Total Spend WD Headcount Metric Calculation: • Financial Employee Count
Financial Executive Scorecard - Financial Ratios	KPI List	WD Simple Arithmetic Metric Calculation • Debt to Equity Ratio • Return on Equity Ratio • Current Ratio

You can drill down on the delivered worklets to review descriptions and report details of each worklet.

You can also access the Financial Executive Scorecard on Android, iPad, and iPhone devices.

Scorecard Setup

To set up the Financial Executive Scorecard, you must:

1. Enable scorecard in your Workday tenant.
2. Configure security policies on the *Metric Management*, *Manage: Metric Values*, *Metrics in Review*, and *Published Metrics* domains.
3. Configure the *Financial Executive* scorecard on the **Metric Set Details** profile group.
4. Map financial scorecard standard aliases to your ledger account summaries, ledger types, and account translation rule set in your tenant.
5. Initialize, calculate, review, and publish metric values for Workday-delivered metrics on the **Process** profile group.
6. Configure the dashboard by clicking **Maintain Dashboards** on the **Reports and Dashboards** profile group.

Examples

[Example: Set Up a Financial Executive Scorecard](#) on page 320

Concept: Report Administrator Dashboard

The Report Administrator dashboard is a configurable workspace, enabling you to monitor report performance in a single place. You can select the reports you want to display in the default menu using the **Maintain Dashboards** report. To add links to custom reports and external links, click **Edit**.

Security: *Custom Report Administration* in the System functional area.

Workday provides these reports as worklets that you can add to your Report Administrator dashboard:

- **Custom Report Exceptions by Owner**

Contain reports:

- That fail exception audits, organized by report owner.
- Enabled as worklets but not available on any dashboards.
- Temporary reports past their deletion date.
- That you can't share with any users.
- Containing items marked **Do Not Use**.

- **Custom Reports Not Run**

A list of reports not run in the tenant for the past 365 days. Helps to identify reports that might have fallen off user radars or might no longer have value.

- **Recently Created and Modified Reports**

Reports added or modified in the last 90 days. This can help you measure or identify needed education and change management activities specific to these updates.

- **Recently Updated Calculated Fields**

A list of calculated fields created or modified in the last 7 days. Useful when researching when report results unexpectedly change.

- **Scheduled Reports That Will Fail**

Proactively identify actively scheduled reports with scheduling exceptions and that will fail on their next scheduled run. A commonly caught error is a nonexpired report schedule associated with a user who is no longer authorized to run the report.

- **Slowest Reports Run in Background**

A worklet that displays the average report execution time, in milliseconds. Sorted with the slowest average time at the top. By default, the report returns results from the last 90 days, however you can adjust the number of days.

You can also add tasks including these to the Dashboard Menu for quick access:

- All Custom Reports
- Create Calculated Field
- Create Custom Report
- Delete Custom Report
- Delete Temporary Report Definition
- Edit Custom Report
- Edit Report Performance Log Settings
- Hide Workday Delivered Report
- Maintain Dashboards
- Process Monitor
- Report fields
- Schedule a report.
- Transfer Ownership of Custom Reports
- View Custom report
- View Report Performance Logs

Once you configure the dashboard, you can add it as a worklet to your Home page. You can also access the Report Administrator dashboard on Android, iPad, and iPhone devices.

Concepts

[Concept: Dashboards](#)

Tasks

[Steps: Set Up Dashboards and Landing Pages](#)

Reference

[The Next Level: Report Administrator Dashboard](#)

Reference: Metric Calculations for Financials

Use Workday-delivered calculations to gain greater insight when you define custom metrics for your financial scorecard.

Calculation	Description	Organization Types	Configuration Options
WD Matrix Report	Enables you to build custom metric values using matrix reports. Calculation: Summarizes aggregation fields specified on the matrix report. Metric Examples: • Total revenue • Total expense • Net income Use the Simple Arithmetic calculation to create ratios or percentages such as: • Operating margin • Profit margin • Revenue per employee	Business Unit Business Unit Hierarchy Cost Center Cost center Hierarchy Company Company Hierarchy Custom Organization Custom Organization Hierarchy Location Hierarchy Project Project Hierarchy	Matrix Report Company Ledger Amount Type Time Period Period Plan Structure¹ Plan Names¹ Ledger Accounts and Summaries Translation Currency Account Translation Rule² Aggregation Field
WD Number of Days	Enables you to build custom metrics using number of days. Calculation Calculates number of days for the configuration options you select. Aggregation Metric Example Number of days: Quarter to Date Use Simple Arithmetic calculation to create ratios or percentages such as: Days Sales Outstanding (DSO)	Business Unit Business Unit Hierarchy Company Company Hierarchy Cost Center Cost Center Hierarchy Custom Organization Custom Organization Hierarchy Location Hierarchy Project Project Hierarchy	Time Period

Calculation	Description	Organization Types	Configuration Options
	Days Payables Outstanding (DPO)		

When you use a report field that requires translation, you must enter the **Translation Currency** and the **Account Translation Rule Set**.

Concepts

[Concept: Workday Scorecards](#)

Tasks

[Steps: Create Custom Metrics and Scorecards](#)

Reference

[Reference: Metric Calculations for Dependent Metrics](#)

Example: Set Up a Custom Financial Scorecard

This example illustrates how you can build custom financial scorecard to make important analytic information available from your home page, dashboard, or scorecard worklet.

Teresa Serrano is Chief Financial Officer at Global Modern Services. In a meeting with the Chief Human Resources Officer Logan McNeil, she notices that Logan uses a management reporting dashboard to gain insight into workforce operations.

Teresa talks with to the Scorecard Administrator Norman Chan about developing custom financial scorecards that:

- Displays revenue, net income, and profit margin for January 2013.
- Uses analytic indicators to display performance and trend.
- Enables her to view more detailed information to gain greater insight.
- Enables other vice presidents to provide comments and recommendations when profit is at risk of being below target.

Note: Ledger account summaries, company hierarchies, and matrix reports are specific to your Workday tenant and might be different from the values suggested here.

- On the **Edit Tenant Setup - Reporting and Analytics** task, select the **Enable Scorecarding** check box to enable custom scorecards.
- Have an existing actual or plan matrix report to produce aggregate value for the metrics. You can also create custom matrix reports by copying these 2 delivered standard reports:
 - Financial Scorecard Metric for Journal by Company.
 - Financial Scorecard Metric for Journal by Cost Center.
- Have the appropriate security permissions for ledger account segments to all journals, including the accounting and operational journals.
- Security:
 - These domains in the System functional area:
 - *Metric Management*
 - *Manage Metric Values*
- *Reports: Financial Accounting* domain in the Financial Accounting functional area.

- Create a custom analytic scorecard.
 - a) Access the **Create Analytic Scorecard Profile** task.

Field	Value
<i>Name</i>	Financial Executive Scorecard
<i>Organization Type</i>	Company Hierarchy
<i>Top Level Node</i>	1CON Consolidation - Corporate
<i>Fiscal Schedule</i>	Standard Corporate Schedule

- b) Click **OK** to display the scorecard profile.
- c) Click the **Metric Set Details** profile group.
- d) Click **Edit**.
- e) Enter or confirm these field values:

Field	Value
<i>Inactive</i>	Unchecked
<i>Organization Type</i>	Company Hierarchy
<i>Include Content</i>	Checked
<i>Metric Calculation Scope</i>	Node including subordinates
<i>Top Level Node</i>	1CON Consolidation - Corporate
<i>Levels From Top</i>	1
<i>Additional Nodes</i>	Blank
<i>Fiscal Schedule</i>	Standard Corporate Schedule
<i>Published Period</i>	2012 - Dec
<i>Metric Processing Period</i>	Workday automatically populates the next period of 2013 - Jan.

- f) Click **OK** and then click **Done**.
- Create a custom metric for Net Income.
 - a) Access the **View Analytic Scorecard Profile** report.
 - b) From the **Analytic Scorecard Profile** prompt, select **Custom-> Financial Scorecard**.
 - c) Click **OK** to display the **Financial Scorecard** profile.
 - d) Click the **Metrics** profile group.
 - e) Click **Create Custom Metric** and confirm or enter these values:

Field	Value
<i>Metric Set</i>	Financial Scorecard
<i>Metric Name</i>	Net Income
<i>Workday Metric Calculation Name</i>	WD Matrix Report

- f) Click **OK**.
- g) On the **Metric Source** tab, enter:

Field	Value
<i>Track Target</i>	Checked

Field	Value
Target Source	Matrix Report

h) Click the **Calculation Configuration** tab.

i) In the **Actual Amount** section, enter:

Field	Value
Matrix Report	(Actuals) Matrix Report for Financial Scorecard Metrics by Company

j) In the **Map Matrix Report Prompts** grid, enter:

Prompt Field	Value Type	Value
Company	Specify Value	1CON Consolidation-Corporate
Ledger	Specify value	Actuals
Amount Type	Specify value	Activity
Time Period	Specify Value	Current Period YTD
Period	Use Value from Metric Calculation	Metric Period
Ledger Accounts and Summaries	Specify Value	Corporate: Total Revenue Corporate: Total Expenses
Translation Currency	Specify value	USD
Account Translation Rule Set	Specify value	Consolidations

k) On the **Aggregation Field**, select **Debit Minus Credit Amount**.

l) In the **Target Amount** section, enter:

Field	Value
Matrix Report	(Plan) Matrix Report for Financial Scorecard Metrics by Company

m) In the **Map Matrix Report Prompts** grid, enter:

Prompt Field	Value Type	Value
Company	Specify Value	1CON Consolidation-Corporate
Ledger	Specify value	Actuals
Amount Type	Specify value	Activity
Time Period	Specify Value	Last Year - Current Period YTD
Period	Use Value from Metric Calculation	Metric Period
Plan Structure	Specify Value	Budget
Ledger Accounts and Summaries	Specify Value	Corporate: Total Revenue Corporate: Total Expenses
Translation Currency	Specify value	USD

Prompt Field	Value Type	Value
<i>Account Translation Rule Set</i>	Specify value	Consolidations

n) On the **Aggregation Field**, select **Debit Minus Credit Amount**.

o) On the **Thresholds** tab, enter:

Field	Value
<i>Threshold Type</i>	Percentage of target
<i>Threshold Direction</i>	Increasing is better
<i>Bad Upper Limit</i>	0.9
<i>Warning Upper Limit</i>	0.95

p) On the **About This Metric** header, enter:

Field	Value
<i>About This Metric</i>	Net income is calculated by taking revenue and adjusting for the cost of doing business, depreciation, interest, taxes, and other expenses.

q) Click **OK** and then click **Done**.

- Create a custom metric for total revenue.

a) Click **Create Custom Metric** and confirm or enter these values:

Field	Value
<i>Metric Set</i>	Financial Executive Scorecard
<i>Metric</i>	Revenue
<i>Workday Metric Calculation Name</i>	WD Matrix Report

b) Click **OK**.

c) On the **Metric Source** tab, enter:

Field	Value
<i>Track Target</i>	Checked
<i>Target Source</i>	Matrix Report

d) Click the **Calculation Configuration** tab.

e) In the **Actual Amount** section, enter:

Field	Value
<i>Matrix Report</i>	(Actuals) Matrix Report for Financial Scorecard Metrics by Company

f) In the **Map Matrix Report Prompts** grid, enter:

Prompt Field	Value Type	Value
<i>Company</i>	Specify Value	1CON Consolidation-Corporate
<i>Ledger</i>	Specify value	Actuals
<i>Amount Type</i>	Specify value	Activity

Prompt Field	Value Type	Value
<i>Time Period</i>	Specify Value	Current Period YTD
<i>Period</i>	Use Value from Metric Calculation	Metric Period
<i>Ledger Accounts and Summaries</i>	Specify Value	Corporate: Total Revenue
<i>Translation Currency</i>	Specify value	USD
<i>Account Translation Rule Set</i>	Specify value	Consolidations

g) On the **Aggregation Field**, select **Credit Minus Debit Amount**.

h) In the **Target Amount** section, enter:

Field	Value
<i>Matrix Report</i>	(Plan) Matrix Report for Financial Scorecard Metrics by Company

i) In the **Map Matrix Report Prompts** grid, enter:

Prompt Field	Value Type	Value
<i>Company</i>	Specify Value	1CON Consolidation-Corporate
<i>Ledger</i>	Specify value	Actuals
<i>Amount Type</i>	Specify value	Activity
<i>Time Period</i>	Specify Value	Last Year - Current Period YTD
<i>Period</i>	Use Value from Metric Calculation	Metric Period
<i>Plan Structure</i>	Specify Value	Budget
<i>Ledger Accounts and Summaries</i>	Specify Value	Corporate: Total Revenue
<i>Translation Currency</i>	Specify value	USD
<i>Account Translation Rule Set</i>	Specify value	Consolidations

j) On the **Aggregation Field**, select **Credit Minus Debit Amount**.

k) On the **Thresholds** tab, enter:

Field	Value
<i>Threshold Type</i>	Percentage of target
<i>Threshold Direction</i>	Increasing is better
<i>Bad Upper Limit</i>	0.9
<i>Warning Upper Limit</i>	0.95

l) On the **About This Metric** header:

a. Enter:

Field	Value
<i>About This Metric</i>	Revenue is the amount of money a company actually receives during a specific period,

Field	Value
	including discounts and deductions for returned merchandise. It's the top line or gross income figure less costs, to determine net income.

- b. Click the **Link** icon. For **Link Type**, select **Report Link** and then select **Report Link 1**. Click **OK**.
- m) To link the custom metric scorecard to other reports, expand **Report Links** and enter:

Field	Value
<i>Tag</i>	View Top 10 Customers by Revenue
<i>Drill To</i>	Top 10 Customers by Revenue

- n) Click the **Map Prompts** button and enter:

Prompt	Value Type	Field	Value
<i>Company</i>	Use Value From Metric	Organization	Leave Blank
<i>Ledger</i>	Specify default value	Leave Blank	Actuals
<i>Time Period</i>	Specify default value	Leave Blank	Current Period YTD
<i>Period</i>	Use Value From Metric	Period	Leave Blank
<i>Account Translation Rule Set</i>	Specify default value	Leave Blank	Consolidations
<i>Translation Currency</i>	Specify default value	Leave Blank	USD
<i>Revenue Accounts</i>	Specify default value	Leave Blank	Corporate: Total Revenue

- o) Click **Done**.
- p) Click **OK** and then click **Done**.
- Create a custom metric for Profit Margin.
 - Click **Create Custom Metric** and confirm or enter these values:

Field	Value
<i>Metric Set</i>	Financial Scorecard
<i>Metric</i>	Profit Margin
<i>Workday Metric Calculation Name</i>	WD Simple Arithmetic

- b) Click **OK**.
- c) On the **Metric Source** tab, select:

Field	Value
<i>Actual Source</i>	Workday Algorithm
<i>Track Target</i>	Checked
<i>Target Source</i>	Workday Algorithm

- d) Click the **Calculation Configuration** tab and select:

Field	Value
<i>Operand A</i>	Net Income

Field	Value
<i>Operand B</i>	Blank
<i>Operator 1</i>	Divide
<i>Operand C</i>	Revenue
<i>Operand D</i>	Blank
<i>Operand E</i>	Blank
<i>Operand F</i>	Blank

e) On the **Thresholds** tab, enter:

Field	Value
<i>Threshold Type</i>	Percentage of target
<i>Threshold Direction</i>	Increasing is better
<i>Bad Upper Limit</i>	0.9
<i>Warning Upper Limit</i>	0.95

f) On the **About This Metric** header, enter:

Field	Value
<i>About This Metric</i>	Profit Margin is calculated as net income divided by total revenue or profits divided by sales. Profit margins are expressed as a percentage and measures how much out of every dollar of sales a company actually keeps earning. Example: a 20% profit margin means that the company has a net income of \$0.20 for each dollar of total revenue earned.

g) Click **OK**.

h) Click the **Calculation Configuration** tab and confirm that the Expression displays *Net Income/Revenue*.

i) Click **Done**.

- Create a custom dashboard.

a) Click the **Reports and Dashboards** profile group.

b) Click **Create Custom Dashboard** and enter:

Field	Value
<i>Dashboard</i>	Financial Scorecard

c) Click **OK**.

d) Enter these dashboard settings:

Field	Value
<i>Prompt Set</i>	Scorecard
<i>Domain</i>	Metric Management
<i>Dashboard Icon</i>	Actuals vs Budget
<i>Max Worklets Allowed</i>	6

Field	Value
<i>Configurable by User</i>	Unchecked

e) Click **OK** and then click **Done**.

- Create scorecard report.

a) Click **Create Scorecard Report** and enter:

Field	Value
<i>Report Name</i>	Sub Report - Scorecard
<i>Dashboard</i>	Financial Scorecard

b) On the **Metrics** grid, enter these values:

Metric	Formatting Style
<i>Revenue</i>	Thousands (1 Decimal Place) K
<i>Net Income</i>	Leave Blank
<i>Profit Margin</i>	Percentage - 2 Decimal Places

c) On the **Layout Options** section, confirm **Enable Drilling To** is checked and for the **Target** prompt, select **Target Value**.

d) On the **Share Option** section, select **Share with all authorized users**.

e) Click **OK** and then click **Done**.

- Display the Financial Scorecard in Worklets.

a) Click the **Reports and Dashboards** profile group.

b) Click **Maintain Dashboards**.

c) Locate the *Financial Scorecard* you created.

d) Click the **Edit** button.

e) On the **Dashboards Prompts** tab, enter these values:

Prompt Field	Label for Prompt	Default Type	Default Value
<i>Metric Set</i>	Metric Set	<i>Specify default value</i>	Financial Scorecard
<i>Metric Organization</i>	Metric Entity	<i>Specify default value</i>	1CON Consolidation-Corporate
<i>Metric Period</i>	Metric Period	<i>Specify default value</i>	Jan 2013

f) On the **Required Worklets** tab, add this worklet to the grid:

Field	Value
<i>Worklet</i>	Sub Report - Scorecard
<i>Worklet Size</i>	1x (for all worklets)

g) Click **Map Prompts** and then **Done**.

h) Click **OK** and then click **Done**.

- Initialize and calculate the metric set.
 - a) Click the **Process** profile group to generate values for the current processing period.
 - b) Verify that the current processing period is 2013 - Jan.
 - c) Click **Initialize**.

Workday automatically populates these values:

Field	Value
<i>Metric Set</i>	Financial Scorecard
<i>Period</i>	2013 - Jan
<i>Run Frequency</i>	Run Now
<i>Processing Type</i>	Process metric set for current period.

- d) Check **Confirm**.
- e) Click **OK** and then click **Done**.
- f) Click the **Process** profile group to refresh the process **Status**.
Workday initializes the metric values in the *Financial Scorecard* metric set and displays a message when complete. Confirm that the process is complete before moving to the next processing step.

- g) Click **Calculate**.

Workday automatically populates these values:

Field	Value
<i>Metric Set</i>	Financial Scorecard
<i>Period</i>	2013 - Jan
<i>Run Frequency</i>	Run Now

- h) Check **Confirm**.
- i) Click **OK** and then click **Done**.
- j) Click the **Process** profile group to refresh the process **Status**.
Workday calculates the metric values in the *Financial Scorecard* metric set and displays a message when complete.

- Publish the metric set.

- a) Click **Publish**.

Workday automatically populates these values:

Field	Value
<i>Metric Set</i>	Financial Scorecard
<i>Period</i>	2013 - Jan
<i>Run Frequency</i>	Run Now

- b) Select **Confirm**.
 - c) Click **OK** and then click **Done**.
 - d) Click the **Process** profile group to view the process **Status**.
- View the Financial Scorecard in the Dashboard.
 - a) Search for the **Financial Scorecard** custom dashboard you created.
 - b) From the related actions menu of the scorecard name, select **Custom Dashboard > Run** to display the Key Performance Indicator (KPI) card worklets on the dashboard.

Norman Chan gives Teresa security permissions to see the financial scorecard. On the *Financial Scorecard* custom dashboard, Workday displays these Financial Scorecard worklets in the KPI card layout:

- Revenue.
- Net Income.
- Profit Margin.

The KPI-style worklets display as green, yellow, or red to indicate how well Global Modern Services is meeting defined targets. Using the **Gear** icon, Teresa can refresh the data for each worklet. She can select **View More** to view details for:

- Metric Period.
- Metric Organization.
- Metric Set.

Teresa can:

- Use the *Top 10 Customers by Revenue* link to drill down to view the **Top 10 Customers by Revenue** report.
- Review comments and recommendations from vice presidents.

Example: Set Up a Financial Executive Scorecard

This example illustrates how you can build a financial executive scorecard to create snapshots of your organizations financial metrics for a fiscal period.

Teresa Serrano is Chief Financial Officer at Global Modern Services and wants to gain insight into important financial performance indicators for her company for July 2017.

Teresa talks with the Scorecard Administrator Norman Chan about developing a custom financial executive scorecard that displays these financial metrics for the consolidated company:

- Net income.
- Revenue and spend per employee.
- Financial ratios.
- Financial operation metrics.

Note: Ledger account summaries and company hierarchies are specific to your Workday tenant and might be different from the values suggested here.

- Control access to ledger accounts and ledger account segments to all journals, including accounting and operational journals.
- Security:
 - These domains in the System functional area:
 - *Metric Management*
 - *Manage Metric Values*
 - *Management Dashboard: Financial Executive Scorecard* domain in the Financial Management functional area.
 - *Reports: Financial Accounting* domain in the Financial Accounting functional area.
- Enable custom scorecards.
 - On the **Edit Tenant Setup - Reporting and Analytics** task, select the **Enable Scorecarding** check box to enable custom scorecards.

- Configure the financial executive scorecard and map aliases.
 - a) Access the **View Analytic Scorecard Profile** report.
 - b) From the **Scorecard** prompt, select **Delivered** -> **Financial Executive Scorecard**.
 - c) Click **OK**.
 - d) From the **Financial Executive Scorecard** profile, click the **Metric Set Details** profile group.
 - e) Click **Configure**.
 - f) Enter these field values:

Field	Value
<i>Inactive</i>	Unchecked
<i>Skip Review</i>	Unchecked
<i>Metric Calculation Scope</i>	Node including subordinates
<i>Top Level Node</i>	1CON Consolidation - Corporate
<i>Fiscal Schedule</i>	Standard Corporate Schedule
<i>Published Period</i>	2017 - Jun
<i>Metric Processing Period</i>	Workday automatically populates the next period of 2017 - Jul.

- g) Click **OK** and then click **Done**.
- h) Click **Map Aliases**.
- i) Map these aliases to your mapped tenant values:

Business Object	Standard Aliases	Mapped Tenant Value
Ledger Type	_Actuals	Actuals
Ledger Account Summary	_FIN_Scorecard_Cost_of_Sales	Cost of Sales
Ledger Account Summary	_FIN_Scorecard_Current_Assets	Current Assets
Ledger Account Summary	_FIN_Scorecard_Current_Liabilities	Current Liabilities
Ledger Account Summary	_FIN_Scorecard_Total_Equity	Total Equity
Ledger Account Summary	_FIN_Scorecard_Total_Expense	Total Expense
Ledger Account Summary	_FIN_Scorecard_Total_Liabilities	Total Liabilities
Ledger Account Summary	_FIN_Scorecard_Total_Revenue	Total Revenue
Account Translation Rule Set	_FinAggAccountTranslationRuleSet	Consolidations
Custom Organization	_Top_Level_Company_Hierarchy	1CON Consolidation - Corporate

- j) Click **OK** and then click **Done**.
- Initialize metric values.
 - a) From the **Financial Executive Scorecard** profile, click the **Process** profile group.
 - b) Click **Initialize**.
 - c) Workday automatically populates these values:

Field	Value
<i>Metric Set</i>	Financial Executive Scorecard
<i>Period</i>	2017 - Jul

Field	Value
<i>Run Frequency</i>	Run Now
<i>Processing Type</i>	Process metric set for current period

- d) Check **Confirm**.
- e) Click **OK** and then click **Done**.
- f) Click the **Process** profile group to update the status.

Workday initializes the metric values for the *Financial Executive Scorecard* and displays a notification when complete.

- Calculate and review metric values.

- a) Click **Calculate**.
- b) Workday automatically populates these values:

Field	Value
<i>Metric Set</i>	Financial Executive Scorecard
<i>Period</i>	2017 - Jul
<i>Run Frequency</i>	Run Now

- c) Check **Confirm**.
- d) Click **OK** and then click **Done**.

Workday calculates the metric values for the *Financial Executive Scorecard* and displays a notification when complete.

- e) Click **Start Review**.
- f) Workday automatically populates these values:

Field	Value
<i>Metric Set</i>	Financial Executive Scorecard
<i>Period</i>	2017 - Jul
<i>Run Frequency</i>	Run Now

- g) Check **Confirm**.
- h) Click **OK** and then click **Done**.
- i) Click the **Process** profile group to update the process **Status**.

Workday reviews the metric values for the *Financial Executive Scorecard* and displays a notification when complete.

- Publish metric values.

- a) Click **Publish**.
- b) Workday automatically populates these values:

Field	Value
<i>Metric Set</i>	Financial Executive Scorecard
<i>Period</i>	2017 - Jul
<i>Run Frequency</i>	Run Now

- c) Check **Confirm**.
- d) Click **OK** and then click **Done**.
- e) Click the **Process** profile group to update the process **Status**.

Workday publishes the metric values for the *Financial Executive Scorecard* and displays a notification when complete.

- Display the Financial Executive Scorecard in Worklets.
 - a) From the **Financial Executive Scorecard** profile, click the **Reports and Dashboards** profile group.
 - b) Click **Maintain Dashboards**.
 - c) Locate the *Financial Executive Scorecard* you created.
 - d) Click **Edit**.
 - e) On the **Dashboard Prompts** tab, enter these values:

Prompt Field	Label for Prompt	Default Type	Default Value
<i>Metric Set</i>	Metric Set	<i>Specify Default Value</i>	Financial Executive Scorecard
<i>Metric Organization</i>	Metric Entity	<i>Specify Default Value</i>	1CON Consolidation - Corporate
<i>Metric Period</i>	Metric Period	<i>Specify Default Value</i>	2017 - Jul

- f) Click **OK**.
- g) On the **Required Worklets** tab, add these Financial Executive Scorecard worklets to the grid:

Field	Value
<i>Worklet</i>	• Financial Executive Scorecard - Net Income • Financial Executive Scorecard - Revenue per Employee • Financial Executive Scorecard - Operations • Financial Executive Scorecard - Financial Ratios • Financial Executive Scorecard - Spend per Employee
<i>Worklet Size</i>	1x (for all worklets)

- h) Click **OK** and then click **Done**.
 - i) Click **Done**.
- Configure the home page to display the Financial Executive Scorecard.
 - a) From your Home page, click the **Configure Applications (gear)** icon to display the **Configure Worklets** page.
 - b) Under **Optional Worklets**, add a row and select the **Financial Executive Scorecard** worklet.
 - c) Click **OK** and then click **Done**.

Workday displays the Financial Executive Scorecard on your home page.

 - d) Click to open the Financial Executive Scorecard.

Workday displays these Financial Executive Scorecard worklets in the KPI card layout:

- Net Income.
- Financial ratios.
- Revenue and spend per employee.
- Financial operation metrics.

Concepts

[Concept: Financial Executive Scorecard](#) on page 307

External Financing Sources

Steps: Maintain Access to Investors

- Understand segment-based security groups and segmented security.
- Determine whether you need to restrict segments of data to groups of workers.

Control access to individual investors through security segments so that workers can access only the investors that they can see.

Segmented security requires a lot of planning. With:

- Security segments, included values can cross multiple segments or be mutually exclusive.
- Security groups, workers can be part of one or more groups and have access to one or more security segments.

1. [Edit Domain Security Policies](#).

Enable members of selected security groups to define security segments.

Configure the *Set Up: Investor Security Segments* domain in the **System Functional Area**.

2. Access the **Create Investor Security Segment** task.

Create enough security segments to cover each unique security access requirement. Example: Create different segments for executives, managers, and employees. Workday recommends that you build from least to most restrictive.

If you don't select a **Company**, workers from any company can access the listed investors.

Security: *Set Up: Investor Security* domain in the System functional area.

3. [Create Segment-Based Security Groups](#).

Create a *Segment-Based Security Group* and associate it with an *Investor Security Segment* to meet your business requirements.

4. [Edit Domain Security Policies](#).

Edit permissions on the applicable domain security policy to enable members of the new segment-based security groups to access investor information.

Configure the *Access Investor (Segmented)* security policy in the **Financial Accounting Functional Area**, adding the segment-based security groups with the appropriate access.

5. [Activate Pending Security Policy Changes](#).

6. Test the security policy changes.

Sign in as a different user for each segment and verify that they have access to only the investors associated with their segment-based security groups.

Workers can select from only the investors that they have security access to.

- Enable members of your senior management team to access only certain investors, and members of your executive branch to access all investors in your company.

Concepts

[Concept: Security Groups](#)

Define Investors

To control access to investor information, create investor security segments.

Create or edit investors for your company.

1. Access the **Create/Edit Investor** task.

2. As you complete this step, consider:

Field/Tab	Description
Investor Name	If you select a value from the Create Investor from Business Entity prompt, the Investor Name populates.
Phonetic Name	Records the correct pronunciation of the Investor Name and these details on the Settlement Bank Account tab: • Bank Phonetic Name • Branch Phonetic Name • Phonetic Name on Account Displays when: • You enable phonetic names on the Edit Tenant Setup - Global task. • Users select the relevant locale and display language in their preferences. The preferred language of the bank account country must match the language enabled on the tenant setup.
Create Investor from Business Entity	Create an investor from an existing business entity. The investor name and ID populates based on the business entity you select and can't be modified.
Tax Authority Form Type	Select the investor's tax authority form type: • 1042-S for a non-resident alien subject to U.S. income withholding. • 1099 MISC to report miscellaneous income to the IRS. • TDS to identify tax deducted at source for non-resident investors.
TIN Type	Enter the tax identification type for the investor: • <i>SSN</i> or <i>ITIN</i> (Social Security Number or Individual Taxpayer Identification Number) • <i>EIN</i> (Employer ID Number)
Investor Security Segments	Select a security segment to control a worker's access to this investor.
Tax Document Date	Record the date for submitting the tax document.
Default Payment Type	Select the Default Payment Type for this investor. If you specify Automated Clearing House (ACH), direct debit, direct deposit, or wire, you must complete information in the Settlement Bank Account tab.
Contact Information	Provide contact details for this investor, such as: • Billing, Remit To, and Shipping addresses.

Field/Tab	Description
	Primary Email account.
Settlement Bank Account	Add settlement bank account details for electronic payments to investors (ACH, direct debit, direct deposit, or wire).
Alternate Names	Examples of using alternate names: - The <i>Remit To Payee</i> is different from the investor. - The investor name is too long to print on a check. To print a shorter name, enter the Alternate Name and select <i>Remit to Payee</i> as the Alternate Name Usage.
Attachments	Attach related investor business documents.

Tasks

[Create Ad Hoc Payments](#) on page 1452

Set Up Loan Information

- Security: *Setup: Loan* domain in the Common Financial Management functional area.
- Set up loan investor types using the **Maintain Loan Investor Types** task.
- Set up loan referral types using the **Maintain Loan Referral Types** task.
- Set up any custom fields that you want to use for your loan.

Customize customer and supplier loan details specific to your organization for reporting and tracking.

- Access the **Create Loan** task.
- As you complete the task, consider:

Option	Description
Loan Number	Enter a value you want to associate with the loan for reporting and transactions. You can use the same loan number more than once, such as when you record loans from more than 1 company with the same loan number.
Vintage Date	Enter the original close year for the loan.
Investor Type	You can define the types of investors that are specific to your organization using the Maintain Loan Investor Types task. You can typically categorize investor types under these categories: - Traditional financiers like banks. - Hard money investors. - Portfolio investors.
Referral Type	Enter the type of referrer that assisted with the loan origination. Referrers can include: - Financial consultants. - Loan brokers. - Real estate agents.

Option	Description
	You can define the specific referral types for your organization in the Maintain Loan Referral Types task.
Related Worktags	Set up related worktags for this object using the related worktag types that you configure on the Maintain Related Worktag Usage task. Workday automatically populates transactions with the values in the Default Worktag column when you select the object on the transaction.

Use the loan worktag object to track loan transactions, and generate reports on specific loans for these transactions:

- Customer invoices
- Customer invoice adjustments
- Cash sales
- Supplier invoices
- Supplier invoice adjustments
- Ad hoc payments
- Ad hoc bank transactions
- Accounting journals

You can add custom fields to the loan using the **Create Custom Objects** task.

Concepts

[Concept: Worktags](#)

Tasks

[Create and Edit Custom Object Definitions](#)

[Configure Worktags for Transactions](#)

Multiple Funding Sources

Setup Considerations: Multiple Funding Sources

You can use this topic to help make decisions when planning your configuration and use of multiple funding sources. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

A funding source is money set aside for a specific purpose that you can use while within limitations or if you meet conditions. You can pay for costs and transactions directly from the funding sources. When you process a transaction for funding, Workday reclassifies the transaction using the associated funding source rule.

Business Benefits

You can fund a project with multiple funding sources. When you fund a project with multiple funding sources, you can prioritize specific funding sources to pay for costs and expenses. This helps you budget and track the actual costs of your project, which you can then analyze to help gauge project performance and budget allocation.

Use Cases

Multiple funding sources enables you to do these things on a project:

- Assign projects to multiple funding sources.
- Reclassify expense transactions using the project worktag to specified funding sources.
- Restrict allocation of funds to funding sources using condition rules.
- Control the priority of funds you charge to a funding source on a funding source rule.
- Track expense transactions that you reclassified to a funding source.

Questions to Consider

Questions	Considerations
Do you receive state or governmental funding for projects or programs? Do you have projects that have restrictive requirements? Do you have sponsorships and grants that you can only use for specific purposes?	Public or government funds frequently have stipulations that require you only use those funds for specific purposes, or towards specific expenses. You can use funding source rules and condition rules to track funds based on those stipulations.
How do you want to restrict funds on your funding source?	Workday enables you to restrict access to funds by either spend restrictions or condition rules. You can use spend restrictions to limit funds based on spend categories. You can also use condition rules to limit funds based on indexed journal line attributes.
How do you want to structure your worktags and worktag types?	Multiple funding sources can use worktags configured with the project to identify and reclassify expense transactions to funding sources. When you build your worktag structure, consider if you need these: • Awards • Cost Centers • Grants • Projects There's frequently worktag type requirements on the grants that might not be on the funding source. If you don't account for the restrictions on both the funding source and the grant, your facilities and administration expenses might not fully reflect your funding source transaction.

Recommendations

Functionality	Considerations
Funding source rule	Workday recommends that you prioritize your most restrictive funding sources when you configure funding source rules. Workday evaluates funding sources from the top down. When you prioritize a loosely restricted funding source rule, Workday allocates funds from that priority first.
Condition rules	Workday recommends you configure condition rules for your funding source rules. Condition rules add an additional layer of restriction using indexed journal line attributes as filter criteria. Without condition rules, any transaction that uses the correct project worktag can take funds from the funding source.
Spend restrictions	We recommend you configure spend restrictions on your funding source rule. Spend restrictions help you include or exclude spend categories on a funding source, even with a shared project worktag. The restrictions help ensure that a funding source only receives the transactions you want.

Requirements

Before you can use multiple funding sources, you must set up projects and create project hierarchies.

Limitations

You can't create a business process to review and approve the creation of:

- Funding sources.
- Funding source condition rules.
- Funding source rules.

You can only use multiple funding sources with 1 project hierarchy at a time.

You can only create 1 funding source condition rule per priority line.

Tenant Setup

Select a project hierarchy on the **Top Project Hierarchy** prompt in the **Funding Source Options** section of the **Edit Tenant Setup - Financials** task.

You can also select the **Disable Funding Source Reclassifications for WIP Lines** check box. This option prevents Workday from reclassifying work-in-progress transactions when you process a funding source. Disabling reclassifications lowers the processing time and reduces the possibility of incorrectly reclassified transactions.

Security

Configure these security domains in the Financial Accounting functional area:

Domains	Considerations
<i>Process: Funding Sources</i>	Set up to process and reprocess funding sources
<i>Set Up: Funding Sources</i>	Set up to create: • Funding sources. • Funding source condition rules. • Funding source rules.
<i>Set Up: Spend Restrictions</i>	Set up to create spend restrictions.

Configure the *Set Up: Grants* domain in the Grant Management functional area if you want to reclassify expense transactions to your grants.

Business Processes

Configure the *Funding Source Reclassification Event* business process with an additional approval step to process or reprocess reclassification events for funding sources.

Reporting

Reports	Considerations
Award Spend Restriction Audit Report	Enables you to verify that your transactions apply to the correct grants.
Find Funding Source Reclassification Lines	Enables you to review the reclassification lines on an expense transaction.
View Default Funding Source View Funding Source	The details on a funding source.
View Funding Source Condition Rule	The details on a funding source condition rule. Also helps you find funding source rules that use that condition rule.
View Funding Source Rule	The details on your funding source and funding source priorities.
View Spend Restriction	The configuration of a spend restriction.

Integrations

Web Services	Considerations
<i>Get Default Funding Sources</i> <i>Get Funding Sources</i>	Retrieves funding sources. Enables you to view detailed information across multiple funding sources.
<i>Get Funding Source Condition Rules</i>	Retrieves funding source condition rules assigned to a funding source rule. Enables you to view detailed information on those condition rules.
<i>Get Funding Source Rules</i>	Retrieves funding source rules. Enables you to view detailed information across multiple funding source rules.
<i>Get Spend Restrictions</i>	Retrieves details on spend restrictions. Enables you to view all of your spend restrictions at once.

Web Services	Considerations
<i>Put Default Funding Sources</i>	Sets a default funding source for the company.
<i>Put Funding Source Condition Rules</i>	Creates a funding source condition rule on a funding source rule.
<i>Put Funding Sources</i>	Creates a funding source.
<i>Put Funding Source Rules</i>	Creates a funding source rule.
<i>Put Spend Restriction</i>	Creates a spend restriction.

Connections and Touchpoints

Functional Areas	Considerations
Grant Management	A significant source of funding can come from grants, which organizations frequently award with restrictions or stipulations. Multiple funding sources can help you allocate those granted funds, while maintaining the specified restrictions.
Projects	Multiple funding sources can help you set up and maintain your projects. You use funding sources to allocate funds to a project, which determines the amount of available money.
Project Tracking	You can track the transactions tied to a project using worktags. Reclassification of a transaction to a project applies the project worktags and uses any funds the transaction qualifies for.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Concepts

[Concept: Reclassification Journals and Lines](#) on page 339

Reference

[2020R1 What's New Post: Condition Rules for Multiple Funding Sources](#)

Steps: Set Up Multiple Funding Sources

Security:

- *Set Up: Fund* domain in the Common Financial Management functional area.
- *Set Up: Fund Accounting* domain in the Common Financial Management functional area.
- *Set Up: Grants* domain in the Grants Management functional area.

You can set up multiple funding sources to enforce funding source restrictions and to allocate funds to different projects in accordance with the funding agreement.

Funding sources can include grants, awards, subsidies, donations, credit, or venture capital. You can fund a project by multiple funding sources and can fund multiple projects by a funding source.

1. Access the **Maintain Ledger Account Types** task.

If not already enabled, check **Expense Source** for Account Type Name **Expense** to classify expense items.

2. Access the **Edit Tenant Setup - Financials** task.

On the **Funding Source Options** section, specify a top-level project hierarchy. You can then select any project or project hierarchy in the specified top-level hierarchy when you create funding source rules.

3. Configure the *Funding Source Reclassification Event* business process with an approval step for reclassification events.

See [Steps: Configure Business Process Definitions](#).

4. [Configure Worktags for Transactions](#).

Configure worktags for the funding source.

5. [Create Spend Restrictions](#) on page 332.

Create spending restrictions to specify which expenses you want to fund.

6. [Create Default Funding Sources](#) on page 333.

Create a default funding source that a funding source rule can use if no other funding source is available.

7. [Create Funding Sources](#) on page 334.

Create funding sources to specify how much money is available for a specific purpose.

8. [Create Funding Source Rules](#) on page 336.

Create funding source rules to prioritize how to disburse funds.

9. (Optional) Access the **Create Funding Source Condition Rules** task.

Create a set of funding source condition rules that you can add to funding source rules. Determines when Workday can distribute funds to an eligible transaction from a funding source.

Security: *Set Up: Funding Sources* domain in the Financial Accounting functional area.

Concepts

[Concept: Reclassification Journals and Lines](#) on page 339

Tasks

[Create Business Process Condition Rules](#)

Reference

[2020R1 What's New Post: Condition Rules for Multiple Funding Sources](#)

Create Spend Restrictions

Security:

- *Set Up: Fund* domain in the Common Financial Management functional area.
- *Set Up: Fund Accounting* domain in the Common Financial Management functional area.
- *Set Up: Grants* domain in the Grants Management functional area.
- *Set Up: Funding Sources* domain in the Financial Accounting functional area.
- *Set Up: Spend Restrictions* domain in the Financial Accounting functional area.

You can create spend restrictions to specify expenditure categories you want to fund by sources or grants.

You can restrict spending by **Spend Category and Pay Component Group** or **Object Class**.

1. Access the **Create Spend Restriction** task.

2. As you complete the task, consider:

Option	Description
Entry Type	Select Allowable Costs to avoid specifying a large number of spend categories that you don't want to fund.

Option	Description
	Select Unallowable Costs to avoid specifying a large number of spend categories that you want to fund.
Restricted By	To restrict spending for expenditures or payroll, select Spend Category and Pay Component Group . To restrict spending only for grants, select Object Class .
Restrictions	If restricting by Spend Category and Pay Component , you must select at least 1 restriction. If restricting by Object Class , you must select at least 1 of the Object Classes .

1. (Optional) Access the **View Spend Restriction** report to review the parameters of a spend restriction.
2. (Optional) Access the **Award Spend Restriction Audit Report** to verify that transactions are applied accurately for grants.

Create Default Funding Sources

Security: *Set Up: Funding Sources* domain in the Financial Accounting functional area.

You can create a default funding source that a funding source rule can use when no other funding source is available for the project.

1. Access the **Create Default Funding Source** task.
2. As you complete the task, consider:

Option	Description
Not Available for Selection	Leave unchecked to enable the default funding source added to a rule. If selected, you can't add the funding source to a new funding source rule. Existing rules with the funding source previously added will continue to use it.
Worktags	Select worktag types and worktags to define funding source at a more granular level of detail. Select from worktags configured for Funding Source on the Maintain Worktag Usage task. You can't select the <i>Project</i> , <i>Project Phase</i> , <i>Project Task</i> , <i>Spend Category</i> , and <i>Pay Component</i> worktag types. When you don't select a worktag type on the default funding source, Workday: • Retains worktags of the original transaction on the reclassification journal lines. • Adds the funding source as a worktag.

Option	Description
	When you select a worktag on the default funding source, the worktag replaces the retained worktags on the original journal lines when you reclassify the journal lines. Example: You create the ABC default funding source without a worktag for the <i>Cost Center</i> worktag type. When you reclassify an original expenditure with a worktag of 1000 for the <i>Cost Center</i> worktag type, Workday: - Retains worktags of the original transaction on the reclassification journal lines. - Replaces the 1000 worktag on the original expenditure with no worktag. - Adds the funding source as a worktag. - Creates reclassification journal lines with no <i>Cost Center</i> worktag types.

Use the **View Default Funding Source** report to view details of the default funding source.

Create Funding Sources

- Create Spend Restrictions.
- Security: *Set Up: Funding Sources* domain in the Financial Accounting functional area.

You can create and maintain funding sources to specify how much money is available to fund your projects and restrict which costs you can fund.

- Access the **Create Funding Source** task.
- As you complete the task, consider:

Option	Description
Owning Company	Select a company that is disbursing the funds. You can't select a company hierarchy.
Other Allowed Companies	Select companies or company hierarchies that: - Are eligible to use the funds. - Use the same company currency as the owning company.
Begin Date	Specify the date from which the fund is available for use. You can change it whenever you want.
On Hold	Place a funding source On Hold when you don't want new transactions to add or remove funds. Workday can still add or remove funds from an on hold funding source when you cancel, reverse, or adjust a reclassified transaction.
Spend Restrictions	Leave blank to fund all expenses.
Required Cost Share or Match (%)	Enter a percentage of required matching funds if the funding source is sharing the cost of projects.

Option	Description
Currency	The currency of the owning company. Only companies with the same company currency can use the funds.
Estimated Facilities and Administration Rate (%)	Enter the percentage of direct costs available for facilities and administration.
Funding Amount for Direct Costs	Workday calculates the amount as: Funding Amount / (1+ Estimated Facilities and Administration Rate percentage rate in decimals). Example: If the Funding amount is \$100 and the estimated facilities and administration percentage rate is 10%, the funding amount calculated for direct costs is $100/(1+.10) = 90.91$.
Allocated to Direct Costs	Balance includes all journal sources except facilities and administration. Includes unapproved pending reclassification transactions.
Available Balance for Direct Costs	Workday calculates the amounts as: Funding Amount for Direct Costs - Allocated to Direct Costs
Worktags	Select worktag types and worktags to define funding source at a more granular level of detail. Select from worktags configured for Funding Source on the Maintain Worktag Usage task. You can't select the Project, Project Phase, Project Task, Spend Category, and Pay Component worktag types. When you don't select a worktag type on the funding source, Workday: - Retains worktags of the original transaction on the reclassification journal lines. - Adds the funding source as a worktag. When you select a worktag on the funding source, the worktag you select replaces the retained worktags on the original journal lines when you reclassify the journal lines. Example: You create the ABC funding source without a worktag for the Cost Center worktag type. When you reclassify an original expenditure with a worktag of 1000 for the Cost Center worktag type, Workday: - Retains worktags of the original transaction on the reclassification journal lines. - Replaces the 1000 worktag on the original expenditure with no worktag.

Option	Description
	- Adds the funding source as a worktag. - Creates reclassification journal lines with no Cost Center worktag types.

(Optional) Use the **View Funding Source** report to view details of the funding source.

Create Funding Source Rules

- Specify a project or project hierarchy as the top-level project hierarchy on the **Edit Tenant Setup - Financials** task.
- Create a default funding source.
- Create a funding source.
- Security: *Set Up: Funding Sources* domain in the Financial Accounting functional area.

You can create funding source rules to prioritize and allocate funds across different projects.

- Access the **Create Funding Source Rule** task.
- As you configure the funding source rule, consider:

Option	Description
Project or Project Hierarchy	Select a project or project hierarchy in the top-level project hierarchy you specified on the Edit Tenant Setup - Financials task. You can't assign a project or project hierarchy to more than 1 funding source rule. You can't change the project or project hierarchy after you create the funding source rule.
Default Funding Source	Select 1 of the default funding sources you defined on the Create Default Funding Source task.

- (Optional) As you complete the **Funding Source Priorities** grid, consider:

Option	Description
Funding Source Condition Rule	Select a funding source condition rule. When an eligible transaction matches the condition rules, you can disburse funds from a funding source.
Funding Source	Displays the funding sources of the companies you selected on the Company or Company Hierarchy prompt. Each priority can have more than 1 funding source but all funding sources in a priority must have the same currency.
Percentage	Enter a percentage if the priority has more than 1 funding source. You can change the percentage whenever you want. For funding sources with cost sharing: Workday automatically populates Maximum Contribution (%) from the Create Funding Source task.

Option	Description
	- You can change the percentage but it can't be more than what you specified as the Required Cost Share or Match (%) on the Create Funding Sources task. - The sum of the percentages within a priority must equal 100.
Current Available Balance	Workday automatically calculates the current available balance for the funding source, including pending reclassifications.

(Optional) Use the **View Funding Source Rule** task to view details of the funding source rule.

Process Funding Sources

- Set up multiple funding sources.
- Configure the *Funding Source Reclassification Event* business process and security policy in the Financial Accounting functional area to approve funding source process.
- Security: *Process: Funding Sources* domain in the Financial Accounting functional area.

You must process funding sources to allocate funds to existing expense transactions in your company actual ledger, including:

- Expense transactions.
- Payroll transactions.
- Supplier invoices.
- Ad hoc payments.
- Ad hoc bank transactions.
- Expensed assets.
- Depreciation expenses for capitalized assets.

When you process a funding source that's on hold, new transactions don't add or remove funds from a funding source.

- Access the **Process Funding Sources** task.
- As you complete the task, consider:

Option	Description
Company	Select a company. You can't select a company hierarchy. The company currency of the transaction company must be the same as the company currency of the funding source.
Project/Project Hierarchy	Select a project or project hierarchy in the top-level project hierarchy you specified on the Edit Tenant Setup - Financials task.

Workday:

- Creates a new operational transaction with reclassification lines.
- Applies worktags from the funding source and allocates funds by reclassifying the original transaction based on the funding source rule.

- Creates a new reclassification journal for every project in the journal source that:
 - Reverses the original expense entries.
 - Displays the new reclassification lines.
- Creates a **Funding Sources** tab on the original operational journal that displays the reclassification activity for the journal.

(Optional) Click **View Reclassification Event** to view the summary of the reclassification journal.

(Optional) Click **View Reclassification Lines** to view details of the reclassification lines.

(Optional) Select **Accounting > View Accounting** from the related actions menu of the operational journal to view the **Funding Sources** tab.

Concepts

[Concept: Reclassification Journals and Lines](#) on page 339

Tasks

[Steps: Set Up Multiple Funding Sources](#) on page 331

Reprocess Funding Sources

- Process Funding Sources.
- Configure the *Funding Source Reclassification Event* business process and security policy in the Financial Accounting functional area to approve reprocessing funding source.

You can have different approvers for process and reprocess events.

- Security: *Process: Funding Sources* domain in the Financial Accounting functional area.

You can reprocess funding sources to apply a funding source retroactively to reclassifications entries when you change a funding source or funding source rule.

1. Access the **Reprocess Funding Sources** task.

2. As you complete the task, consider:

Option	Description
Company	Select a company to reprocess. You can't select a company hierarchy.
Project/Project Hierarchy	Select a project or project hierarchy in the top-level project hierarchy you specified on the Edit Tenant Setup - Financials task. Workday recommends that you reprocess a funding source using criteria consistent with the original process. Example: Perform both process and reprocess by project hierarchy.

If there are changes to worktags on any reclassification lines when you reprocess funding sources, Workday:

- Cancels or reverses the reclassification journal.
- Creates a new reclassification journal for every project in the journal source that:
 - Reverses the original expense entries.
 - Displays the new reclassification lines.
- Marks each existing reclassification line with a status of *Reprocessed*.
- Creates new reclassification lines with a status of *Current*.
- Allocates funds to reclassification transactions based on the changed funding source or funding source rule.
- Creates new reclassification lines with new reclassification journals.

If there are no changes to worktags during reprocessing, Workday:

- Creates a new reclassification line with a status of *Unchanged*.
- Leaves each existing reclassification line with a status of *Current*.

Access the **Find Funding Source Reclassification Lines** report and search by **Source Transaction** to review details of the reclassification journal lines.

Concept: Reclassification Journals and Lines

When you allocate funds to existing spend and payroll transactions by running the **Process Funding Sources** task, Workday automatically:

- Reclassifies the journal by creating a new reclassification operational journal with reclassification lines.
- Adds the funding source worktags to each reclassification line.
- Creates 1 transaction line for each operational journal line and funding source combination.

Workday creates reclassification lines for spend and payroll operational journal lines that meet these criteria:

- The ledger account type is an expense source on the **Maintain Ledger Account Types** task.
- The journal line is posted and not canceled.
- The journal line has a project worktag that is within the top-level project hierarchy.
- There's no funding source worktag on the accounting journal.
- The journal line isn't for facilities and administration.
- The journal isn't reversed and doesn't have a reversal journal.

Cancel or Reverse Reclassification Lines

When you process a funding source for a canceled transaction with reclassification lines:

- In an open period, Workday cancels the reclassification journal and the reclassification lines.
- In a closed period, Workday reverses the reclassification journal and the reclassification lines in the next open period.

When you unpost an accounting journal, which you previously reclassified, that's in:

- An open period, Workday cancels the reclassification journal and the reclassification journal lines.
- A closed period, Workday reverses the reclassification journal and the reclassification journal lines in the next open period.

Reclassification Line Statuses

This table lists reclassification line statuses with their description, and the corresponding statuses of reclassification transaction statuses, and reclassification journal statuses:

Reclassification Line Status	Description	Reclassification Transaction Status	Reclassification Journal Status
Pending	Workday creates the journal lines in pro forma, but hasn't approved or denied the batch.	Pending	Pro forma
Current	Workday creates the latest reclassification line and journal of the source journal line and	Current	Posted

Reclassification Line Status	Description	Reclassification Transaction Status	Reclassification Journal Status
	approves the batch process.		
Invalid	Workday creates an invalid reclassification line and doesn't create a journal entry for the reclassification transaction.	Invalid	
Validated	Workday creates a valid reclassification but doesn't include it in a journal because another reclassification line is invalid.	Invalid	
Unposted	Workday cancels or reverses the reclassification journal and unposts the source journal.	Unposted	Unposted
Canceled	Workday cancels the source journal and the reclassification line.	Canceled	Canceled
Reversed	Workday reverses the reclassification journal and cancels or reverses the source journal.	Reversed	Posted
Reprocessed	Workday reprocesses the reclassification journal line and creates a new reclassification transaction during reprocessing.	Reprocessed	Posted
Unchanged	Workday reprocesses the reclassification journal line with no change to worktags. Workday doesn't reclassify the original reclassification journal line.	Unchanged	

Tasks

[Steps: Set Up Multiple Funding Sources](#) on page 331

[Process Funding Sources](#) on page 337

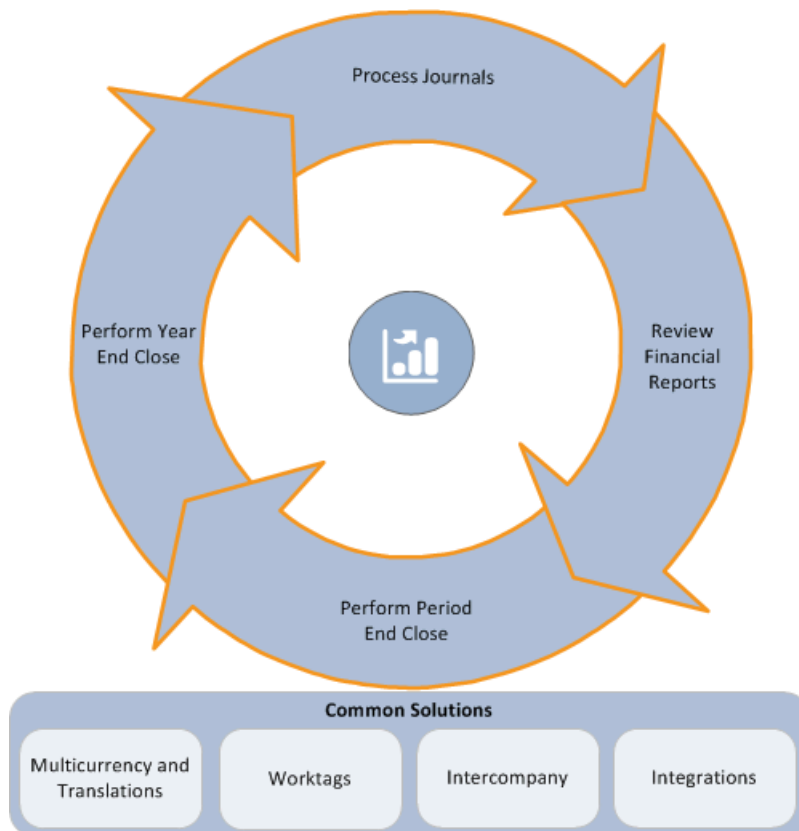
Concept: Financial Accounting

Workday Financial Accounting is the foundation for all Workday Financial Management solutions. It enables you to satisfy the information requirements of investors, creditors, and regulatory authorities in the post-Sarbanes-Oxley business environment.

Workday Financial Accounting combines a unique, event-driven accounting approach with a built-in control framework. It enables you to use a robust multicompany, multicurrency model for delivering financial records and reports with speed, accuracy, and complete auditability.

The architecture also enables you to adapt to changes in your business as well as new rules and regulations. With Workday Financial Accounting, you're able to manage all of your accounting activity and report on that activity anytime.

This diagram illustrates the flow of financial accounting activities in Workday across a period. It displays common solutions that you can use throughout the fiscal year to enable your work.



Within a given period, you can use Workday Financial Accounting to process:

- *Operational journals* to provide accounting results from your approved operational transactions.
- *Manual accounting journals* to record accounting data not associated with operational transactions.
- *Recurring journals* to create recurring journals to automate the generation of accounting journals that you create on a repetitive basis.
- *Pro Forma allocations* to see the impact of allocations when you view your financial results. The operational journals that the allocation processing creates have a status of pro forma (rather than posted). You can include the pro forma operational journals in reporting throughout the period to see the allocation impact.

You can use Workday Financial Accounting to review:

- *Activity reports* that provide visibility into your financial activity.

- *Trial balances* for either an individual company basis or a consolidated entities basis.
- *Reconciliation reports* to help you in reconciliation of operational transactions to their related ledger balances.

Example: You can use a report to help reconcile supplier accounts to accounts payable.

- *Interim financial statements* that you can also define to meet your reporting needs. You can run and review your financial statements at any time. Workday financial statements also enable you to perform comparative reporting with other time periods or with financial plans.

While performing period close, you can:

- Record depreciation and decide how often to post that information. When you record depreciation, you can view all unposted depreciation up to that period and decide what to post.
- Finalize and post allocations you've processed in the period. You can include or exclude finalized allocations when you run financial statements.
- Run equity pickup to calculate equity earnings of a wholly or partially owned consolidated subsidiary onto the books of the parent.
- Run revaluations to revalue the foreign currency balances at period end and analyze their impact. You can create the revaluation journal manually, or use the report to create it automatically using revaluation rules.
- Update ledger period status to control activities that are available for update.

Example: When you change the ledger period status from *Open* to *Close in Progress* for Operational Accounting, you can't post journals from operational activities. You can still record accounting journals, recurring journals, and depreciation. Over time you can continue to lock down the activity that can occur by progressing through the various ledger period statuses.

- Create adjusting journals to mark journals as adjustments and post these adjusting journals to the period in which they apply. You can include or exclude adjustments when you run financial statements.
- Close the ledger period to control journal entry and journal posting, and compute actual and budget account balances. After you close a period, you can no longer post anything to it. Workday posts any pending operational transactions to the next open ledger period once you complete them.
- Produce consolidated financial statements to report consolidated financial information on companies using the company hierarchies that you define in Workday. You can perform consolidated reporting throughout the period, and include elimination information in the reporting at any time.

While performing year-end close, you can:

- Roll balances forward to accumulate the balance sheet balances and roll them forward to the new year. Workday enables you to repeat this task until you're ready to close the year.
- Roll translated beginning balances forward to have Workday automatically roll forward translated beginning balances. You can drill down on translated amounts to view the journal line in the company currency and the translation currencies.
- Close the year at any time after you've closed all periods. Closing the year rolls forward the balances one last time. You can reopen the year if necessary.

In addition to these period activities, you can use:

- *Multicurrency* to process transactions that occur in a currency other than the base currency of the recording company.
- *Translations* to define different account translation rules for different needs.
- *Worktags* to tag transactions and supporting data. Use worktags to gain a multidimensional view of your business so that you can easily find and report on information.
- *Intercompany accounting* to manage and report on business events transacted between related companies.
- *Integrations* to upload third-party financial data into Workday and to send data between the systems.

Concepts

[Concept: Journal Processing](#) on page 102

[Concept: Financial Reporting](#) on page 279

[Concept: Worktags](#)

Tasks

[Steps: Set Up Financial Accounting Structure](#) on page 54

[Steps: Set Up Plans or Budgets](#)

[Steps: Set Up Currency Translations](#) on page 164

[Close Ledger Periods](#) on page 220

[Close a Ledger Year](#) on page 225

Accounting Center

Setup Considerations: Accounting Center

You can use this topic to help make decisions when planning your configuration and use of Accounting Center. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

Accounting Center is a fully integrated solution built on an analytic engine that enables you to:

- Bring into Workday high-volume operational transactions from external sources.
- Transform and enrich the external business transactions into accounting journals.

Business Benefits

You can:

- Ingest, enrich, and transform external transactions into Workday journals.
- Manage and track transactions in batches from ingestion to summarized accounting.
- Generate detailed and summarized accounting.
- Post summarized journals to your ledger.
- Report on both the detailed and summarized balances for financial, operational, and managerial reporting in both the primary and alternate ledger accounts.
- Close your books with full audit capability.

Use Cases

You can use Accounting Center to bring in and combine external transactions with Workday-generated accounting to include them in your Workday ledger. Example: You might have Point of Sales and subscription billing services that you process in legacy or proprietary systems that you want to report on and analyze in Workday.

Questions to Consider

Questions	Considerations
Will you be ingesting multiple records and including those records in a single transaction?	Ingestion is the process of moving external transactions into a dataset from where you can access and analyze them. Use Transaction Grouping ID in enrichment validation stages and the Accounting Source Configuration to properly group records for: • Error Management: Ensures that even if 1 record in the transaction has an error, all records in the transaction error out. • Balancing at the transaction level: Ensures that the journal balances at the transaction level. Note: Transaction Grouping ID is alpha-numeric and isn't case-sensitive.
How many enrichment steps do you want to create for an accounting source?	Enrichment is the process of enhancing your source data so you can use it for detailed and summarized accounting. Example: adding worktag mapping, reformatting or removing field and so on. You can create a maximum of 3 enrichment stages. You can't change the number of enrichment stages once you create the accounting source.
How do you want Workday to process each batch in a stage?	You can configure the Accounting Center Process to specify how you want Workday to process each batch for a stage. You can select to process and advance each batch: • Always Advance to Next Stage and Dismiss Any Errors to Next Batch. • Manually Select Next Action. • Only Advance to Next Stage if No Errors. Note: To remove records from further processing, add a custom dismiss to your process. To specify how you want to process each batch in a stage, access the Edit Accounting Center Process Configuration task and select an option.
Will you be including additional information on the detailed journal lines?	Include fields as additional attributes from the enrichment dataset in the detailed journal lines. Workday recommends you use text as your primary format for attributes.
What information do you want to include on the summarized journal lines?	Use Worktag Mapping Tables and dataset joins to bring necessary business objects into your enrichment datasets. Once these fields exist on your enriched datasets, you can select these fields on your Accounting Source journal line rules.

Questions	Considerations
Will you be using custom validations?	Ensure that your transactions meet your specified conditions by: • Creating validation stages in the enrichment datasets for identifying specific errors. • Creating critical custom validations for the Accounting Center Detailed Journal type.
Will you be dismissing certain error-free transactions?	Create a custom dismissal step to remove certain transactions from a batch.
Will your ingested data include records with no value?	Ingested records with no value can cause batch errors. Workday must account for every transaction in a batch. You can either: • Filter out the records with no value in the derived dataset that is the source for the Data Change Task used in the Accounting Source. This will reduce the count of transactions or records that Accounting Center processes. • If you need to maintain records of each ingested record, remove these records from detailed accounting using custom dismissal.
Will you be using custom account posting rule dimensions?	Use a Join to instantiate the custom account posting rule dimension to the applicable field in your ingested data.
Will you be using multicurrency journals?	Consider whether you need to include the instance of the transaction currency code in your enriched data. Also, consider: • If you want to record both the transaction amount and the ledger amount. • Have Workday calculate the ledger amount using currency conversion rates.
Will the ingestion data include cash journals and will you reconcile the cash journals?	Include the instance of the bank account in your ingested data. Also, include the bank account worktag as a worktag type in the accounting configuration and select Reconcile to Bank. Also, use the Transaction Reference field when selecting Reconcile to Bank. Include condition rules to separate your cash and bank accounts from your other lines.
Do you want to track the number of transactions Workday dismisses from a current batch?	Access the Find Accounting Center Batch report and view the Dismissed Transactions column.
Do you require notifications of certain events as Accounting Center is processing the batch through various stages?	Set up custom notifications in the business process definition using report fields on the Accounting Center event.

Questions	Considerations
Will you be using alternate account sets for reporting?	Access the Edit Company Accounting Details task and select an alternate account set for the company to generate reports that map alternate account sets or statutory account sets to your preferred account set. Once you create or post journals, you can't change the alternate account set.
Will you be controlling access for creating and editing mapping table definitions or mapping tables based on role assignments?	Create and assign roles enabled for Source System. • Access the Maintain Assignable Roles task. • Enter a role and for the Enable for field, select Source System. • Access the View Mapping Table Definition report. • From the related actions of the Source System, select Roles > Assign Roles. • On the Assign Roles task, assign the Source System role you previously created to a user. • Create a role-based security group (constrained) using the newly created role. • Add the newly created role-based security group (constrained) to the security domain policy for Set Up: Mapping Table Definitions or Set Up: Mapping Tables. Users will only be able to access the Mapping Table Definitions and Mapping Tables, which contain a source system value for which the user has an assigned role.
When will you schedule your weekly maintenance?	Ensure that you don't schedule any jobs or processes to run near the start of your weekly maintenance. Once maintenance starts, all currently active jobs and processes will stop running and error out. As Workday doesn't support an automatic restart, you'll have to restart the jobs or processes manually.

Recommendations

Option	Recommendations
Ingestion Source for Accounting Source	• Use a table as your ingestion source. • Use the Edit Data Change Task (accessed from the related actions menu of the Data Change Task) to populate fields on the Accounting Source Ingestion table. Consider using these updates for simple transformations that you might require on your ingestion table: • Creating a Transaction Grouping ID. • Adding or deriving an accounting date.

Option	Recommendations
	- Field names shouldn't contain: - Contain the word 'id.' - Contain any special characters (e.g., !@#\$%^&*, etc.). - Exceed 255 characters in length. - End in an underscore. - Start with "WPA_" (reserved prefix for Prism system fields).
Enriching Data	- Create a new dataset for enrichment between the System Filter {_UnprocessedForBatch} and the User dataset {_UserConfiguration} and perform all enrichment steps in new dataset. - When expanding 1 record per transaction into many records per transaction in Enrichment, use Transaction Grouping ID as a unique ID for each row in your ingested data. - For complex enrichments, create separate enrichment stages. Separate enrichment stages ensure that Workday persists data at each stage separately, for diagnostic purposes. - Keep Mapping and Validation stages separate.
Validating Data	- Create a new derived dataset containing your validation stages between the System Filter {_UnprocessedForBatch} and the User dataset {_UserConfiguration}. - Add the validation stage on the last Enrichment stage.
Currency Decimal Precision	The transaction and ledger amounts in detailed accounting must match the currency precision of the transaction and ledger currencies. If the amounts don't meet the currency precision of the relevant currencies, you must round these amounts to the correct currency precision in Enrichment.

Requirements

The ledger period must be open for the journal to post.

Before you can initiate a batch, ensure it contains at least 1 transaction.

A stage must be complete with no errors before advancing to the next stage.

Limitations

- If there are more than 10,000 validation exceptions, the entire batch errors out.
- Summarized journals won't check for budget check and will post even if they cause the budget to exceed.
- When entering 2-sided intercompany transactions between companies, you can only have companies with the same ledger currency.

- When entering multicurrency transactions, ensure you use the same transaction currency for all journal lines created from a transaction. To accomplish this, you can add transaction currency to your grouping ID if you're using one.
- You can't use Worktag Balancing functionality on transactions. Manually configure your accounting source to create the accounting correctly.
- For Accounting Center journals, Workday will only support mapping rules from the primary to the alternate account set.

Tenant Setup

No impact.

Security

You can access the **Domain Security Policies for Functional Area** report to view all security domains for Accounting Center.

The security domains that you can configure include:

Domain	Considerations
<i>Process: Accounting Center</i> in the Accounting Center functional area.	Can configure accounting center processes and reports.
<i>Set Up: Accounting Sources</i> in the Accounting Center functional area.	Can create and edit accounting source tasks and web services (except creating and updating mapping table and mapping table definitions).
<i>Set Up: Mapping Tables</i> in the Accounting Center functional area.	Can create and update mapping tables.
<i>Set Up: Mapping Table Definitions</i> in the Accounting Center functional area.	Can create and update mapping table definitions.

Business Processes

- Configure the *Accounting Center Batch Initiation Event* business process to initiate an accounting center batch.
- Configure the *Accounting Center Enrichment Event* business process to enrich data.
- Configure the *Accounting Center Detailed Accounting Event* business process to generate detailed accounting.
- Configure the *Accounting Center Summarization Event* business process to create summarized accounting.

Reporting

You can access the **Workday Standard Reports** report to view all reports for Accounting Center.

Reports or Dashboards	Considerations
Batches Impacted During Disaster Recovery report	Enables you to identify batches impacted during disaster recovery.
Run Time Metrics at Batch Level report	Enables you to monitor trending run time metrics at batch level.
Run Time Metrics at Batch Stage Level report	Provides trending run time metrics for all stages in a batch or batches.

Reports or Dashboards	Considerations
Run Time Metrics at Batch Run Level report	Enables you to report on trending run time metrics at batch run event level.
View Accounting Source Snapshot report.	Provides details of a specific effective dated accounting source snapshot configuration.

You can also create custom reports using these report data sources:

- Accounting Center Batch
- Accounting Center Batch Run
- Accounting Center Batch Stage
- Custom Account Posting Rule Types

Integrations

You can use these web services to migrate and maintain accounting sources between different tenants:

- *Get Accounting Center Implementations*
- *Put Accounting Center Implementations*
- *Get Source Condition Rules*
- *Get Accounting Source Process Configurations*
- *Get Accounting Source Snapshots*
- *Put Accounting Source Condition Rule*
- *Put Accounting Source Process Configuration*
- *Put Accounting Source Snapshots*

You can use these web services to maintain account posting rules or mapping tables in Accounting Center:

- *Get Custom Account Posting Rule Dimensions*
- *Get Custom Account Posting Rule Types*
- *Get Mapping Table Definitions*
- *Get Mapping Tables*
- *Put Custom Account Posting Rule Dimension*
- *Put Custom Account Posting Rule Type*
- *Put Mapping Table*
- *Put Mapping Table Definition*

You can use the *Put Accounting Center Batch* web service to create a new batch.

You can use these web services to retrieve and update resolution details for dismissed transactions:

- *Get Dismissed Transactions*
- *Put Dismissed Transaction*

Refer to the web service directory on Workday Community for more web services.

Connections and Touchpoints

You can use Accounting Center with Financial Accounting to process journals, produce financial records, and perform period and year-end close.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Other Impacts

Together with Workday Prism Analytics, Workday Accounting Center provides improved statutory, operational, and regulatory reporting.

Concepts

[Concept: Accounting Center](#) on page 412

[Concept: Accounting Source](#) on page 361

[Concept: Enrichment](#) on page 351

[Concept: Data Change Tasks](#)

Tasks

[Create Accounting Source](#) on page 361

[Edit an Enrichment Dataset](#) on page 354

[Create Workday Instances with Prism Join](#) on page 356

[Create Validation Stages for Enrichment](#) on page 359

[Create Accounting Center Batches from Source Systems](#) on page 378

[View Detailed Accounting Results](#) on page 408

[Custom Dismiss Transactions](#) on page 393

[Stop Accounting Center Business Process Event](#) on page 392

[Create a Data Change Task](#)

Reference

[Reference: Guidelines for Reporting on Accounting Center Datasets](#) on page 411

[The Next Level Presentation: Accounting Center Configuration Guide](#)

Data Management

Create Prism Analytics Table

- Set up your tenant for Prism Analytics.
- Review these topics to familiarize yourself with Prism Analytics terminology, such as tables, datasets, Prism data sources, stages, and so on:
 - [Concept: Prism Analytics Data Management Workflow](#).
 - [Steps: Set Up Tenant for Prism Analytics](#).
 - [Concept: Tables](#).
 - [Concept: Datasets](#).
 - [Concept: Dataset Stages](#).
 - [Steps: Create a Dataset with External Data \(Upload a File\)](#).
 - [Steps: Create a Dataset Using Workday Data](#).
- Security: These domains in the Prism Analytics functional area:
 - *Prism Datasets: Manage*.
 - *Prism Datasets: Create*.
 - *Prism Datasets: Publish*.

Prism Analytics enables you to bring in non-Workday data, such as business transactions, and enrich and transform it without exporting it into separate applications. You can then combine external accounting transactions with Workday-generated accounting and include them in your Workday ledger.

You can create a Prism Analytics table to bring in your external accounting transactions.

1. (Optional): Create custom dimensions and custom account posting rule types. See [Create Custom Dimensions and Custom Account Posting Rule Types](#) on page 372.

2. As you create the table, consider these guidelines:

- When naming columns, ensure you that don't use these column names:
 - AND
 - AS
 - ASC
 - BY
 - dataSourceFilter
 - DESC
 - effectiveMoment
 - EMPTY
 - entryMoment
 - FROM
 - GROUP
 - HAVING
 - id
 - IN
 - IS
 - LIMIT
 - NOT
 - NULL
 - OR
 - ORDER
 - SELECT
 - WHERE
- Use version 2 of the Prism Analytics dataset REST API.
- Use the REST API or the Prism web interface to both create the table and load data into the table.
- Select **Append** when loading incremental data into the table.
- Use the table as your Ingestion Source prompt when you create the accounting source.

Enrich your data to create detailed and summarized accounting.

Data Enrichment

Concept: Enrichment

You enrich data to enhance and refine your source data that you can use in detailed and summarized accounting.

Enriching the dataset is a continuous process. You might have to perform these tasks to enrich your data to meet Accounting Center requirements:

- Map Worktags: Create worktag mapping to enrich your data by assigning worktags to your transactional data that you can use in detailed accounting and reporting. See [Steps: Create Instance Mapping](#) on page 352.
- Add fields/data using stages and Prism calculated fields in the enrichment derived dataset. See [Create Validation Stages for Enrichment](#) on page 359.
- Reformat or remove fields.
- Create multiple derived tables based off the ingestion table.
- Create and join other tables/datasets (containing Workday data) to convert external text data to Workday Instance data.

Note: When expanding 1 record per transaction into many records per transaction in Enrichment, Workday recommends that you use Transaction Grouping ID as a unique ID for each row in your ingested data.

You can enrich the data by mapping the source data to the corresponding Workday field types.

Steps: Create Instance Mapping

You can create instance mapping to enrich your data by assigning worktags or ledger accounts to your transactional data that you can use in detailed accounting and reporting.

Note: You can also use account posting rules to derive ledger accounts. See [Create Custom Dimensions and Custom Account Posting Rule Types](#) on page 372.

1. [Create Mapping Table Definition](#) on page 352.

You create a mapping table definition to define a structure for your mapping table rules.

2. [Create Mapping Table](#) on page 353.

You create a mapping table to define rules to map your worktags.

Create Mapping Table Definition

Use the **Maintain Worktag Usage** task to enable worktag as either a primary or alternate dimension for the taggable type of Mapping Table Definition.

Security: *Set Up: Mapping Table Definitions* domain in the Accounting Center functional area.

You can create a mapping table definition to:

- Define the number of input values in your mapping table.
- Define the number and type of outputs.

In addition to 1-to-1 mapping, you can also map:

- One input value to many output values.
- Many input values to 1 output value.
- Many input values to many output values.

You can also use the table definition to configure how to define input values by using wildcards and ranges.

Note: Once you create a mapping table definition and create a mapping table based on the definition, you can't edit the mapping table definition.

1. Access the **Create Mapping Table Definition** task.
2. Enter a name for the mapping table definition.
3. (Optional) Create or select a Source System.
4. Enable **Ledger Account** if you want to map ledger accounts.
5. Select an **Account Set** if you're mapping to a ledger account.
6. Click the **Parameters** tab.
7. As you complete the parameters inputs for the mapping definition, consider:

Option	Description
Display Name	Enter the display name for each parameter. Example: Policy, State.
Allow Wildcards	Select if you want to enable wildcards when you define mapping rules. Note: Workday doesn't support wildcards in ranges.

Option	Description
	If you have wildcards (* and ?) in your dataset and want to evaluate them as string values, you might not want to enable this option.
Range Field	Select if you want to specify a range when you define mapping rules. You can't specify a range and wildcard for the same external code.

Note: You can enter a maximum of 20 parameter inputs.

8. Click the **Worktags** tab.

9. As you complete the **Primary Worktag Types** and **Additional Worktag Types** grids, consider:

Field	Description
Accounting Worktag Types	Select worktag types to which you want to map your transactional data.
Worktag Type Required	Set up worktag types as required. If you require a worktag type, you must select a worktag value for every row when you create mapping table rules.
Disallow Inactive Values	Select for Workday to remove inactive values automatically.

Each primary worktag type you define is displayed in a separate column. All additional worktag types are displayed in a single column, enabling you to select additional worktags from a single column.

10. Click **OK** to create the structure for the mapping table.

Reference

[2022R1 What's New Post: Mapping Table Security](#)

Create Mapping Table

You've created a mapping table definition.

Security: *Set Up: Mapping Tables* domain in the Accounting Center functional area.

You can create a mapping table to define rules to map your input values to your target output values.

1. Access the **Create Mapping Table** task.

2. For **Mapping Table Definition**, select the mapping table definition you previously created, and click **OK**.

Workday displays the mapping table with the structure of the selected definition.

Once you create a mapping table based on the definition, you can't edit the mapping table definition.

Note: To display accounting worktags for a mapping table when using an Enterprise Interface Builder (EIB), you must edit the template to add the Accounting Worktag columns. See [Customize EIB Spreadsheet Template](#).

3. As you complete mapping inputs to target output values, keep these guidelines in consideration:

Mapping Functionality	Guidelines
Input Values	For each row, enter a combination of input values that map to a particular output value.

Mapping Functionality	Guidelines
	If you leave value blank, Workday won't evaluate the column for that row.
Operators	When entering input values, you can use these operators: • NOT: Checks whether a value isn't equal to OR isn't like an input value. Examples: NOT abc, NOT ab? • IS NULL: Checks whether a field value is empty. • IS NOT NULL: Checks whether a field value isn't empty. • IN (list): Checks whether a value is within a set of values. Example: IN (abc, def, xyz). • NOT IN (list): Checks whether a value isn't within a set of values. Example: NOT IN (abc, def, xyz).
Wildcard Expressions	If you selected to include wildcards when defining a parameter on the mapping definition, use ? to match any single character. Example: 10?0 matches these codes: 1020, 1030, 1080. Use * to match any number of characters. Example: A*00 matches all codes starting with A and ending with 00, such as A100, A1000, A1100, A1200.
Range Expressions	If you selected Range Field on the mapping table definition, enter a Range Start and Range End value. You can enter Alphanumeric ranges. Example: A100 - D300 Workday evaluates range expression as a string. Example: Value of 5 falls outside a range of 1-19, but value of 05 falls within a range of 01-19.
Output Values	Select the desired output value resulting from the combination of input values.

Note: Workday evaluates rules from the top down and once it finds the mapping, it stops further evaluation. Therefore, order rules from most to least specific using **Order**.

4. Once you complete creating all rules, click **OK** and then **Done**.

Reference

[2022R1 What's New Post: Mapping Table Security](#)

Edit an Enrichment Dataset

- Create a derived dataset.
- Create Worktag Mapping. See [Steps: Create Instance Mapping](#) on page 352.
- Create any datasets or tables to join in additional data to instantiate Workday values.

Workday recommends you create a new dataset for enrichment between the System Filter {_UnprocessedForBatch} and the User dataset {_UserConfiguration}.

You can edit an enrichment dataset to prepare further your data for detailed and summarized accounting. Example: Adding worktag types (cost center) to each individual transaction for greater granularity.

1. Access the **View Accounting Source** report.
2. Select an accounting source.
3. From the related actions menu of the accounting source, select **Accounting Source > View Implementation**.
4. For the **Enrichment** stage, click to open the **User Dataset**.
5. Click **Edit**.
6. As you edit your derived dataset, consider these guidelines:
 - a. To add worktag mapping to enrich your data, see [Include Mapping in a Dataset](#) on page 355.
 - b. To add validation rules for your enriched data, see [Create Validation Stages for Enrichment](#) on page 359.
 - c. Adding Fields: When adding fields to the enriched dataset, ensure that the field names don't contain spaces. Also, ensure that the field name, field type, and business object are the same on the dataset and table.

Select the new fields when you edit the accounting source. Workday adds the fields to the detail accounting table when you next run the Accounting Center Process.

- d. When defining numeric attributes, ensure that the numeric values have a maximum of 20 digits to the left of the decimal place and 6 digits to the right of the decimal place. If the numeric value exceeds these limits, Workday will truncate the extra digits in the Detailed Accounting Output Table when the Detailed Accounting Stage runs.
 - e. Removing Fields: Before you manually remove a field from a table, consider if the table contains data. Removing a field will remove all of its data.
- Note:** Workday recommends you shouldn't remove fields in a production environment.
- f. Reuse Existing Enrichment Pipelines: Workday creates an enrichment user dataset as a single blank dataset. You can reference the user dataset on the accounting source enrichment stage, as there's currently no way to reference another enrichment dataset.

Where there's an existing enrichment dataset, or enrichment rules are complex that you need to break them into multiple datasets, you must reconfigure the dataset relationships. This enables the enrichment dataset to import your custom dataset, so that your custom dataset can import the system filter dataset.

- g. Enrichment is a continuous process. Therefore, you must manually add and remove fields if you want to include the fields down stream.
7. From related actions menu of the **Enrichment** stage, select **Accounting Source Stage > Sync Schema**.

Workday synchronizes the schema of the Enrichment table to include or exclude fields added or removed in your User dataset.

Concepts

[Concept: Accounting Center](#) on page 412

[Concept: Accounting Source](#) on page 361

Tasks

[Create Prism Analytics Table](#) on page 350

[Create Accounting Source](#) on page 361

Include Mapping in a Dataset

- You've created a mapping table based on the mapping table definition.

You can include mapping to populate a dataset with worktag or ledger account values. To include mapping in a dataset, you must associate the columns in your dataset with the inputs defined in your mapping table definition.

1. Access the **Data Catalog** report.
2. Right-click the dataset for which you want to use the mapping functionality and select **Edit**.
3. Click **Add Stage** and select **Value Mapping** to add a new Value Mapping stage.
4. Select a mapping table you want to use as your mapping rule.
5. Map the required **Input Fields** associating fields in your Prism dataset with input fields from your mapping table. If you map a column in your dataset with no data in the mapping table, Workday ignores the column during the mapping process and uses the remaining columns.
6. Select **Output Fields** and if needed, rename the field names. Ensure that there are no spaces in the names as Workday writes these values to a table. Also for better clarity, consider a naming convention for these fields. Example: inst_ or wtg_.
Workday provides a **Condition** field as an output field. This output field provides link to the mapping rule applied.
7. After configuring the Prism stage, click **Done**.

Workday populates the worktag instances for each transactional line per the mapping rules you defined.

Create Workday Instances with Prism Join

- Security: These domains in the System functional areas:
 - *Custom Report Creation*
 - *Manage: All Custom Reports*
- *Prism Datasets: Create* domain in the Prism Analytics functional area when creating a dataset.
- Any of these security requirements when editing an existing dataset:
 - *Prism Datasets: Manage* domain in the Prism Analytics functional area.
 - *Dataset Editor* permission on the dataset.
 - *Dataset Owner* permission on the dataset.

You can use Prism Join to derive an instance of a Workday business object for use in your accounting source configuration.

Examples:

- You can match field values in your Prism dataset with custom list values. This matching enables you to populate the instances of the custom account posting rules dimensions created from these custom list values in your Prism dataset. You can then use these instances as custom dimensions for a custom accounting posting rule type configured for an accounting source.
- If you have a text value in your Accounting Center source system that represents a Workday worktag value, you don't need to maintain a separate mapping table. You can instead use Join to instantiate it.

1. Create a Custom Report

Create a custom report to create a list of all values and instances of all those values.

- a. Access the **Create Custom Report** task.
- b. Enter:

Field	Value
Report Name	A unique name for your custom report. Workday recommends that you either name or tag reports that you want to use in Prism to identify them.
Report Type	<i>Advanced</i>

Data Source	Select an appropriate data source for the business object values you wish to instantiate. Example: Custom List Values for Custom List.
Enable As Web Service	Select Enable As Web Service .

c. Click **OK**.

d. On the **Columns** tab, enter:

Field	Value
Business Object	Select an appropriate business object. Business Object. Example: Custom List Value.
Fields	Select a value for the Business Object Value in these formats: - Text. Example: Custom List Value (Text) - Instance. Example: Custom Account Posting Rule Dimension Value (Single Instance).

e. (Optional) On the **Prompts** tab, enter any desired prompts. If you don't require any prompts, enter:

Field	Value
Default Type	Select No Default Type .
Do Not Prompt at Run Time.	<i>Check</i>

f. On the **Advanced** tab, enter:

Field	Value
Enable as Web Service	Confirm it's enabled.
Enable for Prism	<i>Check</i>

g. Click **OK**.

See [Create Custom Reports](#).

See [Concept: Creating Reports to Import into Tables and Datasets](#).

2. Create a Dataset from the Custom Report

- Create a base dataset using the custom report as the source for the dataset. See [Steps: Create a Dataset Using Workday Data](#).

Note: When you create a dataset from the custom report, Workday recommends that you consider using a run frequency to schedule updates to the values in the dataset.

3. Create a Join Stage

Create a Join stage to combine fields from the Custom Report dataset and your dataset.

- a. Access the **View Accounting Source** report.
- b. Select the accounting source for which you want to create a Join stage.
- c. From the related actions of the accounting source, select **Accounting Source > View Implementation**.
- d. For the **Enrichment** stage, click to open the **User Dataset**.
- e. Click **Edit**.
- f. Click **Add Stage**.
- g. Select **Join**.
- h. As you create the Join, consider:

Field	Description
Join Pipeline	Select the dataset you created from the custom report.
Match Rows	• Primary Pipeline: Select the Text field in your Primary Pipeline to match with the Business Object Value Text field from your Custom Report dataset. • Custom Report Dataset: Select the Business Object Value Text field to match with the selected field from your Primary Pipeline.
Include Rows That Exist In	Select Primary Pipeline . You don't want to drop records that you're unable to join.
Select Fields	Primary Pipeline tab: Select Select All. Custom List Report Dataset tab: • Select Instance and enter the Instance field from the custom report. • Include other fields from the report dataset as desired. Ensure that all fields have no spaces. If they do, replace the spaces with an underscore.

- i. Click **Done** and then **Save**.

See [Reference: Join Stages](#).

4. Synchronize Dataset Schema Changes in Enrichment

Synchronize the schema to include fields added in the Join stage to the schema of the output dataset.

- a. Access the **View Accounting Source** report.
- b. Select the accounting source for which you created a Join stage.
- c. From the related actions menu of the accounting source, select **View Implementation**.
- d. From related actions menu of the **Enrichment** stage, select **Accounting Source Stage > Sync Schema**.
- e. Select **Confirm** and then click **OK**.

Note: If you sync the schema for the last enrichment stage, you don't need to publish the system dataset for Detailed Accounting because Workday will automatically publish the system dataset.

5. Edit Accounting Source

Edit your accounting source configuration to use the instance fields added in the Join stage.

Note: The fields aren't available in the accounting source configuration until you or Workday automatically publishes the system data for the Detailed Accounting stage. To confirm that the Schema Status for the Detailed Accounting stage has a status of *Published*, select **View Implementation** from the related actions menu of the accounting source.

See [Edit Accounting Source](#) on page 364.

- When you run Enrichment, Workday populates on each transaction the instance derived through the Join stage.
- When you run detailed accounting, Workday uses the field instances to drive accounting that is based on your accounting source journal header and journal line configuration.

Tasks

[Create Prism Analytics Table](#) on page 350

Create Validation Stages for Enrichment

- You've created an accounting source with user and error tables.

You can create validation stages and include rules in your enrichment data in Prism. You can then include transactions identified by these validation rules in an error dataset to prevent them from progressing to detailed accounting.

1. Access the **View Accounting Source Stages** report.
2. Select an accounting source for which you want to create validation stages.
3. From the related actions menu of the User dataset for which you want to create the validation rules, select **Dataset > Edit**.

Note: Workday recommends you create a new dataset containing your validation stages between the System Filter {_UnprocessedForBatch} and the User dataset {_UserConfiguration}. Workday also recommends to add the validation stage on the last Enrichment stage.

4. Click **Add Stage**.
5. Select the Validation stage.
6. As you complete the Validation stage, consider:

Option	Description
Rules	To add Validation rules, click the plus sign. To identify the validation, specify: • Validation Code • Validation Message • Exception Conditions: Enter a validation expression to exclude rows that match the invalid condition. Example: To exclude rows that have no cost center worktag, enter [Cost_Center] IS NULL. To add multiple rules, repeat the process. Breaking up rules will make it easier to troubleshoot errors.
Grouping Field	Use only when expanding 1 record per transaction into many records per transaction in Enrichment. Workday uses the field to group rows together by value. If a row generates an

Option	Description
	exception, all other rows in that group will also generate an exception. Note: If you use Grouping Field, you must map the field you select for Grouping Field under Field mapping.
Exceptions Threshold	Workday automatically populates the amount. We recommend that you don't change the amount. If errors exceed the threshold, Workday will stop processing the transactions.
Table for Exceptions	Select the error table in your accounting source to which you want to send the invalid transactions. Note: Enter the correct error table, otherwise all subsequent validations will fail. It should be same as the error table for the stage that is displayed in the Error Datasets column on the View Accounting Source Stages report.
Field Mapping	Is only displayed when you select the Exception table. • Validation Code and Message: Map your user dataset validation code and message to your validation code and message in your error dataset. • Dataset Fields: Depending on your configuration, you can map as many dataset fields as you want. You must map these 5 user dataset fields to your error dataset fields: • WPA_Load ID to load_identifier. • WPA_RowID to row_identifier. • AC_Transaction_ID to AC_Transaction_ID. • AC_Batch to AC_Batch. • AC_Batch_Run to AC_Batch_Run. Workday recommends that you use the custom fields to retrieve key information to help troubleshoot errors.

7. Click **Done** and then **Save**.

Create an accounting source.

Concepts

[Concept: Accounting Source](#) on page 361

Tasks

[Create Accounting Source](#) on page 361

Accounting Generation

Concept: Accounting Source

An accounting source is a Workday configurable object that defines the steps, ingestion source, and rules for processing input rows in Accounting Center.

You can use an accounting source to:

- Bring into Workday external transactions in incremental batches using the data management solution of Workday Prism Analytics.
- Enrich transactions with worktag mapping and unique calculations, and create custom validations.
- Manage rules to generate accounting for high-volume transactions generated by non-Workday sources.
- Transform external operational transactions into accounting journals.
- Create, modify, and maintain custom accounting rules and custom account posting rules to generate detailed and summarized accounting.
- Post summarized journals to your ledger.
- Orchestrate and have visibility over the entire data transformation process, and view, resolve, and reprocess errors.

You must have a table of external transactions prepared for enrichment and accounting generation in Prism called an Ingestion Table. You can use an ingestion table to build your enrichment and accounting rules beginning with the **Create Accounting Source** task.

As you create ingestion tables, consider:

- You can't use the same data source for more than 1 accounting source.
- Workday recommends you create an ingestion table as the ingestion source for the accounting source.

Reference

[The Next Level: Accounting Center](#)

Create Accounting Source

- You must have created an ingestion table.
- Security:
 - These domains in the Accounting Center functional area:
 - *Set Up: Accounting Sources.*
 - *Process: Accounting Center.*

You can create an accounting source from the ingestion table to create tables and datasets for these 4 stages:

- Initiation
 - Enrichment (maximum of 3 stages)
 - Detailed Accounting
 - Summarization
1. (Optional) Create a Data Change Task.
See [Create a Data Change Task](#).
 2. Access the **Create Accounting Source** task.
 3. As you complete the task, consider:

Field	Description
Name	Enter a name for the accounting source.

Field	Description
	No special characters. Only letters, numbers, and spaces.
Enrichment Steps	Select the number of enrichment steps that you want to use for the accounting source. You can't change the number of enrichment steps once you create the accounting source. The number of enrichment steps you select depends on: • The type and complexity of enrichment transformations and validations. • Your data processing needs. Note: Any accounting source that uses a Validation stage that references the result of a Value Mapping stage must have the Validation stage in a subsequent enrichment step. Example: When creating 2 enrichment steps, create the Validation stage on the last enrichment step. Workday recommends that you create separate enrichment steps: • For complex enrichments so that Workday can persist data at each step separately, for diagnostic purposes. • For persisting data that you can use for: • Reporting. • Exporting to other systems. • Downstream processing. Example: Calculating deferred revenue. Workday also recommends that you configure the mapping stages before you expand your data. Configured mapped stages reduce the number of rows required for mapping.
Ingestion Source	Select the ingestion table for your transactions that you want to use for accounting. You can only select a Prism table and not a derived dataset as an ingestion source. When you create a Prism table for an accounting source, you can optionally add 2 columns with the exact names Source_WPA_LoadID and Source_WPA_RowID to track ingestion source WPA_LoadID and WPA_RowID. The value in these fields automatically populates in the Batch Mapping table for reference when you initiate an accounting center batch. You can't use a data source for more than 1 accounting source.

Field	Description
Data Change Task	(Optional) Select a Data Change Task to load transformed data automatically from the derived dataset to the ingestion source table when processing an accounting center batch. If you don't select the task, you must manually populate the ingestion source table with new data.

4. Click **OK**.
5. To refresh the page, click the magnifying icon.
Workday displays the **View Accounting Source** report.
6. To complete the process, refresh the report.
7. From the related actions of the accounting source, select **Accounting Source > Edit Accounting Source**.
8. As you complete the task, consider:

Field	Description
As Of Date	Specify a date field to configure the accounting source. The As Of Date value for each transaction - Determines which version of the accounting source Workday uses at run time. The earliest effective date of the accounting source configuration should be earlier than the As Of Date values on the incoming data. You can create multiple versions of an accounting source configuration with different effective dates. Select a date column from your enriched data source to determine which effective-dated configuration you want Workday to apply to the enriched transactions to generate accounting. Example: You have these 2 snapshots of an accounting source configuration: - Snapshot dated 01/10/2019 - Snapshot dated 01/15/2019 If the As Of Date column value is 01/17/2019 for a sample transaction, Workday applies the configuration dated 01/15/2019 to the enriched transaction.
Transaction Grouping ID	When expanding 1 record per transaction into many records per transaction in enrichment, Workday recommends that you use Transaction Grouping ID as a unique ID for each row in your ingested data. If you leave this field blank, Workday treats each enriched row in your data source as a unit of work. If you specify a grouping criteria, Workday

	creates a unit of work from many rows that share a Transaction Grouping ID value. Example: Select Policy Number if you want to bring in multiple premium amounts for a specific policy number as a single transaction in detailed accounting. This will affect the Transaction Count on your Batch run, while the Record Count will count each row.
Enable Multicurrency	Select to enable the fields on your accounting source for multicurrency setup. Note: Once you create an effective-dated accounting source configuration, you can't change this option.
Stop Publishing Error Datasets	(Optional) For existing Accounting Sources, select the check box to stop publishing error datasets and have Workday query Prism tables directly. We recommend you select this check box in order to complete your batches faster. Existing error datasets will no longer include any errors generated on future batches. For new Accounting Sources that you create, Workday won't create error datasets for Enrichment and Detailed Accounting.

9. Click **OK** and then **Done**.

10. From the related actions of the Accounting Source, select **Accounting Source** > **View Implementation** and confirm that accounting source creates datasets and tables for each stage.

See [Reference: Accounting Source Datasets and Tables](#) on page 373.

Edit an accounting source to define journal header and header line rules.

Concepts

[Concept: Accounting Center](#) on page 412

Reference

[2021R2 What's New Post: Automated Pre-Batch Processing in Accounting Center](#)

[2022R2 What's New Post: Accounting Center - Miscellaneous Enhancements](#)

Edit Accounting Source

- Configure an accounting source.
- Edit enriched dataset.
- Security: These domains in the Accounting Center functional area:
 - *Set Up: Accounting Sources.*
 - *Process: Accounting Center.*

You edit an accounting source to:

- Define accounting groups that contain journal header and header line rules.
- To generate detailed accounting, define journal header and header line rules.
- Enter an effective date for accounting groups.
- (Optional): Enter a transaction Grouping ID for the accounting source.

- (Optional) Change the Data Change Task.

Note: You can't change the Data Change Task when a batch is in progress.

- (Optional) Specify a new As Of Date for the accounting source.
- (Optional) Configure your related worktag configurations to populate default related worktags automatically on Accounting Center detailed journal lines.

Note: Before you edit an accounting source, ensure that Workday has successfully created the accounting source and all stages in the accounting source. To verify, access the **View Accounting Source** report, select your accounting source, and confirm it has a status of *Awaiting Configuration*.

Creating multiple accounting groups for an accounting source enables you to create efficient accounting source configurations to support your business needs. Example: Accounting for a single transaction under multiple book codes.

For each accounting group you can:

- To generate detailed accounting for the accounting group, specify separate header and journal line configurations.
- Configure different journal header rules (Example: book code) and journal line rules.
- Create accounting group condition rules for a transaction.
- Generate more than 1 set of detailed accounting entries from a single transaction.
- To generate detailed accounting for each accounting group, apply 1 or more accounting groups to each transaction in a batch.

1. (Optional) Create Custom Account Posting Rule Dimensions and Custom Account Posting Rule Types. See [Create Custom Dimensions and Custom Account Posting Rule Types](#) on page 372.

2. (Optional) If you want to default your related worktag values on Accounting Center detailed journal lines ensure, you:

- Select **Enable Worktag Type Precedence** on the **Maintain Worktag Type Precedences** task.
- You properly order Worktag Types from which you want to default related worktag values on the **Order of Precedence** list on the **Maintain Worktag Type Precedences** task.

Note: Before you enable or modify the configuration on the **Maintain Worktag Type Precedences** task, consider the impact this will have on operational transactions, accounting journals, and their corresponding web services.

3. Access the **View Accounting Source** report.

4. For **Accounting Source**, select the accounting source you previously created and click **OK**.

5. (Optional) Select a new **Data Change Task**.

6. Click **Edit Configuration**.

7. Enter an **Effective Beginning** date for the accounting group.

The effective date must be the same or earlier than the value in the **As Of Date** field. Otherwise, you can have transactions that Workday can't process as the transactions are unable to find a matching

configuration. Workday recommends you create your initial configuration with a date earlier than any transactions that you plan to bring into the Accounting Center.

Each time you select **Edit Configuration**, you can:

- Create a new snapshot for an existing accounting group by entering a new effective date.
Note: For existing Accounting Groups, Workday automatically populates the effective date of the current snapshot of the selected Accounting Group. You can change the effective date.
- Create an initial snapshot for a new accounting group.
- Edit an existing snapshot of an accounting group, by selecting the accounting group and entering the same effective date as the snapshot you want to edit.

Note: Workday, therefore recommends that before you edit your configuration, you:

- Access the **View Accounting Source**.
 - Click **Effective Date Snapshots** to check if you have prior snapshots in your Effective Date history.
- For **Accounting Group**, select **Create New** and enter an **Effective Beginning** date to create a snapshot for a new accounting group.
 - Click **OK**.
 - As you create a new accounting group, consider:

Field	Description
Accounting Group Name	Enter a unique name for the accounting group.
Condition Rule	Select a condition rule for the accounting group. Workday applies the accounting group condition rule to a transaction if the condition rule is met. Condition rules are specific to an accounting source. You can use condition rules across all accounting groups and journal line rules in the same accounting source, but can't use same condition rules in another accounting source. You can create condition rules for the accounting group from the Create Accounting Source Configuration Rule task, which you can also access from this field. If you don't select a condition rule, Workday applies the accounting group to all transactions in the batch. Note: For Many to 1 transactions, all rows with the same Grouping ID must pass the accounting group condition rule to generate detailed accounting.

- Click the **Journal Header Rules** tab.

- As you complete the task, consider:

Field	Description
Ledger Company Ledger Type Journal Source	Map the source data to the corresponding Workday field type. The mapping enables you to select a value from the data source when configuring the accounting source.

	Otherwise, you must select from a list of instance values in your tenant when configuring your accounting source.
Accounting Date	Map the source data to the corresponding Workday field type. The mapping enables you to select a value from the data source when configuring the accounting source. Is the date the journal posts to the ledger. You can use this date to determine the period to post the journal entry to. Select the date of the transactions from the enriched data source. Workday retrieves the value for the Date field in the enriched data source. Accounting date is usually the same as the As of Date, but can be different. This enables you to have an accounting source configuration date earlier than the journal posting date. It's similar to transaction and accounting date in Workday.
Book Code	(Optional) Select a book code for the accounting group. Either select a field from your source data or select an instance value. You can select a separate book code for each accounting group based on your reporting requirements. Example: For the same accounting source, you can select a GAAP book code for 1 accounting group and Local GAAP Adjustments book code for another accounting group.
Memo	Optional Note: This value will only carry forward to detailed accounting, and won't populate summarized journals.
External Reference ID	This value will only carry forward to detailed accounting and won't populate summarized journals.
Create Reversals	Optional Select if you want to create a reversal for transactions on the first day of the next available period.
Alternative Reversal Date	Optional Include this field if you: • Create reversals. • Want to use a date other than the default option, which is the first day of the next period.

	The alternate reversal date must be in your enriched data and formatted as a date.
Alternative Currency Rate Type	Is available only when you select Enable Multicurrency. Select values from either the enriched data source or a list of values in your tenant. If you select None of the above, Workday uses the default currency rate type for the company. If no company rate type is specified for the company, Workday uses the default currency rate type in your tenant.

13. Click the **Journal Line Rules** tab.

14. As you complete the task, consider:

Field	Description
Condition Rule	Optional Workday evaluates and posts transactions to specific ledger accounts based on rules you create. Condition rules are specific to an accounting source. You can use condition rules across all accounting groups and journal line rules in the same accounting source, but can't use same condition rules in another accounting source. You can create condition rules from the Create Accounting Source Configuration Rule task, which you can also access from this field. If you don't create a condition rule, Workday processes this row for every data row in your file.
Line Company	Optional Leave as the default value unless you're configuring intercompany accounting. Workday automatically populates the value from the Ledger Company on the Journal Header Rules tab. For intercompany transactions, you can select values either: • From the enriched data source. • List of values in your tenant. Note: Companies with intercompany transactions must share the same ledger currency.
Ledger Account	Map the source data to the corresponding Workday field type if you want to select a value from the data source when configuring accounting source.

	Otherwise, you must select a value from a list of values in your tenant, or a posting rule type (including custom posting rule type). See Create Custom Dimensions and Custom Account Posting Rule Types on page 372 See Create Workday Instances with Prism Join on page 356. Note: Workday doesn't support Resulting Worktags configured on posting rule types and custom posting rule types in Accounting Center.
Additional Posting Rule Dimensions	Optional Must enter a value when you select a posting rule type in the Ledger Account field. Map your source data column to the Custom List that you created for a custom account posting rule dimension. See Create Custom Dimensions and Custom Account Posting Rule Types on page 372. When using a posting rule, this field should contain valid posting rule dimension data for the specified posting rule type. Add dimensions from your posting rule type here, including configured custom posting rule dimensions. Don't add the <i>Company</i> dimension, as Workday automatically derives the dimension.
Transaction Amount	Amount in the transaction currency. Select from the enriched data source. Unless you enable multicurrency for the accounting source, you must enter the transaction amount in the company ledger currency.
Transaction Currency	Select from the enriched data source or a list of values in your tenant.
Ledger Amount	Leave this blank, if you want Workday to convert source transactions to your ledger currency. If you've already converted to ledger amount, select from the enriched data source.
Worktags	Optional, but Workday recommends that you map 1 or more fields to worktag dimensions. Workday persists the worktags on your summary journals in the ledger. The worktags summarizes your detailed accounting entries. Worktags you specify here are displayed in both detailed and summarized accounting.

Enable Default Related Worktags	Select the check box to populate default related worktag values that are derived from the worktag values from your enriched transactions. This can reduce the need to define these worktag values using mapping tables, lowering the ongoing maintenance of your mapping tables. Workday will only default Worktag types that you select on the Worktags prompt for each journal line rule. Note: A worktag value from your enriched data will always take precedence over a default related worktag value. Workday considers the related worktag values added to your detailed journal lines: a. When evaluating the account posting rule for the journal line rule, if applicable. b. When evaluating detailed accounting custom validations, if applicable. c. In summarization, and includes them on the resulting Accounting Center summary journal lines. You can only select the Enable Default Related Worktags option if you enable the Worktag Type Precedence task.
Additional Attributes	Optional, but Workday recommends that you include 1 or more fields of additional attributes. Include any other attributes that you want to include in addition to worktags. Example: Agent Number, Policy Number. Additional attributes won't carry forward to summary journals in the ledger, but are available for reporting in your detailed accounting results.
Reconcile to Bank	Select the check box if you want to reconcile summarized cash journal lines. Journal lines you select are available for reconciliation and displays a Transaction Reference if there's one. You can then match the selected journal lines with your bank statement. See Steps: Use Bank Account Reconciliation on page 1498.
Transaction Reference	Only assign a transaction reference if you've enabled Reconcile to Bank option. A transaction reference helps you in reconciling cash journal lines with your bank statement line. Workday displays the transaction reference on the journal line during summarization.

15. Click the **Summarization Rules** tab to review how Workday groups and summarizes journals for all accounting groups in the accounting source:

- a) Summarized Journal Header Fields: Displays journal header summarization logic.
- b) Summarized Journal Line Fields: Displays journal line summarization rules, including worktags.

Note: Workday excludes additional attributes in summarization, but makes them available for reporting in your detailed accounting.

16. Click **OK** and then **Done**.

Create accounting center batches.

Reference

[2021R2 What's New Post: Automated Pre-Batch Processing in Accounting Center](#)

[2022R2 What's New Post: Default Related Worktags in Accounting Center](#)

Inactivate Accounting Source

Security: *Set up: Accounting Source – Inactivate* domain in the Accounting Center functional area.

You can inactivate an accounting source that is incomplete, wrongly configured or that you no longer need.

When you inactivate an Accounting Source, Workday automatically disables all tasks for editing a configuration or initiating a batch from the accounting source.

You can though still report on the inactivated accounting source and its transactional data.

Once you inactivate an accounting source, you can't reactivate it.

Before you inactivate an accounting source, we recommend that you check for and resolve:

- In-progress manual accounting center detailed journals.
- Transactions in the ingestion table that Workday hasn't processed. If you want to process these transactions, ensure that you inactivate the accounting source after the next batch run.
- Transactions in DismissedTransactionsConsolidated table that have a resolution of *Process with Next Batch*. If you don't want to process these transactions, ensure that you inactivate the accounting source after the next batch run.

1. Access the **View Accounting Source** report.
2. Select the Accounting Source that you want to inactivate.
3. From the related actions of the accounting source, select **Accounting Source > Inactivate Accounting Source**.
4. Enter an Inactivation Reason and then select **Confirm**.
5. Click **OK**.
6. Review the Errors and Alerts.
7. If you still want to inactivate the accounting source, click **OK** and then **Done**.

Workday:

- Disables all configuration and batch initiation tasks.
- Doesn't process any transactions that's waiting to be processed in the next batch.
- Removes access to the Accounting Center Error Manager.

- Won't display these related actions on an inactive accounting source:
 - Accounting Center Error Manager
 - Create Accounting Center Detailed Journal
 - Configure Detailed Journal Additional Attributes task.
 - Edit Accounting Source
 - Edit Accounting Source Configuration
 - Edit Accounting Center Process Configuration
 - Initiate Accounting Center Batch
 - Monitor Accounting Source Job Status
- Removes the related action of Cancel Accounting Center Batch on a batch.
- Disables these related actions on a detailed journal:
 - Add/Change Attachment for Accounting Center Detailed Journal.
 - Edit Accounting Center Detailed Journal.
- Will no longer display an inactive Accounting Source from the Accounting Source field when you access these tasks:
 - Accounting Center Error Manager
 - Configure Detailed Journal Additional Attributes
 - Create Accounting Center Detailed Journal
 - Create Accounting Source Configuration Rule
 - Edit Accounting Source
 - Edit Accounting Center Process Configuration
 - Edit Accounting Source Configuration Rule
 - Initiate Accounting Center Batch
 - Monitor Accounting Source Job Status
- Disables these buttons on the View Accounting Source report:
 - Edit
 - Edit Configuration

Concepts

[Concept: Accounting Source](#) on page 361

Tasks

[Create Accounting Source](#) on page 361

Reference

[The Next Level: All Things 2023R1 in Accounting Center](#)

[2023R1 What's New Post: Inactivate Accounting Source](#)

Create Custom Dimensions and Custom Account Posting Rule Types

Security: *Set Up: Custom Accounting Posting Rule Types* domain in the Accounting Center functional area.

You create custom dimensions and custom account posting rule types to create rules for transactions you want to bring into Workday.

Note: Workday doesn't support resulting worktags configured on custom account posting rule types or other account posting rules in Accounting Center.

1. Access the **Create Custom List** task.

Use this task to create custom list values that you can then enable for use as custom account posting rule dimensions.

2. Access the **Create Custom Account Posting Rule Dimension** task.
Use the task to enable the custom list objects as your custom dimensions.
3. Access the **Create Custom Account Posting Rule Type** task.
Use the task to create a custom account posting rule type and link the custom posting rule dimension.
To add the custom account posting rule type automatically to the existing account posting rule set, save the custom account posting rule type.
4. Access the **View Account Posting Rule Set** report.
Select the custom posting rule type that you created, click **Edit Posting Rule** to add the detail to the posting rule to determine the ledger account. You can now use this posting rule type to build your configuration.
5. Use a Join to map this custom list to the corresponding column in your raw dataset in Prism. The map enables you to instantiate the value in your enriched data source. Workday makes the value available that you can use in posting rules. See [Create Workday Instances with Prism Join](#) on page 356.

Tasks

[Set Up Account Posting Rules](#) on page 69

Reference

[The Next Level: All Things 2023R1 in Accounting Center](#)

Concept: Custom Validations for Detailed Accounting

Based on your requirements, you can create custom validations to display error messages when transactions that are created in detailed accounting from the source system or manual detailed accounting journals meet certain conditions. Custom validations prevent Workday from processing transactions in detailed accounting that you identify as invalid. You can share these validations in accounting journals as long as the fields exist in both places.

Note: When creating custom validations, ensure that you don't use quotes or special characters in the description. Examples: @, #, \$, &.

Use the **Accounting Center Detailed Journal** report field to specify whether you want to apply the custom validation condition rule only to manual Accounting Center detailed journals and not traditional detailed journals.

Select the *Accounting Center Detailed Journal* type of transaction to create custom validations. See [Steps: Set Up Custom Validations](#) on page 52.

Workday displays the error message when it processes the transactions that meet the conditions for the validations.

For Workday-delivered validations, see [The Next Level: Accounting Center Configuration Guide- Delivered Validations](#).

Reference: Accounting Source Datasets and Tables

When you create an accounting source, Workday creates these datasets and tables:

Note: Workday uses System datasets for internal Accounting Center processing. Don't edit or import these System datasets into another derived dataset. Only edit System datasets under these 2 conditions:

- If fields change after you process an accounting center batch. You might need to edit the system datasets manually in order to sync schema. This ensures that Workday selects the fields on join or filter stages. Don't do any other transformations within system datasets.
- The only system dataset that you should read from is the `XX_ENR_#_SYS_UnprocessedForBatch` dataset within the Enrichment stage. Workday recommends importing the dataset into a derived dataset from where you can perform transformations.

Stage	Dataset/Table	Comments
Batch Initiation	Input Dataset	The first dataset for the stage and displayed in your Accounting Center header. This dataset is the Ingestion table for Batch initiation and will be the output of the Data Change Task if you've have one.
	System Datasets - XX_INIT_SYS_NetNewLoadIDs - XX_INIT_SYS_UnprocessedForBatch	The datasets are necessary for processing the batch. DON'T EDIT ANY SYSTEM DATASETS.
	Output Dataset XX_INIT_TBL_BatchMapping	This dataset contains results of the Initiation stage. Identifies records picked up by the Accounting Center for processing in a batch. Is part of the Input dataset for the Enrichment stage.
Enrichment	Input Dataset XX_SYS_MappedIngestionData	The first dataset for the enrichment stage. Is a join of Output dataset from the Initiation stage and your Ingestion table. For multiple enrichment stages, the input is the output of the previous enrichment stage.
	System Datasets - XX_ENR_#_SYS_ContextDataForErrors ** - XX_ENR_#_SYS_Error ** - XX_ENR_#_SYS_UnprocessedForBatch: You can import this dataset into a derived dataset where you can transform or enrich your accounting source. ** Are available only in existing Accounting Sources. For new Accounting Sources that you create, Workday won't create these error datasets.	These datasets contain data that Workday is processing for the batch. DON'T EDIT ANY SYSTEM DATASETS.

Stage	Dataset/Table	Comments
	User Dataset XX_ENR_#_USR_UserConfiguration	This dataset is unique to the Enrichment stage. These datasets only process transactions for the batch and don't store records. Instead of adding transformations directly in this dataset, Workday recommends that you make transformations in derived datasets that you've imported from the XX_ENR_#_SYS_UnprocessedForBatch dataset and then connect to this User Dataset. Workday also recommends that you create your transformation datasets between the UnprocessedForBatch dataset and UserConfiguration dataset.
	Output Dataset XX_ENR_#_TBL_EnrichedData	This dataset contains results of the Enrichment stage. The Input table for the Detailed Accounting stage or the next enrichment stage if there are multiple enrichment stages.
	Error Dataset XX_ENR_#_TBL_EnrichedError	This dataset contains processing errors for the Enrichment stage.
Detailed Accounting	Input Dataset XX_ENR_#_TBL_EnrichedData	This dataset is the first table for the Detailed Accounting stage. The Output dataset from the last Enrichment stage.
	System Datasets - XX_DTL_SYS_ContextDataForErrors ** - XX_DTL_SYS_UnprocessedForBatch ** Is available only in existing Accounting Sources. For new Accounting Sources that you create, Workday won't create this error dataset.	These datasets are necessary for processing the batch. DON'T EDIT ANY SYSTEM DATASETS.

Stage	Dataset/Table	Comments
	Output Tables XX_DTL_TBL_DetailedAccounting	These tables contain results of the Detailed Accounting stage. The Input table for the Summarization stage.
	Error Tables - XX_DTL_TBL_DetailedAccountingError - XX_DTL_TBL_DetailedAccountingErrorDetails	These tables contain processing errors for the Detailed Accounting stage.
Summarization	Input Table XX_DTL_TBL_DetailedAccounting	This table is the Input table for the Summarization stage. The Output table from the Detailed Accounting stage.
	System Datasets - XX_SUM_SYS_Error - XX_SUM_SYS_JournalToDTLRowIDLinkage - XX_SUM_SYS_SummarizedAccounting - XX_SUM_SYS_UnprocessedForBatch	These datasets are necessary for processing the batch. DON'T EDIT ANY SYSTEM DATASETS.
	Output Datasets - XX_SUM_TBL_JournalToDTLRowIDLinkage - XX_SUM_TBL_JournalToKeyLinkage	These datasets contain results of the Summarization stage.
	Error Tables XX_SUM_TBL_JournalToKeyLinkageError	These tables contain processing errors for the Summarization stage.
	Reporting Dataset XX_SummaryandDetailedAccountingReference	This dataset is unique to the Summarization stage. Links DetailAccounting records and the Summarized Accounting records.

In addition, Workday also creates these systems and user-configured dismiss datasets:

Dataset Type	Dataset/Table
Dismiss System Datasets	XX_SYS_DismissedTransactionsConsolidated XX_SYS_DismissedTransactionsPopulatedForReprocessing XX_SYS_UserDirectedForDismissal XX_TBL_DismissedTransactionsConsolidated XX_TBL_UserDirectedForDismissal
User Configured Dismiss System Dataset	XX_USR_UserDirectedForDismissal Use this dataset to configure your custom dismissals.

Batch and Error Management

Edit Accounting Center Process Configuration

You've created an accounting source and defined header and journal line rules.

Security: *Set Up: Accounting Sources* domain in the Accounting Center functional area.

You can configure the Accounting Center Process to:

- Specify how you want Workday to process each batch for a stage.
- Set maximum error thresholds by count and percent for each stage in an accounting source. When errors exceed the threshold, Workday pauses the batch so that you can review the errors. You'll have to advance the batch manually.

Note: Once you run summarization, you can't roll back and rerun the batch. Workday therefore recommends that during your testing and design phase, you set detailed accounting to progress manually.

1. Access the **Edit Accounting Center Process Configuration** task.
2. As you complete the task for each stage, consider:

Option	Description
Processing Options	Select how you want to process batches for the next stage on completion of a stage. • Select Always Advance to Next Stage and Dismiss Any Errors to Next Batch if you want Workday to proceed automatically to the next stage and dismiss any errors to the next batch. • Select Always Advance to Next Stage and Dismiss Errors from the Batch if you want Workday to advance the batch automatically to the next stage and dismiss any errors in the batch to the Accounting Center Error Manager. Note: Errors are available in the Error Manager once the batch completes. • Select Manually Select Next Action if you want to start and process the batches for the next stage manually. • Select Only Advance to Next Stage If No Errors if you want Workday to proceed automatically to the next stage when there are no errors.
Error Threshold	Specify a threshold by count, percent or both for these 2 processing options: • Always Advance to the Next Stage and Dismiss Any Errors to Next Batch • Always Advance to the Next Stage and Dismiss Errors from the Batch Note: The threshold count or percent can't exceed the Workday-defined threshold of 100,000 errors for a batch.

Option	Description
	You can also specify a maximum error threshold by both count and percent but when errors exceed the most restrictive threshold, Workday will pause the batch. Example: A stage consists of 50,000 incoming transactions. You have set the error threshold of both 10,000 error count and 10 percent of the incoming transactions (5,000). As soon as there are 5,000 errors in the stage (10% of transactions), Workday will ignore the threshold error count, and will pause the batch.
Count	Specify a threshold error count between zero and 100,000.
Percentage	Specify a threshold percent of the transactions that are coming into a stage. The percent can be between zero and 100 percent.

3. Click **OK**.

Create a batch.

Reference

[2022R2 What's New Post: Configure Error Thresholds to Pause Batch Processing](#)

Create Accounting Center Batches from Source Systems

Configure the Accounting Center process using the **Edit Accounting Center Process Configuration** task.

Configure these business processes:

- *Accounting Center Batch Initiation Event.*

Include the Accounting Center Batch Initiation Primary Process as Batch/Job in the business process definition.

- *Accounting Center Enrichment Event.*

Include the Accounting Center Enrichment Primary Process as Batch/Job in the business process definition.

- *Accounting Center Detailed Accounting Event.*

Include the Accounting Center Detailed Accounting Primary Process as Batch/Job in the business process definition.

- *Accounting Center Summarization Event.*

Include the Accounting Center Summarization Primary Process as Batch/Job in the business process definition.

See [Steps: Configure Business Process Definitions](#).

Security: *Process: Accounting Center* domain in the Accounting Center functional area.

Depending on the sources, you can create these 2 type of batches in Accounting Center:

- Primary Source: Batches that contain processed transactions that are created by a source system.
- Manual Detailed Journals: Batches that contain transactions created by manual detailed accounting journals. See [Create Manual Accounting Center Detailed Journals](#) on page 383.

You create a Primary Source batch to process a set of source transactions to:

1. Enrich data.

2. Generate detailed accounting.
3. Generate summarized accounting.

1. Initiate Accounting Center Batch

When you initiate a batch, it:

- Associates the WPA_Row_ID and WPA_Load_ID on each ingested row from the source system to an:
 - AC_Transaction_ID
 - AC_Batch
 - AC_Batch_Run
- Creates a persisted mapping table.

Note: Before you can initiate a batch ensure that the batch contains at least 1 transaction.

- a) Access the **Initiate Accounting Center Batch** task.
- b) As you complete the task, consider:

Field	Description
Accounting Source	Select the accounting source for which you want to initiate a new batch.
Initiating Stage	Workday automatically populates Batch Initiation .
Process Options	Workday automatically populates Initiate Batch .
Confirm	<i>Check</i>

- c) Click **OK** and then **Done**.

Workday:

- Initiates the *Accounting Center Batch Initiation Event* business process.
 - Automatically launches Enrichment 1 to enrich data for detailed and summarized accounting.
- d) On the **Initiate Accounting Center Batch** page, click the batch.
Workday displays the **View Accounting Center Batch** page.
 - e) Click **Refresh**.
 - f) On the **Current View by Stage** tab, confirm that the Batch Initiation stage has an *In Progress* status.
 - g) Click the **View by All Runs** tab and confirm that the Batch Initiation stage run event has an *Primary Process In Progress* run status.
 - h) Refresh the page to confirm that the Run Status for the Batch Initiation stage run event has a status of *Completed*.

Once the Batch Initiation stage is complete, Workday automatically launches Enrichment 1.

Note: The input table for the Enrichment stage is different from the output table of the Initiation stage.

2. Create Enriched Data

When you enrich data, it prepares the data source for detailed and summarized accounting.

- On the **View Accounting Center Batch** page, select the **Current View by Stage** tab, and confirm that the Enrichment stage has an *In Progress* status.
- Click the **View by All Runs** tab and confirm that the Enrichment stage has a *Primary Process In Progress* run status.
- Refresh the page to confirm that the Run Status for the Enrichment stage has a status of *Completed*.

If you have no errors but still want to rerun the process:

- Click **Run**.
- For **Process Options**, select **Rollback to Selected Stage and Reprocess**.
- For **Select Stage**, select **Enrichment**.
- For **Include Dismissed**, leave unchecked.
- Click **OK**.

Workday rolls back the transactions to the Enrichment stage and reprocesses the transactions.

If there are any errors in the run, you'll see a **View Errors** button for the stage on the **View by All Runs** tab.

- Click **View Errors** to view any errors. See [View, Resolve, and Reprocess Errors](#) on page 396.

Note: Before you run detailed accounting, ensure you've resolved or dismissed all errors from the Enrichment 1 stage.

3. Create Detailed Accounting

You can generate detailed accounting for financial, operational, and managerial reporting.

- (Optional) Create Custom Validations, see [Concept: Custom Validations for Detailed Accounting](#) on page 373.
- Access the **Find Accounting Center Batch** report.
- On the **Find Accounting Center Batches** page, for **Batch Type**, select **Primary Source**.
- Click the Batch for which you want to create detailed accounting.
- On the **View Accounting Center Batch** page, select the **Current View by Stage** tab.
- For the **Detailed Accounting** stage, click **Run**.

Workday displays the **Run Accounting Center Event** page.

- As you complete the task, consider:

Field	Description
Accounting Source Stage Batch	Workday automatically populates these fields: - Accounting Source - Stage - Batch details

Field	Description
Process Options	Select Run Unprocessed Transactions to have Workday create detailed accounting for unprocessed transactions.

h) Click **OK** and then **Done**.

The process initiates an *Accounting Center Detailed Accounting* event.

- i) On the **Current View by Stage** tab, confirm that the Detailed Accounting stage has an *In Progress* status.
- j) Click the **View by All Runs** tab and confirm that the Detailed Accounting stage has an *Primary Process In Progress* run status.
- k) Refresh the page to confirm that the Run Status for the Detailed Accounting stage has a status of *Completed*.

If you have no errors but still want to rerun the process:

- Click **Run**.
- For **Process Options**, select **Rollback to Selected Stage and Reprocess**.
- For **Select Stage**, select **Detailed Accounting**.
- For **Include Dismissed**, leave unchecked.
- Click **OK**.

Workday rolls back the transactions to the Detailed Accounting stage and reprocesses the transactions.

If there are any errors in the run, you'll see a **View Errors** button for the stage on the **View by All Runs** tab.

- l) Click **View Errors** to view any errors. See [View, Resolve, and Reprocess Errors](#) on page 396.

Note: Before you run Summarization, ensure you've resolved or dismissed all errors from the Detailed Accounting stage.

4. Create Summarized Accounting

You can generate summarized accounting to aggregate detailed accounting results.

Note: Summarized journals won't check for budget check and will post even if they cause the budget to exceed.

- a) On **View Accounting Center Batch** page, select the **Current View by Stage** tab.
- b) For the **Summarization** stage, click **Run**.

Workday displays the **Run Accounting Center Event** page.

- c) As you complete the task, consider:

Field	Description
Accounting Source	Workday automatically populates these fields: • Accounting Source • Stage • Batch details
Stage	
Batch	

Field	Description
Process Options	Select Run Unprocessed Transactions to have Workday create summarized accounting for unprocessed transactions.

- d) Click **OK** and then **Done**.

The process initiates the *Summarization Event* process.

- e) On the **Current View by Stage** tab, confirm that the Summarization stage has an *In Progress* status.
- f) Click the **View by All Runs** tab and confirm that the Summarization stage has an *Primary Process In Progress* run status.
- g) Refresh the page to confirm that the Run Status for the Summarization stage has a status of *Completed*.

If there are any errors in the run, you'll see a **View Errors** button for the stage.

- h) Resolve, fix, and reprocess any errors. See [View, Resolve, and Reprocess Errors](#) on page 396.

Note: Before you can view summarized accounting, ensure you've resolved all errors from the Summarization stage.

5. Review Summarized Journals for the Batch

- a) From the related actions menu of the batch, select **Accounting Center Batch > View Accounting Center Summary Journals**.
- b) Click the journal for which you want to view summarized accounting.
- c) To navigate back to the Accounting Center batch, from the related actions menu of the journal, select **Journal Entry > View Accounting Center Batch**.

To review all summarized journals for the accounting source, see [View Summarized Journals](#) on page 409.

Tasks

[Cancel Accounting Center Batches](#) on page 387

Configure Detailed Journal Additional Attributes

Create an accounting source and run at least 1 batch in the accounting source.

Security: *Set Up: Accounting Source* in the Accounting Center functional area.

You can configure a maximum of 10 additional attributes to be available for selection on the Accounting Center Detailed Journal Lines for each Accounting Source. You can then specify which of the configured additional attributes you want available on the manual detail journal entry lines and which additional attributes are required.

Note: Workday recommends that you don't modify the Reference IDs for additional attributes, as this will cause batch failures in Detailed Accounting.

1. Access the **Configure Detailed Journal Additional Attributes** task.
2. Select an Accounting Source.
3. Click **OK**.
4. Add a row for each additional attribute that you want available on the Accounting Center Detailed Journal lines.
5. As you complete the task, consider:

Option	Description
Additional Attribute	Select the additional attributes that you want on your manual detailed journal entry lines.

Option	Description
	Only additional attributes present on the Detailed Accounting Output Table schema for the selected Accounting Source are available for selection.
Edit on Journal Entry Lines Grid	For each attribute, select if you want to edit the attribute on the manual detailed journal entry lines when you create a manual detailed journal.
Required	For each attribute, select to require the additional attribute on all manual detailed journal entry lines.

6. Click **OK**.

The configured additional attributes are available on the manual detailed journal entry lines where indicated.

Create a manual detailed journal.

Reference

[The Next Level: All Things 2023R1 in Accounting Center](#)

[2023R1 What's New Post: Manual Accounting Center Detailed Journal](#)

Create Manual Accounting Center Detailed Journals

- Configure these business processes:
 - *Accounting Center Detailed Journal Approval Event* to route manual accounting center detailed journals for approval.
Configure Approvals on the Accounting Center Detailed Journals.
 - *Accounting Center Detailed Journal Batch Initiation Event*.
Include the Accounting Center Detailed Journal Batch Initiation Primary Process as Batch/Job in the business process definition.
 - *Accounting Center Summarization Event*.
Include the Accounting Center Summarization Primary Process as Batch/Job in the business process definition.

See [Steps: Configure Business Process Definitions](#).

- [Configure Detailed Journal Additional Attributes](#) on page 382.
If you want to create a manual detailed journal with additional attributes, configure the detailed journal additional attributes first.
- *Security: Process: Accounting Center Detailed Journals* in the Accounting Center functional area.

You can create a manual journal with worktags and additional attributes in Detailed Accounting for a number of purposes, including:

- Correct data created by traditional batch processing.
- Create reversing accruals in the current period for source data that isn't yet in the Accounting Center.

You can only process manual detailed journals directly in the Detailed Accounting and Summarization stages. There are no Ingestion or Enrichment stages for manual detailed journals.

For Manual Detailed Journal batches, Workday:

- Ignores any processing options that you've configured for the accounting source on the **Edit Accounting Center Process Configuration** task.

- On the **Run Accounting Center Event** page:
 - Disables the **Dismiss Errors and Process with Future Batch** option as you can't dismiss transactions for the Manual Detailed Journal batch types.
 - Only displays the **Summarization** stage when you click **Run** and select **Rollback to Selected Stage and Reprocess**.

Note: The Accounting Center Detailed Journals don't post directly to your ledger but Workday instead summarizes them before posting to the ledger.

1. (Optional) Configure an ID Generator for Accounting Center Detailed Journal.

Access 1 of these tasks:

- **Edit Tenant Setup - Financials** to configure an ID for all manual accounting center detailed journals at the tenant level.
- **Edit Company ID Definitions** to configure an ID for all manual accounting center detailed journals at the company level.

Note: The company ID sequence generator values take precedence over the Tenant Setup configuration.

See [Create ID Definitions and Sequence Generators](#).

2. (Optional) Use the **Batch Type** report field to create a condition rule on the Accounting Center Summarization Event business process.
3. Access the **Create Accounting Center Detailed Journal** task.
4. As you complete the journal header, consider:

Option	Description
Accounting Source	Select the accounting source for which you want to create the manual detailed journal.
Ledger	Select a company that includes an Actuals ledger. Workday doesn't support entering detailed journal in either of these ledgers: • Commitment • Obligation You can also use the Ledgers by Company Hierarchy prompt category to navigate a company hierarchy and then select the company ledger.
Currency	The company currency used on financial transactions. Workday populates the field based on the Ledger that you select.
Journal Source	Displays journal sources you configured as an Accounting Source on the Maintain Journal Sources task
Currency Rate Type	You can specify a currency rate type when you select the Enable Multicurrency check box. If you don't specify a type, Workday uses the Currency Rate Type Override on the Edit Company Accounting Details task.
Book Code	Leave blank to post to the blank book code.
External Reference ID	(Optional) Enter the reference ID. The reference ID enables you to track source system

Option	Description
	transactions for auditing purposes that you import into Workday.
Enable Multicurrency	(Optional) Select to enable the Currency Rate Type if you want to use a currency rate type other than the default. Workday populates the Enable Multicurrency check box selection based on whether the selected Accounting Source is enabled for multicurrency.
Create Reversal	Select to enable the Reversal Date so that you can enter the date you want to have journal entries reversed. The default is the next open period. Both the journal period and the reversal period must be open.
Reconcile to Bank	Select the check box if you want to reconcile the summarized cash journal lines. Manual journal lines you select are available for reconciliation and displays a Transaction Reference if there's one. You can then match the selected journal lines with your bank statement. See Steps: Use Bank Account Reconciliation on page 1498.

5. Click **Continue**.

The additional attributes that you configured on the **Configure Detailed Journal Additional Attributes** task and selected is Editable in the Journal Entry Lines Grid are available on the **Journal Entry Lines** grid.

6. As you complete the **Journal Entry Lines** grid, consider:

Option	Description
Ledger Account	Displays the ledger accounts for the Company based on the restricted-to companies you configured on the Create Account Set task. If you selected the company as a dimension in your account posting rules, Workday validates that you can use the ledger account with the company or company hierarchy.
Worktags	Use worktags as keywords to classify and find transactions easily. Configure the allowed worktag types on the Maintain Worktag Usage task. When you select a worktag type that has related worktags, Workday automatically populates transactions with the related worktag values. When you add a new line, Workday populates the worktags from last edited line on the new line.
Additional Attributes	Enter a value for each <i>Required</i> additional attribute.

Option	Description
	You configure additional attributes as <i>Required</i> on the Configure Detailed Journal Additional Attributes task.

7. (Optional) Expand **Attachments** and use the **Drop files here** or **Select files** option to add attachments.
Security: *Process: Accounting Center Detailed Journals – Add/Change Attachment* domain in the Accounting Center functional area.
8. (Optional) Click **Generate Draft**.
Workday:
 - Performs system and custom validations for the as-entered and generated journal lines.
 - Displays expected journal lines for the manual detailed journals based on the as-entered lines.

Note: Workday won't submit the detailed journal lines for approval until you click **Submit**.
9. Review and click **Submit** to submit the journal lines for approval.
Workday initiates the *Accounting Center Detailed Journal Approval Event* to route manual accounting center detailed journals for approval.
On approval, Workday automatically initiates the *Accounting Center Detailed Journal Batch Initiation Event* business process to create a batch for detailed accounting and summarization.
10. Access the **Find Accounting Center Batches** report.
11. On the **Find Accounting Center Batches** page, for **Batch Type**, select **Manual Detailed Journal**.
12. Click to open the batch created by the detailed manual journal.
13. (Optional) If the Detailed Accounting stage has a status of *Failed*, click **Retry** to submit the batch again.
14. (Optional) If the Summarization stage has an *In Progress* status, with error transactions, click **Run**.
For **Process Options**, select **Rollback to Selected Stage and Reprocess** and for stage, select **Summarization**.
15. Refresh the page to confirm that the batch has a *Completed* status.
16. From the related actions of the batch, select **Accounting Center Batch > View Accounting Center Detailed Journals**.
17. On the **View Accounting Center Detailed Journal** report, confirm that the detailed journal has an *Approved* status and the batch has a *Completed* status.
For high-volume journal lines, Workday displays the first 1000 journal lines before displaying the **Summarized Journal Lines** grid. The grid enables you to review more journal lines without performance degradation. You can still view the detailed lines of a summarized Accounting Center Detailed Journal by clicking the **Display Journal Lines Details** button, but note that this will affect performance for high-volume journal lines.
If you've configured an ID Generator for the Accounting Center Detailed Journal on the **Edit Tenant-Financials** task, Workday uses it to create a unique manual detailed accounting journal number. This numbering is separate from the traditional numbering for journals that post to the ledger.
18. To navigate back to the batch, from the related actions of the detailed journal, select **Accounting Center Detailed Journal > View Accounting Center Batch**.
19. From the related actions of the batch, select **Accounting Center Batch > View Accounting Center Summary Journals**.
20. On the **View Accounting Center Summary Journal** page, confirm that summary journal has a *Posted* status.
Because Workday posts the summarized journals to the ledger, note that it uses the numbering for traditional journals.
21. To navigate back to the batch, from the related actions menu of the journal, select **Journal Entry > View Accounting Center Batch**.

Reference

[The Next Level: All Things 2023R1 in Accounting Center](#)

[2023R1 What's New Post: Manual Accounting Center Detailed Journal](#)

Cancel Accounting Center Batches

You've created an accounting center batch.

Security: *Process: Accounting Center* domain in the Accounting Center functional area.

You can optionally cancel an in-progress or completed batch that contains posted summarized journals. This eliminates the need to enter reversal journals manually in your ledger when the source system sends duplicate or bad data.

You can't cancel a batch when:

- You've selected journals for settlement or have settled them.
 - You've reconciled Journal lines to a bank statement.
 - Ledger periods aren't open for all the journals.
 - The Business Process event associated with the Summarization stage has an *In Progress* status.
1. (Optional) Enable the **Always Reverse Accounting and Accounting Center Summary Journals** option on the **Edit Setup – Financials** task, if you want Workday to reverse the journals, otherwise Workday will cancel the journals.
 2. Access the **Find Accounting Center Batches** report.
 3. To cancel a batch, from the related actions menu of the batch, select **Accounting Center Batch > Cancel Accounting Center Batch**.
 4. Enter a cancellation reason, select **Confirm**, and click **OK**.

Workday deletes transactions from the success output tables and error tables for the canceled batch.

If you've enabled the **Always Reverse Accounting and Accounting Center Summary Journals** option on the **Edit Setup – Financials** task, Workday will reverse the journals, otherwise Workday will cancel the journals.

For in progress batches:

- Workday only terminates new transactions from further processing.
 - Eliminates all successful and error transactions for both the enriched and detailed accounting stages.
 - Doesn't include the transactions in future batches and ignores original data permanently. If you need to use the data in future batches, you must prepare the data again for ingestion.
- Workday will include transactions that were being reprocessed (prior dismissed transactions) for the canceled batch in a subsequent batch.

For completed batches:

- Workday will terminate new transactions that were successful and any error transactions, which you dismiss from further processing. Reinsert the terminated transactions to process them in a subsequent batch.
- New and reprocessed error transactions, which Workday dismisses to an Error Manager will be available in Error Manager for you to resolve.
- New and reprocessed error transactions that Workday dismisses to a future batch are available in a new batch.
- Reprocessed transactions that Workday includes in this batch and were successful are available for a new batch.

See also, [#unique_276](#).

Tasks

[Create Accounting Center Batches from Source Systems](#) on page 378

Reference

[2022R1 What's New Post: Cancel Batch with Summarized Journals](#)

Review Details of Batches, Stages, and Runs

Create Accounting Center batches.

Security: *Process: Accounting Center* domain in the Accounting Center functional area.

You can review details of batches, stages, and runs for a batch.

1. Access the **Find Accounting Center Batches** report.
2. Select the accounting source you created and click **OK**.

The **Find Accounting Center Batches** page displays these details of the batch:

Columns	Description
Batch	Displays the instance number to the Display ID of the batch. Number format of the instance is based on your preferred location. You can click the batch to drill down to view the View Accounting Center Batch report from where you can click Run to run the stages.
Created	Date Workday creates the batch.
Accounting Source	The name of the accounting source that created the batch.
Batch Status	The status of the present batch. Possible values are: • In Progress • Completed • Canceled
Transactions In	Number of transactions included in an accounting center batch. Each transaction might consist of one or more records based on a common identifier. Might be different than Records In for a many-to-1 scenario.
In Process Transactions	Transactions that Workday processes in the batch. Includes the number of transactions in the batch, less completed and dismissed transactions.
Completed Transactions	Transactions that Workday successfully processes and includes in summarized journals for the batch. Excludes dismissed transactions.
Dismissed Transactions	Transactions that Workday dismisses in an accounting center batch run. Includes:

Columns	Description
	- Error transactions. - Transactions that you identify to dismiss. See Custom Dismiss Transactions on page 393.
Records In	Number of records included in the batch. One or more records can make up a transaction based on a common identifier. You can use these records count to reconcile to the source Workday.

3. Click to open a batch.

The **Batch Level Counts** section displays a summary count of these transactions in the batch:

- Transactions In
- In Process Transactions
- Completed Transactions
- Dismissed Transactions
- Records In

The **Current View by Stage** tab displays these details of all stages for the batch:

Columns and Buttons	Description
Stage	The stage of an accounting center batch that Workday is processing.
Status	The status of a stage for an accounting center batch. Possible values are: • Not Started • In Progress • Completed • Aborted • Failed
Records In	Accessed from the related actions menu of the Stage. Number of records, less dismissed records, included in an accounting center batch for a specific stage. One or more records can make up a transaction based on a common identifier.
Success Records	Accessed from the related actions menu of the Stage. Number of successful records, less records associated with dismissed transactions, in an accounting center batch for a specific stage. One or more records can make up a transaction based on a common identifier.
Transactions In	Number of transactions, less dismissed transactions, included in an accounting center batch for a specific stage. Each transaction

Columns and Buttons	Description
	can consist of one or more records based on a common identifier.
Success Transactions	Number of successful transactions, less dismissed transactions, in an accounting center batch for a specific stage. Each transaction can consist of one or more records based on a common identifier.
Error Transactions	Number of error transactions, less dismissed transactions, in an accounting center batch for a specific stage. Each transaction can consist of one or more records based on a common identifier.
Total Error Records	Number of errors, less errors associated with dismissed transactions in an accounting center batch for a specific stage.
Run	Click to create a new run event and run the job.
Retry	Click to create a new run event for a failed or aborted run event in an accounting center job with the same parameters. You can use the <i>Retry</i> option: • If the pre-step fails or aborts before the accounting center primary process starts. • If the accounting center primary process fails. • If the post-step fails or aborts after the accounting center primary process completes for the Enrichment or Detailed Accounting stage. Note: You can't use the <i>Retry</i> option if the post-step fails or aborts after the accounting center primary process completes for the Summarization stage.
Force Complete	If the post-step fails or aborts after the accounting center primary process completes, you can Force Complete the event. Click to skip the post steps of a run event for an Accounting Center Process, and mark the run status as <i>Force Completed</i>. You must therefore, complete the post steps manually.

4. Click the **View by All Runs** tab.

The **View by All Runs** tab displays these details of all runs for the batch:

Columns	Description
Run Event	Displays these details of the event: • Overall status • Initiated On • Accounting Source

Columns	Description
	• Stage • Batch • Process Option • Primary Process • Primary Process Status
Run Number	The sequential number of the run number in an accounting center batch across all stages.
Run Status	The status of an accounting center batch run for a specific stage. Possible values are: • Pre-Step in Progress • Primary Process in Progress • Post-Step in Progress • Completed • Force Completed • Failed • Aborted
Stage	The stage of an accounting center batch runs that Workday is processing.
Process Option	The run option selected for an event when running the accounting center process.
Primary Process	Main processing step required for the run event. Includes: • Initiation • Enrichment • Detailed Accounting • Summarization
Records In	Accessed from the related actions menu of the Primary Process. Number of records included in an accounting center batch run for a specific stage. Workday doesn't update record counts when you dismiss errors. One or more records can make up a transaction based on a common identifier.
Success Records	Accessed from the related actions menu of the Primary Process. Number of successful records in an accounting center batch run for a specific stage. Workday doesn't update record counts when you dismiss errors. One or more records can make up a transaction based on a common identifier.
Transactions In	Number of transactions included in an accounting center batch run for a specific stage. Each transaction might consist of one or more records based on a common identifier.

Columns	Description
Success Transactions	Number of successful transactions in an accounting center batch run for a specific stage. Each transaction might consist of one or more records based on a common identifier.
Error Transactions	Number of error transactions in an accounting center batch run. Each transaction might consist of one or more records based on a common identifier.
Dismissed Transactions	Transactions that Workday dismisses in an accounting center batch run. Includes separate totals in different rows for: • Error transactions. • Transactions that you identify to dismiss. See Custom Dismiss Transactions on page 393.
Total Error Records	Number of errors in an accounting center batch run for a specific stage.

View detailed and summarized accounting.

Tasks

[Create Accounting Center Batches from Source Systems](#) on page 378

[View Summarized Journals](#) on page 409

Stop Accounting Center Business Process Event

You can optionally, configure the Accounting Center Event to stop the business process if the business process meets certain conditions. Example: If the Prism dataset fails to publish you can use the **Publish Prism Dataset Job Status** field as an entry condition to abort the business process.

You can stop the business process for any of these stages:

- Enrichment
- Detailed Accounting
- Summarization

1. Access the Accounting Center Event business process definition for which you want to abort the event if it meets certain conditions.

Example:

- *Accounting Center Enrichment Event* business process for the Enrichment stage.
 - *Accounting Center Detailed Accounting Event* business process for the Detailed Accounting stage.
 - *Accounting Center Summarization Event* business process for the Summarization stage.
2. Add an additional step of *Service* and in the **Specify** column, select **Abort Accounting Center Event**.
 3. Add conditional rules to create conditions when the Accounting Center process should or shouldn't run the *Abort* event. Example: Add a conditional rule of *True* for the **Publish Prism Dataset Job Status** field if you want the Accounting Center process to skip the *Abort* step when the Prism dataset is

successfully published. Add a conditional rule of *False* if you want the Accounting Center process to run the *Abort* event when the Prism dataset fails to publish.

See [Steps: Configure Business Process Definitions](#).

When adding conditional rules, consider using these 4 Custom Fields:

Field	Description
• Custom Field 1 • Custom Field 2	Use these text fields in condition rules to define your Accounting Center Business Process Definition. Use the <i>Put Accounting Center Event Field</i> web service to update these fields for your event.
• Custom Field 3 • Custom Field 4	Use these fields in condition rules to define your Accounting Center Business Process Definition. Possible values are True and False. Use the <i>Put Accounting Center Event Field</i> web service to update these fields for your event.

Example: You can create an Integration type that checks the results based on the published results. If the input and out values for a stage aren't the same, integration uses the *Put Accounting Center Event Field* web service to update these fields. You can then use the fields as conditions to abort the business process.

4. Click **OK** and then **Done**.

Workday aborts the business process if the business process meets the defined conditions.

You can either Retry or Force Complete the business process.

Custom Dismiss Transactions

- Ensure that your accounting source has automatically created the `USR_UserDirectedForDismissal` dataset.
- Security:
 - These domains in the Accounting Center functional area:
 - *Set Up: Accounting Sources*.
 - *Process: Accounting Center*.
- Necessary security to edit the Accounting Center Event business processes.

You can optionally, configure the Business Process Definitions for both enrichment and detailed accounting to dismiss specific Accounting Center transactions from a batch. This enables you to:

- Dismiss transactions that the regular Accounting Center error process might not otherwise dismiss.
 - Example uses include:
 - Dismiss success transactions that are related to dismissed error transactions in order to group these transactions for error handling.
 - Dismiss and terminate bad data ingested from a source system.

Workday by default runs custom dismissal processing before error dismissal processing. Therefore, if you direct an error transaction for custom dismissal, Workday:

- Dismisses the error transaction by custom dismissal processing.
- Excludes the error for delivered error dismissal processing.

You can, if required, configure the business process so that custom dismissal processing runs after error dismissal processing.

Example: You can create a condition rule of (Transactions In for a Stage = Success Transactions for a Stage) and apply this as an entry condition on the business process step for the Request Dismiss Transactions job. Configuring the step condition enables you to run Request Dismiss Transactions after Workday dismisses the error transactions for the stage.

1. Dismissing Transactions for Enriched Data

- a) Configure your UserDirectedForDismissal dataset to include the AC_Transaction_IDs of what you want to dismiss.

Workday recommends that you only bring the current Accounting Center batch into the USR_UserDirectedFor Dismissal dataset. This improves performance and ensures that Custom Dismissal only runs when needed.

- b) Configure the *Accounting Center Enrichment Event* business process definition with Batch/Job and Integration types.

See [Steps: Configure Business Process Definitions](#).

As you configure the business process definition, consider these guidelines:

Types	Name and Description	Guidelines
Integration	Custom integration. Use it to identify transactions you want to dismiss and populate the AC_Transactions_IDs of the identified transactions in the USR_UserDirectedForDismissal dataset.	- Configure the business process definition so that Integration runs before the Request Batch/Jobs. This configuration ensures that the Request process can access the dismissed transactions in the USR_UserDirectedForDismissal dataset. - Configure the Integration to run after the Accounting Center Enrichment Process.
Batch/Job	- Request Dismiss Transactions and Process with Future Batch (Enrichment). - Request Dismiss Transactions and Remove from Further Processing (Enrichment). - Request Dismiss Transactions from the Batch (Enrichment) Note: Dismissed transactions are available in the Error Manager once the batch completes. Retrieves AC_Transaction_IDs from the USR_UserDirectedForDismissal dataset for custom dismissals	- Configure only 1 of the Request Batch/Jobs. - Configure to run the Batch/Job after the Accounting Center Enrichment Primary Process. - If the request job fails or aborts, you can either: - Click Retry to process the batch again. - Click Force Complete to complete the batch run. - Click Cancel to cancel the batch.

	and stores them in the TBL_UserDirectedForDismissal.	

Note: Workday doesn't support configuring the Batch/Job to run before the Accounting Center Enrichment Process.

- c) (Optional) Configure a condition rule to specify when Request Dismiss Transactions will run.
Example: Create a condition rule that states that the Request Dismiss Transactions job will run when the Enrichment stage is complete. Example: (Transactions In for a Stage = Success Transactions for a Stage). Configuring the rule enables you to run Request Dismiss Transactions as the last step in the Enrichment stage, before progressing to detailed accounting.

2. Dismissing Transactions for Detailed Accounting

- a) Configure the *Accounting Center Detailed Accounting Event* business process definition with Batch/Job and Integration types.

As you configure the business process definition, consider these guidelines:

Types	Name and Description	Guidelines
Integration	Custom integration. Use it to identify transactions you want to dismiss and populate the AC_Transactions_IDs of the identified transactions in the USR_UserDirectedForDismissal dataset.	- Configure the business process definition so that Integration runs before the Request Batch/Jobs. This configuration ensures that the Request process can access the dismissed transactions in the USR_UserDirectedForDismissal dataset. - Configure the Integration to run after the Accounting Center Detailed Accounting Process.
Batch/Job	- Request Dismiss Transactions and Process with Future Batch (Detailed Accounting). - Request Dismiss Transactions and Remove from Further Processing (Detailed Accounting). - Request Dismiss Transactions from the Batch (Detailed Accounting). Note: Dismissed transactions are available in the Error Manager once the batch completes. Retrieves AC_Transaction_IDs from the USR_UserDirectedForDismissal dataset for custom dismissals	- Configure only 1 of the Request Batch/Jobs. - Configure to run the Batch/Job after the Accounting Center Detailed Accounting Process. - If the request job fails or aborts, you can either: - Click Retry to process the batch again. - Click Force Complete to complete the batch run. - Click Cancel to cancel the batch.

	and stores them in the TBL_UserDirectedForDismissal.	

Note: Workday doesn't support configuring the Types (Integration and Batch/Job) to run before the Accounting Center Detailed Accounting Process.

- b) (Optional) Configure a Condition Rule to specify when Request Dismiss Transactions will run.
Example: Create a condition rule that states that the Request Dismiss Transactions job will run when the Detailed Accounting stage is complete. Example: (Transactions In for a Stage = Success Transactions for a Stage). Configuring the rule enables you to run Request Dismiss Transactions as the last step in the Detailed Accounting stage, before progressing to summarization.

If the Request Batch/Job identifies transactions for dismissal, Workday initiates the Accounting Center job with the Dismiss Transactions processing option.

Depending on which Request Batch/Job you initiate, Workday automatically processes your requests as described in this table:

Request Batch/Job	Processing Options
- Request Dismiss Transactions and Process with Future Batch (Enrichment). - Request Dismiss Transactions and Process with Future Batch (Detailed Accounting).	Workday runs the Dismiss Transactions and Process with Future Batch process for the specified stage. Workday dismisses the selected transactions from the batch and processes them with a future batch.
- Request Dismiss Transactions and Remove from Further Processing (Enrichment) - Request Dismiss Transactions and Remove from Further Processing (Detailed Accounting).	Workday runs the Dismiss Transactions and Remove from Further Processing process for the specified stage. Workday removes the selected from further processing.
- Request Dismiss Transactions from the Batch (Enrichment) - Request Dismiss Transactions from the Batch (Detailed Accounting)	Workday runs the Dismiss Transactions from the Batch process for the specified stage. Workday removes custom-dismissed transactions from the batch and sends them to the Accounting Center Error Manager for resolutions.

Examples

[Example: Custom Dismiss Zero Amount Transactions](#) on page 405

View, Resolve, and Reprocess Errors

Create an accounting center batch.

Configure the *Request* business process with these additional business objects, to track errors, and submit approval requests for error response:

- Accounting Source
- Custom Account Posting Rule Dimension
- Custom Account Posting Rule Type
- Account Posting Rule Set
- View Mapping Table

See [Setup Considerations: Requests](#).

You can review and resolve errors for each stage. After you resolve the errors, you can then reprocess them.

1. View and Resolve Errors for Enriched Data

- a) Access the **Find Accounting Center Batches** report.
- b) Select **From date** and click **OK**.

Workday displays the **Find Accounting Center Batches** page.

- c) Click the batch for which you want to resolve errors.

Workday displays the **View Accounting Center Batch** page.

- d) Click the **View By All Runs** tab.

- e) For the **Enrichment stage**, click **View Errors**.

The **View Summary by Error Type** page displays the summarized errors and the number of transactions with the error type.

- f) For each error message, click **View Details**.

The **View Errors for Accounting Center Batch Run** page displays all Transaction_IDs for the specific error. For more information on Transaction_ID, see [View Detailed Accounting Results](#) on page 408.

- g) For each AC Transaction ID, click **View Details**.

The **View Error Details** page displays error details for the selected transaction, such as:

- Transaction_ID
- Batch
- Batch Run

In addition, the **View Error Details** page also displays these 2 grids:

- **Error Summary:** Expand the grid to display details for the Transaction ID error in the Enriched dataset, such as:
 - Error Message.
 - Prior Stage WPA_RowID that you can use to find the Actual Row ID of the input dataset for the stage.
 - Accounting Source Snapshot.
 - Accounting Group Name.
- **Prior Stage Transaction:** Expand the grid to display the first 25 fields of the records included in the transaction from the prior stage. Number of lines displayed on the grid depends on the number of records in the specified transaction. If the transaction contains 1 record, the grid will display 1 line. If the transaction contains more than 1 record, the grid will display multiple lines.

You can select the **Show All** button to review all error fields.

You can also use the **Configure Error Details – Prior Stage Fields** task to configure the **Prior Stage Transaction** grid to display up to 25 error fields that you want to review.

- h) Review and fix the errors before proceeding further.
- i) On the **View Accounting Center Batch** page, select the **Current View By Stage** tab and select **Run**. For **Process Options**, select one of these options:

Field	Description
Processing Options	To process errors: • Select Rollback to Selected Stage and Reprocess to have Workday roll back

Field	Description
	transactions to the selected stage and then reprocess the rolled back transactions. • For Select Stage, select Enrichment. • Check Include Dismissed, to include dismissed transactions with the rolled back transactions, and click OK. Note: This option is also available when a run completes with no errors. • Select Process Errors Within Stage to have Workday create enriched transactions for batch errors only. • Select Dismiss Errors from the Batch to have Workday dismiss errors to the Accounting Center Error Manager. Note: Errors are available in the Error Manager once the batch completes. • Select Dismiss Errors From Further Processing to have Workday dismiss all errors from further processing. The dismissed records won't be available for a future batch and you'll have to ingest them again for processing. • Select Dismiss Errors and Process with Future Batch to have Workday process the dismissed errors with a future batch. Note: Dismissed transactions will be available in a future batch when the batch is complete or canceled.

2. View and Resolve Errors for Detailed Accounting

a) On the **View Accounting Center Batch** page, select the **View by All Runs** tab.

b) For the **Detailed Accounting** stage, click **View Errors**.

The **View Summary by Error Type** page displays the summarized errors and the number of transactions with the error type.

c) For each error message, click **View Details**.

The **View Errors for Accounting Center Batch Run** page displays all Transaction_IDs for the specific error. For more information on Transaction_ID, see [View Detailed Accounting Results](#) on page 408.

d) For each Transaction_ID, click **View Details**.

The **View Error Details** page displays error details for the selected transaction, such as:

- Transaction_ID
- Batch
- Batch Run

In addition, the **View Error Details** page also displays these 3 grids:

- **Error Summary Grid:** Expand the grid to display details for the Transaction ID error in the Detailed Accounting dataset, such as:

- Error Message.
- Prior Stage WPA_RowID that you can use to find the Actual Row ID of the input dataset for the stage.
- Accounting source journal line rule are rules that you specified on the **Journal Line Rules** tab when you configured your accounting source.

Note: This value will be unavailable if errors occur at the journal header level or if condition rules fail to select a journal line rule.

- Accounting Source Snapshot.
- Accounting Group Name.

- **Error Details Grid:**

Displays these 2 tables that can help you to resolve errors. The tables display these details:

- From the user configuration on the Accounting Source Snapshot.
- On the user-defined Custom Validations.

Table	Description
Configured Header and Lines	Displays results of merging your enrichment data with your configured accounting source snapshot. Not all fields contain an error, therefore, some fields can be blank.
Expected Detailed Accounting Journals	Displays details of the expected detailed accounting journals. Not all fields contain an error, therefore, some fields can be blank. Additionally, this table will be blank if the errors only occur on the Configured Header & Lines table.

- **Prior Stage Transaction:** Expand the grid to display the first 25 fields of the records included in the transaction from the prior stage. Number of lines displayed on the grid depends on the

number of records in the specified transaction. If the transaction contains 1 record, the grid will display 1 line. If the transaction contains more than 1 record, the grid will display multiple lines.

You can select the **Show All** button to review all error fields.

You can also use the **Configure Error Details – Prior Stage Fields** task to configure the **Prior Stage Transaction** grid to display up to 25 error fields that you want to review.

- e) Review and fix the errors before proceeding further.
- f) On the **View Accounting Center Batch** page, select the **Stage** tab and click **Run**. For **Process Options**, select one of these options:

Field	Description
Process Options	To process errors: • Select Rollback to Selected Stage and Reprocess to have Workday roll back transactions to the selected stage and then reprocess the rolled back transactions. • For Select Stage, select Enrichment or Detailed Accounting. • Check Include Dismissed, to include dismissed transactions with the rolled back transactions, and click OK. Note: This option is also available when a run completes with no errors. • Select Process Errors Within Stage to have Workday create detailed accounting for batch errors only. • Select Dismiss Errors from the Batch to have Workday dismiss errors to the Accounting Center Error Manager. Note: Errors are available in the Error Manager once the batch completes. • Select Dismiss Errors From Further Processing to have Workday dismiss all errors from further processing. The dismissed records won't be available for a future batch and you'll have to ingest them again for processing. • Select Dismiss Errors and Process with Future Batch to have Workday process the dismissed errors with a future batch. Note: Dismissed transactions will be available in a future batch when the batch is complete or canceled.

3. Review and Resolve Errors for Summarization

- a) On the **View Accounting Center Batch** page, select the **View by All Runs** tab.
- b) For the **Summarization** stage, click **View Errors**.
The **View Summary by Error Type** page displays the summarized errors and the number of transactions with the error type.
- c) Review and fix the errors before proceeding further.
- d) On the **View Accounting Center Batch** page, select the **Current View By Stage** tab and select **Run**.
- e) For **Process Options**, select **Rollback to Selected Stage and Reprocess**.

Reference

[2022R2 What's New Post: Accounting Center - Miscellaneous Enhancements](#)

View and Resolve Errors in Error Manager

Create an accounting center batch with errors dismissed to the Accounting Center Manager.

Configure the *Request* business process with these additional business objects, to track errors, and submit approval requests for error response:

- Accounting Source
- Custom Account Posting Rule Dimension
- Custom Account Posting Rule Type
- Account Posting Rule Set
- View Mapping Table

See [Setup Considerations: Requests](#).

You can use the Accounting Center Error Manager to track and resolve dismissed errors and custom dismiss transactions for completed and canceled batches in an accounting source.

Unresolved errors and custom dismiss transactions that you dismiss out of a batch will be visible in the Error Manager once the batch is complete.

You can use the Accounting Center Error Manager to:

- View:
 - Dismissed transactions by error.
 - Nature of each error.
 - Number of error transactions.
 - Number of transactions pending resolution.
 - Use transactional data to filter and group error transactions in the error manager.
 - Apply resolutions at the transaction level.

After you process error resolutions, Workday will remove them from the Accounting Center Error Manager.

1. Access the **Accounting Center Error Manager** task.

2. As you complete the task, consider:

Option	Description
Accounting Source	Select an accounting source for which you want to resolve errors.
Batch Status	You can only select canceled or completed batches.
Batch	You can select a single batch or multiple batches.

Option	Description
From To	Specify a date range for the created batch or batches.

3. Click **OK**.

The Accounting Center Manager displays all errors in the **Errors in Batches** grid for all selected batches across all stages.

4. For the error you want to resolve, click **Apply Resolutions**.

Workday displays the **Apply Resolutions** task.

5. Expand **Error Details** to review these details of the error:

- Accounting Source
- Batch Status
- Batch Name
- Stage
- Error Details
- Number of transactions that contain the error.

6. (Optional) Click **Download Prior Stage Transactions** to download and analyze prior stage transactions. After clicking download, you'll receive a notification when the file is ready to download from **My Reports**.

Workday recommends you perform this task first.

Note: This option isn't available for Custom Dismiss transactions and for canceled batches.

7. (Optional) Click **Download Ingested Data** if you decide to terminate the transactions and want to download the source data again.

Note: This option isn't available for canceled batches.

8. As you retrieve error transactions that you want to resolve, consider:

Option	Description
Search Criteria	Use the Stage Input Fields to select input fields to the error stage to display in the Error Record Details grid. Example: If there are errors in the Enrichment 2 stage, you can select fields from the Enrichment 1 output table. Based on the type of error, you can narrow your search to select fields that are useful to resolve the error. Example: If you have an error for a missing cost center, you can select input fields that were evaluated in the Value Mapping Stage and any other fields that can help you resolve the error. You can select a maximum of 10 input fields to the error stage for Enrichment and Detailed Accounting errors. Workday automatically sets the criteria to Show Transactions Pending Resolutions. If you want to see resolved transactions that you haven't processed, select Show Transactions Pending Processing and click Apply Search Criteria.

9. Click **Apply Search Criteria** to retrieve the error transactions.

Workday updates the **Error Record Details** grid with the selected stage input fields, displaying the field values for each transaction. Workday also applies your selection to **Show Resolutions Pending Resolutions** or **Show Transactions Pending Processing**.

10. (Optional) Filter fields on the **Error Record Details** grid to organize and group transactions with common attributes to which you want to apply common resolutions.

11. As you resolve the errors, consider:

Option	Description
Resolution	You can select to: • Resolve a single transaction or multiple transactions in the Error Record Details grid. • Apply the same resolution to all transactions in the grid, or apply a resolution to each transaction individually. Note: When applying resolutions, ensure that you first: a. Select the transactions in the Error Record Details grid. b. Then select a resolution at either the header or line level in the grid. To apply the same resolution to all transactions: • Select each transaction in the Error Record Details grid. You can select the Select All check box to select all transactions in the grid. • At the header level, select how you want to resolve the transactions: • Select Process with Next Batch to dismiss the transactions and process them with the next batch. • Select Terminate to terminate the transactions. To apply different resolutions to transactions in the grid: • Select a row in the Error Record Details grid. • In the Error Record Details grid, for Resolutions, select how you want to resolve the transaction: • Select Process with Next Batch to process it with the next batch. • Select Terminate to terminate the transaction. It will no longer be available for processing. Note: When you cancel completed batches: • Workday will terminate new transactions that were successful and any error transactions, which you dismiss from further processing. You can reinsert the terminated transactions to process them in a subsequent batch.

Option	Description
	• New and reprocessed error transactions, which Workday dismisses to the Error Manager will be available in Error Manager for you to resolve. • New and reprocessed error transactions that Workday dismisses to a future batch are available in a new batch. • Reprocessed transactions that Workday includes in the batch and were successful, are available in a new batch.
Clear Resolutions	(Optional) Click to clear resolutions from selected rows in the Error Record Details grid. Click Save to delete the previously saved resolutions.
View Error Details	(Optional) Select if you want to view details of the error. Note: This option isn't available for Custom Dismiss transactions and for canceled batches.

12. Click **Save** to save the resolutions.

You can view these saved resolutions by selecting **Show Transactions Pending Processing** and clicking **Apply Search Criteria**.

13. To process resolutions, close the **Apply Resolution** window.

14. On the **Accounting Center Manager** task, click **Process Resolutions** to view and then click **OK** to process the resolutions.

Note: The **Process Resolutions** button is only available if there are resolutions pending for the selected accounting source.

15. On the **Monitor Accounting Source Job Status** report, click **Refresh** to confirm that the process completes successfully.

- Workday removes the processed errors from the Accounting Center Error Manager.
- Transactions that you resolved with the **Process with Next Batch** option are available with the next scheduled batch.

Tasks

[View, Resolve, and Reprocess Errors](#) on page 396

Reference

[2022R1 What's New Post: Accounting Center Error Manager](#)

[2022R2 What's New Post: Transactional Data in Error Manager](#)

Manage Accounting Center Maintenance Window

Setup: Accounting Sources domain in the Accounting Center functional area.

When Workday is performing Accounting Center upgrades during the maintenance and upgrade window, you might want to schedule a time to delay these upgrades. This delay ensures that:

- No updates to data can occur during the time you schedule.
- You can continue running your scheduled business-critical Accounting Center batches as planned.

Once the scheduled time expires, Workday will start the Accounting Center upgrades and will continue the upgrades till they're complete. Example: You schedule to delay the upgrades starting on Monday from

12.00 am to 3.00 pm and again on Monday from 4.00 pm to 7.00 pm. If the upgrades start on Monday at 3.15 pm, Workday will continue the upgrades till completion. If the upgrades aren't complete by 4.00 pm, Workday will ignore the processing delays you scheduled for 4.00 pm.

1. Access the **Maintain Accounting Center Processing Windows** task.
2. In the **Maintain Accounting Center Processing Windows** grid, set the day and time to delay the Accounting Center upgrades. Add a row for each **Day of the Week**, **Start Time**, and **Duration** for which you want to delay the Accounting Center upgrades.
3. Click **OK** and then **Done**.

Example: Custom Dismiss Zero Amount Transactions

This example illustrates how to custom dismiss zero amount transactions during batch processing for ingestion and tracking in the Accounting Center batch.

You want to dismiss all zero amount transactions from a batch before submitting the transactions to Detailed Accounting.

Additional considerations to note in this example when custom dismissing zero amount transactions:

- Dismiss transactions from the Enrichment 1 stage.
- Dismiss transactions from further processing.
- Dismiss transactions after you dismiss all errors from the Enrichment 1 stage.
- Dismiss transactions that have a zero amount in a field. Example: TRNS_AMT # field.

Note: Accounting Source and dataset names are specific to your Workday tenant and might be different than the names used in this example. Use the information as a guide.

Security:

- Necessary security to edit the Accounting Center Event business processes.
- These domains in the Accounting Center functional area:
 - *Set Up: Accounting Sources.*
 - *Process: Accounting Center.*
- *Prism Datasets: Manage* domain in the Prism Analytics functional area.

Ensure that you have:

- Created an Accounting Source.
- Enriched the data by creating the Enrichment dataset.

1. Configure the UserDirectedForDismissal Dataset to Access Your Enrichment Table

Configure the delivered UserDirectedForDismissal dataset to access the table with the AC_TransactionID that contains zero transaction amounts by editing the USR_UserDirectedForDismissal dataset. You can then use the ENR_1_TBL_EnrichedData output as the import source.

The dataset must contain AC_TransactionIDs, otherwise custom dismiss won't complete successfully. Workday custom dismisses transactions at the AC_TransactionID level.

Note: Workday recommends that you only bring the current Accounting Center batch into the USR_UserDirectedForDismissal dataset. This action improves performance and ensures that Custom Dismissal only runs when needed.

- a. Access the **View Accounting Source** report.
- b. In the **Accounting Source** field, select the accounting source for which you want to custom dismiss zero amount transactions. Example: AC 1TO1 MC.
- c. Click **OK**.
- d. From the related actions of the Accounting Source, select **Accounting Source > View Implementation**.
- e. Scroll to the bottom of the page.
- f. Click to open the dataset **User Configured Dismiss System Dataset**. Example: AC_1TO1_MC_USR_UserDirectedForDismissal.
- g. Create a new derived dataset to import the Enrichment output dataset and then create an inner join with the UnprocessedForBatch dataset for that stage. To access the enriched data for the most recent batch, join the datasets on the Accounting Center Batch and Accounting Center Transaction ID. Example: AC_1TO1_MC_ENR_1_EnrichedData_CurrentBatch_DDS.
- h. Under **Change Pipeline**, change the import source to the new dataset you created that contains the Transaction IDs of the transactions that you want to dismiss.
 - Click the **Pencil** icon next to the Import stage.
 - On the **Change Source** page, select the enriched dataset from above. Example: AC_1TO1_MC_ENR_1_EnrichedData_CurrentBatch_DDS and click **Select**.
- i. Select **Edit Transformations** to configure a filter for dismissing all zero amount transactions in the enriched table.
- j. Select **Stage** and then **Filter**.
- k. For Description, enter: **Exclude Transactions = 0** for the stage to filter out all zero amount transactions.
- l. Click **Add Filter**.
- m. Select **If All** of the following conditions are met.
- n. For the **Edit Filter Condition**, select the field that contains zero amount transactions. Example: **TRNS_AMT** # field.
- o. For **is equal to**, enter **0**.
- p. On the **Edit Filter Condition** header, click the **Checkmark**.
- q. Click **Done**.
- r. Click **Save** to save the dataset.

2. Configure the Business Process and Condition Rules for the Enrichment Stage

- a. Access the *Accounting Center Enrichment Event (Default Definition)* business process.
- b. From the related actions of the business process definition, select **Business Process > Edit Definition**.
- c. For **Effective Date**, select today date.
- d. Click **OK**.
- e. Click **Add Row**.
- f. Enter:

Field	Value
Order	Enter an order of where you want to place the step. It must be after the primary process. Example: c
Type	Batch/Job
Specify	Request Dismiss Transactions From Further Processing (Enrichment)
Run An User	Name of the user or your integration system user that runs Accounting Center batches. Example: Accounting Center Administrator 01

- g. Click **OK**.
- h. From the related actions of Order c, select **Business Process > Maintain Step Conditions**.
- i. For **Effective Date**, select today date.
- j. Click **OK**.
- k. Click **Add Row**.
- l. In the **Rule** field, select **Create Condition Rule**.
- m. Click **OK**.
- n. For Description, enter **Dismiss \$0 from Enrichment Stage of these Sources**.
- o. In the **Rule Conditions** grid, enter:

Field	Value
Source External Field or Condition Rule	Accounting Source Stage
Relational Operator	in the selection list
Comparison Type	Value specified in this filter
Comparison Value	<Name of your Enrichment dataset>

Field	Value
	Example: AC 1TO1 MC - AC 1to1 dds - Enrichment 1

- p. Click **OK**.
- q. Click **Add Row** to add another condition rule to dismiss transactions after dismissing all errors from the Enrichment stage.

Apply this condition rule as an entry condition on the business process step for the Request Dismiss Transactions job.
- r. In the **Rule** field, select **Create Condition Rule**.
- s. Click **OK**.
- t. For Description, enter **Successful Transactions**.
- u. In the **Rule Conditions** grid, enter:

Field	Value
Source External Field or Condition Rule	Transactions In for a Stage
Relational Operator	equal to
Comparison Type	Value from another field
Comparison Value	Success Transactions for a Stage

- v. Click **OK**.
- w. Click **OK**.
- x. Click **Done**.

Workday custom dismisses all zero amount transactions for the Enrichment 1 stage.

Tasks

[Custom Dismiss Transactions](#) on page 393

Reporting

View Detailed Accounting Results

Security: *Prism Datasets: Create* in the Prism Analytics functional area.

Create a custom report to view detailed accounting results.

1. Access the **View Accounting Source** report.
2. Select an accounting source for which you want to view detailed accounting.
3. From the related actions menu of the accounting source, select **Accounting Source > View Implementation**.
4. In the **Output Dataset** column, click the Detailed Accounting dataset.
5. On the **Fields** tab, click the **Table View** icon.
6. Review some of the fields displayed:
 - **Worktags and Additional Attributes:** Are displayed in the far right of your dataset, with Additional Attributes prefixed with AA.
 - **AC_Transaction_ID:** Is a system-generated field that uniquely identifies transactions. When each row of your enriched data generates a balanced entry, each row represents a single transaction for which Workday generates a unique transaction ID. When Accounting Center groups multiple rows

to generate a balancing entry with a user-supplied Transaction Grouping ID, Workday generates a unique transaction ID using the user-supplied Transaction Grouping ID.

- **Accounting Center Batch:** Indicates the batch number for the detailed transactions.
- **Accounting Center Batch Run:** Indicates the Detailed Accounting Batch Run stage completed by the batch run.
- **Accounting Source Snapshot:** Click the snapshot to view the accounting source configuration that generated this line in detailed accounting. The format of this value is:
 - Name of the Accounting Source
 - Effective Date
 - Last Updated
- **Accounting Source Journal Line Rule:** Refers to the row on your **Journal Line Rules** tab when you configure your accounting source.

These fields might have Null values depending on your configuration.

Note: Null values aren't errors.

- **Original Date of Reversed Journal:** For reversal journals, displays the original date of the journal.
- **Intercompany Affiliate:** For intercompany transactions, displays the name of the intercompany affiliate.
- **Intercompany Direction:** Indicates whether line is an Intercompany Receivable or Payable.
- **Intercompany Type:** Indicates intercompany accounting type. Workday supports the 2-sided use case and automatically generates both due-to and due-from entries in detailed accounting.
- **Transaction Debit and Credit Amounts:** Amounts in your transaction currency.
- **Transaction Currency:** The currency that you associate with a transaction when you create or edit it.
- **Ledger Debit and Credit Amounts:** Transaction amounts in your ledger currency.

7. These fields relate to currency conversion features:

- **Rounded as Biggest Line:** Workday applies rounding adjustments to the largest line. Automatically populates to False.
- **Currency Rate Type:** Type that identifies the source and purpose of a set of rates. Example: Current, Average, Historic.
- **Currency Rate:** Rate used to convert transaction amounts to ledger amounts.
- **WPA_LoadID and WPA_LoadTimestamp:** Are Workday generated columns.

8. Create a derived dataset based on the Detailed Accounting dataset.

9. Edit the data source security for the derived dataset to grant access to team members who need to see the data.

10. Create a custom report using the Prism data source.

Report on your detailed accounting results with worktags and additional attributes as dimensions.

View Summarized Journals

Security: *Prism Datasets: Create* in the Prism Analytics functional area.

You can review the link between detailed accounting lines and their associated summary journals, and for each transaction drill into each journal.

1. Access the **View Accounting Source** report.
2. Select an accounting source for which you want to view summarized journals.
3. From the related actions menu of the accounting source, select **Accounting Source > View Implementation**.
4. In the **Output Dataset** column, click the Summary and Detailed Accounting Reference dataset. This dataset maps detailed accounting to their respective summary journals.

5. On the **View Dataset** page, select the **Fields** tab, and click the **Table View** icon.
6. Review some of the fields displayed:
 - **Accounting Center Batch**: Indicates the batch number for the detailed transactions.
 - **Accounting Center Batch Run**: Indicates the Detailed Accounting Batch Run and not the Summarized Accounting Batch Run completed by the batch run.
 - Batch Run Column in Summary and Detailed Accounting Reference dataset refers to the Detailed Accounting Batch Run, not Summarization Batch Run.
 - **Accounting Source Snapshot**: Click the snapshot to view the accounting source configuration that generated this line in detailed accounting. The format of this value is:
 - Name of the Accounting Source
 - Effective Date
 - Last Updated
7. For each transaction, scroll to the **Journal Entry** column and click to display the journal.

Note: Access to the **Journal Line** column is restricted.

Workday displays the summarized journals that are an aggregation of detailed accounting for the selected company, year, and period.

- Build a summarized dataset that you want to use for reporting.
- Build composite or custom matrix reports to drill from summarized accounting to underlying detailed accounting and enriched transactions. See [Set Up Grouping and Summarizing for Matrix Reports](#) and [Steps: Create Composite Reports](#).

Publish Prism Datasets

Security: *Process: Accounting Center* domain in the Accounting Center functional area.

Ensure you have the necessary security to edit the Accounting Center Event business processes.

You can optionally, use the Accounting Center Process to publish a Prism dataset and use it for reporting.

You can publish a Prism dataset for any or all of these stages:

- Enrichment
- Detailed Accounting
- Summarization

1. Access the Accounting Center Event business process for which you want to create a Prism dataset.

Example:

- *Accounting Center Enrichment Event* business process for the Enrichment stage.
- *Accounting Center Detailed Accounting Event* business process for the Detailed Accounting stage.
- *Accounting Center Summarization Event* business process for the Summarization stage.

2. From the related actions menu of the business process, select **Business Process > Edit Definition**.

3. Click **OK**.

4. Configure an additional step of *Service* and click **OK**.

5. Click **Configure Publish Prism Dataset**.

Note: You can't select the same dataset for parallel published steps.

6. As you complete the **Configure Event Service** task, consider:

Field	Description
Prism Dataset	Only displays publishable Prism datasets.
Run As User	Enter a user name with access to both:

Field	Description
	- The publishable dataset. - All datasets in the lineage.
Abort Business Process Event	Check if you have parallel published steps and want to stop the business process from progressing when the publish job fails or aborts. Workday will set the batch stage status to <i>Aborted</i> and the Business Process status to <i>Canceled</i>. If the publish job fails before the accounting center job started, you can Retry the event. If the publish job fails or aborts after the accounting center job completes for the Enrichment or Detailed Accounting stage, you can Force Complete or Retry the event. If the publish job fails or aborts after the accounting center job completes for the Summarization stage, you can only Force Complete the event. If you're defining nonparallel publish steps, use this field and this service step to stop the Business Process event if the Prism dataset fails to publish: Publish Prism Dataset Job Status field. <i>Abort Accounting Center Event</i> service step.

7. Click **OK** and then **Done**.

See [Steps: Configure Business Process Definitions](#).

Workday publishes the Prism dataset when processing the Accounting Center event and makes the data available when the process is complete.

Use the published dataset for reporting.

Concept: Period Close Activity Group for Accounting Center

Workday provides an Accounting Center Summary Journals period close activity group, enabling you to close your Accounting Center summary journals separately from other journals. You can now close these 2 groups independently providing greater control and flexibility in processing different types of journals as you work through your ledger period close. You still have the ability to add them to your configured groups.

See [Concept: Ledger Close Activity Groups](#) on page 233.

Reference: Guidelines for Reporting on Accounting Center Datasets

Consider these guidelines when you report on Accounting Center datasets:

- You can only use the AS_SummaryandDetailedAccountingReference dataset to report on your detailed accounting results using these 2 reporting tools:
 - Workday Report Writer
 - Workday Discovery Boards

- Reference your Accounting Center subscription agreement for:

- The maximum number of prior months you can report for all AS_SummaryandDetailedAccountingReference datasets.

Workday determines the number of prior months by the Accounting Date on journal details reported on the AS_SummaryandDetailedAccountingReference dataset for each accounting source as of the report execution date.

- The maximum number of custom columns you can include in aggregate across all AS_SummaryandDetailedAccountingReference datasets.

Workday creates a custom column in an AS_SummaryandDetailedAccountingReference dataset when you include an additional attribute on an accounting source journal line rule.

- You can use temporary reportable datasets to support limited ad hoc reporting as determined by your subscription agreement.

Concept: Accounting Center

Accounting Center is a fully integrated solution built on an analytic engine. With Accounting Center, you can:

- Import high-volume business events into Workday.
- Enrich the data with meaningful attributes and create accounting journal entries for those transactions.
- Report on and analyze the journal entries with full drill-down visibility into the source transactions.

You can bring transactions from previously disparate systems into 1 solution to process the transactions, thereby simplifying the accounting and reconciliation process.

You can improve data quality and reporting, as well as streamline your consolidation and close process.

Together with Prism Analytics, Accounting Center offers more advanced reporting with a richer reporting dataset that provides improved statutory, operational, and regulatory reporting.

You can use Accounting Center to:

1. Enrich data.
2. Create detailed accounting.
3. Create summarized accounting.

Concepts

[Concept: Enrichment](#) on page 351

Tasks

[Set Up Grouping and Summarizing for Matrix Reports](#)

[Steps: Create Composite Reports](#)

Reference

[The Next Level: Accounting Center](#)

Financial Transaction Taxes

Transaction Taxes

Setup Considerations: Transaction Taxes

You can use this topic to help make decisions when planning your configuration and use of transaction taxes. It explains:

- Why to set them up.
- How they fit into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What They Are

You can configure Workday to report on the taxes that you pay, self-assess, or collect when you purchase or sell goods and services.

To populate the tax details and calculate the tax amounts on your transactions, you can use either:

- Workday.
- A third-party tax integration, for customer or supplier invoices.

Business Benefits

Workday:

- Populates the tax attributes on your transaction lines based on the tax configuration, minimizing errors and streamlining your compliance with tax authority regulations.
- Calculates the amount of tax that you pay, self-assess, or collect on your transaction lines based on the tax rates and line amounts, minimizing your manual effort in assessing taxes.
- Allocates the tax amounts to your spend lines or creates separate journal lines for tax, streamlining your tax accounting and reporting.

Use Cases

- You can configure Workday to populate the tax attributes on your spend or purchase transactions based on the other attributes of your transactions.
- Accounts payable specialists can configure tax attributes as they create purchase transactions like supplier invoices.
- Accounts receivable specialists can configure tax attributes as they create revenue transactions like customer invoices.
- Employees can select the tax codes on expense lines as they create expense reports. Workday calculates the amount of tax from the expense total, based on the tax code.
- Expense partners can review the expense reports and override the tax attributes.
- Tax managers can:
 - Run reports to review and reconcile transaction taxes.
 - Correct transaction taxes.

Questions to Consider

Question	Considerations
Do you use a third-party service to calculate taxes on your transactions?	You can set up a third-party tax integration to populate the tax details on your customer or supplier invoices. This enables you to use Workday's accounting and reporting framework, without the need to maintain the tax configurations in Workday.
To which jurisdictions do you pay or report taxes, and what currency do they use?	You can configure multiple tax authorities that:

Question	Considerations
	• Represent the jurisdictions to which you pay or report on taxes. • Drive the tax reporting currency of your tax rates.
What tax rates do you pay or collect?	You can: • Configure the individual tax rates that your tax authorities assess. Examples: British Columbia provincial sales tax (PST), Canada goods and services tax (GST), Germany standard value-added tax (VAT). • Configure tax categories for tax rates that share common attributes. Examples: Withholding tax, sales tax, or VAT.
Which tax rates or combinations of tax rates apply to your transaction lines?	You can configure tax codes that combine 1 or more tax rates, so you only need to select 1 tax code on each transaction line. Example: You configure a tax code for British Columbia that combines the PST and the GST tax rates.
Do you reclaim or offset a percentage of the taxes that you pay to your suppliers or tax authorities?	You can configure tax applicability and recoverability codes to: • Indicate whether to calculate tax on a transaction line. • Populate the tax recoverabilities for each tax code on your transaction lines. • Reclaim or offset a percentage of the tax amount for a given tax code on a transaction line. • Allocate the nonrecoverable portion of tax to your spend lines or to a separate ledger account. You can use tax recoverability and applicability in your account posting rules. Workday always considers tax on these documents as nonrecoverable: • Ad hoc bank deposits. • Cash sales. • Customer invoices.
On a spend transaction line, do you pay tax to the supplier or to the tax authority?	For each tax code on a spend transaction line, you can: • Let Workday assess the tax due to the tax authority. • Let Workday calculate the tax due to the supplier. • Manually enter the tax due to the supplier.

Question	Considerations
	See Reference: Tax Options on page 424.

Recommendations

- To reduce the risk of employees selecting the wrong tax attributes on transactions, configure Workday to automatically populate as many tax attributes as possible. See [Setup Considerations: Transaction Tax Rules](#) on page 432.
- To reduce the risk of inaccuracies in your tax reporting, add a tax review step to your business processes on spend and purchase transactions.
- To record partial self-assessments of tax when suppliers undercharge you tax, create tax-only invoices.

Requirements

Before you can use a third-party tax service to import the tax details on your transactions in Workday:

- Your third-party tax service provider must deploy the third-party tax integration to your Workday tenant.
Workday delivers 2 web services that your third-party tax provider can call to get the information they need to calculate tax and to import the results into Workday:
 - *Get Taxable Document for Tax Calculation.*
 - *Import Taxable Document Tax Details.*
- You must add the third-party tax service integration as a step on the *Customer Invoice* or *Supplier Invoice* business process, following the instructions from your third-party tax service provider.
- You must enable the third-party tax options for your company on the **Edit Company Tax Details** task.
- Your third-party tax service provider must create empty tax rates for Workday to store the tax rate percentages from the third-party service.

Limitations

No impact.

Tenant Setup

You can use the **Edit Tenant Setup - Financials** task to enable options to:

- Configure the tax point date on transactions.
- Populate the tax fields from your tax rules on:
 - Supplier invoices created from supplier invoice requests.
 - Supplier invoices created from a purchase order or supplier contract.
- Hide the **Tax** checkbox on expense reports when your organization doesn't require tax reporting.

Security

Domains	Considerations
<i>Set Up:</i> Tax domain in the Common Financial Management functional area	Configure transaction taxes.
<i>Reports:</i> Transaction Tax domain in these functional areas: • Customer Accounts. • Common Financial Management.	View transaction tax reports.

Business Processes

No impact.

Reporting

Reports	Considerations
Transaction Tax Detail for Tax on Invoice Transactions	Displays the transaction tax details for the taxable document lines that don't have a Tax Point Date Type of <i>Payment Date</i> at the document line level.
Transaction Tax Detail for Tax on Payment Transactions	Displays the transaction tax details for taxable document lines that have a Tax Point Date Type of <i>Payment Date</i> .
Transaction Tax Liability	Calculates the net tax due to each tax authority, which is the collected and self-assessed tax minus the recoverable tax. Displays the tax liability for sales and purchasing transactions.

Integrations

Web Services	Considerations
<i>Get Taxable Document for Tax Calculation</i>	Provides third-party tax services with the tax fields and values that they need to calculate the transaction taxes on your taxable documents.
<i>Import Taxable Document Tax Details</i>	This asynchronous web service enables third-party tax services to import the calculated tax details into Workday.

Connections and Touchpoints

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Concepts

[Concept: Self-Assessed Tax](#) on page 423

[Concept: Tax-Only Supplier Invoices](#) on page 1209

[Setup Considerations: Transaction Tax Rules](#) on page 432

Tasks

[Create Tax Declarations](#) on page 460

[Steps: Set Up Third-Party Tax Service Integrations](#) on page 428

Reference

[Reference: Edit Tenant Setup - Financials](#)

[Global Financials Reference Book](#)

Steps: Set Up Transaction Taxes

- Review setup considerations for transaction taxes.
- Security: *Set Up: Tax* domain in the Common Financial Management functional area.

You can configure:

- How Workday populates tax attributes on your transactions.
- How Workday calculates transaction tax amounts.

- The ledger accounts where Workday posts transaction taxes.
1. [Set Up Tax Authorities](#) on page 417.
When you want to pay your tax authority with supplier invoices, create the tax authority from an existing business entity and select your supplier.
 2. [Set Up Tax Categories](#) on page 418.
 3. [Set Up Transaction Tax Rates](#) on page 419.
 4. [Set Up Transaction Tax Codes](#) on page 419.
 5. [Set Up Tax Recoverabilities for Financial Transactions](#) on page 420.
 6. [Set Up Tax Applicability for Financial Transactions](#) on page 421.
 7. [Set Up Company Tax IDs for Financial Transactions](#) on page 421.
 8. (Optional) Access the **Maintain Tax ID Grouping** task.
Create tax ID groupings for countries that require more than 1 tax ID on supplier or customer invoices.
 9. Set up transaction tax account posting rules.
See:
 - [Set Up Account Posting Rules](#) on page 69.
 - [Concept: Transaction Tax Account Posting Rules](#) on page 449.
 10. Configure how Workday populates tax attributes on expense reports.
See [Steps: Set Up Taxes for Expense Reports](#) on page 1317.
 11. Configure how Workday populates tax attributes on revenue transactions.
See [Steps: Set Up Taxes for Revenue Transactions](#) on page 662.
 12. Configure how Workday populates tax attributes on spend transactions.
See [Steps: Set Up Taxes for Purchase Transactions](#).
 13. (Optional) [Configure Transaction Tax ID Exceptions](#) on page 441.
 14. (Optional) Map external tax codes to combinations of an internal tax code and a tax applicability.
See [Steps: Create External Tax Codes and Map to Internal Tax Codes](#) on page 567.

For a list of tax-related reports, access the **Workday Standard Reports** report and select the *Set Up Taxes* report category.

Concepts

[Concept: Effective Dating for Transaction and Withholding Tax Rates](#) on page 492

Set Up Tax Authorities

Security: *Set Up: Tax* domain in the Common Financial Management functional area.

You can create tax authorities for the jurisdictions where you pay or report on taxes. Example: New York State Department of Taxation and Finance.

1. Access the **Create Tax Authority** task.
2. As you complete the task, consider:

Option	Description
Create Tax Authority from Business Entity	Select a business entity for Workday to add tax authority details to. Once you select a business entity, you can't change it.
Tax Reporting Currency	Select the currency to calculate and report taxes for the tax authority. Example: Your company currency is USD, but you report taxes for your European headquarters in EUR. You select EUR.

Option	Description
	You can't change the reporting currency after you create a tax rate for the tax authority.
Rounding Definition	Select or create a rounding definition for Workday to round tax amounts: • In tax reporting currency for tax reports and tax declarations. • In company currency for posting to ledger accounts, when the company currency is the same as the tax reporting currency. • In transaction currency for display on taxable documents, when the transaction currency is the same as the tax reporting currency. When you don't select a rounding definition, Workday rounds the tax amounts to the nearest currency precision. Example: Workday rounds amounts in EUR to the nearest 2 decimals.

You can:

- Access the **Update Tax Authority Logo** task to upload a logo for this tax authority.
- Access the **Create Tax Declaration Run** task to report taxes to a tax authority.
- Create supplier invoices or ad hoc payments to pay the tax authority.

Tasks

[Create Supplier Invoices](#) on page 1173

[Create Ad Hoc Payments](#) on page 1452

Set Up Tax Categories

Security: *Set Up: Tax* domain in the Common Financial Management functional area.

You can create tax categories to group tax rates with the same attributes. Examples:

- Withholding tax.
- Value-added tax (VAT).
- Vertex.
- Avalara.

1. Access the **Maintain Tax Categories** task.
2. As you complete the task, consider:

Option	Description
Subject to Recoverability	Select this check box to calculate the recoverable tax amount for the tax rates in this tax category. Examples: • VAT. • Goods and services tax.
Withholding Tax	Select this check box to calculate withholding taxes for spend and revenue transactions. See Steps: Set Up Withholding Taxes on page 443.

Option	Description
Use Third Party Tax Service	Select this check box when you use a third-party service to calculate taxes on your transactions.

Set Up Transaction Tax Rates

Security: *Set Up: Tax* domain in the Common Financial Management functional area.

You can configure the individual transaction tax rates that your tax authorities assess. Examples:

- State of California (7.25%).
- County of Los Angeles (0.25%).
- Central City of Los Angeles (1.5%).

1. Access the **Create Transaction Tax Rate** task.

2. As you complete the task, consider:

Option	Description
Subject to Recoverability	Workday populates this value from the Transaction Tax Category that you select. Note: Workday always assesses the recoverable tax amount as zero for tax rates that aren't subject to recoverability. Even when you select a recoverable tax applicability on the transaction line.
Third Party Tax Rate	Workday populates this check box from the Transaction Tax Category that you select.
Tax Rate	Workday uses this percentage to calculate the tax amounts on transaction lines. Workday doesn't prompt you for a tax rate when you set up a third-party tax rate.

Set Up Transaction Tax Codes

Security: *Set Up: Tax* domain in the Common Financial Management functional area.

You can configure the transaction tax codes that you select on your transaction lines. A transaction tax code combines 1 or more transaction tax rates.

Example: You configure a tax code for the City of Los Angeles with these 3 tax rates:

- State of California (7.25%).
- County of Los Angeles (0.25%).
- Central City of Los Angeles (1.5%).

When you select the City of Los Angeles tax code on a supplier invoice, Workday populates these 3 tax rates on your supplier invoice.

1. Access the **Maintain Transaction Tax Codes** task.

2. As you complete the task, consider:

Option	Description
Transaction Tax ID Required	Select for Workday to display the transaction tax ID on customer invoices.

Option	Description
Tax Rate	Select all the tax rates that you want Workday to populate on your transaction lines when you select this tax code. You can't mix third-party tax rates with other tax rates in the same tax code.

Set Up Tax Recoverabilities for Financial Transactions

You can configure tax recoverability codes that indicate, for a tax rate on a transaction line:

- The percentage of the tax amount that you can reclaim or claim as input tax credit.
- Whether you want to allocate the nonrecoverable portion of tax to your spend lines, or post the tax amount to a separate ledger account.

You can configure multiple tax recoverability codes so that Workday accurately applies recoverable percentages on these transaction lines:

- Ad hoc payments.
- Expense reports.
- Purchase orders.
- Requisitions.
- Supplier contracts.
- Supplier invoices.
- Supplier invoice adjustments.

Workday always considers tax on these documents as nonrecoverable:

- Ad hoc bank deposits.
- Cash sales.
- Customer invoices.

1. Access the **Maintain Tax Recoverabilities** task.

Workday automatically populates the recoverable percentage on the transaction line based on the specified tax applicability and tax code. You can override this selection. When you specify the tax recoverability, Workday applies the recoverable percentage and the allocation method to the tax amount for tax rates within a tax code.

2. As you complete the task, consider:

Option	Description
Type	Fully and partially recoverable taxes enable you to reclaim or offset taxes that you pay on purchases and expenses against taxes collected for value-added tax (VAT) purposes.
Recoverable %	Workday applies this percentage to the tax amount in purchase and expense transactions for tax rates that are subject to recoverability. A different percentage applies if you select the Use Company Recovery Pro Rata Factor check box.
Allocate Nonrecoverable Tax	Select to allocate the nonrecoverable tax on purchase transactions across each of the lines where specified tax applicability is: • Taxable. • Nonrecoverable or partially recoverable.

Option	Description
	Through allocation, the tax becomes part of the spend line. You can allocate transaction tax to the lines regardless of how you enter or calculate tax. If you select Enter Tax Due to Supplier on the Tax Option prompt of the transaction, you can't select a tax applicability that allocates nonrecoverable tax. You can leave this option unchecked for: • Ad hoc payments. • Purchase orders. • Supplier invoices and invoice adjustments.
Use Company Recovery Pro Rata Factor	Select to enable the recoverable tax amount. The recoverable percentage is based on the Company Tax Recovery Pro Rata Factor Percentage that you specify on the Edit Company Tax Details task.

Set Up Tax Applicability for Financial Transactions

You can aid transaction entry and approval by assigning a default tax applicability to sales, purchase, and expense items in transaction lines. You can also configure tax rules that specify an override tax applicability that automatically populates on transaction lines for specific items in specific countries. You can specify tax applicability on these types of transaction lines:

- Customer invoices
- Invoice adjustments
- Cash sales
- Purchase orders
- Supplier invoices
- Ad hoc payments
- Expense reports

1. Access the **Maintain Tax Applicability** task.
2. As you complete the task, consider:

Option	Description
Tax Applicability Code	Enter a name for the tax applicability that displays for selection within transactions.
Taxable	Select to enable tax applicability when Workday calculates the tax amount on transactions.
Default Tax Recoverability	Select an available tax recoverability that defaults to the tax recoverability on transactions.

Workday uses the tax applicability and tax code on the transaction line to:

- Calculate recoverable and nonrecoverable tax amounts for each tax rate within the tax code.
- Segregate transactions for reporting.

Set Up Company Tax IDs for Financial Transactions

Security:

- *Set Up: Company General* domain in the Common Financial Management functional area.
- *Set Up: Payroll - Company Specific (Accounting)* domain in the Core Payroll functional area.

You can configure multiple country-specific tax and business identification numbers for your companies. You can then automatically use the appropriate tax identification numbers in transactions to comply with regulatory requirements.

1. Access the **Edit Company Tax Details** task.
2. As you complete the **Tax IDs** tab, consider:

Option	Description
Country for Tax ID Type	The prompt displays only the countries with Workday-delivered tax ID types.
Tax ID Type	The prompt displays Workday-delivered tax ID types for the country that you specify.
Transaction Tax ID	Select the check box to have the transaction tax ID display and print on customer invoices. For each country, you can select 1 identification number as a transaction tax ID. Note: Tax IDs don't display on supplier invoices. Use reports to view the tax IDs on supplier invoices.
Primary Tax ID	Select the check box to indicate the main tax ID when managing multiple IDs. Settlement uses the primary tax ID for payment information.

- Maintain tax ID groupings for countries that require more than 1 tax ID on customer or supplier invoices.
- Configure transaction tax account posting rules for your company.

View Transaction Tax Liability for Companies

View a summary of your company tax liability for sales and purchasing transactions.

1. Access the **Transaction Tax Liability** report.
2. To narrow your search, specify the company, currency, and date range.
3. As you review the tabs, consider:

Tab	Description
Transactions by Tax Authority	View a list of transactions by: • Tax authority. • Total sales amount and tax collected for sales transactions. • Total purchase amount and tax paid or self-assessed for purchase transactions. • Recoverable amount of the tax paid. The report also calculates the net tax due to the tax authority, which is the combination of collected and self-assessed tax minus the recoverable tax. Click each amount to see the transactions that make up the amount.

Tab	Description
Transactions without Tax Code	Lists total sales and purchase amounts for transactions without a tax code, grouped by tax applicability.

Concept: Self-Assessed Tax

Self-assessed tax enables you to pay tax to the authorities when a supplier or payee doesn't charge you tax. You can self-assess tax on these invoices and financial transactions:

- Supplier invoices.
- Ad hoc payments.
- Procurement card transactions.
- Purchase orders.
- Change orders.

Note: The tax amounts that you self-assess on purchase orders and change orders are estimates only. Workday does not include these amounts in your reportable amounts.

Sample Configurations

Use Case	Example	Considerations
You self-assess value-added tax (VAT) or goods and services tax (GST).	Your Irish company purchases goods from a Dutch supplier who isn't registered for VAT in Ireland and doesn't charge you VAT. You self-assess the Irish VAT on the supplier invoice and pay it to the Revenue Commissioners of Ireland.	You can set up: • A transaction tax status for suppliers who aren't registered for VAT in your ship-to addresses. • Transaction tax rules for countries: • With a condition on the supplier status. • That override the Tax Option with <i>Calculate Self-Assessed Tax</i>.
You have spend items or spend categories for which the supplier doesn't charge tax for your ship-to locations.	Your US company purchases laptops for its employees from an out-of-state US supplier. The supplier doesn't have nexus in the ship-to location and doesn't charge you sales tax for the laptops. You self-assess tax for the laptops on the supplier invoice and pay the tax authorities.	You can set up: • A transaction tax status for suppliers who aren't registered for VAT in your ship-to addresses. • Transaction tax rules for countries: • With conditions on the supplier status and on the items or spend categories that you self-assess. • That override the Tax Option with <i>Calculate Self-Assessed Tax</i>.
You have invoices with tax codes where 1 tax rate is payable to the	Your Canadian company purchases goods from a Canadian supplier who charges	You can set up transaction tax rules that override the Tax Option with:

Use Case	Example	Considerations
supplier and another is payable to the tax authority.	goods and services tax (GST), but not provincial sales tax (PST). You: • Pay the GST to the supplier. • Self-assess the PST and pay it to the tax authorities.	• <i>Calculate Self-Assessed Tax</i> for the tax rate that you self-assess. • <i>Calculate Tax Due to Supplier</i> for the tax rate that you pay to the supplier. Then, when you select a tax code on a transaction: • Workday populates the tax option for each tax rate included in the tax code with the tax option you've configured. • You can change the tax option for each tax rate included in the tax code.

Concept: Tax ID Groupings

In Workday, you can create tax ID groupings to add more than 1 tax ID to your customer and supplier invoices. This helps you comply with local tax requirements.

You can create 1 tax ID grouping per country. A tax ID grouping comprises 1 or more lines with:

- 1 principal tax ID type.
- 1 or more additional tax ID types.

When you create customer or supplier invoices with a principal tax ID type, Workday saves the additional tax IDs on the same tax ID grouping line with the customer or supplier invoice.

To view the list of all the tax IDs on a taxable document, you can create custom reports with the report fields:

- **Company Tax IDs** for supplier or customer invoices.
- **Customer Tax IDs** for customer invoices.
- **Supplier Tax IDs** for supplier invoices.

Note: For Workday to populate the **Customer Tax IDs** report field on customer invoices, you must use a tax code where the **Transaction Tax ID** is required.

Reference: Tax Options

The **Tax Option** indicates how you want to record tax on transaction lines. Workday populates the tax option from:

- The value of the **Procurement Tax Option** prompt in your company accounting details.
- Transaction tax rules.

Tax Options

Option	Description
<i>Calculate Self-Assessed Tax</i>	Select this option when: • You pay the tax to the tax authority. • You want Workday to calculate the amount of tax that you owe to the tax authority.

Option	Description
	Example: A supplier doesn't charge you VAT or GST.
<i>Calculate Tax Due to Supplier</i>	Select this option when: - You pay the tax to the supplier. - You want Workday to calculate the tax amount that you owe to the supplier. - The tax amount is partially or fully recoverable. - You report the tax amount to the tax authorities. Example: A supplier charges you value-added tax (VAT) or goods and services tax (GST).
<i>Enter Tax Due to Supplier</i>	Select this option when: - You want to record the tax amount that the supplier charges you. - The tax amount is nonrecoverable. - You don't report the tax amount to the tax authorities. You must have at least 1 line with a tax applicability that is taxable and enabled for allocation. Example: A supplier charges you the United States Sales tax. When you select this option: - You can enter the total amount of tax on the transaction header manually. - You can allocate the amount to the taxable lines that are eligible for allocation. - You can't select a tax code. - Workday doesn't create accounting for the tax amount. - Workday doesn't include the tax amount in the tax declaration reports. - Workday doesn't generate any <i>Tax Rate Application</i> or <i>Line Tax Rate Application</i> on the transaction.

Availability of Tax Options for Transaction Types

Transaction Type	Tax Options
Ad Hoc Bank Transactions	Workday can calculate how much of the extended amount on ad hoc bank transactions is tax.
Ad Hoc Payments	<i>Calculate Self-Assessed Tax.</i> <i>Calculate Tax Due to Supplier.</i> <i>Enter Tax Due to Supplier.</i>
Cash Sales	Workday can calculate the tax that you collect on cash sales.

Transaction Type	Tax Options
Customer Contracts	Workday can estimate the tax that you collect on customer contracts.
Customer Invoices	Workday can calculate the tax that you collect on customer invoices.
Expenses	Workday can calculate how much of the extended amount on an expense line is tax. When your organization doesn't require tax reporting on expense reports, you can hide the Tax check box with the Edit Tenant Setup - Financials task.
Manual Journals	You can enter the tax amount on manual journals.
Procurement Card Transaction Verifications	Workday can self-assess tax on procurement card transaction verifications.
Purchase Orders	• <i>Calculate Self-Assessed Tax.</i> • <i>Calculate Tax Due to Supplier.</i> • <i>Enter Tax Due to Supplier.</i>
Requisitions	When you enable tax reporting on requisitions for a company, Workday can calculate the amount of tax on requisitions.
Supplier Invoices	• <i>Calculate Self-Assessed Tax.</i> • <i>Calculate Tax Due to Supplier.</i> • <i>Enter Tax Due to Supplier.</i>

Tasks

[Adjust Supplier Invoices](#) on page 1197

[Assign Company Accounting Details](#) on page 62

[Create Ad Hoc Payments](#) on page 1452

[Create Purchase Orders](#)

[Create Supplier Invoices](#) on page 1173

[Create a Non-PO Supplier Invoice](#) on page 1188

Reference

[Reference: Company Procurement Options](#)

Reference: Transaction Tax Business Objects

To report on taxes for different use cases, Workday saves transaction tax details and amounts in various business objects. This table details how Workday calculates transaction taxes by business object:

Business Object	Description
Taxable Document	Workday calculates the total tax on a taxable document. Example: Total transaction tax on a supplier invoice. For ad hoc bank withdrawals and expense reports, which are tax-inclusive, Workday calculates how much of the total amount is tax.

Business Object	Description
	For tax-exclusive documents, Workday adds tax to the extended amount.
Taxable Document Line	Workday calculates the transaction and recoverable tax on the lines of taxable documents.
Tax Rate Application (TRA)	On taxable documents, Workday creates 1 TRA business object per combination of tax: • Applicability. • Code. • Option. • Point date. • Rate. • Recoverability. Workday consolidates the tax amounts at the TRA level to create tax accounting for tax documents. Example: You create a supplier invoice with 4 lines that share the same tax attributes. Workday creates 1 TRA for the supplier invoice.
Payment Tax Rate Application (PTRA)	Workday creates 1 PTRA business object for each payment that you apply to an invoice. PTRAs enable you to report on taxes at the time of payment.
Line Tax Rate Application (LTRA)	Workday distributes the tax amounts of the TRA business objects to the transaction lines and creates 1 LTRA business object per transaction line. LTRAs enable you to report to tax authorities that have different reporting requirements based on spend categories or items.
Manual Journal Tax Rate Application	On manual journals, Workday saves the tax amounts that you enter for accounting and reporting purposes.

Concepts

[Concept: Business Objects, Data Sources, and Fields](#)

FAQ: Why do 2 identical invoice lines have different tax amounts?

To calculate transaction tax amounts on a taxable document, Workday first calculates these amounts at the tax rate application (TRA) level:

TRA	Calculation
Taxable Amount	The sum of the extended amounts on the lines that share the TRA attributes.
Transaction Tax Amount	Tax rate × TRA taxable amount
Recoverable Tax Amount	Recoverability percentage × TRA transaction tax amount

Workday rounds these amounts based on the rounding definition of your tax authority.

Then, Workday distributes the tax amounts to the lines on the taxable document and rounds them.

To balance the sum of the line tax amounts with the TRA tax amounts, Workday adjusts the line with the greatest extended amount. When several lines have the same extended amount, Workday adjusts only the line with the lowest line ID. As a result, 2 identical lines might have different transaction tax amounts.

Workday applies the same calculation and rounding to withholding taxes.

Example: You want to calculate transaction tax amounts on a supplier invoice with these lines:

Line ID	Extended Amount (USD)	Tax Rate (%)
1	100.05	8
2	100.05	8
3	100.05	8
4	100.05	8

On all these lines, you enter the same tax:

- Applicability
- Code
- Option
- Rate
- Recoverability

You also configure the tax authority to round tax amounts to the nearest 2 decimal places.

Since these lines share the same tax attributes, Workday creates 1 TRA:

TRA	Calculation	Total
Taxable Amount	100.05×4	400.20
Tax Amount	$8\% \times 400.20$	32.016 (rounded to 32.02)

Workday then:

- Distributes the TRA transaction tax amount to the 4 lines: $32.02 \div 4 = 8.005$, rounded to 8.01, for a total of 32.04.
- Adjusts the transaction tax amount of line 1 to 7.99 to balance the line and TRA totals to 32.02.

As a result, the transaction tax amount of line 1 differs from the other lines:

Line ID	Extended Amount (USD)	Tax Rate (%)	Tax Amount (USD)
1	100.05	8	7.99
2	100.05	8	8.01
3	100.05	8	8.01
4	100.05	8	8.01

Third-Party Tax Service Integrations

Steps: Set Up Third-Party Tax Service Integrations

- Ensure that your third-party tax service provider deploys the third-party tax integration to your Workday tenant.

- Add the third-party tax service integration as a step on 1 of these business processes:
 - *Customer Invoice*
 - *Supplier Invoice*
- Set up a tax authority.
- Security: *Set Up: Tax* domain in the Common Financial Management functional area.

You can use a third-party tax service integration to calculate, import, and store tax details on customer or supplier invoices.

1. Access the **Third-Party Tax Options** tab on the **Edit Company Tax Details** task.
2. When you use an integration with the reporting option, add a row to the **Third-Party Tax Options** grid.
3. As you complete the task, consider:

Option	Description
Operational Transaction Source	Select the type of documents for which you want to use a third-party tax service.
Tax Service Name	The tax service name displays on customer or supplier invoices to let you know which third-party tax service the document uses.
Enabled	Select to enable the third-party tax service provider at the company level.

4. When you use a nonreporting integration for customer invoices, complete the **Customer Invoice Non-Reporting Option** section.
5. Set up a tax category for your third-party tax rates.
See [Set Up Tax Categories](#) on page 418.
6. Set up empty third-party tax rates for your third-party tax codes.
The number of tax rates that you set up depends on your tax jurisdiction and country.
See [Set Up Transaction Tax Rates](#) on page 419.
7. Set up empty third-party tax codes that Workday uses to store the tax details from the integration.
See [Set Up Transaction Tax Codes](#) on page 419.

When you create a customer or supplier invoice, leave the tax code and tax applicability fields empty. When you submit the customer or supplier invoice, Workday starts your third-party tax integration, which imports the tax details onto your invoice. You can view the tax amounts on the **Tax** tab of the invoice and drill down to the line level.

After the third-party tax service provider calculates and imports tax details into Workday, you can view tax details in these reports:

- The **Transaction Tax Detail for Tax on Invoice Transactions** report lists all invoices and their tax details.
- The **Tax Declaration** report lists all tax declarations.

Concept: Third-Party Tax Service Integrations

You can use a third-party tax service integration to calculate, import, and store transaction tax details on customer or supplier invoices. Using a third-party tax service integration eliminates the need to:

- Maintain transaction tax configurations in Workday, such as:
 - Transaction tax rates.
 - Transaction tax rate applications.
 - Transaction tax rules.
- Select transaction tax codes and tax applicabilities on your transaction lines.

Reporting and Nonreporting Options

When you use an integration with the reporting option, you can use Workday to:

- Report on the transaction taxes that your third-party tax service calculates.
- Calculate withholding tax amounts on your customer or supplier invoices.

Workday supports the reporting option for:

- Customer invoices.
- Supplier invoices.

Workday supports the nonreporting option for customer invoices only. We recommend that you use the reporting option, as you can't use Workday's reporting framework and withholding tax calculations with the nonreporting option.

Withholding Tax Calculations

When you use an integration with the reporting option, you can still use Workday to calculate withholding tax amounts:

1. You enter the withholding tax code on your transaction lines.
2. Workday populates the withholding tax amount on your document at the same time that the integration imports the tax details from your third-party tax service into Workday.

Reference

[Workday 33 What's New Post: Tax Framework for Third-Party Tax Service Integration](#)

Example: Set Up Third-Party Tax for Customer Invoices

This example illustrates how to configure Workday when you use a third-party tax service integration to populate the tax details on customer invoices.

Your company, Global Modern Services, Inc. (USA), uses a third-party tax service provider to import tax details onto your customer invoices.

Your third-party tax service provider maintains 3 different tax rates for city, county, and state tax.

To import the tax details from the third-party tax service provider onto your customer invoices, you:

- Enable your company for third-party tax on customer invoices.
- Configure a tax category for the third-party tax rates.
- Configure 3 empty tax rates as a placeholder to store the taxes that your third-party tax service provider imports into Workday.
- Group these 3 tax rates into 1 tax code that your third-party tax service provider references.
- Set up a *Third-Party Tax Service* integration, following the instructions from your third-party tax service provider.
- Add the third-party tax service integration as a step on the *Customer Invoice* business process.
- Create a tax authority that you name *Tax Authority*.
- Security:
 - *Set Up: Tax* domain in the Common Financial Management functional area.
 - *Business Process Administration* domain in the System functional area.

1. Access the **Edit Company Tax Details**

2. Select the *Global Modern Services, Inc. (USA)* task to enable option from the **Company** prompt.

3. Click **OK**.

4. On the **Third-Party Tax Options** tab, add a new row with these values:

Operational Transaction Source	Tax Service Name	Enabled
<i>Customer Invoice</i>	<i>Third-Party Tax Service</i>	Select the check box.

5. Click **OK**.

6. Access the **Maintain Tax Categories** task.

7. Add a new row, and configure these options to create a third-party tax category:

Tax Category Name	Use Third-Party Tax Service
<i>Third-Party Tax Category</i>	Select the check box.

8. Click **OK** and **Done**.

9. Access the **Create Transaction Tax Rate** task.

10. Configure these options to create an empty tax rate for the third-party city tax rate:

Field	Value
Country	<i>United States of America</i>
Tax Rate Name	<i>Third-Party City Tax Rate</i>
Tax Authority	<i>Tax Authority</i>
Transaction Tax Category	<i>Third-Party Tax Category</i>

11. Click **OK** and **Done**.

12. Access the **Create Transaction Tax Rate** task.

13. Configure these options to create an empty tax rate for the third-party county tax rate:

Field	Value
Country	<i>United States of America</i>
Tax Rate Name	<i>Third-Party County Tax Rate</i>
Tax Authority	<i>Tax Authority</i>
Transaction Tax Category	<i>Third-Party Tax Category</i>

14. Click **OK** and **Done**.

15. Access the **Create Transaction Tax Rate** task.

16. Configure these options to create an empty tax rate for the third-party state tax rate:

Field	Value
Country	<i>United States of America</i>
Tax Rate Name	<i>Third-Party State Tax Rate</i>
Tax Authority	<i>Tax Authority</i>
Transaction Tax Category	<i>Third-Party Tax Category</i>

17. Click **OK** and **Done**.

18. Access the **Maintain Transaction Tax Codes** task.

19. Add a new row, and configure these options to create a third-party tax code:

Tax Code Name	Country	Tax Rate
<i>US Third-Party Tax Code</i>	<i>United States of America</i>	Select these 3 tax rates: • <i>Third-Party City Tax Rate</i> • <i>Third-Party County Tax Rate</i> • <i>Third-Party State Tax Rate</i>

20. Click **OK**.

21. Verify that you've correctly configured your *US Third-Party Tax Code*.

The **Tax Code Rate Total** percentage for third-party taxes displays as zero.

22. Click **Done**.

When you create a customer invoice for *Global Modern Services, Inc. (USA)*, leave the tax code and tax applicability fields empty. When you submit the customer invoice, Workday starts your third-party tax integration, which imports the tax details onto your customer invoice. You can view the tax amounts on the **Tax** tab of the customer invoice and drill down to the line level.

Transaction Tax Rules

Setup Considerations: Transaction Tax Rules

You can use this topic to help make decisions when planning your configuration and use of transaction tax rules. It explains:

- Why to set them up.
- How they fit into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What They Are

Transaction tax rules in Workday enable you to add these tax attributes on financial transactions automatically:

- Tax applicability.
- Tax code.
- Tax recoverability for expenses and supplier accounts.
- Tax option for supplier accounts only.

Business Benefits

Transaction tax rules:

- Automate the selection of tax attributes to minimize the number you must enter manually on taxable documents.
- Populate tax attributes for specific countries, items, spend categories, and tax item groups so that you don't have to determine which attributes to use on transactions.
- Increase the accuracy of tax reporting.
- Simplify data entry.

Use Cases

You can create transaction tax rules to populate tax attributes on financial documents to:

- Automatically add the tax code of the travel destination where you incur an expense on the expense line.
- Automatically include the ship-to address country on a domestic purchase.
- Automatically charge zero-rated tax on an intra-EU customer invoice.

When a supplier doesn't charge tax, you can:

- Select the self-assess tax option at the line level of the financial document.
- Create a transaction tax rule to select the self-assess tax option automatically.

Questions to Consider

Questions	Considerations
Do you need a minimum set of transaction tax rules?	You can create item rules for exceptions instead of creating tax rules for all scenarios.
Can you configure tax rule exceptions to account for tax rules by country?	You can configure exceptions to transaction tax rules to use a different address for the default tax attributes on a transaction. Workday matches the country tax rule to the country of the alternative address.
Can you configure tax rules for self-assessed tax selection?	You can select a self-assess tax option on supplier invoices and invoice adjustments at the line level.
Can you configure country-specific tax rules?	You can use tax statuses to configure country-specific tax rules based on the status of a customer, supplier, or company, such as: • <i>EU Company VAT Registered</i> • <i>EU Company Exempt</i>

Recommendations

Create generic transaction tax rules for particular countries and add item rules for exceptions.

Requirements

No impact.

Limitations

No impact.

Tenant Setup

You can select tenant-wide configurations on the **Edit Tenant Setup - Financials** task to:

- **Enable Company Tax Options for Supplier Invoice Request Invoices**
Populate transaction tax rules for supplier invoices created from supplier invoice requests.
- **Enable Tax Defaulting for International Expenses**
Populate tax codes and tax applicability for international expenses.

- **Hide Tax Checkbox on Expense Report**

Prevent employees from specifying tax values on their expense reports or enable tax reporting on expense reports.

Security

Enable the *Set Up: Tax* domain in the Common Financial Management functional area to configure transaction tax rules.

Business Processes

You can add **Review Tax** as an action step on the *Expense Report Event* business process. This ensures that tax managers can review, modify, and approve tax attributes on an expense report.

Reporting

No impact.

Integrations

These web services create transaction tax rules:

- *Create Transaction Tax Rule Exception for ~Country~*: creates a transaction tax rule that is an exception to all other transaction tax rules for a country.
- *Create Transaction Tax Rule for ~Country~*: creates a transaction tax rule for a country.
- *Create Transaction Tax Rule for Items*: creates a transaction tax rule for an item within a country.
- *Create Tax Rule for Worktags*: creates a transaction tax rule for a worktag that applies to an item within a country.

Connections and Touchpoints

Transaction tax rules use the ship-to address, item, and spend category to populate tax attributes at the line level in these areas:

- Ad hoc payments
- Customer contracts
- Customer invoices
- Purchase orders
- Requisitions
- Supplier invoices

Transaction tax rules use the originating region, destination region, item, and spend category to populate tax attributes at the line level in expense reports.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships across your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Tasks

[Steps: Configure Transaction Tax Rules](#) on page 434

[Configure Transaction Tax Rule Exceptions](#) on page 440

[Configure Transaction Tax Rules for Items](#) on page 436

[Configure Transaction Tax Rules for Countries](#) on page 437

[Configure Transaction Tax Rules Using Worktags](#) on page 439

Steps: Configure Transaction Tax Rules

Security: These domains in the Common Financial Management functional area:

- *Set Up: Company General*
- *Set Up: Tax*

When you configure transaction tax rules, Workday automatically populates the appropriate tax code and tax applicability when you enter taxable documents.

1. Access the *Maintain Transaction Tax Item Groups* task.

Create groups to:

- Organize purchase, expense, and sales items.
- Use as dimensions in transaction tax rules for items.

When you assign items to a group, you can include only items of the selected type. In transaction tax rules for items, you can use:

- Sales item groups for revenue rules.
- Purchase item and expense item groups for spend rules.

2. Access the *Assign Items to Transaction Tax Item Group* task.

3. Access the *Maintain VAT or GST Groups* task.

Create groups to:

- Organize companies that share the same Value Added Tax (VAT) or Goods and Services Tax (GST) requirements.
- Use as dimensions in transaction tax rules for countries.

4. Access the *Assign Companies to VAT or GST Group* task.

Add 2 or more companies to a group. Use effective dates to track changes to the group over time.

5. Access the *Maintain Transaction Tax Statuses* task.

Create transaction tax statuses for a country, such as *EU Company VAT Registered* or *EU Company Exempt*. You can associate these tax statuses with companies, customers, and suppliers. You can then use them as a dimension in transaction tax rules for countries.

6. Access the *Edit Company Tax Details* task.

Configure transaction tax statuses by company to use as matching criteria in transaction tax rules for countries.

As you complete the **Tax Statuses** tab, consider:

Option	Description
Country	Select a country to associate with a specific tax status for the company. You can only select 1 transaction tax status per country.
Transaction Tax Status	Select the appropriate tax status that applies to the company.

7. [Create Suppliers](#).

You can assign **Tax Statuses** by country to a supplier to populate tax information automatically.

8. [Create Customers](#) on page 498.

You can assign **Tax Statuses** by country to a customer to populate tax information automatically.

9. Access the *Maintain Tax Rule Exception Groups* task.

Create a group to enable exceptions for a ship-to country with tax rules different from the shipping country. You can use these exception groups to create tax rules for a country and tax rule exceptions for ship-to countries.

10. [Configure Transaction Tax Rule Exceptions](#) on page 440.

Configure tax exception rules for countries and items to determine if the place of supply country should be different than the ship-to address country on an invoice. The ship-to address country on an invoice

is usually the place of supply, but you may need to override this when the billing company, supplier, or customer's country should be the country for tax purposes.

11. [Configure Transaction Tax ID Exceptions](#) on page 441.

Configure exception rules to override the selection of transaction tax IDs for companies, customers, and suppliers on customer invoices and supplier invoices.

12. [Configure Transaction Tax Rules for Countries](#) on page 437.

Create a transaction tax rule for each country where you file a tax declaration.

13. [Configure Transaction Tax Rules for Items](#) on page 436.

Create transaction tax rules for revenue and spend items to be used in your transaction tax rules for country. By using the transaction tax item groups, one item rule line defaults for all purchase, sales, or expense items in the tax item group.

14. [Configure Transaction Tax Rules Using Worktags](#) on page 439.

Configure tax defaulting rules using worktags on document lines to enable Workday to populate transaction tax attributes at the line level on supplier invoices, purchase orders, and ad hoc payments.

Workday evaluates transaction tax rules in this order:

1. Transaction tax rules for countries based on VAT or GST groups. Only when it's a direct intercompany transaction and both companies are in the same VAT or GST group.
2. Transaction tax rules for countries based on exception groups.
3. General transaction tax rules for countries.
4. Transaction tax rules for items.
5. Transaction tax rules for worktags.

These rules override all other tax transaction rules.

Configure Transaction Tax Rules for Items

- Create a transaction tax item for a country.
- Create transaction tax item groups.
- Create tax applicability.
- Security: *Set Up: Tax* domain in the Common Financial Management functional area.

You can override all other tax codes and tax applicability by defining tax code and tax applicability rules. Workday uses these rules to calculate taxes for specific items.

1. Access the **Create Transaction Tax Rule for Items** task.
2. In the **Tax Item Rule Type** prompt, select:
 - *Revenue* for sales items.
 - *Spend* for purchase items and expense items.

3. As you complete the task, consider:

Option	Description
Spend Category Revenue Category	Workday populates the revenue or spend item for selection depending on whether you specify Revenue or Spend in the Tax Item Rule Type prompt. Select a category to apply the rule line to all items in that category. The Revenue Category or Spend Category is unavailable for selection if you specify the Tax Item Group .
Tax Item Group	Select a tax item group to apply the rule line to all items in that item group.

Option	Description
	The Tax Item Group is unavailable for selection if you specify the Revenue Category , Spend Category , or Item .
Item	Select an item to apply the rule line to only that item. The Item is unavailable for selection if you specify the Tax Item Group .
Tax Applicability Override	Select the tax applicability to use on transaction lines for this rule. This value overrides other tax applicabilities that Workday automatically populates on revenue or spend transactions.
Tax Code Override	Select the tax code to use on transaction lines for this rule. This value overrides the tax code specified in a tax rule for a country that references this rule.
Tax Recoverability Override	Select the tax recoverability to use on transaction lines for Tax Code Override tax rates. This rule overrides other tax recoverabilities that Workday automatically populates on spend transactions.
Tax Option Override	Select the tax option to use on specific tax rates for transaction lines. This rule overrides other tax options that Workday automatically populates on spend transactions.

If using both procurement and expenses, account for purchase items and expense items. You design a country tax rule that focuses only on the tax status of the company transaction. That rule might match on both supplier invoices and expense transactions and use the associated item tax rule.

You can associate your tax rules for items with tax rules for countries.

Tasks

[Configure Transaction Tax Rules for Countries](#) on page 437

[Configure Transaction Tax Rules Using Worktags](#) on page 439

Configure Transaction Tax Rules for Countries

- Create Value Added Tax (VAT) or Goods and Services Tax (GST) groups.
- Create transaction tax statuses.
- (Optional) Create tax rule exception groups.
- Security: *Set Up: Tax* domain in the Common Financial Management functional area.

For each country and its regions, you can specify the default tax code and tax applicability. Workday automatically populates this information onto spend and revenue transaction lines that meet the rule criteria. You can also create transaction tax rules for countries for VAT or GST groups and exception groups.

1. Access the **Create Transaction Tax Rule for Country** task.

2. Select the **Country** that the transaction tax rule applies to.

To determine the country rule that applies to a purchase or revenue transaction, Workday uses the ship-to address on the supplier or customer invoice. For expense transactions, Workday uses the travel country on the expense line or travel country preference on the employee profile.

Workday uses the transaction tax rule when the **Country** you select matches the:

- Ship-to address on supplier or customer invoices for purchase and revenue transactions.
- Travel country on expense lines for expense transactions.
- Travel country preference on the employee profile for expense transactions.

3. Select the type of transaction tax rule that you want to create:

- **VAT Group:** Select to create a rule for companies in the same country that qualify for special consolidated VAT or GST filing and exemptions. You can use these rules for direct intercompany transactions. Workday uses this rule based on whether the company and intercompany company are within the same VAT or GST group.
- **Exception Group:** Select to create rules for transactions where the ship-to country isn't the correct country of taxation.
- **None of the Above:** Use this default for standard tax rules for countries.

4. As you complete the task, consider:

Option	Description
Company	You can select multiple companies to create a rule that addresses scenarios for recoverability percentages.
Transaction Tax Status	You can match on transaction tax statuses for company, customer, or supplier based on the country.

5. Select the region of a country such as **State, Territory, or Province** for defining a tax rule.

When defining country rules for expense items, leave country region and **Postal Code Range** blank.

6. As you complete the task, consider:

Option	Description
Postal Code Range Start	To have Workday automatically populate the tax code to all transactions whose ship-to address is within that jurisdiction, leave blank. When defining country rules for expense items, leave country region and Postal Code Range blank.
Postal Code Range End	To have Workday automatically populate the tax code to all transactions whose ship-to address is within that jurisdiction, leave blank. When defining country rules for expense items, leave country region and Postal Code Range blank.
Default Tax Applicability	Select to have Workday automatically populate the tax applicability on the spend or revenue transaction lines that meet this rule line criteria.
Default Tax Code	Select to have Workday automatically populate the tax code on the spend or revenue transaction lines that meet this rule line criteria.

Option	Description
Default Tax Recoverability	Select the tax recoverability for the selected tax rates in the Default Tax Code .
Default Tax Option	Select the default tax option that Workday populates on spend transaction lines that meet the criteria for this rule.
Tax Rule for Spend Items	Select a tax rule for spend items to have Workday evaluate the items within the transaction.
Tax Rule for Revenue Items	Select a tax rule for revenue items to have Workday evaluate the items within the transaction.

You can configure transaction tax rule exceptions.

Tasks

[Configure Transaction Tax Rules for Items](#) on page 436

[Configure Transaction Tax Rules Using Worktags](#) on page 439

Configure Transaction Tax Rules Using Worktags

- Create transaction tax rules for countries.
- Create groups for transaction tax items.
- Create transaction tax rules for items.
- Create tax applicability.
- Security: *Set Up: Tax* domain in the Common Financial Management functional area.

You can define tax defaulting rules using worktags on document lines to automate the selection of:

- Tax codes.
- Tax applicability.
- Tax recoverability.
- Tax options.

Workday populates these tax attributes at the line level on supplier invoices, purchase orders, and ad hoc payments.

Example: Your healthcare company buys a large number of bandages from a supplier. The supplier invoices the bandages to your company, and your company distributes them to 3 different cost centers: one for a hospital, one for a pharmacy, and another for a medical center. The supplier configures worktag rules for the cost centers to populate the correct tax details on these supplier invoice lines:

- Zero-rated VAT for the hospital.
- A standard 20 percent VAT for the medical center.
- A specific tax recoverability percentage for the pharmacy.

1. Access the **Create Tax Rule for Worktags** task.
2. As you complete the task, consider:

Option	Description
Order	The order of the worktag rules is very important. Workday evaluates rules from the top down and from the most general to the most specific. Place the most general rule first in the list and the most specific rule last in the list.

Option	Description
Worktags	Select a worktag to apply the rule to that worktag only. The Worktag is available for selection only when you specify a Tax Item Group . When you select a tax item group, Workday applies the worktag rule to all items in that item group.
Tax Applicability Override	Select the tax applicability to use on transaction lines for this rule. This value overrides other tax applicabilities that Workday automatically populates on revenue or spend transactions.
Tax Code Override	Select the tax code to use on transaction lines for this rule. This value overrides the tax code specified in a tax rule for a country that references this rule.
Tax Recoverability Override	Select the tax recoverability to use on transaction lines for Tax Code Override tax rates. This rule overrides other tax recoverabilities that Workday automatically populates on spend transactions.
Tax Option Override	Select the tax option to use on specific tax rates for transaction lines. This rule overrides other tax options that Workday automatically populates on spend transactions.

After you create your worktags tax rules, you can:

- Assign the new worktags tax rules to a transaction tax rule for items.
- Assign the transaction tax rule for items to a transaction tax rule for a country.

Tasks

[Configure Transaction Tax Rules for Items](#) on page 436

[Configure Transaction Tax Rules for Countries](#) on page 437

Configure Transaction Tax Rule Exceptions

- Create tax rule exception groups.
- Create transaction tax statuses.
- Create transaction tax item groups.
- Configure transaction tax rules for countries based on exception groups.
- Security: *Set Up: Tax* domain in the Common Financial Management functional area.

You can configure rule exceptions for transaction tax rules when the ship-to country isn't the appropriate country to match country tax rules.

1. Access the **Create Transaction Tax Rule Exception for Country** task.

2. Design the country rule lines from top to bottom.

The best practice is to place rule lines for your most specific use cases first. Place less specific rule lines toward the bottom.

As you complete the task, consider:

Option	Description
Transaction Tax Status	Select to match using transaction tax statuses for company, customer, or supplier based on the country.
Transaction Tax Item Group	Select to have the rule line apply to all items with an item group rather than adding a line for each item.
Spend Category	Select to define purchase category, which automatically updates the Item column to list purchase items only. If you leave Item blank, select a spend category to apply the rule line to all purchase items with the selected category.
Revenue Category	Select to define sales category, which automatically updates the Item column to list sales items only. If you leave Item blank, select a revenue category to apply the rule line to all sales items with the selected category.
Item	Select a purchase or sales item to create a rule line that applies specifically to that item. To have the rule apply to all items in a spend or revenue category, leave blank.
Exception Group	If the transaction matches the dimensions of this rule line, Workday uses the transaction tax rule for country based on this exception group.

The country, tax status, or item type might produce a different answer for a supplier invoice versus a customer invoice in cross border scenarios.

- Transaction ship-to is France, buyer is French VAT registered, but Netherlands (NL) supplier isn't French VAT registered.
- Supplier Invoice self-assesses VAT in country of Ship To (France).
- Related customer invoice charges zero rated (NL) VAT in billing country (NL) of the company.

Configure Transaction Tax ID Exceptions

Security: These domains in the Common Financial Management functional area:

- *Set Up: Company General*
- *Set Up: Tax*

Configure exception rules to override the default selection of transaction tax IDs for companies, customers, and suppliers on customer invoices and supplier invoices. This ensures that Workday automatically populates the tax IDs that you specify on customer and supplier invoices.

1. Access the **Maintain Transaction Tax ID Exception Rules** task.

2. Select the **Revenue** tab to create tax ID exception rules for sales items or the **Spend** tab to create tax ID exception rules for purchase items.

3. Create a tax ID exception rule.

Workday processes rule lines on the invoice from the most specific rule to the least specific rule so you should order your revenue and spend tax ID exception rule lines accordingly. Workday processes:

- The invoice header for the parties to the invoice.
- The ship-to address for the country.
- The invoice lines for the tax applicability.

Workday applies the highest ordered rule that results in a match.

4. As you complete the grid, consider:

Option	Description
Company or Supplier	Select one or more companies or suppliers that the exception rule applies to on customer or supplier invoices.
Ship-to-Country	Select one or more countries that the exception rule applies to on a spend or revenue transaction. Workday uses the exception rule when the country or countries you select match the ship-to address on supplier or customer invoices.
Ship-to-State/Region	Select a ship-to state or region within the ship-to country. The ship-to state or region is only selectable if you select only one ship-to country.
Logic for Company Tax ID Type, Logic for Customer Tax ID Type, or Logic for Supplier Tax ID Type	Select one of these options to specify what tax ID to return: • Default Behavior: select if you want to return the default tax ID for the company, customer, or supplier. • Specific Tax ID Type: select if you want to return the <i>exception</i> tax ID that you set up for the company, customer, or supplier. • Transaction Tax ID of Primary Business Address ~Country~: select if you want to return the tax ID for the company's primary business address. • Transaction Tax ID of Ship-To ~Country~: select if you want to return the tax ID for the company's ship-to country. Note: If you select any option other than Default Behavior, and that option doesn't return a tax ID for the company, customer, or supplier, Workday returns the default tax ID.
Company Tax ID Type Override, Customer Tax ID Type Override, or Supplier Tax ID Type Override	Select one of these options to choose the specific (exception) tax ID that you want to override the default tax ID.

Workday uses the tax ID exception rule on the invoice line to return the correct tax ID on customer and supplier invoices.

A customer receives goods in Northern Ireland, which is in the UK. The company that ships the goods is in France, which is an EU country. You have two UK tax IDs set up for the customer: one tax ID for UK

VAT, which is flagged as the transaction tax ID, and one tax ID for UK Northern Ireland VAT, which is not flagged as a transaction tax ID. When Workday processes the customer invoice, the transaction tax ID that Workday normally returns for the customer is the UK VAT tax ID. You set up a transaction tax ID exception rule so that Workday returns the UK Northern Ireland VAT tax ID for the customer instead.

- [Configure Transaction Tax Rules for Countries](#) on page 437. Create a transaction tax rule for each country where you file a tax declaration.
- [Configure Transaction Tax Rules for Items](#) on page 436. Create transaction tax rules for revenue and spend items to be used in your transaction tax rules for country. By using the transaction tax item groups, one item rule line defaults for all purchase, sales, or expense items in the tax item group.
- [Configure Transaction Tax Rules Using Worktags](#) on page 439. Create tax defaulting rules using worktags on document lines to enable Workday to populate transaction tax attributes at the line level on supplier invoices, purchase orders, and ad hoc payments.

Withholding Taxes

Steps: Set Up Withholding Taxes

Security: *Set Up: Tax* domain in the Common Financial Management functional area.

You can configure Workday to automatically calculate and post withholding tax at the line level on taxable documents. This automation:

- Reduces manual entry mistakes and calculation errors.
- Enables you to comply with tax withholding and reporting requirements.

1. [Set Up Tax Authorities](#) on page 417.

When you want to pay your tax authority with supplier invoices, create the tax authority from an existing business entity and select your supplier.

2. [Set Up Tax Categories](#) on page 418.

Select the **Withholding Tax** check box for Workday to calculate withholding taxes for spend and revenue transactions. You associate these tax categories with withholding tax rates.

3. [Set Up Tax Rates for Withholding Tax](#) on page 444.

4. Access the **Maintain Withholding Tax Codes** task.

You can configure withholding tax codes by country, assigning multiple withholding tax rates to each tax code. During transaction processing, you select a withholding tax code for each document line that is subject to withholding tax. Workday calculates a separate amount for each tax rate of the tax code.

The **Tax Rate** lists withholding tax rates available for the country. Specify 1 or more rates that collectively make up a complete tax percentage for the tax code.

5. [Set Up Company Tax IDs for Financial Transactions](#) on page 421.

6. [Set Up Account Posting Rules](#) on page 69.

Configure the *Withholding Tax Payable* account posting rule for your company. Posting to a liability, asset, or expense account depends on the collection or payment of taxes.

7. Configure how Workday populates tax attributes on revenue transactions.

See [Steps: Set Up Taxes for Revenue Transactions](#) on page 662.

8. Configure how Workday populates tax attributes on spend transactions.

See [Steps: Set Up Taxes for Purchase Transactions](#).

9. (Optional) Access the **Maintain Withholding Tax Exemptions** task.

You can create a withholding tax exemption on a withholding tax rate for a supplier. Workday automatically applies the exempt withholding percentage on the supplier invoice when calculating the withholding tax.

When you create taxable documents such as customer invoices and supplier invoices, Workday calculates the withholding tax amounts and resulting accounting for the lines. Workday also calculates the withholding tax accounting for realized payments on supplier invoices during settlement.

For a list of tax-related reports, access **Workday Standard Reports** and select the *Set Up Taxes* report category.

Tasks

[Set Up Tax Rates for Withholding Tax](#) on page 444

Set Up Tax Rates for Withholding Tax

- Create tax authorities for the country.
- Set up tax categories for withholding tax.
- Security: *Set Up: Tax* domain in the Common Financial Management functional area.

Set up the withholding tax rates for each tax authority within a country and categorize them. Configure single or progressive tax rates. You can also configure individual thresholds to apply the withholding tax only when transactions cross the thresholds that you specify.

1. Access the **Create Withholding Tax Rate** task.
2. As you complete the task, consider:

Option	Description
Realization Point	Select when to calculate withholding tax and generate accounting: • <i>Payment</i>: Calculate estimated withholding tax amounts at invoice time for supplier invoices, but generate accounting at time of payment. Withholding tax amounts at time of payment include any discounts. • <i>Invoice</i>: Calculate withholding tax amounts and generate accounting at invoice time. • <i>Customer Invoice Self Withholding</i>: Calculate withholding amounts and generate accounting at invoice time for customer invoices. Record the accounting for withholding tax expense and payable for the company issuing the customer invoice.
Tax Base Type	Select the base amount on which to calculate withholding tax to deduct from invoice payment: • <i>Gross Amount</i>: Withhold on the extended line amount and transaction tax amount. • <i>Net Amount</i>: Withhold on the extended line amount only. Excludes transaction taxes and discounts. • <i>Tax</i>: Withhold on the line amount only of the transaction tax.
Tax Base Percentage	Select to calculate the withholding tax on the percent of the tax base. Example: The withholding tax rate is 10%. The tax base is 50% of net amount. If the extended line amount is 1000 HKD, then the withholding amount is 10% of 500 HKD, 50 HKD.

Option	Description
Rate Type	Select single or progressive tax rate.
Threshold Type	Select the type of threshold to apply on the withholding tax rate: • Individual: Calculate withholding tax based on individual invoice or payment. • Accumulated: Calculate withholding tax based on accumulated invoice or payment. • None of the Above: Calculate withholding tax without thresholds. Select Net Amount to set up withholding tax rates with thresholds or to create a multitiered withholding tax rate. Workday calculates withholding tax amounts only when transactions meet the threshold amounts.
Accumulation Schedule	Specify the fiscal schedule for the withholding tax rate.
Include In Progress for Accumulation	Clear this check box to exclude all in-progress invoices when calculating the withholding tax rate using accumulated thresholds.

3. Specify an **Effective Date**. The effective date is the initial invoice or payment date on which Workday applies the associated tax rate percentage, thresholds, or progressive rate tiers.
4. Specify the tax rate percentage to calculate the withholding tax.
5. Specify the individual or accumulated threshold limits on the withholding tax rate.
 - **Transaction Threshold Amount:** Withhold when the transaction amount meets the transaction threshold.
 - **Threshold Combination:** Calculate withholding tax rate when transaction threshold **AND** rate thresholds are met, or calculate when transaction **OR** rate threshold is met.
 - **Rate Threshold Amount** for individual threshold settings: Withhold when the rate amount meets the rate threshold.

You can't add a threshold amount for a **Realization Point** of *Payment*.

 - **Rate Threshold Amount** for accumulated threshold settings: Enter the threshold amount for the withholding tax rate.
6. Specify the values for progressive tiers and the tax rate percentage to calculate the withholding tax.

Configure withholding tax codes by country based on the tax rates.

Concepts

[Concept: Effective Dating for Transaction and Withholding Tax Rates](#) on page 492

[Concept: Withholding Tax Accounting](#) on page 450

Steps: Configure Withholding Tax Rules

Security: These domains in the Common Financial Management functional area:

- *Set Up: Company General*
- *Set Up: Tax*

You can configure withholding tax rules so that Workday automatically populates the appropriate withholding tax codes when you enter taxable purchase and revenue documents.

1. Access the **Maintain Withholding Tax Item Groups** task.

Create groups to:

- Organize purchase, expense, and sales items.
- Use as dimensions in transaction tax rules for items.

As you complete this task, consider:

Option	Description
Tax Item Group Type	Select the type of items that you want to include in the group. When you assign items to a group, you can include only items of the selected type. In withholding tax rules for items, you can use sales item groups for revenue rules and purchase item groups for spend rules.
Country	You can create multiple tax item groups of the same or different types for a country.

2. Access the **Assign Items to Withholding Tax Item Group** task.

Add specific purchase or sales items to your withholding tax item groups. When you select this item group as a dimension in withholding tax rules for items, Workday evaluates all items in the group. You can only assign a specific item to 1 group for each country.

3. [Configure Withholding Tax Rules for Items](#) on page 447.

4. Access the **Maintain Withholding Tax Statuses** task.

Create withholding tax statuses relevant to a country. It's best to use more precise names, such as *Individual-Non Resident- J1 or F1 Visa*. You can then associate these tax statuses with companies, customers, and suppliers and use them as a dimension in tax defaulting rules for countries.

5. Access the **Edit Company Tax Details** task.

Configure withholding tax statuses by company to use as matching criteria in withholding tax rules for countries.

As you complete the **Tax Statuses** tab, consider:

Option	Description
Country	Select a country to associate with a specific tax status for the company. You can only select 1 withholding tax status per country.
Withholding Tax Status	Select the appropriate tax status that applies to the company.

6. [Create Suppliers](#).

Assign **Tax Statuses** by country to a supplier for tax defaulting.

7. [Create Customers](#) on page 498.

Assign **Tax Statuses** by country to a customer for tax defaulting.

8. [Configure Withholding Tax Rules for Countries](#) on page 447.

When you create taxable purchase and revenue documents, Workday checks them against your withholding tax rules to determine the appropriate withholding tax code to use in transactions. If the rule dimensions and transaction data match, Workday uses the tax defaults from the matching rule line. Workday processes rule lines from the most specific match to the least specific match. Workday evaluates tax rules in this order:

1. Withholding tax rules for countries.

2. Withholding tax rules for items if the matching tax rule line for the country contains a tax rule for spend or revenue items.

If the items on the transaction match a tax rule line for items, Workday uses the withholding tax code. The tax code comes from the matching rule line for the item instead of the country.

Tasks

Steps: [Set Up Withholding Taxes](#) on page 443

Steps: [Set Up Taxes for Purchase Transactions](#)

Steps: [Set Up Taxes for Revenue Transactions](#) on page 662

Configure Withholding Tax Rules for Items

- Create withholding tax item groups.
- Assign items to the tax item groups.
- Security: *Set Up: Tax* domain in the Common Financial Management functional area.

You can define withholding tax codes for specific items. You can then map these rules to locales within country-specific tax rules to override all other withholding tax code defaulting.

1. Access the **Create Withholding Tax Rule for Items** task.

2. In the **Tax Item Rule Type** prompt, select:

- *Revenue* for sales items.
- *Spend* for purchase items.

3. As you complete the task, consider:

Option	Description
Spend Category Revenue Category	If you leave Item blank, select a spend or revenue category to apply the rule line to all purchase, expense, or sales items with the selected category.
Tax Item Group	Select a tax item group to apply the rule line to all items in that item group.
Item	Select an item to apply the rule line to only that item.
Tax Code Override	Select the withholding tax code to use on transaction lines for this rule. This value overrides the default withholding tax code specified in a tax rule for any country that references this rule.

You can associate your withholding tax rules for items with tax rules for countries.

Tasks

Steps: [Set Up Withholding Taxes](#) on page 443

Configure Withholding Tax Rules for Countries

- Create withholding tax item groups.
- Security: *Set Up: Tax* domain in the Common Financial Management functional area.

For each country, you can specify the withholding tax code that Workday populates on spend and revenue transaction lines that meet the rule criteria. You can also specify rules for each region, if needed.

1. Access the **Create Withholding Tax Rule for Country** task.

2. In the **Source Country** prompt, select the ship-to country that a supplier or customer invoice provides. With no ship-to country, select the country for the primary address of the payer.

3. As you complete the task, consider:

Option	Description
Payee Supplier	The prompt doesn't include contingent workers.
Payee Country	Workday uses the primary business address of the: • Supplier for supplier invoices. • Company for customer invoices.
Payer Withholding Tax Status	You can match the withholding tax status of the payer to the source country of the transaction. Workday compares this status to the withholding tax status of the: • Company for supplier invoices. • Customer for customer invoices.
Payee Withholding Tax Status	You can match the withholding tax status of the payee to the source country of the transaction. Workday compares this status to the withholding tax status of the: • Company for supplier invoices. • Customer for customer invoices.

4. Design the country rule lines from top to bottom.

The best practice is to place rule lines for your most specific use cases first. Place less specific rule lines towards the bottom.

As you complete the grid, consider:

Option	Description
Default Tax Code	When you select this, Workday populates the withholding tax code on the transaction lines.
Tax Rule for Spend Items Tax Rule for Revenue Items	When you select an item-specific withholding tax rule, Workday evaluates the items within the transaction. If the items match the withholding item-level tax rule, Workday uses the withholding tax code from that rule instead.

Tasks

[Steps: Set Up Withholding Taxes](#) on page 443

Example: Calculate Withholding Tax Using Progressive Rates

This example illustrates how to configure progressive rates for calculating withholding tax on customer or supplier invoices.

As an accounts payable or accounts receivable specialist, you need to determine the withholding tax rate using progressive rates. You determine that each invoice line has the same withholding tax rate for a supplier invoice. The invoice contains 3 lines in amounts of 10,000, 15,000, and 25,000 USD.

1. Access the **Create Withholding Tax Rate** task.

2. Enter these values:

Field	Value
<i>Realization Point</i>	Invoice
<i>Tax Base Type</i>	Net Amount
<i>Rate Type</i>	Progressive
<i>Threshold Type</i>	None of the above

3. Specify an **Effective Date** when you can apply the progressive rate percentage on a withholding tax rate. Workday applies the progressive rate percentage on or after the specified effective date.
4. In the **Progressive Rate Tiers** section, add rows with these values:

Minimum Amount	Maximum Amount	Max Tier	Tax Rate
20,000		Checked	30
1,000	20,000	Unchecked	20
0	1,000	Unchecked	0

5. Click **OK**.

6. Submit the supplier invoice.

Workday calculates the withholding tax amount and displays the tax rate on the invoice.

Tier	Taxable Amount	Tax Rate	Tax
First	1,000	0	0
Second	19,000	20	3,800
Third	30,000	30	9,000
Total	50,000		12,800

Tasks

[Set Up Tax Rates for Withholding Tax](#) on page 444

Tax Accounting

Concept: Transaction Tax Account Posting Rules

You might post tax amounts to a liability, asset, or expense account depending on whether:

- You're collecting or paying taxes.
- You can recover a portion of this tax amount.

You can set up transaction tax account posting rules that define the ledger accounts where Workday posts transaction tax based on dimensions such as:

- *Tax Type*
- *Tax Recoverability*
- *Tax Code*
- *Tax Applicability*

Example: To post the Canadian QST and GST to 2 different ledger accounts, you set up a transaction tax rule with a condition on the *Tax Rate* dimension.

To set up transaction tax account posting rules, access the **View Account Posting Rule Set** report and edit these posting rules:

- *Transaction Tax*
- *Transaction Tax on Payment*

Tax Recoverability Type

The *Tax Recoverability Type* dimension makes it easier for you to develop transaction tax account posting rules for recoverable and nonrecoverable tax.

Use these guidelines when you develop your transaction tax account posting rules:

- Since recoverability doesn't apply to these documents, Workday evaluates their *Tax Recoverability Type* as *Non Recoverable*:
 - Customer invoices.
 - Cash sales.
 - Ad hoc bank transactions of type *Deposit*.
- When the tax recoverability of a transaction is *Non-Recoverable + Allocation*, Workday automatically allocates the nonrecoverable tax amount to the spend ledger account. You don't need to set up tax account posting rules to post the nonrecoverable portion of tax to the spend ledger account.
- When the tax recoverability of a transaction is *Non-Recoverable + no Allocation*, you can post the nonrecoverable tax amount using a condition where:
 - The *Tax Recoverability Type* dimension has a value of *Non Recoverable*.
 - The *Tax Type* dimension has a value of *Tax Paid* or *Tax Self-Assessed*.

Tax Type

You can configure tax account posting rules on the *Tax Type* dimension to define a ledger account where Workday posts the transaction tax paid, collected, or self-assessed on these documents:

Document Type	Tax Type
• Ad Hoc Bank Transaction of type <i>Withdrawal</i> • Ad Hoc Payment • Expense Report	<i>Tax Paid</i>
• Ad Hoc Bank Transaction of type <i>Deposit</i> • Cash Sale • Customer Invoice	<i>Tax Collected</i>
• Ad Hoc Payment • Procurement Card Verification	<i>Tax Self-Assessed</i>
Supplier Invoice	<i>Tax Paid</i> or <i>Tax Self-Assessed</i>

Tasks

[Set Up Account Posting Rules](#) on page 69

Reference

[Reference: Account Posting Rules](#) on page 80

Concept: Withholding Tax Accounting

You can use Workday to:

- Create accounting for the withholding taxes on supplier and customer invoices.

- Set up withholding tax account posting rules that define the ledger accounts where Workday posts withholding tax based on dimensions such as:
 - *Realization Point*
 - *Tax Authority*
 - *Tax Base Type*
 - *Tax Rate*

Withholding Tax Realization Point

When you create withholding tax rates, you must select 1 of these withholding realization points to specify how and when you pay tax:

Realization Point	Supported Document Types	Considerations	Example
<i>Invoice</i>	• Supplier Invoice • Customer Invoice	For supplier invoices, your company withholds the tax on supplier invoices and pays the remaining amount to the supplier. Workday credits the withholding tax account as a withholding tax liability on the supplier invoice. For customer invoices, your company accounts for potential withholding tax by your customer and collects only the remaining amount from the customer. Workday debits the withholding tax account as a withholding tax expense.	A supplier issues a 1,000 USD invoice to your company with 100 USD withholding tax. You: • Pay the supplier 900 USD. • Account for a 100 USD liability on the supplier invoice. You issue a 1,000 USD customer invoice. You anticipate that your customer will withhold 100 USD and pay you 900 USD. You account for 100 USD as a withholding tax expense on the customer invoice.
<i>Payment</i>	Supplier Invoice	Your company withholds the tax on supplier invoices and pays the remaining amount to the supplier. Workday credits the withholding tax account as a withholding tax liability on the supplier payment.	A supplier issues a 1,000 USD invoice to your company with 100 USD withholding tax. You: • Pay the supplier 900 USD. • Account for a 100 USD liability on the payment.
<i>Customer Invoice Self-Withholding</i>	Customer Invoice	You collect the full amount from your customer and pay the withholding tax to the tax authority. Workday debits the withholding tax account	You issue a 1,000 USD customer invoice and self-assess 100 USD withholding tax. You agree with your customer that you'll pay the tax authority. Your

Realization Point	Supported Document Types	Considerations	Example
		as a withholding tax expense and credits the withholding tax account as a withholding tax liability.	customer pays you the full 1,000 USD. You: • Credit 100 USD as withholding tax liability. • Debit 100 USD as withholding tax expense.

Withholding Tax Account Posting Rules

To set up withholding tax account posting rules, access the **View Account Posting Rule Set** report and edit the *Withholding Tax Payable* posting rule.

Withholding Tax Accounting

This table summarizes the different realization points, document types, accounting, and account posting rules.

Withholding Tax Realization Point	Document Type	Accounting	Account Posting Rule Condition
Invoice	• Supplier Invoice • Customer Invoice	• Supplier Invoice: Credit - Withholding tax liability. • Customer Invoice: Debit - Withholding tax expense.	• Supplier Invoice: <i>Tax Type = Tax Collected.</i> • Customer Invoice: <i>Tax Type = Tax Paid.</i>
Payment	Supplier Invoice	• Supplier Invoice: No accounting for withholding tax. • Payment of Invoice: Credit - Withholding tax liability.	<i>Tax Type = Tax Collected.</i>
Customer Invoice Self-Withholding	Customer Invoice	• Debit - Withholding tax expense. • Credit - Withholding tax liability.	• Debit - <i>Tax Type = Tax Paid.</i> • Credit - <i>Tax Type = Tax Collected.</i>

Tasks

[Set Up Tax Rates for Withholding Tax](#) on page 444

[Set Up Account Posting Rules](#) on page 69

Tax Declarations

Setup Considerations: E-Filing VAT Returns (UK)

You can use this topic to help make decisions when planning your configuration and use of e-filing for Value Added Tax (VAT) returns in the UK. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

The e-filing functionality enables you to submit VAT returns electronically to HM Revenue and Customs (HMRC).

Business Benefits

E-filing helps you:

- Streamline the process of creating and submitting VAT returns.
- Comply with the Making Tax Digital initiative, which requires businesses to submit VAT returns electronically.

Use Cases

You can use the Workday e-filing functionality to:

- Grant Workday permission to access your UK Government Gateway.
- Submit VAT returns for a company or a VAT or Goods and Services Tax (GST) group.
- Correct errors on e-filed VAT returns.

Questions to Consider

Questions	Considerations
Have you already configured a VAT number on your company tax details?	E-filing requires a 9-digit VAT registration number with no alphabetical characters. You can configure this VAT registration number using the <i>E-File VAT Registration Number</i> tax ID type for the UK. When you e-file for a VAT or GST group, Workday uses the VAT registration number of the primary company in the group.
Have you already configured Workday to create VAT returns?	E-filing requires you to change your existing tax declaration definitions. Also, ensure that your tax declaration components produce information in the correct format for e-filing, as you can't change the format manually after creating the VAT return. Example: Configure rounding and truncation options for the appropriate boxes on the VAT 100 form.
How many companies do you plan to e-file VAT returns for?	Workday supports e-filing for multiple companies or VAT or GST groups. When you submit for more than 1 company, ensure that you: • Maintain a valid VAT registration number for each company.

Questions	Considerations
	Sign in to the UK Government Gateway for each company in your browser before you submit.

Recommendations

Access the **Test HMRC Authentication** report to test the connection between Workday and HMRC when setting up this feature.

Requirements

- Register your company for Making Tax Digital.
- Configure tax declaration components and a tax declaration definition to gather the data required by the VAT 100 form.
- Enable e-filing on your tax declaration definition.

Limitations

- Workday supports e-filing for VAT returns in the UK only.
- HMRC doesn't accept amendments through e-filing.
- On the **Test HMRC Authentication** report, Workday doesn't explicitly confirm successful authorization. When authorization is successful, the browser redirects you back to Workday.
- You can't test e-filing in Sandbox tenants as HMRC doesn't provide a test facility.

Tenant Setup

No impact.

Security

Domains	Considerations
These domains in the Common Financial Management functional area: <i>Reports: Create Tax Declaration</i> <i>Set Up: Tax</i>	You can configure either domain to enable users to e-file. Ensure that security groups that e-file tax declarations have: <i>View</i> and <i>Modify</i> access for tasks and reports. <i>Get</i> and <i>Put</i> integration permissions.
<i>Reports: Transaction Tax</i> domain in the Common Financial Management and Customer Accounts functional areas	Users secured to this domain can view transaction tax reports, enabling them to: - Find tax declarations to e-file. - Check the e-file status of submitted tax declarations.

When you submit a VAT return using HMRC's e-filing process, certain information about your device (including a unique cookie ID) will be sent to HMRC for its anti-fraud purposes. See HMRC's mandatory fraud prevention requirements for more information.

Workday sends these headers when you e-file:

Headers	Considerations
<i>Gov-Client-Browser-Do-Not-Track</i>	Indicates whether the user has selected the Do Not Track option on their browser.

Headers	Considerations
<i>Gov-Client-Browser-JS-User-Agent</i>	Provides a JavaScript-reported user agent string from the device used to e-file.
<i>Gov-Client-Browser-Plugins</i>	Identifies any browser plugins that the user submitting the VAT return has installed.
<i>Gov-Client-Connection-Method</i>	Identifies the connection method used for the request.
<i>Gov-Client-Device-ID</i>	Identifies the user's device uniquely and permanently.
<i>Gov-Client-Local-IPs</i>	Lists all local IP addresses (IPv4 and IPv6) available to the device.
<i>Gov-Client-Local-IPs-Timestamp</i>	Records the time that <i>Gov-Client-Local-IPs</i> is collected.
<i>Gov-Client-Public-IP</i>	Provides the public IP address of the device.
<i>Gov-Client-Public-IP-Timestamp</i>	Records the time that <i>Gov-Client-Public-IP</i> is collected.
<i>Gov-Client-Public-Port</i>	Provides the public TCP port that the device uses when initiating the request.
<i>Gov-Client-Screens</i>	Provides information about the screen of the device.
<i>Gov-Client-Timezone</i>	Provides the local time zone of the device.
<i>Gov-Client-User-IDs</i>	Provides the username of the person who submits the VAT return.
<i>Gov-Client-Window-Size</i>	Provides the size of the window on the device.
<i>Gov-Vendor-Forwarded</i>	Provides details about any hops over the internet between services that terminate TLS.
<i>Gov-Vendor-Product-Name</i>	Identifies Workday as the product used to submit the VAT return.
<i>Gov-Vendor-Version</i>	Identifies the Workday version used to submit the VAT return.

Business Processes

Configure the *Tax Declaration Event* business process and security policy to enable separate users to create and approve tax declarations before e-filing.

Reporting

Reports	Considerations
Test HMRC Authentication	You can use this report to grant Workday authority to access your UK Government Gateway and test the connection between Workday and the HMRC APIs.

Reports	Considerations
View Tax E-File Template	You can use this report to determine whether a tax e-file template is appropriate for your tax declaration definition.

You can use the **Tax Declaration Results** report data source to create custom reports on e-filed VAT returns.

Integrations

The **Submit E-File** task uses these web services to share information with HMRC APIs:

- *Get Mapped Tax Declaration E-Filing Results*
- *Put Tax Declaration E-Filing Result*

Connections and Touchpoints

Features	Considerations
Banking and Settlement Customer Accounts Expenses Projects Supplier Accounts	Workday populates tax declarations using tax-relevant data from transactions in these areas.
Transaction Taxes	E-filing interacts with the tax declaration framework, consisting of: • Tax declaration components. • Tax declaration definitions. • Tax declarations.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Reference

[Workday 32 What's New Post: Electronic Value Added Tax Returns for UK](#)
[Preconfigured Content: Financials Delivered Configurations](#)

Steps: Create Tax Declarations

You can configure tax declarations to extract information about transaction taxes from your accounts to report to a tax authority. You can export the information to submit it or, in the United Kingdom, submit it electronically.

1. (Optional) Configure the *Tax Declaration Event* business process.
Use this business process when the person who creates a tax declaration doesn't have authority to finalize it. Example: A GL accountant creates tax declarations and a tax manager approves them.
2. Create a tax authority.
See [Steps: Set Up Transaction Taxes](#) on page 416.
3. [Create Tax Declaration Components](#) on page 457.
4. [Create Tax Declaration Definitions](#) on page 459.
5. [Create Tax Declarations](#) on page 460.

6. Submit your tax declaration to the tax authority.
7. (Optional) Access the **Update Tax Filing Date** task from the related actions menu of the tax declaration.

When you e-file a tax declaration, Workday populates the tax filing date for you.

Create custom reports to gain insight into tax declaration results.

Reference

[Workday 32 What's New Post: Create Tax Declaration by Value Added Tax Group](#)

[Workday 32 What's New Post: Electronic Value Added Tax Returns for UK](#)

Create Tax Declaration Components

Security: *Set Up: Tax* domain in the Common Financial Management functional area.

You can configure tax declaration components to use on tax declaration definitions. These components determine how:

- Workday returns values on tax declaration lines.
- Different tax declaration components function and relate to each other.

Example: You create a *Calculation*-type component to calculate the difference between the values of 2 other tax declaration components:

Option	Description
Name	<i>VAT Collected Minus VAT Paid</i>
Tax Declaration Component 1	<i>VAT Collected</i>
Operator	<i>Subtract</i>
Tax Declaration Component 2	<i>VAT Paid</i>

You can't change some fields on a component when:

- A tax declaration definition uses the component.
- A tax declaration that uses that definition is *In Progress* or *Approved*.

1. Access the **Create Tax Declaration Component** task.

2. As you select a **Component Type**, consider:

Option	Description
Accumulation	Select to accumulate total amounts from tax-relevant transactions.
Calculation	Select to perform a mathematical operation on 2 other tax declaration components.
Numeric Constant	Select to enter a number to either: • Display directly on a tax declaration line. • Use in a <i>Calculation</i>-type component to modify the value of another component.
Text Constant	Select to enter a text string that you can use on a tax declaration definition. Example: You use a <i>Text Constant</i> -type component on the tax declaration definition to display <i>Sales Tax Collected</i> as a section header on a tax declaration.

Option	Description
Total	Select to calculate the sum of 1 or more <i>Accumulation</i> -, <i>Calculation</i> -, or <i>Total</i> -type components.

3. As you complete the task, consider:

Option	Description
Tax Type	(<i>Accumulation</i> -type components only.) Determines your options in these prompts: • Transaction Type • Amount to Accumulate
VAT on Payment	(<i>Accumulation</i> -type components only.) Select to accumulate transactions that use VAT on Payment . Leave unchecked to accumulate transactions that don't use VAT on Payment .
Tax Declaration Report Date	(<i>Accumulation</i> -type components only.) Select the type of date Workday uses to determine which transactions to include when you run the tax declaration. To use the tax point date, select the Enable Tax Point Date Configuration for Transaction Taxes check box on the Edit Tenant Setup - Financials task.
Tax Declaration Time Frame	(<i>Accumulation</i> -type components only.) <i>Current Period</i> includes transactions that are within the start and end dates of the tax declaration. <i>Prior Periods</i> includes transactions that are within the Number of Intervals Prior and Date Interval on the tax declaration definition. Workday includes transactions through the last day of the period before the start date of the tax declaration run. Example: • On the tax declaration component, you select <i>Prior Periods</i> as the Tax Declaration Time Frame. • On the tax declaration definition, you select <i>Month</i> as the Date Interval and 2 as the Number of Intervals Prior. • When you create a tax declaration, you select 2018-03-01 as the start date. • The tax declaration includes transactions from 2018-01-01 to 2018-02-28.
Reverse Sign When Result is Negative	(<i>Calculation</i> -type components only.)

Option	Description
	To e-file VAT returns in the United Kingdom, select this check box on the component corresponding to box 5 on the VAT 100 form.
Rounding Truncate to Whole Number	To e-file VAT returns in the United Kingdom, select Truncate to Whole Number and a Rounding option for the components corresponding to boxes 6 through 9 on the VAT 100 form. Rounding determines how Workday converts decimals to whole numbers: • <i>Round up</i>: Round away from zero. • <i>Round down</i>: Round toward zero. • <i>Round</i>: Round to the nearest value, rounding up from .5. • <i>Round half down</i>: Round to the nearest value, rounding down from .5.

Reference

[Workday 31 What's New Post: Tax Point Date at Line Level](#)

Create Tax Declaration Definitions

- Create tax declaration components.
- Security: *Set Up: Tax* domain in the Common Financial Management functional area.

You can configure a tax declaration definition to compile the data required by a tax form. You create a tax declaration definition using a combination of tax declaration components, then create a tax declaration using the definition.

You can't delete a tax declaration definition after you create a tax declaration from it. When you edit a tax declaration definition after you create a tax declaration from it, Workday reflects your changes when you:

- Rerun a *Draft* tax declaration.
- Amend or replace an *Approved* tax declaration.

1. Access the **Create Tax Declaration Definition** task.
2. As you complete the task, consider:

Option	Description
Number of Intervals Prior Date Interval	These fields apply only to <i>Accumulation</i>-type tax declaration components that use <i>Prior Periods</i> as the Tax Declaration Time Frame. Workday uses these fields to determine which transactions dated before the start of the tax declaration to include in the tax declaration.
Enable E-File	Select to: • Display the Tax E-File Template prompt. • Enable the Tax E-File Template Line column on the Definition Component Lines grid.
Tax E-File Template	Select <i>UK VAT 100 Template</i> to e-file a VAT return in the United Kingdom.

Option	Description
Report Line Reference	Enter a value to refer to box or line numbers on the tax form.
Tax Declaration Component	Select a tax declaration component to represent each box or line on the tax form.
Tax E-File Template Line	Map each Tax Declaration Component to a Tax E-File Template Line .
E-File Disclosure	Enter a message that users must acknowledge before they e-file a tax declaration.
Enable XML Creation	Select to: • Display the Integration System and VAT Return Year prompts. • Map Tax Declaration Definition Lines to integration system fields using the Tax Declaration Result Line Amount report field. • Enable the Create XML task on approved tax declaration runs created from this tax declaration definition.
Integration System	You can only select 1 integration system for each tax declaration definition.

Reference

[Workday 32 What's New Post: Electronic Value Added Tax Returns for UK](#)

Create Tax Declarations

- Create a tax declaration definition.
- Security: *Reports: Create Tax Declaration* domain in the Common Financial Management functional area.

You can create a tax declaration to extract tax information for a specific period from your accounts to report to the tax authority.

You can't edit tax declarations, but from the related actions menu you can:

- Cancel or rerun *Draft* tax declarations.
- Amend or replace *Approved* tax declarations.
- Delete *Canceled* tax declarations.

An amendment only includes transactions that weren't part of the original tax declaration. A replacement includes all transactions.

After you create a tax declaration, you can't change ad hoc payments that you included on the declaration. To change those payments, cancel the tax declaration while it's in *Draft* status and then delete it.

1. Access the **Create Tax Declaration Run** task.
2. As you complete the task, consider:

Option	Description
Tax Grouping	When you select a Value Added Tax (VAT) or Goods and Services Tax (GST) group, Workday: • Compares the date range of the tax declaration with any effective dates on the VAT or GST group.

Option	Description
	Includes transactions from any company that was part of the group during the date range. When a company wasn't in the group for the full date range, Workday only includes transactions from dates on which it was part of the group.
Primary Company	Displays when you select: - A VAT or GST group in the Tax Grouping prompt. - An e-filing enabled tax declaration definition. - An XML enabled tax declaration definition. You can select a different primary company from the one assigned on the VAT or GST group.
Report by Ledger Currency	Select to accumulate transactions by base currency. Otherwise, Workday accumulates transactions by tax currency.

- (Optional) Drill down on the **Tax Declaration** on the **Tax Declaration Result** tab to ensure it's correct.
- (Optional) If you configured the *Tax Declaration Event* business process, select **Tax Declaration** > **Send for Approval** from the related actions menu of the tax declaration.

Reference

[Workday 32 What's New Post: Cancel Draft Tax Declarations](#)

[Workday 32 What's New Post: Create Tax Declaration by Value Added Tax Group](#)

[Workday 32 What's New Post: Electronic Value Added Tax Returns for UK](#)

Steps: E-File VAT Returns (UK)

- Review setup considerations for e-filing VAT returns.
- Confirm that your Making Tax Digital registration is active.
- Enable e-filing on a tax declaration definition that meets HMRC requirements.
- Create and approve a tax declaration using this definition.
- Security: Either of these domains in the Common Financial Management functional area:
 - Reports: Create Tax Declaration*
 - Set Up: Tax*

E-filing enables you to submit VAT returns electronically, as required by HMRC.

You can't e-file:

- Tax declaration amendments, as HMRC doesn't accept them through e-filing.
- Tax declarations for which an adjustment exists. To e-file the original, delete the adjustment then e-file the tax declaration.

- Access the **Edit Company Tax Details** task.

Enter a 9-digit number as the *E-File VAT Registration Number* tax ID type for the UK.

Workday uses the VAT registration number of your company to connect to the HMRC APIs. When you e-file for a VAT or GST group, Workday uses the VAT registration number of the primary company in the group.

- Sign in to the UK Government Gateway for your company in your browser.

3. Access the **Submit HMRC Credentials** report from the related actions menu of your tax declaration.
Select **I'm Signed in to HMRC** to ensure that Workday authenticates correctly.
Workday redirects you to the HMRC site, where you can grant Workday permission to view and change your VAT return data.

Note: When Workday indicates that the process is finishing in the background, don't go back in your browser or refresh the page.
4. Access the **Submit E-File** task from the related actions menu of the tax declaration.
When the HMRC APIs respond, Workday stores the response on the tax declaration and updates the e-file status.
5. (Optional) If HMRC returns an error, select 1 of these options from the related actions menu of the tax declaration and make the necessary corrections:
 - For date range errors: **Correct E-File Errors**.
 - For other errors: **Create Replacement**.
6. (Optional) Send the corrected tax declaration for approval.
7. (Optional) Resubmit the corrected tax declaration.

Concepts

[Setup Considerations: E-Filing VAT Returns \(UK\)](#) on page 452

Tasks

[Set Up Company Tax IDs for Financial Transactions](#) on page 421

Reference

[Workday 32 What's New Post: Electronic Value Added Tax Returns for UK](#)

[Troubleshooting: E-Filed VAT Return Fails to Submit \(UK\)](#) on page 462

Troubleshooting: E-Filed VAT Return Fails to Submit (UK)

When e-filing fails, Workday populates the **E-File Error Code** field on the tax declaration to indicate why the submission failed. You can use this information to diagnose and resolve common problems that prevent you from submitting your VAT return.

Cause	Solution
<i>Authorization Required</i> CLIENT_OR_AGENT_NOT_AUTHORIZED INVALID_CREDENTIALS invalid_grant MISSING_CREDENTIALS Missing Tax ID UNAUTHORIZED VRN_INVALID	1. Access the Edit Company Tax Details task. Configure the <i>E-Filing VAT Registration Number</i> tax ID type for the United Kingdom. Enter the 9-digit numeric VAT number that you registered for Making Tax Digital. Security: • <i>Set Up: Company General</i> domain in the Common Financial Management functional area. • <i>Set Up: Tax</i> domain in the Common Financial Management functional area. • <i>Set Up: Payroll - Company Specific (Accounting)</i> domain in the Core Payroll functional area. 2. Sign in to your UK Government Gateway in your browser.

Cause	Solution
	3. Select Tax Declaration > Create Replacement from the related actions menu of the tax declaration. Create and approve a replacement tax declaration. 4. Select Tax Declaration > Submit HMRC Credentials from the related actions menu of the replacement tax declaration. 5. Select Tax Declaration > Submit E-File from the related actions menu of the replacement tax declaration.
<i>INVALID_DATE_FROM</i> <i>INVALID_DATE_RANGE</i> <i>INVALID_DATE_TO</i> <i>MULTIPLE_PERIOD_KEYS</i> <i>NOT_FOUND</i>	1. Select Tax Declaration > Correct E-File Errors from the related actions menu of the tax declaration. Ensure that the date range is for 1 full period starting after 2019-04-01 or, if applicable for your organization, 2019-10-01. 2. Select Tax Declaration > Submit E-File from the related actions menu of the tax declaration.
<i>Missing Period Key - Resubmit E-File</i> <i>GATEWAY_TIMEOUT</i> <i>INTERNAL_TIMEOUT_UNABLE_TO_SUBMIT_VAT</i> <i>SCHEDULED_MAINTENANCE</i> <i>SERVER_ERROR</i>	1. Ensure that HMRC isn't undergoing scheduled maintenance. 2. Select Tax Declaration > Submit E-File from the related actions menu of the tax declaration. 3. (Optional) If the submission fails several times, contact Workday Support.
<i>INTERNAL_SERVER_ERROR</i>	1. Resubmit the VAT return by selecting Tax Declaration > Submit E-File from the related actions menu of the tax declaration. 2. (Optional) If the issue persists for more than 72 hours, contact the HMRC VAT Online Services Helpdesk.
<i>INTERNAL_TIMEOUT_UNABLE TO VIEW VAT</i>	1. Access your UK Government Gateway in your browser and check if HMRC received the VAT return. 2. If the submission was unsuccessful, contact Workday Support.
<i>VAT_NET_VALUE</i>	1. Access the Edit Tax Declaration Component task. On the component mapped to box 5, select Reverse Sign When Result is Negative. 2. Select Tax Declaration > Create Replacement from the related actions menu of the tax declaration. Create and approve a replacement tax declaration.

Cause	Solution
	3. Select <i>Tax Declaration</i> > <i>Submit E-File</i> from the related actions menu of the tax declaration.
VAT_TOTAL_VALUE	1. Access the <i>Edit Tax Declaration Component</i> task. Change the component mapped to box 3 to a <i>Calculation</i> -type component that contains the sum of boxes 1 and 2. 2. Select <i>Tax Declaration</i> > <i>Create Replacement</i> from the related actions menu of the tax declaration. Create and approve a replacement tax declaration. 3. Select <i>Tax Declaration</i> > <i>Submit E-File</i> from the related actions menu of the tax declaration.

Tasks

[Create Tax Declaration Components](#) on page 457

[Set Up Company Tax IDs for Financial Transactions](#) on page 421

Tax Reporting

Setup Considerations: SAF-T

You can use this topic to help make decisions when planning your configuration and use of the Standard Audit File for Tax (SAF-T) functionality. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

Workday enables you to create an integration that generates a SAF-T XML file to submit to auditors or tax authorities.

Business Benefits

The Workday SAF-T functionality helps you to:

- Create SAF-T quickly without manually processing the data.
- Comply with tax auditing requirements.

Use Cases

Security administrators can:

- Configure integrations to create SAF-T for Norway.
- Assign security to enable users to launch SAF-T integrations.

Integration consultants can:

- Configure integrations to create SAF-T using the OECD SAF-T v2.0 schema.
- Add or disable fields within the structure of OECD SAF-T v2.0, override field mappings, and set maximum lengths for fields.
- Configure custom integrations to transform the output for schemas that have a different structure than OECD SAF-T v2.0.

Tax managers or accounting managers can:

- Create tax master records to populate the *TaxTable* element in SAF-T.
- Map ledger accounts to the standard account IDs required for Norway.
- Create SAF-T to submit to tax authorities.

Questions to Consider

Questions	Considerations
Which users do you want to create SAF-T?	Consider that users who can create SAF-T can view sensitive information about: • Bank accounts. • Customers. • Ledger accounts. • Payments. • Suppliers. • Transaction taxes. Users can view this information even when they don't have access to the relevant domains.
Which SAF-T schema do you plan to use?	The <i>SAF-T Norway</i> integration template produces an output file based on the Norwegian SAF-T financial schema v1.10. You can configure a document retrieval step to use a newer version of the schema. The <i>SAF-T Core</i> integration template produces an output file based on the OECD SAF-T v2.0 schema, including a subset of the optional fields. You can configure field overrides to include optional fields that Workday doesn't populate by default. When your country uses a schema that: • Uses the OECD SAF-T v2.0 structure but changes fields, you can use the <i>SAF-T Core</i> integration template and configure a document retrieval step to provide your schema. • Changes the OECD SAF-T v2.0 structure, you can use the <i>SAF-T Core</i> integration template and then use the output file as a data source for a custom integration to transform the structure and add fields as required.
What transaction data does the tax authority require you to include in SAF-T?	With the <i>SAF-T Core</i> integration template, you can include approved accounts payable or accounts receivable transactions in the output.

Questions	Considerations
	Before you enable these integration services, consider how your schema differs from OECD SAF-T v2.0, as you might need to configure your integration to support those differences. Example: To include canceled invoices in the output, as Workday doesn't include these by default.
How do the fields and structure of your schema differ from the OECD SAF-T v2.0 schema?	When your schema: • Adds fields to the <i>TaxTable</i> element, you can configure the fields on the tax master template for a country. Workday populates this element using tax master records that you create when you set up the SAF-T functionality. • Changes fields in other elements but follows the same structure as OECD SAF-T v2.0, you can configure field overrides and extensions on your integration. • Adds fields outside the designated extension points, you can configure a custom integration to transform the output file as required.
(Norway only) Which set of standard account IDs do you plan to use?	Your choice determines the number of ledger account summaries required to map your ledger accounts to the Norwegian standard account IDs. The 2-digit set requires less setup but the 4-digit set enables more granular reporting.

Recommendations

When you:

- Create ledger account summaries for Norway, include the corresponding standard account ID in the name to make each summary easy to identify.
- Set up a tax master template, enter default values to save time when you populate the tax master records.
- Configure field overrides or extensions, use calculated fields to populate static values or enumerations. Calculated fields are the easiest way to populate these values.

Requirements

When you plan to provide your own schema, ensure that the schema is available for integration document retrieval using a supported transport protocol.

Limitations

On the *SAF-T Core* integration template, Workday supports a subset of the optional fields in the OECD SAF-T v2.0 schema.

Tenant Setup

No impact.

Security

The SAF-T output contains sensitive financial data and is unencrypted, as required by tax authorities.

Domains	Considerations
In the Integration functional area: • <i>Integration Build</i> • <i>Integration Configure</i> • <i>Integration Event</i>	Enable users to configure and run integrations using SAF-T templates.
<i>Process: Audits and Corrections</i> in the Financial Accounting functional area	Enables users to assign journal line numbers to posted journals.
<i>Process: Tax Master</i> in the Common Financial Management functional area	Enables users to maintain tax master data and view related reporting.
<i>Set Up: Accounts</i> in the Common Financial Management functional area	Enables users to configure ledger account summaries. Required to configure SAF-T for Norway only.
<i>Set Up: Company Accounting</i> in the Common Financial Management functional area <i>Set Up: Payroll - Company Specific (Accounting)</i> in the Core Payroll functional area	Enable users to configure company accounting settings to meet SAF-T requirements. Ensure that users who set up the SAF-T functionality have access to 1 of these domains.
<i>Set Up: Tax</i> in the Common Financial Management functional area	Enables users to view and modify information relevant to tax auditing.

Business Processes

No impact.

Reporting

You can use the **Tax Masters** report data source to create custom reports.

Integrations

Integration Templates	Considerations
<i>SAF-T Core</i>	Enables you to create SAF-T using the OECD SAF-T v2.0 schema.
<i>SAF-T Norway</i>	Enables you to create SAF-T using the Norwegian SAF-T v1.10 schema.

Connections and Touchpoints

Features	Considerations
Banking and Settlement Customer Accounts Person Supplier Accounts Transaction Taxes Worktags	You can use the SAF-T functionality to extract tax-relevant data from these areas to submit to tax authorities.

Features	Considerations
Financial Accounting	You can use the SAF-T functionality to extract data relating to: • Companies. • Journals. • Ledger accounts.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Concepts

[Concept: SAF-T Integrations](#)

[Concept: Tax Master Records](#) on page 469

Tasks

[Steps: Set Up SAF-T Integration](#)

[Set Up Integration Field Overrides for DIS](#)

Reference

[2020R1 What's New Post: Standard Audit File for Tax \(SAF-T\)](#)

[Workday Community: Global Financials Reference Book](#)

[Workday Community: SAF-T OECD Version 2 - Supported Fields](#)

Steps: Set Up SAF-T

- Review setup considerations for Standard Audit Files for Tax (SAF-T).
- In your company accounting details, enable automatic journal line numbering and disallow changes to operational transactions in closed periods.

You can:

- Prepare data required to create SAF-T.
- Extract tax-relevant data and create SAF-T.

1. (Optional) Access the **Assign Line Numbers to Previously Posted Journals** task.

Use when you have posted journals that don't have line numbers.

Security: *Process: Audits and Corrections* domain in the Financial Accounting functional area.

2. (Optional) For Norway, map ledger accounts to standard account IDs.

See [Steps: Assign Standard Account IDs to Ledger Accounts \(Norway\)](#) on page 469.

3. Access the **Set Up Tax Master Template** task.

Enable any additional fields required by your SAF-T schema.

Security: *Set Up: Tax* domain in the Common Financial Management functional area.

4. Access the **Create Tax Master** task.

Workday generates tax master records then displays the **Maintain Tax Master** task. Enter values for any incomplete fields.

Workday recommends that you complete this task each time you want to run your SAF-T integration to ensure that your tax master records are up to date.

Security: *Process: Tax Master* domain in the Common Financial Management functional area.

5. Create SAF-T.

See [Steps: Set Up SAF-T Integration](#).

Concepts

[Setup Considerations: SAF-T](#) on page 464

[Concept: Tax Master Records](#) on page 469

Reference

[2020R1 What's New Post: Standard Audit File for Tax \(SAF-T\)](#)

Steps: Assign Standard Account IDs to Ledger Accounts (Norway)

Create ledger accounts.

You can map the standard account IDs required for SAF-T in Norway to your ledger accounts. Use:

- Ledger account summaries to group ledger accounts that relate to the same standard account ID.
- Integration reference IDs to specify which standard account ID applies to each ledger account summary.
- A ledger account summary hierarchy to store the mappings in 1 structure.

You direct your SAF-T integration to the top-level summary in the hierarchy to access the mappings.

When you add or remove ledger accounts from your account set, update the mappings to continue generating valid SAF-T.

1. Access the **Create Ledger Account Summary As Of** task.

Create ledger account summaries for each standard account ID. Assign the relevant ledger accounts to each summary.

Create another ledger account summary as the top-level summary and include the other summaries you created as subordinates.

See [Steps: Manage Ledger Account Summaries](#) on page 75.

2. Access the **Maintain Reference IDs** task.

For each subordinate ledger account summary, enter a reference ID that contains the relevant standard account ID.

Example: Enter *CompanyGL_3020* to assign the standard account ID 3020 to the ledger accounts in a particular summary.

Note: Don't include any digits other than the standard account ID. Workday only interprets 1 set of digits when identifying the standard account ID.

See [Set Up Reference IDs](#).

You create a ledger account summary hierarchy with this configuration:

Ledger Account Summary	Contains Ledgers	Reference ID Value	Maps to Standard Account ID
CompanyGL (top level)	None	None	None
CompanyGL_15 (subordinate)	1200: Accounts Receivable	15	15 (Short-term receivables)
CompanyGL_30 (subordinate)	4000: Revenue 4260: F&A Revenue	30	30 (Sales revenue, subject to VAT)

When you run the integration system, the output file includes the standard account ID:

- 30 for ledger accounts 4000 and 4260.
- 15 for ledger account 1200.

Set up a tax master template for Norway.

Concept: Tax Master Records

Workday generates tax master records from transaction tax information to populate the *TaxTable* element in Standard Audit Files for Tax (SAF-T).

Workday derives tax master records from these fields on tax-relevant transactions for a company:

- **Country**
- **Effective Tax Recoverability Percentage**
- **Tax Applicability**
- **Tax Code**
- **Tax Rate**
- **Tax Rate Percentage**
- **Tax Recoverability**
- **Tax Recoverability Percentage**
- **Tax Type**

Each unique combination of values for these fields is 1 tax master record.

On the **Set Up Tax Master Template** task, you can:

- Create a tax master template for a country.
- Enable additional fields that your SAF-T schema requires.
- Enter default values for fields with no corresponding data in Workday.

On the **Create Tax Master** task, you can select a company to create tax master records for. Workday then:

- Generates tax master records from your taxable documents and assigns a tax master tax code to each record.
- Populates the tax master records on a tax master template.
- Displays the **Maintain Tax Master** task.

On the **Maintain Tax Master** task, you can:

- Review data that Workday populated from taxable documents.
- Enter or change values for fields that you enabled on the tax master template.

To change values that Workday populates from taxable documents, change the information on your taxable documents or configure field overrides on your SAF-T integration.

Concepts

[Setup Considerations: SAF-T](#) on page 464

Tasks

[Steps: Set Up SAF-T](#) on page 468

1099 Reporting

Setup Considerations: 1099 Reporting

You can use this topic to help make decisions when planning your configuration and use of 1099 reporting. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

The 1099 reporting feature generates IRS 1099 forms from your payments to suppliers, contingent workers, investors, ad hoc payees, and miscellaneous payees.

Business Benefits

- Helps you maintain IRS compliance when filing 1099 MISC and 1099 NEC forms.
- Reduces the administrative burden of exporting payment data to third-party applications.
- Supports data integrity by automatically calculating the federal and state income and tax withheld amounts from your Workday data.

Use Cases

As your organization prepares for 1099 processing, you:

- Run the **1099 Audit Report** to ensure that you've correctly configured your 1099 payees. You find 1099 payees who are missing a primary address or tax ID number. You update these payees and rerun the **1099 Audit Report**.
- Run the **1099 Report** to preview your 1099 reportable amounts and details by payee and 1099 category. You identify that a reportable payment that happened in a legacy system is missing. You create a 1099 adjustment so that the 1099 NEC form issued to the payee reflects everything your organization has paid them this year. You rerun the **1099 Report** and continue to make corrections to your configuration, payees, and payments as necessary.
- Generate a test file from Workday and upload it to the IRS FIRE test system during the test period.

As your organization starts 1099 processing, you:

- Generate 1099 MISC and 1099 NEC forms that you print and mail to all your 1099 payees. You select Copy B and print on blank paper with truncated tax IDs.
- Generate electronic 1099 MISC and 1099 NEC forms in Workday and upload them to the IRS FIRE system.

After you mail the 1099 forms to payees and file with the IRS:

- A supplier contacts you because they never received their 1099 form. You reprint the 1099 for this individual payee.
- A supplier calls your organization to let you know that their 1099 form erroneously reports them as FATCA. You create a supplier change in Workday, print a corrected form for the payee, and generate a corrected file that you submit to the IRS.

Questions to Consider

Questions	Considerations
What 1099 MISC and 1099 NEC boxes do you report on?	With the Update 1099 Configuration task, you can: • Map spend categories of spend category hierarchies to boxes on the 1099 forms. • Specify threshold amounts across 1 or more categories.
How do you submit your 1099 information returns to the IRS?	When you file electronically, you can generate 1099 MISC and 1099 NEC files to upload to the IRS FIRE system. You can file for multiple companies under a single transmitter control code. When you send paper forms to the IRS, you can generate printable 1099 MISC and 1099 NEC forms. Note: We plan to retire the 1099 MISC, 1099 NEC, and 1096 official IRS BIRT forms in a future release. We continue to enable you to e-file your

Questions	Considerations
	1099 returns and plan on delivering 1099 MISC and 1099 NEC substitute Copy B forms for your payees.
Do you file 1099 returns to states that participate in the Combined Federal/State Filing (CF/SF) Program?	Workday can generate electronic 1099 returns that meet the CF/SF Program requirements.
When you consolidate supplier payments on behalf of multiple companies to the same supplier, which company issues the 1099 form?	Workday populates the payer on 1099 forms with the company that pays the invoice or creates the settlement run.

Recommendations

- When you migrate to Workday midyear and load initial 1099 balances with 1099 adjustments:
 - Create 1 adjustment in Workday for each legacy payment.
 - Enter the legacy payment information in the memo field so you can refer to it later.
- Use 1099 adjustments only when you can't correct the original transaction in Workday.

Requirements

- To file electronically with the IRS, obtain a tax ID transmitter control code issued by the IRS for the company that's filing.
- Set up transaction and withholding tax codes that contain tax rates for these tax authorities:
 - The IRS.
 - The states where you report 1099 income.

See [Steps: Set Up Transaction Taxes](#) on page 416 and [Steps: Set Up Withholding Taxes](#) on page 443.

- For Workday to include a payment in a 1099 report for a reporting year and a federal or state tax authority, you must:
 - Include the payment in 1 of these transactions:
 - 1099 adjustments.
 - Ad hoc payments.
 - Miscellaneous payments.
 - Supplier invoices.
 - Set up the recipient of your payment as a 1099 payee.
 - Select spend categories and amounts that you've mapped to IRS 1099 categories.
 - Use a tax code that you've mapped to:
 - A federal tax rate.
 - A state tax rate, when you report to the state.

Workday uses the tax code on your payment to determine the tax authority to which you report the payment. Example: You report payments with no withholding tax to California. You use a tax code that contains the federal tax rate and a California state tax rate of zero percent.

- Pay or settle the transaction during the reporting year.

Workday uses the payment date for 1099 reporting, not the transaction date. Example: An independent contingent worker submits a supplier invoice on December 25 and your company pays it on January 2. The payment applies to 1099 reporting for the new year.

- Ensure that the payment has a status of *Accepted* when you use the payment acknowledgment feature.

Limitations

Workday only supports these forms:

- 1099 MISC.
- 1099 NEC.
- 1096.

Tenant Setup

No impact.

Security

Domains	Considerations
<i>Reports: Supplier Accounts 1099 - USA</i> and <i>Set Up: Payee Tax Authority Information</i> in the Supplier Accounts functional area.	Users with access on both domains can select 1099 and 1096 form layouts.
<i>Reports: Supplier Accounts 1099 - USA</i> in the Supplier Accounts functional area.	Users can: • Use the 1099 Work Area. • Run the 1099 Report. • Run the 1099 Audit Report. • Create 1099 runs. • Create corrected 1099 runs. • Print 1099 and 1096 forms.
<i>Reports: Supplier Accounts</i> in the Supplier Accounts functional area.	Users can run the Duplicate Supplier Taxpayer ID Number Report .
<i>Set Up: Payee Tax Authority Information</i> in the Supplier Accounts functional area.	Users can map: • 1099 categories to spend categories and hierarchies. • A tax authority to 1099 federal or state withholding.
<i>Set Up: Tax</i> in the Common Financial Management functional area.	Users can set up company tax details for 1099 reporting.

Business Processes

Business Process	Considerations
<i>1099 Adjustment</i>	Users can adjust 1099 spend categories and opening balances.
<i>1099 Electronic Filing Run Event</i>	Users can generate electronic 1099 forms.

Reporting

Reports	Considerations
1099 Audit Report	View 1099 payees with invoice or payment activity who require additional tax information to display on the 1099 forms, such as:

Reports	Considerations
	- A United States tax ID. - A tax-reporting or primary address.
1099 Report	View: - Amounts to report when you create 1099 runs. - Details by payee and 1099 category.
Duplicate Supplier Taxpayer ID Number Report	Identify suppliers that might have duplicate taxpayer ID numbers.
Find 1099	View 1099 form details for the selected company and tax year.
Find 1099 Adjustments	View 1099 form adjustments for 1 or more companies, tax years, or payees.
Find 1099 Runs	View the 1099 runs that you've already generated for your selected companies and calendar years.
View 1099 Configuration	View the mapping of spend categories or spend category hierarchies and thresholds to 1099 MISC or 1099 NEC boxes for the selected year.

Integrations

Web Services	Considerations
<i>Get 1099 MISCs</i>	Retrieve data from a 1099 MISC or 1099 NEC run, optionally filtered by company.
<i>Get Company 1099 MISC Data</i>	Retrieve all the data from an entire 1099 MISC or 1099 NEC run, including summary information by payer.
<i>Put 1042-S Income Code</i>	Add or update 1042-S income codes as well as withholding spend categories or hierarchies.
<i>Submit 1099 Adjustment</i>	When you migrate to Workday midyear, you can use an EIB and create adjustments to load your initial 1099 balances.

Connections and Touchpoints

Features	Considerations
Cash	Workday uses the data from your ad hoc payments to suppliers, contingent workers, ad hoc payees, and investors to calculate your 1099 amounts.
Settlements	- Workday only includes the amounts from paid or settled documents in your 1099 amounts. - When you use the payment acknowledgment feature, the payment acknowledgment must be in <i>Accepted</i> status from the financial institution.

Features	Considerations
	Workday uses the data from miscellaneous payments to miscellaneous payees to calculate your 1099 amounts.
Supplier Accounts	Workday uses the data from supplier invoices and supplier invoice adjustments to suppliers and contingent workers to calculate your 1099 amounts.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Reference

[2022R2 What's New Post: 1099-MISC and 1099-NEC Combined Federal and State Filing \(CF/SF\)](#)

[Workday Community: 1099 MISC Processing](#)

Setup Considerations: Combined Federal/State Filing Program

You can use this topic to help make decisions when planning your configuration and use of the Combined Federal/State Filing (CF/SF) Program in Workday. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

You can generate electronic 1099 returns that meet the IRS CF/SF Program requirements.

Business Benefits

The CF/SF Program eliminates the need to report your 1099 federal and state returns separately, simplifying your annual 1099 processing.

Use Cases

You report 1099 payments to state tax authorities. You've already obtained IRS approval to participate in the CF/SF Program. You opt in to the CF/SF Program in Workday and select the participating states to which you report. You file:

- A combined return to the IRS, which includes the payments reportable to the participating states.
- A return to each of the nonparticipating states.

Questions to Consider

Questions	Considerations
How do you submit your 1099 information returns to the IRS?	You can only benefit from the CF/SF Program when you e-file your 1099 returns.
To which states do you submit your 1099 returns?	When you opt in to the CF/SF Program in Workday, you can select the states to include in your combined returns.

Questions	Considerations
	For Workday to include payments in combined returns, you must use state withholding tax rates. When you don't withhold tax, you can set up a zero percent tax rate. As a result, for states that you include in your combined returns, you need to set up: • A tax authority. • Withholding tax rates. • Withholding tax codes that you use on the 1099 payments. Then, map your state tax authorities to 1099 state withholding. Also add the state tax IDs in the tax details of your companies that file combined returns.
How do you pay your 1099 payees?	Workday supports withholding tax codes on supplier invoices only. For Workday to include ad hoc payments in combined returns, create 1099 adjustments.

Recommendations

When you opt in to the CF/SF Program midyear, you might have 1099 payments with tax rates that you haven't mapped to the state tax authority. To include these amounts in your combined returns, we recommend that you create 1099 adjustments with:

- Spend categories that you've mapped to IRS boxes.
- The state income and state tax withheld amounts.

We also recommend that you add default withholding tax codes to your 1099 suppliers. Default withholding tax codes make data entry easier and help ensure that Workday includes all 1099 payments in your combined returns.

Requirements

- Obtain IRS approval to participate in the CF/SF Program.
- Verify if your state has additional filing requirements.
- Set up 1099 Reporting for all the states that you include in your combined returns.
- For Workday to include a payment for a given state, the payment must contain tax rates that you've mapped to the state tax authority.

Limitations

No impact.

Tenant Setup

No impact.

Security

Users with access on both of these domains can opt in to the CF/SF Program and select participating states:

- *Set Up: Tax* in the Common Financial Management functional area.

- *Reports: Supplier Accounts 1099 - USA* in the Supplier Accounts functional area.

Business Processes

No impact.

Reporting

No impact.

Integrations

Web Services	Considerations
<i>Put Company Tax Details</i>	Enables you to: • Opt in to participate in the CF/SF Program. • Select the states to include in your combined returns. • Add your state tax identifiers.
<i>Put Tax Authority</i>	Uploads tax authorities for states that you include in your combined returns.
<i>Put Withholding Tax Code</i>	Uploads withholding tax codes for states that you include in your combined returns.
<i>Put Withholding Tax Rate</i>	Uploads withholding tax rates for states that you include in your combined returns.
<i>Submit 1099 Adjustment</i>	Enables you to update your 1099 federal and state amounts by payee.

Connections and Touchpoints

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Tasks

[Steps: Set Up Transaction Taxes](#) on page 416

[Steps: Set Up Withholding Taxes](#) on page 443

Reference

[2022R2 What's New Post: 1099-MISC and 1099-NEC Combined Federal and State Filing \(CF/SF\)](#)

Steps: Set Up 1099 Reporting

- Review setup considerations for 1099 Reporting.
- Obtain an IRS tax ID transmitter control code for companies that file 1099 returns.
- Set up transaction and withholding tax codes and tax rates for the IRS and all the states where you report 1099 income. See [Steps: Set Up Transaction Taxes](#) and [Steps: Set Up Withholding Taxes](#).

You can set up and review your 1099 reporting configuration every year before you start processing your 1099 returns.

1. (Optional) [Set Up Tax Authorities](#) on page 417.

When you opt in to the Combined Federal/State Filing (CF/SF) program, create tax authorities for all the states that you include in your combined return.

2. [Map 1099 Categories to Spend Categories and Hierarchies](#) on page 478.

Map 1 or more spend categories or spend category hierarchies to each category box on IRS forms 1099 MISC and 1099 NEC.

3. [Map a Tax Authority to 1099 Federal or State Withholding](#) on page 480.

Map:

- Your federal tax authority to federal withholding.
- Your state tax authorities to state withholding.

Workday supports the automatic withholding tax calculation only on supplier invoices.

4. [Set Up Company Tax Details for 1099 Reporting](#) on page 480.

Add the federal and state tax identification numbers for each company that files 1099 returns.

5. (Optional) Access the **Edit 1099 and 1096 Print Form Layout** task.

Change the print layouts for the reporting year.

Security: *Reports: Supplier Accounts 1099 - USA* domain in the Supplier Accounts functional area.

6. (Optional) When you file electronically with the IRS, create an integration system.

See [Steps: Set Up Electronic Filing 1099 Integration](#).

7. [Set Up 1099 Payees](#) on page 481.

8. [Preview 1099 Reporting](#) on page 482.

9. (Optional) [Create 1099 Adjustments](#) on page 483.

When you migrate to Workday midyear, adjust your 1099 spend categories and opening balances.

Workday includes payments in your 1099 returns when they meet all these criteria:

- You issue these payments to 1099 payees.
- They include spend categories that you've mapped to IRS 1099 categories.
- They include a tax code that you've mapped to a federal tax rate.
- They include a tax code that you've mapped to a state tax rate, when you report to states. When you don't withhold state tax, use a tax rate of zero percent.
- You pay or settle these payments during the reporting year.
- They have a status of *Accepted*, when you use the payment acknowledgment feature.
- Create 1099 runs.
- Print 1099 forms for your payees.
- Print 1099 forms or generate 1099 electronic files for the IRS.

Concepts

[Concept: Single Legal Entities](#) on page 30

Map 1099 Categories to Spend Categories and Hierarchies

- Review the IRS form 1099 MISC and 1099 NEC instructions for the current tax year to verify threshold amounts for each category.
- Security: *Set Up: Payee Tax Authority Information* domain in the Supplier Accounts functional area.

You can update your 1099 configuration when:

- You set up 1099 reporting.
- The IRS releases new versions of the 1099 forms with new or updated:
 - Boxes.
 - Threshold amounts.
- You change your spend categories and spend category hierarchies.

1. Access the **Update 1099 Configuration** task.

As you select a 1099 configuration, consider:

Option	Description
Excluded Payment Types	You can exclude the payment types on which you report separately. Workday excludes the payment types that you select from all the 1099 form types and all the effective periods.
Effective Period	Workday adds effective periods as the IRS updates their 1099 forms.
Category Mapping	Click this option when you meet 1 of these conditions: - You don't need to set minimum threshold amounts for any IRS box. - Each threshold applies to 1 IRS category.
Aggregate Category Mapping	Click this option when you need to set at least 1 threshold amount across several IRS boxes combined.

2. As you complete the task, consider:

Option	Description
IRS 1099 Category	Select an IRS 1099 box on which you report for your selected effective period.
Spend Category or Hierarchy	You can map 1 or more spend categories or spend category hierarchies to a single IRS 1099 category. You can't select a spend category or spend category hierarchy that you've already mapped in either form type for your selected effective period.
Threshold	Enter the amount that your yearly payments to a 1099 payee in your selected IRS 1099 category must meet or exceed to be reportable.
IRS 1099 Aggregate Threshold	Enter the amount that your yearly payments to a 1099 payee across all your selected 1099 categories must meet or exceed to be reportable.

Workday includes in your 1099 returns the amounts:

- That meet or exceed the thresholds that you've defined.
- For spend categories or spend category hierarchies that you've mapped to IRS boxes.

Note: The **1099 Report** displays all the amounts that you've paid to 1099 payees, including the amounts:

- Below the thresholds you've defined.
- In spend categories and spend category hierarchies that you haven't mapped to any IRS box.

In 2020, you pay a supplier invoice with a *Legal and Auditing Fees* spend category on the transaction line. When you pay the invoice, Workday reports the line amount in *Box 10: Gross proceeds paid to an attorney* on the IRS form 1099 MISC for that supplier.

Run the **View 1099 Configuration** report to review your mapping of spend categories and spend category hierarchies to IRS boxes, including threshold amounts.

Map a Tax Authority to 1099 Federal or State Withholding

Security: *Set Up: Payee Tax Authority Information* domain in the Supplier Accounts functional area.

You can map your tax authorities as federal or state withholding to report withheld tax amounts in the appropriate boxes of your 1099 returns.

1. Access the **Maintain 1099/1042-S Withholding Configuration** task.
2. As you complete the task, consider:

Option	Description
Tax Authority	Select a tax authority that you use in the tax rates of your 1099 transactions.
Federal Withholding / State Withholding	Click <i>Federal Withholding</i> or <i>State Withholding</i> to report the withheld tax amount in the appropriate box of your 1099 returns. When you click <i>State Withholding</i> , select the state to which you report the withheld amounts.

Run these reports to review your mapping of federal or state tax authorities to federal or state withholding:

- **1099 Report**
- **Find 1099 Adjustments**

Set Up Company Tax Details for 1099 Reporting

Security:

- *Reports: Supplier Accounts 1099 - USA* domain in the Supplier Accounts functional area.
- *Set Up: Tax* domain in the Common Financial Management functional area.

You can enter the tax identification numbers that Workday includes on your 1099 forms for each company that files 1099 returns.

1. Access the **Edit Company Tax Details** task.
2. On the **Tax IDs** tab, add or verify:
 - The federal taxpayer identification number.
 - The state income tax IDs.
3. (Optional) When you file electronically, enter the IRS transmitter control code of the company:

Country for Tax ID Type	Tax ID Type	Identification #
Select <i>United States of America</i> .	Select <i>Transmitter Control Code</i> .	Enter the 5-character transmitter control code that the IRS issues to your organization.

4. As you complete the **1099 Reporting** tab, consider:

Option	Description
Participate in Combined Federal/State (CF/SF) Filing?	Select this check box when you participate in the CF/SF Program.
Participating States	Select the participating states to include in your electronic return.

Set Up 1099 Payees

- Configure the *Supplier* business process and security policy in the Suppliers functional area.
- Security:
 - *Process: Ad Hoc Payee* domain in the Banking and Settlement functional area.
 - *Process: Miscellaneous Payee - Edit* domain in the Miscellaneous Payments functional area.
 - *Self-Service: Miscellaneous Payee* domain in the Miscellaneous Payments functional area.
 - *Set Up: Assign Contingent Worker* domain in the Suppliers functional area.
 - *Set Up: Investor* domain in the Financial Accounting functional area.

You can configure these payee types to include in your 1099 returns:

- Ad hoc payees.
- Independent contingent workers.
- Investors.
- Miscellaneous payees.
- Suppliers.

1. Access 1 of these tasks:

- **Assign Tax Authority Form Type to Contingent Worker.**
- **Edit Ad Hoc Payee.**
- **Edit Investor.**
- Select **Miscellaneous Payee > Edit** from the related actions menu of the miscellaneous payee.
- Select **Supplier > Create Supplier Change** from the related actions menu of the supplier.

2. Select the *1099 (MISC/NEC)* option from the **Tax Authority Form Type** prompt.

3. As you verify the tax information of your 1099 payee, consider:

Option	Description
Report 1099 with Parent	Select Supplier > Create Supplier Change from the related actions menu of the child supplier. In the Supplier Hierarchy section, select the check box to consolidate 1099 reporting for parent and child suppliers.
Default Withholding Tax Code	Select Supplier > Create Supplier Change from the related actions menu of the 1099 supplier. When you opt in to the Combined Federal/State Filing Program, default withholding tax codes: • Make data entry easier. • Help ensure that Workday includes all 1099 payments in your combined returns.
National ID Type or Tax ID Type or TIN Type	Workday only displays tax identifiers on 1099 forms that have a United States: • Tax ID Type for suppliers and miscellaneous payees. • National ID Type for contingent workers. • TIN Type for ad hoc payees and investors.
Tax ID or Identification #	Workday only displays the primary tax identifier of the payee for suppliers or miscellaneous payees. Leave blank when 1099 suppliers report with their parent supplier.

Option	Description
FATCA	You can report on your 1099 forms that suppliers or miscellaneous payees are subject to the Foreign Account Tax Compliance Act.
Alternate Name Usage	You can enter an alternate name for all payee types except contingent workers. Select: • <i>1099 Recipient</i> to replace the legal name on 1099 forms. • <i>Doing Business As</i> to add the alternate name after the legal name on 1099 forms.
Address	Enter an address to use for <i>Tax Reporting</i>. When payees don't have a tax-reporting address, Workday uses their primary address. For contingent workers, Workday displays the primary home address on 1099 forms.

- Run the **1099 Audit Report** to identify 1099 payees with missing tax information.
- Run the **Duplicate Supplier Taxpayer ID Number Report** to identify suppliers with duplicate taxpayer ID numbers.

Preview 1099 Reporting

- Set up 1099 reporting for the reporting year.
- Settle payment transactions for 1099 payees.
- Security: *Reports: Supplier Accounts 1099 - USA* domain in the Supplier Accounts functional area.

You can preview 1099 reporting to ensure that 1099 payees and their payment data are accurate and complete before creating 1099 runs.

1. Access the **1099 Report**.

You can run this report for a company or a company hierarchy. The report summarizes data by company, showing:

- The total reportable amount.
- The total number of payments made to 1099 payees; this number includes nonreportable amounts, such as amounts with spend categories that you haven't mapped to 1099 boxes.
- The total number of 1099 payees.

2. To see detailed data, drill down on payees.

3. For the selected **1099 Form Type**, **Company**, and **Tax Year**, review these columns:

Option	Description
Tax Reportable Payee	Lists 1099 payees with payment activity for the specified tax year. The report excludes payees with no payment activity.
Tax ID	If the tax ID of a 1099 payee is missing or incorrect, you can update the payee to enter or correct the tax ID.
Categorized Payments	The total amount for payments made to a payee in the 1099 Category . It includes payments made

Option	Description
	to 1099 payees for transactions with lines having spend categories mapped to 1099 categories.
Meets Threshold	Displays whether the payment total for a given category meets or exceeds the minimum amount for the 1099 Category . If so, Workday includes the amount in the 1099 report. You control the thresholds set by the IRS in the Update 1099 Configuration task.
Reportable Amount	For payments made to 1099 payees, Workday calculates the reportable amount based on your tax applicability and spend category options, and includes: • Freight Amount • Other Charges • Tax Amount
Uncategorized Payments	The total amount for payments made to the payee that doesn't display on the 1099 MISC or 1099 NEC form. These payments don't map to one of the 1099 categories. Drill into the amount to see details about these payments.
Total Payments	Drill into the amount to see details about all categorized and uncategorized payments.

Create 1099 runs.

Create 1099 Adjustments

- Set up 1099 payees.
- Configure the *1099 Adjustment* business process and security policy in the Supplier Accounts functional area.

When you can't update transactions directly in Workday, you can create 1099 adjustments with positive or negative amounts to:

- Correct 1099 amounts:
 - Federal and State.
 - Income and tax withheld.
- Move amounts from an IRS category to another.
- Move amounts from a 1099 form to another 1099 form.
- Include balances in your 1099 forms for payments that you've made in third-party applications.

Note: 1099 adjustments don't impact accounting. You can make 1099 adjustments regardless of the status of your ledger periods.

1. Access the **Create 1099 Adjustment** task.
2. As you complete the task, consider:

Option	Description
Adjustment Date	The Adjustment Date that you enter determines in what calendar year Workday reports the 1099 adjustment.

Option	Description
Memo	Include a memo that describes the adjustment, such as: • A reclassification of spend categories. • A reclassification of spend category hierarchies. • An opening balance for a 1099 recipient that you added to Workday midyear.
Federal Tax Withheld	You can enter a positive or negative amount.

3. Complete the **Federal Income**, **State Income**, and **Attachments** tabs as applicable.

- You realize that you've reported travel expenses in the *Legal and Auditing Fees* spend category on a supplier invoice that you've already paid. You don't need to report travel expenses in 1099 forms, so you create a 1099 adjustment with:
 - A negative **Federal Income** amount.
 - The *Legal and Auditing Fees* spend category.
 - A memo that indicates why you created the adjustment.
 - A copy of the receipt in the **Attachments** tab, for auditing purposes.
- You want to move amounts from the 1099 MISC form to the 1099 NEC form. You create:
 - A negative adjustment on the 1099 MISC form.
 - A positive adjustment on the 1099 NEC form.
- Run the **1099 Report** to verify your 1099 amounts and categories after adjustment.
- Run the **Find 1099 Adjustments** report to locate adjustments that you need to change or cancel.
- When you're ready, create 1099 runs.

Create 1099 Runs

- Set Up 1099 Reporting for the reporting year.
- Security: *Reports: Supplier Accounts 1099 - USA* in the Supplier Accounts functional area.

You can create a 1099 run to save a snapshot of your 1099 data from which you can generate printable or electronic 1099 forms.

If you need to generate corrected forms after you've already filed with the IRS, create a corrected 1099 run.

1. Access the **Create 1099 Run** task.

2. Select the 1099 form type, company or company hierarchy, and tax year.

3. (Optional) If you've already created a 1099 run for the form type, company or company hierarchy, and tax year you selected, select the **Modify Existing 1099 Data** check box.

When you select the **Modify Existing 1099 Data** check box:

- Workday replaces the previous snapshot of your 1099 data.
- This 1099 run becomes the base from which Workday generates print and electronic 1099 forms.

Workday saves this 1099 processing run and displays a report of the 1099 payees and amounts:

- When a payee has a reportable federal payment amount of zero, Workday doesn't include the payee in the 1099 run. This safeguard also applies when the same payee has a state income payment amount greater than zero.
- Drill down on a payee to view details of their 1099 run for the selected company. If there are multiple payments to a single payee, Workday displays the details of each payment.
- Print 1099 and 1096 for your payees and the IRS, if you mail your returns.

- Generate 1099 electronic files for the IRS if you file electronically.

Print 1099 and 1096 Forms

- Confirm form, printing, and mailing instructions with the IRS.
- Create a 1099 run or a 1099 corrected run.
- Ensure that the 1099 data reported in the 1099 run is complete and accurate.
- Security: *Reports: Supplier Accounts 1099 - USA* in the Supplier Accounts functional area.

Note: We plan to retire the 1099 MISC, 1099 NEC, and 1096 official IRS BIRT forms in a future release. We continue to enable you to e-file your 1099 returns and plan on delivering 1099 MISC and 1099 NEC substitute Copy B forms for your payees.

In Workday, you can create 1096 and 1099 forms that you can print and mail to your payees and the IRS.

1. Access the **Print 1099 and 1096 Forms** task.
2. As you complete the task, consider:

Option	Description
Filters	To locate the run that you want to print more easily, you can filter the options in the 1099 Run prompt by: • 1099 Form Type • Tax Year • Company
Print Layouts	Workday delivers several layouts, enabling you to print your reporting details onto: • A preprinted IRS form. • Blank paper. Note: To file 1096, 1099 MISC and 1099 NEC forms with the IRS, you must use the corresponding preprinted layout. The IRS requires approved third-party forms for paper filing that it prints with a specialized magnetic ink. The display-only layouts print the display image on blank paper. You can use the display-only layouts for review and record-keeping. You can change how Workday populates these layouts with the Edit 1099 and 1096 Print Form Layout task.
Contact	Workday uses the details of this contact to populate the payer information on the 1096 and 1099 forms: • Location. • Phone number. • Email address.
Correction	You can change this option on or after the second time you print a 1099 run. You can't change this option when you print a corrected 1099 run.

Option	Description
	When you select this check box, Workday generates forms in the corrected format required by the IRS.
Print One Payee per Page	You can only change this option when you print 1099 forms for payees (Copy B display-only layouts). When you don't select this option, Workday generates a file with: • 2 forms per page for 1099 MISC forms. • 3 forms per page for 1099 NEC forms.
Truncate Tax ID on Payee Statement	You can only change this option when you print 1099 forms for payees (Copy B display-only layouts). Select for Workday to mask the tax ID of the payee partially. When you select this option, only the last 4 digits of the tax ID display on the 1099 form.

3. As you review the list of 1099 payees in the **Print Run Summary**, consider:

Column	Description
Payee	Lists 1099 payees with payment activity for the specified tax year. The list excludes payees with no payment activity.
Supplier Tax ID	When the tax ID of a 1099 payee is missing or incorrect, you can update the payee to enter or correct the tax ID.
Address Exists	Make sure that you have an address on file for each 1099 payee.
Total Amount for All Boxes	Verify the total payment amount of all 1099 categories for each payee. To see payment details, use the 1099 Report .

Workday:

- Creates 1 PDF file per company that you can print and mail to the IRS.
- Saves a 1099 Printing Run Group from which you can reprint 1096 or 1099 forms.

The Workday-delivered layouts ensure that amounts print in the correct position on IRS preprinted stock.

Depending on the layout that you've selected, either:

- Load preprinted IRS forms into your printer and print the reporting details onto the preprinted forms.
- Print the IRS form layout and reporting details onto blank paper.

You can reprint 1099 and 1096 forms with the **Print 1096 and 1099 from existing Print Run Group** task, saving you the effort to generate a new print run group. Workday enables you to reprint 1096 and 1099 forms:

- For all payees or a selection of payees.
- With or without truncating the tax ID on the payee statement.

Generate 1099 Electronic Files

- Set up 1099 reporting and ensure that you've configured:
 - A company tax ID with the 5-character transmitter control code the IRS has issued to your organization.
 - An electronic filing 1099 integration.
- Create a 1099 or a 1099 corrected run.
- Configure the *1099 Electronic Filing Run* business process in the Supplier Accounts functional area.

In Workday, you can produce an electronic 1099 MISC or 1099 NEC file that you can upload to the IRS FIRE system. You can produce 4 file types:

ORIG	An original 1099 return.
CORR	A correction designation of a previously submitted 1099 return.
TEST	A test file to submit during the IRS test period.
REPL	To signify to the IRS to discard your preceding filing.

The IRS file format permits you to upload a single file that includes multiple companies.

1. Access the **Generate 1099 Electronic Filing** task.
2. As you complete the task, consider:

Option	Description
Filters	To filter the options in the 1099 Run for Generate Electronic Filing prompt, and locate your run more easily, you can select: • 1099 Form Type • Tax Year • Company
1099 Run for Generate Electronic Filing	When you select a corrected 1099 run, Workday automatically produces a CORR file.
Transmitter Company	Select a company that has a transmitter control code from the IRS.

3. (Optional) When you've opted to participate in the Combined Federal/State Filing (CF/SF) program, review and update the list of participating states to include in your return.

Workday creates a 1099 electronic filing run.

- To download your electronic 1099 file, access the electronic filing run on the **1099 Work Area**.
- Upload the file to the IRS FIRE system.

Reference

[2022R2 What's New Post: 1099-MISC and 1099-NEC Combined Federal and State Filing \(CF/SF\)](#)

Create Corrected 1099 Runs

Security: *Reports: Supplier Accounts* in the Supplier Accounts functional area.

In Workday, you can create corrected 1099 runs when you need to correct a 1099 return after you've already filed your original return. You can create and file:

- 1-transaction corrections when your organization changes payment amounts.

- 2-transaction corrections when your organization changes payee information:
 - Missing or incorrect payee taxpayer identification number.
 - Incorrect payee name.

1. Access the **Create Corrected 1099 Run** task.

2. As you complete the task, consider:

Option	Description
Filters	To filter the options in the 1099 Run prompt, and locate your run more easily, you can select: • 1099 Form Type • Tax Year • Company
1099 Run	You can select an original or a corrected 1099 run.

Workday creates a corrected 1099 run for the payees that you selected, which you can access from the **1099 Work Area** report. When you print or generate an electronic 1099 form from this run, Workday automatically generates a corrected form in the format required by the IRS.

- Print and mail the corrected 1099 forms to 1099 payees for tax filing purposes.
- File the corrected 1099 form with the IRS.

Concept: 1099 Work Area

The **1099 Work Area** report enables you to manage your 1099 MISC and 1099 NEC reporting across companies and view where you are in your 1099 filing process.

You can view, for a reporting year and each company:

- The work you still have to complete.
- The number of 1099 MISC and 1099 NEC payees you did business with for the calendar year.
- The 1099 MISC and 1099 NEC runs with the payees and payment activities.
- The 1099 MISC and 1099 NEC runs that are correction runs.
- How many 1099 MISC and 1099 NEC files you've produced.
- A list of 1099 MISC and 1099 NEC printing runs from which you can access the PDF printable files.

From the **1099 Work Area** report, you can:

- Change the calendar year from the prior year.
- Create a 1099 run.
- Create a corrected 1099 run.
- Print 1099 MISC, 1099 NEC, and 1096 forms.
- Generate a 1099 MISC or 1099 NEC electronic file.

Concepts

[Concept: Single Legal Entities](#) on page 30

Example: Set Up a Contingent Worker as a 1099 Payee

This example illustrates how you can set up a contingent worker as a 1099 payee.

You want to include a new contingent worker in your 1099 processing.

- You've created a contingent worker named *Abby Brennan*.
- You've entered the information on *Abby Brennan* in Workday.
- The social security number of *Abby Brennan* is 318-33-2345.

- You've paid 1099-reportable amounts to *Abby Brennan* during the calendar year.
- Security:
 - *Person Data: ID Information* domain in the Personal Data functional area.
 - *Set Up: Assign Contingent Worker* domain in the Suppliers functional area.
 - Configure the *Home Contact Change* business process and security policy in the Contact Information functional area.
 - Configure the *Edit Government IDs* business process and security policy in the Personal Data functional area.

1. Access the **Assign Tax Authority Form Type to Contingent Worker** task.
2. Select the *Abby Brennan* option from the **Contingent Worker** prompt.
3. Click **OK**.
4. Select the *1099 (MISC/NEC)* option from the **Tax Authority Form Type** prompt.
5. Click **OK**.
6. Click **Done**.
7. Access the **Edit Government IDs** task.
8. Select the *Abby Brennan* option from the **Person** prompt.
9. When you haven't already entered a Social Security Number or U.S. Individual Taxpayer Identification Number for your contingent worker, add a new row to the **National IDs** grid with these values:

Country	National ID Type	Add/Edit ID
<i>United States of America</i>	<i>Social Security Number (SSN)</i>	<i>318-33-2345</i>

10. Click **Submit**.
11. Access the **Change Home Contact Information** task.
12. Select the *Abby Brennan* option from the **Contingent Worker** prompt.
13. Click **OK**.
14. Verify that the contingent worker has a primary home address and that it's correct.
 - When you run the **1099 Report** and drill down on *Payees*, you see:
 - The payments that you've made to *Abby Brennan*.
 - The tax Id that you entered for *Abby Brennan* in the *Tax Id* column.
 - When you create a 1099 run and drill down on *Federal Payees*, you find the address that you entered for *Abby Brennan*.

Troubleshooting: 1099 Reporting Problems

1099 Report doesn't include the expected payments.

Check to ensure that these required configuration items and payment statuses are correct.

1. Access the **1099 Report**.
Security: *Reports: Supplier Accounts 1099 - USA* domain in the Supplier Accounts functional area.

2. Ensure that:

- Your 1099 report includes the **Spend Category > 1099 Category (Box) mapping**.
- You're running the 1099 report for the correct year and that any excluded payment types are appropriate.
- Your supplier invoices are paid.
- When you're using payment acknowledgments, they are in *Accepted* status from the financial institution; this ensures that the payments are complete and reportable.
- You've marked your supplier tax IDs (EIN, SSN, and ITIN) as *Primary*.
- Your suppliers have a primary address.
- Your supplier has a *1099 (MISC/NEC)* tax authority form type.

3. If you're missing payments from a legacy system, ensure that you create them in Workday using the **Create 1099 Adjustment** task.

Data doesn't align properly in preprinted forms.

You didn't select the correct form for the reporting year.

1. From the **Edit 1099 and 1096 Print Form Layout** task, ensure that you have the correct form for the reporting year you select.
2. For alignment issues, ensure that you don't select scaling or **Fit to page**.

The IRS rejected a 1099 form.

The 1099 form contains an error.

Create a corrected 1099 run. This enables you to issue a corrected 1099 form to the payee and to submit a corrected electronic file for the corrected payee to the IRS.

1042-S Reporting

Steps: Perform 1042-S Reporting

- Create *spend categories* and spend category hierarchies for mapping to 1042-S income codes.
- Configure account posting rules for ledger accounts that map to spend categories and spend category hierarchies for 1042-S spend and withholding.

Define 1042-S tax income codes for the spend and withholding your organization reports to the IRS for 1042-S payees.

1. [Create Spend Categories](#).

- 1042-S Spend
- 1042-S Fed Withholding
- 1042-S State Withholding

2. [Create 1042-S Income Codes](#) on page 491.

You can define 1042-S income codes and map them to spend categories or spend category hierarchies.

3. Designate 1042-S payees for your organization.

For suppliers, investors, and ad hoc payees.

- [Create Suppliers](#).
- [Define Investors](#) on page 324.
- [Create Ad Hoc Payments](#) on page 1452.

For contingent workers.

- [Assign a Tax Authority Form Type to Contingent Workers](#) on page 491.

Create 1042-S Income Codes

Create income codes and map them to spend categories and spend category hierarchies for 1042-S income and withholding reporting.

1. Access the **Maintain 1042-S Income Codes** task.
2. Select, modify, or create a 2-digit **Income Code** and **Description**.
3. Specify one or more spend categories or spend category hierarchies for each income code.
2-digit income codes must be unique and cannot be mapped to spend categories or spend category hierarchies linked to other income codes.
4. Select the **Federal Withholding** and **State Withholding** spend categories or spend category hierarchies to withhold amounts on 1042-S spend.

You cannot delete 1042-S income codes once they are used in transactions, but you can edit the spend categories and spend category hierarchies attached to them.

Assign a Tax Authority Form Type to Contingent Workers

- Create and contract contingent workers.
- Access the **Edit Government IDs** task to assign the contingent worker's Federal ID:
 - Social Security Number (SSN)
 - U.S. Individual Taxpayer Identification Number (ITIN)
 - Employer ID Number (EIN)
- Configure the *Edit Government IDs* business process and security policy in the Personal Data functional area.

Assign a tax authority form type to contingent workers for reporting income and withholding to the IRS.

1. Access the **Assign Tax Authority Form Type to Contingent Worker** task.
2. Select a **Tax Authority Form Type** for the contingent worker:

Option	Description
1042-S	The worker is a non-resident alien and the U.S. source of income is subject to withholding.
1099 MISC	The worker is categorized as 1099 MISC and you report income to the IRS. 1099 MISC payees are responsible for reporting Federal and State withholding to the IRS.
Tax Deducted at Source (TDS)	Your organization is liable to deduct withholding.

Report income and withholding for independent contingent workers to the IRS based on the tax type you assigned.

Tasks

[Steps: Perform 1042-S Reporting](#) on page 490

Concept: Effective Dating for Transaction and Withholding Tax Rates

When you create new transaction or withholding tax rates, you must specify an effective date. You can specify multiple effective dates on a transaction or withholding tax rate. Workday sets all tax rates created before the effective dating feature release with the effective date of 1900-01-01.

When you configure multiple effective dates on a transaction or withholding tax rate, Workday doesn't display the percentage (%) on the name of a:

- Transaction tax rate.
- Transaction tax code.
- Withholding tax rate.

For transaction tax rates, Workday determines which tax rate percentage to apply based on the transaction date. Workday uses this date to determine the tax rate for the type of operational transaction.

For withholding tax rates with a **Realization Point** of:

- *Invoice or Customer Invoice Self Withholding*: Workday applies the tax rate percentage, threshold, and progressive rate tiers based on the effective date and the invoice date.
- *Payment*: Workday uses the payment date to determine which effective dated tax rate percentage, threshold, and progressive rate tiers to apply.

Example: Effective Dating a Transaction Tax Rate

Your local tax jurisdiction increases the transaction tax rate from 8% to 9% with the effective date 2019-01-01. You can use the **Edit Transaction Tax Rate** task to configure a new effective date on the existing tax rate. Enter 2019-01-01 as the effective date with a tax rate percentage of 9%. Workday uses 9% to calculate the tax rate for transactions after 2018-12-31 and 8% for transactions before 2019-01-01.

Tasks

[Steps: Set Up Transaction Taxes](#) on page 416

[Set Up Tax Rates for Withholding Tax](#) on page 444

Reference

[Workday 32 What's New Post: Effective Date on Transaction and Withholding Tax Rates](#)

Examples

[Example: Calculate Withholding Tax Using Progressive Rates](#) on page 448

Customer Accounts

Setup Considerations: Customer Accounts

You can use this topic to help make decisions when planning your configuration and use of Customer Accounts. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

Customer Accounts is Workday's customer account management, invoicing, and collections solution.

Business Benefits

You can:

- Assign workers to customers and give them roles.
- Create intercompany or other relationships with your customers.
- Create profiles and accounts for your customers.
- Invoice customers and conduct business with them through Workday.
- Manage customer contact and shipping information.

When used with Project Billing and Customer Contracts in Workday, you can manage receivable credit and collection, maintain customer accounts, and automate your billing.

Use Cases

You can combine Customer Accounts with Workday's Billable Projects and Revenue solutions to:

- Bill your customers for project time and expense.
- Create customer contracts and use them to bill customers.
- Manage invoice settlement.
- Recognize your revenue.

Questions to Consider

Questions	Considerations
Do you want to assign customer roles for your workers on an individual basis, or by position?	You can assign customer roles to your workers so you know who's responsible for what. You can assign roles to individual workers, or to specific positions, so workers can change positions without the need to reassign roles. See Mass Assign Worker Roles to Multiple Customers on page 508.
How do you want to search for your customers in Workday?	You can assign your customers to categories and groups, to help you streamline your searches. See Create Customers on page 498.
Who do you want to be able to access customer information?	You can create segmented security groups to control access to customer information. See Steps: Maintain Access to Customer Information on page 512.
Do you need to track customer information that doesn't apply to a Workday-delivered field on the customer profile?	You can create custom fields on customer profiles. See Create Custom Fields for Customer Information on page 507.
How will you communicate with your customers about billing?	You can identify a primary contact, as well as separate contacts for separate document types. See Set Up Bill-To Contacts on page 509.
How do you want Workday to number your invoices?	You can configure Workday at the tenant level to generate a unique invoice ID sequence for all your companies, or optionally configure Workday to generate separate sequences at the company level. You can also configure Workday to generate unique gapless invoice numbers. See Setup

Questions	Considerations
	Considerations: Gapless Sequencing on page 516.

Recommendations

None.

Requirements

Consider any integration requirements in and out of Workday.

Limitations

When a customer invoice has more than 1000 lines, you can't use the **Change Customer Invoice** or **Edit Customer Invoice** tasks to update it. Use the **Update Invoice Lines** task instead.

Tenant Setup

You can use the **Edit Tenant Setup - Financials** task to apply a tenant-level setting to generate unique IDs for:

- Cash sales
- Consolidated customer invoices
- Customer contracts
- Customer payments
- Customer invoices
- Customer invoice adjustments and rebills
- Customer refunds
- Netting transactions

Security

Note: You can further control security within these domains by granting access to their various subdomains.

This list isn't complete. For a complete list of reporting domains and subdomains, access the **Functional Area and Domain Descriptions** report, then filter by functional area.

Workday provides these domains in the Customer Accounts functional area:

Domains	Considerations
<i>Manage: Customer Invoice</i>	Manage customer invoices and view related reporting. To create customer invoices, you'll need access to the <i>Process: Customer Invoice</i> domain.
<i>Process: Cash Sale Payment</i>	Process cash sale payments and view related reporting.
<i>Process: Customer Deposit</i>	Process customer payment deposits and view related reporting.
<i>Process: Customer Invoice</i>	Manage customer invoices if you have a company-based or unconstrained role.
<i>Process: Customer Invoice Payment</i>	Process customer invoice payments and view related reporting.

Domains	Considerations
<i>Process: Customer Invoice Payment/Settlement</i>	Process customer direct debit payments and view related reporting.
<i>Process: Customer Overpayment</i>	Process customer overpayments.
<i>Process: Customer Payment</i>	Process customer payments and view related reporting.
<i>Process: Customer Payment Auto-Application</i>	Manage customer payment automatic application.
<i>Process: Customer Refund Escheatment</i>	Perform customer refund escheatment and view related reporting.
<i>Process: Customer Refund/Payment</i>	Process customer refunds and payment and view related reporting.
<i>Process: Customer Refund Settlement</i>	Perform customer refund settlement and view related reporting.
<i>Process: Customer Writeoff</i>	Process customer writeoffs.
<i>Process: Direct Debit Mandate</i>	Process direct debit mandates.
<i>Process: Electronic Customer Invoice</i>	View electronic customer invoices and access related tasks.
<i>Process: Electronic Invoices</i>	Generate electronic invoices.
<i>Process: Opportunity</i>	Process opportunities and view related reporting.

Workday provides these domains in the Customers functional area:

Domains	Considerations
<i>Access Customer (Segmented)</i>	Control which users can access which customers.
<i>Process: Customer Request</i>	Process customer requests and view related reporting.
<i>Set Up: Customer</i>	Set up and maintain customers and view related reporting.
<i>Set Up: Customer Contacts</i>	Set up and maintain customer contact information and view related reporting.
<i>Set Up: Customer Maintenance</i>	Set up and maintain customer information other than contact information, and view related reporting.
<i>Set Up: Customer Notes</i>	Set up customer notes.
<i>Set Up: Customer Settlement</i>	Set up customer bank routing and credit card settlement information, and view related reporting.
<i>View: Customer</i>	View a specific customer.
<i>View: Prospect</i>	View a specific prospect.

You can create segmented security groups to control who can access your customer information. You can further restrict access to include only workers from a chosen company or company hierarchy. See [Steps: Maintain Access to Customer Information](#) on page 512.

Business Processes

In the Customer Accounts functional area:

Business Processes	Considerations
<i>Bad Debt Writeoff Event</i>	Create and approve bad debt writeoffs.
<i>Cash Sale Event</i>	Create and approve cash sales.
<i>Cash Sale Intercompany Event</i>	As the receiving company, process and approve intercompany cash sales.
<i>Consolidated Invoice Email Event</i>	Send consolidated customer invoices by email.
<i>Customer Deposit Event</i>	Process and approve customer deposits.
<i>Customer Invoice Email Event</i>	Send customer invoices by email.
<i>Customer Invoice Event</i>	Create and approve customer invoices.
<i>Customer Invoice Intercompany Event</i>	As the receiving company, process and approve intercompany invoices.
<i>Customer Invoice Maintenance Event</i>	Apply and approve adjustments to customer invoices.
<i>Customer Overpayment Event</i>	Record customer overpayments.
<i>Customer Payment Application Event</i>	Record customer payments.
<i>Customer Refund Document Event</i>	If you opted in to the <i>Customer Refunds Optimization</i> feature: create and approve customer refund documents. You'll need to settle the refund later using the <i>Settlement Run Event</i> business process in the Banking and Settlement functional area.
<i>Customer Refund Event</i>	If you didn't opt in to the <i>Customer Refunds Optimization</i> feature: process and approve customer refunds.
<i>Customer Statement Event</i>	Send a customer statement by email.
<i>Dunning Letter Email Event</i>	Send dunning letters by email.
<i>Interest and Late Fee Event</i>	Calculate and approve interest and late fees for customer invoices.
<i>Netting Transaction Event</i>	Create and approve netting transactions.

In the Customers functional area:

Business Processes	Considerations
<i>Customer Banking Change Event</i>	Make and approve changes to customer banking information.
<i>Customer Credit Change Event</i>	Make and approve changes to customer credit information.
<i>Customer Event</i>	Create and approve customer profiles.
<i>Customer Payment Change Event</i>	Make and approve changes to customer payment information.

Business Processes	Considerations
<i>Customer Request</i>	Create a request to add a new customer profile.
<i>Customer Summary Change Event</i>	Make and approve changes to customer summary information.
<i>Customer Tax Change Event</i>	Make and approve changes to customer tax information.

Reporting

You can use standard reports and tasks to build your Customer Accounts dashboard.

Integrations

Web Services	Considerations
Cancel Cash Sale	Cancels cash sales.
Cancel Customer Invoice	Cancels customer invoices.
Cancel Customer Invoice Adjustment	Cancels customer invoice adjustments.
Get Bad Debt Writeoffs	Retrieves all bad debt writeoffs.
Get Cash Sales	Retrieves all cash sales.
Get Customer Invoices	Retrieves all customer invoices.
Get Customer Invoice Adjustments	Retrieves all customer invoice adjustments.
Get Customer Payments	Retrieves all customer payments.
Import Customer Invoices	Adds or updates customer invoices. Ideal for invoices with many lines.
Put Customer Payment	Adds or updates customer payments.
Submit Bad Debt Writeoffs	Adds or updates bad debt writeoffs
Submit Cash Sale	Adds or updates cash sales.
Submit Customer Invoice	Adds or updates customer invoices. Ideal for invoices with fewer lines.
Submit Customer Invoice Adjustment	Adds or updates customer invoice adjustments.

Connections and Touchpoints

Customer Accounts interacts with these other areas in Workday:

Features	Considerations
Banking and Settlement	Invoices paid by direct debit or credit card and refunds flow to Banking and Settlement.
Customer Contracts	Approved billing transactions flow from Customer Contracts.
Financial Accounting	Customer invoice and payment journals and revenue recognition schedule information flow to Financial Accounting.

Features	Considerations
Project Billing	Approved project time and expenses for invoicing flow from Project Billing.
Supplier Accounts	Netting transactions flow to Supplier Accounts. Direct intercompany supplier and customer invoices flow from Supplier Accounts.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Customers

Steps: Set Up and Manage Customer Information

- Define customer categories.
- Configure the *Customer Event* business process and security policy.

A customer profile gives you a comprehensive and actionable view of information on your customer. You can create customers directly in Workday or use a web service to upload the information from external sources. Workday enables you to:

- Use the customer profile to create or edit customers in Workday.
- Create custom fields on a customer profile that supports your organizational requirements.
- Assign customer roles to positions rather than individual workers making it easier to support organizational changes.
- Configure security on your customers to control worker access to your customer data through security segments.
- Manage relationships between business entities and addresses through Connection Maps.
- Assign your customers to various groups or categories for easier search and management.

1. [Create Customers](#) on page 498

2. (Optional) For intercompany transactions, configure your companies to operate as customers and suppliers.

See [Steps: Set Up Customers and Suppliers for Direct Intercompany Transactions](#) on page 47.

A company isn't available for selection when specified as a **Restricted to Companies** on the customer profile.

3. [Steps: Configure Customers](#) on page 500.

4. [Create Custom Fields for Customer Information](#) on page 507.

5. [Mass Assign Worker Roles to Multiple Customers](#) on page 508.

6. Configure security to restrict access to customer information.

See [Steps: Maintain Access to Customer Information](#) on page 512.

7. [Set Up Bill-To Contacts](#) on page 509.

8. [Set Up Shipping Connection Map](#) on page 511.

Concepts

[Concept: Customers](#) on page 514

Create Customers

- Define customer categories.
- Configure the *Customer Event* business process and security policy.

- Security: *Set Up: Customer Maintenance* and *Set Up: Customer Notes* domains in the Customers functional area.

You can create customers directly in Workday, create them from worktags, or use web services to upload data from external sources. You can add most of the customer profile information during record creation. You can also edit these profile attributes for a customer.

1. Access the **Create Customer** task.

As you complete the task, consider:

Option	Description
Customer Name	Workday uses this name for search purposes. Specify a full legal name for integration, billing, or remittance usage in the Alternate Name grid on the Document Delivery report of the Addresses and Contacts profile group.
Customer Phonetic Name	Enter the correct pronunciation of the customer name. Displays when: • You enable phonetic names on the Edit Tenant Setup - Global task. • Users select the relevant locale and display language in their preferences.
Customer Category	Workday uses both the customer category and the receivables account posting rule to determine the appropriate ledger account. All customers must have only 1 customer category. You can set up customer categories with the Maintain Customer Categories task.
Customer Group	Workday uses this value for reporting and analysis, and to aid in selection. Example: You can group customers by industry, region, salesperson, or alphabetical segment, such as <i>Customers A through L</i> . • You can place the same customer in multiple groups. • For companies configured as customers, use either an intercompany customer group or category to identify all intercompany customers. • You can set up customer groups with the Maintain Customer Groups task.
Default Tax Code	Select if you want Workday to populate tax code fields automatically on all transactions. You can override the tax code on individual transactions.
Customer Security Segment	Select or create a segmented security option if you want to restrict customers based on their security group.

Option	Description
	Once you enable it, anyone who isn't part of this security segment, won't be able to view the customer data.

2. (Optional) You can enable **Activity Stream** for the *Customer* object, on the **Edit Tenant Setup - System** task, to post a comment related to this customer.

To route a comment to a specific person, you can use the tag feature. Workday sends them a notification.

When you click **OK**, Workday initiates the *Customer Event* business process.

You can continue to enter further details for the customer you've created or click **Submit** to access the customer in the future.

Access these tasks and reports to edit or view specific information for the customer:

- Edit Customer
- Change Customer Summary
- Change Customer Credit Details
- Change Customer Payment Details
- Change Customer Banking
- Edit Contact Information
- Edit Tax Information
- Edit Document Delivery options.
- Manage Attachments
- Navigate Customer Hierarchy
- Print Customer Statements
- Print Dunning Letter
- Update Logo
- View Contacts

Tasks

[Steps: Enable Activity Stream](#)

[Steps: Maintain Access to Customer Information](#) on page 512

Reference

[Workday 31 What's New Post: Manage Duplicate Customers](#)

[Workday 32 What's New Post: Restrict Customers by Company](#)

Steps: Configure Customers

- Define customer categories and customer groups.
- Define payment terms and payment types.
- Configure the *Customer Event* business process and security policy.
- Security: *Set Up: Customer Maintenance* domains in the Customers functional area.

After you create an account for your customers in Workday, you can configure default attributes for each customer to conduct business with them.

1. [Set Up Customer Overview](#) on page 501

2. [Set Up Customer Contacts and Addresses](#) on page 505

3. (Optional) You can use the **Contracts** profile group of a customer to create, edit, and view a summary of all projects, contracts, and related reports.

See [Create Customer Contracts](#) on page 677.

4. (Optional) You can view, edit, and pay invoices from the **Invoices and Payments** profile group. You can also use this profile group to record and apply payments.
See [Create Customer Invoices](#) on page 524.
See [Record Customer Payments](#) on page 579.
5. (Optional) You can use the **Assigned Roles** profile group to view or assign workers to roles.
As you assign roles, note that:
 - Assigned roles inherit down through customer hierarchies when applicable.
 - You can restrict individual assignments to 1 worker per role by selecting **Restricted to Single Assignment** check box in the **Maintain Assignable Roles** task.
6. (Optional) You can add custom reports relevant to a specific customer on the **Custom Reports** profile group.
See [Configure the Customer Profile](#) on page 508.

When you click **Submit**, Workday initiates the *Customer Event* business process.

You can view the changes made to the customer and associated approver on the **Process History** profile group. The grid displays only the first 10 business processes. Click **View All** to see more entries.

After configuring your customer, you can start generating customer invoices.

Concepts

[Concept: Roles, Time Zones, and Snapshots](#)

Reference

[Reference: Role-Related Reports](#)

Set Up Customer Overview

- Define customer categories.
- Configure the *Customer Event* business process and security policy.
- Configure the *Customer Banking Change Event* business process and security policy.
- Configure the *Customer Credit Change Event* business process and security policy.
- Configure the *Customer Payment Change Event* business process and security policy.
- Configure the *Customer Summary Change Event* business process and security policy.
- Security: *Set Up: Customer Maintenance* and *Set Up: Customer Notes* domains in the Customers functional area.

After you create customers in Workday, you can edit the various customer attributes for convenient transaction processing.

Access the customer you've created and click **Overview** profile group to enter additional details.

As you complete the information, consider:

Option	Description
Summary	• Related Worktags: The customer is an object in Workday that you can also use as a worktag. Set up related worktags for this object using the related worktag types that you configure on the Maintain Related Worktag Usage task. Workday automatically populates transactions with the values in the Default Worktag column when you select the object on the transaction.

Option	Description
	• Restricted to Companies: Select 1 or multiple companies, or company hierarchies that you want to associate with the customer. Later, when you create a transaction and select a company, the Bill-To Customer and Sold-To Customer prompts display only those customers that you've access to and are in your selection. Workday behavior: • When you select multiple companies from the Restricted to Companies prompt, you can't remove a company from the customer while a transaction is in progress. • When you select only 1 company from the prompt, you can remove it even when a transaction is in progress between the company and the customer. • When the prompt field is blank, Workday includes all companies for transactions with that customer. When you've companies configured as customers, you can use the Initiate Only field on the View Intercompany Profiles report to determine the companies that can do transactions.
Credit & Collections	• DUNS Number: The Dun & Bradstreet number is a unique 9-digit identification number for each physical location of your business. • Credit Limit Currency: Required if Credit Limit or Hierarchy Credit Limit contain values above zero. • Hierarchy Credit Limit: The total amount of credit for this customer, plus all associated child customers in the hierarchy. • D&B and Customer Satisfaction information: Add credit, risk, and customer satisfaction information manually or with the <i>Put Customer</i> web service. • Dunning Options: Select the Exempt From Dunning check box when you don't want the customer to receive a dunning letter.
Payment Details	• Default Reference Type: A country that you do business in might require a reference type to support additional invoice reference numbers. If so, select a Reference Type to populate the field on a customer invoice. This field displays on the invoice when the address of the Company matches the bill-to-address of a customer.

Option	Description
	• Always Separate Payments: Select the check box to create 2 separate payments when you settle through direct debit or credit card. Workday creates 1 payment for an invoice and other for an adjustment. If unchecked, Workday settlement combines the customer invoices into a single payment for that customer. • However, Workday continues to: • Group multiple refunds together into 1 payment. • Net out the adjustment because Workday doesn't generate negative payments. • Remit-From-Customer: When you select a customer, Workday: • Enables you to use the value in configuring document delivery for the customer. • Retrieves invoices for both bill-to and remit-from customers during the payment application. This value can be different from bill-to customer. • Interest and Late Fees Rule Overrides: You can select an active interest rule or a late fee rule on the invoice. The selection you make here will override any other specifications. When you select the Exempt check box, Workday excludes all past due customer invoices from the calculation run. Only exception is when you override the rules on the billing schedule or customer invoice.
Banking Information	Manage and view banking details for a customer. • Settlement Bank Account: Specify details for processing electronic payments. You can create any combination of accepted payment types and a settlement bank account of the company. Intermediary Bank Accounts: Click to link to settlement bank accounts when the local government requires intermediaries for their banking. Requires Prenote: Select the check box for a given prenote payment type when you want the settlement bank to have preauthorization. • Credit Card Profile: Maintain information on the customer credit card when you process payments through Cybersource during settlement. Once you use a credit card for a payment, you can't delete or inactivate that credit card.

Option	Description
	• Remit-To Lockbox: Configure to ensure that the customers remit the payment to the correct lockbox for a bank of a company. Select the For Supplier Connections Only check box to: • Create multiple bank accounts with the same payment types. • Enable any combination of accepted payment types and settlement bank accounts. For intercompany transactions, ensure to enable <i>Intercompany Payment</i> for bank account usage on the specified bank account.
Tax Information	Add Tax IDs and Tax Statuses for the countries in which you do business with this customer. Note: You can have multiple tax IDs per country, but you can only have 1 tax ID for each unique combination of country and tax ID type. Also, you can only mark 1 tax ID as the Transaction Tax ID.
Notes	Notes are useful for: • Recording conversations with customers. • Accounting research. Workday records the name of the person adding the note along with a time stamp. You can enable the use of notes in the <i>Set Up: Customer Notes</i> subdomain as part of the <i>Set Up: Customer</i> domain in Customers functional area. To track when you need additional contact with this customer, you can use the Followup Date field. Workday displays this date in the customer profile header to remind workers to follow up. You can also create a custom report filtered by Followup Date, which enables you to track when you need to follow up. You can remove a Followup Date by creating a new note and deleting the date.
Additional Data	You can provide additional customized information on this report. Access the Configure Profile Group task to display custom objects and field data.

When you click **Submit**, Workday initiates the relevant business processes and updates the details you edit.

After defining the default attributes for your customer, you can configure customer contacts, billing address, shipping address, and set up a connection map.

Concepts

[Concept: Customer Credit Card Profiles](#) on page 615

[Concept: Settlement Processing](#) on page 1624

Tasks

[Display Additional Data in Profiles](#)

[Create and Edit Custom Object Definitions](#)

[Steps: Use Prenotes](#) on page 1611

Reference

[#unique_368](#)

[Reference: Settlement Run and Payment Statuses](#) on page 1627

[Workday 32 What's New Post: Reference Types and Numbers on Customer Invoices](#)

Set Up Customer Contacts and Addresses

- Define customer categories.
- Configure the *Customer Event* business process and security policy.
- Security: *Set Up: Customer Maintenance* and *Set Up: Customer Notes* domains in the Customers functional area.

You can create customers contacts to use for emailing customer documents as well as define the addresses for billing and shipping purposes.

After you set up bill-to contacts for your customers, you can:

- Use the default bill-to contacts in the billing schedule and customer documents.
- Identify a primary contact.
- Define different customer contacts for different documents like invoices, statements, and dunning letters.

1. Access the customer profile
2. Enter contact and delivery details of the specific individuals on the **Addresses and Contacts** profile group.

As you enter the contact and delivery details, consider:

Option	Description
Contact Information	• Enter customer information such as address, email, instant messenger, phone, and web address. • Select the Usage type to specify the various uses for the contact. • If you don't set up the Document Delivery, the email you specify on this tab becomes the primary email address for the customer. • When, you add a contact and set the Usage to: • <i>Home</i>, Workday automatically sets the Visibility field to <i>Private</i>. However, if you have access to the <i>Customer</i> domain, you can see the contact information even if it's private. Therefore, Workday recommends that you don't rely on this field for custom reporting. • <i>Work</i>, Workday automatically sets the Visibility field to <i>Public</i> making the contact information public. • <i>Remit To</i>, Workday automatically uses addresses associated with this usage type to populate the Remit-To Address report

Option	Description
	field for outgoing customer payments. This report field doesn't consider the Primary flag specified for a given address.
Customer Contacts	a. Click Add to enter a contact name for specific individuals. b. Use the Contact Information tab to enter email and phone number of a specific contact within a company. Select the Type to specify if the contact information is for work or home. Workday automatically sets it as a <i>Primary</i> contact. Note: You can only have 1 primary contact. c. Click Set Up Bill-To Contacts to: - Set the primary and default bill-to contacts. The contact you select, populates the customer invoices, statements, and dunning letters. - Select the documents from the Email Documents field that you want to email to each of the contacts. You can select multiple documents for 1 contact. - Add comments related to your contacts. Example: You have different contacts for different customer contracts. You can note the contract associated with each contact in the Comment field. You can override the default settings on the billing schedule and invoice to suit your business needs.
Connection Map	- Click Edit to add ship-to customers on the Connection Map report. You can select a shipping address of your customer as the default Ship-To address on the invoice. - The ship-to address determines the default tax code based on country, region, and zip code when you use tax defaulting rules. - You can only select 1 address for the same customer as the default value.
Document Delivery	- Click Edit to access the Edit Document Delivery Options task. The task enables you to define the default delivery type and email recipients for each of the customer documents. - You have the option to override this default setting when you send the email. - You can also override this setting on a billing schedule. To view the origin of the document delivery configuration for emailing the customer invoice, see the Delivery Type value on the Create Customer Invoice task.

Option	Description
	- To email electronic invoices, first configure the document delivery type for delivery method of <i>Integrations</i>. - The document settings for customer invoices also apply to consolidated customer invoices. - Select a language from the Preferred Locale field to translate the labels in the customer documents.

- (Optional) Access the **Edit Tenant Setup - Notifications** task to configure the **Notification Delivery Settings**. The **Notification Delivery Settings** trigger email notifications if you have a related business process step.

When you generate customer invoices, Workday displays the default bill-to contacts in the **Bill-To Contact** field on the invoice.

When you configure:

- Only a *Primary* email contact and don't set up **Customer Contacts**, then Workday sends the customer invoice attachment to the primary email.
- Both, the specific **Customer Contacts** and the *Primary* contact, Workday doesn't send the customer invoice attachment to the primary email.

Tasks

[Create Installment or Transaction Billing Schedules for Customer Contracts](#) on page 715

[Steps: Set Up Email for Customer Invoice Documents](#) on page 563

Reference

[Reference: Edit Tenant Setup - Notifications](#)

Create Custom Fields for Customer Information

Security: *Custom Object Management* domain in the System functional area.

You can create a custom field on the customer profile to store information that is specific to your organization. Example: Create a numeric field to track risk scores of your customer collection.

- Access the **Create Custom Object** task.
- Select *Customer* in the **Workday Object** field.
- As you complete the **Field Definitions** section, consider:

Option	Description
Field Type	The field type that you select determines the type of information you can store in the field. Example: Select <i>Date</i> if you want users to select from a calendar for data entry, or select <i>Text</i> for less restrictive data entry.
Validations	Select the <i>Required</i> option to make the custom field mandatory.

- You can select 1 or more security domains to secure the new custom field to under the **Permissions** section.

The information you store in the custom field displays on the **Overview > Additional Data** tab on the customer profile.

Tasks

[Create and Edit Custom Object Definitions](#)

Mass Assign Worker Roles to Multiple Customers

- Enable *Customer* for specific worker roles, such as *Collector* and *Collections Manager*, with the **Maintain Assignable Roles** task.
- Security: *Set Up: Customer Maintenance* domain in Customers functional area.

To save time with role assignments for your customers, you can assign positions to multiple customers at once. You can then tie customer roles to positions rather than individual workers. In this way, when an individual contributor leaves a position, the role stays with the customer assignment. When you refill the position, Workday automatically places the new worker in the role assigned to the customer.

1. Access the **Mass Assign Customer Roles** task.

2. Select the customers that you want to assign worker roles.

You can select customers individually or by group, category, status, or worktag. When using worktag, you can select customers by a category such as region, product area, or project.

3. Select the **Role to Assign**.

Your options are limited by the roles you enable on the **Maintain Assignable Roles** task. This field is required, and you can only select 1 role to assign.

4. Select the **Effective Date** that you want the worker to become active in this role.

5. (Optional) Save your filter criteria by entering a name and clicking **Save**.

6. Select the actions you want to take.

As you complete the **Action** section, consider:

Option	Description
Replace Any Existing Role Assignments	Overwrites any workers already assigned to this customer with the new assignment.
Add to Existing Role Assignments	Adds new worker assignments to existing assignments.
Assign To	The prompt offers these options for finding assignees: • <i>Search for Position</i> - Search for a specific position and then select a worker holding that position. • <i>Job Profile Prompt</i> - Drill down to workers by job profile. • <i>By Organization</i> - View workers by organization assignment.

Before you submit the assignments, you can make edits to the **Assigned To** column for each customer as needed.

7. (Optional) Enter comments relating to these assignments. Workday displays your comments on the customer profiles.

You can view the job roles and workers that you assigned to customers on the **Assigned Roles** tab of the customer profile.

Configure the Customer Profile

Security: *Set Up: System* domain in the System functional area.

The customer profile gives you a comprehensive view of your customers. It displays these profile groups:

- Overview
- Addresses and Contacts

- Contracts
- Invoices and Payments
- Assigned Roles
- Custom Reports
- Change History
- Process History

Workday provides you the option to configure the profile for a given customer based on your business requirements. You can hide or reorder the profile group tabs and add custom reports as needed.

1. Access the **Configure Profile** task to determine the profile groups that will display on the Customer profile.
2. Select *Customer Composite View Profile*.
3. Clear the **Display in Profile** check box for any profile group tab you want to hide on the customer profile.

Note: The **Overview** tab contains all of the customer data, and provides access to multiple **Edit** tasks. If you hide this tab, users can only view and edit customer information from the related actions menu of the customer.

4. Access the **Configure Profile Group** task and select one of the customer profile groups that you want to configure.
5. You can add, remove, or reorder the reports that Workday delivers for the profile group.

Workday defines the selection list and includes all standard and custom reports that are available to display on the customer profile. For best display, don't select more than 10 groups. Keep in mind that security determines the tabs that display for each individual.

Repeat steps 4 and 5 for each of the profile groups you want to configure.

Set up security for your users to view the customer profile and the reports in each profile group.

Tasks

[Steps: Set Up Profiles and Profile Groups](#)

Set Up Bill-To Contacts

- Create a customer.
- Security: *Set Up: Customer Contacts* domain in the Customers functional area.

Workday helps you manage the process of emailing customer documents to the correct contacts. Once you set up bill-to contacts for your customers, you can:

- Email various documents to more than 1 contact at once.
- Use the default bill-to contacts in the billing schedule and customer documents.
- Identify a primary contact.
- Define different customer contacts for different documents like invoices, statements, and dunning letters.

1. Access the customer profile.
2. Select the **Addresses and Contacts** profile group.
3. As you enter contact and delivery details in the reports, consider:

Option	Description
Contact Information	Enter customer information such as address, email, instant messenger, phone, and web address. Select the Usage type to specify the reason contact will be used for.

Option	Description
	If you haven't set up the Document Delivery , the email you specify on this tab becomes the primary email address for the customer.
Customer Contacts	a. Click Add to enter a contact name for specific individuals. b. Use the Contact Information tab to enter email and phone number of a specific contact within a company. Select the Type to specify if the contact information is for work or home. Workday automatically sets it as a primary contact. Note: You can only have 1 primary contact. c. Click Set Up Bill-To Contacts to: - Set the primary and default bill-to contacts. The contacts you select, populate the customer invoices, statements, and dunning letters. - Select the documents from the Email Documents field that you want to email to each of the contacts. You can select multiple documents for 1 contact. - Add comments related to your contacts. Example: You have different contacts for different customer contracts. You can note the contract associated with each contact in the Comment field. You can override the default settings on the billing schedule and invoice to suit your business needs.
Connection Map	Add ship-to customers on the Connection Map report. You can select any of the shipping addresses of your ship-to customer as the default for the invoice. The ship-to address determines the default tax code based on country, region, and zip code when you use tax defaulting rules.
Document Delivery	- Click Edit to access the Edit Document Delivery Options task. The task enables you to set up a default document delivery method and email recipients for each of the customer document. You have the option to override this default setting when you run the email delivery task. - The document settings for customer invoices also apply to consolidated customer invoices. - Select a language from the Preferred Locale field to translate the labels in the customer documents.

4. (Optional) Access the **Edit Tenant Setup - Notifications** task and configure the **Notification Delivery Settings** to trigger email notifications automatically if you have a related business process step.

When you generate customer invoices, Workday displays the default bill-to contacts in the **Bill-To Contact** field on the invoice.

Tasks

[Create Installment or Transaction Billing Schedules for Customer Contracts](#) on page 715

[Steps: Set Up Email for Customer Invoice Documents](#) on page 563

Reference

[Reference: Edit Tenant Setup - Notifications](#)

Set Up Shipping Connection Map

- Security: *Set Up: Customer Maintenance* domain in Customers functional area.
- Add at least 1 shipping address on the customer profile.

The Connection Map on the customer profile enables you to conveniently manage the relationships between business entities and addresses. Here you can:

- Add or remove ship-to customers.
- Select a default ship-to customer for the customer invoice or contract.
- Select an optional default ship-to address for each combination of bill-to and ship-to customers.
- Send customer invoices to a single billing customer that includes multiple ship-to customers.

1. From the customer profile, navigate to **Addresses and Contacts > Connection Map**.
2. Add, edit, or remove business connections from the **Ship-To Business Connections** grid.

As you complete the task, consider:

Option	Description
Ship-To Customer	Select a customer to add to the Connection Map. • The customer you add is now available as a Ship-To Customer on customer contracts, customer contract lines, and customer invoice lines. • For each customer, you can add multiple shipping addresses on the Contact Information tab. Designate 1 address as <i>Shipping</i> on the Contact Information tab. Add it to the Connection Map to display in the prompt on the customer contract or invoice. • If you don't assign a shipping address, Workday uses the shipping address with the most recent effective date. • You can assign multiple ship-to customers that are different from the primary bill-to customer. Note: If the ship-to customer is different from the customer, a ship-to address defaults on the customer contract and invoice. It happens only if you add the address to the Connection Map.
Default Ship-To Customer	Select the check box for the customer that you want as the default shipping connection on the customer contract or invoice.

Option	Description
	The customer that you select as the default displays in the Default Ship-To Customer field on the contract and invoice headers. The address associated with the default customer displays in the Default Ship-To Address field.
Default Ship-To Address	Select an address from the prompt to designate as the default ship-to address for the customer. The prompt displays only those addresses that you identified as <i>Shipping</i> on the Contact Information tab.
Address Reference ID	Workday introduces IDs through integrations with external applications. For new customers that you enter manually, you can define the address ID in the Address Reference ID field on the Contact Information tab. The ID syncs customer data with external applications.

Workday applies your existing segmented security to ship-to customer names and addresses to protect customer privacy. It masks the names and addresses throughout Workday.

The **Ship-To Business Connections** are now available for use in the **Ship-To Customer** and **Ship-To Address** fields on the customer contract and invoice.

To verify that tax rules exist for the ship-to addresses you add, use the **View Tax Rule for Country** report. Workday enables default tax code on the invoice line. The tax code is based on the tax rule for the country or locale by:

- Country.
- Region.
- Zip code ranges.

Tasks

[Create Customer Invoices](#) on page 524

[Create Customer Contracts](#) on page 677

Reference

[Reference: Ship-To Connection in Customer Invoices](#) on page 545

Steps: Maintain Access to Customer Information

- Understand segment-based security groups and segmented security.
- Determine whether you need to restrict segments of data to groups of workers.

You can control worker access to your customer data through configurable customer security segments. Customer segmented security restricts access to designated customers and visibility to customer information so that workers can't:

- Select customers that they don't have access to when creating, editing, or searching for transactions.
- See customer information in search results. Workday masks the customer name with asterisks and doesn't display other important information.
- Print or view customer documents, such as invoices, statements, and refunds.

1. Access the **Create Customer Security Segment** task.

- To restrict access to the customers in this security segment to just the workers in specific companies, select *Company* and *Company Hierarchy* values in the **Company** field.

Leave the **Company** field blank to enable workers in any company to access the customers you select.

- Select the **Customer** or customers that are part of the segment.

Create enough segments to cover each unique security access requirement. Included values can span across multiple segments, or be mutually exclusive. Workday recommends that you build from least to most restrictive.

Security: *Customer Segmented Setup* domain in the System functional area.

2. Access the **Create Security Group** task.

Create the security groups to associate with the security segments, if existing groups don't meet your business requirements. You can create groups based on criteria such as location, role, job, or organization. Or, you can assign specific users to a user-based security group.

3. [Create Segment-Based Security Groups](#).

- Select *Segment-Based Security Group* in the **Type of Tenanted Security Group** field.
- Select the customer security segment that you created in the **Access to Segments** field.

4. [Edit Domain Security Policies](#).

- Select the *Customers Functional Area*.
- Select the *Access Customer (Segmented)* security policy. This policy controls the access to customer information.
- Remove the *All Users* security group.
- Add the desired security groups. You can include your customer segment-based security groups to restrict their members to the values included in their security segments.

5. [Activate Pending Security Policy Changes](#).

6. Test the security policy changes.

Sign in as a different user for each segment and verify that you can access only the customers associated with your segment-based security group. Example: View the customers in the **Customer** field to validate which ones display.

Workers can view or select from only the customers that they have access to based on their segment-based security groups.

- To access EMEA customers, enable only members of your EMEA sales team.
- To access only the customers that are their responsibility, enable your collectors.

Concepts

[Concept: Security Groups](#)

Example: Create a Condition Rule to Prevent Creating Duplicate Customers

You want to create a condition rule so that you can't accidentally create 2 customer profiles for the same customer. You'll create and apply a condition rule to the *Customer Event* business process that checks whether a customer profile with the same tax ID already exists.

1. Access the *Customer Event* business process definition.
2. From the related actions menu of the **Initiation** step, select **Business Process > Maintain Step Conditions**.
3. On the **Maintain Step Conditions** task, add a new row, and in the **Rule** column, select **Create Condition Rule**.

4. Enter these values:

Source External Field or Condition Rule	Relational Operator	Comparison Type	Comparison Value
<i>Customer Primary Tax ID Exists</i>	<i>Not equal to</i>	<i>Value specified in this filter</i>	Select the check box.

Workday displays a critical validation if you try to create 2 customers with the same tax ID.

Concept: Customers

In most cases, your customers don't belong to a specific company, but can have multiple business relationships with other companies. Workday enables you to set up and manage these relationships with Ship-To Connections, Remit-From Customers, Customer Hierarchies, and Customer Groups. You can find a comprehensive view of contact information, reports, and other common data in the customer profile.

Customer Profile

Access the customer profile by searching for a customer's name in the **Revenue** search category. With the customer profile, you can view and maintain customer information in a central location, as well as access customer-related tasks and reports.

You can configure the tabs and custom reports Workday displays on the customer profile with the **Configure Profile** and **Configure Profile Group** tasks.

From the customer profile, you can:

- Access recent transactions and related reports.
- Add customer contact information.
- Assign individual workers to job roles for a customer.
- Create and manage customer contracts, invoices, and adjustments.
- Record and apply payments, create deposits, and write off bad debt.
- View and edit the **Connection Map**.

You can also configure the information displayed to match your company business requirements:

- Add custom reports that identify *Customer* as the **Data Source**.
- Reorder or remove the sub-tabs that display on each tab.

Roles for Customer

To help you track which workers support each of your customers, Workday provides role assignments. Once you enable *Customer* for Assignable Roles with the **Maintain Assignable Roles** task, you can assign the customer role to specific positions like *Collector* or *Collections Manager*. Workday enables you to assign roles directly from the related actions menu of the customer. You can also make multiple role assignments by position using the **Mass Assign Customer Roles** task, or individually on the **Assigned Roles** tab on the customer profile.

Workday assigns roles to positions, not specific employees, making the new hire process convenient. When you terminate an employee and hire a replacement, the new worker automatically inherits the defined role. If a customer is part of a customer hierarchy, the worker inherits the role for their position from the customer hierarchy.

Customer Hierarchies

Customer hierarchies allow you to create parent/child relationships between your customers, streamlining some aspects of your workflow. Examples: you can apply payments made by a parent to the invoice of the child, or report on all customers within a hierarchy.

Customer Groups

Optionally, you can assign your customers to groups, making the reporting and searching process more convenient. 1 customer can be in multiple groups.

Customer Categories

Each customer must have 1 customer category. You can assign a customer to a customer category when you create or edit the customer.

In addition to customer-specific account posting rules, you can use customer categories to apply accounting for a given industry. When processing a transaction, Workday finds the customer category and applies the accounting based on that category. You can't override this category for individual transactions.

Customer categories also make it more convenient to find customers when you use the dropdown menu in certain fields.

Customer Portal

The Customer Portal provides your customers with access to information related to their accounts in Workday. They can view and print invoices, recent payments, and statements. You can create multiple account sign-ins by using the web service.

Concept: Create Basic Customers

Workday provides the flexibility to create new customers in a few different ways to suit your business needs. You can add most of the customer profile information during record creation. You can also edit the various profile attributes for a customer later.

Directly in Workday

Use this option when your AR team is solely responsible to create customer profiles in your organization independent of other business departments. Access the **Create Customer** task to create the complete profile. Then configure the *Customer Event* business process to complete this task.

Basic Customer

Use this option when you only want to create customers as worktags. It enables you to use the customer with other operational transactions such as supplier invoices, expense reports, or projects. Access the **Maintain Basic Customers** task to create a customer profile just with a name.

To convert the basic customer to a customer with complete profile, you can access the **Customer > Create Customer from Customer Worktag** task.

To view the customers, make sure that you disable the *Access Customer (Segmented)* security for the customer object.

Upload External Data

Use this option when you don't want to give access to the **Create Customer** task to your other business departments for security reasons. Access the *Put Basic Customer* web service to create a basic customer profile. Also, configure the *Customer Request* business process to complete the required approval process before creating the customer profiles.

Tasks

[Convert Basic Worktags to Full Definitions](#)

Customer Invoices

Invoicing

Setup Considerations: Gapless Sequencing

You can use this topic to help make decisions when planning your configuration and use of gapless sequence numbers on invoices. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

Gapless sequencing enables you to create and assign sequential gapless invoice numbers in 1 or more ledger year or ledger period for a company. This number displays in place of the standard invoice number on both customer and supplier invoices. You can sequence the numbers by:

- Approval date of a customer invoice.
- Posting date of a supplier invoice.
- Accounting date.

When you enable the functionality, Workday creates a sequence generator. You can configure the sequence generator to:

- Reset every ledger period, ledger year, or calendar year to match with the posting period of a given invoice type.
- Define the sequence pattern of the invoice numbers.

Business Benefits

Using gapless sequencing:

- Increases visibility of your transaction details and reduces auditing concerns.
- Helps you comply with local tax authority reporting requirements.
- Enables you to meet the statutory invoicing requirements.

Use Cases

- Your company bills in a country that requires a gapless sequence number on invoices.
- When there's an audit of your company, auditors can select a random invoice number to test and not find that number, causing concerns. They would then require additional evidence to prove that the invoice really doesn't exist.

Questions to Consider

Questions	Considerations
When do you want to start assigning gapless numbers to your invoices?	Workday creates gapless sequence generators after the start of a new period or a fiscal year when no sequence generators exist for a company.

Questions	Considerations
When can you change the rule configuration or the sequence generator lifespan?	Changes only apply to: • New sequence generators in the next open period. • Unused generators in the existing open period.
Do you want to continue using auto-application rules with remittance advice type?	You can continue to use the auto-application rules. The remittance advice type has the option to reference a <i>Gapless Invoice Number</i> , if it exists.
Do you need to enforce any date restrictions on customer invoices?	Workday assigns the gapless invoice number to customer invoices upon invoice approval. Invoices can be out of order based on if you're using invoice dates or accounting dates in arrears. If you want the gapless sequence to be chronological by either of these dates, use custom validations to restrict the dates to the current day.

Recommendations

- You can't change the sequence generators once they are in use. Verify the pattern in your sandbox first to ensure that the sequence numbers are as per your expectations.
- When you want to sequence each invoice document type together, use the same sequence generator rule. To have a separate sequence for each invoice document, create different rules.
- To avoid creating gaps, don't reopen a closed period when you want to apply the gapless document number to newly approved supplier invoices and adjustments. When the accounting date is before the accounting date of the last document, the sequence can have a gap.
- To avoid confusion, give your gapless invoice numbers a different format than the existing invoice numbers. You can use your company and country-specific sequencing rules to determine the pattern of gapless numbers.
- To meet local statutory reporting requirements for operational transactions, you can configure your companies to allow accounting by the customer invoice approval date.

Requirements

- To create gapless sequence generators, enable the functionality for a desired company.
- Specify the gapless sequencing start period to determine when Workday will start creating generators.
- To have a gapless number, the customer invoices must be in approved status. However, for supplier invoices, you must close the period.
- Configure or select a sequence generator rule for each invoice, credit adjustment, debit adjustment, and credit-rebill. Workday assigns the gapless invoice number based on these rules.
- To include the gapless invoice number on an invoice, update your custom BIRT layout because it's a separate attribute from the standard invoice number.

Limitations

- After Workday assigns a gapless sequence number to an invoice, you can't cancel or change that invoice anymore. Instead, use invoice adjustments to make modifications.
- When you change an existing configuration rule, the updates apply to only new sequence generators.
- You can edit or replace the sequence generators only if they aren't in use.

Tenant Setup

No impact.

Security

Configure these security domains for gapless sequencing:

Domain	Considerations
<i>Set up: Company General</i> domain in the Common Financial Management functional area.	Users secured to this domain can enable the gapless sequence functionality and configure sequence generator rules.
<i>Set Up: Tax</i> domain in the Common Financial Management functional area.	Users secured to this domain can configure gapless sequence generator rules on approved customer or supplier invoices by statutory invoice type.
<i>Public Reporting Items</i> domain.	Users secured to this domain can create custom reports to display the invoice number or gapless document number.

Business Processes

To configure a chronological gapless sequence number on customer invoices when the invoice document date isn't the current date, you can add custom validations in your business process rule conditions.

Reporting

If the gapless number exists in a given period, you can use all the existing standard reports to track invoices with a gapless document number for a company.

You can use the **Invoice date is in Closed Period** custom report field on the *Customer Invoice Document* business object in your custom validations to configure chronological gapless sequence number on customer invoices.

Integrations

You can use these web services for gapless sequencing:

Web Service	Considerations
<i>Get Company ID Definitions</i> <i>Put Company ID Definitions</i>	Retrieves the required IDs to let you enable gapless sequencing for a company.
<i>Get Customer Invoices</i> <i>Get Customer Invoice Adjustments</i>	Update your EIB templates for these web services to support gapless invoice numbers.
<i>Import Customer Invoice</i>	Enables you to add or update customer invoices with gapless sequence number.
<i>Submit Customer Invoice</i> <i>Submit Customer Invoice Adjustment</i>	Enables you to create customer invoices and adjustments with gapless sequence number.

When you enable this functionality, update your integration templates to use the gapless invoice number instead of the standard invoice number.

Connections and Touchpoints

When you enable the gapless sequencing for a company, it extends to all invoices and adjustments originating from awards, billing schedules, and billable projects.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Reference

[Workday 32 What's New Post: Gapless Document Sequence Numbers on Customer Invoices](#)

[Workday 33 What's New Post: Gapless Document Sequence Numbers by Statutory Invoice Type](#)

Steps: Set Up Gapless Invoice Number Sequencing

- Set up the company you want to create gapless sequence generators for.
- Set up the ledger periods you want to assign the sequence to.
- Review setup considerations for gapless sequencing.

You can assign unique gapless invoice numbers to approved invoices based on a ledger period. Gapless invoice numbers help you comply with transaction tax reporting requirements in countries that require chronological gapless sequencing by invoice type for operational transactions.

To maintain a continuous sequence, after Workday assigns gapless numbers to invoices you can't:

- Cancel or make changes to the invoices.
- Disable the gapless sequencing functionality.

1. [Configure Invoice Sequence Generator Rules](#) on page 520.

2. Access the **Edit Company ID Definitions** task.

On the **Gapless Document Sequence Settings** tab, select the check box for the type you want to configure:

- **Enable Gapless Sequencing for Customer Invoices**
- **Enable Gapless Sequencing for Supplier Invoices**

Security: *Set Up: Company General* domain in the Common Financial Management functional area.

3. Select a sequence generator rule configuration for each invoice type.

- Select the same sequence generator rule configuration for each invoice type to sequence all invoice types together. For multiple companies, Workday assigns separate sequences for their invoices even if they have the same sequence generator rule configured.
- To sequence invoice types separately, select a different rule configuration for the sequence generator.

4. For customer invoices, select a ledger period from the **Customer Invoice Gapless Sequencing Start Period** prompt. Workday assigns the sequence number when you approve the invoices.

For supplier invoices, select a ledger period from the **Supplier Invoice Gapless Sequencing Start Period** prompt. Workday assigns the sequence number when you close the period.

When you open a ledger period, Workday creates sequence generators for the customer or supplier invoice types you select.

5. (Optional) To order gapless sequence numbers by accounting date for customer invoices and adjustments, access the **Edit Company Accounting Details** task.

Set the **Allow Accounting by Approval Date** prompt to *Customer Invoice*.

Security: *Set Up: Company Accounting* domain in the Common Financial Management functional area.

When you post invoices in a period with a gapless sequence generator, Workday automatically assigns a **Gapless Sequence Number** and displays it instead of the **Invoice Number** field on the invoices.

After Workday creates the sequence generators, you can view the details in the **Invoice Gapless Sequence Generators** grid on the same task.

Reference

[Workday 32 What's New Post: Gapless Document Sequence Numbers on Customer Invoices](#)

Configure Invoice Sequence Generator Rules

Security: *Set up: Company General* domain in Common Financial Management functional area.

To comply with global auditing standards, you can:

- Define rules for the sequence generators so that Workday can assign gapless sequence numbers to invoice documents in the desired format.
- Configure separate sequence rules for each invoice, invoice adjustment, and invoice rebill documents.
- Create separate rules for Statutory Invoices in the **Sequence Generator Rule Conditions** section.

These sequencing rules determine the:

- Order of the sequence.
- Lifespan of each sequence generator.
- Timeframe when Workday sequences your documents.

Workday creates gapless sequence generators for each invoice document type when you close and reopen a period for the specified company. When the period already has an active generator, Workday doesn't create a new generator.

After a sequence generator assigns a sequence number to an invoice, you can't:

- Disable gapless sequencing for the company.
- Change the lifespan.

Though, Workday enables you to edit the format string.

1. Access the **Create Invoice Sequence Generator Rule Configuration** task.

2. As you complete the task, consider:

Option	Description
Sequence Generator Lifespan	Select a value to specify the duration for the sequence generator. • The sequence generator only assigns gapless sequence numbers to invoices posted in your selected lifespan. • The sequence number resets at the beginning of each new period or year. • Workday starts and stops a new sequence based on the lifespan you select.

3. As you complete the **Default Sequence Generator Rule** and **Sequence Generator Rule Conditions** sections, consider:

Option	Description
Sequence Start Number	Enter any number that you want to begin the sequence with. You can also enter a number that is in continuation of an existing sequence from another ID generator.
Sequence Increment	Workday automatically sets the value to 1 so that the sequence numbers are in gapless order.
Sequence Length	Enter a number to specify the length of the gapless sequence number string. Workday sorts invoice sequences based on this configuration when you generate reports. Example: When you enter a Sequence Length of 3, Workday displays the sequence number:

Option	Description
	• 1 as 001. • 321 as 321.
Sequence Format String	Enter custom text and these variables rules to ensure that Workday doesn't duplicate sequence numbers across multiple generator lifespans: • <i>[aa]</i>: Inserts only the last 2 digits of the calendar year. • <i>[aaaa]</i>: Inserts the 4-digit calendar year. • <i>[A]</i>: Inserts a 1- or 2-digit calendar month. • <i>[AA]</i>: Inserts a 2-digit calendar month. • <i>[f]</i>: Inserts the entire fiscal year number. • <i>[ff]</i>: Inserts the fiscal year name. • <i>[pp]</i>: Inserts the fiscal period name. • <i>[seq]</i>: Inserts the next sequence number. Include <i>[seq]</i> in the format string of any rule configuration to populate the sequence number. When you select <i>Ledger Year</i> as the sequence generator lifespan, the format string can include: • <i>[f]</i> • <i>[ff]</i> When you select <i>Ledger Period</i> as the sequence generator lifespan, the format string can include: • <i>[f]</i> • <i>[ff]</i> • <i>[pp]</i>
Statutory Invoice Type	Select a country-specific statutory invoice type when you use invoice types to categorize your invoices in compliance with government requirements. Workday displays options in this field only when you configure a statutory invoice for the company in a specific country.

Workday creates a gapless sequence generator for each invoice document type, for the specified period, for a given company.

You want to create a sequence generator for the May 2019 ledger period or ledger year and the November 2019 calendar month or calendar year:

Default Sequence Generator Rule Values

Field	Value
Sequence Start Number	1
Sequence Length	3
Sequence Format String for a Ledger Period	<i>INV-[f]-[pp]-[seq]</i>
Sequence Preview	<i>INV-2019-05-001</i>

Field	Value
Sequence Format String for a Ledger Year	INV-[f]-[seq]
Sequence Preview	INV-2019-001
Sequence Format String for a Two Digit Calendar Year	INV-[aa]-[seq]
Sequence Preview	INV-19-001
Sequence Format String for a Four Digit Calendar year and a Two Digit Calendar Month	INV-[aaaa]-[AA]-[seq]
Sequence Preview	INV-2019-11-001

Reference

[Workday 33 What's New Post: Gapless Document Sequence Numbers by Statutory Invoice Type](#)

Set Up Unique Invoice Numbering for a Company

Security:

- *Set Up: Company General* domain in the Common Financial Management functional area.
- *Set Up: Customer Accounts* domain in the Customer Accounts functional area.

Workday enables you to create unique IDs for invoices, credits, debits, and rebills to comply with global accounting standards. You can configure unique invoice numbering for both the tenant and for individual companies.

The tenant-level setting applies to all companies automatically. When you configure a company-level setting, it overrides the tenant-level setting for that company.

1. Access the **Edit Customer Account Options** task.
2. As you complete the **Enable Unique Invoice IDs for Credits, Debits, and Rebills** prompt, consider:
 - *Inherit From Tenant*: Use the tenant-level setting. Access the **Edit Tenant Setup - Financials** task to configure tenant-level settings.
 - *No*: Use standard invoice numbering, regardless of the tenant-level setting.
 - *Yes*: Generate unique invoice numbers, regardless of the tenant-level setting.

When you create a customer invoice adjustment, Workday processes the adjustment with a unique invoice ID.

If you enabled unique invoice numbering, assign definitions for credit, debit, and rebill invoices on the **Edit Company ID Definitions** task.

Reference

[Reference: Edit Tenant Setup - Financials](#)

Steps: Set Up Customer Invoices

- Configure the *Customer Invoice Event* business process and security policy in the Customer Accounts functional area.

You can streamline invoice creation by configuring customer invoices to populate payment details, review invoice matching, apply budget check, route to an assigned approver, and more.

1. (Optional) [Edit Domain Security Policies](#).

Configure the *Process: Customer Invoice (NEW)* security domain in the Customer Accounts functional area. This domain grants access to users with company-based or unconstrained roles to manage customer invoices. For more granular control on customer invoice actions, you can grant permissions on various subdomains.

2. (Optional) [Edit Business Processes](#).

Configure the *Customer Invoice Event* business process to ensure processing accuracy for invoicing, printing, and emailing.

a) [Edit Business Process Security Policies](#).

On the *Customer Invoice Event* business process security policy, add the Approvers security group to the Approval and Review actions. This configuration enables you to route a customer invoice to a designated approver in your organization.

Ensure that the initiator has access to these security domains:

- *Access Customer (Segmented)* domain
- *Process: Customer Invoice - Core* domain
- *Roles - Company* Security Group Types
- *Roles - Customer* Security Group Types

Also, grant the Integration Permissions for the *Access Customer (segmented)* domain along with *Get* and *Put* access to these domains:

- *Integration Event*
- *Process: Electronic Invoices*

b) Edit the *Customer Invoice Event* business process and set up the *Initiate Customer Invoice Intercompany Event* action step for intercompany transactions.

Workday applies the approval only to the company specified on the invoice header. When you deny the approval, Workday terminates the process.

c) Set up the *Print Customer Invoice Service* step on the *Customer Invoice Event* business process for printing customer invoices automatically.

To print the invoice with a print run type of *Final*, add the service step after the approval step and set the approval step as final.

d) Set up the *Electronic Invoicing via Document Delivery Rules* service step on the *Customer Invoice Event* business process for electronic invoicing.

e) Set up the *Email Customer Invoice* service step on the *Customer Invoice Event* business process for emailing a customer invoice PDF file automatically as soon as you print the document.

f) Set up the *Integration* service step on the *Customer Invoice Event* business process for launching the electronic invoice integration automatically.

Set up a condition rule on the Integration step to ensure that the electronic invoice integration launches only when Workday generates an invoice PDF after the last printing run.

3. (Optional) [Define Intercompany Profiles](#) on page 38.

To settle intercompany transactions, establish the relationship between companies.

4. (Optional) [Set Up Unique Invoice Numbering for a Company](#) on page 522.

To create unique IDs for invoices, credits, debits, and rebills, configure unique invoice numbering either at the tenant level or for individual companies. When you configure a company-level setting, it overrides the tenant-level setting for that company.

5. (Optional) [Steps: Set Up Gapless Invoice Number Sequencing](#) on page 519.

When using gapless invoice number, configure sequence generator rules and enable the gapless sequencing functionality.

6. (Optional) Access the **Maintain Invoice Types by Country** task to configure country-based statutory invoice type with the **Invoice Type Usage** option of **Customer Invoices**.

Security: *Set Up: Tax* domain in the Common Financial Management functional area.

7. (Optional) Access the **Edit Company Accounting Details** task and select *Customer Invoice* option for **Allow Accounting by Approval Date** prompt to use approval date as the accounting date on your customer invoices and adjustments, or when you want to order document sequence numbers by accounting date.

Security: *Set Up: Company Accounting* domain in the Common Financial Management functional area.

8. (Optional) Access the **Edit Customer Account Options** task and select *Prevent Changes to Invoice after Final Print Run* check box for a desired company to prevent changes to an approved and printed invoice.

Once you enable this feature, you can't disable it if you've generated invoices.

After an invoice has a *Approved* status and the print run type has a *Final* status, you can no longer cancel, change the invoice, or update the invoice lines for the given company. Workday also sets a **Finalized Date** field on the **View Customer Invoice** page.

Security: *Set Up: Customer Accounts* domain in Customer Accounts functional area and *Set Up: Company General* in the Common Financial Management functional area.

After invoice setup, you can:

- Create single or consolidated invoices.
- Adjust, copy, change, or cancel invoices.
- Edit approved invoices.
- Create credit and rebill an incorrect invoice.
- Manage invoices and place them in dispute, in collection, or hold from payment.
- Print and email invoices.

Tasks

[Steps: Set Up Netting](#) on page 558

Create Customer Invoices

- Configure the *Customer Invoice Event* business process and security policy in the Customer Accounts functional area.
- To route the invoice to a designated approver, configure the Approvers security group on the Approval and Review steps of the *Customer Invoice Event* business process.
- If using invoice types, configure statutory invoice types by country.
- If using gapless invoice number, configure sequence generator rules and enable the gapless sequencing functionality.
- For intercompany transactions, configure intercompany profiles.
- Security: *Process: Customer Invoice - Core* and *Reports: Customer Invoice Referenced Attachments – Supplier Invoice* domain in the Customer Accounts functional area.

A customer invoice enables you to record a sales event and create receivables accounting. You can create a customer invoice for:

- Shipment of goods.
- Delivery of a service.
- Billing schedule.
- Projects, subscriptions, or memberships.

1. Access the **Create Customer Invoice** task.
2. As you complete the **Invoice Information**, consider:

Option	Description
Company	The company is the invoice owner. You can use it as a parameter to assign default withholding tax.
Customer	Your customer selection populates other invoice information based on the customer definition, such as tax code, payment terms, and payment type. For awards, you can select a sponsor in this field instead of a customer.
Invoice Date	Workday uses this date to post the invoice to the first open ledger period. If Workday doesn't find

Option	Description
	an open ledger period, it sets the invoice status to <i>Error</i> .
Accounting Date	The Accounting Date that you enter must be in a current or previous open accounting period. Example: You provide a service, but you don't create the invoice until the next accounting period. Then you can select the service date as the accounting date. Depending on how you configure the company accounting, Accounting Date can be optional or required. This date is same as the Invoice Date by default. You can also configure it to use: • Approval Date by accessing the Edit Company Accounting Details task. • Accounting in Arrears by accessing the Edit Company Accounting Details task and setting the Allow Accounting in Arrears prompt to <i>Customer Invoice</i>.
Statutory Invoice Type	Select a country-specific statutory invoice if you use invoice types to categorize your invoices in compliance with government requirements. The field displays only if you've configured a statutory invoice for the company in a specific country.
Invoice Type	If you've configured the Edit Customer Invoice Layout Rule task to vary the layout by invoice type, your selection can determine the invoice layout. Example: You might want project invoices to have a different layout than goods invoices.
Bill-To Address	This field displays when you enter a customer. Workday automatically populates the primary business address from the tab Addresses and Contacts > Contact Information of the customer profile. If you don't define a primary business address, this field remains blank.
Bill-To Contact	This field populates from the Addresses and Contacts > Customer Contacts tab on the customer profile. If you don't define a default bill-to contact here, this field remains blank. These contacts are the email recipients for customer invoices. You can override the defaults with other options in the prompt, if available.
Ship-To Customer Ship-To Address	These fields display only if the invoice customer has Ship-to Business Connections set on the Connection Map in the customer profile.

Option	Description
	Once you select a ship-to customer, the Ship-To Address prompt displays all shipping addresses from the ship-to customer Contact Information that: • Have an effective date of on or before the current date. • You have access to. Workday applies the Ship-To Address along with the tax rule for the destination country for tax default application. If no address has a shipping usage, the prompt returns the primary business address. This feature doesn't apply to sponsors.
Related Invoices	The prompt displays all credited invoices that don't yet have a rebill for this company and customer combination. You can only select 1 invoice at a time.
Adjustments	Displays if you select a Related Invoice . This field contains the corresponding credit adjustment to that related invoice.

3. As you enter **Additional Information** for the invoice, consider:

Option	Description
Billable Project	(Optional) Select a billable project related to the company or customer. Workday automatically populates the Worktags field in the header with the worktags related to the project. Workday also automatically populates the Billable Project field on the invoice line. If you leave this field blank, you can associate an invoice with more than 1 project at the invoice line level.
Reference Type	Select a reference type based on the country requirement of where you conduct business. Workday displays this field dynamically when the address of the company and the bill-to-address of the customer are in the same country. Workday currently supports only these reference types: • Boleto Bancário (Brazil) • ESR (Switzerland) • FIK-nummer (Denmark) • KID-nummer (Norway) • OCR-nummer (Sweden) • OGM-VCS (Belgium) • Viitenumero (Finland)

Option	Description
Reference Number	When you select an international reference type, you must enter a supporting Reference Number .
Due Date	Workday automatically calculates this date based on the invoice date and payment terms. You can manually override this date by entering a new one in the Due Date Override field.
Document Link	If you store supporting documents or images in an external repository, then enter the URL to that location. Once you save the transaction, Workday displays the URL as a live hyperlink to the image. Approvers can reference this document before approving the transaction. Workday validates the link to ensure that it has a valid Uniform Resource Identifier (URI) pattern, as defined by your security administrator. This process provides additional security to help avoid malicious content in external links. To add a valid URI, set the Link Type to <i>Customer Invoice Document Link</i> on the Maintain External Link Validation task. When the location of the external content changes, ensure to update the URL in Workday.

4. As you complete the **Amount Information**, consider:

Option	Description
Currency	If you've defined a specific currency on the customer profile, Workday automatically populates the field with the assigned currency. You have the option to change it to any of the accepted currencies.
Prepaid Amount Applied	Lists the amount already applied to this invoice. This amount is the prepaid amount offset against the installment invoices created within the billing schedule. Workday automatically offsets the prepaid amount and creates a negative amount on the invoice line.
Tax Service Name	Displays the name of tax integration service you define on the Third Party Tax Options tab of the Edit Company Tax Details task for a company. You have the option to add either a third-party tax service integration, or enable it for an existing third-party tax service under the nonreporting section but not both. When you select the integration option, you can't change these fields at the invoice line level: • Tax Applicability • Tax Code

Option	Description
	Calculated Tax Amount
Tax Amount	Displays the tax amount if you've configured a third-party tax service.
Less Withholding Amount	Calculates when the Withholding Tax Code has a Realization Point of <i>Invoice</i> .
Default Tax Code	Include if the goods or services are taxable. Workday automatically populates this code on the invoice lines. When the invoice doesn't have a ship-to customer, Workday automatically populates the tax code from the invoice customer. When you select a ship-to customer and address, Workday applies the tax code from the default transaction tax rule for the destination country. You can configure exception rules to override the default selection for companies and customers on customer invoices.
Update Tax	Click to recalculate taxes. Clicking Submit also calculates taxes. When you select a third-party tax service for your integration option, Workday no longer displays this button.

5. As you complete the **Invoice Lines** tab, consider:

Option	Description
Company	If you enable intercompany transactions, you've more than 1 choice.
Sales Item	When you enter a sales item, Workday automatically populates some of the other fields based on the sales item definition.
Revenue Category	The revenue category links item to corresponding accounting posting rules that drives the accounting behavior. It also provides additional details for reporting. When you select a sales item, Workday populates this field automatically.
Unit Price	Populates from the sales item. If the currencies for the sales item and invoice differ, Workday automatically converts this value to the currency of the invoice. Workday uses the current currency conversion rate as defined in your tenant.
Extended Amount	The quantity multiplied by the unit price. For sales items with bulk pricing, Workday uses this calculation: (Unit Price x Quantity)/ UOM Priced at Quantities of = Extended Amount.

Option	Description
	For prepaid invoices, when you enter an amount that's greater than the advanced payments received, Workday prevents you from creating the invoice.
Contract Line	If you generate the invoice from a contract or a project, Workday provides various options for the contract line type. It drives the billing and revenue cycle.
Deferred Revenue	For invoices associated with a contract, Workday automatically selects the check box if there's deferred revenue on the associated Contract Line. Workday also automatically selects the check box when the Sales Item has deferred revenue.
Revenue Recognition Schedule Template	This field displays if you select the Deferred Revenue check box on the invoice line. Select an option to associate the line with an existing Revenue Recognition Schedule Template for generating installments.
Ship-To Customer and Ship-To Address	For each invoice line, you can change the shipping customer and the associated address to any connection you define in the Connection Map for a given customer. Ship-to addresses that display in the prompt come from the ship-to customer. If you apply segmented security, the ship-to customers and addresses display only to users with access to the customers. If you reference a Contract Line on the invoice line, Workday clears the ship-to customer and address from that line. This feature doesn't apply to sponsors.
Tax Applicability	Indicates whether the invoice line is taxable or not. When you configure tax applicability as part of a tax rule for a sales item, Workday automatically populates this field. When there's no applicability associated with the item, Workday applies the tax rule for the destination country. If you haven't configured the tax rules for sales item and country, Workday automatically populates the tax applicability from the sales item or revenue category.
Tax Code	Workday populates the tax code value from the invoice header. You can override this value manually, or by selecting: • A Sales Item that has a tax code.

Option	Description
	• A Ship-To Customer and Ship-To Address on the invoice line. These fields display only if the invoice customer has a Ship-to Business Connections configured on the Connection Map for the customer. If you haven't configured the Connection Map or transaction tax rules for a country, Workday automatically populates the tax code from the Bill-To Customer.
Calculated Tax Amount	Displays the tax amount calculated by a third-party tax integration service. It only applies if you've enabled third-party tax on the Edit Company Tax Details task for the invoice company.
Withholding Tax Code	You can select from tax codes with realization points of <i>Invoice</i> or <i>Customer Invoice Self Withholding</i>. Workday automatically populates this field when you configure withholding tax codes on these rules: • Withholding Tax Rule for Country • Withholding Tax Rule for Item
Tax Point Date Type	Select the type of tax point date for the invoice line. The tax point date type is required when you specify a Transaction Tax Code on an invoice line. • To display this field, select Enable Tax Point Date Configuration for Transaction Taxes check box on the Edit Tenant Setup - Financials task. • Workday automatically populates tax point date type with Invoice/Adjustment Date and uses regular transaction tax. • When you select the VAT on Payment check box on the Edit Company Tax Details task, Workday automatically: • Sets the tax point date type to Payment Date • Uses transaction tax on payments.
Tax Point Date	Enter a tax point date to determine the tax period of the transaction. This field displays when you select Goods/Service Delivery Date as the tax point date type.
Worktags	Add worktags to the invoice line to: • Make it easier to find. • Make its business purpose clear. • Enable multidimensional reporting.

Option	Description
	Related worktags default from data selected on the invoice. When related worktags of the same type exists on both sales items and revenue categories, the one from the sales item takes precedence because it's more specific. The latest default for a worktag type overrides any preceding value. For intercompany transactions, Workday automatically adds the <i>Intercompany Affiliate</i> worktag to help you track revenue and expenses between intercompanies.
Billable Project	Must match the billable project in the header if you selected one. Otherwise, you can associate different billable projects with different invoice lines. You can also select the specific Phase and Task for the project to attribute the transaction to. When you associate an invoice line with a contract line, any phase and task must match with phases and tasks on the contract line.

6. (Optional) Use the **Tax** tab to review a summary of all the tax codes and their applicability as specified on the invoice lines.

If several lines share the same tax code, this tab consolidates them and provides a total taxable amount.

Note: To update this tab, click **Update Tax** in the **Amount Information** section of the invoice header to populate with tax information from the invoice lines.

7. (Optional) Enter currency rate overrides on the **Currency Rate** tab.

For foreign currency invoices, you can adjust the conversion rate to suit your business needs. Workday displays the changes on the **Effective Currency Rate** field. The value in this field is the historic rate used by revenue recognition accounting to convert installment amounts to ledger currency. Any overrides that you enter trigger the selection of the **Rate Override** check box.

Option	Description
Currency Rate Type Override	Override the rate type used to look up the exchange rate.
Currency Rate Date Override	Override the date used to look up the exchange rate.
Currency Rate Manual Override	To override the exchange rate or provide a rate when a default rate isn't available, enter a currency rate.
Defaults	This section displays the default currency rate for your tenant based on the invoice date.

8. (Optional) Access the **Attachments** tab to add the supporting documents to the customer invoice. Select the **Provide To Customer** check box if you want to share the attachment with your customers.

If you also want to include the attachment in the PDF file, select the **Print With Invoice** check box as well.

To add referenced attachments from your expense reports or supplier invoice charges on the customer invoice, select the **Include Attachments on Invoice** prompt on the **Create Billing Schedule for Customer Contract** task. The prompt displays when you select *Transaction* as the billing type.

Workday supports the file types for attachments listed in the **Edit Tenant Setup - System** task.

After you submit the invoice, you can view these details on the attachments tab:

Option	Description
Sum of Print With Invoice Attachments Size	Displays the total size of all attachments that you print with the invoice. You can use this field on the Customer Invoice Email Event business process for configuring email notifications.
Attachment Reference	Displays the related expense report or expense report line for the source of the attachment. In order to drill into this link, you need to be able to access the expense report.

- When you submit the invoice:
 - Workday initiates the *Customer Invoice Event* business process for review and approval. If the business process definition includes an approval step, reviewers can modify the customer invoice before they approve it.
 - Workday tags the invoice as a direct intercompany invoice when the **Bill-To Customer** is a company operating as a customer.
- For intercompany transaction, Workday also launches the *Initiate Customer Invoice Intercompany Event* business process when it's configured as step on the *Customer Invoice Event* business process. Workday applies the approval only to the company specified on the invoice header. When you deny the approval, Workday terminates the process.
- To print the customer invoice automatically after you generate a customer invoice in Workday, edit the *Customer Invoice Event* business process and add a new step.
 - Set the **Type** to *Service* and **Specify** to *Print Customer Invoice Service*.
 - To print the invoice with a print run type of *Final*, add the service step after the approval step and set the approval step as final.
 - For electronic invoicing, set **Specify** to *Electronic Invoicing via Document Delivery Rules* as the service step to trigger the desired electronic invoice integration.
- You can also launch the electronic invoice integration automatically by adding the *Integration* service step to the *Customer Invoice Event* business process. This option requires you set up a condition rule on the Integration step to ensure that the electronic invoice integration launches only when Workday generates an invoice PDF after the last printing run.
- To email a customer invoice PDF file automatically as soon as you print the document, add a new step and set the **Type** to *Service* and **Specify** to *Email Customer Invoice service*.
- Use of the deferred revenue flag triggers the deferred revenue account posting rule.
- Workday automatically creates operational journals in the company currency for approved transactions. If the transaction and company currencies differ, Workday converts the amounts to the company currency.
- Workday processes accounting after the business process completes and uses the Receivables account posting rule to record customer payments due.
- When you print the invoice, Workday includes the attachment information on the print run that you can drill-down on to view the details.

After invoice approval:

- Use the **Find Customer Invoices** report to access and update existing invoices that you save or submit.
- If the invoice isn't associated with a contract and has deferred revenue, create a revenue recognition schedule.
- You can modify the customer invoice by using the Create Adjustment, Change, Cancel, Edit Approved Invoice, Print, or Write Off Bad Debt tasks from the related action menu.
- Consolidate customer invoices.
- Record customer payment.
- Email invoices.
- To view the list of Workday-provided reports and their descriptions, access **Workday Standard Reports**, and select the *Customer Accounts* option.
- Settle customer invoices. The settlement process creates and settles the invoiced payments. When the process completes, Workday updates the accounting entries for each payment.

Concepts

[Concept: Transaction Currency](#) on page 25

Tasks

[Record Customer Payments](#) on page 579

[Steps: Use Settlement](#) on page 1611

[Set Up Tax Applicability for Financial Transactions](#) on page 421

[Steps: Configure Withholding Tax Rules](#) on page 445

[Steps: Set Up Taxes for Revenue Transactions](#) on page 662

[Steps: Write off Receivables](#) on page 646

Reference

[Workday 32 What's New Post: Print Attachments with Customer Invoice](#)

[Workday 33 What's New Post: Tax Framework for Third-Party Tax Service Integration](#)

[The Next Level: Customer Invoice Maintenance](#)

[The Next Level: Direct Intercompany Invoicing](#)

[2021R2 What's New Post: Automatic Invoice Printing and E-Invoice Integration Initiation](#)

Examples

[Example: Set Up Third-Party Tax for Customer Invoices](#) on page 430

Create Customer Invoice Adjustments

- You must have a customer invoice that is active.
- Configure the *Customer Invoice Event* business process and security policy in the Customer Accounts functional area.
- Security: *Process: Customer Invoice - Core* domain in the Customer Accounts functional area.
- (Optional) [Set Up Unique Invoice Numbering for a Company](#) on page 522. Unique invoice ID enables you to comply with global accounting requirements. If you enable unique invoice IDs for credits, debits, and rebills in your tenant, Workday creates the adjustment with a unique invoice ID.

You can create a customer invoice adjustment to decrease or increase the amount due from a customer. An adjustment is a new transaction with its own document number that is separate from, but linked to, the original invoice.

You can create 1 adjustment and apply it to multiple invoices using the **Perform Customer Invoice** maintenance task, so long as you don't select *Apply Adjustment Immediately*.

You can also copy an existing invoice adjustment as long as:

- It's not associated with an award.
- The customer is active.

You can continue to make changes to the new invoice adjustment until you apply it. You can copy the fields to a new adjustment except:

- *Adjustment Date*
- *Apply Adjustment Immediately* (When you leave it blank on the original adjustment.)
- *Attachments*
- *Billing Installment*
- *Billing Schedule*
- *Currency Overrides*
- *Notes*
- *Related Invoices*

Note: If you're adjusting a billable transaction invoice, you can only create a full credit. You can't create a debit adjustment or a partial credit.

1. Access the **Create Customer Invoice Adjustment** task.

- If the desired adjustment reason isn't available in the prompt, create invoice adjustment reasons with the **Maintain Invoice Adjustment Reasons** task.
- You can also access the **Copy Customer Invoice Adjustment** task from the related actions menu of an existing customer invoice adjustment.

2. As you complete the **Invoice Adjustment Information** section, consider:

Option	Description
Bill-To Customer and Sold-To Customer	Your selection populates other adjustment information based on the customer definition, such as tax code, payment terms, and payment type.
Adjustment Date	Workday uses this date to post the adjustment to the first open ledger period. If Workday doesn't find an open ledger period, we set the adjustment status to <i>Error</i> .
Statutory Invoice Type	Select a country-specific statutory invoice if you use invoice types to categorize your invoices in compliance with local government requirements. The field displays only if you've configured a statutory invoice for the company in a specific country.
Bill-To Address	Displays when you enter a customer. It automatically populates to the primary business address defined on the tab Addresses and Contacts > Contact Information of the customer profile. If you don't define a primary business address, this field remains blank. You can override the default with other options in the prompt, if available.
Bill-To Contact	Populates from the default contacts defined on Addresses and Contacts > Customer Contacts tab of the customer profile. If you don't define a default bill-to contact, this field remains blank. These contacts are the email recipients for customer invoices. You can override the defaults with other options in the prompt, if available.

Option	Description
Ship-To Customer Ship-To Address	Displays only if the invoice customer has Ship-to Business Connections set on the Connection Map in the customer profile. After you select a ship-to customer, the Ship-To Address prompt displays all shipping addresses defined on the Contact Information report with an effective date that's on or before the current date. Workday applies the Ship-To Address with the tax rule for the destination country for tax automatically populating. If no address has a shipping usage, the prompt displays the primary business address. This feature doesn't apply to sponsors.
Related Invoices	Select the customer invoice related to this adjustment. For credit or rebill invoice, Workday displays both the original and rebill invoice. Use the invoice preview to access the originating and rebill invoice.
Apply Adjustment Immediately	Note: To apply your adjustment to multiple invoices in bulk, leave this option blank. Select if: • The adjustment decreases liability. • The originating invoice uses the same currency as the adjustment. • You use worktag balancing. • The adjustment references the original customer invoice. Workday applies credit amounts from the invoice adjustment to the matching lines on the original invoice. The credit amount applies only up to the open receivable amount for each line, by matching worktag balancing values within the 2 documents.

3. As you complete the **Additional Information** section, consider:

Option	Description
Billable Project	(Optional) Select a billable project related to the company or customer. Workday also automatically populates the Billable Project field on the invoice line. If you leave this field blank, you can associate an invoice with more than 1 project at the invoice line level.
Reference Type	Select a reference type based on the country requirement of where you conduct business.

Option	Description
	Workday displays this field dynamically when the address of the company and the bill-to-address of the customer are in the same country. Workday currently supports only these reference types: • Boleto Bancário (Brazil) • ESR (Switzerland) • FIK-nummer (Denmark) • KID-nummer (Norway) • OCR-nummer (Sweden) • OGM-VCS (Belgium) • Viitenumero (Finland)
Reference Number	When you select an international reference type, you must enter a supporting Reference Number .
Due Date	Workday automatically calculates this date based on the invoice date and payment terms. You can override the date by entering a new one in the Due Date Override field.
Document Link	If you store supporting documents or images in an external repository, then enter the URL to that location. Once you save the transaction, Workday displays the URL as a live hyperlink to the image. Approvers can reference this document before approving the transaction. Workday validates the link to ensure that it has a valid Uniform Resource Identifier (URI) pattern, as defined by your security administrator. This process provides additional security to help avoid malicious content in external links. You can add valid uniform resource identifier (URI) by selecting Customer Invoice Document Link Type on the Maintain External Link Validation task. If the location of the external content changes, you must update the URL in Workday.

4. As you complete **Amount Information** section, consider:

Option	Description
Currency	Currency in which the adjustment bills and the payment is due. If you've specified one, the default comes from the currency of the customer; otherwise, it's the company currency. You can change the currency to any of the accepted currencies defined for the customer.
Default Tax Code	Select a tax code, if the goods or services are taxable. Workday automatically populates this code on the invoice lines. When the invoice

Option	Description
	doesn't have a ship-to customer, Workday automatically populates the tax code from the invoice customer. When you select a ship-to customer and address, Workday applies the tax code from the default transaction tax rule for the destination country. When you select an integration option for the third-party tax service, this prompt doesn't display.
Tax Amount	Displays the tax amount when you configure a third-party tax service for a company. The tax integration service calculates this amount instead of the Workday tax engine.
Tax Service Name	Displays the name of the tax service you define in the Customer Invoice Non-Reporting Option section on the Third Party Tax Options tab of the Edit Company Tax Details task for a company. When you use the third-party tax service, the Tax Service Name field and the Update Tax button doesn't display. You can configure either the existing nonreporting option or the tax service integration option but not both.
Less Withholding Amount	Calculates when the Withholding Tax Code has a Realization Point of <i>Invoice</i>.

5. As you complete the **Adjustment Lines** grid, consider:

Option	Description
Company	If you enable intercompany transactions, you can select more than 1 option.
Sales Item	Your selection populates other line details from the sales item definition, such as, unit price, and tax applicability.
Unit Price	If the currency for the sales item and adjustment differs, Workday automatically converts this value to the currency of the adjustment. Workday uses the current currency conversion rate as defined for the default currency rate type, which is part of the tenant setup.
Extended Amount	Enter a positive number. For sales items that enable bulk pricing, Workday calculates the extended amount as: (Unit Price x Quantity)/UOM Priced at Quantities.
Ship-To Customer	You can change the shipping customer and shipping address to any ship-to connection that

Option	Description
Ship-To Address	you configure for this customer profile in the Connection Map. If you configure segmented security, only users that have access to the customer domain can view the ship-to customers and addresses. If you reference a Contract Line on the invoice line, Workday clears the ship-to customer and address from that line. This feature doesn't apply to sponsors.
Tax Applicability	Indicates whether the invoice line is taxable or not. When you configure tax applicability as part of a tax rule for a sales item, Workday automatically populates this field. When there's no applicability associated with the item, Workday applies the tax rule for the destination country. If you haven't configured the tax rules for a sales item and country, Workday automatically populates the tax applicability from the sales item or revenue category.
Tax Code	Workday populates the tax code value from an invoice header. You can override a value manually, or by selecting: • Sales Item that has a tax code. • Ship-To Customer and Ship-To Address on the invoice line. These fields display only if the invoice customer has Ship-to Business Connections configured on the Connection Map in the customer profile. If you don't have the Connection Map or transaction tax rules for country configured, Workday automatically populates the tax code from the Bill-To Customer.
Withholding Tax Code	You can select from tax codes that have realization points of <i>Invoice</i> or <i>Customer Invoice Self Withholding</i>. Workday automatically populates this field when you configure withholding tax codes on these rules: • Withholding Tax Rule for Country • Withholding Tax Rule for Item
Tax Point Date Type	Select the type of tax point date for the invoice line. The tax point date type is required when you specify a Transaction Tax Code on an invoice line. • This field displays only if you've selected Enable Tax Point Date Configuration for Transaction Taxes check box on the Edit Tenant Setup - Financials task in your tenant.

Option	Description
	- Workday automatically populates tax point date type with Invoice/Adjustment Date and uses regular transaction tax. - When you select the VAT on Payment check box on the Edit Company Tax Details task, Workday automatically: - Sets the tax point date type to Payment Date. - Uses transaction tax on payments.
Tax Point Date	Enter a tax point date to determine the tax period of the transaction. This field displays when you select Goods/Service Delivery Date as the tax point date type.
Worktags	Add worktags to the invoice line to: - Make it easier to find. - Make its business purpose clear. - Assist multidimensional reporting. Related worktags automatically populate from data selected on the invoice. When related worktags of the same type exist on both sales items and revenue categories, the 1 from the sales item takes precedence because it's more specific. The latest default for a worktag type overrides any preceding value.

6. (Optional) Verify the information on the **Tax** tab.

The tab displays a transaction tax grid that contains information about tax codes along with associated tax rates. You'll also see a withholding tax grid if you entered a withholding tax code in the adjustment line. A **Company Tax ID** and **Customer Tax ID** also displays on this tab, if configured during customer setup.

7. (Optional) Access the **Currency Rate** tab. As you complete it, consider:

For foreign currency invoices, you can make adjustments to achieve the desired conversion rate. Any changes you make to the settings on the **Currency Rate** tab are reflected in the **Effective Currency Rate** field. The value in this field is the historic rate used by revenue recognition accounting to convert installment amounts to ledger currency. Any overrides trigger the selection of the **Rate Override** check box.

Option	Description
Currency Rate Type Override	Override the rate type used to look up the exchange rate.
Currency Rate Date Override	Override the date used to look up the exchange rate.
Currency Rate Manual Override	Enter a currency rate to override the exchange rate, or provide a rate when a default rate isn't available.
Defaults	This section displays the default currency rate defined in your tenant. It's based on the invoice date.

Workday launches the *Customer Invoice Event* business process.

If this customer invoice adjustment is an *On Behalf of* intercompany transaction, Workday also launches the *Customer Invoice Intercompany Event* business process.

If you created a credit memo, you can apply the amount across multiple invoices, including other customers' invoices, in the **Perform Customer Invoice Maintenance** task. Don't select the **Auto-Apply Adjustment to Invoice** check box. Workday prevents overapplication of credit memos.

After invoice adjustment completes:

- Workday creates operational journals in the company currency for approved transactions. When the transaction and company currencies differ, Workday converts the amounts.
- You can cancel a customer invoice adjustment when:
 - You haven't applied the payment.
 - You've canceled the applied payment.
 - You don't have the adjustment included in a customer refund in *Draft* status.
- You can't access the **Cancel Customer Invoice Adjustment** task from the related actions menu when a customer invoice adjustment has a revenue recognition schedule attached. To do so, you'll first need to cancel the revenue recognition schedule and the schedule must be in a *Draft* status.
- You can settle the unpaid credit card and direct debit invoice adjustments. The settlement process creates and settles the invoiced adjustments. When the process completes, Workday updates the accounting entries for each payment.
- You can access the **Edit Customer Invoice Layout Rule** task and select the **Remove Adjustment Prefix** check box to remove hard coded prefix from the filename of the printed invoice adjustment.

Concepts

[Concept: Multicurrency](#) on page 23

Tasks

[Maintain Currency Conversion Rates](#)

[Steps: Use Settlement](#) on page 1611

[Steps: Write off Receivables](#) on page 646

Reference

[2023 R1 What's New Post: Apply Multiple Adjustments to a Single Invoice](#)

Steps: Consolidated Customer Invoices

Enable generation of unique IDs for consolidated customer invoices:

- At the tenant level with the **Edit Tenant Setup - Financials** task.
- At the company level with the **Edit Company ID Definitions** task.

You can consolidate up to 1,000 individual invoices into 1 invoice, simplifying presentation and payment. When a customer makes a payment, they can reference the consolidated invoice. You can then apply the payment to the individual invoices that make up the consolidated invoice. You can consolidate invoices that are:

- For the same customer.
- In the same currency.
- For a parent customer and any of its child customers.
- From different billing schedules.
- In approved, unpaid status.
- Not already consolidated.
- Not part of another consolidated invoice.

This task doesn't support:

- Consolidating customer invoices that use retention.

- Direct intercompany invoices.

You can also include invoice adjustments and negative invoices to display an accurate balance. After you include an invoice adjustment in an approved consolidated invoice, you can't cancel, change, or update adjustment lines.

1. Access the **Create Consolidated Customer Invoice task.**

- Specify the customer, sponsor, invoice, and payment criteria. When you use more than 1 prompt, Workday creates consolidated invoices only for the customers that match all selected prompts.
- You can't consolidate more than 1000 invoices at once.

Security: *Process: Customer Invoice - Core* domains in the Customer Accounts functional area.

2. (Optional) Access the **Schedule Create Consolidated Customer Invoice task to schedule the creation of consolidated customer invoices.**

- This task enables you to consolidate more than 1000 invoices.
- To view the details of consolidated invoices for a given customer, select the **Preview Invoices** flag. You can also exclude specific customers before submitting.
- To set a run date that's before the customer invoice date, specify an **Invoice Date** under the **Number of Days the Run Date is Before** section.
- You can find and edit scheduled jobs using the **Scheduled Future Processes** report.

Security: *Process: Customer Invoice - Core* domains in the Customer Accounts functional area.

3. Configure email settings, notifications, and attachments to email the consolidated customer invoice automatically.

See [Steps: Set Up Email for Customer Invoice Documents](#) on page 563.

4. (Optional) Access the **Create Consolidated Customer Invoice Print Layout task.**

Select the business form layout. You can also specify a company logo.

Security: *Set Up: Customer Accounts* domains in the Customer Accounts functional area.

5. Access the **Print Consolidated Customer Invoice task to print and email the consolidated customer invoice, with or without its individual customer invoices.**

When you select the **Include Individual Customer Invoices** option, Workday generates a single PDF with the individual customer invoices, in addition to the consolidated customer invoice PDF.

After Workday generates the PDF files, click **Email Consolidated Invoices** to send them to customers.

Security: *Reports: Customer Documents* domain in the Customer Accounts functional area.

6. (Optional) Access the **Schedule Print Consolidated Customer Invoices task.**

Set up a schedule to print consolidated invoices automatically.

Security: *Reports: Customer Documents* domain in the Customer Accounts functional area.

- You can use the **Find Consolidated Invoice Printing Run Groups** reports to:
 - View a summary and status of your print runs.
 - View the invoices in a print run.
 - Reprint and email PDF files of invoices.
- To view all print and email activity for a consolidated invoice, you can access the **Printing Runs** tab on the **View Consolidated Invoice** report.

You can apply customer payments to the consolidated customer invoice and any of its individual invoices.

Manage Multiple Customer Invoices at Once

Security: *Manage: Customer Invoice* domain in the Customer Accounts functional area.

As a collector, you might want to perform operations on multiple customer invoices at once to save time. These actions include managing invoices in and out of dispute or collection. Or, you might want to add notes to invoices, assign follow-up dates for future action, or add or remove holds from payment.

1. Access the **Manage Customer Invoices** task.
2. To filter your search, enter criteria.
You can enter more than 1 **Customer**.
3. (Optional) Save your search criteria for future searches.
You can enter a name of any length for your search.
4. Select the action you want to perform on the retrieved invoices.
If you use the *Hold from Payment* option, this is only for invoices that are not processed by settlements.
5. Enter details for your action choice in the **Updates to Apply** section as needed.
For the **Hold from Payment** action, you must also select the **Hold from Payment** check box.
6. Select the invoices you want to apply the changes to.
You can edit fields directly in the grid after selection to override the default values inherited by the **Updates to Apply** section.

Workday displays a confirmation page with the details of the invoices impacted by your action.

Perform Customer Invoice Maintenance

- Configure the *Customer Invoice Maintenance Event* business process in the Customer Accounts functional area, to manage approvals.
- Security: *Process: Customer Invoice - Core* domain in the Customer Accounts functional area.
- [Create Customer Invoice Adjustments](#) on page 533.

When you create a credit adjustment and don't immediately apply it to a customer invoice, you can then apply the adjustment, partially or fully, to one or more invoices. Workday excludes negative invoices from these transactions. You can also:

- Apply adjustments that you created for other customers.
- Apply adjustments to multiple invoices in bulk.
- Write off small amounts simultaneously.

To perform customer invoice maintenance across multiple customers:

- The customer invoice currency and the invoice adjustment currency must be the same.
- You must have security access to the customers you want to process.

1. Access the **Perform Customer Invoice Maintenance** task.
2. As you complete the first page of the task, consider:
 - If your filtered results contain invoices for which you've created related adjustments, Workday automatically populates them on the next page. You'll still have the option not to apply the adjustments.
 - Select the **Include Invoice Adjustments from Other Customers** check box to apply adjustments you created for other customers.
3. Select the button in the **Invoice Adjustments** column for the invoices that you want to apply the adjustment to.
4. Use the grid to add the adjustments that you want to apply to each invoice. Select **Done** to return to the main grid.
5. When you return to the main grid, Workday displays the total adjustment amount and the number of unique adjustments on the button in the **Invoice Adjustments** column.
6. Continue applying adjustments to your invoices, until you're ready to **Submit**.

Workday routes the adjustment to the account you specify on the *Receivables* account posting rule.

Access the **Find Customer Invoice Maintenance Transactions** report to view transaction details.

Reference

[2022R2 What's New Post: Apply Customer Invoice Adjustment to Multiple Customers](#)

Place a Customer Invoice in Dispute

- Create a customer invoice.
- Security: *Process: Customer Invoice - Collections* domain in the Customer Accounts functional area.

After creating and issuing a customer invoice, customers might dispute collection on the invoice for various reasons. In Workday, you can track and manage disputes in the customer profile.

1. Access the *Maintain Customer Invoice Dispute* task.

From the **Invoice List** on the customer profile, select **Customer Invoice > Maintain Dispute** from the related actions menu of the invoice you want to place in dispute.

Note: You can place multiple invoices in dispute at once using the **Manage Customer Invoices** task.

2. (Optional) Select *On Hold* to place a hold on payment of the invoice.

Workday displays a warning message if you try to change an invoice that is on hold. You can control whether payments are applied to the invoice with the **Do Not Apply Payment to Invoices on Hold** option on the **Apply Customer Payment** and **Record Customer Payment** tasks.

3. Select the *In Dispute* check box.

As you complete the task, consider:

Option	Description
Followup Date	Enter a date as a reminder if followup is required. For visibility, this date displays as the first column of the Invoice List on the Customer profile.
Dispute Date	Workday populates the current date by default, but you can change this date.
Dispute Amount	Enter the amount that is in dispute. This can be all or a portion of the invoice.
Dispute Reason	You can enter multiple reasons for disputing the invoice. Manage the reasons for disputes on the Maintain Dispute Reasons task.

4. (Optional) Enter *Note Content*.

Workday displays the invoice as being in dispute for easy identification by collections specialists in these places:

- On the invoice header with the dispute date.
- On the **Invoices and Payments > Invoice List** tab, which displays an **Invoice Followup Date**, if you entered one, as the first column in the grid.
- On the Customer Invoice **Dispute/Collection** tab, which includes all dispute details including any change history on the dispute. This tab displays only for invoices that are in dispute.

Reference

[The Next Level: Customer Invoice Maintenance](#)

Steps: Credit and Rebill Customer Invoices

- Configure the *Customer Invoice Event* business process and security policy in the Customer Accounts functional area.
- Create a customer invoice.

When you bill an invoice amount incorrectly and you want 1 corrected invoice, use the **Create Credit and Rebill** task to credit the original invoice and create a new rebill invoice.

Note: To correct direct intercompany invoices, either create an invoice adjustment or a new invoice.

1. (Optional) [Set Up Unique Invoice Numbering for a Company](#) on page 522.

Unique invoice ID enables you to comply with global accounting requirements. If you enable unique invoice IDs for credits, debits, and rebills in the tenant setup, Workday creates and processes an adjustment with a unique invoice ID.

2. Select **Customer Invoice > Create Credit and Rebill** from the related action of a customer invoice.

The **Create Credit and Rebill** task is available only for invoices with an unpaid payment status. This task isn't available if Workday created the invoices from billing installments or billable transactions.

As you complete this task, consider:

Option	Description
Invoice Lines To Copy	If you select to copy all the invoice lines, you can delete any unneeded invoice lines when you create the rebill.
Bill-To Customer	To prevent users from changing the <i>Bill-To Customer</i> , create a custom validation.

For all other fields, the considerations remain the same as when you [Create Customer Invoices](#) on page 524.

Workday creates and applies a credit adjustment to the original invoice, and creates a rebill invoice. The new rebill invoice goes through the usual business process approval for new invoices.

If you enabled unique invoice IDs, Workday creates and processes the adjustment with a unique invoice ID to comply with global accounting requirements.

If not, Workday uses this naming convention so you can easily track credited and rebilled invoices:

- The credit adjustment appends *CR* to the original invoice number. If there are multiple credit adjustments, Workday numbers them sequentially. Example: 9531CR, 9531CR2, 9531CR3.
- The rebill invoice appends *RB* to the original invoice number. Example: 9531RB. Multiple rebill invoices follow the same naming convention as multiple credit adjustments.

Reference

[The Next Level: Customer Invoicing](#)

Set Up Security for Credit and Rebill Invoices

To use the credit and rebill feature, you'll need to define the security groups that can create both invoices and invoice adjustments.

1. Access the **Edit Business Process Security Policy** task for the *Customer Invoice Event* business process.

You can access this task from the related actions menu of the business process.

2. Add security groups to the *Create Credit and Rebill Initiating Action* in the **Who Can Start the Business Process** section.

3. Access the **Activate Pending Security Policy Changes** task.

4. Enter a description of the change you made and confirm the change on the subsequent page.

Users now have access to the **Create Credit and Rebill** task.

Tasks

[Edit Business Process Security Policies](#)

Concept: Electronic Invoicing

To support global requirements for sending invoices electronically, you can store electronic invoicing details on the customer profile on **Addresses and Contacts > Document Delivery** tab.

Once you uptake the functionality, you can use your custom integration to send invoices electronically to third-party providers or tax authorities.

You can also track when you decide to start electronic invoicing by entering an **Electronic Invoicing Agreement Date** for a company.

Electronic Invoicing Acknowledgements

You can receive acknowledgments sent back by third-party provider or tax authorities. The acknowledgments provide full visibility to the invoice status, processing date, and related messages.

You can use these web services to process the acknowledgments:

- *Get Electronic Invoicing Acknowledgments*
- *Put Electronic Invoicing Acknowledgment*

Reference: Ship-To Connection in Customer Invoices

Workday takes the most relevant information first and then moves down the hierarchy of address entries. It applies those values to ship-to customer and ship-to address fields as applicable. You can override the default values at any point. These tables detail the behavior for shipping connections on the customer invoice header and invoice lines.

On the customer invoice header:

Customer Invoice Header Fields	Applied Order of Values
Default Ship-To Customer	1. The Ship-To Customer identified as the default on the Connection Map.
Default Ship-To Address	1. The Default Ship-To Address for the Business Connection. 2. The most current Ship-To Customer address with a shipping usage. When there's more than 1 address with the same date, Workday randomly selects one. 3. Finally, Workday uses the primary business address for the Ship-To Customer on the Connection Map.
Default Tax Code	1. The Tax Code from Tax Rule for Country if a rule exists, based on the Default Ship-To Address you select. 2. The Tax Code specified on the Invoice Customer, if specified.

On the customer invoice line:

Customer Invoice Line Fields	Applied Order of Values
Ship-To Customer	1. Default Ship-To Customer in the customer invoice header. 2. Ship-To Customer from the Connection Map defined as default.
Ship-To Address	1. Workday uses Default Ship-To Address from the customer invoice header for new invoice lines if the ship-to customers are the same.

Customer Invoice Line Fields	Applied Order of Values
	2. If the Ship-To Customer on the invoice line is different from the customer invoice header, Workday uses the default address on the Connection Map. 3. Workday uses the primary address for the invoice line's Ship-To Customer on the Connection Map that has a shipping usage. 4. Workday uses the highest effective-dated Ship-To Customer address specified on the Connection Map that has a shipping usage. When there are multiples with the same date, Workday randomly selects one. 5. Finally, Workday uses the primary business address for the invoice line's Ship-To Customer on the Connection Map.
Tax Code	1. If there's a Ship-To Customer on the invoice line, Workday applies the tax code for the Ship-To Address. It's applicable only when a tax rule exists. 2. If there's a Ship-To Customer on the invoice line, and no match on the tax rule, the field remains blank. 3. Workday pulls the tax code from the billing customer when you: • Haven't configured a business connection. • Don't have a Ship-To Customer specified on the invoice line.

Reference: Invoice Fields Restricted for Edits

When you enable **Restrict Invoice Field Editing** functionality in your tenant, Workday prevents you from editing these fields on customer invoices or adjustments that inherit values from awards or contracts:

Customer Document	Report Data Source	Fields
Customer Invoice or Invoice Adjustment Header	Contracts	• Bill-To Customer • Billable Project • Company • Currency • Ship-To Address • Ship-To Customer • Sold-To Customer
Customer Invoice or Invoice Adjustment Line	Contracts	• Analytical Amount • Company • Contract Line • Deferred Revenue • Extended Amount • Quantity • Quantity 2 • Sales Item

Customer Document	Report Data Source	Fields
		• Ship-To Customer • Ship-To Address • Transaction Date • Unit Price
Customer Invoice or Invoice Adjustment Line	Awards or Prepaid Schedule	• Billable Project • Contract Line • Deferred Revenue • Phase • Task • Unit of Measure • Unit of Measure 2

When you select the check box, we also prevent you from deleting invoices or invoice adjustment lines on these transactions:

- Award billable transactions.
- Billing installments.
- Grants.
- Prepaid schedules.
- Revenue.

Reference: Invoicing and Receivables Reports

This table lists a number of useful customer-related reports.

Report	Description
Customer Activity Details	View the transactions for this customer or hierarchy that fall within the specified time range. Details include the transaction, date, type, number, due date, state, increase or decrease, and balance.
Customer Activity Summary	View the total transaction amounts for the specified customers that fall within the specified time range. Details include: • Adjustments total • Beginning balance • Currency • Ending balance • Invoices total • Payments total • Refunds total • Write off total
Customer Balance Details	View the open balance for each customer. Details include currency, reporting transaction, type, number, and date, due date, aging days, original amount, payments applied, discounts, write off, and open balance.
Customer Balance Summary	View the currency, invoices total, adjustments, unapplied payments, and balance for each customer.

Report	Description
Customer Invoices Requiring Action	View invoices that might require action. Only returns invoices that are late, on hold, in collection, or in dispute. Use this report as the basis for custom reports that meet your specific criteria for invoices that require attention.
Customer Payment Detail	View all customer payment activity for your company or company hierarchy. Enables you to check the status and details of your customer payments. You can narrow your report results to specific customers, a payment date range, and other criteria. Example: Payment date, status, type, and amount. You can also see payment application details including customer invoices and adjustments paid, write off, and payment amount on account. As related actions you can cancel, return, or unapply payments as necessary.
Customer Statements	View customer statements for the specified customer or hierarchy that apply to the specified company. Details on the Transactions tab include each transaction date, type, number, due date, state, increase or decrease, and balance. These transactions are sorted by currency. Details on the Aging Report tab include, for each customer, the current amount and amounts for different ages, depending on the selected aging group.
Find Customer Deposits	View all deposits in the specified period. Details on both the Deposits tab and the Payments Included in Deposit tab include the status, customer, date, bank account, deposit amount, and currency.
Find Customer Invoices	View the number, company, status, customer, date, memo, discount date, due date, invoice amount, amount due, currency, adjustment, and adjustment reason for each invoice.
Find Customer Invoices for Billable Projects	For the Billable Projects and Company standard reports, you can save and refine your searches after Workday displays your results.
Find Customer Invoices for Company	
Find Customer Write-Offs	View the status, customer, writeoff date, and amount for each bad debt writeoff. View the status, customer, payment date, and amount for each bad debt writeoff included in a payment.

Report	Description
Receivables Aging Receivables Aging Detail	Note: We plan to retire these 2 receivables aging reports in September 2023. Workday recommends that you use the Receivables Aging Detail Standard Report and Receivables Aging Summary Standard Report. You can select to run these reports as operational aging based on the invoice date, or financial aging based on the accounting date by accounting period. For each customer, view the current amount and invoice amounts for different ages, depending on the selected aging group. For operational aging, the reports display outstanding customer receivable amounts in user-defined aging buckets. Supports up to 6 aging buckets. Workday displays a warning if an aging group has more than 6 aging buckets. If you run the aging report as financial aging by accounting period, you can filter by <i>Ledger Period for Receivables Aging</i>. Select either the current period or a specific ledger period by ledger year. Note: Both the operational and financial aging are cumulative in capturing total invoice amounts. Operational aging is useful for tracking your receivables from a collections perspective. Financial aging is helpful for closing your accounting period. Example: A customer invoice with an invoice date of 1/31/15, but an accounting date of 2/1/15, won't display in a financial aging report for January of 2015. It displays in February 2015. An operational aging report displays that invoice in January 2015. Includes only transactions with an invoice date that is before the selected report date. The most common aging report displays: Current, 1-30, 31-60, 61-90 and >90. The Detail report breaks down aging by specific invoice transaction.
Receivables Aging Detail Standard Report Receivables Aging Summary Standard Report	View aggregated past due amounts by company for a given period. When you run the report for Financial Aging, you can specify any reporting date, instead of defaulting to the last day of a month. You can also report in a different currency than the company currency. Copy these reports to create custom reports for using calculated fields to: • Specify the desired aging periods. • Report on other invoice attributes such as invoice types, or billable projects. You can also use the Customer Payment for Invoices report data source to create custom reports for viewing your receivables aging data based on payment balances in reporting currency, transaction currency, or company currency.

Report	Description
Sub-Receivables Aging Customer Invoice	View past due amounts based on on-account and unapplied payments balances by company for a given period. It includes information about original transaction amount, transaction balances in transaction currency, company currency, and reporting currency, on-account balance in reporting currency, and unapplied balance in reporting currency. These matrix reports have required prompts to filter the data by:
Sub-Receivables Aging Customer Payment On-Account And Unapplied	
Sub-Receivables Aging Summary Customer Invoice	
Sub-Receivables Aging Summary Customer Payment On-Account	
Sub-Receivables Aging Summary Customer Payment Unapplied	

Reference

[2021R1 What's New Post: Custom Reporting for Receivables Aging](#)

[2021R1 What's New Post: Reporting For Receivables Aging](#)

[The Next Level: Customize the Receivables Aging Standard Reports](#)

FAQ: Customer Invoices

How do I cancel an unpaid customer invoice?

From the related actions menu of an invoice, select **Customer Invoice > Cancel**.

You can't cancel a customer invoice if:

- You've applied a customer payment to it. Cancel any customer payment applied to the invoice first.
- You've partially written off the invoice.
- The invoice has a credit adjustment against it.
- The invoice is prepaying other invoices.

How do I edit an unsubmitted customer invoice or adjustment?

From the related actions menu of an invoice that you haven't submitted yet, select **Customer Invoice > Edit**.

The fields you can change are the same as when you created the invoice.

How do I change a submitted customer invoice?

From the related actions menu of an invoice, select **Customer Invoice > Change**. For customer invoice adjustments, select **Customer Invoice Adjustment > Change** from the related actions menu of an adjustment.

You can also select **Customer Invoice > Update Invoice Lines** from the related actions menu of an invoice. This task makes it easier for you to manage invoices with large numbers of lines.

How do I cancel a customer invoice adjustment?

You can't change a submitted customer invoice or adjustment if:

- You've applied a customer payment to it. Cancel any customer payment applied to the invoice first.
- You've partially written off the invoice or adjustment.
- The invoice has a credit adjustment against it.

After you change the invoice, the business process starts over as if you submitted the invoice for the first time.

The fields you can change are the same as when you created the invoice.

Note: There's an accounting impact if you change an invoice from a prior period. For the current period, Workday creates journal entries that reverse the previous entries and create a new set.

Select **Customer Invoice Maintenance > Cancel** from the related actions menu of a maintenance transaction for a customer invoice. Workday then reverses the operational journal entries and updates the amount due on the invoice.

This option is available for invoice adjustments that you created using these tasks:

- **Perform Customer Invoice Maintenance.**
- **Create Customer Invoice** using the **Auto-Apply Adjustment to Invoice** check box.

You can't cancel a submitted customer invoice adjustment if:

- You've applied a partial customer payment to it. Cancel any customer payment applied to the adjustment first.
- You've partially written off the adjustment.

How do I prevent changes to customer invoices after the final print run?

Access the **Edit Customer Account Options** task, then select the **Prevent Changes to Invoice after Final Print Run** check box.

How do I change an existing customer invoice that didn't have the third-party tax enabled initially, but I later opt in the functionality?

1. From the related actions menu of an invoice that's unpaid, select **Customer Invoice > Cancel**.
2. If you haven't changed the tax setting, access the **Third Party Tax Options** tab on the **Edit Company Tax Details** task. You can configure the setting under:
 - **Third Party Tax Options** section: This option extends to both customer and supplier invoices. You must have an integration with

the third-party tax service to import all tax calculations.

- **Customer Invoice Non-Reporting Option** section: This option applies to only customer invoices. Select the **Use 3rd Party Tax Service** check box.

Enter the third-party tax service name in either of the selection you make.

3. Depending on the use case, copy or create a new customer invoice.

You can't enable the third-party tax services for an existing invoice. Such a change would alter the tax calculations and impact invoice totals. Workday wants to ensure that the tax calculations are the same throughout the life of the invoice.

How do I create a customer refund when a payment has been fully applied and then unapplied?

When you fully apply a payment but later unapply it, Workday enables you to put only a partial payment amount on-account. To create a refund, you must first create a debit memo to clear the on-account amount, then create a credit memo to offset the debit memo. You can now refund the entire amount through the credit memo.

Example: You want to refund the USD \$100.00 that you first applied to a payment and then later unapplied the entire amount.

1. From the related actions menu of an invoice, select **Customer Invoice > Create Adjustment**.
2. Select **Debit (Increase Amount Due)** option in the invoice header section.
3. Add an adjustment line with a **Revenue Category**, **Tax Applicability**, and enter USD \$0.01 for the **Extended Amount**.
4. From the related actions menu of an invoice, select **Customer Invoice > Create Adjustment**.
5. Select **Credit (Decrease Amount Due)** option in the invoice header section and add an adjustment line with a USD \$0.01 for the **Extended Amount**.
6. Access the payment you've unapplied and from the related actions menu of the payment, select **Apply**.
7. On the **Apply Customer Payment** page:
 - Enter USD \$99.99 in the **Amount to Place On-Account** field.
 - Select the debit invoice adjustment for USD \$0.01 from the invoice line.
8. Access the **Create Customer Refund** task. Select the customer payment for USD \$99.99 under the **On-Account Payments** section and the credit invoice adjustment for USD \$0.01 under the **Invoice Adjustments** section.

9. Click **Submit** to process the refund.

Invoice Netting

Setup Considerations: Invoice Netting

You can use this topic to help make decisions when planning your configuration and use of invoice netting. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

When you've external customers that are also your suppliers, you can net their invoices and settle the balance as a single payable or receivable amount. Example: A food service organization sells goods to its customers and also buys certain goods from them, making them suppliers too.

To use netting functionality, you need to configure the netting rules to establish relationships between the customers, sponsors, and suppliers for a given company. Workday enables you create invoice eligibility criteria to determine which customer and supplier invoices can net. This functionality doesn't extend to multicompany or direct intercompany netting.

You can:

- Schedule the netting transactions for automatic processing.
- Print a netting statement that you can add as an attachment to the supplier payment email.
- Customize netting statement layout using the netting Business Intelligence and Reporting Tools (BIRT) form in Workday Studio Report Designer.

Business Benefits

When you uptake netting functionality, Workday enables you to:

- Eliminate the workaround of calculating the differences between supplier invoice and customer invoice amounts, records the payment in the journals automatically, and offsets the appropriate transactions.
- Simplify your settlement process by eliminating the need to process supplier and customer invoices separately, improving efficiency.
- Reduce your operational costs by eliminating multiple bank settlements.
- Improve your financial cash forecasting because you can now appropriately fund relevant accounts.
- Improve your collections risk because you can now offset overall receivables with payables at once.

Use Cases

- Suppliers and customers are the same business entity, but have different profiles who have an agreement to net the consolidated payables and receivables amount. They can record the invoices and generate a netting transaction at the end of each period that nets everything.
- Suppliers and customers are the same business entity who have an agreement to net the transactions. The customer sends an invoice for each sale. The supplier contacts the customer to offset the amount of the purchase order at the end of the payment term. When the customer agrees, the supplier makes payment for the offset amount by bank transfer.
- Suppliers and Customer are different business entities and you can net the transaction as per your agreement.

Questions to Consider

Question	Considerations
Do you have contracts or external agreements with your business entities?	Ensure you finalize the netting agreements first as they determine how you configure your netting rules. For a single company, you can configure netting rules to establish relationships between specific: • Customers and suppliers. • Award sponsors and suppliers. • Customers plus sponsors and suppliers.
Do you need to net specific invoices when older invoices are still open?	You can manage which invoices to net by: • Defining the netting priority of invoices when you configure invoice eligibility rules. • Selecting specific invoices and adjustments when you run the netting process manually.
Can you net any customer and supplier invoice?	You can only include those invoices in a netting transaction that have open balances, even if only the partial amount is eligible for netting.
Do you have past due invoices that are part of dunning?	Even when an invoice is part of a netting transaction, Workday includes that invoice in the dunning as long as the netting transaction is in a draft status. To exclude that invoice from dunning, first complete the netting transaction.
Does the netting process also include invoices that aren't yet due?	Netting functionality uses the invoice date to determine if an invoice is eligible for netting transaction. Therefore, it can include invoices that aren't yet due. Once the netting transaction is complete, Workday settles the net payable on the due date of that invoice as per the payment terms.
Do you have payment discounts as part of your payment terms?	When you net supplier and customer invoices, Workday calculates the payment discount only on the balance remaining after the netting transaction is complete.
Do you need to cancel a netting transaction and what is the impact?	When you cancel a netting transaction, Workday: • Reverts the payment status on the supplier and customer invoices. • Reverses the accounting entries for the transaction amount on the same ledger period as long as the period is open. Otherwise, Workday reverses the accounting entries in the next open period. • Releases the supplier invoices and customer invoices. You can then include those invoices in another netting transaction or a settlement run.
Can you edit a netting transaction?	You can edit a netting transaction but can't change the header information. You can, however, add or

Question	Considerations
	remove invoices, change invoice amounts, and add attachments.
Can you net invoices in different transaction currency?	You can net in a different transaction currency but both the supplier invoices and customer invoices must be in the same currency. When the netting transaction currency is different from the invoice currency, the difference between the 2 exchange rates creates a realized exchange gain or loss journal entry.
Do you have worktag balancing enabled in your tenant?	When you define netting rules, Workday enables you to specify the worktags, including optional worktag balancing. Workday uses the worktag you specify to calculate interworktag balancing entries when netting customer and supplier invoices.
Do you need to net invoices originating from awards?	When you run netting, Workday enables you to bill both indirect and direct award costs to the sponsor.
Do you use scheduled settlement runs for remittance?	Workday recommends that you process your netting transactions before the scheduled settlement runs. Once you start the netting run, the included invoices aren't available for settlement or payment until after the netting transaction is complete.
Do you need to void a check after the settlement is complete?	When you void a check after the settlement is complete, then the associated invoices become eligible again for netting.
Can you send netting statements to your suppliers?	Workday enables you to print a netting statement from the related actions menu of the netting transaction that you can later add as an attachment to the remittance email. You can only include those netting statements that have a print run type of <i>Final</i>.
Do you have a large number of customers that are also your suppliers?	Workday provides web services to mass load the netting rules instead of manually creating 1 rule at a time .

Recommendations

- Configure your business policy to include a review step. It enables you to correct netting errors, add or remove invoices before the netting transaction is complete because you can't change the transaction once it's approved.
- When there are errors in the netting transaction, cancel the transaction and create a new transaction, or create an adjustment.
- Use detailed descriptive netting rule names to identify the company, customer, and supplier relationship that you want to net for. It helps you easily identify the rule to use when you create a netting transaction.
- When configuring netting rules, select company hierarchy, or multiple customers and suppliers to include invoices from several entities within the same 1 company.

- To determine which invoices to net first, specify a netting priority when configuring the invoice eligibility rules.
- When you create invoice eligibility rules, you can make the rules more restrictive by specifying invoice type or dates to exclude certain invoices from netting, such as sponsor.

Requirements

- Enable generation of unique IDs for netting transactions at tenant or company level.
- Configure at least 1 netting rule to define the netting relationship between the desired customers and suppliers for a given company.
- Configure invoice eligibility rules to define which customer invoices can be part of the netting transaction.
- To attach a netting statement to the supplier remittance email, first settle the netted invoice and generate a final netting statement.

Limitations

- You can't net invoices from direct intercompany transactions.
- Netting doesn't include 1099 suppliers.
- You can only net 1 company at a time.
- Netting doesn't include discount calculations. Workday applies the discount to the final balance during the settlement process.
- You can't net supplier invoices with customer invoices when they have different transaction currencies. Though, the netting transaction currency can be different than the company currency.
- You can't select the invoices that are part of a settlement run. You can settle the remaining balance on the invoices after approving the netting transaction.
- Workday doesn't include invoices that have pending activity, are on hold, or in dispute.
- You can't change a netting transaction once it's approved. However, you can create an additional supplier or customer invoice adjustment when the netting transaction is incorrect.

Tenant Setup

Use the **Edit Tenant Setup - Financials** task to enable the netting transaction ID sequence generator in your tenant.

Security

Domains	Considerations
<i>Setup: Netting Rule</i> in the Common Financial Management functional area.	Enables you to create netting rules.
<i>Process: Netting Transaction</i> in the Customer Accounts and Supplier Accounts functional area.	Enables you to create netting transactions. Workday uses netting rules and invoice eligibility rules to retrieve invoices for netting. In Workday, all netting transactions occur by netting relationships. You can only view customers and suppliers that you have access to.
Subdomains for <i>Process: Netting Transaction</i> in the Customer Accounts and Supplier Accounts functional area: • <i>Process: Netting Transaction – Add Attachment</i> • <i>Process: Netting Transaction – Cancel</i> • <i>Process: Netting Transaction – Change</i>	Enables you to secure access to a specific netting feature, giving you more control over users activities.

Domains	Considerations
• <i>Process: Netting Transaction – Reporting</i> • <i>Process: Netting Transaction – View</i>	

Business Processes

Configure the *Netting Transaction Event* business process to review, edit, and approve netting transactions.

Reporting

- Use the **Find Netting Transactions** report to view the:

- Netting transactions completed in a given period.
- Netting rule used for each transaction.
- Number of supplier and customer invoices netted.

You can drill down on all the parameters to access the details.

- Workday provides these report data sources for creating custom reports:

- **Netting Customer Invoice Application**
- **Netting Rules**
- **Netting Supplier Application Activity**
- **Netting Transactions**
- **Netting Transaction for Netting Transaction Printing Run**

Workday also includes netting activity in these existing customer and supplier reports:

- Customer Activity Details and Summary
- Customer Balance Details and Summary
- Customer Open Items
- Customer Statements
- Invoice Aging - Composite View
- Receivables Aging Detail and Summary
- Sponsor Statements
- View Customer Invoices
- Payables Aging
- Payables Aging Detail
- Payables to Supplier Balance Reconciliation and Exception Summary
- Retention Payables to Supplier Balance Reconciliation
- Supplier Activity Details and Summary

Integrations

Web Service	Considerations
• <i>Get Invoice Eligibility Rules for Netting Transaction</i> • <i>Put Invoice Eligibility Rule for Netting Transaction</i>	Use to create, update, or retrieve invoice eligibility rules for netting transactions.
• <i>Get Netting Rules</i> • <i>Put Netting Rule</i>	Use to create new netting rules, update or delete existing rules, and retrieve rules.

Web Service	Considerations
• <i>Cancel Netting Transaction</i> • <i>Get Netting Transactions</i> • <i>Submit Netting Transaction</i>	Use to cancel, retrieve, or mass load netting transactions in Workday. When you submit the web service, we create an in progress netting transaction.

The **SAF-T Core** and **SAF-T Norway** integration templates support invoice netting and account for netting in arrears.

Connections and Touchpoints

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Other Impacts

- The netting transaction period close activity group enables you to categorize operational transactions and accounting activity. You can close the group independently from procurement or customer accounts groups.
- When the netting transaction currency is different from the invoice currency, the difference between the 2 exchange rate creates a realized exchange gain or loss journal entry.

Concepts

[The Next Level: An Introduction to the Netting of Invoices between Suppliers and Customers 2021R1 What's New Post: Invoice Netting for Supplier and Customer Transactions](#)

Steps: Set Up Netting

- Enable generation of unique IDs for netting transactions:
 - At the tenant level with the **Edit Tenant Setup - Financials** task.
 - At the company level with the **Edit Company ID Definitions** task.
- Configure the *Netting Transaction Event* business process and security policy in the Customer Accounts and Supplier Accounts functional areas.
- Review setup considerations for invoice netting.

You can configure invoice netting to calculate a single net balance payable or receivable for third-party companies that are both a customer and a supplier. This process eliminates the workaround of calculating the differences between supplier invoice and customer invoice amounts, simplifies settlement, reduces operation costs, and improves collections risk.

To set up invoice netting, you need to:

- Configure netting rules to establish relationships between customers, sponsors, and suppliers for a company or company hierarchy.
- Define invoice eligibility rules to identify which customer invoices can net against which supplier invoices.

When you create a netting transaction, Workday:

- Automatically calculates Value Added Tax (VAT) on a payment when applicable.
- Excludes on hold or in dispute invoices.
- Doesn't net invoices across different companies or direct intercompany invoices.

1. Access the **Create Invoice Eligibility Rule for Netting Transaction** task.

- Specify a value for **# of Days Invoices are Open before Netting** to determine the period from when to retrieve the open invoices. When you schedule netting transaction, calculate the days open from the scheduled date.
- When you have an uneven amount of customer and supplier invoices, Workday uses the **Invoice Netting Priority** to determine which invoices will net first.

Security: *Setup: Netting Rules* domain in the Common Financial Management functional area.

2. Access the **Maintain Netting Rules** task.

Define which customers or sponsors can net against which suppliers for a given company and select an invoice eligibility rule. Select a company hierarchy to be able to net across all companies in that hierarchy.

Once a netting rule is **In Use**, you can deactivate the rule but can't delete it.

Security: *Setup: Netting Rules* domain in the Common Financial Management functional area.

3. [Create Netting Transactions](#) on page 559.

4. (Optional) Access the **Schedule Netting Transaction** task.

Select a schedule based on your netting recurrence requirements. Workday populates the **Transaction Date** and the **Invoice Date on or Before** fields on the netting transaction based on the option you select:

- *Daily Recurrence*
- *Weekly Recurrence*
- *Monthly Recurrence*

Security: *Process: Netting Transaction* domain in the Customer Accounts and Supplier Accounts functional areas.

5. Access the **Create Netting Statement Print Layout** task.

Security: *Setup: Netting Rules* domain in the Common Financial Management functional area.

6. Access the **Print Netting Statement** task from the related actions menu of a netting transaction to print the netting statement.

- You can print only 1 *Final* statement for each netting transaction. The print run type becomes final after you approve the netting transaction.

Security: *Process: Netting Transaction* and *Process: Netting Transaction – Reporting* domains in the Customer Accounts and Supplier Accounts functional area.

7. (Optional) [Set Up Remittance Release Event for Suppliers](#) on page 1246

To attach netting statements to your supplier emails, add the **Netting Statements** report field to the *Attachment(s)* section of the *Remittance Release Event* business process.

Concepts

[Concept: Accounting and Netting Transactions](#) on page 561

Create Netting Transactions

- Configure the *Netting Transaction Event* business process and security policy in the Supplier Accounts and Customer Accounts functional areas.
- Create Invoice Eligibility Rules for netting transactions.
- Configure Netting Rules.
- Configure these domain security policies on 1 or both functional areas according to your business needs:
 - Security: *Process: Netting Transaction* domain in the Supplier Accounts and Customer Accounts functional areas.
 - Security: *Set Up: Netting Rules* domain in the Common Financial Management functional area.

You can use netting transactions to net the amount payable and amount receivable on these documents:

- Customer invoice
- Customer invoice adjustment
- Supplier invoice
- Supplier invoice adjustment

Invoices and adjustments are eligible to net based on the netting rules and invoice eligibility rules configured. Both rules apply to customers and suppliers on a company or company hierarchy. We display invoices:

- With negative and positive balances.
- Based on the days you configure on the **# of Days Invoices are Open Before Netting** field on the invoice eligibility rule. From the field, we populate and lock down the **Invoice Date On or Before** field on the transaction.

We don't display invoices:

- With a balance of zero.
- From suppliers marked for 1099 MISC reporting.

1. Access the **Create Netting Transaction** task.

2. Select the **Currency**. We populate the field from the **Company**, but you can change it to view and net invoices in a different currency.

We support multicurrency on netting transactions, where the currency on the invoices is different from the ledger currency. For a valid netting transaction, both supplier invoices and customer invoices selected must be on the same currency.

3. Select the **Netting Rule** that you want to apply to the transaction.

4. Enter a **Transaction Date**.

Enter a date on or after the invoice date.

5. (Optional) For tenants with **Balancing Worktag** configured:

- Select the **Balancing Worktag** on the netting rule to calculate interworktag balancing entries when you net customer and supplier invoices that have different balancing worktags.
- Select the **Optional Balancing Worktag** on the netting rule to calculate interworktag balancing entries.

6. From the Supplier Invoices and Customer Invoices tabs, select the invoices or adjustments that you want to net. Consider that selecting an invoice doesn't guarantee netting.

You're able to net invoices based on:

- The available total supplier invoice amount and customer invoice amount.
- The invoice eligibility rules. The oldest invoice nets first, based on invoice date.

After you approve a netting transaction, we generate accounting that reverses the accounts payable and accounts receivable balances of the individual supplier invoices and customer invoices.

- Settle any balance due left on the invoices after you netted.
- Print a netting statement.
- Send a netting statement along with the payment remittance information to the supplier.

Create Custom Business Form Layout for Netting Statements

- Security: *Custom Report Creation* in the System functional area.
- Security: *Setup: Netting Rules* domain in the Common Financial Management functional area.

Workday delivers a standard business form layout for netting called *Netting Transaction Printing Form*.

If the delivered business form layout doesn't meet your needs, you can create your own custom business form layouts. You can associate them with netting statement print layouts and in some cases, replace a delivered layout using *Report Designer in Workday Studio*.

1. Create your own XSL stylesheet or design a business form layout using *Report Designer in Workday Studio*.

2. Create a custom business form layout.

a) Access the **Create Business Form Layout** task.

b) Check the **Active** box.

c) Enter the number of days for retaining netting statements before they expire in **Resulting Document Expiration Offset (in days)**. The maximum value allowed is 25,000.

Note: Ensure that the expiration offset you specify here complies with your organization's document retention policy. Workday automatically deletes documents after the offset number of days. You can't recover these documents.

d) Select a business form layout from one of these prompts:

- *XSL Attachment*
- *Report Design*

Use Workday Community to download the netting statement *rptdesign* file at <https://community.workday.com/node/721452>.

e) Select a **Custom Report**.

f) Add the **Token Name** for the company logo and signature as follows:

company_logo

po_signature

These tokens are in your XSL stylesheet or Report Designer business form layout.

3. Access the **Configure Business Form Layout** task to upload images for the company logo and signature tokens.

4. Associate your custom layout with the netting statement print layout.

a) Access the **Create Netting Statement Print Layout** task.

b) Select the custom form you created for the **Custom Business Form Layout for Netting Statement**.

c) Check the applicable **Include Company Logo** and **Include Signature** options.

5. (Optional) Include financial messages for *Netting Statement* business documents.

When you print netting statements, Workday uses the custom business form layout.

Concept: Accounting and Netting Transactions

Netting transactions enable you to net the amount payable and amount receivable on supplier and customer invoices and adjustments. Workday generates accounting for the transaction amount and creates reversals of accounts payables and accounts receivables.

We display a simultaneous summary at the header while you create the transaction:

Field	Description
Net Payable and Net Receivable	The difference between the Total Payable and Total Receivable amounts.
Total Payable	The total amount to net from supplier invoices.
Total Receivable	The total amount to net on customer invoices.
Transaction Amount	The netting transaction amount, that displays as total debits/credits in the journal entry.

When a netting transaction is in progress or in draft status:

- We record the netting rule and invoice eligibility rule applicable when you submit or save for later.
- You can't select the invoices on a settlement run. You can settle the remaining balance on the invoices after approving the netting transaction.

When you submit or save for later a netting transaction, we lock down the selected invoices to prevent them from being available:

- For another netting transaction.
- For a settlement run.
- To cancel or change.

When you approve a netting transaction:

- We mark the supplier or customer invoice or invoice adjustment as paid or partially paid accordingly.
- We generate accounting for the transaction amount and create reversals of accounts payables and receivables ledgers of the supplier and customer invoices respectively.
- Where the exchange rate differs from the exchange rate for the invoice (at creation), the difference creates a realized exchange gain or loss journal entry.
- We populate and display the **Accounting Date** on the **View Accounting for Netting Transaction** report.
- In tenants with balancing worktags configured, we generate the corresponding accounting entries. You can specify the balancing worktag in the netting rule. Workday creates due to and due from entries for the balancing worktags in the netting transaction journal.
- We don't display the Adjust Accounting related action on supplier invoice documents included in a netting transaction that is fully or partially paid.

When you cancel a netting transaction, we:

- Revert the payment status on the supplier and customer invoice documents.
- Reverse the accounting entries on the same ledger period as long as the period is open. If the ledger period closed, we reverse the accounting entries in the next open period.
- Populate and display the **Cancel Accounting Date** on the **View Netting Transaction** report.
- Release the supplier or customer invoices and invoice adjustments selected. You can then include the invoices in another netting transaction or settlement run.

We hide suppliers with Segmented Security configured. However, you can select the netting rule related to the supplier or search for the invoices, and create a netting transaction.

Concepts

[Setup Considerations: Invoice Netting](#) on page 553

Reference: Netting Rules

You can configure Netting Rules to define which customer invoices and supplier invoices can net against each other. You can maintain rules between customers and suppliers for 1 or more companies or company hierarchy. Workday identifies the invoices to net using the criteria in the Netting Rule and Invoice Eligibility Rule.

Option	Description
Rule Name	Enter a unique name for each netting rule.
Company	Any company or company within the hierarchy that you specify on the netting rule can initiate a netting transaction using that rule.
Customer	You can't select companies that operate as customers or suppliers on netting rules.

Option	Description
	You can select customers and sponsors.
Supplier	You can't select supplier invoices from suppliers with 1099 MISC reporting.
Balancing Fund	This field displays for tenants with worktag balancing enabled. Select the worktag used to calculate interworktag balancing entries when netting customer invoices and supplier invoices that have different balancing worktags.
Optional Balancing Worktags	This field displays for tenants with optional worktag balancing enabled. Select the <i>Optional Balancing Worktag</i> to generate due to and due from entries to balance the netting transaction.
In Use	Once a netting rule is In Use , you can mark it inactive, but can't delete it.
Inactive	Select to block the netting rule for future netting transaction.

Tasks

Steps: [Set Up Netting](#) on page 558

Print and Email Invoices

Steps: Set Up Email for Customer Invoice Documents

After printing customer invoice documents, you can email the customer invoice document on its own, or with its associated attachments. To make emailing a seamless process, you need to:

- Enable emailing in your tenant.
- Enable attachments for email in your tenant.
- Enable automatic emailing of invoices.

Workday automatically sends emails to the primary contact of a customer. When you want to email documents to specific billing contacts, and use document delivery types other than the default, complete these steps to configure your environment.

- Configure document delivery types for a given delivery method.
- Create document delivery rules to map the delivery type to desired integration system if you've one.
- Assign customer documents to billing contacts of that customer.
- Assign document delivery type to customer documents on the customer profile.

1. (Optional) [Set Up Mail Servers for Email Notifications](#).

2. Access the **Edit Tenant Setup - Notifications** task.

For the **Custom Business Process Notifications** row of the Business Processes parent notification type, select *Immediate Email* in the **Default Notification Channels** field.

Security: *Set Up: Tenant Setup - BP and Notifications* in the System functional area.

3. Access the **Edit Tenant Setup - System** task.

In the **System Setup** section, select the **Allow Attachments within Emails** check box.

Security: *Set Up: Tenant Setup - System* in the System functional area.

4. [Steps: Configure Workflow Notifications to Email Customer Invoices and Attachments](#) on page 564.

5. (Optional) Access the **Maintain Document Delivery Types** task.

Create document delivery types and associate them to the desired Workday delivered document delivery methods.

When your **Delivery Type** is associated with the **Delivery Method** of *Integration*, set the Document Types to only *Customer Invoice*.

Workday automatically associates the **Delivery Method** of *Mail* and *Email* to **Delivery Types** of *Mail* and *Email* respectively. You can't change these default settings or set them to inactive.

Security:

- *Set Up: Customer Accounts* domain in the Customer Accounts functional area.
- *Set Up: Sponsor Accounts* domain in the Grants Management functional area.

6. (Optional) Access the **Maintain Document Delivery Rules** task.

For electronic invoices, create document delivery rules and map the **Document Delivery Type** to the desired **Integration System**.

To apply the external tax codes to electronic invoices, specify the **External Tax Code List** for the integration system.

Workday displays the document delivery details on the **View Integration Document Delivery Rule** report.

Security: *Set Up: Customer Accounts* domain in the Customer Accounts functional area.

7. (Optional) When electronic invoices have a third-party tax code impact, create external tax code lists, and map them to internal tax codes in Workday.

See [Steps: Create External Tax Codes and Map to Internal Tax Codes](#) on page 567.

8. (Optional) [Set Up Bill-To Contacts](#) on page 509.

Configure billing contacts and then the document delivery for a given customer so that they can receive the customer invoice documents.

When you don't configure billing contacts, Workday sends the email to the primary contact.

Print customer invoices and email them.

Tasks

[Steps: Print and Email Customer Invoices](#) on page 568

Reference

[The Next Level: Customer Invoicing](#)

[Reference: Email Recipients for Document Delivery](#) on page 571

Steps: Configure Workflow Notifications to Email Customer Invoices and Attachments

Configure these business processes and security policies in the Customer Accounts functional area:

- *Customer Invoice Email Event*
- *Consolidated Invoice Email Event*

To review, approve, and email invoices to customers, you can configure the workflow notifications of the business process.

Workflow notifications enable you to define:

- Email template.
- When to trigger the email event.
- Conditions and rules for emailing to suit your business needs.
- Security groups that can access this task.
- Email options and recipients.
- Email or SMS message.
- Attachments behavior.

1. Access the **Customer Invoice Email Event** business process definition for your company.

2. On the **Notifications** tab, under the **Custom Notifications** section, select **Business Process > Edit Notification** from the related actions menu of a custom notification.
3. As you complete the task, consider:

Override Email Template	Specify your custom invoice email template that defines the appearance and content of your email. You can also create segment-based security groups so that only authorized users are able to create or edit templates.
Trigger section	Specify the status of the business process and when you would like to launch the event.
Conditions and Rules	You can configure rules to determine whether Workday should send the notification or not and when.
Repeat On	Specify the appropriate instance from the Customer or Customer Invoice options. By default Workday sets this prompt to <i>Customer Invoices to Be Emailed</i> . When you leave this field blank, Workday sends all invoices to everyone.
Recipients	By default, Workday sets the prompt to <i>Customer Contacts for Invoice</i> . You can also specify additional emails under the Email Addresses section. Workday sends emails to the bill-to contacts you define on the customer profile, as well as any additional email addresses you enter here.
Groups	Specify a security group that can execute this task.
Email Option	Specify an option for emailing: • Default: Sends an email to both home and work email address for a billing contact. • First Work, Then Home: Workday first sends a notification to the email address that you've set to <i>Work</i>. If you don't set any email address to <i>Work</i> but have at least 1 email address set to <i>Home</i>, then Workday sends the notification to the home email address instead. • Home Only: Workday sends 1 notification only to the email address that you've set to <i>Home</i>. If you haven't defined an email address for home, then Workday doesn't send the notification. When you've more than 1 email set to <i>Home</i>, Workday sends the email to the one defined as <i>Primary</i> home email address. • Work Only: Workday sends 1 notification only to the email address that you've set to <i>Work</i>. If you haven't defined an email address for work, then Workday doesn't send the notification. When you've more than 1 email set to <i>Work</i>,

Workday sends the email to the one defined as *Primary* work email address.

4. To provide an invoice attachment along with the printed PDF file, specify an option under the **Attachments** section.

Attachment Options	Attachment Flag Specified on an Invoice	Result
<i>Attachments Linked to Invoice</i>	NA	When you select this option, Workday ignores the attachment flag you specify on the invoice. Instead, it includes all attachments associated with the customer invoice in the email. Select this option if you generate your invoices using third-party software.
<i>Attachments Not Provided To Customers</i>	NA	Workday doesn't provide any direct or referenced attachments to customers.
<i>PDF for Printing Run Business Process Notifications</i>	Flags specified on customer invoices: • Provide to Customer is <i>True</i> • Print with Invoice is <i>True</i>	Includes all attachments in the PDF file when you print the invoice.
<i>Attachments provided To Customers But Not Included In Printing Run</i> and <i>PDF for Printing Run Business Process Notifications</i>	Flags specified on customer invoices: • Provide to Customer is <i>True</i> • Print with Invoice is <i>False</i>	Prints all the invoices in 1 PDF file and includes all attachments separately in the email notification for each invoice.
<i>Attachments Not Provided To Customers</i> and <i>PDF for Printing Run Business Process Notifications</i>	• Provide to Customer is <i>True</i> • Print with Invoice is <i>True</i> • Print with Invoice is <i>False</i>	Prints an invoice and includes only those attachments in the resulting pdf that have the Print with Invoice flag on. Workday sends those attachments separately in the email notification that don't have the flag on.
<i>Attachments Not Provided To Customers</i> and <i>PDF for Printing Run Business Process Notifications</i>	Flags specified on customer invoices: • Provide to Customer is <i>False</i> • Print with Invoice is <i>False</i>	Prints all invoices in 1 PDF file and includes attachments flagged for internal purposes separately in the email notification.

The attachment output is dependent on the flag that you specify while adding an attachment to a given invoice.

5. (Optional) For consolidated invoices, access the **Consolidated Invoice Email Event** business process definition for your company and edit the notifications.

Specify an option under the **Attachments** section:

- *Attachments Linked to Customer Invoices*: Workday emails attachments associated with the individual customer invoices as separate files in the email.
- *PDFs for Individual Customer Invoices*: In addition to the consolidated invoice PDF file, Workday emails the individual customer invoices in 1 PDF as a separate file.
- *PDF for Printing Run Business Process Notifications*: Sends the Workday invoice as a PDF file.

Concepts

[Concept: Business Processes](#)

[Concept: Email Templates](#)

Tasks

[Configure the Customer Profile](#) on page 508

[Steps: Configure Business Process Definitions](#)

[Create Custom Notifications](#)

Reference

[FAQ: Business Processes](#)

[Workday 32 What's New Post: Print Attachments with Customer Invoice](#)

[Reference: Edit Tenant Setup - Notifications](#)

[2023R1 What's New Post: Send Emails From Multiple From Addresses](#)

[The Next Level: Delivering Customer Invoices with Confidence](#)

Steps: Create External Tax Codes and Map to Internal Tax Codes

Various countries prescribe standard tax codes and tax exempt reason codes in electronic invoices to bypass different national tax code standards. Workday enables you to:

- Create a tax code list of external codes for a given country.
- Add subclasses for reason codes and exemption codes associated with each tax code.
- Map the external codes to internal tax code values.
- Configure document delivery rules so that you can map the document delivery types to desired integration system and external tax codes.

With this configuration, you can easily adjust the codes when tax rules change and send electronic customer invoices with external tax data to different third parties in European countries.

1. Access the **Create External Tax Code List** task.

Create a list of external tax codes and tax code subclassifications for a given country. The subclassifications map to tax applicability in Workday. Ensure to validate that all external tax codes are correct.

Security: *Set Up: Tax* domain in the Common Financial Management functional area.

2. Access the **Maintain External Tax Code List Mappings** task.

- Specify the external tax code list you configured along with associated subclasses and map it to internal tax values.
- To use this external tax code list in an integration system, ensure to enable the tax-mapping attribute on that integration. After you enable the attribute in your integration system, Workday no longer uses the internal transaction tax codes for electronic customer invoices.

Security: *Set Up: Tax* domain in the Common Financial Management functional area.

Workday displays the details of your tax code configurations on these reports:

- **View External Tax Code List**
- **View External Tax Code List Mappings**

Reference

[2022R1 What's New Post: Dynamic Electronic Invoice Connector](#)

[2022R1 What's New Post: Tax Mapping for Electronic Invoices](#)

Steps: Print and Email Customer Invoices

- Enable email notifications and attachments at the tenant level. See [Steps: Set Up Customer Invoices](#) on page 522.
- Configure the *Customer Invoice Email Event* business process and security policy in the Customer Accounts functional area.
- Configure recipients primary mailing address and email addresses on the customer profile.
- Configure document delivery options for the customer.

Workday enables you to print customer invoices as PDF files and then email them to the customers or use standard mail for paper invoices. You can also create a schedule to automate the print and email process as a recurring job. Workday only print invoices that 's part of a given customer security segment.

Before printing a customer invoice, ensure that you have the desired print layout configured. Workday provides various BIRT layouts for invoice documents. You can also create a custom layout.

1. (Optional) Create a custom form for the print layout with customized printing report, company logo, or messages before printing the customer invoice document.

See [Steps: Create Custom Invoice Print Layouts](#) on page 569.

2. Access the **Edit Customer Invoice Layout Rule** task.

Specify the printed filename options, and create rules to map the business form layouts to invoice types for the desired company.

To exclude the automatic prefix in the printed filename, select the **Remove Adjustment Prefix** check box.

Security:

- *Set Up: Customer Accounts* domain in the Customer Accounts functional area.
- *Set Up: Sponsor Accounts* domain in the Grants Management functional area.

3. Access the **Print Customer Invoices** task.

- To limit the size of invoices list, select a company, invoice status, and additional print criteria.
- Select the **Group Invoices** check box to group invoices into a single grouped PDF file. Workday only includes invoices with a regular mail delivery method or with undefined delivery type.
- Select the **Include Attachments for Grouped Invoices** check box to include invoice attachments in the single grouped PDF file. Workday only includes invoices defined for standard delivery. When the grouped invoice PDF file exceeds the 500 MB limit, Workday splits it into multiple PDF files. When a single customer invoice includes attachments exceeding 500 MB limit, Workday doesn't include that invoice in the printed PDF.
- Select the invoices that you want to print on the **Customer Invoices Eligible for Email** tab. After Workday generates the PDF files, click **Email Customer Invoice** to send selected invoices to customers. You can email up to 10,000 customer invoices at one-time.

Security: *Reports: Customer Documents* domain in the Customer Accounts functional area

4. (Optional) Access the **Schedule Print Customer Invoices** task .

Set up a schedule to automate the print process and email. Select **Auto Start Email Process** check box to email the invoices after the print run completes.

Run the **Scheduled Future Processes** report to edit, delete, or suspend the print schedule.

Security: *Reports: Customer Documents* domain in the Customer Accounts functional area.

5. (Optional) To print and email the customer invoice automatically after you generate a customer invoice in Workday, access the *Customer Invoice Event* business process.

This business process inherits the security of the initiator enabling automation of print and email process. Example: When an AR Specialist creates the invoice and sends it for approval to a Project

Manager or a Cost Center Manager, the business process uses the security of the AR Specialist to launch the print and email services. Ensure to grant the appropriate permissions.

- a. Add a new step, set the **Type** to *Service*, and **Specify** to *Print Customer Invoice Service*.

To print the invoice with a print run type of *Final*, add this service step after the approval step and set the approval step as final. When you have another step instead of the approval step, make sure to set it as *Completion*.

- b. For electronic invoicing, Set the **Type** to *Service* and **Specify** to *Electronic Invoicing via Document Delivery Rules*. When you have an *Email* service step after this step, ensure to grant the Integration Permissions for the *Access Customer (segmented)* domain. Also, grant *Get* and *Put* access to these domains:

- *Integration Event*
- *Process: Electronic Invoices*

- c. To email a customer invoice PDF file automatically as soon as you print the document, add a new step and set the **Type** to *Service* and **Specify** to *Email Customer Invoice service*.

Workday prints the invoices and emails them to the selected customers.

- You can view the print details on these reports:
 - **Find Customer Invoice Print Runs**
 - **Customer Invoice Printing Report**
 - **View Customer Invoice Print Run Group**
- You can also print and email dunning letters and customer statements.

Concepts

[Concept: Security Groups](#)

Tasks

[Steps: Set Up Email for Customer Invoice Documents](#) on page 563

[Edit Business Process Security Policies](#)

Reference

[Reference: Security Group Types](#)

[2023R1 What's New Post: Send Emails From Multiple From Addresses](#)

[2022R2 What's New Post: Customer Invoice Email and Print Process](#)

[2022R2 What's New Post: Include Invoice Attachments in Printed PDF](#)

Steps: Create Custom Invoice Print Layouts

- Download and install Workday Studio and Report Designer.
- Become familiar with Workday Studio, review Workday Studio documentation, and complete Report Designer tutorials from the Workday Community.
- Include *.rptdesign* file type in **Edit Tenant Setup - System** task.

Workday delivers a customer invoice BIRT layout and a standard printing report with the necessary fields for printing a customer invoice. If the Workday delivered layout and the report don't meet your business needs, you can customize the layout. You can also copy the standard report and add additional fields that you want to include in the printed customer invoice.

Before you create a custom business form, you must first customize the layout and the report in Workday Studio, then download and save it.

1. Download the report design attachments from **Workday Community** and upload it in Workday Studio to make a custom copy.

2. (Optional) To create a copy of the standard delivered print report for adding additional fields, access the **Copy Standard Report to Custom Report** task.
 - a) Select the **Customer Invoice Printing Report - Report Design** report from the **Standard Report Name** prompt and rename the report.

Workday automatically sets the **Data Source** prompt to *Customer Invoices for Print Run*.
 - b) Add additional fields to the report. You can also specify output and advanced options for the report.

Workday automatically adds the Print Run prompt. If you add other prompts or filters, the report might not provide desired results.
 - c) On the **Share** tab, click the appropriate share option and save the copy of the report.

Security: The *Custom/Standard Report Copy* domain in the Tenant Non-Configurable functional area.
3. To import the data from the custom print report into Workday Studio, access the custom report.
 - a) From the related action off your **Customer Invoice Printing Report - Report Design** report, scroll down and select **Web Service > View URLs**.

If prompted, enter your sign-in credentials.
 - b) Select **Workday XML > REST > Workday XML**.

When the XML source code displays, use the **Save Page As** browser option to save the file with an *.XML* extension to your local drive. This option saves the schema for invoice documents that you'll generate from your custom report. Don't copy and paste the text from the browser.
 - c) Select **Workday XML > XSD > XSD**.

When the XSD source code displays, use the **Save Page As** browser option to save it as an XSD file to your local drive.
4. To customize the print layout, access the **Create Business Form Layout** task.

Associate your custom report with all the desired fields to the copy of the report layout that you downloaded from Workday Studio.

 - a) Select the **Active** check box to make this form available for use.
 - b) In the **Resulting Document Expiration Offset (in days)** field, enter the number of days to retain the reports before they expire.
 - c) In the **Report Design** prompt, select **Create > Create Customer Business Form Report Design Attachment**.

Select the report design layout that you downloaded from Workday Community or the custom design you created in Report Designer.
 - d) In the **Custom Report** field, select the delivered *Customer Invoice Printing Report - Report Design* or your custom report.
 - e) Add *company_logo* for the **Token Name**.

When you've multiple companies and you want to use different logos, create a separate layout for each company.

Use the **View Business Form Layout** report to view the tokens used in a specific customized business form layout.

Tokens enable you to store images easily for use on BIRT report designs compared to embedding an image into the BIRT report design.

You can find this token in your XSL stylesheet or Report Designer business form layout.

Security: The *Custom Report Creation* domain in the System functional area.
5. (Optional) [Add a Logo to Customer Documents](#) on page 571.
6. (Optional) [Include Messages in Customer Invoice Documents](#) on page 571.

Create rules to map your customized invoice print layouts to invoice types for the desired company.

Reference

[BIRT US Customer Invoice](#)

Add a Logo to Customer Documents

- Create a business form layout for customer invoice document.
- Security: *Custom Report Creation* domain in the System functional area.

When you want to use a custom logo on the printed invoice documents, Workday enables you to add the desired company logo to a given business form layout.

1. Access the **Configure Business Form Layout** task.
2. Select the delivered *Customer Invoice Printing Form* layout or a custom layout form.
3. Upload an image of the company logo.

Workday uses this logo only for the selected business form layout since you can apply only 1 logo for each layout. When you want to configure a different logo for multiple companies, create a layout for each company, and then add the logo to each layout.

When you print and email customer invoices, statements, or dunning letters, Workday includes the company logo and signature images in the PDF file.

Include Messages in Customer Invoice Documents

Security: *Set Up: Financial Messages* domain in the Common Financial Management functional area.

You can create, edit, or delete messages, alerts, and include them in the customer invoice document you print in PDF format.

1. Access the **Maintain Financial Message** task.

If you don't select an option from the **Restrict Type to** list, Workday selects the message for all documents that support messages. Examples:

- Customer statements.
- Purchase orders.
- Supplier contracts.

2. Specify the **Financial Message Name**.

3. Enter the **Financial Message**.

Example: *Please submit your payment by the end of the month.*

You can use messages on the printed customer invoice documents.

Reference: Email Recipients for Document Delivery

You can configure document delivery of various document types on the **Addresses and Contact > Document Delivery** tab of the customer profile. Workday emails the customer invoice documents to the customer contacts based on:

- The option you select from the **Email Recipients** prompt for each document type.
- The document type that you specify for each contact when you configure the bill-to contacts.
 - When you don't specify a document type or the email recipient, Workday sends the email to the primary contact.
 - You can only set customer invoice as document type for your bill-to contact.

To email:

- Specify an email address on the **Addresses and Contact > Contact Information** tab of the customer.
- The document type must have the document delivery method of *Email*.

Email Recipients	Description
<i>All Customer Contact Emails</i>	Sends email to all email addresses of the contacts defined on the Addresses and Contact > Customer Contacts tab of the customer profile.

Email Recipients	Description
<i>All Parent Customer Contact Emails</i>	Sends email to all contacts defined for the parent customer that you specify on the Overview > Summary tab of the customer profile. When you select this option but don't specify a parent on the customer profile, Workday doesn't send an email.
<i>All Remit-from Customer Contact Emails</i>	Sends email to all contacts defined for the remit-from customer that you specify on the Overview > Payment Details tab of the customer profile. When you select this option but don't specify a remit-from customer on the payment details, Workday doesn't send an email.
<i>Customer Primary Email</i>	Sends email only to the primary email address set on the Addresses and Contact > Contact Information tab of the customer profile.
<i>Parent Customer Primary Email</i>	Sends email only to the primary email address set on the parent customer that you specify on Overview > Summary tab.
<i>Remit-from Customer Primary Email</i>	Sends email only to the primary email address defined for the remit-from customer that you specify on the Overview > Payment Details tab.
<i>Statement Contact Emails</i>	Sends email to all the customer contacts that have the Email Document option set to <i>Customer Statement</i> when you configure your Bill-To Contacts .
<i>Bill-To Contact Emails on Invoice</i>	Sends email to the Bill-To Contact you specify on the invoice header when you create a customer invoice.
<i>Invoice Contact Emails</i>	Sends email to all the customer contacts that have the Email Document option set to <i>Customer Invoice</i> when you configure your Bill-To Contacts .
<i>Dunning Letter Contact Emails</i>	Sends email to all the customer contacts that have Email Document option set to <i>Dunning Letter</i> when you configure your Bill-To Contacts .

Tasks

[Set Up Customer Overview](#) on page 501

[Set Up Customer Contacts and Addresses](#) on page 505

Example: Configure Customer Contacts for Email

This example illustrates how to set up customer contacts so that you can email the invoice documents to them easily.

As a Setup Administrator, you've created a customer profile in Workday. You now want to set up bill-to contacts so that you can automatically email various documents after you print them. When you don't configure billing contacts, Workday sends the email to the primary contact.

- Configure your tenant for email and attachments.

- Configure the *Customer Invoice Email Event* business process to define conditions and rules for emailing and attachments.
 - Ensure that your tenant has the default email and mail document delivery types along with the delivery method.
 - For electronic invoices, create document delivery rules to map the integration document delivery type to the desired integration system and an external tax code list if applicable.
 - Security: *Set Up: Customer Contacts* domain in the Customers functional area.
1. From the related actions menu of a customer, access **Addresses and Contacts > Customer Contacts**.
Add new bill-to contacts or edit the existing ones.
 2. Click **Add**
 3. Select **Country** of the contact and specify the **First Name** and **Last Name**.
 4. Click **Contact Information**.
 5. Click **Email > Add** and select or enter these values:

Field	Value
Email Address	john.doe@workday.com
Type	Work

6. Click **OK** and **Done**.
7. Click **Set Up Bill-To Contacts** and enter or select these values:

Field	Value
Primary Bill-To Contact	Select the check box to set this contact as your primary contact. You can have only 1 primary contact. When you select this check box, Workday automatically: • Adds <i>Customer Invoice</i> to the Email Documents option. • Selects the Default Bill-To Contact check box.
<i>Default Bill-To Contact</i>	• Select this check box to set your contact as default bill-to contact. • The default contact doesn't have to be a primary contact.
<i>Email Address</i>	Workday automatically populates this field based on the data entered during the customer creation process.
<i>Email Documents</i>	• <i>Customer Statement</i> • <i>Dunning Letter</i> Workday sends the customer statement and dunning letters to this contact. You can select single document type for a specific contact.

8. Click **OK** and **Done**.
9. Click **Addresses and Contacts > Document Delivery**.
10. Click **Edit**.

11. Enter or select these values:

Document	Delivery Type	Email Recipients
Customer Statement	Email	Statement Contact Emails
Customer Invoice	Email	Bill-To Contact Emails on Invoice
Dunning Letter	- Email - Mail	Dunning Letter Contact Emails

You can select 1 or both options for delivery type.

The document settings for customer invoices also apply to consolidated customer invoices.

12. Click **OK** and **Done**.

When you print and email customer statements, Workday emails the PDF files to those contacts that you defined for receiving customer statements.

Print and email customer documents.

Customer Payments

Setup Considerations: Overpayments

You can use this topic to help make decisions when planning your configuration and use of overpayment functionality. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

Overpayment functionality enables you to write off small balances when:

- When you apply a payment.
- After you apply a payment that has on-account balance.

When you record an overpayment Workday creates a new journal entry to credit the ledger account defined in the account posting rule with the on-account amount.

This feature doesn't track overpayment by invoices.

Business Benefits

The overpayment functionality:

- Eliminates the manual steps to record and apply invoice debit adjustment.
- Improves global tax compliance and auditing capabilities.
- Enables you to identify customer overpayments easily.

Use Cases

When you receive a payment that is greater than the invoice amount, the overpayment functionality enables you to:

- Record, apply, and put the additional amount on account in 1 single step during the payment application.
- Record an overpayment by accessing the **Record Overpayment** task from the related actions menu of the payment.

You can also:

- Cancel an overpayment.
- Add an approval step to the overpayment event business process to limit the overpayment amount. When you record only a portion of the on-account amount as overpayment, after the overpayment event completes, the on-account amount reduces.
- When an on-account amount reaches zero:
 - Payment status changes to *Complete*.
 - Application status changes to *Fully Applied*.

Questions to Consider

Question	Considerations
Do you want to write off an overpayment at the payment level?	When you have an existing payment with an on-account amount, then you can use the Record Overpayment task to write off the amount.
How do you calculate an overpayment on a transaction where the payment currency and company currency are different?	Workday uses the transaction currency to calculate the overpayment amount. When the company and customer payment currencies are different, Workday populates the Overpayment Currency Rate for the overpayment date on the Record Customer Overpayment task. You can override the rate but doing so can cause a foreign exchange gain or loss.
What happens if you cancel or unapply a customer payment?	Workday cancels all associated overpayments.

Recommendations

- Add attachments or notes when you're recording an overpayment because you can't change or edit overpayment information afterward.
- Click **Submit** to record an overpayment on the **Apply Customer Payment** task.
- Configure condition rules on the overpayment business process to set approvals based on the overpayment amount.

Requirements

- Create at least 1 overpayment reason.
- Configure the **Receivables Overpayment** account posting rule (APR) to set up the ledger account to record overpayments. You can configure the APR using these dimensions:
 - **Company**
 - **Company Hierarchy**
 - **Receivables Overpayment Reason**

- Specify a worktag while recording an overpayment on the **Apply Customer Payment** task if you've worktag balancing.

In addition, ensure:

- The total overpayment amount is less than the on-account amount.
- The Payment status is *In Progress* and application status is *Applied with On-Account* for you to record an overpayment.
- Overpayment date is on or after the customer payment date.

Limitations

You can't process overpayments for:

- Credit adjustments.
- Write-offs at invoice level.
- In flight refunds with full on-account amount.
- Canceled payments.
- Payments with journal in error.

When an approver denies a payment application, any associated overpayment event terminates and you have to create a new overpayment.

When you cancel or unapply a customer payment, all associated overpayments also cancel.

You can't cancel an overpayment if:

- The approver denies the overpayment.
- The associated payment is returned or unapplied.

Tenant Setup

No impact.

Security

Users with access to these domains can set up, manage, and record overpayments:

Domains	Considerations
<i>Set Up: Receivable Overpayment</i> in the Common Financial Management functional area.	These domains enable you to use the: • Maintain Receivables Overpayment Reasons task. • View Receivables Overpayment Reason report. • <i>Get Receivables Overpayment Reasons</i> web service. • <i>Put Receivables Overpayment Reason</i> web service.
<i>Process: Customer Overpayment (Parent Domain)</i> in Customer Accounts functional area. <i>Process: Customer Overpayment - Cancel</i> in Customer Accounts functional area. <i>Process: Customer Overpayment - Core</i> in Customer Accounts functional area.	These domains enable you to access these tasks and reports: • Cancel Customer Overpayment • Edit Customer Overpayment • View Accounting for Customer Overpayments • View Customer Payment Overpayment

Domains	Considerations
<i>Process: Customer Overpayment - View</i> in Customer Accounts functional area.	
<i>Reports: Customer Overpayment</i> in Customer Accounts functional area.	Enables you to access the: Customer Overpayment report data source. Customer Overpayment for Company Filter data source filter.

Business Processes

Business Process	Considerations
<i>Customer Overpayment Event</i>	To enable approvals for specific overpayment amounts, you can add the <i>Customer Overpayment Event</i> business process step to the existing <i>Customer Payment Event</i> business process. If the approver denies the overpayment event, the overpayment status updates to <i>Rejected</i> . Restart the process and create a new overpayment.
<i>Customer Payment Application Event</i>	Workday cancels all associated overpayments when you: • Cancel a customer payment. • Unapply a customer payment.

Consider these as you configure the *Customer Overpayment Event* business process:

- When an approver denies the *Customer Payment Application Event* business process, and you've recorded overpayments, the *Customer Overpayment Event* business process also terminates.
- When both the business processes have the same approver, Workday approves the overpayment and the customer payment application in 1 single step.

Reporting

You can use these Workday delivered reports to view the overpayment data:

Reports	Considerations
View Customer Payment for Invoices	Enables you to view the overpayment information on the Customer Overpayment Activity and the Payment History tabs.
Customer Activity Details	Enables you to view a Customer Overpayment transaction at the line level.
Customer Activity Summary	Includes a Customer Overpayment Total column that you can click to drill down for overpayment details.
Customer Balance Details	Includes a Total Approved Overpayment column that enables you to view the sum of all overpayment amounts.
Customer Balance Summary	Includes an On-Account Payments column that includes overpayments in the calculated amount.

Reports	Considerations
	You can drill down on the column to view the total overpayment amount.
Find Customer Payments	Includes an Overpayment Amount column.
Receivables Financial Aging Detail Report	Enables you to view: • Balance in the transaction currency. • Balance in the company currency. • Customer overpayment. • On-account amount. • Original payment amount in the transaction currency. When the customer payment status is Complete and the application status is Fully Applied, the payment doesn't display on the report.
Receivables Aging Summary by Financial Aging for Accounting Period	Enables you to view the overpayment amount when you drill down on the On-account Payments column.
Receivables to Customer Balances Reconciliation	Includes customer overpayment amount in the On-Account Payments drill down column.
Receivables to Customer Balances Reconciliation Exception Summary	Includes a Difference in Company Currency column that automatically calculates customer overpayments.

You can use the **Customer Overpayment** report data source in custom reports to view attachments for customer overpayments and determine:

- An Overpayment currency conversion rate.
- Remaining amount on account when you record an overpayment.
- Total amount of the approved customer overpayments.
- Whether an overpayment exists for a customer payment.

Integrations

Use these web services to upload, retrieve, or edit overpayment reasons data and view customer activity:

- *Get Overpayment Reasons*
- *Put Overpayment Reason*
- *Get Customer Activity*

Use these web services to retrieve, record, or cancel multiple overpayments at once:

- *Cancel Overpayment*
- *Get Customer Overpayments*
- *Submit Customer Overpayment*

Connections and Touchpoints

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Tasks

[Steps: Record Customer Overpayments](#) on page 581

Record Customer Payments

Configure the *Customer Payment Application Event* business process and security in the Customer Accounts functional area.

Record the receipt of customer payments, and apply them to invoices and invoice adjustments. You can also record deposits at the same time.

If a customer overpays the amount of an invoice, you can apply the overpayment to another open invoice or place it on account. If you place it on account, you can apply it to another invoice later, or refund it.

1. Access the **Record Customer Payment** task.

As you enter the **Payment Information**, consider:

Option	Description
Remit-From Customer	Required if you want to apply a payment or if you select Ready to Auto-Apply .
Currency	Workday automatically populates the currency when you specify a Default Currency on the customer profile.
Payment Reference	A reference you can use to identify this payment during bank reconciliation. Example: For payment by check, enter the check number.
Create Deposit	Select this check box to automatically create a deposit for the recorded payment. Specify the Bank Account and Deposit Reference values. When you create a deposit for a single payment, Workday creates the payment application and deposit as 1 receivables transaction. When the company on the deposit differs from the company on the customer invoice for on behalf of customer payments, Workday doesn't create a deposit at the time of recording the payment. You need to record the deposit separately.
Document Link	If you store supporting documents or images in an external repository, then enter the URL to that location. Once you save the transaction, Workday displays the URL as a live hyperlink to the image. Approvers can reference this document before approving the transaction. Workday validates the link to ensure that it has a valid Uniform Resource Identifier (URI) pattern, as defined by your security administrator. This process provides additional security to help avoid malicious content in external links. To add a valid URI, set the Link Type to <i>Customer Invoice Document Link</i> on the Maintain External Link Validation task. When the location of the external content changes, ensure to update the URL in Workday.

2. (Optional) As you select **Payment Options**, consider:

Option	Description
Ready to Auto-Apply	Select this check box for payments that you want to apply against invoices using the Auto-Apply Customer Payments task. You can record multiple payments one after another, and then run the auto-apply task to apply them all at once.
Do Not Apply Payment to Invoices on Hold	When you select this check box, Workday won't display invoices that are on hold in the Apply Customer Payments grid.
Show Only Matched Invoices When Applying	Select this check box to filter the grid on the Apply Customer Payments task to display only those invoices that match the references in the Remittance Advice .

3. (Optional) As you enter **Remittance Advice**, consider:

Option	Description
Invoice	Search for a specific invoice for this customer.
Amount to Pay	Pay a partial amount on the invoice, or apply the full payment against the amount due.
Other Remittance Information	You can reference an invoice to pay using the Remittance Advice Type field to identify an invoice by: • <i>Consolidated Invoice</i> • <i>Customer ID</i> • <i>Customer Name</i> • <i>Invoice Number</i> • <i>Other</i> • <i>PO Number</i> Also enter the corresponding text value in the Details field.

4. (Optional) Create critical validations and warning messages by accessing the **Maintain Custom Validations** task to prevent processing errors when you record or edit a payment.

You're able to record, apply, and deposit the payment based on the options you select.

When you configure:

- **ID Generator for Customer Payments** on the **Edit Tenant Setup - Financials** task, Workday generates a unique ID number that displays as the **Payment Number** when you view the payment.
- Critical custom validations, Workday saves a payment in *Draft* status and prevents you from applying it or linking it to a deposit.
- Edit a customer payment by accessing the **Update Remittance Advice** task from the related actions menu of the customer payment. After your edits, access the **Auto-Apply Customer Payment** task to match the payment to the correct invoices.
- You can also cancel, return, unapply a payment, or record an overpayment except when the payment has an associated customer refund in *Draft* status.
- Settle unpaid credit card and direct debit customer payments. The settlement process creates and settles the invoiced payments. When the process completes, Workday updates the accounting entries for each payment.

Tasks

[Record and Apply Student Sponsor Payments](#)

[Steps: Use Settlement](#) on page 1611

Reference

[Reference: Edit Tenant Setup - Financials](#)

[2020R1 What's New Post: Custom Validations for Customer Payments](#)

Steps: Record Customer Overpayments

- Record a customer payment that is greater than the invoice amount.
- Configure an account posting rule that includes overpayment reasons when you credit the ledger account.
- Security: *Process: Customer Overpayment* domain in the Customer Accounts functional area.

Overpayment is a transaction type that enables you to write off small balances either at:

- The time of payment application.
- Or after you apply a payment that has on-account balance.

You no longer need to create an invoice debit adjustment to write off the overpayment amount.

Overpayments create a new journal entry to reverse the amount placed on-account and to credit the ledger account defined in the account posting rule. This feature doesn't track overpayment by invoices.

1. Access the **Maintain Receivables Overpayment Reasons** task to create a unique overpayment reason.

Create at least 1 overpayment reason to be able to record an overpayment.

You can't delete an overpayment reason if it's in use.

Security: *Set Up: Receivable Overpayment* domain in the Customer Accounts functional area.

2. (Optional) [Edit Business Processes](#).

Configure the *Customer Overpayment Event* business process if you want to add a step for approving or rejecting an overpayment.

3. [Steps: Apply Customer Payments](#) on page 582

- Enter an **Amount to Place On-Account** that's greater than zero.
- Select the **Record Overpayments** check box and access the grid on the Overpayments tab to enter the overpayment details.
- To process large number of overpayments, you can use the *Submit Customer Overpayment* web service secured to the *Customer Overpayment Event* business process domain.

Workday can route the overpayment for approvals.

Workday also adds a **Customer Overpayment Activity** tab on the customer payment page to help you track the overpayment details. You can also cancel the customer overpayment by accessing it from the related actions menu.

- Edit a customer overpayment. You can do so only when it's in a draft status.
- Cancel an approved customer overpayment. When you cancel a customer payment, Workday automatically cancels all associated overpayments.
- When you cancel an overpayment, Workday reverses the journal entry and recalculates the on-account amount associated with the payment.

Concepts

[Concept: Rule-Based Business Process Definitions](#)

Tasks

[Set Up Account Posting Rules](#) on page 69

[Configure Rule-Based Business Processes](#)

Reference

[Workday 31 What's New Post: Customer Overpayments](#)

Steps: Apply Customer Payments

- Record customer payment.
- Configure the *Customer Payment Application* business process and security policy in the Customer Accounts functional area.

Once you record a customer payment, you can apply the payment to the appropriate customer invoices. Workday also enables you to:

- Apply writeoffs during the payment application process.
- Search for additional invoices before you apply the payment.

You can also cancel, return, unapply a payment, or record an overpayment except when the payment has an associated customer refund in *Draft* status. To unapply large volumes of customer payments that are in error, you can use the *Unapply Customer Payment* web service.

1. (Optional) Access the **Edit Customer Payment Auto-Application Configuration** task.

To search through large volume of open invoices, select the **Do Not Pre-Select Invoices in Apply Customer Payment Task** check box.

Security: *Set Up: Company General* in the Common Financial Management functional area.

2. Access the **Apply Customer Payment** task.

Select the **Customer Payment** that you want to apply.

Security: *Process: Customer Invoice - View* and *Process: Customer Writeoff - View* in the Customer Accounts functional area.

3. As you complete the task, consider:

Option	Description
Remittance Advice Lines	Click to view the remittance advice lines from the recording of the customer payment. Workday automatically selects the invoices from the remittance advice and populates their payment amount to assist payment application.
Apply to Oldest First	When you select this check box, Workday sorts the Invoices grid by Due Date, listing the oldest invoices first. Workday then selects invoices with amounts that can be paid in full with the Payment Amount to Apply. When the next invoice amount is greater than the amount remaining to apply, Workday assigns only the remaining amount to pay for that invoice. Example: There's a recorded payment of 1000.00 EUR. The oldest invoice for the customer is 600.00 EUR and the next is for 1500.00 EUR. Workday selects both invoices, applies the payment to first invoice in full and remainder to the next invoice. The outstanding 1100.00 EUR on the second invoice remains in the queue of unpaid invoices.
Recall Last Payment Application	When you select this check box, Workday automatically selects the applicable invoices in the results.

Option	Description
Amount to Place On-Account	When your payment amount is greater than the total amount applied to 1 or more invoices, you can place the overpayment amount on account. To balance and submit the payment, enter an amount that is equal to the Remaining Amount to Apply value. Workday then updates the Remaining Amount to Apply to zero, which means your payment is balanced and ready to submit.

4. Select the invoices for payment application.

- For consolidated invoices, apply the payment towards invoices for the parent or for the child customers.
- Workday doesn't support on behalf of payments and write-offs that include invoices with term discount.

5. To search through large volume of open invoices, click **Search for Invoices**.

You can continue to search and add invoices multiple times. Each time you search, Workday saves the previous changes including payment amounts, discount amounts, and writeoffs.

6. As you enter the payment information for each invoice line, consider:

Option	Description
Payment Amount	Apply a full or partial amount of the recorded payment towards the selected invoice. For partial amounts, put the remaining balance on-account.
Discount Amount	When you apply the payment within the discount date from the customer invoice, Workday applies the discount based on the payment amount applied, not the invoice balance. You set the discount terms on the customer invoice in the Payment Terms field. Workday applies discount amounts as part of the payment application process. Discount amounts aren't part of the payment amount itself, and display in a separate field on reports.
Writeoff	Click the write-off value and specify the amount. You can also split the writeoff amount by writeoff reason and balancing worktag if your tenant has worktag balancing enabled. Workday updates the journal line accounting to reflect the debit and credit amounts to the correct ledger accounts.
Amount Due Remaining	Workday updates this value dynamically when any of these amounts change: • Amount Due • Discount Amount • Payment Amount • Writeoff Amount

Workday initiates the *Customer Payment Application Event* business process to route the payment for approvals, and then creates the operational journal lines. If you save for later, Workday saves the payment in *Draft* status, and doesn't generate any operational journal lines.

For intercompany transactions:

- Workday automatically populates the intercompany affiliate between the 2 companies for the generated journal lines. You can view the intercompany accounting details under the **Payment Application > View Accounting > Intercompany** tab of the customer transaction.
- Create a settlement run to transfer the payment and to clear the intercompany payable and receivable entries.

Concepts

[Concept: Customer Payments](#) on page 587

Reference

[The Next Level: Customer Collections Overview](#)

Reapply an Unapplied Customer Payment

Security: *Process: Customer Invoice* domain in the Customer Accounts functional area.

When applying payments to multiple invoices, you might accidentally select invoices that you didn't mean to include in the payment. To rectify, you can unapply the payment and then reapply. When you reapply the payment, Workday automatically recalls the last payment application. It enables you to correct the invoices selected in error without having to reselect all the invoices.

1. Access the **Find Customer Payments** report.
2. From the related actions menu of the customer payment you want to unapply, select **Customer Payment > Unapply**.
3. From the related actions menu of the customer payment, select **Customer Payment > Apply**.
Workday displays the last payment application, with the same invoices selected automatically.

Note: If you don't want Workday to select invoices automatically, you can clear the **Recall Last Payment Application** check box.

4. Make any necessary corrections to the selected invoices, and select any new invoices that you want to include in your payment application.

Workday applies the customer payment to the invoices you selected in your most recent payment application.

Cancel Customer Payments

- Verify that you haven't deposited the payment you want to cancel.
 - Security: *Process: Customer Payment* domain in the Customer Accounts functional area.
1. Access the **Find Payments** report.
 2. From the related actions menu of the customer payment, select **Customer Payment > Cancel**.

Steps: Return Customer Payments

- Configure the *Payment Return Event* business process and security policy in the Banking and Settlement functional area.

- Security:
 - *Process: Ad Hoc Payment Reporting* domain in the Banking and Settlement functional area.
 - *Process: Bank Account Transfer for Settlement - Reporting* domain in the Banking and Settlement functional area.
 - *Process: Customer Invoice Payment* domain in the Customer Accounts functional area.
 - *Process: Customer Refund/Payment* domain in the Customer Accounts functional area.
 - *Process: Settlement* domain in the Banking and Settlement functional area.

You can return a customer payment that a bank rejects or returns due to various errors such as insufficient funds. Payment returns differ from refunds. You can create a refund only when there's a credit adjustment or on-account balance for a customer payment.

When you return a payment, Workday automatically unapplies it, and then creates 2 journals entries that reverse the original payments. One entry is for the return and a separate entry to unapply the payment.

You can return:

- Both unreconciled and reconciled payments.
- Unreconciled checks and reconciled checks.
- A payment even when it has a **Stopped** status.

When the payment return is unreconciled and you haven't paid the original payment, you can also cancel the return.

1. Access the **Find Payments** report.
2. Select **Return** from the related actions menu of the settled payment that you want to return.
Enter the return date and code.
3. (Optional) Access the **Create Payment Return Statement** task to return multiple customer payments at once.
You can only access this task when your payment type is *Direct Debit*. The process also requires you to match each payment individually for the return.
4. (Optional) Access the **Record Void Check** task to void a related check when the payment isn't reconciled.

When you return a customer payment, Workday sets the **Payment Status** to *Returned* and **Application Status** to *Unapplied*.

The payment returns generate journal entries that reverse the original payments. Once you resolve the issues, you can settle the expense reports and supplier invoices with the payments. For returned ad hoc payments and bank account transfer payments, you must create new payments.

- To view payment return details, access the **Find Payment Returns** report.
- When you haven't paid the original payments, from the related actions menu of the unreconciled payment return, select **Cancel** or **Unmatch**. Workday cancels any related accounting entries and the payment status of the original payment changes to *Complete*.
- To view payment reversals as separate line item, access these reports:
 - **Cash Receipts**
 - **Customer Activity Details**

Steps: Create Direct Debit Mandates for Direct Debit Customer Payments

- Enable the **ID Generator for Direct Debit Mandates** on the **Edit Tenant Setup - Financials** task.
- Add business form layouts and creditor identification information on the **Edit Company Creditor Identifiers** task.

Direct debit mandates enable you to request approval from customers to collect debit payments. With direct debit mandates, a payee can collect both recurring and one-off payments from customers who provide a signed mandate to the payee.

With Workday, you can create and store direct debit mandates, and then associate them with customer invoices. You can also send prenotifications to inform customers of future settlements.

1. Access the **Create Direct Debit Mandate** task.
(Optional) Select the **Pre-notification Required** check box. Workday then displays the **Minimum Days for Pre-notification** field. For invoices associated with the mandate to be available for settlement, you must prenotify them for at least the number of days that you specify.
Security: *Process: Direct Debit Mandate* domain in the Customer Accounts functional area.
2. Select **Direct Debit Mandate > Print Direct Debit Mandate** from the related actions menu of the direct debit mandate.
Send the direct debit mandate draft to your customer for completion of debtor information, payment information, and signature.
Security: *Reports: Direct Debit Mandate* domain in the Customer Accounts functional area.
3. Access the **Overview** profile group of the customer profile.
 - a) To display the direct debit mandate reference number on customer invoices, select the **Mandate Required** check box on the **Payment Details** report.
 - b) Add settlement bank account details from the completed direct debit mandate draft to the **Banking** report.
4. Access the **Edit Direct Debit Mandate** task.
Verify that all fields are complete, and change the **Mandate Status** to *Active*.
(Optional) Upload a copy of the completed direct debit mandate to the **Attachments** tab.
Security: *Process: Direct Debit Mandate* domain in the Customer Accounts functional area.
5. [Create Customer Invoices](#) on page 524.
When you select a **Payment Type** that matches the payment type on the direct debit mandate, Workday populates these fields:
 - **Direct Debit Mandate**
 - **Pre-notification Date**
6. (Optional) Access the **Print Direct Debit Mandate Pre-notifications** task.
Workday generates PDF files that you can send to your customers.
Security: *Reports: Direct Debit Mandate* domain in the Customer Accounts functional area.
7. Create a settlement run for your customer invoices.
Workday groups customer invoices with the same direct debit mandate into a single payment.
See [Create Manual Settlement Runs](#) on page 1615.

Workday updates these direct debit mandate fields after the settlement run completes:

- **Mandate Status**
- **Last Settlement Date**
- **Sequence**

Reference

[The Next Level: Direct Debit Payment Application](#)

Steps: Set Up VAT on Customer Payments

- Create a VAT tax category and VAT code for tax applicability.
- Define the VAT ledger account on the Transaction Tax account posting rule for customer payments to process correctly.

You can configure Workday to calculate and automatically post the accounting for recognizing the Value Added Tax (VAT) when you apply the payments. On-Account payments use the default tax rate of the company for VAT. You can also record unrecognized VAT when you approve an invoice and book VAT receivables.

Workday displays VAT as **Tax Amount** on invoice header and as **Transaction Tax** at line level. Workday also supports VAT on:

- Cash sales.
- Customer invoice and customer invoice adjustments with different rates per invoice line.
- Prorated tax amounts for partial payments.

When you don't configure VAT, the payments you apply use general accounting.

1. [Steps: Set Up a Single Legal Entity](#) on page 28.

2. To enable VAT, access the **Edit Company Tax Details** task from the related actions menu of your company.

Select the **VAT on Payment** check box, and select VAT options from these prompts:

- **Default Tax Applicability**
- **Default Tax Code**

Security:

- *Set Up: Company General* domain in the Common Financial Management functional area.
- *Set Up: Payroll - Company Specific (Accounting)* domain in the Core Payroll functional area.
- *Set Up: Tax* domain in the Common Financial Management functional area.

3. To configure VAT Payable as the default ledger account for automatically posting the accounting, access the **View Account Posting Rule Set** report.

Select these account posting rules:

- Transaction Tax
- Transaction Tax on Payment

Click **Edit Posting Rule** and select the VAT option from the **Default Ledger Account** prompt.

Security:

- *Set Up: Account Rules* domain in the Common Financial Management functional area.
- *Set Up: Payroll - Company Specific (Accounting)* domain in the Core Payroll functional area.

Tasks

[Set Up Account Posting Rules](#) on page 69

[Set Up Company Tax ID](#)

[Steps: Configure Transaction Tax Rules](#) on page 434

[Steps: Set Up Transaction Taxes](#) on page 416

[Set Up Tax Applicability for Financial Transactions](#) on page 421

Concept: Customer Payments

When you receive a customer payment, you can:

- Record the payment and deposit it.
- Apply it to customer invoices or invoice adjustments. You can apply the full amount or partial payment and place the balance on account. During payment application, you can also write off full or partial invoice amounts.
- Record overpayment and place it on account.

After submitting the payment, you can:

- Unapply the full payment and edit it to make corrections.
- Cancel the payment if it's in error before you settle it.
- Return the payment that's already deposited in the bank.

When you cancel payments:

- Pending payments are no longer available for settlement.
- Workday no longer includes those payments when you print checks or generate the bank file for completed settlement runs.
- If you already printed the check or sent the bank file, canceling stops those payments. Ensure to void the check using the **Record Voided Checks** task.

When you cancel or return payments, Workday generates journal entries to reverse the original payments, unapplies them, and makes the invoice available again for payment application.

You can configure cash balance checking to prevent outbound payments from processing when you have insufficient funds. See [Steps: Configure Advanced Cash Balance Checking](#) on page 1592.

You can use these tasks to perform the various actions:

- **Record Customer Payments**
- **Mass Record Customer Payments**
- **Apply Customer Payment**
- **Auto-Apply Customer Payments**
- **Create Customer Deposit**
- **Create Customer Refund**

When you have payments with large volumes of remittance lines, you can use the web services to upload them, and then process using the **Auto-Apply Customer Payments** task.

Mass Record Customer Payments

When you need to record large amounts of payments coming in at once, you can process them with the **Mass Record Customer Payment** task. Use this task when the payments reference only 1 or a few invoices each. You can record payments for different customers as well.

Keep in mind that the task only records payments, and doesn't apply them. Therefore, Workday doesn't create operational journals. If you want Workday to create operational journals to record the cash, you can create a deposit as part of the task. Workday then creates the journals from the deposit.

Intercompany Payments

Workday enables you to centralize the receipt of customer payments so that a single company can pay invoices for its related companies. A company can receive payments from a customer on behalf of other related companies, and pay their invoices. This functionality makes it faster and easier for you to recognize the receipt of payments and accelerates the cash remittance to banks. However, Workday doesn't support payment application for on-behalf-of payments and write-off transactions that include invoices with term discount.

Setup for intercompany payments:

- Use the *Process: Customer Invoice* domain security policy to enable your accounts receivable specialist to see more details of another company invoice.
- For companies to have intercompany relationships, select **Initiate Allowed** in the **Edit Company Intercompany Profile** task.

Other areas of Workday that support intercompany payments include:

- The **View Accounting for Customer Transaction** report contains an **Intercompany** tab that displays intercompany accounting lines, including payables and receivables.
- Customer statements give a description of payments to or from another company, if applicable.
- To process intercompany payments when worktag balancing is active for either company, ensure that the company paying on your behalf uses the same currency as your company, invoice, and payment currency.

- To find invoices in other companies, use *Same Bill-To* or *Remit-From - By Company* prompt categories on these tasks:
 - **Record Customer Payment**
 - **Apply Customer Payment**

Payment Transfers

Payment transfers are separate transactions. These transactions don't generate accounting. Transfers happen when the payment application is for invoices where the company or the remit from customer is different than the customer on the invoice. Workday stores these transactions as either *Payment transfer in* or *Payment transfer out* depending on the customer that you run the report for.

Student Sponsor Contract Payments

Student sponsor contracts enable educational institutions, corporations, and governmental bodies to pay educational expenses for 1 or more students. Access the **Record Student Sponsor Payment** task to record student sponsor payments and apply them specifically to invoices for student sponsor contracts.

VAT on Payments

In certain countries, companies can elect to pay Value Added Taxes (VAT) on payments instead of on invoices. Upon configuration, you can record VAT pending upon invoice and VAT payable upon collection of payment. Workday calculates and posts VAT on payment automatically. When you configure VAT on payments for a company:

- Customer invoices that you haven't paid will still use the original accounting. Workday doesn't apply the tax accounting to the payment.
- Customer invoices you create after configuring VAT, will use the VAT on payment accounting.

VAT considerations in Workday include:

- Customer invoice and customer invoice adjustments support different rates per invoice line.
- Support for prorated tax amounts for partial payments.
- On-Account payments use the default tax rate of a company.
- On-Account payments apply to a customer invoice.

Payment Terms

You can configure payment terms in Workday to define:

- Due dates for a customer invoice.
- Discounts based on when your customer pays the invoice.
- Customer-specific payment terms.

Payment Methods

Payment methods determine the account that Workday uses for various transactions. Workday provides several payment methods that you can use to configure payment types in your environment using the **Maintain Payment Types** task. Some of the payment methods are electronic, which have additional processing considerations. You can use payment method of direct debit for electronic payment types.

When you use a third-party vendor to process payments outside of Workday, we recommend mapping your payment type to **Payment Method** of *Manual*.

Payment Types

A payment type is a valid form of payment that you use to make payments. Workday enables you to configure each Payment Type and map it to a valid Workday delivered Payment Method. Electronic payment types, such as direct debit or credit card, process through settlement runs. Workday automatically

creates a combined deposit and payment. Once the settlement engine completes the payments, it generates the accounting entries associated with each payment.

For other payment types, record the payments with the **Record Customer Payment** task and apply them to the associated invoices. Example: You can map a *Credit Card* **Payment Method** to the *Visa* **Payment Type**.

Payment Reporting

Workday provides several reports to give you a clear view of the payment process, including:

- **Customer Accounts Requiring Action**
- **Customer Activity Detail**
- **Customer Activity Summary**
- **Customer Balance Detail**
- **Customer Balance Summary**
- **Customer Deposits Requiring Action**
- **Customer Open Items**
- **Customer Payments Requiring Action**

Concepts

[Concept: Customer Payment Lockbox Integration](#)

Tasks

[Record and Apply Student Sponsor Payments](#)

[Steps: Manage Student Sponsor Contracts](#)

[Steps: Set Up Customers and Suppliers for Direct Intercompany Transactions](#) on page 47

[Steps: Use Settlement](#) on page 1611

Reference

[Workday 32 - Customer Payment Automatic Application](#)

[The Next Level: Customer Payments Overview](#)

Concept: Foreign Currency Customer Payments

In Workday, you can create customer invoices and payments in currencies other than the base currency of your company. You can also process invoices in a base currency but receive payments in a different currency.

Example: Your Canadian company creates an invoice for a customer in France who wants their billing in EUR. Their default currency of EUR overrides your default currency of CAD. Workday displays the billing amounts on accounting journals in EUR and converts the amounts into CAD.

Customer Invoices and Invoice Adjustments

When you create a customer invoice, Workday posts the invoice amount to a ledger account and converts the currency at that time. Workday still displays the invoice in the currency of the customer, but displays the accounting in the base currency of the company.

When you create a customer invoice adjustment, the currency for the adjustment must match the currency on the related invoice. For credit and rebill, the company and customer must be the same on the original invoice and the rebill.

Customer Payments

You can pay a customer invoice in a different currency except when you:

- Automatically apply payments.
- Enable worktag balancing functionality in your tenant.

Foreign Currency Scenarios for Customer Payments

Workday supports these foreign currency scenarios for payment processing:

Currency	Description	Example	Apply Customer Payments Manually	Automatically Apply Customer Payments (Workday-delivered rules)	Automatically Apply Customer Payments (Advanced custom rules)
Single Currency	Your company currency, invoice currency, and payment currency are the same.	Company = USD, Invoice = USD, Payment = USD	Yes	Yes	Yes
Single Currency with WTB (Worktag Balancing) Enabled	Your company currency, invoice currency, and payment currency are the same and you have worktag balancing enabled.	Company = USD, Invoice = USD, Payment = USD	Yes	Yes	Yes
Multicurrency	Your invoice and payment currency are the same but the company currency differs.	Company = USD, Invoice = EUR, Payment = EUR.	Yes	Yes	Yes
Multicurrency with WTB Enabled	Your invoice and payment currency are the same but the company currency differs.	Company = USD, Invoice = EUR, Payment = EUR.	Yes	Yes	Yes
Cross-Currency	Your company currency is the same as the payment currency but the invoice currency differs.	Company = USD, Invoice = EUR, Payment = USD	Yes	No	No
Cross-Currency On-Behalf-Of	Your company currency is the same as the payment currency but	Company = USD, Invoice = EUR, Payment = USD	Yes	No	No

Currency	Description	Example	Apply Customer Payments Manually	Automatically Apply Customer Payments (Workday-delivered rules)	Automatically Apply Customer Payments (Advanced custom rules)
	the invoice currency differs.				
Single Currency On-Behalf-Of	The company paying on your behalf uses the same currency as your company currency, invoice currency, and payment currency.	Company = USD, Invoice = USD, Payment Company = USD, Payment = USD.	Yes	Yes	Yes
Single Currency On-Behalf-Of with WTB Enabled	The company paying on your behalf uses the same currency as your company currency, invoice currency, and payment currency.	Company = USD, Invoice = USD, Payment Company = USD, Payment = USD.	Yes	Yes	Yes
Multicurrency On-Behalf-Of	The company paying on your behalf uses the same currency as your company currency, but it differs from the invoice currency and the payment currency.	Company = USD, Invoice = EUR, Payment Company = USD, Payment = EUR.	Yes	Yes	Yes
Multicurrency On-Behalf-Of with WTB Enabled	The company paying on your behalf uses the same currency as your company currency, but it differs from the invoice currency and	Company = USD, Invoice = EUR, Payment Company = USD, Payment = EUR.	No	No	No

Currency	Description	Example	Apply Customer Payments Manually	Automatically Apply Customer Payments (Workday-delivered rules)	Automatically Apply Customer Payments (Advanced custom rules)
	the payment currency.				

Reference

[Workday 32 - Multicurrency Customer Payments](#)

Reference: Customer Payment Process Flows and Account Posting Rules

In Workday, you can record payments, apply payments, and deposit them either in a single step or individually. The scenarios in this table demonstrate the ways to approach customer payments along with the corresponding account posting rules.

Scenario	Step	Debit	Credit
Process each of these transactions separately in the specified order: Record Payment > Apply Payment > Create Deposit	Record Payment.	N/A	N/A
	Apply Payment.	Undeposited Receipts	Receivables
	Create Deposit.	Cash	Undeposited Receipts
Process each of these transactions separately in the specified order: Record Payment > Create Deposit > Apply Payment	Record Payment.	N/A	N/A
	Create Deposit.	Cash	Unapplied Recorded Payments
	Apply Payment.	Unapplied Recorded Payments	Receivables
Record and apply the payment in the same step. Then create deposit later.	Record and Apply Payment.	Undeposited Receipts	Receivables
	Create Deposit.	Cash	Undeposited Receipts
Record the payment, create a deposit, and apply the payment in same single step.	Record, Deposit, and Apply.	Cash	Receivables

Troubleshooting: Unable to Edit Customer Payment After Searching for Invoices

Sometimes you can't edit a customer payment when you search for invoices during the payment application process.

You can cancel the customer payment and apply it again.

Security: *Process: Customer Invoice Payment* domain in the Customer Accounts functional area.

1. From the related actions menu of the payment application in-progress, click **Cancel**.
2. From the related actions menu of the customer payment, click **Apply**.

Security: *Process: Cash Sale Payment: View, Process: Customer Invoice: View, and Process: Customer Writeoff: View* domains in the Customer Accounts functional area.

You can edit the payment application to remove the payments in draft status.

Security: *Process: Customer Invoice Payment* domain in the Customer Accounts functional area.

1. From the related actions menu of the payment application in-progress, click **Edit Application**.
2. Unselect any invoices that are part of the draft payment application and click **Search for Invoices**.
3. Click **Cancel**.

Workday removes the payment applications in *Draft* status.

4. From the related actions menu of the payment application in-progress, click **Edit Application**.

You can now edit the payment to update a given field, such as **Remit-From Customer**.

FAQ: Customer Payments

- [What happens when I use auto apply rules but Workday can't apply those payments?](#) on page 594
- [Is there an option to change the fields in the Auto Apply Customer Payment task?](#) on page 594
- [When the payment amount is greater than the invoice amount, is it possible to create a rule that can put the remaining amount on account?](#) on page 594
- [Does the Auto Apply Customer Payment functionality consider payments with discount terms?](#) on page 595
- [Can you automatically apply a customer payment to a customer invoice that has a status of Canceled or Paid?](#) on page 595
- [Does Mass Record Customer Payment task also apply the payments?](#) on page 595
- [How does Workday sort and apply payments when there are multiple payments in the same day for the same customer and invoice?](#) on page 595
- [Does the Auto Apply Customer Payment functionality consider partially paid customer invoices?](#) on page 596
- [Why can't I use the Last Customer Statement Balance \(Workday\) rule to create an advanced rule?](#) on page 596

What happens when I use auto apply rules but Workday can't apply those payments?

When you run the auto application rules, Workday applies payments to the corresponding customer invoice depending on the criteria you've set up. When there's no match, Workday sets the payment to an *Unapplied* status. When the payment only covers a portion of the invoice, Workday sets the invoice status to *Partially Paid*.

Is there an option to change the fields in the Auto Apply Customer Payment task?

You can't edit or customize the **Auto Apply Customer Payment** task.

When the payment amount is greater than the invoice amount, is it possible to create a rule that can put the remaining amount on account?

You can edit your Customer Payment Application Rule and select one of these 2 options:

- **Put Remaining Balance on Account**
- **Put Unapplied Payments Fully On Account**

However, you can't define a threshold for the remaining amount. For more information, see [Create Customer Payment Application Rule](#) on page 600.

Does the Auto Apply Customer Payment functionality consider payments with discount terms?

You can use the rule *Referenced Invoices without Amount to Pay (Workday)* to process payments with these discount term scenarios:

- The customer is eligible for the discount and applies it.
- The customer is ineligible for the discount but applies it.

When the customer is eligible for the discount but doesn't apply it, Workday rules will process those payments and set:

- The payment to *Unapplied* and in *Draft* status.
- The invoice to *Unpaid*.

Can you automatically apply a customer payment to a customer invoice that has a status of Canceled or Paid?

The **Auto Apply Customer Payment** task only checks for invoice that has an outstanding balance with a status of *Approved and Unpaid*, or *Approved and Partially Paid*. When you need to record another payment that's linked to the same invoice, first unapply the initial payment.

Does Mass Record Customer Payment task also apply the payments?

Mass Record Customer Payment task only creates payments and sets them *In Progress*. It doesn't impact the operational journal until you create a deposit. To apply these payments, find the customer payments in progress and apply each payment individually. You can also run the **Auto Apply Customer Payment** task to process these payments.

How does Workday sort and apply payments when there are multiple payments in the same day for the same customer and invoice?

Workday delivered rules match a payment to the oldest invoices first. When there are several invoices with the same date, we sort them by the index or the ID number generated by the sequence generator. When there are multiple payments for the same date, and same customer:

- The automatic application processes the payment application in a random fashion.
- After the rule identifies an invoice match, that invoice becomes ineligible for any further payment matches.
- When the rules don't find an invoice match, Workday ignores the payments and skips the invoice for further rematch.

For advanced rules, you can define your own order and conditions.

Does the Auto Apply Customer Payment functionality consider partially paid customer invoices?

Workday applies the payments to invoices based on the amount due. When there's no match, Workday leaves the invoice as *Partially Paid*.

Why can't I use the Last Customer Statement Balance (Workday) rule to create an advanced rule?

The Last Customer Statement Balance (Workday) rule requires additional custom report fields. These fields aren't available to all.

Reference

[Reference: Customer Payments Advanced Automatic Application Rules Criteria](#) on page 605

[Reference: Customer Payment Automatic Application Rules](#) on page 604

[Reference: Customer Payment Process Flows and Account Posting Rules](#) on page 593

Auto Apply Customer Payments

Steps: Apply Customer Payments Automatically

Workday enables you to apply large volume of payments automatically against multiple invoices. You have 2 options:

- Use the Workday delivered payment application rules.
- Define your own set of rules and conditions that you can use in a custom rule set.

Note: To use your custom rules and conditions, enable the **Advanced** option on the **Edit Customer Payment Auto-Application Configuration** task.

This functionality includes 3 types of processes:

- Apply payments against invoices.
- Write off invoices.
- Apply invoice adjustments.

You can run the automatic payment application process through these 2 tasks:

- **Auto-Apply Customer Payments:** Enables you to execute a single run instantaneously. You can also schedule a one-time run in the future.
- **Schedule Auto-Apply Customer Payments:** Enables you to schedule the process to run at regular intervals.

For on behalf of transactions, Workday uses the payment application rules associated with the company receiving the payment.

Workday doesn't support the auto-application process for:

- Consolidated invoices.
- Invoices with cross currency payments.
- Negative invoices.
- On-behalf-of payments and writeoffs that include invoices with term discount.
- Overpayments.
- Write off against invoices that have VAT on payment.

1. Apply payments automatically using Workday delivered rule set.

See [Auto-Apply Customer Payments](#) on page 597.

2. Apply payments automatically using the custom rule set you define.

See [Steps: Configure Advanced Automatic Application Rules for Customer Payments](#) on page 598.

When invoices match the rules that you've configured, Workday automatically:

- Applies payment to those customer invoices.
- Processes credit adjustment against the customer invoices.

- Creates a writeoff against the customer invoices.

Auto-Apply Customer Payments

- Record customer payments and mark them as **Ready to Auto-Apply**. Workday automatically selects this option when you select the **Remit-From Customer**.
- (Optional) To use Workday delivered rules, clear the **Advanced** check box on the **Edit Customer Payment Auto-Application Configuration** task.
- Security: *Process: Customer Payment Auto-Application* domain in Customer Accounts functional area.

Workday delivers 8 predefined rules that find and match invoices based on each criteria. You can then run the **Auto-Apply Customer Payments** task to:

- Apply adjustments to the matched invoices.
- Apply either on-account payments, or unapplied payments.

Workday extends this functionality to global transactions as well where the invoices are in the same currency but the company currency is different.

Workday processes:

- All payments in the numeric sequence from zero to 7, rule by rule rather than payment by payment.
- Older payments first.

You can see these rules by running the **Workday Delivered Customer Payment Application Rules** report.

1. Access the **Auto-Apply Customer Payments** task.
2. Filter the payments that Workday processes by multiple parameters, including:

Option	Description
Company or Company Hierarchy	Select the company or company hierarchy to which you want to apply payments.
Remit-From Customers	Select the customer that you want to apply the payments to.
Run Once in the Future	You can have Workday run auto-apply payments once more in the future by setting a future Start Date and Start Time . Enter the applicable Time Zone .
Transaction Date to Use	For payments: • When you leave this field blank, Workday uses the payment date value on a payment as the transaction date. • When you specify a transaction date that's on or after the payment date, Workday overrides the payment date of the payments that are part of the auto apply run. • When you specify a transaction date that's before the payment date, then Workday uses the payment date. For write-offs: • When you leave this field blank, Workday uses the system date as the transaction date.

Option	Description
	When you process a write-off combined with the payment, auto application rules don't pick up those payments.

Workday opens the **View Background Process** page displaying the **Customer Payment Auto-Application Results** including processed payments, invoice writeoffs, and adjustments.

To view the associated transactions, click any of the numbers in these columns:

- **Payments Processed**
- **Transactions Created**

You can drill into the **Overall Results** for more details about the payments and invoices.

- You can unapply a payment, or reapply it, cancel the payment, or return it.
- You can use these reports to find the payments that are still in process:
 - **Customer Accounts Requiring Action**
 - **Customer Deposits Requiring Action**
 - **Customer Payments Requiring Action**
- When the automatic application process doesn't apply certain payments, you can use these reports to identify the unapplied payments:
 - **Customer Activity Detail**
 - **Customer Activity Summary**
 - **Customer Balance Detail**
 - **Customer Balance Summary**
 - **Customer Open Items**
- You can also copy the **Find Customer Payments** report and make changes to suit your business needs.

Reference

[Reference: Customer Payment Automatic Application Rules](#) on page 604

[The Next Level: An Introduction to Auto-Application Rules for Customer Payments](#)

Steps: Configure Advanced Automatic Application Rules for Customer Payments

The advanced rules offer additional functionality that the Workday delivered rules don't, enabling you to create custom rules and rule set. You can also create conditions that specify exactly how to perform a match to:

- Apply credit adjustments against invoices.
- Apply *Unapplied* payments.
- Apply on-account payments.
- Process writeoff against invoices.

Example: You can create a condition rule to write off invoices where the **Invoice Amount Due** is less than 1 USD and over 30 days past due. When you set the **Application Type** to *Write-Off* and select this condition rule, Workday finds the matching invoices and writes off the amount due.

Ensure to configure advanced rules in the specified order.

1. Create or edit the reasons for applying adjustments, payments, or writeoffs by accessing the **Maintain Customer Payment Application Reasons** task.
 - *Security: Set Up: Customer Accounts* in the Customer Accounts functional area.
 - *Security: Set Up: Sponsor Accounts* in the Grants Management functional area.

2. Define a condition rule.
See [Create Customer Payment Application Condition Rule](#) on page 599.
3. Create payment application rules using the reasons and the condition rules that you set up.
See [Create Customer Payment Application Rule](#) on page 600.
4. Create a rule set for a company by accessing the **Create Customer Payment Application Rule Set** task.
 - *Security: Set Up: Customer Accounts* in the Customer Accounts functional area.
 - *Security: Set Up: Sponsor Accounts* in the Grants Management functional area.
 - Place the rules in the order of execution.
 - To first process credit adjustments that you didn't apply immediately, select the **Match Referenced Invoice Credits First** check box. Make sure that you don't select the **Auto-Apply Adjustment to Invoice** check box on the customer invoice adjustment for Workday to pick up these invoices.
 - You can only create 1 rule set per company, but many companies can use the same rule set.
5. Configure Workday to use the advanced rule set you've created by accessing the **Company > Edit Customer Payment Auto-Application Configuration** task.
Security: Set Up: Company General domain in the Common Financial Management functional area.
 - Select the **Advanced** check box and a rule set from the **Customer Payment Application Rule Set** option.

When you run the **Auto-Apply Customer Payment** task, Workday uses the advanced payment application rules you configured to process payments and opens the **View Background Process** page. The resulting page displays:

- The status of the payment application and the information about the associated invoices for each rule.
- Any transactions generated by the rule.

Reference

[Workday 32 - Customer Payment Automatic Application](#)

[Reference: Customer Payments Advanced Automatic Application Rules Criteria](#) on page 605

[The Next Level: An Introduction to Auto-Application Rules for Customer Payments](#)

Create Customer Payment Application Condition Rule

- Create reasons for applying invoice adjustments, on-account payments, unapplied payments, and writing off invoices.
- *Security: Set Up: Customer Accounts* in the Customer Accounts functional area.
- *Security: Set Up: Sponsor Accounts* in the Grants Management functional area.

You can create:

- Invoice condition rules to retrieve invoices for credit application, or for processing writeoffs.
- Payment condition rules to retrieve invoices for payment application.

Workday uses a combination of the condition rules and **Application Type** to match invoices that are eligible for automatic payment application.

1. Access the **Create Customer Payment Application Condition Rule** task.
2. As you complete the task, consider:

Option	Description
Description	Enter a meaningful description for identifying the rule. This description displays in prompts when you select from available rules.
Source External Field or Condition Rule	The source data for which you're defining a rule condition. You can select from delivered Workday

Option	Description
	sources, or condition rules and custom worktags that you've already defined.
Relational Operator	Select how you want to compare the source data to the next value in your condition. The options depend on the data type of the source.
Comparison Type	Specify whether Workday will compare the source to another field or to a value that you enter in the Comparison Value column.
()	Use parentheses to group one or more conditions together. Example: <i>(A and B) or C</i> .

You can create a condition rule where on-account payment amount matches the invoice amount due. When you set **Application Type** to *On-Account Payments*, Workday retrieves all invoices where:

- The amount to pay is same as the on-account payment amount.
- The invoices have a status of *Unpaid* or *Partially Paid*.

And/Or	(	Source External Field or Condition Rule	Relational Operator	Comparison Type	Comparison Value	)
And		Invoice is Unpaid	equal to	Value specified in this filter	Select the check box	
And		On-Account Remaining Amount	equal to	Value from another field	Amount Due with Sign	

To find relevant rules, you can run the **All Condition Rules** report, and specify *Customer Payment Application Rule* for the **View Condition Rules used as** field.

Create Customer Payment Application Rule

- *Security: Set Up: Customer Accounts* in the Customer Accounts functional area.
- *Security: Set Up: Sponsor Accounts* in the Grants Management functional area.
- Create payment application reasons.
- Create condition rules to set the criteria for identifying invoices eligible for automatic application.

You can create custom rules by configuring the payment application reason, the condition rules, and other parameters to retrieve specific invoices.

1. Access the **Create Customer Payment Application Rule** task.
2. As you complete this task, consider:

Option	Description
Payment Application Reason	Select a reason that you've configured to identify the rule Workday uses for payment application. You can use the Customer Payment Auto Application By Reasons report to view your

Option	Description
	payment applications by the payment application reason. When you share the same application reason across different payment application rules, Workday groups the various applications under that 1 reason.
Application Type	Select a type of application with this rule. • <i>Invoice Credit</i>: Applies credit adjustments to invoices. • <i>On-account Payment</i>: Applies payments to invoices with a payment application status of <i>Applied with On Account</i>. • <i>Unapplied Payment</i>: Applies payments to invoices with a payment application status of <i>Unapplied</i>. • <i>Write-Off</i>: Creates bad debt write off. Workday determines the transactions to process by using a combination of Application Type and Condition Rule.
Allow Application for Different Customers	Select this check box to enable Workday to apply a payment where the Remit-From Customer doesn't match the Bill-To Customer on the invoice.
Allow Application for Different Company Invoices	Select this check box to process on-behalf-of payments that have different companies on the customer payment header and the customer invoice header. You can use this check box only when you've enabled one of these options: • Limit to Referenced Invoices. • Remittance Advice Type. • A Condition Rule that contains a report field used on the customer payment remittance.
Leave Application as Draft	Select this check box if you want to review the payment applications performed by the payment rule before submitting them manually.
Limit to Referenced Invoices	Select this check box if you want auto-application to match only against the referenced invoices on the remittance advice. • When you don't select the check box, auto application process tries to match the payment against all open invoices. • This option is available only when the application rule type is either On-Account Payment or Unapplied Payment.

Option	Description
	When this flag is set, Condition Rule becomes optional, and the Remittance Detail Match Conditions section becomes disabled.
Put Remaining Balance On Account	Select this check box when the payment amount that you apply is less than the payment total and you want to place the remaining amount on account.
Put Unapplied Payments Fully On Account	Select this check box to place the entire recorded payment amount on account.
Condition Rule	Select a rule that you've created to retrieve specific invoices for automatic payment processing. Workday determines the transactions to process by using a combination of Condition Rule and Application Type.
Remittance Detail Match Conditions section	This option is available only when the Application Type is either <i>On-Account Payment</i> or <i>Unapplied Payment</i>. Remittance Advice Type: Use this option to match payments to invoices by a <i>PO Number</i>, <i>Invoice Number</i>, or a <i>Reference Number</i>. When there's no remittance advice, Workday ignores this rule. Match by Amount to Pay for Remittance Detail Matching Rule: Use this option to match the amount on the Other Remittance Information against the Amount to Pay on the Record Customer Payment task. You can use this option along with Remittance Advice Type, or by itself.

Workday finds invoices that match the rules you've created.

You can now create a rule set for a company by adding these rules in the desired order.

Tasks

[Create Business Process Condition Rules](#)

Reference

[Workday 33 What's New Post: Fully On-Account Automatic Payment Application](#)

Reference: Customer Payment Automatic Application Options

Workday provides 2 options for automatic application of customer payments. This table provides an overview of both the options to help you determine the one that best suits your business needs.

Criteria	WD Delivered Automatic Payment Application Rules	Advanced Automatic Payment Application Rules
Predefined	Yes	No Configure your own rules to suit your business needs.

Criteria	WD Delivered Automatic Payment Application Rules	Advanced Automatic Payment Application Rules
Level	Tenant	Company
Setup required?	None Use the Auto-Apply Customer Payments task to initiate the automatic application rules.	Yes You need to enable the Advanced option on the Edit Customer Payment Auto-Application Configuration task.
Can you edit the rules?	No	Yes
Rule order logic	Workday processes all 8 rules in the numeric sequence from zero to 7, rule by rule until it finds a match rather than payment by payment.	
Can you use this functionality for payments imported from external source?	Yes Ensure to enable the Auto Apply flag on the <i>Put Customer Payment</i> web service before importing the external payments in Workday. You can then run the Auto-Apply Customer Payments task to apply the payments. When you use the Customer Payment Lockbox integration, Workday automatically enables the Auto-Apply flag if the Remit-From Customer value exists.	Yes
Ability to schedule	Yes. Use the Schedule Auto-Apply Customer Payments task.	Yes. Before using the Schedule Auto-Apply Customer Payments task, first access the Edit Customer Payment Auto-Application Configuration task for a Company and configure: • The advanced rule set you've created. • Enable the Advanced check box option.
Workday delivered report to view the automatic application rules.	Workday Delivered Customer Payment Application Rules	None
Workday delivered report to view the customer payments applied automatically.	Yes Customer Payment Auto-Application by Reason	Yes Customer Payment Auto-Application by Reason
<i>Application Types & Remittance Types supported for each rule set</i>		
Application Type	Unapplied only	Unapplied and On-account

Criteria	WD Delivered Automatic Payment Application Rules	Advanced Automatic Payment Application Rules
Amount to Pay	Yes	Yes
Referenced Invoices	Yes	Yes
Remittance Advice Types	None	Invoice Number PO Number Reference Number
Condition Rule	None	Yes

Reference: Customer Payment Automatic Application Rules

You can use the **Auto-Apply Customer Payments** task to initiate the automatic application rules. Workday processes each rule in the numeric order from zero to 7.

Rule Number	Rule Name	Description	Considerations
Zero	Referenced Invoice Credits (Workday)	Matches customer invoice adjustments with those customer invoices that are specifically referenced by the invoice adjustment.	Excludes adjustments that have the Apply Adjustment Immediately check box selected.
1	Referenced Invoices with Amount to Pay (Workday)	Matches those customer payments that have a Remittance Advice referencing specific customer invoices with an Amount to Pay value.	Workday retrieves the payments based on these parameters you specify in the auto application task: • Company • Remit-from Customers • Transaction Date to Use
2	Non-Invoice Remittance Advice with Amount to Pay (Workday)	Matches those customer payments that have Bill-To Customer and Amount to Pay values in the remittance line information.	Excludes customer payments that reference specific invoices.
3	Referenced Invoices without Amount to Pay (Workday)	Matches those customer payments that have the Remittance Advice referencing specific invoices with bill-to customer, and no Amount to Pay value.	Excludes customer payments that have an Amount to Pay value.
4	Non-Invoice Remittance Advice without Amount to Pay (Workday)	Matches those customer payments that have a remittance advice other than referenced customer invoices, and	When recording a customer payment, you only enter the other remittance information

Rule Number	Rule Name	Description	Considerations
		no Amount to Pay value.	such as PO Number in the remittance advice type.
5	Invoice Amount Due (Workday)	Matches the Total Payment Amount on the Record Customer Payment task to the Amount Due on a customer invoice.	There's no remittance information on the invoice.
6	Last Customer Statement Balance (Workday)	Matches the Total Payment Amount to the last statement balance for a customer that has the Remit-From Customer provided on the payment.	Matches the total payment amount on the Record Customer Payment task to the Total Balance on the last customer statement. There's no remittance information on the invoice.
7	Current Customer Balance (Workday)	Matches the Total Payment Amount to the current balance for a customer that has the Remit-From Customer provided on the payment.	Matches the payment amount on the Record Customer Payment task to the Balance in Reporting Currency amount on the current Customer Balance Summary . There's no remittance information on the invoice.

Reference: Customer Payments Advanced Automatic Application Rules Criteria

When you configure a rule, consider the options on the **Create Customer Payment Application Rule** task and associated Workday behavior.

Rule Criteria and Options

Fields	Considerations
Payment Application Reason	Select a reason that you've configured to identify the rule Workday uses for payment application. You can use the Customer Payment Auto Application By Reasons report to view your payment applications by the payment application reason.
Writeoff Reason	This option is available and required when your Application Type is Write-Off .
Application Type	Select a type of payment transaction to process with this rule. There are 4 options:

Fields	Considerations
	• <i>Invoice Credits</i>: Applies payments to invoice adjustments. • <i>On-account Payment</i>: Applies payments to invoices with a payment application status of On Account. • <i>Unapplied Payment</i>: Applies payments to invoices with a payment application status of Unapplied. • <i>Write-Off</i>: Creates bad debt write off. Workday determines the transactions to process by using a combination of Application Type and Condition Rule.
Allow Application for Different Customers	Select this check box to apply a payment where the Remit-To customer doesn't match the invoice's Bill-To customer.
Allow Application for Different Company Invoices	Select this check box to process on-behalf-of payments that have different companies on the customer payment header and the customer invoice header. You can use this check box only when you've enabled one of these options: • Limit to Referenced Invoices. • Remittance Advice Type. • A Condition Rule that contains a report field used on the customer payment remittance.
Leave Application as Draft	Select this check box to leave payments in Draft status. It enables you to review your payment application before submitting them.
Limit to Referenced Invoices	Select this check box to match only the referenced invoices on the remittance advice line. When you don't select the check box, auto application process tries to match the payment against all open invoices. This option is available when the application type is either <i>On-Account Payment</i> or <i>Unapplied Payment</i>.
Put Remaining Balance On Account	Select this check box to place those payments on account that have a remaining balance after you've applied a certain amount to an invoice.
Put Unapplied Payments Fully On Account	Select this check box to place the entire recorded payment on account.
Condition Rule	Select a rule that you've created to retrieve specific invoices for payment processing. Example: You can configure a condition rule to write off bad debt for all invoices that are less than a dollar and over 30 days past due.

Fields	Considerations
	Workday determines the transactions to process by using a combination of Condition Rule and Application Type .
Remittance Detail Match Conditions section	Use this option to match a payment by either invoice number, PO number, or reference number instead of associating a condition rule. Workday applies the rule that you've created and performs a match only if there's a remittance advice with the payment. When there's no remittance advice, Workday ignores this rule. When 2 payments for the same customer and the same remittance advice exist, Workday processes the older payment first. This option is available only when the Application Type is either <i>On-Account Payment</i> or <i>Unapplied Payment</i>.

As you configure a rule, consider Workday behavior for each available option based on the payment **Application Type** you select under the **Application Rule Details** section.

Application Type/ Other Fields	Invoice Credit	On-Account Payment	Unapplied Amount	Write-Off
Allow Application for Different Customers	No	Yes	Yes	No
Leave Application as Draft	Yes	Yes	Yes	No
Limit to Referenced Invoices	No	Yes	Yes	No
Put Remaining Balance On Account	No	Yes	Yes	No
Put Unapplied Payments Fully On Account	No	No	Yes	No
Only Applies to Payments with Remittance Advice	No	Yes	Yes	No
Remittance Advice Type	No	Yes	Yes	No

Reference

[The Next Level: An Introduction to Auto-Application Rules for Customer Payments](#)

Customer Payment Matching

Steps: Set Up Machine Learning for Customer Payment Matching

Note: You must subscribe to Innovation Services to use this feature. Contact your Customer Success Manager to request the Innovation Services Addendum (ISA), or see [Workday Innovation Services](#) in the Workday Community for more information.

- At least 30 days of customer payment transactions and data.
- Configure the Innovation Services functional area and configure security policy permissions for these domains:
 - *Manage: Innovation Services*
 - *View: Innovation Services*

You can enable machine learning to get recommendations for matching payments to customer invoices and adjustments that have little or no remittance advice associated with the payment. The machine learning model uses insights from historical payment application data and also learns from current payment applications to determine invoice recommendations for a given payment. The model ignores:

- Consolidated invoices
- Invoices with term discounts
- Invoices that don't add up to the payment amount when making recommendations.

This innovation service feature provides beneficial recommendations only when you're processing customer payments in Workday. The recommendations:

- Address how to apply prepayments.
- Address how to apply on-account payments.
- Identify mis-applied payments.
- Prevent write-off of a payment or invoice that should be a payment application.

Workday doesn't include cross-currency payments in the recommendations.

1. Access the **Innovation Services And Data Selection Opt-In** report.

The report lists all the innovation services available. Click the link to view additional information for each innovation service, security exhibit, and the data processing exhibit.

- a) In the **Innovation Services Opt In** tab, under **Available Services > Financials**, select the **Financial Management Machine Learning GA Features** service check box.
- b) In the **Maintain Innovation Services Data Selection Opt-In** tab, under **Financial Management Machine Learning GA Features**, select the **Opt In** check box for the **Customer Payment Data** category to contribute data for Machine Learning. If you've previously opted in to **Customer Payment Data**, select the **Opt In to Additional Data** check box.
- c) In the **Summary** tab, you can verify the innovation services available and opted into. You can also view the data contribution opt-in for various categories.

Security: *Manage: Innovation Services* domain in the Innovation Services functional area.

2. (Optional) Access the **Run On-Demand Machine Learning Activation for Implementation Tenant** task to set up testing on Implementation Tenants.

After setting up the task, it can take up to 2 weeks to view the machine learning feature functionality in your tenant. Then, you have 2 weeks to complete testing.

Note: Workday recommends using a Preview tenant to test this functionality because compared to Implementation tenant, you have unlimited time to test. Also, you can more easily enable Financials machine learning.

3. (Optional) Access the **Edit Tenant Setup - Machine Learning** task.

Select the region in which Workday hosts data contributed to the Machine Learning Development Environment (MLDE). The default region for the MLDE is the U.S.

Security: *Set Up: Tenant Setup - Machine Learning* in the System functional area.

When you enable the feature for the first time, it takes up to 2 weeks to train the machine learning model using your data.

When you opt out of the data contribution, Workday purges your data within 30 days.

Run the **Schedule Cash Application Insights** task to schedule cash application recommendations.

Reference

[The Next Level: Intelligent Customer Payment Matching Powered by Machine Learning](#)

[Workday Community: Available Innovation Services – Service Descriptions and Exhibits](#)

[Reference: Financial Management Machine Learning GA Features Innovation Service](#) on page 1655

Schedule Cash Application Insights

- Set up Customer Payment Matching.
- Security: *Process: Customer Invoice Payment* domain in the Customer Accounts functional area.

The **Schedule Cash Application Insights** task enables you to request cash application recommendations for payment application exceptions. You can schedule the task to run:

- Daily after your normal payment application process.
- Automatically after your last customer payment auto-application job completes.

You can also use the Process Monitor to view the process status of the job.

You can create a schedule for multiple entities and multiple currencies when you have more than 1 company or currency, to run with the specified frequency.

1. Access the **Schedule Cash Application Insights task.**

- To schedule this task to run after the automatic payment application job completes for a given company, select *Dependent* from the **Run Frequency** prompt. For dependency configuration, specify the job and set **Trigger on Status** to *Completed*.
- To schedule this task to run after the daily manual payment application job, select *Daily Recurrence* from the **Run Frequency** prompt.

2. As you select the prompts under **Criteria, consider:**

Option	Description
Company	To get on-behalf-of customer payment recommendations, set up intercompany profiles to establish the relationships between organizations on the Edit Company Intercompany Profile task.
Payment Date	Workday provides recommendations for payments created as of the specified date. To get recommendations for older payments, select <i>Days Before Schedule</i> from the prompt. Example: To get recommendations for payments created in the last 30 days, set the <i>Days Before Schedule</i> to 30. Workday automatically populates the payment date with the current date.

3. As you select the prompts under **Customer Selection**, consider:

- Workday provides payment recommendations for all customers if you leave the prompts under **Customer Selection** empty.
- For payments applied to multiple customers, set up customer relationships on a customer profile under the **Payment Details** tab. Workday automatically populates the **Remits for Customer** field when you select a customer in the **Remit-From Customer** field.

To view recommended invoices for payment applications, run the **View Cash Application Insights** report.

Reference

[2023R1 What's New Post: Recommendations for Cross Customers and On-Behalf-Of Payments for Customer Payment Matching](#)

Review and Dismiss Payment Application Recommendations

- Set up Customer Payment Matching.
- Schedule the cash application insights job.
- Configure the *Customer Payment Application Event* business process for applying payment recommendations.
- Security: *Process: Customer Invoice Payment* domain in the Customer Accounts functional area.

The **View Cash Application Insights** report provides recommendations for payments that couldn't be fully applied during the auto-apply process. The actionable report helps you make a more informed decision. You can:

- Use the prompt filters to identify payments missing remittance advice by multiple companies, multiple currencies, or by payment status.
- View recommendations for regular payments, payments on-behalf-of different customers, payments on-behalf-of different companies.
- Provide feedback on Cash Application Insights by dismissing invalid recommendations or reviewing and applying valid recommendations for a payment.

To make payment recommendation, the customer payment data model evaluates these criteria:

- Invoice Age
- Invoice Amount Due
- Invoice Number
- Memo
- Payment Age
- Payment Amount
- Payment Reference
- Payment Remittance Advice
- Ratio of Invoice Amount to Payment Amount

1. Access the **View Cash Application Insights** report.

2. As you select the prompts, consider:

Option	Description
Company	Specify 1 or more companies. You can also specify company hierarchies to view the payment recommendations. You can view partially applied payments on-behalf-of different companies. When you apply a payment for a company that's different from the invoice company, Workday routes the transaction as an intercompany

Option	Description
	payment application. Ensure that you have intercompany profiles configured.
Payment Date	Specify a date that you want to view the recommendations for. Workday finds eligible payments created as of the specified date and requests recommendations for those payments. Example: You specify 2023-01-01 for the payment date. The schedule job looks for eligible payments created on or after 2023-01-01. The schedule job automatically uses the current date and processes payments created as of that date value.
Remit-from Customers	Specify a remit-from customer to receive recommendations for cross-customer payments.

3. After you run the report, to act upon recommendations, consider:

Option	Description
Recommended Invoices	Displays open and approved invoices for the payment recorded with or without remittance for a given company. You can view the details of each recommended invoice from the related actions menu of the invoice. Workday doesn't include canceled invoices, or invoices that 's part of another payment in process in its recommendations. Workday doesn't provide a recommendation when there's no exact match for the payment.
Dismiss	Click to dismiss 1 or all recommendations. Once you dismiss a recommended invoice, Workday doesn't recommend it again for that payment. However, it can recommend the same invoice for another payment as long as the invoice is still open.
Review	Click to review the recommended invoice. Workday automatically accesses the Apply Customer Payment task, preselects the recommended invoices, and populates the Payment Amount with the recommended amount. When you select Save for Later on the Apply Customer Payment task and review the payment recommendations again in the View Cash Application Insights report, Workday will route you to the Edit Customer Payment Application

Option	Description
	task where you can apply the recommended payment amount or edit it.

- The report might list recommendations from past Schedule Cash Application Insights jobs when:
 - You didn't take action on the recommendation.
 - The model didn't generate new recommendations for previously recommended payments.
- Workday doesn't display any customer payment that's:
 - Fully applied, or applied then unapplied.
 - Canceled or has a payment application in progress.
 - Has a customer refund, overpayment, or payment return in progress.

We collect the feedback that you provide to Workday by dismissing, reviewing, or accepting the recommendations to train and improve the Customer Payment Matching machine learning model for future recommendations.

Run the **Customer Payment Recommendation Activity** report to view:

- All payment applications.
- Dismissed recommendations activity for multiple customers, payment types, payment statuses, and application statuses.
- Accepted recommendations and count of recommended invoices per payment.
- Manual and automatic payment applications using the recommendations.

Reference: Customer Payment Recommendation Activity

Workday provides a Customer Payment Recommendation Activity report that enables you to view payment application and recommendation activity. It returns 1 row per payment. You can also remove these fields from the report and use them in custom reports. The report uses the **Customer Payment for Invoices** report data source.

We also provide additional report fields to track the count of approved payment applications for both automatic and manual applications, with and without recommendations, along with the count of recommended invoices you accept or dismiss. Workday tracks the count value cumulatively.

Option	Description
Count of Remittance Advice Invoices	The total number of customer invoices referenced in the remittance advice of a customer payment.
Count of Remittance Advice Invoices with Recommendation	The total number of customer invoices referenced in the remittance advice of a customer payment with an intelligent recommendation.
Count of Other Remittance Information Entries	The total number of entries added to the Other Remittance Information section of the customer payment's remittance advice.
Count of Approved Manual Payment Applications	The total number of approved manual payment applications in the customer payment. Example: Count of 1 in this column and count of zero in the Count of Approved Manual Payment Applications with Recommendation column indicates that you applied 1 payment manually for an invoice and Workday didn't recommend that invoice.

Option	Description
Count of Approved Manual Payment Applications with Recommendation	The total number of approved manual payment applications with an intelligent recommendation in the customer payment. Example: Count of 2 in this column and count of 2 in the Count of Approved Manual Payment Applications column indicates that you applied 2 payments manually and Workday recommended both of those invoices.
Count of Approved Automatic Payment Applications	The total number of approved automatic payment applications in the customer payment.
Count of Approved Automatic Payment Applications with Recommendation	The total number of automatic payment applications processed from the provided recommendation you approved.
Count of Recommended Invoices	The total number of recommended customer invoices for the customer payment since the last Schedule Cash Application Insight run. It includes latest recommendations and any accepted plus dismissed recommendations from the prior runs.
Count of Recommended Invoices Accepted	The total number of recommended customer invoices accepted in a customer payment.
Count of Recommended Invoices Dismissed	The total number of recommended customer invoices that you dismiss for customer payment application.

Credit Card Payments

Steps: Set Up Cybersource Credit Card Payment Processing

To process credit card payments in Workday through Cybersource, you must contract with CyberSource to be your payment partner.

Through a packaged integration with CyberSource, Workday enables you to authorize and bill credit cards for customer invoice payments. The Cybersource PCI-certified data centers securely store the credit card data of the customers. Data flows between Workday and CyberSource through integrations. Workday triggers the integrations when you:

- Add or update credit card information of your customers.
- Record and settle customer payments.

You can use CyberSource to process payments in more than 190 countries and in multiple currencies.

1. [Steps: Set Up Credit Card Payment Integrations.](#)

Build 2 CyberSource integrations for:

- Creating and maintaining customer profiles in CyberSource.
- Transferring data for credit card payments to CyberSource.

2. [Configure Bank Account for Credit Card Payments](#) on page 614.

Associate the bank account that you use to process credit card transactions with the CyberSource payment integration. Enable this bank account to receive payment acknowledgment messages so that you can verify payment status.

3. [Establish a Merchant Account](#) on page 614.

Create a merchant account for credit card processing with CyberSource. Then associate it with the bank account that receives payment deposits. The merchant account has a production mode setting that you select when you're ready to go into production.

4. [Concept: Customer Credit Card Profiles](#) on page 615.

- Create multiple profiles in CyberSource with the **Upload Customer Credit Card Profiles** task.
- You can also click **Add Credit Card Information** in an individual customer record to create a single profile. Workday then sends the customer data to CyberSource and provides a link for you to complete the profile with the credit card number. However, once you use a credit card for a payment, you can't delete or inactivate that credit card.
- Workday maintains the customer information and synchronizes with CyberSource whenever you add or update customers who pay by credit card.

Configure Bank Account for Credit Card Payments

- To establish a payment type of credit card, use the **Maintain Payment Types** task.
- Create a standard bank account.
- Create a payment integration with CyberSource.

If you want to settle a customer invoice in Workday through a credit card, you must use a payment integration. You would need to first configure your bank account with the integration to receive credit card payments. Then, map the bank account to the Merchant Account.

Example: You use Chase bank for your transactions and you've a payment integration with Cybersource. Then, configure your bank account with Cybersource and map Chase bank to the Merchant Account to receive credit card payments from your customer.

You can also enable the bank account to receive payment acknowledgment messages. The acknowledgements help you can check payment status and handle rejected payments.

1. Access the **Edit Bank Account** task.
2. At the **Bank Account** prompt, select the bank account that receives credit card payments.
3. In the **Account Information** section, select an **Allowed Payment Type** of *Credit Card*.
4. On the **Settlement Setup** tab, add a row to the grid.
5. At the **Payment Type** prompt, select *Credit Card*.
6. (Optional) To restrict credit card payments to specific payment categories or countries, select one or more values at the **Payment Category** and **Country** prompts.
7. At the **Integration System** prompt, select the integration to CyberSource that you created for payment processing.
8. (Optional) Specify the **Maximum Payments per Group** and the **Cut Off Time**.
Note: The **Cut Off Time** field is informational only; Workday doesn't use this field value.
9. To indicate that the bank account can receive payment status messages for credit card payments, select the **Receives Acknowledgment** check box.

Establish a merchant account and assign this bank account to the merchant account for payment deposits.

Establish a Merchant Account

Set up a bank account to accept credit card payments.

Create a merchant account to establish CyberSource as your payment service provider and specify the bank accounts that receive payment deposits.

If you use separate bank accounts for different payment types, you can create more than 1 merchant account with CyberSource. Assign the same CyberSource payment integration to each bank account that receives payment deposits.

1. Access the **Maintain Merchant Accounts** task.
 2. At the **Payment Service Provider** prompt, keep the default value of *CyberSource* and click **OK**.
 3. Add a row to the **Merchant Accounts** grid.
 4. If you are in test mode with CyberSource, leave the **Production Mode** check box cleared. Select the check box only when you're ready to put the account into production.
This check box determines whether the links from Workday to CyberSource take you to the CyberSource test or production URL. This setting doesn't affect the integration endpoints.
 5. Enter your **Merchant Account ID** as provided by CyberSource.
 6. At the **Financial Account** prompt, select the bank account that receives credit card payments.
- When you're ready to put this merchant account into production, select the **Production Mode** check box. Workday then provides links to the CyberSource production URL.
 - Create multiple profiles in CyberSource with the **Upload Customer Credit Card Profiles** task. You can also click **Add Credit Card Information** in an individual customer record to create a single profile.

Concept: Customer Credit Card Profiles

Workday provides 2 methods to create customer credit card profiles for your CyberSource merchant account:

- A bulk upload for initial profiles.
- An individual upload for new or updated customers.

After you send customer data to CyberSource, access your CyberSource account to complete the customer profiles by entering the full credit card information. Workday stores only the credit card type, the expiration date, and the last 4 digits of the card number.

Before You Begin

Before creating merchant customer profiles, configure a customer profile integration with CyberSource.

Note: The integration must subscribe to the *Customer Change - Event Lite Type* transaction to trigger an upload of individual customer profiles. You can configure this subscription after you load initial customer profiles into CyberSource.

Upload Customer Credit Card Profiles

To load customer profiles into CyberSource, complete the **Upload Customer Credit Card Profiles** task. The customer records must already include credit card information.

Add Credit Card Information

Workday launches an integration when you create or edit the credit card information of a customer. The integration uploads the profile information in CyberSource. The customer record must include a billing address, billing phone number, and primary email address. A customer can have multiple credit cards, but you must designate 1 card as the primary credit card. After you save the customer record, the **Credit Card Information** page displays the pending customer profile transaction.

Complete Customer Profiles

After the initial upload of customer information, Workday provides a link for you to access CyberSource to complete the credit card information for that customer. The Customer Profile ID in Workday corresponds to the Subscription ID in CyberSource. You can specify the full credit card number to save the customer profile for future authorization and payment processing.

Concept: Credit Card Payments

You can authorize credit card payments when you record them. Though, final credit authorization and payment capture take place during a settlement run. Workday offers a packaged integration with Cybersource for credit card processing.

Credit Card Authorization

Credit card authorization is an optional step in the **Record Customer Payment** task. After you save and apply a payment where the payment type is credit card, you can:

- Authorize the credit card by selecting the credit card profile for that customer and clicking **Authorize Credit Card**. This process sends the payment data to your Cybersource for approval.
- Continue without authorization until the settlement run completes.

If the payment authorization fails, these options are available:

- Record the customer payment and reauthorize during the payment capture process.
- Authorize outside of Workday and add the authorization ID manually.

To enter an authorization manually, click the magnifying glass in the **Credit Card Authorization** field. Select **Manually Enter Credit Card Authorization ID** from the related action menu of the Credit Card Authorization.

- Create a new payment with a different credit card or payment method.

After you apply a customer payment with the **Record Customer Payment** task, the payment is available for settlement.

Payment Settlement

Credit card payments are part of the Workday settlement run process, which accommodates 2 types of electronic payments:

- Recorded customer payments, with or without authorizations.
- Customer invoices.

A completed settlement run triggers the **Payment Release Event** business process, that sends data for the credit card payment to CyberSource for authorization and capture. Payments go to the bank account associated with your CyberSource merchant account.

Separate payment deposits are made for each credit card type unless the **Batch Customer Payments in Deposits** check box is selected for bank account reconciliation.

Payment Acknowledgement

CyberSource automatically sends payment acknowledgements after a settlement run.

Concepts

[Concept: Settlement Processing](#) on page 1624

Tasks

[Steps: Use Settlement](#) on page 1611

Customer Refunds

Steps: Create a Customer Refund

Configure the *Customer Refund Event* business process and security in the Customer Accounts functional area.

Customers can overpay their invoices for various reasons, such as an error or a change in transaction. Workday enables you to refund that amount.

Example: A customer pays for an invoice with no remittance advice. You put the payment on account. Later, when the customer cancels the order, you can use the on-account payment to process a refund.

To create refund for a payment, make sure that:

- The payment either has a credit adjustment or has an amount on account.
- A deposit exists for the on account payment.

1. Determine whether you want to create the customer refund from On-Account Payments or Invoice Adjustments.

Option	Description
On-Account Payments	• Access the customer payment on the Invoices and Payments tab on the Customer profile. • Select Customer Payment > Apply from the related actions menu of the payment and put it on-account by entering the amount in the Amount to Place On-Account field.
Invoice Adjustments	• Access the customer invoice on the Invoices and Payments tab on the customer profile. • Select Customer Invoice > Create Adjustment from the related actions menu of the invoice.

2. Access the **Create Customer Refund** task and select the customer you're creating the refund for, including the currency, date, and payment type of the refund.

3. Select the invoice adjustment or on-account payment for the refund.

- To issue partial refunds, you can specify a **Refund Amount** that's greater than zero or less than the amount available to refund.
- You can continue to create refunds from an on-account payment as long as there's sufficient on-account balance.
- Workday prevents you from selecting any on account payment when it's already part of a refund.

4. Access the **Create Settlement Run** task to issue the refund.

When you issue the outgoing payment check for the customer refund, the **Remit-To Address** report field uses the most recent effective-dated address of the customer contact where the **Usage** is *Remit To*. This report field doesn't consider the **Primary Address** flag when determining the address for the check.

The bank issues funds back to the customer.

Reference

[The Next Level: Customer Invoice Maintenance](#)

Steps: Create Customer Refund Payments in Settlement Runs

- Settle all customer refunds in progress.
- Set up custom validations for customer refund documents.
- Set up the *Customer Refund Document Event* business process for customer refund documents.

Workday can generate customer refund payments in the settlement run to reflect your refund settlement date. Example: You create a customer refund with a specified refund date and then select a different date to settle the refund. Workday then generates a refund payment with the payment date set to the settlement date.

This enables you to:

- Separate the refund payments from the refund documents.
- Use the existing refund document when you cancel the refund payment.
- Create more accurate journal entries.
- Group the refund payments into 1 when you settle multiple customer refunds with the same company, payee, payment type, currency, and bank account.

1. Access the **Maintain Feature Opt-Ins report.**

Opt in to the **Customer Refunds Optimization** feature.

Note: After you opt in, you can no longer opt out of the customer refunds optimization to use the previous feature. We suggest you test this functionality before you opt in.

Security: *Set Up: System* domain in the System functional area.

2. (Optional) To create and retrieve customer refund documents, update your integrations to use the *Get Customer Refund Documents* and *Submit Customer Refund Document* web services.

Security:

- *Process: Customer Refund/Payment* domain in the Customer Accounts functional area.
- *Process: Settlement* domain in the Banking and Settlement functional area.
- *Process: Customer Refund Settlement* domain in the Customer Accounts functional area.
- *Customer Refund Document* business process in the Customer Accounts functional area.

3. Create a customer refund.

- See [Steps: Create a Customer Refund](#) on page 616.

4. Access the **Create Settlement Run task to issue the refund payment.**

- When you select the settlement run date, Workday automatically sets this date as the payment date.
- When you cancel the customer refund payment from the related actions menu, you don't have to cancel and recreate the customer refund document.

You can view and link customer refund payments to the original refund documents in the **View Customer Refund Payment** report.

- View the refund status and details in the **Find Customer Refunds** and **Find Customer Refund Payments** reports.
- Create custom reports from the **Customer Refunds** and **Customer Refund Payments** data sources.

Concept: Customer Refunds

Workday provides the ability to create a customer refund for a credit on a customer account. You can create a customer refund only if:

- The payment received is on-account and there's a deposit.
- The payment has a credit adjustment.

Refund from Payment on Account

When you receive a payment for an already paid invoice, you can place it fully on-account. When you receive a refund request from the customer, you can access the **Create Customer Refund** task to process the refund. The payment that the customer has on account displays as an option for sourcing the refund.

Refund as Credit Adjustment

You might have a customer who paid in full for an order, but then requires a refund because of an issue with an order.

Example: The customer receives and pays for 1000 chairs. Upon inspecting the entire order, the customer discovers damage to some of the chairs and submits a refund request. You can then access the **Create Adjustment** task from the related actions menu of the customer invoice to begin the refund process.

Payment of Refunds

Once you create a refund, you can process it with the **Create Settlement Run** task. The Workday settlement engine creates the accounting for the refund, and enables you to print and send out a refund check. When you refund a direct debit payment, the settlement engine creates both the deposit and the payment. For credit card refunds, the settlement engine creates the deposit and payment through Cybersource.

You can configure cash balance checking to prevent outbound payments from processing when you have insufficient funds. See [Steps: Configure Advanced Cash Balance Checking](#) on page 1592.

Tasks

[Create Manual Settlement Runs](#) on page 1615

[Steps: Use Settlement](#) on page 1611

Cash Sales

Record Cash Sales

- Configure the *Cash Sale Event* business process and security policy in the Customer Accounts functional area.
- Security: *Process: Cash Sale Payment - Core* domain in the Customer Accounts functional area.

You can record a sale in Workday even if you don't have a customer invoice. Cash sales aren't restricted to cash; you can select any payment type available.

1. Access the **Record Cash Sale** task.
2. As you complete the **Cash Sale Information** section, consider:

Option	Description
Currency	Workday automatically populates the currency from the customer when you specify a Default Currency on the customer profile.
Cash Sale Date	Workday automatically populates this field with the current date. You can change this date to any date in an open ledger period.
Memo	Workday displays the Memo on the invoice header.

3. As you complete the **Payment Information** section, consider:

Option	Description
Reference	Enter a value to identify the payment during bank reconciliation. Example: For payment by check, enter the check number.
Control Total Amount	Use this field to compare your estimated total to the total of the invoice lines in the Total Payment Amount field.
Create Deposit	Select this check box to add a bank account and complete a deposit.

4. As you complete the **Invoice Lines** tab, consider:

Option	Description
Company	You can change the company if you've configured the header company for intercompany transactions with the line level company.
Tax Applicability	Workday requires this field when you have a value in the Tax Code field.

5. (Optional) Review the information on the **Tax** tab. This tab provides a summary of all tax codes and applicability from the **Invoice Lines** tab. If several lines share the same tax, Workday consolidates and summarizes the information.

If you've set up the **ID Generator for Cash Sales** on the **Edit Tenant Setup - Financials** task, Workday generates a unique ID number that displays as the **Cash Sale Number** when you view the sale.

Reference

[Reference: Edit Tenant Setup - Financials](#)

[The Next Level: Customer Invoicing](#)

Manage Cash Sales

These security domains in the Customer Accounts functional area:

- *Process: Cash Sale Payment - Cancel*
- *Process: Cash Sale Payment - Change*
- *Process: Cash Sale Payment - Core*

Use the **Find Customer Payments** report to review your cash sales and manage them using the related actions menu. You can maintain separate security groups that can change or cancel cash sales after you've approved them.

1. Access the **Find Customer Payments** report.
2. Select the **Include Cash Sales** checkbox.
3. (Optional) Specify any of the other filter options to limit the payments list.
4. From the related actions menu of the cash sale, select **Cash Sale**, then 1 of these:

Option	Considerations
Cancel	If the cash sale is part of a separate deposit, you must cancel the deposit before you can cancel the cash sale. You can only access this option when you have access to the <i>Process: Cash Sale Payment - Cancel</i> domain.
Change	You can change a cash sale after you've approved it. You can't change cash sales if they're part of a separate deposit. You can only access this option when you have access to the <i>Process: Cash Sale Payment - Change</i> domain.
Copy	You can copy cash sales to avoid manual work and automatically populate values, such as customer information, to a new cash sale.
Edit	You can edit a cash sale while it's in draft status.

Deposits

Deposit Customer Payments

- Record customer payments.
- Configure the *Customer Deposit Event* business process and security policy in the Customer Accounts functional area.

After recording a customer payment, you can deposit it into a financial account.

1. Access the *Create Customer Deposit* task.

- Specify the **Company** controlling the account in which you want to deposit the payment. Workday automatically uses the company currency for the deposit, but you can change the value to any currency.
- (Optional) Select other criteria to limit the size of the payments list.

2. Select the payments that you want to deposit.

The list represents payments that you recorded using the **Record Customer Payment** task.

As you complete the task, consider:

Option	Description
Bank Account	The account for depositing the payment. Ensure that this account accepts the payment currency. When the payment currency isn't the same as the bank account currency, Workday uses the Currency Rate Type and Currency Rate to convert the deposited foreign-currency payments into the bank account currency. You can change the: • Default rate type on the Maintain Currency Rate Types task. • Default rate between the deposit and bank account currency on the Maintain Currency Conversion Rates task.
Deposit Reference	Helps you identify this deposit during reconciliation.
Control Total Amount	Compare the Total Deposit Amount of the selected payments to the desired control amount that you specify.

- Workday creates accounting for this transaction.
- When you submit the deposit, Workday initiates the *Customer Deposit Event* business process for review and approval. You can:
 - Review the deposit for details and edit as needed.
 - Send it back for revision.
 - Approve the deposit for adding the deposit to the defined bank account.
- View the deposits with the **Find Customer Deposits** report.
- Cancel and refund the deposit.

Concepts

[Concept: Rates, Rate Types, and Conversion](#) on page 24

Tasks

[Steps: Create a Customer Refund](#) on page 616

Reference

[2022R2 What's New Post: Enable Revise for Customer Deposits](#)

Cancel Customer Deposit

Security: *Process: Customer Deposit* domain in the Customer Accounts functional area.

1. Access the **Find Customer Deposits** task.
2. Select the company into whose account the payment was deposited.
3. (Optional) select other criteria to limit the size of the deposits list.
4. Select **Customer Deposit > Cancel** from related actions menu off the deposit you want to cancel.
Click **OK** to confirm the cancellation.

Once you cancel the deposit, Workday returns the payment to the list of recorded payments available for deposit.

Customer Collections

Collections Dashboard

Setup Considerations: Customer Collections Dashboard

You can use this topic to help make decisions when planning your configuration and use of the **Customer Collections** dashboard. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

You can configure your **Customer Collections** dashboard to include worklets for operational reports, charts, and tasks to manage payment collection from your customers.

Business Benefits

The **Customer Collections** dashboard helps you convert accounts receivable to cash as quickly as possible. The dashboard worklets enable collectors to prioritize their collection activities and take appropriate actions for customer collections in 1 dashboard.

Use Cases

Customer Collections dashboard uses vary, depending on roles. Review these example roles and use cases:

Role	Use Case
Collector	Manage and act upon your collections tasks like: • Aging invoices • Collection letters

Role	Use Case
	- Disputes - Writeoffs
Collection Manager or Controller	Forecast and budget your cash and bad debt. Evaluate your customers and accounts receivable.

Questions to Consider

Before creating a **Customer Collections** dashboard, identify the worklets to include:

Questions	Considerations
What operational information do your collection team members need to do their job?	With Collections Dashboard you can: - Identify invoices that are missing purchase order numbers. - Manage which invoices they follow up on in the next 2 weeks. - Track their writeoff amounts by current and prior periods.

Recommendations

A sample collector dashboard could include operational worklets like:

- **Invoice Follow-up Dates**
- **Invoices Missing Purchase Orders**
- **My Writeoff Amount**
- **Payments Applied**

Requirements

No impact.

Limitations

Workday doesn't provide any delivered risk scores for the Dashboard. You need to create your own scores using calculated fields.

Tenant Setup

No impact.

Security

To ensure proper access, review these team member roles and their included operational collections reports and task authorizations:

Domain Security Roles	Considerations
Collectors (Accounts Receivable Specialist)	- View and modify operations of the Customer Accounts functional area. - Approval authority for business processes for customer accounts.

Domain Security Roles	Considerations
Controllers	• View all financial configuration and operational data for their organizations. • Approval authority for financial business processes.

Business Processes

The **Customer Collections** dashboard doesn't require business processes. However you should review role-based business processes associated with the worklets that you include in your dashboard.

Reporting

No impact.

Integrations

No impact.

Connections and Touchpoints

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Reference

[The Next Level: Customer Collections Overview](#)

Steps: Set Up the Customer Collections Dashboard

Review setup considerations for customer collections dashboard.

The Customer Collections dashboard enables you to assess invoices and customers at risk so that you can convert accounts receivable to cash as soon as possible. You can also view reports on payments applied, write-offs, and invoices that are missing purchase order information.

1. Enable the domain security policy for the domain in the Customer Accounts functional area that secures the dashboard or landing page you want to make available.

See [Steps: Enable Functional Areas and Security Policies](#).

2. [Edit Domain Security Policies](#).

Grant your unconstrained security groups permission to the *Management Dashboard: Customer Collections* domain in the Worklet: Dashboard folder in the System functional area.

3. [Activate Pending Security Policy Changes](#).

4. Access the **Schedule Customer Collections Metrics Update** task.

Ensure to run this task to update the Workday delivered **Average Days Late** and **Days Sales Outstanding** collections metrics. You can also find these metrics on the **Customer** report data source.

Security: These domains in the Customer Accounts functional area:

- *Manage: Customer Invoice*
- *Process: Customer Invoice - Collections*

5. [Create Calculated Fields.](#)

Create calculated fields to define low-risk, medium-risk, and high-risk bands based on the aging days.

- Specify a name for the calculated field. Select the second *Customer* from the **Business Object** prompt and *True/False Condition* **Function**.
- Define the comparison value for the *Aging Days* **Field** for a given risk band.

Create calculated fields to define a risk value for each band you created.

- Specify a name for the risk assessment. Select the second *Customer* from the **Business Object** prompt and the *Evaluate Expression Band* **Function**.
- Define a value for **Return Value If Condition is True** associated with each risk band **Condition** you created.

6. Access the **Create Custom Report** task.

Add the calculated fields that you created to the custom report.

Security: *Manage: All Custom Reports* domain in the System functional area.

7. [Create Analytic Indicators.](#)

Add analytic indicators for risk scores that you created to your custom report.

8. Access the **Maintain Dashboards** report.

Edit the Customer Collections dashboard and enable custom reports as worklets.

Security: *Set Up: Tenant Setup - Worklets* in the System functional area.

9. [Set Up Worklets](#)

Configure additional custom reports as worklets.

10.(Optional) [Add Dashboard Menus.](#)

11.(Optional) [Add Home and Dashboard Announcements.](#)

Reference

[Setup Considerations: Customer Collections Dashboard](#) on page 622

[The Next Level: Customer Risk Assessment](#)

Concept: Customer Collections Dashboard

The Customer Collections dashboard offers insight into your outstanding receivables, billing, and payment transactions. It helps you to:

- Assess the aging distribution of current and past-due transactions.
- Determine the risk level of each customer.
- Evaluate the risk associated with each customer invoice.
- Get a more accurate forecast of cash and bad debt.
- Identify customers and invoices that are most at risk for late payment.
- Prioritize customer accounts for intervention by a collector to manage payment collection.

Building the Collections Dashboard

To build the dashboard, you need to:

1. Identify the collection metrics to use.
2. Configure your own high, medium, or low customer risk scores using calculated fields.
3. Create a custom report using these metrics.
4. Add the custom reports to the dashboard as worklets. You can use any report on the Customer business object. For a complete list of reports to include on the dashboard, access the **Workday Standard Reports** and filter on the Customer Accounts report category.
5. Enable security for the dashboard.

The default menu for the dashboard includes tasks related to customers, invoices, payments, writeoffs, and adjustments. You can also configure the dashboard to include worklets for operational reports, charts, and tasks.

Workday Delivered Collections Metrics

Workday delivers these metrics that you can use to create your own risk scores:

- Average Days Late
- Weighted Average Days Late
- Days Sales Outstanding (30 Days)
- Days Sales Outstanding (60 Days)
- Days Sales Outstanding (90 Days)

Workday calculates the metrics across all invoices and all companies for a given customer. To update the metrics, run the **Schedule Customer Collections Metrics Update** report. You can set a schedule to update the metrics daily, weekly, or monthly.

Risk Scores for Expression Bands

After you update the collection metrics, use any 1 of the metrics to develop calculated fields for customer risk scores. Then, create additional fields to define high-risk, medium-risk, or low-risk bands. You can also create calculated fields from the D&B Commercial and composite scores provided on the customer profile. You can create risk scores based on a combination of:

- Customer category.
- Invoice and payment history.
- Location.
- Revenue category.
- Sales item.
- Weighted average days late.

The risk score that you create for each customer invoice indicates the likelihood of a customer paying the invoice after the due date. You can use these scores in custom reports and add the reports as a worklet to the Customer Collections dashboard.

Reference

[The Next Level: Customer Collections Overview](#)

Reference: Collections Dashboard Metrics Calculations

Workday delivers several collections metrics. Workday performs all calculations only for open invoices as of the schedule run date.

- [Average Days Late Metrics](#) on page 626
- [Days Sales Outstanding \(DSO\) Metrics](#) on page 627

Average Days Late Metrics

To understand how Workday calculates the average days late, consider this scenario for 4 past due customer invoices:

Invoice Number	Past Due Invoice Amount	Days Late	Weighted Invoice Amount
#1	\$350	30	$350 \times 30 = \$10,500$
#2	\$5,000	25	$5000 \times 25 = \$125,000$
#3	\$200	15	$200 \times 15 = \$3,000$

	Invoice Number	Past Due Invoice Amount	Days Late	Weighted Invoice Amount
	#4	\$600	10	$600 \times 10 = \$6,000$
Sum	4 invoices	\$6,150	80 days late	\$144,500

Workday includes only those invoices paid in full and when the paid date isn't null. Workday determines average days late using these calculations:

Metrics	Formula	Description	Scenario
Average Days Late (ADL)	Sum (days late) ÷ number of invoices paid late	Days late are the number of days between the invoice due date and the invoice paid date. This value is an important indicator of your collections performance and can help you identify the customers that are taking longer to make payments.	$80 \div 4 = 20$ ADL Your customers are paying you 20 days late on an average.
Weighted Average Days Late (WADL)	Sum (Each invoice amount × Days late) ÷ Sum (Past due invoice amount)	It's the average number of days for invoices paid late, weighted by the total amount due. Use this value when you want to assess delinquent customers with large invoice amounts.	$\$144,500 \div \$6,150 = 23$ WADL Customers are paying you 23 days late on an average.

Days Sales Outstanding (DSO) Metrics

DSO helps you determine the number of days that it takes on average to collect payments from credit sales during a specific time period. Use this measure to assess your cash flow for that period and identify collection issues. In these examples, you have an AR balance of \$75,000 and credit sales revenue of \$100,000.

Workday uses these calculations for DSO metrics:

Metrics	Formula	Description	Example
Days Sales Outstanding (30 Days)	(Sum of open Account Receivables (AR) amount) ÷ (Credit sales revenue in last 30 days) × 30	Workday considers invoices that have an invoice date in the last 30 days from your last run date.	$(75,000 \div 100,000) \times 30 = 22.5$ Your AR balance is 75 percent of the revenue. In the last 30 days, you take on average 23 days to collect payment after making a sale.

Metrics	Formula	Description	Example
Days Sales Outstanding (60 Days)	(Sum of open Account Receivables (AR) amount) ÷ (Credit sales revenue in last 60 days) × 60	Workday considers invoices that have an invoice date in the last 60 days from the last run date.	$(75,000 \div 100,000) \times 60 = 45$ In the last 60 days, you take on average 45 days to collect payment after making a sale.
Days Sales Outstanding (90 Days)	(Sum of open Account Receivables (AR) amount) ÷ (Credit sales revenue in last 90 days) × 90	Workday considers invoices that have an invoice date in the last 90 days from the last run date.	$(75,000 \div 100,000) \times 90 = 68$ In the last 90 days, you take on average 68 days to collect payment after making a sale.

Tasks

[Steps: Set Up the Customer Collections Dashboard](#) on page 624

Reference

[The Next Level: Customer Risk Assessment](#)

Reference: Collections Dashboard Worklets

You can add the listed worklets to the Customer Collections dashboard (secured to the *Manage Dashboard: Customer Collections* domain in the System functional area).

Worklet	Use Case	Security
Invoice Follow-up Dates	Displays invoices that you need to follow up on. Or to see when you last contacted the customer and any notes you took.	<i>Reports: Customer Accounts</i> domain in the Customer Accounts functional area.
Invoices Missing Purchase Orders	Identifies invoices that are missing purchase order numbers, which could delay receiving the customer payment.	<i>Reports: Customer Accounts</i> domain in the Customer Accounts functional area.
My Writeoff Amount	Keeps track of your write off amounts for the current and previous period, ensuring that you are within the assigned limits.	<i>Reports: Customer Accounts</i> domain in the Customer Accounts functional area.
Payments Applied	Identifies the top collections by comparing all the applied payments against the total number of invoices due in a period.	<i>Reports: Customer Accounts</i> domain in the Customer Accounts functional area.

Tasks

[Steps: Set Up the Customer Collections Dashboard](#) on page 624

Dunning and Customer Statements

Print Dunning Letters

- Set up customer contacts, email addresses, and document delivery preferences.

- Security: *Reports: Customer Documents* domain in the Customers Accounts functional area.

You can create dunning letters to remind customers about the status of open invoices, improving the collections process. You can:

- Select from 3 dunning letter templates of increasing severity, or create your own dunning letters from these templates.
- Include invoice adjustments, invoices with negative amount, invoices in dispute, or on hold when you print the dunning letters.
- Include latest interest and late fee calculations for past due invoices in the dunning PDF when you haven't yet generated finance charges.
- Configure specific customer profiles to exempt them from receiving dunning letters.
- Email letters to customers that have *Email* configured as a preferred delivery method.
- Print letters for customers who prefer to receive them by mail.

Workday doesn't include consolidated invoices in dunning letters.

1. (Optional) To enable emailing of dunning letters, select the *Email* channel on your routing rule for custom business process notifications.

When you edit **Custom Notifications** on the *Dunning Letter Email Event* business process, ensure that the **Repeat On** prompt is set to *Dunning Letters to be Emailed*. If you leave this field blank, Workday sends all the dunning letters to everyone.

2. Access the **Print Dunning Letters** task.

3. As you complete the task, consider:

Option	Description
Dunning Level Group	Access the Create Dunning Level Group task from this prompt to configure dunning levels.
Customers to Exclude	You can specify 1 or more customers to exclude from this print run.
Generate Associated Invoice PDFs	When invoices use different business form layouts, Workday generates 1 file for each business form layout. To include associated invoices when you email dunning letters, configure the Dunning Letter Email Event business process.
Group Dunning Letters for Mailing	In addition to creating individual dunning letters, Workday groups letters by dunning level and customer locale for customers with: • <i>Mail</i> configured as a delivery method. • No configured delivery method.
Override Dunning Level Setting	To override the dunning level selection, you can include: • All Open Invoices • All Overdue Invoices Workday will ignore the aging days you specified in the Dunning Levels option, but will continue to use the Business Form Layout associated with the selected dunning level.

- Access the **Schedule Print Dunning Letters** task to configure a recurring print job.

- Exclude specific invoices from dunning letters with the **Manage Customer Invoices** task.
- View dunning letters on the **Find Dunning Letter Print Runs** report.

Tasks

[Set Up Customer Contacts and Addresses](#) on page 505

[Steps: Configure Workflow Notifications to Email Customer Invoices and Attachments](#) on page 564

Reference

[Reference: Edit Tenant Setup - Notifications](#)

[Workday 32 What's New Post: Include Associated Invoices with Dunning Letters](#)

[Workday 33 What's New Post: Group Dunning Letters for Mailing](#)

[The Next Level: Customer Collections Overview](#)

[2020R2 What's New Post: Invoices and Invoice Adjustments in Dunning Letters](#)

Steps: Set Up Customer Statements

You can print customer statements for regular mail delivery, or email them as PDF attachments to customers. To do so, first configure the document delivery method, delivery type, and define the print layout.

Workday also enables you to:

- Exclude empty statements from *Open Item* statement type.
 - Exclude statements with zero balance and no activity from *Balance Forward* statement type.
 - Schedule the print job.
1. Access the **Edit Tenant Setup - Notifications** task and enable automatic email notifications.
In the **Notification Delivery Settings** section, select *Email* for the **Custom Business Process Notifications** row of the Business Processes parent notification type.
Security: *Set Up: Tenant Setup - BP and Notifications* domain in the System functional area.
 2. Configure the *Customer Statement Event* business process and security policy in the Customer Accounts functional area. Make sure to include the custom notification on the business process definition.
 3. [Steps: Configure Workflow Notifications to Email Customer Invoices and Attachments](#) on page 564
Configure recipients primary mailing address, email addresses of the customer contact, bill-to contacts, and document delivery options for the customer statement.
 4. [Create Customer Statement Print Layout](#) on page 631.
 5. Access the **Print Customer Statements** task to print and email customer statements.
Security: *Reports: Customer Documents* domain in the Customer Accounts functional area.
Workday excludes invoices which aren't part of the customer security segment.
 6. Specify a **Balance Forward Start Date** to summarize balances from that start date.
 - This field only displays when you select *Balance Forward* on the **Create Statement Print Layout** task.
 - When you don't want to use *Balance Forward* statement type, first select the *Open Item* option from the **Override Statement Type** prompt.
 7. Select the **Group non Email Delivery Statements** check box to group statements without a bill-to contact email address in their profile.
Specify the **Preferred Delivery Type** under the customer selection criteria section.
 8. (Optional) Access the **Schedule Print Customer Statements** task to schedule the printing of customer statements automatically.

You can print customer statements for regular mail or email delivery. When you email the customer statement, Workday first routes the statement to the *Customer Invoice Email Event* business process for review and approval.

To view the print and email request status, access the **Find Customer Statement Print Runs** report.

Create Customer Statement Print Layout

- Upload the business form layout for customer statements.
- Security: These domains in the Customer Accounts functional area:
 - *Set Up: Customer Accounts*.
 - *Reports: Customer* to use the delivered *Customer Statement* business form layout.

You can create layouts for a company to use when printing and emailing customer statements. You can:

- Create a custom layout for your report design to meet your business needs. You can have more than 1 layout for your company.
- Customize the Workday delivered standard statement layout with your company logo and financial messages.
- Specify a statement type, aging group, and remittance option for the company.

1. Access the **Create Customer Statement Print Layout** task.

2. As you complete the task, consider:

Option	Description
Statement Type	Select: • <i>Balance Forward</i> to include a consolidated balance on the customer statement. This balance carries over to each subsequent billing period. • <i>Open Item</i> to include individual customer invoices on the statement that aren't yet paid in full.
Business Form Layout	Select: • Workday delivered <i>Customer Statement</i> layout. • A custom layout if you require more flexibility than the delivered print layout.
Include Company Logo	Select to display your company logo on the standard business form layout.
Aging Group	Specify the number of days for each aging group. Workday aggregates the invoice amounts by the aging group in your output file.
Customer Statement Remittance Option	Select: • <i>Credit Card</i> • <i>Standard</i>
Financial Message	Enter a message to display on each sponsor statement that you generate with this layout. You can include up to 3 financial messages per company.

Workday uses this print layout when you generate the statement PDF.

- Configure delivery method to email or regular mail.
- Print and email customer statements. Workday routes the customer statements to the *Customer Invoice Email Event* business process for review and approval before you email them.

Tasks

[Create a Business Form Layout in Workday Studio](#)

[Upload a Business Form Layout and Attach It to a Custom Report](#)

Concept: Customer Statements

Customer statements remind your customers about their outstanding invoices and provide details of their account activity, including information about:

- Outstanding Balance
- Open Amount
- On Account Amount
- Unapplied Payments

You can also define aging groups on the business form layout to display the total amount due by aging days. There's no accounting impact from generating statements.

Workday provides 2 **Statement Types**:

- *Balance Forward* to summarize the balance due from the start date you enter.
- *Open Item* to include invoices that aren't yet paid in full. It displays only open invoices and adjustments regardless of the date.

You can print a single or multiple statements at once for a company and download the PDF. You can also schedule the print job to deliver the statements automatically to the customers.

Reports

Workday provides these reports for viewing statements and the associated PDF:

- **Find Customer Statement Print Runs**
- **Find Customer Statement Printing Run Groups**
- **View Customer Statements**

To report by aging days, you must specify the aging groups on the business form layout.

You can also access these reports and tasks to edit or view the print configurations of your customer statements:

- **Edit Customer Statement Print layout**
- **View Customer Statement Print layout**

Reference

[The Next Level: Customer Collections Overview](#)

Interest and Late Fees

Setup Considerations: Interest and Late Fees

You can use this topic to help make decisions when planning your configuration and use of interest and late fees. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

Workday enables you to calculate interest charges and late fees on past-due invoices and then apply them to the original invoice. To generate finance charges automatically, you can schedule the process after you configure the rules. We also enable you to report on the finance charges and print the finance charge invoices.

Business Benefits

The interest and late fee functionality:

- Streamlines how you set up, calculate, and process finance charges on past due invoices.
- Eliminates the need to calculate interest and late fees manually on invoices for each customer.
- Enables you to recover costs incurred by carrying unpaid bills on your books.

Use Cases

You can configure interest and late fee rules to:

- Calculate one-time or recurring finance charges on past-due invoices.
- Print separate finance charge invoices to send to your customers.
- Generate a report only without processing the finance charge calculations.
- Apply the on-account amounts to finance charge invoices.

Questions to Consider

Questions	Considerations
What invoice types do you need to assess finance charges on?	When you want to generate finance charges for different invoice types, configure the default rules or the overrides at the individual customer level.
How do you want to configure your finance charges for direct intercompany transactions?	When you have direct intercompany transactions, Workday processes the finance charge as usual. When you want to exclude these charges, set the customer to Exempt on their profile.
Do you need to post interest charges and late fees to separate accounts?	To post finance charges to 2 different ledger accounts, specify revenue categories by company or customer.
How do you want to generate your finance charge documents?	After you calculate the interest and late fees, you can create: • A new invoice document for finance charges. • A new invoice adjustment document for finance charges. • Two separate invoice adjustment documents: One for interest charges and another for late fee charges. • A report, without generating any documents or accounting.
How do you want to configure your worktags for finance charges?	When you set up calculation options, Workday enables you to: • Copy the worktags from the header of a past-due invoice. • Copy customer worktags from the customer profile to the header of the finance charge invoice or invoice adjustment document.

Questions	Considerations
	- Copy header worktags from a past-due invoice to the new finance charge adjustment document. - When you've worktag balancing enabled, you must specify a worktag for processing finance charges.

Recommendations

- Run the **Maintain Interest and Late Fees** report to set up interest and late fees in the correct order.
- When you want to apply the finance charge for a full month even if 30 days aren't complete, set the calculation option to monthly.
- To make any changes to the original invoice, first cancel the associated finance charge invoices.
- To view invoice adjustments from the customer invoice, access the **Late Fees** tab on the **View Customer Invoice** report and drill into the calculation runs.

Requirements

- Configure at least 1 interest rule and late fee rule.
- Specify a rule to define the default behavior for interest and late fee calculations. Determine if you want to override the default calculations for a customer.
- Set up calculation options for generating finance charges.
- To print the finance charge document, set the **Customer Invoice Layout Rule** to *Finance Charges*. Also, set the **Business Form Layout** to *Customer Finance Charge Invoice Printing Form*.
- When you enable worktag balancing, you must define the primary worktag in case the original invoice or the customer profile is missing the primary worktag.
- Configure the *Interest and Late Fee Event* business process and approve the charges so that Workday can display the finance charges.

Limitations

- Workday doesn't support these calculations:
 - Compound interest.
 - Interest charges for late payments.
 - Tiered interest rates and charges.
- This feature doesn't support invoices originating from Grants or Student sponsors.
- Once you generate a finance charge document, you can't change the company customer or currency fields.
- When you process the finance charge for the same customer and company multiple times in the same period, the on-account amount doesn't change for the subsequent calculation runs.
- You can apply only 1 interest rule and 1 late fee rule to the same invoice.
- You can't use the auto-application process to distribute the customer payment between the original invoice and the related finance charge invoice.
- The late fee can only be a flat amount. You can't specify the late-fee value as a percentage of the past due amount.
- You can't collect tax on finance charges automatically.

Tenant Setup

To enable interest and late fees, select the **Enable Interest and Late Fees** check box in the **Customer Accounts** section on the **Edit Tenant Setup – Financials** task.

Security

Configure the *Set Up: Interest Rate and Late Fee Rule* domain in the Common Financial Management functional area for workers who need to:

- Configure finance charge rules, calculations, output options, and overrides for individual companies or customers.
- View individual company or customer reports.

Business Processes

Configure the *Interest and Late Fee Event* business process to define who can initiate, approve, and view the finance charges. When you revise the calculations or deny the business process event, Workday also cancels the calculation event.

Reporting

To review the details of the finance charges, access the **Find Interest and Late Fee Calculation Runs** report.

You can also create a custom report using the **Interest and Late Fee Calculation Run** report data source. When your reports are on **Customer Invoices** report data source, include the **Generated Customer Invoice** report field to view interest invoice adjustments.

Integrations

You can use these web services to upload or retrieve data through an EIB:

Web Services	Considerations
<i>Get Finance Charge Rules</i> <i>Put Finance Charge Rule</i>	Adds, retrieves, or updates a finance charge rule. When a rule doesn't exist, Workday creates it. If the rule is already in use, you can't update it.
<i>Get Interest and Late Fee Calculation Options</i> <i>Put Interest and Late Fee Calculation Option</i>	Retrieves or updates the interest and late fee calculation rules at tenant and company level. When a calculation rule doesn't exist for the tenant, Workday creates a new one. The Days in Year field value must be greater than zero. When Minimum Days for Partial Month has a value, set the Include Partial Month flag to true. There's only 1 interest and late fee calculation rule for the tenant, but you can create any number of rules for a company, with the lowest order value taking precedence.
<i>Get Interest and Late Fee Defaults and Overrides</i> <i>Put Interest and Late Fee Defaults and Overrides</i>	Retrieves or updates the interest and late fee rule default and override configurations. Default application rules are applicable to all customers. Workday applies override rules based on the company and customer category combination.
<i>Get Interest and Late Fee Output Options</i> <i>Put Interest and Late Fee Output Option</i>	Adds, retrieves, or updates the rules for generating interest and late fees invoice document for a company. These rules set the output options when you process the finance charges. Customer-level rules override the tenant rule for the company.

Connections and Touchpoints

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Reference

[2020R1 What's New Post: Interest and Late Fees](#)

Steps: Set Up Interest and Late Fees Charges

Review setup considerations for interest and late fees.

You can automatically calculate interest or late fees on past-due invoices and apply them to the original invoice.

To provide flexibility in how you set up your finance charges, Workday enables you to configure these options:

- Charge a one-time or recurring late fees.
- Charge daily or monthly interest.
- Apply a grace period.
- Set the default calculation rules for a company, customer, billing schedule, or customer invoice.
- Override a rule for a customer.
- Define when to generate the finance charge document.
- Verify your configuration by running the process without generating a document.

1. Access the [Edit Tenant Setup – Financials](#) task.

Select the **Enable Interest and Late Fees** check box in the **Customer Accounts** section.

Security: *Set Up: Tenant Setup - System* domain in the System functional area.

2. [Set Up Finance Charge Rules](#) on page 637.

3. Access the [Maintain Interest and Late Fee Defaults and Overrides](#) task.

Specify rules as defaults for all customer. When you select both **Interest Rule** and **Late Fee Rule** as defaults, ensure that both the rules have the same **Calculation Option** of *Daily* or *Monthly*.

You can also specify 1 interest rule and 1 late fee rule as an override for a given company, customer category, and customer group. You can't combine 2 interest rates rules or 2 late fees rules for a company by adding them in different rows.

- Workday processes rules in the order they display in the grid. Once a field meets the conditions for a rule, Workday ignores any remaining rules in the grid.
- To retrieve past due invoices for certain customers in a company, define specific rules first.
- When none of the rules in the Override grid meet the specified conditions, Workday uses the default rules for all customers. If you haven't set default rules, Workday doesn't process any finance charges.
- You can also create a separate customer group just for interest and late fee functionality. Later, when you define the override rules, you can easily assign them to the customers in this group.

Security: *Set Up: Interest Rate and Late Fee Rule* domain in the Common Financial Management functional area.

4. [Set Up Calculation Options for Interest and Late Fees](#) on page 639.

- Configure customer invoice layout for finance charges so that you can print interest and late fees documents.
- Process interest and late fees to generate finance charges.

Reference

[2020R1 What's New Post: Interest and Late Fees](#)

[The Next Level: Interest and Late Fees Guide](#)

Set Up Finance Charge Rules

Security: *Set Up: Interest Rate and Late Fee Rule* domain in the Common Financial Management functional area.

You can configure interest or late fee rules to calculate finance charges automatically for overdue invoices. When you set the rules to run on a recurring basis, Workday continues to calculate the finance charge until the customer pays the invoice.

1. Access the **Maintain Finance Charge Rules** task.
2. As you complete the task, consider:

Option	Description
Rule Type	When you configure an Interest Rate rule type, Workday doesn't process compound interest.
Calculation Options	Workday displays this field only when the Frequency is <i>Recurring</i> . • Daily: $(APR/365 * \# \text{ of Days Past Due} * \text{Amount Due})$ • Monthly: $(APR/12 * \# \text{ of Months Past Due} * \text{Amount Due})$
Currency	Workday converts the late fee currency to the invoice currency when they differ.
Inactive	When you select this check box and set a rule to inactive, Workday prevents you from saving changes to the payment or invoice that are part of finance charge calculations.
Days to Generate Interest Document	Enter the number of days by which you want to delay generating a finance charge invoice. Workday applies this value to only the first calculation run.

You want to charge interest for invoices that are past due as of October 24.

Configuration	Value
Rule Type	<i>Interest Rate</i>
Annual Percentage Rate	<i>12%</i>
Amount Past Due	<i>\$10,000</i>
Calculation Option • <i>Daily</i> • <i>Monthly</i>	Calculated interest charge amount: • \$100.19 for daily option: $(.12/365)*31*10,000$ • \$100 for monthly option: $(.12/12)*1 *10,000$
Grace Period Days	5 When you process interest charges by: • Daily calculation rules: Workday doesn't include invoices with a due date of October 24 until after the October 29 processing date. • Monthly calculation rules: Workday processes the finance charge on October 31 and includes

Configuration	Value
	all invoices with a due date of October 24 in the calculations.
Days to Generate Interest Document	6 When you process interest charges by: - Daily calculation rules: Workday doesn't generate a finance charge invoice until after the October 30 processing date. - Monthly calculation rules: Workday processes the finance charge on October 31, and generates a new finance charge document.

You can set interest rate and late fee rules as defaults. You can also define rule overrides for a company, or customer group and category.

Set Up Interest and Late Fee Defaults and Overrides

- Configure interest and late fee rules.
- Security: *Set Up: Interest Rate and Late Fee Rule* domain in the Common Financial Management functional area.

After you create finance charge rules, assign them to companies and customers so that you can automatically apply the interest or late fees to overdue invoices. You can also override these configurations by specifying the rules on a customer profile or on an invoice.

- Access the **Maintain Interest and Late Fee Defaults and Overrides** task.
- As you complete the task, consider these sections:

Option	Description
Apply To All Customers	When you specify both interest and late fee rules as default for all customers, ensure that both the rules have the same Calculation Option of <i>Daily</i> or <i>Monthly</i> . You can't combine a monthly rule with a daily rule.
Interest and Late Fee Overrides	Configure an interest rule or late fee rule for a given company, customer category, and customer group. You can't combine 2 interest rates rules or 2 late fees rules for a company by adding them in different rows. - Workday processes rules in the order they display in the grid. Once a field meets the conditions for a rule, Workday ignores any remaining rules in the grid. - To retrieve past due invoices for certain customers in a company, define specific rules first. - When none of the rules in the Override grid meet the specified conditions, Workday uses the default rules for all customers. If you haven't set default rules, Workday doesn't process any finance charges. - You can also create a separate customer group just for interest and late fee functionality.

Option	Description
	Later, when you define the override rules, you can easily assign them to the customers in this group.

When you process finance charges, Workday applies these rules as defined.

You configure default interest and late fee rule for all your customers. You also set override rules for Company A. For Customer X, you define a different interest rule on the customer profile.

Apply To All Customers section	Interest Rule: 2% monthly Late Fee Rule: \$25 monthly
Interest and Late Fee Overrides section	For company A, Interest Rule: 1% monthly Late Fee Rule: \$5 monthly.
On Customer X profile: Customer > Overview > Payment Details	Interest Rule: 3% monthly

When you process finance charges for Company A, Workday uses the:

- Override late fee rule of \$5 for all customers in Company A.
- Interest rule of 3% for Customer X, and a rule of 1% for the rest of the customers in Company A.

Set up calculation options to specify how you want to calculate finance charges.

Set Up Calculation Options for Interest and Late Fees

- Configure interest and late fee rules.
- Define default behavior and set the overrides for interest and late fee calculations.
- Security: *Set Up: Interest Rate and Late Fee Rule* domain in the Common Financial Management functional area.

To define when and how Workday calculates the finance charges, configure additional parameters as defaults, or add rules for specific companies to override the defaults.

You can also specify the type of finance charge document you want to generate. To view the finance charge calculations before you process them, specify the reporting only option.

1. Access the **Maintain Interest and Late Fee Calculation Options** task.
2. As you complete the **Calculation Options** section, consider:

Option	Description
Use On-Account Amount	Select the check box to use the on-account amount to pay for finance charges. Workday applies this amount to the oldest invoice first. When you process finance charges again in the same period, for a company or customer, Workday doesn't use the on-account amount for subsequent payments. You can configure it at the tenant level or for specific companies as an override.
Include Partial Month	Select the check box to charge a full month of interest on invoices that are only partially past due in a 30-day period.

Option	Description
	This option is valid when the finance charge rules use a monthly calculation option.
Minimum Days	Enter a value to add buffer days to the partial month. Workday calculates finance charges for full month after the specified minimum days. Workday displays this field only when you select the Include Partial Month check box. Example: Your payment terms are net 30, and the invoice period is from September 30 to October 30. You enable including partial month and specify 10 minimum days as your buffer. When you run the process on: - October 5, Workday doesn't charge interest or late fees on past due invoices. - October 11, Workday charges full month of interest or late fee on all customer invoices past due from this date onwards. When you don't include partial month option, and process finance charges on any of these dates, Workday excludes the invoice from incurring an interest fee until after October 31.
# of Days In a Year	Workday automatically sets it to 365. Enter another value that you want to use for calculating daily finance charge rates.

3. As you complete the **Output Options** section, consider:

Option	Description
Document Output Options	Specify the type of finance charge invoice document that you want to generate. <i>Create New Invoice Adjustment for Finance Charges:</i> Workday creates 1 finance charge invoice adjustment document for each past due customer invoice. <i>Create New Invoice for Finance Charges:</i> Workday creates 1 finance charge invoice per customer for all past due invoices. Each line on the invoice corresponds to 1 past due customer invoice. <i>Create Separate Invoice Adjustment for Finance Charges:</i> Workday creates 2 separate invoice adjustment documents, 1 for interest charges and 1 for late fee charges. <i>Reporting Only:</i> Workday updates report fields only and doesn't generate any accounting, enabling you to review your configuration before you process finance charges.

Option	Description
Invoice Adjustment Reason	Select an option for Workday to add the reason to your finance charge invoice adjustment document.
Revenue Category	Select a category so that Workday can populate this value automatically on the finance charge invoice or adjustment line. To post finance charges to a different ledger account, use this revenue category as a condition in the revenue account posting rule.
Copy Header Worktags from Original Invoice	When you select this check box Workday copies the worktags from the original past due invoice to the new finance charge invoice.
Copy Customer Worktags	Select this check box to copy worktags from the customer profile to the finance charge invoice adjustment when the original invoice doesn't include worktags.
Worktags	Select worktags for the finance charge invoice. Workday uses these values only when the invoice header or the customer profile don't have worktags. When you've worktag balancing enabled, ensure to define a primary worktag. It prevents processing errors when the original invoice or the customer profile don't have worktags configured.
Target Company	Specify the company from which you want to generate the finance charge invoices.

4. As you complete the **Company Overrides** section, consider:

Option	Description
For Customer Category	When you define a category, Workday disables the Company option and you must specify a Target Company .
Revenue Category	You can define this category as a condition in your revenue account posting rule to post finance charges to a different ledger account.

When you process finance charges, Workday calculates them according to the specified options.

Run the **Process Interest and Late Fees** task to generate a report or create a finance charge document.

Steps: Process Interest and Late Fees Charges

- Create interest and late fee rules.
- Assign the rules as defaults or configure rule overrides for companies and customers to suit your business needs.
- Set up finance charge calculation options and specify the document output options.

To generate the finance charges, you can schedule the process job or run it manually.

1. Access the **Edit Customer Invoice Layout Rule** task.

To create a finance charge document when you print the invoice, set:

- **Customer Invoice Layout Rule** to *Finance Charges*.
- **Business Form Layout** to *Customer Finance Charge Invoice Printing Form*.

Security:

- *Set Up: Customer Accounts* domain in the Customer Accounts functional area.
- *Set Up: Sponsor Accounts* domain in the Grants Management functional area.

2. Specify the criteria for processing finance charges and run the calculations.

See [Generate Finance Charges](#) on page 642.

3. (Optional) Access the **Schedule Process Interest and Late Fees** task.

You can create multiple schedules for the same processing configuration.

To run the process after another action completes, select **Frequency** of *Dependent* and specify dependency, trigger status, trigger delay configurations.

To schedule the process at a specific time, in a certain time zone select **Frequency** of *Custom Recurrence*.

When you select the **Only Include Invoices Eligible As Of Run Date** check box, Workday includes the grace period while determining invoice eligibility.

Security: *Process: Customer Invoice - Collections* subdomain in the Customer Accounts functional area.

- Email the printed finance charge documents.
- View finance charge details for a given calculation run on the **Find Interest and Late Fee Calculation Runs** report. You can also view the rules used for processing the charges on a customer profile, billing schedule, and a given customer invoice.

Tasks

[Steps: Set Up Interest and Late Fees Charges](#) on page 636

Generate Finance Charges

- Configure the *Interest and Late Fee Event* business process and security policies in the Common Financial Management functional area.
- Configure interest and late fee rules.
- Define defaults and overrides for interest and late fee rules.
- Set up calculation options for generating interest and late fees.
- Security: *Set Up: Interest Rate and Late Fee Rule* domain in the Common Financial Management functional area.

After you configure finance charge rules and calculations, you can process interest and late fees to generate finance charges on past due invoices. You can specify the:

- Processing date and output options.
- Invoice company, currency, date, or due date.
- Customer parameters.

Workday retrieves invoices that meet the criteria. You can select specific invoices to include in the calculation run. When you process the invoices, Workday:

- Generates a new interest customer invoice document, or generates only a report so that you can view the calculations before you process the finance charges.
- Displays the finance charges only after you approve the *Interest and Late Fee Event* business process. When you configure conditional approvals in your business process, and the approver denies the transaction, Workday doesn't create the finance charge document.

Once you generate a finance charge document, you can't change the company, the customer, or the currency fields. Workday also prevents these actions on the original invoice:

- Cancel.
- Change.
- Credit and rebill.
- Edit
- Update lines.

To take these actions, you must cancel all prior finance charge invoices related to the original invoice.

However, when you use a future **Process Date**, Workday includes past due invoices until that period and charges interest and late fees on them. Once, you generate a finance charge, you cancel the finance charge invoice but can't process further charges again until after that period.

To generate finance charges automatically, you can access the **Schedule Process Interest and Late Fees** task instead. It enables you to process large volumes of customer invoices easily. To generate a full month finance charge, set the schedule to run daily.

Note: When you process fees manually, Workday retrieves a maximum of 1,000 invoices per run.

1. Access the **Process Interest and Late Fees** task.
2. As you complete the task, consider:

Option	Description
Process By	Select: • <i>Daily Calculation Rules</i> to process fees for the current month. • <i>Monthly Calculation Rules</i> to process fees for the previous month. Workday only includes rules that have the Calculation Option of <i>Monthly</i> regardless of the processing frequency. Based on the processing rule you select, Workday displays additional fields for further defining the process dates.
Process Month	Workday displays this option only when the Process By prompt is <i>Monthly Calculation Rules</i>. Workday automatically sets it to the current month. You can modify the month but Workday sets the Process Date to the last date of the specified month. The last date generates a new finance charge invoice each month, given you set the Days to Generate Interest Document to 0 in the associated late fee rule. When you use the Schedule Process Interest and Late Fees task, Workday displays Process Month Option prompt instead. You can specify current month, month before or after the schedule date options to define when the scheduler is run. Example: You set the Process Month to <i>Month Before Schedule</i>. When you schedule the process to run on July 2, Workday calculates finance charges on June 30th, as it's the last date of the prior month.

Option	Description
Process Date	Workday displays this option only when the Process By prompt is <i>Daily Calculation Rules</i> and automatically sets it to the current date. When you use the Schedule Process Interest and Late Fees task, Workday displays Process Date Option prompt instead and enables you to specify current date, first day of current or previous month, last day of current or previous month, or number of days before or after the schedule date. When you process finance charges, the interest and late fee calculation run looks at all open invoices and determines invoice eligibility based on the process date specified. Workday also verifies if eligible invoices have prior interest and late fee charges. If they do, Workday retrieves only invoices that have a calculation run before the process date specified.
Next Process Date	When you process interest and late fees on a schedule, Workday automatically populates this field to let you know when we next process the finance charges.
Only Include Eligible Invoice as of Run Date	Workday displays this option only when the Process By prompt is <i>Monthly Calculation Rules</i>. Select this check box when you want to run the finance charge process daily but have the Process By prompt set to <i>Monthly Calculation Rules</i> option. If you process interest and late fee in the middle of the month, then Workday includes only those invoices that are eligible on the run date, including the grace period. Workday excludes any invoice that has a due date after the run date even if the date is within this month. When you process interest and late fee again on another day within the same month, Workday ignores invoices that already have a finance charge.
Output Options	Select 1 option: • <i>Reporting Only</i>: Generates only a calculation that you can use in custom reports, enabling you to view the finance charges before you process them. • <i>Create a Finance Charge Invoice</i>: Processes finance charge on customer invoices with the same company, customer, and currency and groups them in lines to generate 1 invoice. Generates only 1 finance charge invoice for a given month. Once you generate a second

Option	Description
	finance charge invoice, you can't modify the first invoice. • <i>Create a Finance Charge Invoice Adjustment:</i> Creates an adjustment with 2 lines, one each for both interest and late fees. • <i>Create a Separate Finance Charge Invoice Adjustment:</i> Creates 2 adjustments, one each for only interest charge and another for late fee charge. You can pay the finance charge or write it off. Once Workday generates the finance charge invoice or an adjustment, you can't modify the original invoice. Workday excludes sponsor invoices, student invoices, and invoices that are part of in-progress payments, write-offs, adjustments, or credit-rebills.
Finance Charge Invoice Date	Workday displays this field only when you set the output option to generate a finance charge document. By default, Workday sets the date on the finance charge invoice to the Process Date and generates a document when you run the process. When your finance rules use a monthly calculation option, Workday sets this invoice date to the last day of the process month. You can enter a different date to meet your business needs. When you schedule the process, you can also specify days before or after the schedule date to generate the finance charge invoice document. You can view the exact date that displays on the invoice document in the Next Finance Charge Invoice Date field.
Invoice Date Criteria	You can further filter the calculation output by specifying invoice date and invoice due date ranges that are on, after, or before the process run date.

Workday generates a report, a finance charge invoice, or an invoice adjustment document based on the specified output option. Every time you run this process, Workday provides a snapshot of the rule and the calculation configurations.

View finance charge details for an invoice on the **Find Interest and Late Fee Calculation Runs** report. When you charge both interest rate and late fee, Workday displays a separate line for each charge.

Reference

[2020R2 What's New Post: Schedule Interest and Late Fees Processing](#)

[The Next Level: Introduction to Automatically Calculating and Applying Late Fees and Interest Charges to Past Due Invoices](#)

Troubleshooting: Unable to Edit Original Customer Invoice After Creating a Finance Charge Invoice

Workday prevents you from making any changes to the original invoice after you've already generated a finance charge invoice.

Cancel the finance charge invoice, edit the original invoice, and then generate a new finance charge invoice.

1. Access the finance charge invoice that you're trying to change.
2. From the related actions menu of the finance charge invoice, click **Cancel**.
3. From the related actions menu of the original customer invoice, click **Change** to change the desired fields.

Security: *Process: Customer Invoice - Change* in the Customer Accounts functional area.

4. Access the **Process Interest and Late Fees** task to generate a new finance charge invoice.

Security: *Interest and Late Fee Event* in the Customer Accounts functional area.

You need to edit large number of original customer invoices after generating a finance charge invoice.

You can first generate a finance charge report only to view the impacted customer invoices. You can also share the report with the customers to edit the original customer invoice before generating the finance charge invoice.

1. Access the **Process Interest and Late Fees** task.

Under the **Calculation Process Options** section, set the **Output Options** prompt to *Reporting Only*.

Security: *Interest and Late Fee Event* business process in the Customer Accounts functional area.

2. Access the **Find Interest and Late Fee Calculation Runs** report to find customer invoices with finance charges.
3. (Optional) To share the finance charge information with your customers, create a custom report using the **Customer Invoices** report data source (RDS). Ensure to include the **Generated By Interest And Late Fee Calculation Run** field to identify finance charge invoices.
4. From the related actions menu of the original customer invoice, click **Change** to change the desired fields.
5. Access the **Process Interest and Late Fees** task to generate a finance charge invoice.
Under the **Calculation Process Options** section, set the **Output Options** prompt to *Create New Invoice for Finance Charges*.

Steps: Write off Receivables

Workday enables you to write off customer invoices and customer invoice adjustments so that you can account for unpaid amounts. To post them to the appropriate ledger, create account posting rules to identify write-offs by the specified reason. You can:

- Write off all or part of a customer invoice.
- Apply multiple write-off reasons with different amounts for the same invoice.
- Inactivate write-off reason that's not in use.
- Write off small amounts during payment application but you can't add worktags.
- Use the *Submit Bad Debt Writeoff* web service for bulk write-offs.
- Create write-off rules to clear remaining balances after the automatic payment application process completes.

You can't write off invoices and adjustments:

- During on-behalf-of payment applications.
- When the Company ID has the VAT on Payment check box selected.
- When the VAT is in pending status due to the tax declaration run in progress.

1. Access the **Maintain Receivable Writeoff Reasons** task.

- Specify the reason and the usage of *Customer Accounts* or *Student Financials* to control the availability of the reason in the appropriate area.
- When you change the name of a write-off reason that's in use, adjust account posting rule that refers to the old reason name.
- To prevent selecting a write-off reason that's no longer valid for your organization, select the **Inactive** check box.

Security: *Set Up: Receivable Write-Off Categories* domain in the Common Financial Management functional area.

2. Access the **Edit Customer Account Options** task.

- In the **Copy Invoice Header Worktags to Write-off Lines** prompt, select the invoice header worktags that you want to copy to the write-off lines.
- To populate the balancing worktags in the write-off lines, select the **Autofill Write-Off Lines and Balancing Worktags** check box when you've enabled balancing worktags.

3. Access the **Write Off** task from the related actions menu of an invoice.

As you complete the task, consider:

Note: Some of the listed fields and functionality won't be applicable when you access write-offs through other tasks.

Option	Description
Currency	Workday automatically populates the invoice currency for a customer. When you don't specify one, it uses the company currency. You can change the currency to any of the accepted currencies defined for the specified customer. You can only select invoices and adjustments that are in the same currency as the write-off.
Total Write-Off Amount	You can enter multiple write-off amounts per invoice by different write-off reasons. To write off a portion of the invoice amount, change the value in Write-Off Amount to a value less than the Amount Due .
Remaining Amount Due	When you change the Write-Off Amount , Workday updates the remaining amount due.
Write-Off Date	Select a transaction date that's on or after the invoice date.
Memo	Specify any relevant information that you want to share with an approver during the review and revise process. This memo will also display in the journal line of the associated write-off.
Worktags	Workday populates the worktags from the customer invoice header. You can edit them as necessary.

Option	Description
	Workday displays the balancing worktags and the worktags that you've selected to copy from the invoice header under the Write-Off Lines tab.

Security: *Process: Customer Writeoff - Core* and *Process: Customer Writeoff - Single Invoice* domains in the Customer Accounts functional area.

4. (Optional) Access the *Bad Debt Writeoff Event* business process.
Configure the review and revise steps to route write-offs to the appropriate managers for approval.
Security: Customer Accounts functional area.
5. (Optional) Access the **Find Customer Writeoffs** report and specify the **Company** to which the write-off accrued.
Select **Cancel Bad Debt Writeoff** from the related actions menu of the write-off transaction you want to cancel. The write-off can't be in approved status.
Security: *Process: Customer Writeoff - Cancel* and *Process: Customer Writeoff - View* domains in the Customer Accounts functional area.
6. (Optional) Access the **Perform Customer Invoice Maintenance** task.
Specify a **Transaction Date** that's before any of the selected invoice adjustment dates. Workday automatically sets it to the current date.
When you apply adjustments to invoices, you can also write off the small uncollectible amounts. But, you can't write off across more than 1 reason and can't include worktags.
Security: *Process: Customer Invoice - View* and *Process: Customer Writeoff - View* and *Process: Cash Sale Payment - View* domains in the Customer Accounts functional area.

Tasks

[Set Up Account Posting Rules](#) on page 69

Reference

[2023R1 What's New Post: Customer Invoice Write-off](#)

Customer Portal

Steps: Set Up the Customer Portal

Security: *Self-Service: Customer Contact Tasks* domain in the Customer functional area.

After you create customers for your company in Workday, you can provide them access to the Customer Portal for self-service. The portal enables you to manage customer information and your customer contacts can view and download their business documents. You can configure the customer portal by adding or removing worklets from the dashboard, adding announcements, or customizing the menu.

1. [Create Customers](#) on page 498.
Create a customer contact.
2. [Create Workday Accounts for Customer Contacts](#) on page 649.
3. Access the **Maintain Dashboards** task and edit the **My Invoices and Payments** dashboard to give your customer contacts access to information on their accounts in Workday.
Security: *Set Up: Tenant Setup - Worklets* domain in the System functional area.
4. [Set Up Worklets](#).
Use the **Worklets** section on the **Content** tab of the dashboard to add any worklets that you want to display with graphics.

5. [Add Dashboard Menus.](#)

Use the **Menu** section on the **Content** tab of the dashboard to display a customized menu.

6. [Add Home and Dashboard Announcements.](#)

Use the **Announcement** tab to add customized announcements to the dashboard.

Your customers contacts can:

- Sign in to the Customer Portal and view the Invoices and Payments worklet on the landing page.
- They can view and download invoices, statements, and recent payments.

Tasks

[Steps: Set Up Custom Dashboards](#)

Create Workday Accounts for Customer Contacts

- The customer is in Workday and has a contact person.
- Enable the **My Invoices and Payments** dashboard.
- Security: *Self-Service: Customer Contact Tasks* domain in the Customers functional area.

You can create Workday accounts for your customer contacts, so they can access the Customer Portal and view their invoices, statements, and payments. This capability helps reduce the time you spend making collection calls and addressing customer inquiries.

1. Access the **Create Workday Account for Customer Contact** task.
2. As you complete the task, consider:

Option	Description
Generate Random Password	When checked, Workday automatically generates a random account password and requires a new password the next time your contact signs in to Workday. The Require Password Reset at Next Sign In check box becomes display only.
Session Timeout Minutes	Regulates when unused sessions expire. The zero default represents 20 minutes.

3. (Optional) To create multiple customer contact accounts at once, access the *Add Workday Account* web service.

Security: *Workday Accounts* domain in the System functional area.

- Workday secures the customer contact to the *Customer Contact as Self* security group.
- Workday emails the username, a temporary password, and the Customer Portal URL to the customer contact.
- The customer contact can sign in to Workday and view the standard reports.

Reference

[Workday 31 What's New Post: Customer Portal](#)

Concept: Customer Portal Dashboard

The Customer Portal gives your customer contacts access to the Workday-delivered **My Invoices and Payments** dashboard. The portal enables them to retrieve information from their accounts in Workday, reducing the time you spend addressing inquiries.

From the Customer Portal, your customer contacts can:

- View and download PDFs for invoices and statements.
- View recent payments.
- Filter any delivered reports by currency, start date, or end date.
- Search and select customer invoices to pay through a credit card.

Considerations:

- To view the PDF file output, you must first print the invoices.
- To process payments in the customer portal through a credit card, you must:
 - Create and host a web application.
 - Create an external URL to establish a secure connection between the third-party payment service provider and Workday tenant.
- When the payment session is successful, Workday uploads a payment record back into the tenant. You can then apply the payment and create a manual deposit.

Workday also delivers the **Pay Customer Invoices** task to the Customer Portal that enables your customers to pay their invoices directly through a credit card. Your customers can select the invoices to pay based on the credit limit of the credit card for a given session. However, they can't change the amount to pay to make partial payment for a specific invoice.

Workday delivers these reports to the Customer Portal:

- **View Customer Statements**
- **View Open Invoices**
- **View Customer Invoices in Dispute**
- **View Customer Invoices in Collection**
- **View Recent Payments**

The Customer Portal is a configurable workspace that contains visualization and multidimensional reports. You can customize:

- **Announcements.**
- **Menu**
- **Worklets**

Concepts

[Concept: Dashboards](#)

Tasks

[Add Dashboard Menus](#)

[Add Home and Dashboard Announcements](#)

Reference

[Workday 31 What's New Post: Customer Portal](#)

Examples

[Example: Configure Customer Portal Dashboard](#) on page 650

Example: Configure Customer Portal Dashboard

This example demonstrates how you can configure the Customer Portal so that your customer contacts can view their information on the **My Invoices and Payments** dashboard.

You're a Setup Administrator for Global Modern Services (USA). Your customer Atlas International has large volumes of invoices and payments. Bob Smith who is an AP specialist at Atlas International, sends you many inquiries regarding invoices, payments, or invoices in dispute. To reduce the time you spend on addressing these inquiries, you want to provide direct access to Bob Smith to the relevant reports and tasks.

You first create a Workday sign-in account for Bob Smith. You now want to:

- Enable Bob to view the invoices, statements, and recent payments directly.
- Provide a quick visualization of the reports.
- Communicate important information and updates to Bob.

Workday provides several options to customize the portal. You can add:

- Reports as Worklets when you want to provide data visualization.
- Reports and tasks to the Menu section enabling your customer contacts to view the specific details or download the report. They can filter these reports by date, and currency.
- To communicate with your customers, add Announcements, videos, links, or graphics.
- Create Workday account for your customer contacts.
- Secure the contacts to *Self-Service: Customer Contact Tasks* domain in the Customers functional area.
- Security: *Set Up Tenant Setup - Worklets* domain in the System functional area.
- Customize My Invoices and Payments Dashboard by adding Worklets, Menu, and Announcements.
 - a) Access the **Maintain Dashboards** task.
 - b) Click **Dashboard**, and enter **My Invoices and Payments**.
 - c) Click **Filter**.
 - d) Click **Edit**.
 - e) Click **Worklets** on the **Content** tab.
 - f) Click + sign and enter these values:

Worklet	Required for Groups	Required	Worklet Size	Workday Worklet Title	Worklet Title	Invalid Landing Page Admin Configuration
Welcome!	Customer Contact as Self Implementers	Select the check box.	1x			
Invoice Aging	Customer Contact as Self Implementers	Select the check box.	2x			

- g) Click **Menu** on the **Content** tab.
- h) Click + sign for each new section that you want to add and enter these values:

Section Label	+	Item
Enter Reports	Click +	From the Task prompt select: • <i>Customer Statements</i> • <i>Invoices in Collection</i> • <i>Invoices in Dispute</i> • <i>Open Invoices</i> • <i>Recent Payments</i>

Section Label	+	Item
Enter Tasks	Click +	From the Task prompt, select <i>Pay Customer Invoices</i> .

- i) On the **Announcements** tab, click + and enter these values:

Rule	Expiration Date	Message From/ Message Title	Show Current Photo/ Upload Custom Image	Message	Video	Action / Custom Report / External Link
		Message Title: Download PDF Files	None of the above	You can now download a copy of your invoices, statements, and payments as PDF files.		None of the above

- j) Click **Done**.

- Include Adjustments in Invoice Aging Report.
 - a) Access the **Configure Receivables Aging Worklet** task.
 - b) Select the **Include Adjustments in Aging Report for Customer Portal** check box.
 - c) Click **OK**.
- Add Worklets to the Home Dashboard.
 - a) Access the **Maintain Dashboards** task.
 - b) Click **Dashboard**, and enter **Home**.
 - c) Click **Filter**.
 - d) Click **Edit**.
 - e) Click **Worklets** on the **Content** tab.
 - f) Click + and enter these values:

Worklet	Required for Groups	Required	Worklet Size	Workday Worklet Title	Worklet Title	Invalid Landing Page Admin Configuration
My Invoices and Payments	Customer Contact as Self Implementers					
View Open Invoices	Customer Contact as Self Implementers					
View Customer Statements	Customer Contact					

Worklet	Required for Groups	Required	Worklet Size	Workday Worklet Title	Worklet Title	Invalid Landing Page Admin Configuration
	as Self Implementers					
View Recent Payments	Customer Contact as Self Implementers					

When the customer portal user accesses the Customer Portal, Workday now displays your customized **My Invoices and Payments** dashboard along with the new worklets.

Customer Portal Payments

Steps: Pay Invoices Through Customer Portal

- Create and host a web application to integrate the customer portal with an external payment provider.
- Set up the security configuration for the web application.
- To integrate Workday with the web application, define the web application URL by accessing the **Create External URL** task.

Workday enables your customers to pay their invoices directly using a credit card, providing you convenience and time savings.

To use this functionality, set up:

- Payment type for customer portal transactions and enable it for your tenant.
- Bank account.
- Payment provider and merchant account to process the credit card payments.
- Invoices eligibility rules.
- Pay Customer Invoices worklet on the customer portal.

When your end customers sign in to the customer portal, they can:

- Access the **Pay Customer Invoices** task and search for invoices by various criteria including invoice date, due date, total invoice amount for a given company and currency.
- Select the invoices to pay based on the credit limit of the credit card for a given session. However, you can't change the amount to pay for a specific invoice.

If the credit card payment is successful, Workday displays a confirmation page for your customers. Workday also records the customer payment automatically and you can:

- Apply the payment manually or use the auto apply functionality.
- Enter a discount amount when you apply the payment manually.
- Create a deposit.

1. [Steps: Set Up Payment Type](#) on page 654.
2. [Add Payment Service Provider](#) on page 655.
3. [Create Merchant Account for Payment Service Provider](#) on page 655.
4. [Create Invoice Eligibility Rules for Customer Portal Payments](#) on page 657.
5. Access the **Maintain Dashboards** task.

Select **Home** or **My Invoices and Payments** dashboard. Click **Edit** to add the **Pay Customer Invoices** worklet to the dashboard for your customer contacts.

Security: *Set Up: Tenant Setup - Worklets* domain in the System functional area.

6. Click **Menu** on the **Content** tab to add the **Pay Customer Invoices** worklet as a task option on the **My Invoices and Payments** dashboard.

When your customers access the **Pay Customer Invoices** worklet in the customer portal, they can:

- View the invoices eligible for credit card payment.
- Search for invoices by using the **Invoice Search Filters**.
 - Workday returns the oldest 500 approved and open invoices.
 - The invoices that your customers select must match the minimum and maximum limits set by the payment provider.
 - For each portal payment session, your customers must select invoices that are in the same currency.
 - The credit card payment is in the same currency as the invoice currency.

You can access the **Find Customer Portal Payment Sessions** report to view:

- Payment session details.
- Customer payment information along with the associated invoice.

Tasks

[Register API Clients](#)

[Edit Domain Security Policies](#)

Reference

[2020R1 What's New Post: Credit Card Payments in Customer Portal](#)

Steps: Set Up Payment Type

- Create and host a web application to integrate Workday with the payment service provider.
- Create an external URL.
- Update the domain security policy.
- Register API client.

Create a payment type for processing credit card payments in the customer portal. Use the **Payment Method** of *Manual* to process payments outside of Workday environment. You can't use the method of Credit Card payment because it's linked to the Cybersource integration.

Then, enable the payment type in your tenant and configure your bank accounts to use this payment type.

1. Access the **Maintain Payment Types** task and create a payment type for customer portal transactions.
The payment type must have a payment method of *Manual*.
Security: *Set Up: Settlement* domain in the Banking and Settlement functional area.
2. Access the **Edit Tenant Setup – Financials** task option to enable the functionality.
In the **Customer Portal Options** section, set the **Customer Portal Payment Type** to *Manual*.
Workday uses this payment type to record customer payments generating from the customer portal. Once you enable it, you can't leave the value blank.
Security: *Set Up: Tenant Setup - Financials* domain in the System functional area.
3. Update the bank accounts you want to use for receiving the credit card payments.
See [Configure Bank Accounts for Customer Portal Payment](#) on page 654.

To avoid conflict with other payment types, Workday uses the customer portal payment type for transactions in the portal.

Set up the third-party payment service provider to process credit card payments.

Configure Bank Accounts for Customer Portal Payment

- Define bank accounts and payment types.
- Security: *Set Up: Bank Entity* domain in the Banking and Settlement functional area.

Your bank account must support the Payment Type you've defined for the customer portal. The merchant account uses this bank account to receive credit card payments from the payment service provider. You can configure multiple bank accounts for 1 merchant account.

You can't delete a bank account if the company it's associated with has an invoice eligibility rule. You can only change it to those bank accounts that are valid for the company.

1. Access the **Edit Bank Account** task and select the bank you want to configure for customer portal payment.
2. Under the general **Account Information** section, add **Customer Portal Payment Type** to the **Allowed Payment Types**.

This configuration enables the bank to accept the payments originating from customer portal.

3. Under the **Bank Account Usage** section, set *Customer Payment* as a **Primary Account Usage**, or select the **Allow Additional Usage** check box.

This setup enables the bank account to receive customer payments.

- You can use the bank account to configure merchant accounts for receiving payments from payment service providers.
- Access the **View Bank Account** report to determine if the bank account is linked to a merchant account for customer portal.

Set up a merchant account.

Add Payment Service Provider

- Create and host a web application to integrate Workday with the payment service provider.
- Create an external URL.
- Update the domain security policy.
- Set up the payment type for the customer portal.
- Add payment type to the bank accounts.
- Security: *Set Up: Credit Card* domain in the Common Financial Management functional area.

Set up the payment provider for the credit card to process customer payments in the customer portal by integrating it with the web application. You can set up more than 1 payment provider.

1. Access the **Create Payment Service Provider for Customer Portal** task.
2. As you complete the task, consider:

Option	Description
Payment Service Application URL	Enter the web application URL address that integrates with the payment provider. Workday redirects the customer portal to this URL for processing credit card payments.

Workday will route your end customers to the payment service provider to submit payments through a credit card for the selected invoices.

- Configure merchant accounts for the payment service provider.
- You can use these tasks to edit, view, or delete the payment service providers:
 - **Edit Payment Service Provider for Customer Portal**
 - **View Payment Service Provider for Customer Portal**
 - **View Payment Service Providers for Customer Portal**
 - **Delete Payment Service Providers for Customer Portal**

Create Merchant Account for Payment Service Provider

- Create and host a web application to integrate Workday with the payment service provider.
- Set up the payment type for the customer portal transactions.

- Add payment type to the bank accounts.
- Set up a credit card payment provider.
- Security: *Set Up: Credit Card* domain in the Common Financial Management functional area.

To establish a connection with the payment service provider and the bank accounts, create merchant accounts for a company. Make sure that the bank accounts are:

- Open.
- Support the payment type you've defined for the customer portal.
- Support receiving customer payments.

Workday enables you to identify the bank accounts that are:

- Setup as merchant accounts for customer portal payments
- Set to receive credit card payments from the payment provider.

If you use separate bank accounts, you can create multiple merchant accounts for a single payment provider.

1. Access the *Maintain Merchant Accounts for Customer Portal* task.

Select the URL of the payment service provider you've configured.

2. As you complete the task, consider:

Option	Description
Merchant Account ID	You define this merchant account in your web application and the payment service provider.
In Use	Workday sets the Merchant Account to In Use when the company it's associated with has an invoice eligibility rule. To delete a merchant account, you must delete all invoice eligibility rules for the associated company. You can do so by accessing the Delete Invoice Eligibility Rules for Customer Portal Payment task.
Bank Account	Select at least 1 bank account of a company. Workday displays only those bank accounts that are open, and have Customer Payment configured for account usage. You can't delete a bank account if the company it's associated with has an invoice eligibility rule. You can only change it to those bank accounts that are valid for the company in the invoice eligibility rules.
Merchant Account Currency	Workday displays only those currencies that are on the associated bank account. Make sure to select a currency when you define payment amount limits.
Minimum Payment Amount	If you don't define a minimum payment limit, Workday applies the limit set by the payment service provider, given it has one.
Maximum Payment Amount	If you don't define a maximum payment limit, Workday applies the limit set by the payment service provider, given it has one.

Create invoice eligibility rules to identify the invoices that your customers can pay through a credit card in the customer portal.

Create Invoice Eligibility Rules for Customer Portal Payments

- Create and host a web application to integrate Workday with the payment service provider.
- Set up the payment type for the customer portal.
- Add payment type to the bank accounts.
- Set up a credit card payment provider.
- Create merchant accounts for each payment service provider.
- Security: *Set Up: Customer* domain in the Customers functional area.

You can create rules to determine which invoices are eligible for credit card payments in the customer portal. You can define them for companies that have a bank account associated with a customer portal merchant account.

When you create each rule, specify at least 1 customer or invoice attribute for a given merchant account.

Example: You've set up *Company A* with the merchant account associated with the payment service provider. When you select this company for creating the rule, Workday automatically populates the **Merchant Account** value. You must then either specify a criteria from **Customer Selection** option, or select 1 criteria from **Invoice Type**, **Payment Type**, **Invoice Currency**, or **Invoice Total Amount Limit**.

- Example: You select *Customer 1* as the only attribute for your rule, Workday will retrieve all open invoices for *Customer 1* regardless of the invoice type, payment type, currency, or amount.
- If you select only the **Customer Category** of *Business Services*, Workday will retrieve all open invoices for any customer that is part of the *Business Services* category.
- If you select only the **Invoice Total Amount Limit** of *\$50,000*, Workday will retrieve all open invoices with an amount of *\$50,000* or less. When you submit the rule, Workday also validates this amount against the **Maximum Payment Amount** limit you've set on the merchant configuration.

Workday evaluates rules in the specified order from top to bottom, and uses the first matched rule to retrieve invoices for payments. Make sure to list more specific rules first.

1. Access the **Create Invoice Eligibility Rules for Customer Portal Payment**.
2. As you complete the task, consider:

Option	Description
Merchant Account	Select the account that you've setup with the third-party payment service provider. When you've only 1 merchant account, Workday uses that account as the default value.
Customer Selection	When you select 1 customer, Workday automatically populates the: • Customer Category and Customer Group values and you can't edit them. • Payment Type value you set on the customer.
Invoice Currency	Select a currency associated with the customer. When you don't select a currency, payments are eligible in all currencies. Create separate rules for specific customer and currency combination.
Invoice Total Amount	Enter the maximum total amount of all invoices that Workday retrieves.

Select at least 1 invoice to pay.

Once a rule is in use by the merchant account, you can't delete the merchant account until you delete that rule.

- You can test the rules by customer, customer invoice, and other criteria for a company.
- The test result displays the invoices that match the rules and the search criteria.
- You can edit, view, and delete the invoice eligibility rules by accessing these tasks and reports:
 - **Delete Invoice Eligibility Rules for Customer Portal Payment**
 - **Edit Invoice Eligibility Rules for Customer Portal Payment**
 - **View Invoice Eligibility Rules for Customer Portal Payment**

Reference: Invoicing and Receivables Reports

This table lists a number of useful customer-related reports.

Report	Description
Customer Activity Details	View the transactions for this customer or hierarchy that fall within the specified time range. Details include the transaction, date, type, number, due date, state, increase or decrease, and balance.
Customer Activity Summary	View the total transaction amounts for the specified customers that fall within the specified time range. Details include: • Adjustments total • Beginning balance • Currency • Ending balance • Invoices total • Payments total • Refunds total • Write off total
Customer Balance Details	View the open balance for each customer. Details include currency, reporting transaction, type, number, and date, due date, aging days, original amount, payments applied, discounts, write off, and open balance.
Customer Balance Summary	View the currency, invoices total, adjustments, unapplied payments, and balance for each customer.
Customer Invoices Requiring Action	View invoices that might require action. Only returns invoices that are late, on hold, in collection, or in dispute. Use this report as the basis for custom reports that meet your specific criteria for invoices that require attention.
Customer Payment Detail	View all customer payment activity for your company or company hierarchy. Enables you to check the status and details of your customer payments. You can narrow your report results to specific customers, a payment date range, and other criteria. Example: Payment date, status, type, and amount. You can also see payment application details including customer invoices and adjustments paid, write off, and payment amount on account. As related actions you can cancel, return, or unapply payments as necessary.

Report	Description
Customer Statements	View customer statements for the specified customer or hierarchy that apply to the specified company. Details on the Transactions tab include each transaction date, type, number, due date, state, increase or decrease, and balance. These transactions are sorted by currency. Details on the Aging Report tab include, for each customer, the current amount and amounts for different ages, depending on the selected aging group.
Find Customer Deposits	View all deposits in the specified period. Details on both the Deposits tab and the Payments Included in Deposit tab include the status, customer, date, bank account, deposit amount, and currency.
Find Customer Invoices	View the number, company, status, customer, date, memo, discount date, due date, invoice amount, amount due, currency, adjustment, and adjustment reason for each invoice.
Find Customer Invoices for Billable Projects	For the Billable Projects and Company standard reports, you can save and refine your searches after Workday displays your results.
Find Customer Invoices for Company	
Find Customer Write-Offs	View the status, customer, writeoff date, and amount for each bad debt writeoff. View the status, customer, payment date, and amount for each bad debt writeoff included in a payment.

Report	Description
Receivables Aging Receivables Aging Detail	Note: We plan to retire these 2 receivables aging reports in September 2023. Workday recommends that you use the Receivables Aging Detail Standard Report and Receivables Aging Summary Standard Report. You can select to run these reports as operational aging based on the invoice date, or financial aging based on the accounting date by accounting period. For each customer, view the current amount and invoice amounts for different ages, depending on the selected aging group. For operational aging, the reports display outstanding customer receivable amounts in user-defined aging buckets. Supports up to 6 aging buckets. Workday displays a warning if an aging group has more than 6 aging buckets. If you run the aging report as financial aging by accounting period, you can filter by <i>Ledger Period for Receivables Aging</i>. Select either the current period or a specific ledger period by ledger year. Note: Both the operational and financial aging are cumulative in capturing total invoice amounts. Operational aging is useful for tracking your receivables from a collections perspective. Financial aging is helpful for closing your accounting period. Example: A customer invoice with an invoice date of 1/31/15, but an accounting date of 2/1/15, won't display in a financial aging report for January of 2015. It displays in February 2015. An operational aging report displays that invoice in January 2015. Includes only transactions with an invoice date that is before the selected report date. The most common aging report displays: Current, 1-30, 31-60, 61-90 and >90. The Detail report breaks down aging by specific invoice transaction.
Receivables Aging Detail Standard Report Receivables Aging Summary Standard Report	View aggregated past due amounts by company for a given period. When you run the report for Financial Aging, you can specify any reporting date, instead of defaulting to the last day of a month. You can also report in a different currency than the company currency. Copy these reports to create custom reports for using calculated fields to: • Specify the desired aging periods. • Report on other invoice attributes such as invoice types, or billable projects. You can also use the Customer Payment for Invoices report data source to create custom reports for viewing your receivables aging data based on payment balances in reporting currency, transaction currency, or company currency.

Report	Description
Sub-Receivables Aging Customer Invoice	View past due amounts based on on-account and unapplied payments balances by company for a given period. It includes information about original transaction amount, transaction balances in transaction currency, company currency, and reporting currency, on-account balance in reporting currency, and unapplied balance in reporting currency. These matrix reports have required prompts to filter the data by:
Sub-Receivables Aging Customer Payment On-Account And Unapplied	
Sub-Receivables Aging Summary Customer Invoice	
Sub-Receivables Aging Summary Customer Payment On-Account	
Sub-Receivables Aging Summary Customer Payment Unapplied	

Reference

[2021R1 What's New Post: Custom Reporting for Receivables Aging](#)

[2021R1 What's New Post: Reporting For Receivables Aging](#)

[The Next Level: Customize the Receivables Aging Standard Reports](#)

Revenue

Sales Items

Steps: Manage Revenue Categories

Security:

- *Set Up: Basic Revenue Category Worktag* domain in the Common Financial Management and Worktags functional areas.
- *Set Up: Revenue Categories* domain in the Common Financial Management functional area.

Create revenue categories to classify the types of goods and services available to sell to customers. You can group similar categories into hierarchies as needed. You can then use the categories to:

- Create reports.
- Simplify searches.
- Route transactions to ledger accounts when the posting rule conditions use categories.
- Function as worktags.

Example: When you create a journal, you can tag it with a spend category or a revenue category.

1. Access the **Create Revenue Category** task.

As you complete the task, consider:

Option	Description
Default Tax Applicability	Select a tax applicable code that you configure on the Maintain Tax Applicability task. The tax applicable code displays as the designated

Option	Description
	value when you create customer invoices using the revenue category. Workday applies the tax applicable code on customer invoices to calculate related taxes based on the tax rates for the customer.
Spend Category Mapping	Select to map a revenue category to a spend category for direct intercompany transactions. You can only select a revenue category on direct intercompany customer invoices when you map a revenue category to a spend category.
Inactive	When you select this check box, Workday disables this entry from search results, prompt lists, and worktag lists for new transactions.
Related Worktags	A revenue category is an object in Workday that you can use as a worktag. Set up related worktags for this object using the related worktag types that you configure on the Maintain Related Worktag Usage task. Workday automatically populates transactions with the values in the Default Worktag column when you select the object on the transaction.

2. Access the **Create Revenue Category Hierarchy task.**

Group similar revenue categories into hierarchical groups for reporting purposes and account determination in posting rules.

You can use revenue categories to:

- Assign as characteristics to accounting objects. Workday requires that you assign a category to every customer, supplier, item, business asset, and writeoff.
- Write transactions against a category without having to specify items. Example: When you create an invoice, you can write a line and its amount to a general category.

Concepts

[Concept: Intercompany Transactions](#) on page 50

[Concept: Sales Items](#) on page 665

Tasks

[Steps: Set Up Customers and Suppliers for Direct Intercompany Transactions](#) on page 47

[Create Customer Contracts](#) on page 677

Steps: Set Up Taxes for Revenue Transactions

You can configure default tax applicability and tax codes for customer sales transactions. Tax applicability and tax codes populate on customer contracts, customer invoices, customer invoice adjustments, and cash sales.

1. Configure a default tax applicability for each revenue category.

See [Steps: Manage Revenue Categories](#) on page 661.

2. (Optional) [Create Sales Items](#) on page 663.

Select a default tax applicability for individual sales items. The default tax applicability for the sales item overrides the tax applicability that you define for the revenue category.

3. [Create Customers](#) on page 498.

On the **Tax Information** report on the **Overview** profile group:

- Select the default tax code for each customer.
- Enter tax identification numbers by country.
- Specify the **Transaction Tax ID** used to report transaction tax for each country.
- Enter transaction and withholding tax status by country.

Tasks

[Steps: Set Up Transaction Taxes](#) on page 416

Create Sales Items

- Create revenue categories.
- Security: *Set Up: Sale Item* domain in the Customer Accounts and Learning Core functional areas.

You can create sales items to define the types of goods and services that you sell. You can then categorize sales items by revenue category for billing and revenue accounting purposes.

1. Access the **Create Sales Item** task.
2. As you complete the task, consider:

Option	Description
Revenue Category	Select a revenue category to associate with the sales item. When you add the sales item to a customer contract or an invoice line, Workday automatically populates the <i>revenue category</i> .
Enable Bulk Quantity Pricing	Select to price the sales item in bulk quantities and reflect the extended amount on items sold in bulk.
UOM Priced at Quantities of	Enter the unit of measure for the price of the sales item. Displays when you select the Enable Bulk Quantity Pricing check box.
Currency	When you add a sales item to a customer invoice or invoice adjustment line, Workday converts the price to the transaction currency based on your defined rate type.
Sales Item is a Bundle	Select to create a sales item bundle. When you add the bundle to a customer contract line, you can bill for the entire line and recognize revenue for each individual sales item in the bundle.
Fulfillment Required	Select to track orders fulfilled against a customer contract line. You can recognize revenue and generate billing for both partially and completely filled orders.
Contract Line Type	Select to identify the type of sales item pricing used on customer contracts.
Purchase Item Mapping	Select to map a sales item to a purchase item for direct intercompany transactions.

Option	Description
	You can only select a sales item on direct intercompany customer invoices when you map a sales item to a purchase item.
Billable Project Template	Select a template for sales items that are project driven to help you quickly generate a project.
Billing Template	Select a template for consolidated billing schedules when using the sales item.
Revenue Treatment	The revenue treatment that you select determines the account posting rule and ledger account when you create invoices and recognize revenue.
Deferred Revenue	Select to create accounting entries for deferred revenue on this sales item. Workday automatically populates the deferred revenue selection on the customer contract line when you select the sales item. Your selection on the customer contract line also displays on the customer invoice line. The accounting uses the account posting rule for deferred revenue instead of revenue when you complete both of these steps: • Select deferred revenue for the customer invoice line. • Recognize revenue for customer contract lines using revenue recognition schedules or installments.
Related Worktags	A sales item is an object in Workday that you can use as a worktag. Set up related worktags for this object using the related worktag types that you configure on the Maintain Related Worktag Usage task. Workday automatically populates transactions with the values in the Default Worktag column when you select the object on the transaction. When the sales item and revenue category worktags are the same type, the value from the sales item takes precedence because it's more granular.

- Add an image to the sales item.
- Add sales items on your customer contracts.

Concepts

[Concept: Intercompany Transactions](#) on page 50

[Concept: Sales Items](#) on page 665

Tasks

[Steps: Set Up Customers and Suppliers for Direct Intercompany Transactions](#) on page 47

[Create Customer Contracts](#) on page 677

Create Sales Item Price Lists

Security:

- *Set Up: Customer Contracts - Price Lists* domain in the Customer Contracts and Project Billing functional areas.
- *Set Up: Sale Item* domain in the Customer Accounts and Learning Core functional areas.

You can create dynamic price lists and apply effective dates to manage sales items. You can create price lists based on company size, region, and other dimensions such as sales channel.

1. Access the **Maintain Sales Item Price List** report.
2. Click **Add** to create a new price list.

As you complete the task, consider:

Option	Description
Worktag Type	Defines the available price rule worktags.
Tiered Price	Select this option to create different pricing based on quantities sold.

3. (Optional) Access the **Set Up Sales Item Pricing Configuration** task.

Define a price list at the tenant level. You can also override the tenant option by adding a price list at the company level.

Use the **Sales Item Price List** report data source and **Sales Item Price Rule** report field to create a custom report.

Concept: Sales Items

Sales items are goods and services that you sell to customers. You can configure goods and services for use in customer contracts, billing, customer invoices, and revenue accounting.

Sales Items

You can manage your sales items using the **Create Sales Item** and **Edit Sales Item** tasks. To drive accounting and analysis, you can organize sales items into revenue categories, sales item groups, and sales item bundles. You can also maintain pricing for *Vendor Specific Objective Evidence (VSOE)*, *Third Party Evidence*, and *Estimated Selling Price* for use in custom reporting. Sales items can have 2 units of measure, such as the number of users and time (day, hours, month, week, or year). Workday uses the units of measure to determine how to package and sell sales items to customers. When you select sales items on customer contract lines, Workday populates the lines with the sales item information you specify. You can also review sales metrics through the related actions, including:

- Year-to-date sales amounts.
- Sales amounts for the last 12 months.
- Top 5 customers for a sales item.

Revenue Categories

You can categorize sales items by revenue category and automatically assign them during accounting using the **Create Revenue Category** task. You must associate each sales item with 1 revenue category. You can also group your revenue categories for reporting purposes using the **Create Revenue Category Hierarchy** task. You then can use revenue categories to create account posting rules for revenue and drive the accounting related to the sales item to particular ledger accounts.

Revenue Allocation Rules

You can:

- Create sales item relationships using the **Maintain Fair Value Price List** report and then calculate your fair value pricing based on the relationship.
- Configure revenue allocation rules to handle exceptions at the sales item level using the **Set Up Revenue Allocation Configuration** task.

Sales Item Groups

Sales item groups enable you to search for sales items more easily. A sales item can belong to more than 1 group. Example: A laptop can belong to both the *Office Supplies* and *Laptops and Desktops* sales item groups.

You can use these tasks to configure sales item groups:

- **Maintain Sales Item Groups**
- **Assign Sales Items to Item Group**

You can associate sales item groups with 1 of these group types:

- *General*
- *FV Pricing* (Use with fair value price lists.)
- *Sales Item Pricing* (Use with price lists for multidimensional pricing.)

Sales Item Bundles

You can create sales item bundles by selecting the **Sales Item is a Bundle** check box on the **Create Sales Item** task. When you include a sales item bundle on customer contract lines, you can:

- Bill for the entire contract line.
- Recognize revenue for individual sales items in the bundle.

When you invoice customers, Workday:

- Displays the sales item bundle as 1 line item on the invoice with a single grouped price.
- Uses the individual sales items within the bundle for revenue allocation.

You can change which sales items are in a bundle using these tasks:

- **Create Customer Contract**
- **Create Customer Contract Amendment**
- **Create Customer Contract Change**

Sales Item Price Lists

You can configure separate sales item price lists based on dimensions, such as company size, location, or channel using the **Maintain Sales Item Price List** report.

Fair Value Price Lists

You can associate sales items and sales item groups with a fair value price list using the **Maintain Fair Value Price List** report. For each sales item, you can configure the fair value price list based on a percentage or amount value. When you add a sales item on the customer contract line, Workday populates information from the fair value price list on the contract line. You can also associate a fair value price list with your customer contracts by selecting the **Multiple-Element Revenue Allocation** check box on the contract.

Direct Intercompany Transactions

You can map sales items to purchase items and revenue categories to spend categories for use on direct intercompany transactions. When you map sales items to purchase items and revenue categories to spend categories, there must be a 1-to-1 relationship.

When you need to map multiple spend categories to a single revenue category, you must create:

- Additional revenue categories so that you can maintain a 1-to-1 relationship.
- Multiple sales items that map to a single intercompany revenue category and map each sales item to a purchase item in a 1-to-1 relationship. You can then map each purchase item to the appropriate spend category.

Workday creates direct intercompany supplier invoices at the lowest level of detail. Example: If a revenue category maps to spend category X, but the sales item on the invoice maps to a purchase item that maps to spend category Y, Workday uses the spend category associated with purchase item Y on the supplier transaction.

Tasks

[Steps: Manage Revenue Categories](#) on page 661

[Create Sales Items](#) on page 663

Reference

[Workday 31 What's New Post: Ad Hoc Sales Item Bundles](#)

Concept: Sales Item Currencies

The sales items that you add to Workday have their own defined currencies.

If the item and transaction currencies differ, Workday automatically converts the item currency into the transaction currency for both customer invoices and invoice adjustments.

The value of item currencies can change between invoice and payment, leading to realized gains and losses.

Example: You sell an item with a price of \$5 US to a UK customer and agree to invoice in British pounds. When you create the customer invoice, Workday converts the item value to the current transaction value of £2.5. Exchange rates change over time and can result in a foreign currency exchange difference. When the customer pays the £2.5, the amount could convert to \$4.50 or \$5.15.

You can use these tasks to set item currencies:

- **Create Sales Item**
- **Maintain Sales Item Price List**

Example: Create Professional Services Sales Items

This example illustrates how you can configure your sales items for use with customer contracts and invoices. To drive both accounting and analysis, organize sales items into revenue categories and sales item groups. You can include informational pricing fields for vendor-specific objective evidence (VSOE), third-party evidence, and estimated selling price on sales items. You can use these additional pricing fields for custom reporting and multiple-element arrangements contracts.

Global Modern Services creates a sales item for hourly contract technical writing services.

Security: *Set Up: Sale Item* domain in the Customer Accounts and Learning Core functional areas.

Access the **Create Sales Item** task.

a. Create a new sales item using this information:

Field Name	Entry Value
Sales Item Name	Technical Writer
Revenue Category	Services
Sales Item Description	Technical writing services for software development team.

Field Name	Entry Value
Unit of Measure	Hour
Unit Price	95
Currency	USD
Contract Line Type	Project Time and Expense

b. Create another new sales item using this information:

Field Name	Entry Value
Sales Item Name	Technical Editor/Project Manager
Revenue Category	Services
Sales Item Description	Technical editing and Project Management services for software development team.
Unit of Measure	Hour
Unit Price	105
Currency	USD
Contract Line Type	Project Time and Expense

c. Click **OK** and **Done**.

Assign Sales Item to Item Group.

Create Sales Item Price List.

Tasks

[Create Sales Items](#) on page 663

Customer Contracts

Steps: Configure Customer Contracts

Customer contracts enable you to capture the details of customer sales agreements. These details include sales items or projects, important dates, payment schedules, milestones, and retention. Workday uses the details that you specify to calculate billing and determine revenue recognition. You can configure each step of the contract lifecycle from draft to completion, and you can route customer contracts for automatic approval. Workday can also integrate data from third-party vendors to support contract management.

1. [Edit Business Process Security Policies](#).

Configure the business processes and security policies for the Customer Contracts and Project Billing functional areas.

2. [Edit Business Processes.](#)

Make changes as needed to these business processes:

- *Billing Schedule Event*
- *Carve In Carve Out or Foreign Currency Adjustment Journal Event*
- *Contract Rate Sheet Event*
- *Customer Contract Alternate Event*
- *Customer Contract Amendment Event*
- *Customer Contract Asset and Liability Reclassification Journal Event*
- *Customer Contract Event*
- *Deferred Cost Installment Event*
- *Percent Complete Project Event*
- *Project Transaction Adjustment Event*
- *Revenue Recognition Installment Event*
- *Revenue Recognition Schedule Event*

3. [Create ID Definitions and Sequence Generators.](#)

Create an ID definition that Workday can use to assign sequence numbers to new customer contracts.

4. Access the **Edit Tenant Setup - Financials** task.

- In the **Business Document Sequence IDs** section, select the ID definition that you created from the **ID Generator for Customer Contracts** prompt.
- In the **Customer Contracts Options** section, configure your tenant-wide settings for customer contracts.

Security: *Set Up: Tenant Setup - Financials* domain in the System functional area.

See [Reference: Edit Tenant Setup - Financials](#).

5. Access the **Maintain Customer Contract Types** task.

(Optional) To link your contracts, enable **Linked Contract** for at least 1 contract type.

Security: *Set Up: Customer Contracts - Templates and Types* domain in the Customer Contracts and Project Billing functional areas.

6. [Create Sales Items](#) on page 663.

7. (Optional) [Create Billing Schedule Templates for Customer Contracts](#) on page 710.

8. (Optional) [Create Consolidated Billing Schedule Templates for Customer Contracts](#) on page 711.

9. Access the **Maintain Schedule Types** task.

(Optional) To use a consolidated billing schedule, enable **Consolidated Billing Schedule** for at least 1 schedule type.

Security: *Set Up: Customer Contracts - Templates and Types* domain in the Customer Contracts and Project Billing functional areas.

10. Create a billing schedule for the customer contract.

(Optional) To withhold a percentage of the customer invoice, click **Edit Retention Terms**.

See:

- [Create Consolidated Billing Schedules for Customer Contracts](#) on page 712
- [Create Installment or Transaction Billing Schedules for Customer Contracts](#) on page 715

11. [Create Revenue Recognition Schedules for Customer Contracts](#) on page 733.

12. (Optional) Access the **Maintain Journal Sources** task.

Security:

- *Set Up: Journal Source* domain in the Common Financial Management functional area.
- *Set Up: Payroll - Company Specific (Accounting)* domain in the Core Payroll functional area.

13. [Set Up Account Posting Rules](#) on page 69.

Configure these account posting rules:

- *Deferred Revenue*
- *Revenue*
- *Unbilled Receivables*

14. Create customer contract templates.

See [Steps: Create Customer Contract Templates](#) on page 672.

Complete additional configuration using these tasks:

- **Create Date Milestone**
- **Maintain Customer Contract Amendment Types**
- **Maintain Customer Contract Discounts and Premiums**
- **Maintain Date Milestone Types**

Concepts

[Concept: Customer Contracts](#) on page 685

[Concept: Billing](#) on page 718

[Concept: Revenue Recognition](#) on page 740

[Concept: Revenue Recognition Accounting](#) on page 766

Reference

[Reference: Contract Line Types for Customer Contracts](#) on page 691

Steps: Upload Customer Contracts

You can add new customer contracts or update existing, unapproved customer contracts in Workday from a spreadsheet using Enterprise Interface Builder (EIB). The spreadsheet includes sections for customer contract and contract line data. You can also assign worktags to specific business objects like locations, cost centers, or projects.

You can submit the contracts or save them in draft mode. In addition, you can optionally lock the contracts in Workday to prevent editing or cancellation. However, Workday doesn't recommend locking customer contracts because it prevents you from amending the contracts in Workday. After you approve contract, you can't make contract amendments through web services, either.

When successfully completed, the upload automatically triggers the *Customer Contract Event* business process. Workday can complete approvals automatically, bypass reviews and To Do tasks, and skip Notifications in the *Customer Contract Event* business process. To enable these options, select the **Auto Complete** option when you prepare the spreadsheet.

After you successfully load the data into Workday, you can view the customer contracts by accessing the **View Customer Contract** report.

1. [Set Up Inbound EIB](#).

Enter *Submit Customer Contract (Web Service)* at the **Template from Web Service Operation** prompt.

2. From the related actions menu of the integration system for the upload, select **Template Model > Generate Spreadsheet Template**.

To maintain the correct spreadsheet format, don't change the .xml file extension.

Security: *Integrations: EIBs* , *Integration Configure*, and *Integration Event* domains in Integration functional area.

3. [Customize EIB Spreadsheet Template](#).

To customize the template, edit the template model of the EIB.

4. [Set Up EIB Spreadsheet.](#)

Workday determines whether to add or update customer contracts based on your entries in the **Add Only** and **Customer Contract** spreadsheet columns:

- To add a new contract, enter **Y** in the **Add Only** field and leave the **Customer Contract** field blank. In the *Customer Contract Data* section, enter a new **Customer Contract ID** value. Enter this value if you want to assign a customer contract reference ID instead of Workday generating it during the upload.
- To update an existing contract, enter **N** in the **Add Only** field. Specify the reference ID of the existing contract in the **Customer Contract** field. Leave the **Customer Contract ID** field blank, unless you want to update the existing customer contract ID to a different value.

5. [Launch EIB Spreadsheet Upload.](#)

Confirm that you are in a security group that has these permissions:

- Access to the *Submit Customer Contract* web service initiating action.
- Modify permission on the Integrations: EIBs domain.

Concepts

[Concept: Enterprise Interface Builder](#)

Steps: Amortize Customer Contract Costs

- Create 1 or more customer contracts.

You can incrementally amortize contract costs, such as commissions, for your customer contracts over time.

1. (Optional) Access the **View Account Posting Rule Set** report to manage your deferred cost assets and amortization expenses posting rules.

Security:

- *Set Up: Accounting Rules* domain in the Common Financial Management functional area.
- *Set Up: Payroll - Company Specific (Accounting)* domain in the Core Payroll functional area.

2. (Optional) Access the **Maintain Cost Types** task.

Create 1 or more cost types.

Security: *Set Up: Customer Contracts - Templates and Types* domain in the Customer Contracts and Project Billing functional areas.

3. Access the **Create Deferred Cost Transactions** task.

Create at least 1 deferred cost transaction for amortization.

Security: *Process: Deferred Cost Schedule - Core* domain in the Customer Contracts and Project Billing functional areas.

4. [Create Deferred Cost Schedules](#) on page 685.

5. Access the **Create Deferred Cost Accounting** task.

To generate accounting, select 1 or more deferred cost installments.

Configure the *Deferred Cost Installment Event* business process and security policy in the Customer Contracts and Project Billing functional areas.

6. (Optional) Access the **Update Deferred Cost Installment Status** task.

Select the installments to change manually to *Closed* status to stop the amortization and accounting.

Security: *Process: Deferred Cost Schedule - Core* domain in the Customer Contracts and Project Billing functional areas.

You can create custom reports that pull transaction statuses and amounts to determine installment lines for manual accounting entries.

Reference

[Workday 31 What's New Post: Support Accounting for Deferred Costs](#)

Steps: Create Intercompany Contracts

Intercompany contracts document the details of business relationships between legal entities of global organizations. These contracts offer different transaction rates for worker time and expenses, and supplier invoices between the companies under negotiated transfer pricing. You can invoice these transactions separately through direct intercompany invoices.

1. [Maintain Companies as Customers or Suppliers](#) on page 48.

Set up the customer and supplier relationships between your companies.

2. [Create Transfer Pricing Rate Sheets](#) on page 1005.

Create standard or custom rate rules for your intercompany project workers to apply to the intercompany contract.

3. Access the **Create Intercompany Contract** task.

Set up an evergreen 1-way contract between your companies.

Select any accepted currency of the customer on the intercompany contract.

Note: You can change the intercompany contract currency until you create either an:

- Intercompany Billing Schedule. When you have an intercompany billing schedule and need to change your currency, cancel your billing schedule. Change your currency, then recreate your billing schedule.
- Invoice for the contract. Once you've created an invoice for your intercompany contract, you can't change the currency.

Configure the *Intercompany Customer Contract Event* business process and security policy in the Projects functional area.

4. Access the **Create Billing Schedule for Intercompany Contract** task.

Create your schedule for intercompany contract billing.

Security: *Process: Transfer Pricing* domain in the Projects functional area.

5. [Review Intercompany Billable Transactions](#) on page 676.

Update and approve the transaction associated with this intercompany contract.

6. Access the **Create Intercompany Invoices for Intercompany Transactions** task.

Create a direct intercompany invoice.

Security: *Process: Intercompany Contract* domain in the Customer Contracts and Project Billing functional areas.

Concepts

[Concept: Intercompany Transactions](#) on page 50

Reference

[2020R1 What's New Post: Advanced Labor Costing for Intercompany Contracts](#)

[2020R1 What's New Post: Transfer Pricing for Supplier Invoices](#)

[Workday 33 What's New Post: Transfer Pricing for Multicurrency](#)

[Workday 31 What's New Post: Transfer Pricing](#)

Steps: Create Customer Contract Templates

Customer contract templates simplify customer contract creation, maintain consistency, and reduce errors. You can use templates to populate common options when you create customer contracts.

1. (Optional) Access the **Maintain Worktag Usage** report.

To track revenue and expenditures between intercompanies on customer contract lines, configure the *Intercompany Affiliate* worktag type for customer contracts.

Security: *Set Up: Enable Worktags* domain in the Common Financial Management and Worktags functional areas.

2. Access the **Create Customer Contract Template** task.

Define template details, including the contract type, billing schedule information, sales items, and worktags. When you create a customer contract from a template with intercompany affiliate worktags, Workday populates the *Intercompany Affiliate* worktag from the template onto the customer contract lines.

Security: *Set Up: Customer Contracts - Templates and Types* domain in the Customer Contracts and Project Billing functional areas.

3. (Optional) Access the **Maintain Customer Contract Types** task.

Assign a contract template to each of your contract types.

Security: *Set Up: Customer Contracts - Templates and Types* domain in the Customer Contracts and Project Billing functional areas.

4. (Optional) [Set Up the Create Project Business Process](#) on page 837.

Add the *Create Customer Contract* service step after the completion step on the *Create Project* business process. This service step creates a customer contract in *Draft* status from your Project.

Create customer contracts using templates.

Concepts

[Concept: Customer Contracts](#) on page 685

Tasks

[Create Customer Contracts](#) on page 677

Reference

[Workday 33 What's New Post: Customer Contract Templates](#)

Steps: Set Up Customer Contract Checklist Templates

You can create a checklist template to define a list of requirements to complete for each customer contract type. Once you enable the checklist template on a customer contract type, the checklist displays on the customer contract. You can use the checklist to ensure that you complete each requirement for the customer contract.

1. Access the **Create Customer Contract Checklist Template** task.

You can add comments and attachments for each checklist requirement. Example: Attach PDFs or Excel spreadsheets that define internal procedures or company policies.

Security: *Set Up: Customer Contracts - Checklist Templates* domain in the Customer Contracts and Project Billing functional areas.

2. Access the **Maintain Customer Contract Types** task.

Select the checklist template that you created from the **Checklist Template** prompt. You can only assign 1 checklist template to each customer contract type.

Security: *Set Up: Customer Contracts - Templates and Types* domain in the Customer Contracts and Project Billing functional areas.

3. [Create Customer Contracts](#) on page 677.

Workday displays a **Checklist** tab that you can use to view the list of requirements to complete for the customer contract.

4. Access the **Find Customer Contracts** report.

From the approved customer contract that you created, click **Edit** on the **Checklist** tab.

Select the **Complete** check box for each checklist requirement that you complete on the customer contract. You can complete checklist requirements throughout the duration of the contract term. You can also add comments and attachments for each checklist requirement.

Security: *Process: Customer Contract - View* domain in the Customer Contracts and Project Billing functional areas.

When you view the customer contract, Workday displays:

- All the checklist requirements for the contract.
- The completed checklist requirements.
- The date and time that you marked the checklist requirement as complete.
- The user who completed the checklist requirement.

Concepts

[Concept: Customer Contracts](#) on page 685

Steps: Link Customer Contracts for Revenue Allocation

You can associate multiple related customer contracts with a single parent customer contract. With linked contracts, you can consolidate all of your revenue in a common currency, display it in a single report, and reallocate revenue across the linked contracts.

1. Access the **Maintain Customer Contract Types** task.

Select the **Linked Contract** check box for 1 or more contract types.

Security: *Set Up: Customer Contracts - Templates and Types* domain in the Customer Contracts and Project Billing functional areas.

2. (Optional) [Set Up Revenue Allocation Configurations](#) on page 702.

Select the **Allocate Revenue at Summary and Prorate at Line** check box. This check box includes all linked contracts at the summary level and prorates the allocation of revenue on the customer contract lines.

3. [Create Customer Contracts](#) on page 677.

As you complete the task, consider:

Option	Description
Contract Type	Select a contract type that you enabled for linked contracts. Workday populates the Line Type field for all contract lines with <i>Fixed Amount - Revenue Only</i> .
Revenue Override Amount	Complete the contract line information, including the amount of revenue that you want to recognize for each contract line.

- Create a custom report that:
 - Consolidates information for your linked contracts.
 - Displays the balances of all linked contracts in the currency of the parent contract.
 - Organizes contract lines by revenue category.
- Perform multiple-element revenue allocation for your linked contracts.
- Create a billing schedule.
- Create a revenue recognition schedule.

Tasks

[Steps: Create Multiple-Element Revenue Allocation](#) on page 700

Steps: Manage Billable Projects on Usage-Based Transactions

Create a billable project.

You can associate a billable project with usage-based customer contract lines and transactions, enabling you to review all your project billing activity at once.

1. [Create Customer Contracts](#) on page 677.

In the **Line Details** tab of the **Usage-Based** grid, select a project from the **Billable Project** prompt to associate with the usage-based customer contract line.

You can't change the billable project on a usage-based customer contract line when the line is associated with:

- A billing schedule.
- A revenue recognition schedule.
- An invoice.
- Usage-based transactions.

2. [Create Consolidated Billing Schedules for Customer Contracts](#) on page 712.

Create a consolidated billing schedule for the usage-based customer contract line that you associated with a billable project.

3. Access the **Record Usage-Based Transactions task.**

Select the:

- Usage-based customer contract from the **Customer Contracts** prompt.
- Project from the **Billable Projects** prompt.

Workday only displays customer contract lines from approved customer contracts in the **Contract Line** prompt.

Security:

- *Process: Project Billing - Usage* domain in the Project Billing functional area.
- *Process: Usage* domain in the Customer Contracts and Project Billing functional areas.

4. [Manage All Project Billing Transactions](#) on page 1014 or [Manage Project Billing Transactions by Transaction Source](#) on page 1017.

Select the project from the **Billable Projects** prompt to view usage-based transactions associated with the billable project.

5. Manage customer invoice proposals.

Modify usage-based transactions associated with the billable project before invoicing.

See [Steps: Manage Customer Invoice Proposals](#) on page 720.

6. (Optional) [Create Customer Invoices for Consolidated Billing](#) on page 724.

Create customer invoices for usage-based transactions associated with the billable project.

7. (Optional) Access the **Create Customer Invoices for Billable Transactions task.**

Create customer invoices for usage-based transactions associated with the billable project.

When you generate customer invoices from contracts with a negative amount due, Workday automatically creates credit adjustment documents linked to the billing schedule. If an invoice has retention, Workday instead creates a customer invoice with the negative amount.

Security:

- *Process: Billing - Invoicing* domain in the Customer Contracts and Project Billing functional areas.
- *Process: Project Billing - Invoicing* domain in the Project Billing functional area.

8. (Optional) Access the **Find Billable Project Transactions** report.

Select *Usage Based* from the **Transaction Source** prompt to view usage-based transactions associated with the billable project.

Security:

- *Manage: Billable Projects* domain in the Projects functional area.
- *Reports: Project Billing* domain in the Project Billing functional area.

Access the **View Project** report to review amounts and drill down on usage-based transactions associated with the billable project.

Reference

[2022R2 What's New Post: Billable Projects on Usage-Based Transactions](#)

[2023R1 What's New Post: Credit Adjustments for Negative Customer Invoice Amounts](#)

Review Intercompany Billable Transactions

An intercompany contract with billable transactions.

Security: *Process: Transfer Pricing* domain in the Projects functional area.

You can review your intercompany billable transactions that occur between:

- A parent company and a subsidiary.
- Divisions.
- Subsidiaries.

Using the Review Intercompany Billable Transactions task, you can also:

- Approve transactions.
- Change billable amounts.
- Recalculate billing rates.
- Place transactions on hold.
- Hold transactions from billing.

1. Access the **Review Intercompany Billable Transactions** task.

Workday displays the last search criteria you used.

2. Review and process your transactions.

As you complete the task, consider:

Option	Description
Billing Status	Use this prompt to change the billing status for 1 or multiple lines at once.
Pending Pricing	Displays when you've completed both of these actions: • Approved the worker time block using standard cost rates. • Created the advanced labor cost calculation assignment. Workday displays the billable amount as zero until you complete the Schedule Project Advanced Labor Costing task. This task calculates prorated cost amounts for worker hours.
Unbillable	Displays when your transactions are missing either or both of the intercompany:

Option	Description
	- Billing schedule. - Contract.
Modify Fields	You can update these fields: - Billing Status for all transaction types. - Hours to Bill for time transactions only. - Rate to Bill for time transactions only. - Amount to Bill for expense and supplier invoice transactions only. - Reason for Change for all transaction types. Note: You can't modify fields for transactions with a status of: <i>Do Not Bill.</i> <i>Pending Pricing.</i> <i>Unbillable.</i>
Recalculate Rates	Select to clear changes you make to any of your transactions. Note: You can't recalculate rates for transactions with a status of: <i>Do Not Bill.</i> <i>Pending Pricing.</i> <i>Unbillable.</i>

Create invoices for intercompany transactions.

Tasks

[Steps: Create Intercompany Contracts](#) on page 672

[Steps: Manage Project Advanced Labor Costs](#) on page 811

Reference

[2020R1 What's New Post: Advanced Labor Costing for Intercompany Contracts](#)

Create Customer Contracts

Configure the *Customer Contract Event* business process and security policy in the Customer Contracts and Project Billing functional areas.

You can create customer contracts to specify the rules, terms, and conditions that govern the contract with your customer. Workday uses the terms that you specify to create:

- Billing schedules.
- Revenue recognition schedules.
- Customer invoices.
- Accounting.

1. Access the **Create Customer Contract** task.

When you create your contract from a template and your worktag values conflict, the customer or company-specific worktags take precedence.

2. As you complete the header, consider:

Option	Description
Contract Type	Select a contract type that you created on the Maintain Customer Contract Types task.
Related Customer Contract	Select to associate 1 related customer contract with this customer contract for reporting purposes.
Linked Customer Contracts	Select to associate multiple child customer contracts with this parent customer contract for revenue purposes. Displays when you select a Contract Type enabled for linked contracts.
Parent Customer Contract	Select to associate this customer contract with a parent customer contract for revenue purposes. When you view the parent customer contract, Workday displays this customer contract as a linked contract.
Multiple-Element Revenue Allocation	Select when the contract has lines that require different revenue allocations. Workday then enables you to select a Fair Value Price List and define the fair value unit price and extended amount on the contract lines.
Fair Value Price List	Displays when you select the Multiple-Element Revenue Allocation check box.
Default Tax Code	Select a tax code when the contract lines contain items that are taxable. Workday populates contract lines with the tax code based on the values that you enter on the Create Customer task for: • Company. • Customer. • Revenue Category. • Ship-From Address. • Ship-To Address.
Worktags	To track revenue and expenditures between intercompanies on customer contract lines, select the <i>Intercompany Affiliate</i> worktag that you configured for customer contracts on the Maintain Worktag Usage report. Workday populates the <i>Intercompany Affiliate</i> worktag onto the customer contract lines. Workday also populates the <i>Intercompany Affiliate</i> worktag from the customer contract lines onto: • Ad hoc project transactions. • Billing installments. • Installment-type transactions. • Project-based transactions. • Revenue installments.

Option	Description
	Usage-based transactions.
Billing Template	Select to create consolidated billing schedules. You can't include a billing template when you also include an installment or transaction billing schedule template.

3. As you complete the **Line Details** tab, consider:

Option	Description
Revenue Category	Workday populates this field based on your selection from the Sales Item prompt.
Bundle	Workday populates this field when you select a bundled sales item from the Sales Item prompt. Click to update the bundled sales item information. To allocate revenue for bundled sales items, click the Bundle button and enter amounts in the Revenue Override Amount field.
Line Type	When you select <i>Prepaid</i> from the Line Type prompt on the Goods and Services tab and create customer invoices or customer invoice proposals, Workday displays the billable project on the customer invoice lines.
Billable Project	When you select a project from the Billable Project prompt on the Usage-Based tab, Workday associates the billable project with the usage-based customer contract line. You can't change the billable project on a usage-based customer contract line when the line is associated with: - A billing schedule. - A revenue recognition schedule. - An invoice. - Usage-based transactions.
Quantity 2 Unit of Measure 2	Displays when you select <i>Subscription</i> from the Line Type prompt. Use when you need to display the quantity of items sold on your billing installments and customer invoices. Example: Your customer decides to purchase 20 hours of your service per month.
Contract Line Amount	Workday uses the contract line amount on the billing schedule.
FV Unit Price	Calculation: Fair Value Extended Amount ÷ Total Number of Units.

Option	Description
FV Extended Amount	Workday uses this value as the revenue override amount when you run multiple-element allocation. Workday updates the extended amount and the unit price when you change either value.
Phases Tasks (Projects only)	Select to include 1 or more phases and tasks on Project Time and Expense contract lines.
Standard Rate Sheet (Projects only)	Select to use the tenant-wide rules that you created on the Create Project Standard Cost Rate Sheet task, such as: • Project cost rate rules. • Worker-specific rates. • Project role rates.
Contract Rate Sheet (Projects only)	When you select both a standard rate sheet and a contract rate sheet, Workday applies the rates from the standard rate sheet first. To add a contract rate sheet to any project line type, select an option from the Project Transaction Source prompt. To compare fixed fee amounts to time and material amounts, associate a billing rate sheet to: • <i>Project Time and Expense</i> line types for transaction-based billing projects. • <i>Fixed Fee Project</i> and <i>Value-Based Project</i> line types for installment-based billing projects.

4. As you complete the **Revenue and Billing** tab, consider:

Option	Description
Revenue Treatment	Workday uses the revenue treatment to determine which ledger account in your account posting rules to credit and debit when you create invoices and recognize revenue. Select: • <i>Accrued</i> to credit the Unbilled Receivables ledger account during invoicing and debit the Unbilled Receivables ledger account during revenue recognition. • <i>Deferred</i> to credit the Deferred Revenue ledger account during invoicing and debit the Deferred Revenue ledger account during revenue recognition. • <i>Invoice</i> to credit the Revenue ledger account.
Revenue Override Amount	Workday uses the revenue override amount on the revenue recognition schedule.

Option	Description
	You can also use this field to record the revenue amount you allocate on a multiple-element arrangement contract.
Revenue Template	Displays when you select <i>Accrued</i> or <i>Deferred</i> from the Revenue Treatment prompt. You can associate the line with a revenue recognition template in your tenant. Depending on your template settings, and after contract line approval, Workday: • Generates installments. • Submits the revenue recognition schedule for approval.

5. As you complete the **Additional Information** tab, consider:

Option	Description
Worktags	When you select a billable project on usage-based customer contract lines, select a project plan phase or project plan task that's associated with the billable project.

Workday routes the customer contract to the *Customer Contract Event* business process for review and approval.

Create:

- Customer billing schedules.
- Revenue recognition schedules.

Concepts

[Concept: Customer Contracts](#) on page 685

[Concept: Project Billing](#) on page 1046

Tasks

[Steps: Create Customer Contract Templates](#) on page 672

[Steps: Manage Billable Projects on Usage-Based Transactions](#) on page 675

[Steps: Set Up Prepaid Billing Using Installment Billing Schedules](#) on page 708

[Steps: Set Up Project Pricing and Billing](#) on page 1000

[Steps: Consolidate Billing for Multiple Projects](#) on page 999

[Create Installment or Transaction Billing Schedules for Customer Contracts](#) on page 715

[Create Revenue Recognition Schedules for Customer Contracts](#) on page 733

[Add Billing Rate Rules to Contract Rate Sheets](#) on page 1003

Reference

[Reference: Billing Rate Rule Types for Projects](#) on page 1009

[Reference: Contract Line Types for Customer Contracts](#) on page 691

[Workday 31 What's New Post: Standard Billing Rate Sheet](#)

[2022R2 What's New Post: Billable Projects on Usage-Based Transactions](#)

Copy Customer Contracts

- Approve a customer contract.

- Security: *Process: Customer Contract* - Core domain in the Customer Contracts and Project Billing functional areas.

You can copy existing customer contracts when you want to create multiple contracts for the same customer. Copying customer contracts helps to save you time by automatically populating fields on the customer contract.

From the related actions menu of the approved customer contract that you want to copy, select **Customer Contract > Copy**.

Workday copies:

- Contract lines as numbered on the original customer contract.
- Billing and customer contract notes.
- Tax codes using the current tax rate.
- The billable project and any phases and tasks on the original customer contract lines.
- Only the current approved version of the customer contract for contracts with multiple amendments.
- Worktags on the original customer contract lines.

Workday doesn't copy:

- Canceled or terminated customer contract lines.
- Associated billing or revenue recognition schedules.

Workday duplicates the original contract in *Draft* status.

Make the necessary changes to the customer contract and submit it for approval. Workday routes the customer contract copy to the *Customer Contract Event* business process for review and approval.

Tasks

[Create Customer Contracts](#) on page 677

Reference

[2022R2 What's New Post: Billable Projects on Usage-Based Transactions](#)

Amend Customer Contracts

- Approve a customer contract.
- Configure the *Customer Contract Amendment Event* business process and security policy in the Customer Contracts and Project Billing functional areas.

You can amend customer contracts when you need to make additions, changes, or corrections to approved contracts. Workday assigns the next version number to each new amendment, and you can specify an amendment number to associate with a legal document.

When any of these processes are in progress, you can't submit an amendment:

- An associated billing installment.
- An associated revenue recognition installment.
- An associated customer invoice or invoice adjustment.

1. From the related actions menu of the approved customer contract that you want to amend, select **Customer Contract > Amend Customer Contract**.
2. As you complete the task, consider:

Option	Description
Amendment Number	Enter an amendment number to associate the customer contract with a legal document.
New Contract Status	When you select:

Option	Description
	• <i>Active</i>, Workday updates the customer contract to an <i>Approved</i> status. There's no impact to the customer contract lines. • <i>Canceled</i>, Workday cancels the customer contract lines. You can't cancel a customer contract when at least 1 line has an installment in progress, billed amounts, or revenue recognized. • <i>Complete</i>, all customer contract lines must have a status of <i>Canceled</i>, <i>Complete</i>, or <i>Terminated</i>. A <i>Complete</i> status indicates that all activity is complete on the customer contract. • <i>Terminated</i>, Workday terminates the customer contract while retaining all completed installments. When the customer contract has lines associated with completed billing or revenue recognition installments, enter the billed amount in the Contract Amount field before terminating the contract. You can't terminate a customer contract when at least 1 line has a status of <i>Active</i>.
Sales Item	Workday enables you to edit the sales item when the customer contract line isn't associated with: • A billing schedule. • A revenue recognition schedule.
Revenue Category	Workday enables you to edit the revenue category when the customer contract line isn't associated with: • A billing schedule. • A revenue recognition schedule.
Line Type	Workday enables you to edit the line type when the customer contract line isn't associated with: • A billing schedule. • A revenue recognition schedule.
Billable Project	Workday enables you to edit the billable project for usage-based customer contract lines when the customer contract line isn't associated with: • A billing schedule. • A revenue recognition schedule. • An invoice. • Usage-based transactions.
Worktags	When you select a billable project on usage-based customer contract lines, select a project plan phase or project plan task that's associated with the billable project.

You can view a list of changes on the **Amendments** tab of the customer contract.

When you configure the *Customer Contract Amendment Event* business process, your revenue recognition schedule might not update. Verify that your schedule properly updates when you enable the **Automatically Submit Schedule via Contract Amendment** check box.

Tasks

[Create Customer Contracts](#) on page 677

[Create Installment or Transaction Billing Schedules for Customer Contracts](#) on page 715

[Create Consolidated Billing Schedules for Customer Contracts](#) on page 712

[Create Customer Invoices for Billing Installments](#) on page 723

[Create Customer Invoices for Consolidated Billing](#) on page 724

[Create Revenue Recognition Schedules for Customer Contracts](#) on page 733

Reference

[2022R2 What's New Post: Billable Projects on Usage-Based Transactions](#)

Change Customer Contracts

- Approve a customer contract.
- Configure the *Customer Contract Amendment Event* business process and security policy in the Customer Contracts and Project Billing functional areas.
- Security: *Process: Customer Contract - View* domain in the Customer Contracts and Project Billing functional areas.

You can change a customer contract without going through the full amendment process. When you change a customer contract, you have limited options if your contract is associated with a billing or revenue recognition schedule.

1. (Optional) Access the *Customer Contract Amendment Event* business process.

Add condition rules to route amendments and changes differently as needed.

Example: Add 1 condition rule that routes amendments to the Controller, and another condition rule that routes changes to the Customer Contract Specialist.

2. From the related actions menu of the approved customer contract that you want to change, select **Customer Contract > Change Customer Contract**.
3. Make any necessary changes to the fields available for edit.

When the customer contract is associated with a billing or revenue recognition schedule, you can't change these fields:

- Billable Project
- Company
- Customer
- Currency
- Contract Amount
- Effective Date
- Phases
- Tasks
- Worktags

The **Customer Contract Change Event** displays on the **Process History** tab of the contract.

Tasks

[Edit Business Processes](#)

Reference

[2022R2 What's New Post: Billable Projects on Usage-Based Transactions](#)

Create Deferred Cost Schedules

- Create deferred cost transactions.
- Security: *Process: Deferred Cost Schedule* - Core domain in the Customer Contracts and Project Billing functional areas.

You can create a deferred cost schedule for 1 or more transaction lines to amortize. All lines you include in a schedule must use the same deferred cost amortization method and currency.

1. Access the **Create Deferred Cost Schedule** task.
2. Add at least 1 transaction line to the deferred cost schedule.
3. Click **Save and Continue** to view the draft.
4. Click **Generate Installments** for amortization to occur.

Optionally update the deferred cost installment status.

Tasks

[Steps: Amortize Customer Contract Costs](#) on page 671

Concept: Customer Contracts

A customer contract is the agreement between you and your customer. You can define these agreement details on your customer contracts to determine how Workday generates billing and revenue recognition:

- Contract amount.
- Effective date.
- Line type.
- Revenue treatment.
- Sales items.
- Worktags.

You can manage each step of the contract lifecycle, including automatic routing for approval based on your business processes.

Customer Contract Amendments and Changes

You can configure contract amendment types on the **Maintain Customer Contract Amendment Types** task. Amendments enable you to capture additions, changes, and corrections on approved customer contracts. You can change the status of an entire customer contract or specific customer contract lines. You can also configure amendment numbers to track changes made on amendments. Workday automatically assigns the next version number to each new amendment. You can also specify an optional amendment number to correlate to an amendment document if 1 exists. Once you create an amendment, you can view the amendment history of a customer contract or contract line for any version.

Changes enable you to update details on approved customer contracts. If the customer contract has a billing or revenue recognition schedule, you can only change nonamount details.

Customer Contract Change Orders

Change orders enable you to update the quantity and amount on customer contract lines.

Customer Contract Checklist Templates

You can use the **Create Customer Contract Checklist Template** task to customize a checklist of requirements for your contract specialists to use when they create customer contracts. You can then associate the checklist template with a contract type on the **Maintain Customer Contract Types** task. When you create a customer contract using the contract type you associated with the checklist template, Workday automatically adds a **Checklist** tab on the contract.

Customer Contract Line Fees

You can add administrative fees as a percentage to the project time and expense lines on your customer contracts.

Customer Contract Lines

Each customer contract line includes a *revenue category* that you can enter or derive from a sales item.

To comply with vendor-specific objective evidence (VSOE) requirements, you can distribute line amounts on customer contracts differently for billing and revenue. The customer contract header ensures that billing and revenue amounts remain equal. You can also capture discounts as negative customer contract lines.

Customer Contract Templates

Customer contract templates reduce the time and effort needed to create customer contracts by populating commonly used fields and values. Once you create a template on the **Create Customer Contract Template** task, you can either:

- Assign the template to a contract type on the **Maintain Customer Contract Types** task.
- Create a customer contract using the template on the **Create Customer Contract** task.

Customer Contract Types

You can manage your customer contracts based on the contract types that you define on the **Maintain Customer Contract Types** task. The contract types that you define help you to identify, manage, and approve your customer contracts based on your business needs. You can customize contract types to include:

- Checklist templates.
- Contract templates.
- Linked contracts.

Customer Contract Worktags

Customer contract worktags enable you to:

- Analyze and report on revenue details by customer contract.
- Associate costs or transactions with the customer contract.
- Reconcile revenue by customer contract at the ledger level.

You can capture customer contract worktags on operational transactions that originate from a contract, such as:

- Accounting journals.
- Billing schedules and installments.
- Customer invoices from billing installments.
- Revenue recognition schedules and installments.

You can also associate a customer contract worktag with transactions that impact revenue. Workday displays the customer contract worktag as an implicit worktag on transactions that originate from the contract. You can also enable Workday to display the customer contract worktag as an explicit worktag on transactions that relate to a customer contract. You can use the customer contract worktag on billing and revenue recognition installment lines, and you can view the worktag on resulting operational journals.

You can enable customer contract worktags on the **Maintain Worktag Usage** task.

Fair Values on Customer Contract Lines

When you associate a fair value price list with your customer contract, Workday populates the fair value amounts on your customer contract lines.

Linked and Parent Customer Contracts

Linked and parent customer contracts enable you to associate customer contracts together for allocation and revenue purposes. You can enable linked customer contracts on the **Maintain Customer Contract Types** task. When you create a customer contract, you can then associate multiple linked customer contracts with a single parent customer contract. The linked customer contracts display on the parent customer contract and the parent customer contract displays on each linked customer contract.

Workday consolidates the linked customer contract lines and displays 1 line per revenue category on the parent customer contract. You can also view linked customer contract lines by revenue category when you create a consolidated revenue recognition schedule. You can create a consolidated revenue recognition schedule from the related actions menu of the parent customer contract.

Pricing Discounts and Premiums

You can create pricing discounts and premiums using the **Maintain Customer Contract Discounts and Premiums** task. You can base pricing rules on your customer contracts and apply them on the customer contract header or line.

Related Customer Contract

Related customer contracts enable you to associate customer contracts together for reporting purposes. When you create a customer contract, you can associate 1 related customer contract with it. Related customer contracts must share the same company and sold-to customer.

Concepts

[Concept: Project Billing](#) on page 1046

[Concept: Revenue Recognition](#) on page 740

Tasks

[Create Customer Contracts](#) on page 677

[Steps: Create Multiple-Element Revenue Allocation](#) on page 700

Reference

[Reference: Contract Line Types for Project Billing](#) on page 1050

[Workday 33 What's New Post: Customer Contract Templates](#)

[Workday 31 What's New Post: Pricing Discounts and Premiums](#)

Concept: Customer Contract Renewals

Workday streamlines the renewal process for customer contracts by enabling you to create renewable sales items and manage renewal terms. You can manage renewal terms on the contract or customer profile. You can also build reports to identify customer contract lines that are up for renewal.

Sales Items

Mark sales items as **Renewable** either when you create them or when you enter them on customer contract lines. You can edit the renewal terms on the customer contract line or using the **Renewal Base** report on the customer profile. You can:

- Add customer contact information.
- Configure the sales item to renew automatically.
- Set From and To dates.
- Enter the renewal quantity, rate, amount, and percent.

Renewal Reports

In addition to building custom reports to access renewal information, you can use the **Find Expiring Customer Contracts** report to identify contracts that you want to manage. You can configure the end date on the report to meet the needs of your organization.

Tasks

[Create Sales Items](#) on page 663

Concept: Foreign Currency Customer Contracts

In Workday, each company has a ledger currency, but you have the ability to create customer contracts in a currency different than the company ledger currency. When you create a customer contract, currency conversion doesn't occur until there's billing or revenue recognition associated with the contract.

Example: A Canadian company creates a contract for a customer in France. The customer contract and billing are in the contract currency of EUR, and the revenue is in the company ledger currency of CAD.

Billing

When you create a billing schedule and generate billing installments, the installments are in the contract currency. Currency conversion doesn't occur at this stage because there's no accounting.

When you create a customer invoice, Workday posts the invoice amount to a ledger account and currency conversion occurs. The invoice amounts display in the contract currency. The journal lines display both the contract currency amounts and the company ledger currency amounts in their respective currencies.

Revenue Recognition

When you create a revenue recognition schedule for customer contracts with accrued or deferred revenue, the installments are in the contract currency. Currency conversion doesn't occur at this stage because there's no accounting.

When you recognize revenue, currency conversion occurs. The journal lines display both the contract currency amounts and the company ledger currency amounts in their respective currencies.

Currency Rates

Workday provides these currency conversion rates that you can use when you create revenue recognition schedules and accounting for foreign currency customer contracts:

Currency Conversion Rate	Description
Blended Rates	Workday only supports blended rates on foreign currency revenue recognition schedules and accounting created before September 10, 2022. When you generate revenue recognition installments, the installments use the rate on the customer contract effective date as the foreign currency conversion rate. The conversion rate determines the revenue amount in the company ledger currency. When you: Generate invoices before recognizing revenue in the same period, Workday updates the conversion rate on the revenue recognition installment to the invoice rate. The revenue recognition accounting uses the updated installment rate.

Currency Conversion Rate	Description
	Recognize revenue before generating invoices in the same period, the revenue recognition accounting uses the customer contract rate that you used to generate the installment. You can manually override the conversion rate used to generate the original revenue installments by editing the revenue recognition schedule. The rate you set overrides all invoice rates, even when you invoice before recognizing revenue.
Contract Effective Date	Workday uses the contract effective date to determine the foreign currency conversion rate.
Invoice Rates	Workday only supports invoice rates on foreign currency revenue recognition schedules and accounting created before September 10, 2022. When you generate invoices before recognizing revenue in the same period, Workday uses the invoice rate to determine the foreign currency conversion rate.
Revenue Recognition Installment Date	Workday uses the installment date to determine the foreign currency conversion rate. When there isn't a rate for the installment date, Workday uses the rate for the most recent date when you generate revenue recognition installments and accounting. After you generate revenue recognition accounting, the rates on the revenue recognition installment lines match the rates on the operational journal lines.
Schedule Override Rate	Workday uses the schedule override rate that you specify to determine the foreign currency conversion rate.

Currency Adjustments

When there are variances between billed and recognized revenue amounts in ledger currency, you can create adjustments using these tasks to reconcile the variance:

- **Create Ledger Currency Adjustment Installment:** Create adjustments at the end of the customer contract term.
- **Create Customer Contract Foreign Currency Adjustment Journal:** Create adjustments at the end of the month or anytime during the customer contract term.

Example: At the end of the customer contract term, the sum of your ledger currency billed amount and your recognized revenue amount for the customer contract line reveals a difference of \$11.30 in your accounting. To create a currency adjustment installment, select **Revenue Recognition Schedule > Create Ledger Currency Adjustment Installment** from the related actions menu of the approved revenue recognition schedule with foreign currency.

Concepts

[Concept: Customer Contracts](#) on page 685

Tasks

[Create Customer Contracts](#) on page 677

[Create Installment or Transaction Billing Schedules for Customer Contracts](#) on page 715

[Create Revenue Recognition Schedules for Customer Contracts](#) on page 733

[Create Ledger Currency Adjustment Installment](#) on page 736

Reference

[Reference: Revenue Recognition Currency Conversion Rates for Foreign Currency Customer Contracts](#) on page 744

Examples

[Example: Create Accounting Using Blended Rates for Foreign Currency Customer Contracts](#) on page 752

Concept: Usage-Based Contract Pricing

Workday enables you to charge a customer based on how much they use your product or service. You can create a usage-based customer contract and manage your pricing with a usage rate sheet.

Minimum Commitments

Workday provides flexibility with rate sheets on your usage-based customer contracts to manage minimum commitments for your product or service.

Example: A customer contract requires a monthly minimum for support calls of \$10,000. You can bill the minimum amount for the month, if the monthly usage doesn't meet or exceed it, or the actual usage, if greater.

Tiered and Volume Pricing

Tiered pricing assigns a price per unit based on quantity ranges. You can charge your customers different pricing based on purchase quantities.

Volume pricing assigns a price for all units based on the total amount within a price range.

Examples: Your customer purchases 150 units of your product. Your pricing per unit is:

- 1-100: \$10
- 101+: \$8

Tiered Pricing	Volume Pricing
You charge your customer \$10 for the first 100 units and \$8 for the remaining 50 units, for a total cost of \$1,400.	You charge your customer \$8 for all 150 units, for a total cost of \$1,200.
$(100 \times \$10) + (50 \times \$8) = \$1,400$	$150 \times \$8 = \$1,200$

Tiered and Volume Pricing for Negative Usage-Based Transactions

You can load negative transactions using tiered and volume pricing reset by period or transaction.

For tiered and volume pricing reset by period, first record a usage-based transaction for the customer contract using a positive quantity. Then, record a second usage-based transaction for the customer contract using a negative quantity. Loading transactions in this order ensures that Workday prices negative transactions through the tiers correctly. When you load usage-based transactions with a negative quantity first, Workday prices them at zero.

For tiered and volume pricing reset by transaction, either:

- Record a usage-based transaction with a positive quantity, followed by a second transaction with a negative quantity ensuring that Workday prices negative transactions through the tiers correctly.

- Select the **Price Negative Units in First Tier** check box to ensure that Workday prices negative transactions at the lowest quantity tier rate.

Example: The billing rate sheet associated with your usage-based customer contract line resets by transaction and defines tiers for:

- 1-100 units at a rate of \$100 per unit.
- 101+ units at a rate of \$90 per unit.

When you record a usage-based transaction with a negative quantity, the billing rate sheet uses the \$100 per unit price.

Tasks

[Create Customer Contracts](#) on page 677

Reference: Contract Line Types for Customer Contracts

Workday provides these contract line types that you can use to create customer contracts:

Contract Line Type	Actions	Billing Options	Revenue Recognition
<i>Cost Reimbursable</i>	• Create installment billing schedules to deduct cost reimbursable amounts from prepayments. • Create transaction billing schedules to bill direct costs and facilities and administration incurred throughout the billing cycle. Use this line type on award contracts only.	• Installments for prepaid billing consumption • Transactions	Transaction completion or settlement
<i>Fixed Amount</i>	Set the amount for goods and services independent of activity or resources.	• Installments • Transactions for order fulfillment	• Installments • Transactions for order fulfillment
<i>Fixed Amount - Billing Only</i>	Set the total amount to bill for a sales item bundle. Example: You sell a laptop bundled with a docking station and monitor.	Installments	
<i>Fixed Amount - Revenue Only</i>	Set the amount to recognize revenue for individual items in a sales item bundle. Use this contract line type with the <i>Fixed Amount - Billing Only</i>		Installments

Contract Line Type	Actions	Billing Options	Revenue Recognition
	line type or for revenue recognition linked contracts. Example: You sell a laptop bundled with a docking station and monitor and want to recognize revenue on the individual items.		
<i>Fixed Fee Project</i>	Set the project value based on the scope and product when you create the contract.	• Installments • Milestones	• Installments • Milestones • Percent Complete
<i>Intercompany Expense</i>	Set the expense rates between legal entities of global organizations for intercompany expenses.	Intercompany transactions	
<i>Intercompany Time</i>	Set the worker rates between legal entities of global organizations intercompany time.	Intercompany transactions	
<i>Prepaid</i>	Apply prepayments towards installment and transaction contract line amounts. When you select this option, Workday populates <i>Deferred</i> as the Revenue Treatment on the customer contract.	Installments	You don't need to create a revenue recognition schedule.
<i>Project Time and Expense</i>	Charge the project as you incur time and expenses.	• Installments • Milestones • Transactions	• Milestones • Transactions
<i>Recurring - Fixed Term</i>	Use this contract line type with variable lines to manage minimum commitments that bill as a set amount on a recurring basis. Example: You create a contract for technical support with minimum monthly fees and other usage-based transaction lines.	Installments	Installments
<i>Subscription</i>		Installments	Installments

Contract Line Type	Actions	Billing Options	Revenue Recognition
<i>Usage-Based</i>	Process your transactions as they occur.	Transactions	• Installments • Transactions
<i>Value-Based Project</i>	Create revenue installment lines that are based on an estimated amount and aren't transaction driven. The revenue amount is an estimate. You'll need to balance the difference between final billed and revenue recognition amounts. Bill for projects with variable values based on external factors. Set the amount for the contract item, independent of resources used or time expended, and track the recurring transactions. Use this line type on projects contract lines. Use a revenue recognition method that isn't <i>Transaction</i>.	• Installments • Milestones	• Installments • Milestones
<i>Variable Amount - Non Project</i>	Create revenue installment lines based on an estimated amount for goods and services. The revenue amount is an estimate. You'll need to balance the difference between final billed and revenue recognized amounts. Use this line type on goods and services contract lines.	Installments	• Installments • Milestones

Concepts

[Setup Considerations: Prepaid Billing Using Consolidated Billing Schedules](#) on page 703

Tasks

[Create Customer Contracts](#) on page 677

Reference

[2021R1 What's New Post: Prepaid Billing for Installments and Transactions](#)

[Workday 31 What's New Post: Transfer Pricing](#)

[Workday 32 What's New Post: Transfer Pricing for Expenses](#)

FAQ: Customer Contracts

How do I create multiple revenue recognition schedules for parent linked contracts?

Select **Customer Contracts > Create Consolidate Revenue Recognition Schedule** from the related actions menu of a parent linked customer contract.

Can I use the same Administrative Fee for multiple line types or contracts?

Yes. Access the **Maintain Contract Line Fees** task to create your fee. You can add it to your Project Time and Expense contract lines. You can add the fee to other contracts as well.

How do I search for and update external alternate contracts only?

View the **Manage Alternate Customer Contract** report.

How do I create alternate contracts without loading the originating contracts in Workday?

Access the **Create Standalone Alternate Contract** task to create alternate contracts and then generate revenue installments and alternate revenue.

How do I create a revenue recognition schedule with installments for future-dated contracts?

Create ledger periods for the latest period that your installments require before loading your revenue recognition schedule.

How do I load revenue recognition schedules and select specific installments to be available for accounting?

Use the Enterprise Interface Builder (EIB) with the Submit Revenue Recognition Schedule web service. Specify an *Available* installment status for all installments that you want available for accounting, and *Closed* for all others.

Under Accounting Standards Codification (ASC) Topic 606 and International Financial Reporting Standard (IFRS) 15, how does Workday handle deferred cost?

Workday enables you to create Deferred Cost Schedules and related installments. You can also use the deferred cost account posting rules in the **View Account Posting Rule Set** report. These rules help you manage your deferred assets and amortized expenses and post the related journal entries.

If I amend my customer contracts, do I need to update my billing and revenue schedules manually?

You can automatically regenerate your installments, and submit your schedule as part of your billing and revenue schedule **Amendment Processing** sections.

Reference

[Workday 31 What's New Post: Support Accounting for Deferred Costs](#)

[Workday 31 What's New Post: Automatically Update Billing and Revenue Schedules](#)

Troubleshooting: Unable to Create Custom Validations for Taggable Type Report Fields

Revenue category hierarchy is a taggable type report field that can either be on the:

- Customer contract header.
- Customer contract line.

Unable to create custom validations for the revenue category hierarchy taggable type report field on the customer contract header.

To create custom validations, first create a calculated field to specify that the revenue category hierarchy taggable type report field is on the customer contract header.

1. Access the **Create Calculated Field** task.

Security: *Custom Field Management* domain in the System functional area.

2. Enter *Revenue Category Hierarchy on the Header* in the **Field Name** field.

3. Select *Customer Contract* from the **Business Object** prompt.

4. Select *Lookup Related Value* from the **Function** prompt.

5. Click **OK**.

6. Select *Customer Contract* from the **Lookup Field** prompt.

7. Select *Revenue Category Hierarchies* from the **Return Value** prompt.

8. Click **OK**.

9. Click **Done**.

10. Add the calculated field as a condition rule on the **Maintain Custom Validations** report.

Security: *Set Up: Custom Validations* domain in the Common Financial Management and System functional areas.

Unable to create custom validations for the revenue category hierarchy taggable type report field on the customer contract line.

To create custom validations, first create a calculated field to specify that the revenue category hierarchy taggable type report field is on the customer contract line.

1. Access the **Create Calculated Field** task.

Security: *Custom Field Management* domain in the System functional area.

2. Enter *Revenue Category Hierarchy on the Line* in the **Field Name** field.

3. Select *Customer Contract Line* from the **Business Object** prompt.

4. Select *Lookup Related Value* from the **Function** prompt.

5. Click **OK**.

6. Select *Contract Line* from the **Lookup Field** prompt.

7. Select *Revenue Category Hierarchies* from the **Return Value** prompt.

8. Click **OK**.

9. Click **Done**.

10. Add the calculated field as a condition rule on the **Maintain Custom Validations** report.

Security: *Set Up: Custom Validations* domain in the Common Financial Management and System functional areas.

Tasks

[Create Customer Contracts](#) on page 677

[Create Calculated Fields](#)

[Lookup Related Value](#)

[Configure Custom Validation Messages](#) on page 54

Multiple-Element Revenue Allocation

Setup Considerations: Multiple-Element Revenue Allocation

You can use this topic to help make decisions when planning your configuration and use of multiple-element revenue allocation. It explains:

- Why to set it up.
- How it fits into the rest of Workday.

- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

Multiple-element revenue allocation enables you to allocate revenue on customer contracts with multiple performance obligations.

Business Benefits

Multiple-element revenue allocation reduces manual effort and helps to ensure that you report recognized revenue in compliance with:

- ASC 606 accounting standards.
- IFRS 15 accounting standards.

Use Cases

Use multiple-element revenue allocation to meet reporting requirements when the revenue line amount on the customer contract differs from the contract line amount.

Questions to Consider

Questions	Considerations
When you do your pricing studies, how do you determine the fair value price for your sales items?	When your company sells items based on: • A percentage of the list price or a discount from the list price, you can configure your fair value price list using a percentage. • The average selling price over a period of time, you can configure your fair value price list using an amount.
How do you want to allocate revenue for a single customer contract?	To calculate revenue allocation: • Automatically, configure fair value price lists for each sales item or sales item group on a customer contract line. Workday applies the fair value to each line and allocates revenue when you enable multiple-element revenue allocation on the customer contract. • Manually, specify fair value and revenue allocation amounts for each sales item on a customer contract line.
How do you allocate revenue among multiple customer contracts?	Enable at least 1 customer contract type for linked contracts. You can then associate multiple customer contracts with a single parent contract and allocate revenue among them.
What volume of your customer contracts need multiple-element revenue allocation?	To allocate revenue for: • A single customer contract, you can create multiple-element revenue allocation from the related actions menu of an approved customer contract. This method enables you to update

Questions	Considerations
	range percentages, fair value pricing, revenue override amounts, and exclude lines from the calculation. Multiple customer contracts, you can run multiple-element revenue allocation in mass using a report.

Recommendations

Features	Considerations
Lower and Upper Range Percentages	When you don't create a fair value price list, Workday recommends that you calculate revenue based on a percentage of the sales price.
Allocation Basis	Workday recommends that you use an allocation basis to calculate the relative selling price allocation for each sales item on a customer contract line.
Do Not Auto-Allocate Revenue	When you have a large number of customer contract lines that you want to allocate revenue for, Workday recommends that you: - Enable this option in your revenue allocation configurations. - Run allocations in mass using a report.
Revenue Allocated	When you create multiple-element revenue allocation outside of Workday, we recommend that you enable this check box to indicate that you've already allocated revenue for the customer contract.

Requirements

You must:

- Create sales items that use an accrued or deferred revenue treatment for use in a fair value price list.
- Manually enter revenue override amounts for sales item bundles on customer contract lines.

Limitations

Features	Considerations
Sales Items and Sales Item Groups	You can only: - Assign sales items to 1 sales item group when the sales item group has a group type of fair value pricing. - Include sales item groups that have a group type of fair value pricing in a fair value price list.
Variable Customer Contract Lines	Workday doesn't support these variable customer contract lines with multiple-element revenue allocation: Fixed Fee Project

Features	Considerations
	• Prepaid • Project Time and Expense • Usage-Based • Variable Amount Non-Project • Value-Based Project
Projects	Workday doesn't support Time and Material projects with multiple-element revenue allocation.

Tenant Setup

To define tenant-wide and company-wide configurations, access the **Set Up Revenue Allocation Configuration** task. You can use the task to configure how Workday allocates revenue on customer contracts with multiple-element arrangements.

Security

Domains	Considerations
<i>Process: Customer Contract - View</i> in the Customer Contracts and Project Billing functional areas.	Report on multiple-element revenue allocation.
<i>Process: Revenue - Allocations</i> in the Customer Contracts and Project Billing functional areas.	Create multiple-element revenue allocation for approved customer contracts.
<i>Set Up: Customer Contracts - Price Lists</i> in the Customer Contracts and Project Billing functional areas.	Maintain and view fair value price lists.
<i>Set Up: Revenue - Allocations</i> in the Customer Contracts and Project Billing functional areas.	• Create, edit, maintain, and view fair value price lists. • Set up revenue allocation configurations.
<i>Set Up: Sale Item</i> in the Customer Accounts and Learning Core functional areas.	Create and edit sales items.
<i>View: Sale Item</i> in the Customer Accounts and Learning Core functional areas.	Report on sales items.

Business Processes

Business Processes	Considerations
<i>Customer Contract Event</i>	Create and approve customer contracts with multiple-element revenue allocation.
<i>Revenue Recognition Schedule Event</i>	Review and approve revenue override amounts from multiple-element revenue allocations.

Reporting

Reports or Dashboards	Considerations
Carve In/Out report	View multiple-element revenue allocations on your customer contracts.

Reports or Dashboards	Considerations
Fair Value Allocation report	View multiple-element revenue allocations completed for a company.
Fair Value Analysis report	View customer contract lines that fall within the allocation threshold for your tenant.
Maintain Fair Value Price List report	View and edit fair value price lists.
Run Multiple-Element Revenue Allocation report	Run allocations for available customer contracts.
Revenue dashboard	Use this dashboard to access tasks and reports related to multiple-element revenue allocation.

You can use these report data sources to create custom reports:

- **Customer Contracts**
- **Customer Contracts Lines**
- **Revenue Recognition Schedules**

Integrations

Web Services	Considerations
<i>Get Customer Contracts</i>	Retrieves customer contracts with multiple-element revenue allocation enabled.
<i>Get Revenue Allocation Configurations</i>	Retrieves the current revenue allocation configurations in your tenant.
<i>Get Sales Items</i>	Retrieves all the sales items in your tenant.
<i>Get Sales Item Fair Value Price Lists</i>	Retrieves the fair value price list associated with a sales item.
<i>Put Revenue Allocation Configuration</i>	• Creates new revenue allocation configurations. • Updates existing revenue allocation configurations.
<i>Put Sales Item</i>	• Creates new sales items. • Updates existing sales items.
<i>Put Sales Item Fair Value Price List</i>	• Creates new fair value price lists. • Updates existing fair value price lists.
<i>Submit Customer Contract</i>	Submits customer contracts with multiple-element revenue allocation enabled.

Connections and Touchpoints

Features	Considerations
Customer Contracts	Specify revenue override amounts on customer contract lines. Workday applies the revenue override amounts to the amounts on your revenue recognition schedule.

Features	Considerations
Financial Accounting	Create revenue recognition operational journals for multiple-element arrangements.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Concepts

[Setup Considerations: Period End Revenue Accounting](#) on page 756

Tasks

[Create Sales Items](#) on page 663

[Create Fair Value Price Lists](#) on page 701

[Set Up Revenue Allocation Configurations](#) on page 702

[Create Customer Contracts](#) on page 677

[Steps: Link Customer Contracts for Revenue Allocation](#) on page 674

[Create Revenue Recognition Schedules for Customer Contracts](#) on page 733

Steps: Create Multiple-Element Revenue Allocation

- Create sales items.
- Review setup considerations for multiple-element revenue allocation.

You can allocate revenue on customer contracts that have multiple-element arrangements. You can either:

- Manually allocate revenue for each sales item on the customer contract line.
- Enable Workday to automatically create multiple-element revenue allocation in compliance with recognition standards.

1. [Create Fair Value Price Lists](#) on page 701.
2. [Set Up Revenue Allocation Configurations](#) on page 702.
3. [Create Customer Contracts](#) on page 677.

To:

- Manually allocate revenue for a single customer contract, enter allocation amounts in the **Revenue Override Amount** field. When you manually allocate revenue, you can proceed to the *Next Steps* section.
 - Set up automatic revenue allocation for a single customer contract, select the **Multiple-Element Revenue Allocation** check box and select an option from the **Fair Value Price List** prompt. Workday populates the fair values on the customer contract line.
 - Set up automatic revenue allocation for multiple customer contracts, select a **Contract Type** enabled for linked contracts and select the child customer contracts from the **Linked Customer Contracts** prompt.
4. (Optional) To run multiple-element revenue allocation for:
 - A single customer contract, select **Customer Contract > Create Multiple-Element Revenue Allocation** from the related actions menu of the approved customer contract.
 - Linked customer contracts, select **Customer Contract > Create Multiple-Element Revenue Allocation** from the related actions menu of the parent linked contract.

Security: *Process: Revenue - Allocations* domain in the Customer Contracts and Project Billing functional areas.

5. (Optional) To run multiple-element revenue allocation for multiple customer contracts, access the **Run Multiple-Element Revenue Allocation** report.

Click **Review Contracts** and make any necessary changes.

Security: *Process: Customer Contract - View* domain in the Customer Contracts and Project Billing functional areas.

Workday allocates the relative selling price for revenue recognition to the contract lines using your fair value and revenue allocation configurations.

You can access the:

- **Carve In/Out** report to view a summary of revenue allocations on your customer contracts.
- **Fair Value Analysis** report to view whether sales items are in compliance with fair value guidelines.

Concepts

[Setup Considerations: Multiple-Element Revenue Allocation](#) on page 695

Tasks

[Create Sales Items](#) on page 663

[Steps: Link Customer Contracts for Revenue Allocation](#) on page 674

Reference

[Workday 32 What's New Post: Run Allocations](#)

Create Fair Value Price Lists

- Create sales items.
- Security: These domains in the Customer Contracts and Project Billing functional areas:
 - *Set Up: Customer Contracts - Price Lists*
 - *Process: Revenue - Allocations*

You can create fair value price lists to associate with your customer contracts. When you add sales items included in the fair value price list to the customer contract, Workday populates the fair values on the line.

You can configure fair value price lists by:

- Currency
- Contract Effective Date
- Sales Item
- Sales Item Group
- Worktags

1. Access the **Maintain Fair Value Price List** report.

2. Click **Add**.

3. As you complete the task, consider:

Option	Description
Worktag Type	Select worktag types that you want to associate with each item on the fair value price list.
Percent or Amount	The fair value price list can consist of percentage and amount values. • Percent - Enter a percentage to apply to the list or net item price on the contract line. • Amount - Enter an amount.
Sales Item and Sales Item Group	Workday uses the sales item and then the sales item group to determine the fair value amount to use.

Option	Description
Related Sales Items	You can link 1 sales item to another and calculate the fair value pricing based on the relationship.
Worktags	Select a worktag for each worktag type that you selected at the header.

You can associate the fair value price list with customer contracts when you select the **Multiple-Element Revenue Allocation** check box on the contract.

Add a fair value price list to companies using the **Set Up Revenue Allocation Configuration** task.

Concepts

[Setup Considerations: Multiple-Element Revenue Allocation](#) on page 695

Tasks

[Create Sales Items](#) on page 663

[Create Customer Contracts](#) on page 677

Set Up Revenue Allocation Configurations

- Create sales items.
- Create fair value price lists.
- Security: *Set Up: Revenue - Allocations* domain in the Customer Contracts and Project Billing functional areas.

You can set up tenant-wide and company-wide configurations to specify how Workday allocates revenue on customer contracts with multiple-element arrangements. When you set up company-wide configurations, you can also specify revenue allocation for sales items and sales item groups. The company-wide configurations override the configurations that you set up for the tenant.

1. Access the **Set Up Revenue Allocation Configuration** task.
2. As you complete the task, consider:

Option	Description
Lower Range Percentage	Enter a percentage to use as a threshold for allocation in relation to the allocation basis. When the contract line amount is above or below the fair value extended amount based on the range percentage you specify, then use the lower range as your allocation basis.
Upper Range Percentage	Enter a percentage to use as a threshold for allocation in relation to the allocation basis. When the contract line amount is above or below the fair value extended amount based on the range percentage you specify, then use the upper range as your allocation basis.
Allocation Basis	Select 1 of these options to determine how Workday calculates the relative selling price allocation for each sales item: • <i>Fair Value</i> - Workday calculates the relative selling price allocation using the actual fair value as the basis for the allocation. • <i>Lower Range</i> - Workday calculates the relative selling price allocation using the

Option	Description
	lower range as the basis for the allocation. Workday determines the lower range using the percentage that you specify as the allocation threshold. • <i>Midrange</i> - Workday calculates the relative selling price allocation using the median value of the <i>Contract Line Amount</i>, <i>Lower Range</i>, and <i>Upper Range</i>. • <i>Upper Range</i> - Workday calculates the relative selling price allocation using the upper range as the basis for the allocation. Workday determines the upper range using the percentage that you specify as the allocation threshold.
Fair Value Price List	Select a fair value price list that you configure on the Maintain Fair Value Price List task.
Allocate Revenue at Summary and Prorate at Line	Select to prorate revenue allocation using the revenue category on the customer contract lines.
Do Not Auto-Allocate Revenue	Select to prevent Workday from automatically calculating the revenue override amount for all customer contract lines. The revenue override amount won't update until you click Run Allocation when you create multiple-element revenue allocation from the related actions menu of the approved customer contract.

When you add sales items included in the fair value price list on the customer contract line, Workday uses these configurations to allocate revenue.

Create customer contracts with multiple-element arrangements.

Concepts

[Setup Considerations: Multiple-Element Revenue Allocation](#) on page 695

Tasks

[Create Sales Items](#) on page 663

Customer Contracts Billing

Setup Considerations: Prepaid Billing Using Consolidated Billing Schedules

You can use this topic to help make decisions when planning your configuration and use of prepaid billing using consolidated billing schedules. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

Prepaid billing using consolidated billing schedules enables you to apply prepayments toward installment and transaction line amounts on a customer contract.

Business Benefits

Prepaid billing using consolidated billing schedules provides greater flexibility in meeting billing requirements by enabling you to:

- Define the consumption of prepaid balances.
- Distribute prepayments to multiple customer contract lines at once.

Use Cases

Use consolidated billing schedules for prepaid billing when your company needs to:

- Map multiple customer contract lines to 1 prepayment.
- Associate installment and transaction customer contract lines to the same prepayment.
- Specify various revenue treatments on prepaid mapping contract lines.

Questions to Consider

Questions	Considerations
Which line types on customer contracts can you use to consume prepaid installments?	You can use installment and transaction lines on a customer contract to consume prepaid installments.
Which revenue treatments can you use for your prepaid mapping contract lines?	You can use any revenue treatment for your prepaid mapping contract lines without creating a revenue recognition schedule. When your prepaid mapping contract lines use: • An <i>Accrued</i> revenue treatment, Workday posts accounting to the Unbilled Receivables ledger account. • A <i>Deferred</i> revenue treatment, Workday posts accounting to the Deferred Revenue ledger account. • An <i>Invoice</i> revenue treatment, Workday posts accounting to the Revenue ledger account.

Recommendations

To direct payments to a specific account, you can configure *Prepaid Billing* as a dimension and value for the Deferred Revenue ledger account posting rule.

Requirements

You must:

- Create a customer contract with at least 1 prepaid line type.
- Create a billing schedule with a schedule type enabled for consolidated billing.
- Map prepaid customer contract lines to installment and transaction lines on the same billing schedule. Then, associate the prepaid mapping to prepaid installments.
- Create a consolidated customer invoice to invoice the prepaid installment.
- Create a consolidated customer invoice to consume installment and transaction activities.

When you update a consolidated billing schedule using the *Submit Billing Schedule* web service, include existing prepaid installments in the request to ensure that Workday doesn't remove them.

Limitations

You can't:

- Cancel consolidated billing schedules with prepayment balances.
- Consume against a prepaid installment until you invoice the installment when you configure Workday to require a paid prepayment status for prepaid billing.

Tenant Setup

Enable tenant-wide configurations for prepaid billing in the **Customer Contracts Options** section on the **Edit Tenant Setup - Financials** task.

Security

Domains	Considerations
<i>Manage: Billable Projects</i> in the Projects functional area. <i>Process: Project Billing - Core</i> in the Project Billing functional area.	• Review and exclude transactions from prepayment consumption. • View and drill down on completed prepaid installments.
<i>Process: Billing - Invoicing</i> in the Customer Contracts and Project Billing functional areas. <i>Process: Project Billing - Invoicing</i> in the Project Billing functional area.	• Create customer invoices for prepaid billing installments that use a billing schedule enabled for consolidated billing. • Enable Workday to bill prepaid installments on the same invoice as other installments and transactions when you create customer invoices.
<i>Process: Billing Schedule - Core</i> in the Customer Contracts and Project Billing functional areas.	Create consolidated billing schedules with prepaid mapping.
<i>Process: Revenue Schedule - Core</i> in the Customer Contracts and Project Billing functional areas.	Create revenue recognition schedules for prepaid mapping contract lines with an <i>Accrued</i> or <i>Deferred</i> revenue treatment.
<i>Set Up: Accounting Rules</i> in the Common Financial Management functional area. <i>Set Up: Payroll - Company Specific (Accounting)</i> in the Core Payroll functional area.	Configure <i>Prepaid Billing</i> as a dimension and value for the Deferred Revenue ledger account posting rule.
<i>Set Up: Customer Contracts - Templates and Types</i> in the Customer Contracts and Project Billing functional areas.	Create a billing schedule type enabled for consolidated billing.
<i>Set Up: Tenant Setup - Financials</i> in the System functional area.	Enable Workday to bill: • Transactions against prepayments only after you apply a customer payment to the related installment invoice. • Prepaid installments on the same invoice as other installments and transactions when you create customer invoices.

Business Processes

Business Processes	Considerations
<i>Billing Schedule Event</i>	Create and approve consolidated billing schedules with prepaid mapping.
<i>Customer Contract Event</i>	Create and approve customer contracts with prepaid line types.
<i>Revenue Recognition Installment Event</i>	Create and approve revenue recognition accounting when you create a revenue recognition schedule.
<i>Revenue Recognition Schedule Event</i>	Create and approve revenue recognition schedules for prepaid mapping contract lines with an <i>Accrued</i> or <i>Deferred</i> revenue treatment.

Reporting

No impact.

Integrations

You can use these web services to cancel, retrieve, update, and submit prepaid billing for installments and transactions:

- *Cancel Billing Schedule*
- *Cancel Customer Invoice*
- *Get Billing Schedules*
- *Put Customer Contract Template*
- *Put Tenant Setup - Financials*
- *Submit Billing Schedule*
- *Submit Customer Contract*
- *Submit Customer Contract Amendment*
- *Submit Customer Invoice*

Connections and Touchpoints

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Tasks

[Create Consolidated Billing Schedules for Customer Contracts](#) on page 712

Reference

[2021R1 What's New Post: Prepaid Billing for Installments and Transactions](#)

[2022R1 What's New Post: Customer Invoice Proposals](#)

Steps: Set Up Prepaid Billing Using Consolidated Billing Schedules

Review setup considerations for prepaid billing using consolidated billing schedules.

You can set up prepaid billing using consolidated billing schedules to apply prepayments towards installment and transaction line amounts on a customer contract.

1. Access the **Maintain Schedule Types** task.

Select the **Consolidated Billing Schedule** check box for at least 1 schedule type.

Security: *Set Up: Customer Contracts - Templates and Types* domain in the Customer Contracts and Project Billing functional areas.

2. (Optional) Access the **Edit Tenant Setup - Financials** task.

As you complete the *Customer Contracts Options* section, select the:

- **Require Paid Prepayment Status for Prepaid Billing** check box to bill transactions against prepayments only after you apply a customer payment to the related installment invoice.
- **Invoice Prepaid Installments with Other Transaction Types** check box to bill prepaid installments on the same invoice as other installments and transactions when you create customer invoices.

See [Reference: Edit Tenant Setup - Financials](#).

Security: *Set Up: Tenant Setup - Financials* domain in the System functional area.

3. (Optional) [Set Up Account Posting Rules](#) on page 69.

For the Deferred Revenue ledger account posting rule:

- a. Click **Edit Posting Rule**.
- b. Select *Prepaid Billing* from the **Dimension** and **Values** prompts.

4. [Create Customer Contracts](#) on page 677.

In the **Line Details** tab of the **Goods and Services** grid, select:

- a. *Prepaid* from the **Line Type** prompt. Workday automatically selects *Deferred* from the **Revenue Treatment** prompt.
- b. A project from the **Billable Project** prompt.

The billable project displays on customer invoice lines when you:

- Select a billable project on prepaid customer contract lines.
- Create customer invoices or customer invoice proposals.

5. [Create Consolidated Billing Schedules for Customer Contracts](#) on page 712.

a. Select a schedule type that you enabled for consolidated billing from the **Schedule Type** prompt.

b. On the **Prepaid** tab:

1. Select the **Invoice Prepaid Installments with Other Transaction Types** check box to bill prepaid installments on the same invoice as other installments and transactions when you create customer invoices.
2. Map prepaid customer contract lines to installment and transaction type lines on the same billing schedule.
3. Associate the prepaid mapping to prepaid installments.

6. [Create Customer Invoices for Consolidated Billing](#) on page 724.

Create a prepaid installment invoice. You can only consume against prepaid installments after you invoice them.

7. [Create Customer Invoices for Consolidated Billing](#) on page 724.

Access the task again to consume installment and transaction activities.

When you create a consolidated customer invoice, Workday:

- Applies prepayments to billing installments and transactions.
- Bills prepaid installments on the same invoice as other installments and transactions when you select the **Invoice Prepaid Installments with Other Transaction Types** check box.
- Creates offset lines to consume prepayment installments.
- Displays the billable project on the customer invoice lines.

8. [Create Revenue Recognition Schedules for Customer Contracts](#) on page 733.

Create a revenue recognition schedule for prepaid mapping contract lines that have a revenue treatment of *Deferred* or *Accrued*.

9. [Manage All Project Billing Transactions](#) on page 1014 or [Manage Project Billing Transactions by Transaction Source](#) on page 1017.

On the **Prepaid** tab:

- (Optional) Select the **Exclude from Prepayment** check box to exclude transactions from prepayment consumption.
- View and drill down on completed prepaid installments.

10. (Optional) Access the **Review Billable Usage-Based Transactions** task.

On the **Prepaid** tab:

- (Optional) Select the **Exclude from Prepayment** check box to exclude transactions from prepayment consumption.
- View and drill down on completed prepaid installments.

Security: *Process: Usage* domain in the Customer Contracts and Project Billing functional areas.

11. Access the **Create Revenue Recognition Accounting** task.

When you use a revenue recognition schedule, create revenue recognition accounting.

Configure the *Revenue Recognition Installment Event* business process and security policy in the Customer Contracts and Project Billing functional areas.

Concepts

[Concept: Revenue Recognition Accounting](#) on page 766

Reference

[2021R1 What's New Post: Prepaid Billing for Installments and Transactions](#)

[2022R1 What's New Post: Customer Invoice Proposals](#)

Steps: Set Up Prepaid Billing Using Installment Billing Schedules

You can set up prepaid billing using installment billing schedules to track advance payments against future services. Create and track prepayment invoices and Workday automatically offsets billable transaction invoices against the prepayment amount.

1. Access the **Maintain Schedule Types** task.

Select these check boxes for at least 1 schedule type:

- **Prepaid**
- **Billing**

Security: *Set Up: Customer Contracts - Templates and Types* domain in the Customer Contracts and Project Billing functional areas.

2. [Create Customer Contracts](#) on page 677.

a. Create *Project Time and Expense* or *Usage-Based* customer contract lines.

b. Select *Deferred* from the **Revenue Treatment** prompt for the customer contract lines.

3. [Create Installment or Transaction Billing Schedules for Customer Contracts](#) on page 715.

- Select:
 - A schedule type enabled for prepaid billing.
 - *Installment* from the **Billing Type** prompt.
 - *Custom* from the **Billing Method** prompt.
 - (Optional) the **Include Tax on Prepaid** check box to apply tax on the initial prepaid installment and tax your transactions that incur overconsumption.

4. [Create Customer Invoices for Billing Installments](#) on page 723.

Workday uses the prepaid amount to offset all future invoices generated from the billable transactions.

5. Access the **Create Customer Invoices for Billable Transactions** task.

Workday offsets the invoice amount against the prepaid invoices. The offset displays on the customer invoice as a negative invoice line. You can manually adjust this amount, if needed.

Security:

- *Process: Billing - Invoicing* domain in the Customer Contracts and Project Billing functional areas.
- *Process: Project Billing - Invoicing* domain in the Project Billing functional area.

6. Access the **View Billing Schedule** report.

To review prepayment activity, click the **Prepayment Reconciliation** tab. This tab displays all invoices offset against prepaid amounts and remaining prepaid balances.

Security: *Process: Billing Schedule - View* domain in the Customer Contracts and Project Billing functional areas.

Concepts

[Concept: Customer Contracts](#) on page 685

[Concept: Billing](#) on page 718

[Concept: Project Billing](#) on page 1046

Steps: Create Customer Contracts for Minimum Commitments

Workday enables you to evaluate customer usage and automatically apply a contractual minimum commitment on a recurring basis.

1. [Create Customer Contracts](#) on page 677.

Create a customer contract that includes *Usage-Based* and *Recurring - Fixed Term* contract line types.

Select an option from the **Usage Billing Rate** prompt. The usage billing rate that you select must include the *Recurring - Fixed Term* contract line in the **Minimum Commitment** section.

2. [Create Installment or Transaction Billing Schedules for Customer Contracts](#) on page 715.

Generate billing installments for your customer contract lines.

3. Access the **Record Usage-Based Transactions** task.

To calculate minimum commitments, select an option from the **Unit of Measure** prompt that matches the *Unit of Measure* on the **Usage Billing Rate**.

Security:

- *Process: Project Billing - Usage* domain in the Project Billing functional area.
- *Process: Usage* domain in the Customer Contracts and Project Billing functional areas.

4. [Create Customer Invoices for Consolidated Billing](#) on page 724.

Create minimum commitment invoices.

Workday creates invoices based on the minimum commitment requirements that you define.

Reference

[Reference: Contract Line Types for Customer Contracts](#) on page 691

Steps: Create Retention for Customer Invoices

Create and approve customer contracts.

You can contractually withhold a portion of a customer invoice using the billing schedule. When your customer contract meets the requirements, you can release the retention balances by contract line for invoicing.

1. (Optional) [Set Up Account Posting Rules](#) on page 69.

2. [Create Installment or Transaction Billing Schedules for Customer Contracts](#) on page 715.
Include your customer contract lines for installments or transactions in the billing schedule.
Click **Edit Retention Terms**. These fields are for reporting purposes only:
 - **Estimated Retention Release Date**
 - **3rd Party Retention**
3. When the customer contract meets the requirements, select **Retention > Release Retention** from the related actions menu of the billing schedule to release all or part of the retention balance.

You can run the **Customer Retention Balance** report to view the retention balance by company.

Concepts

[Concept: Billing](#) on page 718

Tasks

[Create Customer Contracts](#) on page 677

Create Billing Schedule Templates for Customer Contracts

Security: *Set Up: Customer Contracts - Templates and Types* domain in the Customer Contracts and Project Billing functional areas.

You can create templates for installment or transaction billing schedules to streamline the billing schedule creation process for customer contracts. You can associate a customer contract with a billing schedule template, enabling you to create billing schedules directly from the customer contract. Workday populates the billing schedule with the information that you specify on the billing schedule template.

1. Access the **Create Billing Schedule Template for Customer Contract** task.
2. As you complete the task, consider:

Option	Description
Billing Type	Select: • <i>Installment</i> to associate this template with installment contract line types. • <i>Transaction</i> to associate this template with usage-based or time and expense contract line types.
Milestone	Specify milestones for the entire billing schedule. Milestones must be complete for the billing process to occur on any installments.
Billing Method	Select: • <i>Custom</i> to create custom installment amounts. • <i>Defined Installment</i> to define the first and last installment amounts. Workday divides the remaining amount among the other installments. • <i>Spread Even</i> to spread the amounts evenly across installments.
Group All Related Contract Lines	Select to group all contract lines with the same billing type on the same billing schedule.
Separate Billing Schedule	Select to generate a different billing schedule for each contract line, though contract lines with the same date remain on the same billing schedule.

Option	Description
Include Attachments on Invoice	Displays when you select <i>Transaction</i> as the Billing Type . Include expense report or supplier invoice attachments on customer invoices created from the billing schedule.

You can select the template on the **Billing** tab when you create or edit a customer contract.

Create a customer contract.

Concepts

[Concept: Billing Schedule Templates for Customer Contracts](#) on page 717

Tasks

[Create Customer Contracts](#) on page 677

[Create Consolidated Billing Schedule Templates for Customer Contracts](#) on page 711

Create Consolidated Billing Schedule Templates for Customer Contracts

Security: *Set Up: Customer Contracts - Templates and Types* domain in the Customer Contracts and Project Billing functional areas.

You can create billing templates to streamline the consolidated billing schedule creation process for customer contracts. Workday populates the billing schedule with the information you specify on the billing template.

You can apply different billing templates on contract headers and contract lines, enabling you to create consolidated billing schedules that group by combinations of:

- Billing Template
- Billing To Date
- Billing From Date

Workday groups transaction-based contract lines without Billing To Dates and Billing From Dates with installment-based contract lines with the earliest Billing From Date.

1. Access the **Create Billing Template for Customer Contract** task.

2. As you complete the task, consider:

Option	Description
Schedule Type	Select the consolidated billing schedule type. You can't create billing templates for installment or transaction billing schedules.
Billing Method	Select: • <i>Custom</i> to create custom installment amounts. • <i>Spread Even</i> to spread the amounts evenly across installments.

You can select the template when you create or edit:

- Customer contracts, on the *Billing* tab.
- Customer contract lines, on the *Revenue and Billing* tab.
- Customer contract templates.
- Sales items, in the *Sales Item Attribute* section.

Create a customer contract, customer contract template, or sales item.

Tasks

[Create Customer Contracts](#) on page 677

[Create Sales Items](#) on page 663

Reference

[2023R1 What's New Post: Consolidated Billing Schedule Templates](#)

Create Consolidated Billing Schedules for Customer Contracts

- Enable consolidated billing for a billing schedule type.
- Create and approve a customer contract.
- Configure the *Billing Schedule Event* business process and security policy in the Customer Contracts and Project Billing functional areas.
- Security: *Process: Billing Schedule - Core* domain in the Customer Contracts and Project Billing functional areas.

You can create consolidated billing schedules to specify billing and invoicing information for installment, transaction, prepaid, and usage-based customer contract lines.

Workday uses the billing schedule to determine how to bill customers for costs on your customer contract lines. You can group:

- Customer contract lines that span multiple contracts in the same billing schedule.
- Projects for the same company and customer in the same billing schedule.

When you generate installments, Workday associates 1 contract line with each installment line.

1. Access the **Create Billing Schedule for Customer Contract** task.

2. As you complete the task, consider:

Option	Description
Schedule Type	Select a consolidated billing schedule type.
Customer Contracts	When you create the billing schedule, Workday adds the lines from contracts you select.
Billable Project	Select the billable project associated with the customer contract lines that you want to create a billing schedule for.

3. (Optional) On the **Schedule Options** tab, enter a date for the **Recurring Invoice Day**.

4. (Optional) As you complete the **Installment** tab, consider:

Option	Description
Billing Frequency	When you select these options, installment periods start at the beginning of the selected time frame: • <i>Calendar Week</i> • <i>Calendar Month</i> • <i>Calendar Quarter</i> • <i>Calendar Year</i> When you select these options, installment periods start at the From Date: • <i>Weekly</i> • <i>Monthly</i> • <i>Quarterly</i> • <i>Annual</i>

Option	Description
Recurrence	Enter a number to generate installments in multiples of the billing frequency. Example: When the billing frequency is weekly, enter 3 to bill the customer every 3 weeks.
Billing Period	Determines whether the installment date is inside or outside the installment period. When you select: • <i>Advance</i>, installment dates start from the last day of the previous installment period. • <i>Arrears</i>, installment dates start from the first day of the next installment period. • <i>Current</i>, installment dates start from the first day of the current installment period.
Installment Day	When a month doesn't have the date you select, Workday uses the last day of the month. Example: When you select <i>30th</i>, Workday uses the 28th for an installment in February. When the billing period is: • <i>Advance</i>, Workday uses the occurrence of this day or date closest to the end of the previous installment period. • <i>Arrears</i>, Workday uses the occurrence closest to the start of the next installment period. • <i>Current</i>, Workday uses the occurrence closest to the start of the current installment period.
Prorate First and Last Installment	Displays when you select the <i>Spread Even</i> billing method and 1 of these billing frequencies: • <i>Calendar Week</i> • <i>Calendar Month</i> • <i>Calendar Quarter</i> Select to prorate the first and last installments when the installments don't cover a full installment period. Example: When the billing frequency is <i>Calendar Week</i> and the From Date is a Thursday, the first billing installment covers 4 days instead of a full calendar week. When both the first and last installments are partial periods, use these calculations: • First installment = (Number of days to bill ÷ Total number of days in the period) × (Total amount to bill ÷ Number of installments) • Last installment = (Number of days to bill ÷ Total number of days in the period) × ((Total amount to bill - First installment amount) ÷ Number of installments)

Option	Description
	- Other installments = (Total amount to bill - First installment amount - Last installment amount) ÷ (Number of installments - 2) When either the first or last installment is a partial period and the other is a full period, use these calculations: - Partial installment = (Number of days to bill ÷ Total number of days in the period) × (Total amount to bill ÷ Number of installments) - Other installments = (Total amount to bill - Partial installment amount) ÷ (Number of installments - 1)
Automatically Regenerate Installments	Select to generate new installments when you modify the contract line amount on the customer contract. When you enable proration for the first and last installments, Workday updates the proration calculations accordingly.
Automatically Submit Schedule via Contract Amendment	Displays when you select the Automatically Regenerate Installments check box. Select to submit new installments for approval. Workday doesn't update installments when you have contract amendments on a business process.

5. (Optional) On the **Transaction** tab, select a **Project Invoice Summary Definition** to group time transactions instead of displaying individual lines.

You can create project invoice summary definitions on the **Maintain Project Invoice Summary Definitions** task.

6. (Optional) As you complete the **Prepaid** tab, consider:

Option	Description
Invoice Prepaid Installments with Other Transaction Types	Displays when you create a customer contract with at least 1 <i>Prepaid</i> line type and 1 other line type. Workday automatically enables this check box and bills prepaid installments on the same invoice as other installments and transactions when you create customer invoices. When the check box selection you configure on the billing schedule is different from the check box selection on the Edit Tenant Setup – Financials task, Workday uses the selection on the billing schedule to bill prepaid installments.
Prepaid Mapping	Map prepaid customer lines to installment or transaction-type lines.
Installments	Set up prepaid installments for each prepaid mapping. To remove a prepaid line with a prepaid balance from the billing schedule, create a

Option	Description
	negative installment to zero out the prepaid balance. You can put prepaid installments into <i>On Hold</i> status, but you can't bill or consume against them. You can't cancel billing schedules that have prepayment balances.

7. (Optional) Select **Manage Attachments** from the **More** menu to add attachments.

Workday routes the billing schedule to the *Billing Schedule Event* business process for review and approval.

Create customer invoices for consolidated billing.

Concepts

[Setup Considerations: Prepaid Billing Using Consolidated Billing Schedules](#) on page 703

Tasks

[Steps: Manage Billable Projects on Usage-Based Transactions](#) on page 675

[Create Customer Invoices for Consolidated Billing](#) on page 724

Reference

[2021R1 What's New Post: Prepaid Billing for Installments and Transactions](#)

[2021R1 What's New Post: Consolidated Billing Schedules](#)

[2022R1 What's New Post: Customer Invoice Proposals](#)

[2022R2 What's New Post: Billable Projects on Usage-Based Transactions](#)

Create Installment or Transaction Billing Schedules for Customer Contracts

- Create and approve a customer contract.
- Security:
 - Configure the *Billing Schedule Event* business process and security policy in the Customer Contracts and Project Billing functional areas.
 - *Process: Billing Schedule - Core* domain in the Customer Contracts and Project Billing functional areas.

You can create an installment or transaction billing schedule to specify billing and invoice information for customer contracts. Workday uses the billing schedule to determine how to bill customers for costs on your customer contract lines. You can group:

- Customer contract lines that span multiple contracts in the same billing schedule.
- Projects for the same company and customer in the same billing schedule.

When you generate installments, Workday associates 1 contract line with each installment line.

1. Access the **Create Billing Schedule for Customer Contract** task.

2. As you complete the task, consider:

Option	Description
Delivery Type	A read-only field that displays the document delivery method specified on the customer profile.
Delivery Type Override	Select a document delivery option for a given billing installment or transaction. This value overrides the default document delivery type values defined on the customer profile.
Billing Type	Select:

Option	Description
	• <i>Installment</i> for fixed contract line types. • <i>Transaction</i> for usage-based or project time and expense contract line types.
Milestone	Select milestones for the entire billing schedule. Milestones must be complete for the billing process to occur on an installment. Displays all tasks from all phase levels for the billable project. Displays when you select <i>Installment</i> from the Billing Type prompt.
Billing Method	When you select <i>Defined Installment</i> , you can specify amounts for the first and last installments. Workday divides the remainder among the other installments.
Number of Installments	When you specify the number of installments, Workday determines the installment dates based on the billing method.
Invoice Date Options	Using the installment date information, Workday rolls back 1 month, then applies the option that you select for the invoice date. Example: When you select a Billing Frequency of <i>Monthly</i>, a From Date of 2020-07-01, and an invoice date of the 15th, the first installment date is 2020-06-15.
Automatically Regenerate Installments	Select to generate new installments when you modify the contract line amount on the customer contract. Displays when you select <i>Spread Even</i> from the Billing Method prompt.
Automatically Submit Schedule via Contract Amendment	Select to submit new installments for approval. Workday doesn't update installments when you have contract amendments on a business process. Displays when you select the Automatically Regenerate Installments check box.

3. As you complete or edit the draft billing schedule, consider:

Option	Description
Define Installment Amounts	Click to enter <i>Regular</i>, <i>First</i>, and <i>Last</i> installment amounts for each customer contract line. Displays when you select <i>Installment</i> from the Billing Type prompt.
Manage Milestones	Click to define milestone information. Workday displays:

Option	Description
	- All tasks from all phase levels for the billable project in the Milestone for Transaction Billing Schedule prompt. - Only top-level phases for the billable project in the Limit Milestone to Phase(s) prompt. Displays when you select <i>Transaction</i> from the Billing Type prompt.

Workday routes the billing schedule to the *Billing Schedule Event* business process for review and approval.

Create invoices for billing installments.

Concepts

[Concept: Project Billing](#) on page 1046

Tasks

[Steps: Consolidate Billing for Multiple Projects](#) on page 999

[Create Customer Contracts](#) on page 677

[Create Revenue Recognition Schedules for Customer Contracts](#) on page 733

[Set Up Bill-To Contacts](#) on page 509

Reference

[The Next Level: Billing Schedules](#)

[2021R2 What's New Post: Multilevel Project Plans](#)

Concept: Billing Schedule Templates for Customer Contracts

Billing schedule templates streamline the billing schedule creation process by enabling you to select a template directly from the customer contract. When you select a template from the customer contract, Workday populates the billing schedule with the information you specify in the template. Using billing schedule templates helps to eliminate the manual steps involved in creating billing schedules for each individual customer contract.

Workday offers these 2 billing types when you create billing schedule templates:

Option	Description
<i>Installment</i>	Use for installment contract line types. You can: - Group all related contract lines in 1 billing schedule. - Group contract lines with the same date in 1 billing schedule. - Create a separate billing schedule for each contract line with different dates. - Create individual billing installments. - Submit a billing schedule for approval.
<i>Transaction</i>	Use for usage-based or project time and expense contract line types. You can: Group all related contract lines with a <i>Transaction</i> billing type.

Option	Description
	• Create a separate billing schedule for each contract line. • Submit a billing schedule for approval.

You can associate both an *Installment* template and a *Transaction* template with your contract to address different types of contract lines on a single contract.

Tasks

[Create Billing Schedule Templates for Customer Contracts](#) on page 710

[Create Consolidated Billing Schedule Templates for Customer Contracts](#) on page 711

Concept: Billing

Workday uses the information that you specify on the customer contract to create a billing schedule. The billing schedule is based on the billing installments established in the terms of the agreement. On the appropriate date, Workday then uses the installment information to create a customer invoice and routes it for management approval.

Milestones

You can create milestones to track the completion of tasks and specify when Workday can process billing and revenue recognition schedules and installments. You can assign multiple milestones to schedules and installments. Workday doesn't process schedules or installments with pending milestones.

You can use these tasks to configure standard milestones:

- **Maintain Date Milestone Types**
- **Create Date Milestone**

Standard milestones become customer milestones once you add them to a customer. You can view customer milestone details using the **Find Milestones** report. Customer milestones are unique for each customer and company combination.

Workday supports these milestone types:

- **Billing Schedule First Invoice:** Use to initiate revenue recognition once billing has occurred.
- **Date Milestones:** Use standard date milestones as the basis for creating customer date milestones.
- **Project Tasks:** Mark project tasks as milestones in the project. Use project milestones to control when you bill project transactions and recognize revenue. You can define project milestones for a project phase or for the overall project to determine when transactions are available for billing. You can use project tasks marked as milestones as contract milestones. You can't delete project tasks that are in use on a contract. You can enter estimated and actual completion dates. Once the project task is complete and you enter an end date, billing can occur. Workday uses the end date as the milestone completion date.

Schedule Types

You can use the **Maintain Schedule Types** task to configure schedule types for use on billing and revenue recognition schedules. When you enable a schedule type for use on:

- Billing schedules, you also have the option to enable *Prepaid*, *Consolidated Billing Schedule*, or *Summary Reimbursable*.
- Revenue recognition schedules, you also have the option to enable *Usage-Based Subscription* or *Multi-Period*.

Workday displays the usage count for each schedule type, and you can set a schedule type as *Inactive* at any time. When you set a schedule type as *Inactive*, Workday removes the option from the **Schedule Type** prompt on billing and revenue recognition schedules.

Billing Schedules and Installments

You can:

- Link contract lines that span multiple contracts for the same company and customer to the same billing schedule.
- Define schedule types so you can classify your schedules. This process simplifies searches, approvals, and reporting.
- Create installment or transaction billing schedules to manage certain types of contract lines, or consolidated billing schedules to manage installment, transaction, and prepaid contract lines in 1 schedule.

Workday creates installments based on the scheduled start and end dates, which can differ from the contract line start and end dates. You can also configure the invoice date to assign, which can differ from the installment start date.

Workday supports these billing methods for each billing schedule, and you can change methods throughout the life of the schedule:

- *Defined Installment*: Define the first and last installment amount for each contract line. Workday spreads the remaining amount evenly among the other installments. You can't use this billing method on consolidated billing schedules.
- *Spread Even*: Define a set number of installments with equal amounts.
- *Custom*: You control all aspects of the installments.

A billing schedule includes 1 or more installments. Each billing installment:

- Creates a customer invoice.
- Becomes an invoice line.
- Derives attributes from the associated contract line.

Once you generate installments, you can:

- Manually update individual installments.
- Regenerate billing installments automatically after changes to contract amounts. This function only applies to *Spread Even* billing methods or *Spread Even* and *Number of Days* revenue recognition methods.
- Update your schedules automatically when you make changes to your contract lines.
- Edit all installments at once when you have a custom schedule.

Workday assigns an *Out of Balance* status when:

- You don't schedule your contract line installments exactly.
- A custom schedule overbills.

You can create customer invoices from billing installments after you approve the billing schedule.

Billing for Order Fulfillment

When you record order fulfillment for customer contract lines, you can generate billing based on partially and completely filled orders.

Create Customer Invoices from Billing Installments

With the **Create Customer Invoices from Billing Installments** task, you can run this task as needed or as a scheduled process. This task enables you to:

- Select available billing installments to invoice.
- Mark invoices to submit for automatic approval.

You can:

- Make limited changes to the customer invoice and add more lines.

- Create invoices that reference contract lines when you have invoice adjustments.

Workday reflects any changes to invoice line amounts on the billing installment. The contract line billed amount reflects all approved invoices.

Retention for Customer Invoices

You can:

- Withhold a portion of a customer invoice, enabling you to use billing schedules for retention tracking, and reducing manual entry errors.
- Post the accounting for the retained amounts from invoices to different ledger accounts using a new posting rule.
- Support multiple types of billing schedules, including transaction and installment billing.
- Release all or a portion of the retention balances by contract line for invoicing, when your contract meets the requirements.

Tasks

[Steps: Create Retention for Customer Invoices](#) on page 709

[Create Installment or Transaction Billing Schedules for Customer Contracts](#) on page 715

[Create Consolidated Billing Schedules for Customer Contracts](#) on page 712

[Create Customer Invoices for Billing Installments](#) on page 723

Reference

[The Next Level: Billing Schedules](#)

[The Next Level: Customer Invoicing](#)

Customer Contracts Invoicing

Steps: Manage Customer Invoice Proposals

Create transactions that are ready to bill.

You can create customer invoice proposals from billable transactions to preview, adjust, and review information before you create customer invoices. Creating invoice proposals eliminates the need to cancel and recreate invoices when you want to adjust figures or correct errors. When you add transactions to an invoice proposal, you can only invoice customers for those transactions by creating an invoice from the proposal.

1. (Optional) Access the **Edit Tenant Setup - System** task.

You can enable workers to add comments on customer invoice proposals. In the Activity Stream Settings section, select *Customer Invoice Proposal* from the **Selected Objects for Activity Stream** prompt.

See [Reference: Edit Tenant Setup - System](#).

Security: *Set Up: Tenant Setup - System* domain in the Customer Central and System functional areas.

2. (Optional) [Edit Business Processes](#).

Configure the *Customer Invoice Proposal Event* business process and security policy to:

- Route customer invoice proposals for review and approvals.
- Automate customer invoice creation.

a) [Edit Business Process Security Policies](#).

On the *Customer Invoice Proposal Event* business process security policy, add the Approvers security group to the View and Approve actions. Workday routes the customer invoice proposal to a designated approver in your organization.

- b) Set up the *Create Customer Invoice* service step on the *Customer Invoice Proposal Event* business process. Workday automatically creates customer invoices when they're approved.

3. (Optional) Access the **Create Customer Invoice Proposal** task.

In the search criteria, select an option from the **Project Owner** prompt to view billable projects for the user you select.

Workday automatically bills prepaid installments on the same invoice as other installments and transactions when you:

- Enable the **Invoice Prepaid Installments with Other Transaction Types** check box on consolidated billing schedules.
- Create customer invoice proposals.

Security:

- *Process: Billing - Invoice Proposal* domain in the Customer Contracts and Project Billing functional areas.
- *Process: Project Billing - Invoice Proposal* domain in the Project Billing functional area.

4. (Optional) Access the **Customer Invoice Proposal Workspace** task.

In the search criteria, select an option from the **Project Owner** prompt to view billable projects for the user you select.

As you complete the task, consider:

Option	Description
Search	Click to change the selection criteria. Workday saves your selection and uses it each time you access the task.
Billable Projects	Use the drill-down menu to view the project owner for the billable project.
Status of Pending Events	View the status of project transactions and billing schedules that are pending business process approval.
Create Invoice	Once you create a customer invoice, you can't revert it to an invoice proposal. You can cancel the invoice to return the transactions to <i>Ready to Bill</i> status. Then, you can create a new proposal.
Refresh	Click to update the selected proposals with new transactions in <i>Ready to Bill</i> status that meet the selection criteria.
Print	Click to generate PDF copies of the selected proposals. When the PDFs are available, Workday displays them in the PDF column on the grid.

Option	Description
	You can only print proposals for customers for which you have View access.
Cancel Proposal	Click to cancel the selected proposals and return transactions to <i>Ready to Bill</i> status.

Security:

- *Process: Billing - Invoice Proposal* domain in the Customer Contracts and Project Billing functional areas.
- *Process: Project Billing - Invoice Proposal* domain in the Project Billing functional area.

5. (Optional) From the **Proposal** column on the **Customer Invoice Proposal Workspace** task, open the **View Customer Invoice Proposal** report in a new window.

When you enable activity streams, you can add comments on the customer invoice proposal and view comments from other users.

Security:

- *Process: Billing - Invoice Proposal* domain in the Customer Contracts and Project Billing functional areas.
- *Process: Project Billing - Invoice Proposal* domain in the Project Billing functional area.

6. (Optional) From a row on the **Customer Invoice Proposal Workspace** task, click **Edit** to access the **Edit Customer Invoice Proposal** task.

To add ad hoc invoice lines on customer invoice proposals, you must have a project role or a company role that matches the company on the project. When you add ad hoc invoice lines on customer invoice proposals, you can only:

- Add lines that have a **Revenue Treatment** of *Invoice*.
- Edit the description of invoice lines that you created on the **Create Customer Invoice Proposal** task.
- Select nondeferred customer contract lines.
- Select projects that you already included on the customer invoice proposal.

Refresh the customer invoice proposal when you:

- Add a new line.
- Change existing lines that impact the total invoice amount.
- Remove a new line.

Security:

- *Process: Billing - Invoice Proposal* domain in the Customer Contracts and Project Billing functional areas.
- *Process: Project Billing - Invoice Proposal* domain in the Project Billing functional area.

Create invoices from customer invoice proposals.

Concepts

[Concept: Customer Invoice Proposal Workspace](#) on page 725

Tasks

[Steps: Set Up Project Pricing and Billing](#) on page 1000

[Steps: Manage Billable Projects on Usage-Based Transactions](#) on page 675

[Manage All Project Billing Transactions](#) on page 1014

[Manage Project Billing Transactions by Transaction Source](#) on page 1017

Reference

[2021R2 What's New Post: Customer Invoice Proposals](#)

Create Customer Invoices for Billing Installments

- Create a billing schedule for a customer contract.
- Security: *Process: Billing - Invoicing* domain in the Customer Contracts and Project Billing functional areas.

You can set up a schedule to automate the invoice process for billing installments as a one-time or a recurring job. Workday doesn't include pending and on hold milestones in the installments.

You can also access the **Create Customer Invoices for Billing Installments** task to create invoices immediately.

1. Access the **Schedule Create Customer Invoices for Billing Installments** task.
2. As you complete the **Criteria** section, consider:

Option	Description
Invoice Date Days Ahead	Enter a: • Positive number to include installments that have invoice dates up to this number of days after the run date. • Negative number to include installments that have invoice dates up to this number of days before the run date. Leave blank to include installments that have invoice dates on or before the run date. Example: When you schedule the process to run on January 28, enter: • 3 to include installments that have invoice dates of January 31 and earlier. • -3 to include installments that have invoice dates of January 25 and earlier
Billing Method	Select: • <i>Custom</i> to create custom installment amounts. • <i>Defined Installment</i> to define the first and last installment amount. Workday divides the remaining amount among the other installments. • <i>Number of Days</i> to use the number of days specified in the billing frequency. • <i>Spread Even</i> to spread the amounts evenly across installments.
Preview Installments for Criteria	Select to review installments that meet the selection criteria before you create the schedule.

Workday displays the schedule details and creates the invoices at the time you configured. You can view the next 10 scheduled launches on the **Additional Info** tab.

When you generate customer invoices from contracts with a negative amount due, Workday automatically creates credit adjustment documents linked to the billing schedule. If an invoice has retention, Workday instead creates a customer invoice with the negative amount.

When you approve the customer invoices, Workday creates the corresponding accounting.

Concepts

[Concept: Billing](#) on page 718

Tasks

[Create Installment or Transaction Billing Schedules for Customer Contracts](#) on page 715

Reference

[The Next Level: Customer Invoicing](#)

[2023R1 What's New Post: Credit Adjustments for Negative Customer Invoice Amounts](#)

Create Customer Invoices for Consolidated Billing

Create:

- A customer contract.
- Custom references for ad hoc project transactions.
- Billable transactions.
- A consolidated billing schedule.

Security:

- *Process: Billing - Invoicing* domain in the Customer Contracts and Project Billing functional areas.
- *Process: Project Billing - Invoicing* domain in the Project Billing functional area.

You can consolidate billing installments, transactions, and usage-based transactions on customer invoices using consolidation grouping and invoice date options. You can also override the invoice date on an installment, and reconsolidate the charges using the new invoice date. You can run either of these tasks:

- **Create Customer Invoices for Consolidated Billing**
- **Schedule Create Customer Invoices for Consolidated Billing**

1. Access the **Create Customer Invoices for Consolidated Billing** task.

2. As you complete the task, consider:

Option	Description
Additional Consolidation Grouping	Workday groups the consolidation option you select with the additional consolidation grouping options on the same invoice. Example: Select <i>Customer</i> from the Consolidation Options prompt and <i>PO Number</i> to group installments and transactions with the same customer and purchase order number on the same invoice. The custom reference options display in the prompt when you select these check boxes on the Enable Ad Hoc Project Transaction Custom References task: • Enabled • Consolidated Billing
Invoice Date Options	Select: • <i>Override Blank Transaction Invoice Date</i> to update all transaction invoice dates. • <i>Override All Invoice Dates</i> to update all installment and transaction invoice dates.

Option	Description
	The Number of Days Before or After Run Date field displays when you select <i>Run Date</i> from either of the previous prompts.

Workday creates consolidated customer invoices for installments and transactions using the consolidation and invoice date options that you specify.

When you generate customer invoices from contracts with a negative amount due, Workday automatically creates credit adjustment documents linked to the billing schedule. If an invoice has retention, Workday instead creates a customer invoice with the negative amount.

When you enable the **Invoice Prepaid Installments with Other Transaction Types** check box on consolidated billing schedules and create customer invoices for consolidated billing, Workday automatically bills prepaid installments on the same invoice as other installments and transactions. Once you consume a prepaid installment, you can't cancel the associated customer invoice.

Concepts

[Setup Considerations: Prepaid Billing Using Consolidated Billing Schedules](#) on page 703

[Concept: Revenue Recognition Accounting](#) on page 766

Tasks

[Steps: Manage Billable Projects on Usage-Based Transactions](#) on page 675

[Create Customer Contracts](#) on page 677

[Create Installment or Transaction Billing Schedules for Customer Contracts](#) on page 715

[Create Custom References for Ad Hoc Project Transactions](#) on page 1006

[Create Revenue Installments for Billable Transactions](#) on page 739

Reference

[2022R2 What's New Post: Billable Projects on Usage-Based Transactions](#)

[2022R1 What's New Post: Customer Invoice Proposals](#)

[2021R1 What's New Post: Prepaid Billing for Installments and Transactions](#)

[2021R1 What's New Post: Project Roles as Worktags](#)

[2020R1 What's New Post: Consolidated Invoice Billing](#)

[2023R1 What's New Post: Credit Adjustments for Negative Customer Invoice Amounts](#)

Concept: Customer Invoice Proposal Workspace

You can access the **Customer Invoice Proposal Workspace** task to review and manage customer invoice proposals before you generate customer invoices. To populate the task, first create customer invoice proposals. Workday groups the customer invoice proposals by billing schedule. When you access the task for the first time, Workday:

- Prompts you for proposal search criteria.
- Saves your selection for future access.

You can create invoices for transactions on an approved customer invoice proposal directly from the workspace. Once you create a customer invoice, you can't revert it back to a customer invoice proposal.

Edit Customer Invoice Proposals

When you edit a customer invoice proposal, you can:

- Add ad hoc invoice lines. Ad hoc invoice lines don't consume prepaid installments.
- Change invoice header information.
- Make lump sum adjustments at the time of invoicing.
- Manage prepaid installments.

- Update billable project transactions, excluding daily rate transactions.
- View the billable project associated with the customer contract line.

When you edit a customer invoice proposal, you can't update:

- Daily rate transactions.
- On Hold or Milestone prepaid installments.

When you update prepaid installments, Workday:

- Creates new prepaid installments with a *Created from Proposal* status.
- Submits the associated billing schedule for review and approval.

You can't edit a customer invoice proposal when a transaction on the proposal is awaiting business process approval.

Print Customer Invoice Proposals

When you print a customer invoice proposal, Workday generates a PDF copy of the invoice proposal. When the PDF copy is available, you can access it from the **PDF** column on the customer invoice proposal workspace.

Tasks

[Steps: Manage Customer Invoice Proposals](#) on page 720

Reference

[2022R2 What's New Post: Ad Hoc Invoice Lines on Customer Invoice Proposals](#)

Customer Contracts Revenue Recognition

Setup Considerations: Revenue Recognition Schedules

You can use this topic to help make decisions when planning your configuration and use of Revenue Recognition Schedules. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

You can create a schedule to recognize your revenue:

- For individual transactions.
- Independently from billing status.
- Over multiple periods.

You can also configure templates with preselected values. Workday creates a revenue recognition schedule using the parameters at the same time as your other items, such as your customer contracts.

Business Benefits

Revenue recognition schedules:

- Make it easier to automate period end accounting.
- Dictate timing and the amount of revenue recognition.

- Align with your selected accounting policies.

Use Cases

As a revenue accountant, you need to recognize revenue for deferred and accrued items. Workday enables you to create revenue recognition schedules for:

- Awards.
- Billable transactions.
- Customer contracts.
- Customer invoices.

Questions to Consider

Question	Considerations
When do you want to recognize revenue?	When you select a Revenue Recognition Method of <i>Transaction</i>, you're able to select the Independent Revenue Processing check box on your revenue recognition schedule. When you select this check box, Workday will process the revenue even when billing isn't complete.
Do you amend your customer contracts?	Workday updates the revenue recognition schedule when you select the Automatically Regenerate Installments check box on your revenue recognition schedule. Workday only regenerates installments when you: • Use a revenue recognition method of <i>Spread Even</i> or <i>Number of Days</i>. • Make changes to the contract line amount or worktags. • Don't have your contract amendments on a business process for approval.
How do you recognize revenue?	If your company doesn't have guidelines for revenue recognition, we provide a reference topic covering revenue recognition methods.

Recommendations

Functionality	Considerations
Milestones	Assign a milestone to your revenue recognition schedules and templates if you don't want revenue recognition to occur before certain events dictated by you or your customer.
Schedule Type	Select a schedule type when you create your revenue recognition schedules and templates for improved reporting capabilities. Workday uses this field to group your revenue recognition schedules and templates.

Functionality	Considerations
Templates	Instead of creating the same revenue recognition schedules multiple times, Workday recommends that you create a template to improve efficiency.

Requirements

Feature	Considerations
Billable Transactions	When you update your billable transactions, your revenue recognition schedule doesn't update. Access the Create Revenue Installments for Billable Transactions task to update your revenue recognition installments.
Contract Rate Sheets	When you update your contract rate sheets, your revenue recognition schedule doesn't update. Access the Schedule Revenue Installments for Billable Transactions task to update your revenue recognition installments.

Limitations

Feature	Considerations
Intercompany worktags	Your revenue recognition schedule won't display any worktags if there's an intercompany worktag. The worktags carry from your source transactions to the revenue recognition accounting that you create from your revenue installments.
Multiple-element revenue allocation	When you run multiple-element revenue allocation on a contract, you can't use the percent complete method for your schedule.

Tenant Setup

No impact.

Security

Domains	Considerations
<i>Process: Revenue Schedule - Cancel</i> in the Customer Contracts and Project Billing functional areas.	Cancel revenue recognition schedules for customer contracts.
<i>Process: Revenue Schedule - Core</i> in the Customer Contracts and Project Billing functional areas.	Create revenue recognition schedules for customer contracts.
<i>Set Up: Customer Accounts</i> in the Customer Accounts functional area.	Import and export templates for revenue recognition schedules.

Domains	Considerations
<i>Process: Customer Invoice - View</i> in the Customer Accounts functional area.	
<i>Set Up: Customer Contracts - Templates and Types</i> in the Customer Contracts and Project Billing functional areas.	Create templates for revenue recognition schedules.

Business Processes

You can configure the *Revenue Recognition Schedule Event* business process to enable you to create and approve revenue recognition schedules.

Reporting

You can use the Revenue dashboard to:

- Create revenue recognition schedules and templates.
- Access reporting on your revenue recognition schedules and templates.

You can use the **Revenue Recognition Schedules** report data source to create custom reports for revenue recognition schedules and templates.

Integrations

Web Services	Considerations
<i>Cancel Revenue Recognition Schedule</i>	Enables you to cancel your existing revenue recognition schedules.
<i>Get Revenue Recognition Schedules</i>	Retrieves revenue recognition schedules according to selected criteria.
<i>Get Revenue Recognition Schedule Templates</i>	Retrieves templates for revenue recognition schedules according to selected criteria.
<i>Put Revenue Recognition Schedule Template</i>	Adds or updates templates for revenue recognition schedules.
<i>Submit Revenue Recognition Schedule</i>	Adds or updates revenue recognition schedules and submits them to the <i>Revenue Recognition Schedule</i> business process.

Connections and Touchpoints

Features	Considerations
Customer Accounts	Nonproject related items that you recognize revenue for come from the Customer Accounts functional area.
Expenses	Workday uses project expenses to create revenue recognition schedules.
Financial Accounting	You create revenue recognition journals by using revenue recognition schedules.
Projects	You create revenue recognition schedules from customer contracts created for billable projects.

Features	Considerations
Project Billing	You create revenue recognition schedules from billable project time and expenses.
Time Tracking	You use the time tracked for billable projects to create revenue recognition schedule.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Tasks

[Create Revenue Recognition Schedules for Customer Contracts](#) on page 733

Reference

[Workday 30 What's New Post: Unbilled Project Accruals and Adjustments](#)

[Workday 31 What's New Post: Automatically Update Billing and Revenue Schedules](#)

[Workday 31 What's New Post: Prorated Revenue Installments](#)

[Workday 31 What's New Post: Unbilled Project Accrual for Usage-Based Transactions](#)

Setup Considerations: Cumulative Catch-Up Revenue Installments

You can use this topic to help make decisions when planning your configuration and use of cumulative catch-up revenue installments. It explains:

- Why to set them up.
- How they fit into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What They Are

Cumulative catch-up revenue installments enable you to generate new revenue recognition installment amounts when you modify customer contracts.

Business Benefits

Cumulative catch-up revenue installments reduce manual processing by providing an option to automatically generate revenue recognition installment amounts when you modify customer contracts.

Use Cases

You can generate cumulative catch-up revenue installments when your company modifies the customer contract:

- Start and end dates.
- Term and amounts.

Questions to Consider

Questions	Considerations
When you amend customer contracts, do you change the existing contract line amount?	When you change an existing contract line amount and enable automatic regeneration of installments on the revenue recognition schedule, Workday:

Questions	Considerations
	- Creates a cumulative catch-up installment for the completed installment. - Adjusts future installment amounts.
When you amend customer contracts, do you add a new line to update line amounts?	When you add a new line on the contract, you can either: - Amend the existing revenue recognition schedule to generate cumulative catch-up revenue installments. - Create a new revenue recognition schedule to generate cumulative catch-up revenue installments.

Recommendations

To reduce manual effort, you can enable cumulative catch-up revenue installments on revenue recognition schedule templates. Workday then automatically enables the option when you create a revenue recognition schedule for customer contracts using a template.

On the revenue recognition schedule, you can enable Workday to automatically regenerate installments. When you enable this option and generate cumulative catch-up installments, Workday automatically creates new installments when you modify the customer contract.

Requirements

To enable cumulative catch-up revenue installments on a revenue recognition schedule or template, you must use a:

- Revenue recognition method of defined installment, number of days, or spread even.
- Schedule type enabled for revenue recognition.

Limitations

You can't:

- Disable cumulative catch-up revenue installments when you have completed installments.
- Generate cumulative catch-up revenue installments for alternate customer contracts, standalone invoices with revenue recognition schedules, or customer contracts with a variable amount line type.

Tenant Setup

No Impact.

Security

Domains	Considerations
<i>Process: Customer Invoice - View</i> in the Customer Accounts functional area.	Find cumulative catch-up revenue installments on revenue recognition schedules for customer contracts. View cumulative catch-up revenue installments on revenue recognition schedule templates.

Domains	Considerations
<i>Process: Revenue Schedule - Core</i> in the Customer Contracts and Project Billing functional areas.	Create cumulative catch-up revenue installments on revenue recognition schedules for customer contracts.
<i>Set Up: Customer Accounts</i> in the Customer Accounts functional area. <i>Set Up: Customer Contracts - Templates and Types</i> in the Customer Contracts and Project Billing functional areas.	Create, edit, and view cumulative catch-up revenue installments on revenue recognition schedule templates.

Business Processes

Business Processes	Considerations
<i>Customer Contract Event</i>	Review and approve customer contract dates, terms, and amounts before generating cumulative catch-up revenue installments.
<i>Revenue Recognition Schedule Event</i>	Review and approve revenue recognition schedules that generate cumulative catch-up revenue installments for customer contract modifications.

Reporting

Reports	Considerations
Find Revenue Recognition Schedules	Find revenue recognition schedules by company, customer, schedule type, and schedule date.
Revenue Recognition Schedule Templates View Revenue Recognition Schedule Template	View revenue recognition schedule templates that generate cumulative catch-up revenue installments.

Integrations

You can use these web services to retrieve, update, and submit cumulative catch-up revenue installments on revenue recognition schedules and templates:

- *Get Revenue Recognition Schedule Templates*
- *Get Revenue Recognition Schedules*
- *Put Revenue Recognition Schedule Template*
- *Submit Revenue Recognition Schedule*

Connections and Touchpoints

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Concepts

[Setup Considerations: Revenue Recognition Schedules](#) on page 726

Tasks

[Create Revenue Recognition Schedules for Customer Contracts](#) on page 733

Reference

[2020R2 What's New Post: Cumulative Catch-Up Revenue Installments](#)

Steps: Create Multiperiod Revenue Recognition Schedules

Create a customer contract.

You can create revenue recognition schedules that cover multiple periods. You can specify the contract terms for each period, including the:

- Date range for the period.
- Revenue amount or percentage that you want to allocate to each period.

1. Access the **Maintain Schedule Types task.**

Select these check boxes for at least 1 schedule type:

- **Multi-Period**
- **Revenue Recognition**

Security: *Set Up: Customer Contracts - Templates and Types* domain in the Customer Contracts and Project Billing functional areas.

2. [Create Revenue Recognition Schedules for Customer Contracts](#) on page 733.

Select:

- A **Schedule Type** that you enabled for multiperiod.
- A **Revenue Recognition Method** of *Number of Days* or *Spread Even*.

On the **Multi-Period Allocation** tab:

- Click **Add**.
- Select a *From Date* and a *To Date*.
- Allocate a revenue amount or percentage to each period.

The time periods for revenue recognition schedules can overlap, and you can allocate revenue up to the *Revenue Schedule Total*.

Generate revenue installments.

Concepts

[Setup Considerations: Revenue Recognition Schedules](#) on page 726

[Concept: Revenue Recognition](#) on page 740

Reference

[2020R2 What's New Post: Cumulative Catch-Up Revenue Installments](#)

Create Revenue Recognition Schedules for Customer Contracts

- Create a customer contract with at least 1 contract line enabled for accrued or deferred revenue.
- Security: *Process: Revenue Schedule - Core* domain in the Customer Contracts and Project Billing functional areas.

You can create a revenue recognition schedule for 1 or more lines on your customer contracts. All lines that you include in a schedule must use the same revenue recognition method. You can also associate the revenue recognition schedule with dates, project tasks, and billing-related milestones. Milestones must be complete for revenue recognition to occur on an installment.

1. Access the **Create Revenue Recognition Schedule for Customer Contract task.**

2. As you complete the task, consider:

Option	Description
Contract Line Company	To create a revenue recognition schedule for an intercompany contract, select a contract line company that's different from the contract company. Revenue recognition schedules tie to the line company, enabling you to recognize

Option	Description
	accrued or deferred revenue to the same company.
Schedule Type	To improve reporting capabilities, select a schedule type enabled for revenue recognition. When you select <i>Usage-Based Subscription</i> , Workday restricts the date range and limits the selection for the Revenue Recognition Method . You can add the revenue start and end dates on the Record Usage-Based Transactions task.
Schedule On Hold	Select to place the revenue recognition schedule on hold when you need to take action before you create accounting. When you release the hold, installments become available for revenue recognition accounting the next time you run the task.
Hold Reasons	Select a hold reason that you configured on the Maintain Customer Contract Schedule Hold Reasons task. Displays when you select the Schedule On Hold check box.
Milestones	Displays all tasks from all phase levels for the billable project.
Default Currency Rate	Select 1 of these options for Workday to use as the default currency conversion rate when you create new revenue recognition schedules with foreign currency: • <i>Contract Effective Date</i> - Uses the currency conversion rate for the contract effective date. • <i>Revenue Recognition Installment Date</i> - Uses the installment date on the revenue recognition schedule to determine the currency exchange rate. When there isn't a rate for the installment date, Workday uses the rate for the most recent date when you generate revenue recognition installments and accounting. • <i>Schedule Override Rate</i> - Uses the override currency conversion rate you enter in the Schedule Override Rate field. When you: • Don't select an option in the prompt, Workday uses the revenue recognition default currency conversion rate that you select on the Edit Tenant Setup - Financials task. • Select an option in the prompt that's different from the option you select in the Revenue Recognition Default Currency Rate prompt on the Edit Tenant Setup - Financials task, Workday uses the selection on the revenue

Option	Description
	recognition schedule to determine the currency conversion rate. Displays on new revenue recognition schedules with foreign currency.
Schedule Override Rate	Enter the override currency conversion rate to use for all installment lines on the revenue recognition schedule. Displays on new revenue recognition schedules with foreign currency when you select <i>Schedule Override Rate</i> from the Default Currency Rate prompt.
Create Reversal	Select to create a reversal journal when you generate accounting for revenue installments. This option is only available for <i>Project Time and Expense</i> customer contract lines. Displays when you select a Revenue Recognition Method of <i>Transaction</i>.
Independent Revenue Processing	Select to: • Generate revenue installments for transactions in an <i>Awaiting Review</i>, <i>On Hold</i>, or <i>Ready to Bill</i> billing status. • Reverse revenue accounting when you've already recognized revenue for transactions in a <i>Do Not Bill</i> billing status. Displays when you select a Revenue Recognition Method of <i>Transaction</i>.
Automatically Regenerate Installments	Select to generate new installments when you modify the contract line amount on the customer contract. Displays when you select: • A Schedule Type enabled for revenue recognition. • A Revenue Recognition Method of <i>Defined Installment</i>, <i>Number of Days</i>, or <i>Spread Even</i>.
Automatically Submit Schedule via Contract Amendment	Select to submit new installments for approval. The installments won't update when you have contract amendments on a business process. Displays when you select: • A Schedule Type enabled for revenue recognition. • A Revenue Recognition Method of <i>Defined Installment</i>, <i>Number of Days</i>, or <i>Spread Even</i>. • The Automatically Regenerate Installments check box.

Option	Description
Generate Cumulative Catch-up Installments	Select to generate adjustment revenue installments when you modify the customer contract term or amounts. Displays when you select: • A Schedule Type enabled for revenue recognition. • A Revenue Recognition Method of <i>Defined Installment</i>, <i>Number of Days</i>, or <i>Spread Even</i>.

3. Select the lines that you want to add to the revenue recognition schedule.

4. Click **Save and Continue** to view the draft schedule.

5. As you complete the revenue recognition schedule, consider:

Option	Description
Manage Lines	Lines can span multiple contracts but must match the schedule company, customer, and currency. Displays only deferred revenue lines.
Define Installment Amounts	To define amounts manually, enter the defined installment amounts for each customer contract line. To prorate the amounts for contracts that begin with a start date after the first of the month, select a From Date and To Date. Workday calculates the first and last installments based on those dates.
Customize Installments	When you customize installments and save your changes, Workday automatically updates the Revenue Recognition Method to <i>Custom</i>.
Override Currency Rates	You can override the exchange rate or the base currency amount on installments. Workday displays the Maintain Revenue Recognition Schedule Currency Rates task with only the contract lines that you can override. Displays when you generate installments on a revenue recognition schedule with foreign currency.

6. (Optional) To add supporting documentation, select **Revenue Recognition Schedule > Manage Attachments** from the related actions menu of the revenue recognition schedule.

- Report on the revenue recognition schedule or on installment hold reasons.
- Create revenue recognition accounting.

Create Ledger Currency Adjustment Installment

- Create and approve a revenue recognition schedule with at least 1 completed installment for a foreign currency customer contract.
- Security: *Process: Revenue Schedule* - Core domain in the Customer Contracts and Project Billing functional areas.

You can create an extra installment line for revenue recognition adjustments. The adjustment installment ensures that the invoiced ledger amounts equal the ledger amounts for recognized revenue at a specific point in time. Workday determines how much you've invoiced your customers in the ledger currency by adding all the completed installments for a contract line. You can create adjustments for revenue that's out of balance due to exchange rates or currency rate overrides.

Workday displays every fixed amount line requiring an adjustment from the **Manage Lines** task for the revenue recognition schedule. Variable contract lines don't display because the actual ledger amount billed is already on the installment. Workday displays the ledger amount at both the recorded and historic rates.

1. From the related actions menu of an approved revenue recognition schedule with foreign currency, select **Revenue Recognition Schedule > Create Ledger Currency Adjustment Installment**.
2. As you complete the task, consider:

Option	Description
Accounting Date for Adjustment Installment	You can override the date with any accounting date that's applicable to the entire installment.
Create Revenue Recognition Accounting	Select for Workday to run the Create Revenue Recognition Accounting task automatically when you save the current task. Regular posting rules and approvals apply. Workday moves the ledger amount for deferred revenue into the revenue account so that the completed installment displays on the revenue recognition schedule with the new ledger amount.
Amount Recorded in Primary Currency	Displays the installment amount invoiced to the customer from the revenue recognition schedule.
Amount at Historic Rate in Primary Currency	Displays the customer invoiced amount in the primary ledger currency at the current point in time. To preview line details for how Workday calculates the rate, click the amount.
Revenue Recognition Adjustment in Primary Currency	When the Amount at Historic Rate in Primary Currency is: • Greater than the Amount Recorded in Primary Currency, enter a positive adjustment amount to increase the Amount Recorded in Primary Currency. • Less than the Amount Recorded in Primary Currency, enter a negative adjustment amount to reduce the Amount Recorded in Primary Currency.

Workday creates an installment for the revenue recognition schedule. The installment includes ledger currency amounts without transaction amounts so that you can create accounting for revenue recognition.

Concepts

[Concept: Revenue Recognition Accounting](#) on page 766

[Concept: Foreign Currency Customer Contracts](#) on page 688

Create Revenue Recognition Schedules for Customer Invoices

- Create a customer invoice with 1 or more lines enabled for deferred revenue.

- Security:
 - *Process: Customer Invoice* - Core domain in the Customer Accounts functional area.
 - *Process: Revenue Schedule* - Core domain in the Customer Contracts and Project Billing functional areas.

You can create a revenue recognition schedule for 1 or more invoice lines:

- From a single invoice not linked to a contract.
- With deferred revenue.
- With the same revenue recognition method and end date.

Workday doesn't populate the revenue recognition schedule with intercompany worktags. The intercompany worktags display when you create revenue recognition accounting.

1. Access the **Create Revenue Recognition Schedule for Customer Invoice** task.
2. For intercompany invoices, select an **Invoice Line Company**.
3. As you complete the **Revenue Recognition Information** section, consider:

Option	Description
Schedule Type	To improve reporting capabilities, select a schedule type for revenue recognition.
Milestone	Select milestones for the entire revenue recognition schedule. Milestones must be complete for revenue recognition to occur on the installment.

4. Select the lines to add to the revenue recognition schedule.
5. Click **Save and Continue** to view the draft of the revenue recognition schedule.
6. As you complete the revenue recognition schedule, consider:

Option	Description
Manage Lines	Click to add or delete lines that use the revenue recognition schedule.
Define Installment Amounts	Click to enter Regular , First , and Last installment amounts for each invoice line. Use when you specify a Revenue Recognition Method of <i>Defined Installment</i> .
Generate Installments	Click to generate installments using the Revenue Recognition Method you selected.
Customize Installments	When you customize installments and save your changes, Workday automatically updates the Revenue Recognition Method to <i>Custom</i> .

7. (Optional) To add supporting documentation, select **Revenue Recognition Schedule > Manage Attachments** from the related actions menu of the revenue recognition schedule.

Workday routes the revenue recognition schedule to the *Revenue Recognition Schedule Event* business process for review and approval. The customer invoice line references the revenue recognition schedule.

Create revenue recognition accounting.

Concepts

[Concept: Revenue Recognition Accounting](#) on page 766

Tasks

[Create Customer Invoices for Billing Installments](#) on page 723

Create Revenue Installments for Billable Transactions

- Approve billable transactions.
- Security: *Process: Revenue Schedule* - Core domain in the Customer Contracts and Project Billing functional areas.

When you approve billable transactions, you can accrue revenue by generating revenue installments using 1 of these tasks:

- **Create Revenue Installments for Billable Transactions**
- **Schedule Revenue Installments for Billable Transactions**

Workday displays revenue as available to accrue when you change a:

- Transaction billing status from billable to nonbillable.
- Transaction billing status from nonbillable to billable.
- Transaction from a *Deferred* to an *Invoice* revenue treatment.

1. Access the **Create Revenue Installments for Billable Transactions** task.

As you complete the task, consider:

Option	Description
Transaction Type	Select: • <i>Project Time and Expense</i> to create revenue installments and recognize revenue independently from billing for <i>Project Time and Expense</i> customer contract lines. To enable this process, select the Independent Revenue Processing check box on the revenue recognition schedule. • <i>Fixed Fee Project for Percent Complete</i> revenue recognition methods. • <i>Usage-Based</i> to create revenue installments and recognize revenue independently from billing for <i>Usage-Based</i> customer contract lines. To enable this process, select the Independent Revenue Processing check box on the revenue recognition schedule.

2. As you complete the **Revenue Accruals** tab, consider:

Option	Description
Select	You can update revenue installments until the installment status is <i>Complete</i> or <i>Canceled</i> .
Amount to Accrue	Workday adds the amount to existing <i>Available</i> revenue installments when the billing transactions have the same grouping criteria. Otherwise, Workday creates a new revenue installment.
Amount Scheduled to Accrue	The amount excludes deleted and offset revenue installments.
Completed Accrual to Date	The amount accrued for revenue installments in <i>Completed</i> status as of the installment date.

3. On the **Revenue Offsets tab, view offset revenue installment lines for billable transactions.**

Workday displays offset revenue installment lines that you:

- Changed from billable to nonbillable status.
- Changed from a *Deferred* to an *Invoice* revenue treatment.
- Changed in a way that affects accounting.
- Deleted after you recognized revenue.
- Split into multiple transaction lines.

Revenue offsets only apply to *Project Time and Expense* customer contract lines.

To view the revenue recognition schedule, access the **Schedules** tab on the customer contract.

Tasks

[Create Customer Contracts](#) on page 677

[Create Customer Invoices for Consolidated Billing](#) on page 724

[Create Revenue Recognition Schedules for Customer Contracts](#) on page 733

[Manage Project Billing Transactions by Transaction Source](#) on page 1017

[Manage All Project Billing Transactions](#) on page 1014

Reference

[2021R1 What's New Post: Project Roles as Worktags](#)

Concept: Revenue Recognition

You can create revenue recognition schedules for customer contracts based on the contract terms.

Revenue recognition schedules identify and drive accounting for the creation and appropriate amortization of unrecognized revenue. Revenue recognition operates separately from billing processing.

Milestones

You can create milestones to track the completion of tasks and specify when Workday can process billing and revenue recognition schedules and installments. You can assign multiple milestones to schedules and installments. Workday doesn't process schedules or installments with pending milestones.

You can use these tasks to configure standard milestones:

- **Maintain Date Milestone Types**
- **Create Date Milestone**

Standard milestones become customer milestones once you add them to a customer. You can view customer milestone details using the **Find Milestones** report. Customer milestones are unique for each customer and company combination.

Workday supports these milestone types:

- **Billing Schedule First Invoice:** Use to initiate revenue recognition once billing has occurred.
- **Date Milestones:** Use standard date milestones as the basis for creating customer date milestones.
- **Project Tasks:** Mark project tasks as milestones in the project. Use project milestones to control when you bill project transactions and recognize revenue. You can define project milestones for a project phase or for the overall project to determine when transactions are available for billing. You can use project tasks marked as milestones as contract milestones. You can't delete project tasks that are in use on a contract. You can enter estimated and actual completion dates. Once the project task is complete and you enter an end date, billing can occur. Workday uses the end date as the milestone completion date.

Schedule Types

You can use the **Maintain Schedule Types** task to configure schedule types for use on billing and revenue recognition schedules. When you enable a schedule type for use on:

- Billing schedules, you also have the option to enable *Prepaid*, *Consolidated Billing Schedule*, or *Summary Reimbursable*.
- Revenue recognition schedules, you also have the option to enable *Usage-Based Subscription* or *Multi-Period*.

Workday displays the usage count for each schedule type, and you can set a schedule type as *Inactive* at any time. When you set a schedule type as *Inactive*, Workday removes the option from the **Schedule Type** prompt on billing and revenue recognition schedules.

Billing Schedules and Installments

You can:

- Link contract lines that span multiple contracts for the same company and customer to the same billing schedule.
- Define schedule types so you can classify your schedules. This process simplifies searches, approvals, and reporting.
- Create installment or transaction billing schedules to manage certain types of contract lines, or consolidated billing schedules to manage installment, transaction, and prepaid contract lines in 1 schedule.

Workday creates installments based on the scheduled start and end dates, which can differ from the contract line start and end dates. You can also configure the invoice date to assign, which can differ from the installment start date.

Workday supports these billing methods for each billing schedule, and you can change methods throughout the life of the schedule:

- *Defined Installment*: Define the first and last installment amount for each contract line. Workday spreads the remaining amount evenly among the other installments. You can't use this billing method on consolidated billing schedules.
- *Spread Even*: Define a set number of installments with equal amounts.
- *Custom*: You control all aspects of the installments.

A billing schedule includes 1 or more installments. Each billing installment:

- Creates a customer invoice.
- Becomes an invoice line.
- Derives attributes from the associated contract line.

Once you generate installments, you can:

- Manually update individual installments.
- Regenerate billing installments automatically after changes to contract amounts. This function only applies to *Spread Even* billing methods or *Spread Even* and *Number of Days* revenue recognition methods.
- Update your schedules automatically when you make changes to your contract lines.
- Edit all installments at once when you have a custom schedule.

Workday assigns an *Out of Balance* status when:

- You don't schedule your contract line installments exactly.
- A custom schedule overbills.

You can create customer invoices from billing installments after you approve the billing schedule.

Independent Revenue Processing

To accrue and recognize revenue for project transactions without billing, select the **Independent Revenue Processing** check box on the **Create Revenue Recognition Schedule for Customer Contract** task.

Multi-Period Revenue Schedules

Workday enables you to create revenue recognition schedules that span multiple periods. You can specify the duration and the amount or percentage of revenue to allocate for each period.

Revenue Recognition for Order Fulfillment

You can recognize revenue for orders when you access the **Record Order Fulfillment Transactions** task and create revenue installments. You can indicate fulfillment requirements when you create or edit a sales item.

Invoices and Revenue Recognition Schedules for Transaction-Based Contract Lines

For transaction-based services that don't have Vendor-Specific Objective Evidence (VSOE), you can recognize revenue for invoices that are based on the longest-running element of the customer contract.

Recognizable revenue derives from ongoing billing. To add every invoice for a contract line to the revenue recognition schedule, you can assign a schedule to the transaction-based contract line in your contract configuration. Revenue recognition for each invoice starts at the invoice date and distributes until the schedule end date. Workday recalculates the amount if:

- The invoice date falls in an installment that's already in process or completed.
- The schedule method for revenue recognition is *Daily* or *Spread Even*.

You can enter different worktags on the invoice and contract lines, but the revenue recognition transaction worktags automatically populate from the contract line.

When an invoice contains lines that reference a contract line, Workday displays an invoice summary on the **Contract Lines** tab on the customer invoice.

Revenue Recognition Accounting

When you create revenue recognition accounting:

- Workday ignores installments with pending milestones.
- Workday generates accounting using the account posting rules for revenue and deferred revenue.
- You can post revenue transactions when the ledger period status is:
 - *Open*
 - *Open for Journals*
 - *Open for Journals and Payroll*

Workday sets the status for revenue recognition installments to *Complete* after generating accounting entries.

Concepts

[Setup Considerations: Revenue Recognition Schedules](#) on page 726

[Concept: Customer Contracts](#) on page 685

[Concept: Project Billing](#) on page 1046

[Concept: Revenue Recognition Accounting](#) on page 766

Tasks

[Create Installment or Transaction Billing Schedules for Customer Contracts](#) on page 715

[Create Consolidated Billing Schedules for Customer Contracts](#) on page 712

[Steps: Create Multiperiod Revenue Recognition Schedules](#) on page 733

[Create Revenue Recognition Schedules for Customer Contracts](#) on page 733

Reference: Revenue Recognition Methods

Workday provides these revenue recognition methods for your revenue recognition schedules and templates:

Revenue Recognition Method	Description
<i>Custom</i>	You can customize the: • Installment date to recognize revenue. • Customer contract lines that you're recognizing revenue for. • Period of time that you're recognizing revenue for. • Amount of revenue that you want to recognize for that period. • Worktags that don't populate from the customer contract line. When you select a revenue recognition method of <i>Custom</i>, you must manually verify that the revenue schedule total matches the total line amount. Workday doesn't display a critical validation error when the amounts differ.
<i>Defined Installment</i>	Workday uses the: • Amount of revenue equal to the number of days that are in the beginning and end periods of the schedule. • <i>Spread Even</i> revenue recognition method for the remaining periods.
<i>Number of Days</i>	Workday recognizes revenue proportionate to the number of days in the period. Example: You receive more revenue for the March period than the April period because the month of March has 1 more day than the month of April.
<i>Percent Complete</i>	Workday recognizes revenue equal to the percent completion of your project for that period. You can recognize revenue by the: • Total cost of the project completed for that period. • Number of hours completed for the project in that period.
<i>Spread Even</i>	Workday recognizes the same amount of revenue for each installment that it creates. You can create revenue installments by: • Selecting a date range. • Entering the number of installments to create.
<i>Transaction</i>	You can create a revenue recognition schedule for these transaction sources:

Revenue Recognition Method	Description
	- Expense - Miscellaneous Expenses - Supplier Invoices - Time When you select the Create Reversal check box, Workday: - Accrues revenue installments, posting the accrual in each period. - Creates a reversal journal when you generate accounting for revenue installments. The journal reverses the debits and credits using the first day of the next period. When you select the Independent Revenue Processing check box, you can recognize revenue before creating a customer invoice.

Concepts

[Setup Considerations: Revenue Recognition Schedules](#) on page 726

[Concept: Revenue Recognition](#) on page 740

Tasks

[Create Revenue Recognition Schedules for Customer Contracts](#) on page 733

Reference: Revenue Recognition Currency Conversion Rates for Foreign Currency Customer Contracts

Workday provides these currency conversion rates for revenue recognition schedules and accounting when you create customer contracts in foreign currencies:

- [Blended Rates](#) on page 744
- [Invoice Rates](#) on page 745
- [Contract Effective Date](#) on page 746
- [Revenue Recognition Installment Date](#) on page 748
- [Schedule Override Rate](#) on page 750

Blended Rates

Workday only supports blended rates on foreign currency revenue recognition schedules and accounting created before September 10, 2022. When billing occurs before revenue recognition, Workday derives the foreign currency conversion rate for revenue recognition installments and accounting using a weighted average calculation.

Scenario: Your company base currency is USD and you create a customer contract in EUR. The conversion rate on the contract effective date is 1.350. You invoice the customer quarterly, but recognize revenue from the contract monthly.

Billing and Revenue Schedule

Month	Conversion Rate	Billing in EUR	Revenue in EUR
January	1.360	30,000	10,000
February	1.370		10,000
March	1.375		10,000

Month	Conversion Rate	Billing in EUR	Revenue in EUR
April	1.365	30,000	10,000
May	1.350		10,000
June	1.360		10,000
July	1.375	30,000	10,000
August	1.355		10,000
September	1.365		10,000
October	1.370	30,000	10,000
November	1.345		10,000
December	1.355		10,000
Total		120,000	120,000

Billing and Revenue Schedule - Foreign Currency Conversion Rates on Contract Date

Conversion Rate	Billing in USD	Revenue in USD	Net Deferred Balance in USD
1.350	40,800	13,500	27,300
1.350		13,500	13,800
1.350		13,500	300
1.350	40,950	13,500	27,750
1.350		13,500	14,250
1.350		13,500	750
1.350	41,250	13,500	28,500
1.350		13,500	15,000
1.350		13,500	1,500
1.350	41,100	13,500	29,100
1.350		13,500	15,600
1.350		13,500	2,100
Total	164,100	162,000	2,100

Invoice Rates

Workday only supports invoice rates on foreign currency revenue recognition schedules and accounting created before September 10, 2022. When billing occurs before revenue recognition, Workday derives the foreign currency conversion rate for revenue recognition installments and accounting using the invoice rate.

Scenario: Your company base currency is USD and you create a customer contract in EUR. The conversion rate on the contract effective date is 1.350. You invoice the customer quarterly, but recognize revenue from the contract monthly.

Billing and Revenue Schedule

Month	Conversion Rate	Billing in EUR	Revenue in EUR
January	1.360	30,000	10,000
February	1.370		10,000
March	1.375		10,000
April	1.365	30,000	10,000
May	1.350		10,000
June	1.360		10,000
July	1.375	30,000	10,000
August	1.355		10,000
September	1.365		10,000
October	1.370	30,000	10,000
November	1.345		10,000
December	1.355		10,000
Total		120,000	120,000

Billing and Revenue Schedule - Foreign Currency Conversion Rates on Invoice Date

Conversion Rate	Billing in USD	Revenue in USD	Net Deferred Balance in USD
1.360	40,800	13,600	27,200
1.360		13,600	13,600
1.360		13,600	0
1.365	40,950	13,650	27,300
1.365		13,650	13,650
1.365		13,650	0
1.375	41,250	13,750	27,500
1.375		13,750	13,750
1.375		13,750	0
1.370	41,100	13,700	27,400
1.370		13,700	13,700
1.370		13,700	0
Total	164,100	164,100	0

Contract Effective Date

When you set the default currency conversion rate on the revenue recognition schedule to contract effective date, Workday uses the contract effective date to determine the currency conversion rate.

Example: You create a foreign currency customer contract:

Option	Value
Contract Line Amount	12,000 EUR
Term	12 Months
Contract Effective Date	09/01/2022
Conversion Rate	1.5
Base Currency Amount	18,000 USD
Transaction Currency Amount/Period	1,000 EUR
Base Currency Amount/Period	1,500 USD

You create revenue recognition installments:

Installment	Installment Date	Revenue Amount	Conversion Rate	Revenue Amount in Base Currency
1	09/30/2022	1,000 EUR	1.5	1,500 USD
2	10/31/2022	1,000 EUR	1.5	1,500 USD
3	11/30/2022	1,000 EUR	1.5	1,500 USD
4	12/31/2022	1,000 EUR	1.5	1,500 USD
5	01/31/2023	1,000 EUR	1.5	1,500 USD
6	02/28/2023	1,000 EUR	1.5	1,500 USD
7	03/31/2023	1,000 EUR	1.5	1,500 USD
8	04/30/2023	1,000 EUR	1.5	1,500 USD
9	05/31/2023	1,000 EUR	1.5	1,500 USD
10	06/30/2023	1,000 EUR	1.5	1,500 USD
11	07/31/2023	1,000 EUR	1.5	1,500 USD
12	08/31/2023	1,000 EUR	1.5	1,500 USD
Total		12,000 EUR		18,000 USD

The **Conversion Rate** and **Revenue Amount in Base Currency** display on the revenue recognition schedule once you generate accounting.

You create revenue recognition accounting:

Run Date	Accounting Date	Installment Date	Ledger Account	Debit Amount	Credit Amount	Conversion Rate	Ledger Debit Amount	Ledger Credit Amount	Calculation
10/01/2022	09/30/2022	09/30/2022	Deferred Revenue or Unbilled Receivables	1,000 EUR		1.5	1,500 USD		Base currency amount converted using the rate for the contract

Run Date	Accounting Date	Installment Date	Ledger Account	Debit Amount	Credit Amount	Conversion Rate	Ledger Debit Amount	Ledger Credit Amount	Calculation
									effective date: 1,000 EUR × 1.5 = 1,500 USD
			Revenue		1,000 EUR	1.5		1,500 USD	
11/01/2022	10/31/2022	10/31/2022	Deferred Revenue or Unbilled Receivables	1,000 EUR		1.5	1,500 USD		Base currency amount converted using the rate for the contract effective date: 1,000 EUR × 1.5 = 1,500 USD
			Revenue		1,000 EUR	1.5		1,500 USD	

Revenue Recognition Installment Date

When you set the default currency conversion rate on the revenue recognition schedule to revenue recognition installment date, Workday uses the installment date to determine the currency conversion rate. When there isn't a rate for the installment date, Workday uses the rate for the most recent date when you generate revenue recognition installments and accounting. After you generate revenue recognition accounting, the rates on the revenue recognition installment lines match the rates on the operational journal lines.

Example: You create a foreign currency customer contract:

Option	Value
Contract Line Amount	12,000 EUR
Term	12 Months
Contract Effective Date	09/01/2022
Conversion Rate	1.5
Base Currency Amount	18,000 USD
Transaction Currency Amount/Period	1,000 EUR

Option	Value
Installment Date	09/30/2022
Conversion Rate	2.0
Base Currency Amount	24,000
Base Currency Amount/Period	2,000 USD
Installment Date	10/31/2022
Conversion Rate	1.8
Base Currency Amount	21,600 USD
Base Currency Amount/Period	1,800 USD

You create revenue recognition installments:

Installment	Installment Date	Revenue Amount	Conversion Rate	Revenue Amount in Base Currency
1	09/30/2022	1,000 EUR	2.0	2,000 USD
2	10/31/2022	1,000 EUR	1.8	1,800 USD
3	11/30/2022	1,000 EUR	Determined at the time of accounting	Determined at the time of accounting
4	12/31/2022	1,000 EUR	Determined at the time of accounting	Determined at the time of accounting
5	01/31/2023	1,000 EUR	Determined at the time of accounting	Determined at the time of accounting
6	02/28/2023	1,000 EUR	Determined at the time of accounting	Determined at the time of accounting
7	03/31/2023	1,000 EUR	Determined at the time of accounting	Determined at the time of accounting
8	04/30/2023	1,000 EUR	Determined at the time of accounting	Determined at the time of accounting
9	05/31/2023	1,000 EUR	Determined at the time of accounting	Determined at the time of accounting
10	06/30/2023	1,000 EUR	Determined at the time of accounting	Determined at the time of accounting
11	07/31/2023	1,000 EUR	Determined at the time of accounting	Determined at the time of accounting
12	08/31/2023	1,000 EUR	Determined at the time of accounting	Determined at the time of accounting
Total		12,000 EUR		

The **Conversion Rate** and **Revenue Amount in Base Currency** display on the revenue recognition schedule once you generate accounting.

You create revenue recognition accounting:

Run Date	Accounting Date	Installment Date	Ledger Account	Debit Amount	Credit Amount	Conversion Rate	Ledger Debit Amount	Ledger Credit Amount	Calculation
10/01/2022	09/30/2022	09/30/2022	Deferred Revenue or Unbilled Receivables	1,000 EUR		2.0	2,000 USD		Base currency amount converted using the effective conversion rate for the posting period: $1,000 \text{ EUR} \times 2.0 = 2,000 \text{ USD}$
			Revenue		1,000 EUR	2.0		2,000 USD	
11/01/2022	10/31/2022	10/31/2022	Deferred Revenue or Unbilled Receivables	1,000 EUR		1.8	1,800 USD		Base currency amount converted using the effective conversion rate for the posting period: $1,000 \text{ EUR} \times 1.8 = 1,800 \text{ USD}$
			Revenue		1,000 EUR	1.8		1,800 USD	

Schedule Override Rate

When you set the default currency conversion rate on the revenue recognition schedule to schedule override rate, Workday uses the schedule override rate you specify to determine the currency conversion rate.

Example: You create a foreign currency customer contract:

Option	Value
Contract Line Amount	12,000 EUR

Option	Value
Term	12 Months
Contract Effective Date	09/01/2022
Conversion Rate	1.5
Base Currency Amount	18,000 USD
Base Currency Amount/Period	1,500 USD
Transaction Currency Amount/Period	1,000 EUR
Conversion Override Rate	1.7
Base Currency Amount	20,400 USD
Base Currency Amount/Period	1,700 USD

You create revenue recognition installments:

Installment	Installment Date	Revenue Amount	Conversion Rate	Revenue Amount in Base Currency
1	09/30/2022	1,000 EUR	1.7	1,700 USD
2	10/31/2022	1,000 EUR	1.7	1,700 USD
3	11/30/2022	1,000 EUR	1.7	1,700 USD
4	12/31/2022	1,000 EUR	1.7	1,700 USD
5	01/31/2023	1,000 EUR	1.7	1,700 USD
6	02/28/2023	1,000 EUR	1.7	1,700 USD
7	03/31/2023	1,000 EUR	1.7	1,700 USD
8	04/30/2023	1,000 EUR	1.7	1,700 USD
9	05/31/2023	1,000 EUR	1.7	1,700 USD
10	06/30/2023	1,000 EUR	1.7	1,700 USD
11	07/31/2023	1,000 EUR	1.7	1,700 USD
12	08/31/2023	1,000 EUR	1.7	1,700 USD
Total		12,000 EUR		20,400 USD

The **Conversion Rate** and **Revenue Amount in Base Currency** display on the revenue recognition schedule once you generate accounting.

You create revenue recognition accounting:

Run Date	Accounting Date	Installment Date	Ledger Account	Debit Amount	Credit Amount	Conversion Rate	Ledger Debit Amount	Ledger Credit Amount	Calculation
10/01/2022	09/30/2022	09/30/2022	Deferred Revenue or Unbilled Receivables	1,000 EUR		1.7	1,700 USD		Base currency amount converted using the

Run Date	Accounting Date	Installment Date	Ledger Account	Debit Amount	Credit Amount	Conversion Rate	Ledger Debit Amount	Ledger Credit Amount	Calculation
									override rate for the schedule: 1,000 EUR × 1.7 = 1,700 USD
			Revenue		1,000 EUR	1.7		1,700 USD	
11/01/2022	10/31/2022	10/31/2022	Deferred Revenue or Unbilled Receivables	1,000 EUR		1.7	1,700 USD		Base currency amount converted using the override rate for the schedule: 1,000 EUR × 1.7 = 1,700 USD
			Revenue		1,000 EUR	1.7		1,700 USD	

Concepts

[Concept: Foreign Currency Customer Contracts](#) on page 688

[Concept: Revenue Recognition Accounting](#) on page 766

Tasks

[Create Revenue Recognition Schedules for Customer Contracts](#) on page 733

Reference

[Reference: Edit Tenant Setup - Financials](#)

Example: Create Accounting Using Blended Rates for Foreign Currency Customer Contracts

This example illustrates how to create revenue recognition accounting using blended rates for foreign currency customer contracts. This method only applies to foreign currency revenue recognition schedules and accounting created before September 10, 2022.

You have a customer that operates in Canadian Dollar (CAD), but your company reports in United States Dollar (USD). You need to create:

- A customer contract with a *Fixed Amount* line type of 3,000 CAD and a *Deferred* revenue treatment.
- A billing schedule using a *Spread Even* billing method and 3 installments.

- A revenue recognition schedule using a *Number of Days* revenue recognition method and 3 installments.
- A customer invoice for the billing installments.
- Revenue recognition accounting for the revenue recognition installments.

Configure these business processes and security policies in the Customer Contracts and Project Billing functional areas:

- *Billing Schedule Event*
- *Customer Contract Event*
- *Customer Invoice Event*
- *Revenue Recognition Installment Event*
- *Revenue Recognition Schedule Event*

Security: These domains in the Customer Contracts and Project Billing functional areas:

- *Process: Billing Schedule - Core*
- *Process: Revenue Schedule - Core*

1. Access the **Create Customer Contract** task.
2. In the **Contract Information** section, select:

Field	Value
Company	<i>500.1 Global Modern Services, Inc. (USA)</i>
Customer	<i>Bluestar Corporation</i>
Contract Type	<i>Grid Form</i>

3. Click **OK**.
4. In the **Contract Information** section, select:

Field	Value
Currency	<i>CAD</i>
Effective Date	<i>01/01/2020</i>

5. In the **Contract Amounts and Balances** section, enter 3,000 in the **Contract Amount** field.
6. In the **Line Details** section on the **Goods and Services** tab, add a row and enter:

Field	Value
Revenue Category	<i>Product</i>
Line Type	<i>Fixed Amount</i>
Contract Line Amount	<i>3,000</i>

7. In the **Revenue and Billing** section on the **Goods and Services** tab, select *Deferred* from the **Revenue Treatment** prompt.
8. Click **Submit**.
9. Access the customer contract for Bluestar Corporation.
10. From the related actions menu, select **Customer Contract > Create Billing Schedule**.
11. Click **OK**.
12. In the **Generate Installment Information** section, select:

Field	Value
Billing Method	<i>Spread Even</i>

Field	Value
Billing Frequency	Monthly
From Date	01/01/2020
Number of Installments	3

13. In the **Invoice Date Options** section, select the *Use From Date* option.

14. In the **Add Lines** grid, select the **Add** check box for the contract line you created.

15. Click **Save and Continue**.

16. Click **Generate Installments**.

17. Click **OK**.

18. Click **Submit**.

19. Expand the **Billing Schedule Information** section to view these installments that Workday creates on the billing schedule:

Status	Invoice Date	Due Date	From Date	To Date	Total Amount	Line	Amount
Available	01/01/2020	01/31/2020	01/01/2020	01/31/2020	1,000	Product (Line 1)	1,000
Available	02/01/2020	03/02/2020	02/01/2020	02/29/2020	1,000	Product (Line 1)	1,000
Available	03/01/2020	03/31/2020	03/01/2020	03/31/2020	1,000	Product (Line 1)	1,000

20. Click **OK**.

21. Click **Done**.

22. Access the customer contract for Bluestar Corporation.

23. From the related actions menu, select **Customer Contract > Create Revenue Recognition Schedule**.

24. Click **OK**.

25. In the **Generate Installment Information** section, select:

Field	Value
Revenue Recognition Method	Number of Days
From Date	01/01/2020
Number of Installments	3

26. Click **Save and Continue**.

27. Click **Generate Installments**.

28. Click **OK**.

29. Click **Submit**.

30. Expand the **Revenue Recognition Schedule Information** section to view these installments that Workday creates on the revenue recognition schedule:

Status	Installment Date	From Date	To Date	Total Amount	Currency	Line	Revenue Category	From Date	To Date	Revenue Amount	Currency Rate	Amount in Base Currency
Available	01/31/2020	01/01/2020	01/31/2020	1,021.98	CAD	Product (Line 1)	Product	01/01/2020	01/31/2020	1,021.98	0.861334	880.27
Available	02/29/2020	02/01/2020	02/29/2020	926.04	CAD	Product (Line 1)	Product	02/01/2020	02/29/2020	926.04	0.861334	823.47
Available	03/31/2020	03/01/2020	03/31/2020	1,021.98	CAD	Product (Line 1)	Product	03/01/2020	03/31/2020	1,021.98	0.861334	880.27

When you create a revenue recognition schedule before invoicing, the installments temporarily use the effective date on the customer contract to determine the currency rate. Workday also uses the effective date on the customer contract for the **Amount in Base Currency** calculation. Workday calculates the **Amount in Base Currency** by multiplying the **Revenue Amount** by the **Currency Rate**.

31. Click **OK**.
32. Click **Done**.
33. Access the billing schedule for Bluestar Corporation.
34. From the related actions menu of an installment, select **Billing Installment > Create Customer Invoice**.
35. Click **OK**.
36. Click **Refresh** until Workday generates the customer invoice.
37. From the related actions menu of the customer invoice drill-down, select **Accounting > View Accounting**.
38. On the **Journal Lines** tab, view these journal lines that Workday creates on the operational journal:

Ledger Account	Debit Amount	Credit Amount	Currency	Currency Rate	Ledger Debit Amount	Ledger Credit Amount	Ledger Currency
Accounts Receivable	1,088.75		CAD	0.861334	937.77		USD
Taxes Payable		88.75	CAD	0.861334		76.44	USD
Deferred Revenue		1,000	CAD	0.861334		861.33	USD

Workday updates the revenue recognition installments with the currency rate from the customer invoice. This method ensures that your billing and revenue recognition balances remain reconciled.

39. Access the revenue recognition schedule for Bluestar Corporation.
40. From the related actions menu of an installment, select **Revenue Recognition Installment > Create Revenue Recognition Accounting**.
41. Select the **Revenue Recognition Installments** check box.
42. Click **OK**.

43. Click **Refresh** until Workday generates the revenue recognition accounting.

44. Click the drill-down in the **Journal** column to view these journal lines that Workday creates on the operational journal:

Ledger Account	Debit Amount	Credit Amount	Currency	Currency Rate	Ledger Debit Amount	Ledger Credit Amount	Ledger Currency
Deferred Revenue	1,021.98		CAD	0.861328	880.26		USD
Revenue		1,021.98	CAD	0.861328		880.26	USD

Workday determines the **Currency Rate** by dividing the **Ledger Debit Amount** by the **Debit Amount**.

You can view reconciled foreign currency billing and revenue balances at the end of the period.

Concepts

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[Concept: Revenue Recognition Accounting](#) on page 766

Tasks

[Create Customer Contracts](#) on page 677

[Create Installment or Transaction Billing Schedules for Customer Contracts](#) on page 715

[Create Revenue Recognition Schedules for Customer Contracts](#) on page 733

[Create Customer Invoices for Billing Installments](#) on page 723

[Maintain Currency Conversion Rates](#)

Reference

[Reference: Revenue Recognition Currency Conversion Rates for Foreign Currency Customer Contracts](#) on page 744

Period End Revenue Accounting

Setup Considerations: Period End Revenue Accounting

You can use this topic to help make decisions when planning your configuration and use of period end revenue accounting. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

Period end revenue accounting enables you to create reclassification adjustments for deferred revenue balances on a customer contract. You can use period end accounting to adjust deferred revenue balances to zero when your company has:

- Deferred and accrued revenue adjustments deriving from multiple-element arrangements with revenue allocations.
- Foreign exchange gain or loss adjustments deriving from foreign currency customer contracts.

Business Benefits

Workday automates the accounting reconciliation process and improves reporting with period end accounting by enabling you to create reclassification adjustments for deferred revenue balances. Creating reclassification adjustments ensures that you properly relieve deferred revenue balances at the end of a customer contract term.

Use Cases

Use period end accounting to:

- Calculate the difference between billing and revenue recognition amounts that have different exchange rates.
- Reclassify deferred and accrued revenue balances for customer contracts that have multiple-element revenue allocations.
- Post operational journals for deferred, accrued, and asset and liability reclassifications.

Questions to Consider

Subjects	Questions	Considerations
Carve In/Carve Out Adjustments	How do you reclassify deferred and accrued revenue balances for customer contracts that have multiple-element revenue allocations?	You can create carve in/carve out adjustment journals to reclassify deferred and accrued revenue balances.
Carve In/Carve Out Adjustments	Where do your operational journals for deferred revenue reclassifications post?	Workday creates operational journals for deferred revenue among customer contract lines. When you use the same Deferred Revenue ledger account for each customer contract line, the journal posts to the same ledger account.
Carve In/Carve Out Adjustments	Where do your operational journals for accrued revenue reclassifications post?	Workday creates operational journals for unbilled receivables among customer contract lines. When you use the same Unbilled Receivables ledger account for each customer contract line, the journal posts to the same ledger account.
Carve In/Carve Out Adjustments	Which ledger accounts do you debit and credit for carve in/carve out adjustments?	Carve in/carve out adjustments impact these ledger accounts: • Deferred Revenue for customer contract lines with a deferred revenue treatment. • Unbilled Receivables for customer contract lines with an accrued revenue treatment. When the adjustment results in a:

Subjects	Questions	Considerations
		- Positive amount for the period, Workday credits the ledger account. - Negative amount for the period, Workday debits the ledger account.
Foreign Currency Adjustments	How do you account for foreign currency gain or loss amounts on a customer contract?	When there are billing and revenue recognition discrepancies due to conversion rates, you can create foreign currency adjustment journals to calculate the difference.
Foreign Currency Adjustments	Which ledger accounts do you debit and credit for foreign currency gain or loss?	Foreign currency adjustments impact these ledger accounts when you enable realized gain or loss as the offset account posting rule in the foreign currency adjustment rules: - Realized Currency Gain - Realized Currency Loss When the adjustment results in a: - Positive amount for the period, Workday credits the Realized Currency Gain ledger account. - Negative amount for the period, Workday debits the Realized Currency Loss ledger account.
Foreign Currency Adjustments	Which ledger accounts do you debit and credit for foreign currency revenue?	Foreign currency adjustments impact the Revenue ledger account when you enable revenue as the offset account posting rule in the foreign currency adjustment rules. When the adjustment results in a: - Positive amount for the period, Workday credits the ledger account. - Negative amount for the period, Workday debits the ledger account.
Customer Contract Asset and Liability Reclassifications	Where do operational journals for customer contract asset and liability reclassifications post?	When the customer contract has more revenue recognized than billed, Workday creates operational journals that: Debit the Unbilled Receivables ledger account.

Subjects	Questions	Considerations
		Credit the Deferred Revenue ledger account. Workday also reverses the operational journal on the first day of the next period.

Recommendations

When many customer contracts require foreign currency adjustments, Workday recommends that you schedule the creation of adjustment journals to reduce manual effort.

Requirements

Features	Considerations
Account Posting Rules	To configure account posting rules for foreign currency adjustments, create customer contract foreign currency adjustment rules.
Customer Contract Lines	When you create a multiple-element arrangement, you must have at least 2 customer contract lines with a deferred or accrued revenue treatment.

Limitations

Features	Considerations
Accounting Periods	You can only create period end adjustments for open ledger periods.
Linked Customer Contracts	Workday excludes parent customer contracts and linked customer contracts from adjustments when: - The transaction currency of the linked customer contracts doesn't match the transaction currency of the parent customer contract. - The base currency of the linked customer contracts doesn't match the base currency of the parent customer contract. - The linked customer contracts have different transaction or base currencies. Workday doesn't support parent customer contracts or linked customer contracts on asset and liability reclassification journals.
Prepaid Customer Contracts	With period end revenue accounting, Workday: - Excludes prepaid billing schedule types. - Supports customer contracts with prepaid line types. - Supports prepaid lines on consolidated billing schedules.

Features	Considerations
Variable Line Customer Contracts	Workday excludes all customer contracts with variable line types from carve in/carve out adjustments.
Customer Contract Asset and Liability Reclassification Journals	When you rerun the reclassification process, Workday cancels existing reclassification journal entries for the company, year, and period when the process completes. When you enable the business process, Workday cancels the reclassification journal entries when you complete the final approval.
Worktag Balancing	Workday doesn't support worktag balancing for carve in/carve out adjustment journals.

Tenant Setup

In the Customer Contracts Options section on the **Edit Tenant Setup - Financials** task, select the **Include Closed Revenue Recognition Installments in Period-End Revenue Accounting** check box to include closed installments in the total revenue recognized amount calculation.

Security

Domains	Considerations
<i>Process: Billing Schedule - Core</i> in the Customer Contracts and Project Billing functional areas.	Create billing schedules for customer contracts.
<i>Process: Revenue - Adjustments</i> in the Customer Contracts and Project Billing functional areas.	- View accounting for contract asset and liability reclassifications. - View accounting for customer contract adjustments.
<i>Reports: Financial Accounting</i> in the Financial Accounting functional area.	View reports for ledger details.
<i>Set Up: Revenue - Adjustments</i> in the Customer Contracts and Project Billing functional areas.	- Create, edit, and view foreign currency adjustment rules for customer contracts. - Create foreign currency adjustment account posting rules.
<i>Set Up: Tenant Setup - Financials</i> in the System functional area.	Include closed revenue recognition installments in the total revenue recognized amount calculation.

Business Processes

Business Processes	Considerations
<i>Carve In Carve Out or Foreign Currency Adjustment Journal Event</i>	Create and approve carve in/carve out and foreign currency adjustment journals.
<i>Customer Contract Asset and Liability Reclassification Journal Event</i>	Create and approve customer contract asset and liability reclassification journals.
<i>Customer Contract Event</i>	Create and approve customer contracts.

Business Processes	Considerations
<i>Revenue Recognition Schedule Event</i>	Create and approve revenue recognition schedules.

Reporting

Reports	Considerations
Customer Contract Asset and Liability Reclassification Lines for Contract Lines	View and drill into asset and liability reclassification lines for customer contract lines.
Find Carve In/Carve Out Adjustment Journals	View and drill into carve in/carve out adjustment journals.
Find Carve In/Carve Out Adjustment Runs	View and drill into carve in/carve out adjustment runs.
Find Customer Contract Asset and Liability Reclassification Journals	View and drill into asset and liability reclassification journals for customer contracts.
Find Customer Contract Foreign Currency Adjustment Journals	View and drill into foreign currency adjustment journals for customer contracts.
Find Customer Contract Foreign Currency Adjustment Runs	View and drill into foreign currency adjustment runs for customer contracts.
Find Journals	View journals by year and period.
Intercompany Payables and Receivables Reconciliation	View intercompany transactions associated with carve in/carve out adjustment journals for on-behalf intercompany contracts.
Ledger Detail	View a summary of ledger balances by year and period.
View Customer Contract Foreign Currency Adjustment Rule	View foreign currency adjustment rules for customer contracts.

You can use these report data sources to create custom reports that display adjustment information:

- **Carve In Carve Out Adjustment Lines**
- **Customer Contract Adjustment Runs**
- **Customer Contract Adjustments**
- **Customer Contract Asset and Liability Reclassification Line for Contract Lines**
- **Customer Contract Asset and Liability Reclassification Lines**
- **Customer Contract Fx Adjustment Lines**

Integrations

Web Services	Considerations
<i>Put Ad Hoc Project Transaction</i>	Use to include closed billable transactions in the total billed amount calculation.
<i>Put Usage Based Transaction</i>	Use to include closed billable transactions in the total billed amount calculation.
<i>Submit Billing Schedule</i>	Use to include closed billing installments in the total billed amount calculation.

Connections and Touchpoints

Features	Considerations
Customer Contracts	Create revenue recognition schedules for period end accounting.
Financial Accounting	Create operational journals for period end accounting.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Reference

[Reference: Edit Tenant Setup - Financials](#)

[Reference: Period End Revenue Accounting Reclassification Calculations](#) on page 767

[2020R1 What's New Post: Carve In or Carve Out and Foreign Currency Adjustments](#)

[The Next Level: Recognizing Revenue by Contract Asset \(Unbilled Receivables\)](#)

[The Next Level: Carve-In/Carve-Out and Foreign Currency Adjustments](#)

Steps: Reclassify Customer Contract Assets and Liabilities

Review setup considerations for period end revenue accounting.

You can configure Workday to manage your period end accounting to adjust deferred revenue balances to zero when your company has:

- Deferred and accrued revenue adjustments deriving from multiple-element arrangements with revenue allocations.
- Foreign exchange gain or loss adjustments deriving from foreign currency customer contracts.

When you run period end accounting, Workday creates an operational journal:

- In the period selected.
- Reversal at the beginning of the next period.

Workday doesn't calculate or post accruals or reversals that relate to linked contracts or prepaid schedules.

1. (Optional) Access the **Edit Tenant Setup - Financials** task.

Select the **Include Closed Revenue Recognition Installments in Period-End Revenue Accounting** check box to include closed revenue recognition installments in the total revenue recognized amount calculation.

See [Reference: Edit Tenant Setup - Financials](#).

Security: *Set Up: Tenant Setup - Financials* in the System functional area.

2. (Optional) [Set Up Account Posting Rules](#) on page 69.

Select:

a. *Reclassification* from the **Dimension** prompt.

b. *Customer Contract Asset and Liability* from the **Values** prompt for these ledger accounts:

- *Deferred Revenue*
- *Unbilled Receivables*

3. Access the **Maintain Journal Source Mapping to Operational Transactions** task.
To post operational journals, select *Customer Contract Asset and Liability Reclassification* from the **Customer Contract Asset and Liability Reclassification Journal Entry Source** prompt.
Security:
 - *Set Up: Journal Source* domain in the Common Financial Management functional area.
 - *Set Up: Payroll - Company Specific (Accounting)* domain in the Core Payroll functional area.
4. (Optional) [Configure Worktag Balancing Rule Sets for Transaction Journals](#) on page 263.
When you use worktag balancing, select an option from the **Default Worktag for Customer Contract Asset and Liability Reclassification** prompt to balance your operational journals.
Note: Carve in/carve out adjustment tasks don't support worktag balancing.
5. [Create Customer Contracts](#) on page 677.
Add at least 1 contract line with an *Accrued* or *Deferred* revenue treatment.
6. (Optional) Access the **Maintain Schedule Types** task.
When you want to create a consolidated billing schedule, enable consolidated billing for a schedule type.
Security: *Set Up: Customer Contracts - Templates and Types* domain in the Customer Contracts and Project Billing functional areas.
7. Create a billing schedule for the customer contract.
See:
 - [Create Consolidated Billing Schedules for Customer Contracts](#) on page 712
 - [Create Installment or Transaction Billing Schedules for Customer Contracts](#) on page 715
8. [Create Revenue Recognition Schedules for Customer Contracts](#) on page 733.
9. [Create Customer Invoices for Billing Installments](#) on page 723.
10. Access the **Create Revenue Recognition Accounting** task.
Create accounting for the relevant revenue recognition installments.
Configure the *Revenue Recognition Installment Event* business process and security policy in the Customer Contracts and Project Billing functional areas.
11. (Optional) Access 1 of these tasks to reclassify deferred revenue balances for customer contracts that have multiple-element revenue allocation:
 - **Create Carve In/Carve Out Adjustment Journal**
 - **Schedule Carve In/Carve Out Adjustment Journal**Workday creates an operational journal to post the reclassification.
Configure the *Carve In Carve Out or Foreign Currency Adjustment Journal Event* business process and security policy in the Customer Contracts and Project Billing functional areas.
12. (Optional) Access the **Create Customer Contract Foreign Currency Adjustment Rule** task.
Define account posting rules and worktags for foreign currency adjustments.
Security: *Set Up: Revenue - Adjustments* domain in the Customer Contracts and Project Billing functional areas.

13.(Optional) Access 1 of these tasks to calculate the difference between your billing and revenue recognition based on transaction periods and exchange rates:

- **Create Customer Contract Foreign Currency Adjustment Journal**
- **Schedule Customer Contract Foreign Currency Adjustment Journal**

Workday creates an operational journal based on the rules that you define for your adjustments.

When there's a prepaid balance in base currency after you fully apply prepaid amounts due to the exchange rate differences between your prepaid invoice and the consumption invoices, Workday adjusts the amount when you complete 1 of the tasks. Workday only adjusts amounts for:

- Customer contracts with prepaid line types.
- Prepaid lines on consolidated billing schedules.

Configure the *Carve In Carve Out or Foreign Currency Adjustment Journal Event* business process and security policy in the Customer Contracts and Project Billing functional areas.

14.Access 1 of these tasks to create asset and liability reclassification journals:

- **Create Customer Contract Asset and Liability Reclassification Journal**
- **Schedule Customer Contract Asset and Liability Reclassification Journal**

Configure the *Customer Contract Asset and Liability Reclassification Journal Event* business process and security policy in the Customer Contracts and Project Billing functional areas.

Workday uses the revenue treatment and account posting rules to debit or credit your *Deferred Revenue* and *Unbilled Receivables* ledger accounts.

Use these reports to view your reclassification journals:

- **Find Journals**
- **Find Customer Contract Asset and Liability Reclassification Journals**

Concepts

[Setup Considerations: Period End Revenue Accounting](#) on page 756

[Concept: Revenue Recognition Accounting](#) on page 766

Reference

[Reference: Period End Revenue Accounting Reclassification Calculations](#) on page 767

[W32 What's New Post: Automatically Reclassify Customer Contract Assets and Liabilities](#)

[2020R1 What's New Post: Carve In or Carve Out and Foreign Currency Adjustments](#)

[The Next Level: Recognizing Revenue by Contract Asset \(Unbilled Receivables\)](#)

[The Next Level: Carve-In/Carve-Out and Foreign Currency Adjustments](#)

Steps: Configure Derivation Rules for Billable Supplier Invoices

Create a billable:

- Project.
- Supplier invoice associated with a company that's different from the project company.

You can configure revenue company derivation rules to post accounting for billable supplier invoices using the project company or the supplier invoice line company. Workday posts accounting for billable supplier invoices using the supplier invoice line company when you don't configure derivation rules. When you create a billable supplier invoice associated with a company that's different from the project company, Workday creates on-behalf-of intercompany transactions.

1. [Configure Project Cost and Revenue in Project Hierarchies](#) on page 794.

Select 1 of these options from the **Revenue Company is from** prompt:

- *Project* to post revenue for billable supplier invoices using the company on the project.
- *Supplier Invoice Line* to post revenue for billable supplier invoices using the company on the supplier invoice line.

2. [Create Customer Contracts](#) on page 677.

The company on the customer contract must be the same as the company on the project.

3. (Optional) [Create Installment or Transaction Billing Schedules for Customer Contracts](#) on page 715.

When the line type on the customer contract line is *Project Time and Expense*, create a transaction billing schedule. The company on the billing schedule must be the same as the company on the project.

Select *Transaction* from the **Billing Type** prompt.

4. (Optional) [Create Consolidated Billing Schedules for Customer Contracts](#) on page 712.

When the customer contract has different line types that you want to include on 1 billing schedule, create a consolidated billing schedule. The company on the billing schedule must be the same as the company on the project.

Select a schedule type enabled for consolidated billing from the **Schedule Type** prompt.

5. (Optional) [Create Revenue Recognition Schedules for Customer Contracts](#) on page 733.

When the revenue treatment on the customer contract line is *Accrued* or *Deferred*, create a revenue recognition schedule. The company on the revenue recognition schedule must be the same as the company on the project.

Select:

- *Transaction* from the **Revenue Recognition Method** prompt.
- The **Independent Revenue Processing** check box.

6. (Optional) Access the **Create Customer Invoices for Billable Transactions** task.

When you use a transaction billing schedule, create customer invoices for billable transactions.

Security:

- *Process: Billing - Invoicing* domain in the Customer Contracts and Project Billing functional areas.
- *Process: Project Billing - Invoicing* domain in the Project Billing functional area.

7. (Optional) [Create Customer Invoices for Consolidated Billing](#) on page 724.

When you use a consolidated billing schedule, create customer invoices for consolidated billing.

8. (Optional) [Create Revenue Installments for Billable Transactions](#) on page 739.

When the revenue treatment on the customer contract line is *Accrued* or *Deferred*, create revenue installments for billable transactions.

9. (Optional) Access the **Create Revenue Recognition Accounting** task.

When the revenue treatment on the customer contract line is *Accrued* or *Deferred*, create revenue recognition accounting.

Configure the *Revenue Recognition Installment Event* business process and security policy in the Customer Contracts and Project Billing functional areas.

When the revenue treatment on the customer contract line is:

- *Invoice*, Workday posts accounting at the time of invoicing. Workday posts revenue accounting for the customer invoice lines using the company derivation rules that you configure for billable supplier invoices. When the company on the customer invoice line is different from the company on the header, Workday creates intercompany accounting.
- *Accrued* or *Deferred*, Workday posts accounting at the time of revenue recognition accounting. Workday posts revenue accounting for the installment lines using the company derivation rules that you configure for billable supplier invoices. When the company on the installment line of the revenue recognition schedule is different from the company on the header, Workday creates intercompany accounting.

Tasks

[Create Projects](#) on page 838

[Create Supplier Invoices](#) on page 1173

Concept: Revenue Recognition Accounting

You can create revenue recognition accounting for your revenue installments using these tasks:

- **Create Revenue Recognition Accounting**
- **Schedule Revenue Recognition Accounting**

Revenue Recognition Accounting

When you create accounting, Workday:

- Ignores revenue installments with pending milestones.
- Posts accounting from the account posting rules that you define for revenue and deferred revenue.
- Processes revenue recognition installments individually, or in batches.

Workday then:

- Initiates the *Revenue Recognition Installment Event* business process and routes the accounting for approval.
- Posts the accounting created for each installment in the relevant period, using the installment date as the accounting date.

When you schedule accounting using the earliest open accounting period, Workday generates accounting based on the earliest open period even when more than 1 period is open.

Workday displays the amount in base currency and the currency conversion rate on the completed installment lines when you:

- Cancel completed installments that have accounting.
- Create new revenue recognition schedules with foreign currency and complete installments.
- Generate revenue recognition accounting.

When you create operational journal lines, Workday uses the currency conversion rate that you specify on the **Create Revenue Recognition Schedule for Customer Contract** task to display the actual currency rate for foreign currency installment lines. Once you generate accounting, the currency conversion rate on the installment lines matches the currency conversion rate on the operational journal lines.

You can use the **Find Journals** report to ensure that the accounting posts correctly.

When you update usage-based transactions for which you created revenue recognition accounting, you must:

- Cancel any existing revenue recognition accounting.
- Create new revenue recognition accounting.

Intercompany Revenue Recognition Accounting

Workday creates intercompany accounting when:

- You configure worktag derivation rules for time or expense transactions on a project hierarchy.
- The line company on the customer contract differs from the project or worker company.

For foreign currency customer contracts, Workday uses the contract effective date to post intercompany accounting for the contract line company and the project or worker company when you:

- Configure worktag derivation rules for time or expense transactions on a project hierarchy.
- Select *Contract Effective Date* as the default currency rate on the **Create Revenue Recognition Schedule for Customer Contract** task. You can only configure the currency conversion rate on new revenue recognition schedules with foreign currency.

Tasks

[Create Customer Invoices for Consolidated Billing](#) on page 724

[Create Revenue Recognition Schedules for Customer Contracts](#) on page 733

[Steps: Reclassify Customer Contract Assets and Liabilities](#) on page 762

[Steps: Set Up Prepaid Billing Using Consolidated Billing Schedules](#) on page 706

Reference

[2022R2 What's New Post: Currency Conversion Rates for Revenue Recognition](#)

Reference: Period End Revenue Accounting Reclassification Calculations

Closed Installments and Transactions in Period End Revenue Accounting Calculations

To include closed:

- Billable transactions in the total billed amount calculation, use the *Put Ad Hoc Project Transaction* and *Put Usage Based Transaction* web services.
- Billing installments in the total billed amount calculation, use the *Submit Billing Schedule* web service.
- Revenue recognition installments in the total revenue recognized amount calculation, select the **Include Closed Revenue Recognition Installments in Period-End Revenue Accounting** check box on the **Edit Tenant Setup - Financials** task.

Carve In and Carve Out Reclassification Calculations

Revenue Treatment	Criteria	Calculation
<i>Accrued</i>	Customer contract lines have revenue allocation.	Workday creates an operational journal that: • Debits the Unbilled Receivables ledger account for negative amounts. • Credits the Unbilled Receivables ledger account for positive amounts.
<i>Deferred</i>	Customer contract lines have revenue allocation.	Workday creates an operational journal that: • Debits the Deferred Revenue ledger account for negative amounts. • Credits the Deferred Revenue ledger account for positive amounts.

Customer Contract Foreign Currency Reclassification Calculations

Revenue Treatment	Criteria	Calculation
<i>Accrued and Deferred</i>	Billing and revenue recognition have discrepancies in base currency amounts due to foreign currency conversion rates.	When you enable realized gain or loss as the offset account posting rule in the foreign currency adjustment rules, Workday creates an operational journal that: • Debits the Realized Currency Loss ledger account for negative amounts.

Revenue Treatment	Criteria	Calculation
		• Credits the Realized Currency Gain ledger account for positive amounts. When you enable revenue as the offset account posting rule in the foreign currency adjustment rules, Workday creates an operational journal that: • Debits the Revenue ledger account for negative amounts. • Credits the Revenue ledger account for positive amounts.

Customer Contract Asset and Liability Reclassification Calculations

Revenue Treatment	Criteria	Calculation
<i>Accrued</i>	Billed amount is greater than recognized revenue amount.	Workday: 1. Subtracts the total recognized revenue amount from the total billed amount. 2. Creates an operational journal using the difference to debit the Unbilled Receivables ledger account and credit the Deferred Revenue ledger account. 3. Creates a reversal operational journal that credits the Unbilled Receivables ledger account and debits the Deferred Revenue ledger account in the next period.
<i>Accrued</i>	Recognized revenue amount is greater than billed amount.	No reclassification occurs.
<i>Deferred</i>	Billed amount is greater than recognized revenue amount.	No reclassification occurs.
<i>Deferred</i>	Recognized revenue amount is greater than billed amount.	Workday: 1. Subtracts the total billed amount from the total recognized revenue amount. 2. Creates an operational journal using the difference to debit the Unbilled Receivables ledger account and credit the Deferred Revenue ledger account. 3. Creates a reversal operational journal that credits the

Revenue Treatment	Criteria	Calculation
		Unbilled Receivables ledger account and debits the Deferred Revenue ledger account in the next period.
<i>Accrued and Deferred</i>		Workday: 1. Calculates reclassification for all <i>Accrued</i> contract lines. 2. Calculates reclassification for all <i>Deferred</i> contract lines. 3. Calculates the total from steps 1 and 2. 4. Creates an operational journal using the total to debit the Unbilled Receivables ledger account and credit the Deferred Revenue ledger account. 5. Creates a reversal operational journal that credits the Unbilled Receivables ledger account and debits the Deferred Revenue ledger account in the next period.

Concepts

[Setup Considerations: Period End Revenue Accounting](#) on page 756

Tasks

[Steps: Reclassify Customer Contract Assets and Liabilities](#) on page 762

Reference

[2020R1 What's New Post: Carve In or Carve Out and Foreign Currency Adjustments](#)

[The Next Level: Recognizing Revenue by Contract Asset \(Unbilled Receivables\)](#)

[The Next Level: Carve-In/Carve-Out and Foreign Currency Adjustments](#)

ASC 606/IFRS 15

Steps: Compare Revenue Allocation Scenarios

Revenue recognition rules require companies to present comparative financial statements using the new ASC 606 revenue standards. You can create revenue allocation scenarios to compare and display in reports.

1. [Create Revenue Allocation Rules](#) on page 770.

2. From the **Maintain Revenue Allocation Scenarios** report, click the **Create Contract Set** button to access the **Create Customer Contract Set** task.

Enter a name for the contract set, or replace the contracts in an existing set with the contracts you select.

Security: These domains in the Customer Contracts and Project Billing functional areas:

- *Process: Alternate Customer Contract*
- *Process: Customer Contract - View*
- *Process: Revenue - Allocations*

3. Access the **Maintain Revenue Allocation Scenarios** report.

Set up unique combinations of contract sets and revenue allocation rules to compare in your scenarios.

Security: These domains in the Customer Contracts and Project Billing functional areas:

- *Process: Alternate Customer Contract*
- *Process: Revenue - Allocations*

You can compare revenue allocation scenarios for your contract sets.

View your revenue scenario reports on the **Revenue Scenario Tool** dashboard.

Reference

[The Next Level: ASC 606 | IFRS 15 Conversion](#)

Create Alternate Contracts

Security: *Process: Customer Contract - View* domain in the Customer Contracts and Project Billing functional areas.

The Accounting Standards Codification (ASC) Topic 606 and International Financial Reporting Standard (IFRS) 15 revenue recognition rules require companies to present comparative financial statements. You can create alternate contracts to model out your revenue in the old standard or new standard, based on your business transition plan.

1. Access the **Manage Customer Contract for Revenue Scenario** task.
2. Select the customer contracts that you want to replicate as alternate contracts.

You replicate the selected customer contracts as alternate contracts. Alternate contracts enable you to model revenue scenarios without altering your actual customer contracts.

You can run multiple-element revenue allocations on your alternate contracts, similar to how you would run allocations on your customer contracts.

Reference

[The Next Level: ASC 606 | IFRS 15 Conversion](#)

Create Revenue Allocation Rules

Security: *Set Up: Revenue - Allocations* domain in the Customer Contracts and Project Billing functional areas.

You can create revenue allocation rules that enable you to compare scenarios of your revenue allocations and display them in reports. These scenarios and reports help you comply with the new Revenue Recognition rules.

1. Access the **Create Revenue Allocation Rule** task.
2. As you complete this task, consider:

Option	Description
Allocation Basis	You can define how revenue is allocated according to your Fair Value Price List .

Option	Description
	Depending on which option you select, Workday will automatically allocate the revenue according to the percentages you define. The lower and upper ranges are calculated based off of the Lower Range Percentage and the Upper Range Percentage percentages and the Fair Value Price List .
Fair Value Price List	You can select a Fair Value Price List to define the standard selling price for an item. You can define Fair Value Price Lists in Workday using the Maintain Fair Value Price List report.
Do Not Auto-Allocate Revenue	Select this check box if you don't want Workday to calculate revenue override amounts for all contract lines. You'll be able to calculate the Revenue Override Amount by selecting Run Allocation process on the Run Multiple-Element Revenue Allocation task.

3. (Optional) Create an **Override Revenue Allocation Rule** for each company that requires a separate revenue allocation rule.

The rules that you create populate revenue allocation information for your companies.

- Create customer contract sets.
- Create revenue allocation scenarios.

Concept: Alternate Contracts

Revenue recognition rules Accounting Standards Codification (ASC) Topic 606 and International Financial Reporting Standard (IFRS) 15 require you to present comparative financial statements. You can replicate your customer contracts as alternate contracts. Alternate contracts enable you to model your revenue based on the current standard or the new standard, for your business transition plan without altering your actual contracts.

Alternate Contract Business Process

You can manage your new and updated alternate contracts using the *Customer Contract Alternate Event* business process to route for approval.

Alternate Linked Contracts

You can associate multiple related contracts with a single parent contract. With linked contracts, you can consolidate all of your revenue in a common currency, display it in a single report, and reallocate revenue across the linked contracts.

- With fair value (FV) price lists, you can perform multiple-element revenue allocations through mass action using the **Manage Alternate Customer Contract** report.
- Without FV price lists, access the **Create Multiple-Element Revenue Allocation** task to carve in or carve out your contract lines.

Alternate Book Codes

You can create alternate book codes using the **Maintain Book Codes** task and book accounting from your alternate contracts. This accounting includes:

- Reversal entries from the original contracts under ASC 605.
- Accounting entries under ASC 606.

Alternate Contract Accounting

You can post journal entries by period using the **Manage Alternate Customer Contract** report. You can select the original contract offset entries, the alternate contract entries, or both.

Reference

[Workday 31 What's New Post: Manage Alternate Customer Contracts](#)

[The Next Level: ASC 606 | IFRS 15 Conversion](#)

Concept: Revenue Scenario Tool Dashboard

Workday helps you comply with the ASC 606 and IFRS 15 standards. The **Revenue Scenario Tool** dashboard provides quick access to tasks and reports that enable you to see the impact of the new requirements on your historical data.

You can configure the **Revenue Scenario Tool** dashboard with the **Maintain Dashboards** task.

Revenue Scenario Reports

You can use several reports to compare revenue allocation based on the rules you configure on the **Create Revenue Allocation Rule** task, including:

- **Contract Scenario Comparison**
- **Contract Scenario Comparison by Revenue Category**
- **Contract Scenario Revenue Trend**
- **Contract Scenario Scheduled Revenue**

For a complete list with report descriptions, access **Workday Standard Reports**, and select the *Customer Accounts* report category.

Preparing Revenue Scenarios

To prepare your revenue scenarios, you can run these reports and tasks from the dashboard:

- **Create Revenue Allocation Rule** task.
- **Maintain Fair Value Price List** report.
- **Maintain Revenue Allocation Scenarios** report.
- **Manage Customer Contract for Revenue Scenario** report.

Concept: Opportunities

Workday works with Salesforce.com to provide revenue and cost management capabilities during the opportunity stage of the revenue cycle. Our Opportunity functionality completes the Lead-to-Cash process using the Financial Management Connector for Salesforce integration. It enables you to track and analyze cost to close for an opportunity by tagging it with sales expenses and purchases. It eases customer billing automation by triggering invoices from won opportunities. Opportunity sends useful customer information, such as balance and payment details, to Salesforce.com for use by sales representatives.

Opportunity Reports

These reports can help you track opportunities and cost to close in Workday:

- **Opportunities**
- **Find Opportunities**
- **Opportunities and Employee Expenses**
- **Opportunity Statuses**
- **Invoices for Salesforce Opportunities**

Concepts

[Concept: Financial Management Connector for Salesforce](#)

Concept: Revenue Dashboard

The Revenue Dashboard enables you to view and drill into your revenue information. It provides you with access to multiple revenue reports, including the:

- **Budget vs. Actuals by Revenue Category** report.
- **Contract Value by Region** report.
- **Top 10 Customers by Revenue** report.

You can use the **Maintain Dashboards** task to configure the Revenue Dashboard. You can also add the Revenue Dashboard as a worklet to your Home page for quick access.

Concept: Workday Revenue

Workday Revenue helps you manage all aspects of revenue from customer creation to sales. Workday Revenue works with your CRM solution to complete the opportunity-to-cash business process, including:

- Creating customers.
- Recording customer contracts.
- Billing and invoicing.
- Account receivables and cash receipts.
- Recognizing revenue.
- Providing customer and revenue analytics.

When you sell items to your customers, you can use Workday to:

- Manage the invoices and sales terms.
- Record customer payments and cash sales.
- Make deposits.
- Record invoice adjustments.
- Write off bad debt.
- Place overpayment balances on account.
- Create refunds for invoice adjustments and on account balances.

You can track and analyze your customer account data anytime throughout the cycle. Fundamental integration points give you further flexibility to manage customer revenue.

Create Customers

You can:

- Create customers in Workday to manage your customer accounts.
- Enable suppliers, financial institutions, and tax authorities that you've already configured in Workday to be customers.
- Use the Financial Management Connector for Salesforce integration to generate customer requests automatically in Workday and route the requests to administrators for approval.

Create Customer Invoices

To record your sales and create receivables, you can use customer invoices. Triggers for invoice creation include:

- The shipment of physical goods.
- The delivery of services.
- The billing schedule for an ongoing project, subscription, or membership.

You can print invoices to send to customers as necessary. Unpaid invoices for credit card and direct debit become available for selection in Workday settlement processing.

Retention for Customer Invoices

You can:

- Withhold a portion of a customer invoice, enabling you to use billing schedules for retention tracking, and reducing manual entry errors.
- Post the accounting for the retained amounts from invoices to different ledger accounts using a new posting rule.
- Support multiple types of billing schedules, including transaction and installment billing.
- Release all or a portion of the retention balances by contract line for invoicing, when your contract meets the requirements.

Record Payments

The flow of customer payments depends on the payment type.

For customers with accounts in Workday to pay by credit card or direct debit, the unpaid invoices become inbound transactions that you can pay with a settlement run. As part of settlements, you can authorize and capture credit card payments through the CyberSource integration. The settlement run also generates and sends an ACH file to your bank for direct debit payments.

For customers using check, cash, or manual payment methods, you can record the customer payment transaction. Then you can deposit the customer payment transaction either as part of the payment recording, or later. You can also record an ad hoc credit card payment, but you must then capture the payment through a settlement run.

On Account Balances

If a customer overpays, you can keep the extra money on-account. You can then apply this balance to subsequent invoices, or create a refund.

Create Refunds

You can issue refunds to customers for invoice adjustments where you owe them money, and for on-account balances.

Deposit Payments

You can select which payments to deposit for a company, and deposit into specific bank accounts. Customer payments available for deposit can come from:

- Cash sales.
- Check, cash, or manual payments that you record.
- Credit card and direct debit payments that you complete through Workday settlement processing.

Integrations

Workday Revenue includes these integrations to load data from third parties:

- Financial Management Connector for Salesforce: Enables you to:
 - Import selected sales data from your Salesforce.com tenant into Workday.
 - Display Workday customer activity data in Salesforce tenant.

When you convert an opportunity into an account, the connector syncs the account to a Customer in Workday so that you can view the Workday transactions in Salesforce tenant. If there's a billing schedule attached to the opportunity, Workday can create invoices according to that schedule.

- CyberSource: Enables you to authorize and capture credit card payments in Workday. When you create customers in Workday, you can send data for customer credit cards to CyberSource. You then receive a secure token to mask credit card information for that customer. Workday uses these secure tokens when you settle credit card payments in Workday Cash Management.
- Electronic Invoice Connector: Enables you to create custom configuration so that you can send invoice data electronically to external entities in XML format to meet local government requirements. You can also receive acknowledgments sent back by external entities.
- Customer Payment Lockbox: Enables you to import Bank Administration Institute (BAI) lockbox data into Workday-defined file format. The file includes multiple types of records. Some records include subrecords.

Concepts

[Concept: Financial Management Connector for Salesforce](#)

Tasks

[Create Customer Invoices](#) on page 524

[Record Cash Sales](#) on page 619

[Record Customer Payments](#) on page 579

[Deposit Customer Payments](#) on page 621

Reference: Revenue Reports

You can access these reports to view and drill into revenue details for greater insight into your organization.

Report	Description	Security
Budget vs. Actual by Revenue Category	Enables you to review how your organization is performing against the budget in particular revenue categories.	<i>Report Execution</i> in the Tenant Non-Configurable functional area.
Contract Booking, Billing, and Revenue	Enables you to chart your total bookings, billings, and revenue recognition amounts to date for each revenue category.	<i>Reports: Revenue</i> domain in the Customer Contracts and Project Billing functional areas.
Contract Value by Business Unit	Enables you to chart the current contract amount, amount billed to date, and revenue recognized to date. You can also organize all business unit information by the effective date of the contract.	<i>Process: Customer Contract - View</i> domain in the Customer Contracts and Project Billing functional areas.
Contract Value by Region	Enables you to chart the number of contracts by the: • Amount remaining to bill. • Region. • Total amount billed.	<i>Process: Customer Contract - View</i> domain in the Customer Contracts and Project Billing functional areas.

Report	Description	Security
	Value of each contract.	
Deferred Revenue By Contract Report	Enables you to view and correct revenue records without worktags.	<i>Reports: Revenue</i> domain in the Customer Contracts and Project Billing functional areas.
Deferred Revenue Roll-Forward	Enables you to view beginning balances, activity by journal source, and ending balances by customer for the period you select.	<i>Report Execution</i> in the Tenant Non-Configurable functional area.
Deferred Revenue Scheduled Activity	Enables you to calculate the ending balances that you can expect for future periods based on scheduled billing and revenue recognition activity.	<i>Report Execution</i> in the Tenant Non-Configurable functional area.
Revenue Forecast	Enables you to view activity for contract and invoice lines for: - Completed revenue recognition. - Expected revenue recognition. - Scheduled revenue recognition.	<i>Report Execution</i> in the Tenant Non-Configurable functional area.
Revenue Trend by Category	Enables you to select the revenue accounts and chart the revenue for each revenue category trending over a calendar quarter.	<i>Reports: Financial Accounting</i> domain in the Financial Accounting functional area.
Top 10 Customers by Revenue	Enables you to view the top 10 customers based on revenue for the current year to date.	<i>Reports: Financial Accounting</i> domain in the Financial Accounting functional area.

Concepts

[Concept: Revenue Dashboard](#) on page 773

[Concept: Revenue Recognition](#) on page 740

Projects

Steps: Configure Projects

Workday Projects enables you to:

- Define work that aligns with strategic company and individual goals.
- Unify your human resources, financial, and spend information.
- Track project costs and progress using worker logged time and project spending.
- Analyze business results to make adjustments, or gain further insight for future planning.
- Find and compare workers to staff your projects, with clear insight into their availability.

1. (Optional) Create initiatives to align your projects and nonproject work with an individual or organization goal.
See [Steps: Set Up Initiatives](#) on page 978.
2. (Optional) [Create Basic Project Worktags](#) on page 836.
Create basic projects that function solely as worktags for your financial transactions and payroll entries.
3. Set up the Projects infrastructure.
See [Steps: Set Up Projects Infrastructure](#) on page 788.
4. Build out your projects.
See [Steps: Build Projects](#) on page 821.
5. (Optional) Set up capitalization for the project.
See [Steps: Configure Project Capitalization](#) on page 949.
6. (Optional) Compare different combinations of resources and determine their optimal distribution.
See [Steps: Set Up Project Scenarios](#) on page 975.
7. (Optional) Access the **Maintain Work Functions** task.
Configure the nonproject work for your organization.
Security: *Set Up: Job* domain in the Jobs & Positions functional area.
8. (Optional) Create and approve project ideas.
See [Steps: Set Up Project Ideas](#) on page 980.

Concept: Workday Projects

Workday Projects enables you to:

- Plan and track your work.
- Integrate your projects with Workday Human Capital Management and Financial Management.
- Use worker attributes and organizations when you configure and manage your projects.

Workday supports these types of projects:

Project Type	Use
Basic	Basic projects function solely as worktags on financial transactions and payroll entries. They don't contain detailed project information.
Nonbillable	Internal projects that don't invoice customers for work done on the project. With nonbillable projects you can: • Divide work into phases and tasks. • Assign workers and unnamed resources. • Track costs and spending.
Billable	Projects with customer contracts, invoices, and billing. When you use billable projects with Workday Revenue and Project Billing, you can: • Define billing rates and create contract rate sheets by project role. • Define billing rate rules for automatic billing. • Define hourly billing rates by job profile and project role.

Project Type	Use
	- Recognize revenue for projects based on the percent complete accounting method. - Invoice your customers for billable time and expense transactions.
Capital	Projects with cost transactions. You can record and manage the costs as long-term assets within the project. Doing so delays the recognition of these costs until you're ready to capitalize the costs into capital business assets.
Opportunity	Sales opportunities that you can later convert into a project. You can use opportunities to: - Prioritize resources and make staffing decisions based on the probability of the sale. - Create project plans and generate forecasts. - Generate financial reports and view the estimated profit. When you sell an opportunity project, you can convert it using the Convert Opportunity Project to Project task.

Uses for Workday Projects

Alignment

You can define company goals and communicate how you're going to achieve them. Defining these goals ensures that the work in your organization lines up with the goals of your organization.

- Use initiatives to align your projects and nonproject work with company goals. Initiatives describe how you're going to achieve your goals.
- Use projects and nonproject work to take concrete steps toward your goal. Workers can log their time and effort, and you can track spend costs versus estimated budget.

Planning

You can determine an optimum resource distribution by analyzing labor costs and availability for allocating your resources.

- Use Idea Management to collect and funnel ideas from your entire workforce. Then, turn the best ideas into actual work that drives your workforce toward a common goal.
- Use Project Scenario Planning to model different scenarios and potential resource allocations before creating projects.

Tracking

Use Workday Time Tracking or create ad hoc project time transactions to record hours for projects and tasks.

Concepts

[Setup Considerations: Project Creation](#) on page 831

Tasks

[Steps: Configure Projects](#) on page 776

[Steps: Set Up Projects Infrastructure](#) on page 788

[Create Basic Project Worktags](#) on page 836

[Create Projects](#) on page 838

Reference

[The Next Level: Introduction to Workday Projects](#)

Concept: Project Dashboard

The **Projects** dashboard (secured to the *Reports: Projects* domain in the Projects functional area) is a configurable workspace that gives you quick, visual insight into the health of your projects. You can see both operational and financial data for your projects in real time. The dashboard also gives you direct access to frequently used project-related tasks and reports. You can select the tasks that you want to display in the default menu using the **Edit** button on the **Maintain Dashboards** report. The **Menu** section on the **Content** tab enables you to add links to custom reports and external links.

Workday delivers these report worklets available for use in your Projects dashboard:

- **Average Project Duration**
- **Average Revenue by Project Role**
- **Comparative Revenue by Project**
- **Forecast vs. Actuals - Project Hours by Month**
- **Headcount by Job Profile**
- **Project Actual Hours - Monthly**
- **Project Forecasted Hours - Monthly**
- **Project Status by Project Hierarchy**
- **Project Utilization Report - Monthly**
- **Projects Headcount Supply and Demand by Job Profile**
- **Project Profitability**
- **Trended Revenue by Project**

Once you configure the dashboard, you can add it as a worklet to your Home page.

Tasks

[Steps: Set Up Dashboards and Landing Pages](#)

Reference

[Reference: Project Reports](#) on page 779

[Reference: Project Profitability Report](#) on page 1044

[Reference: Revenue Leakage Report](#) on page 1045

Reference: Project Reports

Workday delivers reports that give you greater insight into the health and progress of your projects and your project staffing needs.

For a complete list of project reports, access the **Workday Standard Reports** report and select these report categories:

- *Projects*
- *Set Up Project*

Operational Reports

These reports help you analyze the operational health of your projects.

Report	Security	Description
Average Project Duration	<i>Manage: Project Details</i> domain in the Project Tracking functional area.	Review the durations of your projects so that you can make improvements for faster returns on your investments. Includes: • The average project duration for a project hierarchy and its subordinate projects. • All projects with at least 1 day of duration for your selected time period.
Forecast vs. Actuals - Project Hours by Month	<i>Reports: Manager</i> domain in the Staffing functional area. <i>Manage: Project Resource Forecast</i> domain in the Projects functional area. <i>Reports: Time Tracking</i> domain in the Time Tracking and Time Tracking Hub functional areas.	Compare the forecasted hours to the actual hours worked on a project.
Projects Headcount Supply and Demand by Job Profile	<i>Manage: Project Resources</i> domain in the Project Tracking functional area. <i>Worker Data: Current Staffing Information</i> domain in the Staffing functional area.	Includes: • Supply: Workers who don't have an assignment to a resource plan line and are within the selected date range. • Demand: Resource plan lines without assigned workers.

Financial Reports

These reports provide insight into the financial health of your projects.

Financial Reports	Security	Description
Average Revenue by Project Role	<i>Reports: Project Billing</i> domain in the Project Billing functional area.	Analyze how your project staffing relates to project revenue. Workday calculates the average revenue in the project currency by project role based on: • Total approved hours. • Total billings from invoice lines. You can see when you use certain project roles more than others.
Comparative Revenue by Project	<i>Reports: Projects</i> domain in the Projects functional area.	Analyze revenue trends for month-over-month and year-over-year revenue by project. You can

Financial Reports	Security	Description
		customize this report to include quarterly analysis for project revenue using your existing time periods.
Project Billing Exceptions	To access the report: <i>Process: Project Billing - Core</i> in the Project Billing functional area. To access related tasks, both: • <i>Process: Customer Contract - View</i> in the Customer Contracts and Project Billing functional areas. • <i>Reports: Billing</i> in the Customer Contracts and Project Billing functional areas.	View a list of all your projects with billable transactions that aren't ready to be billed, and the total number of affected transactions between them. Transactions may be unbillable, have a contract rate change which has not yet been applied to the time transaction, or have no billable rate. Only includes transactions with one of these: • A contract line type of Project Time and Expense, or Fixed Fee. • A status of Awaiting Review, or Ready to Bill for rate changes and missing rates. • A status of On Hold for missing rates only.
Project Budgetary Balance with Labor Cost	Both: • <i>Reports: Projects</i> in the Projects functional area. • <i>Reports: Time Tracking</i> in the Time Tracking functional area.	Compare your project budget to your actuals, including labor costs. Doesn't include ad hoc time blocks. View your project actuals and labor costs by the: • Current fiscal year. • Current period. • Life to date of your project. You can run the report by company, or for all companies within a company hierarchy.
Project Profitability	<i>Reports: Projects</i> domain in the Projects functional area. <i>Reports: Time Tracking</i> domain in the Time Tracking and Time Tracking Hub functional areas.	Analyze how direct and labor costs consume your profitability. Workday calculates: • Gross profit and labor margins. • Project revenue and related direct costs from journal lines and labor costs based on approved worker time. Includes these subreports that you can view individually: • Project Profitability Direct Costs • Project Profitability Revenue

Financial Reports	Security	Description
		• Project Profitability Time Blocks
Revenue Leakage	<i>Report Execution</i> domain in the Tenant Non-Configurable functional area.	For operational and financial users. View these concessions that have been made in the project: • Contractual versus actual rates. • Project hours leaked. • Revenue leakage.
Trended Revenue by Project	<i>Reports: Projects</i> domain in the Projects functional area.	View revenue by project for the top 10 projects over the selected period. You can analyze revenue trends by: • Month-over-month. • Year-over-year.
View Initial Project Budget Calculation	<i>Manage: Project Budget</i> domain in the Projects functional area.	Examine the details of how Workday calculates project budget lines for draft and approved budgets sourced from: • Journal lines (actual revenue). • Resource forecasts (revenue and cost forecast). • Resource plan percentage allocation by project role (estimated cost and revenue). • Revenue recognition installments (revenue). • Resource plan estimated hours by project role (estimated cost and revenue). • Time blocks (actual costs). Calculated project budget lines don't include manually added project budget line, including lines from: • Project Budget Templates. • The Import Budget web service. • The Maintain Budget task. • Worksheets.

Talent Reports

These reports, secured to the *Metrics Published* domain in the System functional area, provide insight into the workforce behind your projects.

Talent Reports	Descriptions
Project Demand	View the number of open resource plan lines without a worker assignment or group association. Includes all resource plan lines with at least a 1-day duration within the current time period.
Project Talent	View a count of open resource plan lines: • Marked for external hire. • With an open job requisition. • Marked for external hire with a pending worker associated with the line. You can also view the ratio of project demand to staffed workers, where a high ratio indicates a need for increased staffing.

Concepts

[Concept: Project Dashboard](#) on page 779

Tasks

[Steps: Create Custom Metrics and Scorecards](#)

Reference

[Reference: Project Profitability Report](#) on page 1044

[Reference: Revenue Leakage Report](#) on page 1045

[2023R1 What's New Post: Project Manager Hub - Billing Exceptions Table](#)

Project Setup

Setup Considerations: Project Hierarchies

You can use this topic to help make decisions when planning your configuration and use of project hierarchies. It explains:

- Why to set them up.
- How they fit into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What They Are

Project hierarchies define the parent and child relationships between hierarchies and also categorize projects.

Workday has 2 types of project hierarchies:

Hierarchy Type	Definition
Primary	Required for project creation. Child hierarchies and projects inherit their configuration from the primary parent hierarchy.
Optional	Optional for project creation.

Hierarchy Type	Definition
	Child hierarchies and projects don't inherit configuration options. Use optional hierarchies to add more categories to your projects for increased granularity in your roll-up reports.

Business Benefits

Project hierarchies simplify the process of creating projects and reporting on them. You can use project hierarchies to:

- Streamline project creation. Configure the options for the projects on the same primary project hierarchy. Configuring options at the hierarchy level prevents manually repeating the same configuration steps for each of the individual projects.
- Create detailed reports to compare the costs, revenue, time, and progress of the projects at your organization.

Use Cases

With project hierarchies, you can:

- Add a resource plan to a project hierarchy so that the projects in the hierarchy use the same plan.
- Assign roles to workers at the hierarchy level for projects to inherit.
- Categorize projects with primary and optional project hierarchies for detailed roll-up reporting.
- Create budget and worktag rules at the hierarchy level for projects to inherit.
- Configure business processes so that projects in the same hierarchy use the same approval types.
- Prevent project workers from logging time for future dates on the projects in a hierarchy.
- Restrict project plan tasks and project roles to specific primary project hierarchies for streamlined data entry.

Questions to Consider

Questions	Considerations
How can you use hierarchies to group your projects?	You can use primary project hierarchies to group similar types of projects to: • Apply common configuration options. • Configure a roll-up security structure for who can view and report on a set of projects. • Create roll-up reports. • Simplify selection prompts when searching for projects.
Do you need to group your projects into different functional or logical categories?	You can use optional project hierarchies to add more categories to projects for granular reporting. Example: Group projects by region in 1 optional hierarchy and by product line in another.
When should you create resource plans for project hierarchies?	You can create a resource plan for a primary project hierarchy, enabling all of the projects that share the same hierarchy to inherit the same resource plan.

Questions	Considerations
	Use this method to save time for your users if the projects within a hierarchy always use the same resource plan.
Which project tasks should you restrict to specific project hierarchies?	You can restrict the availability of project tasks to primary project hierarchies. This restriction simplifies task selection and reduces data entry errors. Child hierarchies inherit task restrictions from their parent hierarchies. Restrict project tasks using the Maintain Project Tasks task.
Which project roles should you restrict to specific project hierarchies?	You can restrict the availability of project roles to primary project hierarchies. This restriction simplifies role selection and reduces data entry errors. Child hierarchies inherit role restrictions from their parent hierarchies. Restrict project roles using the Maintain Project Roles task.

Recommendations

To reduce data entry:

- Configure primary project hierarchies so that the associated projects inherit shared settings.
- Create resource plans at the project-hierarchy level when the associated projects can share the same resource plan.
- Restrict project tasks and roles to the relevant primary project hierarchies.

To increase report detail, create optional project hierarchies to further group your projects.

Only associate 1 project hierarchy that has a custom business process with a project. If a project belongs to multiple hierarchies, each with its own business process, Workday randomly selects 1 business process for the project.

Requirements

Create at least 1 primary project hierarchy so that users can create projects.

Limitations

You can't use optional project hierarchies with account posting rules.

Tenant Setup

No impact.

Security

Domains	Considerations
<i>Business Process Administration</i> in the System functional area	Users secured to this domain can edit the <i>Create Project Hierarchy</i> business process.
<i>Manage: Business Process Definitions</i> in the System functional area	Users secured to this domain can manage the <i>Create Project Hierarchy</i> business process.

Domains	Considerations
<i>Set Up: Project Hierarchy</i> in the Project Tracking functional area	Users secured to this domain can manage project hierarchies and resource plans on project hierarchies.

To ensure proper access, review these team member roles and activities:

Domain Security Roles	Considerations
Project administrator	- Edits the <i>Create Project Hierarchy</i> business process. - Creates and configures project hierarchies. - Approves new project hierarchies routed by the <i>Create Project Hierarchy</i> business process. - Uses web services. - Runs reports. - Creates custom reports.
Project hierarchy manager	- Owns and is responsible for the projects within a project hierarchy. - Approves new project hierarchies routed by the <i>Create Project Hierarchy</i> business process. - Views reports.

Business Processes

The *Create Project Hierarchy* business process enables you to create, review, and approve new project hierarchies.

Reporting

Reports	Considerations
Navigate Project Hierarchy	Provides a high-level view of project hierarchies, including subordinate hierarchies and projects. You can also view worker information and edit: - Project hierarchies - Projects
View Project Hierarchy	Use as a central access point for viewing and editing information on existing project hierarchies.
View Project Hierarchy Setup Objects Configuration	Use to view the direct, inherited, and unrestricted project tasks and roles. These roles and tasks are eligible for the projects associated with the primary project hierarchy. You can access the report from the related actions menu of a project hierarchy.

You can also use primary and optional project hierarchies to create custom reports to review project:

- Time
- Revenue
- Cost

- Expense

Custom reports enable you to group multiple projects for security reasons or for summary reporting.

You can use these report data sources to create custom reports:

- *Project Hierarchies* on the Project Hierarchy business object.
- *Project Task* on the Project Task business object.
- *Project Timesheet Lines by Project and Project Hierarchy* on the Project Timesheet Line business object.
- *Timesheet Day for Project Hierarchies and Timesheet Periods* on the Timesheet Day business object.
- *Top Level Project Hierarchies* on the Project Hierarchy business object.

Integrations

Web Services	Considerations
<i>Get Workday Project Hierarchies</i>	Retrieves project hierarchies and subordinate hierarchies.
<i>Submit Workday Project Hierarchy</i>	Creates a project hierarchy event and submits it through the <i>Create Project Hierarchy</i> business process for approval. Workday then creates the new project hierarchy.
<i>Get Workday Project Hierarchies without Dependencies</i>	Retrieves project hierarchies only. Doesn't include the parent and child relationships of the hierarchies.
<i>Get Resource Plans</i>	Retrieves data on resource plans and resource plan lines on project hierarchies and projects.

Connections and Touchpoints

Features	Considerations
Expenses	The worktag rules on a project hierarchy enable you to configure how Workday calculates expenses.
Revenue	The worktag rules on a project hierarchy enable you to configure how Workday calculates revenue.
Time Tracking	The time entry rules on a project hierarchy prevent project workers from logging future time on a project.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Concepts

[Concept: Project Hierarchies](#) on page 796

[Concept: Resource Plans on Projects and Project Hierarchies](#) on page 904

Tasks

[Create Project Hierarchies](#) on page 790

[Steps: Set Up Projects Infrastructure](#) on page 788

[Create Project Roles](#) on page 867

Reference

[Reference: Project Management Reports](#) on page 830

Examples

Example: [Simplify the Selection of Project Tasks on Project Plans](#) on page 857

Steps: Set Up Projects Infrastructure

You can set up your projects infrastructure to plan, track, and manage work across your organization.

You can predefine project elements, such as:

- Custom labels
- Hierarchies
- Plans
- Rates
- Roles
- Templates

1. [Edit Business Processes.](#)

Configure these business process definitions:

- *Ad Hoc Project Transaction Event*
- *Create Project*
- *Create Project Hierarchy*
- *Edit Project*
- *Project Resource Plan Line*
- *Rate Work*
- *Request Worker*

2. [Edit Business Process Security Policies.](#)

Configure the security policies for these business processes:

- *Ad Hoc Project Transaction Event*
- *Create Project*
- *Create Project Hierarchy*
- *Edit Project*
- *Project Resource Plan Line*
- *Rate Work*
- *Request Worker*

3. [Activate Pending Security Policy Changes](#)

4. (Optional) [Configure the Project Profile](#) on page 789.

5. (Optional) Access the **Configure Optional Fields** task to hide optional fields on the project summary.

From the **By Functional Area** prompt, select the *Project Summary - Composite View* option to hide optional fields on most Projects tasks and reports that display the project summary. When you hide an optional field, Workday continues to require it for custom validations you've configured.

See

- [Hide or Require Optional Fields.](#)
- [Reference: Project Tasks and Reports with Configurable Project Summary Fields](#) on page 798.

6. [Create Project Hierarchies](#) on page 790.

7. (Optional) Access the **Edit Tenant Setup - Financials** task.

In the **Projects** section, configure your tenant-wide settings.

See [Reference: Edit Tenant Setup - Financials](#).

Security: *Set Up: Tenant Setup - Financials* domain in the System functional area.

8. (Optional) [Create Custom Labels](#).

Select *Project* from the **Term Context** prompt on the **Maintain Custom Labels** task.

9. (Optional) Create custom validations. See [Steps: Set Up Custom Validations](#) on page 52.

Configure validations for these project transaction types:

- Project
- Project Plan
- Project Resource Plan
- Project Task Resource

10. (Optional) Create project standard cost rates to cost labor without accessing worker-sensitive information.

See [Steps: Create Project Standard Cost Rate Sheets](#) on page 813.

11. (Optional) Calculate project cost rates based on worker salaries and an overhead percentage. See:

- [Define Fully Burdened Labor Costs for Projects](#) on page 818.
- [Define Rules to Determine Project Cost Rates](#) on page 818.

12. (Optional) Create advanced labor cost calculations for prorating and overtime.

See [Steps: Manage Project Advanced Labor Costs](#) on page 811.

13. (Optional) Define project details.

See [Steps: Define Project Details](#) on page 792.

14. (Optional) [Create Templates for Projects](#) on page 799.

15. Configure your project plans.

See [Steps: Set Up Project Plans](#) on page 849.

16. Configure resource management.

See [Steps: Set Up Resource Management](#) on page 866.

Build projects.

Tasks

[Steps: Build Projects](#) on page 821

Reference

[Reference: Edit Tenant Setup - Financials](#)

[The Next Level: Introduction to Workday Projects](#)

[2023R1 What's New Post: Business Process for Ad Hoc Project Transactions](#)

[2022R2 What's New Post: Hide Project Summary Fields](#)

Configure the Project Profile

Security: *Set Up: System* domain in the System functional area.

The project composite view is a configurable profile for daily project management. This profile displays when you access a project directly or with the **View Project** report.

You can:

- Reorder profile groups.
- Hide profile groups.
- Add custom reports and tasks to the profile groups.
- Reorder or hide reports and tasks on the profile groups.

1. Access the **Configure Profile** task.

2. Enter *Project Composite View Profile*.

You can update the composite view of the project profile by:

- Reordering project profile groups.
- Displaying project profile groups.
- Hiding project profile groups.

3. Access the **Configure Profile Group** task.

4. Select 1 of these options in the **Profile Group** prompt:

- *Financials for Project Composite View Profile*
- *Overview for Project Composite View Profile*
- *Project Plan for Project Composite View Profile*
- *Resources for Project Composite View Profile*

5. Click **OK**.

6. As you complete the task, consider:

Option	Description
Display in Profile	Select to display the reports in the profile group on the composite view of the project profile.
*Report	Select the reports, custom reports, and custom tasks that display in the profile group. The reports and tasks display in sequential order on the composite view of the project profile.

You can find information and take action from the composite view of the project.

- Create project hierarchies.
- Add project phases and tasks.

Tasks

[Steps: Set Up Profiles and Profile Groups](#)

[Steps: Set Up Project Plans](#) on page 849

Create Project Hierarchies

- Review setup considerations for project hierarchies.
- Configure the *Create Project Hierarchy* business process and security policy in the Project Tracking functional area.
- Set up assignable roles.

Project hierarchies enable you to define the parent and child relationships between hierarchies, and to categorize your projects. Use these hierarchies to streamline project creation and to group projects for roll-up reports.

You must have at least 1 top-level primary project hierarchy that routes to user-based roles, according to the default *Create Project Hierarchy business process definition*. You can then use the related actions menu from this hierarchy to:

- Assign roles.
- Configure common settings.
- Create a business process definition that routes the workflow.

In addition to the primary hierarchies that you create for your projects, you can create 1 or more optional project hierarchies. Use these optional hierarchies to add more categories for your roll-up reports.

1. Access the **Create Project Hierarchy** task.

2. As you complete the task, consider:

Option	Description
ID	Enter a unique ID or let Workday generate it for you. Once you save or submit, Workday uses this value as the reference ID for integrations. Only a Workday administrator can change the ID.
Enable as Optional Hierarchy	Select to create an optional hierarchy that you can use to: • Group projects under multiple project hierarchies for reporting purposes. • Disable all hierarchy configuration options like resource plans, derived worktag rules, and project budgets. When you create an optional hierarchy, you can't: • Change it to a primary project hierarchy after you submit it. • Change a primary project hierarchy to optional.
Subtype	(Optional) Workday uses subtypes to define the levels in a hierarchical structure on a top-level organization.
Projects to Include	Select the projects that you want to include in the hierarchy. When you create projects, you must associate each one with a project hierarchy. To move a project from: • Another hierarchy to this hierarchy, select the project you want here. • This hierarchy to another hierarchy, open the project hierarchy you want to move it to, and select the project to move. This action removes it from the first hierarchy.

3. Click **Submit**.

4. Review the **Assigned Roles** section of the **Details** tab.

Only workers with roles on the project or project hierarchy can see project information. Workday assigns roles to the project hierarchy based on the organization types that you enabled for project hierarchies. You can manage these role assignments by:

- Using the **Maintain Assignable Roles** task.
- Selecting **Roles > Assign Roles** from the related action menu on the project hierarchy.

Workday launches the *Create Project Hierarchy* business process, and then routes the new hierarchy for approval.

- Create a resource plan for a primary project hierarchy to share staffing across all of its projects.
- Use the related actions menu on a primary project hierarchy to configure the common settings for its child hierarchies and projects to inherit.
- Use these reports to review project hierarchies:
 - **Navigate Project Hierarchy**
 - **View Project Hierarchy**

Concepts

[Setup Considerations: Project Hierarchies](#) on page 783

[Concept: Project Hierarchies](#) on page 796

[Concept: Resource Plans on Projects and Project Hierarchies](#) on page 904

Tasks

[Set Up Assignable Roles](#)

[Assign Roles to Projects](#) on page 843

[Steps: Set Up Resource Plans](#) on page 900

Steps: Define Project Details

You can configure custom details for your projects to create definitions for parameters such as project risk level and priority. You can configure definitions for:

- Importance ratings.
- Project statuses.
- Risk levels.
- Risk severities.
- Risk statuses.
- Success ratings.
- Work priorities.

You can also apply custom risk parameters to project ideas during the approval phase to track overall project risk and individual risks.

1. (For Projects and Project Ideas) (Optional) Access the **Maintain Risk Levels** task.
Define the values for your project risk levels. Example: High, Medium, and Low.
Security: *Set Up: Risk and Priorities* domain in the Project Tracking functional area.
2. (For Projects and Project Ideas) (Optional) Access the **Maintain Risk Severities** task.
Define risk severities to categorize individual risks by importance or impact on project objectives.
Example: High, Medium, and Low.
Security: *Set Up: Risk and Priorities* domain in the Project Tracking functional area.
3. (For Projects and Project Ideas) (Optional) Access the **Maintain Risk Statuses** task.
Define risk statuses to track the progress of individual risks as assigned workers mitigate them.
Example: New, In Progress, Canceled, and Closed.
Security: *Set Up: Risk and Priorities* domain in the Project Tracking functional area.
4. (For Projects only) (Optional) Access the **Maintain Project Statuses** task.
Define the values for the overall statuses of your projects. Example: Green, Red, and Yellow.
Security: *Set Up: Project Details* domain in the Project Tracking functional area.
5. (For Projects only) (Optional) Access the **Maintain Work Priorities** task.
Define the values for your project priorities. Example: High, Medium, and Low.
Security: *Set Up: Risk and Priorities* domain in the Project Tracking functional area.
6. (For Projects only) (Optional) Access the **Maintain Success Ratings** task.
Define success ratings to score completed projects.
Security: *Set Up: Project Tracking* domain in the Project Tracking functional area.

7. (For Projects only) (Optional) Access the **Maintain Importance Ratings** task.

Define the values for the importance levels of your projects. Example: Critical, Significant, and Important.

Security:

- *Manage: Initiatives* domain in the Projects functional area.
- *Set Up: Project Details* domain in the Project Tracking functional area.

Workday makes the details that you've defined available for use on projects and project templates.

Workday makes the risk-related details that you've defined available for use on projects, project templates, and project ideas.

- Create project ideas.
- Create templates for projects.
- Set up project plans.

Tasks

Steps: [Set Up Projects Infrastructure](#) on page 788

Set Up Worktag Rules for Project Cost and Revenue

Security: *Set Up: Enable Worktags* in the Common Financial Management and Worktags functional areas.

As a financial administrator, you need the flexibility to determine how to account for project costs and revenue. This accounting might depend on whether the project resource is an employee or a contingent worker. In Workday, when workers enter time or submit expense reports against a project, there can be multiple worktags associated with the project. You can configure simple rules at the project hierarchy level to determine if project costs and revenue should follow the worker or the project worktags. These derived worktag rules:

- Automatically apply the correct accounting to project costs and revenue.
- Ensure that the project costs and revenue display in the right organizations, such as Cost Center.
- Only apply to time and expense contract lines that have transaction-based revenue recognition, not to fixed-fee contract lines with % complete revenue recognition.

1. Access the **Create Derived Worktag Rule** task.

Set up a rule that determines which worktags to support when a worker creates an expense report or bills for time against a project. Workday then derives the worktags to use based on this rule.

2. Enter worktag rule details.

As you complete the rule, consider:

Option	Description
Name	Enter a name for the rule. Example: <i>Employee Cost and Revenue Rules</i> .
Company is from	(Optional) Select whether to derive the worktags for the company from either the <i>Project</i> or the <i>Worker</i> . This field only applies to project revenue.
Worktag Derived From	Select whether the worktags for this rule should come from the <i>Project</i> or the <i>Worker</i> . Your selection controls the worktag types available for selection.

Option	Description
Worktag Types	Select the worktag types that you want to use for the worker or the project. For: • <i>Project</i>: Only the worktag types you define on the Maintain Worktag Usage task are available here. In this task, you can define which worktags the project supports. The <i>Customer</i> worktag type supports a specific field on the project rather than one that you define on this task. • <i>Worker</i>: Only costing worktags, such as <i>Business Unit</i> and <i>Location</i>, as well as custom organizations configured as financial worktags are available. You can use the Maintain Organization Types report to edit costing worktags and custom organizations.

Your worktag rules are now available for use in the project hierarchy configuration.

Create the project hierarchy configuration for this worktag rule.

Concepts

[Concept: Worktags](#)

Tasks

[Steps: Enable Worktags for Cost Allocations](#)

Examples

[Example: Configure Worktag Rules for Project Cost and Revenue](#) on page 796

Configure Project Cost and Revenue in Project Hierarchies

- [Set Up Worktag Rules for Project Cost and Revenue](#) on page 793.
- Security: *Set Up: Project Hierarchy* domain in the Project Tracking functional area.

You can configure your tenant to account for project revenue and costs with either the worker or the project. You can configure rules for Workday to apply accounting for expenses, supplier invoices, and time entries to all underlying projects and hierarchies. You can also create configuration rules for a lower-level project hierarchy, so projects under that hierarchy inherit different worktag rules than the primary hierarchy.

1. Access the **View Project Hierarchy** report, **Worktag Rule Configuration** tab.
2. Select whether you want to **Create** a new configuration, or **Edit** an existing one.

Workday displays the **Create Project Hierarchy Configuration for Worktag Rules** task.

3. Set up the worktag rules.

You can:

- Configure rules separately for expense reports and for time tracking.
- Configure revenue derivation rules for billable supplier invoices.
- Set different rules for employees than for contingent workers.
- View the derived worktag rule details using the preview button. Workday displays whether the rule derives from the worker or the project, and the associated worktag types.

As you complete these rule dimensions, consider:

Option	Description
Use All Worktags From Project	Select this option if either:

Option	Description
	- There are no worktag rules on the Create Derived Worktag Rule task. - You want Workday to ignore the derived worktags. Workday then applies all worktags associated with the project to both expense reports and time entries. Workday makes no distinction between employees and contingent workers.
Worktag Rules for Expense	Select the worktag rule to apply to expense reports filed by workers. You can select separate rules for employees and contingent workers. On the expense report, when you define worktag rules, Workday: - Uses the values for the worktags defined in the rule and adds them to the expense report line. - Overrides the entry with the worktag rule value for this configuration if the worktag already exists on the expense report line. Example: If you set a separate cost center for a worker and the project, Workday uses the cost center you define here. - Leaves existing worktags not impacted by the worktag configuration rules for the project hierarchy. - Only includes project worktags that are part of the worktag rules.
Worktag Rules for Time Tracking	Select the applicable worktag rule when either: - Workers submit hours using Time Tracking. - You create ad hoc project time transactions. You can select separate rules for employees and contingent workers. Note: Workday supports the revenue from time entry, but not time cost.
Revenue Company is from	When you select: <i>Project</i>, Workday posts revenue for billable supplier invoices using the company on the project. <i>Supplier Invoice Line</i> or leave the prompt blank, Workday posts revenue for billable supplier invoices using the company on the supplier invoice line. Workday displays the derivation rules that you configure in the Revenue Company Source column on the Projects tab of approved customer contracts.

Workday applies the rules that you configure to all project-related expense, supplier invoice, and time entries within the project hierarchy.

To enforce the derived worktag rules on expense reports (cost), create a custom validation using the **Worktags Don't Match Project Derived Worktag Rules** report field.

Tasks

[Steps: Configure Derivation Rules for Billable Supplier Invoices](#) on page 764
[Create Custom Object Validations](#)

Examples

[Example: Configure Worktag Rules for Project Cost and Revenue](#) on page 796

Concept: Project Hierarchies

Project hierarchies define the parent and child relationships within hierarchies and categorize your projects.

Workday has 2 types of project hierarchies:

- Primary
- Optional

Primary project hierarchies pass their configurations onto their child hierarchies and associated projects. Use these hierarchies to streamline project creation and to group projects for roll-up reports.

You can use primary project hierarchies to:

- Group similar projects and child hierarchies for roll-up reporting.
- Make related projects more accessible.
- Configure resource plans for use on similar projects.
- Configure business process definitions, common settings, and project roles for similar projects.

Optional project hierarchies don't have configuration options for other hierarchies or projects to inherit. Use optional hierarchies to add additional report categories for more granularity in your roll-up reports.

All projects must belong to a primary project hierarchy and can belong to 1 or more optional project hierarchies. Assign projects to hierarchies at the time of project creation, or by adding and removing them from the hierarchy definitions. Don't assign a project to more than 1 node in the hierarchy tree.

Hierarchy Considerations

- After you submit a hierarchy for approval, you can't change its type.
- Child project hierarchies must be the same type as their parent.
- Use custom business processes, including any specific project roles, for only 1 hierarchy.

Concepts

[Setup Considerations: Project Hierarchies](#) on page 783
[Concept: Resource Plans on Projects and Project Hierarchies](#) on page 904

Tasks

[Create Project Hierarchies](#) on page 790

Example: Configure Worktag Rules for Project Cost and Revenue

This example illustrates how to configure worktag rules so that expenses logged by employees and contingent workers use different worktags.

Project ABC has its own worktags for cost center and region. There are 2 types of workers on the project: full-time employees and contingent workers. Each worker type has its own associated worktag values for cost center and region.

Here's the data we'll use for this Example:

Project: ABC	Worker: Javier	Worker: Isabel
Cost Center: 1001	Cost Center: 5000	Cost Center: 8000
Region: West	Region: Central	Region: South
	Worker Type: Employee	Worker Type: Contingent Worker

Your accounting organization would like to ensure that any expense reports filed by workers on the project follow certain rules. In this case, they want all employee expenses, like Javier's, to attribute to the employee cost center and region. For Isabel and all other contingent workers, expenses attribute to the project cost center and region.

Expense Report for Javier	Expense Report for Isabel
Item: Meal Amount: 25 Euro Worktags: • Project: ABC • Cost Center: 5000 • Region: Central	Item: Meal Amount: 25 Euro Worktags: • Project: ABC • Cost Center: 1001 • Region: West

- Security: *Set Up: Enable Worktags* domain in the Common Financial Management and Worktags functional areas.
- Security: *Set Up: Project Hierarchy* domain in Project Tracking functional area.

1. Access the **Create Derived Worktag Rule** task to create a worktag rule for employees like Javier.
2. Enter field details:

Name	<i>Employee Cost and Revenue Rules</i>
Company is from	<i>Worker</i>
Worktag Derived From	<i>Worker</i>
Worktag Types	<i>Cost Center</i> <i>Region</i>

3. Click **OK** and **Done**.
4. Access the **Create Derived Worktag Rule** task to create a worktag rule for contingent workers like Isabel.
5. Enter field details:

Name	<i>Contingent Worker Cost and Revenue Rules</i>
Company is from	<i>Project</i>
Worktag Derived From	<i>Project</i>
Worktag Types	<i>Cost Center</i> <i>Region</i>

6. Access the **Worktag Rule Configuration** tab on the **View Project Hierarchy** report to view the hierarchy for Project ABC.
7. Access the **Create Project Hierarchy Configuration for Worktag Rules** task by clicking **Create**.

8. Enter these **Worktag Rules for Expense** details:

Option	Description
Employee	Employee Cost and Revenue Rules
Contingent Worker	Contingent Worker Cost and Revenue Rules

When contingent workers and employees log expense reports related to Project ABC, all accounting will follow the rules you configured.

You can ensure that revenue accounting follows similar guidelines. Create **Worktag Rules for Time** so that revenue is attributed to the right accounts when Isabel and Javier log time against Project ABC, based on their employment status.

Tasks

[Configure Project Cost and Revenue in Project Hierarchies](#) on page 794

[Set Up Worktag Rules for Project Cost and Revenue](#) on page 793

Reference: Project Tasks and Reports with Configurable Project Summary Fields

You can hide optional project summary fields on some project tasks and reports. When you hide an optional field, Workday hides it on all tasks and reports with configurable project summary fields. Workday continues to require hidden fields for your custom validations.

On some tasks and reports, Workday collapses the project summary by default. Workday doesn't collapse the project summary on the Project Composite View by default.

Workday applies your configuration for optional fields to these tasks and reports:

Task or Report	Collapsible Project Summary
Copy Project	No
Create Opportunity Project	No
Create Project	No
Create Project from Idea	No
Create Project from Project Worktag	No
Create Project Using Template on Sales Item	No
Create Risks	Yes
Edit Project	No
Edit Project Budget	No
Edit Project Details	No
Edit Project Summary	No
Edit Related Worktags	Yes
Edit Risks	Yes
Project Composite View	Yes
Review Edit Project	No
Revise Edit Project	No
Revise Opportunity Project	Yes
Review Project	No

Task or Report	Collapsible Project Summary
Revise Project	No
View Project	Yes
View Project Related Worktags	Yes
View Project Risks	Yes

Reference

[2022R2 What's New Post: Hide Project Summary Fields](#)

Project Templates

Create Templates for Projects

Security: *Set Up: Project* domain in the Projects functional area.

Project templates simplify project creation, maintain consistency, and reduce errors. You can prefill common options for users when they create a new project using the template.

1. Access the **Create Project Template** task.
2. As you complete the **Template Information** section, consider:

Option	Description
Template ID	When you leave the template ID blank, Workday generates a sequential ID. The template ID becomes the reference ID for integrations.
Project Plan Template Resource Plan Template Task Resource Template Customer Contract Template	Any project you create from this template also includes these associated templates. To select a template for task resources, you must first select a resource plan template and project plan template. Select a customer contract template when you create a template for billable projects.

3. As you complete the **Reference Information** section, consider:

Option	Description
Status	Presets the overall status of the new project.
Include Project ID in Name	Appends the Project ID value to the project name.
Billable	Creates new billable projects from the template. Select to enable time and expense billing and revenue recognition for the project.
Capital	Creates new capital projects from the template.
Company	Sets the company for new projects. Workday populates the company name in time blocks when workers log time against a project using Time Tracking. Workday also assigns a company worktag for the accounting, unless

Option	Description
	you override the worktags in the operational transaction.
Project Currency	Sets the currency for new projects. Workday converts all internal and billable rates to this currency when you report on the project.
Customer	Sets the customer for new projects. Workday populates the customer name into time blocks and worksheets when workers log time against the project. Workday also assigns a customer worktag for the accounting, unless overridden in the operational transaction.
Balancing Worktag	Select for capital projects. When you enable worktag balancing for your tenant, select a worktag to balance journals for transactions. The balancing rules evaluate the balancing worktag of the project, not the balancing worktag of the transaction. Workday generates <i>Due To</i> and <i>Due From</i> accounting entries to balance your journal when the values on the transaction and project differ. When you use a cost center as a balancing worktag, you can restrict values to companies or company hierarchies on the Edit Cost Center task.
Project Groups	Associates a new project with a group of related projects. Project groups make it easier to retrieve and compare projects using reports.

4. Enter the **Worktags** you want to set for new projects.

When you enable worktag balancing, Workday only uses the balancing worktag when you select a worktag of the same type in both the:

- **Worktags** grid.
- **Balancing Worktag** field.

Set up related worktags for this object using the related worktag types that you configure on the **Maintain Related Worktag Usage** task. Workday automatically populates transactions with the values in the **Default Worktag** column when you select the object on the transaction.

5. As you complete the **Project Details** section, consider:

Option	Description
Percent Complete	When this value is 100%, workers can't log time against the project or its tasks.
Risk Level	Set the project risk level.
Priority	Set the project priority.
Importance	Set the importance rating of the project.

Project managers can create new projects based on your template using the:

- **Create Project** task.

- Related actions menu on the template.
- Create projects.
- Run the **Find Project Templates** report to retrieve other templates.

Concepts

[Concept: Worktags](#)

[Concept: Balancing Worktags on Capital Project Transactions](#) on page 962

Tasks

[Create Projects](#) on page 838

Reference

[Workday 33 What's New Post: Customer Contract Templates](#)

Create Templates for Project Plans

- Set up project plans.
- Security: *Set Up: Project* domain in the Projects functional area.

You can create templates to:

- Make it easier to create project plans for your projects, rather than always creating your plans from scratch.
- Enforce consistency across projects through the use of shared phases and tasks. Enforcing consistency enables you to report on and analyze efforts by phase and task across projects. It also enables you to search for and find workers with similar task experiences.

1. Access the **Create Project Plan Template** task.
2. As you complete the task, consider:

Option	Description
Template ID	If you leave the Template ID blank, Workday generates a new ID. Integrations use the ID as a reference and only a Workday System Administrator can change it.
Use Date Offset	Select this check box to define task start and end dates relative to the project start and end dates.
Date Offset	Select the time interval for the date offset.
Phase	Select the project phases.
Task	Select the project plan tasks for each project plan phase. Note: When you create a new project using a project plan template, Workday only creates project plan tasks that are: • Unrestricted. • Restricted to the project hierarchy of the project. • Inherited from the parent hierarchy of the project.
Start Date Offset End Date Offset	Workday populates the dates on the project plan based on the date offsets relative to the project start date.
Non-Billable	By marking a task as nonbillable, you can:

Option	Description
	- Set filters to generate reports listing nonbillable tasks, billable tasks, or both. - Create custom validations to exclude billing for nonbillable tasks.
Milestone	Select to use milestones for reporting and invoicing billable projects.
Closed	Select to mark the project task as closed for time entry.
Utilization	Select if the time block associated with this task qualifies for actual utilization. You can then create a custom report to determine utilization.

- Create templates for resource plans and task resources.
- Create project plans.
- Create projects.

Tasks

[Steps: Set Up Project Plans](#) on page 849

[Create Project Plans](#) on page 851

Create Templates for Resource Plans

Security domains in the Projects functional area:

- Set Up: Project*
- Worker Data: Standard Cost Rate Override*

Security domains in the Project Tracking functional area:

- Manage: Project Resources*
- Set Up: Project Hierarchy*

Create resource plan templates to populate the common information that most users need to enter. Templates streamline data entry, reduce user errors, and enforce consistency.

- Access the **Create Resource Plan Template** task.
- As you complete the task, consider:

Option	Description
Template ID	Enter a unique Template ID, or leave blank for Workday to generate the ID. This value becomes the reference ID for integrations, and only an administrator can change it.
Use Date Offset	Select this check box to define start and end dates relative to the project start date. When you select this check box, you must also select an offset increment in the Date Offset prompt.
Project Role	You can assign the same project role more than once to a resource plan line.

Option	Description
	If a project role isn't eligible for the hierarchy of a new project, Workday doesn't include it. Workday only applies the roles that are: • Unrestricted. • Restricted to the project hierarchy of the new project. • Inherited from the parent hierarchy of the new project. The Maintain Project Roles task defines the project role restrictions to project hierarchies.
Start Date Offset End Date Offset	The End Date Offset must be greater than or equal to the Start Date Offset.
Standard Cost Rate Override Standard Cost Rate Currency Override	Enter a rate and currency to override the standard cost rate and standard cost rate currency defined in the standard cost rate sheet. Workday calculates and persists time entry costs upon time entry approval. Changes to the standard cost rate on the resource plan line don't change the standard cost amount for approved project time entries.
Allocation Type	Select Assign a Worker to: • Add unnamed resources to a project role. • Hire new workers. Select Associate a Group to add a group of workers to a project role. Any of the workers within the group can fill the project role and charge their time to the project. Your selection sets the security, reporting, and worker access to project tasks. It also determines the fields that display when you add workers or groups to the project role.
To Be Hired	Displays only when you select Assign a Worker. When you select this check box, you can complete the resource plan without a direct assignment and report more accurately on needed resources.
Resource	Enter the number of unnamed resources you need to fill the role. For each unnamed resource, Workday adds a row to the Worker grid, which you can replace with a specific worker later in the resource plan.
Project Role Requirements	The Maintain Project Roles task defines the default values for the project role requirements.

Option	Description
	Enter any additional requirements for the project role. These requirements help resource managers find suitable candidates for the project role directly from the resource plan line.

- Create templates for task resources.
- Create resource plans.

Concepts

[Setup Considerations: Resource Plans](#) on page 894

Tasks

[Create Project Roles](#) on page 867

[Steps: Set Up Resource Plans](#) on page 900

[Create Resource Plans](#) on page 902

Create Templates for Task Resources

Set up templates for:

- Project plans.
- Resource plans.

Security:

- *Set Up: Project* domain in the Projects functional area.
- *Manage: Project Plan* domain in the Project Tracking functional area.

Task resource templates simplify the process of adding project plan tasks to a project and assigning them to workers. Templates maintain consistency, streamline data entry, and reduce errors. You can configure templates to prefill common options for users when they create a project that includes task resources.

1. Access the **Create Task Resource Template** task.
2. As you complete this task, consider:

Option	Description
ID	When you leave the ID blank, Workday automatically generates a new ID. The ID becomes the reference ID for integrations.
Use Date Offset	Select to define the task start and end dates relative to the project start and end dates.
Task	When you create a new project using a task resource template, Workday only creates task resources for project tasks that are: • Inherited from the parent hierarchy of the project. • Restricted to the project hierarchy of the project. • Unrestricted.
Resources	For direct assignments, select unnamed resources from the resource plan line.

Option	Description
Resource Plan Line	Workday populates this field based on the worker entry from the associated resource plan template.
Start Date Offset End Date Offset	Enter a positive whole number. The End Date Offset must be greater than or equal to the Start Date Offset. Workday populates the dates on the project plan task based on the date offsets relative to the start date on the project plan template.
% Allocation	Displays when the associated: - Resource plan template has unnamed resource assignments or worker group associations on the resource plan lines. - Project plan template has defined phases and tasks. Workday populates the value from the resource plan. You can also enter a new value using whole numbers that are greater than or equal to zero and percentages over 100.
Estimated Hours	Enter the number of hours you estimate the task will take. Enter positive numbers with up to 2 decimal points.

Create new projects.

Tasks

[Create Projects](#) on page 838

Create Templates for Project Budgets

Security: *Manage: Project Budget* in the Projects functional area.

You can create templates to:

- Make it easier to create project budgets, rather than always creating your budgets from scratch.
- Enforce consistency across project budgets.

Enforcing consistency enables you to report on and analyze efforts by phase and task across projects.

1. Access the **Create Project Budget Template** task.
2. Select or create a **Plan Structure**.

Workday creates separate columns on the **Project Budget Template** for each primary worktag dimension on the **Plan Structure**. All other dimensions will be available in the **Additional Worktags** field.

Note: Inactivate a template before you can make changes to an associated **Plan Structure**.

3. (Optional) Select the **Override Template with Related Worktags from Project** check box.

Create project budgets based on your template using the **Create Budget** task on the **Plan** section of the **Financials** grid of your project.

Concepts

[Concept: Project Budgets](#) on page 934

Tasks

[Set Up Plan Structures for Project Budgets](#) on page 920

[Steps: Create Project Budgets](#) on page 927

Reference

[2020R2 What's New Post: Project Budget Templates](#)

Project Labor Costing

Setup Considerations: Project Advanced Labor Costing

You can use this topic to help make decisions when planning your configuration and use of project advanced labor costing. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

With project advanced labor costing, you can prorate your salaried and nonsalaried labor costs using standard or fully burdened costing. Proration accounts for hours worked above or below scheduled hours.

Business Benefits

Project advanced labor costing helps you:

- Determine labor actuals by enabling you to adjust costs when worked hours differ from scheduled hours.
- Understand the impact of hours worked above or below scheduled hours, based on how your costs increase or decrease with proration.
- Define unique calculation types to prorate worker costs using the costing types, rates, and hours you want to include.

Use Cases

When salaried workers exceed or work less than their scheduled hours, you can use a calculation method to:

- Prorate labor costs up or down.
- Prorate all labor costs down using the base rate from the standard cost rate sheet or fully burdened cost rate definition as the maximum rate.

When salaried or nonsalaried workers exceed their scheduled hours, apply premium percentages to prorate costs.

Questions to Consider

Questions	Considerations
What aspects of worker labor do you need to base proration on?	You can calculate a factor that prorates worker costs based on your: • Salaried or nonsalaried calculation method.

Questions	Considerations
	- Time components. - Rates for worker overtime.
What time entries do you use to calculate your project labor costs?	You can prorate labor costs on these approved time entries: - Ad hoc project time transactions. - Project time blocks.
Do you want to cost all your time entries using proration, including past time entries that already have cost amounts?	You can optionally prorate past time entries approved before the date you initiate the project advanced labor costing feature to recalculate these cost amounts.
Do you have various groups of workers that you need to cost differently?	You can prorate worker groups by configuring cost calculation types, then assigning them to your project cost rate rules.
What impact does advanced labor costing have on intercompany billable transactions?	Your intercompany billable transactions for time have a status of <i>Pending Pricing</i> until the advanced labor costing process completes.

Recommendations

We recommend that you set up:

- Standard cost rate sheets or a fully burdened cost rate definition for all project workers. Workday uses these rates to determine prorated cost amounts.
- Advanced labor costing to run on a weekly recurrence. This configuration eliminates manual work and enables you to review your prorated cost amounts before you complete your month end processing.

Requirements

Either set up Workday Time Tracking or create ad hoc project transactions so you can log time against project work.

Limitations

No impact.

Tenant Setup

No impact.

Security

Domains	Considerations
<i>Setup: Project</i> in the Projects functional area.	Create and manage advanced labor costs using standard or fully burdened costing.
<i>Manage: Ad Hoc Project Costing</i> in the Projects functional area. <i>Process: Project Billing</i> in the Project Billing functional area.	Edit ad hoc project time transactions.

Business Processes

You can use the *Ad Hoc Project Transaction Event* business process to review and approve ad hoc transactions on projects.

Reporting

You can use these report data sources to create custom reports:

- **All Time Blocks**
- **Ad Hoc Project Transactions**

Integrations

Web Services	Considerations
<i>Get Project Advanced Labor Cost Calculation Types</i> <i>Put Project Advanced Labor Cost Calculation Type</i>	Create and preview advanced labor cost calculation types.
<i>Get Project Advanced Labor Cost Definitions</i> <i>Put Project Advanced Labor Cost Definition</i>	Initiate project advanced labor costing.

Connections and Touchpoints

Project advanced labor costing interacts with these other areas in Workday:

Features	Considerations
Project Labor Cost Capitalization	After you calculate advanced labor costs, you can use labor cost capitalization to recognize these project costs as long-term assets rather than short-term liabilities.
Project Budgets	Advanced labor costing can help you better estimate and manage labor actuals for your projects.
Intercompany Contracts	When you use advanced labor costing to prorate standard costs, you can use transfer pricing rate sheets to mark prorated costs up or down.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Tasks

[Steps: Manage Project Advanced Labor Costs](#) on page 811

[Maintain Project Advanced Labor Cost Calculation Types](#) on page 819

[Steps: Create Project Standard Cost Rate Sheets](#) on page 813

[Define Fully Burdened Labor Costs for Projects](#) on page 818

Reference

[2023R1 What's New Post: Business Process for Ad Hoc Project Transactions](#)

Setup Considerations: Ledger Posting for Project Labor Costs

You can use this topic to help make decisions when planning your configuration and use of ledger posting for project labor costs. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

Ledger posting for project labor costs enables you to summarize project labor costs and post these summaries to your ledger.

Business Benefits

Ledger posting for project labor costs enables you to improve efficiency and reduce manual effort by:

- Analyzing project profitability as a dimension of company profitability.
- Automating ledger posts for your labor cost summaries.
- Making all project labor costs auditable within Workday.
- Reporting on total project labor costs using ledger balances.

Use Cases

- Capitalize labor cost summaries tagged to capital projects.
- Create comprehensive accounting and reporting for project labor cost summaries.
- Summarize labor costs for intercompany projects, and recover the labor cost from either the project or worker company.
- Summarize labor costs from Workday Payroll journal lines tagged to capital projects.
- Summarize standard and fully burdened labor costs from worker time blocks and ad hoc project time transactions.

Questions to Consider

Questions	Considerations
Which project types do you need to post labor cost summaries for?	You can post labor cost summaries that include all projects or capital projects only.
What level of detail do you need to include in your ledger posts for summarized project labor costs?	When configuring summaries for project labor costs, you can specify worktag details to determine: • The granularity of summarizations. • Whether worktags follow projects or workers.
How does project advanced labor costing interact with ledger posting for project labor costs?	You can summarize and post prorated labor costs to your ledger.
What company and cost center combinations will you use to account for project labor costs?	Invalid company and cost center combinations result in labor cost summaries with a status of <i>Invalid</i> . Workday doesn't create accounting for invalid labor cost summaries.
How do payroll cost allocations and payroll adjustments interact with ledger posting for project labor costs?	Workday doesn't support payroll cost allocations or payroll adjustments when summarizing project labor costs.
Where do you want Workday to post project labor cost summaries?	You can configure your tenant to create intercompany accounting entries that post to the

Questions	Considerations
	ledger of either the project or worker company. If you don't configure your tenant to generate intercompany accounting for project labor cost summaries, Workday posts all journals to the actuals ledger of the project company.
Do you want to enable multibook accounting for capital project transactions?	To set up your tenant to create multibook accounting for capital project transactions, ensure you configure the <i>Business Asset Multibook Settlement</i> account posting rule.

Recommendations

Run labor cost summarizations for projects after:

- You approve and submit all time.
- The end date of your ledger period passes.

Otherwise, you might summarize the same period multiple times, causing Workday to create a reversal and a new transaction to account for any changes.

Complete your review of capital project transactions after you run labor cost summarizations.

Include the same worktag types in time entry templates that you include in your criteria for summarizing project labor costs. This action ensures that worktags are available for summarization.

If you configure balancing worktags in your tenant, require the primary balancing worktag type on the template for project time entry. Otherwise, labor cost summaries will have a status of *Invalid*, and Workday won't generate accounting for them.

Requirements

If you're using advanced labor costing, schedule summarizations for project labor costs after you run advanced labor costing. This action ensures you include prorated amounts in the summaries.

Limitations

You can only configure this functionality for a tenant-level setup. Company or project-level configurations are unavailable.

Tenant Setup

Configure WIP worktags in your tenant for Workday to include them automatically in your WIP ledger posting.

Security

These domains in the Capital Projects and Projects functional areas:

Domain	Considerations
<i>Manage: Project Labor Cost Accounting</i>	Create, schedule, and view labor cost summarizations that post to your ledger for capital and noncapital projects.
<i>Set Up: Project Labor Cost Summary Accounting</i>	Configure labor cost summarizations that post to your ledger for capital and noncapital projects.

Business Processes

When you configure the *Verify Project Labor Cost Summarization* business process for fully burdened and standard costing methods, Workday:

- Routes your summarizations for approval.
- Creates accounting for your labor cost summaries.

Reporting

Use the:

- **Find Project Labor Cost Summaries** report to review summarized time transactions and details for standard and fully burdened labor costs.
- **Project Labor Cost Summary** report data source to create custom reports.

Integrations

No impact.

Connections and Touchpoints

Feature	Considerations
Capital Projects	Ledger posting for project labor costs enables you to configure labor cost summaries for all projects or capital projects only. Capitalize labor cost summaries tagged to capital projects.
Payroll	Capitalize summarized labor costs from Workday Payroll journal lines tagged to capital projects.
Time Tracking	Summarize standard or fully burdened labor costs for worker time blocks and ad hoc project time transactions. Configure time entry templates for projects to group time blocks on labor cost summarizations.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Tasks

[Steps: Set Up Project Labor Cost Summary Configurations](#) on page 815

[Steps: Manage Project Labor Cost Summaries](#) on page 816

[Steps: Configure Project Capitalization](#) on page 949

Reference

[2022R2 What's New Post: Project Labor Cost Summarization for Intercompany Projects](#)

[2020R1 What's New Post: Ledger Posting for Project Labor Costs](#)

Steps: Manage Project Advanced Labor Costs

Review setup considerations for project advanced labor costing.

Prorate salaried and nonsalaried workers' standard or fully burdened labor costs for hours worked above or below scheduled hours. You can use cost calculation types to define proration treatments and calculate a proration factor to:

- Prorate approved project time blocks and ad hoc project transactions.
- Understand the impact that overtime and over-utilized workers can have on your project cost.

1. [Maintain Project Advanced Labor Cost Calculation Types](#) on page 819.

Configure the cost calculation types to define your proration treatments for your standard or fully burdened costs. You can preview how your configurations calculate the proration factor.

2. Access the **Maintain Project Advanced Labor Cost Calculation Assignment task and enter an effective date.**

You can assign only 1 cost calculation type per project cost rate rule. You can assign multiple rules to a cost calculation type.

Some workers qualify for more than 1 rule in the list. Workday applies the rate for the first rule that the worker qualifies for based on attributes, such as:

- Company
- Job profile
- Worker location

When you submit this task, Workday immediately initiates advanced labor costing and discontinues labor costing for all time transactions within your effective date range. Advanced labor costing initiates at:

- The ad hoc project transaction submission.
- The approval event for time entry logged against a project or project plan task.

Note: Before inactivating a calculation assignment snapshot, delete all scheduled advanced labor costing processes. Workday also recommends that you cost all approved time before inactivation.

To inactivate a calculation assignment snapshot, return to this task and select the **Inactive** check box for your specified effective date.

Security: *Set Up: Project* domain in the Projects functional area.

3. (Optional) Access the **Project Advanced Labor Costing Preparation task.**

Prorate these transactions previously approved before you initiated advanced labor costing:

- Approved project time blocks.
- Approved ad hoc project time transactions.

Security: *Set Up: Project* domain in the Projects functional area.

4. Access the **Schedule Project Advanced Labor Costing task.**

Schedule concurrent costing processes to cost your approved time entries. Workday uses the most recent completed process for your standard or fully burdened cost amounts.

Note: The billing status of intercompany billable transactions for time is *Pending Pricing*, and your selected cost amounts display as zero for all projects. When this task completes, cost amounts calculate and become available for:

- Approved project time blocks.
- Approved ad hoc project time transactions.

Also let this task complete before you schedule a project labor cost summarization. Your summarization will post zero to the project company ledger if advanced labor costing is incomplete.

Security: *Set Up: Project* domain in the Projects functional area.

Create a custom report using the **All Time Blocks** or **Ad Hoc Project Transaction** report data source to track each worker's:

- Reported standard or fully burdened cost amount in project currency.
- Standard or fully burdened cost rate.
- Proration group start date.

- Cost calculation type.
- Proration factor.

Concepts

[Setup Considerations: Project Advanced Labor Costing](#) on page 806

Reference

[2020R1 What's New Post: Project Advanced Labor Cost For Fully Burdened Proration](#)

[2020R1 What's New Post: Advanced Labor Costing for Intercompany Contracts](#)

Steps: Create Project Standard Cost Rate Sheets

Create project standard cost rates to cost labor without accessing worker sensitive information. Define standard cost rates for:

- Individual workers by name.
- Workers based on worker attributes.
- Workers or unnamed resources based on project roles.

You can override standard cost rates and currency on the project resource plan line.

1. (Optional) [Define Rules to Determine Project Cost Rates](#) on page 818.

2. Access the **Create Project Standard Cost Rate Sheet** task.

Security: *Set Up: Project* domain in the Projects functional area.

3. As you complete the header, consider:

Option	Description
Currency	Defines the currency for worker costing. This currency can differ from the company currency.
Company	You can create only 1 rate sheet per company. You can assign multiple companies to a rate sheet. Workday determines the cost rate sheet to use for: • Workers using the company from the worker primary position. • Unnamed resources using the project company.
Default Hourly Rate	The hourly rate populates the cost rate when either: • The worker doesn't meet any criteria. • The project role doesn't define an unnamed resource.
Effective Date	You can post-date the effective date when you create or edit a standard cost rate sheet. Workday calculates and persists time entry costs upon time entry approval. Note: The standard cost amount for approved project time entries doesn't change when: • The standard cost rate sheet doesn't change. • The override to a cost rate on the resource plan line doesn't change.

Option	Description
	Use the History tab to view effective date changes to the standard cost rate sheet. From the related actions menu of the standard cost rate sheet, select Audits > View Audit Trail to view change activity.
Inactive	Retires the rate sheet permanently. Selecting this check box isn't reversible.
Order of Execution	Defines the order of processing for the rate sheet tabs. If a worker qualifies for more than 1 rule, Workday applies the rate for the first rule that the worker qualifies for. The Order of Execution option doesn't apply to unnamed resources.

4. As you complete the rate sheet tabs, consider:

Option	Description
Project Rate Rule	Defines a group of workers based on a set of attributes, such as worker location, job profile, or company.
Worker	Define a rate for a worker included in your list of companies for this rate sheet.
Project Role	The project role for a worker or unnamed resource. When a worker replaces the unnamed resource, Workday uses the Order of Execution to define the cost rate with the: • Project cost rate rule. • Worker. • Project role associated with the worker.

Standard cost rates are now available for:

- Capturing actual labor costs.
- Forecasting and budgeting project labor costs.

Define your project advanced labor costing.

To view the workers in your resource plan, go to the project composite view and select **Resources > Project Resources**.

Select **View Resource Rates** to view and compare project resource cost rates including:

- Fully burdened cost rate definition.
- Standard cost rate.
- Standard cost rate override.

Reference

[Workday 32: Flexible Labor Standard Costing](#)

[2020R1 What's New Post: Project Advanced Labor Cost for Fully Burdened Proration](#)

Steps: Set Up Project Labor Cost Summary Configurations

Configure your preferred project labor costing method using:

- Advanced labor cost calculation assignments.
- Fully burdened cost rate definitions.
- Payroll to allocate costs towards capital projects.
- Standard cost rate sheets.

You can configure the summarization of your:

- Labor costs for intercompany projects.
- Labor costs from Workday Payroll journal lines tagged to capital projects.
- Standard or fully burdened labor costs for worker time blocks and ad hoc project time transactions.

Workday uses your configuration to create accounting for your project labor costs.

1. [Set Up Account Posting Rules](#) on page 69.

To identify the ledger account in which to record the resulting accounting, configure these account posting rules:

- *Project Labor Cost*
- *Project Labor Cost Recovery*

2. (Optional) Configure project capitalization.

See [Steps: Configure Project Capitalization](#) on page 949.

For capital projects, configure Work in Progress accounting and select worktags to include.

3. [Edit Domain Security Policies](#).

Configure the *Manage: Project Labor Cost Accounting* and *Set Up: Project Labor Cost Summary Accounting* security domains in the Capital Projects and Projects functional areas.

4. [Edit Business Processes](#).

Configure the *Verify Project Labor Cost Summarization* business process and security policy in the Capital Projects and Projects functional areas.

5. Access the [Set Up Project Labor Cost Summary Configuration](#) task.

Configure for *All Projects* or *Capital Projects Only*.

You can only configure your tenant to generate intercompany project labor cost summaries for all projects.

Security: *Set Up: Project Labor Cost Summary Accounting* domain in the Capital Projects and Projects functional areas.

6. As you complete the [Labor Cost Calculation Method](#) section, consider:

Option	Description
Payroll	Summarizes payroll journal lines that use: • A capital projects worktag. • The same company as the tagged capital project. Only available for the <i>Capital Projects Only</i> configuration.
Standard Costing	Summarizes the standard cost amount of worker time blocks and ad hoc project time transactions tagged to the project.
Fully Burdened Costing	Summarizes the fully burdened cost amount of worker time blocks and ad hoc project time transactions tagged to the project.

Option	Description
None	Turns off all project calculations for labor cost summarization.

7. (Optional) For standard or fully burdened costing methods, complete the **Summarized By** section.

Worktag types you select determine:

- The granularity of the summarization.
- The detail on the journal lines generated from the *Project Labor Cost Recovery* account posting rule.

Note: Workday automatically includes worktag types in WIP, primary, and optional balancing worktags.

8. (Optional) Select the **Worker** check box under **Company is From** to include worktag rules, or to generate intercompany accounting.

9. (Optional) For standard or fully burdened costing methods, complete the **Worktag Rules for Labor Cost Recovery** section.

Rules determine whether worktags on journal lines from the *Project Labor Cost Recovery* account posting rule follow:

- Projects.
- Workers.

10. (Optional) Set up project time entry.

See [Steps: Set Up Project Time Entry](#).

In the template for project time entry, include the worktag types you would like to group the time blocks by.

Note: Also include the worktag types that you selected in the **Summarized By** section to ensure that the worktags are available for summarization.

If you configure balancing worktags in your tenant, require the primary balancing worktag type on the template for project time entry. Otherwise, the labor cost summaries will have a status of *Invalid*, and Workday won't generate accounting for them.

Create or schedule project labor cost summarizations.

Concepts

[Concept: Balancing Worktags on Capital Project Transactions](#) on page 962

Tasks

[Set Up Worktag Rules for Project Cost and Revenue](#) on page 793

[Steps: Set Up Worktags for Time Entry](#)

Reference

[2022R2 What's New Post: Project Labor Cost Summarization for Intercompany Projects](#)

[2020R1 What's New Post: Ledger Posting for Project Labor Costs](#)

Steps: Manage Project Labor Cost Summaries

Configure the *Verify Project Labor Cost Summarization* business process and security policy in the Capital Projects and Projects functional areas for fully burdened and standard costing calculation methods.

You can manage the ledger posting of your fully burdened and standard labor cost summaries for projects.

1. Configure your tenant to create project labor cost summaries.

See [Steps: Set Up Project Labor Cost Summary Configurations](#) on page 815.

2. As you create your labor cost summarizations, consider:

Option	Description
Create Project Labor Cost Summarization	Run your summarization now or once in the future. <i>Security: Manage: Project Labor Cost Accounting domain in the Capital Projects and Projects functional areas.</i>
Schedule Project Labor Cost Summarization	Runs monthly. <i>Security: Manage: Project Labor Cost Accounting domain in the Capital Projects and Projects functional areas.</i>

3. Enter the companies to summarize the project time transactions.

Note: Selected companies and company hierarchies must have the same fiscal schedule.

Workday only summarizes labor costs from projects with an assigned company.

4. Define the periods to summarize your transactions for. As you complete this step, consider:

Option	Description
Create Project Labor Cost Summarization	Select exact periods to include. Summarizes time transactions with transaction dates that are within the selected periods.
Schedule Project Labor Cost Summarization	Select the number of immediate past periods to include. Summarizes time transactions with transaction dates that are within the selected periods.

Note: When you summarize a period from a previously created labor cost summary, Workday creates a reversal and a new transaction to account for changes to:

- A time block matching the worktags from the previous summary.
- The project currency.
- The project or worker company.

5. (Optional) Access the **Find Project Labor Cost Summaries** report.

To find intercompany labor cost summaries, you must search by project company. You can add the worker company as an additional dimension to narrow the results down further.

Review the summarized time transactions and details for these labor costs when auditing your labor cost summarizations:

- Fully burdened.
- Standard.

Security: Manage: Project Labor Cost Accounting domain in the Capital Projects and Projects functional areas.

Workday routes your summarizations for approval through the *Verify Project Labor Cost Summarization* business process. Once approved, Workday creates *Project Labor Cost* accounting for labor cost summaries in the currency of the project upon summarization. When the ledger currency is different from the project currency, Workday converts amounts to the ledger currency on the labor cost summary transaction date.

When the labor cost summary meets a WIP exclusion rule, Workday:

- Doesn't create accounting for the *Capital Projects Only* configuration.
- Creates accounting using the *Project Labor Cost* account posting rule instead of the *WIP* account posting rule for the *All Projects* configuration.

Capitalize labor cost summaries tagged to capital projects.

Tasks

[Review Capital Project Transactions](#) on page 955

[Manage Project Assets](#) on page 954

Reference

[2022R2 What's New Post: Project Labor Cost Summarization for Intercompany Projects](#)

Define Rules to Determine Project Cost Rates

Security: *Set Up: Project* domain in the Projects functional area.

Define a rule that determines project cost rates for workers. Use project cost rate rules to define a group of workers based on a set of attributes. Example: You might have a group of employees with a job profile of Consultant, assigned to your San Francisco office.

Use these rules to define:

- Hourly rates on the project standard cost rate sheet.
- Fully burdened cost rate definitions with overhead percentages.

1. Access the **Create Project Cost Rate Rule** task.

2. Enter a **Description**.

The description functions as the name of the project cost rate rule.

3. (Optional) Select an existing rule to copy from the **Copy Condition from Rule** prompt.

4. Define the **Rule Conditions**.

You can select the project cost rate rule when you set up:

- Project standard cost rate sheets.
- Fully burdened cost rates.

Define Fully Burdened Labor Costs for Projects

- For authorized users, set up the *Worker Data: Fully Burdened Cost* security domain and appropriate security groups.
- Create compensation plans and compensation bases for assigning worker compensation.
- Security: *Set Up: Fully Burdened Cost Rate* domain in the Projects functional area.
- (Optional) Create project cost rate rules to define a group of workers. Workday defines groups based on a set of attributes such as worker location, job profile, or company.

You can configure a fully burdened cost rate definition to generate an hourly rate for a worker to cost the time spent on a project. You can also define the costing rate relative to scheduled weekly work hours, so a worker with fewer hours has a higher per-hour cost rate. In addition, you can apply separate overhead percentages for costs, such as benefits, to different worker groups.

1. Access the **Set Up Fully Burdened Cost Rate Definition** task.

2. Specify details for these fields:

Option	Description
Compensation Basis	Select a compensation basis that contains the components for calculating the earnings of a worker.

Option	Description
Frequency	Specify a frequency for calculating the hourly cost rate for a worker. Use the Maintain Frequencies task to add, edit, or delete frequencies to use for calculations. To base the cost rate on the scheduled weekly work hours of the worker, select Use Weekly Hours .
Default Overhead Percent	Specify a percentage of overhead costs to apply to the base cost for the worker.
Overhead Rate Rule	To define an overhead percent for a specific group of workers, select a Project Cost Rate Rule. A worker receives the overhead percent associated with the first overhead rate rule for which the worker meets the criteria. If there's no match, Workday uses the Default Overhead Percent. If a worker qualifies for multiple project cost rate rules, Workday applies the overhead rate for the first project cost rate rule that the worker qualifies for.

The fully burdened cost rate definition supports costing of projects based on condition rules and compensation. Workday uses costing rates to calculate time cost for projects and initiatives. You can see time cost in the project budget information when you view or edit a project. You can see time cost for initiatives when you analyze them.

To determine the cost rate for workers, Workday uses, in order:

- Standard cost rate override.
- Standard cost rate sheet.
- Fully burdened cost rate.

Reference

[2020R1 What's New Post: Project Advanced Labor Cost For Fully Burdened Proration](#)

Maintain Project Advanced Labor Cost Calculation Types

- Create your standard cost rate sheet or set up a fully burdened cost rate definition.
- Security: *Set Up: Project* domain in the Projects functional area.

You can define cost calculation types to prorate your project labor costs.

1. Access the **Maintain Project Advanced Labor Cost Calculation Types** task.
2. (Optional) For salaried calculation methods, select the **Base Cost Rate Is Max** check box. This check box caps the maximum hourly cost rate during the proration calculation not to exceed the base cost rate from the standard cost rate sheet or fully burdened cost rate definition.
3. Assign the **Start Day Of Week** to identify the first day of the work week for this cost calculation type.
4. Include time components to calculate your proration factor.

As you complete the **Actual Hours For Calculation** section, consider:

Option	Description
Absence	Select to include worker time off and absence time entries. Doesn't include leave of absence.

Option	Description
Ad Hoc Project Time	Select to include approved ad hoc project time transactions.
Company Holiday	Select to include the hours from holidays designated on the company holiday calendar, except those holidays occurring on Saturday or Sunday. Workday calculates holidays as a full day of work per occurrence, depending on worker position. If you plan to submit time entries on holidays, select Absence instead.
Project Time Block	Select to include hours from approved time entries submitted for project or project plan tasks.
Non-Project Time	Select to include approved hours from time entries submitted with codes other than absence, project, or project plan tasks.

As you complete the **Total Hours For Calculation** section, consider:

Option	Description
Scheduled Weekly Hours	Select to use the scheduled weekly hours based on the worker primary position from Workday Human Capital Management (HCM). When you select the Scheduled Weekly Hours check box, Workday automatically selects the Absence and Company Holiday check boxes.
Specified Scheduled Hours	(Optional) Enter a value to override the hours populated from the Schedule Weekly Hours option.
Absence	If you clear this option, the approved hours from time off entries reduce the values from the schedule weekly or specified scheduled hours.
Company Holiday	If you clear this option, the company holiday hours and approved time off entries for these holidays reduce the values from the schedule weekly or specified scheduled hours. Workday calculates holidays as a full day of work per occurrence, depending on worker position. If you plan to submit time entries on holidays, select Absence instead.
Non-Project Time	If you clear this option, the hours from approved nonproject time entries reduce the values from the schedule weekly or specified scheduled hours.

5. (Optional) Use the **Preview Cost Calculation** button to preview how your configured cost calculation type calculates the proration factor.

Note: The preview results are simulations and don't make updates to your labor cost data for projects.

Assign your cost calculation types to prorate worker groups. Define your worker groups using project cost rate rules.

Tasks

[Steps: Manage Project Advanced Labor Costs](#) on page 811

Reference

[2020R1 What's New Post: Project Advanced Labor Cost For Fully Burdened Proration](#)

Reference: Causes of Labor Cost Summary Reversals

Workday reverses or recalculates labor cost summaries if you retroactively change a configuration or time entry.

Workday reverses labor cost summaries when:

- You retroactively add or delete a time block in a summarized period.
- You change a configuration for labor cost summaries.
- You retroactively change a time block in a summarized period.
 - Example: You change a worktag or the quantity of time.
- You change the project, project company currency, or worker company currency.
 - Worker company currency only applies when you've selected **Company from Worker** on the **Set Up Project Labor Cost Summary Configuration** task.

When you're using advanced project labor costing, Workday recalculates labor cost summaries when:

- You retroactively add or delete a time block in a summarized period.
- You change a worker's job profile as of the end date of the scheduled advanced labor cost job recurrence.
 - Example: A worker changes jobs on 2023-1-15. You schedule the advanced labor cost job for *Weekly Recurrence*, and you schedule a labor cost summary for *Monthly Recurrence*. On your next labor cost summary, Workday uses the new job profile that's active on 2023-1-15 to summarize the first week of January, because it's the job profile active on 2023-1-31, the date Workday creates the summary.
- You change the time calculation type.
- You terminate a worker as of the end date of a scheduled labor cost summary.
 - Example: You terminate a worker on 2023-1-15. You schedule the advanced labor cost job for *Weekly Recurrence* and you schedule labor cost summaries for *Monthly Recurrence*. On your next labor cost summary, Workday creates a labor cost summary for the first week of January. All time blocks entered after this will be zero rated, because Workday evaluates scheduled hours as of the last day of the scheduled advanced labor cost job.

Project Management

Steps: Build Projects

Workday Projects enables you to effectively:

- Plan the projects for your organization.
- Track your progress.
- Staff your projects.
- Manage your project resources.
- Enable project workers to log their time and expenses to a project.

You can define project work that aligns with strategic company and individual goals, as well as develop effective outcomes.

1. Set up the infrastructure for your project.
See [Steps: Set Up Projects Infrastructure](#) on page 788.
2. (Optional) Access the **Maintain External Link Validation** task to enable external links on projects.
Define the authorized URI formats for the **Project External Link** option. Example: <https://zimit.io/>
This validation:
 - Enables users to add links that match your specific formats.
 - Prevents users from adding unauthorized links.
 Security: *Set Up: Tenant Setup - Security* domain in the System functional area.
3. [Create Projects](#) on page 838.
4. [Create Project Plans](#) on page 851.
5. [Create Resource Plans](#) on page 902.
6. [Configure Task Resources](#) on page 881.
7. Access the **Assign Work to Worker** task.
Assign project and nonproject work to workers.
Security: *Assign Work to Worker* business process and security policy in the Projects and Staffing functional areas.
8. (Optional) Access the **Create Risks** task.
Define the risks associated with the project.
Security: *Manage: Project Details* domain in the Project Tracking functional area.
9. (Optional) [Create Project Groups](#) on page 822.
10. (Optional) Set up the Project Manager Hub.
See [Steps: Set Up Project Manager Hub](#) on page 823.
 - Use the **Projects** dashboard to manage your projects.
 - Set up resource forecasts.
 - Set up project budgets.

Concepts

[Concept: Project Dashboard](#) on page 779

Tasks

[Steps: Set Up Resource Forecasts](#) on page 910

[Steps: Set Up Project Budgets](#) on page 919

Reference

[Reference: Project Reports](#) on page 779

[2023R1 What's New Post: Configure Project Manager Hub Cards](#)

Create Project Groups

Security: *Set Up: Project Tracking* domain in Project Tracking functional area.

Project Groups enable you to organize related projects for categorization, prompting, and reporting purposes. Grouping your projects makes it easier to retrieve and compare them with the **Find Projects** report.

1. Access the **Create Project Group** task.
2. Add projects.
You can add both active and inactive projects to your group. A project can belong to multiple groups.
3. (Optional) Set the project group to *Inactive*.
 - Search for projects by their project group with the **Find Projects** report.
 - Add project groups to projects.

- Use the **View Project Group** report to review the projects within a group.

Reference

[2023R1 What's New Post: Configure Project Manager Hub Cards](#)

Steps: Set Up Project Manager Hub

Security: *Set Up: Tenant Setup - Hub* domain in the Projects functional area.

The Project Manager Hub is a centralized landing page that helps project managers navigate to the tasks and reports that are most relevant to them. Project managers can use this hub to manage and gain insight into their projects.

You can configure the hub by:

- Adding announcements.
- Adding links.
- Configuring card attributes and parameters.
- Customizing hub cards.
- Customizing hub sections.

1. [Set Up Hubs](#).

As you complete the **Content** tab of the **Maintain Hubs** task select either:

- **Default Sections and Cards** to enable Workday to update the Project Manager Hub with:
 - The default configurations.
 - New enhancements.
- **Customize Sections and Cards** to:
 - Add or remove sections.
 - Change the order of your cards.
 - Prevent Workday from automatically updating the Project Manager Hub with new enhancements.

2. (Optional) [Configure Project Manager Hub Cards](#) on page 823.

Customize the parameters and information on the project manager hub cards.

3. (Optional) Add cards to the People Experience Home page.

See [Steps: Set Up People Experience](#).

4. [Edit Domain Security Policies](#).

Set up the *View: Project Manager Hub* domain security policy.

5. [Activate Pending Security Policy Changes](#).

Tasks

[Steps: Build Projects](#) on page 821

Reference

[2022R1 What's New Post: Project Manager Hub](#)

[2023R1 What's New Post: Configure Project Manager Hub Cards](#)

Configure Project Manager Hub Cards

- Set up the Project Manager Hub. See [Steps: Set Up Project Manager Hub](#) on page 823.
- Security: *Set Up: Tenant Setup - General* domain in the System functional area.

You can configure some cards in the Project Manager Hub with custom attributes, such as titles and help text. You can also configure the parameters of some cards, to change the information they display based on your organization's needs.

1. Access the **Configure Card Overrides by Admin** task.
2. Add the cards that you want to configure in the grid and click **OK**.

3. Select the card that you want to edit.
4. (Optional) As you complete the **Informational Text** tab, add helpful information about your custom settings.
5. (Optional) As you complete the **Parameter** tab, configure the information displayed on the card.
Example: Change the aging range of transactions displayed on the Transactions Awaiting Review Cards.
6. (Optional) As you complete the **Overflow Menu** tab, add links to the drop-down menu on the card.
Select the **Security Group** or **Condition Rule** option to add a security requirement for your custom links. Other security requirements still apply to tasks, reports, or dashboards you link to.

Reference

[2023R1 What's New Post: Configure Project Manager Hub Cards](#)

Reference: Project Manager Hub Cards

Workday displays cards in the Project Manager Hub to centralize insights and prioritize relevant tasks. To access these cards, you must have access to the *View: Project Manager Hub* domain in the Projects functional area.

You can configure some Project Manager Hub cards in order to suit your organization's specific needs.

Workday displays these cards in the Project Manager Hub:

Card	Security	Description
My Projects	Either of these domains in the Project Tracking functional area: • <i>Manage: Project Details</i> • <i>View: Project</i>	You can view any active projects with an end date that's either: • Unspecified. • Within the last calendar month. You can navigate to specific projects. Visual indicators: • Red for approaching end dates. • Yellow for approaching start dates. • Gray for finished projects. • Blue for projects in progress.
Tasks Ending	Both: • <i>Manage: Project Task Resources</i> domain in the Projects functional area. • <i>Manage: Project Plan</i> domain in the Project Tracking Functional Area.	You can view project plan tasks that are incomplete and have end dates that range from 1 week in the past to 2 weeks in the future. You can navigate to the: • Edit Project Plan task. • Edit Task Resources report. Visual indicators: • Red for tasks with overdue end dates. • Yellow for tasks with end dates due within 1 week.

Card	Security	Description
Project Forecasted vs. Actual Hours	Both: • <i>Reports: Projects</i> domain in the Projects functional area. • <i>Reports: Time Tracking</i> domain in these functional areas: • Time Tracking • Time Tracking Hub	You can view projects with actual hours that have surpassed or are approaching the total resource forecast hours. You can determine if projects have: • An Estimate at Completion (EAC) that exceeds the total forecasted hours. • Total actual hours that exceed the total forecasted hours. • Total actual hours within 5% of the total forecasted hours. You can navigate to the: • Edit Resource Forecast task. • Project Forecasted vs. Actual Hours report. Visual indicators: • Red: • Actuals exceeding forecast by greater than 10%. • EAC above forecast by greater than 10%. • Yellow: • EAC above forecast by 5-10%. • Actuals exceeding forecast by 5-10%. • Actuals near forecast, within 5%.
Worker Forecasted vs. Actual Hours	<i>Reports: Time Tracking</i> domain in the Time Tracking and Time Tracking Hub functional areas, and either: • <i>Manage: Project Resource Forecast</i> domain in the Projects functional area. • <i>Reports: Manager</i> domain in the Staffing functional area.	You can view project workers over the past 4 weeks from the previous Sunday with: • Missing actuals. • Missing forecasts. • Actuals and forecasts that differ by greater than $\pm 10\%$. You can compare the forecast hours of each project worker to the actual hours they worked on a project. You can also view the time off, in hours, for the project workers in the details. You can navigate to the: • Forecast vs. Actuals – Project Hours by Month report. • Resource forecast.

Card	Security	Description
		Visual indicators: • Red for workers with missing actuals or forecast. • Yellow for workers with actual hours greater or less than forecast.
Aging Customer Invoices	Both: • <i>Reports: Customer Accounts</i> domain in the Customer Accounts functional area. • <i>Reports: Project Billing</i> domain in the Project Billing functional area.	You can view customer invoices that don't have a currency value of zero and: • Are past due. • Are due today or within the next 15 days. You can navigate to: • The Find Customer Invoices for Billable Project report. • Specific customer invoices by using the related actions button. Visual indicators: • Red for the number of days past due for past due invoices. • Yellow for the number of days until due for invoices due within the next 15 days, including today.
(Configurable) Transactions Awaiting Review: Upper Aging Range	Both: • <i>Manage: Billable Projects</i> domain in the Projects functional area. • <i>Process: Project Billing - Core</i> domain in the Project Billing functional area.	You can set a minimum aging range threshold. Workday displays transactions that are older than the age you specify. You can navigate to the Manage Project Billing Transactions task. Visual indicator: Red header.
(Configurable) Transactions Awaiting Review: Middle Aging Range	Both: • <i>Manage: Billable Projects</i> domain in the Projects functional area. • <i>Process: Project Billing - Core</i> domain in the Project Billing functional area.	You can set a minimum and maximum aging range threshold. Workday displays transactions that are within the range you specify. You can navigate to the Manage Project Billing Transactions task. Visual indicator: Yellow header.
(Configurable) Transactions Awaiting Review: Lower Aging Range	Both:	You can set a maximum aging range threshold. Workday displays transactions that are newer than the age you specify.

Card	Security	Description
	• <i>Manage: Billable Projects</i> domain in the Projects functional area. • <i>Process: Project Billing - Core</i> domain in the Project Billing functional area.	You can navigate to the Manage Project Billing Transactions task. Visual indicator: Green header.
Staffing That Needs Attention	<i>Manage: Advanced Project Resource Management</i> domain in the Projects functional area.	You can view assignments to resource plan lines that have 1 of these: • A start date within 1 week or in the past. • An unnamed resource, no assigned workers, or assigned workers pending approval. You can navigate to the: • Edit Resource Forecast task. • Edit Resource Plan task. • Staffing That Needs Attention report. Visual indicators: • Red for assignments with start dates in the past. • Yellow for assignments with start dates that are approaching.
Resources Rolling Off	Configure the <i>Give Feedback</i> business process and security policy in these functional areas: • Performance Enablement • Worker Profile and Skills	You can view assignments to resource plan lines with end dates that range from 1 week in the past to 2 weeks from today. You can navigate to the: • Edit Resource Forecast task. • Edit Resource Plan task. • Give Feedback task. Visual indicators: • Red for assignments with past end dates. • Yellow for assignments ending within 1 week.
Upcoming Holidays	<i>Manage: Advanced Project Resource Management</i> domain in the Projects functional area.	You can view project workers with upcoming holidays that coincide with: • Their task resource dates within the next 3 months. • Their resource plan dates within the next 3 months.

Card	Security	Description
		You can navigate to the View Resource Forecast task. Visual indicator: Yellow for upcoming holidays within 1 week.
Upcoming Time Off	<i>Manage: Advanced Project Resource Management</i> domain in the Projects functional area.	You can view project workers with upcoming time off that coincides with: • Their task resource dates within the next month. • Their resource plan dates within the next month. You can navigate to the View Resource Forecast task. Visual indicator: Yellow for upcoming time off within 1 week.

Tasks

Steps: [Set Up Project Manager Hub](#) on page 823

Reference

[2023R1 What's New Post: Configure Project Manager Hub Cards](#)

[2022R1 What's New Post: Project Manager Hub](#)

Reference: Project Components

Project Components

After you create a project hierarchy, you can assemble a framework for your projects by defining its components. These components simplify the process of creating a new project.

Component	Description
Project Hierarchy	All projects must belong to a primary hierarchy. You can also specify optional hierarchies to further group your projects. Note: If you specify an optional hierarchy, you'll disable all of these hierarchy-level configuration options: • Derived worktag rules. • Project budget configurations. • Resource plans.
Project Plan	Contains the project phases and tasks. Describes the sequences of steps, activities, and milestones needed for a project.
Resource Plan	Describes who accomplishes the work detailed in the project and in the project plan. You can: • Specify the project roles for the workers, and then assign individual workers or associate groups of workers to the roles.

Component	Description
	- Define groups of workers using talent pools, job profiles, or cost centers. - Assign a resource plan to a project or project hierarchy. A resource plan that you assign directly to a project is unique to that project. A resource plan that you assign to a project hierarchy replicates to the subordinate projects and hierarchies.
Phases and tasks	Phases are the high-level sequence of steps to complete a project. Example: A software implementation project might include these phases: analyze, scope, design, construct, test, document, deliver, and support. Tasks are the distinct activities within a phase. Example: The document phase might have a task to write end-user instructions. All project plans, project plan templates, and project templates have phases and tasks. When you assign phases and tasks to a project, Workday creates a specific instance of them that you can report on for that project.
Templates	You can create templates for projects and project plans that automatically fill in configuration settings and other information. Templates help reduce the manual effort required in configuring these settings every time you create a new project or project plan. They're also useful in standardizing projects across your organization.
Project labor costing	You can define project labor costs based on either: - Standard cost rate sheets: - Use to define the rates for: - Unnamed resources based on project roles. - Workers based on worker attributes, worker names, and project roles. - Fully burdened cost rate sheets: - Use to determine an hourly rate to cost the time spent by a worker on a project. Workday generates the fully burdened cost rate based on your configurations of: - Compensation basis. - Frequency. - Overhead percent. Workday then combines the fully burdened cost rates with project time tracked by workers to calculate project costs.

Component	Description
Dates	Workday doesn't require or enforce relationships between start and end dates across these project areas: • Project. • Project Plan Task. • Resource Plan Line. • Task Resources. Examples: • A project plan task can have an end date after the project end date. • A task resource can have a date range outside the resource plan line.

Tasks

[Steps: Build Projects](#) on page 821

[Create Projects](#) on page 838

[Create Templates for Projects](#) on page 799

Reference

[2023R1 What's New Post: Configure Project Manager Hub Cards](#)

Reference: Project Management Reports

You can use these reports to view your projects at a high level and to manage project details.

Report or Worklet	Description	Security
My Projects	Displays your most frequently used projects. To add a project to the worklet, set it as a favorite from the related actions menu on the project. This worklet only displays projects where users have a direct assignment.	<i>Manage: Project Details</i> domain in the Project Tracking functional area.
View Project	Enables you to view and edit information about existing projects. Workday bases this report on the project profile and profile groups, giving you a composite view of the information. You can configure the information that displays in this report with the Configure Profile and Configure Profile Group tasks.	<i>Manage: Project Details</i> domain in the Project Tracking functional area.

Report or Worklet	Description	Security
View Project Hierarchy	Enables you to view and edit information on existing project hierarchies. You can: • Add workers to resource plan lines. • Configure a project budget. • Create worktag rules. • Restrict time entry for future dates.	<i>Set Up: Project Hierarchy</i> domain in the Project Tracking functional area.
View Project Plan Timeline	Displays the schedule for project phases and tasks by: • Percent complete. • Estimated hours. • Hours logged. • Time remaining.	<i>Manage: Project Plan</i> domain in the Project Tracking functional area.

For a complete list and description of the Workday standard reports for Projects, access **Workday Standard Reports**. Then, select the *Projects* report category.

Concepts

[Concept: Project Dashboard](#) on page 779

Tasks

[Configure the Project Profile](#) on page 789

Project Creation

Setup Considerations: Project Creation

You can use this topic to help make decisions when planning your configuration of how users create and edit projects. It explains:

- Why to set them up.
- How they fit into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

Project creation enables you to plan and track the project work for your organization. You can create these types of projects:

- *Basic projects* function solely as worktags on financial transactions and payroll entries.
- *Billable projects* have customer contracts, invoices, and billing.
- *Capital projects* have cost transactions for managing project costs as long-term assets.
- *Nonbillable projects* are internal projects that don't invoice customers.
- *Opportunity projects* are sales opportunities that you can later convert into a project.

Business Benefits

Workday reduces data entry by enabling you to:

- Copy data from an existing project.
- Use templates to populate common project information.
- Copy data from an idea.

Workday also streamlines project maintenance by enabling project managers to:

- Update existing projects.
- Approve new and updated projects.
- Generate draft customer contracts.

Use Cases

- Create templates for similar projects to reduce effort, maintain consistency, and avoid errors.
- Set Workday to generate a draft customer contract from a template after a manager approves a billable project.
- Create new projects.
- Create new projects from approved ideas.
- Copy existing projects.
- Update existing projects.
- Approve changes to projects.
- Convert basic projects into fully defined projects.

Questions to Consider

Questions	Considerations
Do you need projects that only function as worktags?	You can create basic projects to use as worktags on financial transactions and payroll entries.
How do you want to configure templates for your projects?	You can create templates for similar types of projects to populate common information that most users need to enter. Within the project template, you can further simplify project creation by associating these additional templates: • Project plans. • Resource plans. • Task resources. • Customer contracts.
Do you want to use a specific format for the project ID?	You can set a custom format for project IDs on the Edit Tenant Setup - Financials task.
How do you want to maintain consistency between projects?	To maintain consistency, you can define common values for the project fields. Users can then select these predefined values when they create or update a project.
How do you want to create new projects?	You can simplify the process of creating a new project by enabling users to copy existing projects. Users can copy most of the transferable project information. Example: worktags, project plans, and resource plans. You can also enable users to create new projects from an approved idea. This type of project creation includes information you define in the idea.

Questions	Considerations
	To enable these features, configure the <i>Copy Project</i> and <i>Create Project from Idea</i> initiating actions in the security policy for the <i>Create Project</i> business process.
How do you want to create your customer contracts?	You can simplify the process of creating customer contracts by configuring Workday to generate a draft customer contract after project approval. To enable this feature, add the <i>Create Customer Contract</i> service step to the <i>Create Project</i> business process after the business process completes.
What external links should users add to their projects?	You can enable users to add external links to their projects by configuring URIs that: • Enable the External Link option on projects. • Prevent users from adding unauthorized links. Before you begin, determine which external links your organization approves for project use.

Recommendations

Create templates to populate fields with information common to all your projects. You can also associate your project templates with these templates:

- Project plans.
- Resource plans.
- Task resources.
- Customer contracts.

Configure the *Create Project* business process to copy projects.

Configure the *Create Project* business process to generate a draft customer contract from a template for billable projects.

Requirements

Create project hierarchies for your organization before you enable users to create projects.

Limitations

You can only:

- Add customer contract templates to billable projects.
- Generate draft customer contracts for billable projects you associate with customer contract templates.

Tenant Setup

To create custom formats for your project IDs, you can configure the **ID Generator for Projects** option in the **Projects** section on the **Edit Tenant Setup - Financials** task.

Security

Domains	Considerations
<i>Set Up: Tenant Setup - Security</i> in the System functional area	Users can enable external links on projects and specify the URIs.
<i>Business Process Administration</i> in the System functional area	Users can edit the <i>Create Project</i> and <i>Edit Project</i> business processes.
<i>Manage: Business Process Definitions</i> in the System functional area	Users can manage the <i>Create Project</i> and <i>Edit Project</i> business processes.
<i>Manage: Initiatives</i> in the Projects functional area	Users can create and manage importance ratings.
<i>Manage: Project Details</i> in the Project Tracking functional area	Users can: • Create and modify importance ratings. • Run the Find Projects report. • View projects.
<i>Set Up: Basic Project Worktag</i> in the Common Financial Management and Worktags functional areas	Users can create basic projects to use as worktags.
<i>Set Up: Project</i> in the Projects functional area	Users can create and manage project templates.
<i>Set Up: Project Details</i> in the Project Tracking functional area	Users can create and manage: • Project statuses. • Importance ratings.
<i>Set Up: Project Tracking</i> in the Project tracking functional area	Users can: • Create and manage success ratings. • Use the <i>Get Projects</i> web service.
<i>Set Up: Risk and Priorities</i> in the Project Tracking functional area	Users can create and manage: • Risk levels. • Work priorities.

Ensure proper access to these security roles:

Domain Security Roles	Considerations
Project Administrator	• Configures tenant setup information. • Edits the <i>Create Project</i> and <i>Edit Project</i> business processes. • Specifies the URIs for external project links. • Creates projects and templates. • Uses web services.
Project Manager	• Creates and updates projects. • Manages and views project information. • Approves changes to projects routed by the <i>Create Project</i> and <i>Edit Project</i> business processes.

Business Processes

Business Processes	Considerations
<i>Create Project</i> in the Project Tracking functional area	Enables project administrators to: • Create new projects. • Copy existing projects. • Use the <i>Submit Project</i> web service. Enables project managers to: • Create new projects. • Create new projects from approved ideas. • Copy existing projects. • Review and approve new projects. • Generate a draft customer contract for billable projects.
<i>Edit Project</i> in the Project Tracking functional area	Enables project managers to: • Edit existing projects. • Review and approve changes to existing projects.

Reporting

Project managers can view the **Find Projects** report to search for existing projects.

Integrations

Web Services	Considerations
<i>Get Projects</i>	Retrieves projects with your specific criteria. You can request project criteria for a single transaction based on the Reference value, or retrieve all transactions when you don't specify any criteria.
<i>Submit Project</i>	Creates a project and submits it through the <i>Create Project</i> business process for approval.

Connections and Touchpoints

Features	Considerations
Customer Contracts	When you define project templates for your customer contracts, project managers can select them when they create billable projects. You can enable the <i>Create Project</i> business process to generate a draft contract after project approval.
Time Tracking	You can configure the start and end dates of the project. This date range sets the initial date range for project workers to log time against the project or project tasks.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Tasks

[Steps: Set Up Projects Infrastructure](#) on page 788

[Set Up the Create Project Business Process](#) on page 837

[Create Templates for Projects](#) on page 799

[Create Projects](#) on page 838

[Steps: Set Up Project Ideas](#) on page 980

Reference

[Reference: Edit Tenant Setup - Financials](#)

[Reference: Project Reports](#) on page 779

[Preconfigured Content: Financials Delivered Configurations](#)

Create Basic Project Worktags

Security: *Set Up: Basic Project Worktag* domain in the Common Financial Management and Worktags functional areas.

Basic projects solely consist of a project name and an ID. They function as worktags on financial transactions and payroll entries, eliminating the need to create a fully defined project. You can convert a basic project into a full project later on, if needed.

Basic projects:

- Aren't used to manage a project.
- Don't have detailed project information.
- Don't need enabled financial security domains.

1. Access the **Maintain Basic Projects** task.
2. For each new basic project, add a row to the **Basic Projects** grid.
3. As you complete each row, consider:

Option	Description
Project ID	Workday generates an incremental ID.
Project Name	Enter a project name. Workday displays this name on the project worktag.
Inactive	When you set a basic project as inactive, you can't use it as a worktag until you activate it. You can set basic projects as active or inactive using the Maintain Basic Projects task.

Basic projects are available to use as worktags for:

- All available financial transactions including requisitions, spend authorizations, and expense reports.
- Payroll input by workers.
- Convert a basic project to a full project with the **Create Project from Project Worktag** task.
- Find and review existing basic projects with the **View Basic Projects** report.
- Review and edit your basic projects with the **Maintain Basic Projects** task. You can change the names of basic projects and set them as active or inactive.

Concepts

[Setup Considerations: Project Creation](#) on page 831

Tasks

[Convert Basic Worktags to Full Definitions](#)

[Create Basic Worktags](#)

Set Up the Create Project Business Process

Security - These domains in the System functional area:

- *Business Process Administration*
- *Manage: Business Process Definitions*

The *Create Project* business process provides increased visibility and workflow control over the creation of a new project and changes to an existing project.

This business process enables you to:

- Initiate a project.
- Set approvals for security groups.
- Define advancement to the next step in the process.
- Create a draft customer contract from a template.
- Create custom validations for project creation.

You can edit the security policy for the Create Project business process to set the security groups that can:

- Create new projects.
- Copy existing projects.
- Approve new projects.
- Review new project information.

1. Access the **Create Project** business process definition.
2. Select **Business Process > Edit Definition** from the related actions menu.

As you complete the task, consider:

Option	Description
Due Date	The elapsed time from when the process starts until the process is complete.
Due Date is Based on Effective Date	The effective date that the project manager specifies when starting an instance of the business process: • If selected, Workday calculates from the effective date of the business process. • If not selected, Workday calculates from the moment the prior step completes.

3. As you complete the **Business Process Steps**, consider:

Option	Description
Order	Use to set the completion order of the steps. We recommend using letters instead of numbers, because Workday sorts sequentially, not numerically. Example: 10 sorts before 2.
Parallel Step Inbox Order	Use to configure the order of parallel steps in the business process. A parallel step is when 2 or more Workflow steps have the same alphanumeric order. The sequence you enter here determines how each parallel step displays in the inbox of the approver.

Option	Description
	Note: If an approver sorts their Inbox by Newest on Top , Workday displays their Inbox tasks in the opposite order of what you configure here.
Type	Use to set the type of step for the business process. A business process always starts with an initiation step. To route changes to the project manager for approval, select <i>Approval</i>. To create a draft customer contract from a customer contract template, select <i>Service</i> and specify <i>Create Customer Contract</i>.
Group	Use to set the type of role that you want to approve the change. You can select more than 1 option.
All	Use if everyone in the specified security groups must complete this step.
Due Date	Use to set the due date for the step. The due date is the amount of time allotted to complete the current step, after the previous step completes.
Due Date is Based on Effective Date	Use to change the starting time to the effective date of this business process instance.
Complete	Use for approval steps. When a <i>Completion</i> step finishes, the business process completes. Completion makes the data available for the <i>Edit Project</i> business process.

4. Enable Workday notifications.

- a) Add *Manager* to the notifications using the **Maintain System Notifications** task.
- b) (Optional) Set up **Custom Notifications**.

The *Create Project* business process guides the creation and approval of new projects.

Concepts

[Concept: Inbox](#)

Tasks

[Edit Business Processes](#)

[Edit Business Process Security Policies](#)

[Create Custom Notifications](#)

Create Projects

- Review setup considerations for project creation.
- Set up assignable roles.
- Create a project hierarchy.

- Configure these business processes and security policies in the Project Tracking functional area:
 - *Create Project*
 - *Edit Project*
- Security: *Manage: Project Details* domain in the Project Tracking functional area.

You can create nonbillable, billable, capital, and opportunity projects. These Workday projects help you to plan and track your work and resources. When you create a new project, you can:

- Copy this data from a similar project:
 - Financials Summary
 - Overview (Summary and Details)
 - Project plan
 - Resource plan
 - Worktags
- Select templates to prefill common project information.
- Enter all your project data manually.

1. Access 1 of these options:

- **Create Project** task.
- **Create Opportunity Project** task.
- A project to copy. From the related actions menu of the project, select **Project > Copy Project**. You can only copy the projects and project data that you can access.
- An approved Idea. From the related actions menu of the idea, select **Idea > Create Project**.

2. (Optional) Select 1 or more templates for your project.

If you select a **Customer Contract Template**, Workday creates a billable project.

3. As you complete the **Project Summary** section, consider:

Option	Description
Project Name	You can reuse project names by editing the critical validation rule for project names on the Maintain Custom Validations report.
Start Date End Date	Select the start and end dates for the project. These dates control when workers can log time against the project in Time Tracking. Workers can only log time to the project between these 2 dates.
Status	Project previews display this status for informational purposes only. Project Status doesn't control functional behavior.
Owner	Identifies the person responsible for the project. You can use this information for roll-up reporting.
Probability	For an opportunity project, enter a number between 1 and 100 to specify or indicate the probability of converting to a project. Workday appends [O] to the names of opportunity projects. When you sell an opportunity project, you can convert it using the Convert Opportunity Project to Project task.

4. As you complete the **Reference Information** section, consider:

Option	Description
Optional Project Hierarchies	Select additional hierarchies to group projects for reporting purposes.
Project ID	When you leave the Project ID blank, Workday generates a sequential ID. Integrations use the project IDs as a reference and only Workday administrators can change them.
Billable	Select this check box to enable time and expense billing, as well as revenue recognition for the project. Workday makes a project billable when: • You link the project to a contract or contract line. • You select a customer contract template. • A worker logs billable time against it.
Capital	Select to make the project a capital project. When you select this check box, you can't: • Review existing transactions tagged to the project for capitalization. • Revert to a noncapital project. A capital project is specific to a single company that you select for the project. You can tag transactions to a capital project when they belong to this company. Workday registers the resulting business assets with the company.
Company	Workday: • Populates this company on time blocks when workers log time against the project. • Assigns a worktag for the accounting, unless you override worktags in the operational transaction.
Project Currency	Workday converts all internal and billable rates to this currency when you report on the project.
Customer	Required for billable projects. Workday: • Populates this field on time blocks and worksheets when workers log time against the project. • Assigns a worktag for the accounting, unless you override worktags in the operational transaction.
Balancing Worktag	For capital projects, when you enable worktag balancing in your tenant, you can select a worktag

Option	Description
	to balance journals for transactions. The rules evaluate the balancing worktag of the project, not the balancing worktag of the transaction. Workday generates <i>Due To</i> and <i>Due From</i> accounting entries to balance your journal when the values on the transaction and project differ. When you use a cost center as a balancing worktag, you can restrict values to companies or company hierarchies on the Edit Cost Center task.
Optional Balancing Worktags	For capital projects, when you enable optional balancing worktags in your tenant, you can select up to 5 worktags. You can use them with your primary balancing worktag to report on and balance multiple worktags in a single transaction. Workday includes the Project worktag for the project. You can use a cost center as an optional balancing worktag to restrict values to companies or company hierarchies on the Edit Cost Center task.
Project Groups	Associate the project with a group of related projects for easier retrieval and comparison later on. This grouping is useful for roll-up reporting.
External Project Reference	You can associate the project with an external project ID, such as an ID from a third-party project.
External Link	To link the project to an external web site, enter the URL here. Example: https://zimit.io/ The URL must match an authorized format specified by your project administrator. You can set up external links for the project using the Maintain External Link Validation task.
Customer Contract Template	For billable projects only. You can configure the Create Project business process to generate a draft customer contract from this template.
Prerequisite For	Displays all projects that have a dependency relationship with this project.
Dependencies	Select a project to create a dependency relationship with your current project. This relationship gives you 2-way visibility into related project details that might impact the current project.

5. As you complete the **Worktags** tab, consider:

- When you select the project on a transaction, Workday populates the transaction with the values in the **Default Worktag** column.
- For worktag balancing, Workday only uses a balancing worktag if you select worktags of the same type in both the:
 - **Worktags** grid.
 - **Balancing Worktag** field.
- You can set up related worktags for the project using the **Maintain Related Worktag Usage** task.
- When you capitalize a *project asset*, Workday populates the related worktags in the **Location** and **Worktags** fields of the business asset.

6. (Optional) As you complete the **Project Detail** tab, consider:

Option	Description
Percent Complete	When this value is 100%, workers can't log time against the project or its tasks.
Success Rating	After you complete the project, select a success rating. If you reduce the Overall % Complete to less than 100, the Success Rating field clears and becomes read only.

7. (Optional) Select the **Role Assignment** tab.

As you complete the tab, consider:

Option	Description
Restricted to Single Assignment	When selected, you can only assign 1 worker to the project role.
Assigned To	Assigns workers to a project role and grants them the appropriate security for their role on the project.

Note: Only workers with roles on the project can see project information. You can also limit roles to specific workers on this task.

8. (Optional) Complete the **Project Plan** tab.

When you create a new project, you can only access the project plan tasks on the project plan that are:

- Unrestricted.
- Restricted to the project hierarchy of the new project.
- Inherited from the parent hierarchy of the new project.

You can also add your project plan after project approval.

9. (Optional) Complete the **Resource Plan** tab.

When you create a new project, you can only access the project roles on the resource plan that are:

- Unrestricted.
- Restricted to the project hierarchy of the new project.
- Inherited from the parent hierarchy of the new project.

You can also add your resource plan after project approval.

Workday submits the project for review and approval.

- Identify project risks.
- (Billable projects only) Create customer contracts, and then add contract rates and billing rate rules.

- Create custom objects.
- Associate an idea with the project from the related actions menu.

Concepts

[Setup Considerations: Project Creation](#) on page 831

[Concept: Worktags](#)

[Concept: Balancing Worktags on Capital Project Transactions](#) on page 962

[Concept: Idea Management](#) on page 981

Tasks

[Create Project Hierarchies](#) on page 790

[Create Project Plans](#) on page 851

[Create Resource Plans](#) on page 902

[Steps: Set Up Project Pricing and Billing](#) on page 1000

[Create and Edit Custom Object Definitions](#)

[Steps: Set Up Project Ideas](#) on page 980

[Set Up Assignable Roles](#)

Assign Roles to Projects

- Set up assignable roles.
- Create a project hierarchy.
- Create a project.

For workers to manage project information, you must assign them to a role on either a project or a project hierarchy. Example: Project Resource Manager.

1. Access a project or project hierarchy.
2. From the related actions menu of the project or hierarchy, select **Roles > Assign Roles**.
3. Select a starting date for your new role assignments.
4. Click **OK**.
5. Add a row for each new organizational role.
6. Select the organizational role from the **Role** prompt.
7. Select the worker from the **Assigned To** prompt.

Concepts

[Concept: Assign Roles](#)

Tasks

[Set Up Assignable Roles](#)

[Create Project Hierarchies](#) on page 790

[Create Projects](#) on page 838

Associate a Project with a Sales Opportunity

- Add *Opportunity* as a worktag type for the project transactions on the **Maintain Related Worktags** task.
- Configure derived worktag rules to tag your transactions with the opportunity.
- Configure the *Create Project* business process and security policy in the Project Tracking functional area.

When you create an opportunity in a third-party software application like Salesforce.com, Workday generates opportunity and prospect worktags. You can use these worktags to tag expense reports, purchase orders, and projects. Tagging a project enables you to track sales expenses before securing the sale or incurring project expenses. This process enables you to track labor costs and expenses for a specific sales deal.

1. Access the **Create Opportunity Project** task.

2. Complete the project summary and reference information.
3. Select the related *Opportunity* in the **Default Worktag** column.

When you generate transactions related to this project, Workday tags the transaction with the opportunity.

Concepts

[Concept: Financial Management Connector for Salesforce](#)

Project Plans

Setup Considerations: Project Plans

You can use this topic to help make decisions when planning your configuration and use of project plans. It explains:

- Why to set them up.
- How they fit into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What They Are

In Workday, you can use project plans to organize these aspects of a project:

- Project phases
- Project tasks
- Worker assignments
- Timelines
- Risks

Business Benefits

- Streamline the creation and management of your project plans.
- Reduce data entry for commonly used information.
- Increase efficiency by defining project timelines and setting milestones for billing and tracking.
- Reduce effort, maintain consistency, and avoid errors by controlling the content of project plans.

Use Cases

- Specify the window of time that workers can record their hours on a project.
- Assign workers to specific project tasks so they can log time against their task assignments.
- Add risks that might affect your project plan, such as extreme weather conditions or personnel turnover.
- Share project information with Microsoft® Project, such as project plan phases and scheduling information.
- Update all dates on your project tasks, task resources, or task-level resource forecasts at once.

Questions to Consider

Questions	Considerations
Do your project plans contain common information?	You can use templates to streamline data entry and reduce user errors.

Questions	Considerations
	When you create templates for project plans and task resources, Workday prefills the common information that most users need to enter.
How do you want to organize the work for your project plans?	Workday organizes your project work into: • Phases that sequence the work for the project. Project phases are a required component of project plans. • Tasks that define the work details of the project phases. Project tasks are an optional component of project plans. When you configure project tasks, you can also create detailed resource forecasts and detailed project budgets. You can create project plans that have: • A flat structure with project plan phases all at the same level. These standard project plans enable you to use templates to prefill common information. • A tree structure with up to 9 child phases under each top-level project plan phase. These multilevel project plans enable you to create detailed Advanced reports.
How do you want to make project tasks available for project plans?	You can restrict project tasks to specific project hierarchies, ensuring that the tasks are only available to the project plans for the projects on: • The restricted project hierarchy. • A parent project hierarchy. By restricting the project tasks, you ensure that project managers only see the tasks that are relevant to their project. Note: When you don't restrict a project task to a hierarchy, it's available for use on all projects on all hierarchies.
Do you need custom names for your project plan tasks?	You can create custom names for your project plan tasks to ensure that the names are relevant to your projects. To create custom task names, you must first enable the security policy for the <i>Manage: Project Custom Task Name</i> domain.
What date range do you want to set for workers logging their time on a project?	By default, Workday sets the date range for time entry to the start and end dates of the project. You can configure a narrower date range for workers to log their time when you set up the tenant by using the dates specified in: • Resource plans. • Project plan tasks. • Task resources.

Questions	Considerations
	You can use multiple sources to narrow the date range. Workers can only log time where the selected date ranges overlap.
Do you need to import project plans?	You can import project plans from Microsoft Project 2016. Note: We plan to retire the importation of Microsoft Project plans into Workday in September 2023. Workday recommends that you use the Project Planner for a more streamlined project management workflow.
Do you want to define the severity levels for your project risks?	You can define the severity levels of your project risks, to ensure data consistency. Determine the security levels for your project risks before you set up your project plans.

Recommendations

- Create templates for your standard project plans and your task resources to reduce the time users spend on data entry. Workday populates the fields on the project plan with information from its associated template.
- Restrict project plan tasks to the relevant project hierarchies for simplified task selection.

Requirements

Create a project. You can only create a project plan for an existing project.

Limitations

- Workday didn't design project plans for use with Agile methodologies.
- Project plan tasks don't have dependencies. You can't initiate a cascading update of the dates on project plan tasks.
- If a project plan has more than 500 rows of phases and tasks in the **Project Plan** grid, Workday has reduced performance.
- Multilevel project plans don't allow you to:
 - Copy them when you create a new project by copying an existing project.
 - Create project plan templates.
 - Export multilevel project plans to Microsoft Project.
- The **Project Planner** report doesn't:
 - Support critical custom validations. When you have critical custom validations configured for your project plans, Workday disables the **Project Planner**.
 - Support data sorting.
 - Copy from the previous row.
 - Have the Resources read-only column.
 - Have the expand page option.
 - Have related actions directly from the project plan phases and project plan tasks. To access related actions, click the hyperlink for the project plan phase or project plan task and select the menu in the preview window.

Tenant Setup

Access the **Projects** section on the **Edit Tenant Setup - Financials** task to:

- Enable Workday to import project plans from Microsoft Project.
- Set the date range within which workers can record their hours on a project.

Security

Domains	Considerations
<i>Manage: Project Integration</i> in the Projects functional area	Enables users to export project information for use with Microsoft Project.
<i>Manage: Project Plan</i> in the Project Tracking functional area	Enables users to: • Manage and view information for both standard and multilevel project plans. • Import project information from Microsoft Project.
<i>Manage: Project Task Resources</i> in the Projects functional area	Enables users to manage project plan tasks.
<i>Set Up: Project Details</i> in the Project Tracking functional area	Enables users to manage the configuration for project details, including phases and tasks.
<i>Manage: Project Details</i> in the Project Tracking functional area	Enables users to manage and view existing projects.
<i>Manage: Project Custom Task Name</i> in the Project Tracking functional area	Enables users to create and edit custom task names.

To ensure proper access, review these team member roles and activities:

Domain Security Roles	Responsibilities
Project Administrator	• Configures tenant setup information. • Configures the Project Plan and Project Planner reports. • Creates projects. • Transfers project information between Workday and Microsoft Project.
Project Manager	• Creates projects with project plans. • Manages the project plan, project phases, and project tasks. • Assigns task resources. • Transfers project information between Workday and Microsoft Project.
Project Workers	Log time on their assigned project plan tasks using Time Tracking.

Business Processes

No impact.

Reporting

Report	Description
Project Planner	Create, edit, and view a project plan on 1 page.
View Project Plan	Displays the project plan.
View Project Plan Timeline	Displays the schedule for project phases and tasks.

You can use these report data sources to create custom reports:

- Project Time Blocks Approved Between a Date Range
- Project Plan Phases
- Project Plan Tasks
- Project Task Resources

Integrations

Web Services	Considerations
<i>Get Project Plans</i> <i>Put Project Plan</i>	Enables you to manage project plans.
<i>Get Project Plan without Dependencies</i>	Enables you to retrieve multilevel project plans without retaining the parent and child relationships between the phase levels.
<i>Get Project Phases</i> <i>Put Project Phase</i>	Enables you to manage project phases.
<i>Get Project Tasks</i> <i>Put Project Task</i>	Enables you to manage project tasks. For <i>Put</i> , all task names must be unique, not just the task IDs.
<i>Get Project Task Resources</i> <i>Put Project Task Resources</i>	Enables you to manage project task resources.

Connections and Touchpoints

Features	Considerations
Time Tracking	You can restrict workers to log only their time during the dates on their project plan tasks, task resource assignments, or both. Workers can only log time where the selected date ranges overlap.
Project hierarchies	You can restrict project plan tasks to specific project hierarchies. This restriction ensures that project managers only see the tasks that are relevant to their business unit, not all of the tasks in the tenant.
Resource plans	You need to first create a resource plan for your project and assign workers to it. Then you can assign workers to the project tasks in your project plan.

Features	Considerations
Resource forecasts	You can create resource forecasts based on your task resource assignments.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Tasks

[Steps: Set Up Projects Infrastructure](#) on page 788

Reference

[Reference: Edit Tenant Setup - Financials](#)

[2022R2 What's New Post: Project Planner](#)

[2021R2 What's New Post: Multilevel Project Plans](#)

[2021R2 What's New Post: Project Planner](#)

Examples

[Example: Simplify the Selection of Project Tasks on Project Plans](#) on page 857

Steps: Set Up Project Plans

Note: The solutions described in this section are not part of the Workday Service. See [Legal Notice](#) for details.

- Create project hierarchies.
- Review setup considerations for project plans.

You can use project plans to organize these aspects of your projects:

- Risks.
- Time lines.
- Work details, such as project phases, project tasks, and worker assignments.

Configure your project plans to:

- Include project phases that organize and sequence the project work.
- Include tasks that define the work details within each of the project phases.
- Use custom task names.
- Restrict time entry to the date ranges for the project plan, the task resources, or both.
- Use templates that simplify the creation of your project plans and task resources.

1. (Optional) Access the **Edit Tenant Setup - Financials** task.

Select 1 or more of these check boxes in the **Projects** section:

- **Use Project Plan Task Dates**
- **Use Task Resource Dates**

Security: *Set Up: Tenant Setup - Financials* domain in the System functional area.

2. (Optional) [Configure the Project Profile](#) on page 789.

To replace the **Project Plan** report with the **Project Planner** report on the **Project Plan** tab of the project profile:

- Access the **Configure Profile Group** task.
- Select the Project Plan for Project Composite View Profile group.
- Add the **Project Planner** report to the profile group.
- Remove the **Project Plan** report from the profile group.

3. Access the **Maintain Project Phases** task.

Add the project phases that categorize and sequence the work for your projects. Example: *Plan and Strategize*.

You select these phases when you create a new plan or edit an existing one.

Security: *Set Up: Project Details* domain in the Project Tracking functional area.

4. (Optional) [Create Project Tasks](#) on page 850.

Create the tasks that define the project work.

5. (Optional) [Edit Domain Security Policies](#).

Enable the *Manage: Project Custom Task Name* domain in the Project Tracking functional area to use custom task names in your project plans.

6. Access the **Maintain Risk Severities** task.

Add the risk severity levels for your projects. You can select these risks when you edit your project plans.

Security: *Set Up: Risk and Priorities* domain in the Project Tracking functional area.

7. (Optional) [Create Templates for Project Plans](#) on page 801.

Create templates for projects with similar project plan types to populate them with common information.

You can only create templates for standard project plans.

8. (Optional) [Create Templates for Task Resources](#) on page 804.

Create templates for projects with similar task resources to populate them with common information.

- Create projects.
- Create project plans.

Concepts

[Setup Considerations: Project Plans](#) on page 844

Tasks

[Create Project Hierarchies](#) on page 790

Reference

[2021R2 What's New Post: Project Planner](#)

[Reference: Edit Tenant Setup - Financials](#)

Create Project Tasks

- Create a project hierarchy.
- Security: *Set Up: Project Details* domain in the Project Tracking functional area.

Project tasks define the work details of a project. You can add these tasks on:

- Project plan phases.
- Task resources.

You can also create resource forecasts based on project plan tasks to view detailed work estimates.

1. Access the **Maintain Project Tasks** task.
2. For each new task, add a row to the **Project Tasks** grid.
3. As you complete the task, consider:

Option	Description
Project Task Name	Enter a name for the task. Users see this name when selecting tasks on the: • Project plan. • Task resources.

Option	Description
	Workday also displays this name on task-level resource forecasts.
Restricted to Project Hierarchies	(Optional) To limit the use of a project task to the project plans on a specific set of projects, select 1 or more project hierarchies. Restricting tasks to project hierarchies ensures that only the relevant tasks are available on the project plans under those hierarchies. Note: If you add an unrestricted project task to a project plan, and then later restrict the same task to a different project hierarchy: - The restricted task remains on the original project plan. - You can't add another occurrence of the restricted task to the project plan. You can use unrestricted project tasks on all project plans on all hierarchies.
In Use	This setting is read-only. Workday marks the check box when a project task is associated with 1 or more project plans.
Inactive	Select for unused or obsolete project tasks. When selected: - You can hide the inactive tasks in custom reports. - Workday prevents project workers from charging their time to inactive tasks. - Workday prevents inactive tasks from displaying on drop-down menus. - You can hide worktags for inactive project tasks with the Maintain Worktag Usage report. Note: You can still add inactive tasks by searching for the names of the tasks in the prompts on: - Project plans. - Project plan templates.

Create project plans.

Tasks

[Create Project Hierarchies](#) on page 790

Examples

[Example: Simplify the Selection of Project Tasks on Project Plans](#) on page 857

Create Project Plans

Set up project plans.

Create a project.

Security domains in the Project Tracking functional area:

- *Manage: Project Plan*
- *Set Up: Project Details*

You can use Workday project plans to capture the details of a project from start to finish, by:

- Listing the phases and tasks that define your project work.
- Designating milestones for your project.
- Marking specific tasks as nonbillable to exclude the associated work hours from billing and revenue forecasts.
- Marking specific tasks for reports on actual utilization.

1. Access 1 of these options:

- **Create Project Plan** task.
- **Project Planner** tab on the **Project Plan** profile group for the project.

Before you can use the **Project Planner** report, you first need to add it to the **Project Plan** profile group.

Note: If you have critical custom validations configured for your tenant, you can't use the **Project Planner**.

2. As you complete the project plan, consider:

Option	Description
Phases and Tasks	Once you assign phases and tasks to the project, Workday creates a project-specific instance of them for reporting purposes. If a project plan has more than 500 rows of phases and tasks in the Project Plan grid, Workday has reduced performance.
Start Date End Date	Set these dates to control the number of tasks that workers can select when they enter the time they work on a project.
Non-Billable	For billable projects only. You can mark a task as nonbillable to: • Create custom validations to exclude billing for nonbillable tasks. • Exclude hours from revenue forecast calculations on project budgets. • Set filters to generate reports listing nonbillable tasks, billable tasks, or both.
Milestone	Use milestones for reporting and invoicing billable projects.
Utilization	Select if the time block for this task qualifies for actual utilization. When selected, you can create a custom report to determine utilization.

Workday populates the project plan with your information.

- Create a multilevel project plan.
- Create a resource plan.

- Allocate workers to project plan tasks.

Concepts

[Setup Considerations: Project Plans](#) on page 844

Tasks

[Create Projects](#) on page 838

[Create Resource Plans](#) on page 902

[Configure Task Resources](#) on page 881

Reference

[2022R2 What's New Post: Project Planner](#)

[2021R2 What's New Post: Project Planner](#)

Create Multilevel Project Plans

Create a project plan.

Security: *Manage: Project Plan* domain in the Project Tracking functional area.

You can create multilevel project plans to manage your project work. Workday structures multilevel project plans to:

- Improve plan organization.
- Increase the granularity of custom reports.

Multilevel project plans can include up to 9 child phases under each top-level parent phase. Each phase level can include an unlimited number of project plan tasks. When a project plan task is associated with a transaction, you can't delete the:

- Project plan task.
- Project plan phase or any of its parent phases.

1. Access 1 of these options:

- **Manage Project Plan Levels** task.
- **Project Planner** tab on the **Project Plan** profile group for the project.

Before you can use the **Project Planner** report, you first need to add it to the **Project Plan** profile group.

Note: If you have critical custom validations configured for your tenant, you can't use the **Project Planner**.

2. As you complete the multilevel project plan, consider:

Option	Description
Child Phases and Tasks	Once you assign child phases and tasks to the project, Workday creates a project-specific instance of them for reporting purposes. If a project plan has more than 500 rows of phases and tasks in the Project Plan grid, Workday has reduced performance.
Start Date End Date	Set these dates to control the number of tasks that workers can select when they enter the time they work on a project.
Non-Billable	For billable projects only. You can mark a task as nonbillable to: • Create custom validations to exclude billing for nonbillable tasks.

Option	Description
	- Exclude hours from revenue forecast calculations on project budgets. - Set filters to generate reports listing nonbillable tasks, billable tasks, or both.
Milestone	Use milestones for reporting and invoicing billable projects.
Utilization	Select if the time block for this task qualifies for actual utilization. When selected, you can create a custom report to determine utilization.

When you view a project plan, you can view and edit the new child phases and their associated project plan tasks.

- Allocate workers to project plan tasks.
- Create resource plans.
- Revert a multilevel project plan back to a standard project plan from the project menu on the **Manage Project Plan Levels** task.

Note: You can't revert to a standard project plan when project plan tasks are associated with transactions.

Concepts

[Setup Considerations: Project Plans](#) on page 844

Tasks

[Create Resource Plans](#) on page 902

Reference

[2022R2 What's New Post: Project Planner](#)

[2021R2 What's New Post: Multilevel Project Plans](#)

Mass Update Project Task Dates

Create a project with project plan tasks, task resources, or a task-level resource forecast.

Security:

- *Manage: Project Plan* domain in Project Tracking functional area.
- *Manage: Project Resource Forecast* domain in the Projects functional area.
- *Manage: Project Task Resources* domain in the Projects functional area.

You can update start and end dates or hourly allocation dates simultaneously across:

- Project tasks.
- Task resources.
- Resource forecast lines at the task-level.

Mass updating improves the reliability of dates throughout a project and the accuracy of your resource allocations.

1. Access the project.

2. (Optional) To mass update the project plan tasks:

- a. Click the **Project Plan** tab.
- b. Select 1 of these reports:
 - **Project Plan**
 - **Project Planner**
- c. Click **Mass Update**.

You can either move or set specific start and end dates for the project plan tasks.

3. (Optional) To mass update the task resources:

- a. Click the **Project Plan** tab.
- b. Select the **Task Resources** report.
- c. Click **Mass Update**.

You can either move or set specific start and end dates for the task resources.

4. (Optional) To mass update the resource forecast:

Note: You can only update resource forecasts that use project plan tasks for the forecast level view.

- a. Click the **Resources** tab.
- b. Select the **Resource Forecast** report.
- c. Click **Mass Update**.

When you have potentially impacted dates or hourly allocations, Workday displays 1 of these tasks:

- **Mass Update Task Resources:** Displays when date changes on the project plan tasks impact the dates on the task resource lines.
- **Mass Update Resource Forecast:** Displays when date changes on the task resources impact the hourly allocations on the resource forecast line.

From the resource plan, synchronize the start and end dates between the resource plan lines and the task resource lines.

Export Project Plans for Microsoft Project

- Create and approve a project plan.
- Security: *Manage: Project Integration* domain in Projects functional area.

You can export a snapshot of a standard project plan for use in Microsoft Project while you continue to manage your projects in Workday.

Note: You can only export standard project plans to Microsoft Project. You can't export multilevel project plans.

1. Access the project.
2. Select the **Project Plan** tab.
3. Click **Export for Microsoft Project**.
4. Access your Notifications, and then click **My Reports**.

The exported XML file displays in a time-stamped list of files.

5. Open Microsoft Project and import the XML file as a new project.

Workday exports the project plan phases and the task dates to Microsoft Project:

- As is, for all the phases and the tasks, when the tasks have both start and end dates.
- As the phase and either the task start date or end date, when a task date is missing.
- As the project start date, if both the task start and end dates are missing.

In Microsoft Project, the Workday project plan phase and task fields map to these Microsoft Project fields:

Workday Field	Microsoft Project Field
Phase	Task Name
Task	Task Name (indented)
Start Date	Start
End Date	Finish
% Complete	% Work Complete
Milestone	Milestone
Memo	Notes

Import Project Plan Updates from Microsoft Project

- Microsoft® Project 2016 installed (Build: 7571.2109 or later).
- Microsoft® Project add-in *Workday Projects Integration* installed.
- Microsoft® Project file exported from Workday.
- Security: *Manage: Project Plan* domain in Project Tracking functional area.

Note: We plan to retire the importation of Microsoft Project plans into Workday in September 2023. Workday recommends that you use a custom integration to import from Microsoft Project.

You can make changes to a Microsoft Project file previously exported from Workday. Using the add-in, you can then import these changes into Workday and synchronize values in these columns with the applicable values in the associated Workday project:

- Task Start Date
- Task Finish Date
- % Work Complete

You can also change other columns in the Microsoft Project file, but you can't import those changes into Workday. However, if a change that you make to another column in turn changes these columns, you can import the changes to Workday:

- Task Start Date
- Task Finish Date
- % Work Complete

1. Import the exported XML file into Project 2016 as a *New Project*. Make updates to the Project Start Date, Finish Date and % Work complete.
2. Access the **Workday for Microsoft Project Settings** task and record the Client ID value.
3. Configure the *Workday Projects Integration* add-in with your tenant, Client ID (from Step 3), user ID, and password.
4. In the *Workday Projects Integration*, click **Update Project to Workday**.

Concept: Project Plans

You can use project plans to organize projects into phases and tasks:

- Project plan phases organize and sequence each stage of the project work. Example: Plan and Strategize.
- Project plan tasks define the work details in each project phase. Example: Define Project Objectives.

Project plans enable you to:

- Assign resources to project plan tasks.
- Monitor project timelines.
- Set date ranges for workers to log their time on a project.

- Specify project risks.
- Streamline data entry by creating templates.

Types of Project Plans

You can create 2 types of project plans:

- Standard
- Multilevel

Standard project plans have a flat structure, with the project plan phases all at the same level. Example:

- Project Plan Phase 1
 - Task a
 - Task b
- Project Plan Phase 2
 - Task c
 - Task d

Multilevel project plans have a tree structure. You can add up to 9 project plan phases under each top-level parent phase. Multilevel project plans can include more details about your project work, improve organization, and increase the granularity of your custom reports. Example:

- Parent Project Plan Phase 1
 - Task a
 - Child Project Plan Phase 1.1
 - Task b
 - Child Project Plan Phase 1.2
 - Grandchild Project Plan Phase 1.2.1
 - Task c
- Parent Project Plan Phase 2
 - Task d

Concepts

[Setup Considerations: Project Plans](#) on page 844

Tasks

[Steps: Set Up Project Plans](#) on page 849

Reference

[2021R2 What's New Post: Multilevel Project Plans](#)

[2021R2 What's New Post: Project Planner](#)

Example: Simplify the Selection of Project Tasks on Project Plans

This example explains how to simplify the selection of project tasks for your Workday users when they create project plans. You can accomplish this simplification by restricting project tasks to project hierarchies.

By default, Workday doesn't restrict project tasks to project hierarchies. Users can view and select all of the project tasks available in Workday on their project plans. Not all of these project tasks are relevant to a specific project and can confuse users, leading to data entry errors and inconsistent project plans.

You want to ensure that only relevant project tasks are available to users on project plans. To limit project tasks to a specific set of projects, you restrict the appropriate project tasks to a specific project hierarchy.

Users can then only select the restricted project tasks when they create project plans for the projects on the selected hierarchy.

Create a primary project hierarchy with this name: Services Projects

Security: *Set Up: Project Details* domain in the Project Tracking functional area.

1. Access the **Maintain Project Tasks** task.
2. Add 2 rows to the **Project Tasks** grid.
3. Enter these values for the new rows on the **Project Tasks** grid:

Option	Value
Project Task Name	• Row 1: <i>Business Plan</i> • Row 2: <i>Approve Business Plan</i>
Restricted to Project Hierarchies	• Row 1: <i>Services Projects</i> • Row 2: <i>Services Projects</i>

4. Click **OK**.
5. Click **Done**.

When users create project plans for their projects, Workday only displays these restricted project plan tasks on the projects associated with the Services Projects hierarchy:

- Business Plan
- Approve Business Plan

Workday hides these restricted project tasks on the project plans for all other projects on all other hierarchies.

Unrestricted project tasks are available on all project plans for all projects on all hierarchies throughout Workday.

- Create projects.
- Create project plans.

Concepts

[Setup Considerations: Project Hierarchies](#) on page 783

[Setup Considerations: Project Plans](#) on page 844

Tasks

[Create Project Hierarchies](#) on page 790

[Create Project Tasks](#) on page 850

[Create Projects](#) on page 838

[Create Project Plans](#) on page 851

Example: Create Advanced Report for Expenses Using Multilevel Project Plans

This example explains how to create an advanced report for a single project that rolls up project expenses on a multilevel project plan.

Note: You can only roll up Workday advanced reports to 7 groups.

A project manager wants to view the expenses for their project on each project plan phase.

- Create a project with a multilevel project plan and a resource plan.
- Assign resources to project tasks.
- Create expense report lines for the relevant project plan tasks across the project plan and top-level project plan phases.
- Security: These domains in the System functional area:
 - *Custom Field Management*
 - *Custom Report Creation*

1. Access the **Create Calculated Field** task.
2. Enter these values:

Option	Value
Field Name	<i>2nd Level Project Plan Phase</i>
Business Object	<i>Expense Report Lines and Itemizations</i>
Function	<i>Lookup Related Value</i>

3. Click **OK**.
4. Select these values on the **Create Calculated Field - Lookup Related Value** page:

Option	Value
Lookup Field	<i>Project Plan Task</i>
Return Value	<i>Project Plan Phase Level 2</i>

5. Click **OK**.
6. Click **Create Another Calculation**.
7. Enter these values:

Option	Value
Field Name	<i>3rd Level Project Plan Phase</i>
Business Object	<i>Expense Report Lines and Itemizations</i>
Function	<i>Lookup Related Value</i>

8. Click **OK**.
9. Select these values on the **Create Calculated Field - Lookup Related Value** page:

Option	Value
Lookup Field	<i>Project Plan Task</i>
Return Value	<i>Project Plan Phase Level 3</i>

10. Click **OK**.
11. Click **Done**.
12. Access the **Create Custom Report** task.
13. Enter these values:

Option	Value
Report Name	<i>Multilevel Expense Report</i>
Report Type	<i>Advanced</i>
Optimized for Performance	<i>Checked</i>
Data Source	<i>Expense Report Lines and Itemizations</i>

14. Click **OK**.

15. Add rows with these field values to the grid on the **Columns** tab:

- a. *Group Name*
- b. *Worker*
- c. *Expense Report Created By Worker for Line*
- d. *Expense Report Line*
- e. *Expense Line Reimbursement Amount*

16. Verify that the business object on each row is set to *Expense Report Lines and Itemizations*.

17. Select *Sum* from the **Options** prompt on the *Expense Line Reimbursement Amount* row.

18. Add rows with these field values to the **Sort and Group** grid on the **Sort** tab:

- a. *Project*
- b. *Project Plan Phase*
- c. *2nd Level Project Plan Phase* (Calculated field)
- d. *3rd Level Project Plan Phase* (Calculated field)
- e. *Project Plan Task*
- f. *Worker*

19. Verify that the **Sort Direction** on each row is set to *Alphabetical - Ascending*.

20. Select these check boxes for each row:

- **Display Headers**
- **Display Subtotals**

21. Select the **Enable Outlining based on Grouping** check box in the **Grouping and Totaling Options** section.

22. Add a row with these values to the **Filter on Instances** grid on the **Filter** tab, and then select these values:

Option	Value
And/Or	<i>And</i>
Field	<i>Project</i>
Operator	<i>in the selection list</i>
Comparison Type	<i>Prompt the user for the value</i>
Comparison Value	<i>Default Prompt</i>

23. Click **OK**.

24. Click **Run**.

25. Click **OK**.

You have a multilevel expense report that rolls up to the phase level.

Tasks

[Create Projects](#) on page 838

[Create Project Plans](#) on page 851

[Create Multilevel Project Plans](#) on page 853

[Create Resource Plans](#) on page 902

[Create Expense Lines](#) on page 1331

Reference

[2021R2 What's New Post: Multilevel Project Plans](#)

Reference: Keyboard Shortcuts for Project Planner

You can navigate the Project Planner and enter data with these keyboard commands:

Action	Keyboard Shortcut
Move to actionable items on the page.	Tab
Move down 1 row in grid.	Down arrow
Move up 1 row in grid.	Up arrow
Move right 1 cell in row.	Right arrow
Move left 1 cell in row.	Left arrow
Activate a cell for data entry.	Space
Display the options in a prompt.	Tab or Enter
Scroll through options in a prompt.	Up arrow or Down arrow
Select an option in a prompt.	Enter
Move to the next cell after data entry.	Esc
Add dates manually.	Navigate to the month, day, and year with right and left arrows. Change the values with the up and down arrows.
Add dates with the calendar date picker.	1. Space activates the date field. 2. Tab activates the date picker. 3. Enter opens the date picker. 4. Up, down, right, and left arrows navigate to a date. 5. Enter selects the date.

Tasks

[Steps: Set Up Project Plans](#) on page 849

Project Transactions

Create Ad Hoc Project Transactions

- Create custom references for ad hoc project transactions.
- For Time transactions, create a project with assigned workers on the resource plan.
- For Spend transactions, create a project.
- Configure the *Ad Hoc Project Transaction Event* business process and security policy in the Project Billing and Projects functional areas.

Ad hoc project transactions provide flexibility when you log transactions in Workday. You can use ad hoc project transactions to:

- Create one-off Time transactions for all projects requiring immediate action without using Workday Time Tracking.

- Directly charge Spend transactions against projects without using Workday Expenses or Workday Supplier Accounts. Spend transactions include:
 - Expenses.
 - Miscellaneous expenses.
 - Supplier invoices.
- Integrate your external time tracking and spend transactions with Workday.
- Migrate your project billing into Workday and generate invoices and accounting internally.

1. Access the **Create Ad Hoc Project Transactions** task.

2. Enter transaction details.

Users assigned to only 1 of the security domains might have limited access to these options:

- Billing Status
- Include Cost
- Standard Cost Rate
- Cost Currency
- Rate to Bill
- Billing Currency

As you enter task details, consider:

Option	Description
Billing Status	Select <i>Do Not Bill</i> when you don't want to invoice your expense to the customer.
Worker	(Expense, Miscellaneous Expense, and Time) Displays all workers on the resource plan on the project.
Supplier	(Miscellaneous Expense and Supplier Invoice) Select a supplier to provide your item.
Project Phase	(Expense, Miscellaneous Expense, and Supplier Invoice) Displays only top-level phases for the billable project.
Project Task	(Expense, Miscellaneous Expense, and Supplier Invoice) Displays all tasks from all phase levels for the billable project. (Time) Displays all tasks from all phase levels assigned to the selected worker.
Project Role	(Time) Populates based on your selection for Transaction Date , Worker , and Project Task if applicable.
Include Cost	(Expense, Miscellaneous Expense, and Supplier Invoice) Select to include a Unit Cost Amount and Extended Cost Amount for the transaction. (Time) Select to calculate the Standard Cost Amount and fully burdened cost amount for the transaction. Workday automatically selects this check box.

Option	Description
Standard Cost Rate	(Time) Enter a rate amount to override the standard cost rate from the resource plan line or the project standard cost rate sheet if 1 exists.
Cost Currency	(Time) Workday converts the Standard Cost Amount to the Cost Currency .
Rate to Bill	(Time) For billable projects, enter a rate amount to override the billing rate from the contract rate sheet if 1 exists.
Billing Currency	When you enter a currency different than the customer contract currency, Workday converts the Amount to Bill to the billing currency.
Spend Category	(Expense, Miscellaneous Expense, and Supplier Invoice) Select to associate items with their account posting rules and provide details for creating invoices. When you select an item before specifying the spend category, you can't change the value assigned to the item.
Worktags	The worktag derivation rules specified for the project hierarchy, or the worktags assigned to the contract line, determine the worktag assignment for the transaction. For billed transactions, the worktags apply when you create accounting entries. You can add or change worktags if needed.
Memo	For billable projects, this field displays in the note section of the customer invoice.
Custom Reference 1 Custom Reference 2 Custom Reference 3 Custom Reference 4 Custom Reference 5	Enter additional ad hoc project transactions details for billing and reporting purposes. Displays when you select the Enabled check box on the Enable Ad Hoc Project Transaction Custom References task. When you enter a Reference Name on the Enable Ad Hoc Project Transaction Custom References task, Workday displays the reference name instead of the Workday-delivered custom reference.

The ad hoc project transactions for the billable project become available for review on the **Manage Project Billing Transactions** task.

Review the billable project transactions.

Tasks

[Create Custom References for Ad Hoc Project Transactions](#) on page 1006

[Set Up Worktag Rules for Project Cost and Revenue](#) on page 793

[Manage All Project Billing Transactions](#) on page 1014

[Manage Project Billing Transactions by Transaction Source](#) on page 1017

Reference

[2021R2 What's New Post: Multilevel Project Plans](#)

Steps: Set Up Project Transaction Summaries

Projects you want to include in the project transaction summary must:

- Belong to an active and approved project hierarchy.
- Be active, and have a start and end date, resource forecast, and currency.
- Have a project state set to **Project**.

As a project portfolio manager, you can use a single consolidated data source to generate your custom reports. This consolidated source can contain data related to project time, cost, and revenue. The reports can summarize data at a monthly level for unique combinations of project resources and roles.

Note: Workday only includes data that's within the project start and end dates.

1. Access the **Configure Project Transaction Summary task.**

Security: *Set Up: Project Hierarchy* domain in the Project Tracking functional area.

2. Select eligible project hierarchies and projects to include in the data source.

3. Schedule the creation date for the data source.

4. (Optional) Access the **Update Project Transaction Summary task.**

Run an ad hoc data refresh of specific projects, or for events not tracked by the daily refresh.

Security: *Manage: Project Transaction Summary* domain in the Project Tracking functional area.

When the scheduled job is complete, you can report on the summarized data. Workday refreshes the data daily, factoring in changes to:

- Project attributes: start and end dates, Inactive and Billable flags, currency, state, and status.
- Project hierarchy: new project or hierarchy added; hierarchy removed, moved, or marked inactive.
- Worker time block hours.
- Resource forecast hours.
- Resource plan lines.
- Contract rates.
- Cost rates for forecasted hours.

You can select the **Disable Project Transaction Summary** check box to disable the daily data refresh.

- Create custom reports using the Project Transaction Summary data source.

Project Portfolios

Steps: Manage Project Portfolios and Funding

You can create project portfolios to group your nonbillable projects and other project portfolios. You can then allocate funding from the top-level or parent portfolio to the subordinate or children projects and project portfolios. This feature enables you to track project actuals against allocated funding to guide your portfolio management decisions.

1. Set up the security policies for these domains in the Projects functional area:

- *Manage: Project Portfolios* grants access to:
 - The **Create Project Portfolio** task.
 - The **Edit Project Portfolio** task.
 - The **Project Portfolio** Report Data Source.
 - The **View Project Portfolio** report.
- *Manage: Project Portfolio Funding* grants access to:
 - The **Manage Project Portfolio Funding** task.
 - The **View Project Portfolio** report.
 - Funding and Project Budget amount-related fields on the Create and Edit tasks and View reports.
 - Currency type report fields on the Project Portfolio business object.

2. Access the **Create Project Portfolio** task.

Create your top-level or parent project portfolio.

Note:

- All Project Portfolios in the same structure must have the same reporting currency.
- Only unconstrained users can create a top-level project portfolio.

Security: *Manage: Project Portfolios* domain in the Projects functional area.

3. From the related actions menu of your **Project Portfolio**, select **Roles > Assign Roles**.

Workday suggests assigning roles with access to the *Manage: Project Portfolios* domain to projects or project hierarchies to ease adding projects to project portfolios.

4. Access the **Edit Project Portfolio** task.

Create your project portfolio structure to:

- Add the subordinate or children projects.
- Link a superior or parent portfolio.

Note: You can only add projects that you can access from the *Manage: Project Portfolio* domain as either:

- An unconstrained user.
- Having a role on the project, the project hierarchy, or the current project portfolio.

5. Access the **Manage Project Portfolio Funding** task.

Assign funding to your subordinate:

- Projects
- Project Portfolios

Security: *Manage: Project Portfolio Funding* domain in the Projects functional area.

- Add additional subordinate projects or project portfolios using the **Edit Project Portfolio** task.
- Create custom objects for Project Portfolio business object.
- Configure the Overview for Project Portfolio profile group to add custom reports to the **View Project Portfolio** report.
- Track your project actuals against your allocated funding.

Reference: Project Portfolio Funding Calculations

This table lists fields for project portfolio funding and their definitions and calculations.

Field	Definitions and Calculations
Allocated Amount	Total approved funding amount allocated to direct subordinate or children projects and project portfolios. The sum of the Funding Amount issued to all children.
Baseline Amount	Total amount of all baseline project budgets in the project portfolio. For projects without a project budget configuration, Workday totals the estimated budget amount field instead.
Forecast Amount	Total amount of all forecast project budgets in the project portfolio.
Funding Amount	Amount allocated from the parent project portfolio to the project or subordinate project portfolio.
Remaining Amount	Funding amount of the project portfolio not yet allocated to the direct subordinate or children projects and project portfolios. The difference of the Funding Amount minus the Allocated Amount .

Resource Management

Steps: Set Up Resource Management

Review setup considerations for:

- Project resources.
- Resource plans.
- Resource forecasts.

Resource management for Projects enables you to:

- Plan and organize your resources.
- Staff your projects.
- Specify when workers can log time against a project.
- Rate worker performance.
- Compare the expected and actual utilization rates of workers.
- Forecast worker hours.
- Schedule workers.

1. [Create Project Roles](#) on page 867.
2. (Optional) [Create Project Role Categories](#) on page 868.
3. [Assign Roles to Projects](#) on page 843.

Assign workers to the organizational roles on a project.

4. (Optional) [Create Templates for Resource Plans](#) on page 802.
5. (Optional) [Create Templates for Task Resources](#) on page 804.
6. (Optional) [Set Up Security for Dynamic Resource Pools](#) on page 878.

7. (Optional) [Create Dynamic Resource Pools](#) on page 879.
8. (Optional) Create resource pools.
See [Steps: Create Resource Pools](#) on page 880.
9. (Optional) Configure ratings for project workers.
See [Steps: Set Up Worker Ratings](#) on page 886.
10. [Set Up Time Entry Dates for Project Workers](#) on page 883.
11. (Optional) [Create Utilization Target Sheets](#) on page 886.
12. Configure resource plans.
See [Steps: Set Up Resource Plans](#) on page 900.
13. [Create Resource Plans](#) on page 902.
14. (Optional) [Configure Task Resources](#) on page 881.
15. (Optional) Configure resource forecasts.
See [Steps: Set Up Resource Forecasts](#) on page 910.
16. (Optional) Configure resource scheduling.
See [Steps: Set Up Resource Scheduling](#) on page 884.

Concepts

[Setup Considerations: Resource Plans](#) on page 894

[Setup Considerations: Project Resources](#) on page 872

[Setup Considerations: Resource Forecasts](#) on page 905

Reference

[The Next Level: Resource Management in Projects](#)

Examples

[Example: Configure Employee Self-Service for Resource Forecasts](#) on page 913

Create Project Roles

Security: *Set Up: Project Tracking* domain in the Project Tracking functional area.

For each project, you need a standard set of work roles for your project resources. You select these roles when you create the resource plans for your projects.

1. Access the **Maintain Project Roles** task.
2. As you complete the task, consider:

Option	Description
Restricted to Project Hierarchies	Select 1 or more project hierarchies to restrict the project role. The restricted project roles are only available to the resource plans on projects associated with the selected hierarchies or their child hierarchies. If you don't restrict the project role, it's available for use on all projects on all project hierarchies.
In Use	You can only remove a project role if it isn't in use on a project.
Inactive	Select to inactivate an existing project role. On the resource plan, any inactive roles in use display as (inactive) after the project role name.

Option	Description
Project Role Requirements	Select role requirements to display on the resource plan line. Role requirements enable you to identify qualified workers for project assignments. When searching for project workers from the resource plan line, you can override these values.
Category	Select a category for the requirement. You can have multiple categories for each project role but only 1 row for each category.
Requirements	Select the requirement for the category. You can include multiple requirements per category but only 1 requirement for <i>Location</i> and <i>Job Profile</i> .
Optional	Select when the project role requirement isn't mandatory for your project assignments.

You can select the project role on a resource plan line.

- Create project role categories.
- Set up resource plans.

Tasks

[Steps: Set Up Resource Plans](#) on page 900

Create Project Role Categories

Security: *Set Up: Project Details* domain in the Project Tracking functional area.

You can create project role categories to group your project roles. You select these categories when you create the resource plans for your projects.

1. Access the **Maintain Project Role Categories** task.
2. As you complete the task, consider:

Option	Description
Inactive	Select to inactivate an existing project role category. On the resource plan, inactive role categories in use display as (inactive) after the category name.
In Use	You can only remove a project role category if it isn't in use on a project.

You can select a project role category on a resource plan line.

Set up your resource plans.

Tasks

[Steps: Set Up Resource Plans](#) on page 900

Reference: Resource Management Reports

Match Resources with Projects

These reports can help you match qualified workers with available projects.

Report Name	Description	Security
Compare Workers for Project	Use to compare workers by tenure, qualifications, project, and talent from the filtered results of the Find Workers for Project report.	<i>Manage: Advanced Project Resource Management</i> domain in the Projects functional area
Find Available Workers for Project	Use to find available workers who meet specific requirements, and then assign them to a project. To enable this report, select the Always Use Find Available Workers for Project check box in the Projects section of the Edit Tenant Setup - Financials task. When enabled, this report launches from the Find Workers button on the resource plan line.	These domains in the Projects functional area: • <i>Manage: Advanced Project Resource Management</i> • <i>Manage: Resource Pool</i>
Find Project for Me	Enables workers to find projects with available assignments for themselves. To use this report, enable and activate the domain security policy.	<i>Self-Service: Resource Management</i> domain in the Projects functional area Modify or grant permissions for these security group types: • Self-Service - Project • Self-Service - Worker
Find Project for Worker	Use to find projects with available assignments for a worker.	<i>Manage: Advanced Project Resource Management</i> domain in the Projects functional area
Find Worker Assignments	Use to determine if your project workers are under or over allocated. Compares the scheduled weekly hours for workers against their total assignments, including: • Holidays. • Time off. • Resource forecast lines.	These domains in the Projects functional area: • <i>Manage: Advanced Project Resource Management</i>. Provides access to the report and the Projects and Project Hierarchies prompt on the report. • <i>Manage: Resource Pool</i>. Provides access to the report and the Resource Pools and Resource Pool Hierarchies prompt on the report. The <i>Reports: Manager</i> domain in the Staffing functional area. Provides access to the report and

Report Name	Description	Security
		the Supervisory Organizations prompt on the report. Note: Users secured solely to the <i>Reports Manager</i> domain can access and view this report, but they can't expand the rows to review the details. To ensure that users can review the report details, also secure them to the <i>Manage: Advanced Project Resource Management</i> domain, the <i>Manage: Resource Pool</i> domain, or both.
Find Worker for Project	Use to find workers to: • View their availability. • Assign to a project. • Add to a resource pool. You can launch this report from the Find Workers button on the resource plan line.	These domains in the Projects functional area: • <i>Manage: Advanced Project Resource Management</i> • <i>Manage: Resource Pool</i>

View Resource Commitments

These reports can help resource managers view and manage the assignment of workers across projects.

Report Name	Description	Security
Find Worker Availability	Use to examine the project commitments of your workers. From the search results, you can edit existing project assignments, add workers to another project, open the Find Worker for Project report, and preview project details.	<i>Manage: Advanced Project Resource Management</i> domain in the Projects functional area
Manage Worker Assignments	Use to: • View project resource assignments, time off, and holidays. • Compare workers for project assignments. • Drill into and manage project assignments. To enable this report, set up resource scheduling.	<i>Manage: Advanced Project Resource Management</i> domain in the Projects functional area <i>Manage: Resource Pool</i> domain in the Projects functional area <i>Reports Manager</i> domain in the Staffing functional area
Utilization Targets for Workers - Monthly	Use to view and manage the assignment of workers across projects and their utilization targets.	<i>Manage: Advanced Project Resource Management</i> domain in the Projects functional area

Report Name	Description	Security
	To view data in this report, select the Run Project Worker Days Job check box on the Edit Tenant Setup - Financials task.	
Worker Availability - Detailed Allocation	Use to: - Examine the scheduled time commitment of workers in your supervisory organizations. - Take project allocation actions based on worker availability. The percentages for worker time commitments are based on: - Forecast allocations. - Approved time off. - Holidays. The indication of weekly worker time commitment displays 3 ranges: - Greater than 110% (red icon). 70 to 110% (green icon). - Less than 70% (yellow icon).	These domains in the Projects functional area: <i>Manage: Advanced Project Resource Management</i> <i>Manage: Project Resource Forecast</i> These domains in the Time Off and Leave functional area: <i>Worker Data: Current Staffing Information</i> <i>Worker Data: Time Off Manager View</i> <i>Reports: Manager</i> domain in the Staffing functional area Users must have a role in the appropriate supervisory organization to view the data in this report.

Compare Resource Cost Rates

These reports can help resource managers view and compare the cost rates of workers and unnamed resources.

Report	Description	Security
Project Forecasted Labor Cost	Use to view this information on workers and unnamed resources in specific projects and project hierarchies: - Cost amount. - Forecasted hours. - Standard cost rate. Workday bases the time period in this report on the end date for the fiscal period and uses 3 consecutive fiscal periods.	<i>Manage: Project Resource Forecast</i> domain in the Projects functional area <i>Reports: Manager</i> domain in the Staffing functional area
View Resource Rates	Use to view the resource cost rates for a project, including: - Fully Burdened Cost Rate Definition - Standard Cost Rate - Standard Cost Rate Override	View access to either: <i>Worker Data: Project Costing</i> domain in the Projects functional area <i>Worker Data: Fully Burdened Cost</i> domain in the Projects functional area

Report	Description	Security
	This report launches from the View Resource Rates button on the Resources profile group of a project.	• <i>Process: Project Billing</i> domain in the Project Billing functional area.
View Project Standard Cost Rate Sheet	Use to view the hourly rates on a specific cost rate sheet for: • Unnamed Resources based on project role. • Workers based on worker attributes.	<i>Set Up: Project</i> domain in the Projects functional area
Standard Cost Rate for Worker	Use to view the cost rate for project workers, based on the cost rate rule.	<i>Worker Data: Project Costing</i> domain in the Projects functional area
View Resource Plan Lines with Conflicting Standard Cost Rates	Use to find the assigned project workers who have more than 1 standard cost rate.	<i>Manage: Project Resources</i> domain in the Project Tracking functional area

For a complete list of standard reports for Projects, access the **Workday Standard Reports** report and select the *Projects* report category.

Concepts

[Concept: Resource Manager Dashboards](#) on page 888

Tasks

[Steps: Set Up Resource Scheduling](#) on page 884

Project Resources

Setup Considerations: Project Resources

You can use this topic to help make decisions when planning your configuration for project resources. It explains:

- Why to set them up.
- How they fit into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What They Are

Project resources include all of the workers on a project. You can configure these features to simplify project staffing and resource management:

- *Resource Pools* are stable groups of project workers that organize your resources.
- *Dynamic Resource Pools* are groups of project workers who match preset criteria, such as skills, certifications, or location. These types of pools automatically update when workers leave, change roles, and start new jobs.
- *Rate Work* enables managers to rate the quality of the project work completed by a worker.
- *Utilization Target Sheets* provide insight into the productivity of your project workers.

Business Benefits

Project resources in Workday organize and streamline the management, planning, and staffing of your project workers.

Use Cases

- Create a resource pool of consultants and manage them from the **Resource Pool Manager** dashboard.
- Create a dynamic resource pool of business analysts with specific skills, and then associate them with a resource plan.
- Rate the quality of the project work completed by individual workers.
- Define utilization targets for project workers to gain insight into their expected productivity for a specific time period.

Questions to Consider

Questions	Considerations
How do you want to organize your resource pools?	Resource pools enable you to run custom reports and view information on the Resource Pool Manager dashboard. You can: • Borrow workers from other resource managers. • Compare worker attributes. • Staff projects. • View the status and utilization of your workers. You can also assign 1 or more of the workers in a resource pool to a resource plan line. Before you begin creating resource pool hierarchies and resource pools, determine: • The organization of the hierarchies. • The project workers who should be in the resource pools.
Which dynamic resource pools do you want to use for project staffing?	Dynamic resource pools enable you to staff projects using preset worker qualifications. You can: • Associate a dynamic resource pool as a group with a resource plan line, and then exclude specific individuals from the group. • Assign 1 or more individual workers in a dynamic resource pool to a resource plan line. • Display dynamic resource pools in reports when you search for workers. Project workers in these pools can enter time and expenses for their project assignments. Before you begin creating dynamic resource pools, determine the selection criteria for the workers in the pools, such as job profile and location.

Questions	Considerations
Do managers want to rate workers on their project work?	Project and resource managers can rate the project workers who have a direct assignment to a project task, approved time logged against a task, or both. To rate a worker, managers must also have a role on the same project as the worker. Before you set up worker ratings, you need to determine a rating scale for the completed project work.
How do you want to track the utilization of your project resources?	Utilization target sheets enable you to define utilization targets to benchmark workers for staffing, workforce planning, and performance. Before you set up the utilization target sheets, you need to determine the rules and utilization percentages for your workers.

Recommendations

We recommend that you configure these features to simplify project staffing:

- Resource pools.
- Dynamic resource pools.

Requirements

No impact.

Limitations

You can't use resource forecasts when you enable workers to enter time on a project with dynamic resource pools, because:

- Workday doesn't automatically create resource forecast entries for the workers in dynamic resource pools.
- Workers automatically leave dynamic resource pools when they no longer meet the pool criteria, which might cause problems with time entry. We recommend that you not manually add workers from dynamic resource pools to resource forecast lines.

Tenant Setup

Access the **Projects** section on the **Edit Tenant Setup - Financials** task to select the:

- **Rating Scale** to use when evaluating a project worker's performance using the **Rate Work** task.
- **Run Project Worker Days Job** check box to view data on the **Utilization Targets for Workers - Monthly** report.

Security

Domains	Considerations
<i>Set Up: Advanced Project Resource Management</i> in the Projects functional area	Users secured to this domain can: • Maintain project booking statuses. • Create and manage utilization target sheets. • Create custom reports on resource utilization.

Domains	Considerations
	Assign this domain to users with unconstrained security roles, such as the project administrator.
<i>Manage: Advanced Project Resource Management</i> in the Projects functional area	Users secured to this domain can: • Use the Find Worker Assignments report to find workers on specific projects or project hierarchies. • Use these dashboards: • Resource Manager • Resource Pool Manager
<i>Manage: Project Resources</i> in the Project Tracking functional area	Users secured to this domain can: • View the workers listed in a resource pool on the resource plan and in reports. They can't, however, view the faceted dimensions or values that define the resource pool. • View the View My Favorites report in the Actions menu on the Resource Manager dashboard.
<i>Manage: Resource Pool</i> in the Projects functional area	Users secured to this domain can: • View resource pools and resource pool hierarchies. • Use the Find Worker Assignments report to find workers in specific resource pools and resource pool hierarchies. • Use the Resource Pool Manager dashboard.
<i>Management Dashboard: Resource Manager</i> in the Projects functional area	Users secured to this domain can use these dashboards: • Resource Manager • Resource Pool Manager
<i>Reports: Manager</i> in the Staffing functional area	Users secured to this domain can use the Find Worker Assignments report to find workers in specific supervisory organizations. To ensure that users can review the report details, also secure them to the <i>Manage: Advanced Project Resource Management</i> domain, the <i>Manage: Resource Pool</i> domain, or both. Otherwise, they can't expand the rows in the report to review the details.
<i>Set Up: Dynamic Resource Pool</i> in the Project Tracking functional area	Users secured to this domain can create, edit, delete, and view dynamic resource pools. Assign this domain to users with unconstrained security roles, such as the dynamic resource pool administrator.

Domains	Considerations
<i>Set Up: Resource Pool</i> in the Projects functional area	Users secured to this domain can create, edit, delete, and view resource pools and resource pool hierarchies. Assign this domain to users with unconstrained security roles, such as the resource pool administrator.

To ensure proper access, review these team member roles and activities:

Domain Security Roles	Responsibilities
Dynamic resource pool administrator	Creates and maintains the definitions for dynamic resource pools.
Project administrator	• Configures tenant setup information. • Creates and edits resource pools and dynamic resource pools. • Edits the <i>Rate Work</i> business process and security policy. • Configures the Resource Manager and Resource Pool Manager dashboards. • Creates and maintains utilization target sheets. • Creates custom reports.
Project manager	• Rates the performance of project workers using the Rate Work task. • Approves performance ratings on project workers routed by the <i>Rate Work</i> business process. • Uses resource pools and dynamic resource pools to staff projects. • Views Utilization Target Sheets.
Resource manager	• Rates the performance of project workers using the Rate Work task. • Approves performance ratings on project workers routed by the <i>Rate Work</i> business process. • Uses the Resource Manager dashboard to view the status of their project workers. • Uses resource pools and dynamic resource pools to staff projects. • Uses the Find Worker Assignments report to determine when project workers are under or over allocated.
Resource pool administrator	• Creates and maintains resource pool hierarchies and resource pools. • Adds project workers to resource pools. • Assigns roles to resource pools and resource pool hierarchies.

Domain Security Roles	Responsibilities
Resource pool hierarchy manager	• Maintains and views resource pool hierarchies and resource pools. • Only has access to the positions in their supervisory organization.
Resource pool manager	• Maintains and views resource pools. • Uses the Resource Pool Manager dashboard to view the status of the project workers in resource pools. • Only has access to the positions in their assigned resource pools and supervisory organizations.

Business Processes

You can use the *Rate Work* business process to enable project and resource managers to:

- Rate the performance of their project workers.
- Approve the performance ratings of their project workers.

Reporting

Reports and Dashboards	Considerations
Find Worker Assignments report	Enables you to check the allocations of project workers.
Resource Manager dashboard	Provides access to reports that help manage the workers in your organization.
Resource Pool Manager dashboard	Provides access to reports that help manage the workers in resource pools. You can view and manage workers with and without project assignments.
Utilization Targets for Workers - Monthly report	Enables you to view a monthly summary of the utilization targets for your project workers. To view the data in this report, you must select the <i>Run Project Workers Day Job</i> check box on the Edit Tenant Setup - Financials task.

You can use these report data sources to create custom reports:

- Project Dynamic Resource Pool
- Project Resource Requirements
- Project Worker Days
- Project Worker Holidays
- Resource Pool
- Resource Pool Hierarchy
- Time Off by Date Taken and Resource Pool
- Worker Utilization Target Sheet

Integrations

Web Services	Considerations
<i>Get Resource Pool Hierarchies</i>	Retrieves resource hierarchies, including the parent hierarchies and attached resource pools.
<i>Get Resource Pool Hierarchies Without Dependencies</i>	Retrieves only resource hierarchies, not including the parent hierarchies or attached resource pools.
<i>Put Resource Pool Hierarchy</i>	Creates and updates resource pool hierarchies.
<i>Get Resource Pools</i>	Retrieves resource pools.
<i>Put Resource Pool</i>	Creates and updates resource pools.
<i>Get Worker Utilization Target Sheets</i>	Retrieves utilization target sheets and their associated data.
<i>Put Worker Utilization Target Sheet</i>	Creates and updates utilization target sheets and their associated data.

Connections and Touchpoints

Project resources interact with these areas of Human Capital Management (HCM) in Workday:

- Managers assign workers from HCM Core to their projects.
- Projects link to the job requisitions for hiring workers in HCM Core.
- Project workers in dynamic resource pools can use Time Tracking to enter their project hours.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Concepts

[Concept: Resource Pool Security](#) on page 888

[Concept: Resource Manager Dashboards](#) on page 888

Tasks

[Create Dynamic Resource Pools](#) on page 879

[Steps: Create Resource Pools](#) on page 880

[Steps: Set Up Worker Ratings](#) on page 886

[Create Utilization Target Sheets](#) on page 886

Reference

[Reference: Security for Resource Manager Dashboards](#) on page 889

[Reference: Resource Management Reports](#) on page 869

[The Next Level: Resource Management in Projects](#)

Set Up Security for Dynamic Resource Pools

There are 2 main domains related to dynamic resource pools. To maintain the security of worker data, we split permissions between the users who can:

- Create dynamic resource pools.
- View and manage the workers in dynamic resource pools.

The domains are:

- *Set Up: Dynamic Resource Pool* in the Project Tracking functional area. This domain controls who can manage resource pools, and only supports user-based security groups and project administrators.
- *Manage: Project Resources* in the Project Tracking functional area. This domain controls who can access the workers in a resource pool on both the resource plan and reports. Users can select the

worker and see the available pools. They can't see the faceted dimensions and values that define the resource pool.

- Domains by dimension. Users must also have access to each dimension to use it in the dynamic resource pool. Users without access to a dimension can still use dynamic resource pools, but they can't see that dimension.

Workday manages security permissions automatically as you assign workers to and remove them from dynamic resource pools on the resource plan line. Example: Workers in a dynamic resource pool can only track time or file expense reports for projects that you assigned them to.

1. Access the **Edit Domain Security Policy Permissions** task for the *Set Up: Dynamic Resource Pool* domain.
2. Add *Project Administrator* as a **Security Group**.
3. Select **Modify** so project administrators can create and change dynamic resource pools.
Workday selects **View** automatically when you select **Modify**.
4. Use the **Activate Pending Security Policy Changes** task to create an active timestamp for your changes.

Project administrators can now create and change dynamic resource pools. Project and resource managers can assign workers to projects based on the criteria for the dynamic resource pool.

Tasks

[Edit Domain Security Policies](#)

[Activate Pending Security Policy Changes](#)

Create Dynamic Resource Pools

- Review setup considerations for project resources.
- Set up security for dynamic resource pools.
- Security: *Set Up: Dynamic Resource Pool* domain in the Project Tracking functional area.

Dynamic Resource Pools are groups of project workers who match preset criteria, such as skills, certifications, or location. These types of pools automatically update when workers leave, change roles, and start new jobs. As you change the criteria for a dynamic resource pool:

- Workers who no longer match your criteria move out of the pool.
- Workers who do match your criteria move into the pool.

Dynamic resource pools provide you with a current source of workers that you can repeatedly assign to projects based on preset worker criteria. As workers leave or change roles, the dynamic resource pool updates to reflect your current staffing.

Note: Workday doesn't add workers with multiple jobs to dynamic resource pools.

You can use dynamic resource pools in resource plans when you:

- Associate a worker group with a resource plan line, you can select a dynamic resource pool.
- Assign an individual worker to a resource plan line, you can select them from a dynamic resource pool.
- Associate a dynamic resource pool with a resource plan line, the workers in the pool can log their time on the project.

You can also use dynamic resource pools to filter your search results with these reports:

- **Find Available Workers for Project**
- **Find Worker Assignments**
- **Find Worker for Project**

1. Access the **Create Dynamic Resource Pool** task.

2. Enter a **Name** and a **Description**.

The name displays on the resource plan line under *Resource Pools* for these fields:

- **Worker**
- **Worker Group**

Users don't see the description, only the name of the dynamic resource pool.

3. Select the dimensions for your resource pool.

For dimensions that are hierarchy-based, such as *Cost Center*, Workday returns all workers within that hierarchy node, but not the workers within subordinate hierarchies. You can add the subordinate hierarchies separately.

Workday secures each dimension to its own domain. If you don't have security access to a domain for a dimension, you can't add that dimension or make changes to the field. Example: The **Skills** dimension secures to the *Worker Data Skills* domain. If you don't have security access to that domain, you can't edit the field.

To see all active dynamic resource pools for a specific worker, use the **Project Dynamic Resource Pool** report field.

To search for workers by dynamic resource pool, use these reports:

- **Find Available Workers for Project**
- **Find Worker Assignments**
- **Find Worker for Project**

Concepts

[Setup Considerations: Project Resources](#) on page 872

Steps: Create Resource Pools

- Review setup considerations for project resources.
- Create project roles.
- Security: *Set Up: Resource Pool* domain in the Projects functional area.

Resource pools are groups of project workers that simplify staffing. They also enable resource managers to run custom reports and view worker information on the **Resource Pool Manager** dashboard.

1. Access the **Create Resource Pool Hierarchy** task to create a new hierarchy for the resource pool.

You must have at least 1 resource pool hierarchy before you can create a new resource pool.

As you complete the task, consider:

Option	Description
ID	If you leave the ID blank, Workday automatically generates a sequential ID for the resource pool.
Resource Pools to Include	Select the resource pools for the hierarchy.
Role	Assign the <i>Resource Pool Hierarchy Manager</i> and the <i>Resource Pool Manager</i> roles to the users who manage the resource pool hierarchy and its associated resource pools.

2. Access the **Create Resource Pool** task.

As you complete the task, consider:

Option	Description
ID	If you leave the ID blank, Workday automatically generates a sequential ID for the resource pool.

Option	Description
Resource Pool Hierarchy	Select the hierarchies for the pool. You can assign a resource pool to multiple hierarchies, but the pool can't be in 2 hierarchies within the same tree.
Workers to Include	Select the workers for the pool. If you select a worker that's already in another resource pool, Workday moves the worker from their existing pool into the new pool.
Role	Assign the <i>Resource Pool Manager</i> role to the user who will manage the resource pool.

The resource pool managers can access the project workers in their assigned pools.

Note: If resource pool managers need to access workers outside of their assigned resource pools, you need to create an unconstrained security group for them.

Set up:

- Resource plans.
- **Resource Pool Manager** dashboard.

Concepts

[Setup Considerations: Project Resources](#) on page 872

[Concept: Resource Manager Dashboards](#) on page 888

Tasks

[Create Project Roles](#) on page 867

[Create Resource Plans](#) on page 902

Reference

[Reference: Security for Resource Manager Dashboards](#) on page 889

Configure Task Resources

- Create a project.
- Create a resource plan.
- Create project tasks.
- Create a project plan.
- Security: *Manage: Project Task Resources* domain in the Projects functional area.

By configuring task resources, you can add these assignments to specific project plan tasks:

- Individual project workers.
- Unnamed resources.
- Worker groups.

These task resource assignments enable:

- Project workers to log their time to their specific task assignments with Time Tracking and ad hoc project time transactions.
- Project managers to create detailed resource forecasts.
- Project managers to create detailed project budgets.

1. Access the project.
2. Select **Project Plan**.
3. Select **Task Resources**.

4. (Optional) Click **Edit in Grid** to update the task resources in a table format.
5. Select a project plan task and enter the assignment details.

As you complete the task, consider:

Option	Description
Project Resources	(Optional) Select specific workers or unnamed resources who are available for assignment from the resource plan line. Workers assigned as task resources can enter time to a project plan task. These workers can enter time in Time Tracking or through ad hoc project time transactions. Workers on the resource plan can view and log time to a task without task resources on both billable and nonbillable projects.
Resource Plan Line	Identifies the project role on the resource plan line. Workday populates this field based on the worker entry. This field displays even when the role is an association or not yet hired.
Resource Start Date Resource End Date	(Optional) Enter a start date that is on or before the end date. The end date must be on or after the start date. Workday doesn't require or enforce date relationships across: • Projects • Project plan task • Resource plan lines • Task resources Example: You can assign a worker as a task resource with dates outside their resource plan line.
% Allocation	(Optional) Percentages automatically populate from the resource plan line when available. Or, you can enter a new value. Workday supports whole numbers that are greater than or equal to zero and percentages over 100.
Estimated Hours	(Optional) Enter the number of hours you estimate the task takes. You can enter positive numbers up to 2 decimal points.
Memo	(Optional) Enter details to track historical changes to: • Estimated hours. • Start and end dates. • Any other task resource updates.

Option	Description
	The memo you enter here follows the worker to display on the Edit Task Assignment subtask for the Find Worker Availability report.

6. (Optional) Click **Mass Update** to set or move the start and end dates for multiple resources at once.

- Synchronize the resource plan and task resource dates from the resource plan on the project.
- Identify conflicts in contract billing rates with the **Task Resource Audit** report on the project.
- Set up resource forecasts.

Tasks

[Create Projects](#) on page 838

[Steps: Set Up Project Plans](#) on page 849

[Steps: Set Up Resource Plans](#) on page 900

Set Up Time Entry Dates for Project Workers

- Review setup considerations for resource plans.
- Security: *Set Up: Tenant Setup - Financials* domain in the System functional area.

By default, Workday enables the date range for time entry as the start and end dates of a project.

You can narrow the date range by using the start and end dates from the:

- Resource plan
- Project plan tasks
- Task resources

To narrow the date range even more, you can select multiple sources for the dates.

1. Access the **Edit Tenant Setup - Financials** task.
2. In the **Projects** section, consider:

Option	Description
Use Resource Plan Dates	Select to enable workers to log their time during the date range on the resource plan.
Use Project Plan Task Dates	Select to enable workers to log their time during the date range on the project plan task.
Use Task Resource Dates	Select to enable workers to log their time during the date range on the task resources.

Note:

- If you don't select an option, workers can log their time between the start and end dates of the project.
- If you select multiple options, workers can only log their time where the date ranges overlap.

A project has these date ranges:

- Project: January 1 through June 30.
- Resource plan: February 1 through May 31.
- Project plan task: March 1 through June 30.
- Task resources: March 1 through April 30.

Depending on the options you select, workers can log their time on the project during these date ranges:

Option	Date Range Workers can Log Time
None	January 1 through June 30. The start and end dates on the project.
Resource plan	February 1 through May 31. The start and end dates on the resource plan.
Resource plan Project plan task	March 1 through May 31. The overlap of the 2 date ranges.
Resource plan Project plan task Task resources	March 1 through April 30 The overlap of the 3 date ranges.

Concepts

[Setup Considerations: Resource Plans](#) on page 894

Reference

[Reference: Edit Tenant Setup - Financials](#)

Steps: Set Up Resource Scheduling

Create resource plans with start and end dates on the resource plan lines.

Resource scheduling enables you to:

- Create a balanced distribution of worker allocations across your workforce.
- Streamline the allocation of your resources to project work.

When you configure resource scheduling, you can use the **Manage Worker Assignments** report to view and manage resource assignments.

When you enable this report for forecast hours, Workday generates the resource forecasts for new and existing projects without forecasts. These Workday-generated resource forecasts:

- Don't display in Workday, except for reporting.
- Don't overwrite user-created forecasts.
- Are replaced by user-created forecasts.
- Calculate forecast hours at the project level, not the project plan task level.

1. Access the **Edit Tenant Setup - Financials** task.

In the **Projects** section, select the resource scheduling options. These settings enable Workday to generate resource forecasts for new projects, so that you can view forecast hours in reports.

Security: *Set Up: Tenant Setup - Financials* domain in the System functional area.

2. Access the **Schedule Workday Generated Forecasts** task.

Enter your project criteria and forecast schedule to run the Create Workday-Generated Forecasts job. This job creates resource forecasts for existing projects that don't already have a forecast, enabling you to view the project-level forecast hours in reports.

Note: Workday recommends that you wait until the job finishes before using the **Manage Worker Assignments** report. Otherwise, you might not have a complete set of data to display in the report.

Security: *Set Up: Advanced Project Resource Management* domain in the Projects functional area.

3. (Optional) [Configure Custom Validation Messages](#) on page 54.

Configure validation messages for users when they change worker assignments with the **Update Project Assignments** task.

4. Edit Domain Security Policies.

Set up these domains for access to the **Manage Worker Assignments** report and its prompts:

Domain	Considerations
<i>Manage: Advanced Resource Management</i> in the Projects functional area	Users secured to this domain can access the: • Manage Worker Assignments report. • Projects and Project Hierarchies prompt within the task.
<i>Manage: Resource Pool</i> in the Projects functional area	Users secured to this domain can access the: • Manage Worker Assignments report. • Resource Pools and Resource Pool Hierarchies prompt.
<i>Reports: Manager</i> in the Staffing functional area	Users secured to this domain can access the Supervisory Organizations prompt. Note: If a user has sole access to this domain, they can't access the Manage Worker Assignments report.

5. Edit Business Process Security Policies.

Configure the security policy for the *Update Project Assignment* initiating action on the *Project Resource Plan Line* business process in the Project Tracking functional area. This initiating action provides access to the **Update Project Assignments** task on the **Manage Worker Assignments** report.

6. Edit Business Processes.

Add the *Recalculate Resource Forecast* service step as the last step for all definitions of the *Project Resource Plan Line* business process. This service step enables Workday to update a resource forecast after you edit a resource plan line using the **Manage Worker Assignments** report.

7. (Optional) Configure Rule-Based Business Processes.

Configure automatic approvals for project assignments updated from the **Manage Worker Assignments** report. Automatic approvals enable you to view the modified project assignments immediately and avoid the wait. To configure automatic approvals for project assignments, use a rule-based configuration for these business processes and report fields:

Business Process	Report Field	Business Object
<i>Project Resource Plan Line</i>	Edit Resource Plan Line from Manage Worker Assignments. Set to True.	Project Resource Plan Line Event
<i>Request Worker</i>	Request Worker from Manage Worker Assignments Set to True.	Request Worker for Resource Plan Event

8. Activate Pending Security Policy Changes.

Activate these business security policies:

- *Project Resource Plan Line* in the Project Tracking functional area.
- *Request Worker* in the Projects functional area.

Access the **Manage Worker Assignments** report to schedule your resources.

Concepts

[Setup Considerations: Resource Plans](#) on page 894

[Setup Considerations: Resource Forecasts](#) on page 905

Tasks

[Steps: Set Up Resource Plans](#) on page 900

[Create Resource Plans](#) on page 902

Reference

[Reference: Edit Tenant Setup - Financials](#)

Steps: Set Up Worker Ratings

Review setup considerations for project resources.

Project and resource managers can rate the project workers who have a direct assignment to a project task, approved time logged against a task, or both. To rate a worker, managers must also have a role on the same project as the worker.

In addition, the project or project task must meet at least 1 of these conditions:

- The project end date is before today.
- The task end date is before today.
- The task is 100 percent complete.
- The task is closed.

1. [Create Rating Scales.](#)

Define the rating scales for your project workers.

2. Access the **Edit Tenant Setup - Financials** task.

In the projects section, select the **Rating Scale** to use for rating project work.

Security: *Set Up: Tenant Setup - Financials* in the System functional area.

3. [Edit Business Processes.](#)

Set up the *Rate Work* business process in the Projects functional area.

4. [Edit Business Process Security Policies.](#)

Set up the *Rate Work* business security policy in the Projects functional area.

5. [Activate Pending Security Policy Changes.](#)

Activate the *Rate Work* business security policy in the Projects functional area.

Managers can rate the work completed by project workers on their assigned tasks, as well as add qualitative feedback on the worker.

Managers can also filter project workers by their average project rating when they search from the resource plan line using these reports:

- **Find Available Workers for Project**
- **Find Worker for Project**

Rate project workers.

Concepts

[Setup Considerations: Project Resources](#) on page 872

Reference

[Reference: Edit Tenant Setup - Financials](#)

Create Utilization Target Sheets

- [Define Rules to Determine Project Cost Rates](#) on page 818.
- Security: *Set Up: Advanced Project Resource Management* domain in the Projects functional area.

You can create utilization target sheets to track the estimated productivity of project workers against their scheduled hours.

You can define utilization targets to benchmark workers for:

- Performance.
- Project staffing.
- Workforce planning.

1. Access the **Create Utilization Target Sheet** task.

2. As you complete the task, consider:

Option	Description
Company	You can create only 1 utilization target sheet for a company. You can, however, assign multiple companies to a utilization target sheet.
Effective Date	You can past-date the effective date.
1st Priority 2nd Priority	Workday evaluates the utilization target of project workers by priority. Example: The 1st Priority is <i>Worker</i> and the 2nd Priority is <i>Utilization Target Rule</i>. Jane Smith has 2 potential utilization targets: • An individual utilization target of 85%. • A utilization target rule for California employees with a value of 90%. Workday returns a utilization target of 85% for Jane. If Jane doesn't have a utilization target on the Worker tab, Workday retrieves a value from the utilization target rule. If Jane doesn't have a utilization target on either the Worker tab or the Utilization Target Rule tab, Workday can't retrieve a value for her.

3. As you complete the **Utilization Target Rule** tab, consider:

Option	Description
Utilization Target Rule	A category of workers with the same productivity targets. Workday determines the available categories using project cost rate rules. Workday generates utilization targets by sequentially processing the utilization target rules on your list, starting from the top. Example: When a worker belongs to more than 1 utilization target rule, Workday derives the value from the first rule in the sequence.
Utilization Target %	The percent of productive time you expect the project resources to work.

4. As you complete the **Worker** tab, consider:

Option	Description
Worker	You can only add workers from the companies you select for the target sheet.
Utilization Target %	The percent of productive time you expect this individual to work.

- Run the **Utilization Targets for Workers - Monthly** report. You can compare the utilization target percent for project workers with their scheduled hours and target utilization hours.

Note: To view data in this report, you must select the **Run Project Worker Days Job** check box in the **Edit Tenant Setup - Financials** task.

- Use the **targetsheets** search prefix to find an existing target sheet to view or edit.

Tasks

[Steps: Set Up Projects Infrastructure](#) on page 788

Reference

[Reference: Edit Tenant Setup - Financials](#)

[Reference: Resource Management Reports](#) on page 869

Concept: Resource Pool Security

To maintain the security of worker data in resource pools, Workday Projects divides permissions among the users who can:

- Create and maintain resource pool hierarchies and resource pools without restriction.
- View and access the workers in a resource pool on the resource plan, in reports, and on the **Resource Pool Manager** dashboard.

Security domains for resource pool hierarchies and resource pools:

Domain	Considerations	Security Groups
<i>Set Up: Resource Pool</i> in the Projects functional area	Controls who can: - Create and view resource pools and resource pool hierarchies. - Assign roles to the resource pool and resource pool hierarchy managers.	Project Administrator Resource Pool Administrator
<i>Manage: Resource Pool</i> in the Projects functional area	Controls who can: - View resource pools and resource pool hierarchies. - View and access the project workers in a resource pool on the resource plan, in reports, and on the Resource Pool Manager dashboard.	Project Manager Project Resource Manager Resource Pool Manager Resource Pool Hierarchy Manager

Tasks

[Steps: Create Resource Pools](#) on page 880

Concept: Resource Manager Dashboards

Resource managers use these dashboards to manage their project workers:

- **Resource Manager**
- **Resource Pool Manager**

They can:

- Borrow workers from other resource managers.
- Compare worker attributes.
- Staff projects.
- View the status and utilization of their workers.

Resource pool managers can also view and manage workers even if they don't have a role on the same project as the worker.

These dashboards display:

- The status of workers on a project.
- A consolidated view of work allocations.
- Frequently used tasks and reports.
- Your urgent staffing needs. Workday calculates urgency as the sum of these parameters:
 - Is the project start date - the current date less than 30? (+1)
 - Is the start date for the resource plan line - the current date less than 14? (+1)
 - Does the resource plan line have more than 1 unnamed resource? (+1)
 - Does the resource plan line have requirements? (+1)
 - Is the Project billable? (+1)

Note: To ensure that Workday displays the correct dashboard data, assign managers to a role in the same supervisory organization as their workers. You might also need to assign resource pool managers to multiple supervisory organizations.

Concepts

[Setup Considerations: Project Resources](#) on page 872

Tasks

[Steps: Set Up Dashboards and Landing Pages](#)

Reference

[The Next Level: Resource Management in Projects](#)

Reference: Security for Resource Manager Dashboards

Workday provides these dashboards for resource managers, secured to the *Management Dashboard: Resource Manager* domain in the Projects functional area:

- Resource Manager
- Resource Pool Manager

When you configure the dashboards, use this security for the worklets:

Worklets	Domains
Staffing That Needs Attention	<i>Manage: Advanced Project Resource Management</i> in the Projects functional area
Workers That Need Attention	These domains in the Projects functional area: • <i>Management Dashboard: Resource Manager</i> • <i>Manage: Resource Pool</i>
Workers Rolling Off Projects In	These domains in the Projects functional area: • <i>Management Dashboard: Resource Manager</i>

Worklets	Domains
	• <i>Manage: Resource Pool</i>
Worker Allocations	<i>Reports: Manager</i> in the Staffing functional area These domains in the Projects functional area: • <i>Manage: Project Resource Forecast</i> • <i>Manage: Advanced Project Resource Management</i> These domains in the Time Off and Leave functional area: • <i>Worker Data: Time Off (Time Off)</i> • <i>Worker Data: Time Off (Time Off Manager View)</i>
Worker Allocations by Resource Pool	<i>Manage: Resource Pool</i> in the Projects functional area

When you configure the **Actions** menu on the dashboards, use this security:

Report in Actions Menu	Domains
Find Worker for Project	These domains in the Projects functional area: • <i>Manage: Advanced Project Resource Management</i> • <i>Manage: Resource Pool</i>
View My Favorites	<i>Manage: Project Resources</i> in the Project Tracking functional area <i>Manage: Resource Pool</i> in the Projects functional area
Find Project for Worker	<i>Manage: Advanced Project Resource Management</i> in the Projects functional area

Concepts

[Setup Considerations: Project Resources](#) on page 872

Example: Use Unnamed Resources in Projects

This example explains how to use unnamed resources in your projects.

You need to define the resources and scope the work effort for a 1-month project before you can fully staff it. You add unnamed resources allocated at 100% as placeholders on the resource plan, resource forecast, and task resources for the project. Once complete, you then review the:

- Estimated work effort for each project worker.
- Task assignments for each project worker.

Create a project hierarchy.

Configure these business processes and security policies:

- *Create Project* in the Project Tracking functional area.
- *Edit Project* in the Project Tracking functional area.
- *Project Resource Plan Line* in the Project Tracking functional area.
- *Request Worker* in the Projects functional area.

Security: These domains in the Project Tracking functional area:

- *Manage: Project Details*
- *Manage: Project Plan*
- *Set Up: Project Details*

1. Access the **Create Project** task.

- a. Create a project without selecting any templates.
- b. Enter today as the Start Date.

2. Access the **Create Project Plan** task.

- a. Create a project plan for your project without selecting a template.
- b. Add 1 phase and 1 task to your plan.

3. Access the **Create Resource Plan for Project** task.

- a. Create a resource plan for your project without selecting a template.
- b. Enter these values on the **Resource Plan Line**:

Option	Value
Project Role	<i>Consultant</i>
Start Date	Today
End Date	A date 1 month in the future.
Allocation Type	<i>Assign a Worker</i>
% Allocation	100
Add Unnamed Resources	3

Workday adds your unnamed resources to the resource plan line using the role name appended with an incremental number. Example: Consultant-1, Consultant-2, Consultant-3.

4. Access the **Edit Task Resources** report.

- a. Select your project.
- b. Add 3 rows to the **Task Resources** grid.
- c. As you complete each row, select these values:

Option	Value
Project Resources	An unnamed resource. Example: <i>Consultant-1</i>
Resource Plan Line	Consultant
Resource Start Date	Today
Resource End Date	A date 1 month in the future.
% Allocation	100

You see a grid of your unnamed resources and their task assignments for the project.

5. Access the **Create Resource Forecast for Project** task.

- a. Select your project.
- b. As you complete the task, enter these values:

Option	Value
Forecast Level View	Project
Forecast Frequency View	Week
Forecast Source	Percent Allocation
Forecast Hours	Whole Numbers

You see the work estimate for your unnamed resources on the resource forecast.

6. Access the **View Project** report and select your project.

To review and verify your unnamed resources:

- a. Click the **Resources** profile group.
- b. Click the **Project Resources** tab. You see your unnamed resources in the grid.
- c. Click the **Resource Plan** tab. You see your unnamed resources in the **Workers** section on the resource plan line.
- d. Click the **Resource Forecast** tab. You see your unnamed resources and their estimated hours in the grid.
- e. Click the **Project Plan** profile group.
- f. Click the **Task Resources** tab. You see your unnamed resources and their assigned project tasks in the grid.

When you're ready to assign specific workers to your project, use a Find Worker report to replace the unnamed resources with project workers:

1. Navigate to the resource plan.
2. Click the **Find Workers** button.
3. Assign a worker to the project.

Workday replaces 1 of the unnamed resources with the new worker, and then automatically updates the project resources, resource forecast, and task resources with your new worker assignment.

Tasks

[Create Project Hierarchies](#) on page 790

[Create Projects](#) on page 838

[Create Project Plans](#) on page 851

[Create Resource Plans](#) on page 902

[Configure Task Resources](#) on page 881

[Steps: Set Up Resource Forecasts](#) on page 910

Reference

[Reference: Resource Management Reports](#) on page 869

Troubleshooting: Resource Pool Manager Can't Assign Workers to Pools

Resource pool managers can't access all project workers in all resource pools. Workday restricts resource pool managers to creating new resource pools only from their original resource pool assignment.

The *Resource Pool Manager* security group is a constrained security group. It only enables resource pool managers to access the workers in their assigned resource pools.

Create an unconstrained role-based security group for resource pool managers. Then, assign the new security group and the resource pool manager to a resource pool.

Security:

- *Manage: Resource Pool* domain in the Projects functional area.
- *Security Activation* domain in the Customer Central and System functional areas.
- *Security Configuration* domain in the System functional area.
- *Set Up: Assignable Roles* domain in the Organizations and Roles functional area.
- *Set Up: Resource Pool* domain in the Projects functional area.

1. Access the **Maintain Assignable Roles** task.

2. Add a new row, and then complete these options:

Option	Description
Role Name	Enter a name. Example: Resource Pool Manager (Unconstrained)
Enabled for	Select <i>Resource Pool</i> and <i>Resource Pool Hierarchy</i> .
Hide on View if Not Assigned	Select.
Assigned by Security Groups	Select <i>Security Administrator</i> .

3. Access the **Create Security Group** task.

4. Complete these options:

Option	Description
Type of Tenanted Security Group	Select <i>Role-Based Security Group (Unconstrained)</i> .
Name	Enter the role name. Example: Resource Pool Manager (Unconstrained)

5. In the **Assignable Role** field, select your new role name.

Example: Resource Pool Manager (Unconstrained)

6. Access the **Set Up: Resource Pool** domain.

7. From the related actions menu of the *Domain Security Policy*, select **Domain Security Policy > Edit Permissions**.

8. Add a new row to the **Report/Task Permissions** grid and complete these options:

Option	Description
Security Groups	Enter the name. Example: Resource Pool Manager (Unconstrained)
View	Select.
Modify	Select.

9. Access the **Manage: Resource Pool** domain.

10. From the related actions menu of the *Domain Security Policy*, select **Domain Security Policy > Edit Permissions**.

11. In the **Report/Task Permissions** grid, add a new row and complete these options:

Option	Description
Security Groups	Enter the name.

Option	Description
	Example: Resource Pool Manager (Unconstrained)
View	Select.
Modify	Select.

12. Access the **Activate Pending Security Policy Changes** task to confirm your changes.

13. Access the **Create Resource Pool** task.

14. In the **Assign Roles** grid, complete these options:

Option	Description
Role	Select the new unconstrained security group. Example: Resource Pool Manager (Unconstrained)
Assigned To	Select the person who manages the resource pool. Example: Abbie Knickerbocker

Concepts

[Concept: Roles, Time Zones, and Snapshots](#)

[Concept: Resource Pool Security](#) on page 888

Tasks

[Steps: Create Resource Pools](#) on page 880

[Activate Pending Security Policy Changes](#)

[Create Role-Based Security Groups](#)

Resource Plans

Setup Considerations: Resource Plans

You can use this topic to help make decisions when planning your configuration and use of resource plans. It explains:

- Why to set them up.
- How they fit into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What They Are

Resource plans in Workday help you to staff your projects and enable your workers to charge their time against a project.

Business Benefits

- Create and update resource plans.
- Reduce data entry for commonly used information.
- Staff your projects with qualified workers.
- Configure custom objects to extend Workday to meet your unique requirements for resource plans.

- Enable project workers to log their time with Workday Time Tracking.

Use Cases

- Specify the window of time that workers can record their hours on a project.
- Control the content of resource plans to reduce effort, maintain consistency, and avoid errors.
- Find qualified workers who are available for project work.
- Balance the distribution of project assignments across your workforce.

Questions to Consider

Questions	Considerations
Will your resource plans contain common information?	You can create templates for resource plans to populate the common information that most users need to enter. Templates streamline data entry and reduce user errors.
Do you want to enable workers to log their time on any project or only on assigned projects?	Use the time entry template to enable project workers to log time to any project, without having an assignment on a resource plan. Otherwise, you must assign project workers to a resource plan before they can log time to the project.
What date range do you want workers to access when they log their time on a project?	Workers on a resource plan can log time against a project or a project task. Workday automatically populates the date range with the start and end dates of the project. You can configure a narrower date range for workers to log their time on the Edit Tenant Setup - Financials task by using the dates specified in: • Resource plans. • Project plan tasks. • Task resources. You can use multiple sources to continue narrowing the date range. Workers can only log time where the selected date ranges overlap.
How will you find workers for your projects?	Workday provides multiple reports that you can use to find workers to add to your resource plans. You can configure the Find Workers button to launch the report that best suits your needs.
What are the requirements for your project roles?	You can simplify your staffing effort by specifying the requirements for your project roles. When defined, a Find Worker report returns the workers who match your requirements.
Which project roles should you restrict to project hierarchies?	You can restrict the availability of project roles to specific primary project hierarchies. This restriction simplifies role selection and reduces data entry errors. Child hierarchies inherit role restrictions from their parent hierarchies.

Questions	Considerations
	Restrict project roles using the Maintain Project Roles task.
How do you want to organize your project roles?	You can specify the categories for organizing the project roles on the resource plan lines. Use the Maintain Project Role Categories task to add or change your values.
How do you want to approve new or modified resource plan lines?	To enable manual approvals, configure the <i>Project Resource Plan Line</i> business process. If you don't configure this business process, Workday automatically approves both new and modified resource plans.
How do you want to approve new project workers?	To enable manual approvals, configure the <i>Request Worker</i> business process. If you don't configure this business process, Workday automatically approves new project workers.
Do you want to differentiate between the confirmed and potential workers assigned to a resource plan line?	You can configure the project booking status to specify the commitment level of a worker on their assigned resource plan line. Use the Maintain Project Booking Status task to specify the values. Example: Hard Booked and Soft Booked.
Do you want to restrict project workers to selecting only their assigned projects in their expense reports?	You can restrict the project worktags that workers can select when they create or edit an expense report. To limit workers to selecting only the worktags for their project assignments, configure the Expenses Options section on the Edit Tenant Setup - Financials task.

Recommendations

Configure the **Find Workers** button to open the **Find Available Workers for Project** report to streamline the staffing process. This report enables managers to see an overview of worker qualifications and their availability all at once.

Create templates for your resource plans to reduce the time users spend on data entry. The templates prefill the fields with information that is common to all your projects.

Configure resource scheduling to view and manage resource assignments from 1 location with the **Manage Worker Assignments** report.

Create your resource plans at the project-hierarchy level when the projects within the same hierarchy use the same resource plan. This configuration:

- Reduces the time spent on data entry.
- Maintains consistency.
- Avoids errors.

Restrict project roles to specific primary project hierarchies to streamline data entry.

Requirements

Before you can create resource plans, you must first create project:

- Hierarchies.
- Roles.

Limitations

You can't add the same worker to more than 1 resource plan line when the worker has:

- The same project role.
- Overlapping dates.
- Different standard cost rates.

You can't delete a resource plan line when:

- A task resource references the resource plan line.
- It has a pending worker assignment.

Tenant Setup

Access the **Projects** and **Expenses Options** sections on the **Edit Tenant Setup - Financials** task to configure the project-specific options.

Depending on how you configure your resource plans in Workday, you can:

- Set the date range within which workers can record their hours on a project.
- Enable project and resource managers to use a specific report for staffing their projects. Managers launch this report from the **Find Workers** button.
- Restrict workers to select project worktags associated with their assigned resource plans.
- Enable resource scheduling to use the **Manage Worker Assignments** report.

Security

Domains	Considerations
<i>Business Process Administration</i> in the System functional area.	Users secured to this domain can edit the <i>Project Resource Plan Line</i> and <i>Request Worker</i> business processes.
<i>Manage: Business Process Definitions</i> in the System functional area.	Users secured to this domain can manage the <i>Project Resource Plan Line</i> and <i>Request Worker</i> business processes.
<i>Set Up: Project</i> in the Projects functional area.	Users secured to this domain can: • Create, edit, and view templates for resource plans. • Restrict project roles to primary project hierarchies.
<i>Set Up: Project Hierarchy</i> in the Project Tracking functional area.	Users secured to this domain can create, edit, and view resource plans on the project hierarchy.
<i>Set Up: Project Tracking</i> in the Project Tracking functional area.	Users secured to this domain can: • Create, edit, view, and maintain project roles. • View resource plans.

Domains	Considerations
<i>Manage: Project Resources</i> in the Project Tracking functional area.	Users secured to this domain can: • View and manage resource plans. • View project resources. • Use the <i>Get Resource Plans</i> web services.
<i>Manage: Advanced Project Resource Management</i> in the Projects functional area.	Users secured to this domain can use the Manage Worker Assignments report.
<i>Set Up: Advanced Project Resource Management</i> in the Projects functional area.	Users secured to this domain can: • View worker availability. • Staff projects. • Use these web services: • <i>Get Requirements for Resource Plan</i> • <i>Put Requirements for Resource Plan</i>

To ensure proper access, review these team member roles and activities:

Domain Security Roles	Considerations
Finance administrator	Configures tenant setup information.
Project administrator	• Edits the <i>Project Resource Plan Line</i> and <i>Request Worker</i> business processes. • Creates templates. • Creates resource plans for project hierarchies. • Manages and views resource plan information. • Uses web services.
Project manager Resource manager	• Approves changes to the resource plan lines routed by the <i>Project Resource Plan Line</i> and <i>Request Worker</i> business processes. • Creates resource plans for individual projects. • Manages and views resource plan information. • Adds workers to resource plans.

Business Processes

Business Processes	Considerations
<i>Project Resource Plan Line</i> in the Project Tracking functional area	Enables users to: • Create resource plans for a project, but not the project hierarchy. • Use the <i>Submit Resource Plan</i> web service. Has a security policy that enables you to open up approvals to various security groups. You can also enable manual advancement to the next step by a business process administrator. Contextual security for the supervisory organization is only available for workers assigned to a project, not workers pending approval. Because of this

Business Processes	Considerations
	security, when you configure a definition step with a supervisory organization manager, you must also configure a Worker is Assigned condition rule.
<i>Request Worker</i> in the Projects functional area	Enables changes in worker assignments or associations. This business process: - Is a required subprocess of the <i>Project Resource Plan Line</i> business process. - Supports the resource plan for the project, not the project hierarchy. - Creates a separate event for each resource plan line that you modify. - You can also set up permissions that enable you to manually advance the business process to the next step.

Reporting

Reports	Considerations
Manage Worker Assignments	Use to: - View project resource assignments, time off, and holidays. - Compare workers for project assignments. - Drill into and manage project assignments. To enable this report, set up resource scheduling.
Find Available Workers for Project	Use this report to find both qualified and available workers for their projects. You can configure Workday to launch this report from the Find Workers button on the resource plan line.
Find Worker for Project	Project and resource managers use this report to find qualified workers for their projects. Workday automatically launches this report, by default, from the Find Workers button on the resource plan line.

You can use these report data sources to create custom reports:

- **Project Resource Plan Line Events - All Statuses** on the Project Resource Plan Line Event business object.
- **Project Resource Requirements** on the Project Resource Requirement Parameter business object.
- **Project Roles** on the Project Role business object.
- **Project Standard Cost Rate Sheet** on the Project Standard Cost Rate Sheet business object.
- **Resource Plan Details** on the Project Resource Plan Detail business object.
- **Resource Plan Details Search** on the Project Resource Plan Detail business object.

Integrations

Web Service	Considerations
<i>Get Resource Plans</i> <i>Submit Resource Plan</i>	Manages data on resource plans and resource plan lines for both project hierarchies and projects. <i>Submit</i> initiates the <i>Project Resource Plan Line</i> business process for approval only for resource plans on projects, not project hierarchies.
<i>Get Requirements for Resource Plan</i> <i>Put Requirements for Resource Plan</i>	Manages data on resource requirements for resource plans.

Connections and Touchpoints

Feature	Considerations
Resource Forecasts	You must have a resource plan with assigned resources to create a resource forecast.
Project Budgets	You can create a project budget based on a resource plan.
Time Entry Templates	You can enable workers to log time on any project or project task, even if they don't have an assignment on a resource plan. Use the time entry template to enable this feature.
Expenses	You can restrict project workers to select only the project worktags for their assigned resource plans when they create an expense report. Use the financial tenant settings to enable this feature.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships across your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Tasks

[Create Project Hierarchies](#) on page 790

[Create Project Roles](#) on page 867

[Create Project Role Categories](#) on page 868

[Steps: Set Up Resource Scheduling](#) on page 884

[Create and Edit Custom Object Definitions](#)

Reference

[Reference: Edit Tenant Setup - Financials](#)

[The Next Level: Resource Management in Projects](#)

Steps: Set Up Resource Plans

Review setup considerations for resource plans.

Set up project roles.

Set up these business processes and security policies:

- *Project Resource Plan Line* in the Project Tracking functional area.
- *Request Worker* in the Projects functional area.

With resource plans, you can enable:

- Managers to assign workers to projects and estimate their cost.
- Workers to charge time against a project.

Resource plans are also a prerequisite for creating resource forecasts.

1. (Optional) Access the **Maintain Project Booking Status** task.

The booking status defines the confidence level of the resource booking. Users can select this value when they assign a worker to a project role on a resource plan.

Security: *Set Up: Advanced Project Resource Management* domain in the Projects functional area.

2. (Optional) Access the **Edit Time Entry Template** task.

You can enable project workers to log time to any project without having an assignment on a resource plan. Select the **Enable Time Entry by Project** and the **Use High Volume Projects Prompt** options in the **Projects** profile group.

Security: *Set Up: Time Tracking* domain in the Time Tracking and Time Tracking Hub functional areas.

3. Access the **Edit Tenant Setup – Financials** task and navigate to the **Projects** section. As you complete the task, consider:

Option	Description
Use Resource Plan Dates Use Project Plan Task Dates Use Task Resource Dates	By default, the project workers on a resource plan can log their time in Workday during the project start and end dates. Select 1 or more options to narrow the date range for time entry. To apply the most restrictive range, select multiple date options. Workers can only log time where the selected date ranges overlap. Example: If your project start and end dates are January 1 - March 30, workers can log time between January 1 - March 30. If you include dates for project plan tasks, which range from March 1 - April 30, then workers can only log time from March 1 - March 30 — where the 2 date ranges overlap.
Configure Find Worker Report	Specify a report for all Find Workers buttons in Workday. By default, Workday uses the Find Worker for Project report. Note: If you specify a custom report, ensure that users have the correct access so they can use the Find Workers button. If you configure a custom report, it must use the Workers for HCM Reporting data source.
Always use Find Available Workers for Project	Select to use the Find Available Workers for Project report for the Find Workers button. This setting overrides the report specified for Configure Find Worker Report.

Security: *Set Up: Tenant Setup - Financials* domain in the System functional area.

4. (Optional) [Create Templates for Resource Plans](#) on page 802.

Concepts

[Concept: Resource Plans on Projects and Project Hierarchies](#) on page 904

Tasks

[Create Project Roles](#) on page 867

[Create Project Role Categories](#) on page 868

Reference

[Reference: Edit Tenant Setup - Financials](#)

[The Next Level: Resource Management in Projects](#)

Create Resource Plans

- Create a project.
- Set up resource plans.
- Configure these business processes and security policies:
 - *Project Resource Plan Line* in the Project Tracking functional area.
 - *Request Worker* in the Projects functional area.
- Security: *Set Up: Project Hierarchy* domain in the Project Tracking functional area.

In Workday, you use resource plans to define the workers who work on a project. You can create resource plans for either the project or the project hierarchy. If a project hierarchy has a resource plan, all projects in that hierarchy can use the same resource plan.

After you create a resource plan:

- You can assign workers to tasks in the project plan.
- Workers can charge time against the project.

1. Access 1 of these tasks:

- **Create Resource Plan for Project.**
- **Create Resource Plan for Project Hierarchy.**

2. As you complete the task, consider:

Option	Description
Project Role	You can assign the same project role more than once to the resource plan.
Standard Cost Rate Override Standard Cost Rate Currency Override	Accept the default rate and currency from the standard cost rate sheet, or enter new values. Workday calculates and persists time entry costs upon approval. Changes to the standard cost rate on the resource plan line don't change the standard cost amount for approved project time entries.
Allocation Type	Select Assign a Worker to add individual workers or unnamed resources to a project role. Select Associate a group to add a group of workers to a project role. Any of the workers, unnamed resources, or workers within a group can fill the project role and charge their time to the project. Your selection sets security, reporting, and worker access to project tasks. It also determines the detail fields that display when you add workers or groups to the project role.

Option	Description
To Be Hired	Displays only when you select Assign a Worker . When you select this check box, you can complete the resource plan without a direct assignment and report more accurately on needed resources.
Job Requisition	Displays only when you: • Select the To Be Hired option. • Have rights to view or change the <i>Manage: Project Resource Job Requisition</i> domain. You can assign the same requisition to multiple resource plan lines, and you can have multiple workers for the same position.
% Allocation	Displays only when you select Assign a Worker . Enter a percent value for the time commitment of the worker. Workday supports percentages greater than 100. If you specify this field, you can create a project budget later.
Estimated Hours	Displays only when you select Assign a Worker . Enter the sum of all the resources total estimated hours for a project, or for a project plan task. If you specify this field, you can create a project budget later.
Worker Group	Displays only when you select Associate a group . Select to identify the groups of workers who can charge time to the project.
Excluded Workers	Displays only when you select Associate a group . Select to remove specific workers from the group for this resource plan only.
Project Booking Status	Select from the confidence levels you created on the Maintain Project Booking Status task.
Worker	Displays only when you select Assign a Worker . Add 1 or more workers to the project role. For each unnamed resource, Workday adds a row to the Worker grid, which you can replace with a specific worker later. If you plan to create a project budget from the resource plan, you must assign at least 1 worker or unnamed resource to a project role.

Option	Description
Project Role Requirements	Enter the Categories and Requirements. The Maintain Project Roles task defines the default values. These requirements help resource managers find available candidates for the project directly from the resource plan. You can override these default values in the Project Role Requirements section on the resource plan line. If you later decide to change to a new role that doesn't have default requirements, Workday maintains your previously saved values.

- Create a resource forecast.
- Identify conflicts with the Standard Cost Rate using the **View Resource Plan Lines with Conflicting Standard Cost Rates** report.
- Create custom objects.

Tasks

[Steps: Set Up Resource Forecasts](#) on page 910

[Create and Edit Custom Object Definitions](#)

Concept: Resource Plans on Projects and Project Hierarchies

You can create resource plans for:

- Projects.
- Primary project hierarchies.

We recommend that you create:

- A *unique* resource plan for each project when your resource plans differ between projects.
- A *shared* resource plan for the project hierarchy when the projects on the same hierarchy always use the same plan. This configuration reduces work effort, since all the projects on the hierarchy inherit this plan.

Note: Project managers must have a role on the project hierarchy to create a shared resource plan.

These principles apply to resource plans:

- When you create a new project, you can:
 - Inherit a preconfigured resource plan from the project hierarchy.
 - Select a preconfigured template for the resource plan.
 - Manually create a new resource plan.
- When a project uses a resource plan at the task-resource level, you can't remove the plan from the hierarchy.
- When a project in the hierarchy uses an inherited resource plan, you can't add another resource plan to the project hierarchy.

Concepts

[Setup Considerations: Project Hierarchies](#) on page 783

[Setup Considerations: Resource Plans](#) on page 894

[Concept: Project Hierarchies](#) on page 796

Tasks

[Steps: Set Up Resource Plans](#) on page 900

Troubleshooting: Can't Add Resource Plan Lines to Resource Plan

When you access a resource plan on a project, the **Add** option is missing, and you can't add new resource plan lines.

Your project has both:

- A resource plan inherited from a project hierarchy.
- Task resource assignments for the inherited resource plan lines.

You can't edit inherited resource plans at the project level, only on the project hierarchy.

Security: *Set Up: Project Hierarchy* domain in the Project Tracking functional area.

1. Access the **View Project Hierarchy report.**

Select the project hierarchy.

2. From the related actions menu on the project hierarchy, select **Project Hierarchy > Edit Resource Plan.**

3. Add your changes to the resource plan lines.

Concepts

[Setup Considerations: Project Hierarchies](#) on page 783

Tasks

[Create Resource Plans](#) on page 902

Resource Forecasts

Setup Considerations: Resource Forecasts

You can use this topic to help make decisions when planning your configuration and use of resource forecasts. It explains:

- Why to set them up.
- How this feature fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What They Are

Resource forecasts estimate the number of hours that project workers need to complete their work on a project. You can:

- Generate high-level forecasts from the resource plan.
- Generate detailed forecasts from the task resources.
- Generate daily, weekly, or monthly forecasts.
- Use whole numbers or decimals for the forecast hours.

Business Benefits

Resource forecasting in Workday simplifies the process of estimating project work and ensures that project and resource managers can easily:

- Plan for projects.
- Schedule project resources.
- Gain insight into staffing requirements and project progress.
- Manage project costs by creating project budgets based on a resource forecast.

In addition, project workers can record their forecast project hours to:

- Increase forecast accuracy.
- Enable managers to make better staffing decisions for headcount planning.

Use Cases

Resource forecasts enable you to:

- Estimate the work hours needed to complete a project or project task.
- Recognize revenue on fixed-fee projects by calculating the percent completion of the project.
- Gain insight into how many work hours you need to complete a project or project task.
- Calculate project budgets based on resource forecasts.
- Use Worksheets to simplify data entry for forecast hours.
- Enable project workers to update their own resource forecasts and route changes to a manager for approval.

Questions to Consider

Questions	Considerations
How do you want to create resource forecasts?	You can create resource forecasts from either the project or the project plan tasks. For a high-level view, create forecasts from the project. For a detailed view, create forecasts from project plan tasks. Note: Project budgets reflect the same level of detail as the resource forecasts that you use to create them. Example: A detailed project budget at the task level requires that you first create a resource forecast from the project plan tasks.
How do you use Worksheets for data entry?	You can enable Worksheets to simplify data entry for forecast hours, reducing manual entry of project hours on the Resource Forecast grid.
How can workers update their own forecast hours?	You can configure resource forecasts so that workers can forecast their project hours and submit them to managers for review and approval.
Do you want to simplify staffing by enabling resource scheduling?	You can enable resource managers to schedule their project resources from 1 location using the Manage Worker Assignments report. This report displays the forecast hours for your assigned project workers, and requires resource forecasts on all your projects. When you enable resource scheduling, Workday automatically generates resource forecasts for all your new projects. You can also schedule Workday to generate resource forecasts for your existing projects with the Schedule Workday Generated Forecasts task. These Workday-generated resource forecasts: • Don't display in Workday, except for reporting. • Don't overwrite user-created forecasts.

Questions	Considerations
	Are replaced by user-created forecasts.

Recommendations

We recommend that you:

- Complete your resource plans before you create resource forecasts. Workday creates the first iteration of the resource forecast from the assigned workers on the resource plan.
- Set up your resource forecasts before work begins on a project. If you configure your resource forecasts early, you can avoid creating an incomplete resource forecast. You can't past-date the forecast hours.
- Enable Worksheets to view and edit resource forecasts. Worksheets provide a larger view of the forecast and simplify editing.
- Enable resource scheduling to streamline project staffing.

Requirements

- Create a project with workers assigned to the resource plan.
- To generate task-level resource forecasts, create a project with a project plan and workers assigned as task resources.
- To enable users to update their forecast hours with a Worksheet, you must first configure Worksheets for your tenant.
- To enable workers to update their own forecast hours, you must first configure the *Update My Resource Forecast* business process.

Limitations

- The Estimate at Completion (EAC) column on the resource forecast displays only the workers with a resource forecast entry. Workday doesn't include hours from workers who log time on a project but aren't in the resource forecast.
- You can't edit forecast intervals for dates in the past.
- Workday limits the number of columns that you can view and edit at one-time in the resource forecast.
- You can't delete a resource forecast when you have:
 - A project budget based on the forecast.
 - A snapshot of the forecast.

Tenant Setup

Access the **Projects** section on the **Edit Tenant Setup - Financials** task to view project-specific tenant configuration options.

You can select:

- Enable Worksheets for Resource Forecast (Advanced Projects only).**
- Enable Resource Scheduling**, and then specify your resource forecast options.

Security

Domains	Considerations
<i>Business Process Administration</i> in the System functional area.	Users secured to this domain can edit the <i>Update My Resource Forecast</i> business process.
<i>Manage: Business Process Definitions</i> in the System functional area.	Users secured to this domain can manage the <i>Update My Resource Forecast</i> business process.

Domains	Considerations
<i>Manage: Project Resource Forecast</i> in the Projects functional area.	Users secured to this domain can use tasks, reports, and web services to create, edit, delete, and view resource forecasts.
<i>Reports: Manager</i> in the Staffing functional area.	Users secured to this domain can use the Project Forecasted Hours - Monthly report.
<i>Self-Service: Resource Forecast</i> in the Projects functional area.	Users secured to this domain can update forecast hours for their project assignments.
<i>Set Up: Advanced Project Resource Management</i> in the Projects functional area.	Users secured to this domain can use the Schedule Workday Generated Forecasts task.
<i>Set Up: System</i> in the System functional area.	Users secured to this domain can add the Resource Forecast report to the project profile using the Configure Profile Group task.
<i>Worksheets</i> in the System functional area. <i>Drive</i> in the System functional area.	Users secured to these domains can edit resource forecasts with a Worksheet.

To ensure proper access, review these team member roles and activities:

Domain Security Roles	Responsibilities
Project administrator	- Configures tenant setup information. - Adds the resource forecast report to project profiles. - Edits the <i>Update My Resource Forecast</i> business process. - Manages and views resource forecast information.
Project manager	- Approves forecast hours routed by the <i>Update My Resource Forecast</i> business process. - Manages and views resource forecast information. - Uses Worksheets.
Resource manager	- Approves forecast hours routed by the <i>Update My Resource Forecast</i> business process. - Manages and views resource forecast information. - Schedules project resources. - Uses Worksheets.
Project worker	Updates their own forecast hours.

Business Processes

You can use the *Update My Resource Forecast* business process to enable project workers to update their own forecast hours and managers to approve forecast changes.

Reporting

Reports	Considerations
Forecast vs. Actuals - Project Hours by Month	Compares forecasted hours with actual project hours.
Project Forecasted Hours - Monthly	Displays the forecasted project hours.
Worker Availability - Detailed Allocation	Identifies the weekly availability of workers for a 3-month period, based on: • Approved time off. • Forecasted hours. • Holiday hours.
Manage Worker Assignments	Displays project resource: • Assignments. • Time off. • Holidays. This report enables you to: • Compare workers for project assignments. • Drill into and manage project assignments.
Project Forecasted vs. Actual Hours Project Manager Hub card	Displays the actual hours that surpass or approach the total resource forecast hours. This card enables you to determine if projects have: • An Estimate at Completion (EAC) that exceeds the total forecasted hours. • Total actual hours that exceed the total forecasted hours. • Total actual hours within 5% of the total forecasted hours.
Worker Forecasted vs. Actual Hours Project Manager Hub card	Displays project workers over the past 4 weeks from the previous Sunday with: • Missing actuals. • Missing forecasts. • Actuals and forecasts that differ by greater than $\pm 10\%$. This card enables you to: • Compare the forecasted hours of each project worker to the actual hours that they worked on a project. • View the time off, in hours, for the project workers in the details.

You can use these report data sources to create custom reports:

- Project Resource Forecast
- Project Resource Forecast Edit Events - All Statuses
- Project Resource Forecast Line

Integrations

Web Service	Considerations
<i>Get Resource Forecasts</i>	Enables you to retrieve an existing resource forecast.
<i>Import Resource Forecast</i>	Enables you to: • Create a new resource forecast. • Update an existing resource forecast. • Edit the allocations in an existing resource forecast.

Connections and Touchpoints

Resource forecasts interact with these other areas in Workday, including:

Feature	Considerations
Customer Contracts	You can recognize revenue on fixed-fee projects by using <i>Percent Complete</i> for the Revenue Recognition Method . Workday calculates this value from the resource forecast.
Project Budgets	You can create project budgets based on a forecast at either the project or the project-task level.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships across your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Concepts

[Concept: Resource Forecast Calculations](#) on page 912

Tasks

[Steps: Set Up Project Budgets](#) on page 919

[Steps: Configure Customer Contracts](#) on page 668

[Steps: Set Up Resource Scheduling](#) on page 884

Reference

[The Next Level: Resource Management in Projects](#)

[Reference: Project Manager Hub Cards](#) on page 824

Examples

[Example: Configure Employee Self-Service for Resource Forecasts](#) on page 913

Steps: Set Up Resource Forecasts

- Review setup considerations for resource forecasts.
- Create a project.
- Set up resource plans.

You can:

- Use resource forecasts to estimate monthly, weekly, or daily estimated hours for the workers on your projects.
- Enable project workers to update their own resource forecasts and route changes to a manager for approval.
- Enter fractional or whole numbers for the forecast hours.
- Include both individual workers and unnamed resources in your forecasts.

Workday can generate these types of resource forecasts:

- Project-level forecasts based on the resource assignments in the resource plan.
- Task-level forecasts based on the assignments of the task resources in the project plan.

Note: You can't delete the resource forecasts that you use to create project budgets or resource forecast snapshots.

1. [Configure the Project Profile](#) on page 789.

If necessary, set up the composite view of the project profile to include the **Resource Forecast** report on the **Resources** profile group.

2. [Edit Domain Security Policies](#).

Edit these domains and security policies:

- *Manage: Project Resource Forecast* domain in the Projects functional area. Project and resource managers need this security to create resource forecasts.
- (Optional) *Self-Service: Resource Forecast* domain in the Projects functional area. Project workers need this security to access self-service data and tasks.
- (Optional) *Worksheets* and *Drive* domains in the System functional area. Project and resource managers need this security to edit resource forecasts using a worksheet.

3. [Edit Business Process Security Policies](#).

Edit the security policies for these business processes:

- *Project Resource Plan Line* in the Project Tracking functional area. Project and resource managers need this security to create resource plans.
- (Optional) *Update My Resource Forecast* in the Projects functional area. Project workers need this security to update their resource forecasts.

4. (Optional) [Edit Business Processes](#).

Edit the *Update My Resource Forecast* business process in the Projects functional area to enable:

- Workers to update their own resource forecasts.
- Managers to approve the forecast change initiated by the workers.

5. (Optional) To enable users to edit resource forecasts with worksheets:

- a) [Set Up Worksheets](#) and enable worksheets for your tenant.
- b) Access the **Edit Tenant Setup - Financials** task. In the **Projects** section, select the **Enable Worksheets for Resource Forecast** check box.

Security: *Set Up: Tenant Setup - Financials* domain in the System functional area.

6. [Create Resource Plans](#) on page 902.

Create a resource plan for the project, and then add workers to the resource plan lines.

7. (Optional) Enable resource forecasts to display detailed task information.

- a) [Create Project Plans](#) on page 851.
- b) [Configure Task Resources](#) on page 881.

8. Access the **Create Resource Forecast for Project** task.

On the **Forecast Level View**, when you select:

- **Project**, Workday generates an upper-level forecast that contains the worker and their forecasted hours.
- **Project Plan Task**, Workday generates a detailed forecast that includes the worker, their project tasks, and their forecasted hours.

Security: *Manage: Project Resource Forecast* domain in the Projects functional area.

Workday creates the resource forecast and displays a forecast line for each worker that includes the:

- Task. (Displays only if you created the forecast from the project plan task.)
- Total forecasted hours.

- Estimate at Completion (EAC). EAC includes all the hours logged and approved for the project. It also includes the future hours the worker expects to complete.
- Estimate to Completion (ETC). ETC includes the future hours the worker expects to complete.
- Forecast hours.

Workday calculates the initial forecast hours based on the:

- Start and end dates.
- Percent allocation or estimated hours.

Create a project budget using the resource forecast.

Project workers can access the **Update My Resource Forecast** task to modify their own forecasts in these upcoming time periods:

- Current week + next 3 weeks for weekly forecasts.
- Today + next 9 days for daily forecasts.

Tasks

[Steps: Create Project Budgets](#) on page 927

Reference

[The Next Level: Resource Management in Projects](#)

Concept: Resource Forecast Calculations

Workday generates resource forecasts for your projects using calculations that distribute forecast hours over a specific date range on weekdays (Monday through Friday). These calculations vary, depending on your selections for:

- Forecasts for the project or the project plan tasks.
- Forecasts at the daily, weekly, or monthly level.
- Forecast hours based on either the percent allocation or the estimated work hours.
- Forecast hours based on whole numbers or decimals.

Note: Workday rounds forecast hours throughout the calculation process. Depending on the rounding variance, Workday might add extra hours to the beginning of the forecast or remove extra hours from the end of the forecast.

Date Ranges for Resource Forecasts

Workday sets the date range for your resource forecast by using the start and end dates of the:

- Resource plan line, for forecasts at the project level.
- Project task resources, for forecasts at the project plan task level.

By default, Workday only calculates forecast hours for dates in the future, not current or past dates. If you don't specify both the start and end dates, the forecast hours are zero.

Example Calculations

In the example calculations that follow, the resource forecasts have:

- Project-level forecasts.
- Weekly frequencies.
- Whole numbers.
- One assigned project worker, Allison Hunter, who is a Consultant.

Example 1: Percent Allocation

The date range is 4 weeks for these dates: 2020-11-1 to 2020-11-30.

Calculation steps:

1. Workday obtains the scheduled weekly hours for Allison from their primary position. Value: 40 hours per week.
2. Workday obtains the percent allocation for Allison from the resource plan line. Value: 50%
3. Workday calculates the weekly availability for Allison. Result: 20 hours per week.
4. Workday calculates the daily availability for Allison. Result: 4 hours per day.
5. Workday populates the weekly resource forecast for Allison with:
 - 20 hours for the first 4 weeks of November.
 - 4 hours for the last day of November, which falls on a Monday.

Example 2: Estimated Hours

The date range is 5 weeks for these dates: 2022-10-31 to 2022-12-2.

Calculation steps:

1. Workday obtains the estimated hours for Allison from the resource plan line. Value: 160 hours.
2. Workday calculates the number of working days (Monday through Friday only) between the start and ends dates on the resource plan line. Result: 25
3. Workday calculates the daily hours per worker ($160/25 = 6.4$). The calculation rounds the daily hours to 6 and then evenly distributes the hours across the resource forecast plan. For hours that Workday can't evenly distribute, it adds more hours at the start of the forecast than at the end.

In this case, Workday multiplies 6 daily hours by 25 days for a total of 150 hours. Workday then distributes the hours evenly across the resource forecast. For the remaining 10 hours, Workday distributes an additional 1 hour per day. The distribution starts at the beginning of the resource forecast and continues towards the end until the forecast reaches a total of 160 hours.

4. Workday populates the weekly resource forecast for Allison with:
 - 35 hours for the first 2 weeks.
 - 30 hours for the last 3 weeks.

Concepts

[Setup Considerations: Resource Forecasts](#) on page 905

Example: Configure Employee Self-Service for Resource Forecasts

This example illustrates 1 way to configure your tenant so that workers can make updates to their hours on resource forecasts.

As a project manager, you create a resource forecast that includes Anna, a worker on multiple projects. To keep forecast hours up to date, your resource manager must perform several searches through data such as PTO, resource forecasts, and historic actuals. Managers then have to confirm the accuracy of the forecast manually.

During the project, you learn that Anna's availability has changed unexpectedly. You want to enable workers like Anna to update their own resource forecasts directly so that you can simply review and approve changes.

- Security: *Business Process Administration* and Manage: *Business Process Definitions* domains in the System functional area.
 - Create a project with workers assigned to the resource plan.
 - Create a resource forecast from either the project or the project plan tasks.
1. From the related actions menu of the *Update My Resource Forecast (Default Definition)* business process, select **Business Process > Edit Definition**.
 2. Enter the current date.
 3. Click **OK**.
 4. Click **Security Group Restrictions** to view the **Initiating Security Groups**. Workday populates this field with **Contingent Worker As Self** and **Employee As Self**.

5. To include a step that enables you to review and then approve worker updates, add a row to the **Business Process Steps** tab.
6. Enter these values:

Order	Type	Specify	Group
<i>b</i>	<i>Action</i>	<i>Review Update My Resource Forecast</i>	<i>Project Manager</i>

Note: If you don't include an approval step, Workday auto-approves worker updates to resource forecasts.

7. Click **OK**.
8. Click **Done**.
9. To review your security configurations, select **Business Process Policy > Edit** from the related actions menu of the business process.
10. Click **OK**.

When workers make changes to their resource forecasts, Workday sends requests to your inbox for review and approval.

Concepts

[Setup Considerations: Resource Forecasts](#) on page 905

Tasks

[Create Projects](#) on page 838

[Create Resource Plans](#) on page 902

[Steps: Set Up Resource Forecasts](#) on page 910

Project Budgets

Setup Considerations: Project Budgets

You can use this topic to help make decisions when planning your configuration and use of project budgets. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

Project Budgets is the primary financial component within Projects. It enables you to analyze:

- Budget versus actuals.
- Cost versus revenue.
- Labor versus nonlabor.
- Primary variance contributors by various dimensions like ledger account, spend or revenue category, and supplier.

Business Benefits

Project budgets support:

- Analysis of project budget versus actuals across your organization.
- Automated labor cost calculations based on standard cost rates and forecasted hours.
- Automated revenue calculations based on contract rates, fixed fee installments, or fixed fee percent complete (hours).
- Worktag dimensions.

Use Cases

With project budgets, you can:

- Create high-level project duration budgets or more detailed monthly budgets.
- Create custom reports to understand your project revenue and costs.
- Develop flexible project budgets at different levels of granularity.
- Use Worksheets to update and maintain project budgets.
- View live data on project progress, time, and spend, as well as budgets and forecasts.

Questions to Consider

Questions	Considerations
What project budget types do you need to manage?	You can create budgets to manage your cost projects, revenue projects, or both. Project budgets are available for: • Cost with Workday Projects. • Revenue with Workday Project Billing. You can: • Define default cost and revenue worktags for time to include in budget lines. Workday then: • Assigns worktags from your selected forecast source. • Uses the worktags when you don't list them on the project as related worktags. • Identify actuals and forecasts to bring actuals into the budget, to create an Estimate at Completion (EAC). Select from time blocks and ad hoc time, journal lines, or both. • Identify whether to create your forecast sources for your budget from hours in the resource plan, resource forecast, or neither. • Create a calculation type for each variation you want to make available for creating budgets. • Manage budgets using worksheets. • Use segmented security so that project managers can view only their budget.
What configuration level do you need to manage your project budgets?	You can configure your project budget at the project hierarchy level, the tenant level, or both. Project hierarchy configurations take precedence over tenant configurations.
Will you create your budget using prior actuals?	For cost budgets that you want to include actuals in, use this configuration to identify: • Ledger accounts

Questions	Considerations
	- Spend categories - Ledger accounts and spend categories For revenue budgets, include ledger accounts and revenue categories.
What dimensions do you want to track?	Create a plan structure and include the relevant dimensions. You can make these dimensions required or optional. Each budget line must include required dimensions.
What plan line attributes do you want to track?	By default, Workday classifies the plan lines for project budgets as cost or revenue. You can also configure Workday to classify the plan lines for project budgets as labor or nonlabor. You can use the plan line attributes in custom reports to understand the financial health of your project.
What resource forecast level do your project budgets have?	Workday generates resource forecasts at the: - Project level - Including the worker and their forecasted hours. - Project Plan Task level - Including the worker and their project task or forecasted hours for each task.

Recommendations

When maintaining multiple budget periods at once, use Worksheets rather than updating each period individually.

Maintain at least 2 calculation types. These calculations types are:

- Baseline, which shouldn't include actuals.
- Forecast, which should include actuals.

Requirements

To ensure that Workday calculates Project Budgets accurately, you should:

- Understand projects.
- Understand project resource plans if generating your budget from your resource forecast or resource plan.
- For managing your project labor costs, create your standard cost rate sheet.
- For revenue budgets, define your project billing dependencies in Workday.
- For setting up budget check options, understand budgetary control functionality.

Limitations

Workday doesn't:

- Include committed costs, such as purchase orders in project budgets. You can manually add these transactions as budget line items.
- Support fully burdened costing, or percent complete by cost.

- Support the creation of workbooks from project plan budgets with more than 500 periods.

Tenant Setup

No impact.

Security

Domain	Considerations
<i>Set Up: Project Hierarchy</i> in the Projects functional area	Can configure and update project budgets on the project hierarchy.
<i>Set Up: Project Budget</i> in the Projects functional area	Can configure and update project budgets on the tenant.
<i>Manage: Project Budget</i> in the Projects functional area	Can manage and view budget information.
<i>Manage: Project Resource Forecast</i> in the Projects functional area	Can manage and view resource forecast information.
<i>Access Plan Type (segmented)</i> in the Budgets and Projects functional areas	Can control access to project budgets.

Workday uses multiple roles to configure project budgets. However, since several steps in the process are one-time only, project budgets require minimal maintenance.

Role	Considerations
Security Administrator	Configures security. Adds project administrators to the proper security groups.
Budget Administrator	Adds Project as an entry type.
Project Administrator	Configures project budgets on the: • Tenant • Project hierarchy Defines standard cost rates for: • Workers based on worker attributes. • Unnamed resources based on project roles.
Project Hierarchy Administrator	Defines the project budget by configuring: • The project hierarchy or tenant to draw from specific dimensions from the budget structure. • The plan calculation types to drive the different types of plans enabled in the hierarchy or tenant.
Project Manager	Creates and updates project budgets. Creates plans as outlined by the plan structure and project hierarchy configurations. Assigns plans as baselines or forecasts to compare variances across projects in the hierarchy or tenant. Creates a revised budget for changes to: • Contracts.

Role	Considerations
	- Resource forecasts. - Worker time blocks. - Past period actuals. Manages budgetary control options. Tracks spend and revenue. Analyzes: - Profit and losses - Return on investments
Contract Administrator for Revenue Budgets	Defines the billing rate that Workday uses to calculate the revenue budget.

Business Processes

Business Processes	Considerations
<i>Assign Plan as Baseline Event</i>	Can designate the calculation type as a baseline budget.
<i>Budget Amendment Event</i>	Can submit amendments for budget templates requiring approval or amendment.
<i>Plan Event</i>	Can create a budget when the budget template requires approval or amendments.

Reporting

Reports	Considerations
Project Budgetary Balance With Labor Cost	You can compare the budget for a project to the actual cost. This report doesn't apply to duration budgets.
Project Hierarchy Baseline vs. Forecast	Enables organization level reporting on baseline versus forecast at your project hierarchy or tenant level. You can customize this report to include the dimensions and variance thresholds appropriate for your organization.

You can use these report data sources to create custom reports:

- All Budget Amendments
- Budget Amendments by Organization
- Project Budget Calculation Details

Integrations

You can use these web services to upload your project budgets:

- *Import Budget*
- *Import Budget Amendment*
- *Put Project Budget Template*

Connections and Touchpoints

Project Budgets interacts with:

- Financial accounting.
- Time tracking.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Tasks

[Steps: Set Up Project Budgets](#) on page 919

[Steps: Maintain Access to Budget Structures for Projects](#) on page 920

[Set Up Hierarchy Configuration for Project Budgets](#) on page 923

[Set Up Tenant Configuration for Project Budgets](#) on page 924

[Set Up Labor and Nonlabor Attributes for Plan Lines](#) on page 926

Reference

[FAQ: Project Budgeting](#) on page 944

[The Next Level: Project Budgets](#)

[2021R2 What's New Post: Plan Line Attributes for Project Budgets](#)

[2021R2 What's New Post: Tenant Configuration for Project Budgets](#)

Steps: Set Up Project Budgets

Review setup considerations for project budgets.

You can configure project budgets to simplify budget creation and ensure consistency across your organization.

1. Set up a segmented security group that will configure your project budget.
See [Steps: Maintain Access to Budget Structures for Projects](#) on page 920.
2. Access the **Maintain Entry Types** task.
Add a new entry type with a **Plan Type Usage** of *Project* so you can identify budget lines by plan type usage. Ensure that the entry type is active.

Security: *Set Up: Budget General* domain in the Budgets functional area.
3. [Set Up Plan Structures for Project Budgets](#) on page 920.
4. Set up a project budget configuration.
See:
 - [Set Up Hierarchy Configuration for Project Budgets](#) on page 923.
 - [Set Up Tenant Configuration for Project Budgets](#) on page 924.
5. [Create Contract Rate Sheets](#) on page 1002.
Link billable projects to the contract rate sheet for revenue budgets.
6. (Optional) [Set Up Labor and Nonlabor Attributes for Plan Lines](#) on page 926.
7. Create project budgets.
See [Steps: Create Project Budgets](#) on page 927.
8. (Optional) Use Worksheets to manage your project budgets.
See [Steps: Manage Project Budgets with Worksheets](#) on page 930.
9. (Optional) [Schedule Project Budget Mass Update](#) on page 933.
10. (Optional) Set up budget checking for your project budgets.
See [Setup Considerations: Budget Check](#).

Steps: Maintain Access to Budget Structures for Projects

Project administrators will need access rights to configure the budget structure properly. You can create a segment-based security group for the groups you want to enable to add Project as a plan type to the budget structure. You then add the security group to the required domain policy.

1. Access the **Edit Security Group** task.
2. Select **Segment-Based Security Group > Project Plan Type Segment Security Group**.
3. Select the **Security Groups** which you want to have access to the Project plan type on the budget structure.

Security groups might include: *Project Administrator*, *Project Hierarchy Manager*, or *Project Resource Manager*.

4. Select *Project Plan Type Segment* for the **Access to Segments** field under **Access Rights**.

Based on this setting, Workday determines the plan type you can access on the budget structure.

5. Access the **Edit Permissions** task as a related action from the **Access Plan Type (Segmented)** domain security policy. This task enables you to add the security group to the domain.

The security group you enabled can now add Project as a plan type on the budget structure and define budget dimensions.

Concepts

[Concept: Security Groups](#)

Tasks

[Create Segment-Based Security Groups](#)

Set Up Plan Structures for Project Budgets

- Create an entry type that uses Project as a plan type.
- Access to the *Project Plan Type Segment* security group.
- Security: *Manage: Project Budget* domain in the Projects functional area.

You can define the framework and dimensions in project budgets for all projects in a project hierarchy using plan structures.

1. Access the **Create Plan Structure** task.
2. Select *Project* from the **Plan Type** prompt.
3. As you complete the header and **Schedule** tab, consider:

Option	Description
Use Contextual Amendments	Select to amend plans that you create using this structure in the context of your current budget and current spend. When you select this check box, Workday displays the running total of your budget and these columns on budget amendment tasks: • Current Plan Amount • Current Spend • Percentage Change • Proposed Remaining Plan • Remaining Plan • Total Plan You can change this setting at any time. Example: You didn't originally include this functionality in your plan structures, but later want to uptake it.

Option	Description
Period	Workday bases project budget periods on the calendar month, except for the first and last periods. Workday defines the: • First period as the project start date to the end of the month. • Last period as the first day of the month to the project end date.

4. As you complete the **Structured Dimensions** tab, consider:

Option	Description
Organizing Dimension Type	Enter 1 dimension value per plan to populate each line with the same dimension. This entry method reduces manual entries and streamlines review and approval.
Account Set	Your selection must match the account set for: • The companies you plan by, as configured on the Edit Company Accounting Details task. • The company hierarchies you plan by, as set on the Edit Consolidation Details task. Clear this field to exclude <i>Ledger Account</i> as a dimension.
Book	When you enable budgetary control, Workday filters the budget check based on the book code associated with the book you select. When you select a book on the plan structure, you can't remove it from the Maintain Books task. To filter by book on custom reports, you must use the Journal Lines for Financial Reporting report data source.
Must Be Empty	Select to require that a dimension must have an empty value for the transaction to be subject to the budget. This option enables you to define budgets with and without that specific dimension. Example: You want a budget for transactions associated with certain cost centers, funds, and projects. You also want a budget for transactions associated with just projects and cost centers. For the latter budget, you can specify that the fund worktag must be empty on the transaction.
Spend or Revenue Category Required on Plan Lines	Select when you want either a spend or a revenue category to be present on each plan line for the project budget. When you select this option, you must have both spend and revenue categories as optional dimensions on the budget structure.
Disable Related Worktags in Worksheets	Select this check box to disable worktag type precedences for all associated project budgets that use this plan structure. Disabling the related

Option	Description
	worktags avoids duplicate budget lines for optional dimensions that use related worktags.
Record Quantity	When you select this check box, you can view these fields on plan lines: • Quantity • Units (hours)

5. As you complete the **Structured Dimension** grid, consider:

Option	Description
Dimension	Workday requires 1 of these dimensions for project budgets: • <i>Project</i> • <i>Project Phase</i> • <i>Project Task</i>
Primary Worktag	Select to display the worktag in its own column rather than as additional worktags on the plan lines. When you maintain or amend your budget: • Workday displays primary worktag columns in the order that you configure on your plan structure. • Primary worktag columns enable you to enter line information faster. Because <i>Company</i> and <i>Ledger Account</i> are required dimensions that display by default, you can't select them as primary dimensions. You can designate up to 10 worktags as primary worktags for each structure.
Top Level Hierarchy	Dimension members can be part of multiple hierarchies. You can determine the uppermost hierarchy and select it as the top-level hierarchy.
	Workday only supports company hierarchies for virtual parent-child plan structures.
Hierarchy Level	When you select a top-level hierarchy, you can select a hierarchy level on this prompt.
Dimensions to Include	When you select a structured dimension or dimension hierarchy, you can't include any of the superior or subordinate dimensions, or dimension hierarchies at any other level. This restriction prevents double-counting budgets between superior and subordinate dimensions and dimension hierarchies.

Set up project budget configurations for the project hierarchy.

To view the account set your company uses, access the **View Company Accounting Details** report.

Concepts

Concept: [Project Budgets](#) on page 934

Tasks

Steps: [Set Up Project Budgets](#) on page 919

Reference

[Workday 32 What's New Post: Project Budget by Hours](#)

[2020R2 What's New Post: Consolidated Project Budgets For Control And Reporting](#)

Set Up Hierarchy Configuration for Project Budgets

- Create an entry type that uses Project as a plan type.
- Create a plan structure with Project as a required dimension.
- Security: *Set Up: Project Hierarchy* domain in the Projects functional area.

You can configure the project hierarchy for all subordinate projects to use as a template when creating project budgets. You can also create calculation types to enforce different plan types.

Note: Workday gives precedence to project hierarchy configurations over tenant configurations.

1. Access the **View Project Hierarchy** report.
2. As you complete the **Project Budget Configuration** tab, consider:

Option	Description
Do Not Allow Creation of Project Budgets	(Optional) Select to prevent project managers from creating budgets for any projects under this hierarchy. You can access the report later to remove this limitation.
Do Not Allow Submission of Forecast Budgets	(Optional) Select to prevent users from submitting their forecast budgets for approval. This setting ensures that Workday continues to update your forecast budgets with actuals. You can access the report later to remove this limitation.
Plan Structure	The plan structure that you select determines the dimensions Workday makes available for selection.
Plan Eligible For	Determines whether you can create a baseline or forecast budget for the plan calculation type. You can't edit this field after you've created a budget for the plan calculation type.
Inactive	Select this check box to disable this calculation type for new project budgets. For existing project budgets, Workday will continue to use this calculation type.
Cost Revenue	Include all budget dimensions that project managers need as they create budgets for the projects under this tenant. Configure: • Cost and revenue dimensions if the plan structure requires them. Include at least 1 dimension from each category.

Option	Description
	- Plan structure dimensions. Worktags that you select in these fields populate on: - Plan Lines sourced from the resource forecast. - Resource plans without project override data. To avoid duplicate postings, Workday recommends that you don't create dimensions already on the project as worktags.
Actuals Source(s)	You can leave this prompt blank to see only your forecast on your project budget. If you've already configured your ledger accounts to include time cost, exclude <i>Time</i> to avoid double counting.
Forecast Source	Specify a cut-off date to include time transactions instead of resource forecasts in the current period. If you haven't reached the cut-off date, Workday uses the last day of the prior period for time transactions.

Workday references these settings to generate the project budget.

- Set up the labor and nonlabor attributes for plan lines.
- Create project budgets.
- Create a resource forecast to capture detailed estimated hours for your workers to include in your project budget.

Concepts

[Concept: Project Budgets](#) on page 934

Tasks

[Steps: Set Up Resource Forecasts](#) on page 910

[Set Up Labor and Nonlabor Attributes for Plan Lines](#) on page 926

Reference

[2021R2 What's New Post: Plan Line Attributes for Project Budgets](#)

Set Up Tenant Configuration for Project Budgets

- Create an entry type that uses Project as a plan type.
- Create a plan structure with Project as a required dimension.
- Configure the plan calculation type on the *Assign Plan as Baseline Event* business process.
- Security: *Set Up: Project Budget* domain in the Projects functional area.

You can configure your tenant and use it as a template when creating project budgets. You can also create calculation types to enforce different plan types.

Note: Workday gives precedence to project hierarchy configurations over tenant configurations.

- Access the **Maintain Project Budget Tenant Configuration** report.
- On the **Default Configuration** tab, click **Maintain**.

3. (Optional) To ensure that Workday continues to update your forecast budgets with actuals, mark the **Do Not Allow Submission of Forecast Budgets** check box. Workday uses this setting to prevent users from submitting their forecast budgets for approval.
4. As you complete the **Plan Calculation Type** section, consider:

Option	Description
Plan Structure	Workday uses the plan structure that you select to determine the dimensions available to configure for the project.
Plan Eligible For	Enable tracking and reporting of plans across tenants.
Inactive	Select this check box to disable this calculation type for new project budgets. For existing project budgets, Workday will continue to use this calculation type.
Cost Revenue	Include all budget dimensions that project managers need as they create budgets for the projects under this tenant. Configure: • Cost and revenue dimensions if the plan structure requires them. Include at least 1 dimension from each category. • Plan structure dimensions. Worktags that you select in these fields populate on: • Plan Lines sourced from the resource forecast. • Resource plans without project override data. To avoid duplicate postings, Workday recommends that you don't create dimensions that are already on the project as worktags.
Actuals Source(s)	You can leave this field blank to see only your forecast on your project budget. If you've already configured your ledger accounts to include time cost, exclude <i>Time</i> to avoid double counting.
Forecast Source	Specify a cutoff date to include time transactions instead of resource forecasts in the current period. If you haven't reached the cut-off date, Workday uses the last day of the prior period for time transactions.

Workday references these settings to generate the project budget.

- Set up the labor and nonlabor attributes for plan lines.
- Create project budgets.
- Create a resource forecast to capture detailed estimated hours for your workers to include in your project budget.

Concepts

[Concept: Project Budgets](#) on page 934

Tasks

[Steps: Set Up Resource Forecasts](#) on page 910

[Set Up Labor and Nonlabor Attributes for Plan Lines](#) on page 926

Reference

[2021R2 What's New Post: Tenant Configuration for Project Budgets](#)

[2021R2 What's New Post: Plan Line Attributes for Project Budgets](#)

Set Up Labor and Nonlabor Attributes for Plan Lines

- Set up project budgets.
- Security: *Set Up: Project Budget* domain in the Projects functional area.

You can configure project budgets to classify plan lines as labor or nonlabor, and then apply your changes to the existing project budgets in your tenant.

This classification makes it easier for project managers to:

- Identify plan lines when they view their project budgets.
- Accurately track the financial health of their projects.
- Inform their stakeholders.

1. Access the **Maintain Project Budget Tenant Configuration** task.
2. Click the **Plan Line Attribute Configuration** tab.
3. Click **Maintain**.
4. As you complete the task, consider:

Option	Description
Spend Categories	Select the spend categories for labor. Workday labels the rest of the spend categories as nonlabor on the plan lines for the project budget.
Revenue Categories	Select the revenue categories for labor. Workday labels the rest of the revenue categories as nonlabor on the plan lines for the project budget.
Ledger Accounts	Select the cost and revenue ledger accounts for labor. Workday labels the rest of the ledger accounts as nonlabor on the plan lines for the project budget.

You can view the labor and nonlabor classifications of your project budgets on the:

- Plan lines.
- Key performance indicator cards.
- Update the plan line attributes for your existing project budgets.
- Create project budgets.

Tasks

[Steps: Set Up Project Budgets](#) on page 919

Reference

[Reference: Key Performance Indicator Cards](#) on page 942

Steps: Create Project Budgets

Create a project with start and end dates.

A project cost plan gives you insight into approaching costs from your project assigned resources, while a project revenue plan helps you estimate future revenue from the contract billing process. To populate the final budget, we pull all dimensions from the plan structure and the project budget configuration. Budget lines pull from project worktags. Workday then creates a project budget schedule.

As the project progresses, you can update forecasts to include historical data with actuals along with future estimates, and use this information to revise your project.

You can also create a preliminary project budget without using a resource forecast:

- Create a blank budget and schedule. Useful if there are no labor costs associated with the project, and the budget is maintainable through manual input.
- Use the percentage allocation or estimated hours from the resource plan as the basis for a high-level budget.

(Optional) You can differentiate baseline budgets from forecast budgets using plan categories configured from the project hierarchy. Workday supports the assignment of a single plan for both a baseline and a forecast in a project.

1. (Optional) [Create Resource Plans](#) on page 902.

Define your project resource plan with project role assignments and consider:

- Percent Allocation or Estimated Hours.
- Project Resources.
- Start and End Dates.

2. (Optional) Create a resource forecast.

a. Access the **Create Resource Forecast for Project** task.

b. As you complete the *Forecast Level View* option, consider:

Option	Description
Project	Workday generates an upper-level forecast containing the worker and their forecasted hours.
Project Plan Task	Workday generates a detailed forecast including the worker and their: • Project tasks. • Forecasted hours for each task.

Security: *Manage: Project Resource Forecast* domain in the Projects functional area.

3. (Optional) [Create Templates for Project Budgets](#) on page 805.

4. Access the project profile.

- a. Select the **Financials** tab.
- b. Select the **Plan** tab.
- c. Click **Create Budget**.

Note: Workday doesn't display the **Create Budget** button on the Plan tab when:

- There isn't a project budget configuration on the project hierarchy or on the tenant.
- A project budget configuration exists on the hierarchy or tenant, but the configuration disabled the creation of project budgets.

d. As you complete the task, consider:

Option	Description
Company	This required field displays only when there isn't a company identified on the project.
Worktags	Enter any additional worktags that are required dimensions on the plan structure. This field doesn't display when required dimensions on the plan structure are on the project hierarchy. Example: <i>Cost Center</i> is a required dimension on the plan structure but isn't defined on the project or the project budget configuration. Enter the <i>Cost Center</i> worktag here. Workday saves the <i>Cost Center</i> value to the project and will use it on the project budget.
Plan Name	Workday displays this name in the Project Budget grid. Access the grid on the Plan report of the Financials profile group of the project profile.
Plan Calculation Type	Select the revenue and cost inputs configured for the project hierarchy or tenant that you want to use as a base to build the project budget.
Resource Forecast	Displays when the plan calculation type includes a resource forecast as the basis for the creation of the budget.
Revenue Calculation Method	Select the basis for calculating revenue for the project budget: • <i>Project Time and Expense</i> - Workday creates a revenue plan using the contract rate sheet associated with the project. Your contract rate sheet can support hourly and daily rates and billing rate rules. • <i>Fixed Fee - Installment</i> - Workday displays contract lines for fixed fee installments with generated revenue installments used to calculate the revenue plan. • <i>Fixed Fee - Percent Complete (Hours)</i> - Workday displays available fixed fee contracts that you can select to populate the Contract Amount field. Alternatively, you can enter a contract amount to preview how Workday calculates the budget. Workday creates the

Option	Description
	revenue plan using percent complete revenue recognition formula for each period based on actual and forecasted data: (Contract Amount * Percent Complete)/(Previously Recognized Revenue)
Plan Structure	Displays the plan structure configured on the plan calculation type for the project hierarchy.
Forecast Source	Select the type of forecast source for the project budget.

Security: *Manage: Project Budget* in the Projects functional area.

5. (Optional) To create another project budget by copying an existing budget, select **Plan > Copy Budget** from the related actions menu on the plan.

Security: *Manage: Project Budget* in the Projects functional area.

6. To submit the budget for approval, select **Plan > Submit Plan for Approval** from the related actions menu on the plan.
7. (Optional) To apply the configuration of the plan line attributes to your project budget:
 - a. Access the **Maintain Project Budget Tenant Configuration** task.
 - b. Click the **Plan Line Attribute Configuration** tab.
 - c. Click **Update Attributes** and complete the task.

Note: When you use Worksheets for project budgets, you must manually update the attributes on the plan lines in the project budget workbooks.

Security: *Set Up: Project Budget* domain in the Projects functional area.

You can expand the resulting revenue and cost budget results to view amounts by budget period.

You can examine the Workday calculation details of a draft or approved plan. From the related actions menu, you can select **Plan > View Initial Calculation** on the budget line sourced from:

- Ad hoc project time transactions (actual costs).
- Journal lines (actual revenue).
- Resource forecasts (revenue and cost forecast).
- Resource plan estimated hours by project role (estimated cost and revenue).
- Resource plan percent allocation by project role (estimated cost and revenue).
- Revenue recognition installments (for Fixed Fee - Installment revenue plans only).
- Time blocks (actual costs).

Note: Calculated project budget lines don't include:

- Manual changes to project budget lines.
- The addition of budget lines for ledger accounts such as travel, equipment, or facilities.

Tasks

[Steps: Set Up Project Budgets](#) on page 919

[Steps: Set Up Resource Forecasts](#) on page 910

[Set Control Options for Spend Plans](#)

Reference

[2021R2 What's New Post: Tenant Configuration for Project Budgets](#)

[2021R2 What's New Post: Plan Line Attributes for Project Budgets](#)

[2020R2 What's New Post: Project Budget Templates](#)

Steps: Create Parent-Child Project Budgets

Security: *Manage: Project Budget* in the Projects functional area.

You can create a virtual parent-child structure for project budgets, enabling you to link your existing individual budgets. You can also streamline activities, such as consolidating reports and adding budget controls at a more summarized level than your detailed plans.

To create a parent plan, create a plan structure as you normally would, then use the related actions menu on your new plan structure to link a child plan.

1. Set Up Plan Structures for Project Budgets on page 920.

When you create a parent plan structure and include a top-level hierarchy, you can control budgets for all companies within the hierarchy.

2. From the related actions menu of the new parent structure, select **Plan Structure > Link Child Plan Structure.**

When you select 1 or both of these check boxes on the parent plan structure, you must match them on the child plan structure:

- **Spend or Revenue Category required on Plan Lines**
- **Record Quantity**

Note: All required dimensions on the parent plan structure must be required dimensions on the child plan structure.

3. Access the **Create Plan Template task. See [Create Plans or Budgets](#).**

Create a parent plan and include your linked plans.

- Review your **Virtual Parent** plans on the **Plan** grid of the **Financials** grid of your project.
- Report at an aggregate level across plan structures that might be different.

Reference

[2020R2 What's New Post: Consolidated Project Budgets For Control And Reporting](#)

Steps: Manage Project Budgets with Worksheets

- Set up and configure Worksheets in your tenant.
- Create project budgets.
- Configure the *Planning Event* business process and security policy in the Planning functional area.
- Security:
 - *Manage: Project Budget* domain in the Projects functional area.
 - *Set Up: Budget General* domain in the Budgets functional area.
 - *Worksheets* domain in the System functional area.

With Worksheets, you can use a spreadsheet framework to:

- Create project budget scenarios based on different assumptions.
- Model nonlabor expenses and materials for a project budget or forecast.
- Collaborate with project members on planning project budgets and forecasts.

1. From the related actions menu of the plan, select **Generate Plan Workbook.**

Workday generates a plan workbook with a status of *In Worksheets*, preventing all other modifications to the plan.

2. (Optional) Select **Plan Workbook > Enter Worksheets Draft Mode from the related actions menu of the plan.**

Suspend validations during editing. Workday doesn't display custom validations in the related workbooks.

When the plan is in draft mode, Workday changes the status to *In Worksheets Draft*.

3. (Optional) Select **Create Plan Version** from the related actions menu of the plan.

Create versions of your workbook. Take a snapshot of your edited workbook at any time while the plan status is *In Worksheets*. The original plan and workbook remain active and editable. Workday creates read-only copies with a status of *Versioned*.

4. (Optional) From the related actions menu of the plan, select **Plan Workbook > Update Plan from Workbook**.

Update the plan with your changes from the active plan entry area in the workbook while the plan status is *In Worksheets*.

5. [Edit Plan Workbooks](#) on page 931.

6. (Optional) Lock your workbook from the related actions menu of the plan.

When you lock the workbook, Workday returns the plan to a status of *Draft*.

7. (Optional) From the related actions menu of the plan, select **Update Budget**.

Sync your workbook when updating your project budget.

8. (Optional) Select the **Update Plan Workbook** check box.

Sync the associated workbook. Workday overwrites any changes you make on the sheet containing the plan entry area. You can only update project budgets with a plan status of *Draft*.

Submit and route your plan for approval.

Concepts

[Concept: Managing Workbooks](#)

[Concept: Editing Workbooks](#)

Reference

[Reference: Automatic Data Updates in Workbooks](#)

Edit Plan Workbooks

- Create a plan workbook.
- Security:
 - *Set Up: Planning* domain in the Planning functional area.
 - *Worksheets* domain in the System functional area.
 - *Manage: Project Budget* domain in the Planning functional area.

You can edit plan workbooks to:

- Build and link models.
- Update plans from workbooks.
- Plan for both multicurrency and multicurrency financial plans.

1. Access your plan workbook.

2. Make changes to your plan workbook data.

The workbook must be in *In Worksheets* or *Distributed* mode. You can't change workbooks in *Draft* mode.

The active plan entry area displays inside a green dashed outline in the plan sheet. Changes you make in this area update your plan when you initiate the **Update Plan Workbook** task. Changes you make outside of the active plan entry area don't update the plan.

Follow these guidelines to work with cells in the plan entry area:

- All cells with Workday dimensions are prompts with values set by the plan structure. To search for prompt values, enter a value or click **Alt + Down Arrow** to open the list of values.
- A required dimension must have a value in all rows in the plan entry area. An optional dimension can be empty.
- All validations that display in the plans display in the related workbooks, except custom validations.

3. (Optional) Create planning models and assumptions.

You can perform numerous functions in workbooks to help you analyze and shape your plan data, including:

- Add or create new columns or rows of data.
- Pivot data.
- Import other Workday reports.
- Import relevant external data into your workbook.

4. (Optional) Click the **Share** button to invite others to review your workbook.

You can control view, edit, and sharing permissions for users you collaborate with. For decentralized planning, you can only share your workbook if the plan administrator either:

- Selects **Allow Planners to Share** on the **Create Plan Workbook** task.
- Selects **Editors can share** on the Share Settings of your individual plan workbook.

5. (Optional) Suspend validations during editing.

Select the **Plan Workbook > Enter Worksheets Draft Mode** related action to suspend validations so you can edit without interruptions. If the workbook is in *Draft* mode, Workday changes the plan status to *In Worksheets Draft*.

You can only enter draft mode for single workbooks that contain a single or multiple plan entry areas.

When you finish your edits, select the **Plan Workbook > Exit Worksheets Draft Mode** related action. Workday resumes validations and returns the plan status to *In Worksheets*.

6. (Optional) Create versions of your workbook.

Select the **Create Plan Version** related action to take a snapshot of your workbook at any time. The plan must have in *In Worksheets* status. The original plan and workbook remain active and editable. The versions are copies and read-only.

You can only create versions of plans that contain a single plan entry area in their plan workbooks.

7. (Optional) Update your plan with changes you made in an active plan entry area of your plan workbook.

For plan workbooks with a single or multiple plan entry areas, select **Plan Workbook > Update Plan from Workbook** from the related actions menu of the plan workbook. When you update your plan from your workbook, Workday:

- Applies the changes you made in the active plan entry areas to the plans.
- Performs custom validations configured for lines in your plan. Access the **View Plan** report and select the **View Exceptions** button to see any failed validations.

You can also access the **Update Plan from Workbook** task using global search. Workday updates all related plans using the selected plan workbooks.

8. (Optional) Add missing dimension members to your plan workbook.

For a workbook generated with a plan template definition, you can update the plan entry area with dimension members that are missing. From the related actions menu of the workbook, select **Plan Workbook > Add Missing Dimension Members**. Workday compares the plan entry area of the workbook to source files and adds rows to the workbook for any missing dimension member combinations.

- The plan or template administrator must configure the plan template definition to include:
 - Reports or custom sheets used as source files.
 - Dimension members used in the comparison.
- Each missing row added to the plan entry area contains unique data. Workday doesn't add duplicate rows.
- Workday can add missing dimension members for workbooks with single, multiple, or distributed plans.

Review the rows added to the bottom of the plan entry area. Correct any errors.

When ready, submit and route your plan for approval. For decentralized planning, you can submit by accessing:

- Your inbox item.
- **Plan Workbook > Submit** from the related actions menu of your plan workbook.

If you need to delete a workbook, you can only do so once the plan has been approved from the **Drive** home area. You can't delete a workbook with an active plan entry area.

Schedule Project Budget Mass Update

- Set up project budget configurations.
- Create project budgets.
- Security: *Set Up: Project Hierarchy* domain in the Projects functional area.

You can schedule regular updates to forecast project budgets in mass, eliminating the need to update individual budgets. Simultaneously updating all your forecast project budgets ensures that they remain current with your actuals.

Note: You can schedule a mass update for active projects with a maximum of 500 plans per tenant. The schedule duration can't be greater than 3 months.

1. Access the **Schedule Project Budget Mass Update** task.
2. As you complete the task, consider:

Option	Description
Project Hierarchies for Budget Mass Update	Create only 1 schedule at a time per project hierarchy. Workday updates plans that use a project budget configuration when the: • Associated project is active. • Plan is in draft status. • Plan category is <i>Forecast</i>. • <i>Resource Forecast</i> is the forecast source. Note: You can't schedule a mass update for optional project hierarchies.

3. As you complete the Schedule tab, consider:

Option	Description
Priority	Setting a higher priority can reduce potential queuing.
Day(s) of the Month	Select to run the update based on calendar date. To ensure your reports run on schedule, Workday recommends that you select <i>Last Day of the Month</i> if you want to run the report at the end of every month.
Catch Up Behavior	Use this option to determine whether Workday will re-run the process if your tenant was down for maintenance at the scheduled run time. When you select: • None, Workday ignores the missed updates and continues to run the update at your scheduled times. • Run Once, Workday runs the update process once after your tenant comes back online,

Option	Description
	and then continues to run the update at your scheduled times.
Start Date	Select a start date and time that are in the future. The <i>Start Date</i> must occur on the same day of the week that you selected for <i>Day(s) of the Month</i> or <i>Day of the Week</i> .

Workday notifies the process owner for each updated forecast project budget.

- (Optional) Manage your scheduled updates with the **Scheduled Future Processes** report.
- (Optional) Extend or end your scheduled updates with the **Mass Update Scheduled Future Processes** task.

Concepts

[Concept: Project Budgets](#) on page 934

[Concept: Workday Scheduled Processes](#)

Tasks

[Set Up Hierarchy Configuration for Project Budgets](#) on page 923

[Manage Scheduled Future Processes](#)

Reference

[Reference: Scheduled Future Processes](#)

Concept: Project Budgets

You can gain insight into the approaching costs of a project by creating a project budget. As your projects progress, you can update them with actuals and future estimates.

You can also use project budgets to:

- Create high-level budgets without using detailed resource forecasts.
- Compare baseline budgets with up-to-date resource forecasts (including actuals) across your project portfolio.

Baseline Budgets

Within your organization, you can designate plans as eligible for a baseline budget using calculation types. You can also configure a business process to approve plans as the project baseline in addition to regular approval. Assign your plan as the baseline to enable reporting of baseline plans at a portfolio level.

Budget Forecasts

Once the project is under way and you have an approved budget, you can create forecasts using the same **Create Budget** button to view progress over time. To create the forecast, Workday uses revenue from the journal lines within historical periods to calculate actual hours from approved time blocks and ad hoc project time transactions. You can also include approved worker time blocks and ad hoc project time transactions in the current period. For future periods, Workday uses the resource forecast. The resulting forecast is a combination of actual amounts and budget amounts, which you can update as many times as you need.

You can create a project budget snapshot with the **Resource Forecast** report for the project. As the project progresses, you can take snapshots of the resource forecast for specific dates to estimate how the project has evolved over time. You can take 1 snapshot per month. You can't edit snapshots.

Assign your plan as a Forecast to enable reporting of forecasts at a portfolio level. Using the **Schedule Project Budget Mass Update** task, you can also regularly update draft forecast plans that use a resource forecast for the forecast calculation.

Project Financials (Plan Grid)

You can review your project financial metrics on the Plan section of the Financials tab for these Plan Categories:

- Baseline with a status of *Available*.
- Forecast.

The grid includes:

- **Inception to Date:** The plan line amount from the project start date to the reporting period.
- **Estimate to Complete:** The plan line amount for a period after the reporting period until the project end date.

Workday doesn't calculate these amounts for duration plans.

Project Financials (Summary Grid)

You can review your project financial metrics on the Summary section of the Financials tab. The Summary section includes these performance indicators:

Field	Description
Project Schedule	Calculates using the project start and end dates in relation to today.
Total Cost Consumed	Calculates the total consumed amount divided by the sum of total consumed and total plan remaining.
Project Spend By Type	Summarizes all project spend transactions with the project worktag, and groups the transactions by spend type.
Project Revenue For Time	Summarizes time transaction amounts from the Contract/Billing section for billable projects.
Project Time Blocks By Role	Pulls the approved project time blocks from the worker time submission, and then breaks them down by the project role of the worker.

Edit Plan Details

You can update a plan by selecting **Plan > Edit Plan Details** from the related actions menu:

- Extend Plan End Date
- Inactivate Plan
- Rename Plan

Project Budgets Without Resource Forecasts

Without using a resource forecast, you can create:

- Blank project budget schedules.
- Blank project budgets without anticipated labor costs. You can then add nonlabor costs.
- Project budgets using only labor actuals.
- Project budgets using estimated hours by project role from the resource plan.
- Project budgets using percent allocation by project role from the resource plan.

Project Budget Templates

You can create default configurations at the project hierarchy level using project budget templates. You can select a template when creating a project budget, saving time and preventing errors.

Consolidated Project Budgets

Consolidated project budgets deliver a virtual parent-child structure for project budgets, enabling you to link individual budgets. We also enable you to streamline activities, such as consolidating reports and adding budgetary controls.

Tasks

[Steps: Set Up Resource Forecasts](#) on page 910

[Steps: Set Up Project Budgets](#) on page 919

Reference

[Reference: Key Performance Indicator Cards](#) on page 942

[2021R2 What's New Post: Tenant Configuration for Project Budgets](#)

[2020R2 What's New Post: Project Budget Templates](#)

[2020R2 What's New Post: Consolidated Project Budgets For Control And Reporting](#)

Concept: Multicurrency in Project Budgets

Workday supports multicurrency conversions in project budgets. Depending on the conversion type, Workday selects different currency rates and effective dates for those rates. For worker time block conversions, Workday uses a different calculation method than other project budget conversions.

If you used the **Edit Company Accounting Details** task to configure a *Currency Rate Type Override* for your company, Workday uses it as the currency conversion rate in your project budget calculations. Otherwise, Workday uses the default currency rate for your tenant.

For worker time block conversions, Workday uses the **Standard Cost Rate Currency Override** on the *Resource Plan Line* for the worker. Otherwise, Workday uses the currency rate from the *Project Standard Cost Rate Sheet* for the worker company. For ad hoc time blocks, if you specify a currency override on the transaction, Workday will use the rate you specify. If you don't specify a currency override on an ad hoc time block, Workday uses the same order of operations as it does for determining the rate type on worker time block conversions.

You can review your specific currency rates by using the **Currency Rates as of Date** report. Depending on the conversion type, Workday uses a different effective date to select the currency conversion rate:

Currency Conversion Type	Currency Conversion Date
Project company to project	Project start date
Project to project company	Transaction date
Worker standard cost to project	Transaction date

Example

You submit a worker time entry on 2023-01-14, costing \$1500 CAD, for your project budget, which is in USD.

- The currency rate type override for your company is *Average*.
- Because the conversion is from worker standard cost to project, Workday uses the currency rate as of your transaction date (2023-01-14).
- The *Average* currency rate in your tenant as of 2023-01-14 for the *Source Currency* CAD and the *Target Currency* USD is 0.76.
- The debit to your project budget is \$1,140 USD ($1,500 \times 0.76 = 1,140$).

Reference: Project Budget Setup by Role

Project budget configuration requires multiple roles, but you only need to perform some of the steps once.

Step	Role	Frequency and Details
Configure security.	Security Administrator	Once; add project administrators to the proper security groups.
Create an entry type.	Budget Administrator	Once; add an entry type for the project plan type.
Set up the plan structure.	Project Administrator Project Manager	Once, with possible occasional updates (you can create alternate plan structures to use with the same project hierarchy or tenant). Create the foundation for the project budget.
Set up the project budget configurations.	Project Administrator	Once per project hierarchy or tenant, with possible occasional updates. Configure: • The project hierarchy or tenant to select specific labor cost and revenue dimensions based on the plan structure. • Labor and nonlabor attributes for plan lines. • Plan calculation types to drive the different types of plans enabled in the hierarchy or tenant.
Create resource forecast.	Project Manager	Once per project; add the workers and estimated hours from the resource plan to the project budget.
Create resource forecast snapshot.	Project Manager	Periodically; edit the resource forecast as project resources change and take a snapshot to apply the updated forecast to the project budget.
Create standard cost rate sheets.	Project Administrator	Once per currency. Define standard cost rates for: • Workers based on worker attributes. • Unnamed resources based on project roles.
Create contract rate sheet.	Contract Administrator	Once per contract, with updates as needed; define the billing rate that Workday uses to calculate the revenue budget.

Step	Role	Frequency and Details
Create project budget.	Project Manager	As needed; create plans as outlined by the plan structure and project hierarchy or tenant configuration. Assign plans as baselines or forecasts to compare variance across projects in the hierarchy or tenant.
Update project budget.	Project Manager	As needed; create an updated budget when you make changes on your: • Resource forecast. • Worker time blocks. • Ad hoc project time transactions. • Contracts.

Tasks

[Steps: Set Up Project Budgets](#) on page 919

Reference: Project Budget Calculations

We collect data for cost and revenue budgets from areas within Workday to create the project budget.

Source	Per-Period Calculations
Time	Approved time blocks and all ad hoc project time transactions for the project: • The sum of the total hours grouped by worker and role per period. The rates use: 1. The standard cost amount in project currency on the time block. 2. The project currency from the project. • Workday compares a worker from the time transaction to the resource plan. If there's more than 1 entry on the resource plan for that worker, Workday considers: 1. The assignment and association. 2. The most recent entry.
Journal Lines	The sum of all journal lines that match these elements: • Project and Project Company. • Ledger Account and Type (when listed as a dimension in the project hierarchy configuration or the tenant configuration). • Journal Status, Journal Line Type, and Journal Entry Type. • Budget dimensions from the project budget configuration, budget structure, and worktag values on the project.

Source	Per-Period Calculations
Resource Forecast	If there are no actual worker hours logged to the worker time block or the ad hoc project time transaction, Workday draws on the resource forecast and uses: • The estimated hours by worker and project role from the resource forecast. • The standard cost rate and cost rate currency from the standard cost rate sheet for the project. Alternatively, Workday uses the override standard cost rate and cost rate currency from the resource plan line.
Resource Plan	Workday draws estimates from the resource plan and uses: • The estimated hours or percentage allocation by worker and project role. • The standard cost rate and cost rate currency from the standard cost rate sheet for the project. Alternatively, Workday uses the override standard cost rate and cost rate currency from the resource plan line.
Contract Rate Sheet	Workday gathers actual hours logged to the project and uses the project billing rate from the rate sheet on the customer contract, taking into consideration any billing rate rules. Workday converts the currency into the project currency, if applicable. Conversion rates come from the Currency Rates As of Date task based on the resource forecast or snapshot date. Workday determines the currency rate type from the Default Currency Rate Type field specified on the Edit Tenant Setup-System task.
Revenue Recognition Installments	Workday calculates Fixed Fee - Installment plans by pulling in installments from the revenue recognition schedule. Actuals come from journal lines.
Calculated Project Budget Line	Workday calculates Fixed Fee - Percent Complete (Hours) contracts using this source when: • Time hasn't been entered in the corresponding period. The calculated project budget line reverses the journal line without hours logged to the project. • A resource needs to recognize a revenue adjustment, but doesn't have a resource forecast for hours in the current period. Example: Project EAC has changed, altering the percent complete for the corresponding resource.

The calculation details for the project budget line are available on the **View Initial Calculation** report.

Note: This report doesn't include manual changes to project budget lines.

From the related actions menu of a draft or approved project budget, select **Plan > View Initial Calculation**.

Calculation Detail	Description
Resource	Includes: • Unnamed resource, associated group, or worker on the resource forecast line. • Workers with time logged.
Role	Project worker, associated group, or unnamed resource role assignment on the resource plan line.
Period	Inclusive date range for calculation.
Hours	Total number of hours used in calculation.
Ledger Account	Ledger account for actuals.
Source	Draws from 1 of these origins: • Journal lines. • Resource forecasts. • Time blocks. • Ad hoc project time transactions. • Resource plan estimated hours or percentage allocation. • Installments from revenue recognition schedule.
Cost Rate	Cost rate derives at: • The transaction date of the time block. • The transaction date of the ad hoc project time transaction. • The period end date of the resource forecast line. Draws from either: • Override standard cost rate from the resource plan line. • Standard cost rate sheet, if override standard cost rate from resource plan is zero.
Cost Rate Currency	Cost rate currency derives at: • The transaction date of the time block. • The transaction date of the ad hoc project time transaction. Note: Currency is sourced from the time block as <i>Project Currency</i>. • The period end date of the resource forecast line. Draws from either: • Override standard cost rate currency from the resource plan line. • Standard cost rate sheet.

Calculation Detail	Description
Cost Amount (Source Currency)	Multiplies the cost rate by hours using the source currency.
Cost Amount (Budget Currency)	Multiplies the cost rate by hours using the budget currency.
Cost Worktags	Worktags define: • The project. • The time cost of the budget configuration for the project hierarchy or the tenant. If the same worktag type defines the project and the time cost, the project worktag overrides the configuration worktag.
Billable Hours	The total number of billable hours used in calculation. For project budgets created from resource forecasts at the task level, billable hours include: • Resource forecasted hours for project plan task, if you don't select the Non-Billable check box. • These current period time transactions, if you select the Include Time Actuals in Current Period check box: • Ad hoc project time transactions without the <i>Do Not Bill</i> status. • Worker time blocks without the Do Not Bill check box selected.
Days for Period	Calculates days from the contract rate sheet.
Billing Rate	Draws the contract rate sheet from the first applicable transaction for the period.
Billing Rate Currency	Draws from the contract rate sheet.
Revenue Amount (Source Currency)	Uses the source currency, the billable hours, and the billing rate with considerations from the billing rate rules.
Revenue Amount (Budget Currency)	Uses the budget currency, the billable hours, and the billing rate with considerations from the billing rate rules.
Billing Rate Rules	The billing rate rule types applied to calculate the revenue amount. These rules are from the contract rate sheet.
Project Inception to Date Hours	Workday calculates Fixed Fee - Percent Complete (Hours) revenue calculation methods as the total hours worked for matching budget lines from prior periods through the current period.
Project Estimated Hours at Complete	Workday calculates Fixed Fee - Percent Complete (Hours) revenue calculation methods as the total hours worked by all project resources.

Calculation Detail	Description
Percent Complete by Hours	Workday calculates Fixed Fee - Percent Complete (Hours) revenue calculation methods as the <i>Project Inception to Date Hours</i> divided by the <i>Project Estimated Hours At Complete</i> .
Contract Amount	The total contract amount for Fixed Fee - Percent Complete (Hours) revenue calculation methods.
Total Recognizable Revenue	Workday calculates Fixed Fee - Percent Complete (Hours) revenue calculation methods as <i>Percent Complete by Hours</i> multiplied by <i>Contract Amount</i> .
Previously Recognized Revenue Amount	Workday calculates Fixed Fee - Percent Complete (Hours) revenue calculation methods as matching budget lines (role, resource, and worktags from prior periods) in the <i>Budget Currency</i> .
Calculated Allocation	Workday calculates Fixed Fee - Percent Complete (Hours) revenue calculation methods as the allocation of journal lines for the period to: • Ad hoc project time transactions. • Associated time blocks. Workday uses this calculation to project revenue by resource in future months. A resource or a task on the journal line matches to the corresponding time block or ad hoc project time transaction. If there are no matches, Workday allocates the journal line to time blocks proportionally by hours logged.
Total Plan Remaining	Workday calculates the total plan remaining based on an available approved baseline plan. When an approved baseline plan isn't available, then the calculation is based on the last approved budget. If neither are available, then the calculation is based on your estimated budget.

Concepts

[Concept: Multicurrency in Project Budgets](#) on page 936

Tasks

[Set Up Hierarchy Configuration for Project Budgets](#) on page 923

[Set Up Tenant Configuration for Project Budgets](#) on page 924

[Steps: Set Up Resource Forecasts](#) on page 910

[Create Contract Rate Sheets](#) on page 1002

[Steps: Create Project Standard Cost Rate Sheets](#) on page 813

Reference

[Workday 32 What's New Post: Exclude Nonbillable Time for Revenue Project Budgets](#)

Reference: Key Performance Indicator Cards

Workday displays project budget metrics in the form of key performance indicator (KPI) cards.

Workday doesn't display KPI cards when a project is missing 1 or more of these items:

- A plan structure.

- A budget configuration.
- A project budget.
- An assigned plan category.
- A configured labor or nonlabor plan line attribute.

KPI Cards

Card	Description
Project Financial Health	The plan lines for the overall project.
Labor Performance	The labor plan lines.
Nonlabor Performance	The nonlabor plan lines.

Calculations

Metric	Calculation	Visual Indicator	Drill-Down Visual Indicator
Cost	$(\text{forecast cost} - \text{baseline cost}) \div \text{baseline cost} \times 100$	Green: Less than or equal to zero. Yellow: Greater than zero. Red: Greater than 10 percent.	Green: Less than zero. Yellow: Greater than zero. Red: Greater than 10%.
Revenue	$(\text{forecast revenue} - \text{baseline revenue}) \div \text{baseline revenue} \times 100$	Green: Greater than zero percent. Yellow: Less than zero. Red: Less than -10%.	Green: Greater than zero. Yellow: Less than zero. Red: Less than -10%.
Margin	$(\text{forecast margin} - \text{baseline margin}) \div \text{baseline margin} \times 100$	Green: Greater than or equal to zero. Yellow: Less than zero. Red: Less than -50%.	Green: Less than zero. Yellow: Greater than zero. Red: Greater than 5%.
Margin %	$\text{forecast margin\%} - \text{baseline margin.}$	Green: Greater than zero percent. Yellow: Less than zero. Red: Less than -5%.	Green: Greater than zero. Yellow: Less than zero. Red: Less than -5%.

Concepts

[Concept: Project Budgets](#) on page 934

Tasks

[Steps: Set Up Project Budgets](#) on page 919

[Set Up Labor and Nonlabor Attributes for Plan Lines](#) on page 926

Reference

[2021R2 What's New Post: Key Performance Indicators for Project Budgets](#)

Reference: Classification Logic for Plan Line Attributes

Workday classifies the plan line attributes for project budgets using this logic:

Attribute	Classification Logic
Cost or Revenue	For attribute assignments for cost or revenue, Workday follows this logic sequence: 1. The plan calculation type is either cost only or revenue only. 2. The plan line has either a spend category (cost) or a revenue category (revenue). 3. The plan line matches either the cost or the revenue actuals configuration on the project budget configuration. 4. The plan line matches either the default cost or revenue worktags for Time on the Plan Calculation Type for the project budget. 5. The plan line has either a debit value (cost) or a credit value (revenue).
Labor or Nonlabor	Labor attribute, if the plan line matches the: • Labor cost configuration. • Labor revenue configuration. Nonlabor attribute for everything else.
Plan or Actuals	For period-based budgets only. Not duration budgets. Actuals attribute for Workday-generated plan lines sourced only from journal lines or time transactions. Plan attribute for everything else.

If you update the configuration for the plan line attributes, apply the new settings to existing project budgets using the **Update Plan Line Attributes for Project Budgets** task.

Concepts

[Setup Considerations: Project Budgets](#) on page 914

Tasks

[Set Up Labor and Nonlabor Attributes for Plan Lines](#) on page 926

Reference

[2021R2 What's New Post: Plan Line Attributes for Project Budgets](#)

FAQ: Project Budgeting

When do I use a project budget to manage my budget?

Use a project budget to:

- Track budgets for billable projects and based off forecasts.
- Use segmented security so that project managers can view only their budget.
- Budget by project duration.
- Manage budgets using worksheets.
- Track projects that require different configurations. Example: projects that require a combination of budgets tracked by project and project hierarchy level.

When do I use a financial budget with *Projects* worktag to manage my budget?

Use a financial budget with *Projects* worktag to:

- Budget at the project hierarchy level.
- Run allocations on budgets.
- Align budget with fiscal schedule. Example: fiscal year, fiscal quarter.
- Use top-down budgeting.
- Roll over budgets into the next period.

Concepts

[Setup Considerations: Project Budgets](#) on page 914

Capital Projects

Setup Considerations: Capital Projects

You can use this topic to help make decisions when planning your configuration and use of Capital Projects. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

This feature enables you to track your spending on projects that result in capitalized assets.

Business Benefits

With capital projects, you can collect costs on a project and convert them into business assets.

Use Cases

You can track spending on large projects that you capitalize and depreciate over time. Examples can include:

- Building improvements
- Equipment installations
- New buildings
- Software and implementations

Questions to Consider

Questions	Considerations
How does your organization capitalize labor costs?	You can recognize labor costs on a project as long-term assets rather than short-term expenses. You can capitalize labor costs using these methods: • Fully Burdened • Payroll • Standard

Questions	Considerations
What costs do you want to track against your project that you would never include in a project asset?	You can create Work in Progress (WIP) exclusion rules to resolve these transactions automatically using the spend account posting rule. This posting rule streamlines accounting and eliminates the need for review.
Does your organization use primary balancing worktags?	If so, you must define a primary balancing worktag on your capital project to use in WIP accounting.
What optional balancing worktag types does your organization use?	You can specify up to 5 additional worktag types to generate fully balanced journals. You can use these additional worktags with or without your primary balancing worktags on WIP accounting.
How do you want to assign your capital project transactions to project assets?	You can assign capital project transactions to project assets either: • Manually • Automatically Automatic assignment reduces the effort of managing your capital project transactions.
Do you want to enable multibook accounting for capital project transactions?	To set up your tenant to create multibook accounting for capital project transactions, ensure you configure the <i>Business Asset Multibook Settlement</i> account posting rule.

Recommendations

We recommend that you:

- Create 1 or more WIP Exclusion rules. Your exclusion rules can classify capital project transactions automatically as expenses or assets, excluding them from manual WIP accounting.
- Create 1 or more Project Asset Assignment rules. Your assignment rules enable Workday to auto-assign capital project transactions to project assets. This auto-assignment eliminates the manual effort of reviewing your capital project transactions.
- Use the **Capital Project Workbench** to:
 - Review your transactions in WIP more efficiently.
 - Automatically assign capital project transactions to project assets.
 - Capitalize project assets.

Requirements

As you configure your Capital Projects, you need to create account posting rules for:

- WIP
- Spend
- Payables
- Project Labor Cost Recovery

If you use balancing worktags, you need to configure the InterWorktag Payables and InterWorktag Receivables account posting rules.

The line level company for expense reports, supplier invoices, and manual journals must match the capital project company on that transaction line.

Limitations

You need to create manual journals to account for changes to transactions after you've expensed them.

You can only set primary and optional balancing worktags on capital projects without transactions. Once your project has transactions, you can't edit the balancing worktags selected on the project. You can only select optional balancing worktag types set for the tenant before the creation of your project.

Tenant Setup

On the **Edit Tenant Setup - Financials** task, you can:

- Define the level of detail for the journal lines generated from the Work in Progress posting rule. You can add these worktag types in the **Include Worktag Types in WIP** section for:
 - Expense report lines and itemizations.
 - Labor cost summaries from fully burdened and standard costing summarization methods.
 - Supplier invoice line and line splits and supplier invoice adjustment line and line splits.
- Enable the posting of WIP to company asset book codes for multibook asset accounting.

Security

Assign these security domains in the Capital Projects functional area:

Domain	Considerations
<i>Manage: Capital Projects</i>	Manage project: • Assets • Labor Cost Summarizations • Transactions
<i>Manage: Project Labor Cost Accounting</i>	Manage and access labor cost summaries in reports and tasks.
<i>Set Up: Capital Projects</i>	Manage: • Project Asset Assignment Rules. • WIP Exclusion Rules.
<i>Set Up: Project Labor Cost Summary Accounting</i>	Configure labor cost summary accounting for capital and noncapital projects.

Business Processes

Business Processes	Considerations
<i>Verify Capital Project Expense</i>	Review and approve transactions reclassified as expenses.
<i>Verify Project Labor Cost Summarization</i>	Review and approve labor costs summarized by the fully burdened and standard costing methods.
<i>Asset Registration Event</i>	Register and assign accounting information to capitalized project assets.

Reporting

Reports or Dashboards	Considerations
Capital Project Transaction Detail	Audit all capital project transactions.
Capital Project Workbench	Review transactions and capitalize project assets.
Find Project Labor Cost Summaries	View labor cost summaries created from the fully burdened and standard costing summarization methods.
View Project	Review and edit project details such as dates, organization, and owner.
Work in Progress Reconciliation Report	Compare activity related to capital projects from an operational transaction rather than a ledger standpoint and reconcile activity.

Integrations

You can use these web services to manage your Capital Projects:

- Get Project Asset
- Put Project Asset

Connections and Touchpoints

Capital Projects interacts with these areas of Workday:

Feature	Considerations
Business Assets	Designate your project assets to convert them into business assets and capitalize the associated costs.
Expenses	Expense reports flow to capital projects and become designated as business assets or expenses.
Financial Accounting	Manual journal entries flow to capital projects.
Payroll	Capitalize labor costs from Payroll on a project as a long-term asset.
Supplier Accounts	Supplier invoices flow to capital projects and become designated as business assets or expenses.
Time Tracking	You can capitalize labor costs from Time Tracking on a project as a long-term asset.
Projects	You can capitalize labor costs from ad hoc project time transactions.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Concepts

[Concept: Balancing Worktags on Capital Project Transactions](#) on page 962

[Concept: Capital Project Workbench](#) on page 961

[Concept: Labor Cost Capitalization](#) on page 962

Tasks

[Steps: Configure Project Capitalization](#) on page 949

[Steps: Set Up Automatic Assignment of Project Assets](#) on page 956

Reference

[Reference: Edit Tenant Setup - Financials](#)

[2022R2 What's New Post: Capital Project Asset Quantities](#)

[The Next Level: Capital Projects for Core Financials](#)

Steps: Configure Project Capitalization

Set up project infrastructure.

Project capitalization gives you greater visibility into project costs. You can manage your:

- Acquisition in transactions.
- Association of transactions with *project assets* in the project.
- Capitalization of those project assets into business assets.

1. [Set Up Account Posting Rules](#) on page 69.

To identify the ledger account in which you want to record the resulting accounting for transactions tied to capital projects, configure the *Work In Progress* account posting rule.

2. [Edit Domain Security Policies](#).

Configure the *Manage: Capital Projects* security domain in the *Capital Projects* functional area.

3. [Edit Business Processes](#).

As you configure the business processes and corresponding security policies related to project capitalization, consider:

Option	Description
Verify Capital Project Expense	When you review and mark capital project transactions as an expense rather than an asset, Workday launches this business process for approval.
Asset Registration Event	Evaluate your existing configuration to make sure it meets your needs for capitalization of project assets into business assets.

4. If you enabled worktag balancing for your tenant, evaluate your worktag balancing rule set and your financial balancing rule for the supplier invoices and expenses transaction types.

See [Concept: Balancing Worktags on Capital Project Transactions](#) on page 962.

5. (Optional) Access the **Edit Tenant Setup - Financials** task.

Select worktag types to add to the **Include Worktag Types in WIP** section. These worktag types define the level of detail for the journal lines generated from the Work In Progress account posting rule. The selections apply to:

- Expense report lines and itemizations.
- Labor cost summaries from fully burdened and standard costing summarization methods.
- Supplier invoice lines and line splits.

6. If you enabled multibook asset accounting in your tenant, add or verify book codes for the Company.

See [Steps: Set Up Asset Books for a Company](#) on page 1072.

Optionally, enable **Post Work in Progress to Company Asset Book Codes** in your tenant to post WIP transactions automatically to each asset book code.

7. (Optional) [Steps: Manage Capital Project WIP Exclusion Rules](#) on page 950.

Create rules that automatically classify capital project transactions as expenses or assets, eliminating manual WIP accounting.

You can now create capital projects and tag transactions with those capital projects. You can review WIP transactions and assign them to project assets, which you can then capitalize.

Capitalize projects.

Tasks

[Steps: Build Projects](#) on page 821

[Steps: Set Up Projects Infrastructure](#) on page 788

Reference

[Workday 32 What's New Post: Configurable Labor Cost Capitalization](#)

Steps: Manage Capital Project WIP Exclusion Rules

- Create a Capital Project.
- Apply a Capital Project worktag to project transactions.

Create Work in Progress (WIP) exclusion rules that automatically classify capital project transactions as expenses or assets, excluding them from manual WIP accounting. Create date-effective WIP exclusion rule sheets to evaluate and apply WIP exclusion rules in order of display.

WIP exclusion rules apply when these transaction types have a Capital Project worktag:

- Supplier invoice lines and line splits.
- Expense report lines.
- Labor cost summaries.

WIP exclusion rules also apply when you make accounting adjustments to the applicable transaction types. Transaction dates determine the date-effective WIP exclusion rule sheet to use.

1. Access the **Create Capital Project WIP Exclusion Rule** task.

As you complete the task, consider:

Option	Description
Description	Workday displays this text as a message when the conditions that you specify are true.
Category	Assign a category to make the WIP exclusion rule easier to find later. You can create <i>Capital Project WIP Exclusion Rule</i> categories on the Maintain Condition Rule Categories task.
Derived Logic	The statement you defined through the WIP exclusion rule conditions. It displays after you save a new WIP exclusion rule.
And / Or	When 2 or more statements exist, specify how they relate to each other.
()	Use parentheses for 3 or more statements and a combination of <i>And</i> and <i>Or</i> conditions. Example: <i>(A and B) or C</i> .
Source External Field or Condition Rule	Select:

Option	Description
	- Capital Project Transaction data source report fields. Note: Don't use report fields that populate using downstream workflow events. Examples: <i>Account Date</i>, <i>Capitalization Date</i>, or <i>Spend Account</i>. - Available Capital Project WIP Exclusion Rule, or other condition rule.
Comparison Type	Specify whether to compare the source to: - Another field. - A value you enter for Comparison Value.
Comparison Value	Based on the Comparison Type , select a comparison field or enter a value to compare to the source.

Security: *Set Up: Capital Projects* domain in the Capital Projects functional area.

2. Access the *Set Up Capital Project WIP Exclusion Rule Sheet* task.

Specify the effective date of the WIP exclusion rule sheet based on the transaction type dates used for the WIP exclusion rules. You can define multiple rule sheet snapshots, differentiated by effective date.

Add, remove, or reorder the WIP exclusion rules on the rule sheet. Workday applies the first WIP exclusion rule that matches the transaction.

Security: *Set Up: Capital Projects* domain in the Capital Projects functional area.

3. (Optional) Access the *Capital Project Transaction Detail* report.

Use this report to audit your capital project transactions.

To distinguish between capital project transactions and accounting adjustments that met the WIP exclusion rule, the report has 2 distinct fields with the name Capital Project WIP Exclusion Rule Met. The field for accounting adjustments is in the **Accounting Adjustment Lines for Capital Project Transaction** section of the report.

Security: *Manage: Capital Projects* domain in the Capital Projects functional area.

Workday uses the *Spend* account posting rule when a transaction meets the WIP exclusion rule condition. When transactions don't meet a WIP exclusion rule, Workday uses the *Work in Progress* account posting rule to create the WIP account.

Access the **Edit Capital Project WIP Exclusion Rules** task to update any rule not yet applied to a transaction.

Access the **Delete Capital Project WIP Exclusion Rule** task to delete any rule that meets both of these requirements:

- Not yet applied to a single transaction.
- Not on a Capital Project WIP Exclusion Rule Sheet snapshot.

Tasks

[Capitalize Project Assets](#) on page 958

[Steps: Perform Project Capitalization](#) on page 952

Example: Create Capital Project WIP Exclusion Rule (Spend Category)

This example illustrates how to create a capital project work-in-progress exclusion rule that automatically excludes certain spend categories from your WIP accounting.

Your company wants to post any travel and entertainment-related costs incurred during the course of your capital project to the *Spend* account. You'll create a WIP exclusion rule to be applied to your capital project transactions when they fall into the *Travel & Entertainment* spend category.

1. Access the **Create Capital Project WIP Exclusion Rule** task, and enter a description and category for your rule.
2. Enter these values in the *Rule Conditions* section:

Source External Field or Condition Rule	Relational Operator	Comparison Type	Comparison Value
<i>Spend Category as Worktag</i>	<i>exact match with the selection list</i>	<i>Value specified in this filter</i>	<i>Travel & Entertainment</i>

Workday applies your WIP exclusion rules to your transactions based on the order of precedence that you specify on the **Set Up Capital Project WIP Exclusion Rule Sheet** task, and creates accounting in either the *Spend* or *Work in Progress* accounts based on your rules.

Use the **Set Up Capital Project WIP Exclusion Rule Sheet** task to specify an effective date and order of precedence for your new rule.

Example: Create Capital Project WIP Exclusion Rule (Transaction Date)

This example illustrates how to create a capital project work-in-progress exclusion rule that automatically excludes transactions you incur after your project end date from your WIP accounting.

Your company doesn't want any costs incurred after the project end date you've scheduled in Workday to be included in the WIP accounting. You'll create a WIP exclusion rule to be applied to the capital project transactions you incur after the project end date.

1. Access the **Create Capital Project WIP Exclusion Rule** task, and enter a description and category for your rule.
2. Enter these values in the *Rule Conditions* section:

Source or External Field Condition Rule	Relational Operator	Comparison Type	Comparison Value
<i>Transaction Date</i>	<i>greater than</i>	<i>Value from another field</i>	<i>Project End Date</i>

Workday applies your WIP exclusion rules to your transactions based on the order of precedence that you specify on the **Set Up Capital Project WIP Exclusion Rule Sheet** task, and creates accounting in either the *Spend* or *Work in Progress* accounts based on your rules.

Use the **Set Up Capital Project WIP Exclusion Rule Sheet** task to specify an effective date and order of precedence for your new rule.

Steps: Perform Project Capitalization

Configure project capitalization.

Once you've configured project capitalization, you can manage project costs, identify them, and delay recognition of these expenses. Workday automates the accounting entries along the way.

1. [Create Projects](#) on page 838.
When creating a capital project, select the:
 - **Capital** check box.
 - **Company** that is working on the capital project.
2. [Manage Project Assets](#) on page 954.

To capture separate, ongoing costs of a capital project that's in progress, create project assets.

3. Tag transaction lines with a capital project or 1 of the phases or tasks to place incurred costs into the Work in Progress (WIP) account.

You can tag these transactions:

- Expense report lines, including line itemization.
- Financial accounting adjustments.
- Manual journal lines with a WIP ledger account that don't go through an account posting rule.
- Supplier invoice lines, including line splits.
- Transactions that result in labor costs (such as time tracking, payroll costing allocations, and payroll input).

Optionally, access the **Create Capital Project WIP Exclusion Rule** task to create rules that automatically classify transactions as expenses or assets, eliminating manual WIP accounting.

See [Steps: Manage Capital Project WIP Exclusion Rules](#) on page 950.

4. [Review Capital Project Transactions](#) on page 955.

5. [Capitalize Project Assets](#) on page 958.

Register your fully accounted project asset costs as business assets.

6. To monitor the capital project to track project assets and total project costs, use the **View Project** report.

As you review the report, consider:

Option	Description
Transactions Reclassified as Expense	Displays summarized expenses by transaction type for transactions marked as expense during the transaction review. To view a list of transactions for that transaction type, click the amount.
Project Assets	Lists all current buckets to capture separate, ongoing costs of the capital project. Click an amount to view the transactions that comprise the uncanceled, canceled, and project costs. For a canceled project asset, click the business asset to see the details including account information, depreciation schedule, and lifecycle history.

7. As additional project costs come in, recapitalize project assets to make acquisition or post-acquisition cost adjustments to the corresponding business asset.

8. [Reconcile Work in Progress Accounts](#) on page 960.

At the end of each period, reconcile your WIP accounts to your transactions.

9. (Optional) Adjust expense costs related to the capital project by creating manual journals. Create a manual journal line against your spend account and tag it with the capital project.

Note: These lines aren't reviewable in the **Review Capital Project Transactions** task.

- Track the assets through their entire lifecycle.
- Perform lifecycle events for capital assets.

Tasks

[Review Billable Project Transactions](#) on page 1021

[Steps: Manage Capital Project WIP Exclusion Rules](#) on page 950

Reference

[2022R2 What's New Post: Capital Project Asset Quantities](#)

Manage Project Assets

- Create a capital project.
- Security: *Manage: Capital Projects* domain security policy in Capital Projects functional area.

Project assets are buckets, specific to each capital project, that capture separate, ongoing costs of a capital project that's in progress. You can associate multiple project assets with a project to track cost over the life of a project. When you tag all costs from transactions to the capital project, you can convert project assets to business assets to realize cost and start depreciation. Each asset typically has a different depreciation schedule.

Example: Your company is building a new restaurant. You want to track ongoing costs for the land, building, labor, and kitchen equipment independently. You use a different project asset for each part of the project until you tag all cost transactions.

Workday doesn't support asset pooling for project assets, or for business assets you create when you capitalize project transactions.

1. Access the **View Project** report.
2. On the **Financials > Capitalization** tab, select **Add Project Assets** or **Edit Project Assets**.
3. As you complete the task, consider:

Option	Description
Project Asset Spend Category	Select from the categories defined to track items or the hierarchies that contain at least 1 trackable spend category. If you don't see the value that you want, use the Maintain Spend Categories task and select Track Items . When you capitalize the project asset, Workday uses this spend category for the resulting business asset. The spend category drives the depreciation profile and schedule.
Project Asset Quantity	Enter the quantity for multiple assets of the same type. You can adjust this quantity later, so long as you haven't capitalized the project assets.
Uncapitalized Cost	The total cost of all transactions associated with the project asset before its capitalization. After you capitalize the project asset, uncapitalized costs are the cost of transactions that come in late for the project asset. When you recapitalize the project asset, these late costs become a cost adjustment to the corresponding business asset.
Capitalized Cost	The transaction costs that you've already capitalized for the project asset.
Project Asset Cost	The total cost of the project asset. Equals the sum of the uncapitalized and capitalized costs.
Capitalization Date	The initial date when you capitalized the project asset to create the business asset.
Asset ID, Acquisition Date, Business Asset Status	Information about the business asset that results from capitalization of the project asset.

Workday updates the **Project Assets** grid on the **Capitalization** profile group of the **View Project** report.

- Optionally, create rules that automatically classify capital project transactions as expenses or assets, eliminating manual WIP accounting.
- Set up the automatic assignment of capital project transactions to project assets.
- Review WIP transactions tagged to the capital project and associate their costs to project assets.
- Capitalize project assets when all transaction costs are in.
- Recapitalize project assets when uncapitalized costs come in late.

Concepts

[Setup Considerations: Capital Projects](#) on page 945

Tasks

[Create Spend Categories](#)

[Steps: Set Up Automatic Assignment of Project Assets](#) on page 956

Reference

[2022R2 What's New Post: Capital Project Asset Quantities](#)

Review Capital Project Transactions

- Create a capital project with project assets.
- Tag these transaction lines with a capital project worktag:
 - Expense reports.
 - Labor costs.
 - Manual journals.
 - Supplier invoices.

Review each transaction line tagged to a capital project and either:

- Place the costs into a *project asset*.
- Reclassify the cost as an expense.

When you reclassify a cost as an expense, Workday moves the accounting out of Work In Progress (WIP) accounts and back into spend accounts. Optionally, you can create rules that automatically classify capital project transactions as expenses or assets, eliminating manual WIP accounting.

To review transactions across multiple projects manually, access the **Capital Project Workbench**.

1. (Optional) Access the **Edit Tenant Setup - Financials** task.
Select the **Post Work in Progress to Company Asset Book Codes** and the **Enable Multibook Asset Accounting** check boxes in the **Business Assets Options** section.
2. Access the **View Project** report.
3. Select **Financials > Capitalization**.
4. Click the **Review Transactions** button and select a review option:
 - Use *Express Review* to review all new, unassigned transaction lines tagged to the capital project for all capital transaction types.
 - Review transaction lines by transaction type, such as expense reports or labor costs. This review method enables you to work with new transaction lines as well as the transaction lines you've already assigned to project assets.
5. (Non-express only) Use the **Search Criteria** to narrow the list of transaction lines.
Select **Only Transactions Already Assigned** to view only transaction lines already assigned to a project asset, but not lines that you already classified as expenses. Example: Use this option when you want to reclassify costs from 1 project asset to another.
6. (Non-express only) Select the transaction lines that you want to act on.

7. Select the action that you want to apply to the transaction lines:

Option	Description
Mark as Expense Cost	Reclassifies the transaction line costs as a project expense not associated with any asset. This option doesn't apply to manual journal entries. You apply their costs directly to WIP accounting when you create a manual journal. There's no original spend account in which to reclassify the costs. You can't reverse this choice after you submit.
Assign to Project Asset	Associates the transaction line costs with the correct project asset for this capital project. You can assign multiple transaction lines to the same project asset.
Set Project Asset Values to Blank	(Non-express only) Reset assigned lines to unassigned. Use with the Only Transactions Already Assigned check box in the Search Criteria . Example: You can use this option when you incorrectly tie transactions to a project asset.

For transaction lines marked as expense during the review, Workday initiates the *Verify Capital Project Expense* business process. A reviewer can confirm that the transactions are expenses not related to any project asset.

Once approved, Workday moves the expense costs out of the WIP account and into the proper spend account. Workday determines an account based on your *Spend* account posting rule and the spend category from the original transaction line. Workday displays project expenses in the **Transactions Reclassified as Expense** section of the **Capitalization** tab by transaction type. The capital project remains as a worktag on the transaction line.

If you enable post Work in Progress (WIP) to company book codes with multibook asset accounting, Workday moves the expense out of the WIP account and into spend. Select **Accounting > View Accounting** from the related actions menu of a transaction for details.

For transaction lines assigned to project assets, Workday retains the costs in the WIP account. Workday displays these costs in the **Project Assets** section of the capitalization tab as **Uncapitalized Cost** for the selected project asset.

- Review the additional transactions for the capital project as they come in.
- Configure the automatic assignment of capital project transactions to project assets.
- Capitalize project assets.

Concepts

[Concept: Capital Project Workbench](#) on page 961

[Concept: Post Work in Progress to Company Asset Book Codes](#) on page 962

Tasks

[Steps: Manage Capital Project WIP Exclusion Rules](#) on page 950

Steps: Set Up Automatic Assignment of Project Assets

- Create a capital project with transactions.
- Create project assets.

You can configure Workday to automatically assign capital project transactions to project assets. This eliminates the manual effort of managing your capital project transactions.

1. Access the **Create Project Asset Assignment Rule** task to specify the transaction rules for auto-assignment.

As you complete the task, consider:

Option	Description
Description	Workday displays this text when the conditions that you specify are true.
Category	Assigning a category makes the Project Asset Assignment Rule easier to find. You can create <i>Capital Project Asset Assignment Rule</i> categories using the Maintain Condition Rule Categories task.
Derived Logic	The statement you defined with the conditions for the project asset assignment rule. It displays after you save a new Project Asset Assignment Rule.
And / Or	When 2 or more statements exist, specify how they relate to each other.
()	Use parentheses for 3 or more statements and a combination of <i>And</i> and <i>Or</i> conditions. Example: <i>(A and B) or C</i> .
Source External Field or Condition Rule	Select: • Data source report fields for capital project transactions. Note: Don't use report fields that populate using downstream workflow events. Examples: <i>Accounting Date</i> , <i>Capitalization Date</i> , or <i>Spend Account</i> . • Available assignment rules for capital project assets, or other condition rules.
Comparison Type	Specify whether to compare the source to: • Another field. • A value you enter for Comparison Value.
Comparison Value	Based on the Comparison Type , select a comparison field or enter a value to compare to the source.

Security: *Set Up: Capital Projects* domain in the Capital Projects functional area.

2. Access the **Edit Project Assets** task.

Add the Project Asset Assignment Rules to the appropriate project assets.

Security: *Manage: Capital Projects* domain in the Capital Projects functional area.

3. Access the **Schedule Project Asset Auto-Assignment** task to schedule the job that runs the auto-assignment rules.

As you complete the task consider:

Option	Description
Run Frequency	Select how often you want Workday to assign capital project transactions to project assets. Example: Select Custom Recurrence to set up a quarterly run frequency.
Unassign Transactions from Project Assets	Select to undo previous auto-assignments. Manually assigned project assets remain unchanged. To use this option, you must also select the <i>Run Now</i> run frequency.
Project Hierarchies	Select a project hierarchy. If you don't select a project or project hierarchy, Workday applies the Project Asset Assignment Rules to all of the projects you can access.
Projects	Select a project. If you don't select a project or project hierarchy, Workday applies the Project Asset Assignment Rules to all of the projects you can access.

Security: *Manage: Capital Projects* domain in the Capital Projects functional area.

To verify that you have the correct assignment of capital project transactions to project assets, access the **Capital Project Transaction Detail** report.

Concepts

[Setup Considerations: Capital Projects](#) on page 945

Reference

[2022R1 What's New Post: Automated Project Asset Assignment](#)

Capitalize Project Assets

- Review transactions tagged to the capital project and assign their cost to *project assets*.
- Optionally, create rules that automatically classify capital project transactions as expenses or assets, eliminating manual Work In Progress (WIP) accounting.
- Security: *Manage: Capital Projects* domain in the Capital Projects functional area.

Capitalize your project assets to convert them into business assets and capitalize their associated cost. Example: You can capitalize project assets when all costs from the related project are in and you want to start depreciating the assets. To capitalize assets across multiple projects, or to capitalize project assets to create multiple business assets, access the **Capital Project Workbench** report. Workday doesn't support asset pooling for project assets, or for business assets you create when you capitalize project transactions.

1. Access the **Capitalize Project Assets** task.

2. Select the project assets with uncapitalized cost that you want to capitalize.

As you complete the task, consider:

Option	Description
Capitalization Date	You can change the Capitalization Date to a date in the past or future for any asset that you haven't yet capitalized. You can now set these dates on the resulting business asset to any day in the past: • Business acquisition. • Placed in service. Example: You acquire an asset, but don't enter it into Workday until a month later. You can back date the Capitalization Date. This function enables you to have accurate acquisition and in service dates after you capitalize the project asset into a business asset.
Project Asset Quantity	You can adjust the quantity of the assets you want to capitalize. Workday creates new business assets based on the quantity that you enter, and divides the capitalized cost equally among them. You can't adjust the asset quantity after you capitalize project assets. This field is only available when you access the task from the Capital Project Workbench.

3. For previously capitalized project assets that have new uncapitalized cost that you want to mark as a post-acquisition cost adjustment:

a) Select the **Post Acquisition Adjustment** check box.

b) Select the **Adjustment Date**.

Workday divides the cost equally amongst business assets generated from the same project asset, and uses your selections to determine where on the depreciation schedule to add the post-acquisition cost adjustment. The cost is divided by the remaining periods on the asset depreciation profile and the selected date. You can enter any date during the life of the asset. When you dispose of a business asset, you can no longer make cost adjustments to any business assets that were capitalized from the same project asset.

When you submit the transaction:

- For project assets capitalized for the first time, Workday initiates the *Asset Registration Event* business process.

The *Asset Assign Accounting Event* step of the business process generates journal entries. These entries move costs out of your WIP accounts and to the business assets. This step displays as an inbox item for the asset accountant.

- For recapitalized project assets, Workday initiates the *Asset Cost Adjustment Event* business process.

This process:

- Adjusts the acquisition or post-acquisition cost of the corresponding business assets.
- Applies your decision to approve or deny a cost adjustment to all business assets generated from the same project asset.
- Generates journal entries to move post-acquisition costs out of your WIP accounts and to the business assets.

- Capitalize or recapitalize additional project assets.
- Track the resulting assets.
- Perform lifecycle events for the resulting assets.

Tasks

[Adjust Asset Costs](#) on page 1109

[Assign Asset Accounting Information](#) on page 1078

[Steps: Perform Project Capitalization](#) on page 952

Reference

[2022R2 What's New Post: Capital Project Asset Quantities](#)

Reconcile Work in Progress Accounts

Work in progress (WIP) accounts are the accounts (typically asset) where you record the costs of work in progress for capital projects. For transaction lines with a capital project worktag, Workday uses the *Work In Progress* account posting rule to determine the WIP account in which to post journal entries. While configuring this account posting rule, you can use dimensions such as company and project to determine the correct WIP account. If you have enabled worktag balancing, additional dimensions are available.

Reconcile your WIP accounts to:

- Ensure that your transaction amounts for a specified period tie out to your net ledger balance for the same period.
- Understand the amounts capitalized or reclassified as expense from your WIP ledger account.

Note: Workday doesn't use the Work in Progress account posting rule for capital project transactions that meet a Capital Project WIP Exclusion Rule.

1. Access the **Work in Progress Reconciliation Report**.

2. To reconcile, select the **Company**, **Ledger Period**, and **Ledger Accounts**.

When you enable multibook asset accounting, you can select the company book code to reconcile.

3. Review the **Ledger Details**.

As you review the report, consider:

Field	Notes
Project Estimated Budget	This field is informational only and has no bearing on the reconciliation of the WIP ledger account.
Ledger Balance at Period End	WIP ledger account balance at the end of the period.
Total Ledger Activity for Period	This amount should equal the Total Transaction Activity for Period amount.
Total Transaction Activity for Period	The New Transactions in WIP for Period minus Amount Reclassified as Expense for Period minus Capitalized Amount for Period .
New Transactions in WIP for Period	Doesn't include amounts reclassified as expense or capitalized amounts.
Amount Reclassified as Expense for Period	Credits (subtracts from) the WIP ledger account balance.
Spend Category	Spend category for the <i>project asset</i> , not the transaction.

Field	Notes
Capitalized Amount for Period	Sum of transactions capitalized as a business asset for the period, crediting the WIP ledger account balance.

Concept: Project Assets

A project asset is a container that you use to capture separate transactions from your capital projects in progress. Once you capture all applicable transactions in a project asset, you capitalize it to convert it to 1 or more business assets. You can configure Workday to automatically assign capital project transactions to project assets, reducing manual work.

When you capitalize project assets, you set a quantity to determine the number of business assets Workday creates upon capitalization. Workday equally divides the cost of the transactions between the resulting business assets and tags them with the assigned capital project transactions.

You can recapitalize project assets to create acquisition or post-acquisition cost adjustments to the business assets Workday created upon the initial capitalization. Workday divides the new cost equally between the business assets linked to the adjusted project asset.

Before you capitalize a project asset, consider:

- Workday doesn't support asset pooling for business assets tagged with capital project transactions. You can't pool the assets that you create when you capitalize a project asset to create multiple business assets.
- You can include business assets tagged with capital project transactions in composite assets, but those business assets are no longer available for further capitalization.

Tasks

[Steps: Perform Project Capitalization](#) on page 952

[Manage Project Assets](#) on page 954

[Steps: Set Up Automatic Assignment of Project Assets](#) on page 956

[Capitalize Project Assets](#) on page 958

Concept: Capital Project Workbench

The **Capital Project Workbench** (secured to the *Manage: Capital Projects* domain in the *Capital Projects* functional area) enables you to review and act on pending transactions and capitalization tasks across multiple projects. From the workbench, you can access these tasks:

- Review Transactions
- Capitalize Project Assets

With the Capital Project Workbench, you can:

- Search for pending actions by project, project hierarchy, spend category, and worktags.
- Filter search results and apply individual or mass action.
- Assign to project asset, reclassify to expense, and capitalize a project asset.
- Create a project asset.
- Auto-assign capital project transactions to project assets.

Tasks

[Review Capital Project Transactions](#) on page 955

[Capitalize Project Assets](#) on page 958

[Steps: Set Up Automatic Assignment of Project Assets](#) on page 956

Concept: Labor Cost Capitalization

Labor cost capitalization enables you to recognize labor costs on a project as long-term assets rather than short-term liabilities.

The *Project Labor Cost Recovery* account posting rule enables you to identify the different contra accounts (typically liability) in which to record the capitalization of labor costs.

Example: You can have different contra accounts for each cost center or company. These labor costs come from transactions that you tie to capital projects, phases, or tasks. Workday debits summarized labor costs from Work in Progress (WIP) accounts and credits the labor costs to contra accounts.

A *Labor Cost Summarization* subprocess on the transaction combines journal lines from labor costs. It then posts a:

- Summarized debit line to the correct WIP account based on your WIP account posting rule.
- Credit to contra account to offset the WIP account debit, based on the *Project Labor Cost Recovery* account posting rule.

Within the posting rule, you can have different contra accounts for each cost center or company.

Note: For labor costs tagged to capital projects, Workday doesn't create WIP accounting when the labor cost summary meets a WIP exclusion rule.

Tasks

[Steps: Manage Project Labor Cost Summaries](#) on page 816

Reference

[Workday 32 What's New Post: Configurable Labor Cost Capitalization](#)

[2020R1 What's New Post: Ledger Posting for Project Labor Costs](#)

Concept: Post Work in Progress to Company Asset Book Codes

When enabled in your tenant, Workday posts Work in Progress (WIP) capital project transactions to multiple book codes for company assets. In the **Edit Tenant Setup - Financials** task, **Business Assets Options** section, select these check boxes:

- **Enable Multibook Asset Accounting.**
- **Post Work in Progress to Company Asset Book Codes.**

The common book retains the spend transaction, and WIP reclassification entry posts. These entries for book codes for company assets are:

- Cost reclassifications for capital projects (transactions reclassified to expense).
- Expense reports.
- Labor cost reclassifications for capital projects.
- Supplier invoices.

Tasks

[Review Capital Project Transactions](#) on page 955

[Capitalize Project Assets](#) on page 958

Concept: Balancing Worktags on Capital Project Transactions

Balancing Worktags

When you enable worktag balancing for your tenant, you directly impact your Work In Progress (WIP) capital project financial transactions. These rules determine the balancing worktag to use on the payables journal line for supplier invoice and expense report transactions:

- Worktag balancing rule sets.
- Your financial balancing rules for the supplier invoices and expenses transaction types.

If set to inherit:

- The payables journal line uses the balancing worktag from the expense report or supplier.
- The WIP journal line uses the same balancing worktag as the capital project.

If set to specify:

- The payables journal line uses the balancing worktag from the balancing rule selected for the transaction type.
- The WIP journal line uses the balancing worktag from the capital project. When your journal line balancing worktags for WIP and payables vary, Workday generates due to and due from journal lines. These journal lines balance the transaction journals.

Note: Spend journal lines always inherit the balancing worktag from the spend transaction line.

Optional Balancing Worktags

Optional balancing worktags for your tenant enable you can specify up to 5 additional worktags to generate fully balanced journals. You can use these additional worktags with or without your primary balancing worktags on your WIP transactions.

Once you configure optional balancing worktags, transactions balance based on the worktags you specify. Workday:

- Inherits optional balancing worktags on Workday-generated entries based on the worktags selected.
- Generates due to and due from journal lines to balance the transaction journal.

Note: You can only set primary and optional balancing worktags on capital projects without transactions. Once your project has transactions, you can't edit the balancing worktags selected on the project. You can only select optional balancing worktag types set for the tenant before the creation of your project.

Tasks

[Configure Worktag Balancing Rule Sets for Transaction Journals](#) on page 263

[Define Worktag Balancing Rules for Financial Transactions](#) on page 257

Project Tracking

Setup Considerations: Project Tracking

You can use this topic to help make decisions when planning your configuration and use of Project Tracking. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

Project Tracking gives you access to a limited set of Projects features, and enables you to create projects specifically for tracking time and expenses.

We recommend using Project Tracking if you don't need to:

- Create billable projects.
- Create capital projects.
- Use advanced resource management.

Business Benefits

You can use Project Tracking to record, manage, and report on the expenses and time worked on your projects.

Use Cases

You can use Project Tracking to:

- Create and manage projects.
- Track work with project plans.
- Staff workers to projects with resource plans.
- Track and report on the time entered for projects (Time Tracking only).
- Track and report on project expenses (Expenses only).

Questions to Consider

Subjects	Questions	Considerations
Project IDs	Do you want to use a custom format for your Project IDs?	You can set a custom format for project IDs in the Edit Tenant Setup - Financials task.
Project creation	How will you define the common field values for your projects?	To maintain consistency and reduce data entry, you can use these tasks to define project field values: • Maintain Project Statuses • Maintain Risk Levels • Maintain Work Priorities • Maintain Importance Ratings • Maintain Success Ratings Users can then select these values when they create or update a project.
Project creation	How do you want users to create new projects?	You can greatly simplify the process of creating a new project by enabling users to copy existing projects. To enable this feature, configure the <i>Copy Project</i> initiating action in the security policy for the <i>Create Project</i> business process.
Resource plans	How do you want to create resource plans?	When you create a resource plan for a project hierarchy, all of the projects that share the same hierarchy inherit the same resource plan. Use this method to save time for your users if the projects within a hierarchy always use the same resource plan. When you create a resource plan for an individual project, only that

Subjects	Questions	Considerations
		project will use the resource plan. Use this method if your resource plans differ between projects.
Resource plans	How do you want to define the categories for project roles?	If you specify values for the Project Role Categories , project managers can then organize the project roles on the resource plan lines.
Resource Plans	Do you want to require manual approval for new or modified resource plan lines?	Project and resource managers can manually approve changes to resource plan lines. To enable the approval process, configure the <i>Project Resource Plan Line</i> business process.
Resource plans	How do you want to capture resource plan data that's unique to your organization?	You can configure custom objects to extend Workday to meet your unique requirements for resource plans.
Project resources	How do you want to manage approvals for new project workers?	Project and resource managers can manually approve workers when they have new project assignments. To enable the approval process, set up the <i>Request Worker</i> business process.
Project resources	Will you use dynamic resource pools to manage your worker groups and simplify project staffing?	Dynamic resource pools enable managers to associate groups of workers to projects based on preset worker qualifications. They can: - Associate a dynamic resource pool as a group to a resource plan line, and then exclude specific individuals from the group. - Assign 1 or more individual workers in a dynamic resource pool to a resource plan line. - Display dynamic resource pools in reports when they search for workers. The project workers in dynamic resource pools can enter the time and expenses for their project assignments.
Time entry For Time Tracking only.	Do you want to enable workers to log their time on any project, or only to their project assignments?	You can enable project workers to log time to any project without having an assignment on a resource plan. Use the Time

Subjects	Questions	Considerations
		Entry Template to enable this feature. Otherwise, you must assign project workers to a resource plan before they can log time to the project.
Time entry For Time Tracking only.	Which time window do you want workers to use when they log their time on a project?	Workers on a resource plan can log time against a project or a project task. Workday automatically populates the date range with the start and end dates of the project. You can configure a narrower date range for workers to log their time with the Edit Tenant Setup - Financials task by using the dates specified in: • Resource plans • Project plan tasks You can use multiple sources to continue narrowing the date range. Workers can only log time where the selected date ranges overlap.
Expenses For Expenses only.	Do you want to restrict project workers to selecting only their assigned projects in their expense reports?	You can restrict the project worktags that workers can select when they create or edit an expense report. To limit workers to selecting only the worktags for their project assignments, configure the Expense section of the Edit Tenant Setup - Financials task.

Recommendations

We recommend that you:

- Configure the *Create Project* business process to enable users to copy projects to reduce the time spent on data entry.
- Create your resource plans at the project-hierarchy level when the projects within the same hierarchy use the same resource plan. This configuration:
 - Reduces the time spent on data entry.
 - Maintains consistency.
 - Avoids errors.
- Configure dynamic resource pools to simplify project staffing.

Requirements

- Enable the Project Tracking functional area.

- Create project hierarchies.

Limitations

Project Tracking has a limited subset of Projects features. You can't:

- Create billable projects.
- Create capital projects.
- Use a Find Worker report to staff your projects.
- Assign workers to project tasks.
- Create resource forecasts.
- Create labor cost rates or determine labor costs for project.
- Create project budgets.
- Bill customers.

Tenant Setup

Access the **Projects** and **Expense** sections on the **Edit Tenant Setup - Financials** task to view the project-specific tenant configuration options.

Depending on how you configure Project Tracking in Workday, you can:

- Create a custom format for your project IDs.
- Narrow the date range that project workers can record the hours they work on a project.
- Restrict worker access to the project worktags for their assigned resource plans. This restriction ensures that the workers select the correct projects for their expense reports.

Security

Domains	Considerations
<i>Business Process Administration</i> in the System functional area	Users secured to this domain can edit these business processes: • <i>Create Project</i> • <i>Create Project Hierarchy</i> • <i>Edit Project</i> • <i>Project Resource Plan Line</i> • <i>Request Worker</i>
<i>Manage: Business Process Definitions</i> in the System functional area	Users secured to this domain can manage these business processes: • <i>Create Project</i> • <i>Create Project Hierarchy</i> • <i>Edit Project</i> • <i>Project Resource Plan Line</i> • <i>Request Worker</i>
<i>Set Up: Project Tracking</i> in the Project Tracking functional area	A super domain for the <i>Set Up</i> domains in the Project Tracking functional area. Users secured to this domain can configure projects.
<i>Set Up: Period Schedule</i> in the Project Tracking functional area	Users secured to this domain can configure and manage the payroll period schedules for projects.

Domains	Considerations
<i>Set Up: Project Details</i> in the Project Tracking functional area	Users secured to this domain can manage the configuration for project details, including phases and tasks.
<i>Set Up: Risk and Priorities</i> in the Project Tracking functional area	Users secured to this domain can configure project risks and priorities.
<i>Set Up: Dynamic Resource Pool</i> in the Project Tracking functional area	Users secured to this domain can use tasks and reports to create, edit, delete, and view Dynamic Resource Pools.
<i>Manage: Project Tracking</i> in the Project Tracking functional area	A super domain for the <i>Manage</i> domains in the Project Tracking functional area. Users secured to this domain can manage projects.
<i>Manage: Project Details</i> in the Project Tracking functional area	Users secured to this domain can manage and view existing projects. You can control access to the project plans and resource plans through their respective domains.
<i>Manage: Project Plan</i> in the Project Tracking functional area	Users secured to this domain can manage and view project plan information, including the allocation of resources to project plan tasks.
<i>Manage: Project Custom Task Name</i> in the Project Tracking functional area	Users secured to this domain can edit and view the information on custom task names.
<i>Manage: Project Resources</i> in the Project Tracking functional area	Users secured to this domain can manage and view project resource plans.
<i>View: Project</i> in the Project Tracking functional area	Users secured to this domain can view projects.
<i>Worker Data: Project Tracking</i> in the Project Tracking functional area	Users secured to this domain can access a worker's project tracking information. This information includes the project worker roles and project information on the worker profile.

To ensure proper access, review these team member roles and activities:

Domain Security Roles	Responsibilities
Project Tracking administrator	• Configures tenant setup information. • Edits and maintains business processes. • Creates projects. • Performs payroll functions. • Works with the Time Tracking administrator to ensure that time is ready for payroll processing.
Time Tracking administrator	Sets up project time entry in Workday Time Tracking.
Project manager	• Creates projects with resource plans and project plans. • Creates basic projects if tracking expenses only. • Manages the project plan and project phases. • Approves project time.

Domain Security Roles	Responsibilities
Project worker	Enters hours worked in Time Tracking by selecting a project or a project plan task.
Expense Data Entry Specialist	Tags expenses to a project using worktags for the project, project phase, and project task.

Business Processes

Business Processes	Considerations
<i>Project Resource Plan Line</i> in the Project Tracking functional area.	Enables project managers to: • Create resource plans for a project, but not the project hierarchy. • Use the <i>Submit Resource Plan</i> web service. Has a security policy that enables you to open up approvals to various security groups. You can also enable manual advancement to the next step by a business process administrator.
<i>Request Worker</i> in the Projects functional area.	Enables changes in worker assignments. This business process is a required subprocess of the <i>Project Resource Plan Line</i> business process.
<i>Create Project</i> in the Project Tracking functional area.	Enables Project Tracking administrators to: • Create new projects. • Copy existing projects. • Use the <i>Submit Project</i> web service. Enables project managers to: • Create new projects. • Copy existing projects. • Review and approve new projects.
<i>Edit Project</i> in the Project Tracking functional area.	Enables project managers to: • Edit existing projects. • Review and approve changes to existing projects.

Reporting

Report	Considerations
Find Projects	Use this report to search for existing projects.
My Projects	Use this worklet to display your most frequently used projects.
View Project	Use this composite report as a central access point for viewing and editing information on existing projects.
View Project Plan Timeline	Use this report to display the schedule for project phases and tasks by:

Report	Considerations
	• Percent complete. • Estimated hours. • Hours logged. • Time remaining.

You can use these report data sources to create custom reports:

- Top Level Project Hierarchies on the Project Hierarchy business object.
- Project Hierarchies on the Project Hierarchy business object.
- Project Roles on the Project Role business object.
- Project Plan Phases on the Project Plan Phase business object.
- Project Plan Tasks on the Project Plan Task business object.

Integrations

Web Service	Considerations
<i>Get Projects</i>	Retrieves projects with all of their associated details, including: • A single project based on the Reference ID. • All projects if you don't specify any criteria.
<i>Get Projects without Dependencies</i>	Retrieves projects without the resource plan, or the <i>Project Groups</i> and <i>Dependencies</i> fields. You can retrieve: • A single project based on the Reference ID. • All projects if you don't specify any criteria. Only use for data migrations.
<i>Submit Project</i>	Creates a project event and submits it through the <i>Create Project</i> business process for approval. Workday then creates the new project after approval.
<i>Get Project Phases</i>	Retrieves project phases.
<i>Put Project Phase</i>	Adds and updates project phases.
<i>Get Project Role Categories</i>	Retrieves project role categories, including: • A single project role category with the Reference ID. • All project role categories if you don't specify any criteria.
<i>Put Project Role Category</i>	Adds and updates project role categories.
<i>Get Resource Plans</i>	Retrieves data on resource plans and resource plan lines.
<i>Submit Resource Plan</i>	Sends data on resource plans and resource plan lines through the <i>Project Resource Plan Line</i> business process. Upon approval, Workday then

Web Service	Considerations
	updates the resource plans and resource plan lines after approval.
<i>Get Project Worker Roles</i>	Retrieves project worker roles, including: • A single project worker role with the Project Worker Role reference ID. • All project worker roles if you don't specify any criteria.
<i>Put Project Worker Role</i>	Adds and updates project worker roles.
<i>Get Project Plans</i>	Retrieves project plans.
<i>Put Project Plan</i>	Adds and updates project plans.
<i>Get Project Tasks</i>	Retrieves project tasks.
<i>Put Project Task</i>	Adds and updates project tasks. Note: All task names must be unique, not just the task IDs.
<i>Get Period Schedules</i> For Time Tracking only.	Retrieves the periods for time entry.
<i>Put Period Schedule</i> For Time Tracking only.	Adds and updates the periods for time entry.

Connections and Touchpoints

Project Tracking interacts with these other areas in Workday:

- Managers assign workers from HCM Core to their projects.
- Project workers can use Time Tracking to enter their project hours.
- Managers and project workers can use Expenses to track their project expenses.
- Administrators can use Time Tracking to specify the period schedules for projects.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Concepts

[Concept: Project Tracking](#) on page 974

[Setup Considerations: Project Hierarchies](#) on page 783

Tasks

[Create Project Hierarchies](#) on page 790

[Set Up the Create Project Business Process](#) on page 837

[Set Up Security for Dynamic Resource Pools](#) on page 878

[Create Dynamic Resource Pools](#) on page 879

Reference

[Reference: Edit Tenant Setup - Financials](#)

[Reference: Project Management Reports](#) on page 830

[The Next Level: Project Tracking](#)

Steps: Set Up Security for Project Tracking

Review setup considerations for project tracking.

You can configure the security for the Project Tracking functional area to determine who can:

- Create and edit project hierarchies and projects.
- Assign workers to individual projects.
- View and analyze project data.
- Set project task dates, percent complete, and milestones.
- Tag projects with worktags and roles.
- Tag and report time and expense entry by projects, phases, and tasks.

1. Access the **Maintain Functional Areas** task.

Select the **Enabled** check box for the Project Tracking functional area.

Security: *Security Configuration* domain in the Workday functional area.

2. [Edit Domain Security Policies](#).

Set up these domains in the Project Tracking functional area:

- *Manage: Project Custom Task Name*
- *Manage: Project Details*
- *Manage: Project Plan*
- *Manage: Project Resources*
- *Manage: Project Tracking*
- *Set Up: Dynamic Resource Pool*
- *Set Up: Period Schedule*
- *Set Up: Project Details*
- *Set Up: Project Hierarchy*
- *Set Up: Project Tracking*
- *View: Project*
- *Worker Data: Project Tracking*

You can use the **View All Domains** report to review the security group types permitted for each domain.

3. [Create User-Based Security Groups](#).

Set up the user-based security groups for each domain, based on the requirements of your organization.

4. [Create Role-Based Security Groups](#).

Set up the role-based security groups for each domain, based on the requirements of your organization.

5. [Create Intersection Security Groups](#)

Set up the intersection security groups for each domain, based on the requirements of your organization.

6. [Set Up Assignable Roles](#).

7. [Edit Business Processes](#).

Edit the definitions for these business processes, based on your organizational needs:

- *Create Project*
- *Create Project Hierarchy*
- *Edit Project*
- *Project Resource Plan Line*

8. [Edit Business Process Security Policies.](#)

Set up the security policies for these business processes, based on your organizational needs:

- *Create Project*
- *Create Project Hierarchy*
- *Edit Project*
- *Project Resource Plan Line*

Example: Add approvers to a business process.

9. [Activate Pending Security Policy Changes.](#)

Reference

[The Next Level: Project Tracking for Time Tracking, Expenses, and Core Financials](#)

Steps: Set Up Project Tracking

Review setup considerations for project tracking.

Project Tracking enables you to create and manage projects designed to track time and expenses. You can:

- Record and analyze worker time logged against projects and tasks.
- Track project costs using project expense reports.

Note: Since Project Tracking only gives you access to a limited set of Projects features, you can't create billable or capital projects. You also can't use advanced resource management features, such as resource forecasting and budgeting.

1. Set up Project Tracking security.

See [Steps: Set Up Security for Project Tracking](#) on page 972.

2. [Create Project Hierarchies](#) on page 790.

3. [Create Project Roles](#) on page 867.

4. (Optional) [Create Project Role Categories](#) on page 868.

5. [Create Projects](#) on page 838.

6. Set up the resource plans.

See [Steps: Set Up Resource Plans](#) on page 900.

7. [Create Resource Plans](#) on page 902.

8. [Create Project Plans](#) on page 851.

9. (Optional) [Create Custom Labels](#).

10. (Optional) Access the **Create Risks** task.

Define the risks associated with the project.

Security: *Manage: Project Details* domain in the Project Tracking functional area.

11. (Optional) [Create Project Groups](#) on page 822.

If you have Time Tracking or Expenses, project workers can log their time or expenses against a project.

You can view and report on:

- Time entered for projects. (Time Tracking only.)
- Project expenses. (Expenses only.)

Reference

[The Next Level: Project Tracking for Time Tracking, Expenses, and Core Financials](#)

Concept: Project Tracking

Project Tracking gives you access to a limited set of Projects features, and enables you to create projects specifically for tracking time and expenses.

You can use Project Tracking if you don't need to:

- Create billable projects.
- Create capital projects.
- Use advanced resource management.

How Project Tracking Interacts with Time Tracking and Expenses

Workday integrates Project Tracking with Time Tracking and Expenses. You can configure and record the time worked on a project, as well as the expenses for a project. This table describes the roles and responsibilities for implementing Project Tracking.

Role	Action	Results
Project Manager	Creates projects with resource plans and project plans. If tracking expenses only, creates basic projects.	Configured projects with phases and tasks available in prompts for worker time entry and project expense associations.
Time Tracking Administrator	Sets up project time entry in Time Tracking.	Workers can enter time for the work they complete on a project.
Project Worker	Enters time in Time Tracking and associates it with a project, project phase, or project task.	Managers can monitor and analyze the time workers spend on their assigned projects.
Expense Data Entry Specialist	Uses project, project phase, and project task worktags to tag project expenses.	Managers can monitor and analyze project expenses.

Project Tracking Components

At minimum, you must create a project hierarchy. However, we recommend that you use additional project components to reduce data entry.

Component	Description
Project Hierarchies	Group similar types of projects and subordinate project hierarchies using tree-like structures. All projects must belong to a primary project hierarchy, and can also have 1 or more optional hierarchies.
Project Plans	Organize the project using phases and tasks. Describes the sequences of steps and activities necessary to complete a project. You can designate specific tasks as milestones for your project. Phases are the high-level sequence of steps needed to complete a project. Example: A development project might consist of these phases: Analyze, Scope, Design, Construct, Test, Deploy, and Support.

Component	Description
	Tasks are the distinct activities within a phase. Example: A Deploy phase might include a task for completing a deployment checklist. Once you assign phases and tasks to a project, Workday creates a project-specific instance of them that you can report on for a specific project.
Resource Plans	Describe who is working on the project and project plan. You can: • Specify project roles. • Assign workers directly to a project role. • Associate a group of workers with a project role. You can also assign resource plans to projects or project hierarchies.
Dates	Workday doesn't require or enforce relationships between the start and end dates across these project areas: • Project • Project Plan Task • Resource Plan Line Example: A project plan task can have an end date after the project end date.

Concepts

[Setup Considerations: Project Tracking](#) on page 963

[Concept: Project Hierarchies](#) on page 796

Project Scenarios, Initiatives, and Ideas

Project Scenario Planning

Steps: Set Up Project Scenarios

Note: We plan to retire the Project Scenario feature.

You can configure Workday to model your projects using tasks, assignments, and dates in a series of possible scenarios. These scenarios enable you to compare different resource allocations to optimize the costs, availability, skills, and work experience of your resources.

1. [Create Project Hierarchies](#) on page 790.

You must have at least 1 project hierarchy to configure project scenarios.

2. Configure the *Create Project Scenario* business process and security policy in the Projects functional area.

See [Steps: Configure Business Process Definitions](#).

See [Edit Business Process Security Policies](#).

3. Access the **Create Project Scenario Group** task.

Create the categories that organize your related project scenarios.

Security: *Manage: Project Scenario* domain in Projects functional area.

4. (Optional) Access the **Maintain Project Phases** task.

Define the project phases for your scenarios.

Security: *Set Up: Project Details* domain in the Project Tracking functional area.

5. (Optional) Access **Maintain Project Tasks**.

Define the project tasks for your scenarios.

Security: *Set Up: Project Details* domain in the Project Tracking functional area.

Create Project Scenarios

- Create Project Scenario Groups.
- Configure the *Create Project Scenario* business process and security policy in the Projects functional area.

Create project scenarios to model distributions of resources, dates, and costs to aid in project planning.

1. Access the **Create Project Scenario** task.

2. Assign the scenario to a **Project Group**.

3. Select a **Time Unit for Effort**.

4. (Optional) Add a row to the **Plan** to add phase, task, assignment, and other project scenario details.

As you complete the task, consider:

Field	Description
Phase and Task	Select from existing project phases and tasks. You can also create new phases and tasks from this prompt if you have the security access. The Create Project Phase and the Create Project Task tasks are secured to the <i>Set Up: Project Details</i> domain in the <i>Projects</i> functional area.
Start Date and End Date	For a task, select start and end dates that fall within the project scenario start and end dates. For an assignment, select start and end dates that fall within the task start and end dates.
Estimated Effort	Enter an estimated effort for the task. The units for the effort are based on your Time Unit for Effort selection.
Job Profile	Select a job profile to assign to the phase or task. Selecting a job profile also enables you to search for individual workers by job profile.
Worker	Once you select a worker, the worker's job profile defaults in to the Job Profile field if you have not defined one.
To Be Hired	If you do not select a Worker , this check box is required.

Submitting launches the *Create Project Scenario* business process.

Workday calculates effort, budget, and time costs when you submit the project scenario. You can view the calculations by accessing the **View Project Scenario** report.

Shift Dates for Project Scenarios

- Configure the *Create Project Scenario* business process and security policy in the Projects functional area.

- Create project scenarios.

You can shift the dates of a project scenario as well as its tasks and assignments. Use this feature to model a project scenario similar to an existing one with a different time frame or to resolve resource conflicts with other scenarios.

Workday only makes this feature available for projects that you've saved for later or submitted, but haven't yet approved.

1. Access the **Revise Project Scenario task or the **Review Project Scenario** task.**

- You can access these tasks from your Inbox if you created the project scenario or are a reviewer.
- Alternatively, to shift the dates of an existing project scenario:
 - a. Copy the existing scenario. From the related actions menu of the existing scenario, select **Project Scenario > Copy Project Scenario**.
 - b. Save or submit the copied scenario.
 - c. Access the **Revise Project Scenario** task or the **Review Project Scenario** task from your Inbox.

2. Select **Shift Dates.**

3. Enter an **Anchor Date.**

Workday uses the anchor date to determine which objects shift dates. When you shift forward, Workday only shifts dates for objects with start dates that fall on or after the anchor date. When you shift backward, Workday only shifts dates for objects with end dates that fall before the anchor date.

4. Select a **Shift Direction.**

5. Enter a **Shift Value.**

6. Select a **Shift Interval.**

Workday returns you to the **Revise Project Scenario** task or the **Review Project Scenario** task with updated start and end dates for the project scenario, tasks, and assignments.

Example 1: Shift forward 1 month

- Anchor date: 2022-01-01
- Shift Direction: Forward
- Shift Value: 1
- Shift Interval: Month

Results:

	Before	After
Project Scenario	2022-01-01 - 2022-05-31	2022-02-01 - 2022-06-30
Task 1	2022-01-01 - 2022-01-31	2022-02-01 - 2022-02-28
Assignment 1A	2022-01-01 - 2022-01-15	2022-02-01 - 2022-02-15
Task 2	2022-02-02 - 2022-05-31	2022-03-02 - 2022-06-30
Assignment 2A	2022-02-02 - 2022-04-30	2022-03-02 - 2022-05-31

Example 2: Shift backward 1 month

- Anchor date: 2022-06-01
- Shift Direction: Backward
- Shift Value: 1
- Shift Interval: Month

Results:

	Before	After
Project Scenario	2022-01-01 - 2022-05-31	2021-12-01 - 2022-04-30
Task 1	2022-01-01 - 2022-01-31	2021-12-01 - 2021-12-31
Assignment 1A	2022-01-01 - 2022-01-15	2021-12-01 - 2021-12-15
Task 2	2022-02-02 - 2022-05-31	2022-01-02 - 2022-04-30
Assignment 2A	2022-02-02 - 2022-04-30	2022-01-02 - 2022-03-31

Example 3: Anchor date falls between project scenario start and end dates

- Anchor date: 2022-02-01
- Shift Direction: Forward
- Shift Value: 1
- Shift Interval: Month

Results:

	Before	After
Project Scenario	2022-01-01 - 2022-05-31	Unchanged
Task 1	2022-01-01 - 2022-01-31	Unchanged
Assignment 1A	2022-01-01 - 2022-01-15	Unchanged
Assignment 1B	2022-01-16 - 2022-02-28	Unchanged
Task 2	2022-02-01 - 2022-03-31	2022-03-01 - 2022-04-30
Assignment 2A	2022-02-01 - 2022-03-31	2022-03-01 - 2022-04-30

Workday only shifts the dates for Task 2 and Assignment 2A forward, because their start dates fall on or after the anchor date.

Initiatives

Steps: Set Up Initiatives

Initiatives enable you to align project and nonproject work with your organizational goals. You can analyze initiatives for cost versus budget, on-time success, project spend, and other dimensions that affect progress towards a goal. Creating initiatives is optional. You don't need to create an initiative to create a project.

1. Access the **Maintain Work Functions** task.

Add the work functions for your project workers.

Security: *Set Up: Job* domain in the Projects functional area.

2. (Optional) [Create or Edit Organization Goals](#).

Create goals for your initiatives to support.

3. [Edit Business Processes](#).

Edit the definitions for these business processes, based on your organizational needs:

- *Cascade Goals* to assign personal goals to project workers that are also linked to organizational goals.
- *Assign Work to Worker* to assign project work to workers.

4. [Edit Business Process Security Policies](#).

Set up the security policies for these business processes, based on your organizational needs:

- *Cascade Goals* to assign personal goals to project workers that are also linked to organizational goals.
- *Assign Work to Worker* to assign project work to workers.

5. (Optional) Access the **Maintain Importance Ratings** task.

Add or edit the values that measure the importance of your initiatives. Example: *Critical*, *Significant*, and *Important*.

Note: You can't delete an importance rating if it's already in use.

Security:

- *Manage: Initiatives* domain in the Projects functional area.
- *Set Up: Project Details* domain in the Project Tracking functional area.

Create your initiatives.

Create Initiatives

- Create projects.
- Set up initiatives.
- Security: *Manage: Initiatives* domain in the Projects functional area.

Your organization can have both project and nonproject work in progress at the same time. You can group this work with initiatives to support your organizational goals. Grouping your projects by initiative gives you a clear view into the work your organization is undertaking. You can then use the reporting tools in Workday to analyze and drill into project costs versus budget, on-time success, and other dimensions.

1. Access the **Create Initiative** task.

2. As you complete this task, consider:

Option	Description
Importance	Select the value that measures the importance of the initiative.
Supports Organization Goal	The goal can have more than 1 initiative assigned to it, but each initiative can belong to only 1 organization goal. For an organizational goal to include initiatives, it must be public and in an active goal period.
Supporting Projects	You can assign an initiative to more than 1 project, but each project can belong to only 1 initiative.

You can use these reports:

Report	Description
View Initiative	Displays details of the initiative, including the supporting projects and nonproject work. Project details include: • Number of assigned workers. • Number of workers who have logged time to the project. • Total project budget. • Totals spent on time and project costs. • Remaining budget. • Percent complete. Nonproject work details by work function include: • Assigned workers. • Workers who logged time. • Total hours logged. • Total time cost. Note: Workday retired the Project Timesheets feature in Workday 29. Workers can no longer log time against nonproject work, and you won't see any data in the <i>Time</i> section of an Initiative. If you have older data created from this retired feature, you can still see the information with the correct security access.
Talent Matrix - Performance by Initiative Importance	Compares worker performance the to initiative importance ratings for the projects they worked on.

Concepts

[Concept: Talent Matrix Reports](#)

Tasks

[Run Talent Matrix Reports](#)

[Steps: Set Up Talent Matrix Reports](#)

Ideas

Steps: Set Up Project Ideas

Review setup considerations for project creation.

Workers can create project ideas that support the goals of your organization. As managers review and approve these ideas, they can add additional details on the:

- Scope
- Cost
- Risk

When you create a project from an approved idea, Workday populates the project with the details specified in the idea.

1. Set up the *Manage: Idea* domain in the Projects functional area.

See [Edit Domain Security Policies](#).

2. Set up these business processes:

- *Create Idea* in the Projects functional area.
- *Create Project* in the Project Tracking functional area.

See [Edit Business Processes](#).

3. Set up these security policies:

- *Create Idea* in the Projects functional area.
- *Create Project* in the Project Tracking functional area.

See [Edit Business Process Security Policies](#).

4. (Optional) Set up project risk parameters.

See [Steps: Define Project Details](#) on page 792.

Approved workers can create new project ideas. Managers can review their ideas, define the risks, and approve them from their Inbox.

Project managers can then create a new project from an approved idea, and associate an existing project with an idea.

- Access the **Create Idea** task to create new project ideas.
- Access the **Review Idea** task from your Inbox to review, add detail, and approve submitted project ideas.
- Access the **Find Ideas** report to view a list of ideas that meet your search criteria.

Concepts

[Setup Considerations: Project Creation](#) on page 831

Tasks

[Create or Edit Organization Goals](#)

[Create Projects](#) on page 838

Concept: Idea Management

Workday recognizes that all individuals are valuable contributors to an organization. With Workday Projects, all workers and contingent workers have the opportunity to contribute ideas for how to achieve company-wide goals. Managers can then prioritize, manage, and, upon approval, turn ideas into projects. Workday gives you insight into who has the best and most useful ideas.

If you also have Talent Management, you can use the organization goals created there to assign ideas to your goals.

Idea Review and Approval

Once a worker submits an idea, it then routes to their manager for approval. Managers can then:

- Add details on the scope of the work.
- Outline the budget impact of the idea.
- Identify risk parameters, including the risk severity and status.
- Associate an idea with a project hierarchy, which then routes to the project hierarchy manager for approval.

Project Generation from Ideas

After approval, ideas are available for association with a project. You can:

- Associate ideas with existing projects.
- Create a project from an idea, after setting the appropriate security.

To set up the security for Idea Management, you need to:

- Edit the **Create Project Business Process Security Policy** to grant access.
- Ensure that the **Initiating Action** of the **Create Project from Idea** has security groups assigned to it.

Tasks

[Steps: Configure Projects](#) on page 776

[Create Projects](#) on page 838

Project Metrics and Reports

Steps: Set Up Project Transaction Summaries

Projects you want to include in the project transaction summary must:

- Belong to an active and approved project hierarchy.
- Be active, and have a start and end date, resource forecast, and currency.
- Have a project state set to **Project**.

As a project portfolio manager, you can use a single consolidated data source to generate your custom reports. This consolidated source can contain data related to project time, cost, and revenue. The reports can summarize data at a monthly level for unique combinations of project resources and roles.

Note: Workday only includes data that's within the project start and end dates.

1. Access the **Configure Project Transaction Summary** task.

Security: *Set Up: Project Hierarchy* domain in the Project Tracking functional area.

2. Select eligible project hierarchies and projects to include in the data source.
3. Schedule the creation date for the data source.

4. (Optional) Access the **Update Project Transaction Summary** task.

Run an ad hoc data refresh of specific projects, or for events not tracked by the daily refresh.

Security: *Manage: Project Transaction Summary* domain in the Project Tracking functional area.

When the scheduled job is complete, you can report on the summarized data. Workday refreshes the data daily, factoring in changes to:

- Project attributes: start and end dates, Inactive and Billable flags, currency, state, and status.
- Project hierarchy: new project or hierarchy added; hierarchy removed, moved, or marked inactive.
- Worker time block hours.
- Resource forecast hours.
- Resource plan lines.
- Contract rates.
- Cost rates for forecasted hours.

You can select the **Disable Project Transaction Summary** check box to disable the daily data refresh.

- Create custom reports using the Project Transaction Summary data source.

Concept: Project Dashboard

The **Projects** dashboard (secured to the *Reports: Projects* domain in the Projects functional area) is a configurable workspace that gives you quick, visual insight into the health of your projects. You can see both operational and financial data for your projects in real time. The dashboard also gives you direct access to frequently used project-related tasks and reports. You can select the tasks that you want to display in the default menu using the **Edit** button on the **Maintain Dashboards** report. The **Menu** section on the **Content** tab enables you to add links to custom reports and external links.

Workday delivers these report worklets available for use in your Projects dashboard:

- **Average Project Duration**

- **Average Revenue by Project Role**
- **Comparative Revenue by Project**
- **Forecast vs. Actuals - Project Hours by Month**
- **Headcount by Job Profile**
- **Project Actual Hours - Monthly**
- **Project Forecasted Hours - Monthly**
- **Project Status by Project Hierarchy**
- **Project Utilization Report - Monthly**
- **Projects Headcount Supply and Demand by Job Profile**
- **Project Profitability**
- **Trended Revenue by Project**

Once you configure the dashboard, you can add it as a worklet to your Home page.

Tasks

[Steps: Set Up Dashboards and Landing Pages](#)

Reference

[Reference: Project Reports](#) on page 779

[Reference: Project Profitability Report](#) on page 1044

[Reference: Revenue Leakage Report](#) on page 1045

Concept: Resource Manager Dashboards

Resource managers use these dashboards to manage their project workers:

- **Resource Manager**
- **Resource Pool Manager**

They can:

- Borrow workers from other resource managers.
- Compare worker attributes.
- Staff projects.
- View the status and utilization of their workers.

Resource pool managers can also view and manage workers even if they don't have a role on the same project as the worker.

These dashboards display:

- The status of workers on a project.
- A consolidated view of work allocations.
- Frequently used tasks and reports.
- Your urgent staffing needs. Workday calculates urgency as the sum of these parameters:
 - Is the project start date - the current date less than 30? (+1)
 - Is the start date for the resource plan line - the current date less than 14? (+1)
 - Does the resource plan line have more than 1 unnamed resource? (+1)
 - Does the resource plan line have requirements? (+1)
 - Is the Project billable? (+1)

Note: To ensure that Workday displays the correct dashboard data, assign managers to a role in the same supervisory organization as their workers. You might also need to assign resource pool managers to multiple supervisory organizations.

Concepts

[Setup Considerations: Project Resources](#) on page 872

Tasks

[Steps: Set Up Dashboards and Landing Pages](#)

Reference

[The Next Level: Resource Management in Projects](#)

Reference: Security for Resource Manager Dashboards

Workday provides these dashboards for resource managers, secured to the *Management Dashboard: Resource Manager* domain in the Projects functional area:

- Resource Manager
- Resource Pool Manager

When you configure the dashboards, use this security for the worklets:

Worklets	Domains
Staffing That Needs Attention	<i>Manage: Advanced Project Resource Management</i> in the Projects functional area
Workers That Need Attention	These domains in the Projects functional area: • <i>Management Dashboard: Resource Manager</i> • <i>Manage: Resource Pool</i>
Workers Rolling Off Projects In	These domains in the Projects functional area: • <i>Management Dashboard: Resource Manager</i> • <i>Manage: Resource Pool</i>
Worker Allocations	<i>Reports: Manager</i> in the Staffing functional area These domains in the Projects functional area: • <i>Manage: Project Resource Forecast</i> • <i>Manage: Advanced Project Resource Management</i> These domains in the Time Off and Leave functional area: • <i>Worker Data: Time Off (Time Off)</i> • <i>Worker Data: Time Off (Time Off Manager View)</i>
Worker Allocations by Resource Pool	<i>Manage: Resource Pool</i> in the Projects functional area

When you configure the **Actions** menu on the dashboards, use this security:

Report in Actions Menu	Domains
Find Worker for Project	These domains in the Projects functional area: • <i>Manage: Advanced Project Resource Management</i> • <i>Manage: Resource Pool</i>
View My Favorites	<i>Manage: Project Resources</i> in the Project Tracking functional area

Report in Actions Menu	Domains
	<i>Manage: Resource Pool</i> in the Projects functional area
Find Project for Worker	<i>Manage: Advanced Project Resource Management</i> in the Projects functional area

Concepts

[Setup Considerations: Project Resources](#) on page 872

Reference: Project Reports

Workday delivers reports that give you greater insight into the health and progress of your projects and your project staffing needs.

For a complete list of project reports, access the **Workday Standard Reports** report and select these report categories:

- *Projects*
- *Set Up Project*

Operational Reports

These reports help you analyze the operational health of your projects.

Report	Security	Description
Average Project Duration	<i>Manage: Project Details</i> domain in the Project Tracking functional area.	Review the durations of your projects so that you can make improvements for faster returns on your investments. Includes: • The average project duration for a project hierarchy and its subordinate projects. • All projects with at least 1 day of duration for your selected time period.
Forecast vs. Actuals - Project Hours by Month	<i>Reports: Manager</i> domain in the Staffing functional area. <i>Manage: Project Resource Forecast</i> domain in the Projects functional area. <i>Reports: Time Tracking</i> domain in the Time Tracking and Time Tracking Hub functional areas.	Compare the forecasted hours to the actual hours worked on a project.
Projects Headcount Supply and Demand by Job Profile	<i>Manage: Project Resources</i> domain in the Project Tracking functional area. <i>Worker Data: Current Staffing Information</i> domain in the Staffing functional area.	Includes: • Supply: Workers who don't have an assignment to a resource plan line and are within the selected date range. • Demand: Resource plan lines without assigned workers.

Financial Reports

These reports provide insight into the financial health of your projects.

Financial Reports	Security	Description
Average Revenue by Project Role	<i>Reports: Project Billing</i> domain in the Project Billing functional area.	Analyze how your project staffing relates to project revenue. Workday calculates the average revenue in the project currency by project role based on: • Total approved hours. • Total billings from invoice lines. You can see when you use certain project roles more than others.
Comparative Revenue by Project	<i>Reports: Projects</i> domain in the Projects functional area.	Analyze revenue trends for month-over-month and year-over-year revenue by project. You can customize this report to include quarterly analysis for project revenue using your existing time periods.
Project Billing Exceptions	To access the report: <i>Process: Project Billing - Core</i> in the Project Billing functional area. To access related tasks, both: • <i>Process: Customer Contract - View</i> in the Customer Contracts and Project Billing functional areas. • <i>Reports: Billing</i> in the Customer Contracts and Project Billing functional areas.	View a list of all your projects with billable transactions that aren't ready to be billed, and the total number of affected transactions between them. Transactions may be unbillable, have a contract rate change which has not yet been applied to the time transaction, or have no billable rate. Only includes transactions with one of these: • A contract line type of Project Time and Expense, or Fixed Fee. • A status of Awaiting Review, or Ready to Bill for rate changes and missing rates. • A status of On Hold for missing rates only.
Project Budgetary Balance with Labor Cost	Both: • <i>Reports: Projects</i> in the Projects functional area. • <i>Reports: Time Tracking</i> in the Time Tracking functional area.	Compare your project budget to your actuals, including labor costs. Doesn't include ad hoc time blocks. View your project actuals and labor costs by the: • Current fiscal year. • Current period. • Life to date of your project.

Financial Reports	Security	Description
		You can run the report by company, or for all companies within a company hierarchy.
Project Profitability	<i>Reports: Projects</i> domain in the Projects functional area. <i>Reports: Time Tracking</i> domain in the Time Tracking and Time Tracking Hub functional areas.	Analyze how direct and labor costs consume your profitability. Workday calculates: - Gross profit and labor margins. - Project revenue and related direct costs from journal lines and labor costs based on approved worker time. Includes these subreports that you can view individually: Project Profitability Direct Costs Project Profitability Revenue Project Profitability Time Blocks
Revenue Leakage	<i>Report Execution</i> domain in the Tenant Non-Configurable functional area.	For operational and financial users. View these concessions that have been made in the project: - Contractual versus actual rates. - Project hours leaked. - Revenue leakage.
Trended Revenue by Project	<i>Reports: Projects</i> domain in the Projects functional area.	View revenue by project for the top 10 projects over the selected period. You can analyze revenue trends by: - Month-over-month. - Year-over-year.
View Initial Project Budget Calculation	<i>Manage: Project Budget</i> domain in the Projects functional area.	Examine the details of how Workday calculates project budget lines for draft and approved budgets sourced from: - Journal lines (actual revenue). - Resource forecasts (revenue and cost forecast). - Resource plan percentage allocation by project role (estimated cost and revenue). - Revenue recognition installments (revenue).

Financial Reports	Security	Description
		- Resource plan estimated hours by project role (estimated cost and revenue). - Time blocks (actual costs). Calculated project budget lines don't include manually added project budget line, including lines from: - Project Budget Templates. - The Import Budget web service. - The Maintain Budget task. - Worksheets.

Talent Reports

These reports, secured to the *Metrics Published* domain in the System functional area, provide insight into the workforce behind your projects.

Talent Reports	Descriptions
Project Demand	View the number of open resource plan lines without a worker assignment or group association. Includes all resource plan lines with at least a 1-day duration within the current time period.
Project Talent	View a count of open resource plan lines: - Marked for external hire. - With an open job requisition. - Marked for external hire with a pending worker associated with the line. You can also view the ratio of project demand to staffed workers, where a high ratio indicates a need for increased staffing.

Concepts

[Concept: Project Dashboard](#) on page 779

Tasks

[Steps: Create Custom Metrics and Scorecards](#)

Reference

[Reference: Project Profitability Report](#) on page 1044

[Reference: Revenue Leakage Report](#) on page 1045

[2023R1 What's New Post: Project Manager Hub - Billing Exceptions Table](#)

Reference: Project Management Reports

You can use these reports to view your projects at a high level and to manage project details.

Report or Worklet	Description	Security
My Projects	Displays your most frequently used projects. To add a project to the worklet, set it as a favorite from the related actions menu on the project. This worklet only displays projects where users have a direct assignment.	<i>Manage: Project Details</i> domain in the Project Tracking functional area.
View Project	Enables you to view and edit information about existing projects. Workday bases this report on the project profile and profile groups, giving you a composite view of the information. You can configure the information that displays in this report with the Configure Profile and Configure Profile Group tasks.	<i>Manage: Project Details</i> domain in the Project Tracking functional area.
View Project Hierarchy	Enables you to view and edit information on existing project hierarchies. You can: • Add workers to resource plan lines. • Configure a project budget. • Create worktag rules. • Restrict time entry for future dates.	<i>Set Up: Project Hierarchy</i> domain in the Project Tracking functional area.
View Project Plan Timeline	Displays the schedule for project phases and tasks by: • Percent complete. • Estimated hours. • Hours logged. • Time remaining.	<i>Manage: Project Plan</i> domain in the Project Tracking functional area.

For a complete list and description of the Workday standard reports for Projects, access **Workday Standard Reports**. Then, select the *Projects* report category.

Concepts

[Concept: Project Dashboard](#) on page 779

Tasks

[Configure the Project Profile](#) on page 789

Reference: Resource Management Reports

Match Resources with Projects

These reports can help you match qualified workers with available projects.

Report Name	Description	Security
Compare Workers for Project	Use to compare workers by tenure, qualifications, project, and talent from the filtered results of the Find Workers for Project report.	<i>Manage: Advanced Project Resource Management</i> domain in the Projects functional area
Find Available Workers for Project	Use to find available workers who meet specific requirements, and then assign them to a project. To enable this report, select the Always Use Find Available Workers for Project check box in the Projects section of the Edit Tenant Setup - Financials task. When enabled, this report launches from the Find Workers button on the resource plan line.	These domains in the Projects functional area: • <i>Manage: Advanced Project Resource Management</i> • <i>Manage: Resource Pool</i>
Find Project for Me	Enables workers to find projects with available assignments for themselves. To use this report, enable and activate the domain security policy.	<i>Self-Service: Resource Management</i> domain in the Projects functional area Modify or grant permissions for these security group types: • Self-Service - Project • Self-Service - Worker
Find Project for Worker	Use to find projects with available assignments for a worker.	<i>Manage: Advanced Project Resource Management</i> domain in the Projects functional area
Find Worker Assignments	Use to determine if your project workers are under or over allocated. Compares the scheduled weekly hours for workers against their total assignments, including: • Holidays. • Time off. • Resource forecast lines.	These domains in the Projects functional area: • <i>Manage: Advanced Project Resource Management</i>. Provides access to the report and the Projects and Project Hierarchies prompt on the report. • <i>Manage: Resource Pool</i>. Provides access to the report and the Resource Pools and Resource Pool Hierarchies prompt on the report. The <i>Reports: Manager</i> domain in the Staffing functional area. Provides access to the report and

Report Name	Description	Security
		the Supervisory Organizations prompt on the report. Note: Users secured solely to the <i>Reports Manager</i> domain can access and view this report, but they can't expand the rows to review the details. To ensure that users can review the report details, also secure them to the <i>Manage: Advanced Project Resource Management</i> domain, the <i>Manage: Resource Pool</i> domain, or both.
Find Worker for Project	Use to find workers to: • View their availability. • Assign to a project. • Add to a resource pool. You can launch this report from the Find Workers button on the resource plan line.	These domains in the Projects functional area: • <i>Manage: Advanced Project Resource Management</i> • <i>Manage: Resource Pool</i>

View Resource Commitments

These reports can help resource managers view and manage the assignment of workers across projects.

Report Name	Description	Security
Find Worker Availability	Use to examine the project commitments of your workers. From the search results, you can edit existing project assignments, add workers to another project, open the Find Worker for Project report, and preview project details.	<i>Manage: Advanced Project Resource Management</i> domain in the Projects functional area
Manage Worker Assignments	Use to: • View project resource assignments, time off, and holidays. • Compare workers for project assignments. • Drill into and manage project assignments. To enable this report, set up resource scheduling.	<i>Manage: Advanced Project Resource Management</i> domain in the Projects functional area <i>Manage: Resource Pool</i> domain in the Projects functional area <i>Reports Manager</i> domain in the Staffing functional area
Utilization Targets for Workers - Monthly	Use to view and manage the assignment of workers across projects and their utilization targets.	<i>Manage: Advanced Project Resource Management</i> domain in the Projects functional area

Report Name	Description	Security
	To view data in this report, select the Run Project Worker Days Job check box on the Edit Tenant Setup - Financials task.	
Worker Availability - Detailed Allocation	Use to: - Examine the scheduled time commitment of workers in your supervisory organizations. - Take project allocation actions based on worker availability. The percentages for worker time commitments are based on: - Forecast allocations. - Approved time off. - Holidays. The indication of weekly worker time commitment displays 3 ranges: - Greater than 110% (red icon). 70 to 110% (green icon). - Less than 70% (yellow icon).	These domains in the Projects functional area: <i>Manage: Advanced Project Resource Management</i> <i>Manage: Project Resource Forecast</i> These domains in the Time Off and Leave functional area: <i>Worker Data: Current Staffing Information</i> <i>Worker Data: Time Off Manager View</i> <i>Reports: Manager</i> domain in the Staffing functional area Users must have a role in the appropriate supervisory organization to view the data in this report.

Compare Resource Cost Rates

These reports can help resource managers view and compare the cost rates of workers and unnamed resources.

Report	Description	Security
Project Forecasted Labor Cost	Use to view this information on workers and unnamed resources in specific projects and project hierarchies: - Cost amount. - Forecasted hours. - Standard cost rate. Workday bases the time period in this report on the end date for the fiscal period and uses 3 consecutive fiscal periods.	<i>Manage: Project Resource Forecast</i> domain in the Projects functional area <i>Reports: Manager</i> domain in the Staffing functional area
View Resource Rates	Use to view the resource cost rates for a project, including: - Fully Burdened Cost Rate Definition - Standard Cost Rate - Standard Cost Rate Override	View access to either: <i>Worker Data: Project Costing</i> domain in the Projects functional area <i>Worker Data: Fully Burdened Cost</i> domain in the Projects functional area

Report	Description	Security
	This report launches from the View Resource Rates button on the Resources profile group of a project.	<i>Process: Project Billing</i> domain in the Project Billing functional area.
View Project Standard Cost Rate Sheet	Use to view the hourly rates on a specific cost rate sheet for: - Unnamed Resources based on project role. - Workers based on worker attributes.	<i>Set Up: Project</i> domain in the Projects functional area
Standard Cost Rate for Worker	Use to view the cost rate for project workers, based on the cost rate rule.	<i>Worker Data: Project Costing</i> domain in the Projects functional area
View Resource Plan Lines with Conflicting Standard Cost Rates	Use to find the assigned project workers who have more than 1 standard cost rate.	<i>Manage: Project Resources</i> domain in the Project Tracking functional area

For a complete list of standard reports for Projects, access the **Workday Standard Reports** report and select the *Projects* report category.

Concepts

[Concept: Resource Manager Dashboards](#) on page 888

Tasks

[Steps: Set Up Resource Scheduling](#) on page 884

Project Billing

Setup Considerations: Project Billing

You can use this topic to help make decisions when planning your configuration and use of Project Billing. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

Project Billing is part of the Workday Professional Services Automation (PSA) solution. Using information from customer contracts and Workday Projects, you can create a comprehensive billing process for client-facing billable projects.

Business Benefits

Project Billing in Workday enables you to:

- Bill customers.
- Bill within your organization.
- Track project revenue.

Project Billing also helps you manage your project financials. Workday helps eliminate reconciliation between applications and foster collaboration between your controller, project managers, and billing specialists.

When used with Customer Accounts and Customer Contracts in Workday, you can manage receivable credit and collection, maintain customer accounts, and automate your billing all at once.

Use Cases

You can combine billable projects with the Workday Revenue and Project Billing solutions, and recognize your revenue:

- As invoiced.
- Based on completed milestones.
- On a deferred basis.
- On a percent complete basis.
- Through accruals, which enables you to recognize revenue independent from billing.

Questions to Consider

Questions	Considerations
How do you handle varying invoice and tax requirements in different countries?	Understand your specific country and regional billing requirements. Invoice and tax requirements vary from country to country.
What billing methods does your company use?	Workday Project Billing supports these billing methods: • Fixed Fee - Installments • Fixed Fee - Milestones - Date • Fixed Fee - Milestones - Project • Prepaid • Retainer/Holdback • Transactions - Time and Expense
What are your requirements for intercompany transfer pricing?	Workday Project Billing supports these intercompany pricing options: • Cost plus • Multiparty • Transfer • Value-based Create standard or custom rate rules for transfer pricing to apply to the intercompany contract.
What billing rates work with Project Billing?	Workday Project Billing supports these billing configurations: • Billing rate sheets. • Billing rate rules. • Custom caps. • Project caps for Time and Expense.

Questions	Considerations
	Tiered rates. Structure your billing around these configurations before applying them to your projects.
What specific billing rate rules does your company need?	Project Billing supports these rate rule configurations: - Contract-specific caps. - Discounts. - Mark-ups. - Tiered pricing. Configure these billing rate rules to add them to the contract rate sheet.
What invoice format modifications do you need for Project Billing?	Modifications to invoice formats require Business Intelligence and Reporting Tools (BIRT) enhancements. If BIRT support isn't in scope, contact your Workday Customer Success Manager for assistance.
What revenue recognition methods do you use?	Workday Project Billing supports these revenue recognition methods: - Fixed Fee - Installment and Spread Even - Fixed Fee - Percent Complete - Milestones - Performance-based - Retainer/Holdback - Transaction - Time and Expense Plan your revenue recognition methods for use with project billing.
Does your project revenue follow the project worktags or worker worktags?	Workday uses these worktag rules: - Fixed Fee projects follow the contract worktags designated in the project. Note: To reclassify the fixed fee revenue at the worker level manually, you must first create a custom report. - Transaction-based projects for time and expense follow the worker worktags or project worktags.
Does your organization need to integrate your contingent worker time or expenses into Workday for Project Billing?	Contact your Workday Customer Success Manager for assistance.

Recommendations

Workday recommends:

- Using project hierarchies and project groups for better budgeting and reporting.
- Understanding country or region-specific invoicing requirements.

Requirements

Consider any integration requirements in and out of Workday.

Limitations

Project billing only supports customer contracts for these project-related line types:

- *Fixed Fee*
- *Prepaid*
- *Time and Expense*
- *Value-based*

Tenant Setup

Select the **Only Include Non-Recoverable Tax on Billable Transactions** check box on the **Edit Tenant Setup - Financials** task. This check box excludes recoverable tax from your expense and supplier invoice billable amounts.

Security

Domains	Considerations
<i>Process: Billing Schedule – Core</i> in the Customer Contracts and Project Billing functional areas.	Create billing schedules for customer contracts.
<i>Process: Billing Schedule – View</i> in the Customer Contracts and Project Billing functional areas.	View billing schedules and installments for customer contracts.
<i>Process: Customer Contract - Core</i> in the Customer Contracts and Project Billing functional areas.	Manage customer contracts.
<i>Process: Project Billing - Core</i> in the Project Billing functional area.	Manage project billing transactions.
<i>Process: Project Billing - Invoice Proposal</i> in the Project Billing functional area. <i>Process: Billing - Invoice Proposal</i> in the Customer Contracts and Project Billing functional areas.	Manage customer invoice proposals.
<i>Process: Project Billing - Invoicing</i> in the Project Billing functional area. <i>Process: Billing - Invoicing</i> in the Customer Contracts and Project Billing functional areas.	Create customer invoices for billing installments, transactions, and consolidated billing.
<i>Process: Revenue Schedule - Core</i> in the Customer Contracts and Project Billing functional areas.	Create revenue recognition schedules for customer contracts.
<i>Process: Revenue Schedule - View</i> in the Customer Contracts and Project Billing functional areas.	View revenue recognition schedules and installments for customer contracts.
<i>Set Up: Customer Contracts - Templates and Types</i> in the Customer Contracts and Project Billing functional areas.	Create templates for billing and revenue recognition schedules.
<i>Set Up: Customer Milestones</i> in the Customer Contracts and Project Billing functional areas.	Manage date milestones for customers on: • Billing schedules.

Domains	Considerations
	Revenue recognition schedules.
<i>Set Up: Milestone Types</i> in the Customer Contracts and Project Billing functional areas.	Maintain and view milestone types.

As you enable security groups, consider:

Security Groups	Considerations
Revenue specialist and customer contract specialist	Set up customer contracts.
Accounts Payable specialist	Create supplier invoices for costs associated with the project.
Project manager	Review and approve billable transactions for a project.
Billing specialist	Generate customer invoices.
Revenue accountant	Manage accounting and related reporting.

As you assign security roles for the project billing and customer contracts domains, consider:

Security Roles	Considerations
Assign roles to workers at the project and project hierarchy level.	You can assign roles at the project or project hierarchy level. Projects within these hierarchies inherit the assignments and reducing security maintenance.
Assign roles to workers at the company and company hierarchy level.	You can assign roles at the company or company hierarchy level. Projects within these hierarchies inherit the assignments and reducing security maintenance.

Business Processes

Business Processes	Considerations
<i>Ad Hoc Project Transaction Event</i>	Create and approve ad hoc transactions on projects.
<i>Billing Schedule Event</i>	Create and approve billing schedules.
<i>Contract Rate Sheet Event</i>	Create and approve contract rate sheets.
<i>Customer Contract Amendment Event</i>	Create and approve customer contract amendments.
<i>Customer Contract Asset and Liability Reclassification Journal Event</i>	Create and approve journals for customer contract asset and liability reclassifications.
<i>Customer Contract Event</i>	Create and approve customer contracts.
<i>Deferred Cost Installment Event</i>	Create and approve deferred cost installments.
<i>Project Transaction Adjustment Event</i>	Create and approve project transaction adjustments.

Business Processes	Considerations
<i>Revenue Recognition Installment Event</i>	Create and approve revenue recognition installments.
<i>Revenue Recognition Schedule Event</i>	Create and approve revenue recognition schedules.

Reporting

You can use projects standard reports and tasks to build your Project Billing dashboard.

Integrations

Web Services	Considerations
<i>Get Ad Hoc Project Transactions</i>	Retrieves all ad hoc project transactions.
<i>Get Contract Rate Sheets</i>	Retrieves all contract rate sheets.
<i>Get Project Billing Rate Sheets</i>	Retrieves all rate sheets for project billing.
<i>Get Worker Billing Rates</i>	Retrieves all worker billing rates.
<i>Import Worker Billing Rate</i>	Adds or updates worker billing rates.
<i>Put Ad Hoc Project Transaction</i>	Adds or updates ad hoc project transactions.
<i>Put Contract Rate Sheet</i>	Adds or updates contract rate sheets.
<i>Put Project Billing Rate Sheet</i>	Adds or updates rate sheets for project billing.

Connections and Touchpoints

Project Billing interacts with these other areas in Workday:

Feature	Considerations
Customer Accounts	Approved project time and expenses for invoicing flow from Project Billing.
Customer Contracts	Prepaid and billing schedules, and project and usage-based billing rate sheets flow to Project Billing.
Projects	Billable project time and expense and billable supplier invoices flow to Project Billing.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships across your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Reference

[The Next Level: Project Billing](#)

Steps: Set Up Project Billing

Review setup considerations for project billing.

Project Billing uses information from customer contracts and Workday Projects to create a comprehensive billing process for billable projects. To use Project Billing, configure the Financials and Projects product areas to track and bill for activity against your projects.

1. Set up billable projects.
See [Steps: Build Projects](#) on page 821.
2. [Create Customer Contracts](#) on page 677.
Create a customer contract with billable project lines. The customer contract can reference 1 or more billable projects.
3. Create a contract rate sheet and billing rate rules for the customer contract.
See:
 - [Create Contract Rate Sheets](#) on page 1002.
 - [Add Billing Rate Rules to Contract Rate Sheets](#) on page 1003.
4. Create a billing schedule for the customer contract.
See:
 - [Create Consolidated Billing Schedules for Customer Contracts](#) on page 712.
 - [Create Installment or Transaction Billing Schedules for Customer Contracts](#) on page 715.
5. Review and manage project billing transactions.
See [Steps: Manage Project Billing Transactions](#) on page 1011.
6. (Optional) Create and review customer invoice proposals.
See [Steps: Manage Customer Invoice Proposals](#) on page 720.
7. [Create Customer Invoices](#) on page 524.
Generate invoices against the project.

Concepts

[Setup Considerations: Project Billing](#) on page 993

[Concept: Project Billing](#) on page 1046

Steps: Consolidate Billing for Multiple Projects

Create multiple billable projects.

When customers have multiple projects, it's easier and more efficient to bill them once for each billing cycle. You can consolidate your projects into a single billing schedule and invoice based on billing type.

1. [Create Customer Contracts](#) on page 677.
Create a contract that includes more than 1 project. You can have multiple projects on a single contract with different transaction sources, such as *Time*, *Expense*, and *Supplier Invoice*.
2. Create a billing schedule.
See:
 - [Create Consolidated Billing Schedules for Customer Contracts](#) on page 712
 - [Create Installment or Transaction Billing Schedules for Customer Contracts](#) on page 715
3. (Optional) On an installment billing schedule, click **Manage Milestones**.
You can limit milestones to specific project phases by individual project, or create milestone lines for each project in the billing schedule.
Security: *Manage: Project Plan* domain in the Project Tracking functional area.
4. [Create Customer Invoices for Consolidated Billing](#) on page 724.
Create invoices for your projects. When an invoice includes:
 - More than 1 project, Workday references the projects on the invoice lines instead of the invoice header.
 - Only 1 project, Workday references the project at the invoice header.

When an invoice includes:

- More than 1 project reference, Workday debits the Accounts Receivable journal line and not the individual projects, due to worktag balancing limitations. Credits post to the respective projects.
- Only 1 project reference, Workday posts both the debit and credit to the project worktag.

Access the **Financials > Customer Invoices** profile group on the project profile to view the invoice details.

Concepts

[Concept: Project Billing](#) on page 1046

Tasks

[Create Customer Invoices](#) on page 524

[Steps: Set Up Email for Customer Invoice Documents](#) on page 563

Project Pricing and Billing

Steps: Set Up Project Pricing and Billing

- Create and approve a billable project.
- Associate a customer contract with the billable project.
- Create transactions to bill against the project.

As a project billing specialist, you can bill your customers for the work completed on a project using various rates and billing rules. You can also set effective dates on your contract rates. Workday uses the latest version of the rate sheet within the transaction date period when invoicing customers.

Example: You create a rate sheet with an effective date of December 1, 2020 and a rate of 100 USD. You update the rate sheet using the same effective date of December 1, 2020 and a new rate of 105 USD. Then, you add a new rate sheet with an effective date of January 1, 2021 and a rate of 110 USD. If you enter a time block for 1 hour on December 31, 2020, Workday uses the rate of 105 USD.

1. (Optional) Access the **Maintain Daily Rate Transaction Groupings** task.

You can group daily rate transactions for granular reporting. You can also view the groupings you define on the project billing and contract rate sheets.

Workday doesn't support daily rate transaction groupings for ad hoc billable transactions.

Security: *Set Up: Project Billing - Rate Sheet* domain in the Project Billing functional area.

2. [Create Project Billing Rate Sheets](#) on page 1001.

Define pricing categories and dimensions within those categories for the rate sheet.

3. [Create Contract Rate Sheets](#) on page 1002.

Link the standard rate sheet with project roles for the billable project associated with the customer contract.

4. (Optional) [Add Billing Rate Rules to Contract Rate Sheets](#) on page 1003.

Access the:

- **Manage Project Billing Transactions** task to review and manage project billing transactions.
- **Create Customer Invoice Proposal** task to create invoice proposals before billing.

Tasks

[Create Projects](#) on page 838

[Create Customer Contracts](#) on page 677

Reference

[Reference: Billing Rate Rule Types for Projects](#) on page 1009

[Workday 32 What's New Post: Additional Dimensions for Daily Rate Billing Rate Rules](#)

[2020R1 What's New Post: Manage Project Billing Transactions](#)

Create Project Billing Rate Sheets

Security: These domains in the Project Billing functional area:

- *Process: Project Billing - View*
- *Set Up: Project Billing - Rate Sheet*

You can define different billing rates based on a variety of criteria. When you create rate sheets, you can set pricing categories and multiple rate dimensions. You can set pricing categories to include a:

- Currency for sales that spans multiple countries.
- Region for sales areas that covers a wide territory.

1. Access the **View Project Billing Rates** task.
2. As you complete the **Rate Dimensions** tab, consider:

Option	Description
Category Name	The names that you enter display as columns on the Project Billing Rate Sheet . You can have up to 5 pricing categories.
Category Members	The members that you enter display as prompt options for the Category Name columns on the Project Billing Rate Sheet .

3. As you complete the **Project Billing Rate Sheet**, consider:

Option	Description
Unit of Time	When you select <i>Days</i> from the prompt, also specify daily rate transaction details on the Time Definition tab. Note: Workday doesn't support ad hoc transactions for daily rates.
Transaction Grouping	Group transactions based on the dimensions you set on the Maintain Daily Rate Transaction Groupings task. Grouping transactions enables more detailed grouping and pricing on daily rate transactions. When you select a Transaction Grouping on the project billing rate sheet, the grouping also populates on the contract rate sheet. Displays when you select <i>Days</i> from the Unit of Time prompt.
Mutually Exclusive Rules	Select to apply only the first applicable billing rate rule for each billing rate rule type. When you select this check box, Workday automatically selects the check box on all contract rate sheets that use the rate sheet that you create.

Workday populates the rates on the resource plan. Rates populate when the manager assigns roles to projects with effective dates in the billing rate sheet.

You can now use the rate sheet on all of your projects.

- Map your worktags to the rate sheet and the category dimensions on the **Configure Project Billing Rate Sheet** task. Based on your configuration, Workday populates the information when you create a contract rate sheet.
- To update the billing rates by effective date:
 1. Access the **View Project Billing Rates** task.
 2. Select **Project Billing Rate Sheet > Edit** from the related actions menu of the rate sheet.

Tasks

[Create Customer Contracts](#) on page 677

Create Contract Rate Sheets

- Create a customer contract with an approved billable project.
- Configure the *Contract Rate Sheet Event* business process and security policy in the Customer Contracts and Project Billing functional areas.
- Security: *Process: Billing - Rate Sheet* domain in the Customer Contracts and Project Billing functional areas.

Contract rate sheets enable you to set billing rates for billable projects. You can:

- Populate the values of the contract rate sheet from the billing rate sheet for the project.
- Apply a discount or premium to all resource rates using an adjustment percentage.
- Apply the billing rate rules to the contract rates.

When you make changes to the contract rate sheet, Workday doesn't reflect the changes on your revenue recognition installments. To change your revenue recognition installments, access the **Schedule Revenue Installments for Billable Transactions** task.

1. Access the **Create Contract Rate Sheet** task.

You can access the contract rate sheet from the customer contract line. When you select a **Project Transaction Source** and a **Line Type** of *Project Time and Expense* on the customer contract line, Workday enables the **Contract Rate Sheet** prompt. When enabled, you can access an existing contract rate sheet or create a new contract rate sheet.

2. As you complete the task, consider:

Option	Description
Effective Date	The effective date can't be in the past if it's already associated with a billable transaction. The billable transaction date determines which contract rate sheet and billing rate rule set to use.
Project Billing Rate Sheet	(Optional) Select a billing rate sheet to update the contract rates. Your selection controls the options available in the Rate Category Members prompt.
Is Daily Rate	Select this check box and complete the Time Definition tab to convert the hours worked to days. Note: Workday doesn't support ad hoc project billing transactions for daily rates.
Transaction Grouping	Workday populates this field using the project billing rate sheet. You can select additional transaction groupings that you configured on the Maintain Daily Rate Transaction Groupings task.

Option	Description
Rate Category Members	Select from the rate dimensions defined on the project billing rate sheet.
Adjustment Percentage	Enter a positive or negative percentage to apply to all lines on the contract rate sheet.
Mutually Exclusive Rules	Select to apply the first applicable billing rate rule for each billing rate rule type. Workday automatically selects this check box when it's enabled on a rate sheet. You can clear this check box as needed.
Revenue Adjustment Reason	Select a reason to include when you create separate revenue installments for billable transactions with billing rate rule adjustments. Workday posts adjustments to the Revenue ledger account when you add <i>Revenue Adjustment Reason</i> as a dimension in your account posting rules.

3. If you selected a **Project Billing Rate Sheet**, click **Update Contract Rates** to populate the rates from the billing rate sheet for the project.

Workday displays billing rates that match the:

- Effective date.
- Project billing rate sheet.
- Rate category members.

Workday applies the contract rates to billable transactions associated with the customer contract line.

Concepts

[Concept: Project Billing](#) on page 1046

Tasks

[Create Customer Contracts](#) on page 677

[Steps: Set Up Project Pricing and Billing](#) on page 1000

[Manage Project Billing Transactions by Transaction Source](#) on page 1017

[Manage All Project Billing Transactions](#) on page 1014

Reference

[Reference: Billing Rate Rule Types for Projects](#) on page 1009

[2021R2 What's New Post: Gross and Net Accounting Automation for Billable Transactions](#)

Add Billing Rate Rules to Contract Rate Sheets

- Create a customer contract with an approved billable project.
- Configure the *Contract Rate Sheet Event* business process and security policy in the Customer Contracts and Project Billing functional areas.
- Security: *Process: Billing - Rate Sheet* domain in the Customer Contracts and Project Billing functional areas.

Billing rate rules enable you to group rule types on contract rate sheets for use in project billing. You can create billing rate rules to apply:

- A cap on project time and expenses.
- Tiered rates on time transactions.
- Override billing rates on expense, miscellaneous expense, supplier invoice, and time transactions.

1. Access the **Billing Rate Rules** tab on the **Create Contract Rate Sheet** task.

You can access the contract rate sheet from the customer contract line. When you select a **Project Transaction Source** and a **Line Type** of *Project Time and Expense* on the customer contract line, Workday enables the **Contract Rate Sheet** prompt. When enabled, you can access an existing contract rate sheet or create a new contract rate sheet.

2. Click **Add Billing Rate Rule Type** to add to your rule set.

When you create multiple rule types, Workday applies the override rate rules first, then the cap rules.

3. Define the rules for each **Billing Rate Rule Type Group** that you add.

For *Expense* and *Supplier Invoice* rules, consider:

Option	Description
Expense Item	To apply the billing rate rule, associate the expense report line with a billable project. Displays on <i>Expense Caps</i> and <i>Override Rate (Expense)</i> rule types only.
Spend Category	To apply the billing rate rule, associate the supplier invoice line with a billable project. Displays on <i>Override Rate (Supplier Invoice)</i> rule types only.

For *Override* and *Tiered Rate* rules, consider:

Option	Description
Adjustment Type	Select: • <i>Rate Override</i> to enter an amount. • <i>Percent</i> to override by a percentage. A positive value applies a mark up and a negative value applies a discount.
Revenue Adjustment Reason	Select a reason to include when you create separate revenue installments for billable transactions with billing rate rule adjustments. Workday posts adjustments to the Revenue ledger account when you add <i>Revenue Adjustment Reason</i> as a dimension in your account posting rules.

For *Time* rules, consider:

Option	Description
Dimensions	Enter project dimensions for the rule. You can limit the rule to: • A complete project phase. • A task that impacts multiple assignments or associations. • An individual worker.
By Amount or Units	For <i>Project Cap</i> , select to limit the cap by an amount or a number of hours for the project

Option	Description
	dimension specified. When you review billable transactions associated with the project, Workday displays zero for the Amount to Bill once you reach the cap.
Cap Amount Cap Units	Enter the amount or number of hours to cap for project billing against time spent on the project. The cap amount that you enter sets the limit for the project.

- To configure the billing rate rules to match the billing agreements with customers, select the **Dimensions** and **Worktags** that apply.
- Enter an **Order** for rule type groups with multiple entries.
Order is an alphanumeric field. Workday applies the rules within each billing rate rule type in the order of entry, if not designated.
- (Optional) Complete the **Reset Option** section to reset contract rates periodically throughout the contract term.
Displays on the *Expense Caps*, *Project Cap*, and *Tiered Rate* rule types only.

Workday applies the billing rate rules on the contract rate sheet to project time and expense transactions when you approve:

- Expense reports.
- Supplier invoices.
- Worker time blocks.

Review your billable transactions and invoice customers.

Tasks

[Steps: Set Up Project Pricing and Billing](#) on page 1000

[Create Customer Contracts](#) on page 677

[Manage Project Billing Transactions by Transaction Source](#) on page 1017

[Manage All Project Billing Transactions](#) on page 1014

Reference

[Reference: Billing Rate Rule Types for Projects](#) on page 1009

[2021R2 What's New Post: Gross and Net Accounting Automation for Billable Transactions](#)

Create Transfer Pricing Rate Sheets

Security: *Set Up: Transfer Pricing* domain in the Projects functional area.

You can use transfer pricing rate sheets to define rates for intercompany contracts. Your rate sheets can include pricing increases or decreases as either a rate or percentage.

- Access the **Create Transfer Pricing Rate Sheet** task.
- As you complete this task, consider:

Option	Description
Transfer Pricing Default Rate / Percent	Define a default rate or a percentage for time blocks not affected by the rate rules listed. The percentage represents a markup or markdown of the custom rate or standard cost rate.
Effective Date	Workday calculates and persists time entry costs upon time entry approval. The rate you specify

Option	Description
	is applicable to workers in the selected category based on the applicable effective date. Note: Changes to the rate sheet or standard cost rates don't change the cost amount for approved project time entries. Use the History tab to view effective date changes to the standard cost rate sheet. From the related actions menu for this rate sheet, select Audits > View Audit Trail to view change activity.
Project Cost Rate Rules	Workday applies the rate for the first project cost rate rule that the worker qualifies for based on the order.

Workday establishes transfer pricing rates for intercompany billing.

- Associate your rate sheet with intercompany contracts.
- Create intercompany transactions.

Tasks

[Steps: Create Intercompany Contracts](#) on page 672

Create Custom References for Ad Hoc Project Transactions

Security: *Set Up: Project Billing - Invoicing* domain in the Project Billing functional area.

Custom reference fields enable you to view external reporting data on your billable transactions and consolidate billing installments and transactions on invoices. You can create custom reference fields to use on:

- Ad hoc project transactions.
- Consolidated invoice billing.

1. Access the **Enable Ad Hoc Project Transaction Custom References** task.
2. As you complete the task, consider:

Option	Description
Enabled	Select to display the custom reference fields on these tasks: • Create Ad Hoc Project Transactions • Manage Project Billing Transactions
Consolidated Billing	Select to add the custom references as options in the Additional Consolidation Grouping prompt on these tasks: • Create Customer Invoices for Consolidated Billing • Schedule Create Customer Invoices for Consolidated Billing
Reference Name	Workday displays the reference name you enter instead of the Workday-delivered custom reference on these tasks: • Create Ad Hoc Project Transactions

Option	Description
	• Manage Project Billing Transactions
In Use	Workday enables this check box when you use the custom reference fields on ad hoc project transactions or consolidated invoice billing. You can't delete a custom reference field when it's in use.

- Create ad hoc project transactions.
- Create customer invoices for consolidated billing.

Tasks

[Create Customer Invoices for Consolidated Billing](#) on page 724

[Manage Project Billing Transactions by Transaction Source](#) on page 1017

[Manage All Project Billing Transactions](#) on page 1014

Reference

[2020R1 What's New Post: Consolidated Invoice Billing](#)

Create Ad Hoc Project Transactions

- Create custom references for ad hoc project transactions.
- For Time transactions, create a project with assigned workers on the resource plan.
- For Spend transactions, create a project.
- Configure the *Ad Hoc Project Transaction Event* business process and security policy in the Project Billing and Projects functional areas.

Ad hoc project transactions provide flexibility when you log transactions in Workday. You can use ad hoc project transactions to:

- Create one-off Time transactions for all projects requiring immediate action without using Workday Time Tracking.
- Directly charge Spend transactions against projects without using Workday Expenses or Workday Supplier Accounts. Spend transactions include:
 - Expenses.
 - Miscellaneous expenses.
 - Supplier invoices.
- Integrate your external time tracking and spend transactions with Workday.
- Migrate your project billing into Workday and generate invoices and accounting internally.

1. Access the **Create Ad Hoc Project Transactions** task.

2. Enter transaction details.

Users assigned to only 1 of the security domains might have limited access to these options:

- Billing Status
- Include Cost
- Standard Cost Rate
- Cost Currency
- Rate to Bill
- Billing Currency

As you enter task details, consider:

Option	Description
Billing Status	Select <i>Do Not Bill</i> when you don't want to invoice your expense to the customer.
Worker	(Expense, Miscellaneous Expense, and Time) Displays all workers on the resource plan on the project.
Supplier	(Miscellaneous Expense and Supplier Invoice) Select a supplier to provide your item.
Project Phase	(Expense, Miscellaneous Expense, and Supplier Invoice) Displays only top-level phases for the billable project.
Project Task	(Expense, Miscellaneous Expense, and Supplier Invoice) Displays all tasks from all phase levels for the billable project. (Time) Displays all tasks from all phase levels assigned to the selected worker.
Project Role	(Time) Populates based on your selection for Transaction Date , Worker , and Project Task if applicable.
Include Cost	(Expense, Miscellaneous Expense, and Supplier Invoice) Select to include a Unit Cost Amount and Extended Cost Amount for the transaction. (Time) Select to calculate the Standard Cost Amount and fully burdened cost amount for the transaction. Workday automatically selects this check box.
Standard Cost Rate	(Time) Enter a rate amount to override the standard cost rate from the resource plan line or the project standard cost rate sheet if 1 exists.
Cost Currency	(Time) Workday converts the Standard Cost Amount to the Cost Currency .
Rate to Bill	(Time) For billable projects, enter a rate amount to override the billing rate from the contract rate sheet if 1 exists.

Option	Description
Billing Currency	When you enter a currency different than the customer contract currency, Workday converts the Amount to Bill to the billing currency.
Spend Category	(Expense, Miscellaneous Expense, and Supplier Invoice) Select to associate items with their account posting rules and provide details for creating invoices. When you select an item before specifying the spend category, you can't change the value assigned to the item.
Worktags	The worktag derivation rules specified for the project hierarchy, or the worktags assigned to the contract line, determine the worktag assignment for the transaction. For billed transactions, the worktags apply when you create accounting entries. You can add or change worktags if needed.
Memo	For billable projects, this field displays in the note section of the customer invoice.
Custom Reference 1 Custom Reference 2 Custom Reference 3 Custom Reference 4 Custom Reference 5	Enter additional ad hoc project transactions details for billing and reporting purposes. Displays when you select the Enabled check box on the Enable Ad Hoc Project Transaction Custom References task. When you enter a Reference Name on the Enable Ad Hoc Project Transaction Custom References task, Workday displays the reference name instead of the Workday-delivered custom reference.

The ad hoc project transactions for the billable project become available for review on the **Manage Project Billing Transactions** task.

Review the billable project transactions.

Tasks

[Create Custom References for Ad Hoc Project Transactions](#) on page 1006

[Set Up Worktag Rules for Project Cost and Revenue](#) on page 793

[Manage All Project Billing Transactions](#) on page 1014

[Manage Project Billing Transactions by Transaction Source](#) on page 1017

Reference

[2021R2 What's New Post: Multilevel Project Plans](#)

[2023R1 What's New Post: Business Process for Ad Hoc Project Transactions](#)

Reference: Billing Rate Rule Types for Projects

Workday provides 7 billing rate rule types for use in project billing. You can apply the rules and settings you configure on the contract rate sheet to project time and expense transactions. The contract rate sheet calculates the project billing rate at a given point in time. You can also define a **Reset Option** for some rules to enable you to reset contract rates periodically throughout the contract term.

When you add rule types to a group:

- Workday applies the override rate rules first and cap rules last.
- You can have multiple rules per billing rate rule type.
- You can have only 1 of each billing rate rule type in your set.
- You can order the rules within each group.

Billing Rate Rule Type	Description	Reset Option	Example
Expense Caps (Expense)	Sets a cap on total expenses for a project or specific expense category.	Yes	• Limit airfare to 2,000 USD for the project. • Limit total expenses to 20,000 EUR for the project.
Override Rate (Expense)	Sets an override rate as: • A percentage (either a mark up or a discount). • A specific amount on expense types for the project.	Not Applicable	• Fix hotel rates at 250 USD per night. • Offer a 20% discount on car rentals. • Limit meals to 100 USD per day.
Override Rate (Misc Expense)	Sets an override rate on miscellaneous expenses as a percentage (either a markup or discount) or as an amount on these dimensions: • Item (Expense or Purchase) • Project Phase • Project Task • Spend Category • Supplier • Workers	Not Applicable	• Fix car rentals at 40 USD per day. • Offer a 15% discount on consulting services.
Override Rate (Supplier Invoice)	Sets an override rate on supplier invoices as a percentage (either a markup or discount) or as an amount on an expense category.	Not Applicable	• Set a 5% discount on other billable invoices. • Set a premium rate of 15% on all professional services subcontractors.
Override Rate (Time)	Sets an override rate as a percentage (either a mark up or a discount) or as a specific hour or amount on these project dimensions: • Project Phase • Project Role • Project Task • Worker	Not Applicable	• Set a 20% discount rate for Marion West who's new and still training. • Set a premium rate of 10% for all Senior Consultants. • Set a premium rate for the design phase of the project since all workers are outside

Billing Rate Rule Type	Description	Reset Option	Example
			consultants and upper management.
Project Cap (Time)	Sets a limit on each project dimension or to the entire project over time.	Yes	- Limit total project time to 2,000 hours. - Limit the project billing total to 250,000 EUR. - Limit the design phase of a project to 500 hours.
Tiered Rate (Time)	Sets different rates based on tiers (hours or amounts).	Yes	- Set the first 50 hours of the project to be free. - Set a discount rate of 20% after 500 hours worked on the project. - Apply a 20% discount after the project reaches 50,000 USD.

Project Billing Transactions

Steps: Manage Project Billing Transactions

- Create and approve a billable project.
- Associate a customer contract with the billable project.
- Create transactions to bill against the project.

You can configure default options for Workday to populate during project billing review. You can also review billable transactions for projects assigned to your role and perform mass actions on transactions, including:

- Adjusting amounts.
- Changing billing statuses.
- Creating invoice proposals.
- Recalculating rates.
- Transferring or splitting nonlabor billable transactions.

1. [Manage Project Billing Transaction Configurations](#) on page 1012.

2. Review and manage billable project transactions.

See:

- [Manage All Project Billing Transactions](#) on page 1014.
- [Manage Project Billing Transactions by Transaction Source](#) on page 1017.

Tasks

[Steps: Set Up Project Pricing and Billing](#) on page 1000

Reference

[Reference: Project Billing Transaction Billing Statuses](#) on page 1026

[Reference: Project Billing Transaction Ineligibility Reasons](#) on page 1027

Manage Project Billing Transaction Configurations

Security: *Set Up: Project Billing - Configurations* domain in the Project Billing functional area.

You can configure:

- Deferred billable project costs accounting.
- Required fields for Workday to populate when you transfer or split nonlabor billable project transactions during project billing review.
- Revenue offsets for invoiced billable transactions.
- Workday to recalculate transactions based on billing status.

1. Access the **Manage Project Billing Transactions Configuration** task.

2. As you complete the **Project Transfer Options** tab, consider:

Option	Description
Accounting Adjustment Date	Select a date for Workday to populate when you transfer or split paid nonlabor billable project transactions on the Manage Project Billing Transactions task. When you select: • <i>Use Today's Date</i>, the accounting adjustment uses the date of the transfer. • <i>Use Transaction Date</i>, the accounting adjustment uses the date of the transaction. Workday requires you to configure an accounting adjustment date for project transfer.
Accounting Adjustment Reason	Select a reason for Workday to populate when you transfer or split paid nonlabor billable project transactions on the Manage Project Billing transactions task. Workday requires you to configure an accounting adjustment reason for project transfer. You can configure accounting adjustment reasons on the Maintain Accounting Adjustment Change Reason Codes task.
Transfer Reason Required	Select to require a transfer reason when you transfer nonlabor billable project transactions on the Manage Project Billing transactions task.

3. As you complete the **Transfer Reasons** tab, consider:

Option	Description
Default	Select a default transfer reason for Workday to populate when you transfer unpaid nonlabor billable project transactions on the Manage Project Billing Transactions task.
In Use	Workday enables this check box when you use the transfer reason to transfer nonlabor billable project transactions on the Manage Project Billing Transactions task. You can't delete a transfer reason when it's in use.

4. As you complete the **Revenue** tab, consider:

Option	Description
Revenue Offset for Invoiced Billable Transactions	Select to prevent the creation of revenue offset installments when you've already accrued revenue.
Enable Deferred Billable Project Costs Accounting	Select to generate billable project cost recognition operational journals for nonlabor billable project transactions when you recognize revenue. Once you enable deferred billable project costs accounting, you can't disable it.

5. As you complete the **Billing** tab, consider:

Option	Description
Automatically Recalculate Transactions	Select to recalculate billable project transactions when there's a change to the associated: • Billing schedule. • Billing rate sheet. • Contract rate sheet. • Customer contract. • Standard rate sheet. When you don't automatically recalculate transactions, Workday populates the Recalculate column on the Manage Project Billing Transactions task to identify the billable projects and transactions that might require recalculation. Workday doesn't automatically recalculate transactions when you: • Add, edit, or delete a project rate rule. • Add or edit a worker rule billing rate. • Add or reorder standard billing rate by rules. • Cancel an invoice resulting in transactions returning to <i>Ready to Bill</i> status. • Edit a project. • Update a worker attribute.
Recalculate Transactions with Billing Status	When you select the Automatically Recalculate Transactions check box, select the billing status that you want Workday to recalculate.
Reset Invoiced Transactions to Billing Status	Select the billing status that you want Workday to apply to billable project transactions when you deny, cancel, or credit adjust an invoice. By default, Workday populates the prompt with a billing status of <i>Ready to Bill</i> . Workday doesn't apply the billing status to order fulfillment or daily project transactions.

Concepts

[Concept: Manage Project Billing Transaction Configurations](#) on page 1024

Reference

[2021R1 What's New Post: Recalculate Billing Rates on Project Billing Transactions](#)

[2020R2 What's New Post: Transfer and Split Non-Labor Billable Project Transactions](#)

[2021R2 What's New Post: Deferred Billable Project Costs Accounting](#)

Manage All Project Billing Transactions

Security:

- *Manage: Billable Projects* domain in the Projects functional area.
- *Process: Project Billing - Core* domain in the Project Billing functional area.

You can review all project transaction sources for your project billing transactions at once, apart from daily rate transactions. Workday enables you to view aging transactions and drill into transactions based on billing status. You can also:

- Adjust transaction hours, rates, and amounts.
- Approve transactions for a project.
- Change the billing status of transactions.
- Create invoice proposals for selected transactions.
- Filter by and view previously invoiced billable transactions.
- Recalculate transaction amounts using billing rate sheets.

You can add the **Manage Project Billing Transactions** worklet to your Home page to review project billing transactions.

1. Access the **Manage Project Billing Transactions** task.
2. As you complete the search criteria on the project summary view, consider:

Option	Description
Billable Projects	Select the billable projects that you want to review. Workday saves your selection and uses it each time you access the task.
Show Unbillable Transactions	(Optional) Select to display transactions in <i>Unbillable</i> status. Workday saves your selection and uses it each time you access the task.
Review Transactions by Source	Select to view the transactions grouped by source on the details page. Workday saves this selection and uses it each time you access the task.
Review Transactions in Detail	Select to navigate directly to the transaction details page. Workday saves this selection and uses it each time you access the task.

3. (Optional) In the Aging Summary section on the project summary view, use the Transactions Awaiting Review cards to review work in progress (WIP) billable transactions. You can view billable transactions grouped by aging days, project, and currency.
4. On the project summary view, select the projects that you want to review, approve, or recalculate rates for.

5. (Optional) As you complete the search criteria on the project details view, select *Do Not Bill* from the **Billing Status** prompt to display transactions in *Do Not Bill* status.
6. As you complete the header on the project details view, consider:

Option	Description
Total Amount to Bill	The sum of the Amount to Bill for all the selected transactions.
Billing Status	Select a new billing status for the selected transactions and click Apply . Displays when you select <i>Change Billing Status</i> from the Mass Action prompt.
Original Amount to Bill	The sum of the Amount to Bill for the selected Time transactions. Displays when you select <i>Modify Amount for Time</i> from the Mass Action prompt.
New Amount to Bill	To adjust the Amount to Bill , enter a: • Positive value if the Billable Amount on the selected Time transactions is positive. • Negative value if the Billable Amount on the selected Time transactions is negative. Example: Enter -100.00 for a billable amount of (150.00). Workday determines the percentage of each transaction in relation to the total billable amount. Then, Workday applies that percentage to the New Amount to Bill that you enter. Example: You select 2 Time transactions. Transaction 1 has a Billable Amount of \$150. Transaction 2 has a Billable Amount of \$480. The total billable amount for the 2 transactions is \$630. Transaction 1 is 23.809524% ($150 \div 630$) of the total billable amount and Transaction 2 is 76.190476% ($480 \div 630$). You enter a New Amount to Bill of \$500. Workday automatically populates the Amount to Bill with \$119.05 for Transaction 1 and \$380.95 for Transaction 2. Displays when you select <i>Modify Amount for Time</i> from the Mass Action prompt.
Zero Amount to Bill	Select to update the Amount to Bill to zero for the selected Time transactions. Workday clears the New Amount to Bill field when you select this check box. Displays when you select <i>Modify Amount for Time</i> from the Mass Action prompt.
Adjustment Amount	The difference between the Original Amount to Bill for the selected Time transactions and the New Amount to Bill . When you click:

Option	Description
	Apply, Workday prorates the adjustment amount across the selected transactions and populates the revenue adjustment reason on the transactions. Submit, Workday routes the transactions for review and approval using the <i>Adjustment</i> business process. You can drill down on the Adjustment Count column to view the manual adjustments. Displays when you select <i>Modify Amount for Time</i> from the Mass Action prompt.
Adjustment Reason	When you leave this prompt blank, Workday populates the selected Time transactions with the default revenue adjustment reason that you configured on the Maintain Revenue Adjustment Reasons task. Displays when you select <i>Modify Amount for Time</i> from the Mass Action prompt.

7. (Optional) On the **Billing Review** tab, change the billing status and amount to bill for individual transactions. You can also filter by and view previously invoiced billable transactions and view billable transactions that require recalculation. Workday doesn't recalculate offset amounts or populate the **Recalculate** column for usage-based transactions.
8. (Optional) On the **Prepaid** tab, select the **Exclude from Prepayment** check box to exclude billing transactions from prepayment consumption.
9. (Optional) On the **Custom References** tab, edit ad hoc project transaction details for billing and reporting purposes.
Workday displays this tab when you enable custom references for ad hoc project transactions.
10. Submit, recalculate rates, or create customer invoice proposals for the selected transactions.

Create:

- Customer invoice proposals for billable transactions.
- Customer invoices for consolidated billing.
- Revenue installments for billable transactions.

Concepts

[Concept: Project Time Entry](#)

[Concept: Manage Project Billing Transaction Configurations](#) on page 1024

Tasks

[Steps: Set Up Project Pricing and Billing](#) on page 1000

[Steps: Manage Billable Projects on Usage-Based Transactions](#) on page 675

[Steps: Manage Customer Invoice Proposals](#) on page 720

[Create Custom References for Ad Hoc Project Transactions](#) on page 1006

[Create Customer Invoices for Consolidated Billing](#) on page 724

[Create Revenue Installments for Billable Transactions](#) on page 739

[Create Expense Reports](#) on page 1327

[Create Supplier Invoices](#) on page 1173

Reference

[2022R2 What's New Post: Billable Projects on Usage-Based Transactions](#)

[2021R1 What's New Post: Prepaid Billing for Installments and Transactions](#)

[2021R1 What's New Post: Recalculate Billing Rates on Project Billing Transactions](#)

[2020R1 What's New Post: Manage Project Billing Transactions](#)

[2020R1 What's New Post: Consolidated Invoice Billing](#)

[Reference: Project Billing Transaction Billing Statuses](#) on page 1026

[Reference: Project Billing Transaction Ineligibility Reasons](#) on page 1027

Manage Project Billing Transactions by Transaction Source

- To transfer nonlabor billable project transactions to another project, configure an accounting adjustment date and reason.
- Configure the *Accounting Adjustment Event* business process and security policy in the Financial Accounting functional area.
- Security:
 - *Manage: Billable Projects* domain in the Projects functional area.
 - *Process: Project Billing - Core* domain in the Project Billing functional area.

You can review all project transaction sources for your project billing transactions, apart from daily rate transactions. Workday enables you to view aging transactions and drill into transactions based on billing status. You can also:

- Adjust transaction hours, rates, and amounts.
- Approve transactions for a project.
- Change the billing status of transactions.
- Create invoice proposals for the selected transactions.
- Filter by and view previously invoiced billable transactions.
- Recalculate transaction amounts using billing rate sheets.
- Split nonlabor billable transactions into multiple transactions.
- Transfer billable transactions to another project, phase, or task.

You can add the **Manage Project Billing Transactions** worklet to your Home page to review project billing transactions.

1. Access the **Manage Project Billing Transactions** task.
2. As you complete the search criteria on the project summary view, consider:

Option	Description
Billable Projects	Select the billable projects that you want to review. Workday saves your selection and uses it each time you access the task.
Show Unbillable Transactions	(Optional) Select to display transactions in <i>Unbillable</i> status. Workday saves your selection and uses it each time you access the task.
Review Transactions by Source	Select the check box to review project billing transactions by transaction source. Workday saves your selection and uses it each time you access the task.

3. (Optional) In the Aging Summary section on the project summary view, use the Transactions Awaiting Review cards to review work in progress (WIP) billable transactions. You can view billable transactions grouped by aging days, project, and currency.

4. On the project summary view, select the projects that you want to review, approve, or recalculate rates for.
5. (Optional) As you complete the search criteria on the project details view, select *Do Not Bill* from the **Billing Status** prompt to display transactions in *Do Not Bill* status.
6. As you complete the header on the project details view, consider:

Option	Description
Total Amount to Bill	The sum of the Amount to Bill for the selected transactions for each transaction source.
Currency	When you select multicurrency transaction lines, Workday doesn't display the currency.
Billing Status	Select a new billing status for the selected transactions and click Apply . Displays when you select <i>Change Billing Status</i> from the Mass Action prompt.
Original Amount to Bill	The sum of the Amount to Bill for the selected Time transactions. Displays when you select <i>Modify Amount for Time</i> from the Mass Action prompt.
New Amount to Bill	To adjust the Amount to Bill , enter a: • Positive value if the Billable Amount on the selected Time transactions is positive. • Negative value if the Billable Amount on the selected Time transactions is negative. Example: Enter -100.00 for a billable amount of (150.00). Workday determines the percentage of each transaction in relation to the total billable amount. Then, Workday applies that percentage to the New Amount to Bill that you enter. Example: You select 2 Time transactions. Transaction 1 has a Billable Amount of \$150. Transaction 2 has a Billable Amount of \$480. The total billable amount for the 2 transactions is \$630. Transaction 1 is 23.809524% ($150 \div 630$) of the total billable amount and Transaction 2 is 76.190476% ($480 \div 630$). You enter a New Amount to Bill of \$500. Workday automatically populates the Amount to Bill with \$119.05 for Transaction 1 and \$380.95 for Transaction 2. Displays when you select <i>Modify Amount for Time</i> from the Mass Action prompt.
Zero Amount to Bill	Select to update the Amount to Bill to zero for the selected Time transactions. Workday clears the New Amount to Bill field when you select this check box. Displays when you select <i>Modify Amount for Time</i> from the Mass Action prompt.

Option	Description
Adjustment Amount	The difference between the Original Amount to Bill for the selected Time transactions and the New Amount to Bill. When you click: • Apply, Workday prorates the adjustment amount across the selected transactions and populates the revenue adjustment reason on the transactions. • Submit, Workday routes the transactions for review and approval using the <i>Adjustment</i> business process. You can drill down on the Adjustment Count column to view the manual adjustments. Displays when you select <i>Modify Amount for Time</i> from the Mass Action prompt.
Adjustment Reason	When you leave this prompt blank, Workday populates the selected Time transactions with the default revenue adjustment reason that you configured on the Maintain Revenue Adjustment Reasons task. Displays when you select <i>Modify Amount for Time</i> from the Mass Action prompt.
Transfer To Project Plan Task	Select an option to mass transfer Time transactions and click Apply. The prompt includes all tasks from all phase levels for the billable project. Displays when you select <i>Project Transfer</i> from the Mass Action prompt.
Transfer to Project / Phase / Task	Select an option to mass transfer nonlabor billable transactions and click Apply. When you transfer transactions to a: • Project plan task, Workday displays all tasks from all phase levels for the billable project. • Project plan phase, Workday displays only top-level phases for the billable project. Displays when you select <i>Project Transfer</i> from the Mass Action prompt.

7. (Optional) On the **Billing Review** tab, change the billing status and amount to bill for individual transactions. You can also filter by and view previously invoiced billable transactions and view billable transactions that require recalculation. Workday doesn't recalculate offset amounts or populate the **Recalculate** column for usage-based transactions.
8. As you complete the **Project Transfer** tab, consider:

Option	Description
Transfer To Project Plan Task	(Time) Select an option to transfer individual Time transactions.

Option	Description
	Displays all tasks from all phase levels for the billable project.
Transfer To Project / Phase / Task	(Expense and Supplier Invoice) Select an option to transfer individual nonlabor billable transactions. When you transfer: • Transactions to a project plan task, Workday displays all tasks from all phase levels for the billable project. • Transactions to a project plan phase, Workday displays only top-level phases for the billable project. • Paid nonlabor billable transactions, Workday creates an accounting adjustment line with details from the Supplier Invoice or Expense Report source transaction. • Unpaid nonlabor billable transactions, Workday updates the Supplier Invoice or Expense Report lines on the source document with the new project worktag.
Split	(Expense and Supplier Invoice) Click to allocate a percentage or amount to split the nonlabor billable transaction into multiple transactions without changing the original transaction amount. When you split: • Paid nonlabor billable transactions, Workday creates an accounting adjustment line with details from the Supplier Invoice or Expense Report source transaction. • Unpaid nonlabor billable transactions, Workday creates a Supplier Invoice line split or an Expense Report itemization.
Transfer Reason	(Expense and Supplier Invoice) Workday populates this field with the transfer reason you configured on the Manage Project Billing Transactions Configuration task.
Accounting Adjustment Date	(Expense and Supplier Invoice) Workday populates this field with the date you configured on the Manage Project Billing Transactions Configuration task. Displays on paid nonlabor billable project transactions only.
Accounting Adjustment Reason	(Expense and Supplier Invoice) Workday populates this field with the reason you configured on the Manage Project Billing Transactions Configuration task.

Option	Description
	Displays on paid nonlabor billable project transactions only.

9. (Optional) On the **Prepaid** tab, select the **Exclude from Prepayment** check box to exclude billing transactions from prepayment consumption.
10. (Optional) On the **Worktags** tab, view prior and current worktags when you transfer or split nonlabor billable transactions.
11. (Optional) On the **Custom References** tab, edit ad hoc project transaction details for billing and reporting purposes.
Workday displays this tab when you enable custom references for ad hoc project transactions.
12. Submit, recalculate rates, or create customer invoice proposals for the selected transactions.

Create:

- Customer invoice proposals for billable transactions.
- Customer invoices for consolidated billing.
- Revenue installments for billable transactions.

Concepts

[Concept: Project Time Entry](#)

[Concept: Manage Project Billing Transaction Configurations](#) on page 1024

Tasks

[Steps: Set Up Project Pricing and Billing](#) on page 1000

[Steps: Manage Billable Projects on Usage-Based Transactions](#) on page 675

[Steps: Manage Customer Invoice Proposals](#) on page 720

[Create Custom References for Ad Hoc Project Transactions](#) on page 1006

[Create Customer Invoices for Consolidated Billing](#) on page 724

[Create Revenue Installments for Billable Transactions](#) on page 739

[Create Expense Reports](#) on page 1327

[Create Supplier Invoices](#) on page 1173

Reference

[2022R2 What's New Post: Billable Projects on Usage-Based Transactions](#)

[2021R1 What's New Post: Prepaid Billing for Installments and Transactions](#)

[2021R1 What's New Post: Recalculate Billing Rates on Project Billing Transactions](#)

[2020R2 What's New Post: Transfer and Split Non-Labor Billable Project Transactions](#)

[2020R1 What's New Post: Manage Project Billing Transactions](#)

[2020R1 What's New Post: Transfer Non-Labor Project Transactions](#)

[2020R1 What's New Post: Consolidated Invoice Billing](#)

[2021R2 What's New Post: Multilevel Project Plans](#)

[Reference: Project Billing Transaction Billing Statuses](#) on page 1026

[Reference: Project Billing Transaction Ineligibility Reasons](#) on page 1027

Review Billable Project Transactions

Security:

- *Manage: Billable Projects* domain in the Projects functional area.
- *Process: Project Billing - Core* domain in the Project Billing functional area.

Workday recommends that you use the **Manage Project Billing Transactions** task to review your billable transactions instead. Workday will no longer maintain this task going forward.

You can review and approve all billable transactions for your projects before invoicing. Workday displays billable transaction rows and the current status of each transaction. For deleted time block transactions in Time Tracking, Workday generates a negative offset entry. Negative offset entries include any applicable billing rate rule offsets, so you can accurately track time block deletions. You can:

- Approve transactions.
- Change billable amounts.
- Recalculate billing rates.
- Place transactions on hold.
- Hold transactions from billing.
- Transfer time between projects.

1. (Optional) Exclude recoverable tax from your expense and supplier invoice billable amounts.

Select the **Only Include Non-Recoverable Tax on Billable Transactions** check box on the **Edit Tenant Setup - Financials** task. You can clear the **Billable Transaction Tax** check box on the customer contract line to remove the tax.

2. Access the **Review Billable Project Transactions** task.

3. As you complete the selection criteria, consider:

Option	Description
Phase	Displays only top-level phases for the billable project.
Task	Displays all tasks from all phase levels for the billable project.

4. As you complete the task, consider:

Transaction Source	Option	Description
Time	Approve	Once approved, you can generate invoices against the transaction.
Time	Edit	Click Edit to drill into the individual transactions. You can change the hours or rates to bill and approve time transactions individually, if needed.
Time	Transfer Project	To transfer project time between projects, select Transfer Project from the related actions menu. Workday displays all tasks from all phase levels for the billable project in the Transfer to Project Plan Task prompt. After you submit the transfer, Workday Time Tracking validates the time. When you transfer time between projects, Workday duplicates revenue installments to the new project. You must delete

Transaction Source	Option	Description
		installments for the original project.
Expense, Misc Expense, and Time	Recalculate Rates	Select to rerun the billing rate rule engine to recalculate: • Corrected caps. • Corrected tiered rates. • New effective rates. The engine recalculates all transactions, except transactions with a <i>Do Not Bill</i> status. When you recalculate rates, you must update the amounts on your revenue installments associated with the billable transactions.
Expense, Misc Expense, Supplier Invoice, and Time	Modify Amounts	You can adjust the amount to bill or reduce the amount to zero. Workday displays previous adjustments in the Adjustment Count column. For Time, click Edit to access this option. When you modify amounts, you must update the associated revenue recognition installment amounts.

- Generate customer invoices for billable transactions using the **Create Customer Invoices for Consolidated Billing** task.
- Update revenue installments for billable transactions using the **Schedule Revenue Installments for Billable Transactions** task.

Concepts

[Concept: Project Time Entry](#)

Tasks

[Steps: Set Up Project Pricing and Billing](#) on page 1000

[Steps: Manage Project Billing Transactions](#) on page 1011

[Steps: Manage Customer Invoice Proposals](#) on page 720

[Create Customer Invoices for Consolidated Billing](#) on page 724

[Create Revenue Installments for Billable Transactions](#) on page 739

[Create Expense Reports](#) on page 1327

[Create Supplier Invoices](#) on page 1173

Reference

[2020R1 What's New Post: Manage Project Billing Transactions](#)

[2021R2 What's New Post: Multilevel Project Plans](#)

Concept: Manage Project Billing Transaction Configurations

Workday enables you to set up tenant-wide configurations for your billable project transactions.

Project Transfer Options

You can configure required fields for Workday to populate when you transfer or split nonlabor billable project transactions during project billing review. Workday creates an accounting adjustment when you transfer or split paid nonlabor billable project transactions on the **Manage Project Billing Transactions** task. Nonlabor billable project transactions include expense reports and supplier invoices. When you modify paid expense reports or supplier invoices, Workday uses the Spend account posting rule to create an accounting adjustment. You can configure an:

- Accounting adjustment date.
- Accounting adjustment reason.

Workday uses the accounting adjustment date to determine which date to use for the journal adjustment. All accounting adjustments require an accounting adjustment reason.

When you transfer:

- A paid nonlabor billable project transaction, you can view the new project worktag on the **Accounting Adjustment** tab of the associated supplier invoice or expense report.
- An unpaid nonlabor billable project transaction, you can view the new project worktag directly on the source transaction line.

When you require a:

- Transfer reason, select a reason on the **Manage Project Billing Transactions** task for each nonlabor billable transaction that you transfer.
- Comment on time entry changes using the **Time Entry** tab on the **Edit Time Entry Template** task, select a time block comment on the **Manage Project Billing Transactions** task. Workday requires a time block comment for each time billable transaction that you transfer. Enabling this option also impacts updates made to time blocks.

Transfer Reasons

When you require a transfer reason, configure transfer reasons and set 1 transfer reason as default. Workday only uses transfer reasons for reporting purposes.

Revenue

You can enable or clear the **Revenue Offset for Invoiced Billable Transactions** check box at any time. When you:

- Enable the check box and accrue revenue, Workday doesn't reset the revenue accrual status for billable transactions or create offset installments upon invoicing.
- Clear the check box, Workday evaluates the worktag derivation rules for the billable transaction upon invoicing. If there's a change to the worktag on the billable transaction, Workday updates the revenue accrual status and creates an offset revenue installment.

Example: On the **Worktag Rule Configuration** tab of the project hierarchy, you configure revenue to follow the worker. You accrue revenue on 11/15/2022 and the cost center for the worker is 123. On 12/20/2022, you transfer the worker to cost center 124. You invoice the customer on 12/31/2022.

Revenue Offset for Invoiced Billable Transactions Check Box Enabled	Revenue Offset for Invoiced Billable Transactions Check Box Cleared
Revenue installment accounting on 11/15/2022 for cost center 123: • Unbilled Receivables 1000	Revenue installment accounting on 11/15/2022 for cost center 123: • Unbilled Receivables 1000

Revenue Offset for Invoiced Billable Transactions Check Box Enabled	Revenue Offset for Invoiced Billable Transactions Check Box Cleared
Revenue 1000	Revenue 1000
Upon invoicing on 12/31/2022: No accounting	Upon invoicing on 12/31/2022 for cost center 123: - Revenue 1000 - Unbilled Receivables 1000
	Upon invoicing on 12/31/2022 for cost center 124: - Unbilled Receivables 1000 - Revenue 1000

You can use the **Enable Deferred Billable Project Costs Accounting** check box to generate operational journals for billable expense reports and supplier invoices when you recognize revenue. Workday uses the Spend account posting rule to create operational journals. For the Spend account posting rule, you can configure the resulting ledger account to use an accounting treatment of:

- *Cost of Sales* to post to a cost or an income statement ledger account.
- *Deferred Project Cost* to post to an asset or a balance sheet ledger account.

Example: You select the **Enable Deferred Billable Project Costs Accounting** check box and configure the resulting ledger account in the Spend account posting rule:

Resulting Ledger Account	Dimension	Values
Work in Progress	Accounting Treatment	Deferred Project Cost
Cost of Sales	Accounting Treatment	Cost of Sales

You create a supplier invoice line with a billable project worktag for \$100 and view the resulting accounting:

Ledger Account	Debit Amount	Credit Amount
Work in Progress	100.00 USD	0.00 USD
Accounts Payable	0.00 USD	100.00 USD

You create a revenue installment and view the resulting accounting:

Ledger Account	Debit Amount	Credit Amount
Deferred Revenue: Product and Sales	100.00 USD	0.00 USD
Revenue	0.00 USD	100.00 USD

You create revenue recognition accounting for an accrued or deferred revenue treatment, and you approve a customer invoice for an invoice revenue treatment. Workday automatically creates this secondary operational journal:

Ledger Account	Debit Amount	Credit Amount
Cost of Sales	100.00 USD	0.00 USD
Work in Progress	0.00 USD	100.00 USD

Once you enable deferred billable project costs accounting, you can't disable it.

Billing

You can configure Workday to automatically recalculate transactions when there's a change to the associated:

- Billing schedule.
- Billing rate sheet.
- Contract rate sheet.
- Customer contract.
- Standard rate sheet.

When you enable the **Automatically Recalculate Transactions** check box, you can specify which transaction billing statuses Workday recalculates.

When you don't automatically recalculate transactions, Workday populates the **Recalculate** column on the **Manage Project Billing Transactions** task to identify the billable projects and transactions that might require recalculation. You can also create custom reports to view billable projects and transactions that might require recalculation.

You can configure Workday to apply a new billing status to billable project transactions when you deny, cancel, or credit adjust an invoice. When you schedule invoicing to occur, you can update the **Reset Invoiced Transaction with Billing Status** prompt to *Awaiting Review* to re-evaluate transactions upon invoice cancellation.

Concepts

[Concept: Project Time Entry](#)

Tasks

[Manage Project Billing Transaction Configurations](#) on page 1012

[Manage All Project Billing Transactions](#) on page 1014

[Manage Project Billing Transactions by Transaction Source](#) on page 1017

Reference: Project Billing Transaction Billing Statuses

You can use these billing statuses to track your project billing transactions:

Billing Status	Description
<i>Approval in Process</i>	Workday automatically displays this billing status when a business process needs approval. You can't take action on transactions until you approve the business process.
<i>Awaiting Review</i>	You can review transactions and change the transaction billing status to <i>Ready to Bill</i> .
<i>Billed</i>	The transaction is completely billed and has no remaining amount to bill.
<i>Billing in Progress</i>	Workday displays this billing status when: • The customer invoice isn't yet completed or approved. • No accounting adjustment or project transaction adjustment is terminated, canceled, or completed. • The transaction is paid by a noncanceled and noncredited customer invoice line on a nonzero amount due invoice with no prepaid consumption lines.

Billing Status	Description
	The transaction is paid by a noncanceled customer invoice line (for grants).
<i>Closed</i>	Workday displays this status when there's no accounting for the transactions or the customer invoice is complete.
<i>Do Not Bill</i>	You can't include transactions with this billing status on customer invoices.
<i>Fixed Fee</i>	The transaction has a matching fixed fee or value-based project contract line with a status of <i>Complete</i> or <i>Active</i> .
<i>On Hold</i>	When you: - Enable the Independent Revenue Processing check box on the revenue recognition schedule, Workday automatically accrues revenue for <i>On Hold</i> billable transactions. - Disable the Independent Revenue Processing check box on the revenue recognition schedule and place transactions <i>On Hold</i>, Workday temporarily prevents billing and revenue recognition from occurring.
<i>Partially Billed</i>	The transaction has a remaining amount to bill.
<i>Pending Award Line Date Review</i>	Workday displays this status on cost reimbursable lines when you settle expenses that fall outside the dates on award lines. To bill these cost reimbursable lines to the sponsor, change the spend budget date or the award line dates to match. See Set Up Award Costs Processing Rules.
<i>Ready to Bill</i>	You can include transactions with this billing status on customer invoices.
<i>Unbillable</i>	Workday automatically displays this billing status when there's an issue on the customer contract line or billing schedule. You can't take action on transactions until you resolve the issue. Example: You entered dates on the customer contract line that are outside of the transaction date range, creating an unbillable transaction.

Tasks

[Manage All Project Billing Transactions](#) on page 1014

[Manage Project Billing Transactions by Transaction Source](#) on page 1017

Reference: Project Billing Transaction Ineligibility Reasons

You can use these ineligibility reasons to view why a nonlabor billable transaction is ineligible for transfer or split during project billing review.

Ineligibility Reason	Transfer or Split Eligibility	More Information
<i>Expense report isn't approved.</i>	Ineligible for transfer and split.	You edited the expense report during an in process transfer or split. To transfer or split the expense report, approve the source document.
<i>Expense report isn't editable.</i>	Ineligible for transfer.	You can't edit expense reports with: • Intercompany billable transactions. • Tax declarations. • Unpaid negative reimbursements.
<i>Expense report line has a fixed expense item.</i>	Ineligible for split.	Examples: • Mileage. • Per diem expenses. • Travel journal items.
<i>Supplier invoice isn't approved.</i>	Ineligible for transfer and split.	You edited the supplier invoice during an in process transfer or split. To transfer or split the supplier invoice, approve the source document.
<i>Supplier invoice isn't editable.</i>	Ineligible for transfer and split.	You can't edit supplier invoices with: • A status of <i>Canceled</i>. • A gapless document number. • A paid or in progress payment. • Lines that have a <i>Project Transaction Adjustment Event</i> business process in progress.
<i>Supplier invoice line has bill, replace purchase orders, and worktag balancing.</i>	Ineligible for transfer.	
<i>Supplier invoice line has purchase orders split by quantity.</i>	Ineligible for split.	
<i>Supplier invoice line is split by quantity.</i>	Ineligible for split.	
<i>Supplier invoice template line is recurring.</i>	Ineligible for split.	
<i>Transaction has intercompany billing.</i>	Ineligible for transfer and split.	
<i>Transaction has supplier invoices associated with a prepaid schedule.</i>	Ineligible for transfer and split.	You can only transfer or split unpaid transactions.

Ineligibility Reason	Transfer or Split Eligibility	More Information
<i>Transaction is an ad hoc transaction or a capital project transaction.</i>	Ineligible for transfer and split.	You can't transfer or split ad hoc project transactions.
<i>Transaction is in process of an accounting adjustment or another type of billing review update.</i>	Ineligible for transfer and split.	To transfer or split the transaction, approve the accounting adjustment or billing review update.
<i>Transaction requires a budget check.</i>	Ineligible for transfer and split.	

Tasks

[Manage All Project Billing Transactions](#) on page 1014

[Manage Project Billing Transactions by Transaction Source](#) on page 1017

Reference

[2020R2 What's New Post: Transfer and Split Non-Labor Billable Project Transactions](#)

Deferred Billable Project Costs Accounting

Setup Considerations: Deferred Billable Project Costs Accounting

You can use this topic to help make decisions when planning your configuration and use of deferred billable project costs accounting. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

You can configure Workday to generate secondary journal entries to relieve work-in-progress amounts and record them as costs when you recognize revenue on a billable project.

Business Benefits

Deferred billable project costs accounting reduces manual reconciliation by automating deferred cost entries associated with these transactions:

- Expense reports.
- Supplier invoices.

Use Cases

You complete work on a project and incur costs, but you don't immediately bill the costs on a customer invoice. Use deferred billable project costs accounting to accrue the work-in-progress amounts and record them as costs associated with the billable project when you recognize revenue.

Questions to Consider

Questions	Considerations
Where do operational journals post for expense report billable transactions?	When you post the source transaction, Workday creates operational journals that: • Debit work-in-progress amounts using the asset resulting ledger account in the Spend account posting rule. • Credit the Employee Expense Payable ledger account in the Expenses Payable account posting rule.
Where do operational journals post for supplier invoice billable transactions?	When you post the source transaction, Workday creates operational journals that: • Debit work-in-progress amounts using the asset resulting ledger account in the Spend account posting rule. • Credit the Accounts Payable ledger account in the Payables account posting rule.

Recommendations

You can debit the cost of sales ledger account using the revenue category on the customer contract line when you create invoices or revenue recognition accounting. Configure the *Revenue Category* dimension in the cost resulting ledger account for the Spend account posting rule.

Requirements

You must confirm that you want to enable deferred billable project costs accounting.

For the Spend account posting rule, configure these resulting ledger accounts:

- Asset using a *Deferred Project Cost* accounting treatment.
- Cost using a *Cost of Sales* accounting treatment.

Limitations

Once you enable deferred billable project costs accounting, you can't disable it.

Deferred billable project costs accounting doesn't support:

- Ad hoc project transactions.
- Billable source transaction lines with capital project worktags.
- Billable source transaction lines with asset or inventory tracking spend categories.

Tenant Setup

To define tenant-wide configurations, enable deferred billable project costs accounting in the **Revenue** tab on the **Manage Project Billing Transactions Configuration** task.

Security

Domains	Considerations
<i>Process: Billing - Invoicing</i> in the Customer Contracts and Project Billing functional areas.	Create customer invoices for consolidated billing.

Domains	Considerations
<i>Process: Project Billing - Invoicing</i> in the Project Billing functional area.	
<i>Process: Billing Schedule - Core</i> in the Customer Contracts and Project Billing functional areas.	Create consolidated billing schedules for customer contracts.
<i>Process: Revenue Schedule - Core</i> in the Customer Contracts and Project Billing functional areas.	Create: - Revenue installments for billable transactions. - Revenue recognition schedules for customer contracts.
<i>Set Up: Accounting Rules</i> in the Common Financial Management functional area. <i>Set Up: Payroll - Company Specific (Accounting)</i> in the Core Payroll functional area.	Configure the asset and cost resulting ledger accounts for the Spend account posting rule.
<i>Set Up: Project Billing - Configurations</i> in the Project Billing functional area.	Enable deferred billable project costs accounting.

Business Processes

Business Processes	Considerations
<i>Customer Contract Event</i>	Create and approve customer contracts.
<i>Customer Invoice Event</i>	Create and approve customer invoices.
<i>Expense Report Event</i>	Create and approve billable expense reports.
<i>Revenue Recognition Installment Event</i>	Create and approve revenue recognition accounting.
<i>Supplier Invoice Event</i>	Create and approve billable supplier invoices.

Reporting

You can use these report data sources to create custom reports that display information on deferred billable project costs:

- **Deferred Billable Project Cost Lines**
- **Deferred Billable Project Costs**

Integrations

Web Services	Considerations
<i>Put Resource Category</i>	Workday doesn't support these accounting treatment values: <i>Cost of Sales</i> <i>Deferred Project Cost</i>
<i>Submit Expense Report</i> <i>Submit Expense Report for Applicant</i> <i>Submit Expense Report for Non-Worker</i> <i>Submit Supplier Invoice</i>	Workday doesn't support billable capital project worktags on expense reports and supplier invoices.

Web Services	Considerations
• <i>Supplier Invoice Adjustment</i>	
• <i>Submit Supplier Invoice</i> • <i>Supplier Invoice Adjustment</i>	Workday doesn't support spend categories with asset or inventory tracking on expense reports and supplier invoices.

Connections and Touchpoints

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Concepts

[Concept: Revenue Recognition Accounting](#) on page 766

Reference

[2021R2 What's New Post: Deferred Billable Project Costs Accounting](#)

Steps: Set Up Deferred Billable Project Costs Accounting

Create and approve a billable project.

You can set up deferred billable project costs accounting to relieve work-in-progress amounts and record them as costs of sales. When you recognize revenue on a project, Workday automatically creates secondary journal entries associated with expense report and supplier invoice transactions for a billable project. When the billable project on the customer contract line has a revenue treatment of:

- *Accrued or Deferred*, Workday recognizes revenue and creates secondary journal entries at the time of revenue recognition accounting.
- *Invoice*, Workday recognizes revenue and creates secondary journal entries at the time of invoicing.

1. [Manage Project Billing Transaction Configurations](#) on page 1012.

Select these check boxes:

- **Enable Deferred Billable Project Costs Accounting**
- **I understand that I can't disable deferred billable project costs accounting once it's enabled**

2. [Set Up Account Posting Rules](#) on page 69.

For the spend account posting rule, configure these options:

Resulting Ledger Account	Dimension	Values
Asset	<i>Accounting Treatment</i>	<i>Deferred Project Cost</i>
Cost	<i>Accounting Treatment</i>	<i>Cost of Sales</i>
Cost	<i>Revenue Category</i>	

3. (Optional) [Assign Company Accounting Details](#) on page 62.

You can configure Workday to post Billable Project Cost Recognition journals using either the accounting date or the invoice approval date. Select *Customer Invoice* from 1 of these prompts:

- **Allow Accounting in Arrears** to post journals at the time of invoicing using the accounting date.
- **Allow Accounting by Approval Date** to post journals using the invoice approval date.

4. [Create Customer Contracts](#) on page 677.

Workday uses the revenue category on the customer contract line to debit the cost of sales ledger account.

5. [Create Expense Reports](#) on page 1327.

On the expense report lines, select:

- A billable project, project phase, or project task from the **Worktags** prompt.
- The **Billable** check box.

6. [Create Supplier Invoices](#) on page 1173.

On the supplier invoice lines, select:

- A billable project, project phase, or project task from the **Worktags** prompt.
- The **Billable** check box.

7. [Create Consolidated Billing Schedules for Customer Contracts](#) on page 712.

8. [Create Revenue Recognition Schedules for Customer Contracts](#) on page 733.

9. [Create Customer Invoices for Consolidated Billing](#) on page 724.

10. [Create Revenue Installments for Billable Transactions](#) on page 739.

11. Access the **Create Revenue Recognition Accounting** task.

Configure the *Revenue Recognition Installment Event* business process and security policy in the Customer Contracts and Project Billing functional areas.

Workday creates a Billable Project Cost Recognition operational journal using the spend account posting rule.

Concepts

[Concept: Revenue Recognition Accounting](#) on page 766

Reference

[2021R2 What's New Post: Deferred Billable Project Costs Accounting](#)

Percent Complete Revenue Recognition

Setup Considerations: Percent Complete Revenue Recognition

You can use this topic to help make decisions when planning your configuration and use of percent complete revenue recognition. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

Workday enables you to recognize revenue for fixed-fee projects based on the percentage of project completion.

Business Benefits

Percent complete revenue recognition reduces the manual reconciliation and calculations needed to identify the percentage of project completion. You can:

- Create percent complete configurations to source actual costs and total estimated costs.
- Recognize revenue on a project as a percent complete by cost or hours.
- Approve percent complete revenue recognition before generating installments.

Use Cases

Use percent complete revenue recognition when your company needs to:

- Generate percent complete calculations by cost or hours.
- Recognize revenue as you log transactions against a project.
- Recognize revenue for fixed-fee projects as a percent complete.

Questions to Consider

Questions	Considerations
Where do you source the cost factors from to calculate the percent complete of a project?	You can create percent complete configurations to source: • The actual cost from your journal entries. • The total estimated cost from your billable project budget.
Where do you source the hours factors from to calculate the percent complete of a project?	Workday sources: • The actual hours from your time entries. • The total estimated hours from the task resource or resource forecast within your billable project.
What plan calculation type do you use for your projects?	Workday supports these estimated cost factors for percent complete configurations: • Baseline • Estimated Budget • Forecast • Manual Input
How do you recognize revenue for percent complete?	You can configure Workday to apply cost or hours factors to the contract amount on a cumulative basis for each billable project.

Recommendations

To reduce manual reconciliation and calculations, Workday recommends that you create percent complete configurations to source actual costs and total estimated costs.

Requirements

Features	Considerations
Cost	To recognize revenue for percent complete projects, you must create and approve a billable project with a budget.
Project Budget Plans	Workday requires a project budget to source the total estimated costs when you create percent complete configurations to recognize revenue.
Estimated Cost Factor	The estimated cost factor on the percent complete configuration must match the plan category on the related project.
Currency	These currencies must match the project company currency:

Features	Considerations
	- Estimated cost factor. - Manual journal entry. When the manual journal entry currency doesn't match the project company currency, Workday changes the actual cost to zero.

Limitations

Features	Considerations
Negative Percent Complete Configurations	When your percent complete configuration results in a negative cost, Workday changes the actual cost to zero.
Percent Complete Configurations	Workday only supports percent complete configurations for the total cost of your project.

Tenant Setup

No impact.

Security

Domains	Considerations
<i>Manage: Project Details</i> in the Project Tracking functional area.	View project completion for revenue recognition.
<i>Set Up: Revenue - Percent Complete</i> in the Customer Contracts and Project Billing functional areas.	Create, edit, manage, and view percent complete configurations.

Business Processes

Business Processes	Considerations
<i>Accounting Journal Event</i>	Create and approve accounting journals related to project transactions.
<i>Customer Contract Event</i>	Create and approve customer contracts.
<i>Percent Complete Project Event</i>	Create and approve revenue recognition for percent complete projects.
<i>Revenue Recognition Schedule Event</i>	Create and approve revenue recognition schedules for percent complete projects.

Reporting

You can access the **Manage Percent Complete Configurations** report to view your percent complete configurations.

You can use these report data sources to create custom reports that display percent complete project details:

- **Customer Contract Lines**

- **Percent Complete Configurations**
- **Percent Complete Lines**

Integrations

Web Services	Considerations
<i>Get Percent Complete Configurations</i>	Retrieves percent complete configurations.
<i>Get Percent Complete for Revenue</i>	Retrieves percent complete projects available for revenue recognition.
<i>Put Percent Complete Configuration</i>	Adds or updates percent complete configurations.
<i>Submit Percent Complete for Revenue</i>	Submits percent complete projects for revenue recognition.

Connections and Touchpoints

Features	Considerations
Customer Contracts	You can create revenue recognition schedules for percent complete projects on customer contracts.
Expenses	You can use expenses to calculate the percent complete of a project.
Financial Accounting	You can create operational journals for percent complete revenue recognition.
Project Billing	You can use billable project transactions to calculate the percent complete of a project.
Projects	You can recognize revenue for your projects.
Time Tracking	You can use the time tracked on billable projects to calculate the percent complete of a project.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Concepts

[Concept: Project Billing](#) on page 1046

Tasks

[Create Customer Contracts](#) on page 677

[Create Projects](#) on page 838

[Create Percent Complete Configurations for Projects](#) on page 1037

[Review Percent Complete Calculations for Revenue Recognition](#) on page 1038

Reference

[2020R1 What's New Post: Percent Complete Revenue Recognition for Projects](#)

Steps: Recognize Revenue for Percent Complete

Review setup considerations for percent complete revenue recognition.

Workday enables you to calculate and recognize revenue automatically using the percentage of completion accounting method for fixed fee projects. You can incrementally recognize revenue for your projects as you complete your work.

1. [Edit Business Process Security Policies](#).

Configure the *Percent Complete Project Event* business process and security policy in the Customer Contracts and Project Billing functional areas.

2. [Create Customer Contracts](#) on page 677.

Select:

- *Fixed Fee Project* from the **Line Type** prompt.
- *Deferred* from the **Revenue Treatment** prompt.
- A project from the **Billable Project** prompt.

The project task must include estimated hours when you want to recognize revenue as a percent complete by hours.

3. [Create Revenue Recognition Schedules for Customer Contracts](#) on page 733.

Select *Percent Complete* from the **Revenue Recognition Method** prompt.

4. [Create Percent Complete Configurations for Projects](#) on page 1037.

5. [Review Percent Complete Calculations for Revenue Recognition](#) on page 1038.

6. [Create Revenue Installments for Billable Transactions](#) on page 739.

Accrue revenue for approved billable transactions before you invoice customers.

Concepts

[Concept: Project Billing](#) on page 1046

Tasks

[Create Customer Contracts](#) on page 677

[Create Projects](#) on page 838

Reference

[2020R1 What's New Post: Percent Complete Revenue Recognition for Projects](#)

Create Percent Complete Configurations for Projects

- Create and approve a billable project with a budget.
- Security: *Set Up: Revenue - Percent Complete* domain in the Customer Contracts and Project Billing functional areas.

You can create configurations to automate the process of recognizing revenue as a percent complete of cost for your projects. The configurations use project cost dimensions to source the:

- Actual cost from journal entries or manual inputs.
- Total estimated cost from billable project budgets or manual inputs.

Workday uses the actual cost and total estimated cost to calculate the percent complete by cost for your projects.

1. Access the **Manage Percent Complete Configurations** report.
2. Click **Add**.
3. As you complete the task, consider:

Option	Description
Estimated Cost Factor	Select the estimated cost factor that matches the plan category on the associated project. When you select 1 of these options, Workday uses these calculations to determine the revenue recognized for the project to date: • <i>Baseline</i>: $(\text{Contract Value} \times \text{Actual Project Cost to Date}) \div \text{Baseline Budget Cost}$

Option	Description
	<i>Estimated Budget:</i> (Contract Value × Actual Project Cost to Date) ÷ Estimated Budget from Project Financials <i>Forecast:</i> (Contract Value × Actual Project Cost to Date) ÷ (Actual Cost + Estimated Future Cost)
Ledger Account	Workday sources the actual costs from the ledger accounts you select. The available ledger accounts display based on the project hierarchy associated with the billable project.
Dimension	Select the dimensions that match the worktags on the associated journal.
Values	Displays only top-level phases when you select <i>Project Phase</i> from the Dimension prompt.

Workday uses the configuration to calculate the percent complete by cost for your projects.

Review the percent complete for revenue to view the actual and estimated costs for your projects.

Concepts

[Concept: Project Billing](#) on page 1046

[Setup Considerations: Percent Complete Revenue Recognition](#) on page 1033

Tasks

[Create Projects](#) on page 838

[Create Customer Contracts](#) on page 677

[Steps: Recognize Revenue for Percent Complete](#) on page 1036

Reference

[2020R1 What's New Post: Percent Complete Revenue Recognition for Projects](#)

[2021R2 What's New Post: Multilevel Project Plans](#)

Review Percent Complete Calculations for Revenue Recognition

- Project manager must approve time logged against the project in Time Tracking.
- Configure the *Percent Complete Project Event* business process and security policy in the Customer Contracts and Project Billing functional areas.

Percent complete calculations enable you to recognize revenue on a project as it progresses. You can approve your percent complete revenue recognition before generating the revenue installments.

1. Access the **Review Percent Complete for Revenue** task.

Select a **Transaction End Date**. You can also select multiple customers, projects, or a project hierarchy to review and edit transactions at once. Workday groups the contract lines by projects into 1 row.

2. Select the rows that you want to change the revenue amounts.

If a row has more than 1 contract line, click the number in the **Contract Lines** column to edit revenue amounts for individual contract lines. As you complete the task, consider:

Option	Description
Actual Percent Complete	Workday calculates this value from the Review Percent Complete for Project task by either:

Option	Description
	- The Cumulative Hours Worked divided by the Estimated Hours at Complete. - The Actual Cost divided by the Estimated Cost. The project manager can override this calculation by manually entering a new estimated hours value.
Cumulative Revenue to Date	Workday multiplies the Actual Percent Complete by the Contract Value .
Current Revenue Amount	Workday calculates the difference between the Cumulative Revenue to Date and Cumulative Revenue Recognized to Date values. You can override this amount.

Concepts

[Concept: Project Time Entry](#)

[Concept: Revenue Recognition](#) on page 740

Tasks

[Create Revenue Recognition Schedules for Customer Contracts](#) on page 733

[Steps: Recognize Revenue for Percent Complete](#) on page 1036

Reference

[2020R1 What's New Post: Percent Complete Revenue Recognition for Projects](#)

Project Billing Work Area

Steps: Configure the Project Billing Work Area Profile

Security: *Set Up: System* domain in the System functional area.

The **Project Billing Work Area Composite View** is a configurable profile for daily billing management with profile groups for:

- Billing Specialists
- Project Managers
- Revenue Specialists

Workday enables you to configure the content of this view to meet your business requirements. For each role that uses the composite view, you can:

- Add custom reports.
- Hide the profile group tabs.
- Reorder the profile group tabs.

1. Access the **Configure Profile** task.

- Select *Project Billing Work Area Composite View* from the **Profile** prompt.
- (Optional) Reorder the display of the profile groups in the composite view.
- Clear the **Display in Profile** check box to hide a section configuration.

2. Access the **Configure Profile Group** task.

Manage the content within each of the profile groups that you selected to display on the profile.

- a. Select from the available profile groups for the *Project Billing Work Area Composite View*.
- b. Add, remove, or reorder reports.
- c. (Optional) Repeat steps 2a and 2b for each of the profile groups that you want to configure.

Workday defines the selection list and includes available standard and custom reports on the work area composite view for project billing. For best display, select 10 groups or less.

Note: Security rules determine the tabs that display for each role.

Set up security for your users to view the profiles, profile groups, and reports.

Tasks

[Steps: Set Up Profiles and Profile Groups](#)

Concept: Project Billing Work Area

You can use the Project Billing Work Area to view project billing transaction activity for multiple companies at once. This composite view enables billing specialists, project managers, and revenue specialists to:

- View billable transactions awaiting review, invoicing, and revenue recognition.
- Preview summarized invoice lines.
- Create customer invoices for billable transactions.
- Generate installments for billable transactions that require accrual.

You can manage the display of the profiles and reports in the composite view using the **Configure Profile** and **Configure Profile Group** tasks.

You can enable these profiles and reports on the **Project Billing Work Area** task.

Profile Details	Composite Report Details
Transactions Awaiting Review Role: • Project Manager Security domains: • <i>Manage: Project</i> in the Projects functional area. • <i>Process: Project Billing - Core</i> in the Project Billing functional area. • <i>Process: Billing - Invoicing</i> in the Customer Contracts and Project Billing functional areas. • <i>Process: Project Billing - Invoicing</i> in the Project Billing functional area. • <i>Process: Project Billing - View</i> in the Project Billing functional area.	Transactions Ready to Review: Displays transactions for all billable projects by billing schedule. Preview Invoices: Displays invoices by customer and billing schedule.
Transactions Awaiting Invoicing Role: • Project Billing Specialist Security domains: • <i>Process: Billing - Invoicing</i> in the Customer Contracts and Project Billing functional areas.	Project Billing Summary: Displays billing details by customer contract line. Preview Invoices: Displays invoices by customer and billing schedule.

Profile Details	Composite Report Details
• <i>Process: Project Billing - View</i> in the Project Billing functional area. • <i>Process: Project Billing - Invoicing</i> in the Project Billing functional area. • <i>Process: Project Billing - Core</i> in the Project Billing functional area.	
Transactions Awaiting Revenue Recognition Role: • Revenue Specialist Security domains: • <i>Process: Revenue Schedule - Core</i> in the Customer Contracts and Project Billing functional areas.	Review Revenue: Displays pending transactions awaiting revenue recognition. Transactions Requiring Accrual: Displays installments by revenue recognition schedule.

Tasks

[Steps: Set Up Profiles and Profile Groups](#)

[Review Billable Project Transactions](#) on page 1021

[Create Customer Invoices](#) on page 524

[Create Revenue Installments for Billable Transactions](#) on page 739

Project Billing Reporting

Concept: Project Dashboard

The **Projects** dashboard (secured to the *Reports: Projects* domain in the Projects functional area) is a configurable workspace that gives you quick, visual insight into the health of your projects. You can see both operational and financial data for your projects in real time. The dashboard also gives you direct access to frequently used project-related tasks and reports. You can select the tasks that you want to display in the default menu using the **Edit** button on the **Maintain Dashboards** report. The **Menu** section on the **Content** tab enables you to add links to custom reports and external links.

Workday delivers these report worklets available for use in your Projects dashboard:

- **Average Project Duration**
- **Average Revenue by Project Role**
- **Comparative Revenue by Project**
- **Forecast vs. Actuals - Project Hours by Month**
- **Headcount by Job Profile**
- **Project Actual Hours - Monthly**
- **Project Forecasted Hours - Monthly**
- **Project Status by Project Hierarchy**
- **Project Utilization Report - Monthly**
- **Projects Headcount Supply and Demand by Job Profile**
- **Project Profitability**
- **Trended Revenue by Project**

Once you configure the dashboard, you can add it as a worklet to your Home page.

Tasks

[Steps: Set Up Dashboards and Landing Pages](#)

Reference

[Reference: Project Reports](#) on page 779

[Reference: Project Profitability Report](#) on page 1044

[Reference: Revenue Leakage Report](#) on page 1045

Reference: Project Billing Reports

Project managers and executives need insight into project performance indicators to assure organizations maintain business objectives. They need to know how projects are doing and how they can do better. Workday delivers a number of financial reports for projects.

Financial Reports	Security	Description
Average Revenue by Project Role	<i>Reports: Project Billing</i> domain in the Project Billing functional area.	Analyze how your project staffing relates to project revenue. Workday calculates the average revenue in the project currency by project role based on: • Total approved hours. • Total billings from invoice lines. You can see when you use certain project roles more than others.
Comparative Revenue by Project	<i>Reports: Projects</i> domain in the Projects functional area.	Analyze revenue trends for month-over-month and year-over-year revenue by project. You can customize this report to include quarterly analysis for project revenue using your existing time periods.
Project Billing Exceptions	To access the report: <i>Process: Project Billing - Core</i> in the Project Billing functional area. To access related tasks, both: • <i>Process: Customer Contract - View</i> in the Customer Contracts and Project Billing functional areas. • <i>Reports: Billing</i> in the Customer Contracts and Project Billing functional areas.	View a list of all your projects with billable transactions that aren't ready to be billed, and the total number of affected transactions between them. Transactions may be unbillable, have a contract rate change which has not yet been applied to the time transaction, or have no billable rate. Only includes transactions with one of these: • A contract line type of Project Time and Expense, or Fixed Fee. • A status of Awaiting Review, or Ready to Bill for rate changes and missing rates. • A status of On Hold for missing rates only.
Project Budgetary Balance with Labor Cost	Both:	Compare your project budget to your actuals, including labor

Financial Reports	Security	Description
	• <i>Reports: Projects</i> in the Projects functional area. • <i>Reports: Time Tracking</i> in the Time Tracking functional area.	costs. Doesn't include ad hoc time blocks. View your project actuals and labor costs by the: • Current fiscal year. • Current period. • Life to date of your project. You can run the report by company, or for all companies within a company hierarchy.
Project Profitability	<i>Reports: Projects</i> domain in the Projects functional area. <i>Reports: Time Tracking</i> domain in the Time Tracking and Time Tracking Hub functional areas.	Analyze how direct and labor costs consume your profitability. Workday calculates: • Gross profit and labor margins. • Project revenue and related direct costs from journal lines and labor costs based on approved worker time. Includes these subreports that you can view individually: • Project Profitability Direct Costs • Project Profitability Revenue • Project Profitability Time Blocks
Revenue Leakage	<i>Report Execution</i> domain in the Tenant Non-Configurable functional area.	For operational and financial users. View these concessions that have been made in the project: • Contractual versus actual rates. • Project hours leaked. • Revenue leakage.
Trended Revenue by Project	<i>Reports: Projects</i> domain in the Projects functional area.	View revenue by project for the top 10 projects over the selected period. You can analyze revenue trends by: • Month-over-month. • Year-over-year.
View Initial Project Budget Calculation	<i>Manage: Project Budget</i> domain in the Projects functional area.	Examine the details of how Workday calculates project budget lines for draft and approved budgets sourced from: • Journal lines (actual revenue). • Resource forecasts (revenue and cost forecast).

Financial Reports	Security	Description
		- Resource plan percentage allocation by project role (estimated cost and revenue). - Revenue recognition installments (revenue). - Resource plan estimated hours by project role (estimated cost and revenue). - Time blocks (actual costs). Calculated project budget lines don't include manually added project budget line, including lines from: - Project Budget Templates. - The Import Budget web service. - The Maintain Budget task. - Worksheets.

Reference

[Reference: Project Reports](#) on page 779

[2023R1 What's New Post: Project Manager Hub - Billing Exceptions Table](#)

Reference: Project Profitability Report

This report helps financial users analyze project profitability over a given time period. The report helps you to understand how direct and labor costs consume the profitability of your project. This report pulls direct costs from journal lines and labor costs from approved worker time blocks. It calculates the gross and labor margins by project and project hierarchy.

After prompting you with required filtering criteria, such as **Ledger** and **Time Period**, Workday displays a grid type report with these calculated results.

Fields	Description
Revenue	The total revenue associated with a project or project hierarchy. This amount is all revenue booked to the accounts prompted for this report.
Direct Costs	Total direct costs related to the project excluding hours. This amount includes project expense reports, supplier invoice billable transactions, and any other costs incurred to the project worktag. Uses all the Direct Cost Accounts you select from the prompt on the report filter page to populate this column.
Labor Costs	Total labor costs based on actual hours logged and the standard cost rate entered on the resource plan line. Uses the All Time Blocks data source and returns the calculated total labor costs for a worker based on their role.
Gross Profit	Total revenue after costs:

Fields	Description
	Revenue - (Direct Costs + Labor Costs).
Gross Profit Margin %	Gross Profit / Revenue.
Labor Margin	Revenue - Labor Costs.
Labor Margin %	Labor Margin / Revenue.

Concepts

Concept: [Project Dashboard](#) on page 779

Reference: Revenue Leakage Report

This report serves both operational and financial users to help identify where concessions are occurring on your projects. The report displays revenue leakage for the project overall, as well as project hours leaked, and the discrepancies between contractual versus actual rates. As a result, you can determine concession causes, such as the customer, the project, or the worker. This report displays the underlying details behind:

- Any rate adjustments you've made.
- Hours that haven't billed.
- The consequences of not billing for these hours and of adjusting rates.

Note: This report uses the base currency of the Company on the customer contract that the billable transaction passes through.

The Revenue Leakage report is a standard report and details concessions at the worker level. If you want to understand revenue leakage at a higher level, by project or company, you can copy the report and customize it to your needs.

Fields	Description
Company	Contract company for the customer contract related to the project.
Customer	Bill-To Customer for the billable transaction.
Project Role	Project role associated with the worker for the billable transaction.
Worker	Worker associated with the billable transaction.
Billable	Total eligible hours to bill. These billable hours are based on the worker time booked against the project, project role, and worker combination.
Actual	The current hours to bill that any applied billing rate rules or any manual override during the review billable project transaction process changed.
Hours Leaked	The difference between the actual hours and the billable hours.
Average Rate - Standard	The rate by project role before any negotiations or discounts as listed in the contract rate sheet. The average standard rate takes the total billable transactions and averages the standard rate of those billable transactions.
Average Rate - Contract	The rate by project role as listed on the contract rate sheet. The average contract rate takes the

Fields	Description
	total billable transactions and averages the contract rates of those transactions.
Average Rate - Actual	The rate to bill the customer for a given billable transaction. The average actual rate takes the total of the billable transactions and averages the actual rates of those billable transactions.
Billable Amount	Contract Rate x Billable Hours.
Actual Amount	Actual Rate x Actual Hours.
Revenue Leakage	Actual Amount - Billable Amount.
Revenue Leakage %	Revenue Leakage / Billable Amount.
Variances - Contract Rate vs. Standard Rate	Standard Rate - Contract Rate. Variance % = Standard Rate - Contract Rate / Standard Rate.
Variances - Contract Rate vs. Actual Rate	Actual Rate - Contract Rate. Variance % = Actual Rate - Contract Rate / Contract Rate.
Variances - Standard Rate vs. Actual Rate	Actual Rate - Standard Rate. Variance % = Actual Rate - Standard Rate / Standard Rate.

Concepts

[Concept: Project Dashboard](#) on page 779

Reference

[Reference: Project Billing Reports](#) on page 1042

Concept: Project Billing

Project Billing uses information from customer contracts and Workday Projects to create a comprehensive billing process for billable projects.

Project Rate Sheets

Workday enables you to configure multidimensional project rate sheets to:

- Bill your customers against projects.
- Define the project pricing dimension using rate categories.
- Create project price lists for multiple projects.
- Base project price lists on rate categories such as daily or hourly rates, customer size, or project type.

You can use the project rate sheet to configure the contract rates.

Billing Rate Rules

Workday enables you to create standard billing rate rules to give you more control of your billing rates for time and expense billable projects.

Standard Billing Rate Sheets

Workday enables you to create rule and worker-based standard billing rate sheets to apply billing rates across multiple contracts for your projects. You can create a rate sheet for each currency you need to bill in using these tasks:

- **Maintain Standard Billing Rates by Rules**
- **Maintain Standard Billing Rates by Worker**

Workday Time Tracking and Project Billing

Workday integrates projects, time tracking, and project billing so you can configure and manage the billing of your projects. These roles are responsible for the process:

- Time Tracking Administrators configure project time entry in Workday Time Tracking as a one-time task.
- Workers enter time blocks in Time Tracking and associate them with a project task.
- Contract Administrators create customer contracts, billing schedules, and contract rate sheets with billing rate rules.
- Project Managers approve or deny time blocks.
- Billing Specialists:
 - Edit and recalculate rates.
 - Generate and print invoices for customers.
 - Review and approve or reject billable transactions.
- Customer Collections Specialists track and manage customer invoices.

Time Block Adjustments

You can adjust your time blocks until you invoice your customer. To make changes after you invoice your customers or recognize revenue, you must delete and re-enter your time blocks. When a manager approves a timesheet with a deleted time block, Workday reverses the original time block from the billable transaction. Reversal transactions also include any billing rate rule offsets.

Billable Transaction Worktag Derivation Logic

Workday provides a hierarchy for derivation rules for all of your transaction types. These rules help you reconcile and identify the resulting worktags on billable transaction invoices and revenue accounting.

Transaction Types	Worktag Derivation Logic Rules
Ad hoc Expense Ad hoc Miscellaneous Expense Ad hoc Time Expense Time Block	Workday applies: 1. Source worktags. 2. Derivation rules for worktags not already included. Worker worktags are based on effective date, while Project worktags are based on current moment. 3. Contract line worktags for worktags not on source or derivation rules.
Ad hoc Supplier Invoice Miscellaneous Expenses Supplier Invoice	Workday applies: 1. Source worktags. 2. Derivation rules for worktags not already included.

Example:

Dimension	Worktags
Worktag derivation rules	Worker: Cost Center Project: Region
Worker worktags	TSerrano 1/1/2019: - Cost Center: 50000 Office of CFO - Region: Headquarters Corporate Change 2/1/2020: - Cost Center: 32200 R&D Product Management - Region: USA - Southeast US
Project	Cost Center: 36100 - Consulting Service - North America Region: USA - Northeast US
Contract line	Cost Center: 71200 Field Sales - North America Region: USA - Central US

Scenario: Time Block on Project for **Worker: TSerrano**

Transaction	Date	Worktags
Time Block	1/3/2020	Cost Center: 35000 Program Management Region: (not entered)
Revenue Accrual	1/3/2020	Cost Center: 35000 Program Management Region: USA - Northeast US
Customer Invoice	2/1/2020	Cost Center: 32200 R&D Product Management Region: USA - Northeast US

Milestones

You can create milestones to track the completion of tasks and specify when Workday can process billing and revenue recognition schedules and installments. You can assign multiple milestones to schedules and installments. Workday doesn't process schedules or installments with pending milestones.

You can use these tasks to configure standard milestones:

- **Maintain Date Milestone Types**
- **Create Date Milestone**

Standard milestones become customer milestones once you add them to a customer. You can view customer milestone details using the **Find Milestones** report. Customer milestones are unique for each customer and company combination.

Workday supports these milestone types:

- **Billing Schedule First Invoice:** Use to initiate revenue recognition once billing has occurred.
- **Date Milestones:** Use standard date milestones as the basis for creating customer date milestones.

- **Project Tasks:** Mark project tasks as milestones in the project. Use project milestones to control when you bill project transactions and recognize revenue. You can define project milestones for a project phase or for the overall project to determine when transactions are available for billing. You can use project tasks marked as milestones as contract milestones. You can't delete project tasks that are in use on a contract. You can enter estimated and actual completion dates. Once the project task is complete and you enter an end date, billing can occur. Workday uses the end date as the milestone completion date.

Billing Schedules and Installments

You can:

- Link contract lines that span multiple contracts for the same company and customer to the same billing schedule.
- Define schedule types so you can classify your schedules. This process simplifies searches, approvals, and reporting.
- Create installment or transaction billing schedules to manage certain types of contract lines, or consolidated billing schedules to manage installment, transaction, and prepaid contract lines in 1 schedule.

Workday creates installments based on the scheduled start and end dates, which can differ from the contract line start and end dates. You can also configure the invoice date to assign, which can differ from the installment start date.

Workday supports these billing methods for each billing schedule, and you can change methods throughout the life of the schedule:

- *Defined Installment:* Define the first and last installment amount for each contract line. Workday spreads the remaining amount evenly among the other installments. You can't use this billing method on consolidated billing schedules.
- *Spread Even:* Define a set number of installments with equal amounts.
- *Custom:* You control all aspects of the installments.

A billing schedule includes 1 or more installments. Each billing installment:

- Creates a customer invoice.
- Becomes an invoice line.
- Derives attributes from the associated contract line.

Once you generate installments, you can:

- Manually update individual installments.
- Regenerate billing installments automatically after changes to contract amounts. This function only applies to *Spread Even* billing methods or *Spread Even* and *Number of Days* revenue recognition methods.
- Update your schedules automatically when you make changes to your contract lines.
- Edit all installments at once when you have a custom schedule.

Workday assigns an *Out of Balance* status when:

- You don't schedule your contract line installments exactly.
- A custom schedule overbills.

You can create customer invoices from billing installments after you approve the billing schedule.

Create Customer Invoices from Billing Installments

With the **Create Customer Invoices from Billing Installments** task, you can run this task as needed or as a scheduled process. This task enables you to:

- Select available billing installments to invoice.

- Mark invoices to submit for automatic approval.

You can:

- Make limited changes to the customer invoice and add more lines.
- Create invoices that reference contract lines when you have invoice adjustments.

Workday reflects any changes to invoice line amounts on the billing installment. The contract line billed amount reflects all approved invoices.

Concepts

[Concept: Customer Contracts](#) on page 685

[Concept: Revenue Recognition](#) on page 740

[Concept: Project Time Entry](#)

[Concept: Workday Projects](#) on page 777

Tasks

[Steps: Set Up Project Time Entry](#)

[Add Billing Rate Rules to Contract Rate Sheets](#) on page 1003

[Steps: Set Up Project Pricing and Billing](#) on page 1000

[Steps: Recognize Revenue for Percent Complete](#) on page 1036

Reference

[Reference: Billing Rate Rule Types for Projects](#) on page 1009

Reference: Contract Line Types for Project Billing

Workday provides these project line types that you can use to create customer contracts for project billing:

Contract Line Type	How You Use It	Billing Options	Revenue Recognition
<i>Fixed Fee Project</i>	Set the project value based on the scope and product when you create the contract.	• Installments • Milestones	• Milestones • Percent Complete
<i>Intercompany Time</i>	Set the worker rates between legal entities of global organizations for intercompany time.	Intercompany transactions	
<i>Project Time and Expense</i>	Charge the project as you incur time and expenses.	• Installments when using a nonconsolidated schedule type enabled for prepaid • Milestones • Transactions	• Milestones • Transactions
<i>Value-Based Project</i>	The project value varies based on external factors. You bill your customers on an ad hoc basis for time and expenses.	• Installments • Milestones	• Installments • Milestones

Concepts

[Setup Considerations: Prepaid Billing Using Consolidated Billing Schedules](#) on page 703

[Concept: Project Billing](#) on page 1046

Tasks

[Create Customer Contracts](#) on page 677

Reference

[Workday 31 What's New Post: Transfer Pricing](#)

Business Assets

Asset Tracking

Setup Considerations: Asset Tracking

You can use this topic to help make decisions when planning your configuration and use of asset tracking. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

You can report on assets that you assign to:

- Locations.
- Workers.
- Worktags, such as cost centers.

Example: Security badges.

Business Benefits

Tracking business assets helps you retrieve all your assets when workers leave or move to a different role, saving you the cost of lost assets.

Use Cases

Business assets tracking specialists can:

- Register assets.
- Copy and edit assets.
- Place assets in service without issuing them to workers or locations.
- Issue assets to workers or locations.
- Transfer assets within a company. Example: you transfer an asset from 1 cost center to another.
- Transfer assets to different companies.
- Remove assets that you no longer track, and on which you haven't recorded any depreciation.
- Fully or partially dispose of expired assets.
- Reinstate disposed assets.

Questions to Consider

Questions	Considerations
To which locations do you assign assets?	You can use existing locations to track business assets.
What types of assets do you track?	You can track tangible and intangible assets by spend categories. For more granular reporting, you can also set up: • Asset classes. • Asset types.
Which accounting standards or guidelines does your organization follow?	You can set up asset tracking with or without asset accounting: • Asset tracking enables you to track tangible or intangible assets according to business use. • Asset accounting enables you to account for these assets based on your accounting practices.
How many asset books do you need?	When you enable asset accounting, you can set up multiple asset books. Tax managers can manage the nonprimary asset books for tax purposes without accessing the accounting asset books or affecting accounting activities. See Setup Considerations: Asset Books on page 1067.

Recommendations

When you uptake asset tracking without accounting, create 1 spend category per fixed asset and accumulated depreciation ledger account. This helps reduce future work when you uptake asset accounting.

Requirements

No impact.

Limitations

No impact.

Tenant Setup

You can access the **Edit Tenant Setup - Financials** task to:

- Configure the ID sequence generator for business assets.
- Automatically populate the **Coordinating Cost Center** field from the cost center worktag when you register assets.

Security

Domains	Considerations
<i>Process:</i> Business Assets domain in the Business Asset Tracking functional area.	Perform lifecycle events on assets.

Domains	Considerations
<i>Reports: Business Assets</i> domain in the Business Asset Tracking functional area.	Run reports on business assets.
<i>Self-Service: Business Assets</i> domain in the Business Asset Tracking functional area.	Workers can see the assets that you've issued to them.
<i>Set Up: Business Asset Tracking</i> domain in the Business Asset Tracking functional area.	Set up business asset tracking.
<i>Set Up: Spend Categories</i> domain in the Common Financial Management functional area.	Set up spend categories.
<i>View: Business Asset</i> domain in the Business Asset Tracking functional area.	View the details of business assets.
<i>Worker Data: Business Assets</i> domain in the Business Asset Tracking functional area.	View the business assets that you've issued to workers.

Business Processes

The *Asset Registration Event* business process routes transactions for review and approval.

Reporting

Access **Workday Standard Reports** and select the *Business Assets* and *Set Up Business Assets* report categories to view details on standard reports for assets.

Integrations

When you uptake asset tracking, you can import the assets that you track outside of Workday with the *Register Assets* web service. When you don't use asset accounting, specify an accounting treatment of *Expense* on the assets that you import.

Connections and Touchpoints

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Reference

[The Next Level: Business Asset Tracking](#)

Steps: Set Up Asset Tracking

Review setup considerations for Asset Tracking.

You can configure how you register and track business assets.

1. Configure these business processes and security policies in the Business Asset Tracking functional area.

- *Asset Adjust In Service Date Event*
- *Asset Disposal Event*
- *Asset Intercompany Transfer In Event*
- *Asset Intercompany Transfer Out Event*
- *Asset Issue Event*
- *Asset Registration Event*
- *Asset Reinstatement Event*
- *Asset Removal Event*
- *Asset Transfer Event*

See:

- [Steps: Configure Business Process Definitions.](#)
- [Edit Business Process Security Policies.](#)

2. (Optional) You can add these steps to these business processes:

Business Process	Steps
<i>Receipt</i>	• Action step: <i>Review Trackable Receipt Lines</i> • Service step: <i>Initiate Asset Registration Events from Receipt for Purchase Order</i> • Service step: <i>Initiate Asset Registration Events from Receipt for Supplier Contracts</i>
<i>Requisition Event</i>	Action step: <i>Source Goods from Storage</i>
<i>Supplier Invoice Event</i>	• Service step: <i>Register Business Assets from Invoice</i> • Action step: <i>Review Trackable Invoice Lines</i>

See [Edit Business Processes](#).

3. [Create Spend Categories](#).

Create spend categories to populate on capital assets or expensed items that you track. Enable **Track Items** and complete the **Asset Tracking** section.

4. [Set Up Asset Disposal Types](#) on page 1054.
5. Enable *Business Asset* as a **Location Usage** on the locations that you populate on assets.

Concepts

[Concept: Transaction Revalidation](#) on page 54

Tasks

[Steps: Set Up Accounting Categories](#) on page 60

[Edit Business Processes](#)

[Steps: Set Up Asset Accounting](#) on page 1070

[Steps: Configure Intangible Business Assets](#) on page 1077

Reference

[The Next Level: Business Asset Tracking](#)

Set Up Asset Disposal Types

Security: *Set Up: Business Asset Tracking* domain in the Business Asset Tracking functional area.

You can define different ways to dispose of assets. Asset disposal types drive accounting related to the disposal of goods and enable you to report on disposals by type.

1. Access the **Maintain Asset Disposal Types** task.
2. As you complete the task, consider:

Option	Description
Asset Disposal Method	These Workday-delivered methods drive accounting for disposals. You can assign the same method to multiple types for flexibility. To dispose of expired assets, associate the <i>Expire</i> method with 1 disposal type.
Fair Market Value as Basis	Select this check box to base the donation amount on the fair market value manually entered at time of disposal. Workday uses the donation amount to calculate the gain or loss for accounting purposes.
Net Book Value as Basis	Select this check box to base the donation amount for an asset on net book value.

Steps: Track Assets

- Set up asset tracking.

After registering assets, you can track them through their lifecycles. Tracking an asset doesn't affect accounting activity.

In Workday, you can track assets with:

- Positive, negative, or zero cost.
- Negative or zero cost from supplier invoices and purchase order receipt lines.

Note: You can't make changes to assets when other events are in progress.

1. [Register an Asset](#).

2. (Optional) Select **Business Asset** > **Copy Asset** from the related actions menu of an asset.

To reduce the manual entry required when registering an asset, copy the details of an existing asset.

Security: *Process: Business Assets* domain in the Business Asset Tracking functional area.

3. Select **Business Asset** > **Edit** from the related actions menu of an asset.

Edit the asset by:

- Adding attachments.
- Adding or removing components of a discrete composite asset.
- Relating registered assets from the same company together.
- Updating the identification information.

Related assets must be in the same company, and you can't relate disposed assets.

Security: *Process: Business Assets* domain in the Business Asset Tracking functional area.

4. (Optional) Select **Business Asset** > **Place in Service** from the related actions menu of a depreciable capital asset.

Place the asset in service without issuing it to a worker.

Security: *Process: Business Assets* domain in the Business Asset Tracking functional area.

5. Access the *Issue Assets* task.

Issue assets to workers to make them the custodian of company property.

For capital assets, Workday generates accounting to move the asset cost and accumulated depreciation when the location or worktags change.

Configure the *Asset Issue Event* business process and security policy in the Business Asset Tracking functional area.

6. (Optional) Access the *Transfer Assets* task.

Transfer assets within the same company to different workers, locations, or storage. This is a two-step process. On the first page, you define the filter criteria to use to select assets for transfer. On the second page, you select the assets to transfer.

For capital assets, Workday transfers the cost of the business asset and creates operational transactions with accounting.

When filtering assets to transfer, the **Spend Category** prompt is optional. When you enable *Spend Category* worktags in the **Maintain Related Worktag Usage** task, the prompt is required.

Configure the *Asset Transfer Event* business process and security policy in the Business Asset Tracking functional area.

7. (Optional) Select **Business Asset > Transfer to Different Company from the related actions menu of a registered asset.**

You can transfer assets without suspended depreciation to a different company.

Both companies must have the same:

- Base currency.
- Company asset books.
- Primary asset book.
- Asset book fiscal schedules.

For capital assets, Workday transfers the cost of the business asset and creates operational transactions with accounting for both companies.

Configure these business processes and security policies in the Business Asset Tracking functional area:

- *Asset Intercompany Transfer In Event*
- *Asset Intercompany Transfer Out Event*

8. Select **Business Asset > Remove Asset from the related actions menu of a registered asset.**

Remove assets that you register by mistake or through a:

- Canceled receipt or supplier invoice.
- Receipt or supplier invoice adjustment.
- Supplier invoice that includes a deleted invoice line with the asset. Cancel the invoice beforehand.
- Supplier contract that includes a deleted contract receipt line with the asset. You can only remove assets without lifecycle events other than issue or transfer. If lifecycle events have occurred, dispose of the assets.

You can only remove:

- Discrete composite assets when you remove all the components.
- Registered assets if depreciation hasn't occurred.

Configure the *Asset Removal Event* business process and security policy in the Business Asset Accounting and Business Asset Tracking functional areas.

For capitalized assets, your accountant performs asset accounting activities.

Tasks

[Steps: Dispose Assets](#) on page 1084

[Steps: Perform Lifecycle Events for Capital Assets](#) on page 1082

Register Assets

- Define the *Asset Registration Event* business process and corresponding security policy.
- (Optional) Automatically register assets or assign accounting information by adding these automated steps on the *Asset Registration Event* business process:
 - *Register Business Asset Automatically*
 - *Assign Asset Accounting Automatically*
- Register through a receipt and include the *Initiate Register Business Assets from Receipt* service step in the *Receipt* business process.
- Register through a supplier invoice and include the *Initiate Register Business Assets from Invoice* service step in the *Supplier Invoice Event* business process.
- Initiate registration for supplier contract receipt lines. Add the *Initiate Asset Registration Events from Supplier Contract Receipt* service step in the *Receipt* business process.

Asset registration can be initiated for supplier contract lines you define with *Intangible* as a default on the spend category.

To track an asset, register it with a company. You can register assets when you:

- Receive goods directly (not through procurement).
- Create a receipt for procured goods or supplier contract receipt lines.
- Create a supplier invoice for procured goods or supplier contract receipt lines.

1. Registration methods differ:

- For manual registration, access the **Register Assets** task.
- For registration through the *Receipt* business process, click the related Inbox.
- For registration through the *Supplier Invoice Event* business process, click the related Inbox.

For registration through receipts and supplier invoices, Workday automatically routes the **Register Asset** task or the **Review Trackable Lines** task to the appropriate Inbox. When reviewing trackable lines, you can register pooled assets as a single asset when they meet the asset pooling rules requirements. You can also override the asset pooling rules and register each asset individually. Use the **Register Assets** task to register similar assets that meet the asset pooling rules requirement.

2. As you complete the task, consider:

Option	Description
Company	A company with an asset book.
Spend Category Item	The acquired expense item or purchase item that you want to track as an asset. You can only select from items that have a tracked spend category. The spend category, when used in an asset accounting rule, identifies when the accounting treatment is other than expense.
Asset Name Asset Description	You can edit or enter information in these fields to reflect how your company tracks this asset.
Asset Identifier Serial Number Manufacturer	You can define these additional attributes to improve searching and tracking.
Asset Class Asset Type	Default values are based on the specified spend category, but you can change them. Workday uses these attributes for bonus depreciation rules and external reporting.

Option	Description
Coordinating Cost Center	Workday populates the cost center from the Worktags prompt when it has a cost center worktag and you enable the functionality in your tenant. Select the Auto Populate Coordinating Cost Center check box in the Business Assets Options section on the Edit Tenant Setup - Financials task.
Asset Coordinator	Select the worker in possession of this asset.
Acquisition Method	Select the method for acquiring the asset, such as <i>Leased</i> or <i>Purchased</i> .
Acquisition Date	The document date automatically populates when the asset source is a purchase order receipt, supplier contract receipt, or supplier invoice. To initiate the assign accounting step of the appropriate business process, the date must be in the past.
PO Number	The source document of the transaction that initiated the asset registration. Note: Workday calculates taxes and freight from the purchase order for assets created from a receipt without a supplier invoice.
External Contract Number	When the business asset originates from a supplier contract line, Workday populates the supplier contract number and contract start date from the contract.
External Contract Start/End Date	The start and end dates of the supplier contract line for this asset. Workday requires contract dates for supplier contract-based assets.
Cost Currency Quantity	The cost of the asset at time of acquisition, in the base currency of the company that the asset belongs to. If the asset source document was in a foreign currency, Workday brings in the base currency amount as the asset cost. For nondiscrete composite assets, the cost is the sum of the component allocation costs. For pooled assets, the cost is the total cost of all items in the asset pool. Quantity displays how many assets are in an asset pool or how many are being used as part of a composite asset.
Location	The physical place where you store an asset or it is in use. If capitalizing a <i>project asset</i> , Workday populates the location from the project when it has a location worktag.
Worktags	Use worktags as keywords to more easily classify and find transactions. Configure the allowed worktag types on the Maintain Worktag Usage

Option	Description
	task. When you select a worktag type that has related worktags, Workday automatically populates transactions with the related worktag values. When you enable optional worktag balancing on the Maintain Worktag Balancing Configuration task, Workday fully balances journal lines by optional balancing worktags. Journal lines automatically: • Inherit optional balancing worktags based on the worktag types selected. • Generate due to and due from entries to balance transactions. Leased assets inherit the worktags you entered on the supplier contract lines.

When you initiate registration from the receipt and supplier invoice events, Workday automatically populates information from the source document.

The *Asset Registration Event* business process routes the transaction for review and approval. Once the asset registration is approved and completed, Workday changes the status for the asset from *Pending Registration* to *Registered*. Workday assigns a business asset ID, enabling you to track it. If the asset registration is denied or canceled, Workday removes the asset from the asset register, and changes the status of the asset to *Removed*. If the receipt and supplier invoice business processes both include a step that registers an asset, Workday doesn't duplicate registration.

For capital assets, Workday routes the **Assign Assets Accounting Information** task to the appropriate inbox. The assign accounting information service step must be in the *Asset Registration Event* or *Supplier Invoice Event business process definition*.

When a manually registered asset doesn't meet custom validation criteria, it generates a critical error. Select **Edit Asset Registration** from the related actions menu of the asset to fix the error so that Workday can complete the asset registration process.

Issue or manually place in service, transfer, dispose, and reinstate to track the asset.

Concepts

[Concept: Accounting Impact of Asset Lifecycle Events](#) on page 1091

[Concept: Pooled Assets](#) on page 1064

[Concept: Composite Assets](#) on page 1090

Tasks

[Assign Asset Accounting Information](#) on page 1078

[Create Lease-Type Supplier Contracts](#) on page 1150

[Review Trackable Lines for Assets](#) on page 1086

Register Composite Assets

- Configure the *Asset Registration Event* business process and security policy in the Business Asset Accounting functional area.

Use the **Register Composite Asset** task to compose discrete and nondiscrete composite assets. Composite assets consist of different types of assets that you can use together before you place the assets in service. You can easily track and account for multiple registered assets with a single depreciable lifespan.

1. Access the **Register Composite Asset** task.
2. As you complete the task, consider:

Option	Description
Company	A company with an asset book.
Spend Category	The acquired expense item or purchase item that you want applied to the composite asset for tracking. The spend category, when used in an asset accounting rule, identifies when the accounting treatment is other than expense.
Item	You can only select from tangible items that have a tracked spend category.
Asset Name Asset Description	You can change the default name and description to reflect how your company tracks this asset.
Asset identifier Serial Number Manufacturer	You can define these additional attributes to improve searching and tracking.
Asset Class Asset Type	Defaults to the available values from the selected spend category, but you can change them. Workday uses these attributes for bonus depreciation rules and external reporting.
Coordinating Cost Center	Workday populates the cost center from the Worktags prompt when it has a cost center worktag and you enable the functionality in your tenant. Select the Auto Populate Coordinating Cost Center check box in the Business Assets Options section on the Edit Tenant Setup - Financials task.
Asset Coordinator	Select the worker in possession of this asset.
Discrete Component Lifecycles	Select to have Workday search for pooled or single assets that you add as part of the discrete composite asset. Clear to display search results listing registered pooled or single assets that you can add to the nondiscrete composite asset.
Acquisition Date	Workday uses the purchase order, receipt, supplier contract, or supplier invoice date to initiate the assign accounting step of the <i>Receipt</i> or <i>Supplier Invoice</i> business processes. If you change the date, enter an Acquisition Date that is in the past.
Location	Identify the custodial information of where the asset belongs. Workday populates the Location from the value you specify during asset registration.

Option	Description
Worktags	Use worktags as keywords to more easily classify and find transactions. Configure the allowed worktag types on the Maintain Worktag Usage task. When you select a worktag type that has related worktags, Workday automatically populates transactions with the related worktag values. When you enable optional worktag balancing on the Maintain Worktag Balancing Configuration task, Workday fully balances journal lines by optional balancing worktags. Journal lines automatically: • Inherit optional balancing worktags based on the worktag types selected. • Generate due to and due from entries to balance transactions.

3. After you submit, specify the search criteria to find and select the assets you want to use for building the composite asset.

Workday displays the updated quantity and total value of the composite asset based on the assets you selected.

4. When you're finished adding assets to the composite asset, preview and make edits to the composite asset details.

The *Asset Registration Event* business process routes the transaction for review and approval. Once the asset registration is approved and completed, Workday changes the asset status from *Pending Registration* to *Registered*. Workday creates the composite asset with a new asset ID and begins tracking it as a single asset. If the asset is a discrete composite asset, then each asset has separate lifecycle events. If the asset is a nondiscrete composite, then each asset shares lifecycle events.

Issue or manually place in service, transfer, dispose, and reinstate to track the asset.

Concepts

[Concept: Composite Assets](#) on page 1090

[Concept: Pooled Assets](#) on page 1064

Tasks

[Steps: Perform Lifecycle Events for Capital Assets](#) on page 1082

View Assets

- Register an asset.
- Configure these security domains in the Business Asset Tracking functional area:
 - *Process: Business Assets*
 - *View: Business Asset*

You can view assets to gain insight into:

- Accounting.
- Custodian activities.
- Depreciation details.
- Lifecycle events.
- Process history.

1. Access the **Find Assets** standard report.

When you click the **Asset ID**, Workday displays the **View Business Asset** report for the selected asset.

2. As you review the header information and tabs, consider:

Option	Description
General	You see the preceding asset ID when you transfer assets: • From another company. • Multiple times.
Custodian	You establish custodianship when you register, issue, transfer, or dispose of the asset.
Cost Detail	View cost activity for the original asset acquisition cost and all asset lifecycle events that impact asset cost. Also displays net zero cost activity for issues and transfers when you change location or worktags.
Lifecycle	Click the Event link to drill down to details for corresponding transactions, including both historic and in-progress business process events.
Process History	Lists events for every action taken on the asset since its creation. Note: You can't make changes to assets when other events are in progress.

3. Workday displays these additional tabs when you enter the related information. As you review these additional tabs for capital assets, consider:

Option	Description
Historical Information	Includes information for depreciable capital assets that you transferred from another platform. Depreciation later recorded in Workday is based on the cost less historical accumulated depreciation and depreciates over the remaining useful life of the asset. The Depreciation Start Date on this tab is the date that the depreciation in Workday starts. When you view an asset in a nonaccounting asset book, historical accumulated depreciation includes historical bonus depreciation from a previous platform.
Books	After you assign asset accounting, Workday displays the Books tab. View a summary of the depreciation attributes and depreciation schedules for each book that contains a capital asset. To view assets by book, click the asset book name in the Book View column to display the View Asset by Book report.

Option	Description
Depreciation Summary	View a list of depreciation lines by period. Workday bases the depreciation or amortization schedule on the depreciation profile for the depreciable capital asset. Note: If the <i>spend category</i> for the trackable asset is intangible, this tab displays the amortization schedule. Workday generates depreciation and amortization based on the depreciation profile associated with a depreciable capital asset. Period zero displays the historical depreciation on the asset before you register it in Workday. Example: You register an asset with accumulated depreciation using the <i>Register Asset</i> EIB.
Depreciation Detail	Displays transaction details for each depreciation line in the Depreciation Summary tab, including depreciation adjustments by period. Workday generates depreciation adjustments for lifecycle events when the date falls within a period where Workday has already processed depreciation. Click the Recorded On link to see details about the transaction that created the depreciation expense line.

Tasks

[Steps: Perform Lifecycle Events for Capital Assets](#) on page 1082

Reference

[2022R1 What's New Post: Asset Depreciation Reporting and Usability](#)

Adjust an Asset In Service Date

Configure the *Asset Adjust In Service Date Event* business process and security policy in the Business Asset Tracking functional area.

Change the date you place an asset in service.

1. From the related actions menu of assets that are *Issued* or *In Service*, select **Adjust Asset In Service Date**.
2. Specify a **Proposed** in service date.
 - Workday reverses depreciation recorded for the period between the initial in-service date and the new date.
 - You can post the adjustment in the current open period or amortized over the remaining useful life of the asset.

You modified the *In Service Start Date* on supplier contract lines because you and your supplier updated line details in your supplier contract. Select **Adjust Asset In Service Date** from the related actions menu for the asset to:

- Initiate adjustments for the depreciation and useful life of the asset.
- Accurately reflect changes specified in the supplier contract amendment.

Review depreciation adjustments in the business asset **Lifecycle** tab.

Concept: Pooled Assets

Pooled assets are groups of similar tangible items that you register and track as a single asset in Workday. Example: 100 flash drives. Pooling assets is useful for tracking multiple low-value assets and enables you to keep your asset register clean and maintainable. You can pool assets that you register manually or assets that Workday registers from lines on receipts or supplier invoices. You can't pool assets that you create by capitalizing project transactions.

Pooled assets follow the asset book rules, and are subject to the *Spend* account posting rule. You can place pooled assets in service, and depreciate a capitalized pooled asset as a single asset. Asset lifecycle events equally apply to each asset included in the pool.

Automatic and Manual Asset Pooling

You can set up asset pooling rules for Workday to automatically pool assets that meet your criteria.

You can manually pool assets:

- When you review trackable lines on a receipt or supplier invoice.
- When you register assets with the **Register Assets** task.

Pooled and Composite Assets

You can register:

- Discrete composite assets that consume an entire asset pool.
- Nondiscrete composite assets that consume an asset pool fully or partially.

The pooled assets must meet the criteria for inclusion in a composite asset.

Concepts

[Concept: Composite Assets](#) on page 1090

Tasks

[Set Up Asset Pooling Rules](#) on page 1085

[Review Trackable Lines for Assets](#) on page 1086

[Steps: Track Assets](#) on page 1055

Reference: Asset Statuses

Workday updates the status of assets as you perform lifecycle events on them.

The same asset can have different statuses in different asset books.

Status	Description	Example
<i>Pending Registration</i>	Workday creates an asset through a business process workflow, and you haven't completed the asset registration.	Workday creates an asset from a supplier invoice, and: • Sets its status to <i>Pending Registration</i>. • Creates an inbox item for the business assets tracking specialist to complete the asset registration.
<i>Registered</i>	You've configured the depreciation profile on the asset to place assets in service <i>Manually or When Issued</i> and you either: • Register the asset manually.	Your company purchases a new building. You register the building at the time of purchase, and place it in service when you obtain a certificate of occupancy.

Status	Description	Example
	Complete the asset registration.	
<i>In Service</i>	The asset is in service. You can record depreciation on the asset. Workday assigns this status to an asset when you either: - Place the asset in service manually. - Complete the asset registration or register the asset manually, when you've configured its depreciation profile to place assets in service <i>Upon Acquisition</i>. - Resume the asset depreciation, when the asset had a status of <i>In Service</i> before its suspension. You can only record depreciation on assets that have a depreciation profile. You can't place expensed or nondepreciable assets in service.	You place heavy machinery in service without issuing it to a worker.
<i>Issued</i>	Workday assigns this status to an asset when you either: - Issue it to a worker manually. - Resume the asset depreciation, when the asset had a status of <i>Issued</i> before its suspension. You can issue all types of assets to a worker. They don't have to be depreciable. When the asset is depreciable, you can record depreciation on the asset.	You issue a laptop to a worker.
<i>Disposed</i>	You fully dispose of the asset.	You fully dispose the remaining amount on a partially disposed asset with a status of <i>In Service</i> . Workday changes the status of the asset to <i>Disposed</i> .
<i>Removed</i>	You remove the asset. Restrictions apply to remove an asset. See Steps: Track Assets on page 1055.	You cancel an invoice and remove the assets that Workday registered from the invoice.
<i>Out of Service</i>	You suspend the asset depreciation.	You suspend the depreciation on a piece of heavy machinery while you repair it.

Status	Description	Example
<i>Used by Composite</i>	The asset is a component of a nondiscrete composite asset.	You register a nondiscrete composite asset composed of 2 component assets. Workday changes the status of the 2 component assets to <i>Used by Composite</i> .

Reference: Asset Tracking Event Availability

This table lists asset statuses and their available tracking events.

Status	Manually Place in Service	Issue	Transfer	Reinstate	Adjust In Service Date
<i>Pending Registration</i>	No	No	No	No	No
<i>Registered</i>	Yes	Yes	Yes	No	No
<i>In Service</i>	No	Yes	Yes	No	Yes
<i>Issued</i>	No	No	Yes	No	Yes
<i>Disposed</i>	No	No	No	Yes	No
<i>Removed</i>	No	No	No	No	No
<i>Out of Service</i>	No	No	Yes	No	No

Reference

[Workday Community: Business Asset - Lifecycle Event Availability](#)

Troubleshooting: Asset Registration Errors

Can't change acquisition date.

Workday locks the acquisition date for all assets after you register them.

1. Access 1 of these tasks:

Security: *Process: Business Assets* domain in the Business Asset Tracking functional area.

- To keep records of the asset for accounting, access the **Dispose Assets** task.

Configure the *Asset Disposal Event* business process and security policy in the Business Asset Tracking functional area.

- To remove the asset and reverse all journal entries for it, access the **Remove Asset** task from the related actions menu of the business asset.

Note: If you post depreciation, you might not be able to *remove* the asset. For example, after the asset's lifecycle events occur, you won't be able to remove it, so you need to *dispose* of the asset instead. After you dispose the asset, use manual journal entries to correct your accounting.

You can remove an asset when you register the asset in error or when there is a canceled receipt or invoice.

Configure the *Asset Removal Event* business process and security policy in the Business Asset Accounting and Business Asset Tracking functional areas.

2. Access the **Register Assets** task.

Manually reregister the asset with the correct acquisition date.

Can't change place in service date.

Workday locks the place in service date for:

- All legacy assets.
- Assets that have started depreciation.

1. Access 1 of these tasks:

Security: *Process: Business Assets* domain in the Business Asset Tracking functional area.

- To keep records of the asset for accounting, access the **Dispose Assets** task.

Configure the *Asset Disposal Event* business process and security policy in the Business Asset Tracking functional area.

- To remove the asset and reverse all journal entries for it, access the **Remove Asset** task from the related actions menu of the business asset.

Configure the *Asset Removal Event* business process and security policy in the Business Asset Accounting and Business Asset Tracking functional areas.

2. Access the **Register Assets** task.

Manually reregister the asset with the correct place in service date.

Asset Accounting

Setup Considerations: Asset Books

You can use this topic to help make decisions when planning your configuration and use of asset books. It explains:

- Why to set them up.
- How they fit into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What They Are

Asset books enable you to track and account for business assets.

Business Benefits

- You can set up asset books to automatically assign accounting treatments and depreciation profiles to a business asset, reducing manual data entry.
- You can account and report on the same asset in multiple books, enabling you to meet multiple accounting standards.

Use Cases

Your organization needs to meet an accounting guideline or standard. You can set up:

- An accounting asset book to track and generate accounting for your business assets.
- Multiple nonaccounting books to track your assets for tax purposes.

Questions to Consider

Questions	Considerations
How many asset books do you need to generate accounting for?	For capitalized business assets, depreciation profiles populate from the asset book rules. Assets can have separate depreciation profiles in different books that determine when they're placed in service. An asset can be in service in 1 asset book and not another. When you use multiple books, you must first enable multibook asset accounting. Note: You can't disable multibook asset accounting after you enable it. When you migrate from a single asset book to multiple books, create a manual journal entry to move the opening ledger account balances from the common book code to each adjustment book code.
When do you want to place your assets in service?	You can set up your depreciation profiles to place an asset in service: • Manually or when issued. • Upon acquisition. The depreciation schedule is based on the date when you place an asset in service.
What roles in your company need access to asset books?	You can assign security roles to domains that provide access to accounting or nonaccounting books, or both. You can also provide roles such as tax managers with access to your tax books.
Can you use an existing asset book to create new asset books?	When you add an asset book to a company with assets, you can copy asset information from the existing book to the new one. The fiscal schedule of the new asset book should have fiscal periods from the earliest to the latest effective date for all cost activities that you copy. The depreciation start date for an asset is the earliest transaction effective date for the asset.

Recommendations

- Consolidate asset books across your organization. When you transfer assets between 2 companies, we recommend that both companies have the same asset books.
- When you account for assets in multiple books, place them in service at acquisition to maintain the same date across your depreciation profiles.

Requirements

- Set up spend categories to classify your business assets. Spend categories drive the accounting that posts the asset to the appropriate ledger account.
- Set up asset book rules to determine which accounting treatment and depreciation profile Workday applies to a business asset.

Limitations

Workday doesn't support asset pooling for project assets, or for the business assets you create when you capitalize project transactions.

Tenant Setup

Enable asset accounting for multiple books on the **Edit Tenant Setup - Financials** task and assign book codes to your asset accounting books.

Security

Domains	Considerations
<i>Set Up: Business Asset Accounting</i> in the Business Asset Accounting functional area	Provides access to maintain asset book rules and depreciation profiles.
<i>Set Up: Company Asset Books</i> in the Business Asset Accounting functional area	Provides access to map asset books to companies.
<i>Set Up: Accounting Rules</i> in the Common Financial Management functional area	Provides access to set up account posting rules.
<i>Set Up: Ledger and Book</i> in the Common Financial Management functional area	Provides access to set up book codes and books for asset accounting.
<i>Set Up: Spend Categories</i> in the Common Financial Management functional area	Provides access to maintain spend categories.

Business Processes

No impact.

Reporting

Reports	Considerations
Capital Assets without Accounting Information Assigned	Identify depreciable and nondepreciable capital assets without asset accounting assigned. You have to assign accounting information for Workday to add assets to a company asset book.
View Asset Books	Use to: • Access asset book rules. • View all asset books. • View the companies that use each asset book.
View Company Asset Books	Use to: • Add asset books to a company. • Update asset books. • Set up asset book restrictions.

Integrations

Web Services	Considerations
<i>Get Asset Book Rules</i>	You can use this web service to retrieve asset book rules through the Enterprise Interface Builder (EIB).
<i>Get Asset Depreciation Schedules</i>	You can use this web service to retrieve depreciation schedules through the EIB.
<i>Get Asset Pooling Rules</i>	You can use this web service to retrieve asset pooling rules through the EIB.
<i>Put Asset Book Rules</i>	You can use this web service to update asset book rules through the EIB.
<i>Put Asset Pooling Rule</i>	You can use this web service to update asset pooling rules through the EIB.
<i>Update Asset Book Configuration</i>	You can use this web service to add secondary asset books or update asset book configuration details for assets such as: • Depreciation schedule. • Cost information by book.
<i>Bulk Import Asset Book Configuration</i>	You can use this web service to add secondary asset books or update asset book configuration details for assets in bulk.

Connections and Touchpoints

Features	Considerations
Account posting rules	You can set up account posting rules to direct where transaction journals post in your company ledger accounts.
Asset pooling rules	You can create rules for assets you pool into 1.
Bonus depreciation rules	You can set up rules to apply bonus depreciation to assets in your nonaccounting asset books.
Company asset book restrictions	You can assign or restrict assets to specific asset books based on: • Spend category. • Supplier contract type. • Lease accounting method.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Tasks

[Steps: Set Up Asset Accounting for Multiple Books](#) on page 1076

[Steps: Set Up Asset Books for a Company](#) on page 1072

Steps: Set Up Asset Accounting

Set up asset tracking.

To configure asset accounting, use these high-level steps.

1. Configure these business processes and security policies in the Business Asset Accounting functional area:

- *Asset Assign Accounting Event*
- *Asset Cost Adjustment Event*
- *Asset Impairment Event*
- *Asset Reclassification Event*
- *Asset Registration Event*
- *Asset Useful Life Update Event*

See:

- [Steps: Configure Business Process Definitions.](#)
- [Edit Business Process Security Policies.](#)

2. Configure the *Asset Disposal Event* business process and security policy in the Business Asset Tracking functional area.

3. [Set Up Account Posting Rules](#) on page 69.

Configure these account posting rules:

- *Accumulated Depreciation*
- *Business Asset Disposal Donation*
- *Business Asset Disposal Gain*
- *Business Asset Disposal Loss*
- *Business Asset Disposal Sale*
- *Depreciation Expense*
- *Impairment*
- *Spend*

4. Create a primary accounting asset book and add it to your company. You can add additional nonaccounting asset books for reporting purposes.

See [Steps: Set Up Asset Books for a Company](#) on page 1072.

5. (Optional) Add additional accounting asset books to report on different accounting standards.

See [Steps: Set Up Asset Accounting for Multiple Books](#) on page 1076.

6. [Set Up Bonus Depreciation Rules](#) on page 1117.

Create bonus depreciation rules for capital assets in each nonaccounting asset book. Workday applies the bonus depreciation when you place assets in service.

7. [Set Up Asset Pooling Rules](#) on page 1085.

Specify when Workday creates a single asset for quantities greater than 1.

8. (Optional) [Add Assets to a Company Asset Book](#) on page 1072.

Add any existing capital assets to a new company asset book.

Perform asset lifecycle events that impact accounting, such as:

- Assigning accounting information.
- Cost adjustments.
- Depreciation.
- Disposals.
- Impairments.
- Reclassifications.
- Useful life adjustments.

Concepts

[Concept: Accounting Impact of Asset Lifecycle Events](#) on page 1091

Tasks

[Steps: Perform Lifecycle Events for Capital Assets](#) on page 1082

[Steps: Set Up Asset Tracking](#) on page 1053

Steps: Set Up Asset Books for a Company

You can set up asset books to assign accounting treatment and depreciation profiles when registering capital assets. There are 2 types of asset books that you can set up:

- Accounting books for journals and reporting, such as the International Financial Reporting Standards (IFRS) or U.S. Governmental Accounting Standards Board (GASB).
- Nonaccounting books for reporting purposes, such as federal tax, state tax, alternative minimum tax (AMT), or adjusted current earnings (ACE).

1. [Set Up Depreciation Profiles](#) on page 1115.

2. [Create Spend Categories](#).

3. Access the **Maintain Asset Books** task.

Create asset books with descriptions for your organization. If you're setting up asset books for the first time, create an accounting book to use as the primary book.

Security: *Set Up: Business Asset Accounting* domain in the Business Asset Accounting functional area.

4. [Define Asset Book Rules](#) on page 1075.

5. Access the **Add Company Asset Book** task.

Add the asset books to your company. Workday automatically populates the **Fiscal Schedule** with *Standard Corporate Schedule* for the primary book.

Security: *Set Up: Company Asset Books* domain in the Business Asset Accounting functional area.

6. (Optional) [Restrict Assets to Company Asset Books](#) on page 1074.

7. (Optional) Access the **View Company Asset Books** task.

To edit your asset books, click **Update Asset Books**.

Security: *Process: Business Asset Accounting* domain in the Business Asset Accounting functional area.

After you register capital assets and assign accounting information, Workday adds them to each asset book. Workday populates the accounting treatment and depreciation profile from the asset book rules you set up.

If the accounting treatment applied is *Depreciable Capital Asset*, Workday generates the depreciation schedule when the asset is placed in service.

Add Assets to a Company Asset Book

- Configure asset accounting.

Run the **Capital Assets without Accounting Information Assigned** report to identify depreciable and nondepreciable capital assets without asset accounting information. Workday doesn't add these assets to the company asset book until you assign the accounting information.

- Set up asset books.
- Add the asset books to a company.
- Define asset book rules.
- Define bonus depreciation rules.
- Security: These domains in the Business Asset Accounting functional area:
 - *Process: Business Asset Accounting*
 - *Setup: Company Asset Books*

You can copy the asset information from an existing company asset book when you add new asset books to a company with existing assets. Workday initiates a process to add all assets with accounting information assigned to the selected company asset book.

The fiscal schedule of the new company asset book should have fiscal periods from the earliest to the latest effective date for all cost activities that you copy. The depreciation start date for an asset is the earliest transaction effective date for the asset.

Note: You can copy asset information to a company asset book at any time. When you have a lot of assets, we recommend that you run the process during off hours.

1. Access the **Add Assets to Company Asset Book** task. You can run the task for the whole book, a specific location, or for only a specific asset.

If you use the **Delete Assets from Company Asset Book** task to delete assets, you can't use the **Add Assets to Company Asset Book** to add the assets back to the book.

2. As you complete the **Criteria** tab, consider:

Option	Description
Company	Select the company to which you want to add assets.
Company Asset Book To Add Assets To	Workday adds assets to this company asset book that match the specified criteria including: • Expensed assets or assets registered with accounting information assigned but not placed in service. • Assets that don't exist in this book yet. • Assets that don't have a condition that prevents them from Workday adding them at this time.
Source Asset Book	The source asset book that provides the basis for the asset cost in the new book. The source asset book includes historical cost and all cost activities. If you copy assets from the primary accounting book, then Workday excludes impairments from the cost activities making up the asset cost in the nonaccounting book.
Exclude Assets Disposed Earlier Than	Workday adds assets with a disposal date on or after this date. Workday doesn't add assets with a disposal date before this date. Workday automatically populates the first day of the current fiscal year.
Location	(Optional) Select the specific location that you want to run the job for. Workday copies only the assets for this location to the new asset book.
Asset ID	(Optional) Select the specific asset that you want to run the job for. Workday copies only this asset to the new asset book.
Depreciation Accounting Status	Define when Workday can or can't create journals for prior periods by setting the: • Status of a depreciation expense line for an asset to Accounted on or before a specific date.

Option	Description
	Date to record depreciation until the date indicated on a new depreciation schedule.
Depreciation Information	Select to apply the depreciation from the new asset book rules or from the source asset book.
Bonus Depreciation	Select to use: - Bonus depreciation rules. - Copy from the source asset book. - No bonus depreciation if it doesn't apply.

3. In the **Schedule** tab, set the start date, start time, and time zone for your task.

The job runs only once.

Workday adds assets that meet the specified criteria to the new company asset book.

- Confirm that for the new asset book it's zero in the **Assets to Add** column. You can run the **View Company Asset Books** report to verify the count. The count includes assets disposed of in the current fiscal year that aren't in this book.
- If a count exists, you have more assets to add before the book is complete. Rerun the task, and also verify that:
 - The assets don't have any transactions in process.
 - You assigned asset accounting.
 - The latest disposal date on disposed assets isn't before the specified date.
 - Every fiscal period exists for assets with a depreciation rate basis of **Number of Days** in the depreciation profile.
- Use the **Update Depreciation Schedules** web service to update the historical information if:
 - An asset has historical accumulated depreciation.
 - Workday populated the asset depreciation information based on asset book rules.
- Provide a depreciation start date to indicate when depreciation starts in Workday. Historical accumulated depreciation includes historical bonus depreciation, so you should update historical bonus depreciation. The depreciable cost in the Workday depreciation schedule excludes historical accumulated depreciation. Historical accumulated depreciation consists of depreciation for all cost activities with a transaction effective date before the depreciation start date.

Concepts

[Concept: Strategies for Populating New Company Asset Books on Existing Assets](#) on page 1094

Examples

[Example: Set Depreciation Accounting Status for Company Asset Books](#) on page 1097

Restrict Assets to Company Asset Books

Security: *Setup: Company Asset Books* domain in Business Asset Accounting functional area.

You can assign or restrict assets to specific asset books for a company based on spend category, supplier contract type, or lease accounting method. Configuring asset restrictions enables you to restrict the cost of an asset to a specific company asset book.

- Access the **Maintain Company Asset Book Restrictions** task.
- As you complete the task, consider:

Option	Description
Spend Category	Select from the categories set up to track items or the hierarchies that contain at least one trackable

Option	Description
	spend category. If you don't see the value that you want, use the Maintain Spend Categories task and select Track Items .
Supplier Contract Type	Specify a supplier contract type.
Lease Accounting Method	Workday generates lease accounting transactions using this value.
Restrict to Company Asset Books	Workday restricts assets to this company asset book.
Primary Company Asset Book Override	Workday populates the company primary book if the primary book of the company is listed in the Restrict to Company Asset Books prompt.

3. To evaluate whether the in-use restrictions are correct for a company, test them.
 - a) Click the **Test Asset Book Restrictions** button.
 - b) Enter the company, spend category, and lease and contract information as input criteria.
 - c) Click **OK** to see the asset book restrictions for the specified company.

You can:

- Specify the company books an asset should include when you initially register the asset.
- Override the primary book of an asset if the company primary book doesn't exist on the asset.
- Complete all lifecycle events on an asset.

Define Asset Book Rules

- Define spend categories.
- Set up depreciation profiles.
- Set up asset books.
- Security: *Set Up: Business Asset Accounting* domain in the Business Asset Accounting functional area.

You can set up asset book rules to assign an accounting treatment under specific conditions. For depreciable capital assets, you can also instruct Workday to assign a depreciation profile.

Each asset book has its own set of rules, so an asset can have different accounting treatments and depreciation profiles in each book.

1. Access the **Maintain Asset Book Rules** task.
2. Specify the conditions for a rule.

As you complete the task, consider:

Option	Description
Spend Category	Select categories or hierarchies with at least 1 trackable spend category. If you don't see the category that you want, use the Maintain Spend Categories task and select the Track Items check box.
Company	Leave this field blank to apply the rule to all companies. If you specify a hierarchy and an Amount Threshold , all companies in the hierarchy must use the same base currency.

Option	Description
Company Currency	The currency selected is used for the Amount Threshold . Workday converts other currencies to this one when evaluating business assets.
Amount Threshold	Workday compares the amount threshold against the absolute value of an asset cost. If the cost is greater than the threshold, Workday triggers the rule.
Invoice Line Amount Basis	If you specify an Amount Threshold , Workday evaluates assets based on its <i>Unit Cost</i> or <i>Extended Amount</i> .

3. Specify the accounting treatment and depreciation profile applied to assets that trigger the rule.
4. Place the rules in the **Order** you want Workday to evaluate them.
5. (Optional) Click **Test Asset Book Rules** to evaluate that your rules are set up correctly.

When you register an asset, Workday automatically checks it against the asset book rules and assigns an accounting treatment and depreciation profile.

- If no rules exist for a nonprimary asset book, Workday uses the rules of the primary company asset book.
- If no matching rules are found, Workday automatically applies the *Expense* accounting treatment.

Tasks

[Create Spend Categories](#)

[Set Up Depreciation Profiles](#) on page 1115

Steps: Set Up Asset Accounting for Multiple Books

Set up asset accounting.

You can account for a single asset in multiple books to apply different accounting treatments and depreciation profiles.

Workday uses book codes to track the financial transactions posted for the lifecycle events of these assets. You can combine the book codes to create reporting books based on your accounting needs.

Note: You can't disable multibook asset accounting after you enable it.

1. Access the **Edit Tenant Setup - Financials** task.

In the **Business Assets Options** section, select the **Enable Multibook Asset Accounting** check box.
Security: *Set Up: Tenant Setup - Financials* domain in the System functional area.

2. Access the **Maintain Book Codes** task.

Create adjustment book codes for each accounting asset book that your company uses.

Security: *Set Up: Ledger and Book* domain in the Common Financial Management functional area.

3. (Optional) Create a manual journal entry to move the opening asset ledger account balances from the common book code to each adjustment book code.

See [Steps: Process Accounting Journals](#) on page 87.

4. Access the **Maintain Books** task.

Create reporting books that include your adjustment book codes.

5. Create a *Multibook Settlement* ledger account and define the account posting rules for it.

See [Steps: Create and Organize Ledger Accounts](#) on page 67.

6. Create additional accounting asset books and add them to your company.
Assign a book code to each accounting asset book, including the primary book.
See [Steps: Set Up Asset Books for a Company](#) on page 1072.
7. (Optional) Load your assets in the new books with beginning balances.
Migrate your assets to the new books. See [Concept: Strategies for Populating New Company Asset Books on Existing Assets](#) on page 1094.
8. (Optional) Access **Workday Standard Reports**.
Create before and after reports to reconcile any changes made to an existing Workday installation.
Select the *Business Assets* and *Set Up Business Assets* categories to view standard reports for assets.
Security: *Custom Report Administration* domain in the System functional area.

Concepts

[Concept: Accounting Impact of Asset Lifecycle Events](#) on page 1091

Tasks

[Steps: Set Up Asset Accounting](#) on page 1070

Steps: Configure Intangible Business Assets

Consider how your organization sets up and depreciates intangible business assets, and configure the applicable prerequisites:

Action:	Configure:
Register assets from supplier contract receipt lines.	The <i>Receipt business process definition</i> with the <i>Initiate Asset Registration Events from Receipt for Supplier Contracts</i> service step.
Create Inbox tasks for generating installments for supplier invoice schedules created from receipts.	The <i>Receipt business process definition</i> with the <i>Review Schedule for Installment Generation</i> action step. The <i>Create Supplier Contract Schedule Installments for Receipt</i> business process definition.
Require approvals for <i>In Service</i> date changes to assets.	The <i>Asset Adjust In Service Date Event</i> business process.
Specify the account for recording accrued liability for assets registered and sourced from a supplier contract receipt line.	Edit the <i>Business Asset Registration Accrued Liability account</i> posting rule conditions with resulting ledger accounts.

Create and amortize intangible assets, such as leases or broadcasting rights, according to the terms you define in your supplier contract. These high-level steps walk you through the configuration for amortizing intangible business assets.

1. Create supplier contract types and check the **Scheduled Invoices** and **Receipt** options.
See [Steps: Create Supplier Contracts](#).

Don't include purchase orders in the supplier contract type. If the contract type includes purchase orders, Workday can't initiate asset registration for intangible business assets.
2. Create spend categories for intangible business assets and check **Track Items**, **Intangible**, and other asset tracking options.
See [Create Spend Categories](#).

You can only create assets with intangible spend categories from supplier contract receipt lines, not directly from purchase orders or supplier invoices.

3. Define a depreciation profile with *Term* as the depreciation method for the amortization schedule.
See [Set Up Depreciation Profiles](#) on page 1115.
 4. Create a supplier contract and define the contract terms.
See [Steps: Create Supplier Contracts](#).
See [Create Lease-Type Supplier Contracts](#) on page 1150.
 5. Include goods lines in the supplier contract.
 - a) Select the **Spend Category** you defined with the *Intangible* spend category default.
 - b) Specify the **Start Date**, **End Date**, and **In Service Date**.
Workday uses the **In Service Date** from supplier contract lines to place assets in service.
See [Add or Update Goods and Service Lines on Supplier Contracts](#).
 6. Create a supplier invoice schedule for the supplier contract.
 - a) Specify the **Defined Date** for scheduling supplier invoices for the contract.
 - b) Select **Amendment Processing** options to regenerate installments automatically and submit schedules if amendments are processed for the supplier contract.
See [Steps: Create Purchase Order Schedules and Installments for Supplier Contracts](#).
 7. Create supplier contract line receipts.
Workday initiates the asset registration event.
 8. Register assets:
 - *Automatically* - Workday initiates asset registration from the supplier contract receipt line and sends notification.
 - *Manually* - Enter supplier contract details in the **Register Assets** task.
See [Register Assets](#) on page 1057.
 9. Assign accounting information.
See [Assign Asset Accounting Information](#) on page 1078.
 10. Record asset amortization expenses.
See [Record Asset Depreciation and Amortization Expenses](#) on page 1118.
- The supplier contract **Assets** tab lists assets registered from supplier contract receipt lines. Drill into assets for the **Source Document Line** for the related receipt, supplier contract, and supplier contract line details.
- Access the **Find Assets** report to view business assets details.
See [View Assets](#) on page 1061.
 - (Optional) Change the date you placed the asset in service after updating supplier contract lines.
See [Adjust an Asset In Service Date](#) on page 1063.

Assign Asset Accounting Information

- Register the asset.
- Configure the *Asset Assign Accounting Event* business process and security policy in these functional areas:
 - Business Asset Accounting
 - Business Asset Tracking

For capital assets with no depreciation processed, you can specify:

- Where the asset belongs.
- The depreciable attributes.
- The residual value.

1. Access the *Assign Asset Accounting Information* step from your Inbox.

- Workday creates this Inbox item when the asset accounting rules populate an accounting treatment other than *Expense* at the time of registration. When the default accounting treatment is *Depreciable Capital Asset*, you can change the depreciation profile and related attributes that Workday populates. You can also change the accounting treatment, spend category, location, and worktags for the asset.
- For leased assets that you register from a supplier contract, you can modify **Asset Class**, **Asset Type**, and the accounting book information.
- Workday restricts the asset to the primary accounting book even if the asset is in multiple company asset books.

2. As you complete the **Asset Information**, consider:

Option	Description
Spend Category Item	To change the spend category, first change the item for the asset. Workday populates the spend category from the selected item. If Item is blank, you can select any spend category. You can't change the Item or Spend Category when the asset is from a supplier invoice line using a purchase item. Use the Reclassify Asset task to change the Item or Spend Category on this type of asset. For leased assets, you can't change the Item or Spend Category.
Date Acquired	The date when you acquire the asset. The document date automatically populates when the asset source is a receipt, supplier invoice, or supplier contract receipt line. It's the start of the useful life of an asset when the date placed in service option on the depreciation profile is <i>Upon Acquisition</i>.

3. As you complete the **Asset Details**, consider:

Option	Description
Cost	Workday locks the cost after you submit it for approval and you can't change it until it's approved. Note: You have to perform a cost adjustment to account for additional invoices or receipts.
Accounting Treatment	Drives how Workday accounts for an asset. You typically book expense assets to an income statement account and capital assets to a balance sheet account.
Depreciation Profile	Drives the Place In Service option and default values for the Depreciation Method, Convention, and Useful Life. You can change these default values independently.

Option	Description
Convention	Workday uses the Convention , along with the in-service date, to determine the depreciation start date.
Asset Class Asset Type Business Use %	You can specify these attributes to use for external reporting, where an asset tax class or property type is relevant. You can use the attributes in bonus depreciation rules. Workday populates values based on the specified spend category. However, the asset class or asset type you select on the Maintain Asset Shares task override the values you select here. Workday displays Asset Class and Asset Type in the Identification column because they apply across all company asset books.
Coordinating Cost Center	Workday populates the cost center from the Worktags prompt when it has a cost center worktag and you enable the functionality in your tenant. Select the Auto Populate Coordinating Cost Center check box in the Business Assets Options section on the Edit Tenant Setup - Financials task.
Asset Coordinator	Select the worker in possession of this asset.
External Contract Number	Workday populates the supplier contract number and start date from the contract when the business asset originates from a supplier contract line.
External Contract Start/End Date	The start and end dates of the supplier contract line for this asset. Workday requires contract dates for supplier contract-based assets. You can't modify the contract start date. You can optionally enter or modify the end date of the supplier contract or adjust the asset in service date.
Location	Identify the custodial information of where the asset belongs. Workday populates the Location from the value you specify during asset registration.
Worktags	Use worktags as keywords to more easily classify and find transactions. Configure the allowed worktag types on the Maintain Worktag Usage task. When you select a worktag type that has related worktags, Workday automatically populates transactions with the related worktag values. When you enable optional worktag balancing on the Maintain Worktag Balancing Configuration

Option	Description
	task, Workday fully balances journal lines by optional balancing worktags. Journal lines automatically: • Inherit optional balancing worktags based on the worktag types selected. • Generate due to and due from entries to balance transactions.
Supplier Invoice Line	Identify the source of the spend booked to the ledger. If the asset registration occurs as part of the supplier invoice event, Workday automatically displays this value. If the source of the asset is the receipt event or manual registration, you can select the supplier invoice line.
Asset Shares	Displays the number of times you're sharing the asset costs. Click the number to drill down and view line detail about the shared cost.

4. (Optional) Access the **Change Accounting Information** task from the related actions menu of a business asset.

The task is available regardless of the accounting treatment when there are no transfers or processed depreciation.

When the accounting treatment is depreciable capital, Workday creates a depreciation/amortization schedule with a depreciation/amortization line for each period.

If you reference a supplier invoice line, Workday creates accounting entries to move the spend booked to the ledger when both conditions are true:

- The accounting treatment, spend category, location, or worktags on the asset differ from values on the supplier invoice line.
- The accounting treatment on either the supplier invoice line or asset isn't *Expense*.

For lease contracts, Workday generates accounting from the supplier invoice.

Tasks

[Register Assets](#) on page 1057

[Set Up Shared Costs of Assets](#) on page 1114

[Steps: Perform Lifecycle Events for Capital Assets](#) on page 1082

Change Depreciation Accounting Status on an Asset

Security: *Process: Business Asset Accounting* in the Business Asset Accounting functional area.

Set the accounting status for depreciation expense lines or clear the accounted status on assets in an asset accounting book. Setting the accounting status helps you avoid generating accounting journals for depreciation expense for prior periods.

You can set the depreciation accounting status when:

- Registration and assign asset accounting are complete.
- There is at least 1 asset depreciation schedule that doesn't have expense lines posted.
- The asset doesn't have an In Progress event.

1. From the related actions menu of an asset, select **Business Asset > Change Depreciation Accounting Status**.
The task is available until Workday posts depreciation expense using the **Record Depreciation Amortization Expense** task for that asset book.

2. As you complete the task, consider:

Option	Description
Restricted to Asset Books	Select asset books to set the depreciation expense status to Accounted .
Set/Clear Accounted Status	Select to either set or clear the accounted status.
Depreciation Period On or Before	Specify the date that you want the accounting status to take effect.

Workday sets the depreciation accounting status to **Accounted** for the selected fiscal periods and asset books.

Steps: Perform Lifecycle Events for Capital Assets

Configure asset accounting.

Review the lifecycle events applicable to capital assets. These lifecycle events don't apply to expensed assets, which are assets that you capture for tracking purposes only.

1. [Assign or Change Asset Accounting Information](#).

You can update these attributes for capital assets with no posted depreciation:

- Asset accounting treatment
- Asset cost
- Depreciation information
- Custodial information

2. [Reclassify an Asset](#).

You can reclassify the spend category of a capital asset. Also change other details such as asset class, asset type, and useful life, for assets with posted depreciation.

3. [Adjust the Cost of an Asset](#).

You can adjust the acquisition cost after you capture an asset acquisition cost. Add tax, freight, or post-acquisition costs for items such as major repairs.

4. [Correct or Adjust Useful Life](#).

If you initially configure an asset with an incorrect life, you can correct it. When a change occurs in the estimated useful life of an asset, you can also make adjustments to the useful life.

5. [Impair an Asset](#).

Book an impairment when the fair market value of an asset falls below the net book value (carrying cost) permanently so that the asset reflects its current worth.

6. [Record Asset Depreciation and Amortization Expense](#).

Record depreciation expense for company assets. Specify the end date for processing depreciation.

7. You can select dates to suspend and resume depreciation for assets.

See [Suspend and Resume Asset Depreciation](#) on page 1118.

8. Transfer assets from 1 company to another.

See [Steps: Track Assets](#) on page 1055.

When you transfer assets between companies that include the *Review Asset Intercompany Accounting* action step on the *Asset Intercompany Transfer In Event* business process of the transfer-to company. In this instance, Workday creates an Inbox item for the asset accountant. The asset accountant can

review the accounting attributes for the new asset as part of the transfer transaction. Otherwise, Workday transfers the asset with the same attributes it had in the transfer-from company.

9. Dispose of assets with lifecycle events for your company or company hierarchy.

See [Steps: Track Assets](#) on page 1055.

The *Asset Disposal Event* business process includes the *Complete Business Asset Accounting* step as a required step.

Workday sends a task to the Inbox of the asset accountant:

- When you dispose a capital asset.
- When there are proceeds from a sale or a donation for an expensed asset.

The asset accountant can complete the accounting information for the disposal, such as putting worktags on the gain or loss.

10. [Dispose of an Expired Asset](#).

You can find and dispose of intangible assets that have no residual value and are beyond their useful life as soon as they expire. If capital assets are no longer in service, you can partially dispose of assets by cost.

- You can identify and fix a journal error using the **Fix Operational Journal With Errors** task.
- You can use the *Get Asset* web service to create an outbound EIB and send asset data to an external tax depreciation service.

Tasks

[Steps: Set Up Asset Accounting](#) on page 1070

[Set Up Outbound EIB](#)

[Register Composite Assets](#) on page 1059

[Adjust an Asset In Service Date](#) on page 1063

Create Asset Shares

- Security: Configure the *Asset Share Event* business process and security policy in the Business Asset Tracking functional area.
- Register the asset.

Asset shares enable you to split asset cost and depreciation across multiple cost centers or other worktags.

1. Access the **Find Assets** report.
2. To generate a list of assets that you want to share, enter the information in the list of prompts and fields.
3. From the related actions menu under the **Asset ID** column, select **Business Asset > Maintain Asset Shares**.
4. Enter either a **Share Percent** or an **Asset Share Amount**.

Workday automatically calculates and displays the value into the other field based on the value you enter. Continue adding rows until all the share percentages total 100 and the value in the **Amount to be Split** field is zero.

5. (Optional) Assign worktags to the asset share.

You can assign up to 1 worktag of each type to an asset share. Example: You can assign 1 cost center and 1 region to an asset share, but you can't assign 2 cost centers to the same asset share. You can assign the same worktag to several asset shares.

When you enable optional worktag balancing on the **Maintain Worktag Balancing Configuration** task, Workday fully balances journal lines by optional balancing worktags. Journal lines automatically:

- Inherit optional balancing worktags based on the worktag types selected.
- Generate due to and due from entries to balance transactions.

Workday splits the depreciation schedule for the asset according to the shares that you set up. You can review the depreciation information on the **Depreciation Detail** tab when you view the asset.

Steps: Dispose Assets

Set up asset disposal types.

You can dispose assets with lifecycle events for your company or company hierarchy. You can partially dispose capital assets by cost or percentage, or fully dispose expired assets to take them off your company books. For business assets capitalized from project assets, Workday makes the original project asset unavailable for adjustments when any related business assets are:

- Part of a composite asset.
- Partially or fully disposed of.
- Removed from service.

Note: You can't make changes to assets when other events are in progress.

1. Access the **Dispose Assets** task.

You can dispose:

- Assets with lifecycle events.
- Intangible assets that you register manually or from a supplier contract.
- Leased assets that you register from a supplier contract when they reach their depreciation and contract end date.
- Leased assets that you register manually.

Configure the *Asset Disposal Event* business process and security policy in the Business Asset Tracking functional area.

2. Access the **Dispose Expired Assets** task.

Dispose fully depreciated assets that have no residual value and are beyond their useful life.

3. (Optional) Select **Business Asset > Reinstate** from the related actions menu of a disposed asset.

Reinstate a disposed asset to its state before disposal. You can't reinstate partially disposed assets.

For capital assets, Workday generates accounting to:

- Reinstate the accumulated depreciation.
- Reinstate the asset cost.
- Reverse any gain or loss booked for the disposal.

When you have multiple asset books, Workday reverses recaptured bonus depreciation and returns it to the depreciation schedule.

Configure the *Asset Reinstatement Event* business process and security policy in the Business Asset Tracking functional area.

When you dispose assets, Workday:

- Calculates accumulated depreciation and any gain or loss and creates a journal entry.
- Changes fully disposed assets to *Disposed* and severs the relationship to workers.
- Leaves partially disposed assets *In Service* and issued to workers.
- Makes any related capital project assets unavailable for further adjustments.
- Removes fully disposed assets from the asset register.

Tasks

[Register Assets](#) on page 1057

[Steps: Perform Lifecycle Events for Capital Assets](#) on page 1082

Reference

[2022R2 What's New Post: Capital Project Asset Quantities](#)

Set Up Asset Pooling Rules

Security: *Setup: Business Asset Accounting* domain in the Business Asset Accounting functional area.

You can configure asset pooling rules for Workday to automatically combine identical assets on a receipt or supplier invoice line into a single asset.

Workday doesn't apply asset pooling rules to:

- Project assets.
- Business assets that you create when you capitalize project transactions.

1. (Optional) To override asset pooling rules, set up trackable line reviews for assets.

2. Access the **Maintain Asset Pooling Rules** task.

3. As you complete the task, consider:

Option	Description
Company	When you select a company hierarchy and enter a value for Unit Cost Less Than , then all companies in the hierarchy must have the same base currency.
Spend Category	You can only select spend categories with Track Items enabled.
Items	You can select either a spend category or items, but not both.
Quantity Greater Than	Workday pools assets on a receipt or supplier line when the quantity of items is greater than the number that you enter.
Unit Cost Threshold	When you enter a nonzero amount: • Workday doesn't pool assets with a unit cost greater than the amount that you enter. • The Company Currency for the pooling rule must be the same as the base company currency.
Company Currency	Workday populates the company currency from the base currency of the company or company hierarchy that you select. When the transaction currency differs from the rule currency, Workday converts the transaction amount to the currency of the rule to evaluate the rule.

When you register assets from a receipt or supplier invoice line, Workday:

- Evaluates the asset pooling rules in the order that you specify.
- Pools the assets that meet the criteria of your rules.

You can:

- Run the **View Asset Pooling Rules** report to review your asset pooling rules.
- Override the asset pooling rules during your review of trackable lines.
- Run the **View Business Asset** report to review the available quantity, cost, and accounting details for the pooled asset.
- Register composite assets with the pooled asset.

As long as you haven't processed any depreciation on the pooled asset, you can use the **Assign Business Asset Accounting Information** task to update:

- The spend category.
- The accounting treatment.
- Other values for pooled assets.

Concepts

[Concept: Pooled Assets](#) on page 1064

[Concept: Composite Assets](#) on page 1090

Tasks

[Register Assets](#) on page 1057

[Register Composite Assets](#) on page 1059

Set Up Trackable Line Reviews for Assets

- Configure the *Receipt* business process and security policy in the Procurement functional area.
- Configure the *Supplier Invoice Event* business process and security policy in the Supplier Accounts functional area.

You can configure when business asset accountants review the trackable lines on receipts or supplier invoices for assets.

1. Add 1 or both of these business process steps:

- *Review Trackable Receipt Lines* action step on the *Receipt* business process to review and edit trackable lines on receipts.
- *Review Trackable Invoice Lines* action step on the *Supplier Invoice Event* business process to review and edit trackable lines on supplier invoices.

Note: When you add a review trackable lines step to both *Receipt* and *Supplier Invoice Event*, you can edit the trackable lines only during your first review of the same line.

2. (Optional) Select the **Always Go to Review Trackable Lines for Trackable Spend Category** check box on the **Edit Tenant Setup - Financials** task.

Security: *Set Up: Tenant Setup - Financials* in the System functional area.

Workday creates an inbox item for business asset accountants to review the receipt or supplier invoices lines that contain trackable items.

When you create multiple receipts or supplier invoices from the same purchase order line:

First Review	Subsequent Reviews
You indicate that the assets are trackable.	Workday prompts you to review subsequent lines from the same purchase order line.
You indicate that the assets aren't trackable.	Workday prompts you to review subsequent lines only when you enable Always Go to Review Trackable Lines for Trackable Spend Category .

Review Trackable Lines for Assets

- Set up trackable line reviews for assets.
- Create a receipt or a supplier invoice with at least 1 trackable line, and not tagged to a capital project.
- Configure the *Receipt* business process and security policy in the Procurement functional area.
- Configure the *Supplier Invoice Event* business process and security policy in the Supplier Accounts functional area.

You can edit the receipt or supplier invoice lines that contain trackable items before Workday registers assets.

1. Access the *Review Trackable Receipt Lines* or *Review Trackable Invoice Lines* step from your Inbox.

2. As you complete the task, consider:

Option	Description
Trackable	You can clear this check box to prevent Workday from creating assets.
Pool	When a trackable line contains more than 1 item, you can override the asset pooling rules: • When you select this check box, Workday registers 1 pooled asset. • When you clear this check box, Workday registers the assets individually.
Accounting Treatment	You can override the accounting treatment from your asset book rules.

Concepts

[Concept: Pooled Assets](#) on page 1064

Tasks

[Register Assets](#) on page 1057

[Set Up Asset Pooling Rules](#) on page 1085

[Register Composite Assets](#) on page 1059

Reconcile Asset Activity and Ledger Accounts

- Concept: Asset to Ledger Reconciliation.
- Security: *Report Execution* domain in the Tenant Non-Configurable functional area.

You can reconcile your asset activity and the accounting posted to your ledger accounts over a time period.

1. Access the **Asset to Ledger Reconciliation – Accumulated Depreciation** report.
2. As you select your report parameters, consider:

Option	Description
Company	You can select either: • A company. • A company hierarchy with consolidation details. • A company hierarchy where all the companies have matching account sets and either matching fiscal schedules or matching alternate fiscal schedules.
Period and Time Period	These options work together to enable you to select the time period that you reconcile: • Select a fiscal period as a reference. • Select a time period from the reference period. Examples:

Option	Description
	- You reconcile your asset activity over the entire year of 2022. You select: - The <i>2022 - Jan</i> option from the Period prompt. - The <i>Current Year</i> option from the Time Period prompt. - You reconcile your asset activity over the period of January 2022. You select: - The <i>2022 - Jan</i> option from the Period prompt. - The <i>Current Period</i> option from the Time Period prompt.
Report Date Option	You can select different report date options to locate variances caused by timing differences.

3. (Optional) Save your report parameters under a **Filter Name**.
4. Review the nonzero values in the **Variance** column.
A nonzero variance indicates that there's a difference over the selected time period between the:
 - Depreciation transactions that you record on your assets.
 - Journals that you or Workday post to the asset depreciation ledger accounts.
5. To locate the cause of nonzero variance and fix when required, review the values in the other columns.
Drill down on these values to view the details of the transactions in each category for the selected:
 - Ledger account.
 - Spend category.
 - Journal Source.
 - Time period.

Option	Description
Depreciation Expense Line Detail (A)	The transactions on assets for which Workday creates depreciation expense lines. Examples: - Post-acquisition cost adjustments. - Changes to the useful life of the asset. - Depreciation that you record on the asset.
Accumulated Depreciation Detail (B)	The transactions that change the accumulated depreciation amount on an asset. Example: You partially dispose of an asset on which you've recorded depreciation.
Total Ledger Depreciation Activity	The journals that you or Workday post to the asset depreciation ledger accounts. Example: Workday creates a journal when you record depreciation on an asset.

6. Access the **Asset to Ledger Reconciliation – Cost** report.

7. Review the values in the **Total Variance** column.

A nonzero variance indicates that there's a difference over the selected time period between the:

- Cost activity that you record on your assets, with or without journals.
- Journals that you or Workday post to the asset ledger accounts, with or without cost activity on the asset.

8. To locate the cause of nonzero variance and fix when required, review the values in the other columns.

Drill down on these values to view the details of the transactions in each category for the selected:

- Ledger account.
- Spend category.
- Time period.

Option	Description
Asset Cost Detail with Journals (A)	The asset cost transactions for which Workday creates journals. Example: Assets that Workday creates from supplier invoices, and that you've registered.
Asset Cost Detail without Journals (B)	The asset cost transactions for which Workday doesn't create journals. Example: Assets that you register manually. These transactions are more likely to require reconciliation.
Ledger Detail with Asset Transactions (C)	The journals that Workday creates from asset cost transactions. Example: Journals that Workday creates from supplier invoices.
Ledger Detail without Asset Transactions (D)	The manual journals that you create on the asset ledger accounts. These journals are more likely to require reconciliation.

You run the **Asset to Ledger Reconciliation - Cost** report. For the ledger account *1550:Furniture, Fixtures & Equipment* and the spend category *Hardware - Servers*, you find:

- A total variance of 3,500 USD.
- A value of 3,500 USD in the **Asset Cost Detail without Journals (B)** column.

When you drill down on the value in the **Asset Cost Detail without Journals (B)** column, you find that you manually registered an asset. After investigation, you find that you didn't create a manual journal when you registered the asset. You create the manual journal to reconcile your asset and ledger accounts.

Concept: Asset to Ledger Reconciliation

Workday provides these composite reports, which you can customize for your specific reporting requirements:

- **Asset to Ledger Reconciliation – Accumulated Depreciation.**
- **Asset to Ledger Reconciliation – Cost.**

We recommend that you run these reports periodically to locate and reconcile:

- Asset transactions that Workday doesn't automatically post to the ledger account, for which you need to create manual journals. Example: You register an asset manually.
- Ledger transactions that Workday doesn't record on the asset, for which you need to create asset adjustments. Example: During your implementation of Workday, you convert your existing assets. You create a manual journal for the historical accumulated depreciation on your asset.
- Timing differences. Example: You place an asset in service in January without registering the asset in Workday. In February, after you close the fiscal period for January, you receive the invoice for the asset. You backdate the asset registration to January. Workday posts the depreciation for the asset in the closest open fiscal period, which is February.

Reference

[2022R2 What's New Post: Business Asset Reporting](#)

Concept: Composite Assets

You can group disparate, related assets into a composite asset. Each of the assets in the composite becomes a component asset.

You can register 2 types of composite assets:

- Discrete composite assets contain asset components that maintain their own costs, depreciation, and lifecycle events. Workday tracks separate lifecycle events for these assets.
- Nondiscrete composite assets contain asset components that maintain the same costs, depreciation, and lifecycle events. Workday tracks the same lifecycle event for these assets. Also, each asset that is part of a nondiscrete composite asset exists in reference only.

Example: You might want to use a camera, lens, and tripod together. You can register all 3 assets as 1 composite asset. Workday populates the acquisition method of composite assets with *Composed*.

Composite assets can include assets that you register individually and partial quantities from pooled assets.

Example: You might want to pool, register, and track 5 laptops as a single pooled asset. You can create a composite asset using 3 of the laptops from the pooled asset. Then you can add 2 monitors, 2 docking stations, 1 mouse, and 1 keyboard as components of the composite asset. You can continue to pool and track the remaining 2 laptops as a single asset.

Discrete and nondiscrete assets might have any of these attributes:

Attributes	Discrete Composite Assets	Nondiscrete Composite Assets
Accounting Treatment	Nondepreciable capital.	Expense, depreciable, or nondepreciable capital.
Spend Category and Items	Trackable and tangible.	Trackable and tangible.
Derived asset cost	Zero.	Sum of the allocation costs for all assets.

Assets must meet these criteria before you can group them in composite assets:

Component Asset Criteria	Discrete Composite Assets	Nondiscrete Composite Assets
Accounting information	Not required to have accounting assigned.	You've assigned accounting to the asset.
Accounting treatment	Depreciable, nondepreciable, or expense.	Depreciable or nondepreciable.
Quantity available before registration	The composite asset consumes the entire available quantity.	Doesn't have to equal the available quantity.

Component Asset Criteria	Discrete Composite Assets	Nondiscrete Composite Assets
Residual value	Can have a residual value.	Can't have a residual value.
Status	Any status except <i>Removed</i> , <i>Disposed</i> , <i>Pending Registration</i> , or <i>Used by Composite</i> .	Must be in <i>Registered</i> status.
Total cost after composite asset registration	Workday doesn't update the cost of the component asset.	Workday updates the cost of the component asset based on how much you allocate to the composite asset.

Additionally, these assets:

- Must be tangible.
- Can't be composite assets.
- Must be trackable.
- Can't be leased assets.
- Can't already be in use in a composite asset.
- Can't have an event in progress.
- Must have the same asset books as the composite asset.
- Must have a company that matches the company of the asset you're registering or composing.
- Can't be used to capitalize a project transaction.

Concepts

[Concept: Pooled Assets](#) on page 1064

Tasks

[Register Composite Assets](#) on page 1059

[Review Trackable Lines for Assets](#) on page 1086

[Steps: Set Up Asset Tracking](#) on page 1053

Concept: Accounting Impact of Asset Lifecycle Events

Depending on the asset lifecycle event and the specifics of that transaction, Workday creates accounting to move spend or adjust depreciation for catchup.

Assign/Change Asset Accounting or Adjust Asset Cost

For asset lifecycle events where you assign or change accounting or adjust cost, Workday creates accounting entries to move spend booked by the supplier invoice when all of these are true:

- Asset cost activity is linked to a supplier invoice.
- The accounting treatment on the supplier invoice line or asset isn't *Expense*.
- The accounting treatment, spend category, worktags, or location on the supplier invoice line are different than on the asset.

Note: Workday applies depreciation over the remaining useful life of the asset when you adjust the acquisition cost and historical depreciation is loaded.

Leased Assets

To generate lease accounting entries when you create supplier contracts, you must:

- Use trackable spend categories.
- Map ledger accounts to obligation, liability, or expense ledger account types for financial or operating leases.

- Set up account posting rules and posting rule conditions for liability, multibook settlement, and spend account posting rule types.

Example: When you create lease contracts using the *Financial Lease* or *Operating Lease* contract types, Workday posts these accounting entries:

Lease Type	Transaction	Journal Entries
Financial	Supplier Invoice	Debit Accrued Liability (Financial/ Capital Lease Obligation) Debit Interest Credit Payables
	Asset Registration	Debit Spend Credit Accrued Liability
	Depreciation Expense	Debit Depreciation Expense Credit Accumulated Depreciation
Operating	Supplier Invoice	Debit Spend Credit Payables
	Supplier Payment	Debit Payables Credit Cash
	Asset Registration	Not applicable

Dispose of Assets

To dispose of capital assets, your accounting varies depending on the disposal method: discard, sale, or donation. These Workday-delivered methods drive accounting for disposing of assets. Map each disposal type you define for tracking purposes, such as theft, loss, or sale, to one of these disposal methods.

These tables list the accounting for each disposal method by accounting treatment.

- ***Depreciable or Nondepreciable Capital***

Disposal Method	Posting Rule	Comments
Discard	Credit Spend Debit Accumulated Depreciation Debit Asset Disposal Loss	If a resource is fully depreciated (to zero), there's no disposal loss.
Sale	Credit Spend Debit Accumulated Depreciation Debit Asset Disposal Sale Debit Asset Disposal Loss <i>or</i> Credit Asset Disposal Gain	If sale price is greater than Net Book Value, the result is a gain. If sale price is less than Net Book Value, the result is a loss. If sale price is equal to Net Book Value, the result is no gain or loss.
Donation	Credit Spend Debit Accumulated Depreciation	If the disposal type uses Fair Market Value:

Disposal Method	Posting Rule	Comments
	Debit Asset Disposal Donation Debit Asset Disposal Loss or Credit Asset Disposal Gain	- If Fair Market Value is greater than Net Book Value, the result is a gain. - If Fair Market Value is less than Net Book Value, the result is a loss. - If Fair Market Value is equal to Net Book Value or the disposal type uses Net Book Value, the result is no gain or loss.

- Expense**

Disposal Method	Posting Rule	Comments
Discard	No accounting	
Sale	Debit Asset Disposal Sale Credit Asset Disposal Gain	Accounting entry amount is equal to the sale price.
Donation	Debit Asset Disposal Donation Credit Asset Disposal Gain	Accounting entry amount equals Fair Market Value at disposal. If disposal type uses Net Book Value, there's no accounting.

In addition, asset disposals can have these accounting impacts:

- Workday records depreciation first and records depreciation expense and accumulated depreciation up to the disposal date.
- If you have multiple books, you can specify the amount of bonus depreciation to recapture in books where Workday records bonus depreciation.
- For partial disposals, Workday applies the specified percentage to the total current cost of the asset (which includes adjusted costs) in each asset book. If you specify a cost, Workday calculates the percentage using the current cost in the primary asset book. The remaining cost of the asset continues to depreciate for the remaining life of the asset.

A partial disposal factor adjusts bonus depreciation and the residual value of the asset in all asset books. Workday also uses the factor if the cost of the asset differs across the asset books. Access the **View Business Asset** report and the **Depreciation Summary** to view the effect of the partial disposal on the accumulated depreciation of the asset.

Transfer or Issue Assets

For asset transfer and issue lifecycle events, Workday creates accounting to move spend and accumulated depreciation when all these are true:

- The accounting treatment of the asset isn't *Expense*.
- There's a change to the worktags, location, or company of the asset.

If you move an asset and there's unposted depreciation for the preceding location, Workday automatically posts it so that the ledger reflects the correct accumulated depreciation balance. If depreciation belonging to the new location or worktags has already been posted, Workday creates a depreciation adjustment to move the depreciation expense to the new location/worktags.

Depreciation Adjustments (for Catchup Depreciation)

For all asset accounting lifecycle events, the transfer lifecycle event, and the issue lifecycle event, Workday creates depreciation adjustments when all these are true:

- There's a change to the asset's spend category, location, company, worktags, or cost.
- The accounting treatment of the asset is *Depreciable Capital*.
- Depreciation has been processed for the period that is on or after the transaction date.

Workday automatically creates depreciation adjustment accounting for each impacted period. Depreciation adjustments for lifecycle events in a period record the difference between the recorded depreciation and the depreciation that should have been recorded for cost activities. Depreciation adjustments for transfers and issues move the depreciation expense between location and worktags so the net impact to depreciation expense is zero. Access the **View Business Asset** report to view specific depreciation adjustments on the **Depreciation Detail** tab.

Tasks

[Adjust an Asset In Service Date](#) on page 1063

[Steps: Perform Lifecycle Events for Capital Assets](#) on page 1082

[Steps: Track Assets](#) on page 1055

Concept: Strategies for Populating New Company Asset Books on Existing Assets

When you add a new company asset book, Workday recommends that you migrate your existing assets to the new book. Alternatively, you can add your assets to the new book.

Migrating Assets to a New Asset Book

When you migrate assets to a new asset book, Workday loads the assets in the new book with beginning balances. Workday doesn't copy the historical transactions on the assets, eliminating the need for manual adjustments on historical transactions that don't apply to the new book.

To migrate assets to a new asset book, load your assets with an inbound EIB for the *Update Asset Book Configuration* web service.

Note: When you need to load a high volume of assets, you can use the asynchronous *Bulk Import Asset Book Configuration* web service.

With this method, you can specify:

- The beginning cost balances for the assets in the new book, such as:
 - Original acquisition cost.
 - Residual value.
 - Fair market value.
- The depreciation information for the assets in the new book, such as:
 - Depreciation start date.
 - Remaining useful life.
 - Accumulated depreciation.
 - Year to date depreciation.

Workday doesn't create accounting for the beginning cost and accumulated depreciation balances. You can create manual journals to load the beginning cost and accumulated depreciation balances to their respective ledger accounts.

Workday applies the worktags and shares from the latest lifecycle event on an asset to the new book.

Adding Assets to a New Asset Book

Workday recommends that you only add assets to the new asset book when:

- You need to produce reports on the historical transactions on the assets in the new book.
- The current and the new book are similar, reducing the need for manual adjustments.

To add assets to a new asset book, access the **Add Assets to Company Asset Book** task.

After you've added your assets to the new book:

- Identify the accounting differences between the assets in the new book and in the existing book.
- Create manual adjustments to reconcile differences such as:
 - Cost.
 - Residual value.
 - Accumulated depreciation.
 - Useful life.

Tasks

[Add Assets to a Company Asset Book](#) on page 1072

Reference

[2022R2 What's New Post: Data Migration for Secondary Asset Books](#)

Examples

[Example: Migrate Assets to a Secondary Asset Book](#) on page 1104

Reference: Asset Statuses

Workday updates the status of assets as you perform lifecycle events on them.

The same asset can have different statuses in different asset books.

Status	Description	Example
<i>Pending Registration</i>	Workday creates an asset through a business process workflow, and you haven't completed the asset registration.	Workday creates an asset from a supplier invoice, and: • Sets its status to <i>Pending Registration</i>. • Creates an inbox item for the business assets tracking specialist to complete the asset registration.
<i>Registered</i>	You've configured the depreciation profile on the asset to place assets in service <i>Manually or When Issued</i> and you either: • Register the asset manually. • Complete the asset registration.	Your company purchases a new building. You register the building at the time of purchase, and place it in service when you obtain a certificate of occupancy.
<i>In Service</i>	The asset is in service. You can record depreciation on the asset. Workday assigns this status to an asset when you either: • Place the asset in service manually. • Complete the asset registration or register the	You place heavy machinery in service without issuing it to a worker.

Status	Description	Example
	asset manually, when you've configured its depreciation profile to place assets in service <i>Upon Acquisition</i>. Resume the asset depreciation, when the asset had a status of <i>In Service</i> before its suspension. You can only record depreciation on assets that have a depreciation profile. You can't place expensed or nondepreciable assets in service.	
<i>Issued</i>	Workday assigns this status to an asset when you either: - Issue it to a worker manually. - Resume the asset depreciation, when the asset had a status of <i>Issued</i> before its suspension. You can issue all types of assets to a worker. They don't have to be depreciable. When the asset is depreciable, you can record depreciation on the asset.	You issue a laptop to a worker.
<i>Disposed</i>	You fully dispose of the asset.	You fully dispose the remaining amount on a partially disposed asset with a status of <i>In Service</i> . Workday changes the status of the asset to <i>Disposed</i> .
<i>Removed</i>	You remove the asset. Restrictions apply to remove an asset. See Steps: Track Assets on page 1055.	You cancel an invoice and remove the assets that Workday registered from the invoice.
<i>Out of Service</i>	You suspend the asset depreciation.	You suspend the depreciation on a piece of heavy machinery while you repair it.
<i>Used by Composite</i>	The asset is a component of a nondiscrete composite asset.	You register a nondiscrete composite asset composed of 2 component assets. Workday changes the status of the 2 component assets to <i>Used by Composite</i> .

Reference: Asset Lifecycle Event Availability

This table lists asset lifecycle events and their availability based on asset status.

Lifecycle Event	Pending Registration	Registered	In Service	Issued	Disposed	Removed	Out of Service
Assign Asset Accounting Information	No	Yes	Yes	Yes	No	No	No
Change Asset Accounting Information	No	Yes	Yes	Yes	No	No	No
Record Depreciation	No	No	Yes	Yes	No	No	No

Example: Set Depreciation Accounting Status for Company Asset Books

This example illustrates how to control when Workday can or can't create journals for prior periods.

As an assets accountant, you need to set the status of a depreciation expense line for an asset to **Accounted** on or before a specific date. Specifying a date helps you avoid creating journals for prior periods when you set the accounting status for depreciation expense lines.

- Register the asset.
- Configure asset accounting.
- Security: These domains in the Business Asset Accounting functional area:
 - *Process: Business Asset Accounting*
 - *Setup: Company Asset Books*

1. Access the **Add Assets to Company Asset Book** task.
2. On the **Criteria** tab, enter these values:

Field	Value
<i>Company</i>	GMS USA
<i>Company Asset Books to Add Assets to</i>	Statutory
<i>Source Asset Book</i>	Accounting
<i>Exclude Assets Disposed Earlier Than</i>	Workday automatically populates the first day of the current fiscal year.
<i>Location</i>	Blank
<i>Asset ID</i>	Blank
<i>Depreciation Information</i>	Copy from Source Asset Book
<i>Depreciation Accounting Status</i>	Date until the depreciation period status of the asset is set to Accounted. Workday doesn't create journal entries for individual depreciation periods until the specified date. Date to record depreciation until the depreciation period status of the asset is set to Posted. Workday creates journal entries for individual depreciation periods until the specified date.
<i>Bonus Depreciation</i>	Copy from Source Asset Book

3. Click **OK**.

Workday adds the new asset book and updates the accounting status for depreciation expense lines to **Accounted** until the date specified.

Tasks

[Add Assets to a Company Asset Book](#) on page 1072

Example: Asset Roll Forward Composite Report

This example illustrates how to create a custom report that uses a matrix subreport to enable dynamic reporting.

As an asset accountant, you want to view the cost and accumulated depreciation of assets for a given reporting period. You want your report to:

- Group assets by *Spend Category*.
- Display columns that summarize changes in asset cost and accumulated depreciation.
- Create a pivot table from the journal source.
- Enable you to drill down to view the details for reported amounts.
- Calculate the summary for preceding and current reporting periods.

Note: Filters and data are specific to your Workday tenant and might be different from the suggested values in this example. Use these values as guidance.

- Security: These domains in the Financial Accounting functional area:
 - *Reports: Financial Accounting*
 - *Reports: Organization Financial Reporting*
- Security: These domains in the System functional area:
 - *Custom Report Creation*
 - *Manage: All Custom Reports*

1. Access the **Create Custom Report** task and enter these values:

Field	Value
Report Name	Enter a unique name for your custom matrix subreport.
Report Type	<i>Matrix</i>
Data Source	<i>Journal Lines for Financial Reporting</i>

2. Select the **Optimized for Performance** check box.

3. Click **OK**.

4. From the **Data Source Filter** prompt, select *Journal Lines for Company and Reporting Time Period*.

5. In the **Matrix** tab, add this row to the **Row Grouping** grid:

Group by Field	Sort Rows
<i>Spend Category as Worktag</i>	<i>Row total - Descending</i>

6. Add this row to the **Column Grouping (Optional)** grid:

Group by Field	Sort Columns
<i>Journal Source</i>	<i>Column total - Descending</i>

7. Add this row to the **Define the Field(s) to Summarize** grid:

Summarization Type	Summarization Field	Format
<i>Sum</i>	<i>Translated Debit Minus Credit Amount</i>	<i>#,##0.00</i>

8. Click the **Drill Down** tab.

9. In the **Group By Fields** section, select the **Sort Dimensions Alphabetically** check box.

10. At the **Fields That Can Be Summarized** prompt, select *Specific Fields*.

11. Add this row to the **Drillable Fields** grid:

Field	Label Override	Sort
<i>Journal</i>	Journal	<i>Total - Descending</i>

12. Add these rows to the **Detail Data** grid:

Order	Field	Column Heading Override	Format
1	<i>Ledger Account</i>		
2	<i>Accounting Date</i>		
3	<i>Spend Category as Worktag</i>		
4	<i>Journal Source</i>	Transaction	
5	<i>Translated Debit Amount</i>	Debit Amount	<i>#,##0.00</i>
6	<i>Translation Currency</i>	Currency	
7	<i>Worktags</i>		

13. Add these rows to the **Sort** grid:

Order	Field	Sort Direction
1	Ledger Account	Alphabetical - Ascending
2	Accounting Date	Alphabetical - Ascending

14. Click the **Filter** tab and add these rows to the **Filter on Instances** grid:

Order	And/Or	Field	Operator	Comparison Type	Comparison Value
1	<i>And</i>	<i>Ledger Account Type</i>	<i>exact match with the selection list</i>	<i>Value specified in this filter</i>	<i>Asset</i>
2	<i>And</i>	<i>Spend Category as Worktag</i>	<i>is not empty</i>		
3	<i>And</i>	<i>Journal Source</i>	<i>in the selection list</i>	<i>Prompt the user for the value</i>	<i>Default prompt</i>

15. Click the **Prompts** tab.

16. Select the **Populate Undefined Prompt Defaults** check box.

Workday populates the **Prompt Defaults** grid, then clears the check box.

17. Select the **Display Prompt Values in Subtitle** check box.

18. Verify these rows in the **Prompt Defaults** grid:

Order	Field	Prompt Qualifier	Label for Prompt	Default Type	Required	Do Not Prompt at Runtime
1	<i>Company</i>			<i>No default value</i>	Checked	Unchecked
2	<i>Ledger</i>			<i>No default value</i>	Checked	Unchecked
3	<i>Period</i>			<i>No default value</i>	Checked	Unchecked
4	<i>Time Period</i>		Reporting Interval	<i>No default value</i>	Checked	Unchecked
5	<i>Book</i>		Accounting Book	<i>No default value</i>	Unchecked	Unchecked
6	<i>Amount Type</i>			<i>No default value</i>	Checked	Unchecked
7	<i>Report Effective Date</i>			<i>No default value</i>	Unchecked	Checked
8	<i>Plan Structure</i>			<i>No default value</i>	Unchecked	Checked
9	<i>Calculate Translation Gain or Loss</i>			<i>No default value</i>	Unchecked	Checked
10	<i>Calculate Current Year Retained Earnings</i>			<i>No default value</i>	Unchecked	Checked
11	<i>Eliminations Only</i>			<i>No default value</i>	Unchecked	Checked
12	<i>Ledger Accounts and Summaries</i>			<i>No default value</i>	Unchecked	Checked
13	<i>Perform Intercompany Eliminations</i>			<i>No default value</i>	Unchecked	Checked
14	<i>Perform Interworktag Eliminations</i>			<i>No default value</i>	Unchecked	Checked
15	<i>Balancing Worktags</i>			<i>No default value</i>	Unchecked	Checked

Order	Field	Prompt Qualifier	Label for Prompt	Default Type	Required	Do Not Prompt at Runtime
16	<i>Journal Source</i>	<i>Default Prompt</i>		<i>No default value</i>	Checked	Unchecked
17	<i>Account Translation Rule Set</i>			<i>No default value</i>	Checked	Unchecked
18	<i>Translation Currency</i>			<i>No default value</i>	Checked	Unchecked

19. Click **OK**, then **Done**.

20. Access the **Create Custom Report** task and enter these values:

Field	Value
Report Name	Enter a unique name for your Asset Roll Forward Composite Report.
Report Type	<i>Composite</i>

21. Add this row to the **Business Object Enabled for Filtering and Grouping** grid:

Business Object	Hierarchy Structure
<i>Spend Category</i>	

22. Click **OK**.

23. From the related actions menu of column **C1**, select **Define > Control Field**.

24. Enter these values:

Field	Value
Column Name	<i>Spend Category</i>
Business Object	<i>Spend Category</i>

25. Click **OK**.

26. From the related actions menu of column **C2**, select **Define > Data**.

27. Enter these values:

Field	Value
Column Name	<i>Assets Beginning Balance</i>
Sub Report Name	Select the custom matrix subreport you previously created. Workday populates the Map Sub Report Prompts grid with the prompt values you defined in the subreport.

28. Specify these rows in the **Map Sub Report Prompts** grid:

Prompt Field	Value Type	Value
Amount Type	<i>Specify Value</i>	<i>Beginning Balance</i>
Journal Source	<i>Specify Value</i>	<i>Asset Adjustment</i> <i>Asset Disposal</i> <i>Asset Impairment</i>

Prompt Field	Value Type	Value
		• Asset Reclassification • Asset Transfer • Asset Intercompany Transfer • Supplier Invoice

29. From the **Field to Aggregate** prompt, select *Sum of Translated Debit Minus Credit Amount*.

30. Click **OK**.

31. Starting with column **C3**, repeat steps 26 to 30. Use the table below as reference for the **Column Name** and **Map Sub Report Prompts**.

Column	Column Name	Prompt Field	Value Type	Value
C3	Acquisition	Amount Type	Specify Value	Beginning Balance
C3	Acquisition	Journal Source	Specify Value	Supplier Invoice
C4	Adjustment	Amount Type	Specify Value	Activity
C4	Adjustment	Journal Source	Specify Value	Asset Adjustment
C5	Impairment	Amount Type	Specify Value	Activity
C5	Impairment	Journal Source	Specify Value	Asset Impairment
C6	Reclassification	Amount Type	Specify Value	Activity
C6	Reclassification	Journal Source	Specify Value	Asset Reclassification
C7	Transfer	Amount Type	Specify Value	Activity
C7	Transfer	Journal Source	Specify Value	• Asset Transfer • Asset Intercompany Transfer
C8	Disposal	Amount Type	Specify Value	Activity
C8	Disposal	Journal Source	Specify Value	Supplier Invoice
C9	Asset Ending Balance	Amount Type	Specify Value	Ending Balance
C9	Asset Ending Balance	Journal Source	Specify Value	• Asset Adjustment • Asset Disposal • Asset Impairment • Asset Reclassification • Asset Transfer • Asset Intercompany Transfer • Supplier Invoice

Column	Column Name	Prompt Field	Value Type	Value
C10	Depreciation Beginning Balance	Amount Type	<i>Specify Value</i>	<i>Beginning Balance</i>
C10	Depreciation Beginning Balance	Journal Source	<i>Specify Value</i>	• <i>Depreciation</i> • <i>Depreciation Adjustment</i>
C11	Depreciation	Amount Type	<i>Specify Value</i>	<i>Activity</i>
C11	Depreciation	Journal Source	<i>Specify Value</i>	<i>Depreciation</i>
C12	Depreciation Adjustment	Amount Type	<i>Specify Value</i>	<i>Activity</i>
C12	Depreciation Adjustment	Journal Source	<i>Specify Value</i>	<i>Depreciation Adjustment</i>
C13	Depreciation Ending Balance	Amount Type	<i>Specify Value</i>	<i>Ending Balance</i>
C13	Depreciation Ending Balance	Journal Source	<i>Specify Value</i>	• <i>Depreciation</i> • <i>Depreciation Adjustment</i>

32. Click the gear icon to access the **Edit Composite Report Settings** task.

33. Click the **Prompts** tab.

34. In the **Runtime Date Prompts** section, enter:

Field	Value
Effective Date	<i>Use date and time at runtime</i>
Entry Date	<i>Use date and time at runtime</i>

35. Select the **Populate Undefined Prompt Defaults** check box.

Workday populates the **Prompt Defaults** grid, then clears the check box.

36. Verify these values in the **Prompt Defaults** grid:

Order	Field	Label for Prompt	Default Type	Required	No Not Prompt at Runtime
1	<i>Company</i>		<i>No default value</i>	Checked	Unchecked
2	<i>Ledger</i>		<i>No default value</i>	Checked	Unchecked
3	<i>Book</i>	Accounting Books	<i>No default value</i>	Unchecked	Unchecked
4	<i>Time Period</i>	Reporting Interval	<i>No default value</i>	Checked	Unchecked
5	<i>Period</i>		<i>No default value</i>	Checked	Unchecked
6	<i>Amount Type</i>		<i>No default value</i>	Checked	Unchecked

Order	Field	Label for Prompt	Default Type	Required	No Not Prompt at Runtime
7	Translation Currency		No default value	Checked	Unchecked
8	Account Translation Rule Set		No default value	Checked	Unchecked

37. Click **OK**.

38. From the related actions menu of row **R1**, select **Define > Combine Data**.

39. Enter a name in the **Row Name** field.

40. Click **OK**.

41. From the related actions menu of row **R2**, select **Define > Calculation**.

42. Enter these values:

Field	Value
Row Name	Total
Calculation Type	Sum
Rows	R1 (Combine Data row)
Style	Decimal Number 2 Places

43. Click **OK**.

44. Click **Run**.

45. To create your report, select values from the required prompts.

The asset roll forward report:

- Accesses the journal line as its primary object.
- Uses reporting time periods as relative time spans.
- Includes journal lines that are in *Posted* or *Pro Forma* status.
- Excludes journal lines that are in *Canceled*, *Error*, or *Draft* status.

After you create your report definition, you can share it with organization members that have the appropriate security level.

Tasks

[Steps: Create Composite Reports](#)

Example: Migrate Assets to a Secondary Asset Book

This example illustrates how to migrate assets to a secondary asset book with an EIB spreadsheet.

Your company is implementing multibook asset accounting. You want to add all your assets in the Accounting book that don't have a status of *Disposed* to a new IFRS book.

In this example, we assume that you've already:

- Set up multibook accounting for your company.
- Added the IFRS book to your company.
- Changed the **Integration Reference ID** of the IFRS asset book to *ASSET_BOOK_IFRS*.

1. Set up an inbound EIB for the *Update Asset Book Configuration* web service.

See [Example: Set Up an Update Asset Book Configuration EIB](#) on page 1105.

2. Download a template spreadsheet that contains the assets that you want to migrate, in the format required for the Update Asset Book Configuration EIB.
See [Example: Download an Update Asset Book Configuration Spreadsheet Template with Data](#) on page 1106.
3. Update the assets in the spreadsheet and load them with the Update Asset Book Configuration EIB.
For all the assets that you want to upload, specify:
 - The **Add Only** field as Y.
 - The **Asset Book** field as *ASSET_BOOK_IFRS*.
 See [Example: Load Assets in Secondary Asset Books with an EIB](#) on page 1107.

You can create manual journals to load the beginning cost and accumulated depreciation balances to their respective ledger accounts.

Concepts

[Concept: Strategies for Populating New Company Asset Books on Existing Assets](#) on page 1094

Reference

[2022R2 What's New Post: Data Migration for Secondary Asset Books](#)

Example: Set Up an Update Asset Book Configuration EIB

This example illustrates how to set up an EIB for the *Update Asset Book Configuration* web service.

You've added a new IFRS asset book to your company. To migrate asset data to the new asset book, you set up an inbound EIB with the *Update Asset Book Configuration* web service.

Security:

- *Integration Build* domain in the Integration functional area.
- *Integration Process* domain in the Integration functional area.
- *Put* access to *Process: Non-Accounting Asset Books* domain in the Business Asset Accounting functional area.

1. Access the **Create EIB** task.
2. Enter *Update Asset Book Configuration EIB* in the **Name** field.
3. Select the **Inbound** option.
4. Click **OK**.
5. Enter or review these values in the **General Settings** page:

Field	Value
Name	<i>Update Asset Book Configuration EIB</i>
ID	<i>UpdateAssetBookConfigurationEIB</i>

6. Click **Next**.
7. Enter or review these values in the **Get Data** page:

Field	Value
Retrieval Method	<i>Attach File at Launch</i>
File Type	<i>Web Service Spreadsheet Template</i>
Web Service Operation	<i>Update Asset Book Configuration</i>

8. Click **Next**.

9. Review these values in the **Transform** page:

Field	Value
Transformation Type	Template Model
Template Model from Web Service Operation	Update Asset Book Configuration

10. Click **Next**.

11. Review these values in the **Deliver** page:

Field	Value
Delivery Method	Workday Web Service Operation
Template Model from Web Service Operation	Update Asset Book Configuration (Web Service)

12. Click **Next**.

13. Click **OK** on the **Review and Submit** page.

You can find the new *Update Asset Book Configuration EIB* integration system with the **View Integration System** report.

Download a spreadsheet template with data.

Tasks

[Set Up Inbound EIB](#)

Example: Download an Update Asset Book Configuration Spreadsheet Template with Data

This example illustrates how to download an Update Asset Book Configuration spreadsheet template with data.

Your company is implementing multibook asset accounting. You want to prepare a spreadsheet that you can use to migrate your existing assets to the new IFRS asset book. You download a spreadsheet:

- With all your assets in the Accounting book that don't have a status of *Disposed*.
- In the format expected by the Update Asset Book Configuration EIB.
- You have an asset book named Accounting that contains the assets you want to migrate.
- You've created an inbound EIB for the *Update Asset Book Configuration* web service and named it Update Asset Book Configuration EIB.
- Security: These domains in the Integration functional area:
 - *Integration Configure*
 - *Integration Event*
 - *Integrations: EIBs*

1. Access the **View Integration System** report.
2. Enter *Update Asset Book Configuration EIB* in the **Integration System** prompt.
3. Click **OK**.
4. From the related actions menu of the integration system, select **Template Model > Edit**.
5. Click the **Edit Template with Data Options** button on the **Edit Template Model** page.
6. Select the **Condition Rule Filter** option on the **Edit Generate Spreadsheet Template with Data Options** page.

7. Add 2 rows to the **Rules Conditions** grid with these values:

And/Or	Source External Field or Condition Rule	Relational Operator	Comparison Type	Comparison Value
<i>And</i>	<i>Asset Book</i>	<i>in the selection list</i>	<i>Value specified in this filter</i>	<i>Accounting</i>
<i>And</i>	<i>Status</i>	<i>not in the selection list</i>	<i>Value specified in this filter</i>	<i>Disposed</i>

8. Click **Generate Spreadsheet Template with Data**.

9. Select the **Generate Spreadsheet with Data** check box.

10. Click **Submit**.

11. Click **Refresh** in the **View Background Process** page until the process completes.

1 file displays in the **Output Files** tab.

Download the output file and:

- Verify that it contains all the assets that you want to add to the new IFRS asset book.
- Update the information in the spreadsheet.
- Load the assets with the Update Asset Book Configuration EIB.

Tasks

[Generate EIB Spreadsheet Template](#)

Example: Load Assets in Secondary Asset Books with an EIB

This example illustrates how to load assets in a secondary asset book with an Update Asset Book Configuration EIB.

Your company is implementing multibook asset accounting. You've downloaded an EIB spreadsheet with the assets that you want to migrate. You now update the spreadsheet and upload it in the EIB.

You've downloaded an EIB spreadsheet with all the assets in the Accounting book that don't have a status of *Disposed*.

The **Integration Reference ID** of the asset book where you want to migrate the assets is *ASSET_BOOK_IFRS*.

Security:

- *Integrations: EIBs* domain in the Integration functional area.
- *Integration Event* domain in the Integration functional area.
- *Put access to Process: Non-Accounting Asset Books* domain in the Business Asset Accounting functional area.

1. Update the EIB spreadsheet:

- Remove all the assets that you don't want to migrate.
- For all the remaining rows, update the values in these columns:

Add Only	Asset Book
<i>Y</i>	<i>ASSET_BOOK_IFRS</i>

2. Review the values in the other fields, and update them as necessary, such as:

- **Depreciation Start Date**
- **Original Acquisition Cost**
- **Residual Value**
- **Fair Market Value**
- **Remaining Useful Life**
- **Accumulated Depreciation**
- **Year to Date Depreciation**

3. Create a trial run to check your spreadsheet against validation errors:

- Access the **View Integration System** report.
- Enter *Update Asset Book Configuration EIB* in the **Integration System** prompt.
- Click **OK**.
- From the related actions menu of the integration system, select **Integration > Launch / Schedule**.
- Review these values in the **Launch / Schedule Integration** page:

Field	Value
Integration	<i>Update Asset Book Configuration EIB</i>
Run Frequency	<i>Run Now</i>

- Click **OK**.
- Review or enter these values in the **Integration Criteria** grid on the **Schedule an Integration** page:

Provider	Field	Value Type	Value
<i>(Attachment) Update Asset Book Configuration (Web Service)</i>	<i>Integration Attachment</i>	<i>Specify Value</i>	<i>Create an Integration Attachment</i>
<i>(Workday Web Service) Update Asset Book Configuration (Web Service)</i>	<i>Validate Only Load</i>	<i>Specify Value</i>	Select the check box.

- Drop your spreadsheet in the **Attachment** section of the **Create Integration Attachment** page.
 - Click **OK**.
 - Click **OK** on the **Schedule an Integration** page.
 - Click **Refresh** in the **View Background Process** page until the process completes.
 - If you see a failure report in the **Output Files** tab, review and change the data in your spreadsheet to resolve the issues.
4. When you've run an error-free trial run, load the spreadsheet data with the EIB:
- Access the **View Integration System** report.
 - Enter *Update Asset Book Configuration EIB* in the **Integration System** prompt.
 - Click **OK**.
 - From the related actions menu of the integration system, select **Integration > Launch / Schedule**.
 - Review these values in the **Launch / Schedule Integration** page:

Field	Value
Integration	<i>Update Asset Book Configuration EIB</i>

Field	Value
Run Frequency	Run Now

- f) Click **OK**.
- g) Review or enter these values in the **Integration Criteria** grid on the **Schedule an Integration** page:

Provider	Field	Value Type	Value
(Attachment) Update Asset Book Configuration (Web Service)	Integration Attachment	Specify Value	Create an Integration Attachment
(Workday Web Service) Update Asset Book Configuration (Web Service)	Validate Only Load	Specify Value	Clear the check box.

- h) Drop your spreadsheet in the **Attachment** section of the **Create Integration Attachment** page.
- i) Click **OK**.
- j) Click **OK** on the **Schedule an Integration** page.
- k) Click **Refresh** in the **View Background Process** page until the process completes.

You can access the **Find Assets** report for a selection of the business assets you migrated. When you drill down on the asset to view the business asset details:

- Access the **Cost Detail** tab and review the new row for the IFRS book.
- Access the **Books** tab on the **View Business Assets** page and review the new row for the IFRS book.
- From the **Books** tab, drill into the new IFRS book configuration. Review these fields on the **General Information** section of the **View Asset Depreciation Schedule** page:
 - **Asset Cost**
 - **Fair Market Value**
 - **Residual Value**
- When you specified depreciation information, access the **Historical Information** tab and review these columns for the IFRS book:
 - **Depreciation Start Date**
 - **Remaining Useful Life**
 - **Accumulated Depreciation**
 - **YTD Depreciation**

Tasks

[Launch EIB Spreadsheet Upload](#)

Asset Maintenance

Adjust Asset Costs

Configure the *Asset Cost Adjustment Event* business process and security policy in the Business Asset Accounting functional area.

You can adjust the acquisition or post-acquisition cost of an asset by changing the:

- Total acquisition cost.
- Quantity of assets.
- Current residual value.

Based on the adjustment date, Workday:

- Generates accounting in your accounting asset book.
- Creates a depreciation adjustment transaction for each ledger period.
- Records the difference between the booked depreciation and the projected catchup depreciation.

When you approve or deny a post-acquisition cost adjustment to an asset you capitalized from a project transaction, Workday applies the decision to all the assets you created from the same capitalization.

Note: You can't make changes to assets when other events are in progress.

1. From the related actions menu of a registered capital asset, select 1 of these tasks:

- **Business Asset > Adjust Acquisition Cost.**
- **Business Asset > Adjust Post Acquisition Cost.**

2. As you complete the fields on the **Asset Details** grid, consider:

Option	Description
Transaction Effective Date	When you adjust acquisition costs, Workday uses the Acquisition Date as the transaction effective date. When you adjust post-acquisition costs, you can enter any date during the life of the asset.
Supplier Invoice Line	When you adjust the asset cost to reflect a change to the amount on a supplier invoice line, select the supplier invoice line that creates the asset. When you select a supplier invoice line, you can enter an adjustment of up to: • The amount from the quantity split, when the selected supplier invoice line creates the asset from a quantity split. • The entire amount of the supplier invoice line, when none of the quantity splits on the supplier invoice line create the asset. Workday generates accounting to move the spend from the spend category, location, and worktags on the supplier invoice to the asset when they differ. When you remove the link to the supplier invoice line, Workday cancels the operational journal.

3. (Optional) On the **Asset Books** grid, clear the asset books where you don't want to record the cost adjustment.

Concepts

[Concept: Accounting Impact of Asset Lifecycle Events](#) on page 1091

Tasks

[Steps: Perform Lifecycle Events for Capital Assets](#) on page 1082

Reference

[2022R2 What's New Post: Capital Project Asset Quantities](#)

Steps: Correct or Adjust Useful Life

Configure the *Asset Useful Life Update Event* business process and security policy in the Business Asset Accounting functional area.

You can correct the useful life of an asset if:

- You capitalize an asset with incorrect life.
- There's a change in its estimated useful life.

Note: You can't make changes to assets when other events are in progress.

1. Select **Business Asset > Correct Useful Life** from the related actions menu of a registered capital asset.

Enter the correct useful life. The transaction effective date is the acquisition date and you can't change it.

2. (Optional) Select **Business Asset > Adjust Useful Life** from the related actions menu of a registered capital asset.

Change the default transaction effective date. For depreciable assets, this date and the depreciation convention of the asset determines the first date Workday recalculates depreciation lines for the revised useful life.

You can propose a new depreciation end date for assets on a supplier contract with a spend category of *Intangible*. The depreciation end date is the:

- End date of a contract when the asset source is a supplier contract line receipt.
- Last active date in the depreciation schedule when you manually register the asset from a supplier contract.

Workday creates catchup depreciation adjustments for applicable useful life changes when:

- Ledger periods have processed depreciation.
- Depreciation expenses should be a different amount.

If the asset is in multiple company asset books, you can restrict the change to one or more company asset books using **Restricted to Books**. When you don't select a company, Workday applies the change to every company asset book.

Note: Workday posts depreciation adjustment transactions to the ledger for the primary company asset book only. It doesn't impact depreciation in nonprimary asset books.

Concepts

[Concept: Accounting Impact of Asset Lifecycle Events](#) on page 1091

Tasks

[Steps: Perform Lifecycle Events for Capital Assets](#) on page 1082

Impair Assets

- Set up asset impairment reasons.
- Configure the *Asset Impairment Event* business process and security policy in the Business Asset Accounting functional area.

When the fair market value of an asset falls permanently below its net book value, you can impair the asset to:

- Reflect the current market value of the asset.
- Reduce the value of the asset on the balance sheet.
- Account for the asset impairment expense while the asset is still in use. The impairment expense is the nonrecoverable difference between the carrying amount and the fair market value of the asset.

You can't impair leased assets that you register from a supplier contract.

Note: You can't make changes to assets when other events are in progress.

1. From the related actions menu of the asset, select **Business Asset > Impair**.
2. As you complete the **Asset Details** grid, consider:

Option	Description
Impairment Amount in Primary Book Currency	When you enter an impairment amount, Workday: • Converts the impairment amount to a percentage of the asset cost in the primary book. • Uses the impairment percentage to populate the Impairment Amount in each asset book on the Asset Books grid. When the asset has different costs in different asset books, the impairment amount varies by asset book.
Impairment Percentage	When you enter an impairment percentage, Workday: • Populates the Impairment Amount in Primary Book Currency with the corresponding impairment amount in the primary book. • Uses the impairment percentage to populate the Impairment Amount in each asset book on the Asset Books grid.

3. (Optional) On the **Asset Books** grid, clear the asset books where you don't want to record an impairment.
4. (Optional) On the **Asset Books** grid, override the **New Market Value** in each asset book.

You can access the **View Business Asset** report to verify the new asset cost. The transaction displays the impairment amount as negative on the **Cost Detail** tab.

Workday creates depreciation adjustment transactions for impairments when:

- Ledger periods have processed depreciation.
- The impairment changes the depreciation expense amount.

Tasks

[Steps: Perform Lifecycle Events for Capital Assets](#) on page 1082

Reclassify Assets

- Register the asset.
- Assign accounting information to the asset.
- Post depreciation for the asset.
- Configure the *Asset Reclassification Event* business process and security policy in the Business Asset Accounting functional area.

You can reclassify the spend category for capital assets if it isn't:

- Fully disposed.
- An impaired asset.

Note: You can't make changes to assets when other events are in progress.

1. Select **Business Asset > Reclassify** from the related actions menu of a business asset.

2. As you complete the task, consider:

Option	Description
Transaction Effective Date	The date the reclassification occurs. Enter a date that's: • Within a ledger period. • Before the current date. • After the Last Transaction Date.
Item Spend Category	If the asset is an item, first change the item for the asset. The selected item automatically populates the spend category. You can select any spend category if the Item field is empty. You can change the Item, Asset Class, and Asset Type without changing the spend category. Use worktags as keywords to more easily classify and find transactions. Configure the allowed worktag types on the Maintain Worktag Usage task. When you select a worktag type that has related worktags, Workday automatically populates transactions with the related worktag values.
Asset Class	The spend category configuration automatically populates the asset class when you change the spend category. You can override this value, but the value you select on the Maintain Asset Shares task will override any value entered here.
Asset Type	The spend category configuration automatically populates the asset type when you change the spend category. You can override this value, but the value you select on the Maintain Asset Shares task will override any value entered here.
Useful Life	Specify a Proposed Useful Life for the asset. You can specify a different useful life for each asset book. Workday automatically populates the value from the asset book rules based on the spend category in the primary and secondary accounting books. You can't change the useful life of fully depreciated assets in a book.
Shares	Displays the number of times you share the asset costs. Click the number to drill down and view line detail about the shared cost.

Workday debits the new spend category and credits the old spend category in the primary accounting book. If the depreciation for an asset has posted, Workday reverses the depreciation from the old category and posts the depreciation to the new category.

In the new spend category, Workday calculates depreciation from the depreciation start date of the reclassify event. Workday derives the depreciation start date from the transaction effective date and the depreciation convention. If you modified the useful life, Workday recalculates the depreciation based on the new value.

Tasks

[Assign Asset Accounting Information](#) on page 1078

[Register Assets](#) on page 1057

Set Up Shared Costs of Assets

- Register an asset.
- Configure the *Asset Share Event* business process and security policy in the Business Asset Tracking functional area.

You can set up registered assets to share costs. You can't share the cost of assets that are:

- Components of a nondiscrete composite asset.
- Discrete composite assets.
- Disposed or removed.

Note: You can't make changes to assets when other events are in progress.

1. Access the **Maintain Asset Shares** task from the related actions menu of an asset.
2. As you complete the task, consider:

Option	Description
Amount Split	Equal to the sum of the Asset Share Amount values for all share lines.
Amount to be Split	The total asset cost. The amount changes as you add rows and enter the Share Percent or Asset Share Amount . The final Amount to be Split value must be zero.
Share Percent	When you adjust the asset cost or accounting, Workday uses the percentage to determine the amounts to apply to each line of the shared asset.
Asset Share Amount	Displays the shared amount for each line. The sum of all lines is equal to the Amount Split value.
Asset Class Asset Type	You can select the same Asset Class or Asset Type on more than 1 row. The Asset Class or Asset Type you select overrides your previous selections.
Worktags	Use worktags as keywords to more easily classify and find transactions. Configure the allowed worktag types on the Maintain Worktag Usage task. When you select a worktag type that has related worktags, Workday automatically populates transactions with the related worktag values. When you Submit, Workday validates that you have selected allowed or required values based on your related worktag configuration.

Review shared asset line splits to determine accounting cost sharing and the share of costs related to lifecycle events. Select the **Asset Shares** link on the **View Business Asset** or **View Asset by Book** tasks.

Create custom reports for the single asset and drill down to view the shared cost details. You can report by:

- Asset cost.
- Asset class.
- Asset type.

Tasks

[View Assets](#) on page 1061

Depreciation

Set Up Depreciation Profiles

Security: *Set Up: Business Asset Accounting* domain in the Business Asset Accounting functional area.

You can set up depreciation profiles to configure how Workday creates depreciation schedules when you place depreciable capital assets in service.

1. Access the **Create Depreciation Profile** task.
2. As you complete the task, consider:

Option	Description
Depreciation Method	Depending on the depreciation method that you select, Workday prompts you for additional parameters. See Reference: Depreciation Methods on page 1121.
Depreciation Percent	Enter the annual depreciation percentage that Workday applies to the asset cost or net book value for these depreciation methods: • <i>Declining Balance</i> • <i>Declining Balance with Switch to Straight Line</i> Example: For the double declining balance method, enter 200.
Depreciation Threshold	When you select the <i>Declining Balance</i> method, enter a depreciation limit that is greater than zero and less than the cost of the asset. When the net book value of the asset falls under Depreciation Threshold + Residual Value, Workday fully depreciates the asset.
Depreciation Rate Basis	Select whether you want to calculate the depreciation expense by periods or by days. Example: When you select the <i>Straight Line</i> depreciation method: • With a Depreciation Rate Basis of <i>Periods</i>, the depreciation amount is the same for all the periods, with possible rounding differences. • With a Depreciation Rate Basis of <i>Number of Days</i>, the period depreciation amount varies with the number of days in each period.
Useful Life (Periods)	Enter the number of periods over which the asset will be in use and depreciate. You can enter a useful life with these depreciation methods: • <i>Straight Line</i>

Option	Description
	• <i>Declining Balance with Switch to Straight Line</i> • <i>Sum of Years Digits</i>
Place In Service	Select <i>Manually or When Issued</i> to place the asset in service with 1 of these tasks: • The Issue Assets task. • The Issue to a Worker task from the related actions menu on the asset. • The Place In Service task from the related actions menu on the asset. Select <i>Upon Acquisition</i> for Workday to place the asset in service: • When you register the asset manually using the Register Assets task. • When Workday registers assets from a service step on the <i>Receipt and Supplier Invoice Event</i> business processes. • When you register assets from a supplier contract line. When you have multibook asset accounting enabled, Workday recommends that you use the same Place in Service date for all the depreciation profiles, preferably upon acquisition.
Depreciation Convention	The Depreciation Convention that you select impacts: • The depreciation start date. • The depreciation amount for the first and last periods of the asset useful life. See Reference: Depreciation Conventions on page 1123.
In Use	Workday selects this check box when at least 1 asset book rule uses this depreciation profile.
Inactive Depreciation Profile	Select this check box to prevent users from accidentally selecting this depreciation profile. You can't select this check box when the depreciation profile is in use. You can register an asset with an inactive depreciation profile as long as you've completed the <i>Assign Asset Accounting Information</i> business process step.

- Create at least 1 asset book rule for Workday to populate your depreciation profile when you assign accounting information to assets.
- Run the **Find Depreciation Profile** report to review your depreciation profiles.
- Access the **Edit Depreciation Profile** task to maintain, deactivate, or reactivate depreciation profiles.

Tasks

[Adjust an Asset In Service Date](#) on page 1063

[Assign Asset Accounting Information](#) on page 1078

Examples

[Example: Add Asset Details to Preview Depreciation Schedule](#) on page 1124

Set Up Bonus Depreciation Rules

- Set up asset books.
- Set up asset classes.
- Set up asset types.
- Security: *Set Up: Business Asset Accounting* domain in the Business Asset Accounting functional area.

You can set up bonus depreciation rules on your nonaccounting asset books.

1. Access the **Maintain Bonus Depreciation Rules** task.
2. As you complete the task, consider:

Option	Description
Asset Book	You can define bonus depreciation rules only on nonaccounting books.
Company	Select the company or hierarchy to which the rule applies. Leave empty for the rule to apply to assets in all your companies.
Acquisition Date	You can restrict the bonus depreciation rule to assets that you acquire between a From and a To date. When you only enter a From date, Workday evaluates all the assets with an acquisition date on or after that date. When you only enter a To date, Workday evaluates all the assets with an acquisition date on or before that date.
In Service Date	You can restrict the bonus depreciation rule to assets that you place in service between a From and a To date. When you only enter a From date, Workday evaluates all the assets that you placed in service on or after that date. When you only enter a To date, Workday evaluates all the assets that you placed in service on or before that date.
Asset Class Asset Type	Select the asset classes or types to which the bonus depreciation percentage applies. Leave empty for the rule to apply to the assets in all asset classes and asset types.
Location	You can only select hierarchies with at least 1 location that has asset usage. Leave empty for the rule to apply to the assets in all locations.
Default Bonus Depreciation Percent	The percentage of bonus depreciation that Workday applies to the assets matching the rule criteria. You can leave the percent as 0 when you

Option	Description
	explicitly want to set up a rule where no bonus depreciation applies.
Minimum Days for Recapture	This value is informational only. You can use this value: • In the asset disposal business process definition, in a condition rule. • As an indication on when you might want to recapture bonus depreciation for assets that you dispose before the minimum number of days. • In custom reports.

3. (Optional) Order the rules from most to least restrictive.
4. (Optional) Click **Test Bonus Depreciation Rules** to view how Workday evaluates the bonus depreciation rules on sample asset information.

When you place an asset in service, Workday evaluates the rules in the order that you define to determine the percentage of bonus depreciation. Workday stops evaluating rules on the first match. If an asset doesn't match any of your bonus depreciation rules, Workday applies a bonus depreciation of zero percent.

You can view the bonus depreciation amount on the **Depreciation Detail** tab on the **View Business Asset** page.

Record Asset Depreciation and Amortization Expenses

Security: *Process: Business Asset Accounting* domain in the Business Asset Accounting functional area.

You can schedule Workday to record depreciation and amortization expenses for company assets. When you don't record depreciation every period, Workday selects all unprocessed depreciation lines up to and including the period of the specified date.

Workday posts depreciation expenses to:

- All company asset books. When the asset is in multiple books, set up asset book restrictions to specify which ones to post to.
- Ledgers as 1 journal per company, summarized by spend category, location, and worktags. The journal accounting date is the posting date you specify in your account posting rules for depreciation and accumulated depreciation.

1. Access the **Record Depreciation Amortization Expense** task.

When you select the **Depreciation** and **Amortization** check boxes, Workday records both on the same schedule.

2. (Optional) When you can't find an asset, make sure:

- You assign accounting information to the asset.
- The asset has depreciation expenses to post based on the posting date.
- You associate a depreciation profile with the asset's spend category.
- You don't have to take another action on the asset before depreciation starts, such as issuance.
- The **Process History** tab on the **View Business Asset** report doesn't include other events in progress.

Suspend and Resume Asset Depreciation

- Assign asset accounting information.
- Security: *Process: Business Asset Accounting* domain in the Business Asset Accounting functional area.

You can select dates to suspend and resume depreciation for assets.

Workday:

- Extends the useful life of assets by the number of days suspension occurred.
- Sets the depreciation amount to zero for periods where depreciation suspension fully occurred.

Note: You can't make changes to assets when other events are in progress.

1. From the related actions menu of an in-service asset, select **Business Asset > Suspend Depreciation**.

Workday sets the status of the business asset to *Out of Service*. You can access the **In Service Schedule** tab on the **View Business Asset** report for the history of depreciation suspension.

2. From the related actions menu of a suspended asset, select **Business Asset > Resume Depreciation**.
3. As you complete the steps, consider:

Option	Description
Restricted to Books	When an asset is in multiple company asset books, either: • Select the books where you want to apply the change. • Leave the field blank to apply the change in every book.
Suspend Schedule	The suspend schedule displays the asset books and dates you select to suspend and resume depreciation for an asset.

Tasks

[Assign Asset Accounting Information](#) on page 1078

[Steps: Perform Lifecycle Events for Capital Assets](#) on page 1082

Concept: Depreciation Profiles

Depreciation profiles provide the building blocks for Workday to create almost any asset depreciation schedule.

When you assign accounting information to an asset, Workday populates the depreciation profile on the asset from your asset book rules and the asset information. Then, Workday populates these depreciation fields from the depreciation profile:

- **Useful Life**
- **Convention**
- **Depreciation Method**
- **Depreciation Percent**
- **Depreciation Threshold**

You can override these fields individually or change the depreciation profile as long as you haven't recorded any depreciation on the asset. After you start recording depreciation on an asset, you can't change these fields:

- **Convention**
- **Depreciation Method**
- **Depreciation Percent**
- **Depreciation Threshold**

An asset can have different depreciation profiles in different asset books.

When you place a capital asset in service, Workday creates the depreciation schedule based on the depreciation information on the asset.

Changes to depreciation profiles aren't retroactive. When you edit a depreciation profile, your changes only apply to assets that you register after the change.

You can't delete depreciation profiles, but you can deactivate any depreciation profiles that your asset book rules no longer use.

Concept: Bonus Depreciation Rules

Bonus depreciation rules enable you to apply an additional depreciation percentage during the first depreciation period of an asset.

You can define bonus depreciation rules only on nonaccounting books.

You can restrict the applicability of bonus rules to assets:

- That you acquire or place in service during a given time period.
- With given asset classes.
- With given asset types.
- In given locations.

Calculation

Workday calculates the bonus depreciation amount as:

Bonus depreciation amount = Bonus depreciable basis x Bonus depreciation percentage

Bonus Depreciable Basis

Workday applies the bonus depreciation percentage to the:

- Asset acquisition costs.
- Post-acquisition cost adjustments with a transaction effective date either:
 - Before the asset starts depreciating.
 - In the first depreciation period of the asset, based on the depreciation convention on the asset.

You can specify a maximum depreciable amount for an asset with the *Update Asset Book Configuration* web service.

Examples

This table illustrates how Workday calculates the bonus depreciation on an asset with these sample values:

- Bonus depreciation percentage: 50.
- Acquisition cost: 10,000 USD.
- Date placed in service: 01/31.
- Maximum bonus depreciation basis in the book: 16,000 USD.
- Post-acquisition cost adjustments:
 - 5,000 USD on 02/03.
 - 2,000 USD on 07/15.

Depreciation Convention	Depreciation Start Date	Bonus Depreciable Basis (USD)	Bonus Depreciation (USD)
Half Year	07/01	16,000	8,000

Depreciation Convention	Depreciation Start Date	Bonus Depreciable Basis (USD)	Bonus Depreciation (USD)
		Calculated as the minimum of: • 10,000 + 5,000 + 2,000 = 17,000 • 16,000	Calculated as 16,000 x 50 / 100
<i>Mid-Month</i>	01/16	10,000 Calculated as the minimum of: • 10,000 • 16,000	5,000 Calculated as 10,000 x 50 / 100
<i>Mid-Quarter</i>	02/15	15,000 Calculated as the minimum of: • 10,000 + 5,000 = 15,000 • 16,000	7,500 Calculated as 15,000 x 50 / 100

Reference: Depreciation Methods

Workday supports most standard depreciation methods.

When you select a depreciation method on the **Create Depreciation Profile** task, Workday prompts you for the additional parameters that the method requires.

In this table, the depreciable basis of an asset is: Asset Cost - Bonus Depreciation - Residual Value.

Depreciation Method	Description	Additional Parameters
<i>Straight Line</i>	When the depreciation rate basis is <i>Periods</i>, Workday calculates the period depreciation expense as the asset depreciable basis divided by the number of periods in the asset useful life. When the depreciation rate basis is <i>Number Of Days</i>, Workday calculates: • The daily depreciation expense as the asset depreciable basis divided by the number of days in the asset useful life. • The period depreciation expense as the daily depreciation amount multiplied by the number of days in the period.	• Depreciation Rate Basis • Useful Life (Periods)

Depreciation Method	Description	Additional Parameters
	When Workday rounds the depreciation expense, there might be slight variations in the depreciation expense between periods.	
<i>Declining Balance</i>	Workday applies the annual depreciation percentage to the asset depreciable basis (during the first year) or net book value (during the subsequent years). The depreciation expense is larger during the earlier years of the asset useful life, and declines in the subsequent years. When the depreciation expense for a period brings the net book value under the Depreciation Threshold + Residual Value, Workday fully depreciates the asset during this period.	• Depreciation Percent • Depreciation Threshold • Depreciation Rate Basis
<i>Declining Balance with Switch to Straight Line</i>	During each period, Workday calculates: • The depreciation amount from the straight-line method. • The depreciation amount from the declining balance method. When the amount from the declining method is greater than the amount from the straight-line method, Workday applies the declining balance method. When the amount from the declining method is less than the amount from the straight-line method, Workday uses the straight-line method for the remaining periods.	• Depreciation Percent • Depreciation Rate Basis • Useful Life (Periods)
<i>Sum of Years Digits</i>	Workday recognizes most of the depreciation in the earlier periods of the asset useful life. The sum of years' digits is the sum of the asset remaining years of useful life for each year. Workday steps down the depreciation at the start of each fiscal year. When the first year of depreciation is a partial year, Workday adds the under-	• Depreciation Rate Basis as Periods • Useful Life (Periods)

Depreciation Method	Description	Additional Parameters
	depreciated portion of the year to the subsequent years. Example: You have an asset with 5 years of useful life and a depreciation convention of <i>Current Period</i>. You place the asset in service in January. The sum of years' digits is $5 + 4 + 3 + 2 + 1 = 15$. The depreciation for the first year is $5 \div 15$, or 33.33%, of the asset depreciable cost.	
<i>Term</i>	You can select this depreciation method for the assets that you create from supplier contracts within or outside of Workday, including leased and intangible assets. Workday determines the asset useful life based on: • The start and end dates on the supplier contract. • The number of days you've suspended the asset. To calculate the period depreciation, Workday applies the calculations from the straight-line method.	Depreciation Rate Basis

Reference: Depreciation Conventions

The depreciation convention that you select impacts:

- The depreciation start date of the asset.
- The amount of the depreciation expense in the first period, month, quarter, or year that you place the asset in service.
- The amount of the depreciation expense in the year of disposal.

Depreciation Convention	Depreciation Start Date	Additional Considerations
<i>Current Period</i>	The first day of the period that you place the asset in service.	In the first period that you place the asset in service, Workday records a depreciation amount for the full period.
<i>Current Period Pro-rata</i>	The date that you place the asset in service.	In the first period that you place the asset in service, Workday prorates the depreciation amount to the number of days that the asset is in service.
<i>Half Year</i>	The middle day of the fiscal year that you place the asset in service.	In the first fiscal year that you place the asset in service,

Depreciation Convention	Depreciation Start Date	Additional Considerations
	Example: The first day of the seventh period in a 12-period fiscal year.	Workday records a depreciation amount for half a year.
<i>Half Year Pro-rata</i>	The date that you place the asset in service.	To calculate depreciation during the first fiscal year, Workday: 1. Calculates the first year depreciation amount using the <i>Half Year</i> accounting convention. 2. Distributes the first year depreciation amount across the first year periods from the date that you place the asset in service. When you dispose of an asset that hasn't reached the end of its useful life, Workday adjusts the depreciation amount of the last year to catch up the depreciation amount of the half year.
<i>Mid-Month</i>	The middle day of the month that you place the asset in service.	In the first month that you place the asset in service, Workday records a depreciation amount for half a month. If the Depreciation Rate Basis is <i>Period</i> , the depreciation amount for the first and last periods is half the regular period amount.
<i>Mid-Quarter</i>	The middle day of the fiscal quarter that you place the asset in service.	In the first quarter that you place the asset in service, Workday records a depreciation amount for half a fiscal quarter.
<i>Modified Half-Period</i>	When you place the asset in service in the first half of the fiscal period: the first day of the period that you place the asset in service. When you place the asset in service in the second half of the fiscal period: the first day of the period following the date that you place the asset in service.	When you place the asset in service in the first half of the period, Workday uses the <i>Current Period</i> convention. When you place it in service in the second half, Workday uses the <i>Next Period</i> convention.
<i>Next Period</i>	The first day of the period following the date that you place the asset in service.	

Example: Add Asset Details to Preview Depreciation Schedule

This example illustrates how you can preview the depreciation schedule for an asset before you register it.

As an asset accountant, you can view the depreciation calculations for each fiscal period before you register an asset. You can enter the asset depreciation and cost details using the **Preview Depreciation Schedule** report to generate depreciation schedules.

Set up a company, asset book, fiscal schedule, and fiscal years.

1. Access the **Preview Depreciation Schedule** report.
2. In the **General Information** section, enter these values:

Field	Value
Asset ID	Blank
Company	GMS USA
Asset Book	Workday automatically populates this field with the primary asset book.
Fiscal Schedule	Workday automatically populates the schedule.
Worktags	Blank
Location	Blank
Asset Shares	Workday automatically populates this field from the selected Asset ID.

3. In the **Depreciation Information** section, enter these values:

Field	Value
Depreciation Profile	Blank
Depreciation Method	Straight Line
Depreciation Rate Basis	Periods
Useful Life (Periods)	24
Depreciation Posting Frequency	Workday automatically populates the frequency.
Place In Service Based On	Upon Acquisition
Depreciation Convention	Current Period

4. In the **Asset Details** section, enter these values:

Field	Value
Currency	Workday automatically populates the currency.
Asset Cost	13,000.00
Residual Value	1,000.00
Bonus Depreciation %	Blank You can specify the bonus depreciation for any asset book, but you can only use bonus depreciation in nonaccounting books.
Accumulated Depreciation	Blank
Historical Bonus Depreciation	Blank

Field	Value
Year to Date Depreciation	Workday displays this field only when you enter accumulated depreciation, and the Depreciation Method isn't <i>Straight Line</i> or <i>Term</i> .
Remaining Useful Life	Workday displays this field only when you enter accumulated depreciation.
Acquisition Date	Current Period
Date Placed in Service	Workday automatically populates the date and places the asset in service upon acquisition.
Depreciation Start Date	Workday displays this field only when you enter accumulated depreciation.

5. Click **Calculate**.

Workday generates a depreciation schedule.

6. Click **OK** to export the report.

The asset accountant can:

- View the depreciation schedule before registering an asset.
- Ensure that generated depreciation expense lines are correct.

Tasks

[Set Up Depreciation Profiles](#) on page 1115

Reference

[Workday 32 What's New Post: Preview Asset Depreciation Schedules](#)

Lease Accounting

Lease Accounting Setup

Setup Considerations: Lease Accounting

You can use this topic to help make decisions when planning your configuration and use of lease accounting. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

Lease accounting in Workday automatically generates lease transactions from supplier contracts. You can then create financial reporting on your right-of-use (ROU) assets and lease liabilities. This reporting can help you comply with the current accounting standards under U.S. Generally Accepted Accounting Principles (GAAP), U.S. Governmental Accounting Standards Board (GASB), and International Financial Reporting Standards (IFRS).

Business Benefits

With Workday lease accounting, you can:

- Record and process full lifecycle accounting of a lease using only Workday, without other integrations and applications.
- Create lease-type supplier contracts for financial leases, operating leases, and short-term operating leases.
- Generate data needed for quantitative disclosure requirements.
- Generate comparative financial statements from before and after the U.S. GAAP, GASB, and IFRS changes to the accounting standards.
- Compare your operating lease-type supplier contracts under different accounting methods by creating alternate contracts.
- Import active, in-progress lease contracts into Workday without duplicating historical transactions.

Use Cases

You can create lease-type supplier contracts in Workday that enable you to record your lease contracts and transactions. You can represent any combination of these lease contracts:

- Financial leases.
- Operating leases for IFRS or U.S. GASB.
- Operating leases for comparative and retrospective reporting.
- Operating leases for U.S. GAAP.

Questions to Consider

Questions	Considerations
What are your financial and statutory reporting requirements? How do your debt or bank covenants require you to report lease accounting transactions?	The location and structure of your organization determines your financial reporting obligations. Each country expects companies to provide financial statements in accordance with statutory requirements. You might need to report for both accounting standards if you operate in both the U.S. and a country that follows IFRS. Your debt or bank covenants might also require comparative or retrospective financial reporting that differs from the statutory requirements set by your local or national government. Before you configure lease accounting, confirm your financial reporting obligations. You might need to configure any combination of these lease-type supplier contracts: • Financial lease. • Operating lease that uses <i>ROU Asset Depreciation Expense</i>. • Operating lease that uses <i>ROU Asset Operating Expense</i>. • Operating lease that uses <i>Straight Line Expense</i>. • Short-term operating lease.
What lease contracts types do you need to record in Workday?	If you plan to record financial leases or operating leases that use <i>ROU Asset Depreciation Expense</i>,

Questions	Considerations
	you can expect additional effort to configuring asset accounting. Asset accounting requires these additional steps to set up the business asset accounting and business asset tracking functional areas. • Configure asset accounting. • Configure the <i>Receipt Event</i> business process. • Create spend categories with asset tracking and lease. You can also represent lease contracts in Workday under the former lease accounting standards. Consider configuring a contract type for operating leases that uses the <i>Straight Line Expense</i> accounting method. You can then use that contract type to create reporting that compares your lease contracts under different standards.
Do you have active, ongoing lease contracts that you need to record in Workday?	If you have active, ongoing lease contracts, consider migrating them into Workday and updating the installment status. Workday enables you to generate accounting transactions for your lease contracts from any installment period. This functionality enables you to import ongoing lease contracts by representing partially fulfilled contracts. Example: Your contract started in 2015 and finishes in 2025. When you update your paid installments with a status of <i>Accounted</i>, Workday recognizes those transactions as posted and doesn't generate additional transactions. Specify the installment status before you generate expense recognition accounting. Use the Mass Update Lease Contract Installment to Available or Accounting Status task to specify the status. If you reverse an installment with an <i>Accounted</i> status after you amend a contract, you might see a Manual Journal Required column on your expense recognition schedule. Workday displays this column when you need to provide an accounting journal that adjusts your ledgers for the reversed installment.
How do you want Workday to record financial lease transactions?	You can create financial leases without configuring lease accounting. Workday automatically records the transactions of depreciable capital assets from financial leases to the common book code. You can change this behavior by configuring a book code for financial lease contracts on the Maintain Lease Contract Book Code Configuration task. If you later decide you don't want to use the common book code, you can create a new book code configuration when you set up lease

Questions	Considerations
	accounting. You can't change or remove a book code configuration after use.

Recommendations

Functionality	Considerations
Spend categories	Consider what equipment or facilities that you expect to lease. We recommend that you configure spend categories for each kind of lease you use. Example: Spend categories for vehicles, production machinery, office buildings, and laptops. You can't change a spend category once it's in use.
Alternate lease-type supplier contracts	Workday recommends that you use alternate lease-type supplier contracts when you might need to compare contracts under different accounting standards or interest rates. Alternate lease-type supplier contracts save you the effort of creating and maintaining multiple separate contracts to represent the same contract terms. If you want to create an alternate lease-type supplier contract, you must: • Set up lease contract book code configurations. • Use a different accounting method than the original and other alternate contracts. • Use the same payment type as the original contract. • Configure Receive Contract Lines if you want to use <i>ROU Asset Depreciation Expense</i>.
Multibook asset accounting	Workday strongly recommends that you configure multibook asset accounting when you want to create financial leases or operating leases that use <i>ROU Asset Depreciation Expense</i>. When you enable multibook asset accounting, you must also configure the Business Asset Multibook Settlement account posting rule. When you don't configure multibook asset accounting, Workday automatically books asset transactions to the common book code.

Requirements

No impact.

Limitations

You can't select grant worktags on the **Goods Lines** section when you create a lease-type supplier contract. Workday doesn't support award cost processing functionality with lease-type supplier contracts.

When working with lease amendments, you can't:

- Create an amendment from an alternate lease-type supplier contract.
- Create alternate lease-type supplier contracts after you amend the original contract. If you need to create alternate lease-type supplier contracts, do so before you create the amendment.
- Copy amended lease-type supplier contracts. If you need to copy your lease-type supplier contract, do so before you create the amendment.

You can only create these amendments to lease-type supplier contracts:

- Lease extensions.
- Non-CPI payment changes.

Workday only supports:

- Fully recoverable tax for lease accounting.
- Fiscal years with calendar months on expense recognition schedules.

Tenant Setup

Select *Lease Accounting* on the **Lease Accounting** section of the **Edit Tenant Setup - Financials** task to enable the feature.

Enable multibook asset accounting on the **Edit Tenant Setup - Financials** task when you select *Operating Lease IFRS* or *Public Sector* and at least 1 of these options:

- *Modified or Full Retrospective Reporting*
- *Operating Lease US GAAP*

Security

Configure these security domains in the Common Financial Management functional area:

Domains	Considerations
<i>Set Up: Accounts</i>	Set up account sets.
<i>Set Up: Accounting Rules</i>	Set up account posting rules.
<i>Set Up: Journal Source</i>	Configure operational transactions for lease accounting.
<i>Set Up: Spend Categories</i>	Set up spend categories for lease accounting.

Configure these security domains in the Supplier Contract functional area:

Domains	Considerations
<i>Process: Supplier Contract - Expense Recognition</i>	Create expense recognition accounting and view expense recognition schedules. You can use this domain to schedule automatic creation of expense recognition accounting for lease-type supplier contracts.
<i>Set Up: Supplier Contract Accounting</i>	Assign book codes to lease-type supplier contract configurations.
<i>Set Up: Supplier Contracts</i>	Configure lease supplier contract types and lease amendment types.

If you want to create lease-type supplier contracts with depreciable capital assets, configure these security domains:

Domains	Considerations
<i>Process: Supplier Contract - Receipt</i> in the Supplier Contracts functional area	Create receipts on supplier contracts.
<i>Set Up: Ledger and Book</i> in the Common Financial Management functional area	Set up book codes for lease accounting.
<i>Set Up: Company Asset Books</i> in the Business Asset Accounting functional area	Restrict transactions on company asset books.
<i>Set Up: Business Asset Accounting</i> in the Business Asset Accounting functional area	Maintain asset books and view depreciation profiles and schedules.

You can also set up the *Access Supplier Contract Type (Segmented)* domain on the Supplier Contracts functional area to help you control access to any supplier contract types.

Business Processes

Business Processes	Considerations
(Optional) <i>Alternate Supplier Contract Event</i>	Create alternate contracts for leases.
(Optional) <i>Asset Registration Event</i>	Register assets. Configure this business process if you want to create: - Financial lease contracts. - Operating lease contracts with an accounting method of <i>ROU Asset Depreciation Expense</i>.
(Optional) <i>Receipt Event</i>	Create and approve receipts for contract lines.
(Optional) <i>Supplier Contract Amendment Event</i>	Create amendments for lease-type supplier contracts.
<i>Supplier Contract Event</i>	Create and approve lease-type supplier contracts.
<i>Supplier Invoice Event</i>	Create and approve lease-type supplier invoices for supplier invoice installments.
<i>Supplier Contract Invoice Schedule Event</i>	Create supplier invoice schedules and installments for leases.
<i>Supplier Lease Contract Cancellation Event</i>	Cancel lease-type supplier contracts.

Reporting

You can use these standard reports for quantitative disclosures for financial reporting:

Reports	Considerations
Lease Accounting - Interest Expense for Leases	The interest expense of lease-type supplier contracts in the installment period you specify.
Lease Accounting - Operating Lease Cost	The costs of operating lease-type supplier contracts in the installment period you specify.
Lease Accounting - Scheduled Cash Payments	Scheduled cash payments for amounts used to measure lease liabilities. Enables you to review payments that reduce your lease liability in the installment periods you specify.

Reports	Considerations
Lease Accounting - Supplemental Non-Cash	The supplemental noncash details of lease liabilities that originate from ROU assets.
Lease Accounting - Variable Lease Cost	Variable lease costs on installment periods you specify that are linked to supplier invoices of lease-type supplier contracts.
Lease Accounting - Weighted Average Discount Rate	The weighted average discount rate of the remaining lease payments on lease-type supplier contracts as of a specified date.
Lease Accounting - Weighted Average Lease Term	The weighted average lease term of your lease-type supplier contracts as of a specified date.

You can use these standard reports for reconciliation:

Reports	Considerations
Finance Lease Accounting Balance Sheet Reconciliation	The lease liability balances of finance lease-type supplier contracts as of a specific installment period. Also reconciles the remaining amounts to the resulting ledger account balances.
Operating Lease Accounting Balance Sheet Reconciliation	The lease liability and ROU asset balances of operating lease-type supplier contracts as of a specific installment period. Also reconciles the remaining amounts to the resulting ledger account balances.

You can also use the **Assets Net Book Value** report to view the net value of individual assets in a company.

Integrations

Web Services	Considerations
<i>Get Supplier Contracts</i>	Retrieves all the information associated with your supplier contract. Enables you to view detailed information across multiple lease-type supplier contracts.
<i>Put Lease Contract Book Code Configurations</i>	Creates lease contract book code configurations. Enables you to set up many contract types to book code configurations at once.
<i>Put Supplier Contract Type</i>	Creates supplier contract types. Enables you to set up many supplier contract types at once.
<i>Put Supplier Contract Type Security Segment</i>	Creates segmented security on supplier contract types. Enables you to grant access to multiple supplier contract types across many roles.
<i>Submit Receipt</i>	Creates asset receipts. Enables you to create receipts for multiple lease-type supplier contracts.
<i>Submit Supplier Contract</i>	Enables you to create many lease-type supplier contracts quickly. You can use the web service to help you record large numbers of lease contracts.

Connections and Touchpoints

Functional Areas	Considerations
(Optional) Business Asset Accounting (Optional) Business Asset Tracking	Record and track the transactions of your leased assets.
Procurement	Create and process the receipts of lease-type supplier contracts.
Supplier Accounts	Generate supplier invoice installments on the supplier invoice schedule of a lease-type supplier contract.
Supplier Contracts	Create a lease from a supplier contract that uses a lease contract type.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships across your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Concepts

Concept: [Lease Accounting](#) on page 1153

Tasks

Steps: [Set Up Lease Accounting](#) on page 1138

Steps: [Set Up Multibook Asset Accounting for Leases](#) on page 1140

Steps: [Record Active Lease-Type Supplier Contracts](#) on page 1150

Reference

Reference: [Accounting Methods for Lease-Type Supplier Contracts](#) on page 1152

[Workday 33 What's New Post: Extension and Payment Amendments for New Lease Accounting Standards 2020R1 What's New Post: Multiple Amendments for Lease Accounting](#)

[The Next Level: Lease Accounting — Standard Reports and Enhancements in Workday 32](#)

[The Next Level: Lease Accounting FAQ](#)

[The Next Level: Getting Started and Business Case Details for Implementation and Lease Contract Conversion](#)

[The Next Level: Setup Translation Reporting for Lease Accounting](#)

Setup Considerations: Multibook Asset Accounting for Leases

You can use this topic to help make decisions when planning your configuration and use of multibook asset accounting when you want to use lease accounting. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

Multibook asset accounting tracks an asset in multiple books and enables you to meet statutory reporting requirements for lease contracts. You set up the accounting methods used in each book to track and report on the same asset for different accounting standards.

Business Benefits

This functionality helps you comply with standards under U.S. Generally Accepted Accounting Principles (GAAP), U.S. Governmental Accounting Standards Board (GASB), and International Financial Reporting Standards (IFRS). Enabling multibook asset accounting makes it easier for you to:

- Register and depreciate the same assets multiple ways.
- Assign assets to the appropriate accounting books.
- Prepare financial statements under multiple accounting standards.

Use Cases

- Your organization has operating lease contracts under both ASC 842 and IFRS 16. The organization registers assets and associates them with the contract under IFRS 16 to record depreciation and amortization expense. Under ASC 842, the organization doesn't register and associate assets with the contract. You amortize assets through the expense recognition schedule or lease expense for ASC 842. Workday adds the asset to the IFRS book but not the GAAP book.
- Your organization has operating lease contracts under both IFRS 16 and IAS 17. The organization registers assets and associates them with the contract under IFRS 16 to record depreciation and amortization expense. Under IAS 17, the organization doesn't register and associate assets with the contract. You don't require balance sheet presentation for operating leases before the new standards. Workday adds the asset to the IFRS 16 book, but not the book under the former IFRS standards.
- Your organization has operating lease contracts under GASB 87 and must also report under former GASB standards. The organization registers assets and associates them with the contract under GASB 87 to record depreciation and amortization expense. Under the former GASB standards, you don't register and associate assets with the contract. You don't require balance sheet presentation for operating leases before the new standards. Workday adds an asset to the GASB 87 book, but not the book under the former GASB standards.

Questions to Consider

Questions	Considerations
Which accounting standards do you need to prepare for?	You don't need to enable multibook asset accounting when you prepare financial statements for: • ASC 842 only. • IFRS 16 only and your lease-type contracts have a start date on or after the adoption date of the current standard. • GASB 87 only and your lease-type supplier contracts have a start date on or after the adoption date of the current standard.
Do you need to depreciate assets over the term of the lease contract?	If yes, use the term depreciation method to depreciate the asset on a straight-line basis for the length of the contract. Otherwise, you can use any other depreciation method, but you must update the asset book rules to match the depreciation profile.

Recommendations

- For operating leases under IFRS 16 or GASB 87, don't use the same book codes that you use for lease-type supplier contracts when you report under multiple standards. Different book codes help prevent duplication of asset cost and depreciation expense when reporting. You can combine these book codes in a single book to simplify reporting.

- Set up account posting rules for the **Multibook Settlement** ledger account with the *Spend Category* dimension to record journal entries.
- Register leased assets through a supplier contract receipt and include the *Initiate Asset Registration Events from Receipt for Supplier Contracts* service step in the *Receipt* business process.
- Decide which books to use for what accounting standards. Assign or restrict assets to specific asset books based on your needs.
- Set up depreciation profiles to automatically create depreciation schedules for your assets when you register them.

Requirements

Enable these functional areas to create financial leases and operating leases with an accounting method of right-of-use (ROU) asset depreciation expense:

- Business Asset Accounting
- Business Asset Tracking

Limitations

No impact.

Tenant Setup

To enable asset accounting for multiple books, select the **Enable Multibook Asset Accounting** check box in the **Business Assets Options** section on the **Edit Tenant Setup - Financials** task. Also enable **Lease Accounting** on the **Edit Tenant Setup - Financials** task. After enabling the tenant-level option, assign book codes to the asset accounting books for your company.

Security

Domains	Considerations
<i>Set Up: Ledger and Book</i> in the Common Financial Management functional area	Provides access to set up book codes and books for asset accounting.
<i>Set Up: Accounting Rules</i> in the Common Financial Management functional area	Provides access to set up account posting rules.
These domains in the Business Asset Accounting functional area: • <i>Set Up: Company Asset Books</i> • <i>Set Up: Business Asset Accounting</i>	Provides access to map asset books to companies and assign book codes to accounting books.
<i>Set Up: Business Asset Accounting</i> in the Business Asset Accounting functional area	Provides access to maintain asset books and create depreciation profiles and schedules.

Business Processes

No impact.

Reporting

Use the **Assets Net Book Value** report to:

- View the net value of individual assets in a company.
- View accumulated and year-to-date depreciation.

Integrations

No impact.

Connections and Touchpoints

Multibook asset accounting for leases interacts with these other areas in Workday:

Features	Considerations
Lease accounting	Configure multibook asset accounting for use with lease accounting to help you report on IFRS or GASB and alternate lease-type supplier contracts for different accounting standards.
Supplier contracts	Select a supplier contract type when you create a supplier contract. Based on your configuration, Workday determines whether to treat your lease-type supplier contracts as: • Depreciable capital assets that you must register as business assets. • Nondepreciable capital assets.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships across your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Concepts

[Setup Considerations: Lease Accounting](#) on page 1126

Tasks

[Steps: Create Book Codes and Books](#) on page 85

[Steps: Set Up Asset Accounting for Multiple Books](#) on page 1076

[Define Asset Book Rules](#) on page 1075

[Restrict Assets to Company Asset Books](#) on page 1074

[Assign Book Codes to Lease Contracts](#) on page 1144

Reference

[Reference: Edit Tenant Setup - Financials](#)

[The Next Level: Multibook Asset Accounting Set Up for Leases](#)

[The Next Level: Multibook Asset Accounting - Lease Contract Conversion Guide](#)

Examples

[Example: Set Up Operating Leases for IFRS and GASB Accounting](#) on page 1144

Steps: Set Up Security for Lease Accounting

You can set up security for lease accounting to determine who can:

- Set up spend categories for lease-type supplier contracts.
- Configure your account posting rules for lease accounting.
- Create, edit, and view lease-type supplier contracts.
- Create, edit, and view lease-type supplier invoices.
- Set up lease contract book code configurations.
- Create expense recognition accounting.
- Create alternate lease-type supplier contracts.
- Create lease amendments on lease-type supplier contracts.

1. Access the *Maintain Functional Areas* task.

Select the **Enabled** check box for these functional areas:

- (Optional) Business Asset Accounting
- (Optional) Business Asset Tracking
- Procurement
- Supplier Accounts
- Supplier Contracts

Enable the Business Asset Accounting and Business Asset Tracking functional areas when you want to create these lease-type supplier contracts.

- Financial leases.
- Operating leases that use the ROU asset depreciation expense accounting method.

Security: *Security Configuration* domain in the System functional area.

2. Set up these business processes and security policies:

- *Alternate Supplier Contract Event*
- (Optional) *Asset Registration Event*
- *Supplier Contract Event*
- (Optional) *Supplier Contract Amendment Event*
- *Supplier Contract Invoice Schedule Event*
- *Supplier Lease Contract Cancellation Event*

Set up the *Asset Registration Event* when you want to create these lease-type supplier contracts:

- Financial leases.
- Operating leases that use the ROU asset depreciation expense accounting method.

See [Steps: Configure Business Process Definitions](#).

3. Access the **Domain Security Policies for Functional Area** report.

Select **Domain Security Policy > Enable** from the related actions menu of these domain security policies.

- (Optional) *Access Supplier Contract Type (Segmented)*
- *Process: Supplier Contract*
- *Process: Supplier Contract - Expense Recognition*
- *Process: Supplier Contract - Initial Recognition of Lease*
- *Process: Supplier Contract - Mass Action*
- (Optional) *Process: Supplier Contract - Receipt*
- *Set Up: Accounts*
- *Set Up: Accounting Rules*
- *Set Up: Journal Source*
- *Set Up: Supplier Contracts*
- *Set Up: Supplier Contract Accounting*
- *Set Up: Spend Categories*
- (Optional) *Supplier Contract Segmented Setup*

Set up the *Process: Supplier Contract - Receipt* security domain when you want to create these lease-type supplier contracts:

- Financial leases.
- Operating leases that use the ROU asset depreciation expense accounting method.

If you configure the *Supplier Contract Amendment Event* business process and security policy, you must configure your domain security group policies for the **Create Lease Amendment** task.

Security: These domains in the System functional area:

- *Security Activation*
- *Security Configuration*

4. [Activate Pending Security Policy Changes](#).

Steps: Set Up Lease Accounting

Set up security for lease accounting.

You can configure lease accounting to calculate and then generate lease accounting transactions. You can then report on the transactions as part of your financial statements.

1. Access the **Edit Tenant Setup - Financials** task.

Select the *Lease Accounting* option in the **Lease Accounting** section and select the use cases that apply.

Select **Enable Tax Point Date Configuration for Transaction Taxes** if you want to configure the tax point date type for transaction tax codes.

See [Reference: Edit Tenant Setup - Financials](#).

2. [Create Spend Categories for Lease Accounting](#) on page 1141.
3. [Set Up Supplier Contract Types for Lease Accounting](#) on page 1143.
4. (Optional) [Assign Book Codes to Lease Contracts](#) on page 1144.

Set up book code configurations when you select 2 or more options for lease accounting on the **Edit Tenant Setup - Financials** task.

5. (Optional) Configure asset accounting.

Configure asset accounting if you want to create these types of lease-type supplier contracts:

- Financial leases.
- Operating leases that use the ROU asset depreciation expense accounting method.

See: [Steps: Set Up Asset Accounting](#) on page 1070.

6. (Optional) [Steps: Set Up Multibook Asset Accounting for Leases](#) on page 1140.

7. Access the **Edit Account Set** task.

Configure ledger accounts for lease accounting that map:

- Financial or operating lease liabilities to the *Liability* ledger account type.
- Lease expenses to the *Expense* ledger account type.
- Interest expenses to the *Expense* ledger account type.
- Financial and operating lease ROU assets to the *Asset* ledger account type.

Workday recommends you set up accounts for specific transaction types. Examples:

- *Financial Lease Liability*
- *Operating Lease Liability*
- *Lease Expense*
- *Leased Laptops*
- *Interest Expense - Lease*

Security: *Set Up: Accounts* domain in the Common Financial Management functional area.

8. [Define Account Posting Rules for Lease Accounting](#) on page 1142.

9. Access the **Maintain Journal Source Mapping to Operational Transactions** task.

Configure these operational transactions for lease accounting:

- **Initial Recognition of Lease Journal Entry Source.**
- **Expense Recognition Journal Entry Source.**

Configure the **Initial Recognition Adjustment of Lease Journal Entry Source** operational transaction to create amendments to lease-type supplier contracts.

Security: *Set Up: Journal Source* domain in the Common Financial Management functional area.

10.(Optional) Access the **Maintain Supplier Contract Lease Amendment Types** task.

Create amendment types that you want to use for amendments to your lease-type supplier contracts.

Security: *Set Up: Supplier Contracts* domain in the Supplier Contracts functional area.

11.(Optional) Access the **Maintain Worktag Usage** report.

On **Accounting Journal**, include these worktag types:

- **Supplier Contract**
- **Alternate Supplier Contract**

Security: *Set Up: Enable Worktags* domain in these functional areas:

- Common Financial Management
- Worktags

12. (Optional) Access the *Schedule Automatic Receipt of Contract Lines for Leases* task.

Workday recommends that you schedule automatic receipt of contract lines when you use these lease-type supplier contracts:

- Financial leases.
- Operating leases that use the ROU asset depreciation expense accounting method.

Workday only creates receipts for contract start dates that are on or before the configured processing date. After receiving the contract lines, you must register the asset before Workday generates a correlating business asset and depreciation schedule.

Security: *Process: Supplier Contract - Receipt* domain in the Supplier Contracts functional area.

Concepts

[Setup Considerations: Lease Accounting](#) on page 1126

[Setup Considerations: Multibook Asset Accounting for Leases](#) on page 1133

[Concept: Lease Accounting](#) on page 1153

Tasks

[Steps: Set Up Asset Accounting](#) on page 1070

[Steps: Create and Organize Ledger Accounts](#) on page 67

Reference

[Reference: Accounting Methods for Lease-Type Supplier Contracts](#) on page 1152

[Workday 33 What's New Post: Extension and Payment Amendments for New Lease Accounting Standards](#)

[The Next Level: ASC 842 | IFRS 16 - Using Workday Core Financials to Help You Meet the New Lease Accounting Standards](#)

[The Next Level: Lease Accounting — Workday 31 Feature Update with Product Management](#)

Examples

[Example: Set Up Operating Leases for IFRS and GASB Accounting](#) on page 1144

Steps: Set Up Multibook Asset Accounting for Leases

Security: These domains in the Business Asset Accounting functional area:

- *Set Up: Company Asset Books*
- *Set Up: Business Asset Accounting*

Security: *Set Up: Ledger and Book* domain in the Common Financial Management functional area.

Configure your tenant for multibook asset accounting. Multibook accounting helps you report on lease contracts for U.S. Governmental Accounting Standards Board (GASB) and International Financial Reporting Standards (IFRS), as well as alternate lease-type supplier contracts for different accounting standards.

1. Enable asset accounting for multiple books.
 - a) Access the **Edit Tenant Setup - Financials** task.
 - b) In the **Business Assets Options** section, select the **Enable Multibook Asset Accounting** check box.
2. Access the **Maintain Book Codes** task to create new lease book codes.
3. Access the **Maintain Asset Books** task.

Associate a book code to that asset book when you select the **Accounting Book** check box for an asset book. The book code is a requirement when you set up a company asset book.
4. Access the **Maintain Lease Contract Book Code Configuration** task.

Configure book codes associated with a lease-type supplier contract. The book codes can't be the same as the book codes that you use on the **Add Company Asset Book** task.

5. Access the **Maintain Company Asset Book Restrictions task.**

Restrict assets to specific asset books when you want to record lease-type contracts for any of the multibook asset accounting scenarios.

You can select these specific scenarios in the **Lease Accounting** section on the **Edit Tenant Setup - Financials** task:

Scenario 1:

- *Modified or Full Retrospective Reporting*
- *Operating Lease IFRS or Public Sector*

Scenario 2:

- *Modified or Full Retrospective Reporting*
- *Operating Lease IFRS or Public Sector*
- *Operating Lease US GAAP*

Scenario 3:

- *Operating Lease IFRS or Public Sector*
- *Operating Lease US GAAP*

6. Access **Maintain Asset Book Rules task.**

Asset book rules apply to all companies but you can restrict a rule to specific companies by adding it as criteria for individual rules.

Concepts

[Setup Considerations: Lease Accounting](#) on page 1126

[Concept: Lease Accounting](#) on page 1153

[Setup Considerations: Multibook Asset Accounting for Leases](#) on page 1133

Tasks

[Assign Book Codes to Lease Contracts](#) on page 1144

[Define Asset Book Rules](#) on page 1075

[Restrict Assets to Company Asset Books](#) on page 1074

[Steps: Set Up Asset Books for a Company](#) on page 1072

[Steps: Create Book Codes and Books](#) on page 85

Reference

[Reference: Edit Tenant Setup - Financials](#)

[The Next Level: Multibook Asset Accounting Set Up for Leases](#)

[The Next Level: Multibook Asset Accounting - Lease Contract Conversion Guide](#)

Examples

[Example: Set Up Operating Leases for IFRS and GASB Accounting](#) on page 1144

Create Spend Categories for Lease Accounting

- Set up security for lease accounting.
- Security: *Set Up: Spend Categories* domain in the Procurement functional area.

You configure spend categories to direct operational journals for lease transactions towards applicable account sets. You assign spend categories on the goods lines when you create a lease-type supplier contract.

1. Access the **Maintain Spend Categories task.**

2. Select the transaction types you want from the **Spend Category Usage prompt.**

Select these transaction types:

- *Procurement*
- *Supplier Invoice*

3. Select the **Lease** and **Track Items** check boxes on the **Asset Tracking** section.

If you enable *Operating Lease IFRS or Public Sector* and at least 1 other lease accounting option in your tenant, you can create alternate lease-type supplier contracts for operating leases.

You can change spend category attributes if the spend category isn't in use.

Tasks

[Create Spend Categories](#)

[Create Lease-Type Supplier Contracts](#) on page 1150

Define Account Posting Rules for Lease Accounting

- Set up lease accounting.
- Create an account set for lease accounting.
- Security: *Set Up: Accounts* domain in the Common Financial Management functional area.

You can define the account posting rules and posting rule conditions for your lease ledger accounts. You can use the posting rules to determine the ledger accounts Workday records and posts lease transactions to.

1. Access the **View Account Posting Rule Set** report.

2. Set up account posting rules for lease accounting.

Workday automatically uses the **Spend** account posting rule for new lines on your lease-type supplier invoice. You have to set up these rules for lease transactions:

- **Lease Asset.**
- **Lease Asset Contra.**
- **Lease Expense.**
- **Lease Liability.**
- (Optional) **Business Asset Multibook Settlement** when you enable multibook asset accounting in your tenant.

3. Click **Edit Posting Rule** for each lease transaction.

As you complete this task, consider:

Option	Description
Dimension	Select these dimensions: • <i>Accounting Treatment</i> • <i>Interest</i> • <i>Lease Accounting Method</i> • <i>Lease Type</i> • <i>Spend Category</i>

Workday creates journal entries that record:

- Amortization of lease liabilities.
- Amortization of right-of-use (ROU) assets.
- Depreciation expenses.
- Initial recognition entries.
- Interest for operating and financial leases.
- Lease expenses.

Set up supplier contract types for lease accounting.

Tasks

[Steps: Set Up Lease Accounting](#) on page 1138

[Set Up Account Posting Rules](#) on page 69

Set Up Supplier Contract Types for Lease Accounting

Security: *Set Up: Supplier Contracts* domain in the Procurement functional area.

You can select a supplier contract type when you create a supplier contract. The lease supplier contract type determines the account posting rules and ledger accounts Workday records your transaction to. Your configuration helps Workday determine whether to treat your lease-type supplier contracts as:

- Depreciable capital assets that you must register as business assets.
- Non-depreciable capital assets.

1. Access the **Maintain Supplier Contract Types** task.
2. Set up supplier contract types for lease accounting.

Select the **Variable Payment** check box if you want to specify the payment amount and schedule of your lease-type supplier contracts. Workday considers a contract type to have a fixed payment type when you don't select the check box.

The supplier contract types you set up also determine the alternate lease-type supplier contracts you can create.

As you complete this task, consider:

Option	Description
Financial Lease	Select these check boxes: • Financial Lease • Receive Contract Lines • Scheduled Invoices • (Optional) Variable Payment
Operating Lease	Select these check boxes if you want an accounting method of <i>ROU Asset Operating Expense</i> or <i>Straight Line Expense</i>: • Operating Lease • Scheduled Invoices • (Optional) Variable Payment Select these check boxes for an accounting method of <i>ROU Asset Depreciation Expense</i>: • Operating Lease • Receive Contract Lines • Scheduled Invoices • (Optional) Variable Payment
Short Term Operating Lease	Select these check boxes for short-term operating leases: • Scheduled Invoices • Short-Term Operating Lease • (Optional) Variable Payment

- Configure book codes for your lease-type supplier contracts if you want to create operating lease contracts and select 2 lease accounting use cases when configuring your tenant.
- You can select contract types you configure for lease accounting on the **Create Supplier Contract** task.

Concepts

[Concept: Lease Accounting](#) on page 1153

Tasks

[Create Lease-Type Supplier Contracts](#) on page 1150

[Steps: Create Supplier Contracts](#)

Reference

[Reference: Accounting Methods for Lease-Type Supplier Contracts](#) on page 1152

Assign Book Codes to Lease Contracts

Security: *Set Up: Supplier Contract Accounting* domain in the Procurement functional area.

You can set up book code configurations for each company that uses lease accounting. Book code configurations help you group lease accounting transactions under different reporting requirements. You can then generate financial reports under different lease accounting reporting requirements.

When you create a lease contract, Workday generates the operational journals of the initial recognition entry and expense recognition installments in the book codes you provide. Workday records transactions from supplier invoices of lease-type supplier contracts to the common book code.

1. Access the **Maintain Lease Contract Book Code Configuration** task.
2. Assign contract types to book codes by company or company hierarchy.
You don't have to configure book codes for financial leases. If you don't configure book codes, Workday records all related lease transactions to the common book code.
3. (Optional) Set up book code configurations for alternate lease-type supplier contracts.

Create a lease-type supplier contract.

Concepts

[Concept: Lease Accounting](#) on page 1153

Tasks

[Create Alternate Lease-Type Supplier Contracts](#) on page 1152

Reference

[Reference: Accounting Methods for Lease-Type Supplier Contracts](#) on page 1152

Example: Set Up Operating Leases for IFRS and GASB Accounting

This example illustrates how to configure Workday to create operating lease-type supplier contracts for:

- International Financial Reporting Standards (IFRS)
- U.S. Government Accounting Standards Board (GASB)

Kim needs to configure Workday to enable her accountant, Jim, to create operating lease-type supplier contracts. The contracts Jim wants to create need to align with the latest IFRS 16 standards on lease accounting, effective January 1, 2019.

Jim needs to record contracts that represent the lease liabilities and right-of-use (ROU) assets of an office building that their company, MBAA Services, has a multiyear lease for. Current IFRS standards consider the building a depreciable capital asset. He also needs to record contracts under the former accounting standards, which don't recognize operating leases as depreciable capital assets, to provide financial statements for existing bank covenants. To meet these requirements, Kim needs to set up lease accounting and multibook asset accounting (MBAA).

- Configure asset accounting.
- Configure asset tracking.
- Configure depreciation profiles.

- Configure these business processes:
 - *Asset Assign Accounting Event*
 - *Asset Registration Event*
 - Configure these security domains in the Business Asset Accounting functional area:
 - *Set Up: Business Asset Accounting*
 - *Set Up: Company Asset Books*
 - Configure these security domains in the Common Financial Management functional area:
 - *Set Up: Spend Categories*
 - Configure these security domains in the Supplier Contracts functional area:
 - *Process: Supplier Contract*
 - *Set Up: Supplier Contract Accounting*
 - *Set Up: Supplier Contracts*
1. Access the **Edit Tenant Setup - Financials** task.
 2. In the **Lease Accounting** section, select these options:
 - *Operating Lease IFRS or Public Sector*
 - *Modified or Full Retrospective Reporting*
 3. In the **Business Assets Options** section, select the **Enable Multibook Asset Accounting** check box.
 4. Click **OK**.
 5. Access the **Maintain Spend Categories** task.
 6. Select **Maintain Spend Categories without Hierarchy**.
 7. Click **OK**.
 8. Add a new spend category.
 In the **Spend Category Detail** section, enter Leased Buildings on the **Spend Category Name** field and select these **Spend Category Usage** options:
 - *Procurement*
 - *Supplier Invoice*
 9. Select these check boxes on the **Asset Tracking** section:
 - **Track Items**
 - **Lease**
 10. Click **OK**.
 11. Access the **Maintain Supplier Contract Types** task.
 12. Add rows for supplier contracts and input these values:

Contract Name	Options
Financial Lease Fixed Payment	Select these check boxes: • Scheduled Invoices • Receive Contract Lines • Financial Lease
Financial Lease Variable Payment	Select these check boxes: • Scheduled Invoices • Receive Contract Lines • Financial Lease • Variable Payment
Operating Lease Fixed Payment	Select these check boxes:

Contract Name	Options
	• Scheduled Invoices • Receive Contract Lines • Operating Lease
Operating Lease Variable Payment	Select these check boxes: • Scheduled Invoices • Receive Contract Lines • Operating Lease • Variable Payment
Straight Line Expense Fixed Payment	Select these check boxes: • Scheduled Invoices • Operating Lease
Straight Line Expense Variable Payment	Select these check boxes: • Scheduled Invoices • Operating Lease • Variable Payment

13. Click **OK**.

14. Access the **Maintain Book Codes** task.

15. Add rows and enter these book code names:

- *Financial Leases and Fixed Assets*
- *Operating Lease IFRS 16*
- *Operating Lease IFRS 16 Assets*
- *Straight Line Expense*

16. Click **OK**.

17. Access the **Maintain Books** task.

18. Add books and input these values:

Name	Includes Book Codes	Includes Blank Book Code
<i>Operating Lease IAS 17</i>	Select: • <i>Financial Leases and Fixed Assets</i> • <i>Straight Line Expense</i>	Select.
<i>Operating Lease IFRS 16</i>	Select: • <i>Financial Leases and Fixed Assets</i> • <i>Operating Lease IFRS 16</i> • <i>Operating Lease IFRS 16 Assets</i>	Select.

19. Click **OK**.

20. Access the **Maintain Lease Contract Book Code Configuration** task.

21. Add a row and select *M500.1 Assets MBAA Services* from the **Company or Company Hierarchy** prompt.

22. Add these book code configurations:

Lease Type	Accounting Method	Book Code
- Operating Lease Fixed Payment - Operating Lease Variable Payment	ROU Asset Depreciation Expense	Operating Lease IFRS 16
- Straight Line Expense Fixed Payment - Straight Line Expense Variable Payment	Straight Line Expense	Straight Line Expense

23. Click **OK**.

24. Access the **Maintain Asset Books** task.

25. Add these new asset books and select the **Accounting Book** check box on each row:

- Financial Leases and Fixed Assets
- Operating Lease IFRS 16

26. Click **OK**.

27. Access the **Maintain Asset Book Rules** task.

28. Select *Operating Lease IFRS 16 Assets* from the **Asset Book** prompt.

29. Click **OK**.

30. Configure an asset book rule using these values:

Field	Value
Spend Category	Leased Buildings
Resulting Accounting Treatment	Depreciable Capital Asset
Resulting Depreciation Profile	Term - Current Period - Upon Acquisition

31. Click **OK**.

32. Access the **Add Company Asset Book** task.

33. Select *M500.1 Assets MBAA Services* from the **Company** prompt.

34. Click **OK**.

35. Select these books from the **Asset Book** prompt:

Asset Book	Book Code
Financial Leases and Fixed Assets	Financial Leases and Fixed Assets
Operating Lease IFRS 16	Operating Lease IFRS 16 Assets

36. Click **OK**.

37. Access the **Maintain Company Asset Book Restrictions** task.

38. From the **Company** prompt, select *M500.1 Assets MBAA Services*.

39. Click **OK**.

40. Configure these asset book restrictions:

Spend Category	Supplier Contract Type	Lease Accounting Method	Restrict to Company Asset Books	Primary Company Asset Book Override
Leased Buildings	- Operating Lease Fixed Payment - Operating Lease Variable Payment	ROU Asset Depreciation Expense	Operating Lease IFRS 16	Operating Lease IFRS 16
Leave blank.	Leave blank.	Leave blank.	Financial Leases and Fixed Assets	Financial Leases and Fixed Assets

41. Click **OK**.

42. Access the **Edit Account Set** task.

43. Select *Corporate* from the **Account Set** prompt.

44. Click **OK**.

45. Add ledger account rows and populate these fields on the **Add Row for Edit Account Set** page:

Identifier	Account Name	Ledger Account Type
8100	Interest Expense - Lease	Expense
6501	Lease Expense	Expense
1520	Multibook Settlement Account	Asset
2114	Operating Lease Liability	Liability
1539	Operating Lease ROU Asset Leased Buildings	Asset
1551	ROU Leased Asset Contra	Asset

46. Click **Done**.

47. Access the **View Account Posting Rule Set** report.

48. Select *Standard Account Posting Rule* from the **Account Posting Rule Set** prompt.

49. Click **OK**.

50. Click **Edit Posting Rule** and configure these account posting rules:

Account Posting Rule	Resulting Ledger Account	Dimension	Values
Business Asset Multibook Settlement	1520:Multibook Settlement Account	Lease Type	Operating
Lease Asset	1539:Operating Lease ROU Asset Leased Buildings	Lease Type	Operating
		Spend Category	Leased Buildings
Lease Asset Contra	1551:ROU Leased Asset Contra	Leave blank.	Leave blank.
Lease Expense	8100:Interest Expense - Lease	Interest	Interest

Account Posting Rule	Resulting Ledger Account	Dimension	Values
		<i>Lease Type</i>	<i>Operating</i>
	6501:Lease Expense	<i>Lease Type</i>	<i>Operating</i>
Lease Liability	2114:Operating Lease Liability	<i>Lease Type</i>	<i>Operating</i>

51. Click **OK**.

52. Access the **Maintain Journal Source Mapping to Operational Transactions** task.

53. Configure these journal entry sources:

Journal Entry Source	Operational Transaction
Asset Adjustment Journal Entry Source	<i>Asset Adjustment</i>
Asset Assign Accounting Journal Entry Source	<i>Asset Accounting Assignment</i>
Asset Disposal Journal Entry Source	<i>Asset Disposal</i>
Asset Removal Journal Entry Source	<i>Asset Removal</i>
Depreciation Adjustment Journal Entry Source	<i>Depreciation Adjustment</i>
Depreciation Journal Entry Source	<i>Depreciation</i>
Expense Recognition Journal Entry Source	<i>Expense Recognition</i>
Initial Recognition of Lease Journal Entry Source	<i>Initial Recognition of Lease</i>

54. Click **OK**.

55. Access the *Receipt (Default Definition)* business process.

56. Access **Business Process > Edit Definition** from the related action menu.

57. Select these business process step values:

Order	Type	Specify
b	<i>Action</i>	<i>Review Trackable Receipt Lines</i>
c	<i>Service</i>	<i>Initiate Asset Registration Events from Receipt for Supplier Contracts</i>

58. Click **OK**.

Jim can create lease-supplier contracts and record lease accounting transactions for M500.1 Assets MBAA Services that align with former and current IFRS accounting standards.

Concepts

[Setup Considerations: Lease Accounting](#) on page 1126

[Setup Considerations: Multibook Asset Accounting for Leases](#) on page 1133

Tasks

[Steps: Set Up Security for Lease Accounting](#) on page 1136

[Steps: Set Up Lease Accounting](#) on page 1138

[Steps: Set Up Multibook Asset Accounting for Leases](#) on page 1140

[Steps: Set Up Asset Accounting](#) on page 1070

[Steps: Set Up Asset Accounting for Multiple Books](#) on page 1076

Lease Accounting Generation

Steps: Record Active Lease-Type Supplier Contracts

Set up lease accounting.

You can represent active lease contracts by changing the status of expense recognition and supplier invoice installments to *Accounted*. This status prevents creation of duplicate historical lease accounting transactions. Changing the installment status enables you to generate accounting transactions from any installment period on the lease-type supplier contract.

1. Create lease-type supplier contracts with the *Submit Supplier Contract* web service.

You can also manually [Create Lease-Type Supplier Contracts](#) on page 1150.

2. (Optional) [Receive Directly Against Supplier Contracts](#).

You must receive contract lines for:

- Financial leases.
- Operating leases that use the ROU asset depreciation expense accounting method.

3. (Optional) [Register Assets](#) on page 1057.

You must register contract lines for:

- Financial leases.
- Operating leases that use the ROU asset depreciation expense accounting method.

4. Access the **Mass Update Lease Contract Installment to Available or Accounted Status** task.

Select the installments you want to update. Workday doesn't generate additional expense recognition accounting on installments with an *Accounted* status.

Security: *Process: Supplier Contract - Mass Action* domain in the Supplier Contracts functional area.

Tasks

[Create Alternate Lease-Type Supplier Contracts](#) on page 1152

Create Lease-Type Supplier Contracts

- Create fiscal periods that span the length of the contracts.
- Configure the *Supplier Contract Event* business process and security policy in the Supplier Contracts functional area.

You can configure lease-type supplier contracts to set up schedules and installments for lease transactions, enabling you to fulfill statutory reporting requirements. For depreciable capital assets, you must also fully receive receipt lines for approved lease-type supplier contracts to register and assign accounting to your leased assets. You can receive receipt lines for:

- Financial lease contracts.
- Operating lease contracts that use the ROU asset depreciation expense accounting method.

1. Access the **Create Supplier Contract** task.

2. As you complete the task, consider:

Option	Description
Prepaid Lease Payment	Workday doesn't include the prepaid lease payment when calculating the present value of future cash payments. Workday instead includes prepaid lease payments in your ROU asset value when the contract type is: • Financial lease.

Option	Description
	Operating lease and doesn't use the straight line expense accounting method.
First Payment Installment Date	Provide the first date of regular payments on your variable payment lease-type supplier contract. Providing a date helps support variance in payment dates when you combine multiple prepaid lease payment installments into 1 payment.
Additional Payment	Select this check box to add another payment line on the Payment Information grid when Workday doesn't generate enough payments to reflect your actual payment schedule.

3. As you complete the **Goods Lines** section, consider:

Option	Description
Company	Select a company with an active intercompany profile associated with the header company if you want to create a multicompany lease-type supplier contract.
Percentage	If you have multiple goods lines, you can provide a percentage between 1 and 99. Workday automatically calculates the Extended Amount and Unit Cost using the percentage. For multicompany contracts, Workday distributes these payment transactions by percentage between all initial recognition entries: - Initial direct costs. - Lessor incentives. - Prepaid lease payments.
Unit Residual Value	Workday uses the amount that you enter to calculate the lowest possible value of your amortized assets.
Tax Point Date Type	Select 1 of these options to configure when Workday records your VAT receivable: <i>Invoice/Adjustment</i> <i>Invoice/Adjustment Received Date</i> <i>Payment Date</i>

Create accounting transactions for your lease installments on the **Create Expense Recognition Accounting** task to record the lease-type supplier contract in Workday.

When you create lease-type supplier contracts for asset accounting, you must also:

- Receive all contract lines by creating a receipt from the related actions menu of approved contracts.
- Configure the *Asset Registration Event* business process to register leased assets and assign accounting.

Tasks

[Register Assets](#) on page 1057

[Steps: Create Supplier Contracts](#)

Reference

[Reference: Accounting Methods for Lease-Type Supplier Contracts](#) on page 1152

Create Alternate Lease-Type Supplier Contracts

- Set up lease contract book code configurations.
- Create operating lease-type supplier contracts.
- Create fiscal periods that span the length of the contracts.
- Configure the *Alternate Supplier Contract Event* business process and security policy in the Supplier Contracts functional area.

You can create alternate lease-type supplier contracts to represent a lease-type supplier contract under different accounting methods. Representing your lease-type supplier contracts using different accounting methods can help you:

- Compare lease accounting transaction amounts under other accounting standards.
- Meet financial reporting obligations of countries that you operate in.

1. Access the **Mass Generate Alternate Lease Contracts** task.

2. Select all contracts for which you want alternate contracts.

When you select supplier contracts with empty fields or prompts, Workday uses the values you specify in these fields:

- **Default Alternate Accounting Method**
- **Default Alternate Interest Rate**
- **Default Alternate Contract Type**

3. (Optional) Select **Alternate Contract Type**.

You can only create alternate contracts that use the same payment type as the original contract.

4. (Optional) Select an **Alternate Accounting Method**.

Configure **Receive Contract Lines** on the contract type to create alternate contracts that use the ROU asset depreciation expense accounting method.

5. (Optional) Select an **Alternate Interest Rate**.

When you amend a lease-type supplier contract, you can provide a different interest rate on any associated alternate contracts. Those alternate contracts can't use the straight line expense accounting method.

Workday generates any related expense recognition schedules and installments in *Draft* status.

Approve your alternate lease-type supplier contracts.

Concepts

[Concept: Lease Accounting](#) on page 1153

Tasks

[Steps: Record Active Lease-Type Supplier Contracts](#) on page 1150

Reference: Accounting Methods for Lease-Type Supplier Contracts

You can use 3 types of accounting methods in Workday to create your operating lease-type supplier contracts.

Accounting Method	Description
ROU Asset Depreciation Expense	Calculates and records interest expense accruals. Records depreciation expense of the ROU asset in the Business Asset Accounting functional area.

Accounting Method	Description
	Workday calculates ROU asset and lease liability using: • Initial direct costs. • Interest rate. • Lease payment amounts. • Lessor incentives. • Payment frequency. • Prepaid lease payment.
ROU Asset Operating Expense	Calculates and records lease expense accruals and interest accretion. Workday calculates ROU asset and lease liability using: • Initial direct costs. • Interest rate. • Lease payment amounts. • Lessor incentives. • Payment frequency. • Prepaid lease payment.
Straight Line Expense	Calculates and records lease expense accruals. Workday doesn't record a ROU asset or lease liability as of the contract start date.

Tasks

[Set Up Supplier Contract Types for Lease Accounting](#) on page 1143

Concept: Lease Accounting

Lease accounting enables you to recognize the lease liabilities and right of use (ROU) assets of your lease contracts. You need to record your lease liabilities and right of use (ROU) assets on financial statements when you operate in:

- Countries that follow U.S. GAAP or IFRS accounting standards.
- Public sectors that follow standards created by GASB.

Contract Types and Accounting Methods

Workday enables you to create lease contract types that you can use on a supplier contract to represent your lease contracts. Workday treats lease-type supplier contracts differently than supplier contracts by generating an initial recognition journal and expense recognition schedule. Lease-type supplier contracts also automatically generate a supplier invoice, instead of requiring manual creation of invoices.

You can create 3 kinds of lease-type supplier contracts:

- Financial leases.
- Operating leases.
- Short-term operating leases.

You can only configure contracts with a term of 1 year or less as short-term operating leases. Short-term operating leases differ from regular leases in that you can't:

- Create an alternate contract.
- Generate an initial recognition journal.

- Track the lease as a business asset.

When you create an operating lease, you must also select an accounting method:

Accounting Method	Usage
<i>ROU Asset Depreciation Expense</i>	Helps you represent your operating lease as a depreciating ROU asset. Workday treats this accounting method like a financial lease, requiring you to track and record the lease as a business asset. You might use this option when your organization needs to report under IFRS or U.S. GASB accounting standards.
<i>ROU Asset Operating Expense</i>	Helps you represent the terms of your operating lease as an operating expense. You might use this option when your organization needs to report under U.S. GAAP.
<i>Straight Line Expense</i>	Helps you represent the terms of your original operating lease under the former accounting standards. Doesn't generate an initial recognition journal. You might use this option when your organization needs to provide retrospective reporting.

Expense Recognition Accounting

After you approve a lease-type supplier contract, you must create expense recognition accounting to generate journals. You can create expense recognition accounting from:

- The **Create Expense Recognition Accounting** related action on an expense recognition installment.
- The **Create Expense Recognition Accounting** task.
- The **Schedule Expense Recognition Accounting** task.

Alternate Lease-Type Supplier Contracts

You can create alternate lease-type supplier contracts from your operating leases to generate financial statements for both the current and former lease accounting standards.

You can't directly amend alternate lease-type supplier contracts. However, when you amend an original lease-type supplier contract, you can update the interest rate of an alternate contract. You can only update the interest rate when the alternate contract doesn't use the straight line expense accounting method.

Amendments

You can create amendments to your lease-type supplier contracts to change the contract terms. Amendments require you to specify an amendment type that can be either:

- *Lease Extension*
- *Non-CPI Payment Change*

Before you can create an amendment, you must fulfill these conditions on your contract:

- Approve the original and associated alternate contracts.
- Receive all contract lines with depreciating assets.
- Register all contract lines with depreciating assets.
- Ensure the initial recognition journal has a status of *Posted*.

Concepts

[Setup Considerations: Lease Accounting](#) on page 1126

Tasks

[Steps: Set Up Lease Accounting](#) on page 1138

[Create Lease-Type Supplier Contracts](#) on page 1150

[Create Alternate Lease-Type Supplier Contracts](#) on page 1152

Reference

[The Next Level: Lease Amendments](#)

FAQ: Lease Accounting

How do I relate supplier invoices generated outside of a lease contract to a lease contract to reconcile the accounting?

1. Ensure that the supplier invoice installments from the lease accounting are in *Accounted* status to prevent Workday from generating the invoices.
2. Access the **Create Journal** task and reclassify the debit from the supplier invoice to lease liability by:
 - Excluding the supplier contract worktag from the credit line.
 - Adding it to the debit line.

When loading historical operating leases into Workday, how do I adjust the ROU Asset/Lease liability for the period between setup and the new lease accounting?

1. Access the **Create Journal** task to create a manual journal entry to reverse the initial recognition entry.
2. Access the **Mass Update Lease Contract Installment to Available or Accounted Status** task to update the expense recognition and supplier invoice installments into *Accounted* status. This action prevents Workday from generating accounting for historical transactions.

Supplier Accounts

Prepaid Supplier Spend

Steps: Set Up Prepaid Supplier Spend

- Configure these business processes and security policies in the Suppliers functional area:
 - *Prepaid Spend Amortization Event*.
 - *Prepaid Spend Amortization Schedule Event* for the *Schedule* prepaid amortization type.
 - *Receipt* in the Procurement functional area.
- Include the *Create Supplier Invoice from Receipt* action step to amortize after receipts are settled and paid.
- Set up the *Prepaid Spend* account posting rule.
 - Define journal sources and transactions, account posting rules, and additional commitment accounting requirements.

To procure goods and services in accounting periods that occur before the periods when spend is amortized, you can define prepaid specifications.

1. (Optional) [Steps: Create Supplier Contracts](#).

Include these contract types:

- *Received Contract Lines*
- *Scheduled Invoices*

2. (Optional) [Steps: Create Purchase Order Schedules and Installments for Supplier Contracts](#).

3. (Optional) [Create Purchase Orders](#).

Select:

- Prepaid** on purchase order lines.
- Amortization Type** in the **Prepaid Details** tab.

When you specify prepaid information in purchase orders, the details automatically populate supplier invoices and receipts.

4. (Optional) [Create Amortization Schedules for Prepaid Purchase Orders](#) on page 1157.

When you create a prepaid purchase order amortization schedule, the details persist to the prepaid supplier invoice amortization schedule.

5. [Create Supplier Invoices](#) on page 1173.

You can also create a Non-PO supplier invoice. See [Create a Non-PO Supplier Invoice](#) on page 1188.

6. (Optional) From the related actions menu of a supplier invoice, access the **Change Prepaid Amortization Type** task.

You can change the prepaid amortization type on supplier invoices before you create amortizations. Invoices must be:

- Prepaid
- Not related to an accounting adjustment

Security: *Process: Supplier Invoice – Prepayments* domain

7. [Create Amortization Schedules and Installments for Prepaid Supplier Invoices](#) on page 1157.

Settle and pay supplier invoices before spend is amortized from receipts. From the **Prepaid Spend Amortization Installment > Amortize** related action on a prepaid supplier invoice, generate installments for amortization schedules.

8. (Optional) [Create Amortization Schedules and Installments for Prepaid Supplier Invoices from Accounting Adjustments](#) on page 1159.

Use an accounting adjustment to reclassify supplier invoices to prepaid. You can manually amortize prepaid installments or create amortization schedules for prepaid accounting adjustment transaction lines.

9. [Create Accounting for Prepaid Spend Amortization Installments](#) on page 1160.

10. [Create Receipts](#).

If you create receipts from supplier contracts or purchase orders before you create a supplier invoice, prepaid amortization types must be *Schedule* or *Manual*.

Workday posts operational accounting to ledger accounts you define in the *Prepaid Spend* account posting rule. New accounting credits the account used by the *Prepaid Spend* posting rule and debits the account used in the *Spend Account* posting rule.

Your organization prepays supplier invoices:

- For an annual event before the accounting period of the event, and amortizes spend when the event occurs.
- For an annual insurance policy to receive a supplier discount and amortize it monthly for 12 months.
- By a recurring schedule for a lease you pay quarterly and amortize monthly.

- In the **Prepaid Details** tab:
 - View accounting information in the prepaid supplier invoice.
 - View prepaid purchase orders and supplier invoice schedules in each business document type.
- View prepaid supplier invoice installments and accounting from prepaid supplier invoice schedules.

Reference

[The Next Level: Prepaid Spend Amortization on Supplier Invoice](#)

Create Amortization Schedules for Prepaid Purchase Orders

- Specify *Schedule* as the **Prepaid Amortization Type** in the purchase order **Prepaid Details** tab.
- Security: *Process: Purchase Order* domain in the Procurement functional area.

Create amortization schedules for prepaid purchase order lines. Define multiple amortization schedules to group purchase order lines onto separate schedules with different amortization dates.

1. From an approved or issued prepaid purchase order, access the related actions menu and select **Create Prepaid Spend Amortization Schedule**.
2. As you complete the task, consider:

Option	Description
Frequency	Select a Frequency for generating installments, such as <i>Quarterly</i> or <i>Monthly</i> .
Number of Prepaid Installments	Enter the number of installments for the amortization schedule.
Prepaid Amortization Date	• Use Invoice Date - The schedule begins on the invoice start date. • From Date - Amortization begins on the date you specify. Example: Specify July 1 to amortize the first installment 7/1 and subsequent installments on the first of the next scheduled installment period.
Add Lines	Check Add Lines for each prepaid line or line split to include on the schedule. You can create separate schedules for purchase order lines.

- After you save amortization schedules, you can view them from the **Prepaid Details** tab in the purchase order.
- Workday copies purchase order amortization schedules to related supplier invoice amortization schedules, which you can change as needed.
- Changes made to the purchase order amortization schedule apply only to supplier invoices that you create after the change. Workday doesn't update existing supplier invoices.

Generate prepaid amortization installments in supplier invoices from the prepaid amortization schedules.

Tasks

[Create Purchase Orders](#)

Create Amortization Schedules and Installments for Prepaid Supplier Invoices

- Configure the *Prepaid Spend Amortization Schedule Event* business process and security policy in the Supplier Accounts functional area.

- Specify *Schedule* as the **Prepaid Amortization Type** in the supplier invoice **Prepaid Details** tab.

You can generate installments for prepaid amortization schedules. Consider that:

- If you set up amortization schedules for a supplier invoice related to a purchase order, Workday automatically populates the supplier invoice amortization schedule from the purchase order, but you can change it as needed.
- If you generate prepaid amortization installments before approving the supplier invoice, Workday clears the installments as a safeguard in case you change invoice line extended amounts during the review step.
- You can use the Submit Prepaid Spend Amortization Schedule web service to create custom schedules for prepaid spend amortizations.

- From a saved or submitted supplier invoice, select the **Create Prepaid Spend Amortization Schedule** related action or access the **Supplier Invoice Workbench**.

- As you complete the task, consider:

Option	Description
Frequency	Select a Frequency for generating installments, such as <i>Quarterly</i> or <i>Monthly</i> .
Number of Installments	Enter the number of installments for the amortization schedule.
Schedule On Hold	Check to place the schedule on hold, which prevents amortization accounting from processing. You can release schedules from the On Hold status when you're ready to process amortization accounting.
Prepaid Amortization Date	Use Invoice Date - The schedule begins on the invoice start date. From Date - Amortization begins on the date you specify. Example: Specify July 1 to amortize the first installment 7/1 and subsequent installments on the first of the next scheduled installment period.
Add Lines	Check Add Lines for each prepaid line or line split for the schedule. You can create multiple schedules for the supplier invoice if you require different installment details for groups of lines. You can also create a schedule for a single line.

- Click **Save and Continue**.

4. Select:

- **Generate Installments**

If you generate installments, you can't change completed or amortized installments on a prepaid spend amortization schedule in draft status.

- **Edit Schedule**

Update installment and date information, **Add Lines**, or **Remove Lines** on the amortization schedule.

- **Put Schedule On Hold** or **Release Schedule From Hold**

5. Click **Customize Installments** to modify installment dates and amounts. Consider that you can:

- Customize installments on a prepaid spend amortization schedule in draft status.
- Change worktags on available installments without affecting completed installments.
- Not change billable worktags in prepaid installments.
- Not change billable project worktags in available installments, to prevent billing errors.

When you change worktags on available installments, Workday:

- Hides inherited worktags in the installments lines.
- Populates the related worktags of the cost center restricted to a specific company if configured.
- Supports worktag balancing.
- Supports worktag validations in the installment lines based on your supplier invoice setup.

6. Create additional amortization schedules for prepaid lines on the invoice as needed.

7. Click **Submit**.

- Access a schedule to view related installments from the supplier invoice **Prepaid Details** tab.
- View amortization accounting from the **Accounting** related action of a posted amortization installment.

Release available prepaid spend amortization installments and generate accounting:

- Use the **Schedule Prepaid Spend Amortization Installments** task to schedule amortization installments.
- From the **View Prepaid Spend Amortization Schedule** report, select the **Prepaid Spend Amortization Installment > Amortize** related action from an installment.

Tasks

[Steps: Set Up Prepaid Supplier Spend](#) on page 1155

Create Amortization Schedules and Installments for Prepaid Supplier Invoices from Accounting Adjustments

- Specify *Schedule* or *Manual* as the **Prepaid Amortization Type** in the accounting adjustment **Prepaid Details** tab.
- Configure the *Prepaid Spend Amortization Event* business process and security policy in the Supplier Accounts functional area.
- Security: *Process: Supplier Invoice - Prepayments* domain in the Supplier Accounts functional area.

Create amortization schedules or manually amortize prepaid installments for prepaid accounting adjustment transaction lines. You can also record prepaid spend amortization operational journals from prepaid schedule installments and directly link to the supplier invoice and accounting adjustment transaction.

The prepaid amortization types must be *Schedule* or *Manual*. From the related actions menu of the accounting adjustment for a paid supplier invoice:

Option	Description
<i>Schedule</i>	a. Select Accounting Adjustment > Create Prepaid Spend Amortization Schedule .

Option	Description
	b. Select a Frequency for generating installments, such as <i>Quarterly</i> or <i>Monthly</i>. c. Enter the number of installments for the amortization schedule. d. Select a Prepaid Amortization Date: • Use Invoice Date, the schedule begins on the invoice start date. • From Date, amortization begins on the date you specify. e. Select Add Lines for each prepaid line or line split for the schedule. f. Click Save and Continue. g. Select: • Generate Installments • Edit Schedule Update installment and date information, Add Lines, or Remove Lines on the amortization schedule. • Put Schedule on Hold or Release Schedule From Hold h. Click Customize Installments to modify installment dates and amounts.
Manual	a. Select Accounting Adjustment > Create Prepaid Spend Amortization. b. Specify the Accounting Date for prepaid spend amortization on the accounting adjustment transaction.

Workday creates new accounting that credits the account used by the *Prepaid Spend* posting rule.

Release available prepaid spend amortization installments and generate accounting:

- Use the **Schedule Prepaid Spend Amortization Installments** task to schedule amortization installments.
- From the **View Prepaid Spend Amortization Schedule** report, select the **Prepaid Spend Amortization Installment > Amortize** related action from an installment.

View the prepaid amortization schedule and details of the accounting adjustment in the **Prepaid Details** tab of the supplier invoice.

Tasks

[Steps: Set Up Prepaid Supplier Spend](#) on page 1155

Reference

[Workday 31 What's New Post: Accounting Adjustments for Supplier Invoice Prepayments](#)

Create Accounting for Prepaid Spend Amortization Installments

- Configure the *Receipt* business process with an action step to *Review Schedule for Installment Generation*.
- Generate amortization installments in prepaid supplier invoice amortization schedules.

Create a schedule to generate supplier invoice amortization installment accounting. You can also amortize installments from a prepaid spend amortization schedule manually, from a supplier invoice prepaid schedule.

1. Determine whether to create prepaid amortization accounting for individual installments using the **Schedule Prepaid Spend Amortization Installments** process, or the **Amortize** related action on an scheduled installment:

Option	Description
Schedule	• Access the Schedule Prepaid Spend Amortization Installments task. • Select the Run Frequency. • To run the schedule, set the Accounting Date Days Ahead for the number of days before the accounting date on the installment. If you don't enter a value, Workday runs the schedule on the defined accounting date. • Specify the Company or companies for this amortization schedule. • (Optional) Select one or more Frequency types in supplier invoice prepaid schedules. • For all run frequencies except <i>Run Now</i>, access the Schedule tab and complete the Recurrence Criteria and Range of Recurrence options.
Manual	• Access the prepaid supplier invoice amortization schedule with the installments you want to amortize. • Select the Prepaid Details tab. • Select a Schedule for Supplier Invoice in the Prepaid Spend Amortizations Schedule list. • To create prepaid amortization accounting, select the Prepaid Spend Amortization Installment > Amortize related action from the installments.

2. Review the accounting for prepaid installments.
 - a) Select the **Prepaid Details** tab in the supplier invoice.
 - b) From the **Prepaid Spend Amortization** list, select the **View Accounting** related action from an installment.
 - Workday creates new accounting that credits the account used by the *Prepaid Spend* posting rule and debits the account used by the *Spend Account* posting rule.
 - For invoices with prepaid lines, Workday generates liquidation accounting when you approve the prepaid amortization, not the invoice. For invoices with non-prepaid lines, Workday generates liquidation accounting when you approve the invoice.
 - When you amortize an installment from a prepaid spend amortization schedule created from an approved accounting adjustment, Workday:
 - Credits the prepaid account for the worktags from the accounting adjustment line.
 - Debits the spend account for the worktags from the installment line.

Tasks

Steps: [Set Up Prepaid Supplier Spend](#) on page 1155

Invoice Retention

Steps: Set Up Retention

You can set up retention to capture and track retention amounts using purchase orders and supplier contracts. When you retain a portion of the payment to a vendor, you can:

- Specify the retention as a percentage of the purchase order or supplier contract.
- Track how much is being retained per project.

1. Configure the *Retention Payable* account posting rule for your company.

The Retention Payable account posting rule identifies the retention payable account where you want to record a retention amount.

See [Set Up Account Posting Rules](#) on page 69.

2. [Steps: Create Supplier Contracts](#).

On the **Maintain Supplier Contract Types** task, specify a **Contract Type** for retention. Select the **Allow Retention** check box to enable retention.

Define the retention terms by specifying the retention percentage and estimated retention release date.

Tasks

[Create Supplier Invoices](#) on page 1173

[Steps: Create Supplier Contracts](#)

[Create Purchase Orders](#)

[Add or Update Goods and Service Lines on Supplier Contracts](#)

[Add or Update Project-Based Service Lines on Supplier Contracts](#)

Release Retention

Security: *Process: Supplier Invoice* domain in the Supplier Accounts functional area.

You can release the remaining balance of a retention amount at any time during the life of a purchase order or supplier contract.

1. Access the **Find Purchase Orders** or **Find Supplier Contracts** report.
2. From the related actions menu of a purchase order or supplier contract, select **Retention > Release Retention**.
3. Select the purchase order or supplier contract line to add it to a supplier invoice to release retention.
4. In the **Release Amount** field, specify the amount of the retention balance to release.

Workday tracks the retention balances on your purchase orders or supplier contracts and updates your retention balances.

Access the **Supplier Retention Balances** or **Retention Payables to Supplier Balances Reconciliation** reports to view summaries of retention data.

Invoicing and Payables

Steps: Set Up Supplier Invoices

Configure the *Supplier Invoice Event* business process and security policy in the Supplier Accounts functional area.

You can streamline invoice creation by configuring supplier invoices to populate payment details, review invoice matching, apply budget check, route to an assigned approver, and more.

1. (Optional) [Edit Domain Security Policies](#).

Configure the *Process: Supplier Invoice - Invoice Workbench* security domain in the Supplier Accounts functional area. Enable your organization to use the **Supplier Invoice Workbench** task to create supplier invoices from Procurement documents.

2. (Optional) [Edit Business Processes](#).

On the Supplier Invoice Event business process, you can:

a) [Edit Business Process Security Policies](#).

On the *Supplier Invoice Event* business process security policy, add the Approvers security group to the Approved action. This configuration enables you to route a supplier invoice to a unique approver in your organization.

b) Set up the *Supplier Accounts Match Process* action step after the completion step in the *Supplier Invoice Event* business process. This set up ensures processing accuracy in ordering, receiving, and invoicing, match supplier invoices to Procurement documents.

c) Set up the *Initiate Supplier Accounts Match Event for Related Supplier Invoices* service step on the *Supplier Invoice Event* business process.

Use invoice adjustments to initiate the supplier accounts match event for related supplier invoices. You can use a supplier invoice adjustment to correct a previous match exception on a supplier invoice.

d) Set up the *Check Budget* completion step in the *Supplier Invoice Event* business process. This configuration enables you to apply budget check on supplier invoices to ensure the availability of funds.

3. (Optional) Access the **Maintain Invoice Types by Country** report.

Configure country-based invoice types for expense reports and supplier invoices, for accurate reporting that complies with local government requirements.

Security: *Set Up: Tax* domain in the Common Financial Management functional area.

4. (Optional) [Steps: Set Up Spend Category and Worktag Defaulting on Supplier Invoices](#) on page 1163.

Set up worktags and spend category to populate based on the supplier.

Concepts

[Concept: Supplier Invoices](#) on page 1206

Tasks

[Create Supplier Invoices](#) on page 1173

Reference

[The Next Level: Receipts and Procurement-Related Supplier Invoices in Workday](#)

Steps: Set Up Spend Category and Worktag Defaulting on Supplier Invoices

You can configure spend categories and worktags to populate on nonpurchase order invoice lines based on the supplier. Configure this feature to:

- Reduce the processing and reviewing time spent on invoices.
 - Reduce errors in supplier invoice processing.
1. Configure these business processes and security policies in the Suppliers functional area according to your company requirements:
 - *Supplier Event*
 - *Supplier Change Event*
 2. (Optional) Set up the Review Supplier Related Worktags action step on the *Supplier Event* business process.

For new suppliers, the action step enables you to review and approve related worktags.

3. (Optional) Set up the Review Supplier Change Related Worktags action step on the *Supplier Change Event* business process.

For existing suppliers, the action step enables you to review and approve related worktag changes.

4. [Configure Related Worktags](#).

Set up the Allowed Worktag Types for suppliers. If you mark a worktag type as required, then assign a default worktag type to new and existing suppliers.

5. [Create Suppliers](#) or [Change Supplier Information](#).

For new or existing suppliers, configure:

- Default worktags on the Related Worktags tab.
- A default spend category on the Procurement Options tab.

Workday displays the **Default Spend Category** field on the **Invoicing Setup** report on the Invoices and Payments profile group of the supplier profile.

6. (Optional) Access the **Maintain Worktag Type Precedences** task.

Configure the order of priority of defaulting related worktags. When left blank, Workday doesn't populate the **Default Spend Category** and **Related Worktags** fields on these web services:

- Import Supplier Invoice
- Submit Supplier Invoice
- Submit Supplier Invoice Adjustment
- Submit Supplier Invoice Contract
- Submit Supplier Invoice Request

When you create supplier invoices, Workday populates your default spend category and worktags from the supplier.

Concepts

[Concept: Supplier Invoices](#) on page 1206

Tasks

[Configure Related Worktags](#)

[Create Supplier Invoices](#) on page 1173

Reference

[Workday 32 What's New Post: Configure Default Supplier Spend Categories and Worktags](#)

Steps: Set Up Suppliers for National Account Invoicing

Set up national account invoicing for a supplier to invoice many different suppliers. This increases the efficiency of supplier invoice processing because a national account supplier can invoice any supplier, including suppliers that don't match the supplier information on the purchase order.

1. Set up a company for which you want to enable the selection of a different supplier on the invoice that doesn't match the supplier on the purchase order.

See [Steps: Set Up Companies](#) on page 56.

2. Access the **Edit Supplier Account Options** task as a related action on the company that you set up.

To select a supplier that is different than the supplier on the purchase order, select the **Allow Different Invoicing and Purchasing Supplier** check box.

3. [Change Supplier Information](#).

When you create a supplier change request as a related action on a supplier, select the **Invoice Any Supplier** check box on the **Procurement Options** tab to specify that this supplier can invoice any supplier.

You can now select a supplier on a supplier invoice that is different than the supplier on the purchase order.

Create a supplier invoice.

Tasks

[Create Supplier Invoices](#) on page 1173

[Create Suppliers](#)

Steps: Set Up VAT on Supplier Payments

You can calculate and automatically post the accounting for Value Added Tax (VAT) when you pay rather than invoice suppliers. You can record unrecognized VAT when you approve supplier invoices and book VAT receivables. When you apply payments to existing invoices before you set up VAT on supplier payments, those payments use the general accounting to process associated payments.

1. [Steps: Set Up a Single Legal Entity](#) on page 28.
2. Access the **Edit Company Tax Details** task from the related actions menu of your company.

Select the **VAT on Payment** check box and select options from these prompts:

- **Default Tax Applicability**
- **Default Tax Code**

Security:

- *Set Up: Company General* domain in the Common Financial Management functional area.
- *Set Up: Payroll - Company Specific (Accounting)* domain in the Core Payroll functional area.
- *Set Up: Tax* domain in the Common Financial Management functional area.

3. Access the **View Account Posting Rule Set** report.

Select a **Default Ledger Account** for these account posting rules:

- Transaction Tax
- Transaction Tax on Payment

Security:

- *Set Up: Account Rules* domain in the Common Financial Management functional area.
- *Set Up: Payroll - Company Specific (Accounting)* domain in the Core Payroll functional area.

Concepts

[Concept: Tax-Only Supplier Invoices](#) on page 1209

Tasks

[Set Up Company Tax ID](#)

[Create Manual Settlement Runs](#) on page 1615

Steps: Set Up Configurable Attributes on Supplier Invoices

You can set up configurable attributes to use as dynamic free-text fields to capture additional information on supplier invoices, invoice adjustments, or supplier invoice requests. You can drive reporting and set up custom validations based on the configurable attributes.

1. Access the [Create Supplier Invoice Attribute Template](#) task.

Create a template and its configurable attributes. Each template you create corresponds to the dynamic additional fields that display on supplier invoice documents. You can assign the same template to multiple companies. However, each company can only have 1 template assigned at any time.

You can only change templates that aren't already in use on an invoice. You can't make changes to an existing template, but you can create new templates using the same additional fields.

Note: Configurable attributes display in numerical order based on the sequence of their associated report fields, regardless of the order in which you create them.

Example: You first name Configurable Attribute 06 as Company 1, then you name Configurable Attribute 03 as Company 2. On the supplier invoice document, Workday displays first Company 2, then Company 1.

Security: *Set Up: Supplier Accounts* domain in the Supplier Accounts functional area.

2. Access the [Edit Supplier Accounts Options](#) task.

Enter the company to which you want to assign the configurable attribute template. On the **Supplier Invoice Attribute Template** tab, select the configurable attribute template you created to display on supplier invoice documents.

Security:

- *Set Up: Supplier Accounts* domain in the Supplier Accounts functional area.
- Security: *Set Up: Company General* domain in the Common Financial Management functional area.

3. (Optional) [Create Supplier Invoices](#) on page 1173.

On the **Additional Fields** tab, enter the information you want to record on the configurable attribute fields you created. The tab displays the configurable attributes based on the company at the header.

You can use the configurable attribute report fields to create custom reports and validations based on the values recorded on supplier invoice documents.

Tasks

[Create Custom Reports](#)

[Create Custom Object Validations](#)

Reference

[2020R2 What's New Post: Configurable Attributes on Supplier Invoices](#)

Steps: Set Up Supplier Refunds

- Configure the Unapplied Supplier Refunds account posting rule.
- Configure the ID Generator for Supplier Refund prompt on the Edit Tenant Setup - Financials task.
- Configure the *Supplier Refund Event* business process and security policy in the Supplier Accounts functional area.
- Security: These domains in the Supplier Accounts functional area.
 - *Process: Supplier Refund*
 - *Process: Supplier Refund – Add Attachment*
 - *Process: Supplier Refund – Cancel*
 - *Process: Supplier Refund – Change*
 - *Process: Supplier Refund – Reporting*
 - *Process: Supplier Refund – View*

You can create and associate supplier refunds to supplier invoice adjustments, which clear negative balances due to a supplier. You can use supplier refunds along with ad hoc bank transactions to record unapplied refunds.

1. (Optional) [Configure Custom Validation Messages](#) on page 54.

Select the Supplier Refund category to configure custom validations for supplier refunds.

2. (Optional) [Create Ad Hoc Bank Transactions](#) on page 1501.

Select the Unapplied Supplier Refunds ledger account.

3. Access the **Record Supplier Refund** task.

Apply a supplier refund to 1 or multiple approved and unpaid supplier invoice adjustments. For tracking, Workday recommends using the new **Deposit Reference** field to associate an existing bank deposit and refund.

Consider that you can't use supplier invoice adjustments that:

- Are associated to a grant with an effective award line type, such as cost reimbursable, fixed, or prepaid.
- Are part of a netting transaction during the application of the refund.
- Contain lines with VAT on payment.
- Contain lines with withholding tax set to payment realization.
- Have a status of Not Matched.

Security: Supplier Refund Event business process.

4. (Optional) For 1099 MISC Suppliers, we recommend running the **Find Supplier Refunds** report to determine if a supplier invoice adjustment and a refund amount differ. If there's a difference in the amount, create a 1099 MISC adjustment.

When you approve a supplier refund:

- If the exchange rate differs between the invoice adjustment and the refund, we record an exchange gain and loss.
- We debit Unapplied Supplier Refunds and credit Payables.
- We generate worktag balancing journals.

Tasks

[Adjust Supplier Invoices](#) on page 1197

Reference

[2021R2 What's New Post: Supplier Refunds](#)

Steps: Set Up Supplier Invoice Automation for Worktag Recommendations

Note: You must subscribe to Innovation Services to use this feature. Contact your Customer Success Manager to request the Innovation Services Addendum (ISA), or see [Workday Innovation Services](#) in the Workday Community for more information.

- To train the supplier invoice automation worktag recommendation model, you need a minimum of 3,000 historical manual supplier invoices.
- Configure the Innovation Services functional area and configure security policy permissions for these domains:
 - *Manage: Innovation Services*
 - *View: Innovation Services*

You can enable machine learning to get up to 5 spend category worktag recommendations on supplier invoice lines. The recommendations are based on supplier, supplier category, company, and item description. This innovation service feature increases the efficiency of the supplier invoice process and reduces the volume of miscategorized invoices.

1. Access the **Enable Machine Learning for Financials** report.
 - a. In the **Innovation Service Opt-In** tab, select the **Financial Management Machine Learning GA Features** service check box.
 - b. In the **Data Select Opt-In** tab, select the **Supplier Invoice Data** contribution check box.
 - c. In the **Feature Availability Status** tab, verify that the Supplier Invoice for Worktag Recommendations feature status is *In Progress*. It takes up to 2 weeks to display the supplier

invoice worktag spend category recommendations in your tenant. Workday then displays a status of *Available*.

Security: *Manage: Innovation Services* domain in the Innovation Services functional area.

2. Select the **Enable Spend Category Recommendations on Supplier Invoice Document** check box on the **Edit Tenant Setup - Financials** task.

See [Reference: Edit Tenant Setup - Financials](#).

Note: Workday recommends that you use a Preview tenant to test this functionality. Using a Preview tenant makes it easier to enable Financials machine learning features and gives you unlimited time to test, in contrast with Implementation tenants.

3. (Optional) Access the **Run On-Demand Machine Learning Activation for Implementation Tenant** task to set up testing on Implementation Tenants.

After setting up the task, it can take up to 2 weeks to view the machine learning feature functionality in your tenant. Then, you have 2 weeks to complete testing.

You can view the *Suggested* option and recommendations in the **Spend Category** field on supplier invoice lines.

Tasks

[Create Supplier Invoices](#) on page 1173

Reference

[2021R2 What's New Post: Supplier Invoice Automation for Worktag Recommendations](#)

Steps: Set Up Machine Learning Recommendations for Worktags

Note: You must subscribe to Innovation Services to use this feature. Contact your Customer Success Manager to request the Innovation Services Addendum (ISA), or see [Workday Innovation Services](#) in the Workday Community for more information.

- To train the supplier invoice automation worktag recommendation model, you need a minimum of 3,000 historical manual supplier invoices.
- Configure the Innovation Services functional area and configure security policy permissions for these domains:
 - *Manage: Innovation Services*
 - *View: Innovation Services*

You can enable machine learning recommendations for cost center, location, and region on supplier invoice lines. This innovation service feature increases the efficiency of the supplier invoice process and reduces the number of miscategorized invoices.

1. Access the **Enable Machine Learning for Financials** report.
 - a. In the **Innovation Service Opt-In** tab, select the **Financial Management Machine Learning GA Features** service check box.
 - b. In the **Data Select Opt-In** tab, select the **Supplier Invoice Data** check box.
 - c. In the **Feature Availability Status** tab, verify that the Supplier Invoice Data feature status is *In Progress*. It takes up to 2 weeks to display the supplier invoice worktag recommendations in your tenant. Workday then displays a status of *Available*.

Security: *Manage: Innovation Services* domain in the Innovation Services functional area.

2. Access the **Maintain Machine Learning Prompt Recommendations** task.
 - a) On the initiation page, select the *Accounts Payable* product area.
 - b) In the **Supplier Invoices** grid, select the **Enable Machine Learning Recommendations** check box for the worktag types you want to receive recommendations for.

Security: *Set Up: Tenant Setup - Financials* domain in the System functional area.

3. Access **Maintain Worktag Usage**.

- a. Select **Supplier Invoice**.
- b. Click **Edit Worktag Usage**.
- c. In the **Primary Worktags Type** grid, add the worktag types you want to receive machine learning recommendations for.

Note: You can only add a worktag type under either **Primary Worktag Types** or **Additional Worktag Types**. If a worktag type you want to include under **Primary Worktag Types** is included under **Additional Worktag Types**, delete it from **Additional Worktag Types** first.

Workday displays the *Recommended* option and recommendations for **Cost Center**, **Location**, and **Region** worktags on supplier invoice lines.

Create a Supplier Invoice Request

- If using invoice types, configure invoice types by country.
- Define the *Supplier Invoice Request Event* business process and security policy.
- Security: *Self-Service: Supplier Invoice Request* domain in the Supplier Accounts functional area.

Create a payment request for goods or service lines in Workday by adding invoice information to the request. After Workday approves the payment requests, it automatically converts them into supplier invoices.

1. Access the **Create Supplier Invoice Request** task.
2. As you complete the **Primary Information** section, consider:

Option	Description
Invoice Date	Enter the date for the supplier invoice. If the supplier has specific payment terms, this date controls the due date. Example: If the payment terms are <i>Net 30</i> , the Due Date field is 30 days after the invoice date. If the date falls within a closed period, Workday posts accounting to the next available period.
Company	The company responsible for invoice payments. To invoice a supplier that is different than the purchase order supplier, select the company that has Allow Different Invoicing and Purchasing Supplier checked.
Supplier	Select the supplier for the invoice. Workday displays the suppliers that are available for use with the selected company or company hierarchy. To invoice a supplier that is different than the purchase order supplier, select the supplier that has Invoice Any Supplier checked.
Remit-To Connection	If the supplier has a <i>Default</i> remit-to connection, it displays in this field. You can update the automatically populated value as needed.
Currency	Workday automatically populates the preferred currency of the supplier; otherwise, it's the company currency. You can change the currency

Option	Description
	to any of the accepted currencies defined for the supplier.
Control Total Amount	Enter an amount if you know what the total invoice is and you want to ensure that the computed Total Invoice Amount matches your expectation.
Supplier's Invoice Number	If you've received the supplier document, enter its invoice number. Example: If the supplier provided a supplier invoice, enter the invoice number from the supplier document.

3. As you complete the **Additional Information** section, consider:

Option	Description
Ship-To Address	Workday uses this address when evaluating tax rules to determine tax code and tax applicability overrides for the transaction lines.
Payment Terms	Workday automatically populates the payment terms from the supplier, but you can change the terms if needed.
Handling Code	Select a payment handling code for this invoice, such as <i>Hold Payment for Pickup</i> or <i>Overnight Payment</i> . This field displays when you set up payment handling instructions.
Reference Type	You can select an international reference type for the supplier invoice.
Reference Number	If you select a reference type for the supplier invoice, you must enter a reference number of up to 140 characters.
Statutory Invoice Type	If you use invoice types to categorize your supplier invoices in compliance with government requirements, select an invoice type.
Freight Amount	Allocate these landing costs from the transaction header back to the lines. This action requires that at least 1 line has a spend category eligible for allocation of freight and other charges, as set on the Maintain Spend Categories task.
Tax Amount	Workday displays the tax amount due to the supplier. If the company tax option is <i>Enter tax Due to Supplier</i> , the tax amount defaults to the invoice header, when you create an invoice from the supplier invoice request. To trigger tax defaulting rules on invoices created from supplier invoice requests, enable company tax options for supplier invoice request invoices at the tenant level.

Option	Description
	If the company tax option is <i>Calculate Tax Due to Supplier</i> or <i>Calculate Self-Assessed Tax</i>, and you set up tax defaulting rules, then Workday populates these fields at the supplier invoice line: • Tax Applicability • Tax Code • Tax Option • Tax Recoverability If you enter a negative value, Workday allocates the Tax Amount to a negative or zero-cost line.
Memo	Enter or update a memo for the invoice request header.

4. As you complete the **Lines** tab, consider:

Option	Description
Item Description	Include a description to help you and your suppliers more easily identify specific items. If a description is available, Workday automatically populates a description when you select the item.
Spend Category	The spend category links items to corresponding accounting posting rules and provides additional details for reporting. If you select an item, the value automatically updates to the one assigned to the item and you can't change it. The spend category for the invoice line requires the <i>Supplier Invoice</i> spend category usage type.
Quantity	• For goods lines, enter the number of items. • For service lines, Workday automatically updates the quantity to zero.
Unit Cost	Based on the selected item. If the currencies for the Item and invoice differ, Workday automatically converts this value to the Currency of the invoice.
Item Identifiers	Item identifiers for the catalog item, punchout item, or purchase item. When you configure supplier invoices with primary item identifiers on the Maintain Item Identifier Type Display Options task, Workday displays up to 3 item identifiers in columns. You can select the remaining items that aren't marked as primary item identifiers in the Additional Item Identifiers column.
Item Tags	Item tags associated with the catalog item, punchout item, or purchase item.

Option	Description
Extended Amount	- For goods lines, Quantity times Unit Cost. If you change the Extended Amount, Workday recalculates the Unit Cost. If you change the Unit Cost, Workday recalculates the Extended Amount. - For service lines, Workday populates the Extended Amount automatically. You can modify the Amount to Invoice as needed. To create zero cost lines, you must have at least 1 other line item that makes the total invoice amount greater than zero. When you create zero cost lines, Workday allocates the: Tax Amount to a single zero cost line when other lines don't specify a tax applicability. - The Freight Amount field to the last zero cost line on the invoice.
Worktags	Use worktags as keywords to more easily classify and find transactions. Configure the allowed worktag types on the Maintain Worktag Usage task. When you select a worktag type that has related worktags, Workday automatically populates transactions with the related worktag values.
Billable	This option displays if the invoice line includes a billable project worktag. Select Billable if the line or line split is billable to the project. The Billable option doesn't impact accounting if you include it as a dimension in account posting rule conditions.
Memo	Enter or update a memo for the invoice request line.
Internal Memo	Enter information to display internally for other users in your company, such as payment instructions or tax specifications. The contents of the Internal Memo field don't transfer to the supplier invoice created from the supplier invoice request.
Splits	Click to split lines by <i>Amount</i> or <i>Quantity</i>. You can then specify the amounts or quantities for the split, enter a memo, and select specific worktags for each line split. You can split service lines by amount only.

5. Use the **Attachments** tab to upload or drag and drop files, such as supplier invoice supporting documents.

Workday supports the file types listed in the **Edit Tenant Setup - System** task for business document attachments.

6. **Submit** the supplier invoice request for approval, or **Save for Later**.

- Workday initiates the *Supplier Invoice Request Event* business process for review and approval. If the business process definition includes an approval step, reviewers can modify the supplier invoice before they approve it.
- Use the **Find Supplier Invoice Requests** report to access and update existing invoice requests that you save or submit.

Tasks

[Configure Questionnaires and Questions](#)

Create Supplier Invoices

- Configure the *Supplier Invoice Event* business process and security policy in the Supplier Accounts functional area.
- To use invoice adjustments to initiate the supplier accounts match event for related supplier invoices, configure the *Initiate Supplier Accounts Match Event for Related Supplier Invoices* service step on the *Supplier Invoice Event* business process.
- To route the invoice to a designated approver, configure the Supplier Invoice Designated Approver security group on the Approval step of the *Supplier Invoice Event* business process. You can do this only for the Approval step and not for the Action/Review Supplier Invoice step on the business process.
- Include the *Check Budget* completion step in the *Supplier Invoice Event* business process to check budgets on supplier invoices.
- To match supplier invoices to related documents, include the *Supplier Accounts Match Process* action step after the completion step in the *Supplier Invoice Event* business process.
- For the supplier, create a procurement document with one or more lines not previously added to a supplier invoice.
- If using invoice types, configure invoice types by country.
- Security: *Process: Supplier Invoice - Invoice Workbench* domain in the Supplier Accounts functional area.

Create an invoice for goods and services lines that haven't already been used in a supplier invoice. Select lines from purchase orders, supplier contracts, receipts, timesheets, and task logs.

1. (Optional) Access the **Edit Company Accounting Details** task, and select the *Supplier Invoice* option for the **Allow Accounting by Approval Date** prompt to use the approval date as the accounting date on your customer invoices and adjustments or to order document sequence numbers by accounting date.

Security: *Set Up: Company Accounting* domain in the Common Financial Management functional area.

2. Access the **Create Supplier Invoice** or the **Supplier Invoice Workbench** task.

3. As you complete the task, consider:

Option	Description
Company	The company responsible for invoice payments. To invoice a supplier that is different than the purchase order supplier, select the company that has Allow Different Invoicing and Purchasing Supplier checked.
Supplier	Select the supplier for the invoice. Workday displays only on hold or active suppliers that are available for use with the selected company or company hierarchy.

Option	Description
	To invoice a supplier that is different than the purchase order supplier, select the supplier that has Invoice Any Supplier checked.
Currency	Workday automatically populates this field with the supplier currency, or the company currency, in that order of priority. You can change it to any of the accepted currencies defined for the supplier. For an invoice created from the supplier portal or a purchase order, we populate the Currency from the purchase order.
Invoice Date	Enter the date on which you create the supplier invoice. If this supplier has defined payment terms, then the invoice date controls the due date. Example: If the payment terms are <i>Net 30</i>, the Due Date field is 30 days after the invoice date. If the date falls within a closed period, Workday posts accounting to the next available period.
Invoice Received Date	Enter the date on which your company receives the invoice from the supplier. You might want to track the date on which your company receives an invoice for reporting purposes or to analyze the amount of time it takes to process a supplier invoice. The invoice received date provides a measurement of the efficiency in the organization, based on how long it takes from the time the invoice arrives until it's posted.
Accounting Date Override	The accounting override date you enter must be in an open accounting period. This field displays when you enable Allow Accounting in Arrears for <i>Supplier Invoice</i> on the Edit Company Accounting Details task. Depending on how you configure the company accounting, Accounting Date Override might be optional or required. Example: If you provide a service, but don't create the invoice until the next accounting period, you can select the service date as the accounting override date.
Tax-Only	Select to create a tax-only invoice to track and pay taxes to suppliers or tax authorities. For accounting purposes, Workday processes the invoice lines as tax-only lines and excludes accounting for spend amounts. When you select the Tax-Only check box, Workday:

Option	Description
	- Displays the new Reference Invoice prompt in the header. - Automatically populates the Total Invoice Amount field from the Tax Amount field. - Clears and locks the Freight Amount and Other Charges fields.
Payment Terms	Workday automatically populates the payment terms from the remit-to connection or the supplier, in that order of priority. You can change the value if needed. For an invoice created from the supplier portal or a purchase order, we populate the Payment Terms from the purchase order.
Reference Type	If you select an international reference type, enter a Reference Number of up to 140 characters.
Default Tax Option	Workday populates: - This value from the company accounting details. - The tax option at the line from the header, but you can override it at the line level.
Default Tax Code	Workday automatically populates the default tax code from the supplier profile. If the supplier profile doesn't have a defined tax code or to override it, select a tax code. Workday automatically populates the tax code at the line from the header, but you can override it at the line level. If you use a third-party tax service integration, Workday hides the field to support tracking and reporting on third-party tax calculations. You can configure a third-party service integration on the Edit Company Tax Details task.
Default Withholding Tax Code	Workday automatically populates the default withholding tax code from the supplier profile. If the supplier profile doesn't have a defined withholding tax code or to override it, select a withholding tax code. Workday automatically populates the withholding tax code at the line from the header, but you can override it at the line level.
Ship-To Address	Workday uses this address when evaluating tax rules to determine tax code and tax applicability overrides for transaction lines. For intercompany invoices, Workday uses your most recent company effective ship-to address on

Option	Description
	the header and lines to support tax defaulting at the line level.
Referenced Invoices	Select existing invoices to create a header-level reference.

4. Click the **Purchase Orders**, **Supplier Contracts**, **Receipts**, **Timesheets**, **Task Logs**, **Ad Hoc Lines**, **Customer Invoices**, or **Release Retention** buttons to select lines for the invoice.

You can select uninvoiced lines from one or more business documents. Use this criteria, as applicable, to narrow your search:

Option	Description
Company	Search for specific companies for items to add to the invoice. The header company of the invoice defaults, but you can add items from other companies. Available companies are based on the invoice intercompany profile of the header company (Edit Company Intercompany Profile task).
Purchase Order Supplier	Select multiple purchase order suppliers. To invoice a supplier that is different than the purchase order supplier, narrow search by any purchase order supplier.
Document Date On or After Document Date On or Before	Narrows lines to a specific date range.
Purchase Orders Selected	Limits results to lines from specific purchase orders, receipts, timesheets, or task logs.
Item	Returns just the receipt lines that contain this item.
Spend Category	Returns the receipt lines or task-log lines tagged with this spend category. The spend category for the invoice line requires the <i>Supplier Invoice</i> spend category usage type.
Contingent Worker	Returns just the timesheet lines for this contingent worker.
Job Profile	Returns just the timesheet lines related to this job profile.
Locations	Returns just the timesheet lines from this location.
Project	Returns just the task logs associated with this project.

5. Click **Ad Hoc Lines** to add non-PO lines to the supplier invoice.
6. Click **Release Retention** to add lines from purchase orders or supplier contracts to the supplier invoice for retention release.
7. Click **Complete Supplier Invoice**.

8. Enter or update details in the **Invoice Information** section:

Option	Description
Remit-To Connection	If the supplier has a <i>Default</i> remit-to connection, it displays in this field. You can update the default as needed.
Control Total Amount	Enter an amount if you know what the total invoice is and you want to ensure that the computed Total Invoice Amount matches your expectation.
Freight Amount Other Charges	Allocate these landing costs from the transaction header back to the lines. Add a <i>spend category</i> that's eligible for allocation of freight and other charges to at least 1 line, as set up on the Maintain Spend Categories task. Example: You purchase a large piece of equipment and have 1 line for the equipment itself and another for installation.
Worktag Split Template	Based on the company, select a template to populate on all new lines on the invoice. When you select a new or different template at the header, Workday doesn't populate the template on existing lines with an extended amount. To set up worktag split allocation templates for supplier invoices, access the Create Worktag Split Template task.

9. Enter additional details in the **Terms and Taxes** section:

Option	Description
Discount Date	Calculated automatically based on Payment Terms with a discount for early payment, and Invoice Date .
Due Date Override	Select a different due date if there's an exception to the terms.
Override Payment Type	Select a different payment type for the supplier.
Originating Country Payment Purpose	Select a payment purpose code if the country sending this invoice payment requires a purpose code. This field displays when you enable Payment Purpose Codes on the Edit Tenant Setup - Financials task. See Steps: Set Up Payment Purpose Codes on page 1605.
Receiving Country Payment Purpose	Select a payment purpose code if the country receiving this invoice payment requires a purpose code. This field displays when you enable Payment Purpose Codes on the Edit Tenant Setup - Financials task.

Option	Description
	See Steps: Set Up Payment Purpose Codes on page 1605.
Default Tax Option	Workday automatically populates this value from the company accounting details. Workday automatically populates the tax option at the line from the header, but you can override it at the line level. To enable tax defaulting rules for invoices created from supplier invoice requests, enable company tax options for supplier invoice request invoices at the tenant level. - When the supplier invoice request doesn't specify taxes and the company default is the <i>Calculate Tax Due to Supplier</i> or <i>Calculate Self-Assessed Tax</i> option, Workday populates these fields at the supplier invoice line: Tax Applicability Tax Code Tax Option Tax Recoverability - When the supplier invoice request specifies taxes, Workday: - Populates the <i>Enter Tax Due to Supplier</i> option. - Doesn't populate the tax fields at the invoice line.
Default Tax Code	Workday automatically populates the default tax code from the supplier profile. If the supplier profile doesn't have a defined tax code or to override it, select a tax code. Workday automatically populates the tax code at the line from the header, but you can override it at the line level.
Default Withholding Tax Code	Workday automatically populates the default withholding tax code from the supplier profile. If the supplier profile doesn't have a defined withholding tax code or to override it, select a withholding tax code. Workday automatically populates the withholding tax code at the line from the header, but you can override it at the line level.
Tax Amount	If you selected to calculate tax, Workday displays the sum of the calculated tax amounts from the taxable lines, based on tax code you specify for each line. To override this calculated amount, you can change calculated tax by tax rate on the Tax tab.

Option	Description
	If you select to enter tax due to the supplier, enter the tax amount for the transaction. You must have at least 1 line with a tax applicability that is taxable and enabled for allocation. The tax allocated to the lines is only the nonrecoverable amount for the transaction and doesn't always add up to this header amount. If you enter a negative value, Workday allocates the tax amount to a negative or zero-cost line.
Withholding Tax Amount	Workday calculates the withholding tax from the invoice lines when tax amounts have a realization point at invoice time. We don't include tax amounts that have a realization point at time of payment in this total. To override this calculated amount, you can change calculated tax by tax rate on the Tax tab. You can create a withholding tax exemption on a withholding tax rate for a supplier. Workday automatically applies the exempt withholding percentage on the supplier invoice when calculating the withholding tax.
Update Tax	Select Update Tax if you update tax on an invoice line and want to recalculate the tax displayed in the header. If you update taxes on an invoice line, Workday automatically recalculates the header tax when you submit or save for later. If you use a third-party tax service integration, Workday hides the field to support tracking and reporting on third-party tax calculations. You can set up a third-party service integration on the Edit Company Tax Details task.

When you create a supplier invoice from a purchase order or supplier contract, the invoice header amounts for landed cost equal the uninvoiced amounts from the purchase order or supplier contract.

When you create an invoice from a receipt, the invoice header amounts for landed cost equal the sum of allocations from received purchase order or supplier contract lines. Workday prorates the amounts based on receipt quantity or amount (including over-receiving).

10. Enter details in the **Invoice Reference Information** section:

Option	Description
Ship-To Address	Workday uses this address when evaluating tax rules to determine tax code and tax applicability overrides for the transaction lines.
Handling Code	Select a payment handling code for this invoice, such as <i>Hold Payment for Pickup</i> or <i>Overnight Payment</i> .

Option	Description
	This field displays when you configure payment handling instructions.
On Hold	Select to hold payment on this invoice.
Supplier Document Received	Select if the supplier has provided an invoice or other relevant document. By default, Workday delivers duplicate validation enabled for this field. To validate against your own conditions, you can disable this option using the Tenant Setup - Financials task. You can use the Maintain Custom Validations task to establish your own condition rules for supplier invoices.
Supplier's Invoice Number	If you've received the supplier document, enter its reference number. Example: If the supplier provided a supplier invoice, enter the invoice number from the supplier document.
External PO Number	If you use a procurement system other than Workday, enter that purchase order.
Statutory Invoice Type	If you use invoice types to categorize your supplier invoices in compliance with government requirements, select an invoice type.
Supplier Contract / Default Supplier Contract	Select a Supplier Contract if the company and supplier match those on this invoice. After you approve the supplier invoice, Workday automatically subtracts the invoice amount from the remaining contract balance. Default Supplier Contract displays when you select the Enable Consolidation of Requisitions Across Supplier Contracts check box during tenant setup.
Total Contract Amount	Provided by the selected contract.
Document Link	If you store supporting documents or images in an external repository, then enter the URL to that location. Once you save the transaction, Workday displays the URL as a live hyperlink to the image. Approvers can reference this document before approving the transaction. If the location of the supporting documents or images changes, you must update the URL. Workday validates the link to ensure that it has a valid Uniform Resource Identifier pattern (URI), as defined by your security administrator. This process provides additional security to help avoid malicious content in external links. To set up a valid URI, select <i>Supplier Invoice Document Link</i> from the Supplier External URI

Option	Description
	Link Type prompt on the Maintain External Link Validation task.
Memo	You can set up Workday to print this information on the Memo field of the check to pay this invoice. To configure this functionality on the supplier, select the <i>Use Invoice Memo</i> option on the Create Supplier or Create Supplier Change task. If multiple invoices have memos, Workday organizes the memos in a series on the check. You can also use the Put Supplier Payment Memo web service task to capture and store additional information in the Memo field at the header of the supplier payment. Example: Enter and track withholding tax ID numbers.
Approver	Select a designated approver to review and approve the supplier invoice. To set up a designated approver, add the related Supplier Invoice Designated Approver security group to the <i>Supplier Invoice Event</i> business process security policy.

11. On the **Invoice Lines** tab, add lines and provide details for lines you selected from other business documents.

Option	Description
Company	Displays the company to which the supplier invoice belongs. If the company enables intercompany transactions, you can select from the intercompany transactions included in its intercompany profile. If you're creating an invoice from a multicompany purchase order, your purchase order line company populates as the invoice line company when the company is from a: • Purchase order. • Receipt. • Task log for purchase orders.
Item	For new lines, select the item.
Item Description	Include a description to help you and your suppliers more easily identify specific items. If a description is available, Workday automatically populates a description when you select the item.
Spend Category	The spend category links items to corresponding accounting posting rules and provides additional details for reporting. If you select an item,

Option	Description
	Workday automatically populates the value assigned to the item and you can't change the value. The spend category for the invoice line requires the <i>Supplier Invoice</i> spend category usage type.
Supplier Item Identifier	Displays the supplier item identifier when you associate the line to a supplier item, such as a catalog or punchout item.
Supplier Contract	The supplier contract for the supplier invoice line. If the supplier contract selected is linked to a catalog, Workday limits the item selection based on catalog to those specific catalog items. You can't edit the supplier contract when you select an item. Displays if you select the Enable Consolidation of Requisitions Across Supplier Contracts check box during tenant setup.
Ship-To Address	Workday automatically populates from the Ship-To Address field on the header, but you can change it. The ship-to address determines the tax code, tax applicability, and withholding tax code using Tax Rules for Country.
Tax Applicability	Indicates whether the line is taxable and, if taxable, its recoverability. You can use tax applicability to filter transactions in reporting. It automatically populates from the item-specific tax rule based on the line ship-to address, first by purchase item and then by spend category. If there's no match, it automatically populates from the purchase item. Otherwise, it automatically populates from the spend category.
Tax Code	If taxable, the code automatically populates from the Default Tax Code on the header, which you can override. To default your tax codes, use the Create Transaction Tax Rule for Country task. For companies that operate as customers on direct intercompany invoices, Workday automatically populates tax codes from customer invoice lines to supplier invoice lines. To disable this functionality and enable defaulting from Tax Rules for Country, access the Maintain Companies as Customers or Suppliers task and clear the Copy Tax Fields check box.

Option	Description
Withholding Tax Code	The code automatically populates from the Default Withholding Tax Code on the header, which you can override. For companies that operate as customers on direct intercompany invoices, Workday automatically populates withholding tax codes from customer invoice lines to supplier invoice lines. To disable this functionality, access the Maintain Companies as Customers or Suppliers task and clear the Copy Tax Fields check box.
Tax Point Date Type	Select the type of tax point date for the invoice line and specify a tax point date if the type is Goods/Service Delivery Date. Workday populates tax point date type with Invoice/Adjustment Date unless you select the VAT on Payment check box for a company. If you select the VAT on Payment check box on the Edit Company Tax Details task, Workday sets the tax point date type as Payment Date.
Tax Point Date	When you select Goods/Service Delivery Date for the tax point date type, you must enter a tax point date.
Tax Recoverability	Workday automatically populates the recoverable percentage on the transaction line based on the specified tax applicability and tax code. You can override this selection. When you specify the tax recoverability, Workday applies the recoverable percentage and the allocation method to the tax amount for tax rates within a tax code. Use the Maintain Tax Recoverabilities task to specify the tax recoverability of multiple tax rates for each tax code.
Tax Option	Select <i>Calculate Self-Assessed Tax</i> when suppliers or payees don't charge tax. This option enables you to post your tax liability to a separate ledger account. Otherwise, select <i>Calculate Tax Due to Supplier</i> to post the tax payment made to the supplier or payee.
Quantity	- For goods lines, enter the number of items. - For service lines, Workday defaults the quantity to zero.
Unit Cost	Based on the selected item. If the currencies for the Item and invoice differ, Workday automatically converts this value to the Currency of the invoice. Workday uses the current currency conversion rate between the 2 currencies as defined for the

Option	Description
	<i>default</i> currency rate type from the tenant setup. For service lines, the unit cost is always zero.
Extended Amount	- For goods lines, Quantity times Unit Cost. If you change the Extended Amount, Workday recalculates the Unit Cost. If you change the Unit Cost, Workday recalculates the Extended Amount. - For service lines, Workday populates the Extended Amount automatically. You can modify the Amount to Invoice as needed. To create zero-cost lines, you must have at least 1 other line item that makes the Total Invoice Amount greater than zero. When you create zero-cost lines, Workday allocates the: Tax Amount to a single zero-cost line when other lines don't specify a tax applicability. - Amount from the Freight Amount and Other Charges fields to the last zero-cost line on the invoice, when other lines don't use freight or other spend categories.
Alternate Item Identifiers	Alternate item identifiers for the catalog item, punchout item, or purchase item. When you configure supplier invoices with primary item identifiers on the Maintain Item Identifier Type Display Options task, Workday displays up to 3 item identifiers in columns. You can select the remaining items that aren't marked as primary item identifiers in the Additional Item Identifiers column.
Item Tags	Item tags associated with the catalog item, punchout item, or purchase item.
Retention Details	When you select <i>Retention</i> on a purchase order or supplier contract, Workday displays the Retention Details column for the line. You can't modify Payment Amount and Percent to Retain.
Prepaid	Check or uncheck Prepaid to update the prepaid status for the line. Workday automatically enables the Has Prepaid Line(s) option in the Prepaid Details tab it after you select a line. Spend categories for prepaid lines must either be: - Non-trackable - Trackable with the <i>Expense</i> accounting treatment

Option	Description
	When tax isn't allocated on a prepaid line, it won't be included in the prepaid accounting in related invoices. Instead, it will use the <i>Transaction Tax</i> account posting rule.
Memo	Enter or update a memo for the supplier invoice.
Worktags	Use worktags as keywords to more easily classify and find transactions. Configure the allowed worktag types on the Maintain Worktag Usage task. When you select a worktag type that has related worktags, Workday automatically populates transactions with the related worktag values.
Billable	This option displays if the invoice line includes a billable project worktag. Select Billable if the line or line split is billable to the project. The Billable option doesn't impact accounting if you include it as a dimension in account posting rule conditions.
Worktag Split Template	Populates from the header template when you create a new line. You can select a new template or override it based on the company at the line.
Splits	Click to split lines by <i>Amount</i> or <i>Quantity</i>. You can then specify the amounts or quantities for the split, enter a memo, and select specific worktags for each line split. You can split service lines only by amount. For zero cost lines, you can only split items by quantity.

12. Use the **Tax** tab to review a summary of all the tax codes and their applicability as specified on the invoice lines.

If several lines share the same tax, this tab consolidates them and totals the amount with this tax.

13. To specify the retention release amount on a purchase order or supplier contract, access **Retention Release Lines** and enter a **Release Amount**.

14. Use the **Retention Details** tab to view the total amount retained and total amount released on this invoice when you select **Retention** for a purchase order, or a supplier contract.

15. (Optional) As you complete the **Currency Rate** tab, consider:

For foreign currency invoices, you can make adjustments to achieve a different conversion rate. Any changes you make on the **Currency Rate** tab register in the **Effective Currency Rate** field, that displays the rate used for accounting to convert installment amounts to ledger currency. Any overrides that you enter trigger the selection of the **Rate Override** check box.

Option	Description
Currency Rate Type Override	Select an option to override the default rate type used to look up the exchange rate.

Option	Description
Currency Rate Date Override	Select a date to override the default rate date used to look up the exchange rate.
Currency Rate Manual Override	Enter a currency rate to override the exchange rate or provide a rate when a default rate isn't available.
Defaults	This section displays the tenant default currency rate based on the invoice date.

16. To define any supplier invoice line as prepaid, access the **Prepaid Details** tab and select the **Prepaid Amortization Type**.

If you've defined prepaid details in the underlying purchase order, they default in the supplier invoice, which you can update.

Option	Description
Manual	Select to amortize manually the prepaid spend amortization on a future date. Optionally enter the Expected Amortization Date for tracking and reporting purposes. You can use the Expected Amortization Date for reporting and to create custom alerts, but Workday doesn't validate against this date. Settle and pay manual prepaid amortization-type payments, before you amortize the spend.
Receipt	Select to amortize prepaid spend after the <i>Receipt</i> business process completes for: • Purchase orders • Supplier invoices generated from POs or supplier contracts
Schedule	Specify to define a schedule for amortizing prepaid spend after the purchase order approval.

17. Use the **Attachments** tab to upload or drag and drop files, such as supplier invoice supporting documents.

Workday supports the file types listed in the **Edit Tenant Setup - System** task for business document attachments.

You can associate supplier invoice attachments with customer invoices for billable transactions. When a supplier invoice is ready to be billed, we prevent you from changing attachments on the supplier invoice or supplier invoice adjustment.

18. Use the **Work Queue Information** tab to add **Work Queue Tags**, **Work Queue Notes**, and other details that will display for the invoice in the **Supplier Invoice Work Area** report.

To view the **Work Queue Information** tab, configure these security domains:

- *Process: Supplier Invoice Work Queue*
- *Manage: Supplier Invoice Work Queue*

19. **Submit** the supplier invoice for approval.

- Workday initiates the *Supplier Invoice Event* business process for review and approval. If the business process definition includes an approval step, reviewers can modify the supplier invoice before they approve it.

- When you view the transaction:
 - **Line Details** display the accounting distribution of any landed cost amounts allocated from the header to the lines and the total **Gross Amount** (net extended amount plus allocated tax, freight, and other charges). Workday uses the gross amount for:
 - Debit entry of spend accounting.
 - Receipt accruals.
 - Budget checking of spend transactions.
 - Default acquisition cost during asset registration.
 - The **Tax** tab displays the recoverable percent and distribution of recoverable and nonrecoverable tax amounts based on the:
 - Tax applicability.
 - Tax code.
 - Taxable amount.
- Workday automatically creates operational journals in the company currency for approved transactions. If the transaction and company currencies differ, Workday converts the amounts to the company currency.
- Workday processes accounting for supplier invoices with prepaid and non-prepaid lines when the *Supplier Invoice Event* business process completes:
 - Non-prepaid lines use the Spend account posting rule.
 - Prepaid Lines use the Prepaid Spend account posting rule.
- For supplier invoices that are:
 - Zero-cost, Workday marks the invoice as paid when it's approved and keeps it out of the settlement run, unless:
 - The company has configured VAT on payment.
 - The Tax Point Date Type is Payment Date.
 - There's withholding tax rate with payment realization on the invoice line.
 - Negative, you can settle the invoice through a settlement run that includes other invoices with positive total amounts.
- Use the **Find Supplier Invoices** report to access and update existing invoices that you save or submit.
- If matching supplier invoices to related business documents, configure the *Supplier Accounts Match Event* business process.
- If matching supplier invoices to supplier contracts, you must create the invoice from the **Supplier Invoice Workbench** task.
- To view the list of Workday-provided reports and their descriptions, access **Workday Standard Reports** report, and select the *Supplier Accounts* option.
- To pay approved invoices, suppliers must be in active status.
- You can use the **Convert to Supplier Invoice Adjustment** related action on the supplier invoice to cancel the supplier invoice and generate a new supplier invoice adjustment.
- Settle the approved supplier invoices. The settlement process creates and settles the invoiced payments. When the process completes, Workday updates the accounting entries for each payment.

Concepts

[Concept: Settlement Processing](#) on page 1624

[Concept: Tax-Only Supplier Invoices](#) on page 1209

[Setup Considerations: Worktag Split Templates](#) on page 1225

Tasks

[Steps: Set Up Prepaid Supplier Spend](#) on page 1155

[Modify, Copy, or Find Duplicate Supplier Invoices](#) on page 1195

[Steps: Use Settlement](#) on page 1611

[Steps: Set Up Withholding Taxes](#) on page 443

[Steps: Set Up Spend Category and Worktag Defaulting on Supplier Invoices](#) on page 1163

Reference

[Reference: Tax Options](#) on page 424

[Reference: Volumes on Supplier Invoice Lines](#) on page 1210

[Workday 31 What's New Post: Supplier Invoice Zero Cost Lines](#)

[2020R1 What's New Post: Negative and Zero-Cost Supplier Invoices](#)

Create a Non-PO Supplier Invoice

- Configure the *Supplier Invoice Event* business process and security policy in the Supplier Accounts functional area.
- To create non-PO supplier invoices in the Supplier Invoice Workbench, set up Security: *Process: Supplier Invoice - Invoice Workbench* domain in the Supplier Accounts functional area.

Manually create a supplier invoice that isn't based on a purchase order.

1. (Optional) Access the **Edit Company Accounting Details** task, and select the *Supplier Invoice* option for the **Allow Accounting by Approval Date** prompt to use the approval date as the accounting date on your customer invoices and adjustments or to order document sequence numbers by accounting date.

Security: *Set Up: Company Accounting* domain in the Common Financial Management functional area.

2. Access the **Create Supplier Invoice** task.

You can also create a non-PO supplier invoice by clicking **Ad Hoc Lines** in the **Supplier Invoice Workbench** task.

3. Enter details in the **Invoice Information** section:

Option	Description
Company	The company responsible for invoice payments.
Supplier	Select who you are creating the invoice for. Workday displays the suppliers that are available for use with the selected company or company hierarchy.
Remit-To Connection	If the supplier has a <i>Default</i> remit-to connection, it displays in this field. You can update the default as needed.
Currency	Defaults to the preferred currency of the supplier if specified on the supplier; otherwise, it's the company currency. You can change the currency to any of the accepted currencies defined for the supplier.
Invoice Date	Enter the date for the supplier invoice. The Invoice Date controls the due date if you have payment terms set up for this supplier. Example: If the payment terms are <i>Net 30</i> , the Due Date field will be 30 days after the invoice date. If the date falls within a closed period, Workday posts accounting to the next available period.
Accounting Date Override	The accounting override date you enter must be in an open accounting period.

Option	Description
	This field displays when you enable Allow Accounting in Arrears for <i>Supplier Invoice</i> on the Edit Company Accounting Details task. Depending on how you configure the company accounting, Accounting Date Override might be optional or required. Example: If you provide a service, but you create the invoice for the service in the next accounting period, you can select the service date as the accounting override date.
Control Total Amount	Enter an amount if you know what the total invoice is and you want to ensure that the computed Total Invoice Amount matches your expectation.
Freight Amount Other Charges	Allocate these landing costs from the transaction header back to the lines. Add a <i>spend category</i> that's eligible for allocation of freight and other charges to at least 1 line, as set up on the Maintain Spend Categories task. Example: You purchase a large piece of equipment and have 1 line for the equipment itself and another for installation.

4. Enter details in the **Terms and Taxes** section:

Option	Description
Payment Terms	Defaults from the supplier, but you can change the terms if necessary.
Discount Date	Calculated automatically based on Payment Terms that have a discount for early payment, and Invoice Date .
Due Date Override	Select a different due date if there's an exception to the terms.
Override Payment Type	Select a payment type other than the default set for the supplier.
Originating Country Payment Purpose	Select a payment purpose code if the country sending this invoice payment requires a purpose code. This field displays when you enable Payment Purpose Codes on the Edit Tenant Setup - Financials task. See Steps: Set Up Payment Purpose Codes on page 1605.
Receiving Country Payment Purpose	Select a payment purpose code if the country receiving this invoice payment requires a purpose code. This field displays when you enable Payment Purpose Codes on the Edit Tenant Setup - Financials task.

Option	Description
	See Steps: Set Up Payment Purpose Codes on page 1605.
Default Tax Option	Workday automatically populates this value from the company accounting details. Workday automatically populates the tax option at the line from the header, but you can override it at the line level.
Default Tax Code	Workday automatically populates the default tax code from the supplier profile. If the default tax code isn't set up or to override it, select a tax code. Workday automatically populates the tax code at the line from the header, but you can override it at the line level.
Default Withholding Tax Code	Workday automatically populates the default withholding tax code from the supplier profile. If the default withholding tax code isn't set up or to override it, select a withholding tax code. Workday automatically populates the withholding tax code at the line from the header, but you can override it at the line level.
Tax Amount	If you selected to calculate tax, Workday displays the sum of the calculated tax amounts from the taxable lines, based on tax code you specify for each line. To override this calculated amount, you can change calculated tax by tax rate on the Tax tab. If you select to enter tax due to the supplier, enter the tax amount for the transaction. You must have at least 1 line with a tax applicability that is taxable and enabled for allocation. The tax allocated to the lines is only the nonrecoverable amount for the transaction and doesn't always add up to this header amount. If you enter a negative value, Workday allocates the tax amount to a negative or zero-cost line.
Withholding Tax Amount	Workday calculates the withholding tax from the invoice lines when tax amounts have a realization point at invoice time. This total doesn't include tax amounts that have a realization point at time of payment. To override this calculated amount, you can change calculated tax by tax rate on the Tax tab.
Update Tax	Select Update Tax if you update tax on an invoice line and want to recalculate the tax displayed in the header.

Option	Description
	If you update taxes on an invoice line, Workday automatically recalculates the header tax when you submit or save for later.

5. Enter details in the **Invoice Reference Information** section:

Option	Description
Ship-To Address	Workday uses this address when evaluating tax rules to determine tax code and tax applicability overrides for the transaction lines.
On Hold	Select to hold payment on this invoice.
Supplier Document Received	Select if the supplier provided an invoice or other relevant document.
Supplier Reference Number	If you've received the supplier document, enter its reference number. Example: If the supplier provided a supplier invoice, enter the invoice number from the supplier document. By default Workday delivers duplicate validation enabled for this field. To validate against your own conditions, you can disable this option using the Tenant Setup - Financials task and then use the Maintain Custom Validations task to establish your own condition rules for supplier invoices.
External PO Number	If you use a procurement system other than Workday, enter the purchase order number.
Supplier Contract	Select a Supplier Contract if the company and supplier on the contract match the invoice. The invoice amount will be subtracted from the remaining contract balance after the supplier invoice is approved.
Document Link	If you store your document images in an external repository, enter the URL to that image location instead of including the image as a file attachment. Once saved, Workday displays the URL as a live link to the image. Each link must begin with one of the valid URL patterns as defined by your security administrator, or Workday doesn't allow the link.
Memo	When you print a check for payment of this supplier invoice, the value that you enter here prints in the Memo field of the check. Select the Use Invoice Memo option in Default Supplier Payment Memo for the supplier. Use the Create Supplier or Create Supplier Change task to configure the invoice memo. If more than 1 invoice for the check to the supplier

Option	Description
	has a memo, Workday concatenates the memos on the check.

6. On the **Invoice Lines**

Option	Description
Company	Defaults to the company to which the supplier invoice belongs. If the company allows intercompany transactions, you can select from the options included in its intercompany profile.
Item	For new lines, select the item.
Spend Category	The spend category links items to corresponding accounting posting rules and provides additional details for reporting. If you select an item, Workday populates the spend category assigned to the item and you can't change it. The spend category for the invoice line requires the <i>Supplier Invoice</i> spend category usage type.
Tax Applicability	Indicates whether the line is taxable and, if taxable, its recoverability. You can use tax applicability to filter transactions in reporting. It automatically populates from the item-specific tax rule based on ship-to address, first by purchase item and then by spend category. If there's no match, it automatically populates from the purchase item. Otherwise, it automatically populates from the spend category.
Tax Code	If taxable, the code automatically populates from the Default Tax Code on the header, which you can override. To default your tax codes, use the Create Transaction Tax Rule for Country task.
Withholding Tax Code	The code automatically populates from the Default Withholding Tax Code on the header, which you can override.
Tax Point Date Type	Select the type of tax point date for the invoice line and specify a tax point date if the type is Goods/Service Delivery Date . Workday populates tax point date type with Invoice/Adjustment Date unless you select the VAT on Payment check box for a company. If you select the VAT on Payment check box on the Edit Company Tax Details task, Workday sets the tax point date type as Payment Date .
Tax Point Date	When you select Goods/Service Delivery Date for the tax point date type, you must enter a tax point date.

Option	Description
Tax Recoverability	Workday automatically populates the recoverable percentage on the transaction line based on the specified tax applicability and tax code. You can override this selection. When you specify the tax recoverability, Workday applies the recoverable percentage and the allocation method to the tax amount for tax rates within a tax code. Use the Maintain Tax Recoverabilities task to specify the tax recoverability of multiple tax rates for each tax code.
Tax Option	Select <i>Calculate Self-Assessed Tax</i> when suppliers or payees don't charge tax. This option enables you to post your tax liability to a separate ledger account. Otherwise, select <i>Calculate Tax Due to Supplier</i> to post the tax payment made to the supplier or payee.
Quantity	- For goods lines, enter the number of items. - For service lines, Workday defaults the quantity to zero.
Unit Cost	Based on the selected item. If the currency for the Item and invoice differ, Workday automatically converts this value to the Currency of the invoice. Workday uses the current currency conversion rate between the 2 currencies as defined for the <i>default</i> currency rate type (which is part of tenant setup). For service lines, the unit cost is always zero.
Extended Amount	- For goods lines, Quantity times Unit Cost. If you change the Extended Amount, Workday recalculates the Unit Cost. If you change the Unit Cost, Workday recalculates the Extended Amount. - For service lines, Workday populates the Extended Amount automatically. You can modify the Amount to Invoice as needed.
Worktags	Use worktags as keywords to more easily classify and find transactions. Configure the allowed worktag types on the Maintain Worktag Usage task. When you select a worktag type that has related worktags, Workday automatically populates transactions with the related worktag values.
Billable	This option displays if the invoice line includes a billable project worktag. Select Billable if the line or split is billable to the project.

Option	Description
	The Billable option doesn't impact accounting if you include it as a dimension in account posting rule conditions.
Prepaid	Check Prepaid to prepay this line. Workday automatically checks Has Prepaid Line(s) in the Prepaid Details tab after you select prepaid lines. Spend categories for prepaid lines must be: • Non-trackable • Trackable with the <i>Expense</i> accounting treatment When tax isn't allocated on a prepaid line, it won't be included in the prepaid accounting in related invoices. Instead, it will use the <i>Transaction Tax</i> account posting rule.
Splits	Click to split lines by <i>Amount</i> or <i>Quantity</i>. You can then specify the amounts or quantities for the split, enter a memo, and select specific worktags for each line split. You can split service lines by amount only.

7. Use the **Tax** tab to review a summary of all the tax codes and their applicability as specified on the invoice lines.

If several lines share the tax, this tab consolidates them and totals the amount with this tax.

8. To set up prepaid supplier spend, access the **Prepaid Details** tab and select the **Prepaid Amortization Type**:

Option	Description
Manual	Select to manually amortize the prepaid spend amortization on a future date. Optionally enter the Expected Amortization Date. You can use the Expected Amortization Date for reporting and to create custom alerts, but Workday doesn't validate against this date. Manual prepaid amortization type payments must be settled and paid before you can amortize spend.
Schedule	Specify to define a schedule for amortizing prepaid spend from installments on a prepaid supplier invoice amortization schedule.

9. Use the **Attachments** tab to upload or drag and drop files, such as supplier invoice supporting documents.

Workday supports the file types listed in the **Edit Tenant Setup - System** task for business document attachments.

10. Submit the supplier invoice for approval.

Workday creates the supplier invoice when you submit or save. The invoice number displays toward the top.

- Workday initiates the *Supplier Invoice Event* business process for transaction review and approval. If the business process definition includes an approval step, reviewers can modify the supplier invoice as part of the workflow event before they approve it.
- When you view the transaction:
 - **Line Details** display the accounting distribution of any landed cost amounts allocated from the header to the lines and the total **Gross Amount** (net extended amount plus allocated tax, freight, and other charges). Workday uses the gross amount for:
 - Debit entry of spend accounting.
 - Receipt accruals.
 - Budget checking of spend transactions.
 - Default acquisition cost during asset registration.
 - The **Tax** tab displays the recoverable percent and distribution of recoverable and nonrecoverable tax amounts based on the:
 - Tax applicability.
 - Tax code.
 - Taxable amount.
- Workday automatically creates operational journals in the company currency for approved transactions. If the transaction and company currencies differ, Workday converts the amounts to the company currency.
- Workday processes accounting for supplier invoices with prepaid and non-prepaid lines when the *Supplier Invoice Event* business process completes:
 - Non-prepaid lines use the Spend account posting rule.
 - Prepaid Lines use the Prepaid Spend account posting rule.
- Use the **Find Supplier Invoices** report to retrieve and act on existing invoices that you save or submit.

If you selected *Schedule* as the prepaid amortization type, access the **Create Prepaid Spend Amortization Schedule** related action from the supplier invoice to create the schedule and generate spend amortization installments.

Tasks

[Steps: Set Up Prepaid Supplier Spend](#) on page 1155

[Edit Business Processes](#)

Reference

[Reference: Tax Options](#) on page 424

Modify, Copy, or Find Duplicate Supplier Invoices

Security: *Process: Supplier Invoice - Reporting* domain in the Supplier Accounts functional area.

After you create a supplier invoice, you can perform several actions to modify it.

Security permissions vary by action. If you can't select an action:

- You don't have permission.
- The action isn't available for the current status of the invoice.

1. Access the supplier invoice by:

- Using the **Find Supplier Invoices** report.
- Entering the supplier invoice number in the search bar. To expedite your search, or if your search doesn't return the supplier invoice, use the prefix *supinv:* in lowercase followed by the journal number. Example: *supinv: SINV-1372*.

2. Select from these related actions on a supplier invoice:

Action	Description
Edit	Edit a supplier invoice in <i>Draft</i> status. Example: - Edit amounts or worktags on an existing line. - Add more ad hoc (non-PO) lines. You can't edit a supplier invoice once a payment applied.
Workbench	Use the Supplier Invoice Workbench task to add lines to supplier invoices from: Purchase Orders Supplier Contracts Receipts from: - Purchase Orders - Supplier Contracts Task Logs Ad Hoc Lines
Cancel	To cancel a supplier invoice, first cancel existing full or partial payments. You can also cancel invoices through a web service.
Change	You can change a supplier invoice before or after approval; however, the invoice must not have payments applied to it. Example: you can edit amounts or worktags on an existing line, or add more ad hoc (non-PO) lines. The <i>Supplier Invoice Event</i> business process starts over as if you just submitted the invoice. You can't change a supplier invoice once a payment applied.
Copy	Create a supplier invoice by copying an existing invoice as the starting point. The Copy option helps you create complex invoices with multiple lines that have similar information as the existing invoice.
Create Adjustment	Create a new transaction for the invoice. Supplier invoice adjustments can reduce or increase the liability.
Create Prepaid Spend Amortization Schedule	For invoices with prepaid lines, create a schedule to generate installments to amortize prepaid invoices.
Find Possible Duplicates	Enter the criteria from your invoice that matches critical or warning messages. Example: Search for duplicates for a specific supplier by: - Supplier reference number. - External PO number.

Action	Description
	Information from an error message when creating an invoice. Workday checks your criteria against existing invoices and invoice history.
Hold from Payment	Hold the supplier invoice from being available for payments against it. When you cancel an invoice marked to hold from payment, the value of the Hold From Payment field remains the same.
Pay Invoice	To settle approved supplier invoices, select Pay Invoice. Workday opens the View Settlement Run task where you can process full or partial payments and modify invoice details.

You also can make changes through the *Supplier Invoice Event* business process definition. If the business process includes an approval step, reviewers can modify the invoice before they approve it.

Tasks

[Create Purchase Orders](#)

[Steps: Manage Supplier Contracts](#)

[Create Receipts](#)

Adjust Supplier Invoices

- Configure the *Supplier Invoice Event* business process and security policy in the Supplier Accounts functional area.
- Create invoice adjustment reasons on the **Maintain Invoice Adjustment Reasons** task.
- To create supplier invoice adjustments from returns to suppliers, configure the *Return to Supplier Event* business process with the *Create Supplier Invoice Adjustment from Return* action after the completion step.

You can create a supplier invoice adjustment to increase or decrease the amount due to a supplier. An adjustment is a new transaction, with its own document number, that is separate from but linked to the original invoice. Adjustments are debit memos and credit memos.

- (Optional) Access the **Edit Company Accounting Details** task, and select the *Supplier Invoice* option for the **Allow Accounting by Approval Date** prompt to use the approval date as the accounting date on your customer invoices and adjustments or to order document sequence numbers by accounting date.

Security: *Set Up: Company Accounting* domain in the Common Financial Management functional area.

2. Access the **Create Supplier Invoice Adjustment** task or select **Create Adjustment** from the related actions menu of the supplier invoice.

When you use the **Create Adjustment** related action, Workday associates the invoice adjustment lines to the:

- Original purchase order.
- Receipt.
- Reference supplier invoice.
- Supplier contract.

You can create supplier invoice adjustments from a single supplier invoice or a single return. You can't reference lines from separate Procurement documents.

Standalone supplier invoice adjustments created directly on the **Create Supplier Invoice Adjustment** task don't update commitment accounting.

3. As you complete the **Invoice Adjustment Information** section, consider:

Option	Description
Accounting Date Override	The accounting override date you enter must be in an open accounting period. This field displays when you set up the Edit Company Accounting Details task. Example: If you provide a service, but don't create the invoice until the next accounting period, you can select the service date as the accounting override date.
Control Total Amount	Enter if you know what the total adjustment is. This amount ensures that the computed total in Total Adjustment Amount matches the control total.
Tax Option	Workday automatically populates this value from the company accounting details. Workday automatically populates the tax option at the line from the header, but you can override it at the line level.
Ship-To Address	Workday uses this address when evaluating tax rules to determine tax code and tax applicability overrides for the transaction lines.
Tax Amount	If you selected to calculate tax, Workday displays the sum of the calculated tax amounts from the taxable lines, based on tax code you specify for each line. To override this calculated amount, you can change calculated tax by tax rate on the Tax tab. If you select to enter tax due to the supplier, enter the tax amount for the transaction. You must have at least 1 line with a tax applicability that is taxable and enabled for allocation. The tax allocated to the lines is only the nonrecoverable amount for the transaction and doesn't always add up to this header amount.

Option	Description
	If you enter a negative value, Workday allocates the tax amount to a negative or zero-cost line.
Withholding Tax Amount	Workday calculates the withholding tax from the invoice lines when tax amounts have a realization point at invoice time. The total doesn't include tax amounts that have a realization point at time of payment. To override this calculated amount, you can change calculated tax by tax rate on the Tax tab.
Freight Amount Other Charges	Allocate these landing costs from the transaction header back to the lines. Add a <i>spend category</i> that's eligible for allocation of freight and other charges to at least 1 line, as set up on the Maintain Spend Categories task. Example: You purchase a large piece of equipment and have 1 line for the equipment itself and another for installation.
Worktag Split Template	Based on the company, select a template to populate on all new lines on the invoice. Workday doesn't populate the template on existing lines with an extended amount, when you make a change, or select different templates at the header. To set up worktag split templates for supplier invoices, access the Create Worktag Split Template task.

4. As you complete the **Invoice Adjustment Reference Information** section, consider:

Option	Description
Reference Invoice	You can create a standalone supplier invoice adjustment and either: • Leave this value blank. • Select a value if this adjustment applies to a specific invoice.
Originating Country Payment Purpose	Select a payment purpose code if the country sending this invoice payment requires a purpose code. This field displays when you enable Payment Purpose Codes on the Edit Tenant Setup - Financials task. See Steps: Set Up Payment Purpose Codes on page 1605.
Receiving Country Payment Purpose	Select a payment purpose code if the country receiving this invoice payment requires a purpose code. This field displays when you enable Payment Purpose Codes on the Edit Tenant Setup - Financials task.

Option	Description
	See Steps: Set Up Payment Purpose Codes on page 1605.
On Hold	Select this check box to hold settling this adjustment. If the payment terms include a discount, the Discount Date displays.
External PO Number	Enter for purchase orders that Workday didn't generate.
Statutory Invoice Type	Select if you use invoice types to categorize your supplier invoices in compliance with government requirements.

5. As you complete the **Adjustment Lines** tab, consider:

Option	Description
Business Document	You can view the original purchase order or supplier contract, and supplier invoice related to the adjustment line. Click Matching to view a summary of all document lines related to the adjustment, including: • Receipts • Returns • Other invoices and adjustments related to the originating document. Workday supports line-level allocation from the supplier invoice adjustment to Procurement-related documents.
Tax Applicability	Indicates whether the line is taxable and, if taxable, its recoverability. You can use tax applicability to filter transactions in reporting. It automatically populates from the item-specific tax rule based on ship-to address, first by purchase item and then by spend category. If there's no match, it automatically populates from the purchase item. Otherwise, it automatically populates from the spend category.
Tax Code	If taxable, the code automatically populates from the Default Tax Code on the header, which you can override.
Tax Point Date Type	Select the type of tax point date for the invoice line and specify a tax point date if the type is Goods/Service Delivery Date . Workday populates tax point date type with Invoice/ Adjustment Date unless you select the VAT on Payment check box for a company. If you select the VAT on Payment check box on the

Option	Description
	Edit Company Tax Details task, Workday sets the tax point date type as Payment Date .
Tax Recoverability	Workday automatically populates the recoverable percentage on the transaction line based on the specified tax applicability and tax code. You can override this selection. When you specify the tax recoverability, Workday applies the recoverable percentage and the allocation method to the tax amount for tax rates within a tax code.
Tax Option	Select <i>Calculate Self-Assessed Tax</i> when suppliers or payees don't charge tax. This option enables you to post your tax liability to a separate ledger account. Otherwise, select <i>Calculate Tax Due to Supplier</i> to post the tax payment made to the supplier or payee.
Extended Amount	For zero cost lines, you must have at least 1 other line item that makes the Total Adjustment Amount greater than zero. When you create zero cost lines, Workday allocates the: • Tax Amount to a single zero cost line when other lines don't specify a tax applicability. • Amount from the Freight Amount and Other Charges fields to the last zero cost line on the invoice.
Worktags	Use worktags as keywords to more easily classify and find transactions. Configure the allowed worktag types on the Maintain Worktag Usage task. When you select a worktag type that has related worktags, Workday automatically populates transactions with the related worktag values.
Worktag Split Template	Workday populates the field from the header template when you create a new line. You can select a new template or override it based on the company at the line.

6. Click **Submit** to route this adjustment for approval.

- Workday generates an invoice adjustment number for the adjustment and initiates the *Supplier Invoice Event* business process for transaction review and approval.
- You can update specific fields on unpaid approved supplier invoices without triggering the reapproval process using these tasks that are secured to the *Process: Supplier Invoice - Mass Action* domain:
 - **Change Approved Supplier Invoices**
 - **Mass Change Approved Supplier Invoices**
- You can cancel a supplier invoice adjustment when you haven't already applied or canceled payments.
- To make a supplier invoice adjustment unavailable for payment, select **Hold from Payment** from the related actions menu of the supplier invoice adjustment.

- When you enable activity streams for Workday objects, use the **Find Supplier Invoices** report to view your supplier invoice adjustment and enter comments into the activity stream.
- If you need to convert an existing supplier invoice adjustment into a supplier invoice, you can use the **Convert to Supplier Invoice** related action. This action cancels the supplier invoice adjustment and generates a new supplier invoice.

Tasks

[Create a Non-PO Supplier Invoice](#) on page 1188

[Create Supplier Invoices](#) on page 1173

[Steps: Return Goods to Suppliers](#)

[Steps: Create Purchase Order Schedules and Installments for Supplier Contracts](#)

[Steps: Create Supplier Invoice Schedules and Installments for Supplier Contracts](#)

Reference

[Reference: Tax Options](#) on page 424

Process Supplier Invoices for Remit-To Connections

- Create remit-to connections for suppliers.
- If processing invoices using a supplier contract, create a supplier contract and specify a supplier contract type that includes *Scheduled Invoices*.
- Security: *Process: Supplier Invoice - Invoice Workbench* domain in the Supplier Accounts functional area.

Remit supplier invoices and payments to the different addresses, email addresses, and settlement bank accounts you specified on remit-to connections.

1. Access the **Create Supplier Invoice** or **Supplier Invoice Workbench** task.

2. As you complete the invoice, select the **Remit-To Connection** from the prompt.

You can also select a **Remit-To Connection** for supplier invoices from the **Create Supplier Invoice Schedule for Supplier Contract** task to set up and generate invoice installments for the contract.

3. Use the **Remit-To Connection** related action to preview supplier connection details.

The **Supplier Connection** preview helps workers ensure that they remit the invoice to the correct remit-to location.

Workday updates the **Default Payment Type** with the payment type you specified on the supplier connection. You can select a different payment type from the **Override Payment Type** prompt.

4. **Submit** and approve supplier invoices.

5. Access the **Create Settlement Run** task.

6. Select suppliers from the **Suppliers** prompt.

The **Payee** column displays remit-to connection payees.

7. Select **Preview** to preview payments by **Payee** and **Payment Type** for suppliers and remit-to connections.

When you process invoices with a different **Remit-To Supplier** than the supplier on the invoice, Workday captures all accounting and reporting details for the supplier you use on the invoice.

Tasks

[Create Supplier Remit-To Connections](#)

[Create Supplier Invoices](#) on page 1173

[Create a Non-PO Supplier Invoice](#) on page 1188

[Steps: Create Purchase Order Schedules and Installments for Supplier Contracts](#)

Set Up Role-Based Routing for Supplier Invoice Event

Configure the *Supplier Invoice Event* business process and security policy in the Supplier Accounts functional area.

Route invoices to specific roles based on cost center, company, spend category, supplier and more.

1. [Set Up Assignable Roles.](#)

Create a new assignable role for the specific role-based routing you want to use and select a value from the **Enabled for** prompt, such as:

- Supplier
- Cost Center
- Company

2. [Create Role-Based Security Groups.](#)

Create a role-based (unconstrained) security group and select the assignable role you created from the **Assignable Role** field.

3. [Edit Domain Security Policies.](#)

Edit Permissions for the domain security policy to add the role-based security group you created.

4. [Edit Business Process Security Policies.](#)

Add the role-based security group to *Supplier Invoice Event* business process security policy.

5. [Edit Business Processes.](#)

Add the role-based security group to Supplier Invoice Business Process Definition.

6. Add the role to your **Enabled for value on the object.**

Tasks

[Create Supplier Invoices](#) on page 1173

Set Up Routing through a Management Chain

- Configure the *Supplier Invoice Event* business process and security policy in the Supplier Accounts functional area.
- Configure the Supplier Invoice Designated Approver security group on the Approval and Review steps of the *Supplier Invoice Event* business process to route the invoice to a designated approver.

You can route supplier invoices for approval through the management chain of a supervisory organization.

1. Access the **Edit Tenant Setup – Financials task.**

2. Select the **Enable Management Approval Chain Routing check box.**

3. Access the **Create Calculated Field task, and create a calculated field with these settings to identify the manager in the supervisory organization management chain:**

- Business Object = Event
- Function = Aggregate Related Instances
- Source Field = Workers Possibly Assigned Next
- Condition = Any is True
- Fields To Aggregate = Management Level

4. Access the **Supplier Invoice Event business process and from the **related actions** menu, create these condition rules.**

- A condition rule that uses the calculated field to determine who in the management chain to route the supplier invoice to.
- A condition rule for each management level group.

5. Access the **Supplier Invoice business process. Add an **Approval Chain** action step to the **Security Group as Manager** to start the management chain routing:**

- Add the condition rule you created for the management level group to the **While Running** condition on the **Supplier Invoice** business process step. If you have multiple management levels for which

you want to route invoices for approval, add additional steps for each management level in the business process.

- If you want to route the invoice to managers on the basis of the invoice amount, create condition rules for the entry threshold.

6. In the **Approver** field of the supplier invoice, enter the name of the worker with the management chain you want to use for approval.

- Workday initiates the *Supplier Invoice Event* business process for review and approval. If the business process definition includes an approval step, reviewers can modify the supplier invoice before they approve it.
- Workday routes supplier invoices for approval through the management chain you specify.

Use Workday-Delivered Supplier Accounts Discovery Boards

- Set up your tenant for Drive.
- Security: *Discovery Boards: Manage Delivered Discovery Boards* domain in the System functional area.

You can use Workday-delivered Supplier Accounts discovery boards as a starting point when configuring discovery boards. You can make copies of Workday-delivered discovery boards and share them using Drive.

You can use Supplier Accounts discovery boards to view data such as:

- The average time to approve a supplier invoice.
- The average number of days from the time you enter an invoice to the time you approve it.
- The amount of discounts a supplier takes.
- The top ten suppliers.

You can customize copied discovery boards by:

- Adding visualizations to the discovery board.
- Editing the copied discovery boards in Drive.
- Removing visualizations.

Note: Changes Workday makes to Workday-delivered discovery boards don't apply to copies you make of discovery boards.

1. Access the **Delivered Discovery Boards** report.
2. Select the **Accounts Payable Discovery Board**.
3. Click **Make a Copy** and enter a location for the copy.

The twenty Workday-delivered visualizations open and display on these four tabs:

- Spend
- Supplier Analysis
- Discounts
- Process Efficiency

Note: When Workday opens the visualizations, you might see some visualizations with two exclamation marks. This means that the visualization has no prompt criteria.

4. Select each visualization you want to make changes to, and click **Edit** to set up the prompts, run reports, and retrieve data.
5. Click **Select prompt values** to enter prompt values for the visualization.

Workday displays a link to the discovery board copy in Drive.

You can:

- Customize the discovery board by adding visualizations.
- Share the discovery board with other users.

Configure Email Ingestion for Supplier Accounts

Note: You must subscribe to Innovation Services to use this feature. Contact your Customer Success Manager to request the Innovation Services Addendum (ISA), or see [Workday Innovation Services](#) in the Workday Community for more information.

Configure the *Supplier Invoice Event* business process and security policy in the Supplier Accounts functional area.

You can use Email Ingestion to enable a Workday tenant to receive inbound supplier accounts emails in specific domains. After you enable it, Workday automatically scans the email for invoices using OCR (Optical Character Recognition). Example: When an authorized vendor submits an email invoice, Workday automatically processes the email content into a supplier invoice request.

1. Access the **Innovation Services and Data Selection Opt-In** report.
2. On the **Available Services** tab, in the **Cross Application Services** category, select the **Email Ingestion** service to enable it.
3. Access the **Create Security Group** task to create a segment-based security group that has access to the notification type security segment for which you want Email Ingestion to process email content.
4. Open **Edit Segment Based Security Group**.
 - a) Enter a name for the new security segment.
 - b) Select the suppliers, supplier groups, or supplier categories that you want to include in the segment.

Included values can cross multiple segments or be mutually exclusive. Workday recommends that you build from least to most restrictive segment.

Security: *Supplier Segmented Setup* domain in the System functional area.

5. Access the **Domain Security Policies for Functional Area** report.

Select a security policy and click **Edit Permissions** to grant your segmented security group access to the *Set Up: Inbound Email* domain in the System functional area.
6. Access the **Edit Tenant Setup - System** task.

In the **System Setup** section, select the **Allow Attachments within Emails** check box to ensure that Email Ingestion can receive attachments into your tenant.

Security: *Set Up: Tenant Setup - System* domain in the System functional area.

7. Access the **Create Email Ingestion Receiving Domain** task.

Create a receiving domain for Email Ingestion and configure it in your DNS provider configuration.
8. As you complete this task, consider:

Option	Description
Subdomain	Enter the subdomain for the Email Ingestion domain. Example: Invoices
Domain	Enter the domain to use for Email Ingestion. Example: GMS.com

Example: If your subdomain is Invoices and your domain is GMS.com, your Email Ingestion receiving domain is Invoices.GMS.com.

9. Copy the Canonical Names (CNAMEs) and Mail Exchange (MX) values into the DNS host.
10. Access the **Verify Email Ingestion Receiving Domain** task.
 - a) Select your receiving domain from the **Receiving Domain** prompt.
 - b) Click **Refresh** to ensure that the values in the **Verified** column of the **DNS Records** grid change to **Yes**.

Security: *Set Up: Inbound Email* domain in the System functional area.

11. Access the **Configure Email Ingestion Settings** task.

12. As you complete the task, consider:

Option	Description
Notification Type	Select the Supplier Invoice notification type to which you want to link the receiving domain.
Receiving Domain	Select the receiving domain to use with the selected notification type.
Allowed Senders	(Optional) Add a row for each email address from which you want the receiving domain to accept inbound emails.

13. Configure the **Email Ingestion Tab** in the Work Area.

Workday processes emails for the notification types you configure into your Workday tenant. Workday routes any email attachments to OCR for scanning and invoice creation.

When an authorized vendor submits an email invoice, Workday automatically processes the email content as a supplier invoice request.

After emails start delivering through your domain, you can access the **Inbound Email Ingestions By Date Range** report to track the:

- Status of system events launched by inbound emails.
- Type of requests received through the domain.
- Issues that might cause the process to fail.

If you opt out of the Email Ingestion Innovation Service, you must also:

- Run the **Delete Email Ingestion Settings** task.
- Run the **Delete Email Ingestion Receiving Domain** task.
- Work with your IT Administrator to remove the information added for Email Ingestion from your DNS configuration.

Concept: Supplier Invoices

Create Supplier Invoices

Use the **Supplier Invoice Workbench** to create invoices that record purchase events and create liability. Supplier invoices use data that you enter or defaults from a purchase order, receipt, timesheet, task log, supplier contract, or customer invoice. Invoices reflect the receipt of goods or acknowledge services provided, unless you pay for them in advance. Prepaid supplier invoices enable you to amortize spend in accounting periods that occur before the periods that you receive the goods or services on the invoice.

You can also create a supplier invoice:

- Manually.
- By copying an existing supplier invoice.

Manage Supplier Invoices

Manage supplier invoices after submitting them for approval:

Option	Description
Cancel	Cancel any unpaid invoices and invoice adjustments.

Option	Description
Change	Change an invoice or adjustment after you submit it but before it's paid. To disable changes to supplier invoices or adjustments related to a closed accounting ledger period, select the Disallow Change to Operational Transactions in Closed Periods check box on the Edit Company Accounting Details task. You can change specific fields on unpaid approved supplier invoices without triggering the reapproval process using these tasks that are secured to the <i>Process: Supplier Invoice - Mass Action</i> domain: • Change Approved Invoice • Mass Change Approved Supplier Invoices The Mass Change Approved Supplier Invoices task enables you to change these fields: • Due Date • Due Date Override • Default Payment Type • Override Payment Type • Reference Type • Handling Code • On Hold • Supplier Document Received • Supplier's Invoice Number • External PO Number • Statutory Invoice Type • Document Link • Memo
Correct	Finance Administrators can correct the supplier invoice after it's submitted. You can use the Correct Supplier Invoice task to change details such as the prepaid amortization type on invoices. To disable corrections to supplier invoices or invoice adjustments related to a closed accounting ledger period, select the Disallow Change to Operational Transactions in Closed Periods check box on the Edit Company Accounting Details task.
Review	Route the supplier invoice for review by adding a review step to the <i>Supplier Invoice Event</i> business process. Enable changes to the supplier invoice during the approval step.
Approve	Route the supplier invoice for approval by adding an approval step to the <i>Supplier Invoice Event</i> business process. You can approve or send back invoices without making changes to invoices.
Revise	Revise is available when you send back the supplier invoices from review or approval.
Hold	Make the invoice unavailable for payment.

Option	Description
Rescind	Restore all Workday data to the state it was in before you created the invoice. Rescind is an internal process that you can't set up. However, you can view it on the invoice Process History tab when the Supplier Invoice Event business process restarts after you change an invoice that was already in progress.

Note: Consider that you can't submit supplier invoices for processing on these tasks when they include prepaid lines or a billable project worktag:

- Change Supplier Invoice
- Correct Supplier Invoice
- Edit Supplier Invoice
- Review Supplier Invoice
- Revise Supplier Invoice

You can create an invoice adjustment to change the liability. Usually you decrease the liability, which is a credit memo adjustment. Often, suppliers issue credit memos for returns, damaged merchandise, and price adjustments. You can also adjust an invoice to increase the liability by creating a debit memo adjustment.

When you create a supplier invoice adjustment from a return to a supplier, Workday:

- Creates allocations back to the original Procurement document.
- Updates the balances of the quantity to invoice and receive on the purchase order or contract.

Pay Suppliers

To pay an invoice or an ad hoc payment, use the Workday settlements infrastructure.

If you don't have an invoice from the supplier, create an ad hoc payment instead.

Before starting the payment process, you can control which payments to make:

Task	Description or Prerequisite
Hold from Payment	Make a supplier invoice or adjustment unavailable for payment. Available as a related action from an invoice.
Allow Payment	To enable payments for invoices previously held from payment, remove the hold. Available as a related action from an invoice.
Create Ad Hoc Payment	Create a payment item for your supplier if you don't have an invoice.

Supplier Matching

To ensure that you can invoice what you order or receive, Workday supports supplier matching. You can configure match condition rules to enable 3-way or 2-way matching. You can also configure match exception reasons, route match exceptions and match overrides for approval.

IRS 1099 MISC and 1096 Data

View 1099 MISC payments before printing forms using the **1099 MISC Report** report and drilling into the **Total Amount** column. First set up:

- 1099 MISC categories.
- Suppliers as 1099 MISC supplier.

Companies with 250 or more 1099 suppliers must file electronically with IRS. The **Generate 1099 MISC Electronic Filing** task creates an electronic file to load IRS reporting to the IRS site. You can file forms for multiple companies using single transmitter.

To view data for your IRS 1096 forms before you print it, create a 1099 MISC print run.

Negative and Zero-Cost Invoices

You can create negative and zero-cost supplier invoices from purchase orders and receipts. However, you can't create negative or zero-cost supplier invoice adjustments.

Consider that negative invoices don't support:

- Retention, but you can manually adjust retention on the original supplier invoice.
- Accounting for invoices that include inventory items.

You can also generate negative supplier invoices or submit negative installments when you create schedules and generate installments from a supplier contract.

To prevent your users from creating negative or zero-cost supplier invoices, you can add a custom validation to the **Create Supplier Invoice** task.

Financial Accounting

With Workday transactions, the operational transaction is separate from the accounting. You can complete an operational transaction even if the accounts set up are in error, or Workday can't find an open period. This process is transparent to the operational user.

Therefore, if you enter a supplier invoice in a closed period, Workday looks for an open period to enter the transaction. Workday can still process the invoice and make the payment.

If Workday can't find an open period, then it generates a transaction accounting error. An accountant can fix these errors by opening a period and using the **Fix Operational Journals With Errors** task to reprocess the accounting into an open period.

Concepts

[Concept: Settlement Processing](#) on page 1624

Tasks

[Steps: Set Up Supplier Invoices](#) on page 1162

[Create Ad Hoc Payments](#) on page 1452

[Map 1099 Categories to Spend Categories and Hierarchies](#) on page 478

[Steps: Use Settlement](#) on page 1611

Reference

[2020R1 What's New Post: Negative and Zero-Cost Supplier Invoices](#)

Concept: Tax-Only Supplier Invoices

Tax-only supplier invoices enable you to track and pay taxes to suppliers or tax authorities configured as suppliers. Workday processes tax-only supplier invoice lines as tax-only lines and excludes accounting for spend in the extended amounts.

You can create tax-only supplier invoices when:

- The original supplier invoice you received omitted tax charges.
- A supplier sends a supplementary invoice with the tax-only (VAT) amount.
- You import goods or services and need to pay the tax-only (VAT) amount directly to a tax authority.

When you create a tax-only supplier invoice:

- You can link the invoice to the original supplier invoices.
- You can create a negative invoice for tax adjustments and reporting.

- Workday ignores the extended amount from the lines in the total invoice amount.
- The invoice uses the tax declaration and reporting framework.

When you create a tax-only supplier invoice, you can't:

- Check invoice lines as prepaid.
- Enter header-level charges such as freight or other charges.
- Convert the invoice into an intercompany supplier invoice.
- Link the invoice to other documents such as purchase orders, receipts, or supplier contracts.
- Include extended amounts in tax forms 1099 MISC and 1042-S.

Tasks

[Create Supplier Invoices](#) on page 1173

[Steps: Set Up VAT on Supplier Payments](#) on page 1165

Reference: Volumes on Supplier Invoice Lines

When processing supplier invoice transactions, consider the volume of lines that you can submit at once to create supplier invoices automatically.

Document	Volume Limit
Supplier invoice	5000 lines
Supplier invoice created from a customer invoice.	1000 lines
Supplier invoice created from a supplier contract.	1000 lines
Supplier invoice created from a purchase order.	1000 lines For more than 1000 lines, Workday enables you to select up to 5000 lines manually.
Supplier Invoice created from receipt.	5000 lines
Submit Supplier Invoice web service.	5000 lines
Import Supplier Invoice web service.	No limit

Concepts

[Concept: Supplier Invoices](#) on page 1206

Tasks

[Create Supplier Invoices](#) on page 1173

Reference: Supplier Invoice Split Screen

You can use the **Split Screen Default Option** prompt on the **Edit Tenant Setup – Financials** task to set up a split screen view preference for attachments on supplier invoices and invoice adjustments.

When you set up the feature, you can:

- View the split screen on these tasks:
 - Edit Supplier Invoice
 - Edit Supplier Invoice Adjustment
 - View Supplier Invoice
 - View Supplier Invoice Adjustment
- Not view the split screen on Review, Revise, Approve, Create, Copy, or Correct tasks.
- Expand or collapse attachments.
- Flip through the pages of an attachment.

- View a different attachment on the same invoice document.
- Add an attachment to an invoice in progress and save it, then view the attachment on the split screen.
- View a single screen if the invoice doesn't have any attachments.

Workday supports these attachment file formats:

- .DOC
- .DOCX
- .GIF
- .JPG
- .JPEG
- .PDF
- .PNG

The split screen feature offers these options:

Split Screen	Description
Always Expanded	The attachment display to the right of the supplier invoice upon initial load. You can hide it as needed.
Always Collapsed	The attachment collapsed to the right of the supplier invoice upon initial load. You can expand it as needed.
Off	Disable the use of the split screen on supplier invoices and invoice adjustments.

Tasks

[Create Supplier Invoices](#) on page 1173

[Adjust Supplier Invoices](#) on page 1197

Example: Create Payables Aging Reports

This example illustrates how to verify the effective date of cancellation of a supplier invoice when you run the Payables Aging financial report for a closed period.

You post a supplier invoice in January. Then you reconcile and close the January accounting period. In February, you find out that you have to cancel the invoice.

- Security: Reports: Supplier Accounts in the Supplier Accounts functional area.
 - Security: Reports Financial Accounting in the Financial Accounting functional area.
 - Security: Process: Period End in the Common Financial Management functional area.
 - Open the January accounting period.
1. Access the **Find Supplier Invoices** report and find the supplier invoice #A010319 with an invoice date in January.
 2. Run the **Payables Aging** financial report for January.
 3. Access the **Trial Balance** report and check that the trial balance for January matches the payables aging report summary totals.
 4. Access the **Mass Update Period Ledger Status** task and close the period for January, and open February.
 5. Access the **Find Supplier Invoices** report, find, and cancel invoice #A010319.
 6. Rerun the **Payables Aging** financial report for:
 - a. January to verify that the total of the report didn't change.
 - b. February to verify that the canceled invoice isn't on the report.

Since the January accounting period is closed, the invoice you canceled (#A010319) posts the **Cancel Accounting Date** to the first day of the next open accounting period, February 1st. The **Cancel Accounting Date** is the same date as the **Accounting Date** of the reversal operational journal. You can view the **Cancel Accounting Date** when you select **Accounting > View Accounting** from the related actions menu of the invoice.

Reference

[Workday 31 What's New Post: Payables Aging Reporting](#)

Example: Set Up UK Payment Practices and Performance Reporting

This example illustrates how to configure payment practices and performance reports for supplier invoices, in accordance with United Kingdom legislation.

As an accounts payable specialist in a UK company, you want to collect this information for UK-compliant reporting:

- Average number of days it takes suppliers to make payments.
 - Percentage of payments made within specific time ranges.
 - Percentage of payments due that suppliers didn't pay during the agreed payment periods.
 - Create the supplier in Workday and verify that the status is *Approved*.
 - Configure the *Supplier Change Event* business process and security policy.
1. Access the **Edit Supplier Account Options** task on the company record.
 2. Select the **Enable Payment Practices Reporting** check box to display the **Payment Practices** check box on these tasks:
 - **Create Supplier Invoice**
 - **Create Supplier Invoice Adjustment**
 3. Click **Done**.
 4. To configure the **Payment Practices** check box to be checked automatically, access the **Maintain Supplier Classifications** task.
 5. On the grid, add **UK Payment Practices** as the **Classification Name** and **United Kingdom** as the **Country**.

As you complete this task, configure the classification using these specific values:

Field Title	Supplier Classification Type	Required	Possible Answers
Add Significant UK Connection .	Select Multiple Choice - Single Select .	Select the Required check box.	Enter these possible answers on separate lines: • Yes • No
Add a field and enter Financial Services Related .	Select Multiple Choice - Single Select .	Select the Required check box.	Enter these possible answers on separate lines: • Yes • No

6. Click **OK**.

7. To apply the classification to a supplier, access the supplier record, select the **Classification** tab, and for **Supplier Classifications**, select:
 - a) **No** for **Financial Services Related**.
 - b) **Yes** for **Significant UK Connection**.

You can generate reports compliant with UK payment practices and performance reporting:

- **Payment Practices:** Displays all the supplier invoices using the payment practices functionality. When you run the report with the **Payment Practices** check box unchecked, Workday extracts all paid or due invoices for the reporting period.
- **Payment Practices - Average Payment Days:** Displays the average number of days it takes to pay UK suppliers during a reporting period.
- **Payment Practices - Payment Days Ranges:** Displays the percentage of payments made to UK suppliers within:
 - 30 days.
 - 31 to 60 days.
 - 61 or more days.
- **Payment Practices - Proportion of Invoices Past Due:** Displays the percentage of past due invoices that suppliers didn't pay within the reporting period.

Supplier Invoice Work Area

Steps: Set Up Supplier Invoice Work Area

The Supplier Invoice Work Area helps you to track and manage supplier invoices in Draft status in a single place. You can also prioritize, assign, and configure rules for supplier invoices, as well as correct EDI 810 invoices in error. The Supplier Invoice Work Area also enables you to have visibility into invoice flow timing and exceptions.

1. (Optional) Access the **Maintain Supplier Invoice Work Queue Tags** task.

Create work queue tags to classify and prioritize supplier invoices.

Security: *Set Up: Supplier Invoice Work Queue* domain in the Supplier Accounts functional area.

2. (Optional) Access the **Maintain Supplier Invoice Work Queue Tag Assignment Rules** task.

Select how to apply the Work Queue Tags you created on supplier invoices. You can configure assignment rule priority based on supplier, supplier groups, currency, and more.

Security: *Set Up: Supplier Invoice Work Queue* domain in the Supplier Accounts functional area.

3. (Optional) Access the **Maintain Supplier Invoice Assignment Rules** task.

Set up rule-based routing to send supplier invoices to specific assignees or the creator of the invoice. The task evaluates rules 1 at a time, in the order they display. When a rule applies to a supplier invoice, we route the invoice to the assignee you selected.

When you don't configure assignment rules, the invoices have no assignee.

We recommend leaving the bottom assignment rule without conditions and assigned to a specific worker. This configuration helps capture all invoices to which the assignment rules don't apply.

Security: *Set Up: Supplier Invoice Work Queue* domain in the Supplier Accounts functional area.

4. (Optional) Access the **Maintain External Supplier Invoice Source** task.

Create custom external sources of supplier invoices. You can apply sources to supplier invoices using web service. Workday delivers these sources:

- Web services
- EDI 810
- REST API

Security: *Set Up: Supplier Accounts* domain in the Supplier Accounts functional area.

5. Access the *Maintain Supplier Invoice System Validation* task.

Select which validation errors to ignore when you create supplier invoices using the EDI 810 integration. When applicable, Workday creates a supplier invoice in Draft status and directs it to the Supplier Invoice Work Area. You can change and correct the invoice to complete processing.

Security: *Set Up: Supplier Accounts* domain in the Supplier Accounts functional area.

6. Access the *Supplier Invoice Work Area* report.

View, edit, and process supplier invoices assigned to you. You can click **Search** to find specific invoices in draft status. Workday saves your search preferences, but you can reset them.

See [Reference: Supplier Invoice Work Area](#) on page 1219.

Security: *Process: Supplier Invoice Work Queue* domain in the Supplier Accounts functional area.

Tasks

[Create Supplier Invoices](#) on page 1173

Reference

[2020R2 What's New Post: Supplier Invoice Work Area](#)

Steps: Set Up OCR for Supplier Invoices

Note: You must subscribe to Innovation Services to use this feature. Contact your Customer Success Manager to request the Innovation Services Addendum (ISA), or see [Workday Innovation Services](#) in the Workday Community for more information.

- Configure these security domains in the Supplier Accounts functional area:
 - *Manage: Supplier Invoice Work Queue*
 - *Process: Supplier Invoice Work Queue*
 - *Reports: OCR Supplier Invoice*
 - *Set Up: Supplier Invoice Work Queue*
 - *Process: Supplier Invoice - Core*, with unconstrained security group access to give workers the ability to edit the **Company** field on the supplier invoice, when OCR leaves the value blank.
- Configure the file extensions that you want to use in your tenant. Workday support these file extensions:
 - **PDF**
 - **JPG**
 - **JPEG**
 - **TIF**
 - **TIFF**
 - **GIF**
 - **PNG**
 - **BMP**
 - **WEBP**

You can configure Optical Character Recognition (OCR) to enable Workday to scan and create supplier invoices directly from uploaded images. Set up rules to classify and prioritize document processing, and specify invoice assignments for workers. OCR scanning accelerates supplier invoice processing and reduces manual effort.

1. Access the *Innovation Services Opt-In* task.

On the **Available Services** tab in the **Financials** category, select the **Supplier Invoice Automation: Scanning** check box.

Security: *Manage: Innovation Services* domain in the innovation Services functional area.

2. Access the **Maintain Innovation Services Data Selection Opt-In** task.

On the **Financials: Supplier Invoice Automation: Scanning** service, select the opt-in check boxes for the categories for which you want to contribute data. For supplier invoice processing, you must select these check boxes:

- **Supplier**
- **Company**
- **Supplier Invoice**
- **Purchase Order**
- (If available) **Opt In to Additional Data**

Security: *Manage: Innovation Services* domain in the Innovation Services functional area.

3. (Optional) If you're a new Innovation Services customer, access the **Edit Tenant Setup - Machine Learning** task.

Select the region in which Workday hosts data contributed to the Machine Learning Development Environment (MLDE). The default region for the MLDE is the U.S.

Security: *Set Up: Tenant Setup - Machine Learning* in the System functional area.

4. (Optional) Access the **Edit Tenant Set Up - Financials** task.

Select from these options in the **Supplier Accounts Options** section:

Option	Description
Hide Custom Validations on the Work Queue	Some custom validations might conflict with the Supplier Invoice Work Area report. Select to turn those custom validations off.

See [Reference: Edit Tenant Setup - Financials](#).

5. (Optional) Access the **Edit Supplier Accounts OCR Tenant Options** task.

As you complete the task, consider these options:

Option	Description
Hide OCR Supplier Invoice Custom Validations on the Work Queue	Some OCR custom validations might conflict with the Supplier Invoice Work Area report. Select to turn those OCR custom validations off.
Disable Payment Terms for OCR Supplier Invoice	Select to ignore the payment terms that OCR finds, then Workday populates the payment terms from the supplier. If OCR doesn't find a supplier, then the payment terms populate from the scanned invoice.
Disable Line Level OCR Scanning	• Empty: Select to use OCR line-level details. Workday uses OCR values to try to link purchase order lines to supplier invoice lines. If purchase order lines aren't related to any invoice lines, Workday suggests you run the Purchase Order Override task. • All Invoices: Select to ignore OCR line-level details for all invoices. If the supplier invoice is related to a purchase order, then Workday populates line information from the uninvoiced purchase order lines. If the supplier invoice isn't related to a purchase order, Workday automatically

Option	Description
	creates a single supplier invoice line with the Invoice Total. <i>PO Related:</i> Select to ignore OCR line-level details only when related to a purchase order. If related to a purchase order, Workday populates line level information based on uninvoiced purchase order lines. If not related to a purchase order, then Workday uses OCR line-level details to populate the lines.
OCR Supplier Invoice Empty Date Behavior	If OCR doesn't recognize the date, you must select either <i>Current Date</i> or <i>Received Date</i> . If you leave the field empty, then Workday uses the <i>Current Date</i> option.
Disable OCR Supplier Matching	Select to ignore machine learning recommendations for suppliers.
Disable Due Date for OCR Supplier Invoice	Select to ignore the Due Date from OCR and use the due date from the Payment Terms settings. When this check box is clear, then Workday populates the Due Date Override field.
Disable Currency for OCR Supplier Invoice	Select to ignore the currency from OCR and use the default currency from the supplier.
Disable Machine Learning PO Matching	Select to ignore machine learning recommendations for purchase orders. When you select this option, Workday still uses application logic to match purchase orders.
Do Not Apply Sequence ID When Company Is Empty	If you configure a unique sequence ID for a company, and OCR detects that the company is empty, then Workday doesn't apply a sequence ID.
Create Supplier Invoice Adjustments from OCR	Select to create a supplier invoice adjustment when the Total Amount on the supplier invoice is negative.

Security: *Set Up: Supplier Invoice Work Queue* and *Set Up: Tenant Setup - Financials* domains.

6. Access the Maintain Supplier Invoice Assignment Rules task.

Set up rule-based routing to send supplier invoices to specific assignees.

Security: *Set Up: OCR Supplier Invoice* domain in the Supplier Accounts functional area.

7. Access the Maintain Supplier Invoice Work Queue Tags task.

Create work queue tags to classify and prioritize supplier invoices from OCR scanning.

Security: *Set Up: OCR Supplier Invoice* domain in the Supplier Accounts functional area.

8. Access the Maintain Supplier Invoice Work Queue Tag Assignment Rules task.

Set up assignment rule priority based on payment terms, suppliers, currency, and more for your work queue tags.

Security: *Set Up: OCR Supplier Invoice* domain in the Supplier Accounts functional area.

9. (Optional) [Configure Custom Validation Messages](#) on page 54.

Set up custom validations for the **OCR Supplier Invoice** transaction type.

10. Access the **Configure Profile** task.

Select the *Supplier Invoice Work Area* option. Then select and reorder the tabs you want to use in the **Supplier Invoice Work Area** report.

Security: *Set Up: System* domain.

11. [Scan and Submit Supplier Invoices](#) on page 1217.

Upload a file to capture, route, and collect supplier invoice information to submit in Workday.

To view OCR scanning results, use the **Supplier Invoice OCR Scanning Details** report.

To review the list of data fields extracted from the tenant, click **View Data Collected** on the **Maintain Innovation Services Data Selection Opt-In** task.

Scan and Submit Supplier Invoices

- Set up Optical Character Recognition (OCR) for supplier invoices.
- Configure these security domains:
 - *Process: Supplier Invoice Work Queue*, to access the tabs: Overview, Upload and Scan, My Work Queue, Pending Approval.
 - *Manage: Supplier Invoice Work Queue*, to access the tabs: Manager Overview and Supplier Invoice Cycle Times.

You can use OCR on your desktop application to capture, route, and collect supplier invoice information to submit in Workday. OCR supports file attachments with up to 15 pages.

When you upload a supplier invoice for OCR scanning, Workday creates a draft invoice and attaches the original file. You can then edit or submit the supplier invoice for approval.

1. Access the **Supplier Invoice Work Area** report.
2. On the **Overview** tab, the **Totals** and **Priority** sections display information based on the logged in user's search criteria used in the **Work Queue** and **Pending Approval** tabs.
3. On the **Upload and Scan** tab, consider:

Option	Description
Search Criteria	Expand the section and click Search to find specific invoices. Select the Include Invoices Without Creator check box to include invoices from integrations.
Upload Supplier Invoices for OCR	When the Company field is empty, then the Machine Learning algorithm populates a company. When the Assignee field is empty, we use the Supplier Invoice Assignment Rules to assign the invoice. For better performance, we suggest uploading less than 50 attachment files at once.
Mass Cancel	Click to cancel your invoice submissions. To enable the button, configure the Security: <i>Process: Supplier Invoice - Cancel</i> domain.

Option	Description
Mass Retry	When scans are in a status of <i>Error</i> or <i>Canceled</i> , then you can click this button to submit the attachment files for OCR scanning again.
Create Supplier Invoice	When scans are in a status of <i>Error</i> or <i>Canceled</i> , you can click this button to create a supplier invoice manually. When you populate the purchase order field, the supplier invoice lines populate from uninvoiced purchase order lines.

4. The **My Work Queue** tab displays draft invoices. You can view invoices assigned to you or select different search parameters to populate your work queue. Workday saves the parameters that you used last.

As you work through your work queue, consider:

Option	Description
Edit	Click to access the Edit Supplier Invoice task to complete and submit the invoice.
Override PO	When OCR doesn't find related purchase order lines, you can access the task and regenerate the invoice, then link purchase order lines.
Override Contract	When OCR doesn't find a related supplier contract, you can access the task and regenerate the invoice, then link supplier contract lines.
OCR Scanning Details	Displays the details of the scan. <i>Security: Reports OCR Supplier Invoice</i>
Invoice Exceptions	You can drill-down to view the Errors and Warnings grid that displays the supplier invoice Custom Validation Exceptions.
OCR Exceptions	You can drill down to view the Errors and Warnings grid that displays the OCR supplier invoice Custom Validation Exceptions.
Work Queue Tags	Workday organizes invoices by date. However, an invoice with a <i>Move to Top of Work Queue</i> work queue tag, displays at the top of the grid. To update the work queue tags on invoices, click Mass Edit Work Queue Tags .
Mass Reassign	You can reassign invoices to a different worker.
Mass Edit Work Queue Tags	Click to override your existing work queue tags on the invoices.
Mass Cancel	Click to cancel the supplier invoices. To use the task, enable the <i>Security: Process: Supplier Invoice - Cancel</i> domain.

Option	Description
Mass Convert	You can convert supplier invoices to invoice adjustments and invoice adjustments to supplier invoices. When you: • Convert documents, Workday cancels the originating document and creates a new one. • Use the Mass Convert option, you can only select either supplier invoices or supplier invoice adjustments to convert in a single batch. To use the task, enable the <i>Process: Supplier Invoice – Core</i> domain.

5. On the **Pending Approval** tab, you can view supplier invoices *In Progress* based on your configured parameters.
6. On the **Supplier Invoice Cycle Times** tab, you can track turnover days for the supplier invoices.

Reference: Supplier Invoice Work Area

The **Supplier Invoice Work Area** report displays all supplier invoices assigned to you and in *Draft* status. This report gives you greater insight into invoice processing and exceptions. On the report, these options help you process invoices more efficiently:

The **Manager Overview** tab displays team performance. You can add or change parameters to evaluate progress by company, assignee, and date range. You can also view invoices by priority and liability, or by assignee. To view the tab, your users must have access to the *Manage: Supplier Invoice Work Queue* domain in the Supplier Accounts functional area.

The **My Work Queue** tab provides you with actions to take for 1 or multiple supplier invoices. On the tab, consider:

Option	Description
Search	Enables you to enter specific criteria for different users and invoices. The search criteria saves for the next time users access the report, but they can reset it. You can save filter and sorting criteria in the grid after you click Search once.
Include Unassigned Invoices	Select to search for draft invoices.
Assignee	Populates from the Supplier Invoice Assignment Rule. When there's no assignment rule configured, you can: • Select only from users authorized to edit invoices. • Manually enter the name of a different assignee.
Edit Invoice	Gives you access to the Edit Supplier Invoice task to complete and then submit the supplier invoice.
Override PO	You can add specific purchase order lines to a supplier invoice. Select either: • A purchase order. • Purchase order lines.

Option	Description
	The supplier invoice lines you want to keep. You can only select to keep lines from a supplier invoice that is related to the purchase order you selected on the Purchase Order field.
Override Contract	You can change supplier contract details on supplier invoices and invoice adjustments. The contract override function supports contracts that include multiple: - Suppliers - Companies
External Source	Indicates the integration source of a supplier invoice. You can configure custom external sources for supplier invoices on the Maintain External Supplier Invoice Source task.
Invoice Exceptions	You can drill down to view the Errors and Warnings grid that displays custom validations and EDI 810 exceptions for the supplier invoice.
Edit Notes	You can enter or change notes. After you add notes, Workday displays the Notes and View Notes columns.
Work Queue Tags	Workday organizes invoices by date. However, an invoice with a <i>Move to Top of Work Queue</i> Work Queue Tag display at the top of the grid. To update the Work Queue Tags on invoices, click Mass Edit Work Queue Tags.
Days Since Created	The number of days since the creation of the supplier invoice.
Process History	Displays supplier invoices sent back. You can drill down to view a grid that includes the date and reason for the send back.
Mass Reassign	You can assign invoices to a different assignee. You can click Search to find an invoice and reassign it to yourself or a different assignee.
Mass Edit Work Queue Tags	Use it to override the work queue tags on the invoice. Select Rerun Assignment Rules to change the assignee on multiple supplier invoices when assignment rules are based on work queue tags.
Mass Cancel	You can use the Mass Cancel button to cancel 1 or multiple invoice documents at a time. To use the Mass Cancel button, set up the <i>Process: Supplier Invoice</i> and <i>Process: Supplier Invoice – Cancel</i> security domains.
Mass Convert	You can convert multiple supplier invoices to invoice adjustments and the other way around.

Option	Description
	Consider that when you convert an invoice document, Workday cancels the originating invoice and creates a new one. To enable the button, set up the <i>Process: Supplier Invoice – Core</i> security domain in the Supplier Accounts functional area.

The **Pending Approval** tab displays the number of days that supplier invoices you submitted have been waiting for approval.

The **Supplier Invoice Cycle Times** tab helps you track turnover days for supplier invoices. To view the tab, your users must have access to the *Manage: Supplier Invoice Work Queue* domain in the Supplier Accounts functional area.

Recurring Supplier Invoices

Create Recurring Supplier Invoices

- For recurring invoices with variable amounts, route invoices for review and enable users to change amounts as necessary.

Include the *Review Supplier Invoice* action step in the *Supplier Invoice Event* business process. Add a condition rule that checks for *Variable* recurring supplier invoices.

- Set up supplier payment terms.
- Configure the *Recurring Supplier Invoice* business process and security policy in the Supplier Accounts functional area.

Define a supplier invoice template to create supplier invoices for goods and services your company incurs regularly. Determine whether recurring supplier invoices have *Fixed* or *Variable* installment amounts.

- Access the **Create Recurring Supplier Invoice** task.
- In the **Invoice Information** fields, specify header details.

Workday populates the **Currency** from the supplier. If the supplier doesn't have a default currency, then Workday populates the **Currency** from your company settings. The currency you select must be acceptable to the supplier.

- Complete the fields in **Terms and Amounts**:

Option	Description
Payment Terms	Select the payment terms for this contract. Example: 2% 10, net 30 or Net 45.
Fixed	Select if the invoice amounts are constant and users can't change the installments.
Variable	Select if you want to enable changing the Unit Cost , Quantity , or Extended Amount of installments.
Frequency Type	Select the frequency for recurring invoices, such as monthly or quarterly.
Default Tax Option	Workday populates this value from the company accounting details.

Option	Description
	Workday automatically populates the tax option at the line from the header, but you can override it at the line level.
Default Tax Code	Workday populates the default tax code from the supplier. You can enter a different tax code if needed. Workday automatically populates the tax code at the line from the header, but you can override it at the line level. If you use a third-party tax service integration, Workday hides the field to support tracking and reporting on third-party tax calculations. You can set up a third-party service integration on the Edit Company Tax Details task.
Default Withholding Tax Code	Workday populates the default withholding tax code from the supplier profile. You can enter a different withholding tax code if needed. Workday automatically populates the withholding tax code at the line from the header, but you can override it at the line level.
Effective Date	Enter the date that this recurring supplier invoice is effective.
First Invoice Date	Specify the date to issue the first invoice.
End Date	Specify the date the recurring supplier invoice ends to ensure additional invoices won't process. Skip this field to calculate the end date based on Total Amount.
Total Amount	Specify a total if you haven't specified a Contract End Date. The total amount calculates the sum of all recurring installments against the total amount and enforces the amount limit.

4. Complete the fields on the **Recurring Invoice Lines** tab:

Option	Description
Company	If you select a different company than the company on the header, you must set up intercompany relationships to enable transactions between them.
Item	Either select an Item or Spend Category. There must be a currency conversion rate loaded into Workday if the currency associated with the item is different from the currency in the header.

Option	Description
	If you create a zero-cost recurring supplier invoice, you can add free items to a purchase when you have recurring invoice contracts.
Item Description	If you selected an Item , you can overwrite the Item Description .
Tax Applicability	Indicates whether the line is taxable and, if taxable, its recoverability. You can use tax applicability to filter transactions in reporting. It automatically populates from the item-specific tax rule based on ship-to address, first by purchase item and then by spend category. If there's no match, it automatically populates from the purchase item. Otherwise, it automatically populates from the spend category.
Tax Code	If taxable, the code automatically populates from the Default Tax Code on the header, which you can override.
Withholding Tax Code	The code automatically populates from the Default Withholding Tax Code on the header, which you can override.
Tax Recoverability	Workday automatically populates the recoverable percentage on the transaction line based on the specified tax applicability and tax code. You can override this selection. When you specify the tax recoverability, Workday applies the recoverable percentage and the allocation method to the tax amount for tax rates within a tax code. Use the Maintain Tax Recoverabilities task to specify the tax recoverability of multiple tax rates for each tax code.
Tax Option	Select <i>Calculate Self-Assessed Tax</i> when suppliers or payees don't charge tax. This option enables you to post your tax liability to a separate ledger account. Otherwise, select <i>Calculate Tax Due to Supplier</i> to post the tax payment made to the supplier or payee.
Quantity	Specify a Quantity for an installment.
Unit Cost	Enter the cost for each unit.
Extended Amount	If you select a quantity and unit cost, Workday calculates the extended amount; otherwise, you can enter a total amount.
Memo	Enter a specific memo for this invoice line.
Worktags	Select one or more Worktags , such as cost center and location.

5. (Optional) As you complete the **Currency Rate** tab, consider:

For foreign currency invoices, you can make adjustments to achieve a different conversion rate. Any changes you make on the **Currency Rate** tab register in the **Effective Currency Rate** field, that displays the rate used for accounting to convert installment amounts to ledger currency. Any overrides that you enter trigger the selection of the **Rate Override** check box.

Option	Description
Currency Rate Type Override	Select an option to override the default rate type used to look up the exchange rate.
Currency Rate Date Override	Select a date to override the default rate date used to look up the exchange rate.
Currency Rate Manual Override	Enter a currency rate to override the exchange rate or provide a rate when a default rate isn't available.
Defaults	This section displays the tenant default currency rate based on the invoice date.

Once the recurring supplier invoice is approved, the **Scheduled Installments** tab displays pending and paid installments.

From the **Scheduled Installment** related actions:

- Generate the next supplier invoice.
- Skip the installment.

Tasks

[Create Recurring Supplier Invoices Manually](#) on page 1225

[Steps: Set Up Withholding Taxes](#) on page 443

Schedule Recurring Supplier Invoices

- Create a recurring supplier invoice.
- Security: *Process: Recurring Supplier Invoice* and *Process: Supplier Contracts* domains in the Supplier Contracts functional area.

Set up schedules for recurring supplier invoices.

1. Access the **Schedule Supplier Invoice Auto-Create** task.

2. Select the **Run Frequency**:

- Run Now
- Run Once in the Future
- Daily Recurrence
- Weekly Recurrence
- Monthly Recurrence

3. Set the **Calendar Days Prior to Scheduled Date** to the number of days before the scheduled invoice date.

When the scheduler runs, it calculates the number of days before the scheduled invoice date and generates those invoices.

4. Access the **Schedule** Tab.

5. Complete the fields for **Recurrence Criteria** and **Range of Recurrence**.

Once complete, the **Additional Info** tab display and lists the **Next 10 Scheduled Launches**.

Create Recurring Supplier Invoices Manually

Security: *Process: Recurring Supplier Invoice* and *Process: Supplier Contracts* domains in the Supplier Contracts functional area.

You can use scheduled installments for recurring supplier invoices as the basis for creating manual invoices. When you process a recurring supplier invoice from a scheduled installment manually, you can modify the invoice and skip an installment when needed.

1. Access the **Find Recurring Supplier Invoices** report and specify criteria to find and view a recurring supplier invoice.
2. Select a recurring invoice for the supplier contract to manually process.
3. From the **Scheduled Installments** tab, select **Scheduled Installment** > **Generate Supplier Invoice** from the related actions of an installment.
4. To skip an invoice from processing, select **Scheduled Installment** > **Skip Installment** from the related actions of an installment.

The supplier invoice is routed for approval.

Worktag Split Templates

Setup Considerations: Worktag Split Templates

You can use this topic to help make decisions when planning your configuration and use of worktag split templates. It explains:

- Why to set them up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What They Are

You can create templates to split lines on supplier invoices and adjustments.

Business Benefits

- Saves you time when you automatically populate split percentages and worktag dimensions from the header template to the line on invoices or adjustments.
- Reduces potential transaction errors from manual processing.
- Enables you to split lines by percentage, then select specific worktags for each line to split based on the percentage ratios on the template configuration.

Use Cases

- Split a supplier invoice line for utilities across various departments.
- Distribute funds across various sources when your organization receives Federal or State funds, or endowments.
- Split benefit provider payments to different cost centers based on established percentages.
- Separate invoices for trading costs or exchange fees among different trading desks.
- Apply template splits to your transactions based on document date and effective date.

Questions to Consider

Questions	Considerations
How can you apply allocation percentages to invoices?	Determine allocation percentages in advance. You can configure templates to apply percentages to supplier invoices or invoice adjustments.
How can I restrict the access to templates?	Workday supports 3 sharing options that enable you to configure access for selected users and groups.

Recommendations

- Workday treats invoice lines with an extended amount as existing lines. When you select a new template or change the template at the invoice header, Workday doesn't populate that template on existing lines. To change the template, you can manually override it at the line.
- When you change the invoice date on a document with a template, reselect the template on existing lines to apply the correct template version.
- When you copy an invoice, Workday populates the invoice date and the latest template version based on the current date.

Requirements

- Set up the Supplier Accounts functional area.
- Set up supplier invoices.
- Configure worktags for transactions.

Limitations

- The templates you create apply only to transactions in the Supplier Accounts functional area.
- You can only apply templates to supplier invoices and supplier invoice adjustments.
- Worktag split templates create splits only by percentage, not amount.

Tenant Setup

No impacts.

Security

Users secured to the *Set up: Worktag Split Allocation Template* domain in the Supplier Accounts functional area can create, edit, and view the worktag split templates.

Business Processes

No impacts.

Reporting

Use the **View Worktag Split Template** report to add or change split details of a template, when the template isn't in use on a document.

Use the **Worktag Allocation Template** and **Worktag Split Template Criteria** report data sources to create custom reports.

Integrations

Web Service	Considerations
Get Worktag Split Template Criteria	Retrieve data from worktag split templates in Workday based on company, company hierarchy, or criteria name.
Get Worktag Split Templates	Retrieve data from worktag split templates in Workday based on template name, active status, or template criteria.
Put Worktag Split Template	Create or update a worktag split template. You can update sharing options and template criteria. Workday recommends that you use this integration on templates that aren't in use. You can also use this web service to inactivate a template.
Put Worktag Split Template Criteria	Create or edit template criteria. You can edit criteria name, company, company hierarchy, or description field information. Workday recommends that you use this integration on templates that aren't in use. You can use this web service to update the Template Criteria Name or Description field.

Connections and Touchpoints

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Reference

[Workday 33 What's New Post: Worktag Split Allocation Templates on Supplier Invoices](#)

Steps: Set Up Worktag Split Templates

- Review setup considerations for Worktag Split Templates.
- Security: *Set up: Worktag Split Allocation Template* domain in the Supplier Accounts functional area.

You can create worktag split templates and template criteria to apply to supplier invoices, and invoice adjustments at the line. Using templates saves you time by automatically allocating line splits by amount.

1. (Optional) [Create Role-Based Security Groups](#).

To restrict access to the worktag split template tasks:

- Set up unconstrained security groups by organizational role, such as Accounts Payable Specialist.
- Grant the security groups permission to the *Set up: Worktag Split Allocation Template* domain.

2. Access the **Create Worktag Split Template Restrictions** task.

Create restrictions for worktag split templates. You can restrict template criteria to a company or company hierarchy.

Security: *Set up: Worktag Split Allocation Template* domain in the Supplier Accounts functional area.

3. Access the **Create Worktag Split Template** task.

Create worktag split templates to apply to supplier invoices or invoice adjustments.

- Select the **Shared with all authorized users** option to enable all users with access to the *Set up: Worktag Split Allocation Template* domain to access the worktag split template tasks.
- Select the **Shared with specific users and groups** option to restrict access to a template according to company needs.

Security: *Set up: Worktag Split Allocation Template* domain in the Supplier Accounts functional area.

Tasks

[Create Supplier Invoices](#) on page 1173

Gapless Invoice Sequence

Setup Considerations: Gapless Sequencing

You can use this topic to help make decisions when planning your configuration and use of gapless sequence numbers on invoices. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

Gapless sequencing enables you to create and assign sequential gapless invoice numbers in 1 or more ledger year or ledger period for a company. This number displays in place of the standard invoice number on both customer and supplier invoices. You can sequence the numbers by:

- Approval date of a customer invoice.
- Posting date of a supplier invoice.
- Accounting date.

When you enable the functionality, Workday creates a sequence generator. You can configure the sequence generator to:

- Reset every ledger period, ledger year, or calendar year to match with the posting period of a given invoice type.
- Define the sequence pattern of the invoice numbers.

Business Benefits

Using gapless sequencing:

- Increases visibility of your transaction details and reduces auditing concerns.
- Helps you comply with local tax authority reporting requirements.
- Enables you to meet the statutory invoicing requirements.

Use Cases

- Your company bills in a country that requires a gapless sequence number on invoices.
- When there's an audit of your company, auditors can select a random invoice number to test and not find that number, causing concerns. They would then require additional evidence to prove that the invoice really doesn't exist.

Questions to Consider

Questions	Considerations
When do you want to start assigning gapless numbers to your invoices?	Workday creates gapless sequence generators after the start of a new period or a fiscal year when no sequence generators exist for a company.
When can you change the rule configuration or the sequence generator lifespan?	Changes only apply to: • New sequence generators in the next open period. • Unused generators in the existing open period.
Do you want to continue using auto-application rules with remittance advice type?	You can continue to use the auto-application rules. The remittance advice type has the option to reference a <i>Gapless Invoice Number</i> , if it exists.
Do you need to enforce any date restrictions on customer invoices?	Workday assigns the gapless invoice number to customer invoices upon invoice approval. Invoices can be out of order based on if you're using invoice dates or accounting dates in arrears. If you want the gapless sequence to be chronological by either of these dates, use custom validations to restrict the dates to the current day.

Recommendations

- You can't change the sequence generators once they are in use. Verify the pattern in your sandbox first to ensure that the sequence numbers are as per your expectations.
- When you want to sequence each invoice document type together, use the same sequence generator rule. To have a separate sequence for each invoice document, create different rules.
- To avoid creating gaps, don't reopen a closed period when you want to apply the gapless document number to newly approved supplier invoices and adjustments. When the accounting date is before the accounting date of the last document, the sequence can have a gap.
- To avoid confusion, give your gapless invoice numbers a different format than the existing invoice numbers. You can use your company and country-specific sequencing rules to determine the pattern of gapless numbers.
- To meet local statutory reporting requirements for operational transactions, you can configure your companies to allow accounting by the customer invoice approval date.

Requirements

- To create gapless sequence generators, enable the functionality for a desired company.
- Specify the gapless sequencing start period to determine when Workday will start creating generators.
- To have a gapless number, the customer invoices must be in approved status. However, for supplier invoices, you must close the period.
- Configure or select a sequence generator rule for each invoice, credit adjustment, debit adjustment, and credit-rebill. Workday assigns the gapless invoice number based on these rules.
- To include the gapless invoice number on an invoice, update your custom BIRT layout because it's a separate attribute from the standard invoice number.

Limitations

- After Workday assigns a gapless sequence number to an invoice, you can't cancel or change that invoice anymore. Instead, use invoice adjustments to make modifications.
- When you change an existing configuration rule, the updates apply to only new sequence generators.

- You can edit or replace the sequence generators only if they aren't in use.

Tenant Setup

No impact.

Security

Configure these security domains for gapless sequencing:

Domain	Considerations
<i>Set up: Company General</i> domain in the Common Financial Management functional area.	Users secured to this domain can enable the gapless sequence functionality and configure sequence generator rules.
<i>Set Up: Tax</i> domain in the Common Financial Management functional area.	Users secured to this domain can configure gapless sequence generator rules on approved customer or supplier invoices by statutory invoice type.
<i>Public Reporting Items</i> domain.	Users secured to this domain can create custom reports to display the invoice number or gapless document number.

Business Processes

To configure a chronological gapless sequence number on customer invoices when the invoice document date isn't the current date, you can add custom validations in your business process rule conditions.

Reporting

If the gapless number exists in a given period, you can use all the existing standard reports to track invoices with a gapless document number for a company.

You can use the **Invoice date is in Closed Period** custom report field on the *Customer Invoice Document* business object in your custom validations to configure chronological gapless sequence number on customer invoices.

Integrations

You can use these web services for gapless sequencing:

Web Service	Considerations
<i>Get Company ID Definitions</i> <i>Put Company ID Definitions</i>	Retrieves the required IDs to let you enable gapless sequencing for a company.
<i>Get Customer Invoices</i> <i>Get Customer Invoice Adjustments</i>	Update your EIB templates for these web services to support gapless invoice numbers.
<i>Import Customer Invoice</i>	Enables you to add or update customer invoices with gapless sequence number.
<i>Submit Customer Invoice</i> <i>Submit Customer Invoice Adjustment</i>	Enables you to create customer invoices and adjustments with gapless sequence number.

When you enable this functionality, update your integration templates to use the gapless invoice number instead of the standard invoice number.

Connections and Touchpoints

When you enable the gapless sequencing for a company, it extends to all invoices and adjustments originating from awards, billing schedules, and billable projects.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Reference

[Workday 32 What's New Post: Gapless Document Sequence Numbers on Customer Invoices](#)

[Workday 33 What's New Post: Gapless Document Sequence Numbers by Statutory Invoice Type](#)

Steps: Set Up Gapless Invoice Number Sequencing

- Set up the company you want to create gapless sequence generators for.
- Set up the ledger periods you want to assign the sequence to.
- Review setup considerations for gapless sequencing.

You can assign unique gapless invoice numbers to approved invoices based on a ledger period. Gapless invoice numbers help you comply with transaction tax reporting requirements in countries that require chronological gapless sequencing by invoice type for operational transactions.

To maintain a continuous sequence, after Workday assigns gapless numbers to invoices you can't:

- Cancel or make changes to the invoices.
- Disable the gapless sequencing functionality.

1. [Configure Invoice Sequence Generator Rules](#) on page 520.

2. Access the **Edit Company ID Definitions** task.

On the **Gapless Document Sequence Settings** tab, select the check box for the type you want to configure:

- **Enable Gapless Sequencing for Customer Invoices**
- **Enable Gapless Sequencing for Supplier Invoices**

Security: *Set Up: Company General* domain in the Common Financial Management functional area.

3. Select a sequence generator rule configuration for each invoice type.

- Select the same sequence generator rule configuration for each invoice type to sequence all invoice types together. For multiple companies, Workday assigns separate sequences for their invoices even if they have the same sequence generator rule configured.
- To sequence invoice types separately, select a different rule configuration for the sequence generator.

4. For customer invoices, select a ledger period from the **Customer Invoice Gapless Sequencing Start Period** prompt. Workday assigns the sequence number when you approve the invoices.

For supplier invoices, select a ledger period from the **Supplier Invoice Gapless Sequencing Start Period** prompt. Workday assigns the sequence number when you close the period.

When you open a ledger period, Workday creates sequence generators for the customer or supplier invoice types you select.

5. (Optional) To order gapless sequence numbers by accounting date for customer invoices and adjustments, access the **Edit Company Accounting Details** task.

Set the **Allow Accounting by Approval Date** prompt to *Customer Invoice*.

Security: *Set Up: Company Accounting* domain in the Common Financial Management functional area.

When you post invoices in a period with a gapless sequence generator, Workday automatically assigns a **Gapless Sequence Number** and displays it instead of the **Invoice Number** field on the invoices.

After Workday creates the sequence generators, you can view the details in the **Invoice Gapless Sequence Generators** grid on the same task.

Reference

[Workday 32 What's New Post: Gapless Document Sequence Numbers on Customer Invoices](#)

Configure Invoice Sequence Generator Rules

Security: *Set up: Company General* domain in Common Financial Management functional area.

To comply with global auditing standards, you can:

- Define rules for the sequence generators so that Workday can assign gapless sequence numbers to invoice documents in the desired format.
- Configure separate sequence rules for each invoice, invoice adjustment, and invoice rebill documents.
- Create separate rules for Statutory Invoices in the **Sequence Generator Rule Conditions** section.

These sequencing rules determine the:

- Order of the sequence.
- Lifespan of each sequence generator.
- Timeframe when Workday sequences your documents.

Workday creates gapless sequence generators for each invoice document type when you close and reopen a period for the specified company. When the period already has an active generator, Workday doesn't create a new generator.

After a sequence generator assigns a sequence number to an invoice, you can't:

- Disable gapless sequencing for the company.
- Change the lifespan.

Though, Workday enables you to edit the format string.

1. Access the **Create Invoice Sequence Generator Rule Configuration** task.

2. As you complete the task, consider:

Option	Description
Sequence Generator Lifespan	Select a value to specify the duration for the sequence generator. • The sequence generator only assigns gapless sequence numbers to invoices posted in your selected lifespan. • The sequence number resets at the beginning of each new period or year. • Workday starts and stops a new sequence based on the lifespan you select.

3. As you complete the **Default Sequence Generator Rule** and **Sequence Generator Rule Conditions** sections, consider:

Option	Description
Sequence Start Number	Enter any number that you want to begin the sequence with. You can also enter a number that is in continuation of an existing sequence from another ID generator.
Sequence Increment	Workday automatically sets the value to 1 so that the sequence numbers are in gapless order.
Sequence Length	Enter a number to specify the length of the gapless sequence number string. Workday sorts invoice sequences based on this configuration when you generate reports.

Option	Description
	Example: When you enter a Sequence Length of 3, Workday displays the sequence number: • 1 as 001. • 321 as 321.
Sequence Format String	Enter custom text and these variables rules to ensure that Workday doesn't duplicate sequence numbers across multiple generator lifespans: • <i>[aa]</i>: Inserts only the last 2 digits of the calendar year. • <i>[aaaa]</i>: Inserts the 4-digit calendar year. • <i>[A]</i>: Inserts a 1- or 2-digit calendar month. • <i>[AA]</i>: Inserts a 2-digit calendar month. • <i>[ff]</i>: Inserts the entire fiscal year number. • <i>[fff]</i>: Inserts the fiscal year name. • <i>[pp]</i>: Inserts the fiscal period name. • <i>[seq]</i>: Inserts the next sequence number. Include <i>[seq]</i> in the format string of any rule configuration to populate the sequence number. When you select <i>Ledger Year</i> as the sequence generator lifespan, the format string can include: • <i>[f]</i> • <i>[ff]</i> When you select <i>Ledger Period</i> as the sequence generator lifespan, the format string can include: • <i>[f]</i> • <i>[ff]</i> • <i>[pp]</i>
Statutory Invoice Type	Select a country-specific statutory invoice type when you use invoice types to categorize your invoices in compliance with government requirements. Workday displays options in this field only when you configure a statutory invoice for the company in a specific country.

Workday creates a gapless sequence generator for each invoice document type, for the specified period, for a given company.

You want to create a sequence generator for the May 2019 ledger period or ledger year and the November 2019 calendar month or calendar year:

Default Sequence Generator Rule Values

Field	Value
Sequence Start Number	1
Sequence Length	3

Field	Value
Sequence Format String for a Ledger Period	<i>INV-[f]-[pp]-[seq]</i>
Sequence Preview	<i>INV-2019-05-001</i>
Sequence Format String for a Ledger Year	<i>INV-[f]-[seq]</i>
Sequence Preview	<i>INV-2019-001</i>
Sequence Format String for a Two Digit Calendar Year	<i>INV-[aa]-[seq]</i>
Sequence Preview	<i>INV-19-001</i>
Sequence Format String for a Four Digit Calendar year and a Two Digit Calendar Month	<i>INV-[aaaa]-[AA]-[seq]</i>
Sequence Preview	<i>INV-2019-11-001</i>

Reference

[Workday 33 What's New Post: Gapless Document Sequence Numbers by Statutory Invoice Type](#)

Invoice Netting

Setup Considerations: Invoice Netting

You can use this topic to help make decisions when planning your configuration and use of invoice netting. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

When you've external customers that are also your suppliers, you can net their invoices and settle the balance as a single payable or receivable amount. Example: A food service organization sells goods to its customers and also buys certain goods from them, making them suppliers too.

To use netting functionality, you need to configure the netting rules to establish relationships between the customers, sponsors, and suppliers for a given company. Workday enables you create invoice eligibility criteria to determine which customer and supplier invoices can net. This functionality doesn't extend to multicompartment or direct intercompany netting.

You can:

- Schedule the netting transactions for automatic processing.
- Print a netting statement that you can add as an attachment to the supplier payment email.
- Customize netting statement layout using the netting Business Intelligence and Reporting Tools (BIRT) form in Workday Studio Report Designer.

Business Benefits

When you uptake netting functionality, Workday enables you to:

- Eliminate the workaround of calculating the differences between supplier invoice and customer invoice amounts, records the payment in the journals automatically, and offsets the appropriate transactions.
- Simplify your settlement process by eliminating the need to process supplier and customer invoices separately, improving efficiency.
- Reduce your operational costs by eliminating multiple bank settlements.
- Improve your financial cash forecasting because you can now appropriately fund relevant accounts.
- Improve your collections risk because you can now offset overall receivables with payables at once.

Use Cases

- Suppliers and customers are the same business entity, but have different profiles who have an agreement to net the consolidated payables and receivables amount. They can record the invoices and generate a netting transaction at the end of each period that nets everything.
- Suppliers and customers are the same business entity who have an agreement to net the transactions. The customer sends an invoice for each sale. The supplier contacts the customer to offset the amount of the purchase order at the end of the payment term. When the customer agrees, the supplier makes payment for the offset amount by bank transfer.
- Suppliers and Customer are different business entities and you can net the transaction as per your agreement.

Questions to Consider

Question	Considerations
Do you have contracts or external agreements with your business entities?	Ensure you finalize the netting agreements first as they determine how you configure your netting rules. For a single company, you can configure netting rules to establish relationships between specific: • Customers and suppliers. • Award sponsors and suppliers. • Customers plus sponsors and suppliers.
Do you need to net specific invoices when older invoices are still open?	You can manage which invoices to net by: • Defining the netting priority of invoices when you configure invoice eligibility rules. • Selecting specific invoices and adjustments when you run the netting process manually.
Can you net any customer and supplier invoice?	You can only include those invoices in a netting transaction that have open balances, even if only the partial amount is eligible for netting.
Do you have past due invoices that are part of dunning?	Even when an invoice is part of a netting transaction, Workday includes that invoice in the dunning as long as the netting transaction is in a draft status. To exclude that invoice from dunning, first complete the netting transaction.
Does the netting process also include invoices that aren't yet due?	Netting functionality uses the invoice date to determine if an invoice is eligible for netting transaction. Therefore, it can include invoices that aren't yet due.

Question	Considerations
	Once the netting transaction is complete, Workday settles the net payable on the due date of that invoice as per the payment terms.
Do you have payment discounts as part of your payment terms?	When you net supplier and customer invoices, Workday calculates the payment discount only on the balance remaining after the netting transaction is complete.
Do you need to cancel a netting transaction and what is the impact?	When you cancel a netting transaction, Workday: • Reverts the payment status on the supplier and customer invoices. • Reverses the accounting entries for the transaction amount on the same ledger period as long as the period is open. Otherwise, Workday reverses the accounting entries in the next open period. • Releases the supplier invoices and customer invoices. You can then include those invoices in another netting transaction or a settlement run.
Can you edit a netting transaction?	You can edit a netting transaction but can't change the header information. You can, however, add or remove invoices, change invoice amounts, and add attachments.
Can you net invoices in different transaction currency?	You can net in a different transaction currency but both the supplier invoices and customer invoices must be in the same currency. When the netting transaction currency is different from the invoice currency, the difference between the 2 exchange rates creates a realized exchange gain or loss journal entry.
Do you have worktag balancing enabled in your tenant?	When you define netting rules, Workday enables you to specify the worktags, including optional worktag balancing. Workday uses the worktag you specify to calculate interworktag balancing entries when netting customer and supplier invoices.
Do you need to net invoices originating from awards?	When you run netting, Workday enables you to bill both indirect and direct award costs to the sponsor.
Do you use scheduled settlement runs for remittance?	Workday recommends that you process your netting transactions before the scheduled settlement runs. Once you start the netting run, the included invoices aren't available for settlement or payment until after the netting transaction is complete.
Do you need to void a check after the settlement is complete?	When you void a check after the settlement is complete, then the associated invoices become eligible again for netting.

Question	Considerations
Can you send netting statements to your suppliers?	Workday enables you to print a netting statement from the related actions menu of the netting transaction that you can later add as an attachment to the remittance email. You can only include those netting statements that have a print run type of <i>Final</i>.
Do you have a large number of customers that are also your suppliers?	Workday provides web services to mass load the netting rules instead of manually creating 1 rule at a time .

Recommendations

- Configure your business policy to include a review step. It enables you to correct netting errors, add or remove invoices before the netting transaction is complete because you can't change the transaction once it's approved.
- When there are errors in the netting transaction, cancel the transaction and create a new transaction, or create an adjustment.
- Use detailed descriptive netting rule names to identify the company, customer, and supplier relationship that you want to net for. It helps you easily identify the rule to use when you create a netting transaction.
- When configuring netting rules, select company hierarchy, or multiple customers and suppliers to include invoices from several entities within the same 1 company.
- To determine which invoices to net first, specify a netting priority when configuring the invoice eligibility rules.
- When you create invoice eligibility rules, you can make the rules more restrictive by specifying invoice type or dates to exclude certain invoices from netting, such as sponsor.

Requirements

- Enable generation of unique IDs for netting transactions at tenant or company level.
- Configure at least 1 netting rule to define the netting relationship between the desired customers and suppliers for a given company.
- Configure invoice eligibility rules to define which customer invoices can be part of the netting transaction.
- To attach a netting statement to the supplier remittance email, first settle the netted invoice and generate a final netting statement.

Limitations

- You can't net invoices from direct intercompany transactions.
- Netting doesn't include 1099 suppliers.
- You can only net 1 company at a time.
- Netting doesn't include discount calculations. Workday applies the discount to the final balance during the settlement process.
- You can't net supplier invoices with customer invoices when they have different transaction currencies. Though, the netting transaction currency can be different than the company currency.
- You can't select the invoices that are part of a settlement run. You can settle the remaining balance on the invoices after approving the netting transaction.
- Workday doesn't include invoices that have pending activity, are on hold, or in dispute.
- You can't change a netting transaction once it's approved. However, you can create an additional supplier or customer invoice adjustment when the netting transaction is incorrect.

Tenant Setup

Use the **Edit Tenant Setup - Financials** task to enable the netting transaction ID sequence generator in your tenant.

Security

Domains	Considerations
<i>Setup: Netting Rule</i> in the Common Financial Management functional area.	Enables you to create netting rules.
<i>Process: Netting Transaction</i> in the Customer Accounts and Supplier Accounts functional area.	Enables you to create netting transactions. Workday uses netting rules and invoice eligibility rules to retrieve invoices for netting. In Workday, all netting transactions occur by netting relationships. You can only view customers and suppliers that you have access to.
Subdomains for <i>Process: Netting Transaction</i> in the Customer Accounts and Supplier Accounts functional area: • <i>Process: Netting Transaction – Add Attachment</i> • <i>Process: Netting Transaction – Cancel</i> • <i>Process: Netting Transaction – Change</i> • <i>Process: Netting Transaction – Reporting</i> • <i>Process: Netting Transaction – View</i>	Enables you to secure access to a specific netting feature, giving you more control over users activities.

Business Processes

Configure the *Netting Transaction Event* business process to review, edit, and approve netting transactions.

Reporting

- Use the **Find Netting Transactions** report to view the:
 - Netting transactions completed in a given period.
 - Netting rule used for each transaction.
 - Number of supplier and customer invoices netted.You can drill down on all the parameters to access the details.
- Workday provides these report data sources for creating custom reports:
 - **Netting Customer Invoice Application**
 - **Netting Rules**
 - **Netting Supplier Application Activity**
 - **Netting Transactions**
 - **Netting Transaction for Netting Transaction Printing Run**

Workday also includes netting activity in these existing customer and supplier reports:

- Customer Activity Details and Summary
- Customer Balance Details and Summary
- Customer Open Items
- Customer Statements
- Invoice Aging - Composite View

- Receivables Aging Detail and Summary
- Sponsor Statements
- View Customer Invoices
- Payables Aging
- Payables Aging Detail
- Payables to Supplier Balance Reconciliation and Exception Summary
- Retention Payables to Supplier Balance Reconciliation
- Supplier Activity Details and Summary

Integrations

Web Service	Considerations
• <i>Get Invoice Eligibility Rules for Netting Transaction</i> • <i>Put Invoice Eligibility Rule for Netting Transaction</i>	Use to create, update, or retrieve invoice eligibility rules for netting transactions.
• <i>Get Netting Rules</i> • <i>Put Netting Rule</i>	Use to create new netting rules, update or delete existing rules, and retrieve rules.
• <i>Cancel Netting Transaction</i> • <i>Get Netting Transactions</i> • <i>Submit Netting Transaction</i>	Use to cancel, retrieve, or mass load netting transactions in Workday. When you submit the web service, we create an in progress netting transaction.

The **SAF-T Core** and **SAF-T Norway** integration templates support invoice netting and account for netting in arrears.

Connections and Touchpoints

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Other Impacts

- The netting transaction period close activity group enables you to categorize operational transactions and accounting activity. You can close the group independently from procurement or customer accounts groups.
- When the netting transaction currency is different from the invoice currency, the difference between the 2 exchange rate creates a realized exchange gain or loss journal entry.

Concepts

[The Next Level: An Introduction to the Netting of Invoices between Suppliers and Customers](#)
[2021R1 What's New Post: Invoice Netting for Supplier and Customer Transactions](#)

Steps: Set Up Netting

- Enable generation of unique IDs for netting transactions:
 - At the tenant level with the **Edit Tenant Setup - Financials** task.
 - At the company level with the **Edit Company ID Definitions** task.
- Configure the *Netting Transaction Event* business process and security policy in the Customer Accounts and Supplier Accounts functional areas.
- Review setup considerations for invoice netting.

You can configure invoice netting to calculate a single net balance payable or receivable for third-party companies that are both a customer and a supplier. This process eliminates the workaround of calculating the differences between supplier invoice and customer invoice amounts, simplifies settlement, reduces operation costs, and improves collections risk.

To set up invoice netting, you need to:

- Configure netting rules to establish relationships between customers, sponsors, and suppliers for a company or company hierarchy.
- Define invoice eligibility rules to identify which customer invoices can net against which supplier invoices.

When you create a netting transaction, Workday:

- Automatically calculates Value Added Tax (VAT) on a payment when applicable.
- Excludes on hold or in dispute invoices.
- Doesn't net invoices across different companies or direct intercompany invoices.

1. Access the [Create Invoice Eligibility Rule for Netting Transaction](#) task.

- Specify a value for **# of Days Invoices are Open before Netting** to determine the period from when to retrieve the open invoices. When you schedule netting transaction, calculate the days open from the scheduled date.
- When you have an uneven amount of customer and supplier invoices, Workday uses the **Invoice Netting Priority** to determine which invoices will net first.

Security: *Setup: Netting Rules* domain in the Common Financial Management functional area.

2. Access the [Maintain Netting Rules](#) task.

Define which customers or sponsors can net against which suppliers for a given company and select an invoice eligibility rule. Select a company hierarchy to be able to net across all companies in that hierarchy.

Once a netting rule is **In Use**, you can deactivate the rule but can't delete it.

Security: *Setup: Netting Rules* domain in the Common Financial Management functional area.

3. [Create Netting Transactions](#) on page 559.

4. (Optional) Access the [Schedule Netting Transaction](#) task.

Select a schedule based on your netting recurrence requirements. Workday populates the **Transaction Date** and the **Invoice Date on or Before** fields on the netting transaction based on the option you select:

- *Daily Recurrence*
- *Weekly Recurrence*
- *Monthly Recurrence*

Security: *Process: Netting Transaction* domain in the Customer Accounts and Supplier Accounts functional areas.

5. Access the [Create Netting Statement Print Layout](#) task.

Security: *Setup: Netting Rules* domain in the Common Financial Management functional area.

6. Access the [Print Netting Statement](#) task from the related actions menu of a netting transaction to print the netting statement.

- You can print only 1 *Final* statement for each netting transaction. The print run type becomes final after you approve the netting transaction.

Security: *Process: Netting Transaction* and *Process: Netting Transaction – Reporting* domains in the Customer Accounts and Supplier Accounts functional area.

7. (Optional) [Set Up Remittance Release Event for Suppliers](#) on page 1246

To attach netting statements to your supplier emails, add the **Netting Statements** report field to the *Attachment(s)* section of the *Remittance Release Event* business process.

Concepts

[Concept: Accounting and Netting Transactions](#) on page 561

Create Netting Transactions

- Configure the *Netting Transaction Event* business process and security policy in the Supplier Accounts and Customer Accounts functional areas.
- Create Invoice Eligibility Rules for netting transactions.
- Configure Netting Rules.
- Configure these domain security policies on 1 or both functional areas according to your business needs:
 - Security: *Process: Netting Transaction* domain in the Supplier Accounts and Customer Accounts functional areas.
 - Security: *Set Up: Netting Rules* domain in the Common Financial Management functional area.

You can use netting transactions to net the amount payable and amount receivable on these documents:

- Customer invoice
- Customer invoice adjustment
- Supplier invoice
- Supplier invoice adjustment

Invoices and adjustments are eligible to net based on the netting rules and invoice eligibility rules configured. Both rules apply to customers and suppliers on a company or company hierarchy. We display invoices:

- With negative and positive balances.
- Based on the days you configure on the **# of Days Invoices are Open Before Netting** field on the invoice eligibility rule. From the field, we populate and lock down the **Invoice Date On or Before** field on the transaction.

We don't display invoices:

- With a balance of zero.
- From suppliers marked for 1099 MISC reporting.

1. Access the **Create Netting Transaction** task.
2. Select the **Currency**. We populate the field from the **Company**, but you can change it to view and net invoices in a different currency.

We support multicurrency on netting transactions, where the currency on the invoices is different from the ledger currency. For a valid netting transaction, both supplier invoices and customer invoices selected must be on the same currency.

3. Select the **Netting Rule** that you want to apply to the transaction.

4. Enter a **Transaction Date**.

Enter a date on or after the invoice date.

5. (Optional) For tenants with **Balancing Worktag** configured:

- Select the **Balancing Worktag** on the netting rule to calculate interworktag balancing entries when you net customer and supplier invoices that have different balancing worktags.
- Select the **Optional Balancing Worktag** on the netting rule to calculate interworktag balancing entries.

6. From the Supplier Invoices and Customer Invoices tabs, select the invoices or adjustments that you want to net. Consider that selecting an invoice doesn't guarantee netting.

You're able to net invoices based on:

- The available total supplier invoice amount and customer invoice amount.
- The invoice eligibility rules. The oldest invoice nets first, based on invoice date.

After you approve a netting transaction, we generate accounting that reverses the accounts payable and accounts receivable balances of the individual supplier invoices and customer invoices.

- Settle any balance due left on the invoices after you netted.
- Print a netting statement.
- Send a netting statement along with the payment remittance information to the supplier.

Create Custom Business Form Layout for Netting Statements

- Security: *Custom Report Creation* in the System functional area.
- Security: *Setup: Netting Rules* domain in the Common Financial Management functional area.

Workday delivers a standard business form layout for netting called *Netting Transaction Printing Form*.

If the delivered business form layout doesn't meet your needs, you can create your own custom business form layouts. You can associate them with netting statement print layouts and in some cases, replace a delivered layout using *Report Designer in Workday Studio*.

1. Create your own XSL stylesheet or design a business form layout using *Report Designer in Workday Studio*.
2. Create a custom business form layout.

- a) Access the **Create Business Form Layout** task.
- b) Check the **Active** box.
- c) Enter the number of days for retaining netting statements before they expire in **Resulting Document Expiration Offset (in days)**. The maximum value allowed is 25,000.

Note: Ensure that the expiration offset you specify here complies with your organization's document retention policy. Workday automatically deletes documents after the offset number of days. You can't recover these documents.

- d) Select a business form layout from one of these prompts:

- *XSL Attachment*
- *Report Design*

Use Workday Community to download the netting statement *rptdesign* file at <https://community.workday.com/node/721452>.

- e) Select a **Custom Report**.
- f) Add the **Token Name** for the company logo and signature as follows:

company_logo
po_signature

These tokens are in your XSL stylesheet or Report Designer business form layout.

3. Access the **Configure Business Form Layout** task to upload images for the company logo and signature tokens.
4. Associate your custom layout with the netting statement print layout.
 - a) Access the **Create Netting Statement Print Layout** task.
 - b) Select the custom form you created for the **Custom Business Form Layout for Netting Statement**.
 - c) Check the applicable **Include Company Logo** and **Include Signature** options.

5. (Optional) Include financial messages for *Netting Statement* business documents.

When you print netting statements, Workday uses the custom business form layout.

Concept: Accounting and Netting Transactions

Netting transactions enable you to net the amount payable and amount receivable on supplier and customer invoices and adjustments. Workday generates accounting for the transaction amount and creates reversals of accounts payables and accounts receivables.

We display a simultaneous summary at the header while you create the transaction:

Field	Description
Net Payable and Net Receivable	The difference between the Total Payable and Total Receivable amounts.
Total Payable	The total amount to net from supplier invoices.
Total Receivable	The total amount to net on customer invoices.
Transaction Amount	The netting transaction amount, that displays as total debits/credits in the journal entry.

When a netting transaction is in progress or in draft status:

- We record the netting rule and invoice eligibility rule applicable when you submit or save for later.
- You can't select the invoices on a settlement run. You can settle the remaining balance on the invoices after approving the netting transaction.

When you submit or save for later a netting transaction, we lock down the selected invoices to prevent them from being available:

- For another netting transaction.
- For a settlement run.
- To cancel or change.

When you approve a netting transaction:

- We mark the supplier or customer invoice or invoice adjustment as paid or partially paid accordingly.
- We generate accounting for the transaction amount and create reversals of accounts payables and receivables ledgers of the supplier and customer invoices respectively.
- Where the exchange rate differs from the exchange rate for the invoice (at creation), the difference creates a realized exchange gain or loss journal entry.
- We populate and display the **Accounting Date** on the **View Accounting for Netting Transaction** report.
- In tenants with balancing worktags configured, we generate the corresponding accounting entries. You can specify the balancing worktag in the netting rule. Workday creates due to and due from entries for the balancing worktags in the netting transaction journal.
- We don't display the Adjust Accounting related action on supplier invoice documents included in a netting transaction that is fully or partially paid.

When you cancel a netting transaction, we:

- Revert the payment status on the supplier and customer invoice documents.
- Reverse the accounting entries on the same ledger period as long as the period is open. If the ledger period closed, we reverse the accounting entries in the next open period.
- Populate and display the **Cancel Accounting Date** on the **View Netting Transaction** report.
- Release the supplier or customer invoices and invoice adjustments selected. You can then include the invoices in another netting transaction or settlement run.

We hide suppliers with Segmented Security configured. However, you can select the netting rule related to the supplier or search for the invoices, and create a netting transaction.

Concepts

[Setup Considerations: Invoice Netting](#) on page 553

Reference: Netting Rules

You can configure Netting Rules to define which customer invoices and supplier invoices can net against each other. You can maintain rules between customers and suppliers for 1 or more companies or company

hierarchy. Workday identifies the invoices to net using the criteria in the Netting Rule and Invoice Eligibility Rule.

Option	Description
Rule Name	Enter a unique name for each netting rule.
Company	Any company or company within the hierarchy that you specify on the netting rule can initiate a netting transaction using that rule.
Customer	You can't select companies that operate as customers or suppliers on netting rules. You can select customers and sponsors.
Supplier	You can't select supplier invoices from suppliers with 1099 MISC reporting.
Balancing Fund	This field displays for tenants with worktag balancing enabled. Select the worktag used to calculate interworktag balancing entries when netting customer invoices and supplier invoices that have different balancing worktags.
Optional Balancing Worktags	This field displays for tenants with optional worktag balancing enabled. Select the <i>Optional Balancing Worktag</i> to generate due to and due from entries to balance the netting transaction.
In Use	Once a netting rule is In Use , you can mark it inactive, but can't delete it.
Inactive	Select to block the netting rule for future netting transaction.

Tasks

[Steps: Set Up Netting](#) on page 558

Supplier Remittance Integration

Steps: Set Up Supplier Remittance Integration

If the supplier uses different email addresses to remit invoices and payments, configure supplier connections.

You can create a supplier remittance integration to reduce reconciliation errors by emailing suppliers a .txt file with a list of invoices that composes an electronic payment.

1. [Create Integration System](#).

As you complete the task, consider:

Option	Description
New using Template	Select <i>WPN-Generic Remittance</i> .
Enable All Services	Select the check box.

2. [Create Integration System User for Supplier Remittance](#) on page 1245.

3. [Set Up Integration Sequence Generators.](#)

You can use the *RemitAdvice_[yyyy][MM][dd]_[seq].csv* format to set up and test your integration quickly. You can change the format later to meet your business needs.

4. From the related actions menu of your integration system, select **Integration System > Configure Integration Attachment Service.**

From the **Attachment** prompt, select an XSLT file or *Create Integration Service Attachment*.

5. To assign your integration system to suppliers that require remittance advice, select **Supplier > Create Supplier Change** from the related actions menu of each supplier.

In the **Payment Details**, select your integration system from the **Remittance Integration System** prompt.

On the **Contact Information** tab, specify the email address to send the remittance to:

- For suppliers that use 1 email address for all remittances, select the **Primary** check box.
- For suppliers that use more than 1 email address, create supplier connections.

Workday doesn't consider the supplier email usage when emailing the remittance advice. When a supplier receives both remittance advices and purchase orders, the same email address will receive both documents.

See [Change Supplier Information](#).

6. [Set Up Remittance Release Event for Suppliers](#) on page 1246.

7. From the related actions menu of the *Payment Release Event* business process, select **Business Process > Edit Definition.**

To execute remittance on electronic payments only, add the *Remittance* service step to the business process.

Suppliers receive a supplier remittance email with an attachment that contains details about an electronic payment.

Test the integration.

Tasks

[Set Up Remittance Release Event for Suppliers](#) on page 1246

[Create Supplier Remit-To Connections](#)

Reference

[Workday Community: Configuring the Supplier Remittance Advice for Electronic Payments](#)

Create Integration System User for Supplier Remittance

Create and configure the remittance integration system.

You can create an integration system user for the supplier remittance integration. Assign the integration system user to a security group with permission to access all tasks and reports the integration requires.

1. Access the **Create Integration System User** task.

Workday automatically populates the value in the **Session Timeout Minutes** with zero to prevent the integration system user session from expiring. Expired sessions can cause the integration to stop before it successfully completes.

2. From the related actions menu of the system user you created, select **Security Profile > Assign Integration System Security Groups.**

3. From the **Integration System Security Group to Assign** prompt, select *Settlement System*.

4. From the related actions menu of your integration system, select **Workday Account > Edit.**

5. From the **Workday Account** prompt, select your integration system user.

If you don't make any changes to the **Global Preferences**, **Search Preferences**, and **Account Preferences** sections, then Workday automatically populates the locale and display language for

integration data. An outbound integration sends data in the preferred language and an inbound integration saves data in the preferred language.

6. (Optional) If the integration system user authenticates with a username and password:
 - a. Access the **Maintain Password Rules** task.
 - b. In the **System Users Exempt from password expiration** field, add your integration system user.

Workday assigns the integration system user as part of the Settlement System security group and the remittance integration system.

Set Up Remittance Release Event for Suppliers

Configure the *Remittance Release Event* business process and security policy in the Banking and Settlement functional area.

You can configure the *Remittance Release Event* business process to enable the supplier remittance integration for electronic payments to:

- Include attachments.
 - Set up notifications.
1. Access the **Remittance Release Event** business process definition.
 2. On the integration step, click **Configure Integration System**.

Select these values:

Option	Description
Integration	<i>Integration Processing Remittance File</i>
Value	<i>Remittance File Reference</i>

3. From the related actions menu of the **Remittance Release Event** business process, select **Business Process Policy > Edit**.
4. Select the **Allow Attachments within Emails** check box.
5. From the related actions menu of the **Remittance Release Event** business process, select **Business Process > Add Notification**.

Select these values:

Option	Description
Override Email Template	<i>Notification Template (no link)</i> , or develop a new template based on your business requirements.
Recipients	<i>Payee</i>
Attachments	<i>Deliverable Attachments for Remittance File Business Process Notification</i>

Set up the *Payment Release Event* business process for remittance.

Tasks

[Steps: Set Up Supplier Remittance Integration](#) on page 1244

Expenses

Setup Considerations: Expenses

You can use this topic to help make decisions when planning your configuration and use of Workday Expenses functionality. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to:

- Other setup considerations for details on specific features.
- Task instructions for specific configuration details.

What It Is

Workday Expenses provides a comprehensive platform that enables you to manage and control expenses for your company and its payees.

With Workday Expenses, you can configure and manage:

- Payment elections.
- Expense reimbursement rates.
- Expense items.
- Expense reports.
- Spend authorizations.
- Cash advances.
- Credit cards.
- Travel booking records.

You can process expenses for:

- Candidates.
- Contingent workers.
- External committee members.
- Pre-hires.
- Students.
- Workers.

Business Benefits

- Centralize tasks and reports for self-service users so they can easily manage their expenses.
- Complete on-the-go expenses quickly to speed up reimbursement.
- Eliminate manual paper processes.
- Enable machine learning to assess expense reports for anomalies, duplication, and inaccuracies.
- Increase accuracy and reduce manual entry by calculating expense transaction data automatically.
- Manage workloads by delegating tasks.
- Meet international and regional tax rules and reimbursement requirements.
- Set spending limits to control travel and entertainment costs.

You can quickly exchange and report on data:

- When you use Workday Expenses along with other Workday products, such as Human Capital Management (HCM). Example: You can create expense items and associate them with allowance plans.
- With analytics and reporting that provide insight into budgeted and actual spend.

Use Cases

You can:

- Apply maximum daily amounts to limit spending.
- Audit expense reports for compliance.
- Define rates that help calculate reimbursement.
- Import and process data from credit card and travel booking providers.
- Process company, intercompany, mobile, and multicurrency expense reports.
- Track, analyze, and report on spend across your company and its organizations.

You can also manage and control spend using:

- Allowance plans, budget checks, and commitment accounting.
- Custom validations, tax rules, and worktags.
- Spend authorizations.

You can settle and reimburse expenses for:

- Cash advance requests.
- Corporate credit card transactions.
- Out-of-pocket transactions.

Questions to Consider

Question	Considerations
How do you want to reimburse expense payees?	You can set up payment elections to: • Determine reimbursement methods, such as by check or direct deposit. • Enable workers to set their preferred country and currency for payments or split payment between multiple countries and currencies. You can also apply rules to payment election options to determine payment methods or payment distributions.
How do you use rates to calculate expense reimbursement?	You can configure rate tables and rules that assess expense items to: • Calculate reimbursement amounts. • Determine reimbursement eligibility. • Validate maximum reimbursable amounts. You can calculate reimbursement using rate tables based on amounts and percentages. You can also use expense accumulators to track incremental increases on expense items over time, such as distance-based expenses.

Question	Considerations
What details do you need from expense payees to reimburse them?	You can configure expense reports to gather information at header level. Examples: Business purposes and memos. You can also request and require more specific detail at line level on: • Expense reports. • Spend authorizations. You can use: • Distance-based expense items to calculate mileage. • Itemization to require a cost breakdown of incurred expenses. • Per diem expense items to meet requirements in your country. • Travel journals to itemize expenses from business trips. • Workday-delivered attributes and configurable attributes.
Do you want to enable specific workers to create expense reports on behalf of others?	You can enable workers to create expense reports on behalf of: • Candidates. • Delegates. • External committee members. • Other workers. • Pre-hires. • Students.
What expense reporting methods do you need to configure?	You can set up different methods of expense reporting according to business needs, including: • Expense reports with negative reimbursable amounts for workers that incur personal expenses on corporate liability credit cards. • Intercompany expense reporting when your company has an agreement to split costs with other companies. • Receipt scanning to expedite expense claims that payees submit on mobile devices.
How do you want to format print layouts on expense reports?	You can use Workday-delivered options to print expense reports. You can also use Report Designer in Workday Studio to customize print layouts for: • Alerts. • Attachments. • Instructions. • Layouts. • Logos.

Question	Considerations
	• Messages.
How do you want to manage preauthorization of spend?	You can enable or require workers to request spend authorizations before they incur expenses. You can also: • Approve cash advance requests. • Enable specific workers to create spend authorizations on behalf of nonworkers. • Freeze spend authorizations. • Mass close spend authorizations that you no longer need. • Perform budget checks on spend authorizations. • Use commitment accounting to account for future expenses.
How do you want to set up expense credit cards?	You can set up: • Central travel cards to consolidate organization-wide air travel on a single credit card. • Individual credit cards for expense payees. You can specify payment responsibility for worker credit cards using different corporate billing account types. You can also enable workers to: • Manually enter credit card transaction data. • Reassign corporate credit card transactions between workers. • Submit credit card transactions with negative reimbursable amounts.
How can workers add travel data on expense reports?	You can download travel booking records from your travel provider and import them into Workday. When you import travel booking records, workers can add these items on expense reports: • Air travel. • Car rental. • Hotel reservations.
What tax information do you want to capture from worker expenses?	You can configure tax rules and enable tax on expense reports. Workday then calculates tax on expense items, enabling you to recover partial or full amounts for: • Goods and Services Tax (GST). • Value Added Tax (VAT).

Recommendations

We recommend that you:

- Configure instructional text for your expense reports to help workers comply with expense policies.

- Contact Workday Professional Services or your consultant to integrate with credit card or travel providers.
- Enable commitment accounting for spend authorization transactions to help prevent overspending.
- Review and standardize expense policies for your company before setting up Workday Expenses, to help ensure compliance.
- Use configuration that streamlines the reimbursement process to reimburse payees quickly. Example: You can enable workers to claim quick expenses on mobile devices.

Requirements

To enable workers to submit expense reports, set up at least 1 expense item and reimbursement type.

Limitations

You can only:

- Enable mobile receipt scanning for workers based in specific countries.
- Set 1 payment preference rule for expense payments.

We don't support certified documentation storage for expense report receipts and attachments.

Tenant Setup

Use the **Edit Tenant Setup - Financials** task to configure tenant-wide options for Workday Expenses.

You can use the **Expenses Options** section to:

- Bill customers for expense report lines in *Approved* status.
- Control tax defaulting for international expenses.
- Disable tax on expense reports.
- Enable workers to request cash advances.
- Ensure that your organization doesn't bill customers for worker expenses.
- Expense booked travel booking records before the travel end date.
- Restrict workers from selecting specific project worktags.
- Specify the number of years that you want to retain financial data for purged workers.

You can also use the task to specify:

- If you want to charge amounts against dates at expense report level or expense line level, for budgeting. Example: To avoid expense lines spanning across multiple fiscal periods, you can charge amounts against the overall expense report date.
- Sequence IDs for expense reports and spend authorizations.

Security

You can access the **Domain Security Policies for Functional Area** report to view all security domains for Expenses.

The security domains that you can configure include:

Domains	Considerations
<i>Set Up: Payment Election</i> in the Expenses functional area.	Enables you to set up processing details for payment elections.
<i>Set Up: Expense Item</i> in the Expenses functional area.	Enables you to set up expense items for workers to use on their expense transactions.
<i>Access Expense Item (Segmented)</i> in the Expenses functional area.	Enables you to use segment-based security to control access to expense items.

Domains	Considerations
	Example: You want to display a set of expense items only to employees in the Sales department.
<i>Self-Service: Expense Report</i> in the Expenses functional area.	Enables users to complete and submit expense reports.
<i>Self-Service: Spend Authorization</i> in the Expenses functional area.	Enables users to submit spend authorization requests before they incur expenses.
<i>Process: Expense Report Work Area</i> in the Expenses functional area.	Enables company or organization-based users to maintain expense reports awaiting action in the Expense Report Work Area report.
<i>Set Up: Tenant Setup - Financials</i> in the System functional area.	Enables you to access the <i>Set Up: Tenant Setup - Financials</i> subdomain, which you can use to configure tenant-wide options for Workday Expenses.

Business Processes

Business Process	Considerations
<i>Expense Report Event</i>	Enables you to: • Audit expense reports to ensure compliance with travel and expense policies. • Capture feedback by including questionnaires on expense reports. • Check budgets. • Confirm accurate taxes on expense reports. • Retrieve expense report data for reporting. • Send back expense lines for correction. • Track projects.
<i>Expense Report Intercompany Event</i>	Enables you to: • Initiate the approval process for companies on expense report lines and itemizations. • Hold the affiliate company on expense lines and itemizations accountable for worker spend.
<i>Spend Authorization</i>	Enables you to: • Add allowance plans for employees requesting spend authorizations. • Check budgets. • Enable cash advance requests. • Include questionnaires on spend authorizations.
<i>Spend Authorization Mass Close Event</i>	Enables you to close multiple unused spend authorizations when your organization no longer needs to process expense reports against them.

Reporting

You can access the **Workday Standard Reports** report to view all reports for Workday Expenses.

Reports and Dashboards	Considerations
Expense Audit Work Area report.	View expenses by their reporting and payment categories and use reports and graphs to analyze spending.
Expense Report Work Area report.	View expense reports with actions outstanding. You can use this report to review, send back, and approve expense reports.
Expense Management dashboard.	Use to view information such as: - Expense item trends. - Expense report totals. - Top expense items. You can also: - Access frequently used expense tasks and reports. - View and analyze expense information.
Expenses Exceeding Maximum Amount report.	View expense report lines and itemizations that exceed the maximum defined amount for the expense item, excluding lines and itemizations identified as personal expenses.
Expenses Hub worklet.	View and access expense tasks and reports from a single location.
No Expense Report Submitted report.	View workers who haven't submitted expense reports: - In a specified timeframe. - Using dates that fall within the required reporting period.

You can also create custom reports using report data sources, such as:

- **Expense Reports for Company**, which enables you to view expense reports for a company or company hierarchy.
- **Tax Rate Application**, which enables you to view expense reports marked for tax.

Integrations

You can use web services to import data for use with Workday Expenses, such as:

- *Import Credit Cards*
- *Import Credit Card Transactions*
- *Import Expense Rate Tables*
- *Put Expense Item*
- *Put Expense Rate Table Rule*
- *Put Payment Election Option*

Refer to the web service directory on Workday Community for more web services.

You can use integrations to import credit card data from these providers, enabling workers to include credit card data on their expense reports:

- American Express (AMEX).
- Mastercard.

- Visa.

You can import travel booking record data into Workday for workers to include in their expense reports, using the:

- *Import Travel Booking Records* web service to build custom integrations.
- Travel Booking Inbound Connector.

Connections and Touchpoints

Features	Considerations
Budgets	You can use budget checks to: • Automatically check expense transactions against budgets. • Prevent overspending to maintain budgets throughout the fiscal year.
Committees	When you set up committees in Workday, you can create expense reports and spend authorizations on behalf of nonworkers to reimburse expenses.
Compensation	You can create reimbursable allowance plans and associate them with expense items so that employees can claim expenses, such as gym membership and tuition reimbursement.
Financial Accounting	You can track: • Capital projects and budgets. • Expense reports with negative reimbursable amounts. • Liquidations for spend authorizations. • Spend commitments.
Mobile	You can enable Workday Expenses on mobile so that workers can: • Capture quick expenses. • Complete and submit expense reports. • Scan receipts to populate dates and amounts on expense reports.
HCM	Workday Expenses uses company and employee data from Workday HCM, including data from: • Job profiles. • Management levels. • Staffing models. • Workers. You can also create expense reports on behalf of candidates to reimburse them for expenses incurred during the interview process.
Payroll	You can use company or worker payment elections to determine how to reimburse expenses.

Features	Considerations
Projects	You can use project tracking with expenses to enable workers to: • Access and log time and expenses against specific projects. • Claim project expenses within specified date ranges.
Settlement	You can settle payee expenses manually or schedule Workday to create and run settlements automatically for: • Cash advances. • Credit card transactions. • Expense reports. • Intercompany expenses. • Spend authorizations.
Student	You can grant workers access to student data to enable them to: • Create and submit expense reports on behalf of students. • Use this data for custom and standard reports.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the You can also configure segmented security to enable workers to access only student expense data.[Workday Touchpoints Kit](#) on Workday Community.

Concepts

[Setup Considerations: Payment Elections](#) on page 1255

[Setup Considerations: Expense Rate Tables](#) on page 1267

[Setup Considerations: Expense Items](#) on page 1275

[Setup Considerations: Candidate Expense Reports](#)

[Setup Considerations: Student Expense Reports](#) on page 1306

[Setup Considerations: Intercompany Expense Report Processing](#) on page 1299

[Setup Considerations: Spend Authorizations](#) on page 1343

[Setup Considerations: Central Travel Cards](#) on page 1359

Reference

[Reference: Edit Tenant Setup - Financials](#)

[The Next Level: Expenses](#)

[Workday Web Services \(WWS\) Directory](#)

[Preconfigured Content: Financials Delivered Configurations](#)

Payment Elections

Setup Considerations: Payment Elections

You can use this topic to help make decisions when planning your configuration and use of payment elections. It explains:

- Why to set it up.

- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

Workday payment elections enable you to set preferences for how users get paid. You can determine how they can set up their payment elections through self-service and edit their payment elections.

Business Benefits

Workday payment elections make it easier for you to:

- Audit payment elections changes.
- Control reviews and approvals for payment election changes.
- Customize the methods in which a person can receive their payment.
- Enable international users to select their preferred currency.

Use Cases

You can manage payment elections for:

- International users who want to receive different types of currency.
- Pre-hires to set up bank accounts during the Onboarding process.
- Terminated workers.
- Users who want to split their payment across multiple accounts.

Payment election configurations also apply to supplier invoices, expenses, student payments, and student refunds.

Questions to Consider

Question	Considerations
How do you prevent bank returns?	You can use the Create Prenote Run task to validate electronic banking information for U.S. banks only.
What payment types do you want to use?	You can give employees the option to receive a check or direct deposit. If employees select check, Workday prints their home address on the check. When you don't want to print out checks, you can limit a person to direct deposit only. Example: When a worker receives a bonus, you can configure payment types such as check or deposit. Workers can then select their preferred method.
Do you want to give specific rules on setting up payment elections?	You can set up rules on the Maintain Payment Election Rules task to give users the options on how they want to receive their payment.
Do you want to set criteria to control who is eligible to view a specific payment type?	You can set criteria to control who is eligible to view specific payment types on the Maintain Payment Election Rules task.

Question	Considerations
	Example: You can exclude temporary workers from seeing the Bonus payment election types because they aren't eligible for bonus payments.
What bank account attributes and validations do you want to put in place when a person enters their bank information?	You can use the Create Payee Bank Account Validation Override task to: - Control which bank account attributes are mandatory or optional. - Customize the display labels and format validations for different countries.
Do you have a worker transferring to another country?	You can add a rule to the Maintain Payment Election Options task to give workers options to change their country and currency. You can add the <i>Add Payment Elections</i> to do step on the <i>Start International Assignment</i> business process to ensure workers set up their payment preferences upon relocation.
How does Workday validate International Bank Account Number (IBAN)?	Workday follows the international standard. While the length of the IBAN may vary for each country, Workday provides a default setting, enabling you to override the length using the Payee Bank Account Validation Override task. When you enable and supply IBAN during bank account creation, we automatically verify the IBAN.

Recommendations

Workday recommends that you:

- Add *Manage Payment Election* as a process step on the Onboarding business process. It ensures that users finish setting up their bank information.
- Set up your bank account attributes and validations on the **Create Payee Bank Account Validation Override** task. It ensures all manually entered bank IDs meet country requirements.

Requirements

No impact.

Limitations

When setting up rules for payment election options:

- You can only set up 1 rule for payment preferences for expense, supplier invoice, student refunds, and student payments.
- You can only set up 1 payment election rule per unique combination of pay group and run category.
- You can split a payment into a maximum of 8 elections when you use ADP Check Print integration.

You can't limit the number of bank accounts users can enter in Workday.

Tenant Setup

You can use the **Edit Tenant Setup - Global** task to enable the option to select different countries and currencies for payment elections.

You can use the **Edit Tenant Setup - Financials** task to mask the bank account number and IBAN to secure sensitive information.

Security

Domains	Considerations
<i>Set Up: Payment Election</i> in the Expenses functional area. <i>Set Up: Payroll (Payment Election Rules)</i> in the Core Payroll functional area. <i>Set Up: Payroll Interface</i> in the Payroll Interface functional area.	Users with access on these domains can set up payment preferences.
<i>Manage: Payment Election</i> in the Expenses functional area. <i>Worker Data: Payroll (Payment Elections)</i> in the Core Payroll functional area. <i>Worker Data: Payroll Interface (Payment Elections)</i> in the Payroll Interface functional area.	Enables you to set up new countries and currencies options for payment elections.
<i>Person Data: Bank Account Masking</i> in the Banking and Settlement functional area.	Enables you to view full unmasked bank information.
<i>Self-Service: Payment Election</i> in the Expenses functional area. <i>Self-Service: Payroll (My Payment Elections)</i> in the Core Payroll functional area. <i>Self-Service: Payroll Interface (Payment Elections)</i> in the Payroll Interface functional area. <i>Self-Service: Student Financials</i> in the Student Financials functional area.	Users with access on these domains can access their employee self-service (ESS) payment election tasks.
<i>Manage: Student Payment Elections</i> in the Student Financials functional area.	Enables you to access student bank accounts and student payment elections.
<i>Worker Data: Payment Elections by Organization</i> in the Core Payroll, Expenses, and Payroll Interface functional areas.	Enables you to set up payment election processing details and view these related report fields: - Account Number - IBAN - Roll Number

Business Processes

Business Process	Considerations
<i>Onboarding</i>	To gather bank information from new users, you can add <i>Manage Payment Elections</i> as an action step.
<i>Payment Election Enrollment Event</i>	Workday recommends that you add an approval step to review bank information for possible inaccuracies and phishing attempts.

Business Process	Considerations
	You can add the <i>Prenote of Worker Bank Accounts if New or Changed</i> service step to alleviate the possibility of bank returns, for U.S. banks only.
<i>Start International Assignment</i>	You can add the <i>Add Payment Elections</i> to-do step to ensure workers set up their payment preferences when they relocate.

Reporting

Reports or Dashboards	Consideration
Audit Missing Payment Elections	Identifies a person missing any type of eligible payment elections.
Payment Elections	Lists a person's pay group and current payment elections including payment type and payment method.
In Progress Payment Elections Requiring Submit	Lists all payment elections that require administrative approval.

You can use the *Payment Elections Current* business object to create filtered reports to:

- Find changes made to payment elections.
- Sort through preferred bank details.

You can use the **Payment Election History** report data source to view the history and track changes on all payment elections for a specific pay group.

Integrations

If you outsource your check printing or your payments, you can use these check print integrations:

- *ADP Check Print (Enhanced Performance)*
- *Core Connector: Payroll Check Printing (Enhanced Performance)*
- *WPN - Ceridian Check Printing*

Connections and Touchpoints

Features	Considerations
Expenses	Payment elections determine the options a person can select regarding receiving their expenses.
Payroll	Payment elections determine the options a person can select regarding receiving their payments.
Student Financial	Payment elections determine the options students can select regarding receiving their refunds and make payments.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Tasks

[Steps: Use Prenotes](#) on page 1611

[Define Payee Bank Account Validations](#) on page 1597

Reference

[Reference: Edit Tenant Setup - Global](#)

[Reference: Edit Tenant Setup - Financials](#)

Steps: Set Up Payment Elections

- Review setup considerations for payment elections.
- Set up settlement, including payment types.
- Set up currencies.
- Assign pay groups to users for Payroll or Payroll Interface.

You can define rules and set options for your payroll payment elections.

1. [Maintain Payment Election Rules](#) on page 1260.

Define choices for receiving payments.

2. [Enable Countries for Self-Service Payment Elections](#) on page 1262.

3. (Optional) [Define Payment Election Options](#) on page 1263.

4. [Define Payee Bank Account Validations](#) on page 1597.

5. Set up the *Payment Election Enrollment Event* business process.

(Optional) To include prenote verification for bank accounts, you can:

- Add a service step before the completion step, and
- Specify **Prenote of Worker Bank Accounts if New or Changed**.

See [Steps: Configure Business Process Definitions](#).

6. Configure security on the *Manage Payment Elections* initiating action step.

Add these security groups:

- *Employee as Self*
- *Pre-Employee as Self*

See [Edit Business Process Security Policies](#).

7. (Optional) [Steps: Set Up Onboarding Business Process](#).

On the *Onboarding* business process, add *Manage Payment Elections* as an action step.

Based on your defined payment elections and rules, you and people who are eligible for self-service payment elections can:

- Set up payment elections.
- Select from the enabled payment types, countries, and currencies.

Concepts

[Setup Considerations: Payment Elections](#) on page 1255

Maintain Payment Election Rules

- Set up payment types.
- Security:
 - *Set Up: Payment Election* domain in the Expenses functional area.
 - *Set Up: Payroll (Payment Election Rules)* domain in the Core Payroll functional area.
 - *Set Up: Payroll Interface* domain in the Payroll Interface functional area.

You can use payment election rules to define choices for receiving and making payments, such as:

- Methods of payment.
- Number of allowed payment methods.
- Number of allowed payment split distributions.

Note: For the United Kingdom, only direct deposit is valid.

You can define payment election rules for these types of payments:

- Payroll. You can define multiple rules for payroll payments.
- Payroll Interface. You can define multiple rules for payroll interface payments.
- Expense reimbursement payments. You can define only 1 rule for expense payments, which applies to all users.
- Supplier invoice payments.
- Student payments.
- Student refunds.

You can use these web services to set or retrieve payment election rules:

- *Get Payment Election Rules*
- *Put Payment Election Rule*

1. Access the **Maintain Payment Election Rules** task.
2. Add a row for each payment election rule and select the rule type.
3. As you complete the task, consider:

Option	Description
Inactive	When you set a rule to <i>Inactive</i> , it remains active where it's already in use, but is no longer available when you add or update payment elections.
Run Category	You can assign each run category to 1 rule only. Administrators can see all run categories for a person's elections, including run categories that are no longer valid.
Default / Pay Group Specific Rule	When you select <i>Payroll Interface Rule</i> from the Election Rule Type prompt, you can select either: • Specific payroll interface pay groups. • The default rule that Workday applies to users in pay groups without rules. You can assign only 1 payroll interface rule as the default rule.
Criteria for Employee Visibility	Set criteria to control who is eligible to view the pay type on the Maintain Payment Elections task. Example: If temporary workers aren't eligible for bonus payments, you can define criteria to exclude temporary workers from seeing the Bonus Payment election type.
Allowed Payment Types for Payment Elections	You can select one or more of these payment methods: • <i>Check.</i> • <i>Direct Deposit.</i> • <i>Manual.</i>
Default Payment Type for Add Initial Election	Select the default payment type to apply when Workday displays initial payment elections for this

Option	Description
	pay type. Example: <i>Direct Deposit</i> for <i>Regular</i> pay.
Allowed Payment Types for Transaction Overrides	Payment methods you can use to override payment elections when creating on-demand payments and auditing expense reports. Configure this value to make payment methods visible.
Override Payment Types for Pending Prenotes	Workday uses the override payment type when prenotes for bank accounts return <i>Pending</i> or <i>In Progress</i> statuses. Prenoting occurs when users add or change bank accounts for direct deposits. Workday only uses this override when the payment currency is USD and the payment type is selected in the Maintain Payment Election Options task.
Override Payment Types for Error Prenotes	Workday uses the override payment type when prenotes for bank accounts return the <i>Error</i> status. Workday only uses this override when the payment currency is USD and the payment type is selected in the Maintain Payment Election Options task.
Max Number of Elections	Workday limits the expense rules to 1 election. If you use ADP Check Print Connector, set this value to no more than 8.
Default Payment Type Election	Select either: • Default Payment Type - To apply when no payment election exists for the pay type. For expense reimbursement payments, include the default payment type in the Allowed Payment Types for Payment Elections prompt. • Same Default As - To use the Default Payment Type from another pay type as the default payment type for this election.

- A person can use the **Payment Elections** report to add bank information, edit allocation of payments, and remove bank accounts.
- Administrators can edit payment elections using the **Maintain Payment Elections** task.

Tasks

[Steps: Use Prenotes](#) on page 1611

[Steps: Set Up Settlement](#) on page 1590

Enable Countries for Self-Service Payment Elections

Security: *Set Up: Tenant Setup* - *Global* domain in the System functional area.

If your company pays workers in more than one country and currency, you can specify the countries in which workers can make self-serve payment elections.

1. Access the **Edit Tenant Setup - Global** task.

2. In the **Other** section, from the **Self Service Payment Election Countries** prompt, select the countries to enable.

Payment elections can include payroll and expense reimbursement pay types.

Tasks

[Steps: Set Up Currencies](#)

Reference

[Reference: Edit Tenant Setup - Global](#)

Define Payment Election Options

- Set up payment elections.
- Security:
 - *Manage: Payment Election* domain in the Expenses functional area.
 - *Worker Data: Payroll (Payment Elections)* domain in the Core Payroll functional area.
 - *Worker Data: Payroll Interface (Payment Elections)* domain in the Payroll Interface functional area.

You can define payment election options for a person to:

- Set the default country.
- Set the default currency.
- Split up payment among multiple countries and currencies.

For default country and currency, Workday uses the first available values from this list:

1. Payment election options currently defined for the person. Example: The payroll administrator sets up the worker's payment election options with Canada as their country and CAD as their currency.
2. Existing payment elections. Example: The worker has payment elections set by default with Canada as their country and CAD as their currency. When the worker relocates to another country, Workday continues to use these previously completed elections. You can select a new default country and currency for this worker.
3. Defaults defined for the primary location of the company.
4. Defaults defined for the location of the person's processing position.
5. Defaults defined for the location of the person's primary position.
6. Tenant defaults.

1. Access the **Maintain Payment Election Options** task.
2. As you complete the task, consider:

Option	Description
Allowed Country	Set up 1 or more allowed countries for the selected pay type. Example: The worker routinely splits time between company headquarters in Canada and a branch office in USA. Canada is the default country for the worker. You can set up the Regular Pay Type and enable both <i>Canada</i> and <i>USA</i> as allowed countries.
Allowed Currency	Set up another currency for the selected pay type. Example: The worker is on temporary assignment in Japan, and wants expenses reimbursed by check with Japanese Yen. You can set up the: • Expenses Pay Type with the Allowed Country set to <i>Japan</i>. • Allowed Currency set to <i>JPY</i>.

Option	Description
	Allowed Payment Types for Country / Currency set to <i>Check</i>.
Allowed Payment Types for Country/Currency	Select the payment type for which you want to allow a country or currency other than the default that would otherwise apply to this person.
Country	(Optional) Set a different default country for this person than the currently assigned default. Example: The worker's company is in Canada, but the worker's primary workplace is in France, so you can set the country to <i>France</i> .
Currency	(Optional) Set a different default currency for the person than the currently assigned default. Example: The worker's company is in Canada, but the worker's home and bank accounts are in the United States, so you can set the currency to <i>USD</i> .
Pay Type	Select the pay type that you want to split, or requires an additional country or currency override.

You can set up payment elections based on the options you configured.

The payroll administrator can set up a new default country and currency for a worker who transferred to another country. To cover the transition period when the worker's payments split between 2 countries, you can:

- Set up 1 or more pay types in the grid.
- Enable the old countries and currencies.
- Enable the new countries and currencies.

Maintain Payment Elections

- Set up payment election rules.
- Security:
 - *Manage: Student Payment Elections* domain in the Student Financials functional area.
 - *Manage: Payment Election* domain in the Expenses functional area.
 - *Worker Data: Payroll (Payment Elections)* domain in the Core Payroll functional area.
 - *Worker Data: Payroll Interface (Payment Elections)* domain in the Payroll Interface functional area.

Payment elections are maintained by:

- The person through self-service, if you enable self-service for this type of person.
- The payroll administrator or payroll partner, who can:
 - Add or upload initial payment elections.
 - Update existing payment elections for the person.
- The payroll administrator or privacy specialist, who can purge payment elections for terminated workers or others who no longer require payment elections.

For each payment election, you can specify:

- Bank account details to route direct deposits.
- A preferred payment method for each payment type for which the person is eligible.
- Distribution amounts for multiple elections, if you enable split distributions.

- Country or currency, if you enable multiple countries or currencies.

Note: You can't delete any payment elections for which the person is eligible. You can use the **Purge Person Data** task to manage the purging of personal information, including payment elections, as part of a business process.

1. (Optional) You can use the **Audit Missing Payment Elections** report to identify users with incomplete payment elections.
2. Access the **Maintain Payment Elections** report. To set up a person's initial payment elections, click **Add**.

Option	Description
Default Country	Workday displays a person's default country in which to make payments for the pay type.
Default Currency	Workday displays a person's default currency in which to make payments for the pay type. Changing the default currency, doesn't change the currency for existing payment elections. If you want to change currency, you can edit your worker's payment elections.
Preferred Payment Method	Workday displays each payment type for which the person is eligible. If you select <i>Direct Deposit</i> , the person must have at least 1 bank account.
Balance / Amount / Percent	You can select <i>Balance</i> for the distribution type if payments for this pay type aren't split. • For a flat rate distribution, you can enter 1 or more <i>Amount</i> distributions in the order in which you want them to be processed. Then select <i>Balance</i> in the bottom row to distribute any remainder. • For distribution by percentage, you can enter a <i>Percent</i> distribution. The combined percentages must equal 100 percent. You can select <i>Balance</i> in the bottom row to distribute any remainder. • You can also combine <i>Amount</i> and <i>Percent</i> distributions and set the order in which you want them to be processed. Then select <i>Balance</i> in the bottom row to distribute any remainder.

3. After you set up the person's initial payment elections, you can:

Option	Description
Add	You can set up an additional bank account to split payments, or you can move a <i>Direct Deposit</i> payment election from 1 bank account to another. Example: The worker needs to close the bank account currently set up for direct deposit and replace it with a new bank account. You add the new bank account and change the direct deposit payment election, then delete the old bank account.

Option	Description
Edit	In the Accounts grid, you can change the existing bank account details: <i>Name</i>, <i>Account Nickname</i>, <i>Account Number</i>, or <i>Routing Number</i>. When you change bank account information, Workday automatically updates all payment elections with the new account information. In the Payment Elections grid, you can change payment election from 1 payment type to another. When the payment election rules enable more than 1 election for a pay type, you can add rows and specify how to distribute the payments.
Remove	You can delete a bank account if it isn't in use by a payment election.
View	You can quickly access and review a worker's bank account information.

4. If additional pay types display under **Payment Elections Requiring Setup**, click **Add** to set them up.

Tasks

[Create Check and Advice Print Layouts Using XSLT](#) on page 1646

[Maintain Payment Election Rules](#) on page 1260

[Define Payee Bank Account Validations](#) on page 1597

[Steps: Use Prenotes](#) on page 1611

Examples

[Example: Set Up Payment Elections for Split Distributions](#) on page 1393

Deactivate Worker Payment Elections

Security: *Manage: Business Process Definitions* domain in the System functional area.

You can add a step to the *Termination* business process that deactivates payment elections for terminated workers.

Deactivating payment elections on termination can prevent payment errors if you rehire the employee.

Note: You can't delete any payment elections for which the person is eligible. You can use the **Purge Person Data** task to manage the purging of personal information, including payment elections, as part of the *Termination* business process.

1. Find the *Termination* business process, and select **Business Process > Edit Definition** from the related actions menu.
2. Add a row and order the step.
3. For **Type**, select *Service*.
4. For **Specify**, select *Deactivate Worker Payment Elections*.
5. (Optional) Add a step delay by opening the related actions menu from the *Deactivate Worker Payment Elections* step and selecting **Business Process > Maintain Step Delay**.

When you deactivate payment elections as part of the *Termination* business process:

- Workday uses the **Default Payment Type** configured in the **Maintain Payment Election Rules** task to pay the terminated worker. Example: If you terminate a worker midperiod with **Default Payment Type** as Check, Workday uses Check on their last pay.
- You can no longer view the payment elections on a worker's profile.

Note: If you configure a step delay into the *Termination* business process and rehire the employee before the step completes, Workday won't deactivate their payment elections.

You can access the **Terminate Employee** task, to end a worker's job or position.

Tasks

[Terminate Employees](#)

[Discontinue Benefits on Termination](#)

[Maintain Step Delay](#)

Expense Rate Tables

Setup Considerations: Expense Rate Tables

You can use this topic to help make decisions when planning your configuration and use of expense rate tables. It explains:

- Why to set them up.
- How they fit into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What They Are

Expense rate tables use rules, criteria, and ranges to calculate expense item amounts automatically on:

- Expense reports.
- Spend authorizations.

Business Benefits

- Calculate reimbursement amounts automatically to reduce manual effort.
- Centralize reimbursement rules to minimize review time and maintain historical data for auditing.
- Prevent payees from entering erroneous expense data that delays approval.
- Remain compliant with per diem requirements and your travel and expense policy.

Use Cases

- Apply maximum amounts to prevent payees from claiming excessive expenses.
- Calculate per diem allowances for payees on business trips.
- Control compensation for distance-based expenses, such as fuel allowance.
- Use travel destinations to determine expense reimbursement rates.

Questions to Consider

Questions	Considerations
How do you want to calculate rates for different expenses?	You can configure rate tables to calculate expense rates that are based on percentages, or: • Fixed amounts. • Graduated amounts. • Maximum amounts.

Questions	Considerations
	Depending on the number of rate tables you configure and the rate table types that you use, they can be: • Base rate tables: Primary rate tables for expense items, containing standard reimbursement rates. • Adjustment rate tables: Additional tables you associate with base tables to adjust base rates in certain scenarios. When you configure rate tables for different expenses, consider which existing expense items need rate tables and whether to configure any new expense items. When you don't configure rate tables for your expense items, Workday doesn't calculate expense item amounts automatically.
Which of your expense items use the same rates?	You can use 1 base rate table with multiple expense items when these items have the same reimbursement rates. When you don't use the same base table with expense items using the same rates, you might have to maintain and create more rate tables.
In which scenarios do you want to adjust base rates?	You can configure adjustment rate tables to increase and decrease base reimbursement rates for payees. Examples: • Decrease base per diem amounts when customers provide employees with a meal. • Increase base per diem amounts when employees travel to cities with higher living costs.
What spend thresholds does your company use?	You can set spend thresholds using the <i>Maximum</i> rate table type. You can also enable payees to exceed these thresholds so they can submit unexpected expenses, such as last-minute flight bookings.
How do you manage changing rates?	You can change effective dates on your rate tables and calculate rates using revised rules and criteria. When you change effective dates, Workday takes snapshots of your rate tables so you can: • Audit rates. • Remain compliant with legislation and your travel and expense policy.

Recommendations

- Organize lines on each rate table from most-to-least preferred. When Workday evaluates rate table lines, we apply rates using the first line that matches.
- To reduce configuration effort, set up your configurable expense item attributes and rate table rules before you create rate tables.

To prevent configuration errors, review your rate tables to avoid:

- Omitting values from a set of ranges.
- Splitting related ranges across different rate table lines.

When you import expense data into Workday, use the relevant web services in this sequence to reduce configuration effort:

- Rate table rules.
- Rate tables.
- Expense items.

Requirements

- Set up expense items for your rate tables.
- Enable rate tables for spend authorizations manually.
- Set ranges on graduated rate tables using either decimal or integer values entirely.

Limitations

You can only use Workday to edit rate tables with 1,000 lines or fewer. Use the *Import Expense Rate Table* web service to edit rate tables with more than 1,000 lines.

You can't:

- Assign adjustment rate tables to multiple expense items.
- Inactivate expense rate tables. You can group unrequired rate tables by adding prefixes to their names, such as *z - do not use*.
- Use multicurrency rate tables with expense items that have travel journals.

Tenant Setup

No impact.

Security

Domains	Considerations
<i>Set Up: Expense Item</i>	Enables you to set up: • Expense items. • Expense rate tables. • Rules for expense rate tables.
<i>View: Expense Item</i>	Enables you to view expense items, including their associated rate tables.

Business Processes

No impact.

Reporting

Reports	Considerations
View Expense Rate Table	Use to: - Track rate table information for auditing purposes, such as effective dates and rules. - View, edit, and copy expense rate tables.
View Expense Rate Table Rule	Use to view, edit, and create condition rules on expense rate tables.

Integrations

Web Services	Considerations
<i>Get Expense Rate Tables</i> <i>Get Expense Rate Table Rules</i>	Use to retrieve data for expense rate tables and rules.
<i>Import Expense Rate Table</i> <i>Put Expense Rate Table Rule</i>	Use to upload data for expense rate tables and rules.

Connections and Touchpoints

You can use rate tables to calculate expense item amounts automatically on the travel journals you use on expense reports.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Concepts

[Setup Considerations: Expense Items](#) on page 1275

[Concept: Base and Adjustment Rate Tables](#) on page 1273

[Concept: Effective Dating for Expense Rate Tables](#) on page 1274

Tasks

[Create Expense Rate Table Rules](#) on page 1271

[Set Up Expense Rate Tables](#) on page 1271

Steps: Set Up Expense Rate Tables

Security: *Set Up: Expense Item* domain in the Expenses functional area.

You can set up expense rate tables and associate them with the expense items that payees include on expense transactions. On expense rate tables, you can:

- Define the rules that evaluate expense items.
- Determine eligibility and reimbursement amounts for expense items.

- [Create Expense Rate Table Rules](#) on page 1271.
- [Set Up Expense Rate Tables](#) on page 1271.
- (Optional) [Set Up Expense Accumulators](#) on page 1291.

You can add rate tables on your expense items.

Concepts

[Concept: Effective Dating for Expense Rate Tables](#) on page 1274

Tasks

Steps: [Set Up Expense Items](#) on page 1281

Create Expense Rate Table Rules

Security: *Set Up: Expense Item* domain in the Expenses functional area.

Expense rate table rules define how to look up an applicable rate in an expense rate table to:

- Calculate a reimbursement amount.
- Validate a maximum allowed amount.

1. Access the **Create Expense Rate Table Rules** task.
2. Define each condition for the rule:

Option	Description
Source External Field or Condition Rule	You can select from delivered Workday sources or from condition rules that you've already defined.
Relational Operator	Options depend on the data type of the source.
Comparison Type	Specify whether to compare the source to another field or to a value that you enter in the Comparison Value column.
Comparison Value	Either select a comparison field or enter the value to compare to the source.

Set up expense rate tables.

Set Up Expense Rate Tables

- Define the rate table rules that you want to use to evaluate expense items.
- Security: *Set Up: Expense Item* domain in the Expenses functional area.

You can use expense rate tables to determine eligibility and reimbursement amounts for expense items on expense reports.

Examples:

- Calculate maximum allowable amounts for expense items based on location-specific criteria.
- Define requirements for mileage and fuel reimbursement amounts.
- Set up per diem eligibility and specify deductions.

1. Access the **Create Expense Rate Table** task.
2. Select from these options on the **Expense Rate Table Type** prompt:

Option	Description
Amount	Use with expense items that can have varying reimbursement amounts. Example: For <i>Meal</i> reimbursements, specify a different amount for each country you include in the expense rate table rules or criteria.
Graduated Amount	Use for reimbursement rates that are based on ranges that apply different amounts. Example: For year-to-date mileage reimbursements, specify an amount for mileage accumulated within ranges:

Option	Description
	- Between 1 - 50,000 miles, payees receive 0.43c for each mile traveled. - From 50,001 - 75,000 miles, payees receive 25c for each mile traveled.
Graduated Percent	Use for reimbursement rates that are based on different percentages of an eligible amount for the ranges you define. Example: For per diem reimbursements based on hours, specify: 25% of the full per diem amount for 1 - 4 hours. 50% for 5 - 6 hours. 100% of the per diem amount for 7 - 24 hours.
Maximum	Use to specify the maximum amount workers can spend based on the criteria you define in the expense rate table rules or criteria. Example: For location-based lodging reimbursements, specify a different maximum amount allowed for each lodging location you define.

3. Specify an **Effective Date** when you can apply the rate table on an expense report or a spend authorization.

Workday returns a blank **Effective Date** value if these dates aren't within the effective date range used by an expense rate table:

- Transaction date on the expense line.
- Start date on the spend authorization.

4. Select a value from the **Attribute to Evaluate** prompt.

Workday multiplies the value from an expense report to calculate and verify against the maximum amount.

Example: Specify the maximum amount of \$125 for a *Hotel* expense item and select *Number of Days* as the attribute to evaluate.

5. In the **Expense Rate Table** grid, consider:

Option	Description
Condition Rule or Criteria	Select a Condition Rule or Criteria to evaluate the expense item. The condition rule or criteria that you specify determines the value that Workday returns.
Ranges	(<i>Graduated Amount</i> and <i>Graduated Percent</i> only) For this Expense Rate Table Line, define the valid ranges for the expense item attribute.
Maximum Amount	Specify a maximum amount to evaluate an expense item. Note: Use a rate table if there are condition rules or criteria for the maximum amount. If there are

Option	Description
	no other attributes to evaluate, add the maximum amount on the Create Expense Item task.

When you configure a rate table, it's available for creating or updating expense items. You can use the base rate table and any adjustment rate table to:

- Calculate reimbursement rates.
- Verify the maximum allowable amounts for expenses.

Your company needs multiple per diem reimbursement rates for meals in different countries and currencies. Set up an expense item and rate table for *Meals - International Per Diem* using the *Amount* rate table type:

Condition Rule/Criteria	Country	Amount	Currency
Criteria	United Kingdom	50	GBP
Criteria	Germany	60	EUR
Criteria	Czechia	1,360	CZK
Criteria	United States	75	USD
Condition	Other Countries	70	USD

- To create adjustments for a base rate table, define adjustment rate tables in the **Create** or **Edit Expense Item** task.
- To create a new rate table for a different expense item that requires similar rules, select **Copy** from the related actions menu of an expense rate table.

Example: You have a complex rate table for location-based lodging and your company opens a new international office. Copy the *Lodging* rate table, specify a name such as *International Location Lodging*, and select *Eur* as the **Default Currency**. You then can modify the rule conditions to calculate this expense item.

- You can use each rate table for only 1 expense item. This rule applies to both adjustment and base rate tables.

Concepts

[Concept: Effective Dating for Expense Rate Tables](#) on page 1274

Tasks

[Steps: Set Up Expense Items](#) on page 1281

Concept: Base and Adjustment Rate Tables

To control spend, you can set up a base rate table and specify standard reimbursement rates for an expense item. You can associate adjustment rate tables with base rate tables to change reimbursement rates for expense payees as required.

You can use different rate table types as base rate tables, adjustment rate tables, or both:

Rate Table Type	Use As
Amount	• Base rate tables • Adjustment rate tables
Graduated Amount	
Graduated Percent	Adjustment rate tables
Maximum	Base rate tables

Example: Deduct Meal Expenses

You use a base rate table with your *Domestic Travel* expense item, allocating a 70 USD per diem allowance to employees who travel to New York. You also use an adjustment rate table to deduct 15 USD each time employees receive a free meal during the business trip.

Example: Increase Travel Expenses

You use a base rate table with your *International Travel* expense item, allocating a 50 EUR per diem allowance to employees who travel to French cities. You also use an adjustment rate table to add 20 EUR to the base amount when employees travel to European capital cities. This gives workers who travel to Paris a daily allowance of 70 EUR.

Concepts

[Setup Considerations: Expense Rate Tables](#) on page 1267

Tasks

[Steps: Set Up Expense Rate Tables](#) on page 1270

[Create Expense Rate Table Rules](#) on page 1271

[Set Up Expense Rate Tables](#) on page 1271

Concept: Effective Dating for Expense Rate Tables

The effective date for an expense rate table is the date that you configure on the rate table for an expense item. You can create effective-dated rate changes without creating new expense items and expense rate tables. Workday sets all expense rate tables created before the effective dating feature release with the effective date of 1900-01-01.

Workday uses the expense rate table based on either:

- The transaction date of the expense report line.
- The start date of the spend authorization.

You can use an expense item such as mileage from year to year when you create an expense rate table with a new effective date. Each version of an expense rate table must always have the same criteria such as a list of travel cities for per diem rates.

You don't have to maintain multiple versions of expense items when you add an effective date on an expense rate table. When workers create or edit an expense report, they can specify an expense item and Workday determines the correct reimbursement rate based on the transaction date. If you copy an expense rate table, you must link the rate table to its own expense item because you can only use an expense rate table once for each expense item.

Workday displays a history of your updates on the **Effective Date History** tab of the **View Expense Rate Table** report.

Example: Hotel Rates

Global Modern Services uses the GSA hotel rates and in some cities the GSA rate changes during the year. The hotel rate for Paris is 250 EUR from 2014-10-01 to 2015-05-31. As of 2015-06-01, the rate goes up to 300 EUR and then the rate goes back to 250 EUR beginning 2015-09-01.

The administrator accesses the **Edit Expense Rate Table** task and selects the *International Hotel Rates by City* expense rate table and specifies a new **Effective Date** to create a new version of the rate table with the effective date 2015-09-01.

Expense Items

Setup Considerations: Expense Items

You can use this topic to help make decisions when planning your configuration and use of expense items. The topic explains:

- Why to set them up.
- How they fit into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What They Are

Expense items enable you to define the transactions that payees make on:

- Spend authorizations, when requesting preapproval of spend.
- Expense reports, when submitting incurred expenses.

You can associate rate tables with expense items so that Workday can calculate amounts automatically on expense transactions. You can also link expense items together and organize them into a hierarchy. Payees can then use multiple expense items on expense lines to capture detailed cost breakdowns.

You can also make configurations on expense items for specific business needs, such as configurations for distance-based expenses and per diem requirements.

Business Benefits

- Capture specific information for tax requirements.
- Categorize expenses by policy, type, and spend category for reporting purposes.
- Comply with legislation and company policies that relate to per diem expenses.
- Limit spending to reduce project costs and remain within budget.
- Map travel data to expense items to prevent expense transaction errors.
- Speed up reimbursement by calculating expense transaction data automatically.
- Track expense item trends and plan for future costs by using analytics, auditing, and reporting.

Use Cases

- Calculate expense reimbursements for distances traveled.
- Capture detailed cost breakdowns on expense lines and travel journals.
- Link expense items with allowance plans to allocate reimbursements, such as monthly gym membership.
- Recover everyday expenses, such as office supplies, taxis, and team lunches.
- Reimburse expenses using rates that are based on travel destinations.
- Set maximum daily amounts to prevent overspending.
- Split hotel bills into multiple components to collect tax information.
- Track costs for individual tasks within projects.

Questions to Consider

Questions	Considerations
Which methods do you use to calculate expense amounts?	You can prevent overspending by limiting the amount that payees can enter on expense items by using: • Allowance plans. • Different amount types, such as fixed or maximum amounts. You can also enable payees to exceed: • Specified maximum amounts. • Spend limits on allowance plans. For variable expenses such as taxi fares, you can enable users to specify amounts on expense items manually. You can configure rate tables and associate them with expense items to enable Workday to calculate expense item amounts automatically. You can base your rate table calculations on: • Amounts, such as maximum allowable amounts. • Percentages, which enable you to calculate amounts that change in increments over time for variable expenses, such as mileage. You can also set rules on your rate tables to validate reimbursement amounts based on additional criteria, such as travel destinations.
What expense data do you require from workers?	You can add attributes on expense items to capture additional data from workers. You can use: • Configurable attributes, which enable you to gather company-specific expense information. • Workday-delivered attributes, which enable you to capture more standard types of expense information. You can also set expense item attributes as optional or mandatory on expense transactions. You can link multiple expense items together to form a parent-child relationship between them, which enables you to capture detailed cost breakdowns on: • Expense itemization level. • Travel journals. When workers don't itemize expense items or use travel journals, you might have less expense data for reporting.
Who do you want to access expense items?	You can use segmented security to enable only some workers to use particular expense items,

Questions	Considerations
	which prevents inaccurate and unauthorized expense claims.
Which expenses require additional approval?	To route transactions with specific expense items to additional reviewers and approvers, you can configure additional approval on these business processes: • <i>Expense Report Event</i> • <i>Spend Authorization</i> Example: You want additional approval from senior management when payees claim expenses for international conferences.
What per diem requirements do you have?	You can meet per diem requirements by: • Configuring specific criteria on your rate tables and rate table rules. • Enabling travel journal functionality on expense reports. You can also configure per diem amounts that exceed the legally required minimum. Example: You can reimburse a higher per diem amount when employees travel to cities with higher living costs.
When do you make partial per diem reimbursements?	When you use base rate tables with per diem expense items, you can add adjustment rate tables to adjust reimbursement amounts. You can make these adjustments as fixed amounts or percentages. Example: When employees receive free meals on business trips, you can deduct 20% from the standard per diem reimbursement amount.
What data inconsistencies does your company see on expense transactions?	You can configure specific attributes to enable payees to enter values only once on expense reports. Workday then calculates and populates related data on travel journal lines to reduce inconsistency. Example: You include the <i>Number of Hours</i> attribute on a rate table and workers enter departure and arrival times on the expense report line. Workday then calculates and populates the <i>Number of Hours</i> field on each travel journal line. You can also prevent workers from editing the values that Workday calculates on the <i>Number of Hours</i> field.

Recommendations

- Add instructional text on expense items to provide additional context to workers.
- Limit the number of attributes that you add on expense items, for reduced manual entry.
- Use transaction tax rules instead of default tax applicability on multicurrency expense items. You can use different tax rules for rates for different travel destinations.

- To reduce configuration effort, configure transaction tax rules and related worktags before you create expense items to capture information for auditing, accounting, and reporting.
- Workday doesn't calculate estimated distances for round trips and multideestination trips. Instead, capture each leg of your trip on separate expense lines.

For child expense items, use a naming convention that includes *z - do not select* in the expense item name. Example: *z - do not select - per diem - meals*. This naming convention:

- Groups child expense items together at the bottom of the list on the **Expense Item** prompt.
- Helps workers to avoid selecting child per diem expense items inadvertently.

Requirements

For all expense items:

- Create spend categories before you create expense items.
- Unrestrict the expense items that you configure.

For distance-based expense items:

- Enable the functionality by opting in on the **Innovation Services Opt-In** task.
- Set up *Amount* or *Graduated Amount* rate tables that include your distance-based rates.

Limitations

You can't:

- Associate more than 1 expense item with each allowance plan.
- Set up prompts as configurable expense item attributes.
- Use more than 5 of each of the configurable expense attribute types that Workday provides.

For distance-based expense items, Workday doesn't:

- Consider current traffic data when determining routes.
- Display map images that include your routes and origin and destination points.
- Exclude toll roads when determining routes.
- Provide alternate routes, but workers can enter trips distance values manually.

With per diem expense items, you can't:

- Configure multicurrency rate tables.
- Split taxable and nontaxable amounts.
- Submit expense report lines with zero amounts.

Tenant Setup

In the **Expenses Option** section on the **Edit Tenant Setup - Financials** task, you can set default tax to populate tax code and tax applicability on expense items.

When you set this functionality, you don't have the ability to inactivate it.

Security

Domains	Considerations
<i>Access Expense Item (Segmented)</i> in the Expenses functional area.	Enables you to control who can access specific expense items. You can use the All Users security group to grant all workers access to the expense items that you don't secure to security segments. Example:

Domains	Considerations
	Expense items for fitness reimbursement that all workers use.
<i>Expenses Segmented Setup</i> in the System functional area.	Enables you to restrict and unrestrict expense items.
<i>Set Up: Expense Item</i> in the Expenses functional area.	Enables you to configure: • Expense items. • Expense item policies and groups. • Expense rate tables. • Rules for expense rate tables.
<i>View Expense Item</i> in the Expenses functional area	Enables you to view a summary of expense items.

Business Processes

No impact.

Reporting

Reports and Dashboards	Considerations
Expense Item Group report	Displays existing expense item groups so you can identify: • Which groups are currently in use. • The expense items that make up each group.
Expense Management dashboard	Displays: • Expense item trends by fiscal period. • The most commonly used expense items. This information can help you budget and plan for future spend.
View Expense Item report	Displays expense item configurations so you can quickly identify the updates you want to make.
View Expense Item Security Segment report	Displays security segments for expense items and expense policy groups.
View Expense Policy Groups report	Displays expense policy groups so you can determine which policies are currently in use.

You can use the **Expense Items** report data source to verify your expense item configurations, such as:

- Security segments.
- Spend categories.
- Reimbursement types.

Integrations

You can use these web services to upload and retrieve expense item data:

- *Get Expense Items*
- *Put Expense Item*

You can use these web services to upload and retrieve expense report and spend authorization data, including expense item data:

- *Get Expense Rate Tables*
- *Get Expense Reports*
- *Get Spend Authorizations*
- *Import Expense Rate Table*
- *Put Expense Rate Table*
- *Submit Expense Report*
- *Submit Spend Authorization*

You can also use an integration that enables Workday to call the Google Maps API to populate estimated distances on expense lines to calculate reimbursement amounts.

Connections and Touchpoints

Features	Considerations
Allowance Plans	You can associate specific expense items with allowance plans to prevent overspending. Example: A quarterly allowance for employees to cover their office commute.
Projects	You can associate expense items with specific projects to track: • Overall project costs. • Specific costs within projects. You can also use expense item data on projects to help reduce spending.
Rate Tables	You can configure rate tables to evaluate expense items and determine reimbursement amounts and eligibility. You can also apply rules to rate tables to validate reimbursement amounts using specific criteria, such as the countries that payees travel to.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Concepts

[Setup Considerations: Worktags](#)

[Setup Considerations: Transaction Tax Rules](#) on page 432

[Concept: Expense Item Attributes](#) on page 1294

[Concept: Parent and Child Expense Items](#) on page 1296

Tasks

[Steps: Set Up Expense Rate Tables](#) on page 1270

[Steps: Set Up Security for Expense Items](#) on page 1281

[Create Expense Items](#) on page 1284

Reference

[The Next Level: Per Diems and Travel Journal](#)

[Workday Community: Expenses - Segment Security](#)

Steps: Set Up Expense Items

- Review setup considerations for expense items.
- Create spend categories and category hierarchies.
- Set up the expense rate tables that you plan to use with expense items.
- Set up worktags at expense report and spend authorization transaction level.

You can create expense items to define the transactions that payees make on expense reports and spend authorizations. You can link rate tables to expense items so that Workday calculates reimbursement amounts automatically. Example: You can calculate reimbursement amounts based on the rates that you set for different travel destinations.

1. (Optional) Access the *Maintain Expense Policy Groups* task.

Create expense policy groups so that you can associate them with expense items. You can then assign policy groups to security segments to restrict expense item availability.

Security: *Set Up: Expense Item* domain in the Expenses functional area.

2. (Optional) Access the *Maintain Expense Item Group* task.

Create expense item groups to organize expense items into subcategories on expense transactions.

Security: *Set Up: Expense Item* domain in the Expenses functional area.

3. (Optional) [Configure Related Worktags](#).

Select *Expense Item* as your worktag type and add related worktags on the **Allowed Worktag Types** grid. You can then capture additional data at expense line level for more detailed accounting and reporting.

Security: *Set Up: Enable Worktags* domain in these functional areas:

- Common Financial Management
- Worktags

4. (Optional) Access the *Enable Configurable Expense Item Attributes* task.

To capture company-specific information, you can customize up to 5 of some types of expense item attributes.

Security: *Set Up: Expense Item* domain in the Expenses functional area.

See [Concept: Expense Item Attributes](#) on page 1294.

5. (Optional) Create values for the Workday-delivered attributes that you want to add on expense items.

Example: Create a list of airlines that payees can select from on the *Airline* attribute.

See [Reference: Expense Item Attribute Values](#) on page 1297.

6. [Create Expense Items](#) on page 1284.

7. Configure security for expense items.

See [Steps: Set Up Security for Expense Items](#) on page 1281.

From the related actions menu of expense items, select **Expense Item > Copy** to create new expense items with similar details. Example: You can create multiple versions of expense items for different years.

Concepts

[Concept: Parent and Child Expense Items](#) on page 1296

Tasks

[Steps: Set Up Expense Rate Tables](#) on page 1270

[Create Spend Categories](#)

[Create Basic Worktags](#)

Steps: Set Up Security for Expense Items

Create expense items.

You can use security segments to make expense items available to all payees or restrict the items to subsets of payees, such as executives and managers. You can include expense items on 1 or more security segments, and can include:

- A combination of individual and grouped expense items.
- All expense items in an expense policy group.
- Individual expense items.

Examples: You want to restrict expense items for:

- First-class airfare to C-level executives.
- Mobile phone charges for sales team members.
- Payees in specific regions.

1. Access the [Create Expense Item Security Segment](#) task.

Create security segments for each of your access requirements. For efficiency, we recommend that you create segments from the least to the most restrictive.

Security: *Expenses Segmented Setup* domain in the System functional area.

2. [Create Segment-Based Security Groups](#).

3. [Edit Domain Security Policies](#).

To activate your segment security policy for expense item transactions and reporting:

- Select *Expenses* on the **Functional Area** prompt.
- Select the *Access Expense Item (Segmented)* category.
- Remove the *All Users* default security group.
- Add your segment-based security groups.

4. [Activate Pending Security Policy Changes](#).

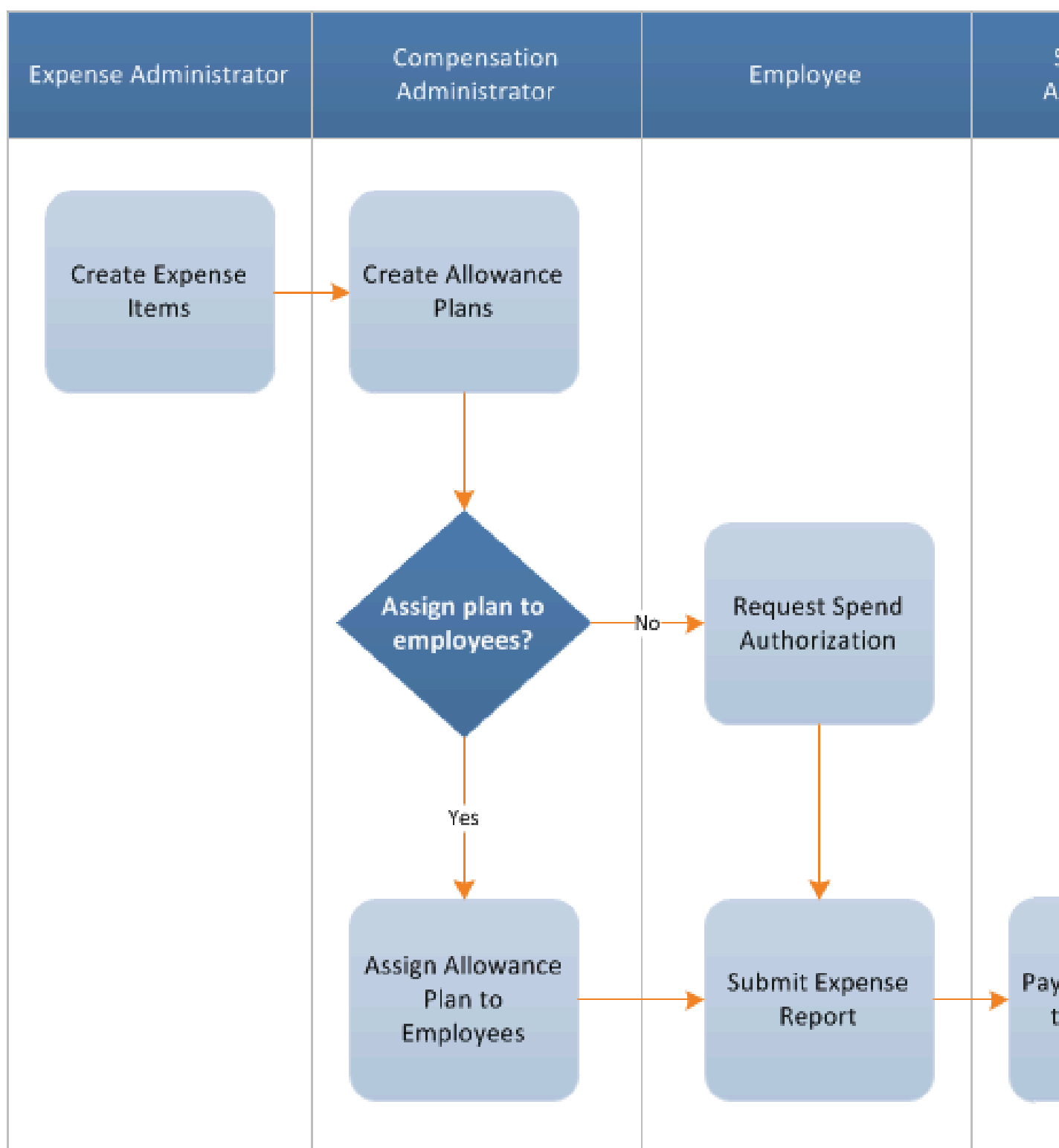
To delete security segments from security groups, access the **Delete Expense Item Security Segment** task.

Concepts

[Concept: Security Groups](#)

Steps: Manage Reimbursable Accounts

You can link allowance plans to expense items and pay them out after you approve the expense report. This diagram illustrates the process flow for managing reimbursable allowance plans:



1. Create an expense item for reimbursement accounts with an **Expense Item Amount Type** of **Based on Allowance Plan**.
See [Steps: Set Up Expense Items](#).
2. [Create Allowance Plans](#).
Select **Reimbursable**.
3. [Roll Out Compensation Plans to Employees](#).

4. (Optional) [Create Spend Authorizations](#).

Employees without an assigned reimbursable allowance plan must create a spend authorization and select the **Expense Item** associated with an **Allowance Plan**. Employees must then submit their expenses for approval and allowance plan assignment.

5. [Create Expense Reports](#).

6. [Create Manual Settlement Runs](#).

After you approve expense reports with reimbursement account expense items, include them in a settlement run to reimburse employees.

7. (Optional) Access the **View Reimbursable Allowance Plan Activity** report.

Review an employee's activity for an assigned reimbursable allowance plan. You can configure this report to display on **View Worker**, **Worker Profile**, and **Talent Profile**.

Security (in the Core Compensation functional area):

- *Self-Service: Compensation*
- *Worker Data: Compensation by Organization*

Tasks

[Terminate Employees](#)

[Discontinue Benefits on Termination](#)

Create Expense Items

Security: *Set Up: Expense Item* domain in the Expenses functional area.

You can configure expense items for use on expense reports and spend authorizations to enable payees to provide specific information on expense transactions.

You can add attributes on expense items to gather additional information from payees. You can also associate rate tables with expense items to calculate reimbursement amounts automatically to help control spend.

You can configure expense items to meet specific business needs, such as:

- Distance-based expense items, which calculate reimbursement amounts automatically for distances that payees travel.
- Per diem expense items, which enable payees to provide detailed cost breakdowns for business trips.

1. Access the **Create Expense Item** or **Edit Expense Item** task.

2. As you complete the **Summary** section, consider:

Option	Description
Search Keywords	Enter alternate words that payees can use to search for expense items. Ensure that you separate each word with a comma.
Expense Policy Group	Select from the expense policy groups that you create on the Maintain Expense Policy Groups task to associate expense items with specific travel and expense policies. You can then assign policy groups and their items to security segments to restrict expense item availability to specific payees.
Expense Item Group	Select from the expense item groups that you create on the Maintain Expense Item Group task to display subcategories on the Expense Item prompt on: • Expense reports.

Option	Description
	- Spend authorizations. You can also use expense item groups to: - Post expense lines to specific ledger accounts. - Report on groups of similar expense items.
Default Tax Applicability	Select which default tax applicability to associate with the expense item when Workday can't find matching tax rules for it. See Steps: Set Up Taxes for Expense Reports on page 1317.
Inactive	Select to prevent payees from selecting the expense item on future expense reports and spend authorizations. When you inactivate expense items, Workday doesn't remove them from existing expense reports and spend authorizations. Example: Inactivate your <i>Mileage</i> expense item from last year so that payees don't use it on future expense transactions.

If you configure per diem expense items, consider:

Option	Description
Per Diem	Select to identify expense items as per diem expense items in your custom reports. When you select this check box, you can use custom validations to notify payees that they're using the same date multiple times on a per diem item. Workday selects this check box automatically when you enable travel journal functionality, and you can't clear it.
Enable Travel Journal	Select to enable travel journal functionality when payees select the expense item on expense reports. When you enable this functionality, the expense item that you're creating becomes a parent expense item. See Concept: Parent and Child Expense Items on page 1296. When payees select the parent item and enter departure and arrival dates, Workday displays a travel journal on the expense line. Payees can enter per diem expenses on their travel journal, which Workday uses to calculate daily reimbursement amounts.
Travel Journal Item	Select which child expense item to associate with the parent expense item. Workday then displays all attributes from the child expense item on the travel journal, but doesn't display the child item itself.
Travel Journal Configured as	<i>24-Hour Periods</i> : Calculates per diem reimbursements over a 24-hour period, beginning

Option	Description
	from the trip start time. Example: A trip beginning at 11:00 populates the first travel journal line, and ends at 10:59 the next day. <i>Calendar Days:</i> Calculates per diem reimbursements from midnight of the calendar date that you select, until midnight of the next calendar date.
Rounding Option for Hours	Select whether to round minutes up or down to the closest hour or half hour so that Workday can calculate per diem reimbursement amounts.
Non Editable Number of Hours	Select to prevent payees from editing the Number of Hours field on travel journal lines. Don't select this check box when you want to enable payees to edit the number of hours for their trip. Example: Payees who take half a day off in the middle of their trip.

3. As you complete the **Processing** section, consider:

Option	Description
Expense Item Amount Type	Actual Amount: Enables payees to enter amounts on expense lines manually. Based on Allowance Plan: Enables you to associate expense items with an employee allowance plan. See Steps: Manage Reimbursable Accounts. Maximum Line Amount and Maximum Daily Amount: Set a maximum allowable amount against the expense item on each expense line, or set a maximum allowable amount for an entire calendar date. When you select these options with the: • Use Fixed/Max Expense Amount option, the maximum line, or daily amount applies to all payees in all scenarios. • Use Expense Rate Table option, Workday uses rules and criteria from the associated rate table to calculate amounts. Example: You enter 100 EUR on a travel-related expense item and select Italy as your travel destination. However, the associated rate table permits a maximum of 80 EUR for payees who travel to Italy. Fixed Amount: Sets a fixed and noneditable amount against the expense item when payees select the item on expense lines. When you use this option with the: • Use Fixed/Max Expense Amount option, the fixed line amount always remains the same.

Option	Description
	• Use Expense Rate Table option, Workday uses rules from the associated rate table to calculate the noneditable amount.
Expense Item Calculation	Select a method by which to calculate the amount types that you select in the Expense Item Amount Type section. You can use the Use Expense Rate Table and Use Fixed/Max Expense Amount options only with these options: • Fixed Amount • Maximum Daily Amount • Maximum Line Amount You can use the None of the above option only with these options: • Actual Amount • Based on Allowance Plan
Enable Rate Tables for Spend Authorizations	Select to enable the rate table associated with the expense item when payees select the item on spend authorizations. When you select this check box, you might restrict the amount that payees can submit on their spend authorizations. Example: You set a maximum of 800 USD on your rate table, but the payee estimates an expense of 1000 USD on their spend authorization. Select the Allow Overage check box to enable payees to submit spend authorization amounts exceeding the maximum amounts you define.
Multiply Per Diem by Number of Days on Spend Authorization	Note: Select this check box only when instructed to do so by Professional Services.
Quantity and Per Unit Amount Not Enterable	Select to inactivate the Quantity and Per Unit Amount fields on the expense item, which can help ensure accurate expense data. Example: Select this check box on your <i>Conference</i> expense item to prevent payees from entering costs for multiple conferences on 1 expense line.
Allow Overage	Select to enable payees to submit amounts exceeding the maximum amount that you set on the expense item.

4. As you complete the **Expense Item Attributes** section, see [Concept: Expense Item Attributes](#) on page 1294, and also consider:

Option	Description
Display Arrival Date before Departure Date	Select to ensure that payees enter their trip start date in the Arrival Date field, and their trip end date in the Departure Date field.
Non Editable Number of Days	Select to prevent payees from editing the Number of Days field on travel journal lines. Don't select this check box when you want to enable payees to edit the number of days for their trip. Example: Payees who travel on multiday business trips and take time off in the middle of their trip.
Expense Report: Required Spend Authorization: Required	Select these check boxes to ensure that payees provide information on your expense item attributes. Don't select these check boxes for configurable boolean attributes.

5. On the **Related Worktags** tab, you can add worktags on expense items to capture additional data at expense line level.
6. On the **Rate Tables** tab, you can add rate tables and accumulators on expense items to calculate reimbursement amounts using rates.

Note: We reset the accumulated amount on an expense item when you change the attribute to evaluate on its associated rate table. When you want to change the attribute to evaluate, we recommend creating a new expense item instead of editing an existing item that's using an accumulator.

7. On the **Hotel Itemization Mapping** tab, you can associate hotel charges with expense items for more detailed cost breakdowns.
8. As you complete the **Distance Calculation** tab, consider:

Note: To display these attributes for configuration, access the **Innovation Services Opt-In** task and select the *Distance Calculation for Expenses* service on the **Available Services** tab in the Financials category.

Option	Description
Origin Address Destination Address Estimated Distance of Driving Route	Select to enable payees to enter origin and destination addresses for their driving routes on expense reports and spend authorizations. To help ensure that distance-based expense data is complete and accurate, you can only enable these attributes as a set. When payees enter addresses, Workday uses Google Maps to provide an estimated distance on the expense line. Workday then uses the estimated distance and rates from the associated rate table to calculate reimbursement amounts. You can use only <i>Amount</i> and <i>Graduated Amount</i> rate table types with distance-based expense items.

Option	Description
Trip Distance Including Diversions	Select to enable payees to enter distances different from the estimated distances that Google Maps provides. Examples: When payees take alternate routes because of traffic diversions, or to avoid toll roads. When you enable this attribute alongside other distance-based attributes, Workday automatically populates this attribute with the estimated distance on expense lines, but payees can edit the field. If you don't opt in to distance-based expense items, you can still enable Trip Distance Including Diversions as a standalone attribute so that payees can enter trip distances manually.
One-Way Daily Commute Distance	Select to subtract commute distances from trip distances or estimated distances. You can use this attribute only when you enable 1 or both of these attributes: • Estimated Distance of Driving Route • Trip Distance Including Diversions
Round Trip	Select to designate trips as round trips on a single expense line, which doubles the distance to expense. You can use this attribute only when you enable 1 or both of these attributes: • Estimated Distance of Driving Route • Trip Distance Including Diversions
Distance to Expense	Calculates the distance to expense after subtracting the daily commute distance. When you designate a trip as a round trip, Workday doubles the distance to expense automatically. You can't enable this attribute manually. Workday adds the attribute on your expense item when you select 1 or both of these attributes: • One-Way Daily Commute Distance • Round Trip

Configure security permissions for your expense items.

Concepts

[Setup Considerations: Expense Items](#) on page 1275

[Concept: Expense Item Currencies](#) on page 1296

Tasks

[Configure Related Worktags](#)

[Itemize Hotel Expenses](#) on page 1292

[Set Up Expense Rate Tables](#) on page 1271

[Set Up Expense Accumulators](#) on page 1291

Reference

[The Next Level: Per Diems and Travel Journal](#)

Create Per Diem Expense Items for Travel Journals

- Review setup considerations for expense items.
- Review [Concept: Parent and Child Expense Items](#) on page 1296.
- Set up base and adjustment rate tables for your child expense item.
- Security: *Set Up: Expense Item* domain in the Expenses functional area.

You can make specific configurations on expense items to designate them as per diem expense items and meet local per diem requirements.

To use per diem items on expense reports, you create 2 expense items and link them together. One expense item acts as the parent item, which you select at expense line level. The other expense item acts as the child item, whose attributes display within a travel journal section on the expense line.

Payees can use travel journals to enter cost breakdowns for their daily travel expenses. Workday then uses the expense data that payees enter, and any associated rate tables, to calculate per diem reimbursements automatically.

1. Access the **Create Expense Item** task.

- a) On the **Item Name** prompt, enter a name that discourages payees from selecting the child expense item at expense line level. Example: *z - do not select - Travel Journal Item - France*.
- b) In the **Processing** section, select these options:

- **Fixed Amount**
- **Use Expense Rate Table**

- c) Don't select these check boxes:

- **Per Diem**
- **Enable Travel Journal**

- d) In the **Expense Item Attributes** grid, add the attributes that you want to display in the **Travel Journal** section on expense reports.

Note: Child expense items must include any attributes that you set on associated rate tables. Ensure that you also set these attributes as required.

Note: To ensure that Workday can calculate per diem amounts automatically, add these attributes on parent expense items as required, but not on child items:

- *Arrival Date*
- *Arrival Time*
- *Departure Date*
- *Departure Time*

- e) On the **Rate Tables** tab, select the base rate table that you want to associate with your child expense item. You can also associate adjustment rate tables with your base table.

2. Access the **Create Expense Item** task again.

- a) As you configure your parent expense item, ensure that you select:

- The **Enable Travel Journal** check box.
- Your child expense item on the **Travel Journal Item** prompt.
- A travel journal type on the **Travel Journal Configured as** prompt.
- A rounding option on the **Rounding Option for Hours** prompt.

- b) In the **Processing** section, select the **Quantity and Per Unit Amount Not Enterable** check box to inactivate these fields on expense reports. These options don't apply on parent expense items.

- c) On the **Expense Item Attributes** grid, add the *Arrival Date* and *Departure Date* attributes.

Workday generates a **Travel Journal** section on the expense report line when payees:

- Select the parent expense item.
- Enter departure and arrival dates.

On the travel journal, we display the attributes that you configure on the child expense item, but not the child item itself. When payees populate these attributes, Workday calculates reimbursement amounts automatically.

Configure segmented security so that only specific payees can access per diem expense items.

Concepts

[Setup Considerations: Expense Items](#) on page 1275

Tasks

[Create Expense Items](#) on page 1284

Reference

[The Next Level: Per Diems and Travel Journal](#)

[Workday 32 What's New Post: Per Diem](#)

[Workday 32 What's New Post: Per Diem - Part 2](#)

Examples

[Example: Create Per Diem Expense Items for Calendar Day Travel Journals](#) on page 1398

[Example: Create Per Diem Expense Items for 24-Hour Period Travel Journals](#) on page 1401

Set Up Expense Accumulators

- Set up the *Graduated Amount* or *Graduated Percent* rate tables that you plan to add on your expense items. See: [Set Up Expense Rate Tables](#) on page 1271.
- Security: *Set Up: Expense Item* domain in the Expenses functional area.

You can add an accumulator on an expense item to track reimbursement amounts as they accumulate over a specified time frame. When payees use an expense item with an accumulator, Workday checks the accumulated amount and calculates reimbursement using rates from the associated rate table.

You can use accumulators for whole calendar months or years. You can also set custom start dates to align accumulators with company-specific schedules, such as a fiscal year that begins on February 1 instead of January 1.

Example: You add an accumulator on your *Distance Traveled* expense item. Workday checks the accumulator each time the payee uses the expense item, and calculates reimbursement using your defined rate table ranges:

- 0.70 USD for each of the first 5,000 miles.
- 0.50 USD for each mile between 5,001-10,000 miles.
- 0.35 USD for each mile that exceeds 10,000 miles.

1. Access the **Create Expense Item** or **Edit Expense Item** task.

2. In the **Processing** section, select:

- **Fixed Amount**
- **Use Expense Rate Table**

3. On the **Rate Tables** tab, select an accumulator type from the **Expense Accumulator** prompt.

Note: We reset the accumulated amount on an expense item when you change the attribute to evaluate on its associated rate table. When you want to change the attribute to evaluate, we recommend creating a new expense item instead of editing an existing item that's using an accumulator.

4. If you select an accumulator with a custom start date, enter a start date on the **Accumulator Start Date** field.

The expense item amount starts accumulating from the date that you specify. The accumulated amount resets to zero from the beginning of the next period, such as the first date of the next calendar month or year.

Tasks

[Create Expense Items](#) on page 1284

Itemize Hotel Expenses

- Create up to 6 expense items so that you can map them to your hotel expense item.
- Security: *Set Up: Expense Item* domain in the Expenses functional area.

On the **Create Expense Item** and **Edit Expense Item** tasks, you can use the **Hotel Itemization Mapping** tab to link your hotel expense item with other expense items. You can map the linked expense items to these Workday-delivered hotel charge types to capture detailed cost breakdowns:

- *Daily Hotel Service 1*
- *Daily Hotel Service 2*
- *Daily Room Rate*
- *Daily Room Tax*
- *Other Tax 1*
- *Other Tax 2*

1. Access the **Create Expense Item** or **Edit Expense Item** task.
2. On the **Expense Item Attributes** grid, add the *Arrival Date* and *Departure Date* attributes, which Workday uses to calculate the number of nights for the hotel stay.
3. Select the **Expense Report: Display to User** and **Expense Report: Required** check boxes.
4. On the **Hotel Itemization Mapping** tab, map expense items to hotel charge types. You can add 1 expense item to each charge type and up to 6 expense items in total.

Example: To capture additional hotel-related expense information, you add the:

- *Internet Fees* expense item to the *Daily Hotel Service 1* charge type.
- *Parking* expense item to the *Daily Hotel Service 2* charge type.

When payees select your hotel expense item on expense reports, Workday displays an **Itemization** section that contains your mapped expense items and their attributes.

Concepts

[Concept: Expense Item Attributes](#) on page 1294

Tasks

[Create Expense Items](#) on page 1284

Set Up Travel Cities

- Configure the *Travel City* expense item attribute on relevant expense items.
- Security: *Set Up: Expense Item* domain in the Expenses functional area.

Set up travel cities for reporting purposes and to help manage the travel spend for your organization. Use travel cities in:

- Expense reimbursement rate tables.
- Custom validations.
- Expense item attributes.
- Reports.

1. Access the **Maintain Travel Cities** task and add a new city name in the **Name** field.
2. (Optional) Select the **Country** for this city.
3. (Optional) Select the **Travel Region** such as state or province for this country.

4. (Optional) Enter 1 or more alternate names your workers use for this city to help them find it in Workday.
Alternate city names match downloaded credit card transaction file and travel booking record data in Workday.
- When workers select credit card transactions or travel booking records in expense report lines, Workday populates travel cities from the integration file.
- Workers can use country attribute groups you define to find *Destination Location* and *Origination Location* attributes.

Set Up Airlines, Hotels, and Car Rental Agencies

- Configure expense items with the corresponding expense item attributes.
- Security: *Set Up: Expense Item* domain in the Expenses functional area.

You can configure airlines, hotels, and car rental agencies to help manage travel spend for your organization.

If you download expense integration files, you can configure the codes and alternate names to match the names you define for:

- Airlines.
- Hotels.
- Car rentals.

1. Access these tasks:

- **Maintain Airlines**
- **Maintain Hotels**
- **Maintain Car Rental Agencies**

2. Enter each new airline, hotel, or car rental agency in the **Name** field.

3. (Optional) If you use credit card transaction integration files, select the unique corresponding 4-digit Merchant Category Code (MCC) from the **Merchant Code** prompt to ensure the most accurate match.

4. (Optional) Enter 1 or more alternate names your workers use to find this expense item. Use a comma to separate multiple alternate names for an expense item.

Alternate names enable Workday to use smart matching to find and match names from integration files to the names you define.

If you download travel booking record files, Workday recommends that you set up the global 2-letter travel merchant code as an alternate name for each merchant. Your travel booking inbound data automatically will map to the merchants you define.

When workers select credit card transactions and travel booking records in expense reports, Workday populates matched expense item details for:

- Airlines.
- Hotels.
- Car rental agencies.

Set Up Service Classes

- To implement the travel booking integration feature, ask your corporate travel provider for the specific class of service identifiers it uses in travel integration downloads.
- Use the **Create Expense Item** task to add the *Class of Service* or *Classes of Service* expense item attribute to expense items.
- Security: *Set Up: Expense Item* domain in the Expenses functional area.

You can create 1 or more service classes for each travel type for reporting purposes and to help manage travel spend, including:

- Airfare
- Car rental
- Hotel accommodations
- Rail
- Other travel types

1. Access the **Maintain Class of Service** task.
2. As you complete the task, consider:

Column	Description
Value	Specify the value for this class of service. Example: • Select <i>Economy</i> for the <i>Air</i> travel type. • Select <i>Conference Lodging</i> for the <i>Hotel</i> travel type.
Travel Type	Associate a class of service with this travel type when workers use them on expense reports.
Description	Displays to workers on expense report lines with the <i>Class of Service</i> attribute.

If you mapped the class of service identifiers from:

- Travel provider inbound data, inbound travel booking records populate the class of service in expense report lines.
- Credit card integrations, inbound credit card transactions with trip leg data populate both class of service and classes of service in expense report lines with unique identifiers.

Workers select a class of service on applicable expense report lines and credit card transactions.

Set Accumulator Balances in Travel Profiles

- Set up expense items with accumulators.
- Configure worker travel profiles.
- Security: *Process: Expense Report – Other* domain in the Expenses functional area.

You can manually define starting balances for expense item accumulators when you implement Workday after the accumulated period starts.

1. Access the **View Travel Profile** report.
2. As a related action on a worker travel profile, select **Travel Profile > Maintain Expense Item Accumulator Balances**.
3. Select each **Expense Item** that requires a **Beginning Balance** and enter the **Balance Application Date**.

Tasks

[Create Travel Profiles](#) on page 1317

Concept: Expense Item Attributes

You can add attributes on expense items so that payees provide additional information on expense reports and spend authorizations.

You can use configurable attributes to collect company-specific information. You can also use Workday-delivered attributes, some of which you create specific values for. Example: You create a list of airline companies for the *Airline* attribute. See [Reference: Expense Item Attribute Values](#) on page 1297.

You can also add attributes on rate tables and make these attributes available to payees. Workday uses the attribute information that payees provide to calculate reimbursement. Example: You add the *Destination Location* attribute on your *Hotel* expense item. When payees select a destination, Workday calculates reimbursement using location-based rates on the associated rate table.

Configurable Attributes

You can use the **Enable Configurable Expense Item Attributes** task to customize up to 5 each of certain expense item attribute types, such as:

Attribute Type	Example
Boolean	You rename <i>Configurable Boolean 1</i> to <i>Missing Receipt</i> so that payees can specify when expense reports don't include receipts. Don't set configurable boolean attributes as required on expense transactions.
Date	You rename <i>Configurable Date 1</i> to <i>Payment Date</i> so that payees can specify the date on which they pay in advance for team events. Note: Date-type configurable attributes don't activate travel journal functionality on per diem expense items. To generate travel journals, use the Workday-delivered <i>Arrival Date</i> and <i>Departure Date</i> attributes.
Numeric	You rename <i>Configurable Numeric 1</i> to <i>Number of Guests</i> so that payees can specify how many nonworkers attend a team event.
Text	You rename <i>Configurable Text 1</i> to <i>Tax ID</i> so that payees can provide additional tax information.

Map Attributes

To populate data on expense transactions automatically, you can map some attributes to merchant code names and travel cities that originate from:

- Credit card transactions.
- Travel booking records.

Group Attributes

You can use the **Maintain Expense Item Attribute Groups** task to group values for some expense item attributes. Workday then displays the grouped values on attribute prompts on expense transactions.

Examples:

- You create a *French Travel* attribute group for the attributes that you want payees to select from when they travel to France.
- Your company negotiates room rates with multiple hotel chains. You create a *Preferred Company Hotels* attribute group that payees can select from on their expense reports.

Delete Attributes

You can use the **Edit Expense Item** task to delete attributes from existing expense items. On the task, clear the **Expense Report: Display to User** and **Spend Authorization: Display to User** check boxes,

which remove attributes from future expense transactions. When you delete attributes, Workday doesn't remove attribute values from existing expense transactions.

Reference

[Workday 32 What's New Post: Configurable Expense Item Attributes](#)

Concept: Parent and Child Expense Items

You can link multiple expense items and organize them into a hierarchy, enabling payees to use 2 or more expense items on an expense line. In this hierarchy, you select the parent item at expense line level and its child items in:

- An **Itemization** section, to capture detailed cost breakdowns for accounting and reporting.
- A travel journal, to calculate per diem reimbursements for accuracy and compliance.

Example: Itemization

Brian travels on a business trip that includes a hotel stay totaling 300 USD. You create a parent *Hotel* expense item and these associated child items:

- *Daily Room Rate*
- *Daily Room Tax*
- *Internet Fees*

When Brian selects the parent item, he can enter costs for each child item on the **Itemization** section of the expense report.

Example: Travel Journals

Nicola travels on a multiday business trip and her per diem allowance is 80 EUR. You create a parent *Per Diem - European Travel* expense item and associated child item with attributes for breakfast, lunch, and dinner.

When Nicola selects the parent item and populates required attributes, Workday generates a travel journal. Nicola can enter her meal expenses and Workday calculates her per diem allowance.

Concepts

[Setup Considerations: Expense Items](#) on page 1275

Tasks

[Steps: Set Up Expense Items](#) on page 1281

[Create Per Diem Expense Items for Travel Journals](#) on page 1290

Examples

[Example: Create Per Diem Expense Items for Calendar Day Travel Journals](#) on page 1398

[Example: Create Per Diem Expense Items for 24-Hour Period Travel Journals](#) on page 1401

Concept: Expense Item Currencies

The expense items that you create require currencies to define their monetary value. You can use the **Create Expense Item** and **Edit Expense Item** tasks to set currencies on your expense items.

When expense item and transaction currencies differ, Workday converts the expense item currency to the transaction currency. Between the time of expense transaction submission and payment, expense item currencies can change in value, which might lead to realized gains and losses.

Example: You expense an item for 5 USD to your UK company, which uses GBP. When you create an expense report, Workday converts the 5 USD to the transaction's current 2.5 GBP value. As exchange rates fluctuate, when your company pays the 2.5 GBP the amount converts to either:

- 4.5 USD, resulting in a foreign currency exchange loss.
- 5.15 USD, resulting in a foreign currency exchange gain.

Concepts

[Concept: Multicurrency](#) on page 23

Tasks

[Create Expense Items](#) on page 1284

Reference: Expense Item Attribute Values

You can create values for certain expense item attributes, which then display as options that payees can select from on attribute prompts on:

- Expense reports.
- Spend authorizations.

You can also map data from credit card transactions and travel booking records to certain attributes. Workday then populates values on expense attributes automatically when the values originate from these transactions.

Attributes	Tasks and Reports	Details
<i>Airline</i> <i>Car Rental Agency</i> <i>Hotel</i>	Maintain Airlines Maintain Car Rental Agencies Maintain Hotels Security: <i>Set Up: Expense Item</i> domain in the Expenses functional area.	You can map the airlines, car rental agencies, and hotels that you create to merchant codes from: • Credit card transactions. • Travel booking records. When payees add 1 of these transactions on their expense reports, Workday uses the merchant code to populate values on the corresponding expense item attributes. If you download travel booking record files, Workday recommends setting up the global 2-letter travel merchant code as an alternate name for each merchant. Your travel booking inbound data automatically maps to the merchants that you define.
<i>Class of Service</i> <i>Classes of Service</i>	Maintain Class of Service	See Set Up Service Classes on page 1293.
<i>Destination Location</i> <i>Origination Location</i>	Maintain Airports Maintain Travel Cities Security: <i>Set Up: Expense Item</i> domain in the Expenses functional area.	
<i>Engine Capacity</i> <i>Fuel Type</i> <i>Vehicle Plan</i> <i>Vehicle Type</i>	Maintain Engine Capacities Maintain Fuel Types Maintain Vehicle Plans Maintain Vehicle Types	

Attributes	Tasks and Reports	Details
	Security: <i>Set Up: Expense Item</i> domain in the Expenses functional area.	
<i>Invoice Types</i>	Maintain Invoice Types by Country Security: <i>Set Up: Tax</i> domain in the Common Financial Management functional area.	To comply with government requirements, you can create invoice types that payees can use on: • Expense reports. • Spend authorizations. • Supplier invoices. See Steps: Set Up Supplier Invoices on page 1162.

Concepts

[Concept: Expense Item Attributes](#) on page 1294

[Concept: Parent and Child Expense Items](#) on page 1296

Tasks

[Create Expense Items](#) on page 1284

FAQ: Expense Items

When might I use the Maximum Amount expense rate table on an expense item?

- To define multiple maximum amounts.
- To share an expense item across multiple locations, or when there are different maximum amounts for different organizations and locations.
- When you have condition rules or criteria that determine the maximum amount.

When might I set Maximum Line Amount or Fixed Amount on an expense item?

- When the maximum or fixed amount and currency don't change, and is the same for all payees who can access the expense item.
- When there are no other attributes to evaluate to determine the maximum or fixed amount.

What's the difference between the Maximum Line Amount and Maximum Daily Amount options?

Maximum Line Amount enables you to limit the amount that workers enter against an expense item on each expense line.

Maximum Daily Amount enables you to set a daily limit on expense items used on 1 or more:

- Expense reports.
- Expense report lines.

Can I add rate-based expense items on quick expenses?

Workday doesn't support the ability to add rate-based expense items, such as mileage, on quick expenses.

Tasks

[Steps: Set Up Expense Rate Tables](#) on page 1270

Setting Up Expense Reports

Setup Considerations: Intercompany Expense Report Processing

You can use this topic to help make decisions when planning your configuration and use of intercompany processing on expense reports. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

With support for intercompany processing on expense reports, in Workday you can:

- Expense or itemize individual lines to different companies from the header company on expense reports.
- Settle expense reports across multiple companies.

Business Benefits

- Streamlines how you create, submit, and settle expense reports.
- Eliminates the need to create individual expense reports for each company.

Use Cases

When you configure intercompany processing for expense reports:

- Employees can include expenses charged to multiple different companies on a single expense report.
- Sales executives can split their expenses across multiple companies that they visit on 1 trip on a single expense report.
- Hospital and university physicians can bill their expenses across both their companies on 1 expense report.
- Employees in a multicampus university, where each campus is an individual company, can expense transactions to each company.

Questions to Consider

Questions	Considerations
Do you want to generate accounting between companies at the transaction or contract level? Does your company have direct intercompany contracts configured?	If your company has set up direct intercompany contracts, you can continue to use your configuration to generate accounting against contracts. However, if you want to generate accounting between companies at the transaction level with expenses, you can configure intercompany processing for expense reports.
Is there a need to report on value added tax (VAT) expenses between companies within the same VAT group?	You can configure your tax groups based on your tax reporting requirements so that companies within a group can have an intercompany relationship

Questions	Considerations
	with each other. Workday then enables workers to select between companies within the same VAT group. If the companies don't require VAT reporting on expenses, workers can select from companies that have an intercompany agreement.

Recommendations

- To prevent accounting errors, don't remove or edit intercompany profiles when the expense report is in the approval or settlement process.
- To enable workers to select from companies within the same VAT group, configure VAT groups and effective dates.

Requirements

No impact.

Limitations

If your company uses:

- Spend authorizations, Workday doesn't support intercompany processing on expense reports when you link spend authorizations on expense lines and itemizations.
- Credit cards, Workday only enables you to select between the expense report header company and the credit card company on expense lines and itemizations.

Tenant Setup

No impact.

Security

Configure the *Set Up: Company General* domain in the Common Financial Management functional area for workers that need to:

- Configure expense options for individual companies.
- View individual company reporting.

Domains	Considerations
<i>Business Process Administration and Manage: Business Process Definition</i> in the System functional area	Users can configure the <i>Expense Report Event</i> business process definition to include the intercompany review process.
<i>Set Up: Company General</i> in the Common Financial Management functional area	Users can: • Configure expense options for individual companies. • View individual company reporting.

Business Processes

Add the *Initiate Expense Report Intercompany Event* action step on the *Expense Report Event* business process to:

- Hold the affiliate company on the expense lines and itemizations accountable for the workers spend.

- Initiate the approval process for the company on the expense report lines or itemizations to notify them of the expenditure.

If the intercompany approver denies the intercompany lines, they deny the entire expense report.

Reporting

No impact.

Integrations

Integrations	Considerations
<i>Put Company</i>	Use to enable or disable intercompany expense report processing in your expense company options.
<i>Submit Expense Report</i>	Use to submit expense reports for intercompany expense reports.

Connections and Touchpoints

Feature	Considerations
Financial Accounting	Workday processes and generates the accounting for the intercompany expense report, including companies with balancing worktags configured. Workday uses your balancing worktag configuration to ensure the generated accounting balances by worktag for the applicable expense transactions.
Financial Transaction Tax	You can bill expenses between companies belonging to the same VAT group on intercompany expense reports.
Projects	You can: • Use capital project worktags on intercompany expense reports to expense or capitalize costs as assets. • Settle and generate intercompany accounting for capital project transactions on expense reports.
Settlement	You can settle and process intercompany expense reports.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Concepts

[Concept: Intercompany Transactions](#) on page 50

Tasks

[Steps: Set Up Expense Report Intercompany Processing](#) on page 1319

Reference

[Workday 33 What's New Post: Intercompany Processing for Expense Reports](#)

Setup Considerations: Candidate Expense Reports

You can use this topic to help make decisions when planning your configuration and use of candidate expense reports. It explains:

- Why to set them up.
- How they fit into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What They Are

You can enable workers to create expense reports on behalf of candidates to reimburse them for incurred expenses.

Business Benefits

- Analyze candidate expense data to make more informed decisions for HR initiatives.
- Eliminate manual workarounds, such as ad hoc payments and use of noncandidate payee types.
- Expedite reimbursement by routing candidate expense reports to specific reviewers and approvers.
- Reduce data duplication by centralizing candidate expense data in Workday.
- Track and report on recruiting costs for greater spend control.

Use Cases

- Reimburse candidates who incur recruitment costs, such as flights to interview sites and hotel stays.
- Report on job requisition totals, such as total costs for supplier invoices and candidate expenses.
- Submit expense reports that include multiple payee types, such as candidates and employees who attend the same team lunch.

Questions to Consider

Questions	Considerations
What expense data do workers manage?	You can configure segmented security to enable workers to access only candidate expense data. When you enable segmented security, workers with: • Constrained security can work only with candidate expense data and job applications for the companies they can access. • Unconstrained security can access expense data and job applications for candidates associated with all companies in their tenant. When you don't enable segmented security, constrained and unconstrained workers can select all nonworker payee types, including candidates, on the Create Expense Report for Non-Worker task. However, without the adequate security permissions, workers won't have the ability to select specific nonworkers on the Pay To prompt.

Questions	Considerations
How do you manage credit card transactions for candidates?	Although candidates don't use corporate expense credit cards, you can reassign credit card transactions to them to expense costs incurred on their behalf. When you reassign credit card transactions to candidates, Workday displays the transactions on their expense reports so you can select them for inclusion. When you don't reassign credit card transactions to candidates, your custom and standard reports might contain limited expense data, which can affect your ability to analyze total spend.
What expense report data can you purge for candidates?	When you select the <i>Financials – Expense Reports</i> purgeable data type on the Purge Person Data task, Workday purges: - Any memos on the expense report header and line items. - The file, filename, and comments on any attachments.

Recommendations

- For accurate reporting, enable the Job Requisition worktag type on expense reports to track cost totals for job requisitions.
- When evergreen job requisitions don't have an associated manager or supervisory organization, configure calculated fields to route expense reports to other reviewers and approvers.

Requirements

- Assign workers with constrained security access to the required companies so that they can access candidate data and associated job applications.
- To submit expense reports on behalf of candidates, add expense payments as an option on their payment elections.

Limitations

Candidates don't have the ability to create their own expense reports in Workday.

We don't provide a *Candidate* worktag for use on expense reports. Instead, you can use these report fields to report on candidate expenses:

- Expense Payee Type**
- Expense Report Payee**

Workday doesn't support:

- Confidential job requisitions on candidate expense reports.
- Spend authorizations and cash advances for candidates.

Tenant Setup

No impact.

Security

Domains	Considerations
<i>Candidate Data: Candidate Expenses</i> in the Recruiting functional area.	Enables you to create expense reports for candidates and associate job applications with candidate expenses.
<i>Process: Credit Card</i> in the Common Financial Management functional area.	Enables you to reassign credit card transactions to candidates.
<i>Process: Expense Reports</i> in the Expenses functional area.	Enables you to manage expense reports and related reporting. You can configure segmented security on this domain to enable workers to access only candidate data on expense tasks and reports.
<i>Manage: Payment Election</i> in the Expenses functional area.	Enables you to manage payment elections on behalf of candidates.

Business Processes

You can configure the *Expense Report Event* business process to route candidate expense reports for review and approval. You can also route candidate expense reports to specific reviewers and approvers.

Reporting

Reports	Considerations
Find Credit Card Transactions	Use to view credit card transactions you reassign to candidates.
Find Expense Report Lines for Organization	Use to view expense report lines for candidates by organization.
Find Expense Reports	Use to view expense reports you create for candidates.
Find Payments	Use to view candidate expense payments: • For auditing purposes. • To review payment statuses.
Maintain Worktag Usage	Use to enable the Job Requisition worktag type on expense reports and supplier invoices. To make manual corrections on journal entries related to expense reports and supplier invoices, you can also enable the Job Requisition worktag type on: • Accounting journals. • Ad hoc bank transactions.

When you enable segmented security, you can use these report data sources and their filters to create custom reports with candidate expense data only:

- **Expense Report Lines and Itemizations**
- **Expense Report Lines for Company**
- **Expense Reports for Company**

You can configure multiple security segments to enable workers to access expense data for multiple payee types on custom reports. Example: Create a custom report that includes candidate and student expense data, but not expense data for external committee members.

Integrations

Web Services	Considerations
<i>Get Expense Reports</i>	Use to retrieve data for candidate expense reports. When you enable segmented security, you can use this web service to retrieve expense data only for candidates.
<i>Get Payments</i>	Use to retrieve data for candidate expense payments.
<i>Get Settlement Run Custom Filters</i> <i>Put Settlement Run Custom Filter</i>	Use to upload and retrieve data for the custom filters you create for candidate settlement runs.
<i>Get Payment Election Options</i> <i>Put Payment Election Option</i>	Use to upload and retrieve payment election options for candidate expenses.
<i>Submit Expense Report for Non-Worker</i>	Use to upload data to submit expense reports for candidates. When you enable segmented security, you can use this web service to upload expense data only for candidates.
<i>Submit Settlement Run</i>	Use to upload data to settle and reimburse candidate expenses.

Connections and Touchpoints

Features	Considerations
Accounting	Workday automatically generates a <i>Job Requisition</i> worktag on accounting journal lines associated with candidate expense reports and their job applications. We generate this worktag only on spend journals, not on journals related to: • Liabilities. • Payables. • Payments.
Settlement	You can create: • Custom filters for settlement runs for candidates. • Settlement runs to settle and reimburse candidate expenses.
Supplier Accounts	You can enable the Job Requisition worktag type on supplier invoices to capture more detailed cost totals for job requisitions.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Tasks

Steps: [Set Up Expense Reports](#) on page 1310

Steps: [Enable Workers to Create Expense Reports for Nonworkers](#)

[Create Segment-Based Security Groups](#)

Steps: [Create Expense Reports for Nonworkers](#)

Reference

Reference: [Purgeable Data Types](#)

[2022R1 What's New Post: Expense Reporting for Candidates](#)

[Workday 32 What's New Post: Reassign Expense Credit Card Transactions](#)

Setup Considerations: Student Expense Reports

You can use this topic to help make decisions when planning your configuration and use of student expense reports. It explains:

- Why to set them up.
- How they fit into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What They Are

Workday enables you to create and submit expense reports on behalf of students to reimburse them for their incurred expenses.

Business Benefits

- Analyze and report on student expenses for greater spend control.
- Eliminate manual workarounds, such as ad hoc payments and use of nonstudent payee types.
- Expedite reimbursement by routing only student expense reports to reviewers and approvers.
- Reduce data duplication by centralizing student expenses in a single location.

Use Cases

- Process expense reports on behalf of external and matriculated students.
- Reassign transactions from corporate credit cards to include the transactions on student expense reports.
- Restrict access to student data so that workers can process and report on student expenses only.

Questions to Consider

Questions	Considerations
What security access do workers need?	You can configure segmented security to enable workers to access only student expense data. When you enable segmented security, workers with: • Constrained security can access only expense data for students affiliated with the academic units for which the workers have permissions.

Questions	Considerations
	Unconstrained security can access only student expense data, for all companies in their tenant. When you don't enable segmented security, constrained and unconstrained workers can access expense data for all payee types.
Which payment elections do students have?	You can only submit expense reports on behalf of students who have expense payments as an option on their payment elections. You can: - Add expense payments to payment elections on behalf of external and matriculated students. - Enable matriculated students to add expense payments to their own payment elections. When students have multiple Workday profiles and you update payment elections on 1 profile, Workday updates the other profiles automatically.
How do you manage the expenses students incur on corporate cards?	You can reassign credit card transactions manually to students when they incur expenses on corporate credit cards. Workday then displays the reassigned transactions on student expense reports so you can select them for inclusion.

Recommendations

- Add worktags on student expense reports manually, to ensure accurate financial transactions.
- Reassign credit card transactions to students to ensure that expenses incurred on corporate credit cards display on student expense reports.
- When multiple students have the same name, enter unique student IDs on expense reports to ensure you claim expenses for the correct student.
- When students also have an employee profile in Workday, ensure that you use their student profile for student-based expenses to avoid accounting and approval issues.

Requirements

To enable workers with constrained security to access student data, assign the workers to the relevant student academic units.

You can only submit expense reports on behalf of students who have expense payments as an option on their payment elections.

Limitations

Students don't have the ability to create their own expense reports in Workday.

We don't support spend authorizations and cash advances for students.

Tenant Setup

No impact.

Security

Domains	Considerations
<i>External Student Data: Student ID</i> in the Personal Data functional area.	Enables you to access IDs for external students.
<i>External Student Data: Student Public Reports</i> in the Staffing functional area.	Enables you to access public information for external students. To manage payment elections for external students, use this domain and the <i>Manage: Payment Election</i> domain.
<i>Manage: Payment Election</i> in the Expenses functional area.	Enables you to manage payment elections on behalf of external students. To manage payment elections for external students, use this domain and the <i>External Student Data: Student Public Reports</i> domain. Use this domain when you don't use Workday Student Financials.
<i>Manage: Student Payment Elections</i> in the Student Financials functional area.	Enables you to manage payment elections on behalf of matriculated students. Use this domain when you use Workday Student Financials.
<i>Process: Expense Reports</i> in the Expenses functional area.	Enables you to manage expense reports and related reporting. You can configure segmented security on this domain to enable workers to access only student data on expense tasks and reports.
<i>Self-Service: Student Financials</i> in the Student Financials functional area.	Enables students to manage their payment elections.
<i>Student Data: Student ID</i> in the Student Core functional area.	Enables you to access student IDs in Workday.
<i>Student Data: Student Profile</i> in the Student Core functional area.	Enables you to access student information in Workday.

Business Processes

You can configure the *Expense Report Event* business process to route student expense reports for review and approval.

You can use the **Expense Report Pay To is Student** report field to route only student expense reports to specific reviewers and approvers.

Reporting

Reports	Considerations
Find Credit Card Transactions	Use to view credit card transactions you reassign to students.

Reports	Considerations
Find Expense Reports	Use to view expense reports you create for students.
Find Expense Report Lines for Organization	Use to view expense report lines for students by organization.
Find Negative Reimbursable Expense Reports	Use to view expense reports that include negative reimbursable amounts for students who incur personal expenses on corporate cards.
Find Payments	Use to view student expense payments: • For auditing purposes. • To review payment statuses.

When you enable segmented security, you can use these report data sources to create custom reports that include only student expense data:

- **Expense Reports for Company**
- **Expense Report Lines and Itemizations**
- **Expense Report Lines for Company**

Integrations

Web Services	Considerations
<i>Get Expense Reports</i>	Use to retrieve data for student expense reports. When you enable segmented security, you can use this web service to retrieve expense data only for students.
<i>Get Payments</i>	Use to retrieve data for student expense payments.
<i>Get Settlement Run Custom Filters</i> <i>Put Settlement Run Custom Filter</i>	Use to upload and retrieve data for the custom filters you create for student settlement runs.
<i>Submit Expense Report for Non-Worker</i>	Use to upload data to submit expense reports for students. When you enable segmented security, you can use this web service to upload expense data only for students.
<i>Submit Settlement Run</i>	Use to upload data to settle and reimburse student expenses.

Connections and Touchpoints

Features	Considerations
Accounting	Workday automatically generates a <i>Student</i> worktag on the accounting journals associated with approved expense reports.

Features	Considerations
Payment elections	To submit expense reports on behalf of students, add expense payments as an option on student payment elections.
Settlement	You can create: • Settlement runs to settle and reimburse student expenses. • Custom filters for student settlement runs.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Tasks

[Steps: Manage Expense Reports](#) on page 1326

[Steps: Create Expense Reports for Nonworkers](#)

[Create Segment-Based Security Groups](#)

[Maintain Payment Elections](#) on page 1264

Reference

[What's New Post: Expense Reporting for Students](#)

[What's New Post: Reassign Expense Credit Card Transactions](#)

[The Next Level: External Student Functionality in HCM](#)

[The Next Level: Migrating from External Student to Student](#)

[The Next Level: Tips & Tricks for Loading External Students](#)

Examples

[Example: Enable Segment-Based Security for Student Expenses](#) on page 1408

Steps: Set Up Expense Reports

You can enable workers to create expense reports that detail the expenses they incur. You can also enable workers to create expense reports on behalf of other workers.

1. Create expense items for workers to use on their expense reports.
See [Steps: Set Up Expense Items](#) on page 1281.
2. Configure segment-based security to restrict the availability of expense items.
See [Steps: Set Up Security for Expense Items](#) on page 1281.
3. [Define Business Purposes](#) on page 1316.
4. (Optional) [Create Travel Profiles](#) on page 1317.
5. (Optional) Enable workers to create and submit expense reports on behalf of another worker.
See [Set Up Delegations](#).
6. [Create Organization Membership Security Groups](#).
Assign workers to the appropriate Organization Types and Security Group Types so they can create expense reports for other workers.
7. Configure the *Expense Report Event* business process and security policy in the Expenses functional area.
See [Steps: Configure Business Process Definitions](#).
8. (Optional) Hide or require optional fields on the *Expense Report Event* business process.
See [Hide or Require Optional Fields](#).
9. Set up tax code and tax applicability defaults for items on expense reports.
See [Steps: Set Up Taxes for Expense Reports](#) on page 1317.

10.(Optional) Set up budget checking for expense reports.

See [Steps: Configure Budget Checking for Spend Transactions](#).

11.(Optional) Set up accounting for expense reports that have negative reimbursable amounts.

See [Steps: Set Up Accounting for Negative Reimbursable Expense Reports](#) on page 1320.

12.(Optional) Configure expense reports to process intercompany expenses.

See [Steps: Set Up Expense Report Intercompany Processing](#) on page 1319.

13.(Optional) Set up expense reports for workers with multiple positions.

a) Access the **Maintain Feature Opt-Ins** report.

Opt in to the **Expense Report Routing for Workers with Multiple Positions** feature.

b) Access the **Edit Tenant Setup - Financials** task.

To populate the location worktag based on the position you select in the expense report header, select **Default Worker Location on Spend Transactions** in the **Procurement Options** section.

c) [Steps: Set Up Security Permissions](#).

Add workers who create expense reports on behalf of other workers to the *Process: Expense Reports* domain in the Expenses functional area.

14.(Optional) Access the **Edit Spend Transaction Instruction** task.

Create instructions for expense reports.

Security:

- *Set Up: Expenses Processing* in the Expenses functional area.
- *Set Up: Procurement* in the Procurement functional area.

Workers can:

- Create expense reports for themselves, including expense reports for specific positions if they hold more than 1 position.
- Create expense reports on behalf of other workers, including workers who hold more than 1 position.
- Expense lines and itemizations to different companies on a single expense report.

Enable workers to create expense reports on behalf of nonworkers.

Concepts

[Setup Considerations: Transaction Tax Rules](#) on page 432

Tasks

[Steps: Manage Expense Reports](#) on page 1326

[Steps: Set Up Project Tracking](#) on page 973

Reference

[Reference: Expense Report Review and Approve Business Processes](#) on page 1325

[Workday 33 What's New Post: Intercompany Processing for Expense Reports](#)

[2022R2 What's New Post: Expense Report Routing for Workers with Multiple Positions](#)

Steps: Enable Workers to Create Expense Reports for Nonworkers

- Set up expense reporting.
- Review setup considerations for nonworker expense reports.

You can enable workers to create and submit expense reports on behalf of these nonworker types as they don't typically have access to Workday:

- Candidates.
- External committee members (ECMs).
- Students.

1. [Steps: Set Up Security Permissions.](#)

Add workers to the *Process: Expense Reports* domain in the Expenses functional area and 1 or more of these domains so they can create expense reports for nonworkers:

Nonworker	Domains
Candidate	<i>Candidate Data: Candidate Expenses</i> in the Recruiting functional area.
ECM	<i>Committees: View</i> in the Organizations and Roles functional area.
Student	For matriculated students, these domains in the Student Core functional area: • <i>Student Data: Student ID</i> • <i>Student Data: Student Profile</i> For external students: • <i>External Student Data: Student ID</i> in the Personal Data functional area. • <i>External Student Data: Student Public Reports</i> in the Staffing functional area.

2. (Optional) [Create Segment-Based Security Groups.](#)

Configure which nonworker types display on the **Create Expense Report for Non-Worker** task.

3. (Optional) [Customize the Expense Report Event Business Process.](#)

Use these report fields to route nonworker expense reports to specific reviewers and approvers:

- **Expense Report Pay To is Candidate**
- **Expense Report Pay To is External Committee Member**
- **Expense Report Pay To is Student**

4. (Optional) Access the **Maintain Worktag Usage** report.

In the **Expense Report** section, enable the Job Requisition worktag type to select *Job Requisition* worktags manually on these tasks:

- **Create Expense Report**
- **Create Expense Report for Non-Worker:** ECMs and students only
- **Create Expense Report for Worker**

When you add nonworkers on the **Attendees** prompt on these tasks, you can use the *Job Requisition* worktag to associate attendee expenses with job requisitions. Example: You create an expense report for an employee lunch that a candidate also attends.

Note: Workday always automatically includes *Job Requisition* worktags on journal lines for candidate expense reports that you create on the **Create Expense Report for Non-Worker** task. You can't remove these worktags as they help ensure accurate accounting and reporting.

Security: *Set Up: Enable Worktags* domain in these functional areas:

- Common Financial Management
- Worktags

5. (Optional) [Define Settlement Run Custom Filters.](#)

Create custom filters for the settlement runs that you make for nonworkers.

6. (Optional) Access the **Reassign Expense Credit Card Transactions** task.

Reassign credit card transactions to nonworkers to include the transactions on their expense reports.

Security: *Process: Credit Card* domain in the Common Financial Management functional area.

- Add expense payments on payment elections for nonworkers.
- Create nonworker expense reports and itemize expense lines.

Concepts

[Setup Considerations: Candidate Expense Reports](#)

[Setup Considerations: Student Expense Reports](#) on page 1306

[Concept: External Committee Members](#)

[Concept: Worktags](#)

Tasks

[Steps: Create Expense Reports for Nonworkers](#)

Reference

[2022R1 What's New Post: Expense Reporting for Candidates](#)

[2021R2 What's New Post: Expense Reporting for Students](#)

[Workday 32 What's New Post: Reassign Expense Credit Card Transactions](#)

Examples

[Example: Enable Segment-Based Security for Student Expenses](#) on page 1408

Customize the Expense Report Event Business Process

Security: These domains in the System functional area:

- *Business Process Administration*
- *Manage: Business Process Definitions*

Customize the *Expense Report Event* business process and add actions as workflow steps to help you:

- Audit and approve expense reports.
 - Ensure that expense reports comply with the travel and expense policies for your organization.
1. From the related actions menu of the *Expense Report Event* business process, select **Business Process > Edit Definition**.
 2. Consider including 1 or more of these report steps on the business process:

Option	Description
Credit Card Personal Charges	Identifies expense report lines or line itemizations that are personal charges on a corporate credit card.
Credit Card Transactions Not Expensed	Finds loaded credit card transactions not included on an expense report.
Expense Audit Work Area	Use to: • Gain visibility into expenses by reporting category and payment category. • Analyze spend by drilling down to multidimensional details from reports and graphs.
Expenses Exceeding Maximum Amount	Lists expense report lines or line itemizations that exceed the maximum allowed amount defined for the expense item. This report excludes expense report lines or itemizations marked as personal.
Expense Report Lifecycle	Use to identify milestone dates for expense reports such as expense report date, submitted date, and approved date.

Option	Description
Expense Report Pay To is Candidate Expense Report Pay To is External Committee Member Expense Report Pay To is Student	Use to route expense reports for each of these nonworker types to specific reviewers and approvers.
Expenses With Attendees	Use to retrieve expense report lines or expense itemizations where workers include attendees as an expense item attribute.
Expenses Without Receipt	Use to find expense report lines: - Without the Receipt Included check box selected, fixed amount items, and electronically loaded credit card items. - With the Receipt Included check box selected, but the corresponding expense report doesn't include attachments.
Find Cardholder Listing Files	Use to: - Review all cardholders listed. - Identify and correct individual credit cards that don't have an employee mapped.
Find Credit Card Transaction Files	Use to: - View expense credit card transactions for 1 or more employees. - Audit and identify transactions not submitted through an expense report or procurement card verification.
Find Expense Reports	Finds expense reports matching the criteria that you specify.
Find My Team's Expense Reports	Finds expense reports for members of your team matching the criteria that you specify.
Find Spend Authorizations	Finds spend authorizations matching the criteria you specify.
Find Worker Credit Cards	Finds worker credit cards matching the criteria that you specify.
Find Worker Credit Card Purges	Finds credit card purge runs matching the criteria you specify.
Maintain Payment Elections	Use to create or review payment elections for payroll, expense, and payroll interface pay types. From this report, you can modify bank account information and payment elections.
My Expense Reports	Use to view your expense reports and their details.
My Expense Transactions	Use to view your credit card transactions and their details such as date, description, status, and amount.

Option	Description
No Expense Report Submitted	Use to find workers who: • Haven't submitted expense reports within a specified time period. • Don't have any expense reports with a submitted date in the reporting period range you specify.
Out of Pocket Expenses	Displays expense report lines where employees paid out-of-pocket and have reimbursable amounts owed.
Top Expense Items	Use to view expense amount and corresponding percentage of total for top expense items for a company. Amounts are displayed in the reporting currency configured for your company. Access multiple dimensions for viewing details such as <i>Expense Item for Billable Transactions</i> and <i>Cost Centers</i> .
View Business Purposes	Use to view the usage count and title for all defined business purposes. You can edit a business purpose from its related actions menu.
View My Guests	Use to view: • The guests listed as attendees on expense reports. • The number of expense line items that include this guest as an attribute. You can also edit your guest names, titles, and companies.
View Payment Elections	Use to create or review worker payment elections for payroll, expense, and payroll interface pay types. From this report, you can modify bank account information and payment elections.
View Spend Transaction Instruction	Use to view instructions for spend transactions for the specified company. You can edit the instructions from the related actions menu.
View Travel Profile	Use to view worker travel preferences, vehicle information, and attached documents.
Wait for Expense Protect Inference	Use this Expense Protect service step to route expense reports based on risk score. You can configure this service step to skip approvals or require additional approvals. See Route Expense Reports Based on Risk on page 1342.

3. (Optional) Select **Business Process > Maintain Advanced Routing** from the related actions menu of a step on the *Expense Report Event* business process.
Configure advanced routing options for the step.

4. (Optional) Select **Business Process > Maintain Related Links by Definition** from the related actions menu of the *Expense Report Event* business process.

Configure related links. Include http:// or https:// in the URL.

Tasks

[Edit Business Processes](#)

Define Business Purposes

Security: *Set Up: Expense Item* domain in the Expenses functional area.

You can define business purposes for:

- Accounting.
- Expense reporting.
- Spend analysis.

You can also remove the **Business Purpose** field from expense reports when:

- Your organization doesn't use business purposes for expense reporting.
- You don't define any business purposes.

1. Access the **Maintain Business Purposes** task.
2. Add a row for each business purpose and include:

Column	Description
Value	Enter a value for workers to characterize the business purpose for this expense report. You can associate business purposes with ledger accounts to help automate accounting.
Inactive	Select to inactivate a business purpose from future use on expense reports.
In Use	Workday selects this option after a worker selects the business purpose on an expense report, when the worker: • Saves the expense report. • Submits the expense report. Once a worker uses a business purpose, you can't delete it but you can inactivate it.

Workers can select business purposes in expense reports to categorize their expenses. To enable the **Business Purpose** field in expense reports, define at least 1 business purpose.

When you define the *Business Purpose* dimension on the *Spend* account posting rule, the accounting posts to the corresponding ledger account for expense report transactions with business purposes.

When you inactivate a business purpose:

- Workers won't be able to select the business purpose in new expense reports.
- Inactive business purposes are still available for:
 - Account posting rules.
 - Conditional rules.
 - Custom validations.
 - Exit validations.
 - Reporting.

- Workers can select business purposes on their expense reports.
- You can post expense reports with business purposes to specific ledger accounts. Use the *Business Purpose* dimension on condition rules in the *Spend* account posting rule set.

Create Travel Profiles

- Create expense item attributes.
- To enable worker access to the **Edit Travel Profile** task, include the **Expenses** worklet on the Workday landing page.
- Security: *Process: Expense Reports – Other* domain in the Expenses functional area.

You can specify travel preferences and vehicle information for workers, which Workday then populates in expense item attributes on:

- Expense reports.
- Spend authorizations.

1. Access the **Create Travel Profile** task and select a worker.

Workers can create and edit travel profiles using the **Edit Travel Profile** task in the **Expenses** worklet, or from the related actions on their worker profiles.

2. Specify the **Vehicle Information** value, which Workday then populates in applicable expense item attributes on the expense report.

3. If known, include:

- **Airline**
- **Car Rental Agency**
- **Hotel**
- **Travel Preferences**

4. From the **Travel Country** prompt, select the countries that the worker travels to for business.

When workers select an expense item that requires a *Travel Country* attribute, Workday uses these countries in **Travel Country** fields.

- If 1 country is in the travel profile, Workday populates this value on the line.
- If there are multiple countries defined for the worker, Workday provides a list.

5. Access the **Attachments** tab to include supporting documents for the travel profile, such as evidence of insurance.

Workday supports the file types listed in the **Edit Tenant Setup - System** task for business document attachments.

If you specified a single **Airline**, **Hotel**, and **Car Rental** attribute for the worker, Workday displays their associated values in related attribute fields, which workers can overwrite.

When you specify multiple travel preferences, Workday groups them in prompts for the worker to select.

Concepts

[Concept: Expense Item Attributes](#) on page 1294

Tasks

[Create Expense Reports](#) on page 1327

Steps: Set Up Taxes for Expense Reports

- Review the setup considerations for transaction tax rules.
- Configure taxes for transactions. If using a value added tax configuration, define tax categories, tax rates, tax applicabilities, and tax recoverability percentages.

You can set up the tax code and tax applicability to populate on items in expense reports. You can also set up a default tax recoverability for tax rates within a tax code. Workday uses these values to calculate tax amount for expense lines. Accountants can then review submitted expense reports to ensure correct

capture and accounting of taxes, especially when taxes are subject to various levels of recoverability. You can also enable expense reports to specify tax.

1. Access the **Edit Tenant Setup - Financials** task.

Select the **Hide Tax Checkbox on Expense Report** check box to withhold the option to specify tax; clear to allow the capability.

Security: The *Set Up: Tenant Setup - Financials* domain in the System functional area.

2. [Create Spend Categories](#).

For each *spend category*, specify a default tax applicability and whether to allocate charges back to the lines.

3. Set up expense items for taxes.

On the **Create Expense Item** task:

Option	Description
Default Tax Applicability	Workday uses this default when it finds no matching tax rule for the expense item.
Expense Item Attributes	For items with recoverable or partially recoverable tax, include <i>Travel Country</i> when creating expense report lines with this item. Select the Expense Report: Display to User and Expense Report: Required check boxes when defining attributes on expense items. Workday uses travel country and tax rules to determine the default tax code and tax applicability. To populate the tax code into an expense report, the expense item must have the <i>Travel Country</i> attribute.

Security: The *Setup: Expense Item* domain in the Expenses functional area.

4. Specify a travel country in the travel profile of workers when they have expense reports with items that are subject to recoverability.

On the **Create Travel Profile** task:

Option	Description
Travel Country	Select the most common country in which the worker incurs expenses to have that country always populate on expense report lines. This set up is for expense items that are configured to include the <i>Travel Country</i> attribute. Select multiple countries to give the worker a limited list while still permitting the ability to select any country.

Security: The *Process: Expense Report - Other* domain in the Expenses functional area.

5. Add the *Review Tax* action step to the *Expense Report Event* business process.

This action step enables reviewers to confirm that the tax information on all expense report lines and itemized lines is correct. By comparing to the receipt, reviewers can update:

- Tax code.
- Tax amount.
- Tax applicability.
- Tax recoverability.

6. Create rules for how to populate tax codes with recoverability and applicability for expense items.

These rules apply when you:

- Select the **Enable Tax Defaulting for International Expenses** check box on the **Edit Tenant Setup - Financials** task.
- Set up a transaction tax rule for a country.

Workday populates the tax code and tax applicability into the expense report line based on the travel country the worker selects.

Workday automatically populates the recoverable percentage on the transaction line based on the specified tax applicability and tax code. You can override this selection. When you specify the tax recoverability, Workday applies the recoverable percentage and the allocation method to the tax amount for tax rates within a tax code.

Expense report reviewers can only update tax applicability, tax codes, and tax recoverability on the *Review Expense Report* business process step.

See [Steps: Configure Transaction Tax Rules](#) on page 434.

7. (Optional) [Configure Transaction Tax Rules Using Worktags](#) on page 439.

Create rules for how to populate tax codes with recoverability and applicability using worktags on expense lines and itemizations.

- Workers can create expense reports with tax and select an expense item that's configured to capture travel country. Workday displays the travel country with a value on the expense line or itemization, if applicable.

Based on the item and selected travel country, Workday uses the tax rules to determine the default tax code and tax applicability and to calculate the tax amount. Workers can change the tax code to get the tax amount to match the receipt. If the tax amount still doesn't match, workers can't change the tax amount and only reviewers can update it during expense report review.

- Once workers submit expense reports, the *Expense Report Event* business process initiates the *Review Tax* step. Reviewers can then ensure accurate tax information before approval.
- Upon event completion, you can see recoverable and nonrecoverable taxes from expense transactions in the **Transaction Tax Liability** report.

Concepts

[Setup Considerations: Transaction Tax Rules](#) on page 432

Tasks

[Steps: Set Up Expense Items](#) on page 1281

[Create Expense Reports](#) on page 1327

[Edit Business Processes](#)

[View Transaction Tax Liability for Companies](#) on page 422

[Steps: Set Up Transaction Taxes](#) on page 416

Reference

[Workday 33 What's New Post: Configure Default Transaction Tax Rules using Worktags](#)

Steps: Set Up Expense Report Intercompany Processing

- Identify companies with which you want to enable intercompany processing for expense reports.
- Set up expense reports.
- Configure VAT groups with effective dating on your transaction tax rules to include VAT reporting on intercompany expense reports.

You can configure expense reports and intercompany profiles so workers can expense transactions between companies that have an agreement.

1. Access the **Edit Company Expense Options** task.

Select the **Enable Intercompany Processing on Expense Report Lines** check box for your company and the affiliate companies.

Security: The *Set Up: Company General* domain in the Common Financial Management functional area.

2. Access the **Edit Company Intercompany Profile** task and configure any affiliate companies with which you want to enable intercompany processing on expense reports.

Select the **Initiate Allowed** check box to enable the company on the **To** column to initiate intercompany transactions with your company.

You can use the **View Company Intercompany Profile** report to verify that your affiliate companies have the **Initiate Allowed** check box configured.

Security:

- The *Set Up: Company Accounting* domain in the Common Financial Management functional area.
- The *Set Up: Payroll - Company Specific (Accounting)* domain in the Core Payroll functional area.

On a single expense report, workers can select a different company than the company on the expense report header for individual:

- Expense lines.
- Itemization lines.

Concepts

[Setup Considerations: Intercompany Expense Report Processing](#) on page 1299

[Concept: Intercompany Transactions](#) on page 50

Reference

[Workday 33 What's New Post: Intercompany Processing for Expense Reports](#)

Steps: Set Up Accounting for Negative Reimbursable Expense Reports

- Set up corporate credit card accounts.
- Set up expense reports.

You can set up expense report accounting to:

- Enable workers to submit expense reports with negative reimbursable amounts when they incur personal expenses on a corporate liability credit card.
- Generate accounting for expense reports with negative reimbursable amounts.

Workday generates the accounting but you must manually enter the generated accounting journal entries.

1. (Optional) [Configure Worktag Balancing Rule Sets for Transaction Journals](#) on page 263.

If your company has worktag balancing enabled, you must enter a value in the required **Default Worktag for Expense Payee Receivable** prompt.

2. (Optional) [Configure Optional Worktag Balancing for the Tenant](#) on page 267.

Enter a value in the **Default Optional Worktags for Expense Payee Receivable** prompt.

3. Access the **Edit Company Expenses Options** task.

Select the **Enable Accounting for Negative Reimbursable Expense Reports** check box for your company.

Security: *Set Up: Company General* domain in the Expenses functional area.

4. [Set Up Account Sets](#) on page 68.

5. [Set Up Account Posting Rules](#) on page 69.

Configure the **Expense Payee Receivable** account posting rule so that Workday sends the receivables to the account receivables account set.

When workers submit expense reports with negative reimbursable amounts, Workday applies the negative reimbursable amounts to future expense reports to recover the balance.

To recover worker reimbursable payments, access the **Create Expense Receivable Repayment** task. When you recover a payment, Workday generates the accounting, but you must manually enter the generated accounting journal entries.

Tasks

[Steps: Manage Expense Reports](#) on page 1326

Steps: Set Up Receipt Scanning for Expenses

Set up expense items and expense reports.

Note: You must subscribe to Innovation Services to use this feature. Contact your Customer Success Manager to request the Innovation Services Addendum (ISA), or see [Workday Innovation Services](#) in the Workday Community for more information.

You can enable workers to scan receipts through the Workday mobile app and automatically create quick expenses to include on their expense reports.

1. [Edit Domain Security Policies](#).

Configure the *Self-Service: Receipt Scanning* domain in the Expenses functional area.

2. Access the **Innovation Services Opt-In** task.

On the **Available Services** tab in the **Financials** category, select the **Receipt Scanning for Expenses** service.

Security: *Manage: Innovation Services* domain in the Innovation Services functional area.

3. (Optional) Access the **Maintain Innovation Services Data Selection Opt-In** task.

On the **Financials: Receipt Scanning for Expenses** service, select the opt-in check boxes for the categories for which you want to contribute data. You must opt in to at least 1 category to enable the service.

Security: *Manage: Innovation Services* domain in the Innovation Services functional area.

In the Workday mobile app, you can scan receipts in:

- PDF, JPG, TIFF, and PNG file formats.
- Several languages without restrictions for countries or locales. Example: French in France and Canada.

Workday scans the receipt and creates a quick expense with details such as:

- Amount
- Currency
- Date
- Merchant

Access the **Innovation Services Summary** report (secured to the *Manage: Innovation Services* and *View: Innovation Services* domains) to view service opt-in status and last-modified information, and to access the service descriptions on Workday Community.

Tasks

[Steps: Manage Expense Reports](#) on page 1326

Reference

[Workday Community: Available Innovation Services – Service Descriptions and Exhibits](#)

[2021R1 What's New Post: Receipt Scanning as an Innovation Service](#)

[The Next Level: Expense Receipt Scanning](#)

Steps: Create Expense Report Print Layouts in Workday Studio

- Become familiar with Workday Studio, review Workday Studio documentation, and complete Report Designer tutorials from the Workday Community.
- Download and install Workday Studio and Report Designer.
- Include the *.rptdesign* file type in **Edit Tenant Setup - System** task.

You can customize expense report business form print layouts using Workday tasks and *Report Designer in Workday Studio*.

1. Access the **Copy Standard Report to Custom Report task.**

Copy the *Expense Report for Print - Report Design* Workday-delivered report. Remove the **Attached Receipt Images** field and modify the other fields as necessary.

Security: The *Custom/Standard Report Copy* domain in the Tenant Non-Configurable functional area.

2. From the **Web Service > View URLs related actions menu of the report, select an expense report print run to construct sample data for the custom report design.**

a) Select **Workday XML > REST > Workday XML.**

If prompted, enter your sign-in credentials.

Use the **Save Page As** browser option to save the file with an *.XML* extension to your local drive.

b) Select **Workday XML > XSD > XSD.**

Use the **Save Page As** browser option to save the file with an *.XSD* extension to your local drive.

This option saves the schema for expense reports you'll generate from your custom report.

Security: The *Custom/Standard Report Copy* domain in the Tenant Non-Configurable functional area.

3. Sign into Workday Studio and create a report design project and data source with your XML and XSD files.

4. [Create Custom Business Form Layouts for Expense Reports](#) on page 1322.

5. (Optional) [Include a Logo and Attachment Page on Expense Report Printouts](#) on page 1323.

6. (Optional) [Include Messages in Expense Report Print Layouts](#) on page 1324.

Your custom Workday Studio layout is available for printing expense reports.

From the related actions menu of the expense report, select **Expense Report > Print** to print expense reports.

Concepts

[Concept: Custom Reports](#)

Reference

[Workday Community: Getting Started](#)

[Reference: Edit Tenant Setup - System](#)

Create Custom Business Form Layouts for Expense Reports

Workday delivers a standard business form layout for expense reports called *Printable Expense Report*. If the Workday-delivered business form layout doesn't meet your needs, you can customize your own layout.

- 1. Create your own XSL stylesheet or design a business form layout using Report Designer.** Report Designer is available from Workday Studio and is a layout tool that enables you to define the placement of lines and boxes on the expense report.

2. Customize your business form layout.

- a) Access the **Create Business Form Layout** task.
- b) Select the **Active** check box.
- c) In the **Resulting Document Expiration Offset (in days)** field, enter the number of days to retain expense reports before they expire. The maximum value allowed is 25,000 days.

Note: Ensure that the expiration offset you specify here complies with your organization's document retention policy. Workday automatically deletes documents after the offset number of days. You can't recover these documents.

- d) Select a business form layout from one of these prompts:

- *XSL Attachment*
- *Report Design*

- e) Select or create a **Custom Report**.

- f) Add *company_logo* for the **Token Name**. You can find this token in your XSL stylesheet or Report Designer business form layout.

3. Select the **Configure** related action and upload the *company_logo* image token.

4. Associate your custom layout with the print layout of the expense report.

- a) Access either of the **Create Expense Report Print Layout** or **Edit Expense Report Print Layout** tasks.
- b) Select an option from the **Business Form Layout** prompt.
- c) Select the **Include Company Logo** and **Include Receipt Attachment Page** check boxes.

5. (Optional) Include financial messages for *Expense Report* business documents.

When workers print expense reports, we use the business form layout you've customized instead of the Workday-delivered layout.

Use the **View Business Form Layout** report to view the tokens used in a specific customized business form layout.

Tasks

[Create a Business Form Layout in Workday Studio](#)

[Upload a Business Form Layout and Attach It to a Custom Report](#)

Include a Logo and Attachment Page on Expense Report Printouts

You can add your company logo to an expense report layout to:

- Display on expense reports that you print in PDF format.
- Include attachment pages for expense transaction receipts.

If you have multiple companies that use different logos, you can customize multiple business form layouts.

1. Access the **View Delivered Business Form Layout** report.
2. Select the *Expense Report Printing Form* business form layout or a custom layout.
3. Select **Business Form Layout > Configure** from the related actions menu on a delivered business form layout.
4. Upload an image for the company logo.
5. Access the **Create Expense Report Print Layout** task.
6. Select or create a **Business Form Layout**.
7. Select the **Include Company Logo** and **Include Receipt Attachment Page** check boxes.
8. (Optional) Select or create expense report messages to include in PDF expense report files.

When workers print expense reports as PDF files, Workday includes the company logo and attachment page.

Approvers can select **Review Expense Report > View Printable Version** from the related actions menu of an expense report to print it.

Include Messages in Expense Report Print Layouts

Security: *Set Up: Financial Messages* domain in the Common Financial Management functional area.

You can create, edit, or delete messages, alerts, and instructions to include them in the expense reports you print in PDF format.

1. Access the *Maintain Financial Message* task.

You can also create expense report messages on these tasks, when you're creating print layouts for expense reports:

- **Create Expense Report Print Layout**
- **Edit Expense Report Print Layout**

2. In the *Restrict Type to* field, select *Expense Reports*.

If you don't select an option from the **Restrict Type to** list, the message can be selected for all documents that support messages. Examples:

- Customer statements.
- Purchase orders.
- Supplier contracts.

3. Specify the *Financial Message Name*.

4. Enter the *Financial Message*.

Example: *Please submit receipts to the expenses processing department.*

You can use messages on the print layouts you create for expense reports.

To save a PDF version of your expense report, select **Expense Report > Print** from the related actions menu on the expense report.

Create Expense Report Print Layouts

- To include images for a company logo, customize the Workday-delivered business form layout.
- Security: *Set Up: Expenses Processing* domain in the Expenses functional area.

You can define layouts for printed PDF expense reports.

1. Access the *Create Expense Report Print Layout* task.

2. Select 1 or more companies.

Each company can only have 1 expense report print layout.

3. If you require more flexibility than the delivered expense report print layout, use a *Custom Business Form Layout*.

4. (Optional) Select *Include Company Logo* and *Include Receipt Attachment Page*.

The company logo generates from the Workday-delivered expense report layout or custom layout you optionally used.

Workday automatically includes quick expense receipts to the expense reports attachment page, and workers can import scanned receipt images for .PNG, .JPEG, .GIF, and .BMP file types.

5. (Optional) Select or create financial messages.

Financial messages display on each expense report you generate with this layout. You can include up to 3 financial messages.

Workday automatically uses the print layout when workers:

- Select the **Print** related actions menu item of the expense report.
- Print when viewing an expense report.

Workday doesn't use the custom print layout when workers print expense reports from the preview window of an expense report.

Create expense reports.

Tasks

[Create Expense Reports](#) on page 1327

[Create a Business Form Layout in Workday Studio](#)

Reference: Expense Report Review and Approve Business Processes

These *Expense Report Event* business process steps enable managers to perform different actions on expense reports during the review or approval process:

Business Process Type	Business Process Step	Description
Action step	<i>Approve Expense Report</i>	Approvers can: • Approve, deny, or send back the expense report. • Provide subsequent approvals on previously approved expense reports when expense report conditions require it.
Action step	<i>Approve Expense Report - Send Back Lines</i>	Approvers can: • Approve, deny, or send back the expense report. • Select individual expense lines to exclude from approval. • Simultaneously approve expense lines and send back the lines excluded from approval.
Action step	<i>Review Expense Report</i>	Reviewers can make changes, approve, deny, or send back the expense report.
Action step	<i>Review Expense Report - Send Back Lines</i>	Reviewers can: • Make changes on the expense report. • Approve, deny, or send back the expense report. • Select individual expense lines to exclude from approval. • Simultaneously approve expense lines and send back the lines excluded from approval.
Action step	<i>Initiate Expense Report Intercompany Event</i>	Approvers for the company on the expense line can view, approve, or deny the intercompany expense lines.

Business Process Type	Business Process Step	Description
		When intercompany approvers deny the intercompany expense lines, they deny the entire expense report.
Approval		Approvers can approve, deny, or send back the expense report. Workday automatically approves subsequent expense report approvals when an approver has multiple approval steps for a single expense report.

Concepts

[Concept: Action Step](#)

[Concept: Approval Step](#)

Managing Expense Reports

Steps: Manage Expense Reports

- Create expense items.
- Set up expense reports.
- Set up payment election rules for expense reimbursement payments.
- Set up intercompany processing for expense reports to change the company on the line or itemization.

To capture and report on spend for all incurred expenses, you can create expense reports on behalf of:

- Candidates.
- Guests.
- Pre-hires.
- Students.
- Visitors.
- Workers.

1. Create expense reports.
 - [Create Expense Reports](#) on page 1327
 - [Steps: Create Expense Reports for Nonworkers](#)
 - [Create Expense Reports for Pre-Hires](#) on page 1329
2. [Create Expense Lines](#) on page 1331.
3. (Optional) [Itemize Expense Lines](#) on page 1333.

For multicurrency expense reports, the total is the sum of all **Converted Amount** values.

Workday automatically creates operational journals in the company currency for approved transactions. When transaction and company currencies differ, Workday converts the amounts to the company currency.

- Review budget dates on expense report lines when you configure budget checking for expense reports and spend authorizations.
- Settle the approved expense reports.

The settlement process creates and settles the expense transactions. When the process completes, Workday updates the accounting entries for each transaction.

- Print expense report PDFs by selecting **Print** from the related actions menu of the expense report.
- (Optional) To recover worker reimbursable payments, access the **Create Expense Receivable Repayment** task. When you recover a repayment, Workday generates the accounting but you must manually enter the generated accounting journal entries.
- (Optional) Attach business documents to the approved expense report.

Concepts

[Concept: Settlement Processing](#) on page 1624

[Concept: Expense Management Dashboard](#) on page 1337

[Concept: Rates, Rate Types, and Conversion](#) on page 24

[Concept: Currencies on Expense Reports](#) on page 1335

Tasks

[Steps: Set Up Expense Reports](#) on page 1310

Reference

[#unique_867](#)

[Workday 33 What's New Post: Intercompany Processing for Expense Reports](#)

[Workday 32 What's New Post: Expense Report User Interface](#)

Create Expense Reports

Configure the *Expense Report Event* business process and security policy in the Expenses functional area.

You can enable workers to create expense reports:

- For themselves, including expense reports for specific positions if they hold more than 1 position.
- On behalf of other workers, including workers who hold more than 1 position.

1. Access 1 of these tasks:

- **Create Expense Report.**
- **Create Expense Report for Worker.**

2. As you complete the task, consider:

Option	Description
Expense Report For	In the Create Expense Report task, you can only modify this field when you have permission to create expense reports for another worker.
Creation Options	Workday doesn't copy: • Attachments • Expense itemizations • Quick expenses • Travel booking records
Position	Displays when you: • Enable expense reporting for workers with multiple positions. • Select a worker with multiple positions from the: • Pay To prompt in the Create Expense Report task. • Expense Report For prompt in the Create Expense Report for Worker task.

Option	Description
Company on Expense Line	Available only if your company enables intercompany processing for expense reports. Workday populates with the name of the company that you specify for the worker on the expense report header. Select a different company to expense individual expense lines and itemizations. You can select only from companies that have an intercompany profile with the header company. You can't select a different company if the expense report has: • A linked spend authorization. • Commitment accounting.
Worktags	Use worktags as keywords to more easily classify and find transactions. Configure the allowed worktag types on the Maintain Worktag Usage task. When you select a worktag type that has related worktags, Workday automatically populates transactions with the related worktag values.
Reimbursement Payment Type	Workday bases the reimbursement payment type on the expense payment elections for an expense payee. If an expense payee doesn't configure payment elections, Workday populates the reimbursement payment type based on the payment elections defined by your company.
Final Expense Report for Spend Authorization	Select to close the spend authorization after you settle all linked expense reports. Workday doesn't close the spend authorization when there's an outstanding cash advance associated with it. You can only link spend authorization lines when the expense report isn't the final expense report for the spend authorization. When you enable commitment accounting, Workday liquidates the remaining commitment balance on the spend authorization.

3. (Optional) On the **Header** tab, edit the expense report header details.

- Create and itemize expense report lines.
- Set up your custom reports to display worker positions by configuring the **Worker Position on Expense Report** field on the Expense Report business object (secured to the *Public Reporting Items* domain).

Concepts

[Concept: Process Flow of Expense Credit Card Transactions](#) on page 1368

Tasks

[Steps: Set Up Expense Items](#) on page 1281

[Steps: Set Up Security for Expense Items](#) on page 1281

[Itemize Hotel Expenses](#) on page 1292

Reference

[2022R2 What's New Post: Expense Report Routing for Workers with Multiple Positions](#)

Create Expense Reports for Pre-Hires

Configure:

- Payment elections for pre-hires.
- The *Expense Report Event* business process and security policy in the Expenses functional area.

You can create expense reports on behalf of pre-hires to detail their incurred expenses and report and analyze spend.

1. Access the **Create Expense Report for Pre-Hire** task.
2. As you complete the task, consider:

Option	Description
Copy Previous Expense Report	Workday doesn't copy: • Expense itemizations • Attachments
Worktags	Use worktags as keywords to more easily classify and find transactions. Configure the allowed worktag types on the Maintain Worktag Usage task. When you select a worktag type that has related worktags, Workday automatically populates transactions with the related worktag values.
Reimbursement Payment Type	Workday populates the reimbursement payment type based on the expense payment elections that you configure for the expense payee. If you don't configure payment elections for an expense payee, Workday uses the payment elections defined for your company. Select payment types with a payment method of Check or Manual .

3. (Optional) On the **Header** tab, edit the expense report header details.

Create and itemize expense report lines.

Tasks

[Steps: Set Up Expense Items](#) on page 1281

[Itemize Hotel Expenses](#) on page 1292

Steps: Create Expense Reports for Nonworkers

- Configure the *Expense Report Event* business process and security policy in the Expenses functional area.
- Enable workers to create expense reports on behalf of nonworkers.

You can create expense reports on behalf of these nonworker types to reimburse them for incurred expenses:

- Candidates
- External committee members (ECMs)
- Students

1. [Maintain Payment Elections](#).

Add the *Expense Payments* option on payment elections for nonworkers.

2. Access the **Create Expense Report for Non-Worker** task.

As you complete the task, consider:

Option	Description
Payee Type	Workday displays these options when you don't enable segmented security: • <i>Candidate</i> • <i>External Committee Member</i> • <i>Student</i> When you enable segmented security, you can select only the nonworker types for which you have access.
Pay To	You need the adequate security permissions to select specific nonworkers from this prompt. You can enter unique student IDs to ensure that you select the correct student.
Committee	Workday displays this prompt when you select <i>External Committee Member</i> as the payee type. When ECMs have: • One associated committee, Workday populates this prompt automatically. • Multiple committees, you can select a committee manually.
Job Application	Workday displays this prompt when you select <i>Candidate</i> as the payee type. When candidates have: • One associated job application, Workday populates this prompt and any related worktags automatically. This functionality doesn't apply to evergreen job requisitions. • Multiple job applications, you can select a job application manually.
Creation Options	Workday doesn't copy: • Attachments. • Expense itemizations. • Quick expenses.
Worktags	Use worktags as keywords to more easily classify and find transactions. Configure the allowed

Option	Description
	worktag types on the Maintain Worktag Usage task. When you select a worktag type that has related worktags, Workday automatically populates transactions with the related worktag values.
Credit Card Transactions	Select the reassigned expense credit card transactions that you want to include on the expense report.

Create a manual settlement run or schedule an automatic settlement run to settle expense reimbursements.

Tasks

[Steps: Set Up Expense Items](#) on page 1281

[Steps: Set Up Security for Expense Items](#) on page 1281

[Steps: Manage and Invite Committee Members](#)

[Steps: Enable Workers to Create Expense Reports for Nonworkers](#)

Examples

[Example: Enable Segment-Based Security for Student Expenses](#) on page 1408

Create Expense Lines

- Create expense items.
- Create expense reports for worker, nonworker, or pre-hire.
- Configure the *Expense Report Event* business process and security policy in the Expenses functional area.

When you create expense lines, you can specify details and attach files and mobile images to support expense transactions.

1. Access the expense report to which you want to add lines.
2. From the **Expense Lines** tab, click **Add** to select the type of expense to include on the expense line.
3. (Optional) Add attachments to expense lines.
4. As you complete the task, consider:

Option	Description
Currency Rate	Available only when you change the currency. Workday uses the most recent currency exchange rate for the currency rate type. You can manually override the populated currency rate. If you download the line details from an electronic credit card transaction, Workday uses the exchange rate from the transaction for the expense line.
Converted Amount	Available only when you change the currency. The Converted Amount is the reimbursable amount in the converted currency. Workday multiplies the Total Amount by the Currency Rate .

Option	Description
	Workday uses the configured Default Currency from the tenant instead of Currency Rate to calculate the reimbursable amount if you: • Overwrite the currency rate. • Configure a <i>Maximum Amount</i> value on an expense rate table.
Company	Available only if your company enables intercompany processing for expense reports. Select a different company than the company on the header to expense the line to. You can't change the Company if: • The expense line is a personal expense. • The expense report has a linked spend authorization or commitment accounting. • The Company has an associated Capital Project worktag.
Worktags	Use worktags as keywords to more easily classify and find transactions. Configure the allowed worktag types on the Maintain Worktag Usage task. When you select a worktag type that has related worktags, Workday automatically populates transactions with the related worktag values. If enabled for the expense item, you can manually override the related worktags and select from a list of configured values. For billable expenses, you can select worktags to associate it with, such as a project or customer.
Item Details	When entering multiple lines on an expense item rate table with accumulators, Workday accumulates amounts from the rate table lines and adds them to the expense item total.
Tax Code	Available only when you select the Enable Tax check box. Workday uses the tax rules you define for a country to populate the tax code based on either the Travel Region or Country. Change the tax code when necessary to ensure the right tax amount for the line and match the receipt. If the selected item doesn't include the travel region or country attribute, manually select the tax code.
Tax Amount	Available only when you select the Enable Tax check box.

Option	Description
	Workday uses the Total Amount to calculate tax based on the tax code and tax applicability associated with the expense item. The Total Amount and the Tax Code determine the Tax Amount on the expense line. If the Tax Amount doesn't match the receipt, the reviewer can correct it.
Billable	Select if the expense line is billable to a project or customer.

When you create a new expense line or click out of the current line, Workday:

- Saves the current expense line details.
- Updates the expense report header totals and saves it.

Itemize expense report lines.

Tasks

[Steps: Set Up Taxes for Expense Reports](#) on page 1317

Reference

[Reference: Edit Tenant Setup - Financials](#)

Itemize Expense Lines

- Create expense report lines.
- Configure the *Expense Report Event* business process and security policy in the Expenses functional area.

You can itemize expense lines to include and track more detailed costs.

1. Access the expense report to which you want to add lines.
2. As you complete the **Itemization** section, consider:

Option	Description
Per Unit Amount	Enter the amount for 1 unit in this itemization if this field is enterable. You can enter different amounts in each itemization.
Tax Amount	For expense reports with VAT, Workday calculates the tax amount from the tax code and tax applicability for the expense item.
Personal	Workday deducts personal expenses from the reimbursement total on the expense report header.
Company	Available only if your company enables intercompany processing for expense reports. Select a different company than the company on the header to expense the itemization to. You can't change the Company if: • The itemization is a personal expense. • The expense report has a linked spend authorization or commitment accounting.

Option	Description
	The Company has an associated Capital Project worktag.
Worktags	Select worktags to account for this itemization separately from the other line itemizations, such as business units, customers, and cost centers. For billable expenses, you can select worktags to associate it with, such as a project or customer.
Tax Code	For expense reports with VAT, Workday populates the tax code from the Travel Country. If the expense item doesn't include the travel country attribute, select the tax code for each itemization.
Total Amount	Workday multiplies the quantity by the per unit amount to calculate the total amount.
Billable	Select if the itemization line is billable to a project or customer.

Click **Add** to include additional itemizations.

The itemization fields use the required attributes for the expense item. Example: The *Meals w/Guests* expense item requires entries for the **Attendees** and **Number of Persons** fields.

Workday displays certain expense line details, such as **Worktags**, on the itemization line to track the granular details at the itemization level. To view all itemization details of the expense line, click **Edit** or **View Details** in the **Itemization** section.

Workday drives the accounting from the expense line itemizations instead of the expense lines to provide greater visibility when:

- Generating reports.
- Reviewing spend analytics.

A hotel bill contains nonreimbursable items, such as a gift shop purchase. You can itemize the gift shop transaction on the hotel bill and separate personal amounts from reimbursable expenses.

Your airfare expense for business travel includes a conference site visit and a sales presentation. Your organization has 2 separate cost centers for these expense types, so you:

- Use 2 itemizations for the line.
- Select the appropriate worktags for each itemization line.

Reference

[Workday 33 What's New Post: Expense Report User Interface](#)

Correct Approved Expense Reports

- Configure the *Expense Report Event* business process and security policy in the Expenses functional area. Add **Security Groups** to the *Correct* action.
- Security: *Process: Expense Report - Reporting* domain in the Expenses functional area.

You can correct expense reports after you approve them. When you correct expense reports, you can change worktags, item categorizations, or other details that don't alter the total amount of the expense report or line. If you need to reallocate an expense line amount, you can itemize the line.

1. Access the **Find Expense Reports** report.
2. Open the expense report you want to correct.

3. On the **Business Process** tab, select **Business Process > Correct** from the related actions menu of the *Expense Report Event* business process.

You can't correct an expense report if:

- It's paid and you've enabled worktag balancing.
- There's a negative reimbursable balance recovered from an approved expense report.
- The expense tax details are on a tax declaration. To correct the expense report, cancel the tax declaration and then delete the tax declaration.
- It's used in project billing transactions that have a billing status of *Ready to Bill*.

4. Select the expense report line and make the necessary corrections.

The report saves the changes but doesn't repeat the approval process.

Tasks

[Create Expense Reports](#) on page 1327

Concept: Currencies on Expense Reports

The currency that Workday uses on expense reports depends on the:

- Company currency.
- Preferred currency of the worker.
- Entry currency.
- Billing currency.

Company Currency

Workday uses the company currency that's set up for expense reports to reimburse the worker.

Preferred Currency of Worker

When the company currency differs from the payment election currency for a worker, Workday reimburses the worker using their preferred currency.

You can set the preferred reimbursement currency for a worker, while workers can also change their payment election currency through self-service transactions.

Examples:

- A US company with an office in Ireland wants to reimburse expenses to Irish employees in EUR, not USD.
- A European company sends workers to Japan on temporary assignment. For the duration of their assignment, the workers can change their payment election currency to JPY.

Entry Currency

The entry currency is the currency that the expense occurs in and Workday converts it to the default reimbursement currency of the expense report. On multicurrency expense reports, you can override this currency on each expense report line.

When the entry currency differs from the reimbursement currency, Workday converts the amount to the reimbursement currency using the default rate. You can override the rate and reimbursement amount for each expense report line.

Example: Suzanne is a US-based worker and you typically reimburse her in USD. She takes a business trip to Sydney, Australia, and exchanges USD for AUD at Sydney Airport. She then charges her hotel to her personal credit card. For accurate reimbursement in USD, Suzanne can:

- Enter an AUD expense line amount that Workday converts to USD.
- Manually enter the USD amount.

Suzanne might want to use the:

- Currency exchange rate that was in effect at the time of the exchange.
- The USD amount that displays on her credit card statement.

Billing Currency

The billing currency is the currency that the credit card company uses to bill your company. For credit card transactions that you add to an expense report, Workday converts the billing currency to the reimbursement currency when the currencies differ.

If the billing currency is the same as the reimbursement currency, Workday uses the billing amount as the reimbursement amount and you can't change it. If the billing currency and the reimbursement currency differ, you can override the reimbursement amount.

Tasks

[Steps: Set Up Currencies](#)

Concept: Expense Report Workflow

Submit Expense Reports

Workers can create, edit, and submit expense reports. With proper security, Managers can also create and submit expense reports on behalf of pre-hires, other workers, and nonworkers. Workday enables you to change expense reports until they're paid or pending payment. These roles perform different actions on expense reports:

Role	Action	Description
Workers	Creates or edits expense reports.	Workers can create or edit expense reports.
Expense Data Entry Specialists	Creates expense reports for workers.	This role can create expense reports on behalf of other workers. Expense Data Entry Specialists can override a worker's payment election for expenses.
Expense Data Entry Specialists HR Partners Managers Recruiters	Creates expense reports for candidates or pre-hires.	These roles can create expense reports for candidates or pre-hires, depending on the: • Security access that you configure. • Supervisory organizations that candidates or pre-hires are in consideration for.
Expense Data Entry Specialists HR Partners Managers	Creates expense reports for nonworkers.	These roles can create expense reports for nonworkers depending on whether they have view and update access to data for: • Candidates. • External committee members. • Students.

Review, Approve, or Deny Expense Reports

Once you submit expense reports, Workday routes the expense report to managers for review and approval. When you configure your *Expense Report Event* business process with:

- Send back lines steps, managers can approve or deny individual lines on expense reports.
- Review or approve steps, managers can approve or deny entire expense reports.

When you:

- Send back individual lines, Workday creates and routes the child expense report with the sent back lines to the initiator for correction and resubmission. The parent expense report, with the approved lines, moves on in the business process until final approval.
- Send back expense reports, Workday routes the expense reports back to the initiator for correction and resubmission.
- Deny expense reports, the business process ends, and workers must create new expense reports for submission.

Pay Expense Report

Expense settlement specialists can pay approved expense reports using Workday settlements.

Workday determines how workers receive payment for an expense report based on their payment elections. Workday displays the type of payment that you specify as **Payment Type** in all the Pay Expense Report pages. The default payment method for paying expense reports is **Check**.

Reference

[Reference: Expense Report Review and Approve Business Processes](#) on page 1325

[Workday 33 What's New Post: Send Back Individual Expense Lines](#)

Concept: Expense Management Dashboard

The Expense Management Dashboard (secured to the *Management Dashboard: Expenses* domain in the System functional area) enables you to view and drill into information on expenses for your organization. The dashboard also gives you direct access to frequently used expense tasks and reports.

Workday delivers these reports in the Expense Management Dashboard:

- **Average Expense Cycle Times**
- **Average Expense Report Total**
- **Expenses by Cost Center**
- **Expenses for My Organizations**
- **Expense Item Trend**
- **Top Expense Items**

You can add the Expense Management Dashboard as a worklet to your Home page for quick access. From the dashboard, you can also select and organize the reports to display.

Reference: Expense Report Statuses

This table describes the different statuses for an expense report.

Status	Description
<i>Draft</i>	The worker creates an expense report but hasn't submitted it yet. You can use the Edit Expense Report task to update expense reports in this status.

Status	Description
<i>In Progress</i>	The worker creates and submits an expense report but the final approver has yet to approve or deny it.
<i>Approved</i>	The final approver approves the submitted expense report but the expense report is awaiting settlement.
<i>Canceled</i>	The reviewer or approver cancels or denies the expense report, or the worker cancels it. The worker can cancel the expense report until it reaches <i>Approved</i> status.

Troubleshooting: Calculated Field Errors on Expense Reports

When Workday can't populate a calculated field on an expense report, we display an error message that prevents the worker from completing it. When the worker exits the expense report, they can't access it again until you correct the error.

The expense report contains expense lines that have calculated fields with incorrect configurations.

The error messages that Workday displays might describe issues such as:

- A currency type that doesn't currently exist in Workday.
- An unavailable currency conversion rate.
- Prompts returning with no values.

Note: We recommend that you test and verify calculated field changes in your Sandbox tenant.

1. Access the **Find Expense Reports report.**

Identify the expense report you want to fix.

Security: *Process: Expense Reports - Reporting* domain in the Expenses functional area.

2. Access the **Maintain Custom Validations report.**

Select the *Expense Report* transaction type, and click **Test Validations**.

From the **Expense Report** prompt, select the expense report you want to fix.

From the error message that displays, note the calculated field that's in error.

Security: *Set Up: Custom Validations* domain in 1 of these functional areas:

- Common Financial Management
- System

3. Access the **View Calculated Field report.**

Select the calculated field that you identified from the error message.

From the related actions menu, select **Calculated Field > Edit** and use the configuration options that display to update the calculated field to resolve its error.

Examples:

- Add a currency conversion.
- Select the **Return Zero on Error** check box so Workday can automatically populate a zero value on blank calculated fields.

Security: One of these domains in the System functional area:

- *Custom Field Management*
- *Custom Report Creation*

Expense Protect

Concept: Expense Protect

Note: You must subscribe to Innovation Services to use this feature. Contact your Customer Success Manager to request the Innovation Services Addendum (ISA), or see [Workday Innovation Services](#) in the Workday Community for more information.

Expense Protect uses machine learning to assess expense report lines and provide risk levels and insights, enabling you to identify problematic expenses. Expense Protect can help reduce the number of expense reports you need to review manually to expedite:

- Approvals.
- Reimbursements.
- Settlements.

Note: You need at least 10,000 submitted expense report lines in your tenant to enable Expense Protect. Expense Protect uses historical data patterns to identify trends, develop expense insights, and continuously refine the machine learning model for further improvements. When you select a country to exclude from data collection, Expense Protect isn't available for expense reports of payees in that country. This can also result in an insufficient number of required expense reports.

Risk Scores

Expense Protect uses risk scores as the basis for a risk evaluation. These values lie between 0-100. These scores help identify anomalous expense report lines in expense reports that aren't in *Draft* status. When you submit an expense report, Expense Protect assigns a risk score to each expense report line. After evaluating all scores, it assigns the highest risk score to the expense report level.

The risk score indicates how anomalous the expense report is relative to all other expense reports in your organization. Example: The predicted amount for air travel to India is 2,420 USD. An employee submits an expense report for 9,782 USD. Expense Protect detects a deviation in the expense report compared to 95% of similar expense reports in your organization. Expense Protect then assigns a risk score of 95 to the expense report.

To identify anomalous expense reports, you can build custom reports using these report fields on the Expense Report Line business object:

- **Duplicate Expense from Expense Protect**
- **Risk Score**
- **Risk Score for Amount Anomaly**
- **Risk Score for Duplicate Expense**
- **Risk Score for Incorrect Expense Item**
- **Suggested Expense Item**

Expense Protect uses these models:

- **Amount Anomaly:** Predicts an expected amount for a given expense item, compares the expected amount with the data on the expense report, and returns a risk score that reflects the difference between the input amount and the predicted amount.

- **Duplicate Expense:** Detects duplicate nonitemized expenses against paid expenses. The machine learning looks back at 6 months worth of expenses in your tenant to detect duplicate expenses. Expense Protect evaluates paid expenses with these matching values:
 - Amount
 - Currency
 - Date
 - Expense Item
 - Payee
- **Incorrect Expense Items:** Compares the probability of the expense item that you select with the probability of alternatives based on the data in the report. Expense Protect returns a risk score that reflects the likelihood that the expense item should change.

Risk Levels

Risk levels and insights help you identify discrepancies, such as expenses that:

- Aren't compliant with your expense policy.
- Exceed defined spend thresholds.

You can configure a display setting for risk levels to help guide your experience based on risk score and the risk threshold for your organization. You can define expense risk levels using risk scores on the **Maintain Expense Risk Level Configuration** task. Workday provides default risk levels and ranges for each model.

Approvers and reviewers can view the expense data that Expense Protect evaluates in these columns on the **Expense Report Work Area** report:

- **Risk Insights**
- **Risk Level**

This information also displays in the expense line details received in the Inbox.

In the **Risk Insights** column, Workday displays 1 or more of these categories for expenses with medium and high risk levels:

- *Amount Anomaly*
- *Duplicate Expense*
- *Incorrect Expense Item*

For incorrect expense items, a recommended expense item displays on the expense line detail in the **Suggested Expense Item** field.

Workday displays a *Pending* risk level when an error occurs while generating a risk score. You can manually regenerate a risk score using the **Generate Risk Score for Expenses** task.

Reference

[2022R1 What's New Post: Expense Protect](#)

[The Next Level: Expense Protect](#)

Steps: Set Up Expense Protect

You can use Expense Protect to quickly and more efficiently surface unusual expense reports that need further review. Expense Protect enables you to leverage machine learning and streamline the expense report review process to speed up reimbursement times.

Expense Protect requires a minimum of 2 to 4 weeks to build and train the machine learning service for your tenant before availability. Workday recommends testing only in a preview or production tenant. To check Expense Protect availability, values populate in the **Risk Insights** and **Risk Level** columns of the **Expense Report Work Area**.

Note: Workday requires a minimum of 10,000 submitted expense report lines in your tenant to enable Expense Protect.

1. Access the **Innovation Services and Data Selection Opt-in** report.

- a) On the **Innovation Service Opt-In** tab, under **Available Services > Financials**, select the **Financials: Financial Management Machine Learning GA Features** service check box.
- b) In the **Maintain Innovation Services Data Selection Opt-In** tab, under **Financials: Financial Management Machine Learning GA Features**, select the **Opt In** check box for the **Expense Protect** category to contribute data for Machine Learning.

When you select a country to exclude from data collection, Expense Protect isn't available for expense reports of payees in that country. This can also result in an insufficient number of required expense reports.

Workday displays a status of *Available* when you can use Expense Protect.

Security: *Manage: Innovation Services* domain in the Innovation Services functional area.

2. (Optional) Access the **Edit Tenant Setup - Machine Learning** task.

Select the region in which Workday hosts data contributed to the Machine Learning Development Environment (MLDE). The default region for data processing is the U.S.

Security: *Set Up: Tenant Setup - Machine Learning* in the System functional area.

3. Grant users who approve and review expense reports access to the *Set Up: Expense Protect* domain.

See [Edit Domain Security Policies](#).

4. (Optional) [Hide or Require Optional Fields](#).

Hide or require the **Risk Level** and **Risk Insights** columns in the:

- Grid View.
- Line Details.
- **Expense Report Work Area**.

Note: Once you opt in to Expense Protect and machine learning is ready in your tenant, Workday displays the **Risk Insights** and **Risk Level** columns in the **Expense Report Work Area** even if you haven't enabled the *Set Up: Expense Protect* domain.

5. Access the **Maintain Expense Risk Level Configuration** task.

Select risk score values for these risk levels:

- Low
- Medium
- High

See [Set Up Expense Risk Levels](#) on page 1342.

6. (Optional) Access the **Generate Risk Scores for Expenses** task.

You can queue up in-progress expense reports for assessment, risk scoring, and a data refresh after opting into Expense Protect. Example: You opt in to Expense Protect and want to view **Risk Level** and **Risk Insight** on historical expense reports. You access this task so that Expense Protect can assess historical expense report lines.

Security: *Set Up: Expense Protect* domain in the Expenses functional area.

7. (Optional) Add the *Wait for Expense Protect Inference* service step to the Expense Report Event business process.

You can route expense reports based on risk score.

See [Route Expense Reports Based on Risk](#) on page 1342.

When Expense Protect identifies the risk level on an expense report, you can review, and approve or send back the anomalous expenses.

Access the **Expense Report Work Area** report to view risk insights and risk levels for expense reports. Workday provides 1 of these Workday configured insights:

- *Amount Anomaly*
- *Duplicate Expense*
- *Incorrect Expense Item*

You can also use these report fields based on the Expense Report Line business object to create custom reports:

- **Duplicate Expense from Expense Protect**
- **Risk Score**
- **Risk Score for Amount Anomaly**
- **Risk Score for Duplicate Expense**
- **Risk Score for Incorrect Expense Item**
- **Suggested Expense Item**

Examples

[2022R1 What's New Post: Expense Protect](#)

Set Up Expense Risk Levels

Security: *Set Up: Expense Protect* domain in Expenses functional area.

You can customize Expense Protect risk levels configuration based on your business needs to surface unusual expense reports. You can configure risk levels by:

- **Company**
- **Company Hierarchy**
- **Risk Insight**

Expense Protect identifies expense reports with medium and high risk levels based on your threshold and provides insights, enabling you to identify problematic expenses.

Note: Once you opt in to Expense Protect and machine learning is ready in your tenant, Workday displays the **Risk Insights** and **Risk Level** columns in the **Expense Report Work Area** even if you haven't enabled the *Set Up: Expense Protect* domain.

1. Access the **Maintain Expense Risk Level Configuration** task.
2. In the **Customizable Risk Level Configuration table**, select or enter the:
 - Risk Insight Type
 - Company/Company Hierarchy
 - Risk score values

Expense Protect bases risk insights and risk levels on newly configured risk scores for each **Risk Insight**.

Access the **Expense Report Work Area** to view risk insights and risk levels for expense reports. You can also use these report fields on the Expense Report line business object in custom reports:

- **Duplicate Expense from Expense Protect**
- **Duplicate Expense Risk Score**
- **Risk Score**
- **Risk Score for Amount Anomaly**
- **Risk Score for Incorrect Expense Item**
- **Suggested Expense Item**

Route Expense Reports Based on Risk

- Set up Expense Protect.

- Security: These domains in the System functional area:
 - *Business Process Administration*
 - *Manage: Business Process Definitions*
- Security: *Manage: Innovation Services* domain in the Innovation Services functional area.

You can configure the *Expense Report Event* business process to route expense reports based on risk. When you add the *Wait for Expense Protect Inference* service step, Expense Protect returns a risk score when an expense report is:

- Changed.
- Revised.
- Submitted.

You can configure condition rules so that the *Expense Report Event* business process:

- Skips an approval step for low-risk expenses.
 - Requires additional approvals for high risk expenses.
1. From the related actions menu of the *Expense Report Event* business process, select **Business Process > Edit Definition**.
 2. Add *Wait for Expense Protect Inference* as a service step after the initiation step and before a review step.
 3. From the related actions menu of the *Review Expense Report* step, select **Business Process > Create Condition Rule**.
 4. Configure a condition rule based on risk score.
Example: You determine that a risk score under 60 is low risk. Configure a condition rule to skip the approval step for expense reports with a risk score between zero and 60.
See [Create Business Process Condition Rules](#).
 5. From the related actions menu of the *Review Expense Report* step, select **Business Process > Maintain Step Conditions**.
Add your new condition rule.
See [Create Business Process Condition Rules](#).

You can manually advance the *Expense Report Event* business process using the **Mass Advance Business Process** task when you don't want to wait for the service step.

Reference

[2022R2 What's New Post: Expense Protect Service in Business Processes](#)

Spend Authorizations

Setup Considerations: Spend Authorizations

- Why to set them up.
- How they fit into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What They Are

Spend authorizations are expense transactions that payees can use to request preapproval of estimated expenses. Based on the expense items that payees select, they can enter: You can use this topic to help make decisions when planning your configuration and use of spend authorizations. It explains:

- Anticipated spend dates.
- Descriptions.
- Estimated amounts.
- Spend authorization lines.

Business Benefits

- Eliminate the need to collect expense information outside of Workday by adding questionnaires on spend authorizations.
- Forecast future expenses by using commitment accounting for approved spend authorizations.
- Increase spend control and improve expense policy compliance using preapproval.
- Provide payees with greater flexibility to manage their travel expenses.
- View accurate budget balances by tracking commitment amounts and outstanding cash advance amounts.

Use Cases

- Create spend authorizations on behalf of other workers and external committee members, such as guest speakers.
- Create cash advance repayments from payments that workers submit to repay outstanding balances.
- Create new expense reports from approved spend authorizations to deduct from approved amounts and cash advances.
- Link spend authorizations with cash advances to expense reports.
- Request authorization of estimated travel expenses before trips occur.
- Use 1 spend authorization on multiple expense reports until the spend authorization balance equals zero.

Questions to Consider

Questions	
What expense information do you want to track?	You can require workers to add lines on their spend authorizations to gather additional expense details for auditing purposes. Unless configured, Workday doesn't require spend authorization lines. You can also configure: • Expense item attributes to ensure that payees provide additional information on their spend authorizations. • Rate table-based expense items to ensure that payees provide information that Workday uses to calculate totals for committed spend. • Questionnaires to collect custom survey data from payees.
How do you want to control and track spend authorization amounts?	To prevent overspending and control liquidation of spend authorization amounts, you can configure: • Budget checks to control spend authorization transaction budgetary options and view budget

Questions	
	results. Example: You can prevent overbudget transactions. • Commitment accounting to track spend authorization commitment amounts. You can control spend from the originating transaction to the spend authorization. You can also create commitments in their respective ledgers.

Recommendations

- Add instructional text on expense items to provide additional information to expense payees to help them complete their spend authorizations.
- To calculate deductions or maximum amounts automatically, configure rate tables for the expense items you want to use on spend authorizations.
- Configure commitment accounting to enable workers to request cash advances on spend authorizations.
- Configure commitment accounting and budget dates to display on your actuals ledger to enable workers to select a budget date on spend authorization lines.
- Display or require expense item attributes on spend authorizations to encourage workers to include additional details at line level.

Requirements

- Configure payment election rules for companies and payees to determine how to pay workers for their cash advances.
- Configure commitment accounting to generate accounting when workers link spend authorizations to expense lines and liquidate specific spend authorization lines.
- Settle cash advances to enable workers to select spend authorizations on expense reports.

Limitations

- Payees can't request cash advances and spend authorizations in currencies that differ from their reimbursement currency.
- To prevent accounting inaccuracies, you can cancel and close spend authorizations only under certain conditions. Example: You can't cancel a spend authorization if it's associated with a settlement run that's *In Progress* or *Completed*.
- Workday doesn't generate accounting when you receive cash advance repayments from workers. You need to create separate journal entries using bank deposits or payroll deduction.
- Workday doesn't support travel journals on spend authorizations. When you use per diem expense items on spend authorizations, Workday can't calculate amounts accurately.
- You can link spend authorization lines to expense report lines only when you enable commitment accounting.
- You can't copy spend authorizations to generate new spend authorizations. Workday only copies spend authorization header details.

Tenant Setup

On the **Edit Tenant Setup - Financials** task, you can configure tenant settings to:

- Configure sequence numbers for spend authorizations.
- Enable workers to submit cash advance requests in their spend authorization requests.
- Hide the **Billable** check box on spend authorizations when your organization doesn't bill customers for worker expenses.
- Hide spend authorization options on expense reports when payees don't have spend authorizations.

Security

These domains in the Expenses functional area:

Domain	Considerations
<i>Manage: Expense Advance Repayment</i>	Enables you to: • Create cash advance repayments. • Access receipt records of an expense advance repayment.
<i>Process: Expense Report Payment/Settlement</i>	Enables you to: • Access and settle expense payments. • View related settlement reporting.
<i>Process: Spend Authorization</i>	Enables users with company-based or unconstrained roles to manage spend authorizations and related reporting. You can also configure subdomains to give users more control over spend authorization actions.
<i>Process: Spend Authorization Mass Close</i>	Enables you to: • Close multiple spend authorizations at once. • Close spend authorizations to prevent further action against them, such as linking to expense report lines, and liquidating remaining balances. • View related reports for mass close requests.
<i>Reports: Organization Spend Authorization Reporting</i>	Enables users with organization-based roles to view spend authorizations and spend authorization line reporting.
<i>Self-Service: Spend Authorization</i>	Enables you to: • Access, edit, and close spend authorization requests. • View related reporting for spend authorizations.

Business Processes

Business Process	Considerations
<i>Check Budget (Financial)</i>	Configure to review and approve budget check results for spend authorization transactions, such as budget check overages or failures.
<i>Expense Report Event</i>	Configure to include rules for spend authorizations when you want to require additional approval for spend amounts. Example: When the estimated spend authorization is greater than the total amount on the expense report, you can require additional manager approval.

Business Process	Considerations
<i>Spend Authorization</i>	Configure to enable employees, data entry specialists, and expense partners to make spend authorization requests. You can configure these additional action steps: • <i>Budget Check</i> to check spend authorization requests against budget. • <i>Complete Questionnaire</i> to gather additional information from employees before approval. • <i>Propose Reimbursable Allowance Plan Assignment</i> to propose an allowance plan for employees who request spend authorizations.
<i>Spend Authorization Mass Close Event</i>	Configure to: • Enable expense partners to mass close spend authorizations. • Require reviews before approving the mass close spend authorization request. • Send custom notifications and alert expense payees about closed spend authorizations.

Reporting

Reports	Considerations
Budgetary Balance Report	View spend authorization commitments and expense report actuals in your accounting journals.
Find Cash Advances	View cash advance details, including: • Outstanding and available balances. • Related expense reports. • Repayment amounts and dates.
Find Spend Authorizations	Based on spend start and end dates, view spend authorization: • Remaining balances. • Accounting, liquidations, and commitments on linked expense reports.
Find Spend Authorization Mass Close Requests	View all spend authorizations and their details in each mass close request.

You can use these report data sources to aggregate and filter large volumes of data:

- **Cash Advance Payments**
- **Cash Advance Repayments**
- **Spend Authorizations**
- **Spend Authorization Lines**
- **Spend Authorization Mass Close Requests**

Integrations

Web Services	Considerations
<i>Cancel Spend Authorization</i>	Use to cancel spend authorizations when you provide a spend authorization ID.
<i>Get Cash Advance Repayments</i> <i>Put Cash Advance Repayment</i>	Use to: - Add, update, or submit cash advance repayments. - Gather submitted cash advance repayments.
<i>Get Expense Items</i> <i>Put Expense Item</i>	Use to configure and gather expense items for use on spend authorizations.
<i>Get Spend Authorizations</i>	Use to gather submitted spend authorizations.
<i>Submit Spend Authorization</i>	Use to add, update, and submit spend authorizations.

Connections and Touchpoints

Features	Considerations
Budgets	You can configure: - Budget check to control spend authorization amounts. - Commitments for spend authorizations. When you use budgets on spend authorizations, you can view generated accounting and journal details such as: - Budget dates. - Commitments and actuals. - Reserved budget amounts.
Financial Accounting	You can configure: - Accounting posting rules to determine default accounts for cash advance transactions. - Balancing worktag rules to keep track of spend across multiple cost centers or funds. - Spend authorization journal sources and map them to spend authorization operational transactions. - Commitment accounting on ledgers for spend authorization transactions.
Banking and Settlement	You can: - Configure the payment category to identify which account to use for cash advance payments. - Generate payments for cash advances.
Travel Profiles	When users configure a hotel or travel country on their travel profiles, Workday:

Features	Considerations
	- Populates the spend authorization lines for expense items that require a hotel or travel country. - Provides a Preferred folder for the expense item when you select the expense item for the hotel or travel country.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Concepts

[Setup Considerations: Budget Check](#)

[Setup Considerations: Payment Elections](#) on page 1255

Tasks

[Steps: Configure Commitment Accounting for Expenses](#)

[Configure Questionnaires and Questions](#)

Reference

[2021R2 What's New Post: Budget Date on Spend Authorization Lines](#)

Steps: Set Up Spend Authorizations

You can enable workers to create and submit spend authorizations to request approval for expenses before they incur them. You can also enable designated workers to create spend authorizations on behalf of nonworkers and other workers.

When you enable commitment accounting, you can link 1 spend authorization to multiple expense reports until the spend authorization balance equals zero.

1. Configure the *Spend Authorization* business process and security policy in the Expenses functional area.

Add the *Propose Reimbursable Allowance Plan Assignment* action step to propose an allowance plan for employees requesting spend authorization.

See [Steps: Configure Business Process Definitions](#).

2. (Optional) Set up budget checking for spend authorizations.

See [Steps: Configure Budget Checking for Spend Transactions](#).

3. (Optional) Enable workers to create and submit spend authorizations on behalf of nonworkers and other workers.

See [Set Up Delegations](#).

4. (Optional) Set up spend authorization routing for workers with multiple positions.

- a) Access the **Maintain Feature Opt-Ins** report.

Opt in to the **Spend Authorization Routing for Workers with Multiple Positions** feature.

Note: To opt in to this feature, you must first opt in to the **Expense Report Routing for Workers with Multiple Positions** feature. If you opt out of the **Expense Report Routing for Workers with Multiple Positions** feature, you also opt out of this feature.

- b) Access the **Edit Tenant Setup - Financials** task.

To populate the location worktag based on the position you select on the spend authorization header, select **Default Worker Location on Spend Transactions** in the **Procurement Options** section.

- c) Add workers who create spend authorizations on behalf of other workers to the *Process: Spend Authorizations* domain in the Expenses functional area.

See [Steps: Set Up Security Permissions](#).

5. (Optional) Access the **Edit Spend Transaction Instruction** task.
Create instructions to include on spend authorizations for workers.
Security:

- *Set Up: Expenses Processing* in the Expenses functional area.
- *Set Up: Procurement* in the Procurement functional area.

Configure questionnaires to include them on spend authorizations so you can gather additional data from expense payees.

Tasks

[Create Spend Authorizations](#) on page 1352

[Steps: Configure Commitment Accounting for Expenses](#)

[Steps: Create and Manage Questionnaires](#)

Reference

[2023R1 What's New Post: Spend Authorization Routing for Workers with Multiple Positions](#)

[The Next Level: Controlling Your Spend with Budget Check on Financial Plans](#)

Steps: Set Up Cash Advance Requests

Configure a *Review* step on the *Spend Authorization* business process.

You can enable workers to create cash advance requests using a spend authorization. This gives you more options when managing expenses for workers traveling to locations that don't generally accept credit cards.

1. Access the **Edit Tenant Setup - Financials** task.

In the **Expenses Options** section, select the **Enable Cash Advances** check box to enable workers to request a cash advance using spend authorizations.

Security: *Set Up: Tenant Setup - Financials* domain in the System functional area.

2. Configure the *Expenses Advance* account posting rule for your company.

The expenses advance account posting rule identifies the ledger account in which to record cash advance transactions.

See [Set Up Account Posting Rules](#) on page 69.

3. Set up a journal source and map it to an operational journal.

- Enter **Cash Advance Payment** as the journal source name and select **Workday Source**.
- Select *Cash Advance Payment* to map it to the **Cash Advance Payment Journal Entry Source**.

See [Steps: Set Up and Update Journal Sources](#) on page 62.

4. [Define Bank Accounts](#) on page 1418.

On the **Edit Bank Account** task, select *Cash Advance Payment* from the **Primary Account Usage** prompt to specify the bank account to use for cash advance payments.

5. (Optional) [Define Settlement Run Custom Filters](#) on page 1601.

On the **Create Settlement Run Custom Filter** task, select *Cash Advance* from the **Payment Source** prompt, and specify additional **Attributes** for this payment source.

6. (Optional) [Define Worktag Balancing Rules for Financial Transactions](#) on page 257.

Create a worktag balancing rule for cash advance transactions. You can either create a new rule or add an existing rule for cash advance transactions.

7. (Optional) [Configure Worktag Balancing Rule Sets for Transaction Journals](#) on page 263.

On the **Edit Worktag Balancing Rule Set** task, specify a financial balancing rule for the **Cash Advance** financial transaction type.

Workers can create spend authorizations with a cash advance request. After you settle cash advance payments, workers can link spend authorizations with cash advance requests to an expense report.

Process requests for cash advances.

Tasks

[Create Spend Authorizations](#) on page 1352

Steps: Process Cash Advance Requests

Workers can use a spend authorization to request a cash advance for anticipated expenses. After you settle cash advances and process worker payments, workers can link the spend authorization with the cash advance request to an expense report.

1. [Create Spend Authorizations](#) on page 1352.

Workers select **Cash Advance Requested** on the spend authorization line.

2. [Create Manual Settlement Runs](#) on page 1615.

After reviewers approve spend authorizations with cash advance requests, you can include them in a settlement run to process each cash advance payment. To include the spend authorizations in a settlement run, complete the *Spend Authorization* business process.

Select **Cash Advances** to find the cash advance requests you want to settle.

3. [Create Expense Reports](#) on page 1327.

Workers select the spend authorization with a cash advance request from the **Spend Authorization** prompt to link it to the expense report. You can link a spend authorization only if there's a cash advance available balance.

When you link a cash advance to multiple expense reports and change any expense line amount after submitting the expense reports, Workday doesn't dynamically update:

- The cash advance applied to an expense report.
- The cash advance available amount.

Create a cash advance repayment to collect outstanding balances from workers.

Tasks

[Steps: Create Cash Advance Repayments](#) on page 1351

Steps: Create Cash Advance Repayments

Approve and settle spend authorizations.

You can create a cash advance repayment to receive payments from workers who have outstanding cash advance balances.

1. Access the **Find Cash Advances** report.

Alternatively, you can access the **Find Spend Authorizations** report.

Security: *Process: Spend Authorization - Reporting* domain in the Expenses functional area.

2. Select **Cash Advance Repayment > Create** from the related actions menu of a spend authorization.

Security: *Manage: Expense Advance Repayment* domain in the Expenses functional area.

3. Enter a **Repayment Amount** that's equal to or less than the cash advance available balance.

If the cash advance outstanding balance differs from the cash advance available balance, an expense report, with a cash advance applied amount, requires approval.

Report on cash advance repayments for audit purposes.

Create an ad hoc bank transaction using the template for cash advance repayments. Workday recommends that you create an ad hoc bank transaction template for deposits on cash advance repayments.

Tasks

[Steps: Set Up Cash Advance Requests](#) on page 1350

[Steps: Process Cash Advance Requests](#) on page 1351

[Create Ad Hoc Bank Transactions](#) on page 1501

Create Spend Authorizations

- Set up payment elections for all payee types, and Workday accounts for nonworkers.
- Configure the *Spend Authorization* business process and security policy in the Expenses functional area. See [Steps: Set Up Spend Authorizations](#) on page 1349.

You can create and submit spend authorizations:

- To seek cash advances and preapproval of spend.
- For yourself, or on behalf of nonworkers and other workers.

For accounting purposes, spend authorizations don't generate accounting entries or issue payments against them.

1. Access 1 of these tasks:

- **Create Spend Authorization**
- **Create Spend Authorization for Non-Worker**
- **Create Spend Authorization for Worker**

On the **Create Spend Authorization for Non-Worker** task, you can create spend authorizations only for workers in External Committee Member (ECM) roles.

2. As you complete the task, consider:

Option	Description
Position	Displays when you: • Enable spend authorization routing for workers with multiple positions. • Select a worker who has multiple positions from the For prompt on 1 of these tasks: • Create Spend Authorization • Create Spend Authorization for Worker
Company	When you use the: • Create Spend Authorization task, Workday displays your company automatically, but you can select any company to which you have access. • Create Spend Authorization for Non-Worker task, select the company that expects to report the expense. • Create Spend Authorization for Worker task, select a company that you and the worker can both access. When you submit spend authorizations or save them for later, you can't change the company.
Start Date	Select the date that you expect the expense to occur.
Spend Authorization Total	Enter the estimated amount.

Option	Description
	Workday corrects estimated amounts to match the total of the spend authorization lines that you create later. Example: When you set a spend authorization estimate at 100 USD and the subsequent spend authorization lines total 80 USD, Workday updates the estimate.
Reimbursement Payment Type	Select a reimbursement payment type, which is based on your defined payment elections.

3. (Optional) On the **Spend Authorization Lines** tab, add expense transactions for the spend authorization. As you complete the tab, consider:

Option	Description
Budget Date	Select a date to determine which budget Workday applies the total spend authorization line amount to. Workday only displays this field if you configure: • Commitment accounting for your tenant. • Budget dates to display on your actuals ledger.
Cash Advance Requested	Select to request a cash advance for the specified expense item. Create a separate spend authorization line for each cash advance request. See Steps: Set Up Cash Advance Requests on page 1350.
Worktags	Use worktags as keywords to more easily classify and find transactions. Configure the allowed worktag types on the Maintain Worktag Usage task. When you select a worktag type that has related worktags, Workday automatically populates transactions with the related worktag values. If you enable manual overrides for an expense item, you can change worktags manually by selecting from a list of configured values.

- The spend authorization routes for approval and when approved, you can include it on expense reports.
- If you enable commitment accounting, you can link an approved spend authorization to multiple expense reports until its balance equals zero.

Access the **My Spend Authorizations** report to view your spend authorizations.

Reference

[2023R1 What's New Post: Spend Authorization Routing for Workers with Multiple Positions](#)

[2021R2 What's New Post: Budget Date on Spend Authorization Lines](#)

Freeze Company Spend

You can use Workday to freeze spend on procurement and expenses for a:

- Company.
- Supervisory organization.
- Supervisory organization and its superiors.

1. Create Business Process Condition Rules.

To freeze spend, configure an *Approval* step on these business processes and create condition rules:

- *Purchase Order Event*
- *Requisition Event*
- *Spend Authorization*

2. Select **Worker Spend > **Manage Spend Freeze** from the related actions menu of a company or a supervisory organization.**

Security:

- *Process: Spend Control and Analysis* in the Procurement functional area.
- *Process: Spend Control and Analysis (Expenses)* in the Expenses functional area.

3. Select these check boxes to freeze spend on procurement and expense business documents:

- **Freeze Purchase Orders**
- **Freeze Requisitions**
- **Freeze Spend Authorizations**

When workers submit business documents, the business process identifies whether a spend freeze is in effect. The approver then approves or denies the purchase order, requisition, or spend authorization.

Close Spend Authorizations

- Submit and approve spend authorizations.
- Security: These domains in the Expenses functional area:
 - *Process: Spend Authorization – Close*
 - *Process: Spend Authorization – Core*

You can close a spend authorization to:

- Prevent further action against it.
- Liquidate the remaining balance of it (when you enable commitment accounting).
- Update its status to *Closed*.

You can also close a spend authorization:

- When it doesn't have an outstanding cash balance and is in *Approved* status.
- Whether or not you're using commitment accounting.

1. Select **Spend Authorization > **Close** from the related actions menu of an approved spend authorization.**

2. Review transaction information to verify that you want to complete the close.

Workday liquidates the remaining balance on the spend authorization when business process activity is complete. After you settle the expense report, the status of the spend authorization changes to *Closed*.

Mass Close Spend Authorizations

- Configure:
 - The *Spend Authorization Mass Close Event* business process and security policy.
 - A *Review* step on the *Spend Authorization Mass Close Event* business process.
- Security: *Process: Spend Authorization Mass Close* domain in the Expenses functional area.

You can close unused spend authorizations when you no longer need to process downstream activities against them, such as expense reports.

1. Access the **Mass Close Spend Authorizations** task.
2. As you complete the task, consider:

Option	Description
Request Name	Enter a unique name that enables you to identify the spend authorization mass close request.
For	Select a specific expense payee to close only their spend authorizations.
Payee Type	When you select a payee type, Workday inactivates the For prompt.
Terminated	Select this check box to close spend authorizations for 1 or more terminated workers. When you select this check box, Workday inactivates the For prompt.

Workday returns the spend authorizations that meet the criteria you specify, provided the spend authorizations aren't:

- Already closed.
- Associated with another existing mass close request.
- In *Draft* or *In Progress* status.
- Linked to open and nonsettled expense reports.

Reviewers can access the **Revise Mass Close Spend Authorizations** task and evaluate whether to exclude any documents from the request. They can:

- Approve or send back the request.
- Add approvers.
- Exclude specific spend authorizations.

Access the **Find Spend Authorization Mass Close Requests** report to review and access mass close requests.

Reference: Spend Authorization Statuses

This table describes the different statuses for a spend authorization.

Status	Description
<i>Draft</i>	The worker creates a spend authorization hasn't submitted it yet. You can use the Edit Spend Authorization task to update spend authorizations in this status.
<i>In Progress</i>	The worker creates and submits a spend authorization but the final approver has yet to approve or deny it.
<i>Approved</i>	The final approver approves the submitted spend authorization. The worker can now incur the authorized expense and select the spend authorization on an expense report.
<i>Canceled</i>	The reviewer or approver cancels or denies the spend authorization, or the worker cancels it. The

Status	Description
	worker can cancel the spend authorization until it reaches <i>Approved</i> status.

Credit Card Setup

Steps: Set Up Expense Credit Cards

You can:

- Create billing accounts for corporate credit cards.
 - Implement integration systems to load transaction files for the credit card formats that Workday supports.
1. [Create Corporate Expense Credit Card Billing Accounts](#) on page 1364.
Create or update worker corporate credit card information.
 2. (Optional) [Map Merchant Category Codes to Expense Items](#) on page 1368.
Map card issuer MIS or MCC codes to expense items, so Workday can populate their values on the expense item when workers create expense reports.
 3. [Maintain Currency Conversion Rates](#).
Configure the currency exchange rates and define cross-rates for 1 or more currency pairs. The dates of the currency exchange rates must include historical rates with dates before the earliest transaction date you want to load.
 4. (Optional) Associate a liability account with the *Credit Card Payable* account posting type.
Perform this step if you:
 - Select corporate or shared payment responsibility for corporate card billing accounts.
 - Use Workday Financial Management to generate journals.
 Select the **Default Ledger Account** for the *Credit Card Payable Account Posting Type*.
See: [Set Up Account Posting Rules](#) on page 69.
 5. Load credit card transactions and cardholder listing files from your card issuer into Workday.
See: [Steps: Set Up Integration for Credit Cards and Transactions](#).
 6. Purge credit card records that are no longer valid.
Create an integration system to remove records from the credit card secure environment for unmasked AMEX GL1025 Global Daily Unbilled Transactions.
See: [Steps: Set Up Integration for Credit Cards and Transactions](#).
 7. Request that the card issuer or bank provide transaction files in a format that Workday supports.
See: [Reference: Credit Card Formats Supported for Expense Integrations](#).
Workday matches credit card transactions to expense payees based on cardholder IDs in transaction files.
 8. (Optional) Configure your inbound Visa or Mastercard integrations to generate remittance data.
See: [Steps: Configure Visa Scrubbed or Mastercard Masked Remittance Files for Credit Card Transactions](#) on page 1358.
 9. Launch the integration and view its status.

Workers can create expense reports and include credit card transactions. If workers create their own expense reports, Workday displays all available credit card transactions. You can configure the corporate card billing definition to enable workers to enter credit card transactions on their expense reports manually.

For personal-responsibility credit cards, transactions are reimbursable. The company isn't liable for transactions incurred on the corporate card billing account.

For corporate-responsibility credit cards, transactions aren't reimbursable because the company is liable. You pay transactions directly to your card issuer.

Concepts

[Concept: Process Flow of Expense Credit Card Transactions](#) on page 1368

Tasks

[Create Expense Reports](#) on page 1327

[Steps: Upload Currency Conversion Rates](#)

Reference

[Reference: Alternate Account Identifiers for Expense Remittance Processing](#) on page 1369

[2021R1 What's New Post: Outbound Remittance for Mastercard Masked Integrations](#)

[2021R2 What's New Post: Outbound Remittance for Visa Scrubbed Integrations](#)

Steps: Set Up AMEX Global Credit Card Processing

- To secure the integrations, create an integration system user for:
 - *Global Remittance for AMEX*
 - *Import Credit Cardholder File (AMEX GL1205 - MASKED)*
 - *Import Credit Card Transaction File (AMEX GL1025 - MASKED)*
 - *Import AMEX Central Travel Data File (Masked)*
- For authorized users, set up access to the *Manage: Credit Card Data* security domain.

You can configure AMEX global credit card processing to:

- Load cardholder and transaction files.
 - Send remittance files with payments to credit card issuers or banks.
 - Purge obsolete credit cards from Workday.
1. [Create Corporate Expense Credit Card Billing Accounts](#) on page 1364.
Create a corporate credit card billing account for your AMEX card issuer or bank.
 2. [Create Worker Expense Credit Cards](#) on page 1366.
Create worker and central travel credit cards. Workday:
 - Creates a worker credit card automatically when you import AMEX cardholder listing files.
 - Requires you to create central travel cards manually before you load central travel card transactions.
 3. [Map Merchant Category Codes to Expense Items](#) on page 1368.
Map card issuer MCC codes to expense items, so Workday can populate their values on the expense item when workers create expense reports.
 4. Configure the integrations that fit your business needs:
 - *Import Credit Cardholder File (AMEX GL1205 - MASKED)*, to load credit cards.
 - *Import Credit Card Transaction File (AMEX GL1025 - MASKED)*, to load credit card transactions.
 - *Global Remittance for AMEX*, to generate remittance files in a global format from Workday to AMEX.
 - *Import AMEX Central Travel Data File (Masked)*, to load central travel card transactions.

See: [Steps: Set Up Integration for Credit Cards and Transactions](#).
 5. Schedule or launch integrations to load AMEX credit card transactions and cardholder listing files into Workday.
See: [Steps: Set Up Integration for Credit Cards and Transactions](#).
 6. (Optional) [Configure AMEX Remittance Files for Credit Card Transactions](#) on page 1358.
If you settle payments directly to AMEX from Workday, AMEX requires remittance files with the payments.
 7. (Optional) Configure the integration system for *Purge Credit Cards* integration.
See: [Steps: Set Up Integration for Credit Cards and Transactions](#).

Workers can now link AMEX credit card transactions on expense reports.

- Resolve any credit card transaction errors or issues.
- Create a settlement run and settle payment to credit card issuers or banks. To send remittance files to the card issuer or bank, approve the payment release and approve any additional *Payment Release Event* business process steps.

Tasks

[Fix Credit Card Transaction Errors](#) on page 1371

[Steps: Review and Correct Credit Card Transactions](#) on page 1370

[Steps: Purge Worker Credit Card Numbers](#) on page 1370

Reference

[Reference: Alternate Account Identifiers for Expense Remittance Processing](#) on page 1369

[Reference: Credit Card Reports](#) on page 1375

[2021R2 What's New Post: Outbound Remittance for AMEX Masked Integrations](#)

Examples

[Example: Create Custodian Role to Manage Central Travel Cards](#) on page 1412

Configure AMEX Remittance Files for Credit Card Transactions

Configure the *Remittance Release Event* business process security policy.

If your company settles payments directly to AMEX from Workday, AMEX requires you to produce the remittance files that accompany your payments.

1. Define the *Remittance Release Event* business process.
2. Add the *Remittance* service step in the *Settlement Run Event* business process.
3. Add the *Remittance* service step in the *Payment Release Event* business process.
4. Configure these business process events:
 - To produce remittance files for any type of payment, configure the *Settlement Run Event* business process with the *Remittance* service step.
 - To produce remittance files for electronic payments, configure the *Payment Release Event* business process with the *Remittance* service step.
 - To produce remittance files for payments by check, configure the *Print Check Event* business process with the *Remittance* service step.
- Configure the *Global Remittance for AMEX* integration system.
- Include remittance information and the remittance integration system on the applicable corporate credit card billing account.

Tasks

[Steps: Set Up Expense Credit Cards](#) on page 1356

[Steps: Use Settlement](#) on page 1611

Reference

[Reference: Alternate Account Identifiers for Expense Remittance Processing](#) on page 1369

[2021R2 What's New Post: Outbound Remittance for AMEX Masked Integrations](#)

Steps: Configure Visa Scrubbed or Mastercard Masked Remittance Files for Credit Card Transactions

- Set up an integration system using the **Import MasterCard CDF3File Masked** or **Import Visa VCF4 Scrubbed** integration template.
- For Mastercard integrations, contact your financial institution to get the MasterCard CDF3 input file field name that contains the alternate account identifier for the credit card account.

- Configure the **Expense Credit Card Number Output** integration attribute in your Workday payment connectors to include alternate account identifiers in outbound payment files.

You can configure your inbound Visa or Mastercard integrations to generate scrubbed or masked remittance data with alternate identifiers to the credit card accounts.

1. Access the *View Integration System* report.

Security: The *Integration Build* domain in the Integration functional area.

2. Select 1 of these integration systems:

- **Import MasterCard CDF3File Masked**
- **Import Visa VCF4 Scrubbed**

3. Access the *Configure Integrations Attributes* task from the *Integration System* related action menu of the integration you select.

Security: *Integration Configure* domain in the Integration functional area.

4. Select a value for the *Alternate Account Identifier* integration attribute.

This value determines where your financial institution includes the alternate account identifier on your credit card file.

Workday includes the value in:

- The *Get Payments* web service response, ensuring that it's available to include in the custom remittance file you send to financial institutions.
- Workday outbound payment connectors, when you configure the **Expense Credit Card Number Output** integration attribute.

Reference

[Reference: Alternate Account Identifiers for Expense Remittance Processing](#) on page 1369

[2021R1 What's New Post: Outbound Remittance for Mastercard Masked Integrations](#)

[2021R2 What's New Post: Outbound Remittance for Visa Scrubbed Integrations](#)

Enable Paid with Corporate Card on Expense Reports

Security: *Set Up: System* domain in the System functional area.

Corporate card holders can reduce duplicate and inaccurately reimbursed expenses by indicating the expenses paid with corporate cards on expense reports.

1. Access the *Maintain Feature Opt-ins* report.

2. Select *Enable Paid with Corporate Card on Expense Reports*.

Workday automatically selects the **Paid with Corporate Card** check box on all expense lines. Corporate card holders must link a corporate card to pending credit card transactions. For out-of-pocket expenses, corporate card holders can clear the check box on each expense line.

Access the **Expense Report Work Area** report to view these columns:

- **Has Corporate Card**
- **Last 4 Digits of Credit Card Number**

You can also use these columns to filter expenses submitted by corporate card holders.

Reference

[2022R2 What's New Post: Expenses Paid with Corporate Cards](#)

Setup Considerations: Central Travel Cards

You can use this topic to help make decisions when planning your configuration and use of a central travel card program. It explains:

- Why to set it up.

- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

The central travel card program consolidates air travel spend on a single central travel card, also known as a ghost card, for individual organizations instead of individual workers. When you import central travel card transactions for air travel expenditure into Workday, Workday automatically assigns transactions to workers for them to include on expense reports.

Business Benefits

Central travel cards enable you to:

- Consolidate air travel and expense spend for your company.
- Have an accurate view of the air travel spend for your company.
- Track and analyze air travel spend for your company effectively.
- Improve travel policy decisions and negotiate better travel rates, optimizing your cash flow.
- Reduce financial risk by hiding the central card number from employees.
- Reduce expense creation and manual entry effort when you import central travel card transactions through a credit card integration.
- Prevent employees from charging large business expenses on personal credit cards.

Use Cases

When you configure central travel card functionality:

- Expense payees can submit expenses from corporate cards and central travel cards in a single expense report.
- Cost-center managers and travel managers can view all air travel spend in 1 place, improving spend analysis.
- Organizations can assign a dedicated Custodian to manage unassigned transactions and assign them to the correct expense payee.

Question to Consider

How do you create central travel cards?

To minimize data errors, you can create central travel cards manually before transaction file load for:

- AMEX.
- Mastercard.
- Visa.

Recommendations

- Create central travel cards before loading transactions files to prevent data load errors and eliminate manual workarounds.
- Create a secured token for the unmasked central travel card number to ensure cards that you create manually have a secured credit card number.
- Configure custom alerts for the Custodians to help identify and assign unassigned central travel card transactions so workers can include them on expense reports.

Requirements

To import Visa and Mastercard central travel cards transactions, work with your:

- Credit card network and financial institution to include central travel card transactions on your VCF4 or CDF3 integration file.
- Travel agency to ensure that a unique identifier for expense payees is included on the integration files, such as *Employee ID*. Workday uses the unique identifier to assign central travel card transactions to the expense payee.

To import AMEX central travel card transactions:

- Identify which integration file input to use for the central travel card based on the region. For US and Canada, request a *Workday AMEX Central Travel Data File* in a tab delimited format text file. For EMEA region, request an *AMEX Global TMKD File* in a fixed length format text file for Option D.
- Work with your AMEX Account Manager to request a Technology Enablement Engagement ticket in order to request the central travel data file.
- Work with your travel agencies to include a unique identifier in the integration file. Example: The *REF_5* field on *Global TMKD File* and the *Workday Employee ID* field on *Workday AMEX Central Travel Data File*.
- Create the AMEX central travel cards manually in Workday.

Limitations

Workday only automatically assigns airfare central travel card transactions to employees. For central travel card purchases such as hotel and booking fees, you must assign the transactions manually. Currently, Workday doesn't support receiving the unique identifiers for transactions other than airfare.

Tenant Setup

No impact.

Security

Domain	Considerations
<i>Organization: Manage Central Travel Card Transactions</i> in the Expenses functional area.	Users, such as Custodians, can manage central travel card transactions for the organizations configured on the corporate credit card billing account.
<i>Set Up: Credit Card</i> in the Common Financial Management functional area.	Users can create and manage credit cards for their company.

Business Processes

No impact.

Reporting

Reports or Dashboards	Considerations
Find Credit Card Transaction Files	Use this report to identify errors that occur during the file load.
Find Credit Card Transactions	View a list of credit card transactions, including central travel card transactions to analyze worker spend.

Reports or Dashboards	Considerations
Find Credit Cards	Find credit cards you create manually or through the integration. View details on employee credit card accounts, including central travel cards.
Find Unassigned Central Travel Card Transactions	View all unassigned central travel card transactions for your organization and assign them to the correct expense payee to include on an expense report.

Integrations

You can configure your integrations to import and automatically assign central travel cards to workers for expense inclusion.

Web Services	Considerations
<i>Get Expense Credit Card Transactions</i> <i>Import Credit Card Transactions</i>	Use to load and retrieve credit card or central travel card transactions.
<i>Assign Expense Central Travel Card Transaction</i>	Use to assign central travel card transactions to expense payees.

Integration Templates	Considerations
<i>Import AMEX Central Travel Data File (Masked)</i>	Use these templates to import masked central travel card transactions from AMEX.
<i>Import MasterCard CDF3File Masked</i>	For Mastercard, use these templates to import masked: • Credit cards and transactions. • Central travel cards and transactions.
<i>Import Visa VCF4 Scrubbed</i>	For Visa, use these templates to import scrubbed: • Credit cards and transactions. • Central travel cards and transactions.

Connections and Touchpoints

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Tasks

[Steps: Configure Alerts for Central Travel Card Transactions](#) on page 1363

Reference

[Workday 32 What's New Post: Central Travel Card](#)

[The Next Level: Central Travel Cards](#)

Examples

[Example: Create Custodian Role to Manage Central Travel Cards](#) on page 1412

Steps: Create Central Travel Cards

- Configure the integration file templates that you want to import central travel card data with. Ensure that the file includes the unique identifier for the expense payee.

- For AMEX integration templates, ensure that the file uses the *Workday AMEX Central Travel Data* specification for U.S. and Canada central travel cards. For EMEA region central travel cards, ensure that the file uses the *Global TMKD File Option D* specification.

You can:

- Set up and manage central travel cards.
- Enable roles to manage central travel card transactions for specific organizations.

Workday imports central card transactions through the credit card integrations and automatically assigns them to expense payees for expense inclusion.

Create a central travel card for your company to:

- Import central travel card transactions to expedite expense report creation.
- Track and analyze company spend.

1. [Create Corporate Expense Credit Card Billing Accounts](#) on page 1364.

As you create a corporate credit card billing account for central travel, select:

- **Expense** usage.
- **Corporate** payment responsibility.
- **Electronic Load Only**.

2. [Create Worker Expense Credit Cards](#) on page 1366.

As you create a central travel card, select:

- The **Corporate Credit Card Billing Account** configured for the central travel card.
- The **Central Travel Card** credit card category.
- The **Organization** to use the central travel card. Central travel cards can be associated with 1 or more organizations.

Alternatively, create the central credit card through the integration if you plan to import central travel data through a dedicated external file for Visa and MasterCard. If using a dedicated central travel card file, you must append the credit card name with *CTC*. This configuration enables Workday to distinguish between worker credit cards and central travel cards and prevent the creation of worker credit cards.

For MasterCard integrations, ensure the *EmployeeId* field in the MasterCard CDF3 **AccountInformation_4300Type** record is empty or not present.

- Load central credit card transactions into Workday through an external file downloaded from the card issuer.
- If the transaction is missing the expense payee or incorrectly assigned, access the **Assign Central Travel Card Transactions** task.
- (Optional) Configure inbox alerts to notify Custodians of unassigned central travel card transactions.

Tasks

[Steps: Set Up Expense Credit Cards](#) on page 1356

Reference

[Workday 32 What's New Post: Central Travel Card](#)

[The Next Level: Central Travel Cards](#)

Examples

[Example: Create Custodian Role to Manage Central Travel Cards](#) on page 1412

Steps: Configure Alerts for Central Travel Card Transactions

- Set up central travel cards and import central travel card transactions.
- Configure the Custodian role and security policy group.

You can configure alerts to notify Custodians of unassigned central travel card transactions, enabling them to assign transactions to the correct expense payee for expense inclusion.

1. [Create Custom Reports.](#)

Create a custom report to find central travel card transactions using the **Count of Unassigned Central Card Transactions** report field.

2. [Configure and View Alerts.](#)

Using the custom report, create alerts for Custodians to notify them of new central travel card transactions not associated with an expense payee.

As you complete the task, select:

- **Assign Central Travel Card Transactions** as the **Included task**.
- **Custodian** as the recipient **Group**.

Custodians can directly access all unassigned transactions in their organization through the inbox alert.

Reference

[Workday 32 What's New Post: Central Travel Card](#)

Examples

[Example: Create Custodian Role to Manage Central Travel Cards](#) on page 1412

Create Corporate Expense Credit Card Billing Accounts

- To send remittance files when settling payments for corporate credit card accounts, configure a remittance integration.
- Include the *Remittance* service step on the *Payment Release Event* business process. This configuration produces remittance files for corporate credit card accounts.
- Security: *Set Up: Credit Card* domain in the Common Financial Management functional area.

You can determine how to process:

- Expense corporate credit card accounts.
- Credit card transactions for expense payees.
- Transactions for central travel credit cards.

1. Access the **Create Corporate Credit Card Billing Account** task.

2. As you complete the task, consider:

Option	Description
Account Number	Enter exactly as it displays in the external file sent from the card issuer. If the account number is masked in the file, mask the number in the Account Number field. Valid characters include X and numerals only.
Usage	Select <i>Expenses</i> to use the credit card transactions for expense reports.
Payment Responsibility	Determine the responsible party that pays the card issuer for credit card transactions for expense payees: • <i>Corporate</i>: The company pays all transactions. If the transactions are personal expenses, the expense payee owes your company money because there's no reimbursement amount to the expense payee. • <i>Individual</i>: The expense payee pays all transactions. If a transaction is for business expenses, the company reimburses the

Option	Description
	expense payee. The reimbursement amount excludes personal expense transactions. • <i>Shared</i>: The expense payee pays credit card personal expense transactions and the company pays business-related transactions.
Company	You can't change the selected company when there are credit card transactions against the credit card.
Electronic Load Only	Workday recommends that you select this check box to restrict workers from entering credit card transactions manually. If your organization uses both manual entry and electronic file loads to input credit card transactions, reconciliation issues can occur. Consider how to manage manual credit card entries before selecting this check box.
Pay Worker prior to Expense Credit Card Issuer	Select to pay workers for expenses they incurred before paying the credit card issuer.
Pay Unapproved Expense Card Transactions	Select to: • Record the liability at the time of load. • Enable your company to pay credit card transactions before they're expensed on an expense report. Only available for corporate credit cards with a payment responsibility of <i>Corporate</i>.
Use Company on Credit Card Account for Expense Accounting	Select to make the company on the credit card account liable to pay the credit card transactions instead of the company on the expense report. Only available for corporate credit cards with a payment responsibility of: • <i>Corporate</i> • <i>Shared</i>
Self-service Users Can't Close Transactions	Select to prevent workers from closing their assigned credit card transactions using the Edit My Expense Transactions task.
Enable Editing on the Date Field on Expense Report Lines with Credit Card Transactions	Select to help prevent merchant processing delays from causing date discrepancies on expense reports.
Produce Remittance File	Select to enable remittances for the billing account. Work with your financial institution to configure the: • Country • Currency • Load Number • Market Code

Option	Description
	Payment Identifier The remittance file generated from the integration system provided in the Remittance Integration System includes these configured values.
Load Number	Enter the load number that AMEX provides.
Settlement Bank Account	If you remit payments directly to the card issuer or bank, provide payment details and bank account information for settlement.
Remittance Integration System	Select the integration system to generate remittance files for this billing account.
Payment Identifier	Provide the Deposit ID, CID, Load Number, or any other string that is specific to your financial institution and required in your Workday payment connectors.

- Create credit card accounts for expense payees.
- Create central credit cards for centrally billed corporate card programs.
- Set up accounting for negative reimbursable expense reports.
- Create intercompany profiles.

Tasks

[Steps: Set Up Accounting for Negative Reimbursable Expense Reports](#) on page 1320

[Create Expense Reports](#) on page 1327

Reference

[Workday 32 What's New Post: Corporate Expense Credit Card Accounting and Settlement](#)

Create Worker Expense Credit Cards

- Configure a corporate credit card billing account with a credit card issuer or bank.
- Security: *Set Up: Credit Card* domain in the Common Financial Management functional area.

Create worker expense and procurement credit cards for your corporate credit card billing account program.

1. Access the **Create Credit Card** task.
2. Select the **Corporate Credit Card Billing Account** for this card.
The account you select determines the **Credit Card Type** and who's responsible for settling the account with the card issuer: your company, the payee, or if it's shared responsibility.
3. Select **Worker Credit Card** as the **Credit Card Category**.
4. Enter or update the **Masked, Scrubbed, or Tokenized Credit Card Number**, if they weren't included from an Expense Corporate Card Integration.
5. As you complete the task, consider:

Option	Description
Alternate Account Identifier	Enter the value your financial institution provides so that you can include it on the remittance files you send them. Your financial institution uses this value to look up the right credit card number to make payments.
Reassignment Enabled	Available if the configured corporate card usage is Expenses .

Option	Description
	Select to enable the worker and credit card administrators to reassign credit card transactions to other expense payees so that they can expense them.
Account Status	To change the account status, select either: • <i>Active</i> • <i>Canceled</i> • <i>Deleted</i> • <i>Error</i> • <i>Suspended</i> The account status default is <i>Active</i>. For AMEX credit card billing accounts, the account status is generated from the <i>Cardholder Listing File</i>. If you receive errors because the <i>Cardholder Listing File</i> import doesn't load all required data, search on account statuses to correct credit card profile information.
Monthly Limit	Use to report on monthly accumulated limits from point of sale transactions for this credit card account.
Transaction Limit	Use to report on transactions over the limit you specify. Workday enforces transaction limits during point of sale transactions.
Cash Access Allowed	Select to enable the worker to use this card to obtain cash for noncredit card transactions, such as bridge tolls.

6. For AMEX unmasked credit cards, enter a credit card number manually using the **Maintain Credit Card Number** option to store it in the Payment Card Industry (PCI) environment.

You can only access this option if:

- You're a credit card administrator with authorization to the PCI environment.
- The credit card isn't in *Purged* status.

Load credit card transactions into Workday through an external file downloaded from the card issuer.

- For expense credit cards, workers can include downloaded transactions on expense reports.
- For procurement cards, workers can verify downloaded transactions using the **Verify Procurement Card Transactions** task.

To reassign the loaded credit card expense transactions to an expense payee other than the configured payee, access the **Reassign Expense Credit Card Transactions** task.

If you enable manual credit card transaction entry on the corporate credit card billing account, workers can also enter credit card transactions on expense reports.

If the associated cardholder is incorrect and there are no transactions against the card, access the **Change Cardholder** related action to select the correct cardholder.

Tasks

[Change Cardholders on Expense Credit Cards](#) on page 1373

[Steps: Set Up Expense Credit Cards](#) on page 1356

Reference

[Reference: Alternate Account Identifiers for Expense Remittance Processing](#) on page 1369

[Workday 32 What's New Post: Reassign Expense Credit Card Transactions](#)

Steps: Notify Workers About Expense Credit Card Transactions

The worker must have a corporate credit card with a provider that you've set up a Workday integration with.

You can create alerts to notify users when they've new credit card transactions that aren't associated with an expense report.

1. [Copy Reports](#).

Select the **Credit Card Transactions Not Expensed** report.

2. [Configure and View Alerts](#).

Create an alert to notify users of new credit card transactions that aren't associated with an expense report.

Map Merchant Category Codes to Expense Items

- Create expense items and set expense item attributes.
- Security: *Set Up: Credit Card* domain in the Common Financial Management functional area.

Workday delivers the standard merchant category codes (MCC) used to process files containing credit card transactions. When you map merchant codes to expense items, Workday automatically populates the codes on expense report lines.

1. Access the **Maintain Credit Card Expense Code Mapping** task.

2. On each **Expense Item** row, select 1 or multiple codes from the **Merchant Code** prompt.

When workers select credit card transactions in expense reports, the **Expense Report Line** displays the mapped value in the **Item Details** field, which they can change when necessary.

Concept: Process Flow of Expense Credit Card Transactions

Your company loads the file containing credit card transactions into Workday from the credit card issuer. The administrator reviews the credit card transactions from the file and corrects errors. If you use American Express GL1205 file formats, administrators also review and correct expense payee data from Cardholder Listing File transactions.

When creating expense reports, workers review the transactions loaded from their company credit cards and select transactions to include in their report. Workers can also associate worktags with expense report lines, including credit card lines. When you create the corporate card account, you can permit workers to add credit card expenses manually to expense reports. For accurate accounting when workers manually add credit card expenses, Workday requires the billing currency to match the:

- Transaction currency.
- Reimbursement currency of the expense report.

When expense reports are complete, workers submit them for approval. If a reviewer sends an expense report back to the creator for revision, the worker needs to edit the expense report and resubmit it for approval.

When approved, the settlement specialist settles the expense report even if the reimbursement amount is zero. Then, the expense payable pays the expense payee for reimbursable transactions, based on the payment responsibility that's set on the billing account for the corporate credit card.

Concepts

[Concept: Settlement Processing](#) on page 1624

Tasks

[Steps: Set Up Settlement](#) on page 1590

Reference: Alternate Account Identifiers for Expense Remittance Processing

Workday supports these alternate identifiers for credit card accounts to create masked, scrubbed, and tokenized remittance files for expense credit card integrations:

Integration Template	Financial Institution	Alternate Account Identifier	Value
<i>Global Remittance for AMEX</i>	AMEX	Employee ID Tokenized Credit Card Number	<i>Employee ID or Cardmember Number</i>
<i>Import Credit Cardholder File (AMEX GL1205 - Masked)</i>	AMEX	Employee ID Tokenized Credit Card Number	<i>Employee ID or Cardmember Number</i>
<i>Import MasterCard CDF3 File (Masked)</i>	Bank of America	TSYS Processor ID	<i>AccountEntity/ AccountInformation_4300/ AccountIdentifier</i>
<i>Import MasterCard CDF3 File (Masked)</i>	Chase	Employee ID	<i>AccountEntity/ AccountInformation_4300/ EmployeeId or AccountEntity/ CustomData[Label='StaffNbr']/ Data</i>
<i>Import MasterCard CDF3 File (Masked)</i>	Citi	Tokenized Credit Card Number	<i>AccountEntity/ @AccountNumber</i>
<i>Import MasterCard CDF3 File (Masked)</i>	US Bank	Employee ID	<i>AccountEntity/ AccountInformation_4300/ EmployeeId or AccountEntity/ CustomData[Label='StaffNbr']/ Data</i>
<i>Import Visa VCF4 Scrubbed</i>	Bank of America	TSYS Processor ID	<i>T3, Optional Field 2 (Field No. 45)</i>
<i>Import Visa VCF4 Scrubbed</i>	Chase	Employee ID	<i>T4, Employee ID (Field No. 23)</i>
<i>Import Visa VCF4 Scrubbed</i>	Citi	Tokenized Credit Card Number	<i>T3, Account Number (Field No. 3)</i>
<i>Import Visa VCF4 Scrubbed</i>	US Bank	Tokenized Credit Card Number	<i>T3, Account Number (Field No. 3)</i>

Tasks

[Steps: Configure Visa Scrubbed or Mastercard Masked Remittance Files for Credit Card Transactions](#) on page 1358

Reference

[2021R1 What's New Post: Outbound Remittance for Mastercard Masked Integrations](#)

[2021R2 What's New Post: Outbound Remittance for Visa Scrubbed Integrations](#)

FAQ: Why can't I import credit card data for ECMs and contingent workers?

Workday only supports external committee members (ECMs) or contingent workers on v35.0 or recent versions of these webservice:

- *Import Credit Cards*
- *Put Expense Credit Card*

Credit Card Processing

Steps: Review and Correct Credit Card Transactions

- Set up the integration for the transaction files used for credit card processing, and load transactions into Workday.
- Security: *Process: Credit Card* domain in the Common Financial Management area.

You can find credit card transaction files, view details for each transaction, and correct transactions in error. Depending on the transaction file credit card usage type, you can:

- Map merchants.
- Map airports.
- Map cities.
- Map suppliers.

1. Access the **Find Credit Card Transaction Files** report.

Find the transaction files for expense credit cards and procurement cards.

2. Drill down on transaction files to perform actions:

- In expense and procurement transactions, **Fix Errors**.
- In expense transactions, **Map Merchants**, **Map Cities**, and **Map Airports**.

You can only map airports for transactions with trip leg data.

- In procurement transactions, **Map Suppliers**.

3. Access the **Find Credit Card Transactions** report to find specific credit card transactions and modify them as needed.

Select **Edit** from the **Credit Card Transactions** file related actions menu to update information such as the **Extended Transaction Amount** and **Worker Credit Card**.

4. Access the **Find Credit Card Transactions** report to find specific credit card transactions and modify them as necessary.

Concepts

[Concept: Expense Credit Card Transaction Data Mapping](#) on page 1374

Tasks

[Map Data from Expense Integration Files](#) on page 1372

Steps: Purge Worker Credit Card Numbers

Load credit card numbers into the secure environment using the *AMEX Cardholder Listing* integration.

You can purge obsolete worker credit cards your company no longer supports. This process removes the 16-digit card number from the secure environment, but it doesn't remove any data from Workday.

Workday doesn't purge credit card numbers of worker credit cards with:

- Expense transactions not included in an expense report.
- Unpaid expense reports containing transactions with this credit card.

Workday doesn't purge worker credit card profiles, only the full credit card number and token. You can configure purges to run when you cancel worker credit cards.

1. Configure the *Worker Credit Card Purge Event* business process and security policy in the System functional area.

a) (Optional) Include the *Review* action step.

b) Define the *Configure Purge Expense Credit Cards* integration step.

See [Steps: Configure Business Process Definitions](#).

2. Access the **Schedule Worker Credit Card Purge** task and select a *Run Frequency* for purging credit cards.

Define when to run credit card purges, such as the number of *Days since Cancel Date* or *Days since Loaded in Error Date*.

Security: Configure the *Worker Credit Card Purge* business process and security policy in the Common Financial Management functional area.

3. (Optional) Review each scheduled credit card purge before completing the run.

4. After running the credit card purge, access the **Find Credit Card Purges** report to review the credit cards you purged and the run status.

Security: *Process: Credit Card* domain in the Common Financial Management functional area.

The status for purged credit cards changes to *Purged*, but you can still view the last 4 digits of the card number. Workday retains the token of the card number.

Fix Credit Card Transaction Errors

- Download files from your corporate card or travel booking integration.
- Security:
 - *Process: Travel Booking* domain in the Expenses functional area.
 - *Process: Credit Card* domain in the Common Financial Management functional area.

You can correct transactions or records in error to process them in Workday.

1. Access 1 of these reports:

- **Find Credit Card Transaction Files**, for expense credit cards and procurement card transactions.
- **Find Travel Booking Record Files**, for travel booking records.

The reports display the files from your search criteria and identify files in error.

2. Select a file with transactions or records in error.

3. Click **Fix Errors**.

Option	Description
Credit card transactions from expense credit card or procurement card transaction files	You can only fix errors in the transaction such as the Worker Credit Card and Transaction Currency . You can't change other values transmitted in the download.
Travel booking records from travel booking transactions files	From the prompt, select the Worker to assign to the travel booking record. If a travel booking record doesn't successfully map to a worker from the integration file, Workday uses the company defined in the integration. Once you assign a worker, Workday updates the company to the worker's company if it's different.

Workers can include the fixed transactions and records on expense reports and procurement card transaction verifications.

Map Data from Expense Integration Files

- Create an integration for each corporate credit card to download credit card transaction files.
- Create a travel booking inbound connector integration to download travel booking data from a corporate travel provider.
- Workday recommends you set up merchant codes, names, and alternate names on these tasks to ensure accurate matches from integration files:
 - **Maintain Airlines**
 - **Maintain Hotels**
 - **Maintain Car Rental Agencies**
 - **Maintain Travel City**
- Security:
 - *Process: Credit Card* domain in the Common Financial Management functional area.
 - *Process: Travel Booking* domain in the Expenses functional area.

Note: Contact Workday Professional Services or your consultant to implement expense integrations. To integrate travel booking data, you must also coordinate with your travel provider.

You can map travel cities, airports, and merchants from integration files to Workday, and then update transactions and records as needed. Workday populates expense item attributes with the cities, airports, and merchants you map when workers import these files into expense reports:

- Credit card transactions.
- Travel booking records.

1. Access 1 of these reports:

Option	Description
Find Credit Card Transaction Files	To map: • Airports • Cities • Merchants
Find Travel Booking Record Files	To map: • Cities • Merchants

2. As you complete the report, consider:

Option	Description
Merchants	Map Merchant Name in File to Merchant in Workday for the transaction level or trip leg level of the integration file.
Airports	Map: • Origination Airport Name on Leg to Origination Airport Name in Workday. • Destination Airport Name on Leg to Destination Airport Name in Workday.
Cities	Map: • Origination City Name In File to Origination City Name In Workday.

Option	Description
	• Destination City Name In File to Destination City Name In Workday.

3. (Optional) Select **Save Alternate Name** to map the merchant or city and store a permanent name for matching merchants and cities in future integrations.
4. Apply mapping.

Concepts

Concept: [Expense Credit Card Transaction Data Mapping](#) on page 1374

Tasks

[Set Up Airlines, Hotels, and Car Rental Agencies](#) on page 1293

[Set Up Travel Cities](#) on page 1292

[Steps: Set Up Travel Booking Records](#) on page 1379

Change Cardholders on Expense Credit Cards

Create:

- Worker credit cards with a corporate account card issuer.
- Transactions to upload on expense reports.

Security: *Set Up: Credit Card* domain in the Common Financial Management functional area.

You can change the cardholder on the account if the cardholder on a credit card is incorrect. You can also move credit card transactions to another credit card associated with the same or a different cardholder.

- **Change cardholder on a credit card account:**

- a) Access the **Find Credit Cards** report.
- b) Select **Credit Card > Change Cardholder** from the **Credit Card** related actions menu.

The related actions menu displays when:

- Worker credit card has no credit card transactions. Once the credit card has 1 expensed transaction, Workday will no longer change the worker on the credit card.
 - All credit card transactions on the credit card are in *New*, *Closed*, or *Do Not Show* status.
 - Assigned credit card belongs to an inactive cardholder and the same cardholder has another active profile in Workday. Example: cardholder changes from Contingent Worker or External Committee Member to an Employee (or the other way around).
 - c) In the **New Cardholder** field, select the cardholder to associate with this credit card account. For nontokenized American Express (AMEX) and Mastercard cards, Workday automatically updates the integration reference ID with the new cardholder ID.
 - d) In the **Update Expense Payee** section, determine whether to assign all or only unassigned nonexpensed transactions to the configured cardholder.
- **Update information on a credit card account:**
 - a) Access the **Edit Credit Card** task.
 - b) Update information, such as the **Cardholder Embossed Name**, **Monthly Limit**, and **Cash Access Allowed**.

- **Move credit card transactions to a different credit card:**
 - a) Access the **Find Credit Cards** report.
 - b) Select **Credit Card > Move Credit Card Transactions** from the **Credit Card** related actions menu.
 - c) In the **New Expense Credit Card** field, select the credit card for the transactions to move or create a new worker credit card.

The related action displays only when:

- The credit card has transactions.
- There are other credit cards with the same corporate credit card billing account.
- The cardholders match.

- **Change credit card for credit card transaction:**
 - a) Access the **Find Credit Card Transactions** report.
 - b) Select **Credit Card Transaction > Change Credit Card** from the **Credit Card Transaction** related actions menu.
You can change the cardholder to the same or a different cardholder.

The related action only displays if the transactions are *New* and the credit cards belong to the same corporate billing account.
 - c) In the **Credit Card Transaction Assignee** section, consider updating the assignee of the transaction to the newly assigned cardholder.

You can find credit card transactions in *New* status in the configured credit card transaction assignee.

Contact your corporate card account issuer to request changes in cardholder information associated with this worker credit card.

Concept: Expense Credit Card Transaction Data Mapping

You can use *Dynamic Map Integration Services* in the credit card integration template to create integrations that load expense credit card transaction files from corporate credit card companies. The integrations enable you to use credit card transaction data to populate expense report transaction details and attributes. You can:

- Populate expense item details for airlines, hotels, car rental agencies, and travel cities.
- Create enhanced reporting on total spend by merchant for more visibility.
- Regulate the maximum amounts workers can spend by individual travel city such as maximum hotel rates and meals.

Load Credit Card Transaction Data

When you load credit card transaction files, the Workday integration matches:

- Names or alternate names from transaction files to merchant and travel city names in Workday.
- Airport codes from trip leg data to airport codes in Workday.
- Merchant category codes (MCCs) from transaction files to MCCs in Workday.

Note: Not all credit card companies download MCCs with the level of detail needed for matching merchants and cities in Workday.

When Workday matches data from downloaded transactions, we populate expense item attributes on expense reports with data from imported transactions.

Map Merchant Codes and Cities to Expense Item Attributes

Mapping Type	Description
Integration: Exact Match	The integration maps exact matches between:

Mapping Type	Description
	- MCCs in the transaction file and airlines, hotels, and car rental agencies in Workday. - Airport codes in the transaction file and airport codes in Workday.
Integration: Name Match Based on Intelligence Instance Lookup	If the integration identifies a name in the transaction file that closely matches a name or alternate name, Workday populates the corresponding expense item attribute on expense reports. This action applies to: - Airline - Hotel - Car rental agency - City
Manual: Mapping	If the integration doesn't identify a match, you can manually map the values on the Find Credit Card Transaction Files report: Map Merchants enables you to map merchants at both the transaction and trip leg levels. Map Cities enables you to map cities at the transaction level. Map Airports enables you to map airports at the trip leg level. When you manually map values, the integration matches them to transactions on future credit card transaction files.

Reference: Credit Card Reports

Use these reports to view information about credit card accounts and transactions. For each report, this table describes why you would use it and what to do next. For a complete list of reports by area, run the **Workday Standard Reports** report.

Report Name	Purpose	Next Step
Find Credit Cards for Corporate Credit Card Billing Account	Review all expense payee credit cards associated with a corporate credit card billing account. This report is also available from the related actions menu of the corporate credit card billing account.	From the related actions menu of the Employee, you can view My Expense Transactions. From the related actions menu of the Credit Card, you can edit the credit card account or change the expense payee.
Find Credit Card Transaction Files	Use this report to identify errors that might have occurred during the file load. Review a summary of credit card transaction files that you've loaded into Workday.	From the related actions menu of the Credit Card Transaction File, you can: - Access all transactions in individual transaction files. - View and edit the transactions in the file that are in error.

Report Name	Purpose	Next Step
	The report includes the number of new transactions in error. You can review individual transactions and edit the erroneous transaction from the report.	• Maintain merchant, airport, or city mapping for corporate cards with <i>Expenses Usage</i>. • Map suppliers for corporate cards with <i>Procurement Usage</i>.
Find Credit Card Transactions	View this report to display a list of credit card transactions.	You can: • Create an expense report from the related actions menu of the Expense Payee. • Reassign transactions or change the assigned credit card from the related actions menu of the Credit Card Transaction. From the related actions menu of the Expense Report, you can: • Copy an expense report. • View accounting details.
Find Cardholder Listing Files	View this report to list all credit cards in the file, and identify <i>Credit Cards Loaded in Error</i> . Example: Credit cards that don't match with an employee.	You can explore credit card details and modify information as necessary. Select the Cardholder Listing File to review from the list of files.
View Cardholder Listing Files	This report displays <i>Account Status</i> , identifies if there was a <i>Credit Card Load Error</i> , and other information.	Select the Maintain Credit Card Number option to review and maintain unmasked credit card numbers on an as-needed basis if: • You're an authorized user. • The credit card account includes a generated Credit Card Token.
Find Credit Cards	View this report to select criteria such as the <i>Expiration Date</i> , <i>Account Status</i> , and whether a <i>Credit Card Token exists</i> .	Correct any errors generated from cardholder files. If you've made corrections or modifications, run the appropriate report and validate the results. From the related actions menu of the Credit Card, you can: • Change the assigned cardholder. • Assign all or only unassigned transactions to the new payee.

Report Name	Purpose	Next Step
View Corporate Credit Card Billing Account	View details of corporate credit card billing accounts, such as: • Card type. • Who's liable for payment. • Whether workers can create manual credit card transactions during expense report creation.	From the related actions menu of the Corporate Credit Card Account , you can: • Edit the account. • Find credit cards associated with the account.
View Credit Card	View details on credit card accounts, such as: • Corporate card account. • Card type. • Expiration date.	From the related actions menu of the Credit Card , you can: • Edit credit cards. • Change cardholders. This related action is only available if the transaction is in <i>New</i> status and the credit card only has nonexpensed transactions. From the related actions menu of the Corporate Credit Card Account, you can: • Edit the account. • Find other credit cards associated with the account.
Find Unassigned Central Travel Card Transactions	This report displays a list of all unassigned central travel card transactions loaded for your organization.	Assign or reassign central travel card transactions to a new Expense Payee .
	View details of each transaction, such as: • Organization. • Amount. • Passenger name.	

Tasks

[Steps: Set Up Expense Credit Cards](#) on page 1356

Reference: Procurement Card and Expense Credit Card Transaction Statuses

These transaction statuses display on the **Find Credit Card Transactions** report.

Status	Description	Usage
Do Not Show	Specified in an expense credit card integration not to display transactions to workers.	Expense Credit Card
Closed	A worker manually closed the transaction.	Expense Credit Card

Status	Description	Usage
	You can't perform actions on closed transactions. To make changes, open the transactions.	
Loading	The <i>Credit Card Transaction Load Event</i> is in progress. The transaction is either: • An expense or procurement card transaction. • From a corporate credit card configured for Pay Unapproved Procurement Transactions or Pay Unapproved Expense Transactions. • Missing an Amount or Credit Card. • Included in an incomplete <i>Credit Card Transaction Load</i> business process.	Expense Credit Card Procurement Card
New	An unpaid credit card transaction is available to include in an expense report or a procurement card transaction verification.	Expense Credit Card Procurement Card
Pending	The credit card transaction is on an expense report or a procurement card transaction verification that's in <i>Draft</i> or <i>In Progress</i> status.	Expense Credit Card Procurement Card
Expensed	The transaction is on approved expense reports and not yet paid.	Expense Credit Card
Verified	The transaction is on an approved procurement card verification and not paid.	Procurement Card
Prepaid	A transaction paid before included on an approved: • Expense report. • Procurement card verification.	Expense Credit Card Procurement Card
Paid	The credit card transaction is on a paid and approved expense report or a paid procurement card verification.	Expense Credit Card Procurement Card

Travel Booking Records Setup

Steps: Set Up Travel Booking Records

- To implement travel booking integration processing, contact Workday Professional Services or your consultant, and coordinate with your travel provider. The professional services group can determine scope, level of effort, and potential cost for assistance to create your travel booking inbound connector integration.
- Security: *Set Up: Expense Item* domain in the Expenses functional area.

You can download and map corporate travel booking records from your travel management provider into Workday Expenses.

1. [Set Up Classes of Service](#) on page 1379.

2. [Map Travel Types to Expense Items](#) on page 1380.

Map expense items to align with the travel record types your provider sends in inbound data.

3. [Set Up Airlines, Hotels, and Car Rental Agencies](#) on page 1293.

Set up airlines, hotels, and car rental agencies with global 2-letter travel merchant codes as alternate names. This configuration enables inbound integration to map travel booking records to merchants you defined in Workday.

4. [Set Up Travel Cities](#) on page 1292.

Inbound travel booking records map to data in Workday and are available for workers to include in expense reports.

Test the travel booking record integration.

Tasks

[Steps: Set Up Travel Booking Inbound Connector](#)

Set Up Classes of Service

- To implement the travel booking integration feature, ask your corporate travel provider for the specific class of service identifiers it uses in travel integration downloads.
- Use the **Create Expense Item** task to add the *Class of Service* or *Classes of Service* expense item attribute to expense items.
- Security: *Set Up: Expense Item* domain in the Expenses functional area.

You can create 1 or more service classes for each travel type for reporting purposes and to help manage travel spend, including:

- Airfare
- Car rental
- Hotel accommodations
- Rail
- Other travel types

1. Access the **Maintain Class of Service** task.

2. As you complete the task, consider:

Column	Description
Value	Specify the value for this class of service. Example: • Select <i>Economy</i> for the <i>Air</i> travel type.

Column	Description
	Select <i>Conference Lodging</i> for the <i>Hotel</i> travel type.
Travel Type	Associate a class of service with this travel type when workers use them on expense reports.
Description	Displays to workers on expense report lines with the <i>Class of Service</i> attribute.

If you mapped the class of service identifiers from:

- Travel provider inbound data, inbound travel booking records populate the class of service in expense report lines.
- Credit card integrations, inbound credit card transactions with trip leg data populate both class of service and classes of service in expense report lines with unique identifiers.

Workers select a class of service on applicable expense report lines and credit card transactions.

Tasks

[Steps: Set Up Expense Items](#) on page 1281

[Steps: Set Up Travel Booking Records](#) on page 1379

[Map Data from Expense Integration Files](#) on page 1372

Map Travel Types to Expense Items

Security: *Set Up: Expense Item* domain in the Expenses functional area.

You can map travel types to expense items to populate default expense items in expense report lines from downloaded travel booking data.

1. Access the **Maintain Travel Type Mapping** task.
2. Specify the **Default Expense Item** for each travel type:

- Air
- Hotel
- Car Rental
- Rail
- Fees
- Other

3. Configure additional **Available Expense Items** for the travel type.

Configure **Available Expense Items** to enrich your reports for air and hotel expenses.

Tasks

[Steps: Set Up Expense Items](#) on page 1281

Travel Booking Records Processing

Steps: Process Travel Booking Records

- Create and configure an integration system to import travel booking records.
- Complete required setup for mapping travel booking data from inbound integration files to Workday.
- Security:
 - Process: Credit Card* domain in the Common Financial Management functional area.
 - Process: Travel Booking* domain in the Financial Management functional area.
 - Self Service: Travel Booking* domain in the Financial Management functional area.

You can download travel booking records from your travel provider, review booking records, fix records in error, and map travel merchants and travel cities.

1. Launch or schedule an integration to load travel booking records into Workday from the external file or server of your travel provider.
2. [Review Travel Booking Records](#) on page 1381.
3. [Fix Travel Booking Record Errors](#) on page 1382.
4. [Map Data from Expense Integration Files](#) on page 1372.
5. Access the **Maintain Travel Booking Records** task to correct, close, or reopen travel booking records.

Travel booking records are available for workers to use in expense reports.

Workers link travel booking records to expense report lines in expense reports.

Tasks

[Steps: Set Up Travel Booking Records](#) on page 1379

[Steps: Set Up Travel Booking Inbound Connector](#)

Review Travel Booking Records

- Set up the integration for travel booking record files.
- Security: *Process: Travel Booking* domain in the Expenses functional area.

You can find travel booking record files, view details for each travel booking record, and correct records that aren't associated with a worker. You can also map merchants and cities using travel record data.

1. (Optional) Access the **Find Travel Booking Record Files** report.

Review travel booking record files and access individual files to determine:

- Total records in each file.
- Records in *New* status.
- Records in error.
- Records missing merchants.
- Records missing cities.

You can access these options if you view a travel booking record file that has errors, unmapped merchants, or unmapped cities:

- **Fix Errors**
- **Map Merchants**
- **Map Cities**

2. (Optional) Access the **Find Travel Booking Records** report.

Select criteria to find individual travel booking records and review the results for each record. Details on the report depend on the travel type and can include:

- The associated worker who will expense this travel booking record.
- Travel record date.
- Travel start date.
- Travel type.
- Booking status (*Active* or *Canceled*).
- Purchase status (*Yes* or *No*).
- Merchant information, including details of mapped merchants in Workday, if available.
- Currency and conversion information.
- Record status

Workday changes the status of travel booking records that weren't purchased and later canceled to *Closed*.

- The related expense report if available.

- Fix travel booking files in error.
- Map travel booking data to merchants and cities.
- Review policy violations as reported from your travel provider.

Workday doesn't evaluate travel policy violations.

- Access the **Maintain Travel Booking Records** report to close travel booking records that workers won't expense, or reopen closed records.

Tasks

[Map Data from Expense Integration Files](#) on page 1372

Fix Travel Booking Record Errors

- Download files from your corporate card or travel booking integration.
- Security:
 - *Process: Travel Booking* domain in the Expenses functional area.
 - *Process: Credit Card* domain in the Common Financial Management functional area.

You can correct transactions or records in error to process them in Workday.

1. Access 1 of these reports:

- **Find Credit Card Transaction Files**, for expense credit cards and procurement card transactions.
- **Find Travel Booking Record Files**, for travel booking records.

The reports display the files from your search criteria and identify files in error.

2. Select a file with transactions or records in error.

3. Click **Fix Errors**.

Option	Description
Credit card transactions from expense credit card or procurement card transaction files	You can only fix errors in the transaction such as the Worker Credit Card and Transaction Currency . You can't change other values transmitted in the download.
Travel booking records from travel booking transactions files	From the prompt, select the Worker to assign to the travel booking record. If a travel booking record doesn't successfully map to a worker from the integration file, Workday uses the company defined in the integration. Once you assign a worker, Workday updates the company to the worker's company if it's different.

Workers can include the fixed transactions and records on expense reports and procurement card transaction verifications.

Tasks

[Steps: Set Up Travel Booking Inbound Connector](#)

[Steps: Process Travel Booking Records](#) on page 1380

Expense Analytics

Track Expense for a Cost Center or Region

You can analyze all spend and expenses in a cost center or region for a specified date range.

1. From the related actions menu of a cost center or region, select **Worker Spend > View**.

2. (Optional) Select **Include Subordinate Organizations**.
3. Enter the date range to view spend.
4. Review the **Worker Spend by Workers Assigned to Organization** box to analyze the total spend from transactions originating from workers:

Field	Description	Calculation
Total Spend	The total spend for: • Approved expense reports • Purchase orders • Supplier invoices • Procurement card transaction verifications	Sums the Extended Amount value on <i>Approved</i>: • Expense report lines that are for workers and contingent workers managed by workers in the organization. • Purchase order lines and <i>Issued</i> but noninvoiced purchase order lines sourced from requisitions in which workers in the organization or contingent workers managed by workers in the organization are the requester. • Supplier invoice lines sourced from a purchase order line that sourced from requisitions in which workers in the organization or contingent workers managed by workers in the organization are the requester. • Procurement card transaction verification totals.
Contingent Worker Timesheet Total	The total spend for approved timesheets logged by or on behalf of contingent workers.	Sums the total amount on <i>Approved</i> timesheet (receipt) lines that are for a contingent worker.
Total Worker Burden	The total spend burden of workers and contingent workers. Spend data for workers includes payroll, compensation, taxes, and benefits. Spend data for contingent workers includes timesheets only.	Sums the: • Gross amount, employer paid taxes, and employer paid benefits on completed payroll results for a worker who is in the organization. • Total amount on <i>Approved</i> timesheet (receipt) lines for a contingent worker.
Total Business Assets	The total spend on business assets for workers.	Sums the unit cost (purchase amount) of business assets assigned to workers.

5. Review the **Worker Spend Tagged with Organization** box to analyze the total spend from transactions that have the specified organization as a worktag:

Field	Description	Calculation
Total Spend	The total spend for: - Approved expense reports. - Purchase orders. - Supplier invoices. - Procurement card transaction verifications. Includes transactions entered for the company regardless of the creator. Includes both purchase order and nonpurchase order lines.	Sums the Extended Amount value on: <i>Approved</i> expense report lines. <i>Approved</i> purchase order lines. <i>Issued</i> but noninvoiced purchase order lines. <i>Approved</i> supplier invoice lines. <i>Approved</i> procurement card transaction verifications.
Contingent Worker Timesheet Total	The total spend for approved timesheets.	Sums the total amount on <i>Approved</i> timesheet (receipt) lines.
Total Business Assets	The total spend on business assets.	Sums the unit cost (purchase amount) of business assets.

6. Review this chart:

Field	Description	Calculation
Spend by Category Tagged with Organization	The spend totals by spend category for transactions that have the specified organization as a worktag. As a related action off any spend category, you can also view year-to-date and 12-month spend totals for that specific category. This includes: - Expense reports - Purchase orders - Invoices	Aggregates spend by spend category for the: Extended Amount on the <i>Approved</i> expense report lines, <i>Approved</i> purchase order lines, <i>Issued</i> but noninvoiced purchase order lines, and <i>Approved</i> supplier invoice lines. <i>Approved</i> and <i>Issued</i> but noninvoiced purchase order lines. <i>Approved</i> supplier invoice lines.

7. Review this chart:

Field	Description	Calculation
Spend by Type Tagged with Organization	The spend totals by spend type for transactions that have the specified organization as a worktag. Spend types include: - Expense reports - Purchase orders not yet invoiced - Supplier invoices	Aggregates spend by spend type for these amounts: Extended Amount on the <i>Approved</i> expense report lines, <i>Approved</i> purchase order lines, <i>Issued</i> but noninvoiced purchase order

Field	Description	Calculation
	Procurement card transaction verifications	lines, and <i>Approved</i> supplier invoice lines. <i>Approved</i> and <i>Issued</i> but noninvoiced purchase order lines. <i>Approved</i> supplier invoice lines. <i>Approved</i> procurement card transaction verification totals.

8. Drill into the spend data as needed.

You can drill by any perspective defined in your organizational structure. Drill-downs can be for one or multiple dimensions.

Multidimensional drill-downs enable you to view any worktag you've assigned to spend elements. Different elements might have different security, so the data that displays depends on what security groups you are in.

When you run these spend analytics, the results include all spend committed up to the start time.

Track Expense for a Supervisory Organization or Team

You can analyze all spend in your business across a supervisory organization or team for a specified date range.

- From the related actions menu on a supervisory organization or region, select **Worker Spend > View**.
- (Optional) Select the **Include Subordinate Organizations** check box.
- Enter the date range to view spend.
- Review the **Worker Spend by Workers Assigned to Organization** box to analyze the total spend from transactions originating from workers:

Field	Description	Calculation
Total Spend	The total spend for: - Approved expense reports. - Purchase orders. - Supplier invoices. - Procurement card transaction verifications.	Sums the Extended Amount value on <i>Approved</i> : - Expense report lines that are for workers and contingent workers managed by workers in the organization. - Purchase order lines and <i>Issued</i> but noninvoiced purchase order lines sourced from requisitions in which workers or contingent workers managed by workers in the organization are the requester. - Supplier invoice lines sourced from a purchase order line sourced from requisitions in which workers or contingent workers managed by workers in the organization are the requester.

Field	Description	Calculation
		Procurement card transaction verification totals.
Contingent Worker Timesheet Total	The total spend for approved timesheets logged by or on behalf of contingent workers.	Sums the total amount on <i>Approved</i> timesheet (receipt) lines for a contingent worker.
Total Worker Burden	The total spend burden of workers and contingent workers. Spend data for workers includes: - Payroll - Compensation - Taxes - Benefits Spend data for contingent workers includes timesheets only.	Sums the: - Gross amount, employer paid taxes, and employer paid benefits on completed payroll results for a worker. - Total amount on <i>Approved</i> timesheet (receipt) lines for a contingent worker.
Total Business Assets	The total spend on business assets for workers.	Sums the unit cost (purchase amount) of business assets assigned to workers.

5. Review this chart:

Field	Description	Calculation
Spend by Category for Workers Assigned to Organization	The spend totals by spend category for transactions entered by or on behalf of workers. From the related action menu from any spend category, you can also view year-to-date and 12-month spend totals of: - Expense reports - Purchase orders - Invoices	Aggregates spend by spend category for <i>Approved</i>: - Expense report lines that are for workers and contingent workers managed by workers in the organization. - Purchase order lines and <i>Issued</i> but noninvoiced purchase order lines sourced from requisitions in which workers or contingent workers managed by workers in the organization are the requester. - Supplier invoice lines sourced from a purchase order line sourced from requisitions in which workers or contingent workers managed by workers in the organization are the requester.

6. Review this chart:

Field	Description	Calculation
Spend by Type for Workers Assigned to Organization	The spend totals by spend type for transactions entered by or on behalf of workers. Spend types include: - Expense reports - Purchase orders not yet invoiced - Supplier invoices	Aggregates spend by business document type for <i>Approved</i> : - Expense report lines that are for workers and contingent workers managed by workers in the organization. - Purchase order lines and <i>Issued</i> but noninvoiced purchase order lines sourced from requisitions in which workers or contingent workers managed by workers in the organization are the requester. - Supplier invoice lines sourced from a purchase order line sourced from requisitions in which workers or contingent workers managed by workers in the organization are the requester.

7. Drill into the spend data as needed.

You can drill by any perspective defined in your organizational structure. Drill-downs can be for one or multiple dimensions.

Multidimensional drill-downs enable you to view any worktag you've assigned to spend elements. Different elements might have different security, so the data that displays depends on what security groups you are in.

Whenever you run these spend analytics, the results include all spend committed up to the start time.

Track Expense for a Company

You can analyze all spend in your business across a company for a specified date range.

1. From the related actions menu of a company, supervisory organization, or region select **Worker Spend > View**.
2. (Optional) Select **Include Subordinate Organizations**.
3. Enter the date range to view spend.
4. Review the **Worker Spend by Workers Assigned to Organization** box to analyze the total spend from transactions originating from workers:

Field	Description	Calculation
Total Spend	Total spend entered by or on behalf of workers for: <i>Approved</i> expense reports. - Purchase orders. - Supplier invoices.	Sums the Extended Amount value on <i>Approved</i> : - Expense report lines from workers and contingent workers. - Purchase order lines and <i>Issued</i> but noninvoiced

Field	Description	Calculation
	Procurement card transaction verification.	- purchase order lines sourced from requisitions in which workers or contingent workers are the requester. - Supplier invoice lines sourced from a purchase order line that was sourced from requisitions in which workers or contingent workers are the requester. - Procurement card transaction verification totals.
Contingent Worker	The total spend for approved timesheets logged by or on behalf of contingent workers.	Sums the total amount on <i>Approved</i> timesheet (receipt) lines for a contingent worker.
Total Worker Burden	The total spend burden of workers and contingent workers. Spend data for workers includes: - Payroll - Compensation - Taxes - Benefits Spend data for contingent workers includes timesheets only.	Sums the: - Gross amount, employer paid taxes, and employer paid benefits on completed payroll results for a worker. - Total amount on <i>Approved</i> timesheet (receipt) for a contingent worker.
Total Business Assets	The total spend on business assets for workers.	Sums the unit cost (purchase amount) of business assets assigned to workers.

5. Review the **Worker Spend Tagged with Organization** box to analyze the total spend from transactions that are for the company:

Field	Description	Calculation
Total Spend	The total spend for: - Approved expense reports. - Purchase orders. - Supplier invoices. - Procurement card transaction verifications. This includes transactions entered for the company regardless of the creator. It also includes both purchase order and nonpurchase order lines.	Sums the Extended Amount values: <i>Approved</i> expense report lines. <i>Approved</i> purchase order lines. <i>Issued</i> but noninvoiced purchase order lines. <i>Approved</i> supplier invoice lines. <i>Approved</i> procurement card transaction verifications.
Contingent Worker Timesheet Total	The total spend for approved timesheets.	Sums the total amount on <i>Approved</i> timesheet (receipt) lines for contingent worker purchase order lines.

Field	Description	Calculation
Total Business Assets	The total spend on business assets.	Sums the unit cost (purchase amount) of business assets.

6. Review this chart:

Field	Description	Calculation
Spend by Category Tagged with Organization	The spend totals by spend category for transactions. From the related action menu from any spend category, you can also view year-to-date and 12-month spend totals of: - Expense reports - Purchase orders - Invoices	Aggregates spend by spend category for the Extended Amount on: <i>Approved</i> expense report lines <i>Approved</i> purchase order lines. <i>Issued</i> but noninvoiced purchase order lines <i>Approved</i> supplier invoice lines.

7. Review this chart:

Field	Description	Calculation
Spend by Type Tagged with Organization	The spend totals by spend type for transactions. Spend types include: - Expense reports. - Purchase orders not yet invoiced. - Supplier invoices.	Aggregates spend by spend type for the Extended Amount on: <i>Approved</i> expense report lines. <i>Approved</i> purchase order lines. <i>Issued</i> but noninvoiced purchase order lines. <i>Approved</i> supplier invoice lines.

8. Drill into the spend data as needed.

You can drill by any perspective defined in your organizational structure. Drill-downs can be for 1 or multiple dimensions.

Multidimensional drill-downs enable you to view by any worktag you've assigned to spend elements. Different elements might have different security, so the data that displays depends on what security groups you are in.

Whenever you run these spend analytics, the results include all spend committed up to the start time.

Expenses Hub

Steps: Set Up Expenses Hub

The **Expenses Hub** provides a single location from which payees can access tasks and reports to manage expenses. When payees access tasks and reports from within the hub, we return them to the hub when they finish with the task or report.

The hub is automatically available for Expenses self-service users and they can manually add it to their Workday menu. However, you can also configure the **Expenses Hub** worklet so that it displays on the Workday Home page.

With the relevant expense data and security permissions, payees can use the hub (see [Reference: Expenses Hub Sections](#) on page 1391) to manage:

- Expense reports, including expense reports with negative balances.
- Spend authorizations, including cash advances and their remaining balances.
- Allowance plan entitlements and their remaining balances.
- Credit card transactions and quick expenses.
- Payment elections.
- Travel booking records and travel profiles.

1. Access the **Maintain Feature Opt-Ins report.**

On the Expenses Hub and Related Enhancements row, click **Opt In to Feature**.

Security: *Set Up: System* in the System functional area.

2. Access the **Maintain Dashboards report.**

a) On the Home row, click **Edit**.

b) On the **Content** tab, in the **Worklets** grid:

- Remove the **Expenses** worklet if it's in use.
- Add a row and select:
 - *Expenses Hub* from the **Worklet** prompt.
 - *Contingent Worker As Self and Employee As Self* from the **Required for Groups** prompt.

Security: *Set Up: Tenant Setup - Worklets* in the System functional area.

3. (Optional) [Set Up Hubs](#).

Use the Expenses Hub row to customize these content types for the hub:

- Announcement headers.
- Suggested links.
- Text on Expenses cards.

You can use the **Navigation Item Override** tab to prevent specific sections from displaying on the hub, even when users have the relevant expense data and security permissions.

4. (Optional) Access the **Home Cards Workspace report.**

Select and publish the Expenses cards you want to display to expense payees on the Home page.

Security: *Set up: People Experience Configuration* domain in the People Experience functional area.

See [Reference: Home Page Cards](#).

If you publish Expenses cards and payees have pending expenses, Workday displays the cards on the Home page. When payees click the cards on:

- A web browser, we redirect them to the **Expenses Hub**.
- The Workday mobile application, we redirect them to the Expenses page.

Depending on which expenses need attention, we dynamically display and hide Expenses cards on the **Overview** section of the hub.

Concepts

[Concept: Dashboards](#)

[Concept: Home Page Workspace](#)

Tasks

[Add Dashboard Menus](#)

[Add Home and Dashboard Announcements](#)

Reference

[2022R2 What's New Post: The Expenses Hub](#)

Reference: Expenses Hub Sections

The **Expenses Hub** displays each of the sections in this table when:

- Payees have the relevant expense data.
- You grant payees the necessary security permissions.

Section	Security	Description	Additional Information
Overview	<i>Self-Service: Credit Card</i> in the Common Financial Management functional area. In the Expenses functional area: • <i>Self-Service: Expense Report</i> • <i>Self-Service: Receivable Repayments</i> • <i>Self-Service: Spend Authorization</i> • <i>Self-Service: Travel Booking</i>	Dynamically displays these cards depending on which expenses need attention, and each card includes a link to a related report: • Expense Balance Owed • Cash Advance Balance Owed • Spend Authorizations to Submit • Expense Reports to Submit • Transactions to Expense Payees can also use this section to access tasks to create: • Expense reports. • Spend authorizations.	Set Up Hubs Reference: Home Page Cards
Expense Reports	<i>Self-Service: Expense Report</i>	Displays the My Expense Reports report, which payees can use to cancel, change, edit, and submit expense reports. From this section, payees can also access tasks to create expense reports.	Steps: Set Up Expense Reports on page 1310 Create Expense Reports on page 1327 Create Expense Reports for Pre-Hires on page 1329
Expense Transactions	<i>Self-Service: Credit Card</i> <i>Self-Service: Expense Report</i> <i>Self-Service: Travel Booking</i>	Displays the My Expense Transactions report, which payees can use to view: • Credit card transactions. • Quick expenses.	

Section	Security	Description	Additional Information
		- Travel booking records. Payees can also use this section to access the Edit My Expense Transactions task to: - Close credit card transactions and travel booking records, and specify close reasons. - Edit details on their quick expenses. From this section, payees can also access the Create Expense Report task.	
Expense Outstanding Balance	<i>Self-Service: Receivable Repayments</i>	Displays the Expense Outstanding Balance report when payees have expense reports with negative balances.	Steps: Set Up Accounting for Negative Reimbursable Expense Reports on page 1320
Spend Authorizations	<i>Self-Service: Spend Authorization</i>	Displays the My Spend Authorizations report, which payees can use to cancel, close, edit, and submit spend authorizations. From this section, payees can also access the Create Spend Authorization task.	Steps: Set Up Spend Authorizations on page 1349 Create Spend Authorizations on page 1352
Cash Advances	<i>Self-Service: Spend Authorization</i>	Displays the My Cash Advances report when payees have 1 or more cash advances. Payees can use the report to view their cash advances, including remaining cash advance balances.	Steps: Set Up Cash Advance Requests on page 1350
Reimbursable Allowance Plan	<i>Self-Service: Expense Report</i>	Displays the View Reimbursable Allowance Plan Activity report when you assign 1 or more reimbursable allowance plans to payees.	Create Allowance Plans

Section	Security	Description	Additional Information
		Payees can use the report to view their allowance plan entitlements and remaining balances.	
Travel Profile	<i>Self-Service: Expense Report</i>	Enables payees to view and edit their travel profiles, including: • Expense credit cards. • Travel preferences. • Vehicle information. When payees click My Credit Card Transactions from within this section, we redirect them to the Expense Transactions section on the hub.	Create Travel Profiles on page 1317
Payment Elections	<i>Self-Service: Payment Election</i> in the Expenses functional area.	Enables payees to manage: • Bank account details. • Payment elections. From this section, payees can also identify payment elections requiring setup, and they can configure these elections from within the hub.	Steps: Set Up Payment Elections on page 1260 Maintain Payment Election Rules on page 1260 Maintain Payment Elections on page 1264

Reference

[2022R2 What's New Post: The Expenses Hub](#)

Configuration Examples

Example: Set Up Payment Elections for Split Distributions

This example illustrates 1 way to set up a worker's initial payment elections for split payment distributions. It includes a flat amount and percentage deposited to different bank accounts, and the balance paid by check.

The payroll administrator at Global Modern Services sets up payment elections for Adam Carlton, a US worker who wants to split his regular pay as follows:

- 1,000 USD deposited to his checking account.
- 75% of the total payment deposited in his savings account. Workday calculates payment election percentages on the total payment amount.
- The balance paid in a check.
- Set up settlement, including payment types.

- Set up currencies.
- Security:
 - *Manage: Payment Election* domain in the Expenses functional area.
 - *Set Up: Payment Election* domain in the Expenses functional area.
 - *Set Up: Payroll (Payment Election Rules)* domain in the Core Payroll functional area.
 - *Set Up: Payroll Interface* domain in the Payroll Interface functional area.
 - *Worker Data: Payroll (Payment Elections)* domain in the Core Payroll functional area.
 - *Worker Data: Payroll Interface (Payment Elections)* domain in the Payroll Interface functional area.

1. Access the **Maintain Payment Election Rules** task.

2. Select these values:

Option	Description
Election Rule Type	<i>Payroll Rule</i>
Election Rule Name	<i>Regular Payments</i>
Run Category	<i>Regular</i>
Allowed Payment Types for Payment Elections	<i>Check, Direct Deposit</i>
Default Payment Type for Add Initial Election	<i>Direct Deposit</i>
Allowed Payment Types for Transaction Overrides	<i>Check, Direct Deposit</i>
Override Payment Type for Error Prenotes	<i>Check</i>
Max Number of Elections	<i>3</i>
Allow Mix of Payment Types	Select check box.
Allow Distributions By	<i>Amount, Percent</i>
Default Payment Type	<i>Check</i>

3. Access the **Maintain Payment Elections** report.

4. Click the **Add** button below the **Accounts** grid.

5. Set up the checking account. To make it easy to distinguish his checking account from his savings account, name it *Adam's Checking Account*.

6. Click **Add** button below the **Accounts** grid to set up the savings account. Set **Account Type** to *Savings* and name it *Adam's Savings Account*.

7. In **Payment Elections Requiring Setup**, click **Add**.

8. Set up the first row for the 1,000 USD direct deposit to his checking account.

Option	Description
Country	<i>United States of America</i>
Currency	<i>USD</i>
Payment Type	<i>Direct Deposit</i>
Account	<i>Adam's Checking Account</i>
Balance / Amount / Percentage	For Amount , enter <i>1000.00</i> .

9. Set up the second row for the 75% direct deposit to his savings account.

Option	Description
Country	<i>United States of America</i>

Option	Description
Currency	USD
Payment Type	Direct Deposit
Account	Adam's Savings Account
Balance / Amount / Percentage	For Percent , enter 75.

10. Set up the last row to have the balance paid by check. For the last row in the grid, always either select **Balance** or a percentage amount that brings the total to 100.

Option	Description
Country	United States of America
Currency	USD
Payment Type	Check
Balance / Amount / Percentage	Select Balance .

11. Click **Next** to review your Payment Election changes, and then **Submit** to save.

The payment elections status is *Successfully Completed*.

To resolve split distributions, Workday uses the same order in which you set up your payment elections.

When his regular pay is 4,500 USD, his pay distributions are:

Calculation	Distribution
1,000 USD	1,000 USD direct deposit to his checking account.
75% of 4,500 USD = 3375 USD	3,375 USD direct deposit to his savings account.
125 USD remaining	125 USD balance paid by check.

When his regular pay is 1,500 USD, the pay distributions are:

Calculation	Distribution
1,000 USD	1,000 USD direct deposit to his checking account.
75% of 1,500 USD = 1,125 USD	Remaining 500 USD direct deposit to his savings account.
0 USD remaining	0 USD is paid by check.

Example: Maintain Access to Payment Elections

In order to minimize the risk to personal data, you want to restrict access to payment elections employee self-service tasks that contain personal information for all users from outside your company network.

Security:

- *Security Administration* domain in the System functional area.
- *Set Up: Tenant Setup - Security* domain in the System functional area.

1. Access the **Manage Authentication Policies** task.
2. Select **Add Authentication Policy**.
3. Select *Production* from the **Restricted to Environment** prompt.
4. Select the **Authentication Policy Enabled** check box.

5. To create a rule that identifies whether users are inside your network, enter these settings on the first row of the **Authentication Ruleset**:

Option	Description
Authentication Rule Name	Restrict Access to Payment Elections
Security Group	<i>All Users</i>
Authentication Condition Name	Inside Corporate Network
Authentication Condition	Select <i>Corporate IP Range</i> , or select <i>Create IP Range</i> to enter the IP range for your company.
Allowed Authentication Types	<i>Any</i>
Access Restriction for Authentication Condition	Leave empty.

6. To create a rule that restricts users outside the network, enter these settings on the second row:

Option	Description
Authentication Condition Name	Outside Corporate Network
Authentication Condition	<i>Any</i>
Allowed Authentication Types	<i>Any</i>
Access Restriction for Authentication Condition	Select <i>Create Access Restriction</i> . - Name the new access restriction: No Payment Election Access. - Select <i>Payment Elections</i> on the Excludes Functionality prompt. - Click OK.

7. Click **OK** and **Done**.
8. Access the **Activate Pending Security Policy Changes** task.
9. Enter a comment: Set up restrictions for payment elections.
10. Select the **Authentication Policy Enabled** check box. Click **OK**, select **Confirm**, and click **OK**.
11. Access the **Activate All Pending Authentication Policy Changes** task.
12. Enter a comment: Set up restrictions for payment elections.
13. Select the **Authentication Policy Enabled** check box. Click **OK**, select **Confirm**, and click **OK**.

All users, including administrators, outside of the company network won't have access to these payment election tasks:

- Add Account*
- Add Elections*
- Add My Account*
- Add My Elections*
- Add Payment Elections*
- Change My Account*
- Change My Election*
- Delete Account*
- Delete My Account*

Administrators can still access these tasks:

- Maintain Payment Election** (View only.)
- Maintain Payment Elections Rules**

- **Maintain Payment Election Options**

Concepts

[Concept: Authentication Policy Best Practices](#)

Tasks

[Steps: Set Up Authentication Policies](#)

Example: Create Distance-Based Expense Items

This example illustrates 1 way to configure distance-based expense items so you can calculate reimbursement amounts automatically on expense reports.

Members of your sales team drive to different office locations frequently. To control spend and ensure compliance, you want to configure distance-based expense items to calculate reimbursements automatically for distances traveled.

You also want to:

- Capture when estimated and actual distances differ, such as when payees take alternate routes because of traffic diversions.
- Deduct daily commute distances from distances traveled.
- [Create Spend Categories](#).
- Security domains:
 - *Manage: Innovation Services* in the Innovation Services functional area.
 - *Set Up: Expense Item* in the Expenses functional area.

1. Access the **Innovation Services Opt-In** task.

- On the **Available Services** tab, select the Financials category.
- In the **Financials** grid, select the check box for the *Distance Calculation for Expenses* service.
- Click **OK** and **Done**.

2. Access the **Create Expense Rate Table** task.

- Specify these values:

Option	Description
Expense Rate Table Type	<i>Amount</i>
Effective Date	The current date.

- Click **OK**.

- Specify these values:

Option	Description
Expense Rate Table Name	<i>Distance-Based Expenses for Sales Team</i>
Default Currency	<i>USD</i>
Attribute to Evaluate	<i>Distance to Expense</i>

- In the **Amounts** grid, enter 0.625 in the **Amounts** field.

- Click **OK**.

3. Access the **Create Expense Item** task.

- In the **Processing** and **Summary** sections, specify these values:

Option	Description
Item Name	<i>Driving Expenses</i>

Option	Description
Spend Category	Select.
Expense Item Amount Type	<i>Fixed Amount</i>
Expense Item Calculation	<i>Use Expense Rate Table</i>

- b) On the **Rate Tables** tab, select *Distance-Based Expenses for Sales Team* from the **Base Expense Rate Table** prompt.
- c) On the **Distance Calculation** tab, specify these values:

Option	Description
Require Distance Calculation Attributes on Expense Reports	Select.
Unit of Measure for Distance	<i>Miles</i>
Trip Distance Including Diversions One-Way Daily Commute Distance Round Trip	Select the Enable for Expense Reports check box for each of these attributes.

- d) Click **OK**.

On expense report lines, Workday uses Google Maps to determine estimated distances when payees:

- Select the *Driving Expenses* expense item.
- Enter origin and destination addresses on the expense item.

To calculate reimbursement amounts, Workday uses the calculated distance to expense and multiplies it by rates from the associated rate table. Payees can also enter trip distances different from the estimated distances that Google Maps provides.

- Configure segmented security to restrict the availability of distance-based expense items.
- To review data for distance-based expenses, create custom reports and include report fields from these business objects:
 - Expense Attributes Entered
 - Expense Report Line

Tasks

[Steps: Set Up Expense Rate Tables](#) on page 1270

[Steps: Set Up Expense Items](#) on page 1281

[Steps: Set Up Security for Expense Items](#) on page 1281

Reference

[2023R1 What's New Post: Distance Calculation for Expenses](#)

[2022R2 What's New Post: Distance Calculation for Expenses as an Innovation Service](#)

[Workday Innovation Services](#)

Example: Create Per Diem Expense Items for Calendar Day Travel Journals

This example illustrates how to configure travel journals that are based on calendar days, enabling you to calculate per diem reimbursements for expense payees.

Matt is traveling on a business trip from Paris to Berlin on July 1 at 6:00 and will arrive back on July 3 at 9:40. You want to configure a per diem expense item for European travel to calculate his reimbursement values automatically, allocating:

- 60 EUR for whole days of travel that include an overnight stay.
- 40 EUR for days of travel that range from 10 hours up to, but less than, 24 hours.

- 0 EUR for days that include fewer than 10 hours of travel.

Security: *Set Up: Expense Item* domain in the Expenses functional area.

1. Access the **Create Expense Rate Table** task.

2. Specify these values:

Option	Description
Expense Rate Table Type	<i>Amount</i>
Effective Date	Select the current date.

3. Click **OK**.

4. Specify these values:

Option	Description
Expense Rate Table Name	<i>European Travel - Fixed Amount</i>
Default Currency	<i>EUR</i>
Attribute to Evaluate	<i>Number of Hours</i>

5. In the **Amounts** grid, enter:

Condition Rule or Criteria	Amount	Currency
Leave blank.	60	<i>EUR</i>

6. Click **OK**.

7. Access the **Create Expense Rate Table** task again.

8. Specify these values:

Option	Description
Expense Rate Table Type	<i>Graduated Amount</i>
Effective Date	Select the same date set in the Amount rate table.

9. Click **OK**.

10. Specify these values:

Option	Description
Expense Rate Table Name	<i>European Travel - Deduction for Partial Day</i>
Default Currency	<i>EUR</i>
Attribute to Evaluate	<i>Number of Hours</i>

11. In the **Graduated Amounts** grid, enter these values within the same condition rule:

Condition Rule or Criteria	Start of Range	End of Range	Amount	Currency
Leave blank.	0	9	<i>60</i>	<i>EUR</i>
	10	23	<i>20</i>	<i>EUR</i>

12. Click **OK**.

13. Access the **Create Expense Item** task.

14. Specify these values to create a child expense item that contains the expense item attributes that Matt needs:

Option	Description
Item Name	<i>z - do not select - Travel Journal Item - European Travel</i>
Spend Category	<i>Business Travel</i>
Expense Item Amount Type	<i>Fixed Amount</i>
Expense Item Calculation	<i>Use Expense Rate Table</i>

15. In the **Expense Item Attributes** grid, add a row with these values:

Option	Description
Attributes	<i>Number of Hours</i>
Expense Report: Display to User	Select.
Expense Report: Required	Select.

16. In the **Rate Tables** tab, select *European Travel - Fixed Amount* from the **Base Expense Rate Table** prompt.

17. Add this row in the **Adjustment Rate Tables** grid:

Option	Description
Add/Subtract	<i>Subtract</i>
Adjustment Expense Rate Table	<i>European Travel - Deduction for Partial Day</i>

18. Click **OK**.

19. Access the **Create Expense Item** task again.

20. In the **Summary** section, specify these values to create a parent expense item that Matt can select on the **Travel Journal** section of his expense report:

Option	Description
Item Name	<i>European Travel</i>
Spend Category	<i>Business Travel</i>
Per Diem	Select.
Enable Travel Journal	Select.
Travel Journal Item	<i>z - do not select - Travel Journal Item - European Travel</i>
Travel Journal Configured as	<i>Calendar Days</i>
Rounding Option for Hours	<i>Round down</i>

21. Add these rows in the **Expense Item Attributes** grid:

Attributes	Expense Report: Display to User	Expense Report: Required
<i>Arrival Date</i>	Select.	Select.
<i>Departure Date</i>	Select.	Select.
<i>Arrival Time</i>	Select.	Select.
<i>Departure Time</i>	Select.	Select.

22. Click **OK**.

Workday generates a calendar-day travel journal when Matt:

- Selects the *European Travel* expense item on his expense report.
- Populates dates and times for his departure and arrival.

Workday evaluates these dates and hours, and allocates these per diem amounts:

Departure Date	Number of Hours	Per Diem Amount
July 1	18	40 EUR
July 2	24	60 EUR
July 3	9	0 EUR

Configure segment-based security to unrestrict the *European Travel* and *z - do not select - Travel Journal Item - European Travel* expense items for expense payees.

Concepts

[Concept: Parent and Child Expense Items](#) on page 1296

Tasks

[Steps: Set Up Expense Rate Tables](#) on page 1270

[Create Expense Items](#) on page 1284

[Create Per Diem Expense Items for Travel Journals](#) on page 1290

Reference

[The Next Level: Per Diems and Travel Journal](#)

[Workday 32 What's New Post: Per Diem](#)

[Workday 32 What's New Post: Per Diem - Part 2](#)

Example: Create Per Diem Expense Items for 24-Hour Period Travel Journals

This example illustrates how to configure travel journals that are based on 24-hour periods, enabling you to calculate per diem reimbursements for expense payees.

Rachel is traveling on a business trip from Helsinki to Dublin on February 1 at 13:00 and will arrive back on February 3 at 19:40. You want to configure a per diem expense item for European travel to calculate her reimbursement values automatically, allocating:

- 50 EUR for each complete 24-hour travel period.
- 35 EUR for travel periods that range from 10 and up to 24 hours.
- 0 EUR for days including fewer than 10 hours of travel.

Security: *Set Up: Expense Item* domain in the Expenses functional area.

1. Access the **Create Expense Rate Table** task.

2. Specify these values:

Option	Description
Expense Rate Table Type	<i>Amount</i>
Effective Date	Select the current date.

3. Click **OK**.

4. Specify these values:

Option	Description
Expense Rate Table Name	<i>European Travel - Fixed Amount</i>

Option	Description
Default Currency	<i>EUR</i>
Attribute to Evaluate	<i>Number of Hours</i>

5. In the **Amounts** grid, enter:

Condition Rule or Criteria	Amount	Currency
Leave blank.	50	<i>EUR</i>

6. Click **OK**.
7. Access the **Create Expense Rate Table** task again.
8. Specify these values:

Option	Description
Expense Rate Table Type	<i>Graduated Percent</i>
Effective Date	Select the same date set on the Amount rate table.

9. Click **OK**.
10. Specify these values:

Option	Description
Expense Rate Table Name	<i>European Travel - Graduated Amount</i>
Attribute to Evaluate	<i>Number of Hours</i>

11. In the **Graduated Percentages** grid, enter these values within the same condition rule:

Condition Rule or Criteria	Start of Range	End of Range	Percent
Leave blank.	<i>0</i>	<i>9</i>	<i>100</i>
	<i>10</i>	<i>23</i>	<i>30</i>

12. Click **OK**.
13. Access the **Create Expense Item** task.

Create a child expense item that contains the expense item attributes that Rachel needs.

14. Specify these values:

Option	Description
Item Name	<i>z - do not select - Travel Journal Item - European Travel</i>
Spend Category	<i>Business Travel</i>
Expense Item Amount Type	<i>Fixed Amount</i>
Expense Item Calculation	<i>Use Expense Rate Table</i>

15. In the **Expense Item Attributes** grid, add a row with these values:

Option	Description
Attributes	<i>Number of Hours</i>
Expense Report: Display to User	Select.
Expense Report: Required	Select.

16. In the **Rate Tables** tab, select *European Travel - Fixed Amount* from the **Base Expense Rate Table** prompt.

17. Add this row in the **Adjustment Rate Tables** grid:

Option	Description
Add/Subtract	Subtract
Adjustment Expense Rate Table	European Travel - Graduated Amount

18. Click **OK**.

19. Access the **Create Expense Item** task again.

Create a parent expense item that Rachel can select to enable the **Travel Journal** section on her expense report.

20. In the **Summary** section, specify these values:

Option	Description
Item Name	European Travel
Spend Category	Business Travel
Per Diem	Select.
Enable Travel Journal	Select.
Travel Journal Item	z - do not select - Travel Journal Item - European Travel
Travel Journal Configured as	24-Hour Periods
Rounding Option for Hours	Round up

21. Add these rows in the **Expense Item Attributes** grid:

Attributes	Expense Report: Display to User	Expense Report: Required
Arrival Date	Select.	Select.
Departure Date	Select.	Select.
Arrival Time	Select.	Select.
Departure Time	Select.	Select.

22. Click **OK**.

Workday generates a 24-hour period travel journal when Rachel:

- Selects the *European Travel* expense item on her expense report.
- Populates dates and times for her departure and arrival.

Workday evaluates these dates, times, and hours, and allocates these per diem amounts:

Start Date	Start Time	End Date	End Time	Number of Hours	Per Diem Amount
February 1	13:00	February 2	13:00	24	50 EUR
February 2	13:00	February 3	13:00	24	50 EUR
February 3	13:00	February 3	19:40	7	0 EUR

Configure segment-based security to unrestrict the *European Travel* and *z - do not select - Travel Journal Item - European Travel* expense items for expense payees.

Concepts

[Concept: Parent and Child Expense Items](#) on page 1296

Tasks

[Steps: Set Up Expense Rate Tables](#) on page 1270

[Create Expense Items](#) on page 1284

[Create Per Diem Expense Items for Travel Journals](#) on page 1290

Reference

[The Next Level: Per Diems and Travel Journal](#)

[Workday 32 What's New Post: Per Diem](#)

[Workday 32 What's New Post: Per Diem - Part 2](#)

Example Steps: Process and Report on Job Requisition Costs

This example illustrates how to process and report on costs associated with a job requisition.

You fill a Marketing Director role and want to process all costs associated with its job requisition. You also want to use custom reporting to analyze job requisition costs so that you can adjust forecasted spend as needed.

1. Create expense reports and supplier invoices for costs associated with the job requisition.
See [Example: Process Candidate Expenses and Recruiter Fees for a Job Requisition](#) on page 1404.
2. Create a custom report that enables you to report on cost-of-hire totals for the job requisition.
See [Example: Create a Custom Report for Cost-of-Hire Totals](#) on page 1407.

Example: Process Candidate Expenses and Recruiter Fees for a Job Requisition

This example illustrates how to process the candidate expenses and recruiter fees associated with a job requisition.

You use an external recruiter to identify Alex Collins and Charlie Kennedy as candidates for a Marketing Director role. Both candidates attend on-site interviews and lunches with prospective teammates.

When you hire 1 of these candidates, you want to:

- Enable reporting for cost-of-hire totals.
- Create a supplier invoice to process external recruiter fees.
- Reclaim candidate expenses that you incur on your corporate card.
- Reimburse candidates for out-of-pocket expenses that they incur during recruitment.
- Set up a job requisition for the role.
- Configure Workday profiles for candidates.
- Add expense payments on candidate payment elections.
- Set up your external recruiter as a supplier.
- Create spend categories.
- Configure *Team Lunch* and *Transport* expense items, and add the *Attendees* attribute on the *Team Lunch* item.
- Reassign expense credit card transactions to candidates.

Security:

- *Candidate Data: Candidate Expenses* domain in the Recruiting functional area.
- *Set Up: Enable Worktags* domain in the Common Financial Management and Worktags functional areas.

Configure the:

- *Expense Report Event* business process and security policy in the Expenses functional area.
- *Supplier Invoice Event* business process and security policy in the Supplier Accounts functional area.

1. Access the **Maintain Worktag Usage** report.

- In the Expense Report category, click **Edit Worktag Usage** and add *Job Requisition* as a worktag type.
- Click **OK**.
- In the Supplier Invoice category, click **Edit Worktag Usage** again and add *Job Requisition* as a worktag type.
- Click **OK** and **Done**.

2. Access the **Create Supplier Invoice** task.

- Enter these values:

Option	Description
Company	Select.
Supplier	Select your external recruiter.
Invoice Date	The current date.

In the **Invoice Lines** grid, enter these values:

Spend Category	Quantity	Unit Cost	Worktags
Select.	1	500	Select the job requisition for the Marketing Director role.

- Click **Submit**.

3. Access the **Create Expense Report** task.

- Select *Create New Expense Report*.
- Click **OK**.
- Add an expense line and enter these values:

Option	Description
Date	The current date.
Expense Item	<i>Team Lunch</i>
Total Amount	45
Memo	<i>Alex attended our team lunch to meet prospective teammates.</i>
Worktags	Select the job requisition for the Marketing Director role.
Attendees	<i>Alex Collins</i>

- Add another expense line and enter these values:

Option	Description
Date	The current date.
Expense Item	<i>Team Lunch</i>
Total Amount	50
Memo	<i>Charlie attended our team lunch to meet prospective teammates.</i>

Option	Description
Worktags	Select the job requisition for the Marketing Director role.
Attendees	<i>Charlie Kennedy</i>

e) Click **Submit**.

4. Access the **Create Expense Report for Non-Worker** task.

a) Enter these values:

Option	Description
Payee Type	<i>Candidate</i>
Pay To	<i>Alex Collins</i>
Creation Options	<i>Create New Expense Report</i>
Job Application	Select.
Company	Select.
Expense Report Date	The current date.

b) Click **OK**.

c) Add an expense line and enter these values:

Option	Description
Date	The current date.
Expense Item	<i>Transport</i>
Total Amount	<i>55</i>

d) Click **Submit**.

e) Access the **Create Expense Report for Non-Worker** task again.

f) On the initiation page, enter these values:

Option	Description
Payee Type	<i>Candidate</i>
Pay To	<i>Charlie Kennedy</i>
Creation Options	<i>Create New Expense Report</i>
Job Application	Select.
Company	Select.
Expense Report Date	The current date.

g) Click **OK**.

h) Add an expense line and enter these values:

Option	Description
Date	The current date.
Expense Item	<i>Transport</i>
Total Amount	<i>190</i>

i) Click **Submit**.

Concepts

[Concept: Worktags](#)

Tasks

[Steps: Set Up Job Requisitions](#)

[Steps: Set Up Expense Items](#) on page 1281

[Create Spend Categories](#)

[Create Supplier Invoices](#) on page 1173

Reference

[Workday 32 What's New Post: Reassign Expense Credit Card Transactions](#)

Example: Create a Custom Report for Cost-of-Hire Totals

This example illustrates how to configure a custom report that provides cost-of-hire totals for a job requisition.

You approve the supplier invoice and expense reports associated with your job requisition for a Marketing Director role. You then want to create a custom report to:

- Compare actual and forecasted spend to adjust totals as needed.
- Estimate cost averages for the job profile so that you can plan for headcount.
- Approve supplier invoices and expense reports.
- Add the relevant security groups on the **Journal Lines** report data source.
- Security: *Custom Report Creation* domain in the System functional area.

1. Access the **Create Custom Report** task.
2. Enter these values:

Option	Description
Report Name	<i>Spend Totals for Marketing Director Role</i>
Report Type	<i>Advanced</i>
Data Source	<i>Journal Lines</i>

3. Click **OK**.
4. On the **Columns** tab, select *Company* from the **Field** prompt.
5. Add rows with these **Field** values:
 - *Accounting Date*
 - *Expense Report*
 - *Job Requisition*
 - *Ledger/Budget Debit minus Credit*
 - *Supplier Invoice Document*
6. On the **Filter** tab, add a row in the **Filter on Instances** grid and enter these values:

Option	Description
And/Or	<i>And</i>
Field	<i>Job Requisition</i>
Operator	<i>in the selection list</i>
Comparison Type	<i>Value specified in this filter</i>
Comparison Value	Select the job requisition for the Marketing Director role.

7. Click **OK** and **Run**.
8. Specify these values:

Option	Description
Company	Select the company for which you submitted candidate expenses and recruiter fees.
Year	Select the year in which you submitted the candidate expenses and recruiter fees.

9. Click **OK**.

Example: Enable Segment-Based Security for Student Expenses

This example illustrates how to enable workers to manage only student expense data by configuring segment-based security.

Your university manages expenses on behalf of nonworkers, including matriculated students. You want to enable a subset of workers to:

- Create and submit expense reports on behalf of only matriculated students.
- View expense data only for matriculated students to run custom and standard reports.
- Assign the workers that you want to access student expense data to:
 - A *Student Expense Administrator (Constrained)* security group.
 - The relevant roles and academic units.
- Configure the *Expense Report Event* business process and security policy in the Expenses functional area.
- Security: These domains in the Student Core functional area:
 - *Student Data: Student ID*
 - *Student Data: Student Profile*

1. Access the **Create Security Group** task.
2. On the **Type of Tenanted Security Group** prompt, select *Segment-Based Security Group*.
3. In the **Name** field, enter *Student Expenses Only*.
4. Click **OK**.
5. On the **Security Groups** prompt, select *Student Expense Administrator (Constrained)*.
6. On the **Access to Segments** prompt, select *Student Expense Payee Type Segment*.
7. Click **OK**.
8. From the related actions menu of the segment-based security group, select **Security Group > Maintain Domain Permissions for Security Group**.
9. On the **Domain Security Policies permitting View access** prompt, select *Process: Expense Reports*.
10. Click **OK** and **Done**.
11. From the related actions menu of the *Expense Report Event* business process, select **Business Process Policy > Edit**.
12. On the **Security Groups** prompt in the **Create Expense Report for Non-Worker** section, select *Student Expenses Only*.
13. Click **OK** and **Done**.
14. Access the **Activate Pending Security Policy Changes** task.
15. In the **Comment** field, enter *Restricting workers to only student expense data*.
16. Click **OK**.
17. Select the **Confirm** check box.
18. Click **OK**.

Add expense payments on payment elections for matriculated students, or enable these students to manage their own payment elections.

Reassign credit card transactions to matriculated students manually to include these transactions on student expense reports.

Concepts

[Setup Considerations: Student Expense Reports](#) on page 1306

Tasks

[Create Role-Based Security Groups](#)

[Steps: Set Up Expense Reports](#) on page 1310

[Customize the Expense Report Event Business Process](#) on page 1313

Reference

[2021R2 What's New Post: Expense Reporting for Students](#)

Example: Configure Automatic Approval for Send Back Lines Business Processes

This example illustrates 1 way to configure automatic approvals for these action steps on the *Expense Report Event* business process definition:

- *Approve - Send Back Lines*
- *Review - Send Back Lines*

Your company wants to configure the *Expense Report Event* business process to enable Expense Partners and Managers to simultaneously approve and send back lines for correction. You also want to streamline the approval process by configuring auto-approvals to bypass additional approvals from Managers who previously approved expense reports.

Configure the *Expense Report Event* business process and security policy in the Expenses functional area.

1. Access the *Expense Report Event* business process definition for your company.
2. From the related actions menu of the *Expense Report Event* business process definition, select **Business Process > Edit Definition**.
3. Click **OK**.
4. On the **Business Process Steps** tab, add these steps:

Order	Type	Specify	Group
<i>b</i>	<i>Action</i>	<i>Review Expense Report - Send Back Lines</i>	<i>Expense Partner</i>
<i>c</i>	<i>Action</i>	<i>Approve Expense Report - Send Back Lines</i>	<i>Manager</i>
<i>d</i>	<i>Approval</i>		<i>Manager</i>

5. Click **OK**.
6. From the related actions menu of business process step **c**, select **Business Process > Maintain Advance Routing**.
7. Click **OK**.
8. Select the **Exclude Prior Approvers** check box.
9. Click **OK**.
10. Click **Done**.

Jake Lee submits an expense report for his recent work travel expenses and Workday routes it to the expense partner for review. Once they approve, Workday routes the expense report to Jake's manager, Steve Morgan. Steve marks a line for exclusion and approves the expense report. Workday then routes the

expense report to the next manager on the approval chain and bypasses Steve Morgan. When Steve is the next manager on the approval chain, Workday automatically approves the expense report and completes the business process event.

Tasks

Maintain Advanced Routing

Example: Freeze Spend Authorizations

This example illustrates how to configure a freeze and a mandatory questionnaire on spend authorizations, for greater spend control.

Your employees submit spend authorizations to seek preapproval for international travel expenses. However, recent global travel restrictions result in budget cuts at your company.

To meet these budget cuts, you need to:

- Apply a company-wide spend authorization freeze.
- Include a questionnaire on spend authorizations so employees can provide reasons for requests during the freeze period.
- Configure the *Spend Authorization* business process and security policy in the Expenses functional area.
- Ensure that there's an additional approver available on the Expense Partner security group. You'll add them to the approval process during your configuration.

Security:

- The *Process: Spend Control and Analysis (Expenses)* domain in the Expenses functional area.
- These domains in the System functional area:
 - *Business Process Administration*
 - *Questionnaire Creation and Distribution*
 - *Question Library*

1. Add an approval step on the *Spend Authorization* business process.

- a) From the related actions menu of the *Spend Authorization* business process, select **Business Process > Edit Definition**.
- b) Enter the current date and click **OK**.
- c) Add a step with these values:

Option	Description
Order	Enter a value that places the new approval step as the last step in the approval process. Example: If your last approval step is <i>f</i> , enter <i>fa</i> for the new approval step.
Type	<i>Approval</i>
Group	<i>Expense Partner</i>

- d) Click **OK**.

2. Create a condition rule for the new approval step.

- a) From the related actions menu of the new approval step, select **Business Process > Maintain Step Conditions**.
- b) Enter the current date and click **OK**.
- c) Add a row and select *Create Condition Rule* on the **Rule** prompt.
- d) Click **OK**.
- e) On the **Create Condition Rule** page, specify these values:

Option	Description
Description	<i>Freeze spend authorizations company-wide</i>
And/Or	<i>And</i>
Source External Field or Condition Rule	<i>Spend Authorization Spend Freeze for Company</i>
Relational Operator	<i>is not blank</i>

- f) Click **OK** twice, then **Done**.

3. Enable the spend freeze.

- a) From the related actions menu of your company, select **Worker Spend > Manage Spend Freeze**.
- b) Select the **Freeze Spend Authorization** check box.
- c) Click **OK** and **Done**.

4. Create a questionnaire.

- a) Access the **Create Questionnaire** task.
- b) Select **Create New Questionnaire** and enter *Purpose for Spend Authorization Request* in the **New Questionnaire Name** field.
- c) Click **OK**.
- d) Click **Edit Questionnaire Details** and enter these values:

Option	Description
Allowed on Business Processes	<i>Spend Authorization</i>
Questionnaire Instructions	<i>Specify the reason for this transaction as it occurs during a company-wide spend authorization freeze.</i>

- e) Click **OK**.
- f) Click **Maintain Questions**.
- g) Select *Create Question* on the **Question** prompt and enter these values:

Option	Description
Question Name	<i>Travel Purpose</i>
Question Body	<i>What is the purpose of this trip?</i>
Question Type	<i>Text</i>

- h) Click **OK**.
- i) Select the **Required** check box and click **OK**.

5. Add a questionnaire step on the *Spend Authorization* business process.
 - a) From the related actions menu of the *Spend Authorization* business process, select **Business Process > Edit Definition**.
 - b) Enter the current date and click **OK**.
 - c) Add a step with these values:

Option	Description
Order	aa
Type	Complete Questionnaire
Group	Contingent Worker As Self Employee As Self
All	Select.

- d) Click **OK**.
 - e) Click **Configure Questionnaire**.
 - f) Enter the current date and click **OK**.
 - g) On the **Questionnaire** prompt, select *Purpose for Spend Authorization Request*.
 - h) Click **OK**.
6. Apply the spend freeze condition rule on the new questionnaire step.
 - a) From the related actions menu of the new questionnaire step, select **Business Process > Maintain Step Conditions**.
 - b) Enter the current date and click **OK**.
 - c) Add a row and select *Freeze spend authorizations company-wide* on the **Rule** prompt.
 - d) Click **OK** and **Done**.

When employees:

- Create spend authorizations, they have to complete a questionnaire that details the reason for their request.
- Submit spend authorizations, the transactions route to an additional approver.

Add additional spend authorization controls by configuring budget checks during the freeze period.

Concepts

[Concept: Order of Execution](#)

Tasks

[Steps: Set Up Spend Authorizations](#) on page 1349

[Freeze Company Spend](#) on page 1353

Example: Create Custodian Role to Manage Central Travel Cards

This example illustrates how to create the custodian role that manages central travel card transactions.

Your company requires credit card administrator, Katty Holmes, to manage central travel card transactions for different organizations within your company.

1. Access the **Maintain Assignable Roles** task.
2. Add a row and enter these values:

Option	Description
Role Name	Custodian
Enabled For	- Company - Company Hierarchy

Option	Description
Is Leader / Is Supporting	Is Supporting

3. Click **OK**.
4. From the related actions menu of the *Custodian* role, select **Assignable Role > Edit Assignment Permissions**.
5. In the **Administered by Security Groups** prompt, select *Security Admin*.
6. Click **OK**, then **Done**.
7. From the related actions menu of your company *500.1 Global Modern Services, Inc. (USA)*, select **Roles > Assign Roles**.
8. Select the current date as the **Effective Date**.
9. Click **OK**.
10. Add a row and enter these values:

Option	Description
Role	<i>Custodian</i>
Assigned To	<i>P-05681 Credit Card Administrator - Katty Holmes</i>

11. Click **OK**, then **Done**.
12. Access the **Create Security Group** task.
13. Enter these values:

Option	Description
Type of Tenanted Security Group	<i>Role-Based Security Group (Constrained)</i>
Name	<i>Custodian Security Group</i>

14. Click **OK**.
15. As you complete the task, select these values:

Option	Description
Assignable Role	<i>Custodian</i>
Access Rights to Organizations	<i>Applies To Current Organization And All Subordinates</i>
Access Rights to Multiple Job Workers	<i>Role has access to the positions they support.</i>

16. Click **OK**, then **Done**.
17. Access the **Domain Security Policies for Functional Area** report.
18. Select the **Expenses** functional area.
19. Click **OK**.
20. Select the **Organization: Manage Central Travel Card Transactions** domain.
21. Click **Edit Permissions**.
22. In the **Reports/Task Permissions** section, add a row.
23. Enter *Custodian Security Group* as the **Security Group**.
24. Select these check boxes:
 - **View**
 - **Modify**
25. Click **OK**, then **Done**.
26. Access the **Activate Pending Security Policy Changes** task.
27. Enter *Activating Custodian Security Group domain permissions.* as the comment.

28. Click **OK**.

29. Select the **Confirm** check box.

30. Click **OK**.

As the Custodian, Katty can now access the **Assign Central Travel Card Transactions** task and manage central travel card transactions for her company.

Tasks

[Set Up Assignable Roles](#)

[Create Role-Based Security Groups](#)

[Steps: Create Central Travel Cards](#) on page 1362

[Steps: Create Central Travel Cards](#) on page 1362

Example Steps: Configure an Expense Item and Allowance Plan with Automatic Approval

This example illustrates how to configure an expense item and allowance plan with automatic approval.

You want to create an expense item and allowance plan to enable employees to claim monthly reimbursement. You also want to configure automatic approval for expense reports that only include this expense item and its allowance plan.

1. Create an expense item and allowance plan.

See [Example: Set Up Allowance Plan for Health and Fitness Expenses](#) on page 1414.

2. Configure automatic approval for expense reports that only include this expense item and its allowance plan.

See [Example: Configure Automatic Approval for Expense Reports with an Allowance Plan](#) on page 1416.

Create a settlement run.

Example: Set Up Allowance Plan for Health and Fitness Expenses

This example illustrates how to configure an allowance plan to enable employees to claim monthly reimbursement for health and fitness expenses.

Your company is planning a health and fitness initiative for employees, starting on the first day of the next calendar month. You want to set up an allowance plan that enables U.S. employees to claim 50 USD monthly for health and fitness expenses, such as gym membership.

Set up:

- Compensation components, grades, and rollout reasons.
- Compensation eligibility rules for U.S. employees.
- Segmented security groups for unrestricted expense items.
- Spend categories.

Security:

- *Expenses Segmented Setup* domain in the System functional area.
- *Set Up: Base and Plan* domain in the Core Compensation functional area.
- *Set Up: Expense Item* domain in the Expenses functional area.

1. Access the **Create Expense Item** task.

- a) In the **Summary** section, enter these values:

Option	Description
Item Name	<i>Health and Fitness (U.S.)</i>

Option	Description
Spend Category	Select.

- b) In the **Processing** section, select **Based on Allowance Plan**.
- c) Click **OK**.

2. Access the **Edit Expense Item Security Segment** task.

- a) On the **Expense Item Security Segment** prompt, select an unrestricted security segment.
- b) Click **OK**.
- c) On the **Expense Item** prompt, select *Health and Fitness (U.S.)*.
- d) Click **OK** and **Done**.

3. Access the **Create Allowance Plan** task.

- a) On the **Effective Date** prompt, select the current date.
- b) Select the **Reimbursable** check box.
- c) Select **Amount Based Plan**.
- d) Click **OK**.
- e) In the **Details** section, enter these values:

Option	Description
Plan Name	<i>Monthly Health and Fitness Expense (U.S.)</i>
Expense Item	<i>Health and Fitness (U.S.)</i>
Expense Accumulator	<i>Month with Custom Start Date</i>

- f) In the **Allowance Defaults** section, enter these values:

Option	Description
Amount	<i>50</i>
Currency	<i>USD</i>
Frequency	<i>Monthly</i>
No Override	Select the check box.

- g) Click **OK** and **Done**.

4. Access the **Rollout Compensation Plans to Employees** task.

- a) Enter these values:

Option	Description
Process Name	<i>Monthly Health and Fitness Expense (U.S.)</i>
Effective Date	Enter the current date.
Reason	Select.
Compensation Plans	<i>Monthly Health and Fitness Expense (U.S.)</i>
Reimbursement Start Date	Select the first date on the next calendar month.
By Compensation Eligibility Rule	Select a rule for all U.S. employees.

- b) Click **OK** and **Done**.

U.S. employees can submit expense reports that include the *Health and Fitness (U.S.)* expense item.

- Configure automatic approval for expense reports that include the *Health and Fitness (U.S.)* expense item.

- Schedule an end date for the allowance plan.

Tasks

[Steps: Manage Reimbursable Accounts](#)

[Steps: Set Up Security for Expense Items](#) on page 1281

[Remove Compensation Plans with Expected End Date](#)

Examples

[Example: Configure Automatic Approval for Expense Reports with an Allowance Plan](#) on page 1416

Example: Configure Automatic Approval for Expense Reports with an Allowance Plan

This example illustrates how to configure automatic approval for expense reports that include an expense item with an allowance plan.

Employees in the U.S. are eligible to claim 50 USD monthly for health and fitness expenses. As your U.S. workforce exceeds 5,000, you want to configure automatic approval for health and fitness expense reports to reduce manual effort.

- Create a *Health and Fitness (U.S.)* expense item and link it to an allowance plan.
 - Configure the *Expense Report Event* business process and security policy in the Expenses functional area.
1. From the related actions menu of the *Expense Report Event* business process, select **Business Process > Copy or Link Business Process Definition**.
 2. On the **Effective Date** prompt, verify that you're using the current date.
 3. In the **Rule Based Workflow Definition Name** field, enter *Auto Approval for Monthly Health and Fitness Expenses (U.S.)*.
 4. Click **OK**.
 5. Delete all steps from the **Business Process Steps** grid.
 6. Click **OK** and **Done**.
 7. From the related actions menu of the *Expense Report Event* business process, select **Business Process Type > Rule Based Business Process Configuration**.
 8. On the **Effective Date** prompt, verify that you're using the current date.
 9. Click **OK**.
 10. Add a row on the **Business Process Type** grid.
 11. On the **Rule** prompt, select *Create Condition Rule*.
 12. Click **OK**.
 13. In the **Description** field on the **Create Condition Rule** page, enter *Auto approve the Health and Fitness (U.S.) expense item*.
 14. In the **Rule Conditions** grid, enter these values:

Option	Description
And/Or	<i>And</i>
Source External Field or Condition Rule	<i>Expense Items on Expense Report</i>
Relational Operator	<i>exact match with the selection list</i>
Comparison Type	<i>Value specified in this filter</i>
Comparison Value	<i>Health and Fitness (U.S.)</i>

15. Click **OK**.
16. On the **Rule Based Workflow Definition** prompt, select *Expense Report Event (Auto Approval for Monthly Health and Fitness Expenses (U.S.))*.

17. Click **OK** and **Done**.

Workday:

- Approves expense reports automatically when U.S. employees include only the *Health and Fitness (U.S.)* expense item.
- Routes expense reports for manual approval when U.S. employees include the *Health and Fitness (U.S.)* expense item and other expense items.

Create a settlement run.

Examples

[Example: Set Up Allowance Plan for Health and Fitness Expenses](#) on page 1414

Cash

Banking Setup

Steps: Set Up Banking

Define:

- Companies and company hierarchies.
- Payment types.

Enter and maintain information for banks and financial institutions. The banking information enables you to make and receive payments, and manage your cash.

1. Access the **Create Financial Institution** task or the **Edit Financial Institution** task.

Define the business entities that provide company financial and banking services and hold physical bank accounts. Select the customer, supplier, or tax authority acting as the financial institution.

Security: *Set Up: Bank Entity* domain in the Banking and Settlement functional area.

2. (Optional) Access the **Update Financial Institution Logo** task.

When you associate an official logo with a financial institution, the logo automatically appears when Workday displays information about the bank or other business entity.

You can either select an existing logo or create a new image. Acceptable image formats, such as *.jpg* or *.png*, are controlled by the attachment options specified in the **Edit Tenant Setup** task.

3. Access the **Create Bank Branch** task or the **Edit Bank Branch** task.

Define and maintain information about bank or business entity branches.

Security: *Set Up: Bank Entity* domain in the Banking and Settlement functional area.

4. (Optional) Access the **Create Bank Statement Custom Code Set** task.

Configure bank statement code sets with your own custom account balance, summary, and transaction type codes for BAI2, BTRS, ISO20022, or other bank statement formats.

When you assign the bank statement code set to a bank account, Workday includes the tenant-based type codes with the bank-reported type codes on all type code category prompts.

Security: *Set Up: Bank Entity* domain in the Banking and Settlement functional area.

5. (Optional) Access the **Create Outsourced Bank Provider** task.

Define an outsourced bank provider that handles your outsourced business functions, such as payroll processing. When you create an outsourced bank account, you select a provider.

Security: *Set Up: Bank Entity* domain in the Banking and Settlement functional area.

6. [Define Bank Accounts](#) on page 1418.
7. [Create Petty Cash Accounts](#) on page 1424.

You can use Workday-delivered reports and queries to view and manage information about banks and other financial institutions.

Set up settlements and bank reconciliation to complete the cash management setup process.

Tasks

- [Steps: Set Up Companies](#) on page 56
[Steps: Set Up Settlement](#) on page 1590
[Steps: Set Up Currencies](#)

Reference

[Reference: Banking Information Reports](#) on page 1426

Define Bank Accounts

- Define financial institutions.
- Define the default currency for a company.
- Configure the *Bank Account Event* business process and security policy in the Banking and Settlement functional area.
- Security: *Set Up: Bank Entity* domain in the Banking and Settlement functional area.

Create bank accounts in Workday for all external operational accounts that you perform transactions against. For nonoperational accounts, create an account only if you need to reconcile. These accounts enable you to:

- Create, make, and receive payments.
- Reconcile the books.
- Manage cash.

1. Access the **Create Bank Account** or **Edit Bank Account** task.
2. As you complete the general **Account Information** section, consider:

Option	Description
Phonetic Name	You can use phonetic names for these bank account fields to include their correct pronunciations in payment files: • Organization • Name on Account • Financial Institution • Branch Name Displays when: • You enable phonetic names on the Edit Tenant Setup - Global task. • Users select the relevant locale and display language in their preferences. For Name on Account and Branch Name, the preferred language of the bank account country must match the language enabled on the tenant setup.
Organization	Selecting a company hierarchy enables you to share the account across its companies. You

Option	Description
	can change this value if there isn't any account activity.
Account Currency	The currency in which you store funds in the account, and convert funds that you transfer into the account. For companies, Workday automatically populates the company currency. For company hierarchies, Workday automatically populates the currency from the consolidation details, if applicable. Otherwise, Workday uses the default currency of the tenant. You can change this value to any currency if there isn't any account activity. To use this account for payroll, the account currency must match the company currency.
Accept All Currencies/Accept These Currencies	Add the Account Currency as an accepted currency.
Allowed Payment Types	The payment types used for payroll, supplier, and other payments must match the payment types for the bank accounts. Example: If your employees can select <i>direct deposit</i> as their preferred payment type for payroll payments, the bank account used to make these payments must include the <i>direct deposit</i> payment type. Select <i>Manual</i> to make off-cycle manual payments from this account. You define payment types using the Maintain Payment Types task.
Bank Account Security Segment	A bank account security segment enables a particular security group of workers to use this bank account for creating, editing, and canceling ad hoc payments.

3. Enter specific **Account Details** for the selected **Country**:

Option	Description
Bank Sort Code	Enter the 6-digit sort code either with or without hyphens. Example: 000000 or 00-00-00. (UK only).
Account Number	For the UK, the account number must be 8 digits.
Roll Number	(Optional) Required for certain building society or former building society accounts. Most accounts no longer use roll numbers. (UK only)
Name on Account	For the UK, a name on account is optional, as bank transfers rely on sort codes and account numbers.

Option	Description
IBAN	(Optional) Enter an IBAN number to enable funds to transfer to or from this account across national borders. This field only displays for some countries. If the bank statement for the account uses the ISO20022 format, you must specify the IBAN number that's identified in the bank statement file.
Fraction	Enter the fraction form of the bank transit number as a backup for the MICR on the check. Not used in the UK.
Formatted MICR	If you use blank check stock, and your bank requires a different magnetic ink character recognition format (MICR) than the Workday-delivered print layout, enter the appropriate values. Workday uses the MICR that you specify in the position that you select on the check print layout. Not used in the UK.
Target Balance	Record the balance that you want to maintain for this account so that you can store and report on this information. Example: The bank moves money to or from the account to meet the target amount. Alternatively, you can target to have a certain balance at the end of each day and move the money yourself.
Bank Statement Format	Workday assigns balance, summary, and transaction type codes to bank statement records based on the statement format. For bank statements previously imported, recorded, and submitted for reconciliation, you can only select or update the statement format when they're fully reconciled.
Bank Statement Custom Code Set	(Optional) Assign a predefined bank statement code set with your own custom account balance, summary, and transaction type codes to the bank account. These codes are for BAI2, BTRS, ISO20022, or nonstandard bank statement formats. The tenant-based and bank-reported type codes are available for selection on: • Bank statement worktag mappings. • Manually entered bank statements. • Manual bank statement reconciliations.

Option	Description
	Bank reconciliation matching rules and first-notice condition rules for automatic and first-notice reconciliations.

4. Reconcile the balance of the account in Workday against the balance at the financial institution. To reconcile nonoperational accounts, you can use ad hoc bank transactions and templates to record key transaction information.

As you complete the **Reconciliation Configuration** section, consider:

Option	Description
Advanced Mode	Select this check box to reconcile bank statement lines to operational transactions based on reconciliation rule sets. Workday automatically creates ad hoc bank transactions for reconciling first-notice items using first-notice rule sets. Clear the check box if you're reconciling bank statement lines to operational transactions based on matching amounts and reference numbers only.
Perform Automatic Bank Reconciliation	- Selecting Manually initiates bank statement reconciliation manually for all statements from this account. - Selecting On Load initiates automatic bank statement reconciliation when you load statements from this account into Workday.
Matching Rule Set	Select a matching rule set to reconcile bank statement lines to operational transactions. Workday uses the rules for matching: - One bank statement line to 1 reconcilable item - One bank statement line to many reconcilable items - Many bank statement lines to 1 reconcilable item - Many bank statement lines to many reconcilable items - One or more bank statement lines to 1 or more suggested items
Bank Reconciliation Rule Set	Select a rule set to reconcile bank statement lines to operational transactions. Workday uses the rules for matching: - One bank statement line to 1 reconcilable item - One bank statement line to 1 or more suggested items Note: During a bank statement reconciliation, Workday runs the matching rule sets <i>before</i> the bank reconciliation rule sets. Any duplicate bank reconciliation rules are ignored.
Perform First Notice Item Reconciliation	Valid values are:

Option	Description
	• After Auto-Reconciliation Completes: Automatically initiates first-notice reconciliation for the bank account after all other automatic reconciliation is complete. • Manually: Select to initiate first-notice reconciliation manually.
First Notice Item Rule Set	Select the rule set to use for creating ad hoc transactions to reconcile with first-notice items, such as service or transaction fees generated from this account.
Group Customer Payments into a Deposit Group Student Electronic Payment into a Deposit	Select to collect electronic payments initiated by Workday as credit card or direct debit payments into a single deposit, and reconcile these deposits as a single item.
Group Electronic Payments for Reconciliation	Select to collect outgoing electronic payments made by EFT or direct deposit into a single reconciliation group. Workday generates the electronic payment reconciliation group (EPRG) at time of settlement and reconciles this group as a single item.
Submit Reconciled Statements Automatically	Select to submit automatically reconciled bank statements. Workday sends the statements for approval as soon as all lines and first-notice items are reconciled.
Default Bank Statement Beginning Balance	Select to automatically populate the beginning balances on imported bank statements when they don't provide this value. Workday calculates the beginning balance using the ending balance from the last noncancelled bank statement for the account. Beginning balances are required on all bank statements for reconciliation.

5. (Optional) In the **Worktag Mapping Configuration** section, select a **Bank Statement Worktag Rule Set** to associate with the bank account. Workday uses the bank statement worktag override rule set to assign specific worktags on bank statement lines for the account.
6. In the **Bank Account Usage** section, define the purpose for using the account.
You can set up a bank account to make both supplier and expense payments, and receive customer payments. You can also create a bank account for unique functions, such as an account that covers only payroll expenses.

Note: Define 1 bank account that includes all uses to serve as the default account for your bank routing rule.

As you complete the section, consider:

Option	Description
Primary Account Usage	Select the primary types of payment to use for this bank account. Example: Select <i>Ad Hoc Payment</i>

Option	Description
	to use this account to pay bank fees using ad hoc payments.
Allow Additional Usage	Select to make the bank account available for any additional types of payment that you might need to process.

7. As you complete the **Check Options** section (not used for the UK), consider:

Option	Description
Enable Positive Pay	Select to send an electronic file to the financial institution containing details for checks issued from this account. Workday compares a check presented for payment to the list of checks in the electronic file. If 1 or more elements of the check don't match the electronic file, the bank can withhold payment. Before you can activate positive pay, you must build an integration to the financial institution using the Workday Enterprise Interface Builder (EIB). You can then trigger the integration from the <i>Payment Printing Event</i> business process definition.
Last Check Number Used	The first check in the sequence begins with the last check number +1. Unless there's a break or gap in the sequence of checks, you only need to define the starting sequence when you first create the account. If there's a break in the check sequence, restart the sequence by entering the new sequence starting number - 1.
Check Print Layout	Override the default check printing layout for your production tenant with a layout specific to this account. If you haven't set up a default print layout and assigned a check print layout to the bank account, Workday defaults to the delivered business form layout.

Workday routes the new bank account to the next business process participant for review and approval.

You can use the bank accounts that you create to:

- Set up routing rules.
- Record and deposit customer payments.
- Create ad hoc bank transactions.
- Make manual payments.
- Record cash sales.
- Outsource check printing and banking.

Creating Rules Based On Payment Types

Create these integration rules to manage EFT and direct deposit payments:

- Rule 1: Specifies the integration system to use for routing *Direct Deposit* payments.
- Rule 2: Specifies the integration system to use for routing *EFT* payments.

The condition rule for direct deposit payments has highest priority in the **Settlement Setup** grid, followed by the condition rule for EFT payments. The first payment processed by the settlement engine is an EFT payment. Workday tries to match the payment with the first rule in the grid. When this rule doesn't return a match, Workday evaluates the payment against the second rule. In this case, Workday:

- Recognizes that the rule applies to EFT payment types.
- Records a match.
- Uses the integration system associated with the second rule.

When defining an integration system, consider:

- Unspecified criteria means that you're including everything.
- A payment must meet all of the conditions defined in a row of the **Settlement Setup** grid to produce a positive match.
- Define the most granular rule first and work down to the broadest rules.

Concepts

[Concept: Bank Account Reconciliation](#) on page 1496

Tasks

[Maintain Currency Conversion Rates](#)

[Define Bank Routing Rules](#) on page 1597

[Steps: Set Up Bank Integrations for Settlement Processing](#)

[Steps: Maintain Access to Bank Accounts for Ad Hoc Payments](#) on page 1447

[Create Matching Rule Sets for Bank Reconciliation](#) on page 1490

[Steps: Create and Reconcile Electronic Payment Reconciliation Groups](#) on page 1509

Reference

[Reference: Edit Tenant Setup - Global](#)

Create Petty Cash Accounts

- Create financial institutions.
- Define a default currency for a company.
- Configure the *Bank Account Event* business process and security policy in the Banking and Settlement functional area.
- Security: *Set Up: Bank Entity* domain in the Banking and Settlement functional area.

Define or update an account for tracking petty cash transactions.

Note: In Workday, you can use both bank and petty cash accounts to make supplier and expense payments, receive customer payments, or for cash management. However, you must use standard bank accounts in routing rule definitions to automatically make payroll, expense, or supplier payments from the correct accounts. You can only use petty cash accounts when you've manually specified a source or receiving account.

1. Access the **Create Bank Account** or **Edit Bank Account** task.
2. As you complete the task, consider:

Option	Description
Phonetic Name	You can use a phonetic name for the Organization field to include its correct pronunciation. Displays when: • You enable phonetic names on the Edit Tenant Setup - Global task.

Option	Description
	Users select the relevant locale and display language in their preferences.
Organization	Select the company or company hierarchy for which you're defining the petty cash account. You can change this value if there's no account activity.
Account Currency	For companies, Workday automatically populates the company currency. For company hierarchies, Workday automatically populates the currency from the consolidation details, if applicable. Otherwise, Workday uses the default currency of the tenant. You can change this value to any currency if there isn't any account activity.
Accept All Currencies/Accept These Currencies	Add the Account Currency as an accepted currency.
Allowed Payment Types	The payment types used for supplier and other payments must match the allowed payment types for the petty cash accounts that the payments are drawn from. Example: If the supplier accepts cash as a payment type, the petty cash account used to make these payments must include <i>Cash</i> as an allowed payment type. You define payment types using the Maintain Payment Types task.

You can use the petty cash accounts you created for making customer, supplier, and other types of payments. You can also use petty cash accounts for cash transactions such as ad hoc bank transactions and bank account transfers.

Tasks

[Create Ad Hoc Bank Transactions](#) on page 1501

[Create Ad Hoc Payments](#) on page 1452

[Define Bank Accounts](#) on page 1418

Reference

[Reference: Edit Tenant Setup - Global](#)

Concept: Bank Account Currency

Each bank account that you define in Workday has its own currency, called the account currency. You store funds in the bank account and convert funds that you transfer into the bank account using the account currency. You can also specify which currencies a bank account accepts. You use the **Create/Edit Bank Account** task to set the account currency.

Example: Your U.S. company has a local bank account in USD, and a bank account based in Ireland in EUR. You perform a wire transfer of 100K USD from the U.S. account to the Irish account, which accepts USD. The bank gives you a currency exchange rate of 85K EUR equal to 100K USD. Workday transfers 100K USD out of the US bank account and deposits 85K EUR into the Irish bank account.

Concepts

[Concept: Multicurrency](#) on page 23

Reference: Magnetic Ink Character Formats

If your bank requires a magnetic ink character recognition (MICR) business format that isn't delivered in the Workday standard check layout, you can define a custom MICR in the **Formatted MICR** field when setting up banks.

To define a custom magnetic ink character recognition (MICR), use these formatted values:

Valid Values	Description
Numbers 0 - 9	Use numeric characters to define routing numbers and account numbers.
Spaces	Use spaces for variable length fields such as check numbers.
A	Transit Symbol.
B	Amount Symbol.
C	On-Us Symbol.
D	Dash Symbol.
#	Represents a check number digit. Repeat as many times as necessary to represent the largest acceptable check number.
F	This symbol indicates that the on-us symbol floats to the start of the check number instead of printing in a fixed location.

Tasks

[Define Bank Accounts](#) on page 1418

[Create Check and Advice Print Layouts Using XSLT](#) on page 1646

Reference: Banking Information Reports

You can view and manage information about banks and other financial institutions in these reports:

Report	Description
View Financial Institution	Provides financial institution information at a glance. - From the related actions menu of a financial institution, you can edit, update the logo, or view an audit trail. - From the related actions menu of a branch, you can edit the branch.
View Financial Institution Contacts	Provides an editable list of contacts for a specific financial institution, enabling you to manage contacts quickly.
Bank Account	Use this report to view and manage bank account details, including: - Reconciliation configuration details. - Account usage across Workday financial management and payroll.

Report	Description
	From the related actions menu of the bank account you can: • Edit the check sorting setup. • Modify the payment integration setup. • Record voided checks and audit changes.
View Lockbox	Use this report to track down payments remitted to lockboxes. Details include the: • Company that owns the lockbox. • Associated bank account. • Physical address. • List of customers remitting payment to it.

Bank Account Signatories

Setup Considerations: Bank Account Signatories

You can use this topic to help make decisions when planning your configuration and use of bank account signatories. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

In Workday, you can set up bank account signatories to designate workers and external committee members as signers for individual bank accounts. You can maintain a record of signers who can access and operate an account on behalf of the account owner.

Business Benefits

Bank account signatories enable you to:

- Create signers from your existing list of employees and external committee members.
- Identify inactive signers on company bank accounts to decrease fraud and enhance controls.
- Streamline the foreign bank account reporting process by identifying key signatory data points in custom reports.
- Report on signatory changes to meet external and internal audit reporting requirements.

Use Cases

You can:

- Easily and accurately identify signers for each company bank account.
- Configure business processes to notify you when your signers change job positions or are no longer active.
- Modify signatory information based on job changes to a signer that alter their authorities.

- Use reports to track and identify inactive or terminated signers for your bank accounts over a defined period of time.

Questions to Consider

Question	Considerations
How do you select bank account signers in Workday?	Signers and their associated information are available in Workday as workers and external committee members. When you create signers, you select from your workers or external committee members already defined for your organization.
What levels of approval do you need for your signatories?	When you define signatories, you can assign the appropriate approval authorities and limits for each bank account. Example: You can assign a single approver authority type to a CFO who never requires secondary approval to issue a payment from a bank account. Similarly, you can authorize a cash analyst to always require a joint signer for secondary approval. You can also combine authority types with minimum and maximum approval limits. Example: A signer has single authority when making a payment under 100,000 USD, but requires joint approval for payment amounts more than 100,000 USD.
Do you need to track signatory approval limits in a bank account currency or user-defined currency?	Workday supports both types of currencies. When you create a bank account signatory, you can define signatory limits using the bank account currency. You can also override the bank account currency with a different currency. Example: You created a signatory using the bank account currency in EUR, but your organization now standardizes all signatory limits in USD.
Can you use bank account signatories for transaction and settlement processing in Workday?	Bank account signatory functionality is independent of settlement and other transaction workflows. To define which users can initiate, review, and approve Workday transactions, configure the business processes with the respective user for each transaction type.

Recommendations

- For signatories requiring supporting documents, add them as attachments when you create or edit bank account signatories. Examples include passports or other forms of identification required from the financial institutions.
- If you need to modify a signatory, use the **Change Bank Account Signatories** task to change any of the details. Workday applies the changes once they're approved.

Example: You replace an inactive or terminated signer with an active signer for a specific bank account. You can also remove all signatory lines with the terminated signers.

Requirements

- Define all company bank accounts in Workday that require signatories.
- Define payment types for signers such as check, credit card, or EFT.
- Define workers or external committee members to designate as signers.
- Secure access to Workday Human Capital Management (HCM) to configure business process notifications for job position or external committee membership changes to signers.

Limitations

To mass assign signatories to multiple accounts at once, you must use the bank account signatory web services. You can only manually create signatories for individual bank accounts.

Tenant Setup

- Create signers using employees or external committee members.
- Create signature approval methods for signers such as digital, physical, or scan.

Example: You authorize some signers to verify transactions using a digital signature. You require other signers to use physical signatures to approve payments from certain bank accounts.

- Define authority types for signers such as single or joint approvers.

Security

Configure these security domains in the Cash Management functional area:

Domain	Considerations
<i>Set Up: Signer</i>	Users can set up workers and external committee members as signers for bank account signatories.
<i>Set Up: Secured Attachment for Signer</i>	Users can view secured attachments for signers.
<i>Set Up: Bank Account Signatory Information</i>	Users can: • Define authority types to track the number of signers needed to approve transactions. You can define an authority type as single or joint. • Create signature methods for signers.
<i>Set Up: Bank Account Signatory</i>	Provides access to these subdomains: • <i>Set Up: Bank Account Signatory Information</i> • <i>Set Up: Secured Attachment for Signer</i> • <i>Set Up: Signer</i>
<i>Process: Bank Account Signatory</i>	Users can: • Access bank account signatory reports and web services. • Edit or cancel pending changes to signatory information as part of the <i>Bank Account Signatories Event</i> business process. • Remove signers from specific bank accounts, or from all assigned bank accounts at once using the Mass Update Signatories task.

Business Processes

Business Process	Considerations
<i>Bank Account Signatories Event</i>	Configure to create or edit bank account signatories routed for reviews and approvals.
<i>Change Job</i> <i>Submit Resignation</i> <i>Termination</i>	Configure these Workday HCM business processes to receive notifications when workers change job status such as a transfer, promotion, resignation, or termination. Based on the changes, you can make the necessary updates to the corresponding signatory. Edit the business process definitions to add the Step Configuration Placeholder Service step after business process completion. Then, add notifications to this step with their recipients. The Step Configuration Placeholder Service step enables you to configure notifications before or after another step that doesn't include the configurations.
<i>Manage Committee Membership</i>	Configure this Workday HCM business process to receive notifications when external committee members become inactive or end their committee membership. Based on the changes, you can make the necessary updates to the corresponding signatory. Edit the business process definition to add the Step Configuration Placeholder Service step after business process completion. Then, add notifications to this step with their recipients. The Step Configuration Placeholder Service step enables you to configure notifications before or after another step that doesn't include the configurations.

Reporting

Report or Dashboard	Considerations
Bank Account Signatories Exceptions	View the inactive signers still assigned to bank accounts.
Find Bank Account Signatories	View your bank account signatories filtered by signatory details. The report displays all bank account signatories in <i>Approved</i> status.
Find Historical Changes in Bank Account Signatories	View all the changes to bank account signatories between the dates you specify. You can also filter the changes by the relevant signatory attributes.

Report or Dashboard	Considerations
	Example: You use the report for auditing purposes to verify that all changes to signatories were authorized.
View Signers	View all of the signers that you've created to add as signatories. The report displays signer details, and whether a signer has any attached documents.

We suggest using these report data sources to build custom reports:

- **Bank Account Signatory Snapshots:** Displays the historical changes made to bank account signatories.

Example: To determine when bank account signatories were added or updated, you can create a custom report that incorporates signatory details as of a specific date.
- **Bank Account Signatories:** Displays all bank account signatories.

Example: If you use foreign bank accounts, you can create a custom report to supplement Foreign Bank and Financial Accounts (FBAR) reports. You can use the custom report to identify all signers with cumulative bank balances of 10,000 USD or more within a specified date range.
- **Signers:** Displays all signers that you can track and manage for audit reporting requirements.

Integrations

Web Service	Considerations
<i>Get Bank Account Signatories</i>	Retrieves bank account signatories from Workday using your specified criteria. You can then export the signatory information to third-party systems.
<i>Get Signers</i>	Retrieves signers from Workday using your specified criteria. You can then export the signers to third-party systems.
<i>Put Bank Account Signatory</i>	Imports and creates bank account signatories for bank accounts.
<i>Put Signer</i>	Imports and creates signers for bank accounts.
<i>Submit Bank Account Signatory</i>	Creates an event for signatory additions, updates, or removals. Then, submits it through the <i>Bank Account Signatories Event</i> business process for review and approval.

Connections and Touchpoints

You use Workday HCM business processes to configure notifications for changes to signers.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Concepts

[Concept: External Committee Members](#)

Tasks

[Steps: Set Up Termination](#)

[Define Bank Accounts](#) on page 1418

[Steps: Set Up Job Changes](#)

[Steps: Set Up Employee Resignation](#)

Reference

[The Next Level: Bank Account Signatories](#)

Steps: Manage Bank Account Signatories

- Define bank accounts.
- Configure the *Bank Account Signatories Event* business process and security policy in the Cash Management functional area.

You can create and maintain records of employees or external committee members who are authorized to sign for a bank account on behalf of the account owner. You can also report on signatory changes and notify users when a signer is no longer valid.

1. Access the **Create Signer** task.

Configure an employee or external committee member as a signer.

Security: These domains in the Cash Management functional area:

- *Set Up: Signer*
- *Set Up: Secured Attachment for Signer*

2. Access the **Maintain Authority Types** task.

Define authority types to track the number of signers needed to approve transactions. You can define an authority type as single or joint.

Security: *Set Up: Bank Account Signatory Information* domain in the Cash Management functional area.

3. Access the **Maintain Signature Methods** task.

Create signature approval types for signers such as on call, online, or wet signature.

Security: *Set Up: Bank Account Signatory Information* domain in the Cash Management functional area.

4. Access the **Create Bank Account Signatories** task.

You can select people to act as signers for a bank account and apply authority limits to the actions they can take. You can define the authority limits using the bank account currency, or override it with a different currency for particular signers.

5. (Optional) Access the **Mass Update Signatories** task.

You can remove a signer from a specific bank account or from all assigned bank accounts.

Security: *Process: Bank Account Signatory* domain in the Cash Management functional area.

6. (Optional) Configure business processes to receive notifications when signers change job positions, external committee membership, or leave the company.

Add the **Step Configuration Placeholder Service** step with notifications to these Workday HCM business processes:

- *Change Job*
- *Manage Committee Membership*
- *Submit Resignation*
- *Termination*

Based on the notification type, you can remove the signers from bank account signatories or modify their authority limits.

Use these reports to track and maintain signers:

- **Bank Account Signatories Exceptions:** Displays the inactive signers for your company or bank account.
- **Find Bank Account Signatories:** Displays all approved bank account signatories and the signatory details.

- **Find Historical Changes in Bank Account Signatories:** Displays all the changes to bank account signatories between the dates you specify.

Concepts

[Concept: External Committee Members](#)

Tasks

[Steps: Manage and Invite Committee Members](#)

[Steps: Set Up Termination](#)

[Steps: Set Up Job Changes](#)

[Steps: Set Up Employee Resignation](#)

Reference

[The Next Level: Bank Account Signatories](#)

Bank Fee Analysis

Setup Considerations: Bank Fee Analysis

You can use this topic to help make decisions when planning your configuration and use of bank fee analysis. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

You can perform a bank fee analysis to review your global bank service fees and control bank fee spend across your organization. You can use Workday reports to analyze pricing variances and optimize service pricing based on bank fee statements and bank service contracts.

Business Benefits

With bank fee analysis, you can easily identify:

- Total bank fees for a defined period.
- Bank fees that are avoidable, such as payment repairs and overdrafts.
- Bank services no longer needed or in use.
- Pricing inaccuracies between bank fee statements and service contracts.

Use Cases

You can use bank fee analysis to:

- Receive and record global bank fee statements.
- Maintain bank fee service codes for global financial institutions.
- Create and maintain contractual service agreements for each financial institution.
- Compare bank service costs across multiple financial institutions.
- Report on total bank fees by bank account, company, and financial institution.

Questions to Consider

Question	Considerations
How can you import bank fees from your banks instead of manually recording them in Workday?	You can request a bank fee statement from your banking partners in 1 of these formats: • EDI 822 • ISO 20022 <i>camt.86 V1</i> • ISO 20022 <i>camt.86 V2</i> Workday supports these formats automatically in the bank fee statement connector.
How can you validate that your bank service pricing is correct?	Upload or record a bank service contract in Workday for each bank. The service contract lists what you've contractually agreed to pay for each individual service and the pricing type, such as fixed price or tiered. You can then run the Bank Fee Variance Analysis standard report to find pricing inaccuracies.
How can you track pricing for volume-based service agreements?	On a service contract, select 1 of these pricing types: • Tiered: The cost for the services decreases when the service volume reaches the next pricing tier. • Threshold: The cost for individual services decreases for all instances of the service when the service volume reaches thresholds.
What types of service codes can you use on a service contract?	You can enter 1 of these types of service codes: • Bank specific • AFP Workday compares the service code price on the contract against the bank or AFP service code delivered on the bank fee statement.
How can you create multiple bank service contracts for a financial institution?	When you create your service contracts, assign each contract to specific bank accounts held at the financial institution.

Recommendations

- Receive bank fee statements automatically from your bank to reduce errors.
- Upload your bank fee service contracts using web services to increase efficiency.
- Perform bank fee analysis on a regular basis to maintain control over your bank fee costs.
- If you don't have a bank service contract, you can use bank fee analysis reports to determine:
 - Service costs across financial institutions.
 - Unusual increases or decreases in service fee activity.
 - Bank services that make up your bank fees.

You need a bank service contract to compare differences between the expected charges defined in your service contract against your actual bank fee charges.

Requirements

Upload or manually record bank fee statements in Workday. Bank fee statements track service charges, fee rates, and compensation information for each billing period.

Limitations

You can't track free bank services in Workday. Example: A tiered price of \$0.00 on the first level of a bank service contract.

Tenant Setup

No impact.

Security

Domain	Considerations
<i>Set Up: Bank Fee Analysis</i> in the Cash Management functional area	Users secured to this domain can maintain bank fee service codes.
<i>Process: Bank Fee Service Contract</i> in the Cash Management functional area	Users secured to this domain can create bank service contracts.
<i>Process: Bank Fee Statements</i> in the Cash Management functional area	Users secured to this domain can create bank fee statements and use standard reports.
<i>Report: Bank Fee Analysis</i> in the Cash Management functional area	Users secured to this domain can view bank fee variances in the Bank Fee Variance Analysis standard report.

Business Processes

No impact.

Reporting

Report or Dashboard	Considerations
Bank Fee Variance Analysis report	Displays the discrepancies between bank service fees on your bank fee statements and the contractual fee rates. The report includes all bank service fees for the selected financial institutions. You can also filter results by: • Bank account. • Bank fee statement dates. • Variances between actual and contractual service fees that are unequal to \$0.00.
Find Bank Fee Statements report Find Bank Fee Statement Lines report	Displays bank fee statement and statement line details.
Total Bank Fees by Financial Institution report	Displays total bank fees for 1 or more financial institutions within a specified date range.
Total Bank Fees by Company report	Displays total bank fees for 1 or more companies. Workday automatically populates the last 3 months of bank fees, which you can modify.

Report or Dashboard	Considerations
	If you've fewer than 3 months of fees, Workday displays 0.00 for the other months.

We provide these report data sources that you can use in custom reports:

- **Bank Fee Statements**
- **Bank Fee Statement Line**
- **Bank Fee Statement Line Variance**

Integrations

You can import your bank fee statements into Workday using a bank fee statement integration template.

Integration Template	Considerations
Import EDI 822 Bank Fee Statements	Imports files in the ASC X12 EDI 822 format.
Import ISO 20022 V1 Bank Fee Statements	Imports files in the ISO 20022 <i>camt.86 V1</i> format.
Import ISO 20022 V2 Bank Fee Statements	Imports files in the ISO 20022 <i>camt.86 V2</i> format.
Core Connector: Bank Fee Statements Inbound	Imports files in a Workday-defined format. The custom integration enables you to load formats other than EDI 822 and ISO 20022.

We provide these web services:

- *Get Bank Fee Service Contracts*: Retrieves bank service contracts from Workday to distribute externally, or to apply updates. You can use the *Put Bank Fee Service Contract* web service to reload the updates into Workday.
- *Put Bank Fee Service Contract*: Mass imports bank service contracts from your financial institutions to Workday.

Connections and Touchpoints

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Tasks

[Steps: Set Up Bank Fee Statement Connectors](#)

Reference

[The Next Level: Bank Fee Analysis](#)

[Workday 28 What's New Post: Bank Fee Analysis](#)

Steps: Perform Bank Fee Analysis

Bank fee analysis enables you to validate your banking service fees across multiple financial institutions. You can compare fees charged on your bank fee statements against the contractual service rates, and assess pricing discrepancies on variance reports.

1. Access the **Maintain Bank Fee Service Codes** task.

Enter the bank fee service codes and their descriptions for each financial institution. You can select these service codes when you create bank fee service contracts and record bank fee statements.

Security: *Set Up: Bank Fee Analysis* domain in the Cash Management functional area.

2. [Create Bank Fee Service Contracts](#) on page 1437.
3. [Enter Bank Fee Statements](#) on page 1438.

You can now analyze your bank fee service charges.

Use the **Bank Fee Variance Analysis** report to determine if the service charges from your financial institutions are correct. Workday calculates any variances between:

- The actual bank fees on your bank fee statements.
- The bank fee charges you're expecting based on the contractual amounts for each service code.

Concepts

[Concept: Cash Management](#) on page 1582

Reference

[The Next Level: Bank Fee Analysis](#)

[Workday 28 What's New Post: Bank Fee Analysis](#)

Create Bank Fee Service Contracts

Security: *Process: Bank Fee Service Contract* domain in the Cash Management functional area.

Create a service contract that contains bank-specific service codes and contractual pricing for the financial institution. You can attach supporting documents for the banking service fees such as your contract agreement.

1. Access the **Create Bank Fee Service Contract** task.
2. As you complete the **Service Contract Lines** tab, consider:

Option	Description
Bank Service Code	Select a bank service code to add to the service contract. If the bank service code isn't available, you can create the service code directly from the service contract. Bank service codes identify specific charges and associated charges on analysis statements.
Pricing Type	Select a pricing structure that the bank uses for calculating service fees: • Fixed: A fixed cost for each occurrence of the service. • Flat: A one time, flat fee that doesn't change on volume. • Tiered: A volume driven pricing structure where the cost of the individual services decreases as the next pricing tier is reached. • Threshold: A volume driven pricing structure where the cost of the service decreases for all instances of the service as thresholds are reached.
Base Fee	(Optional) The fee charged in addition to the unit price of the banking service.
Minimum Fee Maximum Fee	(Optional) The minimum and maximum service fee amounts the bank charges per billing period irrespective of usage. Example: For the 123 bank service code, your bank charges a maximum fee of 50.00 and has a unit cost of 5.00. Your service volume for this

Option	Description
	period is 30. You're only charged the maximum fee of 50.00 instead of the actual 150.00.

Workday compares the expected charges defined in your service contract against your actual bank fee charges on the bank fee statement. You can use the **Bank Fee Variance Analysis** report to view the results.

Your negotiated service fees for stopped payments use tiered and threshold pricing types. These examples show the cost breakdown by number of requests in a given billing period for the pricing types.

With tiered pricing, the first 3 stopped payment requests cost \$60.00, the next tier of requests costs \$600.00, and the last tier reached costs an additional price. The stopped payment costs accumulate as the service volume increases:

Minimum and Maximum Number of Stopped Payments	Tier Price	Actual Requests
1 to 50	\$20.00	3
51 to 100	\$10.00	60
101 or more	\$5.00	300
		Total Cost: \$2160.00

With threshold pricing, as soon as the service volume reaches a threshold of 101, all existing and future stop payment requests have the same \$5.00 unit price:

Number of Stopped Payments	Threshold Price	Actual Requests
50	\$20.00	
100	\$10.00	
101 or more	\$5.00	300
		Total Cost: \$1500.00

Manually enter or upload your bank fee statements.

Enter Bank Fee Statements

Security: *Process: Bank Fee Statements* domain in the Cash Management functional area.

Record your bank fee statements to track service charges, fee rates, and compensation information for a billing period.

You can also import your bank fee statements into Workday using one of these bank fee statement integration templates:

- Import EDI 822 Bank Fee Statements - Imports files in the ASC X12 EDI 822 format.
- Import ISO 20022 V1 Bank Fee Statements - Imports files in the ISO 20022 *camt.86 V1* format.
- Import ISO 20022 V2 Bank Fee Statements - Imports files in the ISO 20022 *camt.86 V2* format.
- Core Connector: Bank Fee Statements Inbound - Imports files in a Workday-defined format. The custom integration enables you to load formats other than EDI 822 and ISO 20022.

1. Access the **Record Bank Fee Statement** task.
2. Specify the **Statement Beginning Date** and the **Statement End Date** from the bank fee statement. Workday selects lines from your account that fall within these dates.

3. (Optional) Specify the **Tax Currency** that you use for paying taxes on bank service fees.
Workday calculates the tax for the service fee using this currency.
4. (Optional) Specify the **Settlement Currency** that you use to pay bank service fees.
5. As you complete the **Balance, Rate, & Compensation** tab, consider:

Option	Description
Bank Fee Compensation Code	Select the standard compensation code for applicable balance, rate, and compensation information for the specific billing period. Example: Compensation includes earnings allowances and average available balances.
Compensation Amount	Enter the compensation and balance amount information. For rate information, enter the rate calculation method for the specified billing period.

6. As you complete the **Bank Fee Statement Lines** tab, consider:

Option	Description
AFP Code Bank Fee Service Code	Select an Association of Financial Professionals (AFP) code for each bank service code. Financial institutions map individual service codes to these AFP codes to standardize service codes and descriptions. Enter a new line with balance amounts for each service from the bank fee statement.

7. As you complete the **Conversion Rates** tab, consider:

Option	Description
Source Currency Target Currency	(Optional) Specify the currency used for the service charge and its target currency for conversion. Source and target currencies show the conversion rate that Workday applies when converting from a billing currency to a settlement currency. You can track the currencies and exchange rates that the financial institutions use when billing you for services.
Quotation Date	(Optional) Enter the exchange rate date used for the currency conversion. The quotation date on the bank fee statement outlines the exact exchange rate date for the service charge.

Workday uses the bank fee statement information for calculating price exceptions and variance amounts from the contractual bank fees.

Use these reports to review bank fee statement and line details:

- **Find Bank Fee Statements**
- **Find Bank Fee Statement Lines**

You can also use these reports to view the total bank fees incurred from each financial institution and company by billing period:

- **Total Bank Fees by Financial Institution**

- **Total Bank Fees by Company**

Tasks

[Steps: Perform Bank Fee Analysis](#) on page 1436

[Steps: Set Up Bank Fee Statement Connectors](#)

Ad Hoc Payments

Setup Considerations: Ad Hoc Payments

You can use this topic to help make decisions when planning your configuration and use of ad hoc payments. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

In Workday, you can use ad hoc payments to make one-time payments or infrequent payments outside of the standard invoicing and payables processes. Examples include:

- Equity investments.
- Interest payments.
- Internal or foreign exchange transfers.
- Merger and acquisition (M&A) payments.
- Payroll vendor payments.
- Tax payments.
- Wage garnishment payments.

Business Benefits

Ad hoc payments enable you to:

- Make one-time payments without the need for invoice creation and approvals.
- Process time-sensitive payments using ad hoc payment business processes, streamlining the payment approval process.
- Meet your off-cycle payroll requirements for late or adjusted timesheets or missed payments.

Use Cases

You can:

- Create single-use ad hoc payees that automatically inactivate after settlement.
- Set up ad hoc payment templates to create ad hoc payments with common attributes, enabling you to minimize manual errors and streamline ad hoc payment creation.
- Include applicable ad hoc payments in payroll year-end tax reports, such as 1099 MISC and 1099 NEC reports (USA). This enables you to issue complete and accurate tax payment data to 1099 payees and the IRS.

Questions to Consider

Question	Considerations
How do you secure user access to bank accounts so that users can only create ad hoc payments for certain bank accounts?	You can configure segmented security groups to restrict access to the bank accounts. Only members of the security groups can select the bank accounts allowed for their security level when creating ad hoc payments. Example: You define security segments with your bank accounts for managers and analysts. The managers can access all bank accounts to initiate ad hoc payments, but the analysts can only select the bank accounts listed in their security segment.
How do you secure user access to spend categories so that users can only create ad hoc payments for designated spend categories?	You can configure segmented security groups to restrict access to ad hoc payment spend categories and spend category hierarchies. Only members of the security groups can select the spend categories allowed for their security level when creating ad hoc payments. Example: You restrict the Accounts Payable specialist from creating ad hoc payments for spend categories that you've designated for supplier invoices. The specialist can only use specific spend categories to process spend through ad hoc payment transactions.
How do you configure an ad hoc payee for single-use?	When you create an ad hoc payee, select the Single Use Payee check box to inactivate the payee after its first use. Workday automatically inactivates single-use ad hoc payees when the ad hoc payments settle.
How does Workday prevent ad hoc payee settlement information from changing during the ad hoc payment process?	When you submit an ad hoc payment, Workday retains the address and settlement bank account information for an ad hoc payee. Workday locks this information to prevent any updates done to the ad hoc payee from affecting the submitted and approved ad hoc payment. This helps you to: • Ensure that your ad hoc payees receive your ad hoc payments. • Prevent fraudulent activities on your ad hoc payments. • Report on the correct transactions.

Recommendations

Functionality	Recommendations
Custom Validations	If you're configuring custom validations for ad hoc payments, consider enforcing the same worktag validations that you use on a supplier invoice. The

Functionality	Recommendations
	creation of an ad hoc payment is similar to the entry of a supplier invoice.
Add or Remove Attachments	To add or remove attachments to ad hoc payments in any status, configure domain access to 1 of these related actions: • Add Attachment: Upload attachments using the Add Attachments for Ad Hoc Payment task. • Add/Change Attachment: Upload or remove attachments using the Add/Change Attachments for Ad Hoc Payment task. Example: Add supporting documents on a completed or reconciled ad hoc payment without having to first cancel, unreconcile, and resubmit it for business process approvals.
Ad Hoc Payment Templates	We recommend that you use an ad hoc payment template to make recurring ad hoc payments with common attributes. Workday automatically populates the values from a predefined template onto new ad hoc payments created using the template. You can make a payment directly from the template using the Create Ad Hoc Payment From Template task. To create additional templates, you can copy your ad hoc payment template and make adjustments.
Intercompany Ad Hoc Payments	You can create an ad hoc payment on behalf of intercompanies. You first configure the parent company and its affiliated companies using an intercompany profile. When you create the ad hoc payment, you enter the paying company in the header section. Workday defaults this company onto the line level, which you can change to its intercompany affiliate defined in the profile. Example: The header company, Global Modern Services Inc., USA, pays an ad hoc payment on behalf of the line level company, Global Modern Services Ltd., Canada. When you settle the ad hoc payment, Workday generates these accounting results: • Global Modern Services Inc., USA has a cash outflow and an <i>Intercompany Receivable</i> from the Canadian company. • Global Modern Services Ltd., Canada has an <i>Intercompany Payable</i> to the USA company.

Requirement

Workday requires the settlement bank account information for an ad hoc payee when you use these payment methods:

- Direct Debit
- Direct Deposit
- EFT
- Wire

When you don't provide settlement bank account details during ad hoc payee setup, you must provide this information when you create an ad hoc payment.

Limitation

Workday doesn't support multiple ad hoc payment lines on an ad hoc payment template. To split payments for different spend categories across multiple lines, you can add the additional lines when you create an ad hoc payment from the template.

Tenant Setup

You can configure security groups of workers to restrict the bank accounts and spend categories they can use to make ad hoc payments. The workers can only select the bank accounts or spend categories allowed for their security level.

Security

These domains in the Banking and Settlement functional area:

Domain	Considerations
<i>Process: Ad Hoc Payee</i>	Enables you to create, edit, and view ad hoc payees for ad hoc payments. You can use ad hoc payees for making one-time, ad hoc payments.
<i>Process: Ad Hoc Payee - Activate/Inactivate</i>	Enables you to activate or inactivate an ad hoc payee using related actions on the payee.
<i>Process: Ad Hoc Payment – Add Attachment</i> <i>Process: Ad Hoc Payment – Add/Change Attachment</i>	Enables you to add or remove attachments for ad hoc payments in any status. Users can access 1 of these related actions on an ad hoc payment: • Add Attachment • Add/Change Attachment
<i>Process: Ad Hoc Payment – Access Worker</i> <i>Process: Ad Hoc Payment – CORE</i> <i>Process: Ad Hoc Payment (NEW)</i> <i>Process: Ad Hoc Payment – View</i>	Enables you to view, create, and edit ad hoc payments. Access to the <i>Process: Ad Hoc Payment – Access Worker</i> domain enables you to select employees as payees when you create or edit an ad hoc payment. In the Payee drop-down list, you can enter the name of the employee in the Search field. This domain also enables you to use employees as payees in ad hoc payment web services.
<i>Process: Ad Hoc Payment Settlement</i>	Enables you to settle ad hoc payments and view related reporting. You can also print checks directly using the Print Check related action on an ad hoc payment.
<i>Process: Ad Hoc Payment Reporting</i>	Enables you to use these reports: • Find Ad Hoc Payment Templates • Find Payments

Domain	Considerations
	The domain also provides access to report data sources and filters to use for custom ad hoc payment reports.
<i>Set Up: Ad Hoc Payment Template</i>	Enables you to create templates to simplify the process of creating multiple ad hoc payments with common attributes.

Business Processes

You can configure these business processes to review and approve ad hoc payments and templates:

- *Ad Hoc Payment Event*
- *Ad Hoc Payment Template*

Reporting

Report	Considerations
Find Ad Hoc Payment Templates	Use this report to search for and review your ad hoc payment templates. You can use related actions to: • Copy your template to create additional templates. • Change a template submitted for approval or already approved. • Edit a template in <i>Draft</i> status. • Create ad hoc payments from an approved template.
Find Payments	Filter by the <i>Ad Hoc Payment</i> payment category to search for all ad hoc payments applicable to your organization.
View Ad Hoc Payee	Displays details for all ad hoc payees created for your organization. You can also activate or inactivate ad hoc payees using related actions on an ad hoc payee.
View Ad Hoc Payment Spend Category Security Segment	Displays security segments with the spend categories and spend category hierarchies available for workers to use when creating ad hoc payments.
1099 Data Audit - Ad Hoc Payments with 1099 Payees and non-1099 Spend Categories	Displays ad hoc payment lines for 1099 payees with non-1099 spend categories (USA). To include the payees and their applicable payments in year-end tax reports, map 1099 form categories to the spend categories and hierarchies. Workday tracks and classifies all other 1099 payee payments as uncategorized.
1099 Data Audit – Ad Hoc Payments with 1099 Spend Categories and non-1099 Payees	Displays ad hoc payment lines with 1099 spend categories for non-1099 payees. To include the ad hoc payments and their applicable payees in year-

Report	Considerations
	end tax reports, assign the 1099 MISC or 1099 NEC tax authority form type to the payees.

We suggest using these report data sources and filters to build custom reports:

Report Data Source or Filter	Considerations
Ad Hoc Payees data source	Displays the ad hoc payees for your organization.
Ad Hoc Payments data source	Displays the ad hoc payments for your organization. It prompts you for the companies or company hierarchies to filter the results.
Ad Hoc Payment Lines data source	Displays the ad hoc payment lines for your organization. It prompts you for the companies or company hierarchies to filter the results.
Ad Hoc Payment Template data source	Displays the ad hoc payment templates for your organization. It prompts you for the company, financial accounts, and reporting currency to filter the results.
Bank Account for Ad Hoc Payment Template data source filter	The list of financial accounts used to filter ad hoc payment templates.
Company for Ad Hoc Payment Template data source filter	The list of companies used to filter ad hoc payment templates.
Currency for Ad Hoc Payment Template data source filter	The list of currencies used to filter ad hoc payment templates.

Integrations

You can use these web services to mass import, create, or update ad hoc payments, templates, and ad hoc payees:

Web Service	Considerations
<i>Get Ad Hoc Payees</i>	Retrieves ad hoc payees from Workday using your specified criteria. You can then export the payees to third-party systems.
<i>Put Ad Hoc Payee</i>	Imports and creates ad hoc payees to use for ad hoc payments.
<i>Get Ad Hoc Payments</i>	Retrieves ad hoc payments from Workday using your specified criteria. You can then export the payments to third-party systems.
<i>Submit Ad Hoc Payment</i>	Adds or updates an ad hoc payment. Then, submits the change event through the <i>Ad Hoc Payment Event</i> business process for review and approval.
<i>Cancel Ad Hoc Payment</i>	Mass cancel ad hoc payments from Workday or non-Workday systems.
<i>Correct Ad Hoc Payment</i>	Mass correct ad hoc payments.

Web Service	Considerations
<i>Get Ad Hoc Payment Templates</i>	Retrieves ad hoc payment templates from Workday using your specified criteria. You can then export the templates to third-party systems.
<i>Put Ad Hoc Payment Template</i>	Imports and creates ad hoc payment templates.
<i>Submit Ad Hoc Payment Template</i>	Adds or updates an ad hoc payment template. Then, submit the change event through the <i>Ad Hoc Payment Template</i> business process for review and approval.
<i>Submit Ad Hoc Payment from Template</i>	Creates an ad hoc payment using an ad hoc payment template. Then, submits it to the <i>Ad Hoc Payment Event</i> business process.

Connections and Touchpoints

You can create ad hoc payments to pay:

- Contingent workers
- Customers
- Employees
- Suppliers
- Tax authorities

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Tasks

[Steps: Maintain Access to Bank Accounts for Ad Hoc Payments](#) on page 1447

[Steps: Maintain Access to Ad Hoc Payment Spend Categories](#) on page 1448

[Create Ad Hoc Payees](#) on page 1449

[Create Ad Hoc Payment Templates](#) on page 1450

[Create Ad Hoc Payments](#) on page 1452

[Steps: Set Up 1099 Reporting](#) on page 477

Steps: Manage Ad Hoc Payments

You can create ad hoc payments to use as one-time payments. You can also create ad hoc payments to make payments that aren't included in:

- Supplier invoices
- Refunds
- Expense reports
- Pay groups

1. (Optional) Configure segmented security for ad hoc payments.

Control access to the bank accounts and spend categories used for creating and editing ad hoc payments.

See:

- [Steps: Maintain Access to Bank Accounts for Ad Hoc Payments](#) on page 1447.
- [Steps: Maintain Access to Ad Hoc Payment Spend Categories](#) on page 1448.

2. (Optional) [Create Ad Hoc Payees](#) on page 1449.

Create an ad hoc payee with a given payee address and settlement bank account.

When you create ad hoc payments, you can select the ad hoc payee or any other type of payee that already exists in Workday.

3. [Create Ad Hoc Payments](#) on page 1452.

4. (Optional) Set up and use templates to create multiple ad hoc payments with similar attributes.

a) [Create Ad Hoc Payment Templates](#) on page 1450.

b) Access the **Create Ad Hoc Payment From Template** task.

Select the template to use for creating the ad hoc payment. Workday applies the header information, payment details, and lines from the template to create the payment. You can modify some of the automatically populated values, such as the payment details and line details. You can also create additional payment lines. Once completed, you can route the ad hoc payment for approval using the *Ad Hoc Payment Event* business process.

Configure the *Ad Hoc Payment Event* business process and security policy in the Banking and Settlement functional area.

5. (Optional) [Edit Domain Security Policies](#).

Grant user access to these related actions on ad hoc payments:

- **Add Attachment**
- **Add/Change Attachment**

Add security groups to these domains in the Banking and Settlement functional area:

- *Process: Ad Hoc Payment – Add Attachment*
- *Process: Ad Hoc Payment – Add/Change Attachment*

Members of these security groups can use the related action to add or remove attachments for ad hoc payments in any status without additional actions or business process approvals.

When you submit an ad hoc payment, Workday retains the address and settlement bank account information for an ad hoc payee. Workday locks this information to prevent any updates done to the ad hoc payee from affecting the submitted ad hoc payment. This process helps ensure that your ad hoc payees receive your ad hoc payments, and that you report them accurately. You can edit, change, or revise an existing ad hoc payment to modify its ad hoc payee information.

Settle the approved ad hoc payments. When the process completes, Workday updates the accounting entries for each payment.

Concepts

[Concept: Settlement Processing](#) on page 1624

Reference

[Workday 32 What's New Post: Lock Down Ad Hoc Payee](#)

Steps: Maintain Access to Bank Accounts for Ad Hoc Payments

Understand segment-based security groups and segmented security.

Configure segmented security to restrict the bank accounts that workers can use to create, edit, and cancel ad hoc payments. You can control which security groups of workers can access particular bank accounts for managing ad hoc payments.

1. [Edit Domain Security Policies](#).

Enable members of selected security groups to define security segments.

Once you access the **Domain Security Policies for Functional Area** report, select:

- The *System* functional area.
- The **Segmented Setup** folder from the hierarchy.

2. Access the **Create Bank Account Security Segment** task.

Define security segments with the bank accounts for specific workers. Create enough segments to cover each unique security access requirement. Example: Create different segments for executives, managers, and employees. Workday recommends that you build from least to most restrictive.

Security:

- *Access Ad Hoc Payment Bank Account (Segmented)* domain in the Banking and Settlement functional area.
- *Cash Management Segment Setup* domain in the System functional area.

3. [Create Segment-Based Security Groups](#).

Security groups tie workers to the values in security segments. Each segment-based security group defines a combination of security groups and the security segments to which their members have access. When you create a security group, select *Segment-Based Security Group* on the **Type of Tenanted Security Group** prompt.

4. [Edit Domain Security Policies](#).

Edit permissions on the applicable domain security policy. This policy enables members of new segment-based security groups to access the values in their segments for relevant tasks and reports.

Once you access the **Domain Security Policies for Functional Area** report, select:

- The *Banking and Settlement Functional Area*.
- The *Access Ad Hoc Payment Bank Account (Segmented)* security policy from the hierarchy.

5. [Activate Pending Security Policy Changes](#).

6. Edit a bank account to associate it with a bank account security segment.

7. Test the security policy changes.

Sign in as a user for each segment and verify that you can only access the bank accounts associated with that segment-based security group.

Concepts

[Concept: Security Groups](#)

Steps: Maintain Access to Ad Hoc Payment Spend Categories

- Understand segment-based security groups and segmented security.
- Determine how you want to restrict segments of ad hoc payment spend categories to groups of workers.

Configure segmented security to restrict access to ad hoc payment spend categories and *spend category* hierarchies to members of designated security groups. Workers can only select the spend categories allowed for their security level when they create or edit ad hoc payments.

1. [Edit Domain Security Policies](#).

Enable members of selected security groups to define security segments.

Once you access the **Domain Security Policies for Functional Area** report, select:

- The *System* functional area.
- The **Segmented Setup** folder from the hierarchy.

2. Access the **Create Ad Hoc Payment Spend Category Security Segment** task.

Define security segments with the spend categories and spend category hierarchies for specific workers. Create enough segments to cover each unique security access requirement. Example: Create different segments for executives, managers, and employees. Workday recommends that you build from least to most restrictive.

3. [Create Segment-Based Security Groups](#).

Security groups tie workers to the values in security segments. Each segment-based security group defines a combination of security groups and the security segments to which their members have

access. When you create a security group, select *Segment-Based Security Group* on the **Type of Tenanted Security Group** prompt.

4. [Edit Domain Security Policies](#).

Edit permissions on the applicable domain security policy. This policy enables members of new segment-based security groups to access values included in their segments within relevant tasks and reports.

Once you access the **Domain Security Policies for Functional Area** report, select:

- The *Banking and Settlement* functional area.
- The *Access Ad Hoc Payment Spend Category (Segmented)* security policy from the hierarchy.

5. [Activate Pending Security Policy Changes](#).

6. Test the security policy changes.

Sign in as a user for each segment and verify that you can only access the spend categories associated with that segment-based security group.

The security segment for ad hoc payment spend categories enables workers to:

- View ad hoc payments when they have segment security access to 1 or more ad hoc payment lines.
- Edit, cancel, copy, or submit an ad hoc payment when they have segment security access to all lines.

Concepts

[Concept: Security Groups](#)

Create Ad Hoc Payees

- Identify ad hoc payee and contact information.
- Security: *Process: Ad Hoc Payee* domain in the Banking and Settlement functional area.

You can create ad hoc payees for individuals or companies that don't already exist in Workday, such as workers, customers, or suppliers. You can use ad hoc payees for making one-time payments.

1. Access the **Create Ad Hoc Payee** task.
2. As you complete this step, consider:

Option	Description
Phonetic Name	Records the correct pronunciation of the Ad Hoc Payee name and these details on the Settlement Bank Account tab: • Bank Phonetic Name • Branch Phonetic Name • Phonetic Name on Account Displays when: • You enable phonetic names on the Edit Tenant Setup - Global task. • Users select the relevant locale and display language in their preferences. The preferred language of the bank account country must match the language enabled on the tenant setup.
Single Use Payee	(Optional) If you intend to use the ad hoc payee only once, select this check box to inactivate the payee after its first use.

Option	Description
	Workday automatically inactivates single use ad hoc payees after the settlement run completes.

3. Enter **Settlement Bank Account** details for the ad hoc payee.

4. (Optional) Use an alternate name in documents and files.

Enter a different name to use for the ad hoc payee in the **Name** field. Then, select the type of usage for that alternate name from the **Alternate Name Usage** prompt.

- To display ad hoc payees you might want to inactivate, run the **Proposed Inactive Ad Hoc Payees** task. Example: Ad hoc payees not used within the last year.
- To activate or inactivate an ad hoc payee, run the **View Ad Hoc Payee** report. From the related actions menu of a payee, select **Ad Hoc Payee > Activate** or **Ad Hoc Payee > Inactivate**.

Security: *Process: Ad Hoc Payee - Activate/Inactivate* domain in the Banking and Settlement functional area.

Tasks

Steps: [Manage Ad Hoc Payments](#) on page 1446

Reference

Reference: [Edit Tenant Setup - Global](#)

Create Ad Hoc Payment Templates

- Configure the *Ad Hoc Payment Template* business process and security policy in the Banking and Settlement functional area.
- Security: *Set Up: Ad Hoc Payment Template* domain in the Banking and Settlement functional area.

You can create templates to simplify the process of creating repetitive ad hoc payments with common attributes. Workday automatically populates the values from a predefined template onto new ad hoc payments created using the template. Using these templates enables you to minimize manual errors and streamline ad hoc payment creation.

1. Access the **Create Ad Hoc Payment Template** task.

2. As you complete this step, consider:

Option	Description
Currency	The default is the payee currency. If there isn't a default currency assigned to the payee, Workday uses the bank account currency. If the payee is a supplier, the currency must be one the supplier accepts. If the selected transaction currency and the bank account currency differ, define the currency conversion rate.
Eliminate Foreign Exchange Gain or Loss	Select to exclude realized foreign exchange gain or loss from ad hoc payments. Example: You override the currency conversion rate with a bank rate. The difference between the 2 values creates a realized exchange gain or loss journal entry. With this option, Workday eliminates this additional journal entry line and applies the

Option	Description
	difference to the expense or revenue journal entry.
Payment Date	The date that determines when the financial institution processes the payment. Example: If you need the bank to process a payment for the supplier on Friday, then enter Friday as the payment date. Start a settlement run on Wednesday to send the payment file to the bank a few days ahead of time. In Workday, the settlement run date is Wednesday and the payment date is Friday.
Payment Type	Specify the payment type, such as check or direct deposit. You can specify this value only after you select a bank account. If you select a supplier from the Payee list, Workday automatically populates the supplier-preferred payment type.

3. Provide **Payment Details**.

Select the **Tax Payment** check box when you're making a payment to a tax authority so that Workday prepares the ACH file properly for the bank integration. For United Kingdom, select this check box to prepare a file for BACS in Standard 18 format.

4. On the **Lines** tab, enter payment details:

Option	Description
Company	On intercompany transaction lines, you can select from the allowable companies.
Spend Category	The spend category links items to corresponding account posting rules and provides additional details for reporting. If you select an item, Workday automatically populates the one assigned to the item, which you can't modify. The spend category for ad hoc payment lines requires the <i>Ad Hoc Payment</i> spend category usage type.
Tax Applicability	Indicates whether the line is taxable and, if taxable, its recoverability. You can use tax applicability to filter transactions in reporting. It automatically populates from the item-specific tax rule based on ship-to address, first by purchase item and then by spend category. If there's no match, it automatically populates from the purchase item. Otherwise, it automatically populates from the spend category.
Worktags	You can assign a worktag to use as a keyword to more easily classify and track the ad hoc payment in Workday.

5. To enter bank account information for an ad hoc payee when the payment type is direct deposit, use the **Settlement Bank Account** tab.

Workday routes the completed ad hoc payment template to the next business process participant for review and approval.

Use the **Find Ad Hoc Payment Templates** report to search for and review your ad hoc payment templates. From the related actions menu of a template, you can:

- Copy your ad hoc payment template to create additional templates.
- Amend an ad hoc payment template that's submitted for approval or already approved.
- Edit an ad hoc payment template that's in *Draft* status.
- Create ad hoc payments from an approved template.

Concepts

[Setup Considerations: Ad Hoc Payments](#) on page 1440

[Concept: Rates, Rate Types, and Conversion](#) on page 24

Tasks

[Steps: Manage Ad Hoc Payments](#) on page 1446

[Steps: Set Up Automatic Bank Account Reconciliation](#) on page 1487

[Reconcile a Bank Statement Manually](#) on page 1506

Create Ad Hoc Payments

- Configure the bank account to enable ad hoc payments.
- Configure the *Ad Hoc Payment Event* business process and security policy in the Banking and Settlement functional area.
- Security: These domains in the Banking and Settlement functional area:
 - *Process: Ad Hoc Payment – Access Worker*
 - *Process: Ad Hoc Payment – CORE*
 - *Process: Ad Hoc Payment (NEW)*
 - *Process: Ad Hoc Payment – View*
 - *Process: Ad Hoc Payee*

You can create ad hoc payments to make one-time payments, such as tax payments and payroll payments to workers. You can create these payments for multiple types of payees including ad hoc payees.

1. Access 1 of these tasks:

- **Create Ad Hoc Payment**
- **Create Ad Hoc Payment from Template**

2. As you complete the **Ad Hoc Payment Information** section, consider:

Option	Description
Currency	The default is the payee currency. If there isn't a default currency assigned to the payee, Workday uses the bank account currency. If the payee is a supplier, the currency must be one the supplier accepts.
Eliminate Foreign Exchange Gain or Loss	Select to exclude realized foreign exchange gain or loss from ad hoc payments. Example: You override the currency conversion rate with a bank rate. The difference between the 2 values creates a realized exchange gain or loss journal entry. With this option, Workday eliminates this additional journal entry line and applies the

Option	Description
	difference to the expense or revenue journal entry.
Default Tax Option	Automatically populates from the company accounting details. Workday automatically populates the tax option at the line from the header, but you can override it at the line level.
Ship-To Address	Workday uses this address when evaluating tax rules to determine tax code and tax applicability overrides for the transaction lines.
Default Tax Code	Automatically populates from the supplier. If you don't define the default tax code or to override it, select a tax code. The header tax code automatically populates to procurement document lines, which you can override.
Payment Date	The date that determines when the financial institution processes the payment. Example: If you need the bank to process a payment for the supplier on Friday, then enter Friday as the payment date. Start a settlement run on Wednesday to send the payment file to the bank a few days ahead of time. In Workday, the settlement run date is Wednesday and the payment date is Friday.
Handling Code	Select how you want to handle the ad hoc payment. You can use this attribute to: • Group payments in settlement runs. • Organize check and advice payments in batch files for printing. • Report on ad hoc payments in custom reports.

3. As you complete the **Payment Details** section, consider:

Option	Description
Tax Amount	If you selected to calculate tax, Workday displays the sum of the calculated tax amounts from the taxable lines, based on tax code you specify for each line. To override this calculated amount, you can change calculated tax by tax rate on the Tax tab. If you select to enter tax due to the supplier, enter the tax amount for the transaction. You must have at least 1 line with a tax applicability that is taxable and enabled for allocation.

Option	Description
	The tax allocated to the lines is only the nonrecoverable amount for the transaction and doesn't always add up to this header amount. If you enter a negative value, Workday allocates the tax amount to a negative or zero-cost line.
Freight Amount Other Charges	Allocate these landing costs from the transaction header back to the lines. Add a <i>spend category</i> that's eligible for allocation of freight and other charges to at least 1 line, as set up on the Maintain Spend Categories task. Example: You purchase a large piece of equipment and have 1 line for the equipment itself and another for installation.
Document Link	If you store supporting documents or images in an external repository, then enter the URL to that location. Once you save the transaction, Workday displays the URL as a live hyperlink to the image. Approvers can reference this document before approving the transaction. Workday validates the link to ensure that it has a valid Uniform Resource Identifier (URI) pattern, as defined by your security administrator. This process provides additional security to help avoid malicious content in external links. You can add a valid URI by selecting Ad Hoc Payment Document Link on the Maintain External Link Validation task. If the location of the external content changes, update the URL in Workday.
Tax Payment	Select this check box when you're making a payment to a tax authority so that Workday prepares the ACH file properly for the bank integration. For United Kingdom, select this check box to prepare a file for BACS in Standard 18 format.

4. As you complete the **Lines** tab, enter payment details:

Option	Description
Spend Category	The spend category links items to corresponding account posting rules and provides additional details for reporting. If you select an item, Workday automatically populates the one assigned to the item, which you can't modify.
Tax Applicability	Indicates whether the line is taxable and, if taxable, its recoverability. You can use tax applicability to filter transactions in reporting. It automatically populates from the item-specific

Option	Description
	tax rule based on ship-to address, first by purchase item and then by spend category. If there's no match, it automatically populates from the purchase item. Otherwise, it automatically populates from the spend category.
Tax Code	If taxable, the code automatically populates from the Default Tax Code on the header, which you can override.
Tax Recoverability	Workday automatically populates the recoverable percentage on the transaction line based on the specified tax applicability and tax code. When you change the tax recoverability, Workday applies the recoverable percentage and allocation method to the tax amount for tax rates within the tax code. Use the Maintain Tax Recoverabilities task to specify the tax recoverability of multiple tax rates for each tax code.
Tax Option	Select <i>Calculate Self-Assessed Tax</i> when suppliers or payees don't charge tax. This option enables you to post your tax liability to a separate ledger account. Otherwise, select <i>Calculate Tax Due to Supplier</i> to post the tax payment made to the supplier or payee.
Extended Amount	Quantity multiplied by the Unit Cost for a selected item. If you change the calculated value, Workday recalculates the unit cost.

5. (Optional) If you update tax on an ad hoc payment line, click **Update Tax** to recalculate the tax amount displayed in the header. Workday automatically recalculates the header tax when you submit or save for later.
6. (Optional) On the **Settlement Bank Account** tab, enter bank account information for an ad hoc payee when you use these payment methods:
 - Direct Debit
 - Direct Deposit
 - EFT
 - Wire

When you view the transaction:

- The **Line Details** tab displays the accounting distribution of any landed cost amounts allocated from the header to the lines and the total gross amount. The total gross amount is the net extended amount plus allocated tax, freight, and other charges. Workday uses the total gross amount for:
 - Debit entry of spend accounting.
 - Receipt accruals.
 - Default acquisition cost during asset registration.
- The **Tax** tab displays the recoverable percent and distribution of recoverable and nonrecoverable tax amounts based on the:
 - Tax applicability.
 - Tax code.
 - Taxable amount.

Run the **Find Payments** report and filter by the *Ad Hoc Payment* payment category to review all ad hoc payments applicable to your organization. The report filters ad hoc payments by:

- Company.
- Ad hoc payment payee or payer.
- Ad hoc payment status.
- Ad hoc payment transaction date.

Concepts

[Concept: Multicurrency](#) on page 23

[Setup Considerations: Ad Hoc Payments](#) on page 1440

[Concept: Rates, Rate Types, and Conversion](#) on page 24

Tasks

[Steps: Set Up Taxes for Purchase Transactions](#)

[Steps: Use Settlement](#) on page 1611

[Steps: Manage Ad Hoc Payments](#) on page 1446

Reference

[Reference: Tax Options](#) on page 424

Bank Account Transfers

Steps: Perform Bank Account Transfers

Configure these business processes to define review and approval workflow for bank account transfers:

- Bank Account Transfer Event (main process): Controls review and approval routing for bank account transfers within the same company.
- Bank Account Transfer Intercompany Event (subprocess): Controls review and approval routing when a bank account transfer spans companies; enables the company receiving the transfer to review and approve the transaction.

Use Workday bank transfer functionality to record and maintain information about bank account transfers.

Note: The actual movement of cash is performed outside of Workday. These tasks simply record and account for the movement of cash between different accounts.

1. [Record Bank Account Transfers](#) on page 1458.

2. (Optional) Set up and use templates to record multiple bank account transfers with similar attributes.

a) [Define Bank Account Transfer Templates](#) on page 1457.

b) Access the **Create Bank Account Transfer from Template** task.

Select the template to use for creating the bank account transfer. You can specify the amount to transfer, and modify the defaulted transfer details as necessary. Once completed, you can route the bank account transfer for approval using the *Bank Account Transfer Event* business process.

Security: *Process: Bank Account Transfer* domain in the Banking and Settlement functional area.

3. (Optional) [Complete Details of a Bank Account Transfer](#) on page 1460.

Complete a bank account transfer that you saved for later.

When the transactions transfer between the bank accounts in Workday, Workday converts:

- The transaction currency to the bank account currency if they differ.

You can override the rate type and rate for this conversion.

- The bank account currency to the company currency if they differ.

Workday automatically converts the transaction amount into the ledger company currency using the conversion rate between the 2 currencies for the default rate type.

Use the **Find Bank Account Transfers** report to view and update the transfer information. As a related action on a bank account transfer, you can:

- Change, copy, or cancel the transfer.
- View the accounting details.

Concepts

[Concept: Rates, Rate Types, and Conversion](#) on page 24

Tasks

[Change Bank Account Transfer Details](#) on page 1461

[Cancel Bank Account Transfers](#) on page 1462

Define Bank Account Transfer Templates

Configure the *Bank Account Transfer Template Event* business process and security policy in the Banking and Settlement functional area.

Create bank account transfer templates to simplify the process of recording multiple bank account transfers between bank accounts. Workday applies the prepopulated values to all bank account transfers that you create using the template.

1. Access the **Create Bank Account Transfer Template** task.

2. As you complete the task, consider:

Option	Description
Transaction Currency	Select the currency of the funds transferred from the source account to the receiving account. <i>Both</i> the source and receiving accounts must accept the selected transaction currency. In addition, either one or both of the Account Currency values for the sending and receiving accounts must match this transaction currency.
Eliminate Foreign Exchange Gain or Loss	Select to exclude realized foreign exchange gain or loss from bank account transfers. Example: If you override the currency conversion rate with a bank rate from your statement, the difference between the 2 values creates a realized exchange gain or loss journal entry. With this option, Workday eliminates this additional journal entry line and balances the ledger amounts using the entry entered: • In the ledger currency, if 2 different currencies are used. • In the transaction currency, if 3 different currencies are used. For an intercompany bank account transfer between 2 companies sharing the same base currency, Workday balances the intercompany receivable and payable.
Currency Rate Type	If the From Currency or To Currency differs from the transaction Currency , Workday uses the <i>default</i> currency rate type to convert the funds. You can override this rate type.

Option	Description
	To set the default rate type, use the Maintain Currency Rate Types task.
Optional Balancing Worktags	When you enable optional worktag balancing on the Maintain Worktag Balancing Configuration task, Workday fully balances journal lines by optional balancing worktags. Journal lines automatically: • Inherit optional balancing worktags based on the worktag types selected. • Generate due to and due from entries to balance transactions.

Workday routes the completed bank account transfer template to the next business process participant for review and approval.

You can use the **Find Bank Account Transfer Templates** report to search for and review your bank account transfer templates. From the related actions menu of a template, you can:

- Copy your bank account transfer template and make adjustments to quickly and efficiently create additional templates.
- Make changes to a bank account transfer template that you've submitted for approval or that's already approved.
- Edit a bank account transfer template that's in *Draft* status.
- Create bank account transfers from the template.
- Inactivate the template when it's no longer relevant. You can also reactivate it if necessary.

Record Bank Account Transfers

- Configure the *Bank Account Transfer Event* business process and security policy in the Banking and Settlement functional area.
- Security: *Process: Bank Account Transfer* domain in the Banking and Settlement functional area.

Record the details of a bank account transfer.

1. Access the **Create Bank Account Transfer** task.
2. As you complete the task, consider:

Option	Description
Date	Record the date of the transfer.
Currency	Select the currency of the funds transferred from the source account to the receiving account. <i>Both</i> the source and receiving accounts must accept the selected transaction currency. In addition, either one or both of the Account Currency values for the sending and receiving accounts must match this transaction currency.
Eliminate Foreign Exchange Gain or Loss	Select to exclude realized foreign exchange gain or loss from bank account transfers. Example: If you override the currency conversion rate with a bank rate from your statement, the

Option	Description
	difference between the two values creates a realized exchange gain or loss journal entry. With this option, Workday eliminates this additional journal entry line and balances the ledger amounts using the entry entered: • In the ledger currency, if 2 different currencies are used. • In the transaction currency, if 3 different currencies are used. For an intercompany bank account transfer between 2 companies sharing the same base currency, Workday balances the intercompany receivable and payable.
Currency Rate Type	If the From Currency or To Currency differs from the transaction Currency, Workday uses the <i>default</i> currency rate type to convert the funds. You can override this rate type. To set the default rate type, use the Maintain Currency Rate Types task.
Currency Conversion Rate	If the From Currency or To Currency differs from the transaction Currency, Workday uses the conversion rate type between the 2 currencies for the selected rate type to convert the funds. You can override this rate. To define conversion rates for a rate type, use the Maintain Currency Conversion Rates task.
Optional Balancing Worktags	When you enable optional worktag balancing on the Maintain Worktag Balancing Configuration task, Workday fully balances journal lines by optional balancing worktags. Journal lines automatically: • Inherit optional balancing worktags based on the worktag types selected. • Generate due to and due from entries to balance transactions.

Workday routes the completed bank transfer record to the next business process participant for review and approval.

Transfer Details

- If the **From Account** company is *the same* as the **To Account** company, Workday treats the transfer as an *intracompany* transfer and applies the logic defined in the *Bank Account Transfer Event business process definition*.
- If the **From Account** company is *different from* the **To Account** company, Workday treats the transfer as an *intercompany* transfer and applies the logic defined in the *Bank Account Transfer Intercompany Event business process definition*.

Concepts

[Concept: Multicurrency](#) on page 23

Tasks

[Define Bank Accounts](#) on page 1418

[Steps: Set Up Currencies](#)

[Maintain Currency Conversion Rates](#)

[Complete Details of a Bank Account Transfer](#) on page 1460

[Configure Optional Worktag Balancing for the Tenant](#) on page 267

Complete Details of a Bank Account Transfer

- Record the details of a bank account transfer or bank account transfer for settlement using one of these tasks:

- Create Bank Account Transfer**
- Create Bank Account Transfer for Settlement**
- Change Bank Account Transfer**

Then, click **Save for Later** to complete your work at a future date.

Note: Workday automatically sets the status of a bank transfer record to *Draft* when you click **Save for Later**.

- Security: These domains in the Banking and Settlement functional area:
 - Process: Bank Account Transfer*
 - Process: Bank Account Transfer for Settlement - Reporting*

Finish the work of recording or updating a bank account transfer or bank account transfer for settlement that you saved for later.

- Run the **Find Bank Account Transfers** report.
- Select the **Company** associated with the bank account transfer that you started recording or updating at an earlier date.
- Complete these fields to narrow down the list of transfers:

Option	Description
Bank Account	Select the Bank Account for which you started recording transfer details.
Transfer Date On or After	Select the date on which you started recording transfer details; the report returns only transfers recorded on or after this date.
Transfer Date On or Before	Select the date on which you started recording transfer details; the report returns only transfers recorded on or before this date.
Intercompany Transfer	Select to retrieve only intercompany transfers in the report.

- Click **OK** to run the report.
- In the **Bank Account Transfer** column, select one of these related actions on the transfers you want to complete:
 - Bank Account Transfer > Edit.**
 - Bank Account Transfer for Settlement > Edit.**

The **Edit** action is available only on bank transfer records that are in *Draft* status.

- Complete the transfer details that you started recording or changing.

When you click **Submit**, Workday routes the completed transfer record to the next business process participant for review and approval.

Tasks

[Record Bank Account Transfers](#) on page 1458

[Create Bank Account Transfers for Settlement](#) on page 1465

Change Bank Account Transfer Details

Security: These domains in the Banking and Settlement functional area:

- *Process: Bank Account Transfer*
- *Process: Bank Account Transfer for Settlement - Reporting*

Change the details of a bank account transfer or bank account transfer for settlement after approval.

1. Run the **Find Bank Account Transfers** report.
2. Select the **Company** associated with the bank accounts for which you previously recorded transfer details.
3. Complete these fields to narrow down the list of transfers:

Option	Description
Bank Account	Select the Bank Account for which you previously recorded transfer details.
Transfer Date On or After	Select the date on which you recorded the transfer details; the report returns only transfers recorded on or after this date.
Transfer Date On or Before	Select the date on which you recorded the transfer details; the report returns only transfers recorded on or before this date.
Intercompany Transfer	Select to retrieve only intercompany transfers in the report.

4. Click **OK** to run the report.
5. In the **Bank Account Transfer** column, select one of these related actions on the transfers you want to change:
 - **Bank Account Transfer > Change.**
The **Change** action is available only on bank transfer records that have a status of *Approved*.
 - **Bank Account Transfer for Settlement > Change.**
The **Change** action is available only on bank transfer for settlement records that have a status of *Approved* or *Awaiting Settlement*.

If you've enabled the option in the **Edit Company Accounting Details** task for enhanced financial controls, you cannot change bank account transfer records that were processed in a closed period.

6. Change or update the transfer details that you recorded earlier.

When you submit the bank account transfer or bank account transfer for settlement, Workday routes your changes to the next business process participant for review and approval.

Tasks

[Complete Details of a Bank Account Transfer](#) on page 1460

[Create Bank Account Transfers for Settlement](#) on page 1465

[Assign Company Accounting Details](#) on page 62

Cancel Bank Account Transfers

Security: These domains in the Banking and Settlement functional area:

- *Process: Bank Account Transfer*
- *Process: Bank Account Transfer for Settlement - Reporting*

Cancel an existing bank account transfer or bank account transfer for settlement.

1. Run the **Find Bank Account Transfers** report.
2. Select the **Company** associated with the bank accounts for which you previously recorded transfer details.
3. Complete these fields to narrow down the list of transfers:

Option	Description
Bank Account	Select the Bank Account for which you previously recorded transfer details.
Transfer Date On or After	Select the date on which you recorded the transfer details; the report returns only transfers recorded on or after this date.
Transfer Date On or Before	Select the date on which you recorded the transfer details; the report returns only transfers recorded on or before this date.
Intercompany Transfer	Select to retrieve only intercompany transfers in the report.

4. Click **OK** to run the report.
5. In the **Bank Account Transfer** column, select **Bank Account Transfer > Cancel** as a related action on the transfers you want to cancel.

You can only cancel bank account transfers that are unreconciled, and bank account transfers for settlement that are unsettled.

6. Click **OK** to cancel the transfer details you recorded earlier.

The transfer record is deleted from Workday.

Tasks

[Record Bank Account Transfers](#) on page 1458

[Create Bank Account Transfers for Settlement](#) on page 1465

Bank Account Transfers for Settlement

Steps: Perform Bank Account Transfers for Settlement

- Set up bank integrations for settlement processing for each combination of bank and payment type.
- Configure these business processes to define review and approval workflow for bank account transfers for settlement:
 - *Bank Account Transfer for Settlement Event* (main process): Controls review and approval routing for bank account transfers for settlement within the same company.
 - *Bank Account Transfer for Settlement Intercompany Event* (subprocess): Controls review and approval routing when a bank account transfer for settlement spans companies. The company receiving the transfer can review and approve the transaction.

You can initiate bank account transfers for settlement directly from Workday. Once the bank account transfer payments settle, Workday transfers the funds between accounts.

1. [Create Bank Account Transfers for Settlement](#) on page 1465.
2. (Optional) Set up and use templates to record multiple bank account transfers for settlement with similar attributes.
 - a) [Define Bank Account Transfer for Settlement Templates](#) on page 1463.
 - b) Access the **Create Bank Account Transfer for Settlement from Template** task.
 Select the template to use for creating the bank account transfer for settlement. You can specify the amount to transfer, and modify the defaulted transfer details as necessary. Once completed, you can route the transfer for approvals using the *Bank Account Transfer for Settlement Event* business process.

 Security: *Process: Bank Account Transfer for Settlement – Create/Edit* domain in the Banking and Settlement functional area.
3. (Optional) [Complete Details of a Bank Account Transfer](#) on page 1460.
 Complete a bank account transfer for settlement that you saved for later.

When the transactions transfer between the bank accounts, Workday converts:

- The transaction currency to the bank account currency if they differ.
 You can override the rate type and rate for this conversion.
- The bank account currency to the company currency if they differ.

Workday automatically converts the transaction amount into the ledger company currency using the conversion rate between the 2 currencies for the default rate type.

Use the **Find Bank Account Transfers** report to view and update the transfer information. As a related action on a bank account transfer for settlement, you can:

- Change, copy, or cancel the transfer.
- View the accounting details.

Concepts

[Concept: Rates, Rate Types, and Conversion](#) on page 24

Tasks

[Steps: Set Up Bank Integrations for Settlement Processing](#)

[Change Bank Account Transfer Details](#) on page 1461

[Cancel Bank Account Transfers](#) on page 1462

Define Bank Account Transfer for Settlement Templates

- Configure the *Bank Account Transfer for Settlement Template Event* business process and security policy in the Banking and Settlement functional area.
- Security: *Set Up: Bank Account Transfer for Settlement - Template* domain in the Banking and Settlement functional area.

Define a template to use for creating recurring bank account transfers for settlement. Workday automatically populates the values from a predefined template onto new bank account transfers for settlement created using the template.

1. Access the **Create Bank Account Transfer for Settlement Template** task.
2. As you complete the task, consider:

Option	Description
Transaction Currency	Select the currency of the funds transferred from the source account to the receiving account. <i>Both</i> the source and receiving accounts must accept the selected transaction currency. In addition, either 1 or both of the Account

Option	Description
	Currency values for the sending and receiving accounts must match this transaction currency.
Initiating Company Initiating Account	Select a bank account and company to use for initiating a transfer request to withdraw funds. For direct debits, this account is the same as the beneficiary bank account that receives the funds. Workday dynamically updates the From Account and To Account fields based on the payment type and initiating account and company. To draw down funds from a bank account, edit the initiating bank account to enable integration for the Direct Debit payment type and the Bank Account Transfer for Settlement payment category.
Eliminate Foreign Exchange Gain or Loss	Select to exclude realized foreign exchange gain or loss from bank account transfers. Example: If you override the currency conversion rate with a bank rate, the difference between the 2 values creates a realized exchange gain or loss journal entry. With this option, Workday eliminates this additional journal entry line and balances the ledger amounts using the entry entered: • In the ledger currency, if there are 2 different currencies. • In the transaction currency, if there are 3 different currencies. For an intercompany bank account transfer between 2 companies sharing the same base currency, Workday balances the intercompany receivable and payable.
Currency Rate Type	If the From Currency or To Currency differs from the transaction Currency, Workday uses the <i>default</i> currency rate type to convert the funds. You can override this rate type. To set the default rate type, use the Maintain Currency Rate Types task.
Optional Balancing Worktags	When you enable optional worktag balancing on the Maintain Worktag Balancing Configuration task, Workday fully balances journal lines by optional balancing worktags. Journal lines automatically: • Inherit optional balancing worktags based on the worktag types selected. • Generate due to and due from entries to balance transactions.

Workday routes the completed bank account transfer for settlement template to the next business process participant for review and approval.

You can use the **Find Bank Account Transfer for Settlement Templates** report to search for and review your bank account transfer for settlement templates. From the related actions menu of a template, you can:

- Copy your bank account transfer for settlement template and make adjustments to quickly and efficiently create additional templates.
- Make changes to a bank account transfer for settlement template that you've submitted for approval or that's already approved.
- Edit a bank account transfer for settlement template that's in *Draft* status.
- Create bank account transfers for settlement from the template.
- Inactivate the template when it's no longer relevant. You can also reactivate it if necessary.

Create Bank Account Transfers for Settlement

- Select **Bank Account Transfer for Settlement** as a primary account usage for the source account from which you're transferring payments.
- For bank account transfers between 2 different companies, set up an intercompany profile using the **Edit Company Intercompany Profile** task.
- Configure the *Bank Account Transfer for Settlement Event* business process and security policy in the Banking and Settlement functional area.
- Security: *Process: Bank Account Transfer for Settlement – Create/Edit* domain in the Banking and Settlement functional area.

Create bank account transfer payments for settlement in Workday. You can transfer and settle these payment types:

- Direct debit
- Direct deposit
- EFT
- Wire

1. Access the **Create Bank Account Transfer for Settlement** task.
2. As you complete the task, consider:

Option	Description
Date	Record the date of the transfer.
Currency	Select the currency of the funds transferred from the source account to the receiving account. <i>Both</i> the source and receiving accounts must accept the selected transaction currency. In addition, either 1 or both of the Account Currency values for the sending and receiving accounts must match this transaction currency.
Initiating Company Initiating Account	Select a bank account and company to use for initiating a transfer request to withdraw funds. For direct debits, this account is the same as the beneficiary bank account that receives the funds. Workday dynamically updates the From Account and To Account fields based on the payment type and initiating account and company. To draw down funds from a bank account, edit the initiating bank account to enable integration for the Direct Debit payment type and the Bank

Option	Description
	Account Transfer for Settlement payment category.
Phonetic Payee Name	Records the correct pronunciation of the Payee Name. Displays when: - You enable phonetic names on the Edit Tenant Setup - Global task. - Users select the relevant locale and display language in their preferences.
Eliminate Foreign Exchange Gain or Loss	Select to exclude realized foreign exchange gain or loss from bank account transfers. Example: If you override the currency conversion rate with a bank rate, the difference between the 2 values creates a realized exchange gain or loss journal entry. With this option, Workday eliminates this additional journal entry line and balances the ledger amounts using the entry entered: - In the ledger currency, if there are 2 different currencies. - In the transaction currency, if there are 3 different currencies. For an intercompany bank account transfer between 2 companies sharing the same base currency, Workday balances the intercompany receivable and payable.
Currency Rate Type	If the From Currency or To Currency differs from the transaction Currency, Workday uses the default currency rate type to convert the funds. You can override this rate type. To set the default rate type, use the Maintain Currency Rate Types task.
Currency Conversion Rate	If the From Currency or To Currency differs from the transaction Currency, Workday uses the conversion rate type between the 2 currencies to convert the funds. You can override this rate. To define conversion rates for a rate type, use the Maintain Currency Conversion Rates task.
Optional Balancing Worktags	When you enable optional worktag balancing on the Maintain Worktag Balancing Configuration task, Workday fully balances journal lines by optional balancing worktags. Journal lines automatically: Inherit optional balancing worktags based on the worktag types selected.

Option	Description
	Generate due to and due from entries to balance transactions.

Workday routes the completed bank transfer payment record to the next business process participant for review and approval.

Transfer Details

- If the **From Account** company is *the same* as the **To Account** company, Workday treats the transfer as an *intracompany* transfer and applies the logic defined in the *Bank Account Transfer for Settlement Event business process definition*.
- If the **From Account** company is *different from* the **To Account** company, Workday treats the transfer as an *intercompany* transfer and applies the logic defined in the *Bank Account Transfer for Settlement Intercompany Event business process definition*.

Add the approved bank account transfer payments to a new or existing manual settlement run. You can select inbound direct debit payments and outbound payments in the same settlement run. For scheduled settlement runs, Workday includes all inbound and outbound pending payments when you select the **All Available Bank Account Transfers for Settlement** filter.

When the bank transfer payments settle, Workday moves the funds between the accounts and generates the associated accounting entries.

Concepts

[Concept: Multicurrency](#) on page 23

Tasks

[Define Bank Accounts](#) on page 1418

[Steps: Set Up Currencies](#)

[Maintain Currency Conversion Rates](#)

[Configure Optional Worktag Balancing for the Tenant](#) on page 267

Miscellaneous Payment Requests

Setup Considerations: Miscellaneous Payment Requests

You can use this topic to help make decisions when planning your configuration and use of miscellaneous payment requests. It explains:

- Why to set them up.
- How they fit into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

Miscellaneous payment requests are operational transactions that enable you to request payments with less up-front information compared to other payment categories, such as ad hoc payments.

Business Benefits

Miscellaneous payment requests enable you to:

- Create single-use miscellaneous payees that automatically inactivate after settlement, streamlining supplier and payee management.
- Request payments without information such as company bank account details and payment date, improving efficiency.
- Resettle miscellaneous payments with a *Canceled* or *Returned* status without having to create a new settlement run, saving you time and effort.
- Set up self-service users who can create and manage the payees and payment requests they set up, decentralizing these tasks.

Use Cases

You can set up self-service users who can create and manage miscellaneous payment requests with:

- Minimal knowledge of payments.
- No direct authority to issue payments.

Questions to Consider

Questions	Considerations
What accounting options can you use for miscellaneous payment requests?	You can select between accrual basis and cash basis accounting. Accrual basis accounting includes liability accounting and payment accounting. It also enables you to configure budget check for miscellaneous payment requests. Cash basis accounting includes payment accounting only. Note: You can only change the selected accounting option if all miscellaneous payment requests are either in <i>Canceled</i> or <i>Denied</i> status.
How are miscellaneous payment requests settled?	Miscellaneous payment requests are unpaid open items, so Workday creates and settles the payment. The payment date is the settlement date.

Recommendations

Use custom validations to ensure accuracy and consistency when you configure miscellaneous fields for miscellaneous payment requests.

Requirements

Define bank routing rules so that Workday automatically assigns a company bank account when you submit a request.

Limitations

You can set up 1099 MISC reporting, but you can't enter transaction tax information for your miscellaneous payment requests.

Tenant Setup

Configure ID definitions and sequence generators for miscellaneous payees and miscellaneous payment requests.

Select either accrual basis or cash basis accounting for miscellaneous payment requests.

Security

Set up all domains for the Miscellaneous Payments functional area. You can use the **Domain Security Policies for Functional Area** report to view these security domains.

You can also configure the domains described in this table.

Domains	Considerations
These domains in the System functional area: <i>Business Process Administration</i> <i>Manage: Business Process Definitions</i>	Enables you to create default definitions for these business processes: <i>Express Settlement Run Event</i> <i>Miscellaneous Payment Request Event</i>
<i>Set Up: Enable Worktags</i> in these functional areas: - Common Financial Management - Worktags	Enables you to configure <i>Miscellaneous Payment Request</i> worktags.

Business Processes

Business Processes	Considerations
<i>Miscellaneous Payment Request Event</i>	Configure to review and approve miscellaneous payment requests. When you select accrual basis accounting, you can configure the <i>Check Budget</i> allowed action on the business process.
<i>Express Settlement Run Event</i>	Configure to route miscellaneous payment requests through an express settlement run.

Reporting

When you set up accrual basis accounting, you can use these reports to view the accounting results of miscellaneous payment requests:

- Payables to Supplier Balances Reconciliation**
- Payables to Supplier Balances Reconciliation Exception Summary**

Integrations

Web Services	Considerations
<i>Get Miscellaneous Payment Requests</i> <i>Submit Miscellaneous Payment Request</i>	Mass retrieve or upload miscellaneous payment requests.
<i>Get Miscellaneous Payees</i> <i>Put Miscellaneous Payee</i>	Mass retrieve or upload miscellaneous payees.
<i>Get Miscellaneous Payee Categories</i> <i>Get Miscellaneous Payment Request Category</i> <i>Put Miscellaneous Payee Category</i> <i>Put Miscellaneous Payment Request Category</i>	Mass retrieve or upload categories for payees or payment requests.
<i>Cancel Miscellaneous Payment</i>	Mass cancel miscellaneous payments from Workday or non-Workday systems.

Connections and Touchpoints

Features	Considerations
1099 MISC Reporting	You can issue 1099 MISC reports to miscellaneous payees and file with the IRS.
Awards Cost Processing	You can view accounting for these journals on a miscellaneous payment request: • Award Revenue Recognition • Facilities and Administration Workday only generates award costs processing for a miscellaneous payment request when you have a grant worktag on an active award contract line.
Bank Reconciliation	You can use these methods to reconcile bank statements against miscellaneous payments: • Quick entry and reconciliation. • Manual bank statement entry and manual or automatic reconciliation. • Bank statement upload and manual or automatic reconciliation.
Escheatment	You can escheat manual or check payments that are uncashed or unclaimed, except intercompany items and inbound customer payments.
Express Settlement Runs	You can route individual miscellaneous payment requests through an express settlement run so that Workday creates a settlement run for them automatically.
Payments on Behalf of Other Companies	You can settle miscellaneous payment requests on behalf of another company.
Payment Acknowledgment	You can load payment acknowledgment files from electronic-payment recipients into Workday. Workday matches payment acknowledgments with corresponding payments and sets the applicable payment status.
Payment Returns	You can record miscellaneous payments that the bank has rejected or returned. You can manually record individual payments or create payment return statements to record multiple electronic payments.
Record Stopped Payments	You can record stopped payments and supporting documents for stop payment orders before you issue replacement payments. Example: You want to log a check with an incorrect payment amount that you've requested the bank not to cash.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Tasks

[Define Bank Routing Rules](#) on page 1597

[Steps: Set Up Custom Validations](#) on page 52

Reference

[Reference: Edit Tenant Setup - Financials](#)

[2020R1 What's New Post: Miscellaneous Payment Requests](#)

Steps: Set Up Miscellaneous Payment Requests

Review setup considerations for miscellaneous payment requests.

Self-service users can create miscellaneous payment requests when they've minimal knowledge of the company bank account information, or no direct authority to issue payments. You can preconfigure bank routing rules to determine the originating bank account for making the payments, enabling users to efficiently process and settle these one-time payments.

Example: An insurance claims agent needs to pay a client for a claim. The agent creates a miscellaneous payment request with the payee and payment details, and then submits it for approval. Once approved, the agent can settle the payment automatically through an express settlement run.

1. [Edit Domain Security Policies.](#)

Configure the security policies for all domains in the Miscellaneous Payments functional area.

2. Access the **Create Business Process Definition (Default Definition)** task.

Create the default definition for the *Miscellaneous Payment Request Event* business process. You can add business process steps for:

- Approvers in your organization to review and approve submitted miscellaneous payment requests.
- Budget checks on miscellaneous payment requests to ensure the availability of funds prior to settlement. You can apply budget checks when you use the accrual basis accounting method to process payments.

Security: These domains in the System functional area:

- *Business Process Administration*
- *Manage: Business Process Definitions*

3. Configure business document sequence IDs for miscellaneous payees and payment requests, and select a miscellaneous payment request accounting option.

You can use either the accrual basis or cash basis accounting method for the miscellaneous payment.

See [Reference: Edit Tenant Setup - Financials](#).

4. Access the **Maintain Miscellaneous Payee Categories** task.

Create categories to identify miscellaneous payees for tracking and reporting purposes.

Security: *Set Up: Miscellaneous Payee Categories* domain in the Miscellaneous Payments functional area.

5. Access the **Maintain Miscellaneous Payment Request Categories** task.

Create categories to identify miscellaneous payment requests for tracking and reporting purposes.

Security: *Set Up: Miscellaneous Payment Request Categories* domain in the Miscellaneous Payments functional area.

6. [Define Bank Accounts](#) on page 1418.

Select *Miscellaneous Payment* from the **Primary Account Usage** prompt.

7. [Define Bank Routing Rules](#) on page 1597.

Configure bank routing rules for the *Miscellaneous Payment* payment category.

8. (Optional) [Set Up Account Posting Rules](#) on page 69.

Configure these account posting rule dimensions on the Payables and Spend posting rules:

- *Miscellaneous Payee Category*
- *Miscellaneous Payment Request Category*

You can only configure these account posting rule dimensions on the Spend posting rule when you select accrual basis accounting as your accounting option.

9. (Optional) Access the **Maintain Worktag Usage** report.

Configure *Miscellaneous Payment Request* worktags.

Security: *Set Up: Enable Worktags* domain in the Common Financial Management and Worktags functional areas.

10. (Optional) [Edit Domain Security Policies](#).

Grant user access to these related actions on miscellaneous payment requests:

- **Add Attachment**
- **Add/Change Attachment**

Add security groups to these domains in the Miscellaneous Payments functional area:

- *Process: Miscellaneous Payment Request – Add Attachment*
- *Process: Miscellaneous Payment Request – Add/Change Attachment*

Members of these security groups can use the related action to add or remove attachments for miscellaneous payment requests in any status without additional actions or business process approvals.

11. Set up a settlement run.

You can use either:

- Express settlement to quickly settle your individual miscellaneous payment requests.
See [Steps: Set Up Express Settlement](#) on page 1472.
- A manual or scheduled automatic settlement run along with other pending payments.
See [Steps: Set Up Settlement](#) on page 1590.

Create miscellaneous payment requests.

Tasks

[Create Miscellaneous Payment Requests](#) on page 1473

Reference

[2020R1 What's New Post: Miscellaneous Payment Requests](#)

Steps: Set Up Express Settlement

Set up miscellaneous payment requests.

You can route individual miscellaneous payment requests through an express settlement run so that Workday creates a settlement run for them automatically.

Workday creates the settlement run when the *Miscellaneous Payment Request Event* business process is complete. When you process the settlement run, Workday launches the *Express Settlement Run Event* business process and settles the payment.

1. [Edit Domain Security Policies](#).

Configure the security policy for the *Request Express Pay for Miscellaneous Payment Requests* domain in the Miscellaneous Payments functional area.

2. Access the **Create Business Process Definition (Default Definition)** task.

Create the default definition for the *Express Settlement Run Event* business process.

If you're delivering payment files to external parties such as an outsourced check printing service, we recommend that you configure the integration step on the *Payment Release Event* or *Outsourced Payment Release Event* business process.

Security: These domains in the System functional area:

- *Business Process Administration*
- *Manage: Business Process Definitions*

Create a miscellaneous payment request and route it through an express settlement run. You can view the **Settlement Run ID** and **Payment Status** on the **View Miscellaneous Payment Request** report.

Reference

[Reference: Settlement Business Processes](#) on page 1606

Create Miscellaneous Payment Requests

- Set up a miscellaneous payment request accounting option.
- Configure the *Miscellaneous Payment Request Event* business process and security policy in the Miscellaneous Payments functional area.

You can create a miscellaneous payment request to make one-time payments to miscellaneous payees. To settle these payments, you can select express settlement directly from the payment request, or use a manual or scheduled settlement run. Workday determines the payment date at the time of settlement, enabling you to align the due date with the date the payment actually settles to meet your business requirements.

1. Access the **Create Miscellaneous Payment Request** task.

2. As you complete the **Primary Information** section, consider:

Option	Description
Payee	When you create a new miscellaneous payee, you can designate it as a one-time payee that inactivates after Workday settles the payment.
Handling Code	Select how you want to handle the miscellaneous payment request. You can use this attribute to: • Group miscellaneous payments in settlement runs. • Organize check and advice payments in batch files for printing. • Report on miscellaneous payments in custom reports.

3. As you complete the **Payment Details** section, consider:

Option	Description
Control Total Amount	Enter a control total amount to validate against the calculated Total Payment Amount before you can save or submit the payment request.
Request Express Pay	Select to route the payment request through an express settlement run so that Workday creates a settlement run for it automatically. Workday creates the settlement run when the

Option	Description
	<i>Miscellaneous Payment Request Event</i> business process is complete.

4. As you complete the **Lines** tab, enter payment details:

Option	Description
Spend Category	The spend category links items to corresponding account posting rules and provides additional details for reporting. If you select an item, Workday automatically populates the one assigned to the item, which you can't modify.
Extended Amount	Quantity multiplied by the Unit Cost for a selected item. If you change the calculated value, Workday recalculates the unit cost.

5. (Optional) In the **Miscellaneous Fields** tab, enter additional information you need to capture on the payment request.

Example: An insurance claims specialist can use these fields to enter the accident date and policy number of the client for a claim.

- Workday routes the *Miscellaneous Payment Request Event* business process for reviews and approvals.
- If you selected express settlement, Workday also uses the *Express Settlement Run Event* business process to route the document for settlement approvals.
- Workday automatically creates operational journals in the specified currency for approved payments.

To view information on miscellaneous payment requests, use these reports:

- **Find Miscellaneous Payment Requests:** Find and manage the payment requests in your organization. You can also view the accounting details for the settled miscellaneous payments.
- **Find Payments:** To search for all miscellaneous payments applicable to your organization, filter by the *Miscellaneous Payment* payment category.
- **My Miscellaneous Payment Requests:** Find and manage only the payment requests you create. You can also view the accounting details for the settled miscellaneous payments.

Tasks

[Steps: Set Up Miscellaneous Payment Requests](#) on page 1471

[Steps: Use Settlement](#) on page 1611

Reference

[2020R1 What's New Post: Miscellaneous Payment Requests](#)

Bank Statement Mappings

Steps: Define Bank Statement Worktag Mappings

You can create worktag mappings to associate specific values that identify transactions on bank statement lines with worktags. When you enter or upload new bank statements, Workday assigns the worktags to the bank statement lines to use for:

- Automatic bank statement and first-notice item reconciliations.
- Cash position reports.
- Custom reports.

1. [Configure Worktags for Transactions](#).

Configure the available worktag types for the **Bank Statement and Worktag Mapping** transaction type.

2. [Create Bank Statement Worktag Mappings](#) on page 1475.

Create bank statement line worktag mappings for all of your accounts at the tenant level.

3. (Optional) [Override Bank Statement Worktag Mappings](#) on page 1476.

Override your tenant level definitions with new bank statement line worktag mappings at the account level.

4. (Optional) Run a worktag mapping job to apply new or modified worktags on bank statement lines.

For historical bank statements that are already in Workday, you can use:

- The **Run Bank Statement Worktag Mapping** task to update the worktags on an ad hoc basis.
- The **Schedule Bank Statement Worktag Mapping** task to apply the latest worktags on bank statement lines at regular intervals.

Security: *Set Up: Map Worktags* domain in the Common Financial Management and Worktags functional areas.

Concepts

[Concept: Bank Account Reconciliation](#) on page 1496

[Concept: Worktags](#)

Tasks

[Steps: Define Cash Activity Categories](#) on page 1477

[Steps: Set Up Automatic Bank Account Reconciliation](#) on page 1487

Create Bank Statement Worktag Mappings

Security: *Set Up: Map Worktags* domain in the Common Financial Management and Worktags functional areas.

You can create worktag mappings based on type codes that identify transactions on bank statements. The bank statement worktag mappings are applied to all of your bank accounts. Workday uses the worktag mappings to process cash position reports and automatic bank statement reconciliations by:

- Grouping cash activities by worktag on cash position reports.
- Matching bank statement lines with your operational transactions based on worktags specified in reconciliation condition rules.
- Assigning worktags to new ad hoc bank transactions created for first-notice items.

You can create a set of worktag mappings for each of these bank statement file formats:

- BAI2
- BTRS
- ISO 20022
- MT940/942
- Other

1. Access the **View Bank Statement Worktag Mapping** report.

2. (Optional) Click **Edit Default Worktags** to select default worktags to use when there are no matches for the specified mappings.

You can select multiple worktags, but only 1 of each category.

3. Select the bank statement file format for which to define your worktag mappings.

You create a unique set of worktag mappings for each bank statement file format that you use.

4. Click **Maintain Bank Statement Worktag Mapping** to map the type codes for the selected bank statement file format to worktags.

You can assign the same worktag to more than 1 type code.

For each bank statement that you manually enter or upload, Workday assigns the worktags to bank statement lines based on the worktag mappings.

You can override the bank statement worktag mappings using specific attributes on bank statement lines. This enables you to apply the worktag mappings at a more granular level. You can apply the same override mappings to multiple bank accounts of your choice.

Tasks

[Create Bank Reconciliation and First Notice Item Condition Rules](#) on page 1493

[Steps: Define Cash Activity Categories](#) on page 1477

[Steps: Set Up Automatic Bank Account Reconciliation](#) on page 1487

Override Bank Statement Worktag Mappings

Security: *Set Up: Map Worktags* domain in the Common Financial Management and Worktags functional areas.

You can override your bank statement worktag mappings for specific bank accounts. You create condition rules to map your worktags using attributes on bank statement lines.

1. Access the **Create Bank Statement Worktag Mapping Override** task.
2. Enter a unique name that enables you to identify the bank statement worktag mapping override rule set among others in a bank account prompt.
3. Select **Create Condition Rule** from the **Condition Rule** prompt to create your condition rules.
You can configure the condition rules using fields on bank statement lines in addition to the type codes. You specify the bank statement line fields as the source data for the rule condition.
4. Assign worktags to the condition rules.

You can associate the bank statement worktag mapping override rule set to a bank account. When you enter or upload bank statements, Workday overrides the tenant-level mappings for all bank accounts using these condition rules.

When resolving the rules, Workday applies the bank account-level mappings first, and then applies the tenant-level and default worktag mappings on the remaining bank statement lines.

You create these bank statement worktag mappings for all of your bank accounts at the tenant level:

Type Code	Worktag
116	<i>Revenue Category: Other Income</i>
276	<i>Spend Category: Supplies</i>

At the bank account level, you create condition rules to assign new worktags to the type codes based on specified values on the **Addenda** bank statement field. These new worktag mappings override the tenant-level default mappings:

Type Code	Addenda	Worktag
116	Contains CA State	<i>Revenue Category: Endowment Income</i>
276	Contains Office Depot	<i>Spend Category: Office Supplies</i>

When you enter or upload a bank statement for this bank account, Workday assigns the worktag overrides to bank statement lines with the matching type codes and addenda values. For all other bank accounts, Workday applies the worktags you defined at the tenant level to the type codes.

- Edit a bank account to link your new bank statement worktag mapping override rule set to the account.
- You can use the **Run Bank Statement Worktag Mapping** task or the **Schedule Bank Statement Worktag Mapping** task to automatically assign worktags to bank statement lines after you modify your mappings. These jobs update bank statements already in Workday.

Tasks

[Create Business Process Condition Rules](#)

[Define Bank Accounts](#) on page 1418

Steps: Define Cash Activity Categories

Set up currencies and currency conversion rates for multicurrency bank accounts.

Cash activity worktags group your cash activities into logical categories for more granular level reporting on cash position and cash forecast reports. If you don't use the worktags:

- The cash position reports display high-level summaries of the cash activities.
- The **Cash Forecast to Actuals in Reporting Currency** report doesn't display any actuals.

1. Access the **Maintain Cash Activity Categories** task.

Bank statement lines contain type codes that identify your cash activities. You can define cash activity worktags to map to these type codes for categorizing your revenue and payment transactions.

Use the **Find Cash Activity Categories** report to view all of your cash activity categories.

Security: These domains in the Cash Management functional area:

- *Process: Cash Forecast Reporting*
- *Set Up: Cash Forecasting*

2. [Create Bank Statement Worktag Mappings](#) on page 1475.

Map your cash activity worktags to bank statement type codes.

Workday uses the worktags to group cash inflow and outflow amounts on cash position reports and the cash forecast to actuals report.

Tasks

[Steps: Manage Cash Positioning](#) on page 1538

[Create a Cash Forecast Outline](#) on page 1556

[Steps: Set Up Currencies](#)

Reference

[Reference: Cash Position Reports](#) on page 1543

[Reference: Cash Forecast Reports](#) on page 1564

Steps: Define Normalized Bank Balances

Workday enables you to create normalized groupings of opening, closing, float, and other balances across all of your bank statement file formats. You can standardize the bank balances by type code to simplify cash position and cash forecast reporting.

1. Access the **Maintain Normalized Balances** task.

Workday automatically populates normalized balance names and assigns them to normalized balance types. You can modify the default names or create new ones for reporting purposes.

Workday provides these normalized balances and their corresponding types:

- *Opening Ledger: Opening*
- *Opening Available: Opening*
- *Closing Ledger: Closing*
- *Closing Available: Closing*
- *Float: Float*

You can inactivate any normalized balances that you don't use, and that aren't mapped in a normalized balance set.

Security: *Set Up: Cash Forecasting* domain in the Cash Management functional area.

2. [Map Bank Statement Balance Types to Normalized Balances](#) on page 1478.

When you upload bank statements, Workday derives the normalized balances based on the mapping set.

To include the normalized balances in cash position and cash forecast reports, either:

- Add the **Normalized Balance** report field available on the *Bank Statement Balance (All)* business object to a custom cash position report.
- Select normalized balances when defining a cash forecast outline. Workday displays the normalized balances as actuals in the **Cash Forecast to Actuals in Reporting Currency** report.

Tasks

[Steps: Manage Cash Positioning](#) on page 1538

[Create a Cash Forecast Outline](#) on page 1556

[Steps: Set Up Cash Forecasting with Worksheets](#) on page 1555

Map Bank Statement Balance Types to Normalized Balances

Security: *Set Up: Cash Forecasting* domain in the Cash Management functional area.

You can map bank statement balance type codes to normalized balances for each bank statement format that you use. Workday summarizes the balance type amounts using the normalized balances.

1. Access the **Maintain Normalized Balance Mapping Set** task.

2. Select a bank statement file format.

Workday automatically populates the balance type code related to each normalized balance.

3. (Optional) Select a different balance type code to update an existing normalized balance mapping.

Workday groups the bank statement balance type codes by the mappings defined in the normalized balance set. You can display the normalized balances as actuals in cash position and cash forecast reports.

Workday provides these mappings for each bank statement format in the mapping set, which you can modify:

Normalized Balance	BAI2	BTRS	ISO 20022	MT940/942
Opening Ledger	010 Opening Ledger	010 Opening Ledger - BTRS	OPBD Opening Ledger Balance	60F Final Opening Ledger Balance
Opening Available	040 Opening Available	040 Opening Available Next Business Day - BTRS	OPAV Opening Available Current Day	62M Current Ledger Balance

Normalized Balance	BAI2	BTRS	ISO 20022	MT940/942
Closing Ledger	015 Closing Ledger	015 Closing Ledger - BTRS	CLBD Closing Ledger Balance	62F Final Closing Ledger Balance
Closing Available	045 Closing Available	045 Closing Available - BTRS	CLAV Closing Available (Collected)	64 Closing Available Balance
Float	072 1-Day Float	072 1 Day Available - BTRS	FWAV Opening Available Next Business Day	65 Forward Available Balance

You can also select **Other** to define mappings for a nonstandard bank statement file format.

Reference

[Reference: Cash Forecast Reports](#) on page 1564

[Reference: Cash Position Reports](#) on page 1543

[Workday 32 What's New Post: Normalized Bank Balances](#)

Bank Statement Parsing

Parse Bank Statements

Security: These domains in the Banking and Settlement functional area:

- *Process: Bank Statement Parsing*
- *Set Up: Bank Statement Parsing*

You can parse data from bank statement line fields to streamline automatic bank statement reconciliations and enhance reporting. Bank statement line fields such as the addenda often contain key values in an unstructured format. Create a parsing rule set to identify, extract, and copy these values to the same or other statement line fields to use in reconciliation condition rules and highlight in reports.

1. Access the **Create Parsing Rule Set** task.
2. As you complete the task, consider:

Option	Description
Order	Place the most specific rules before broader rules that require less precision for the parsing. You can create up to 50 rules for a parsing rule set. If you've more than 50 parsing rules, consider creating multiple rule sets that are particular to the different bank accounts.
Source Field Target Field	Workday extracts and copies the string of data from the source field to the target field, overriding any existing data. You can select a field as both the source and target to change the field value to the parsed data string. Example: Select <i>Addenda</i> as the source and target field to replace its string of concatenated values with only the parsed supplier name.

Option	Description
Parsing Type	To determine how to parse content from the source field, select: • Parse by Delimiter to extract data between starting and ending delimiters. You can enter either a text string or a character, such as an asterisk (*) or pipe (), as a delimiter. Select the Use Space as Starting Delimiter and Use Space as Ending Delimiter check boxes to use spaces as starting and ending delimiters. Example: ValueA space ValueB. If there's another delimiter of the same type in the field, specify its occurrence. Example: To parse a store number that displays between the second and third pipe symbol, enter as the Starting Delimiter and 2 as the Starting Delimiter Occurrence. Then, enter as the Ending Delimiter and 3 as the Ending Delimiter Occurrence. • Parse by Exact Match to extract a specific phrase or text string. Example: You enter <i>Dell</i> for the supplier name as Matching Text. Workday parses the source field content <i>17-inch Dell XPS laptop computer</i> and matches the supplier name you entered. Workday then copies <i>Dell</i> to the target field. • Parse by Position to extract data from a start position to an end position. Example: To extract the first 6 digits of a payment reference number, enter 1 as the Start Position and 6 as the End Position.

3. (Optional) Configure parsing rule conditions to filter the particular bank statement lines, such as by type code or addenda value, to apply the parsing rules. You can also leverage the condition rule framework to define advanced filter criteria.

4. (Optional) To test the parsing rule before running bank statement parsing, click **Test**. Copy the complete source field value from a bank statement line to the **Parsing String**.

This test returns the parsing results based on each rule defined in the set.

5. Assign the parsing rule set to a company bank account.

When you import a bank statement, Workday automatically parses the information from and to the bank statement line fields based on the parsing rule set associated with the bank account. This process occurs before automatic bank statement reconciliations and reporting.

To manually run a parsing job, select **Run Parsing** from the related actions menu of an unreconciled bank statement.

You define a parsing rule that extracts the payment reference number from the **Addenda** field and adds it to the **Reference Number** field on the bank statement lines. This enables you to identify payments by their reference number on bank reconciliation reports.

- To clear any incorrectly parsed data, select **Clear Parsing** from the related actions menu of a bank statement. Workday restores the original field values on all affected bank statement lines. You can edit your parsing rule, and then manually rerun the parsing job on the bank statement.

To clear parsing for values that you used for reconciliation, you must unreconcile the bank statement lines first.

- Configure condition rules to reconcile bank statement lines or first-notice items based on the new target field values.
- To report on your payments by a parsed value, build custom reports using the target report field containing the parsed data.

Tasks

[Reconcile a Bank Statement Automatically](#) on page 1504

[Create Matching Rule Sets for Bank Reconciliation](#) on page 1490

[Create Rules for Bank Reconciliation](#) on page 1494

[Create Rules for First-Notice Items](#) on page 1495

Reference

[Workday 31 What's New Post: Bank Statement Parsing](#)

Bank Account Reconciliation Setup

Steps: Set Up Ad Hoc Bank Transactions

During reconciliation, you often need to add ad hoc bank transactions to your account records for miscellaneous credits or debits that you find on bank statements. Examples: Wire transfer, online banking, or other bank fees. You can also create an ad hoc transaction to record an amount difference between a bank statement line and a matched operational transaction.

You can define templates to use when creating multiple ad hoc bank transactions with similar attributes. Workday uses the templates to create ad hoc transactions for the amount difference in matched lines and for first-notice items.

1. (Optional) Access the **Maintain Ad Hoc Bank Transaction Purposes** task.

Define purposes to help identify why you created the ad hoc transaction.

Security: *Set Up: Bank Reconciliation* domain in the Banking and Settlement functional area.

2. (Optional) Access the **Edit Tenant Setup - Financials** task.

Select the **Exclude Bank Account Worktag on Ad Hoc Bank Transaction Accounting Lines** check box in the **Banking Options** section to automatically exclude the bank account worktag from the offset accounting lines generated for ad hoc bank transactions.

Security: *Set Up: Tenant Setup - Financials* domain in the System functional area.

3. (Optional) [Create Ad Hoc Bank Transaction Templates](#) on page 1482.

4. (Optional) [Edit Domain Security Policies](#).

Grant user access to the **Add/Change Attachment** related action on ad hoc bank transactions.

Add security groups to the *Process: Ad Hoc Bank Transaction* domain in the Banking and Settlement functional area. Members of these security groups can use the related action to add or remove attachments for ad hoc bank transactions in any status without additional actions or business process approvals.

Create ad hoc bank transactions for manual or automatic bank and first-notice item reconciliations.

Concepts

[Concept: Bank Account Reconciliation](#) on page 1496

Tasks

[Steps: Set Up Automatic Bank Account Reconciliation](#) on page 1487

[Reconcile a Bank Statement Manually](#) on page 1506

Create Ad Hoc Bank Transaction Templates

- Configure the *Ad Hoc Bank Transaction Template Event* business process and security policy in the Banking and Settlement functional area.
- Security: *Process: Ad hoc Bank Transaction* domain in the Banking and Settlement functional area.

You can set up templates to simplify the process of creating recurring ad hoc bank transactions with common attributes. Workday automatically populates the values from a predefined template onto new ad hoc bank transactions created from the template.

Example: Your bank statements include interest earned on your account balances each month. You set up a template to create ad hoc bank transactions for this recurring first-notice item during first-notice reconciliations.

1. Access the **Create Ad Hoc Bank Transaction Template** task.
2. As you complete the **Ad Hoc Bank Transaction Line Defaults** section, consider:

Option	Description
Company	Select a line-level company other than the header company to create and reconcile intercompany ad hoc bank transactions.
Revenue/Spend Category	Select a revenue or spend category to use for posting the ad hoc bank transactions to ledger accounts.
Assign Worktags from Bank Statement Line	Select to assign revenue or spend category worktags from the bank statement lines reconciled to the ad hoc transactions. Workday also assigns the worktags to ad hoc transactions created for first-notice items. When you assign the worktags from the individual statement lines, you can reuse the template across different business areas. If you select both the check box and a default revenue or spend category, Workday only uses the worktags from the bank statement lines.
Worktags	You can assign worktags to use for account posting rule condition dimensions. You can also use worktags to classify and track ad hoc transactions for financial reporting.

3. As you complete the **Accounting Options** section, consider:

Option	Description
Exclude Bank Account Worktag on Lines	Select to exclude the bank account worktag from noncash accounting lines and add it to only cash lines for ad hoc bank transactions. Example: You can exclude the worktag on line company expense journal entries for intercompanies that don't have access to the bank account.

Option	Description
Eliminate Foreign Exchange Gain or Loss	Select to exclude realized foreign exchange gain or loss from ad hoc bank transactions. Example: If you override the currency conversion rate with a bank rate from your statement, the difference between the 2 values creates a realized exchange gain or loss journal entry. When you select the check box, Workday eliminates this additional journal entry line and applies the difference to the expense or revenue journal entry.

4. In the **Transaction Date Options** section, select a date type for ad hoc bank transactions and the associated accounting:

- **Statement Line Date:** The date when the financial institution posts the transaction to the bank account.
- **Value Date:** The date when the financial institution recognizes the full transaction value on the bank statement line.

Workday routes the completed ad hoc bank transaction template for review and approval.

- Use the **Find Ad Hoc Bank Transaction Template** report to review your ad hoc bank transaction templates. From the related actions menu of a template, you can:
 - Copy your ad hoc bank transaction template to create additional templates.
 - Amend an ad hoc bank transaction template submitted for approval or that's already approved.
 - Edit an ad hoc bank transaction template that's in *Draft* status.
 - Create manual ad hoc bank transactions from an approved template.
- Specify an ad hoc bank transaction template in bank reconciliation, matching, and first-notice item rules or rule sets to use in automatic reconciliations.

Setup Considerations: Automatic Bank Statement Reconciliation

You can use this topic to help make decisions when planning your configuration and use of automatic bank statement reconciliation. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

Workday offers 2 types of automatic bank statement reconciliation, basic and advanced. Basic matches bank statement lines to operational transactions based on only amount and date. Advanced uses matching rules with additional matching attributes. This topic includes considerations for configuring advanced automatic bank reconciliation.

Business Benefits

With advanced automatic bank reconciliation, you can:

- Reduce errors and manual effort.

- Manage exceptions of unreconciled transactions as they occur.
- Define suggestion rules that automatically identify potential matches.
- Create first-notice item rules to reconcile bank statement items that you don't record in Workday, such as bank fees.

Use Cases

You can set up Workday to automatically reconcile:

- Multiple supplier payments that are grouped into 1 payment on the bank statement.
- Multiple electronic payments that are paid on different dates and settled on multiple bank statements.
- Bank statement lines and reconcilable items that occur after the initial bank statement upload.
- Ad hoc bank transactions from a predefined template matching with miscellaneous first-notice items.

Questions to Consider

Question	Considerations
How can you match bank statement lines with reconcilable items using parsed data?	You can identify, extract, and modify specific data values from bank statement fields using bank statement parsing. You can then use the parsed data in condition rules for matching. Example: You parse a value from the Addenda field and move it to the Reference field of your bank statement. You can create a matching rule to match on this value during reconciliation.
How can you use worktags to match bank statement lines with reconcilable items?	You can map bank statement line types to worktags, and then set up condition rules to use the worktags to match specific bank statement lines to operational transactions. When you specify the worktags in first-notice item condition rules, Workday assigns the worktags to corresponding ad hoc bank transactions to reconcile with the first-notice items on bank statements. Use an ad hoc bank transaction template and select Assign Worktags from Bank Statement Line.
How can you reuse matching rules across companies?	You can assign matching rule sets containing the same rule to 1 or more bank accounts.

Recommendations

- To increase reconciliation accuracy:
 - Define amount tolerances as match-on criteria in matching rules. Workday uses the amount tolerances to filter the reconcilable items.
 - Schedule automatic reconciliation only when necessary, and avoid running multiple reconciliations simultaneously.
- Create rules to suggest matches for bank statement lines that don't exactly match operational transactions.

Example: The **Reference** and **Date** fields match, but the amounts don't match. Define rules to suggest matches based only on the reference and date.

- To reconcile bank statement lines and operational transactions with different amounts, select the **Create Ad Hoc Bank Transaction** check box on 1-to-1 matching rules with an amount tolerance. Workday automatically creates an ad hoc bank transaction for the difference between the bank statement line and transaction amount.
- To reconcile a bank statement line to an operational transaction with different dates, you can configure a date tolerance for these matching rules:
 - 1-to-1 rule: On the **Match On** grid, specify a **Within Number of Days** value for the statement line date.
 - 1-to-many rule: Define a condition rule that includes a date tolerance for the statement line date.
- When you create matching rule sets, place the most specific rules before the more general rules. Workday considers bank statement lines using specific criteria before reconciling more general statement lines. Example: Workday reconciles a bank statement line for 500.00, with type code 495 and an addenda value of supplier payment before reconciling a different statement line on only amount.

Requirements

- Upload or manually record prior day bank statements.
- Create or upload operational transactions.

Limitations

- You can only automatically reconcile bank statement lines and operational transactions with different amounts using a 1-to-1 matching method. For the other matching methods, you must manually reconcile by creating an ad hoc bank transaction for the difference.
- You can't reconcile many bank statement lines to many reconcilable items within a specified date range. To reconcile across an unspecified date range, create a many-to-many matching rule without match-by-date criteria. When you exclude dates in the rule, Workday considers all outstanding bank statement lines and operational transactions. Example: Your bank settles a group of electronic supplier payments across multiple days.

Tenant Setup

Update the reconciliation configuration for a bank account with these settings:

- Select the **Advanced Mode** check box to assign a matching rule set and first-notice item rule set to the bank account. By default, Workday uses a basic reconciliation based on transaction amounts and dates.
- Assign a parsing rule set to the bank account, if you're using parsed data in your matching condition rules.
- Select the conditions for initiating an automatic bank reconciliation.
- Select the conditions for initiating a first-notice item reconciliation.

Security

Domain	Considerations
<i>Set Up: Bank Reconciliation</i> in the Banking and Settlement functional area	Provides access to set up the bank reconciliation infrastructure and view related reporting.
<i>Process: Ad hoc Bank Transaction</i> in the Banking and Settlement functional area	Provides access to process ad hoc bank transactions and view related reporting.
<i>Access Matching Rule Set (Segmented)</i> in the Banking and Settlement functional area	Provides access to restrict which users can create and maintain matching rule sets for bank statement and not journal line reconciliations.

Domain	Considerations
<i>Process: Matching Rule Set</i> in the Banking and Settlement functional area	Provides access to run automatic bank reconciliations using matching rule sets.
<i>Set Up: Matching Rule Set</i> in the Banking and Settlement functional area	Provides access to create matching rules and rule sets.
<i>Process: Bank Reconciliation</i> in the Banking and Settlement functional area	Provides access to run automatic bank reconciliations using bank reconciliation or matching rule sets.
<i>Set Up: Tenant Setup - Worklets</i> in the System functional area	Provides access to view and configure the Bank Statement Reconciliation dashboard.

Business Processes

Business Process	Considerations
<i>Ad Hoc Bank Transaction Event</i>	Sends new or edited ad hoc bank transactions for approval.
<i>Bank Statement Event</i>	Sends your bank statement reconciliations for approval. Example: You require approval of bank statement reconciliations for specific bank accounts.

Reporting

You can use these key reports for your reconciliations.

Report or Dashboard	Considerations
Book to Bank report	After running bank statement reconciliations, you can use this report to evaluate discrepancies between your bank statement balances and ledger balances.
Book to Bank by Bank Account Currency report	Displays the transactions posted to the ledger in a single bank account currency. Workday converts multicurrency transactions using the specified translation rule set and bank account currency.
Uncleared Items report	You can use this report to identify operational transactions that are outstanding as of a particular date.
Bank Statement Reconciliation dashboard	Provides graphical report worklets for tracking the bank statement reconciliations in your organization. From the dashboard, you can adjust rule definitions or remove rules that aren't performing well.

Integrations

You can upload your bank statements in these formats using the bank statements connector:

- BAI2.
- BTRS.
- ISO 20022.

- MT940/942.
- Custom formats such as comma-separated value (CSV).

Connections and Touchpoints

You can automatically reconcile these Workday transactions from outside of cash management:

- Customer deposits
- Customer refunds
- Expense payments
- Miscellaneous payments
- Payroll payments
- Student payments
- Supplier payments

You can also automatically reconcile transactions created from Accounting Center that you've enabled for reconciliation. See [Edit Accounting Source](#) on page 364.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Concepts

[Concept: Bank Account Reconciliation](#) on page 1496

Tasks

[Steps: Use Bank Account Reconciliation](#) on page 1498

[Parse Bank Statements](#) on page 1479

[Steps: Set Up Bank Statement Load Integration](#)

Reference

[Reference: Bank Account Reconciliation Reports](#) on page 1515

[Workday 32 What's New Post: Suggestion Rules for Matching Rule Sets](#)

[Workday 31 What's New Post: Automatic Bank Statement Reconciliation](#)

[The Next Level: Optimizing Bank Reconciliation](#)

[Preconfigured Content: Financials Delivered Configurations](#)

[Bank Reconciliation Product Flow](#)

Steps: Set Up Automatic Bank Account Reconciliation

Set up Workday to perform an automatic reconciliation for your bank accounts.

1. [Define Bank Accounts](#) on page 1418.

Configure reconciliation options for the bank account. You can indicate either a basic automatic reconciliation, or an advanced automatic reconciliation that uses definitions, rules, and rule sets.

2. (Optional) Set up bank statement worktag mappings.

Bank statement lines contain type codes, addenda, or customer reference numbers that identify the transaction. You can associate these known values to specific worktags to use in reconciliation, matching, and first-notice rules.

See [Steps: Define Bank Statement Worktag Mappings](#) on page 1474.

3. Set up ad hoc bank transactions and templates.

During reconciliation, you can create ad hoc bank transactions for miscellaneous bank statement items or amount differences between statement line and transaction amounts. You can also define templates to use for automatic or manual reconciliations.

See [Steps: Set Up Ad Hoc Bank Transactions](#) on page 1481.

4. (Optional) Access the **Maintain Bank Reconciliation Reasons** task.

Enter purposes for bank reconciliation, matching, and first-notice reconciliation rules. When you create a rule, you can assign the reason to use the rule.

Security: *Set Up: Bank Reconciliation* domain in the Banking and Settlement functional area.

5. (Optional) Create matching rule sets to use for bank reconciliations.

You can set up and create rule sets to match 1 or more bank reconciliation lines to 1 or more operational transactions using various matching methods.

See [Steps: Define Matching Rule Sets for Bank Reconciliation](#) on page 1488.

6. (Optional) Create rule sets to use for bank reconciliation and first-notice item reconciliations.

Once you define your matching conditions, you can specify the condition rules in reconciliation and first-notice item rules.

See [Steps: Define Bank Reconciliation and First-Notice Item Rule Sets](#) on page 1493.

Reconcile your bank accounts.

Concepts

[Concept: Bank Account Reconciliation](#) on page 1496

Tasks

[Steps: Use Bank Account Reconciliation](#) on page 1498

Reference

[The Next Level: Optimizing Bank Reconciliation](#)

[Bank Reconciliation Product Flow](#)

Steps: Define Matching Rule Sets for Bank Reconciliation

You can create matching rule sets to match 1 or more bank statement lines with 1 or more operational transactions. If you're currently using bank reconciliation rules, you can copy any existing bank reconciliation rule sets to matching rule sets to use for automatic bank reconciliations.

1. (Optional) [Copy Bank Reconciliation Rule Sets to Matching Rule Sets](#) on page 1489.

2. [Create Segment-Based Security Groups](#).

Configure segment-based security groups to restrict which security groups can view and modify matching rule sets.

In the **Access to Segments** prompt, select the **Matching Type Security Segment for Bank Statement** segment from the *Reconciliation Type Security Segment* category and map this segment to the security groups.

3. [Edit Domain Security Policies](#).

Edit permissions to assign the segment-based security groups to these domains in the *Banking and Settlement* functional area:

- **Access Matching Rule Sets (Segmented):** Enables you to segment the types of matching rules a user can view or edit. Example: Bank statement line matching versus journal line matching. Configure this security domain to use bank statement line matching.
- **Process: Matching Rule Sets:** Enables you to run automatic bank reconciliation using matching rule sets.
- **Set Up: Matching Rule Sets:** Enables you to create and edit matching rules and matching rule sets. Verify that you've assigned the roles that you require to view and modify matching rules.

4. [Create Matching Rule Sets for Bank Reconciliation](#) on page 1490.

Tasks

[Steps: Set Up Automatic Bank Account Reconciliation](#) on page 1487

Reference

[Workday 32 What's New Post: Copy Bank Reconciliation Rule Sets to Matching Rule Sets](#)

Copy Bank Reconciliation Rule Sets to Matching Rule Sets

Security: These domains in the Banking and Settlement functional area:

- *Set Up: Bank Reconciliation*
- *Set Up: Matching Rule Set*

You can copy your existing bank reconciliation rule sets to new matching rule sets. This enables you to create and maintain matching rule sets to use for automatic bank statement reconciliations.

1. Access the **View Bank Reconciliation and First Notice Item Rule Sets** report.
2. Select the **Copy Bank Reconciliation Rule Sets to Matching Rule Sets** related action on a bank reconciliation rule set.

You can also click the **Copy Bank Reconciliation Rule Sets to Matching Rule Sets** button to copy multiple rule sets at once.

If a bank reconciliation rule set contains a suggestion rule with the **Reconcile Suggested Items if Equal** check box selected, Workday:

- Copies this suggestion rule to a 1-to-many matching rule.
- Creates an additional 1-to-1 suggestion rule for suggesting potential matches when the cumulative amount of the reconcilable items doesn't match the bank statement line amount.

You can drill down to view the bank reconciliation rule copied as both a reconciliation rule and suggestion rule in the **Rules Providing Reconciliation and Suggestion** column.

3. (Optional) View matching rule sets to confirm that they copied from bank reconciliation rule sets correctly.

As you review the rule sets, consider:

- The order of the matching rules should match the order of the bank reconciliation rules.
- The **Stop Match if Found** option on bank statement reconciliation rules is embedded in matching rules. Matching rules don't attempt to find an alternative line for matching once Workday finds an initial match.
- Workday evaluates bank reconciliation condition rules to determine if matching rule filter criteria and match on criteria can replace the condition rule. If so, the newly created matching rules won't have any condition rules.
- For bank reconciliation suggestion rules that you copy to 1-to-many matching rules, Workday automatically groups the reconcilable items by the match on criteria defined in the suggestion rule conditions. You can change the **Group By** value by editing the matching rule set.

4. Click the **Update Reconciliation Configuration for Bank Accounts** button to assign the created matching rule sets to bank accounts.

Workday assigns the matching rule sets to the same bank accounts assigned to the bank reconciliation rules. Once assigned, Workday inactivates the bank reconciliation rule sets on the bank accounts.

You can also edit a bank account to manually assign a newly created matching rule set, and inactivate the bank reconciliation rule set for automatic bank reconciliations.

5. (Optional) Test new matching rule sets to ensure that they're reconciling and suggesting the same bank statement lines and reconcilable items as the corresponding bank reconciliation rule sets.

Workday applies your newly created matching rules during automatic reconciliations. This includes all previously scheduled automatic reconciliations.

Tasks

[Steps: Set Up Automatic Bank Account Reconciliation](#) on page 1487

Reference

[Workday 32 What's New Post: Copy Bank Reconciliation Rule Sets to Matching Rule Sets](#)

Create Matching Rule Sets for Bank Reconciliation

Security: These domains in the Banking and Settlement functional area:

- *Access Matching Rule Set (Segmented)*
- *Process: Matching Rule Set*
- *Set Up: Matching Rule Set*

Workday enables you to match bank statement lines to your operational transactions for automatic bank statement reconciliations. You can create a rule set consisting of different matching rules, condition rules, and matching methods to associate with a bank account. Matching rules compare:

- One bank statement line to 1 reconcilable item.
- One bank statement line to many reconcilable items.
- Many bank statement lines to 1 reconcilable item.
- Many bank statement lines to many reconcilable items.

1. Access the **Create Matching Rule Set** task.
2. As you complete the task, consider:

Option	Description
Order	Order the most specific rules numerically before rules that require less precision in the match. That way, when Workday finds a match, it's safe to stop matching the bank statement line. Example: You want to match 1-to-1 by Transaction Date and Amount <i>only</i> if there are no alternative exact matches. You configure a rule for an exact match as the first rule in the rule set. Then, you add the rule with the Transaction Date and Amount criteria as the second rule in the sequence. Workday applies the first rule for exact matches and then the second rule to reconcile any remaining items. Place suggestion rules after the reconciliation rules in the ordered list.
Matching Reason	Identifies the business reason used to reconcile or create an ad hoc bank transaction.
Advanced Mode	Select to create matching rules that use the condition rule framework to match bank statement lines to reconcilable items.
Group By	Select Group By to group many bank statement lines or many reconcilable items together using a common attribute. Workday matches the groups of lines or reconcilable items during automatic reconciliation. For the 1-to-many matching method, select <i>Match On</i> if the other available attributes don't apply. This attribute groups all reconcilable items together by the criteria used for Match On, Match On Condition, or both when applicable.

Option	Description
Source 1 Source 2	Source 1 and Source 2 are the bank statement line and reconcilable item respectively. Define criteria for matching bank statement lines with reconcilable items. For additional matching criteria, define condition rules. When you're using the 1-to-1 matching method, you can define tolerances between debit amounts or credit amounts. You set a percentage (or whole amount) from the bank statement line amount. You must select to create ad hoc bank transactions for the differences between the bank statement line and reconcilable item. For other matching types, the bank statement line amount must match the reconcilable item amount. When matching many lines or many reconcilable items, the group amounts must match. To match bank statement lines to reconcilable items by value date, you can select either: • <i>Value Date</i>: Workday matches statement lines using their value date as additional criteria. • <i>Value Date if Available</i>: If the value date isn't available on a statement line, Workday uses the bank statement line date instead.
Match on Condition	In advanced mode, you can use condition rules to filter bank statement lines and reconcilable items using additional attributes. You then match bank statement lines to reconcilable items. A condition rule consists of 1 or more logical statements comparing data source attributes using logical comparison operators, such as AND or OR. Example: Bank Statement Line contains Transaction Reference.
Create Ad Hoc Bank Transaction	Select to automatically create matching entries when matching bank statement lines to reconcilable items using amount tolerances. Workday creates ad hoc bank transactions when the statement line amount and transaction amount are within the defined amount tolerance. Workday reconciles the bank statement line amount to the transaction amount, along with the ad hoc bank transaction for their difference. The ad hoc bank transactions are based on the associated ad hoc bank transaction template. You can only create ad hoc bank transactions for a 1-to-1 reconciliation.
Action	Select the action to perform when matches on criteria are met:

Option	Description
	• <i>Reconcile</i> bank statement lines or groups to reconcilable items or groups. • <i>Suggest</i> 1 or more reconcilable items as potential matches for a bank statement line or group. You can review and manually reconcile the suggested matches when you manage bank reconciliation exceptions.

3. (Optional) To test your rules and view a set of results, click **Test**.

The results also include the unmatched transactions and bank statement lines.

Workday displays an error message when more than 1,000,000 cumulative bank statement line and reconcilable item combinations are available for matching. You can refine your search results using the date filters.

4. Assign the matching rule set to a company bank account.

You can assign the same matching rule set to multiple bank accounts. Note that matching rule sets only reconcile bank statement lines to reconcilable items for the same bank account. They don't reconcile with items across multiple bank accounts.

When you run automatic reconciliation, Workday uses the matching rule set you configure to match bank statement lines to reconcilable items for the assigned bank account. Workday considers all bank lines and all reconcilable items that aren't reconciled, and also fall within defined tolerances. The reconcilable items include ad hoc bank transactions created for amount differences. Once the matching completes, Workday applies any existing bank reconciliation rules, suggestion rules, and first-notice item rules.

To reconcile these payments, you create a matching rule set using the many-to-1 matching method:

- The bank processes files for an electronic payment over 2 days, and creates the bank statement lines across multiple bank statements.

The reconciliation matches the multiple bank statement lines to the settled electronic payment.

- The credit card company deducts fees from a settled credit card payment, resulting in bank statement lines for both the fee and settlement amount.

Workday applies the matching rules to reconcile the 2 bank statement lines against the original credit card amount.

- To view the defined matching rule sets and the number of rules within each set, access the **Maintain Matching Rule Sets** task. You can then drill down to view these details for each rule in the set:
 - Matching method.
 - Rule order.
 - Whether the rule is currently active.
- Define condition rules, rules, and rule sets for first-notice items.

Concepts

[Concept: Bank Account Reconciliation](#) on page 1496

Tasks

[Steps: Set Up Automatic Bank Account Reconciliation](#) on page 1487

[Parse Bank Statements](#) on page 1479

[Define Bank Accounts](#) on page 1418

[Create Ad Hoc Bank Transactions](#) on page 1501

Reference

[2021R1 What's New Post: Bank Statement Line Value Dates](#)

Steps: Define Bank Reconciliation and First-Notice Item Rule Sets

Note: We plan to retire the bank reconciliation rule functionality in a future update. Workday recommends that you use the new matching rules for a more streamlined bank reconciliation.

Workday can automatically compare bank statement entries to your operational transactions and search for matches based on rules. You can configure condition rules to check for matching entries based on source values in logical statements. You can then specify the condition rules in reconciliation rules, which include the reconciliation reason and the action to take.

1. [Create Bank Reconciliation and First Notice Item Condition Rules](#) on page 1493.
2. [Create Rules for Bank Reconciliation](#) on page 1494 and [Create Rule Sets for Bank Reconciliation](#) on page 1495.
Configure bank reconciliation rules and rule sets to use for automatic bank reconciliations.
3. [Create Rules for First-Notice Items](#) on page 1495 and [Create Rule Sets for First-Notice Items](#) on page 1496.
Configure first-notice item rules and rule sets to use for automatic bank reconciliations and first-notice reconciliations.

Tasks

[Steps: Set Up Automatic Bank Account Reconciliation](#) on page 1487

Create Bank Reconciliation and First Notice Item Condition Rules

Security: *Set Up: Bank Reconciliation* domain in the Banking and Settlement functional area.

You can create condition rules for finding first-notice items and separate condition rules for matching bank statement lines to your account transactions.

1. Access the **Create Bank Reconciliation and First Notice Item Condition Rules** task. Select either:
 - **Bank Reconciliation Condition Rule.**
 - **First Notice Item Condition Rule.**
2. Assign a meaningful **Description** for this condition rule.
This description displays in prompts when you select from available rules.
3. Define each condition for the rule:

Option	Description
Source External Field or Condition Rule	The source data for which you are defining a rule condition. You can select from delivered Workday sources, or condition rules and custom worktags that you've already defined.
Relational Operator	Select how you want to compare the source data to the next value in your condition. The options depend on the data type of the source.
Comparison Type	Specify whether the source is to be compared to another field or to a value that you enter in the Comparison Value column.
Comparison Value	Either select a comparison field or enter the value to be compared to the source.
Order	Workday evaluates conditions in the order you specify.
()	Use parentheses to group one or more conditions together.

Option	Description
	For example, to say (a and b) or c use the opening parenthesis at the beginning of statement a , an And before statement b , a closing parenthesis at the end of statement b , and an Or at the beginning of statement c .

You can use calculated fields within condition rules to calculate the number of days between the operational transaction date and the bank statement date to see if the result is within an expected number of days. You can also calculate the difference between the operational transaction amount and the bank statement line amount to see if the value falls within a certain tolerance range.

You are now ready to create reconciliation rules with these condition rules. To find relevant rules, you can run the **All Condition Rules** report, and specify *Bank Statements* for the **View Condition Rules used as** field.

Concepts

[Concept: Calculated Fields](#)

Tasks

[Create Rule Sets for Bank Reconciliation](#) on page 1495

[Create Rules for First-Notice Items](#) on page 1495

[Create Rule Sets for First-Notice Items](#) on page 1496

Create Rules for Bank Reconciliation

- Define bank reconciliation condition rules.
- Security: *Set Up: Bank Reconciliation* domain in the Banking and Settlement functional area.

Bank reconciliation rules tell Workday what action to take when the specified condition rule has successfully matched a bank statement line to an account register line. These rules either reconcile matches, or suggest possible reconciliations. Once you have created the rules, you can add them to reconciliation rule sets to use for automatic bank reconciliation.

1. Access the **Create Bank Reconciliation Rule** task.
2. Enter a **Rule Name** that enables you to select this rule from among others when you create a reconciliation rule set.
3. Select a **Bank Reconciliation Reason**. This reason identifies when the rule is used to reconcile, suggest, or create an ad hoc transaction.
4. Select a **Reconciliation Action**. If the condition rule you specify matches a line in your account register, Workday performs this action.
 - Reconciliation rules with the *Reconcile* action use condition rules to check for very specific matches.
 - Reconciliation rules with the *Suggest Items* action use condition rules to check for close matches. If some rules check for closer matches than others, place the stricter rules first.
5. Check **Stop if Match Found** if you select the *Reconcile* action. It is optional for the *Suggest Items* action.
6. Check **Reconcile Suggested Items if Equal** to reconcile 1 or more suggested items if their sum equals the bank statement line.
7. Check **Create Ad Hoc Bank Transaction for Difference** for close matches where you are sure that the statement line and register line correspond. Use this field when the action is *Reconcile*.
8. Specify an **Ad Hoc Bank Transaction Template**, if you have a special template for this rule. If this field is blank, Workday uses the template specified for the rule set.
Workday ignores this option when **Create Ad hoc Bank Transaction for Difference** is not checked.
9. Specify the **Condition Rule** for this reconciliation rule to use for comparing bank statement lines.

10. To improve performance, you can specify tolerances in **Date Tolerance Settings** and **Amount Tolerance Settings** to minimize the number of reconcilable items for which to execute condition rules. You set a number of days from the bank statement line date and a percentage (or whole amount) from the bank statement line amount.

Once you have created all the reconciliation rules you need, you can create a reconciliation rule set.

To test this rule, select **Bank Reconciliation Rule > Test** from the related actions menu. This task prompts for an unreconciled bank statement, and returns a result set with all the operational transaction and bank statement line matches for the rule you are testing. When you test the rule, Workday does not create any ad hoc bank transactions for the difference, as the purpose is to test the matching logic using existing data.

Tasks

[Create Ad Hoc Bank Transactions](#) on page 1501

[Create Rules for First-Notice Items](#) on page 1495

[Create Rule Sets for First-Notice Items](#) on page 1496

[Parse Bank Statements](#) on page 1479

Create Rule Sets for Bank Reconciliation

- Define bank reconciliation rules.
- Security: *Set Up: Bank Reconciliation* domain in the Banking and Settlement functional area.

Automatic bank reconciliation requires you to specify a bank reconciliation rule set. You can create as many rule sets as you need. Example: You can create several rule sets containing different reconciliation rules designed for different bank accounts.

1. Access the **Create Bank Reconciliation and First Notice Item Rule Sets** task.
2. Select **Bank Reconciliation Rule Set** for the **Bank Reconciliation Rule Set Type**.
3. Specify an **Ad Hoc Bank Transaction Template**.

Ad hoc transaction templates provide greater flexibility so rules can be reused across bank accounts.

4. Select a reconciliation rule.

The prompt only displays reconciliation rules that match the selected reconciliation rule set type.

Workday uses all the reconcile-action rules first, then the suggest-action rules. Place the most specific and easiest to match rules before rules that require less precision in the match. That way, when it finds a match, it is safe to stop checking the next rules in the sequence.

5. Assign the bank reconciliation rule set to a company bank account.

When you run an automatic bank reconciliation, Workday uses the rules to compare each bank statement line to every operational transaction. As soon as it finds a match, it marks both lines as reconciled and stops. If there isn't a match, it moves to the next rule with a reconcile action and goes back through the register. After it has checked all the rules with a reconcile action, it starts using the rules with a suggest action. All reconciled operational transactions are ignored on subsequent searches.

With suggest-action rules, if the rule says stop, it goes to the next bank statement line and starts over with the first suggest-action rule. If the choice is not to stop, it will look at the rest of the lines in the register before moving on to the next bank statement line and suggest-action rule.

Tasks

[Create Ad Hoc Bank Transactions](#) on page 1501

[Define Bank Accounts](#) on page 1418

Create Rules for First-Notice Items

- Define first-notice item condition rules.
- Security: *Set Up: Bank Reconciliation* domain in the Banking and Settlement functional area.

First-notice item rules tell Workday whether to create an ad hoc transaction when the specified condition rule determines that a bank statement line is a first-notice item. Once you have created the rules, you can add them to reconciliation rule sets to use for automatic bank reconciliation.

1. Access the **Create First Notice Item Rule** task.

2. Enter a **Rule Name** that enables you to select this rule from among others when you create a first notice items rule set.

3. Select a **Reconciliation Reason**.

This reason displays when the rule finds a first-notice item in the bank statement.

4. Select **Create Ad Hoc Bank Transaction**.

Workday creates an ad hoc transaction for each bank statement line considered as a first-notice item.

5. (Optional) Specify an **Ad Hoc Bank Transaction Template**.

When you leave this field blank, Workday uses the template specified for the rule set.

6. Specify the **Condition Rule** that this reconciliation rule uses to identify first-notice items.

Once you have created all the first-notice item rules you need, you can create a reconciliation rule set.

To test this rule, select **Bank Reconciliation Rule > Test** from the related actions menu. This task prompts for an unreconciled bank statement and returns a result set with all the first-notice items for the rule you are testing. When you test the rule, Workday does not create any ad hoc bank transactions. The intention of this task is to test only the matching logic using existing data.

Tasks

[Create Ad Hoc Bank Transactions](#) on page 1501

[Create Bank Reconciliation and First Notice Item Condition Rules](#) on page 1493

[Parse Bank Statements](#) on page 1479

Create Rule Sets for First-Notice Items

- Define rules for first-notice items.
- Security: *Set Up: Bank Reconciliation* domain in the Banking and Settlement functional area.

You can use first-notice item rule sets to find bank statement items that don't have matching account transactions. Workday creates ad hoc transactions for these first-notice items based on the rules within each rule set. First-notice item rule sets are optional for automatic bank reconciliations.

1. Access the **Create Bank Reconciliation and First Notice Item Rule Set**.

2. For the **Bank Reconciliation Rule Set Type**, select **First Notice Rule Set**.

3. Specify an **Ad Hoc Bank Transaction Template**.

Workday uses this template for any rules in the set that don't specify a template. Ad hoc transaction templates provide greater flexibility so that you can reuse rules across bank accounts.

4. Click the prompt at the right to select a first-notice items rule. The prompt only displays rules that match the **Reconciliation Rule Set Type**.

5. Assign the first-notice item rule set to a company bank account.

When you run an automatic bank reconciliation, Workday applies the reconciliation rules prior to the first-notice items rules.

Tasks

[Create Ad Hoc Bank Transactions](#) on page 1501

[Define Bank Accounts](#) on page 1418

Concept: Bank Account Reconciliation

Use bank reconciliation processing to reconcile bank statements against your cash transactions. Workday provides several ways to reconcile your accounts:

- Quick entry and reconciliation.
- Manual bank statement entry, and manual or automatic reconciliation.
- Upload bank statement, and manual or automatic reconciliation.

Quick Entry and Reconciliation

If you have a paper bank statement, this method enables you to create a version of your bank statement in Workday from your own account records. As you match this generated bank statement against the bank's statement, you manually reconcile matching entries or add new entries, and reconcile as you go. When you're done, reconciliation is complete. This method of bank reconciliation requires no setup except creating your bank accounts and is reasonably fast for a small number of transactions.

Bank Statement Entry

Recording the bank statement in Workday enables Workday to compare your cash transactions to the bank statement during reconciliation. You can record the bank statement data in Workday either by:

- Manually entering the bank statement data item by item.
- Uploading the statement using a public web service integration that you set up with your bank.

Bank Reconciliation

Once you have the bank statement data in Workday, you can either manually or automatically reconcile it. The bank reconciliation process enables you to:

- Reconcile each bank statement item to a matching item in your account record.
- Add items to your account record when the bank statement provides first notice of the item. Example: Wire transfers or service charges.
- Reconcile register items against bank statement lines that Workday suggests as close matches.

Manual Reconciliation

Manual reconciliation enables you to manually search for matching account transactions and bank statement lines based on attribute and check off items that match. You can reconcile different relationships of bank statement lines and account transactions:

- Several bank statement items to a single item in your account records.
- Two or more bank statement lines, or two or more reconcilable items, that offset each other.
- A single bank statement item to several items in your account records.
- Several bank statement items to several items in your account records.

Automatic Reconciliation

When you create or edit a bank account, you indicate either a basic or advanced automatic reconciliation. You can also set it to run when you load a statement, or you can start automatic reconciliation manually. You can reconcile 1 bank statement at a time, or multiple bank statements within a specified date range.

- **Basic Automatic Reconciliation** - A basic automatic reconciliation looks at the transaction amounts and dates as it compares bank statement entries to your operational transactions. When both match, it reconciles the item. If 1 matches, it suggests a match, but doesn't reconcile.
- **Advanced Automatic Reconciliation** - An advanced automatic reconciliation requires that you create definitions for transaction templates, purposes, reconciliation reasons, and rules. You use the rules to match bank statement items with items from your account records.

Workday uses rules with a reconcile action to reconcile lines that are an exact match, or that meet a user-defined tolerance. If lines are a close match, Workday uses rules with a suggest action to make a suggestion. Example: If it finds a line in your accounts for which the reference number and the date match and the amount is close, Workday suggests an adjustment.

For first-notice lines, Workday can create ad hoc bank transactions automatically.

After running an automatic reconciliation, you can use a manual reconciliation to search for any remaining unreconciled bank statement lines to match with transactions.

Concepts

[Setup Considerations: Automatic Bank Statement Reconciliation](#) on page 1483

Tasks

[Steps: Set Up Automatic Bank Account Reconciliation](#) on page 1487

[Steps: Use Bank Account Reconciliation](#) on page 1498

Reference

[Reference: Bank Statement and Reconciliation Statuses](#) on page 1518

Bank Account Reconciliation Processing

Steps: Use Bank Account Reconciliation

Use the bank reconciliation process to reconcile your bank statements with your account transactions.

1. Record bank statement information in Workday.

You can either:

- [Enter Bank Statements Manually](#) on page 1499.
- Configure a bank statement integration to upload bank statement files in bulk.

See [Steps: Set Up Bank Statement Load Integration](#).

2. [Create Ad Hoc Bank Transactions](#) on page 1501.

Create ad hoc bank transactions to reconcile with miscellaneous entries on bank statements.

3. (Optional) Access the **Exclude Transactions from Reconciliation Process** task.

To streamline reconciliations for a bank account, you can exclude historically unreconciled items by date from the reconciliation process. The unreconciled items also don't display in any bank reconciliation and book-to-bank reports.

Workday changes the status of these items to *Reconciled*. If you find transactions marked in error, you can revert them back to *Unreconciled*.

Security: *Process: Bank Reconciliation* domain in the Banking and Settlement functional area.

4. [Reconcile a Bank Statement Automatically](#) on page 1504 or [Reconcile Multiple Bank Statements Automatically](#) on page 1505.

5. (Optional) Access the **Schedule Auto Reconciliation** task.

Set up Workday to automatically reconcile 1 or more bank statements on a predefined schedule. When the scheduler runs, it includes all bank statements created in the **Last x Day(s)** before the current date.

Security: These domains in the Banking and Settlement functional area:

- *Process: Bank Reconciliation*
- *Process: Matching Rule Set*

6. [Reconcile First-Notice Items on a Bank Statement](#) on page 1508 or [Reconcile First-Notice Items on Multiple Bank Statements](#) on page 1508.

7. (Optional) Access the **Schedule First Notice Reconciliation** task.

Set up Workday to automatically reconcile first-notice items for 1 or more bank statements on a predefined schedule. When the scheduler runs, it includes all bank statements created in the **Last x Day(s)** before the current date.

Security: *Process: Bank Reconciliation* domain in the Banking and Settlement functional area.

8. (Optional) Reconcile any remaining bank statements.

You can:

- [Reconcile a Bank Statement Manually](#) on page 1506.
- [Use Quick Entry and Reconciliation](#) on page 1500.

9. Find and edit unreconciled lines and exceptions on your bank statements to complete the reconciliation process.

See [Concept: Management of Unreconciled Items](#) on page 1513.

Access the **View Reconciliation Metrics** report from the related action on an automatically reconciled bank statement to see how the rules are performing. For each rule, you can compare the number of bank statement lines and reconcilable items accessed with the actual reconciliation matches found with that rule. This information can help you to optimize the rules for improving automatic reconciliation performance.

Concepts

[Concept: Bank Statement Reconciliation Dashboard](#) on page 1515

[Setup Considerations: Automatic Bank Statement Reconciliation](#) on page 1483

Tasks

[Steps: Set Up Automatic Bank Account Reconciliation](#) on page 1487

Reference

[Workday 31 What's New Post: Exclude Transactions From Bank Statement Reconciliations](#)

Enter Bank Statements Manually

- Your prior day bank statement for the account you want to reconcile.
- Configure the *Bank Statement Event* business process and security policy in the Banking and Settlement functional area.

With manual entry, you can enter your prior day bank statement lines into Workday. You can use separate tasks to reconcile the statement lines with account transactions.

1. Access the **Record Bank Statement** task.

2. Select **Manual Entry Bank Statement**.

3. Specify the **Statement Beginning Date**, and the **Statement Date** from the bank statement.

Workday automatically populates the beginning date that follows the previous statement date for the bank account.

4. Specify the **Beginning Balance** and **Ending Balance** from the bank statement.

Workday automatically populates the ending balance as the beginning balance from the previous statement for the bank account.

5. Enter the balances and transactions from the bank statement by type code.

6. As you complete the task, consider:

Option	Description
Type Code	Select the type code that identifies the type of activity on the bank statement line. Example: Type code 475 that identifies a paid check amount. You can select predefined custom type codes or standard type codes. The type codes are based on the bank statement format associated with the bank account.
Value Date	(Optional) Enter the date when the financial institution recognizes the full transaction value

Option	Description
	on the bank statement line. When you specify a value date, you can: - Group multiple bank statement lines or match individual lines by their value date using matching rules for automatic bank reconciliations. - Generate ad hoc bank transactions and the associated accounting based on the value date for manual or automatic bank reconciliations. Workday posts the journal lines to the accounting period containing the value date. If this period is closed, Workday posts the journal lines to the next open period. If you don't specify a value date, the ad hoc transactions reflect the bank statement line date by default.

7. If you click **Save for Later**, you can use the **Find Bank Statements** report later to locate this statement by bank account and statement date. The related actions menu enables you to edit or reconcile it.
8. After you've entered all the statement data from the bank statement, verify that:
 - The calculated ending balance matches the ending balance.
 - The **Difference** field displays a zero.

If not, check your entries for typographical errors in the amount fields.

9. Click **Submit for Reconciliation**.

The **Ending Balance** must match the **Calculated Ending Balance** to submit this statement for approval.

You can now reconcile this bank statement manually or automatically.

Concepts

[Concept: Bank Statement Reconciliation Dashboard](#) on page 1515

Tasks

[Reconcile a Bank Statement Manually](#) on page 1506

[Reconcile a Bank Statement Automatically](#) on page 1504

Reference

[Reference: Bank Statement and Reconciliation Statuses](#) on page 1518

[2021R1 What's New Post: Bank Statement Line Value Dates](#)

Use Quick Entry and Reconciliation

- You must have your statement from the bank for the account you want to reconcile, so you can compare lines for reconciliation.
- Configure the *Bank Statement Event* business process and security policy in the Banking and Settlement functional area.
- Security: These domains in the Banking and Settlement functional area:
 - Process: Bank Reconciliation*
 - Process: Bank Statement - Edit*
 - Process: Bank Statement - Reporting*
- Security: *Reports: Cash Forecast Reporting* domain in the Cash Management functional area.

With quick entry and reconciliation, you generate bank statement lines and reconcile them with your account transactions as part of a single task. You retrieve a list of all your account transactions that fall within the bank statement dates, and then select the matching transactions in your bank statement. Workday immediately reconciles the lines that you select, and you don't need to enter bank details manually.

If you can't find a matching account transaction for a bank statement line, create an ad hoc transaction and then reconcile the bank statement line with this new transaction.

1. Navigate to the **Record Bank Statement** task. Select *Quick Entry Bank Statement*, and enter the bank statement dates. Workday automatically builds a bank statement by retrieving all account transactions that fall within these dates for the company and bank account that you specify.
2. Specify the bank account to reconcile. You can select an account by bank, by company, or by company hierarchy.
3. The **Currency** sets to the bank account currency.
4. Select **Quick Entry Bank Statement**.
5. Specify the **Statement Beginning Date**, and the **Statement Date** from the bank statement. Workday selects lines from your account that fall within these dates.
6. Specify the **Beginning Balance** and **Ending Balance** from the bank statement.
7. On the **Cleared Activity** tab, check transactions that have matching detail lines in your bank statement. Workday automatically reconciles the transactions that you select.
8. For bank statement lines without corresponding account transactions, such as bank fees, interest payments, or discounts, you must create an ad hoc transaction to add that line to your account. Select **Save as Draft** and close this statement entry.
9. To return to a quick entry bank statement, access the **Find Bank Statements** report. Select the organization and optional search criteria to help you find this unreconciled statement. If you have more than one unreconciled bank statement, make sure to select the one for the correct bank account and statement period.
10. Select **Bank Statement > Edit** from the related action menu to the left of the bank statement.
11. On the **Edit Bank Statement** page, the ad hoc transaction now displays. Check the box to select this line for reconciliation. If necessary, continue adding ad hoc transactions until the **Difference** field is zero.
12. When you've reconciled all lines in the quick entry bank statement, submit it for approval and complete the reconciliation process.
If you select **Save for later**, the statement remains in *Draft* status even if all of the transaction lines are reconciled.

The bank statement is now reconciled.

After approving and reconciling a bank statement, you can cancel or change it, and then return to the reconciliation task to remap bank statement lines to account transactions.

Note: The cancel, change, and reconcile tasks are available as related actions on *Approved* bank statements.

Concepts

[Concept: Rates, Rate Types, and Conversion](#) on page 24

Reference

[Reference: Bank Statement and Reconciliation Statuses](#) on page 1518

Create Ad Hoc Bank Transactions

- Configure the *Ad Hoc Bank Transaction Event* business process and security policy in the Banking and Settlement functional area.
- Security: *Process: Ad hoc Bank Transaction* domain in the Banking and Settlement functional area.

You can create matching Workday entries for bank statement entries such as bank fees, interest payments, or discounts.

1. Access 1 of these tasks:

- **Create Ad Hoc Bank Transaction**
- **Create Ad Hoc Bank Transaction from Template**

2. As you complete the **Ad Hoc Bank Transaction Information** section, consider:

Option	Description
Date	The date to use for the ad hoc transaction. When you create an ad hoc transaction for bank reconciliation, you can change the default date to match the corresponding bank statement line date.
Currency	Workday uses the currency of the transaction bank account by default. When you change the transaction currency, the currency must be on the acceptable list for the bank account. Also, set up exchange rates: • From the transaction currency to the bank currency for the transaction rate type. • From the bank currency to the company currency for the default rate type.

3. As you complete the **Ad Hoc Bank Transaction Details** section, consider:

Option	Description
Difference	Verify that the difference is zero to ensure that the Transaction Amount you entered and the Ad Hoc Bank Transaction Lines total are balanced.
Tax Amount	Indicates the sum of the calculated tax amounts from taxable ad hoc bank transaction lines, based on the tax code you specify for each line. You can use the figure for tax reporting. To override this tax amount, change the Tax by Tax Rate on the Tax tab. Tax amounts are inclusive and don't change gross transaction amounts.

4. As you complete the **Accounting Options** section, consider:

Option	Description
Exclude Bank Account Worktag on Lines	Select to exclude the bank account worktag from noncash accounting lines and add it to only cash lines for ad hoc bank transactions. Example: You can exclude the worktag on line company expense journal entries for intercompanies that don't have access to the bank account.
Eliminate Foreign Exchange Gain or Loss	Select to exclude realized foreign exchange gain or loss from ad hoc bank transactions.

Option	Description
	Example: If you override the currency conversion rate with a bank rate from your statement, the difference between the 2 values creates a realized exchange gain or loss journal entry. When you select the check box, Workday eliminates this additional journal entry line and applies the difference to the expense or revenue journal entry.

5. As you complete the **Ad Hoc Bank Transaction Lines** tab, consider:

Option	Description
Revenue/Spend Category	The revenue or spend category links transaction line amounts to corresponding account posting rules to post to ledger accounts.
Tax Applicability	Select a tax applicability option to calculate recoverable and nonrecoverable tax amounts for each tax rate in the tax code. You can use tax applicability to filter transactions in reporting.
Tax Recoverability	Workday automatically populates the recoverable percentage on the transaction line based on the specified tax applicability and tax code. When you change the tax recoverability, Workday applies the recoverable percentage and allocation method to the tax amount for tax rates within the tax code. Use the Maintain Tax Recoverabilities task to specify the tax recoverability of multiple tax rates for each tax code.

6. Use the **Tax** tab to review a summary of all the tax codes and their applicability, as specified on the ad hoc bank transaction lines. When several lines share the same tax applicability, Workday consolidates them and calculates the amount total with this tax.
7. (Optional) When you update tax on an ad hoc bank transaction line, click **Update Tax** for Workday to recalculate the tax displayed in the header and **Tax** tab.

Workday routes the completed ad hoc bank transaction for approval. The ad hoc bank transaction displays in the specified ledger account.

Review ad hoc bank transactions for the specified company using the **Find Ad Hoc Bank Transactions** report. From the related actions menu of an ad hoc bank transaction, you can:

- Change the ad hoc bank transaction.

If you created the ad hoc bank transaction from a template, Workday disassociates the template from a changed transaction. The ad hoc bank transaction retains the information applied from the template.

If you enabled the option to prevent changes to operational transactions in closed periods on the **Edit Company Accounting Details** task, you can't change ad hoc bank transactions processed in a closed period.

- Copy the ad hoc bank transaction to create other ad hoc transactions that you can modify.
- View the accounting.

Concepts

[Concept: Multicurrency](#) on page 23

[Concept: Rates, Rate Types, and Conversion](#) on page 24

Tasks

[Steps: Configure Cash Balance Checking](#) on page 1594

[Create Journal Sources](#) on page 86

[Set Up Tax Recoverabilities for Financial Transactions](#) on page 420

[Assign Company Accounting Details](#) on page 62

[Steps: Set Up Ad Hoc Bank Transactions](#) on page 1481

Reference

[2020R1 What's New Post: Tax on Ad Hoc Bank Transactions](#)

Reconcile a Bank Statement Automatically

- Create a bank account. Indicate either a basic or advanced automatic reconciliation for the bank account.
- Enter or upload a bank statement.
- Create rule sets with matching rules, bank reconciliation rules, and first-notice item rules.
- Security: *Process: Bank Reconciliation* domain in the Banking and Settlement functional area.

The automatic reconciliation process enables you to match your operational transactions to your bank statement by:

- Reconciling each bank statement item to a matching item in your account record. You can configure Workday to treat electronic reconciliation groups, such as a lump ACH debit, as single transactions.
- Adding ad hoc bank transactions to your account record when the bank statement provides first notice of the item. Example: Foreign exchange gains/losses or service charges.
- Using rules to reconcile items against bank statement lines that match exactly, or that Workday suggests as close matches.

1. Access the **Run Bank Statement Auto Reconciliation** task.

You can also access one of these tasks:

- The **Create Bank Account** or **Edit Bank Account** task.

You can configure Workday to initiate automatic reconciliation when you load a bank statement for the specified bank account.

- The **Find Bank Statements** report.

Select **Bank Statement** > **Run Auto-Reconciliation** from the related actions menu of an unreconciled bank statement.

2. Select a single bank statement, or automatically reconcile all bank statement lines within a date range.
3. Click **OK** to start the reconciliation, or schedule it to run on a specified date and time.
4. When the reconciliation process is complete, select the **Reconciliation Criteria** tab to compare the reconciled lines with the total number of lines, and see if there are any lines with suggestions.
5. If the reconciled lines don't match the total number of lines, or if any lines have suggestions, select **Bank Statement** > **Manage Exceptions** from the bank statement's related actions menu to handle the unreconciled lines.

Use the bank reconciliation reports to confirm the details.

On the **View Bank Statement** report, the **Auto Recon By** field displays the bank reconciliation or first-notice item rule used to reconcile a bank statement line to an operational or ad hoc bank transaction.

Concepts

[Concept: Bank Account Reconciliation](#) on page 1496

[Concept: Bank Statement Reconciliation Dashboard](#) on page 1515

Tasks

[Create Rules for Bank Reconciliation](#) on page 1494

[Steps: Use Bank Account Reconciliation](#) on page 1498

[Reconcile First-Notice Items on a Bank Statement](#) on page 1508
[Create Matching Rule Sets for Bank Reconciliation](#) on page 1490

Reference

[Reference: Bank Statement and Reconciliation Statuses](#) on page 1518
[Reference: Bank Account Reconciliation Reports](#) on page 1515

Reconcile Multiple Bank Statements Automatically

- Create a bank account. Indicate either a basic or advanced automatic reconciliation for the bank account.
- Enter or upload bank statements.
- Security: *Process: Bank Reconciliation* domain in the Banking and Settlement functional area.

Note: We plan to retire the bank reconciliation rule functionality in a future update. Workday recommends that you use the new matching rules and the **Run Bank Statement Auto Reconciliation** task to reconcile multiple bank statements.

You can run an automatic reconciliation across multiple bank statements using bank reconciliation rules and first-notice item rules. This enables you to:

- Streamline the reconciliation of multiple unreconciled bank statements.
- Reconcile a large number of items for a specified bank account at once.
- Reconcile transactions that are completed or transferred from other systems after you've imported the corresponding bank statements into Workday.

1. Access the **Run Multiple Bank Statement Auto Reconciliation** task.
2. Enter the **Start Date** of the unreconciled bank statements. You can optionally enter an **End Date** for a specific time range of statements.
3. Click **OK** to start the reconciliation, or schedule it to run on a specified date and time.
4. When the reconciliation process is complete, select the **Reconciliation Criteria** tab to see if the bank statements are fully reconciled. You can drill-down on the statements that are either still in progress or reconciled to view the transaction details.
5. (Optional) Select **Bank Statement > Manage Exceptions** from the bank statement related actions menu to handle any unreconciled lines.

Use the bank reconciliation reports to confirm the details.

The **Auto Reconciled By Rule** field on these reports displays the bank reconciliation or first-notice item rule used to reconcile a statement line to an operational or ad hoc bank transaction:

- **Find Bank Statement Lines**
- **View Bank Statement**

Concepts

[Concept: Bank Account Reconciliation](#) on page 1496
[Concept: Bank Statement Reconciliation Dashboard](#) on page 1515

Tasks

[Steps: Use Bank Account Reconciliation](#) on page 1498
[Reconcile First-Notice Items on Multiple Bank Statements](#) on page 1508
[Create Rules for Bank Reconciliation](#) on page 1494
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Reference

[Reference: Bank Account Reconciliation Reports](#) on page 1515
[Reference: Bank Statement and Reconciliation Statuses](#) on page 1518

Reconcile a Bank Statement Manually

- Create a bank account.
- Enter or upload a bank statement.
- Security: These domains in the Banking and Settlement functional area:
 - *Process: Bank Reconciliation*
 - *Process: Matching Rule Set*

Workday enables you to search for matching account transactions and bank statement lines based on shared attributes, such as transaction reference numbers, amounts, and dates. This manual reconciliation method makes it easy to reconcile lines where 1 line matches many transactions (or many match many).

1. Access the **Manual Bank Reconciliation** task.

You can also access this task from:

- The **Bank Statement Reconciliation** dashboard.
- The **Find Bank Statements** report. Select **Bank Statement > Manual Reconciliation** from the related actions menu of an unreconciled bank statement.

2. In the **Bank Statement Lines** fields, specify any necessary details to filter the displayed bank statement lines.

3. Similarly, in the **Reconcilable Items** fields, specify limits for the number of displayed lines.

When you click **OK**, the page displays the applicable bank statement lines and account register lines at the bottom.

4. Scroll through both lists and check off items that match.

When you check off matching lines, the status section at the top changes to reflect reconciliation progress:

- The **Selected Lines Total** displays the sum of the amounts on the selected bank statement lines.
- The **Selected Items Total** displays the total number of unreconciled items selected for reconciling to bank statement lines.

5. (Optional) You can check off 2 or more bank statement lines, or 2 or more reconcilable items that offset each other.

Example: Your bank charges you a fee in error, and later agrees to revert the charge. The bank reflects these 2 offsetting activities on the bank statement. You can check off the matching debit and credit transactions for a one-sided reconciliation.

6. (Optional) If a bank statement line has suggestions, you can select the **Show Suggestions** check box in the **Reconcilable Item Selection** section. When you refresh the reconcilable items, Workday displays only the suggested reconcilable items for the selected bank statement lines.

The suggestions narrow down the selection of reconcilable items to match with the bank statement lines.

7. Each time you check off items that match, click **Reconcile**. The checked lines move from the lower lists to the status section. You can cancel reconciliation of this line until the next time you click **Reconcile**.

When you click **Reconcile** again, the page is refreshed. Items are marked reconciled and removed.

8. For long-running reconciliations, select an option from the pop-up window that displays to either:

- Send the reconciliation process to the background.

You can perform other reconciliation activities on the same bank account. Workday sends an Inbox notification indicating if the process has completed or failed.

- Wait for the reconciliation to complete before you continue working.

9. (Optional) If there isn't a matching account transaction for a bank statement line, click **Create Ad Hoc Bank Transaction** to create an ad hoc transaction for the bank line. Workday displays the newly created ad hoc bank transaction when you refresh the reconcilable items.

You can also create an ad hoc transaction to account for the difference between a bank statement line amount and a matching account transaction amount:

- If the amounts are equal, Workday reconciles the bank statement line to the ad hoc bank transaction.
- If you create an ad hoc bank transaction for a difference, Workday reconciles the bank statement line to both transactions.

If your bank statement line includes the value date, you can select the **Use Value Date as Transaction Date** check box to create an ad hoc transaction and the associated accounting based on the value date. Otherwise, Workday uses the bank statement line date for the transaction date.

After submitting the ad hoc bank transaction, you can view the reconciled items under **Last Reconciled Item(s)**.

10. When you're done reconciling and ready to exit this page, click **Cancel**.

Note: This action doesn't cancel any of the reconciliations you've made, even if you then click **Discard Changes**.

The bank statement reconciliation enables you to verify that your accounting records and bank statements are matching and accurate. Use the book-to-bank and other bank reconciliation reports to confirm the details.

If you've configured your ad hoc bank transaction workflow to require approvals, Workday includes the reconciled transactions in the ledger account balances once approved. You can identify any ad hoc bank transactions pending approval in a separate column on these reports:

- **Book to Bank**
- **Book to Bank by Bank Account Currency**
- **Bank Reconciliation Detail**
- **Bank Statement Reconciliation**

This column is available when you drill down on the reconciled bank statement lines in the reports. If the ad hoc bank transaction is denied, Workday then:

- Unreconciles the transaction from the bank statement line.
- Cancels the ad hoc bank transaction.

If you aren't finished reconciling, you can find the statements again using the **Find Bank Statements** report, and continue where you left off.

Concepts

[Concept: Bank Account Reconciliation](#) on page 1496

[Concept: Bank Statement Reconciliation Dashboard](#) on page 1515

Tasks

[Steps: Use Bank Account Reconciliation](#) on page 1498

Reference

[Reference: Bank Statement and Reconciliation Statuses](#) on page 1518

[Reference: Bank Account Reconciliation Reports](#) on page 1515

[2020R2 What's New Post: Automatically Reconcile Ad Hoc Bank Transactions Created During Manual Reconciliation](#)

[2021R1 What's New Post: Bank Statement Line Value Dates](#)

[Bank Reconciliation Product Flow](#)

Reconcile First-Notice Items on a Bank Statement

- Define first-notice item rules and rule sets.
- Automatically reconcile a bank statement.
- Security: *Process: Bank Reconciliation* domain in the Banking and Settlement functional area.

First-notice reconciliation finds entries on bank statements that do not have any corresponding operational transactions, such as bank fees or interest earned. Based on the first-notice item rules, Workday either:

- Creates ad hoc transactions to reconcile with the bank statement entries.
- Reports these lines for your review.

1. Access the **Run Bank Statement First Notice Reconciliation** task.

You can also access one of these tasks:

- The **Create Bank Account** or **Edit Bank Account** task.

You can configure Workday to initiate first-notice item reconciliation right after a bank reconciliation.

- The **Find Bank Statements** report.

Select **Bank Statement** > **Run First Notice Reconciliation** from the related actions menu of a bank statement. The bank statement must have some unreconciled transactions.

2. Click **OK** to start the reconciliation, or schedule it to run on a specified date and time.

3. When the reconciliation process is complete, select the **First Notice Reconciliation Criteria** tab to see if the reconciled lines and reconciled first-notice lines add up to the total number of lines.

4. If the reconciled lines do not match the total number of lines, or if any lines have suggestions, select **Bank Statement** > **Manage Exceptions** from the bank statement's related actions menu to handle the unreconciled lines.

You can review bank reconciliation reports to confirm that the first-notice items on the bank statements are cleared.

The **Auto Reconciled By Rule** field on these reports displays the bank reconciliation or first-notice item rule used to reconcile a bank statement line to an operational or ad hoc bank transaction:

- **Find Bank Statement Lines**
- **View Bank Statement**

Concepts

[Concept: Management of Unreconciled Items](#) on page 1513

[Concept: Bank Account Reconciliation](#) on page 1496

Tasks

[Create Rules for First-Notice Items](#) on page 1495

[Steps: Use Bank Account Reconciliation](#) on page 1498

Reference

[Reference: Bank Statement and Reconciliation Statuses](#) on page 1518

[Reference: Bank Account Reconciliation Reports](#) on page 1515

Reconcile First-Notice Items on Multiple Bank Statements

- Define first-notice item rules and rule sets.
- Automatically reconcile bank statements.
- Security: *Process: Bank Reconciliation* domain in the Banking and Settlement functional area.

You can run a first-notice reconciliation across multiple bank statements, enabling you to:

- Identify entries without any corresponding operational transactions, such as bank fees or interest earned.

- Automatically create ad hoc transactions to match with the first-notice items after importing the corresponding bank statements into Workday.

Schedule the first-notice reconciliation process to run on a recurring basis, if your bank consistently delivers statements before you create the associated reconcilable items.

- Report specific types of first-notice items for your review, based on first-notice item rules.
1. Access the **Run Multiple Bank Statement First Notice Reconciliation** task.
You can also access the **Create Bank Account** or **Edit Bank Account** task to initiate first-notice item reconciliation after a bank reconciliation.
 2. Enter the **Start Date** of the bank statements. You can optionally enter an **End Date** for a specific time range of statements.
 3. Click **OK** to start the reconciliation, or schedule it to run on a specified date and time.
 4. When the reconciliation process is complete, select the **First Notice Reconciliation Criteria** tab to see if the bank statements are fully reconciled. You can drill down on the statements that are either still in progress or reconciled to view the transaction details.
 5. (Optional) Select **Bank Statement > Manage Exceptions** from the related actions menu on the bank statement to manually reconcile any unreconciled lines.

You can review bank reconciliation reports to confirm that the first-notice items on the bank statements are cleared.

The **Auto Reconciled By Rule** field on these reports displays the bank reconciliation or first-notice item rule used to reconcile a bank statement line to an operational or ad hoc bank transaction:

- **Find Bank Statement Lines**
- **View Bank Statement**

Concepts

[Concept: Management of Unreconciled Items](#) on page 1513

[Concept: Bank Account Reconciliation](#) on page 1496

Tasks

[Create Rules for Bank Reconciliation](#) on page 1494

[Steps: Use Bank Account Reconciliation](#) on page 1498

Reference

[Reference: Bank Statement and Reconciliation Statuses](#) on page 1518

[Reference: Bank Account Reconciliation Reports](#) on page 1515

Steps: Create and Reconcile Electronic Payment Reconciliation Groups

Configure the *Bank Account Event* business process and security policy in the Banking and Settlement functional area.

You can consolidate your outgoing electronic payments into electronic payment reconciliation groups (EPRG) for a more streamlined reconciliation. When you settle the EFT and direct deposit payments, Workday generates EPRGs with the payments for each bank account.

EPRGs enable you to:

- Group payroll payments together to avoid displaying confidential information for individual payments.
- Manually reconcile a large number of electronic payments as a single group.
- Match a group of electronic payments to a single bank statement line in automatic reconciliations.
- Reduce bank fees by grouping all of your electronic payments onto a single bank statement line, per your bank service agreement.

1. Access the **Create Bank Account** or **Edit Bank Account** task.

Select the **Group Electronic Payments for Reconciliation** check box.

Security: *Set Up: Bank Entity* domain in the Banking and Settlement functional area.

2. (Optional) Configure Workday to receive and upload payment acknowledgment files.

The files acknowledge whether the bank received, processed, or rejected your payments.

See:

- [Steps: Acknowledge Payments](#) on page 1602.
- [Concept: Electronic Payment Acknowledgement](#) on page 1603.

3. Settle the electronic payments.

You can either:

- [Create Manual Settlement Runs](#) on page 1615.
- [Schedule Automatic Settlement Runs](#) on page 1618.

Workday groups the payments that have all of these same payment attributes into an EPRG:

- Payment category. Example: Ad hoc payment or miscellaneous payment.
- Payment date.
- Payment type. Example: EFT or direct deposit.
- Transaction currency.

Workday includes both the group reference ID and individual payment IDs in the payment file delivered to the bank. When the bank accepts and completes at least 1 payment in the group, Workday enables the EPRG for bank reconciliation. Workday considers both received payments and returned payments as complete.

When any payment in the group is still awaiting acknowledgment, Workday prevents you from reconciling the EPRG.

4. Identify the EPRG reference ID in the payment file.

To locate the group reference ID that your bank uses in the payment file, select the business process payment message in the **Payment Groups** tab when viewing the settlement run. Example: In an ISO20022 XML document, the *Payment Information ID* element contains the group ID and *Payment ID* the individual payment ID.

5. Notify your bank to generate a single bank statement line per EPRG.

You can instruct your bank to incorporate the group reference ID from the payment file on the resulting bank statement line to simplify bank reconciliation.

Example: You process multiple ACH payroll payments from Workday to your employees. To enable a 1-to-1 matching method for reconciliation, you request your bank to return a single statement line that represents the sum of all individual ACH payments in the group.

6. Record bank statement information in Workday.

You can either:

- [Enter Bank Statements Manually](#) on page 1499.
- [Use Quick Entry and Reconciliation](#) on page 1500.
- Configure a bank statement integration to upload bank statement files in bulk.

See [Steps: Set Up Bank Statement Load Integration](#).

7. Reconcile your bank statement lines with the EPRGs.

You can either:

- [Reconcile a Bank Statement Automatically](#) on page 1504.
- [Reconcile Multiple Bank Statements Automatically](#) on page 1505.
- [Reconcile a Bank Statement Manually](#) on page 1506.

To reconcile, either:

- Create a 1-to-1 matching rule using a condition rule based on the **Transaction Reference** field for automatic reconciliation.
- Match the group reference ID on the statement line and EPRG during manual reconciliation.

To view the reference number for an EPRG and the payment statuses of its constituent payments, you can access the **View Electronic Payment Reconciliation Group** report from either this task or report:

- **Manual Bank Reconciliation.** In the **Reconcilable Items** grid, click the magnifying glass icon for the EPRG.
- **View Settlement Run.** Select the payment group, and then the EPRG payment message.

The bank reconciliation enables you to verify that your grouped payments are accurately reflected on your bank statement lines. You can use the **Book to Bank Summary Report** and other bank reconciliation reports to confirm the details.

You enable the EPRG feature for bank reconciliation and configure Workday to receive payment acknowledgments. Workday groups your 4 EFT payments in an EPRG with a total value of \$1000.00.

This table illustrates how Workday determines the EPRG total amount and availability for reconciliation based on different payment and acknowledgment statuses within the group. An EPRG that includes a payment in status:

- *Awaiting Payment Acknowledgment* isn't yet reconcilable, though the payment counts towards the original EPRG amount.
- *Canceled or Rejected* is reconcilable, but Workday deducts this payment from the original EPRG amount. If all underlying payments in the group are canceled or rejected, the EPRG isn't reconcilable.

	Payments in EPRG	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5	Scenario 6	Scenario 7
Payment 1	\$100.00	Awaiting Acknowledgment	Awaiting Acknowledgment	Complete	Rejected	Rejected	Rejected	Rejected
Payment 2	\$200.00	Awaiting Acknowledgment	Complete	Complete	Complete	Rejected	Awaiting Acknowledgment	Awaiting Acknowledgment
Payment 3	\$300.00	Awaiting Acknowledgment	Complete	Complete	Complete	Rejected	Complete	Canceled
Payment 4	\$400.00	Awaiting Acknowledgment	Complete	Complete	Complete	Rejected	Complete	Complete
EPRG Total Amount	\$1000.00	\$1000.00	\$1000.00	\$1000.00	\$900.00	\$0.00	\$900.00	\$600.00
Is EPRG Reconcilable		No	No	Yes	Yes	No	No	No

Tasks

[Define Bank Accounts](#) on page 1418

Reference

[Reference: Book-to-Bank Reports](#) on page 1525

Unreconcile Bank Statement Lines

- Reconcile account transactions with your bank statements.
- Security: These domains in the Banking and Settlement functional area:
 - *Process: Bank Reconciliation*
 - *Process: Bank Statement - Reporting*
- Security: *Reports: Cash Forecast Reporting* domain in the Cash Management functional area.

You can unreconcile bank statement lines that you've reconciled with account transactions or other bank statement lines.

Reasons for unreconciling include:

- You reconciled a bank statement line with a payment or offsetting bank statement line incorrectly.
 - You want to cancel or void a check after reconciliation, so you need to unreconcile this payment from its bank statement line first.
1. Access the **Find Bank Statement** task.
 2. View a bank statement.
 3. Select a transaction to view.
 4. From the related actions menu of the bank statement line you want to unreconcile, select **Bank Statement Line > Unreconcile**.

Workday unreconciles the bank statement line from the corresponding item, or offsetting bank statement line, and changes the status to *Unreconciled*. The bank statement lines and reconcilable items become available for any reconciliations you might run in the future.

You can now cancel or return an unreconciled payment, and void the check used to make the payment if necessary.

Concepts

[Concept: Bank Account Reconciliation](#) on page 1496

Tasks

[Cancel Payments](#) on page 1622

Edit Bank Statements

- Security: These domains in the Banking and Settlement functional area:
 - *Process: Bank Reconciliation*
 - *Process: Bank Statement - Change*
 - *Process: Bank Statement - Reporting*
 - *Process: Bank Statement - View*
 - Security: *Reports: Cash Forecast Reporting* domain in the Cash Management functional area.
1. Access the **Find Bank Statement** report.
 2. For the desired bank statement, select **Bank Statement > Change** from the related actions menu.
 3. You can change any of the transaction details or add or remove transactions.
 4. Click **Submit for Reconciliation** to go to the **View Bank Statement** task. From here, you can click **Manage Exceptions** to reconcile unreconciled lines.

After editing, you can perform manual or automatic reconciliation.

Concepts

[Concept: Management of Unreconciled Items](#) on page 1513

Tasks

[Reconcile a Bank Statement Manually](#) on page 1506

[Reconcile a Bank Statement Automatically](#) on page 1504

Cancel Bank Statements

- Security: These domains in the Banking and Settlement functional area:
 - *Process: Bank Reconciliation*
 - *Process: Bank Statement - Cancel*
 - *Process: Bank Statement - Reporting*
- Security: *Reports: Cash Forecast Reporting* domain in the Cash Management functional area.

You can cancel unreconciled bank statements that you entered or received in error. Once canceled, you can't change the bank statement to a previous status.

1. Access the **Find Bank Statement** report.

Alternatively, you can select **Cancel Bank Statement** from the related actions menu of a bank statement or petty cash reconciliation.

2. From the related actions menu of the desired bank statement, select **Bank Statement > Cancel**.

The canceled bank statement is no longer available for bank statement reconciliations and book-to-bank reports that reference bank statement lines and balances.

Reference

[Reference: Bank Account Reconciliation Reports](#) on page 1515

Concept: Management of Unreconciled Items

Note: We plan to retire the Reconciliation Work Area functionality in a future update. Workday recommends that you use these new book-to-bank reports to help you identify unreconciled bank statement lines and operational transactions:

- **Book to Bank Summary**
- **Book to Bank Summary - Uncleared Bank Statement Lines**
- **Book to Bank Summary - Uncleared Operational Transactions**

From the report details, you can access the **Manage Exception Detail** page described below to reconcile uncleared bank statement lines.

Bank statements remain unreconciled until all the items in the statement are matched to operational transactions.

There are 2 different places that you can go to start working on as-yet unreconciled items: the Reconciliation Work Area for a summary of all unreconciled items, and the **Manage Exceptions** page, for an individual bank statement.

Reconciliation Work Area

This work area provides a quick starting point for managing your bank statements. It lists the most recent 15 unreconciled bank statements, and if a bank statement isn't listed, you can use **Find Bank Statements** at the top of the page. This work area also lists the oldest unreconciled bank statement lines from the listed bank statements.

To start manual reconciliation, click **Manual Bank Reconciliation**. See [Reconcile a Bank Statement Manually](#) on page 1506.

The Reconciliation Work Area has 3 parts:

Last 15 Unreconciled Bank Statements

Each line is for an unreconciled bank statement. The related actions menu for the bank statement enables you to edit the statement, manage exceptions, and automatically or manually reconcile the statement. You can also access the bank account or drill down on the number of unreconciled lines.

When you drill down on the number of unreconciled statement lines, you get a list of all unreconciled lines. You can click any line to get additional detail. From the related actions menu for the **Bank Statement Line**

field, select **Bank Statement Line > Manage Exception Detail** to look at possible transactions with which to reconcile.

If you select **Manage Bank Reconciliation Exceptions**, at the right, you get a list of all the unreconciled bank statement lines.

Oldest Unreconciled Statement Lines

This section lists the oldest lines and includes suggested matches and the reasons why they're suggested. Click the **Manage Exception Detail** button at the right to look at possible transactions with which to reconcile.

Suggestions Chart

This donut chart lists, for the unreconciled items with suggestions, the percentage of suggestions by the type of match reason listed.

See [Manage Exception Detail](#) on page 1514.

Manage Bank Reconciliation Exceptions

The **Manage Exceptions** page enables you to see all the unreconciled lines in a specific bank statement. From here, you manually reconcile the statement by handling each line individually.

Access the **Manage Exceptions** task by selecting **Bank Statement > Manage Exceptions** from the related action menu on any unreconciled bank statement. Or, from the Reconciliation Work area, by clicking **Manage Bank Reconciliation Exceptions** at the left of a statement line.

To manually reconcile an individual line, click **Manage Exception Detail**, at the right of the line.

If the line has suggestions, the number of them displays in the **Suggested Item Count** column. When you click the related actions menu icon at the left end of a line with suggestions, the preview window displays these suggestions. If a suggestion is valid, you can click the **Reconcile** button to reconcile to that suggestion.

Manage Exception Detail

When you click the **Manage Exception Detail** button, it lists each unreconciled line, so you can look at possible transactions with which to reconcile.

1. Under Reconciliation Information, use the prompt for the **Reconciled To** field to find an operational transaction to which to match this bank statement.
2. The prompt lists suggestions for each of the rules whose action was Suggest Items, if there are any. It also displays a category for all unreconciled items. You can select one or more unreconciled items to reconcile with this bank statement line.

If this item has suggestions, they display at the bottom of the page. You can click the magnifying glass icon at the right of the **Reconcilable Item** field to see details for this suggested transaction.

3. If the bank statement line needs an ad hoc transaction, click the **Create** option on the Reconcile To prompt. See [Create Ad Hoc Bank Transaction](#). When you create a matching ad hoc transaction, it reconciles automatically. After creating the ad hoc transaction, you can return to the **Manage Exception Detail** page.
4. (Optional) Specify a **Reviewer** and enter some notes. Someone else can review comments, or advise on a line before you can reconcile it.

When you enter a user name in the **Reviewer** field and click **OK**, the user receives a Workday Inbox item with a link to the bank statement line.

5. (Optional) Check **Select** next to 1 or more of the suggested reconcilable items, and then click **OK**.

If you select items with amounts that don't match, Workday guides you through creating an ad hoc bank transaction for the difference.

6. When you finish with the **Manage Exception Detail** page, click **OK**.

Concepts

[Concept: Book-to-Bank Reconciliation](#) on page 1521

Concept: Bank Statement Reconciliation Dashboard

The **Bank Statement Reconciliation** dashboard is a configurable workspace that provides up-to-date, graphical reports on the bank statement reconciliations in your organization. You can view and track information important to making operational decisions or taking action on bank reconciliations.

Workday delivers these report worklets available for use on the dashboard:

Worklet	Description
Auto Reconciliation Trending	Displays the percentage of bank statement lines automatically reconciled over time by bank account.
Bank Statement Integrations	Displays the status of your latest bank statement integrations. This report worklet is secured to these domains in the Integration functional area: • <i>Integration Build.</i> • <i>Integration Debug.</i> • <i>Integration Event.</i> • <i>Integration Reports.</i>
Latest Bank Statements	Displays the 10 most recently uploaded bank statements and their statuses by company, bank account, and date.
Reconciliation Status by Month	A bar chart that displays the number of bank statement lines and reconciliation status by month.
Unreconciled Bank Statement Lines by Age	Displays the number of unreconciled bank statement lines by age.
Unreconciled Items by Payment Category	Displays the number of unreconciled items by payment category.
Unreconciled Items by Payment Type	Displays the number of unreconciled items by payment type.

Configure the **Bank Statement Reconciliation** dashboard content using the **Maintain Dashboards** report (secured to the *Set Up: Tenant Setup - Worklets* domain in the System functional area). You can also add bank reconciliation related tasks or reports that you frequently use to the dashboard. For quick access, you can add the dashboard as a worklet to the **Home** page.

Tasks

[Save Custom Prompt Values for Worklets](#)

[Steps: Set Up Dashboards and Landing Pages](#)

Reference: Bank Account Reconciliation Reports

This table lists reports that are useful in managing your bank statements and reconciliations.

For a complete list of bank reconciliation reports, access Workday Standard Reports and select these report categories:

- Banking
- Financial Reconciliation and Close

- Set Up Bank Reconciliation

Report	Description
All Condition Rules	View condition rules, their descriptions, and the rule definitions for condition rules used throughout Workday. Select View Condition Rules used as Bank Statement Rules to see condition rules used for reconciliation and other bank-statement-related activities. You can also edit or delete rules.
Bank Reconciliation	Displays summary information about a reconciled bank statement such as the beginning and ending dates, beginning and ending balances, cleared items, and uncleared items up to the statement date. Drill down on the total reconcilable items amount to view all transactions cleared on the bank statement by debit or credit.
Bank Reconciliation Detail	Displays details about a reconciled bank statement such as the beginning and ending balances, cleared items, and uncleared items up to the statement date. Also includes a calculated account register balance that reconciles with the account register report, and a ledger balance as of the statement end date. Drill down on the total reconcilable items amount to view all transactions cleared on the bank statement by debit or credit.
Book to Bank	Compare bank statement balances against the ledger bank balances for a specified period. After running bank statement reconciliations, you can use this report at month end to review the discrepancies between the bank and ledger balances. Example: Identify transactions that posted to the ledger but are still unreconciled. The report information includes: • A projected bank account balance based on the reconciled and unreconciled bank statement lines, and beginning balance of the first bank statement. • The last bank statement ending balance. • A projected ledger ending balance based on the unreconciled items, items fully reconciled in a future period, items canceled or escheated in a future period, and reconciled items accounted for in a future period. • The actual ledger ending balance.
Book to Bank by Bank Account Currency	View the book-to-bank report in a single bank account currency. Workday translates multicurrency transactions posted to the ledger using the

Report	Description
	specified translation rule set and bank account currency.
Cross Statement Reconciliation	Displays groups of reconciled items and bank statement lines from multiple bank statements. Workday creates a reconciled group when multiple bank statement lines are reconciled to 1 or more items.
Find Ad Hoc Bank Transactions	Lists ad hoc bank transactions by company or by company bank account.
Find Bank Statements	View a list of bank statements for a company or specific bank account. Each bank statement includes the status, date, balances, reconciliation status, and transaction count. You can also edit a bank statement from its related actions menu.
Find Bank Statement Lines	Displays all bank statement lines and the reconciliation status for a specified set of bank accounts and bank statements.
Maintain One Sided Reconciliation	View and maintain all reconcilable items that are reconciled with other reconcilable items for a specified bank account. To unreconcile items, click Unreconcile for the set of reconciled items.
Uncleared Items	View all items in a bank account that are uncleared as of a specified date. Drill down on payment and deposit totals to view all uncleared transactions and amounts. Workday displays the payee name and transaction date of payroll payments if you have access and contextual security to applicable payroll security domains and companies.
View Account Register	Displays all transactions for a bank account.
View Bank Reconciliation and First Notice Item Rule Sets	View all rule sets of both types and the reconciliation rules in each set. You can see which sets each reconciliation rule is used in, examine the condition rules used, and create new rule sets. You can also edit a particular rule set from its related actions menu.
View Bank Reconciliations Reasons	View the reconciliation reasons that you've defined in Workday. You can also edit a reconciliation reason from its related actions menu.
View Bank Reconciliation Rule	View the bank reconciliation rule definition and the action it takes when there's a match. Details include the conditions that make up the rule and the rule sets that use this rule. You can also edit the rule from its related actions menu.

Report	Description
View First Notice Item Rule	View the rule definition and the action it takes when there's a match. You can view the conditions that make up the rule and the rule sets that use this rule. You can also edit the rule from its related actions menu.
View Reconciliation Metrics	View metrics for rules used in an automatically reconciled bank statement. You can view how each rule performed including the number of: • Bank statement lines and reconcilable items accessed. • Items reconciled using the rule. • Seconds it took for the rule to run. To clear the metrics from the most recent reconciliation, select Clear Reconciliation Metrics from the related actions menu of the bank statement.

Concepts

[Setup Considerations: Automatic Bank Statement Reconciliation](#) on page 1483

Reference: Bank Statement and Reconciliation Statuses

These tables describe the status values for bank statement and reconciliation tasks.

Bank Statement Statuses

Status	Description
Draft	When you first create a bank statement, whether using the quick entry or manual method, the statement has a status of <i>Draft</i>. If you can't complete a bank statement and its associated reconciliation tasks, you can save the statement without submitting it, and the statement retains its draft status. If you use the Change related action to modify an approved bank statement, the status of the statement returns to <i>Draft</i>. You must reselect the Submit check box on the statement to send it out for review and approval.
Approved	Once a bank statement is approved, the status changes to <i>Approved</i>. Note: A statement can have a status of <i>Approved</i> even when there are bank statement lines that aren't reconciled. The bank statement has its own status separate from the status of the reconciliation activities.
Canceled	When a bank statement is canceled, Workday will exclude all bank statement lines from reporting

Status	Description
	and bank reconciliation processes. Bank statement cancellations are permanent.

Reconciliation Statuses

Status	Description
Reconciled	Before any bank statement bank lines are matched with system transactions, the reconciliation status is <i>Unreconciled</i> . Once all bank statement lines are matched with system transactions, the status changes to <i>Reconciled</i> .
In Process	If some bank statement lines are reconciled and others aren't, the overall bank reconciliation status is <i>In Process</i> .

Troubleshooting: Automatic Bank Statement Reconciliation Processes

This topic provides strategies for diagnosing and resolving these automatic bank reconciliation issues:

- [First-notice item reconciliation doesn't run after automatic bank reconciliation](#), on page 1519
- [Matching rule doesn't match check numbers with leading zeros on the bank statement lines](#), on page 1520

First-notice item reconciliation doesn't run after automatic bank reconciliation.

Automatic bank reconciliation completes using matching rules but not the first-notice rules. Workday displays first-notice items as unreconciled on these tasks and reports:

- **Manage Bank Reconciliation Exceptions**
- **Manual Bank Reconciliation**
- **View Bank Statement**
- **View Bank Statement Line**

You've more than 50 first-notice rules in the first-notice item rule set.

For a single bank account, you can remove any rules in the first-notice item rule set that aren't applicable for the bank account.

1. Access the **View Bank Reconciliation and First Notice Item Rule Sets** report.

Select the first-notice item rule set to edit.

Security: *Set Up: Bank Reconciliation* domain in the Banking and Settlement functional area.

See [Reference: Bank Account Reconciliation Reports](#) on page 1515.

2. Delete any rules that you don't need from the complete list of rules. You can also reorder the remaining rules in the rule set as needed. Workday reconciles items using the rules in specified order.

3. Run first-notice reconciliation either automatically or manually.

See [Steps: Use Bank Account Reconciliation](#) on page 1498.

For multiple bank accounts, you can create additional first-notice item rule sets to customize for each bank account. This enables you to reassign the same rules to different rule sets, or add new rules.

1. [Create Rules for First-Notice Items](#) on page 1495.
2. [Create Rule Sets for First-Notice Items](#) on page 1496.
3. Run first-notice reconciliation either automatically or manually.

See [Steps: Use Bank Account Reconciliation](#) on page 1498.

Matching rule doesn't match check numbers with leading zeros on the bank statement lines.

Workday only matches bank statement line fields with leading zeros to corresponding reconcilable items with leading zeros.

Create a parsing rule set to parse the leading zeros from the check number field on your bank statements.

You can assign the same parsing rule set to multiple bank accounts. If the criteria to parse leading zeros varies across accounts, you can create a different parsing rule set for each account. Example: The string of leading zeros displays in different start positions across your bank statements. For each bank account, you create a customized rule set that parses the string of zeros from its distinct start position.

You can use this solution when you don't need the leading zeros for reporting purposes or to sync with third-party systems.

1. [Parse Bank Statements](#) on page 1479.

When you create the parsing rule, select the bank statement line field that contains the check number as your source. To configure the target field, select either:

- A different bank statement line field. When you parse the leading zeros from **Source Field**, Workday moves them to **Target Field** while overriding any existing data.
- The source bank statement line field. When you parse the leading zeros from **Source Field**, Workday replaces both **Source Field** and **Target Field** values with the resulting parsed check number.

2. Access the **Edit Matching Rule Set** task.

Edit your existing matching rule set for each bank account to add a new matching rule.

Security: *Set Up: Matching Rule Set* domain in the Banking and Settlement functional area.

3. [Create Matching Rule Sets for Bank Reconciliation](#) on page 1490.

Create a new matching rule to match bank statement lines based on the parsed source field. You can select this field in either the **Match On** grid or in condition rules.

4. Run parsing.

You can parse either:

- Automatically when you import bank statements.
Workday automatically parses the information from and to the bank statement line fields based on the parsing rule set that you assign to the bank account.
- Manually when you select **Run Parsing** from the related actions menu of an unreconciled bank statement.

5. Rerun bank reconciliation either automatically or manually.

See [Steps: Use Bank Account Reconciliation](#) on page 1498.

Create a new matching rule that ignores the leading zeros on check numbers when matching bank statement lines to reconcilable items.

You can use this solution when you need to retain the leading zeros in the reference number field on your bank statement.

1. Access the **Edit Matching Rule Set** task.

Edit your existing matching rule set for each bank account to add a new matching rule.

Security: *Set Up: Matching Rule Set* domain in the Banking and Settlement functional area.

2. [Create Matching Rule Sets for Bank Reconciliation](#) on page 1490.

In the **Match On** grid, select:

- **Statement Line Reference Number with Leading Zeros Stripped** from the **Bank Statement Line** prompt.
- **Transaction Reference with Leading Zeros Stripped** from the **Reconcilable Item** prompt.

3. Run parsing.

You can parse either:

- Automatically when you import bank statements.

Workday automatically parses the information from and to the bank statement line fields based on the parsing rule set that you assign to the bank account.

- Manually when you select **Run Parsing** from the related actions menu of an unreconciled bank statement.

Security: *Process: Bank Statement Parsing* domain in the Banking and Settlement functional area.

4. Rerun bank reconciliation either automatically or manually.

See [Steps: Use Bank Account Reconciliation](#) on page 1498.

Concepts

[Setup Considerations: Automatic Bank Statement Reconciliation](#) on page 1483

Tasks

[Steps: Set Up Automatic Bank Account Reconciliation](#) on page 1487

Reference

[The Next Level: Optimizing Bank Reconciliation](#)

Book-to-Bank Reconciliation

Concept: Book-to-Bank Reconciliation

Book-to-bank reconciliation enables you to compare bank account balances and bank activities against cash ledger balances and operational activities. You can use the **Book to Bank Summary** report and subreports to analyze your balances and reconcile any variances.

Discrepancies between the bank and ledger balances can occur when:

- You've recorded transactions in the ledger that the bank hasn't yet processed. Example: Outstanding deposits or checks.
- Your bank statements include first-notice items that you haven't recorded in the ledger. Example: Bank service fees or interest earned on bank accounts.
- You've recorded transactions in the ledger manually that the bank hasn't acknowledged.
- You've canceled or escheated payments for a future period.

Book to Bank Summary Report

The **Book to Bank Summary** composite report groups the columns into sections that provide detailed information from aggregated subreport data. For each bank account, you should see:

- Bank balances equal to the cash balances.
- Uncleared bank statement lines equal to zero.
- Uncleared operational transactions equal to the sum of all unreconciled items.
- Journals from nonoperational transactions.

Section	Description	Example
Bank Account Information	Displays these columns: • Company and Financial Institution: The company and financial institution from your bank account configuration.	

Section	Description	Example
	• Bank Account Currency: The currency from your bank account configuration. • Transaction Currency: The currency from the transactions. For manual journals, the report displays: • Entries with different transaction currencies in multiple rows for the bank account. • Entries without the Bank Account worktag in a row with blank Bank Account and Company fields. If you've mapped the bank account to a company hierarchy, the report displays aggregated results for all companies in the company hierarchy.	
Bank and Cash Ledger Balances	Displays these columns: • Bank Balance: The ending balance on the last noncanceled bank statement before the end of the period. If there isn't a bank statement available in the current month, Workday uses the last available statement from the prior month. • Cash Ledger Balance: The cash ledger amount associated with the bank worktag. • (A-B) Gross Difference: The difference between the balance amounts for reconciliation.	Workday calculates the bank balances based on the latest bank statement upload as described in these scenarios: • You uploaded the last statement on March 29, 2022. Workday uses the ending balance on the March 29 statement as the bank balance for the month of March. • When you upload the March 31 statement, Workday uses this bank balance for the month of March. • If you don't upload a statement for the month of April, Workday uses the ending balance from the March 31 statement. Workday derives the period-end cash balances by bank using the ledger accounts specified in the cash account posting rule. Workday summarizes the total cash balance for all ledger accounts in the rule using the trial balance for each month.
Unreconciled Transactions	Displays the outstanding bank statement lines and	Workday displays the bank statement lines and operational

Section	Description	Example
	operational transactions that aren't reconciled. Each column corresponds to a subreport where you can view the statement line or transaction details: • Uncleared Bank Statement Lines: The unreconciled bank statement lines in a prior or current period. • Uncleared Operational Transactions: The unreconciled operational transactions in a prior or current period. Workday recommends starting book-to-bank reconciliation after you've resolved all uncleared bank statement lines. See Concept: Management of Unreconciled Items on page 1513.	transactions that were either never reconciled, or previously reconciled and then later unreconciled.
Transaction Variances	Displays the activities that could cause the discrepancies between the bank statement and ledger balances for the period. Each column corresponds to a subreport where you can view the statement line or transaction details: • Cross Period Reconciled Bank Statement Lines : The statement lines in a future period reconciled to operational transactions with an accounting date that's in either the selected or earlier period. • Cross Period Reconciled Operational Transactions: The future-period operational transactions reconciled to statement lines with a line date that falls in either the selected or earlier period. • Reconcilable Items Stopped, Canceled or Escheated in Future Period: The payments marked as stopped for a specified date range and company. It also includes reconcilable items marked as	• Cross Period Reconciled Bank Statement Lines: You reconcile an operational transaction posted in March with a bank statement line reported in April. When you run this report in March, it displays the April reconciled bank statement lines. • Cross Period Reconciled Operational Transactions: You reconcile an operational transaction posted in April with a bank statement line reported in March. When you run this report in March, it displays the April reconciled operational transactions. • Reconcilable Items Stopped, Canceled or Escheated in Future Period: You issued and posted a check in March. You then cancel the check in April. When you run the report for March, it displays the canceled (or escheated) check payments in April or a future period. • Non-Operational Transactions: You can view the manual journals created

Section	Description	Example
	canceled or escheated for a future period. • Non-Operational Transactions: The nonoperational cash journal lines posted to the ledger account in a prior or current period. • Payments in Settlement: All settled payments in a prior or current period that are awaiting payment acknowledgment or rejected by the bank. The payments are for bank accounts configured with required payment acknowledgments.	with cash ledger accounts and bank account worktags. • Payments in Settlement: When the bank confirms they've received payments, Workday removes the payments from this report. For rejected payments, you can either cancel or reprocess the payments.
Summary	An analytic indicator highlights the bank accounts in red that have unexplained differences. Review the detailed Book to Bank Summary subreports to help you determine the root causes.	When you run the summary report and see unexplained differences for the current period, you can run the report for each previous period until there aren't any differences. If you see unexplained differences in the first period that you started using Workday, we recommend that you review your converted bank and trial balances. You can use accounting journals to correct the differences.

Concepts

Concept: [Bank Statement Reconciliation Dashboard](#) on page 1515

Setup Considerations: [Automatic Bank Statement Reconciliation](#) on page 1483

Reference

2021R2 What's New Post: [Book-to-Bank Summary Reports](#)

Troubleshooting: [Financial Journals](#) on page 106

Reference: [Book-to-Bank Reports](#) on page 1525

Process: Book-to-Bank Reconciliation

You can use this checklist of tasks to help guide you through a book-to-bank reconciliation.

1. Access the **Find Bank Statements** report.

Verify that you've entered or uploaded all of your prior day bank statements for the period.

Security: These domains in the Banking and Settlement functional area:

- *Process: Bank Reconciliation*
- *Process: Bank Statement - Reporting*

2. Access the **Book to Bank Summary - Uncleared Bank Statement Lines** and **Book to Bank Summary - Uncleared Operational Transactions** reports.

Check for unreconciled statement lines and operational transactions.

Security: These domains in the Banking and Settlement functional area:

- *Process: Bank Reconciliation*
- *Process: Bank Statement - Reporting*

See [Concept: Management of Unreconciled Items](#) on page 1513.

3. Access the **Book to Bank Summary** report.

Review the status of your bank accounts. You can use the color-coded health indicator to identify the balances that require the most attention.

Security: *Report Execution* domain in the Tenant Non-Configurable functional area.

4. Review the transaction variances and additional information in the book-to-bank subreports.

See [Reference: Book-to-Bank Reports](#) on page 1525.

5. (Optional) Run these tasks to fix any cash journals in error:

- **Fix Operational Journals With Errors**
- **Fix Data Errors for Journal Entries**

Security:

- *Process: Audits and Corrections* domain in the Financial Accounting functional area.
- *Set Up: Payroll - Company Specific (Accounting)* domain in the Core Payroll functional area.

See [Troubleshooting: Financial Journals](#) on page 106.

Tasks

[Steps: Use Bank Account Reconciliation](#) on page 1498

Reference: Book-to-Bank Reports

You can use the book-to-bank reports to perform a thorough book-to-bank analysis that meets audit and management reporting requirements. After you run bank reconciliations, you can use the summary and subreports to review variances between the bank account and cash ledger balances and determine the corrective actions to take.

This table describes the reports in more detail:

Report	Description	Security
Book to Bank Summary	Compares bank statement balances against the ledger bank balances in a summarized, high-level format. Using key metrics, you can identify the root causes of discrepancies between the balances for a specified company or company hierarchy, period, and bank accounts. You can drill down into the report column details, or access the associated subreports for more logical subgroupings of the details. Graphical indicators on the right side of the report represent the	<i>Report Execution</i> domain in the Tenant Non-Configurable functional area.

Report	Description	Security
	status of your bank account balances: • Green circle: All differences between the bank balance and cash ledger balance are accounted for and explained in the report. • Red diamond: Unexplained differences between the bank balance and cash ledger balance require further analysis.	
Book to Bank Summary - Bank Account Balance	Displays the prior-day ending bank balance in bank account currency using the latest noncanceled bank statements for the period. You can use this subreport to assess your ending bank balance for the selected company or company hierarchies, period, and bank accounts. You can also drill down on a prior-day ending bank balance for a bank account to: • Compare the beginning and ending ledger balances. • View the bank statement summary of the opening and closing ledger amounts and transaction details. • View the number of unreconciled bank statement lines.	These domains in the Banking and Settlement functional area: • <i>Process: Bank Reconciliation</i> • <i>Process: Bank Statement – Reporting</i> • <i>Set Up: Bank Entity</i> <i>Reports: Cash Forecast Reporting</i> domain in the Cash Management functional area.
Book to Bank Summary - Ledger Balance	Displays month-end cash ledger balances in bank account currency for a specified period and company. You can use this subreport to: • View the ledger balances for each of your bank accounts. Workday calculates the balances as the sum of the transaction debit minus the credit. • Drill down on the balance for each journal source to view all transaction details. • Identify unreconciled cash journal lines to reconcile with bank statement lines.	<i>Reports: Financial Accounting</i> domain in the Financial Accounting functional area.

Report	Description	Security
Book to Bank Summary - Uncleared Bank Statement Lines	Displays unreconciled bank statement lines in a prior or current period. You can use this subreport to: • Compare all reconciled statement lines with unreconciled statement lines for a root-cause analysis on bank balance differences. • Drill down on bank statement lines to view the details. You can then decide whether to: • Create an ad hoc bank transaction for either the bank statement line amount or the difference between the statement line and a transaction. • Reconcile a bank statement line with the reconcilable item to clear the bank statement line.	• <i>Process: Bank Statement - Reporting</i> domain in the Banking and Settlement functional area. • <i>Reports: Cash Forecast Reporting</i> domain in the Cash Management functional area.
Book to Bank Summary - Uncleared Operational Transactions	Displays all unreconciled operational transactions in a prior or current period. You can use this subreport to: • View all reconciled items with the unreconciled items for a root-cause analysis on ledger balance differences. • Drill down on operational transaction totals to view individual item details. You can then decide whether to: • Create an ad hoc bank transaction for either the reconcilable item amount or the difference between the statement line and a reconcilable item. • Reconcile a reconcilable item with the corresponding bank statement line to clear the transaction. Note that this report excludes unreconciled electronic payment reconciliation groups (EPRG).	<i>Process: Bank Reconciliation</i> domain in the Banking and Settlement functional area.

Report	Description	Security
Book to Bank Summary - Cross Period Reconciled Bank Statement Lines	Displays the future-period bank statement lines reconciled to operational transactions with an accounting date that falls in either the selected or earlier period. Example: You reconcile a transaction posted to the ledger in the selected period to its corresponding bank statement line that's recorded for the next period. You can use this subreport to determine if the transaction amount is the variance between the bank and ledger balances displayed on the Book to Bank Summary report for the selected period.	• <i>Process: Bank Statement - Reporting</i> domain in the Banking and Settlement functional area. • <i>Reports: Cash Forecast Reporting</i> domain in the Cash Management functional area.
Book to Bank Summary - Cross Period Reconciled Operational Transactions	Displays the future-period operational transactions reconciled to bank statement lines with a line date that falls in either the selected or earlier period. Example: You reconcile a bank statement line in the selected period to a reconcilable item that's posted to the ledger in the future period. You can use this subreport to determine if this transaction amount is the variance between the bank and ledger balances displayed on the Book to Bank Summary report for the selected period.	<i>Process: Bank Reconciliation</i> domain in the Banking and Settlement functional area.
Book to Bank Summary - Reconcilable Items Stopped, Canceled or Escheated in Future Period	Displays: • Payments marked as stopped for a specified date range and company. • Reconcilable items marked as canceled or escheated for a future period. You can use this subreport to: • Take corrective actions on the payments marked as stopped. • View the reversal entries for canceled or escheated payments posted in a future period.	<i>Process: Bank Reconciliation</i> domain in the Banking and Settlement functional area.

Report	Description	Security
Book to Bank Summary - Non-Operational Transactions	Displays the nonoperational cash journal lines posted to the ledger account in a prior or current period. You can use this subreport to: • View cash journal amounts for nonoperational transactions, such as manual or Accounting Center journals. • Assess the differences between ledger balances and bank balances.	<i>Reports: Financial Accounting</i> domain in the Financial Accounting functional area.
Book to Bank Summary - Payments in Settlement	Displays all settled payments in a prior or current period that are awaiting payment acknowledgment or rejected by the bank. The payments are for bank accounts configured with required payment acknowledgments. You can use this subreport to: • View payments that aren't reconcilable based on a payment acknowledgment status. These also include non-canceled payments from electronic payment reconciliation groups (EPRG). • Determine the corrective action to take, such as canceling or reprocessing the payments. You can then reconcile the cash ledger balances to your bank balances.	<i>Process: Bank Reconciliation</i> domain in the Banking and Settlement functional area.
Book to Bank Summary - Cash Journals in Error	Displays operational and nonoperational cash journal lines posted to the ledger account with errors. Example: Missing ledger accounts due to incorrect cash account posting rules. The report includes all journal lines in a prior, current, or future period. You can use this subreport to determine the root causes of differences between bank balances and ledger bank balances due to errors in the posted journal lines.	<i>Reports: Financial Accounting</i> domain in the Financial Accounting functional area.

Banking Cash Pools

Setup Considerations: Banking Cash Pools

You can use this topic to help make decisions when planning your configuration and use of banking cash pools. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

You can create a cash pool to consolidate bank balances on different accounts in a single structure. This enables you to analyze the balances and optimize the interest paid and received on a pooled account to improve global liquidity management.

Business Benefits

Cash pools enable you to:

- Maintain master and subaccount relationships within Workday instead of external spreadsheets.
- Track bank account balances and activity in cash position and balance reports by cash pool.
- Evaluate when to transfer funds across bank accounts in a banking network based on the collective cash pool balance.
- Maintain optimal balances in master and subaccounts to maximize interest income and reduce bank fees.

Use Cases

You can use cash pools to:

- Group multiple subaccounts across companies, financial institutions, and currencies into a master account to simplify your reporting.
- Translate subaccount currencies into a single master bank account currency to display on cash position reports.
- View your daily cash position, bank account target balances, and surplus and deficit amounts within a cash position report filtered by cash pool.
- Initiate fund transfers across subaccounts based on current day and prior day cash pool balances.

Questions to Consider

Question	Considerations
How does Workday report multicurrency subaccount balances with the master bank account currency?	Workday uses the currency rate type you select in the cash pool balance summary reports to translate all account currencies to the reporting currency. You can view the cash pool net balance and subaccount balances in a single currency.

Question	Considerations
How do you move funds across subaccounts in a cash pool?	You can create bank account transfers for settlement to move funds across subaccounts within the same or different cash pools. You can transfer and settle the funds using the EFT or wire payment type. Once Workday settles the transferred amounts, the Intraday Cash Pool Balance Summary report reflects the new account balances using the updated intraday bank statement.

Recommendations

- If you manage a large number of bank accounts, consider grouping them into cash pools by payment category or type. Example: A cash pool for payroll payments, and separate pools for supplier invoice payments and check payments. You can then track the account balances and transactions by their pooled accounts.
- To maintain a hierarchical structure across multiple cash pools, you can define a selected bank account as a master account in 1 cash pool and a subaccount in another cash pool. Example: A subaccount in a global pool as a master account in a regional pool.
- You can use cash pool report fields in custom reports to track bank account balances, bank account transfers, and cash forecasting.

Requirements

To transfer funds across bank accounts for multiple companies, set up an intercompany profile for multicompany cash pools using the **Edit Company Intercompany Profile** task.

Limitations

A cash sweep solution for cash pools isn't currently available. You can use cash pool and cash position reports to determine where to manually transfer funds using a bank account transfer for settlement.

Tenant Setup

No impact.

Security

Domain	Considerations
<i>Set Up: Cash Pool</i> in the Cash Management functional area	Enables users to create, view, and edit cash pools and custom cash pool reports. Users can also use the Find Cash Pools report and access all of its related actions.
<i>Reports: Cash Forecast Reporting</i> in the Cash Management functional area	Enables users to view the cash pool standard and custom reports.
<i>Set Up: Company Accounting</i> in the Common Financial Management functional area	Users secured to this domain can create an intercompany profile to transfer funds across bank accounts for different companies.

Business Processes

No impact.

Reporting

Report or Dashboard	Considerations
Find Cash Pool report	Enables you to search for and view the cash pools for your organization. You can select these related actions on a cash pool: • Edit to change any of the attributes. You can also add or remove subaccounts. • Copy to change the master account or subaccounts and save it as a new cash pool. • Inactivate to mark it as inactive so that it's unavailable for cash pool reporting.
Intraday Cash Pool Balance Summary report	Displays the current day balances in reporting currency by cash pool using your intraday bank statements. The report displays the balances for the master account and each subaccount.
Prior Day Cash Pool Balance Summary report	Displays the prior day balances in reporting currency by cash pool using your prior day bank statements. The report displays the balances for the master account and each subaccount.
Intraday and Prior Day Cash Position reports	You can use cash position reports to view your cash receipts and payments using intraday or prior day bank statements and external cash activities. You can filter the bank accounts by cash pool. The reports help identify where you need to transfer cash based on surplus or deficit amounts and the target balance and closing balance of the accounts.

We provide these business objects that you can use to build custom reports:

- **Cash Pool**
- **Cash Pool Type**

We provide the **Cash Pool** report data source that you can use in custom reports. This data source returns 1 row per cash pool. It prompts you for the bank account, subaccount, cash pool, and account currency to filter the report results.

Integrations

- Workday provides these web services that you can use to import and export cash pool data:
 - *Get Cash Pools*
 - *Put Cash Pool*
- To make bank account transfer payments, set up bank integrations to generate the payment files for settlement processing and delivery to your banks. You can assign an integration system to each electronic payment type for the bank accounts you plan to use for settlement processing.

Connections and Touchpoints

You add bank account transfer payments to manual or automatic settlement runs. When the transfer payments settle, Workday moves the funds between the bank accounts and generates the associated accounting entries.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Concepts

[Setup Considerations: Direct Intercompany Activities](#) on page 40

Tasks

[Steps: Perform Bank Account Transfers for Settlement](#) on page 1462

Reference

[Reference: Cash Position Reports](#) on page 1543

Create Banking Cash Pools

- Set up an intercompany profile for multicurrency cash pools.
- Security: *Set Up: Cash Pool* domain in the Cash Management functional area.

Create a cash pool to combine your balances on a number of separate bank accounts into a single account. You can consolidate multiple subaccounts across companies, financial institutions, and currencies into a master account to:

- Report on bank account balances and activity by cash pool.
- Evaluate when to transfer funds across bank accounts based on the collective cash pool balance.

1. Access the **Create Cash Pool** task.

2. Select a company bank account to use as the master account.

Workday aggregates the bank balances from the subaccounts to this master bank account in your structure.

3. Select 1 or more subaccounts to link to the master bank account in the cash pool.

You can add subaccounts either in the same currency or multiple currencies to the master bank account.

You can now manage your total cash balances in a centralized account. The cash pool enables you to optimize the interest paid and received on a pooled balance to improve liquidity management.

- Use the **Find Cash Pool** report to find and view the cash pools for your organization. You can select these options from the related actions menu of a cash pool:
 - **Edit** to change any of the attributes. You can also add or remove subaccounts.
 - **Copy** to change the master account or subaccounts and save it as a new cash pool.
 - **Inactivate** to mark it as inactive so that it's unavailable for cash pool reporting.
- Use these reports to view the cash pool balances and evaluate the need for transferring funds across your financial institutions:
 - **Intraday Cash Pool Balance Summary**: Displays the current day balances in reporting currency by cash pool using your intraday bank statements.
 - **Prior Day Cash Pool Balance Summary**: Displays the prior day balances in reporting currency by cash pool using your prior day bank statements.

Workday uses the currency rate type that you select in the reports to translate the master and subaccount currencies to a single reporting currency.

You select balance type codes to view the cash pool balances for the master and subaccounts. Workday automatically includes the closing ledger balance type codes for these bank statement file formats:

- BAI2 – Type Code 015
- BTRS – Type Code 015
- ISO – Type Code CLBD
- MT940/942 – Type Code 62F

- Create bank account transfers for settlement to move funds across accounts within the same or different cash pools. You can transfer and settle the funds using the EFT or wire payment type.

Concepts

[Setup Considerations: Direct Intercompany Activities](#) on page 40

Tasks

[Steps: Perform Bank Account Transfers for Settlement](#) on page 1462

Cash Positioning

Setup Considerations: Cash Positioning

You can use this topic to help make decisions when planning your configuration and use of cash positioning. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

In Workday, you can generate cash position reports to assess and manage your daily inflows, outflows, and bank account balances from bank statements and external cash flows.

Business Benefits

Cash positioning enables you to:

- Track your cash balances and bank account transactions on specific dates.
- Make informed decisions on moving funds across multiple bank accounts.
- Make more accurate cash projections for the near term.
- Analyze cash flow trends to understand how well your organization is managing cash.

Use Cases

You can use cash positioning to:

- Compare your current day cash position with pending liabilities to minimize overdrafts.
- Make efficient investment and borrowing decisions based on a surplus or shortfall of bank balances.
- Maximize interest income by concentrating funds into a specific account.
- Prepare for projecting the next opening available bank balances with float.

Questions to Consider

Question	Considerations
Do you need to create cash activity category worktags for cash position reporting?	You use cash activity category worktags to establish the cash position reporting structure. When you map cash activity category worktags to bank statement lines, you group your daily cash receipts and payments into logical categories for more granular level reporting.

Question	Considerations
	Example: You can group all of your electronic payments associated to different bank statement type codes under the <i>EFT Payments</i> cash activity category. When you don't use the worktags, Workday displays all cash activities under the Other Inflows and Other Outflows column on the reports.
How can you view your prior day and intraday cash positions?	Workday provides these types of reports: • Prior day reports for viewing the actual closing balance and cash activities as of the end of the previous day. These reports are based on your prior day bank statements. • Intraday reports for viewing your daily cash positions with the opening balance and most recent cash activities, such as pending items that aren't yet cleared. These reports are based on your intraday bank statements.
How can you view concentration bank accounts and zero balance accounts (ZBA) on a consolidated cash position report?	You can define the relationship between the concentration and ZBA accounts using cash pools. Cash pools enable you to define the master and subaccount cash activities in a single logical grouping. You can filter by cash pool in cash position reports.
How do you compare a cash position with a cash forecast?	Create and generate a cash forecast to compare with your actual cash flows. When you define the cash forecast outline structure, you can map cash activity worktags to the outline rows. Then, you can run the Cash Forecast to Actuals in Reporting Currency report to view the cash position values compared with cash forecasts.

Recommendations

- Define cash activity worktags to the level of detail that you want in your cash position reports. You can choose how to organize your inflows and outflows into logical groups using the worktags. Then, assign the cash activity worktags to type codes on bank statement lines using bank statement worktag mappings. Workday groups your daily cash activities on the reports based on the bank statement worktag definitions.
- You can record external cash activities to include in your intraday cash positions. External cash activities originate outside of Workday and aren't included on your intraday bank statements. Examples include investment payments from third-party systems or recurring cash activities such as rent payments. When you generate cash position reports, they display your daily cash position based on the external cash activities and bank account balances.
- Consolidate related bank accounts into a cash pool. You can group multiple subaccounts across companies, financial institutions, and currencies into a single account to evaluate funding needs based on a collective bank account balance. You can filter the cash position reports by cash pool.
- Use the advanced reporting capabilities in Worksheets to create a cash position. You can link your custom cash position reports as live data in a worksheet. To create cash position reports with the most current information, you can use the automatic scheduling feature in Worksheets to schedule regular updates.

Requirements

Upload or manually record prior day or intraday bank statements in these formats:

- BAI2.
- BTRS.
- ISO 20022.
- MT940/942.
- Custom formats such as comma separated value (CSV).

Limitations

You can't use quick entry bank statements for cash position reporting since they don't contain type codes and cash activity category worktags. You can only use them for bank account reconciliations.

Tenant Setup

No impact.

Security

Domain	Considerations
<i>Process: Cash Forecast Reporting</i> in the Cash Management functional area	Users can: • Record external cash activities to include in intraday cash positions. • Create cash activity groups for recurring external cash activities.
<i>Report Execution</i>	Users can view the cash position standard and custom reports.
<i>Process: Bank Statement - Reporting</i> in the Banking and Settlement functional area	Users can create a custom report using the Bank Statement Lines report data source to view all bank statement lines by bank account.
<i>Reports: Cash Forecast Reporting</i> in the Cash Management functional area	Users can compare forecasted cash activities with actual cash positions in the Cash Forecast to Actuals in Reporting Currency report. Users can also build custom reports using report data sources and filters.

Business Processes

Business Process	Considerations
<i>Bank Statement Event</i>	Configure to route prior day bank statements for approvals.
<i>Intraday Bank Statement Event</i>	Configure to route intraday bank statements for approvals.

Reporting

Report or Dashboard	Considerations
Cash Management dashboard	These worklets provide insights into your prior day and intraday cash positions: • Intraday Balance by Bank Account • Intraday Balance Summary • Prior Day Balance by Bank Account • Prior Day Balance Summary • Prior Day Ending Balance by Bank Account • Prior Day Ending Balance Summary • Prior Day Statements by Date
Intraday Cash Position in Bank Account Currency report	View current day cash receipts and payments in the bank account currency using intraday bank statements and external cash activities.
Intraday Cash Position in Reporting Currency report	View current day cash receipts and payments in a single reporting currency using intraday bank statements and external cash activities.
Prior Day Cash Position in Bank Account Currency report	View prior day cash receipts and payments in bank account currency using prior day bank statements.
Prior Day Cash Position in Bank Account Currency (Using Beginning Balance) report	View prior day cash receipts and payments in bank account currency using prior day bank statements. The cash position is based on bank statement ending balances.
Prior Day Cash Position in Reporting Currency report	View prior day cash receipts and payments in a single reporting currency using prior day bank statements.
Prior Day Cash Position in Reporting Currency (Using Beginning Balance) report	View prior day cash receipts and payments in a single reporting currency using prior day bank statements. The cash position is based on bank statement ending balances.

We suggest using these report data sources and filter to build custom reports:

Report Data Source or Filter	Considerations
Bank Statement Balance(All) data source	Displays the cash balances at the bank account level. It prompts you for the financial institution, currency, bank account, company, and starting and ending bank statement dates to filter the results.
Bank Statement Lines data source	Displays the prior day cash inflows and outflows. It prompts you for the bank accounts, bank statements, and start and end dates to filter the results.
Intraday Bank Statement Lines data source	Displays the intraday cash inflows and outflows. It prompts you for the bank account, and starting and ending bank statement line dates to filter the results.

Report Data Source or Filter	Considerations
Prior Day Carry Forward Bank Account Balances for Weekends and Holidays data source filter	Use this filter to carry forward ending balances from the last bank statements to opening balances for weekends or holidays. It enables your cash position report to reflect more accurate account balance totals for that period. Example: A cash position report displays opening balances as 0.00 on country-specific holidays for several of your bank accounts. This zero balance resulted from unavailable bank statements on the holidays.

Integrations

Web Service	Considerations
<i>Import Bank Statement</i>	Mass imports prior day bank statements with cash balances and cash inflows and outflows to use for prior day cash positions.
<i>Import Intraday Bank Statement</i>	Mass imports intraday bank statements with cash balances and cash inflows and outflows to use for intraday cash positions.
<i>Put Cash Activity Category</i>	Loads cash activity categories into Workday to use for categorizing cash inflows and outflows on prior day and intraday cash positions.

Connections and Touchpoints

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Concepts

[Setup Considerations: Cash Forecasting with Worksheets](#) on page 1551

[Setup Considerations: Banking Cash Pools](#) on page 1530

Tasks

[Steps: Enter External Cash Activities](#) on page 1540

[Steps: Define Cash Activity Categories](#) on page 1477

Reference

[Reference: Cash Position Reports](#) on page 1543

[Workday 32 What's New Post: Unify Cash Forecasting and Cash Positioning](#)

Steps: Manage Cash Positioning

You can use cash position reports to determine your daily cash position based on bank account balances and external cash flows. You can compare current day cash position with pending liabilities to make more informed decisions on bank account transfers and bank account balances. Example: Based on your current cash position, you decide to:

- Invest surplus funds in short-term and long-term investments.
- Transfer funds between accounts to avoid potential overdrafts.

1. Record prior day and intraday bank statement information in Workday.

You can:

- [Enter Bank Statements Manually](#) on page 1499.
- [Enter Intraday Bank Statements Manually](#) on page 1539.
- Configure a bank statement integration to upload bank statement files in bulk.

See [Steps: Set Up Bank Statement Load Integration](#).

2. (Optional) Configure cash activity categories.

Map cash activity worktags to bank statement type codes to group your cash receipts and payments by logical category on cash position reports.

See [Steps: Define Cash Activity Categories](#) on page 1477.

3. (Optional) [Record External Cash Activities](#) on page 1540 or [Record Recurring or Distributed External Cash Activities](#) on page 1541.

Record cash activities from external sources to include in your intraday cash positions.

4. (Optional) Configure normalized bank balances.

Map bank statement balance type codes to normalized balances to standardize the bank balances from different statement file formats on cash position reports.

See [Steps: Define Normalized Bank Balances](#) on page 1477.

5. Generate prior day or intraday cash position reports.

See [Reference: Cash Position Reports](#) on page 1543.

Concepts

[Concept: Cash Management Dashboard](#) on page 1577

Enter Intraday Bank Statements Manually

Configure the *Intraday Bank Statement Event* business process and security policy in the Cash Management functional area.

You can record your intraday bank statements in Workday to determine your daily cash position. Intraday statements can include a combination of booked and pending items. Workday enables you to enter or import any number of intraday bank statements per day without impacting prior day bank statement reconciliations.

1. Access the **Record Intraday Bank Statement** task.
2. Specify the **Statement Date** from the bank statement.

Workday automatically populates the date that follows the previous statement date for the bank account.

3. Enter the balances and transactions from the bank statement by type code.
4. As you complete the task, consider:

Option	Description
Type Code	Select the type code that identifies the type of activity on the bank statement line. Example: Type code 475 that identifies a paid check amount. You can select predefined custom type codes or standard type codes. The type codes are based on the bank statement format associated with the bank account.
Value Date	(Optional) Enter the date when the financial institution recognizes the full transaction value

Option	Description
	on the bank statement line. When you specify a value date, you can: • Group multiple bank statement lines or match individual lines by their value date using matching rules for automatic bank reconciliations. • Generate ad hoc bank transactions and the associated accounting based on the value date for manual or automatic bank reconciliations. Workday posts the journal lines to the accounting period containing the value date. If this period is closed, Workday posts the journal lines to the next open period. If you don't specify a value date, the ad hoc transactions reflect the bank statement line date by default.

Workday routes the intraday bank statement for approvals.

- Generate intraday reports to assess your cash position.
- Use the **Find Intraday Bank Statement** report to locate this statement and make changes, such as new or removed transactions, or edits to transaction details.

Reference

[Reference: Cash Position Reports](#) on page 1543

[2021R1 What's New Post: Bank Statement Line Value Dates](#)

Steps: Enter External Cash Activities

You can record external cash activities that you're anticipating for a given period. External cash transactions originate outside of Workday and aren't reflected on your intraday bank statements. Example: Cash flows from third-party systems such as investment payments.

1. [Record External Cash Activities](#) on page 1540 or [Record Recurring or Distributed External Cash Activities](#) on page 1541.
2. (Optional) Edit and mark the external cash activity or cash activity group as processed when it settles and appears on your bank statement.

You can edit the cash activities using these reports:

- **Find External Cash Activities**
- **Find Recurring or Distributed External Cash Activity Group**

Your calculated closing balance in intraday cash position reports will reflect your most current cash activities that are still pending.

Workday includes the operating activities in your intraday cash position for each bank account.

Generate cash position reports to view your daily cash position.

Record External Cash Activities

Security: *Process: Cash Forecast Reporting* domain in the Cash Management functional area.

Record external cash activities in Workday to include in your intraday cash positions.

1. Access the **Create External Cash Activity** task.

2. As you complete the task, consider:

Option	Description
Cash Activity Date	On intraday cash position reports, Workday includes only the transactions that match the specified cash activity date.
Currency	Select the currency to use for the external cash activity transactions. On intraday cash position reports, you can select to display multicurrency transactions using the reporting currency or bank account currency.
Debit/Credit	The debit and credit transactions display as inflows and outflows on the cash position reports.
Counterparty	(Optional) Select a predefined counterparty, or create an ad hoc counterparty to associate with the payment or receipt. These include suppliers, customers, investors, or any user-defined counterparties. On the cash position reports, you can drill down on each cash activity to view the counterparty for the transaction.
Processed	(Optional) When Workday processes the pending external cash activity, select to remove it from the calculated closing balance and update the bank account balances on intraday cash position reports.
Worktags	(Optional) Select a cash activity category worktag to associate with the transaction. The cash position reports use the worktags to group bank statement lines by the type of cash activity. If you don't select a worktag, Workday groups the transactions under Other Inflows or Other Outflows on the reports.

You can generate a current day cash position using bank statements and external cash activities for more accurate reporting.

Use the **Find External Cash Activities** report to review and track all of your external cash activities.

You can also access the **Edit External Cash Activity** task from the related actions menu of an external cash activity to edit and change the details.

Tasks

[Steps: Manage Cash Positioning](#) on page 1538

[Steps: Define Cash Activity Categories](#) on page 1477

Record Recurring or Distributed External Cash Activities

Security: *Process: Cash Forecast Reporting* domain in the Cash Management functional area.

For recurring external cash activities, such as rent payments or controlled disbursements, you can create cash activity groups to:

- Configure cash activity amounts to reoccur on a regular basis.

- Distribute a specified cash activity sum amount across multiple days.
1. Access the **Create Recurring or Distributed External Cash Activity Group** task.
 2. As you complete the task, consider:

Option	Description
Currency	Select the currency to use for the external cash activity transactions. On intraday cash position reports, you can select to display multicurrency transactions using the reporting currency or bank account currency.
Debit/Credit	The debit and credit transactions display as inflows and outflows on the cash position reports.
Counterparty	(Optional) Select a predefined counterparty, or create an ad hoc counterparty to associate with the payment or receipt. These include suppliers, customers, investors, or any user-defined counterparties. On the cash position reports, you can drill down on each cash activity to view the counterparty for the transaction.
Processed	(Optional) When Workday processes the pending external cash activity group, select to remove it from the calculated closing balance and update the bank account balances on intraday cash position reports.
Worktags	(Optional) Select a cash activity category worktag to associate with the transaction. The cash position reports use the worktags to group bank statement lines by the type of cash activity. If you don't select a worktag, Workday groups the transactions under Other Inflows or Other Outflows on the reports.
Cash Activity Type	Defines how the external cash activity amount appears in your cash position reports: • Distributed: Workday distributes the specified cash activity amount across a number of days from the start date. Example: You distribute a cash activity amount of 100,000.00 over 5 days. Workday creates 5 entries of 20,000.00 to display on each intraday cash position report. • Recurring: Workday includes the specified cash activity amount in each period within the date range.

Workday includes the external cash activities in your intraday cash position reports for the same company and bank account.

Use the **Find Recurring or Distributed External Cash Activity Group** report to review and track your recurring or distributed external cash activities.

You can also access the **Edit Recurring or Distributed External Cash Activity** task from the related actions menu of an external cash activity group to change its details, such as the cash activity dates or cash activity amounts, for a specified period.

Reference: Cash Position Reports

This table lists reports that provide visibility into your daily cash position based on bank account balances and external cash flows. Workday groups the daily cash activities into logical categories based on your bank statement worktag definitions. You can use the reports to assess your inflows and outflows for funding or investing activities.

Report	Description
Intraday Cash Position in Bank Account Currency	Displays the current day cash receipts and payments in bank account currency using intraday bank statements and external cash activities. The report enables you to identify a shortage or surplus of funds based on the target balance and closing balance of the bank account. You can run the report by bank account or currency, and filter the bank accounts by cash pool. You select the opening and closing balances to display by their bank statement type code.
Intraday Cash Position in Reporting Currency	Displays the current day cash receipts and payments in reporting currency using intraday bank statements and external cash activities. The report enables you to identify a shortage or surplus of funds based on the target balance and closing balance of the bank account. You can run the report by bank account, company, or financial institution. You can also filter the bank accounts by cash pool.
Prior Day Cash Position in Bank Account Currency	Displays the prior day cash receipts and payments in bank account currency using prior day bank statements. You can run the report by bank account, and filter the bank accounts by cash pool. You select the opening and closing balances to display by their bank statement type code.
Prior Day Cash Position in Bank Account Currency (Using Beginning Balance)	Displays the prior day cash receipts and payments in bank account currency using prior day bank statements. You can run the report by bank account, and filter the bank accounts by cash pool. The cash position is based on bank statement ending balances.
Prior Day Cash Position in Reporting Currency	Displays the prior day cash receipts and payments in reporting currency using prior day bank statements. You can run the report by bank account, company, or financial institution. You can also filter the bank accounts by cash pool.
Prior Day Cash Position in Reporting Currency (Using Beginning Balance)	Displays the prior day cash receipts and payments in reporting currency using prior day bank

Report	Description
	statements. You can run the report by bank account, company, or financial institution. You can also filter the bank accounts by cash pool. The cash position is based on bank statement ending balances.

Tasks

[Steps: Define Cash Activity Categories](#) on page 1477

[Steps: Manage Cash Positioning](#) on page 1538

Cash Forecasting

Steps: Produce Cash Forecast Reports

- Configure the *Cash Forecast Report Event* business process and security policy in the Cash Management functional area.
- Security: *Process: Cash Forecast Reporting* and *Reports: Cash Forecast Reporting* domains in the Cash Management functional area.

Note: We plan to retire the cash forecasting 1.0 functionality in a future update. Workday recommends you use the new cash forecasting with Worksheets that provides advanced forecast modeling and reporting capabilities.

To produce cash forecast reports, you can define the report layout, identify system and manual inputs, generate the report, make adjustments, and publish for others to view. Your reports can utilize bank balances and transactions that are already captured in Workday. You can also define additional external inputs and record the adjustments against them, which is needed to complete the reports.

You can use this report beyond cash forecasting simply as a generic reporting tool where you can pull in specific transaction information.

1. Lay out your cash forecast report on paper, thinking about your sources of data and what you want your columns and rows to be.
2. (Optional) Access the **Maintain Cash Forecast Component Categories** task.
Create categories in which to organize your cash forecast components for easier retrieval later on.
3. [Define Cash Forecast Components](#) on page 1546.
These make up the rows of your report.
4. [Maintain Cash Forecast Rules](#) on page 1545.
Use this task as needed to limit the scope of data that you pull from Workday sources in your cash forecast components.
5. [Define a Time Span Profile](#) on page 1549.
This makes up the columns of your report.
6. (Optional) Access the **Maintain Cash Forecast Report Categories** task.
Create categories in which to organize your cash forecast report definitions for easier retrieval later on.
7. [Set Up Cash Forecast Report Definitions](#) on page 1550.

8. Set up cash forecast report profiles.

These profiles are the lenses through which you can view the cash forecast report. Use them to define the display options for a unique view of the cash forecast report.

- a) Access the **Create/Edit Cash Forecast Report Profile** task.
- b) Specify for the **Cash Forecast View Type** to override the default view from the cash forecast report definition.
- c) Select the **Currency** that you want to view the report in and the currency conversion **Rate Type**. Your selections override the currency and rate type for each of the components.
- d) Select **Worktags** to filter report results by a specific dimension, such as customer.

9. Access the **Create Cash Forecast Report** task.

Generate and view the report.

10.(Optional) [Make Adjustments to Cash Forecast Reports](#) on page 1550.

11.(Optional) From the cash forecast report, select **Refresh Data** to update a report to include:

- New or changed transaction data now available since the time you ran the report.
- Adjustments made to the report.
- Changes made in the report profile.

Note:

Refresh Data doesn't reflect any modifications made to the:

- Cash forecast component definition.
- Condition rules you use in the cash forecast component definition.
- Cash forecast report definition.

If you change these definitions, create a new report.

12.From the cash forecast report, click **Publish** to initiate the process that finalizes the report for publication.

Publishing launches the *Cash Forecast Report Event* business process that sends the completed report for notification and approval. Because the report is in the publication process, approvers must have security access to the *Process: Cash Forecast Reporting* domain. If you have included a review step in the business process, reviewers can update the report during review and approval.

Once a report is published, it cannot be modified or refreshed.

13.View the published cash forecast report.

Viewers must have security access to published cash forecast reports through the *Reports: Cash Forecast Reporting* domain.

14.If necessary, you can **Rescind** the report publishing event, which reverts the report back to draft status. At this point, you can edit, refresh, and republish the report.

A typical process flow starts when the cash manager creates a report. Individuals with security permission view it, and then the cash manager revises and submits the report for publication. The *Cash Forecast Report Event* business process routes the report for optional approval. When the business process completes, the cash forecast report is published and the controller can view it.

Maintain Cash Forecast Rules

Create condition rules that you can apply to cash forecast components to limit the scope of data you pull from Workday sources.

1. Access the **Maintain Cash Forecast Rules** report, select the transaction, and click **Add Cash Forecast Rule**.

You can also add rules later when editing cash forecast components.

2. Define each condition for the rule:

Option	Description
Source External Field or Condition Rule	You can select from delivered Workday sources or from condition rules that you've already defined.
Relational Operator	Options depend on the data type of the source.
Comparison Type	Specify whether to compare the source to another field or to a value that you enter in the Comparison Value column.
Comparison Value	Either select a comparison field or enter the value to compare to the source.

You can now use the cash forecast rule in cash forecast components.

Define cash forecast components.

Define Cash Forecast Components

Define the individual components that make up each row on your cash forecast report. You can share components across reports. It is best to layout the report on paper first, and then start building the components.

When defining components, the opening cash balance in the starting position and the ending cash balance in final position must reference each other. Because of this circular reference, Workday recommends that you define your components in this sequence:

- Define your starting position using a *Balance/Carry Over* component but leave the **Carry Forward From** field blank.
- Define *Amount* components for your inflows and outflows.
- Define your *Accumulation* components, the final accumulator being your ending balance.
- Update your starting position component to reference the ending balance component in the **Carry Forward From** field.

1. Access the **Create/Edit Cash Forecast Component** task.

2. Select the component to edit, or create a new component:

Option	Description
Amount	The basic building blocks of your cash forecast reports. You can have them pull data from Workday sources and cash forecast adjustment entries.
Accumulation	Aggregate of one or more amount components and other accumulation components into a new component.
Balance/Carry Over	This is the beginning balance for the first column of your cash forecast report. You can specify amount details just like an amount component. For subsequent columns, this is the carry over balance from one of the accumulator components, typically your ending balance component. You can specify amount details, a carry over accumulation component, or both.

3. As you complete the task, consider:

Option	Description
Name	The name that displays in prompts when retrieving the component for inclusion in the report.
Report Row Label	The label that displays for the row on the actual report.
Category	To organize your components for easier retrieval, select a category. To create categories, use the Maintain Cash Forecast Component Definition Categories task.
Inactive	Not available for future use. Existing use of the component in report definitions and other component definitions remains functional.
In Report Definition In Component Definition	If in use, Workday displays these fields to indicate where.
Days Prior to Report Date	(<i>Amount</i> components only) Specify when you want to begin pulling source data into the amount component. Enter 0 to have Workday pull source data beginning on the Report Date specified when you create a cash forecast report. Or specify the number of days before this report date for which you want to pull additional data into the first column of the report. You can go back as many as 180 days before the report date. Example: A weekly report that pulls data 7 days prior and is run on March 8 will include data in the first column back to March 1.
Carry Forward From	(<i>Balance/Carry Over</i> components only) Specify the accumulation component that carries over from the previous column of the report. This is typically the ending balance accumulation component.
Currency	Assign a specific currency and Currency Rate Type to use for this component in the cash forecasting report. If the currency of any data that Workday pulls into the report differs when you run the report, Workday converts these amounts to this currency. You can display individual components in their own currencies on the same report.
Reverse Sign for Accumulation	(<i>Amount</i> and <i>Balance/Carry Over</i> components) Select to reverse the sign for this component amount. The sign reversal impacts the number that displays on the cash forecast report for this component. It also impacts the sum of any accumulation component that uses this component, such as the ending cash position. Example: Select to reverse the sign for your

Option	Description
	outflows so that they display on the report and in accumulation components as negative numbers.

4. For amount and balance/carry over components, specify the **Amount Details**:

Option	Description
Source Definition	From the Workday delivered source definitions, select the data that you want to pull into the report through the component. Unless you assign a condition rule to filter source transaction data, Workday pulls in the data for all statuses (approved, in progress, draft, canceled and so on).
Amount and Date	Sometime sources have multiple amount values. Select the one that you want to use.
Condition Rule	To limit the scope of data, apply a condition rule as defined using the Maintain Cash Forecast Rules task. Workday does not provide filters for any of the source transaction data. To filter, create a condition rule. Example: You can create a rule to pull in approved supplier invoices only.
Multiplier	Add a multiplier greater or less than one to the results.
Add New Rule	When editing, click to add a new cash forecast rule for the selected Source Definition . You can then select this new rule as a Condition Rule for the source.

Note: For components that only pull data from external sources, you can define an amount component without details. Then you can record adjustments against the component when you run the report.

5. For accumulation components, specify **Accumulation Details**:

Option	Description
Order	The order that you list the included components controls the structure and order of how amounts appear in the cash forecast report.
Cash Forecast Component	From the existing cash forecast components, select the ones that you want to accumulate and pull into the report through the component.

6. To launch the **Create/Edit Cash Forecast Component** task in a new window, click **Add Component** or **Edit Component**.

The cash forecast component is available for use in cash forecast reports definitions, and in other components.

You can use the **View Cash Forecast Component Definition** report to review details of a specific cash forecast component. Workday provides buttons that enable you to edit or add a component. You can also add a cash forecast rule to use as condition when pulling data from a source definition.

If you change the component definition or condition rules, create a new report. **Refresh Data** doesn't reflect these modifications.

- Define another cash forecast component.

- Set up cash forecast report definitions.

Tasks

Steps: [Produce Cash Forecast Reports](#) on page 1544

Define a Time Span Profile

Security: *Process: Cash Forecast Reporting* domain in the Cash Management functional area.

To define the columns of your cash forecast reports, create a time span profile. A time span profile can have any combination of time you would like to report on.

1. Access the **Create/Edit Time Span Profile** task.
2. As you complete the task, consider:

Field	Description
Name	Assign a unique name for easy selection during prompting.
Inactive	Select to make the time span profile unavailable to use in any future cash forecast report definitions. It will no longer display as an option in prompts. You can still generate cash forecast reports where the time span profile is already in use.
Order	Place the time types in the order that you want Workday to display them. Workday sequentially strings together each time type without overlap. Example: If a daily time type ends on Tuesday, and the next time type is weekly, it will begin on Wednesday.
Time Type	Day, week, month, quarter, or year. You can add one or more types of time to a time span profile.
Processing Duration	A <i>Specific Quantity</i> of the selected Time Type , which you then enter in the Quantity field, or the logical end of the selected Time Type : end of week, end of month, end of quarter, end of year.

3. (Optional) Test the time span profile.
 - a) As a related action on the time span profile, select **Time Span Profile > Test**.
 - b) To edit, select **Time Span Profile > Edit**.

After you create time spans, you can use them to help define the scope (visually, the columns) of your cash forecasting report definitions.

To define a time span profile for a quarter, select a **Time Type** of *Quarter* and **Processing Duration** of either a *Specific Quantity* of quarters or *End of Year*. The cash forecast report in which you use this time span will have a column for each quarter.

- Set up cash forecast report definitions.
- If you are using Cash Forecasting with Worksheets, select a time span profile when you generate a cash forecast.

Tasks

Steps: [Produce Cash Forecast Reports](#) on page 1544

Set Up Cash Forecast Report Definitions

- Create a time span profile.
- Define cash forecast component definitions.

To specify the overall content of the report, use the **Create/Edit Cash Forecast Report Definition** tasks. Through the definition, you control the components for the rows, the time span for the columns, and the view and filtering of the report.

1. Access the **Create/Edit Cash Forecast Report Definition** task.
2. Specify the **Category** to which the report belongs, such as cash forecasting or cash positioning.
3. To define the columns of your report, select a **Time Span Profile**.
4. Select how you initially want to view the report. There are 3 spreadsheet view options:

Option	Description
Tree	Displays the accumulation hierarchy as a tree on the left, while the right side displays the selected component and one level down.
Navigation	Enables you to drill down through the periods and accumulations.
Spreadsheet	Initially displays with the default report view and report profile. You change either from the related actions menu of the report instance. To edit, refresh, or publish the report, use action buttons.

5. To associate the report with a default view, select a **Default Report Profile**.
6. Specify the top-level **Report Components** and the **Order** in which they display as rows on the report. Workday automatically compiles the lower-level structure into the report based on your cash forecast component definitions. You do not have to select these lower-level components.
7. Create a missing component by clicking the **Add Component** button.

Schedule cash forecast reports using your cash forecast report definition.

- Run or schedule reports.
- If you've modified a report definition that is used in unpublished reports, create a new report. Refreshing a report does not reflect report definition changes.

Make Adjustments to Cash Forecast Reports

To edit amounts in unpublished cash forecast reports, use the **Cash Forecast Report Adjustment** task. You select a forecast component definition for the adjustment, such as *customer* or *supplier invoices*. The adjustment is applied to all reports using this component, unless you filter specific reports to adjust.

1. Access the **Create/Edit Cash Forecast Report Adjustment** task.
2. Select the **Report Component** to adjust.
All reports that include this component are adjusted, unless you limit the adjustment to specific reports using the **Limit to Reports** filter.

3. Specify an **Adjustment Date**.
4. Enter an **Adjustment Amount**.

Note: If you checked **Reverse Sign for Accumulation** on the component definition, the sign on your adjustment is also reversed when you run the report.

5. To apply the adjustment to a subset of reports, select specific reports from the **Limit to Reports** prompt.

6. Select **Worktags** when the report profile uses them to filter data so the adjustment is made to the same specific dimension, such as customer. To provide further insight when drilling down into report details, you also select **Worktags** to associate an adjustment with a specific component.
7. (Optional) To discontinue using this adjustment in reports, select **Adjustment Inactive**.
8. To view a report after the adjustment, select **Refresh Data** from the cash forecast report.

The component in new reports includes the adjustment, and you can **Refresh Data** for reports in progress to reflect the adjustment. Adjustments are made to the component until you deactivate the adjustment.

Cash Forecasting with Worksheets

Setup Considerations: Cash Forecasting with Worksheets

You can use this topic to help make decisions when planning your configuration and use of cash forecasting with Worksheets. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

You can set up cash forecasting with Worksheets to create cash forecasts for viewing in cash forecast reports and dashboards. You can use Worksheets to model what-if scenarios in a spreadsheet format using your operational transactions, bank statement transactions, and external cash activities. Cash forecast reports provide visibility into your future cash activities for making accurate projections and decisions on funding and investing needs.

Business Benefits

Cash forecasting with Worksheets enables you to:

- Collaborate with other users to model cash forecasts more efficiently and streamline the process.
- Link supplier invoices, customer invoices, expenses, payroll, or other custom payment reports to automatically populate forecasted data and reduce manual data entry on model workbooks.
- Compare and analyze your forecasts versus actuals to increase accuracy for projecting future cash flows.
- Schedule and automate the cash forecast generation process on regular intervals to produce predictable and reliable cash forecasts.

Use Cases

You can use cash forecasting with Worksheets to:

- Define a cash forecasting structure to prepare projected cash inflows, outflows, and balances for current and future cash positions.
- Schedule Workday to automatically generate a rolling, 12-month cash forecast every month to determine the liquidity requirements for supporting strategic company initiatives.
- Output your cash forecasts to reports or a Cash Management dashboard to track liquidity, identify future cash shortfalls, and make funding and investing decisions.

Questions to Consider

Question	Considerations
Can you replicate an existing non-Workday cash forecast outline structure to use for cash forecasting with Worksheets?	You can replicate your cash forecast structure that exists outside of Workday exactly as it appears in production. You can also use your existing spend categories or revenue categories to define forecasted cash activities such as rent, interest, or domestic and international payments.
Why is it important to construct a hierarchical outline structure with multiple levels?	A hierarchical cash forecast outline with multiple levels enables you to: • Drill down to the lowest levels on the reports. • Include summaries, or subtotal balances of lower-level inflow and outflow amounts. • Create granular cash forecast worklets on your Cash Management dashboard. Worklets display a graphical report for each lower-level detail on your structure.
How can you use non-Workday data sources for modeling your cash forecast data?	You can record external cash activities using the Create External Cash Activity task, or the <i>Import External Cash Activities</i> web service. You can also upload ad hoc data from local storage into Worksheets. Workday then converts the data into a model worksheet that you can merge with your cash forecast worksheet.
How can you collaborate with other users to prepare forecasted data related to payroll, tax, and other secured cash activities?	The owner of the worksheet can assign view, edit, and comment permissions in Worksheets.
How can you keep your in-progress cash forecasts current with the latest updates in Workday?	You can link Workday source data as live data in Worksheets and schedule automatic refreshes to keep cash forecast changes up to date.

Recommendations

- Because you can only assign 1 time span profile to an outline, we recommend that you define multiple cash forecast outlines for specific usages. Example: A monthly forecast at a high level and a daily forecast at a more detailed level.
- If you use a company hierarchy in the outline, the cash forecast displays amounts and balances separately for each company. It's a good practice to keep the companies that you want to compare in 1 workbook, since the cash forecast displays the companies side by side. You can generate other workbooks for the companies that you're not comparing.

Requirements

To display your published cash forecast in the standard reports, map your outline to Workday aliases using the **Map Standard Aliases** task. Select *Cash Forecast Outline Row* on the **Business Object** prompt.

Example: Map these standard aliases to the associated rows in your outline structure:

Standard Alias	Mapped Tenanted Value
_FC_Outline_Top_Level	<i>Daily Cash Forecast</i>
_FC_Opening Balance	<i>Opening Balance</i>
_FC_Inflows	<i>Cash Inflows</i>
_FC_Outflows	<i>Cash Outflows</i>

Limitations

You can only map the Workday standard aliases to a single cash forecast outline. If you're using more than 1 outline for cash forecasting, you can copy the standard reports as custom reports to link to the other outlines. We recommend that you contact Workday Professional Services or a Workday Consulting partner for assistance.

Tenant Setup

No impact.

Security

Domain	Considerations
<i>Worksheets</i> in the System functional area	Users secured to this domain can create, upload, edit, share, and collaborate on workbooks.
<i>Drive</i> in the System functional area	Provides access to Workday Drive for storing workbooks and other file types, such as CSV files, for use in Worksheets.
<i>Set Up: Cash Forecasting</i> in the Cash Management functional area	Provides access to all cash forecast outline functionality.
<i>Process: Cash Forecast Reporting</i> in the Cash Management functional area	Provides access to all cash forecast generation functionality. Users can also maintain cash activity categories and external cash activities.
<i>Process: Cash Forecast Data Automation</i> in the Cash Management functional area	Provides access to cash forecast data sources and reports to use for automated data accumulation in Worksheets.
<i>Reports: Cash Forecast Reporting</i> in the Cash Management functional area	Users secured to this domain can view published cash forecasts and standard reports.
<i>Aliases</i> in the System functional area	Users secured to this domain can use the Map Standard Aliases task to map cash forecast outline rows to Workday aliases for reporting purposes.

Business Processes

Business Process	Considerations
<i>Cash Forecast Event 2.0</i>	Publishing the cash forecast launches this business process to send the completed cash forecast for notification and approval. When you add a review step in the business process definition, reviewers can update the report during review and approval.

Business Process	Considerations
	All reviewers must have security access to the <i>Process: Cash Forecast Reporting</i> domain.
<i>Cash Forecast Intercompany Event 2.0</i>	Configure this business process if you use intercompanies in your organization. Reviewers from each company must approve the cash forecast for the publishing process to complete.

Reporting

Report or Dashboard	Considerations
Cash Forecast by Reporting Currency report	Displays your forecasted cash activities and published cash forecast workbook using the specified reporting currency.
Cash Forecast by Transaction Currency report	Displays your forecasted cash activities and published cash forecast workbook using the transaction currency.
Cash Forecast to Actuals in Reporting Currency report	Displays your forecasted cash activities, actual cash positions, and their variances based on the cash forecast outline. Variances in the forecasts and actuals can indicate shortfalls or surplus funds. Upload or manually enter prior day and intraday bank statements to display the actuals.
Cash Management dashboard	You can create custom worklets to display on this dashboard using the Cash Forecast Cells 2.0 report data source.

We suggest using these report data sources to build custom reports with cash forecasts:

- **Cash Forecasts 2.0**
- **Cash Forecast Cells 2.0**
- **External Cash Activity Group**

Integrations

You can use the *Import External Cash Activities* web service to import cash activities from third-party systems into Workday. You can then build a custom report using the **External Cash Activity Group** report data source and business object, and link the report to your model worksheet to prepopulate your cash forecasts with the cash activities.

Connections and Touchpoints

You can link custom reports with these cash activities from outside cash management to your model worksheet:

- Customer invoices
- Expense reports
- External cash activities
- Payroll payments
- Supplier invoices

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Tasks

[Create a Cash Forecast Outline](#) on page 1556

[Steps: Use Cash Forecasting with Worksheets](#) on page 1558

Reference

[Reference: Cash Forecast Reports](#) on page 1564

[Workday 32 What's New Post: Cash Forecasting with Worksheets](#)

[The Next Level: Cash Forecasting with Worksheets](#)

[The Next Level: Cash Management — Dashboard, Reporting, and Analytics](#)

[The Next Level: Cash Forecasting with Worksheets — Model Templates and Custom Report Definitions](#)

Examples

[Example: Create a Cash Forecast with Worksheets](#) on page 1565

Steps: Set Up Cash Forecasting with Worksheets

Security: These domains in the System functional area:

- *Drive*
- *Worksheets*

You can set up cash forecasting with Worksheets to create cash forecasts using operational transactions, bank statement transactions, and external cash activities. Workday enables you to define the structure of your cash forecasts, providing you with flexibility and control over the reporting content, layout, and design.

1. [Create a Cash Forecast Outline](#) on page 1556.

This is used to define the structure of the rows in your cash forecast.

2. [Define a Time Span Profile](#) on page 1549.

This is used to define the columns and forecasts across the time periods in your cash forecast.

3. Access the **Map Standard Aliases** task.

Map standard delivered aliases to the associated rows in your outline structure to view the generated cash forecast data in cash forecast standard reports.

Select **Cash Forecast Outline Row** from the **Business Object** prompt. Then, map standard aliases to the associated rows in your outline structure as shown in this example:

Standard Alias	Mapped Tenanted Value
<i>_FC_Outline_Top_Level</i>	<i>Daily Cash Forecast</i>
<i>_FC_Opening Balance</i>	<i>Opening Balance</i>
<i>_FC_Inflows</i>	<i>Cash Inflows</i>
<i>_FC_Outflows</i>	<i>Cash Outflows</i>

Security: *Aliases* domain in the System functional area.

4. (Optional) Access the **Maintain Cash Forecast Type** task.

Define types such as *Conservative* or *Optimistic* to identify the versions of your cash forecast reports.

You can review your cash forecast types using the **View Cash Forecast Types 2.0** report.

Security: *Set Up: Cash Forecasting* domain in the Cash Management functional area.

You can generate your cash forecast into Worksheets where you populate your cash forecast data automatically, manually, or by importing live data from Workday custom reports. You can output the modeled cash forecast data into Workday cash forecast standard reports.

Tasks

[Set Up Worksheets](#)

[Steps: Set Up Drive](#)

[Steps: Use Cash Forecasting with Worksheets](#) on page 1558

Reference

[Workday 32 What's New Post: Cash Forecasting with Worksheets](#)

[The Next Level: Cash Forecasting with Worksheets](#)

Examples

[Example: Create a Cash Forecast with Worksheets](#) on page 1565

Create a Cash Forecast Outline

Security: *Set Up: Cash Forecasting* domain in the Cash Management functional area.

Create an outline to establish the hierarchical order of the cash inflows, outflows, and their aggregations for display on your cash forecast reports.

1. Access the **Create Cash Forecast Outline 2.0** task.
2. Specify a name and description to identify the outline.
You select an outline when you generate a cash forecast.
3. Click **Maintain Sublevels** to define the next level of your cash forecast outline.
4. As you complete the task, consider:

Option	Description
Name	The name identifies the level of cash forecast hierarchy, such as opening balances, inflow, or outflow, that displays on a row of the cash forecast report.
Outline Row Type	Select the type of hierarchy level: • Accumulation: An aggregate of 1 or more sublevel amounts or balances into a parent amount in the report structure. Workday calculates the accumulation value when you run the cash forecast report. Example: <i>Cash Inflows</i> or <i>Cash Outflows</i>. • Amount: The basic building block of your cash forecast reports. You enter your cash inflows and outflows in the worksheet. Example: <i>Customer Receipts</i>, <i>Supplier Payments</i>, <i>Borrowings</i>, or <i>Investment Income</i>. • Balance: You enter your cash opening balance and carry forwards in the worksheet. Example: <i>Opening Balance</i> or <i>Carry Forward Balance</i>.
Cash Activity Category	You can assign 1 or more cash activity category worktags to an amount. Workday uses the worktags to group cash inflow or outflow actual amounts by bank statement type code. These actuals display on the Cash Forecast to Actuals in Reporting Currency report.
Normalized Balance	You can assign a normalized balance to a balance type. A normalized balance is a grouping

Option	Description
	of balances by bank statement type codes from multiple bank statement formats. The balance displays as an actual on the Cash Forecast to Actuals in Reporting Currency report.
Flip Sign	Select to reverse the sign for an amount. The sign reversal impacts the number that displays on the cash forecast report for this amount. It also impacts the sum of any accumulation that uses the amount, such as the ending cash position. Example: Select to reverse the sign for your outflows so that they display as negative numbers on the report and in accumulations.

- On the **View Cash Forecast Outline 2.0** report, select an accumulation in the outline, and click **Maintain Sublevels**.

The accumulation value becomes a parent that you can link to the sublevels in the hierarchy.

- On the **Maintain Sublevels for Forecast Outline Row** task, add accumulations and inflow or outflow amounts as sublevels in the hierarchy.

The order that you list the amounts or accumulations controls how they display on the cash forecast report. You can rearrange or add new sublevels within the hierarchy.

After you've created your outline, you can use it as the foundation for 1 or more cash forecast models and reports.

To create the outline of your cash forecast report, identify your cash inflows and outflows and add them to accumulations as shown in this example:

Name	Outline Row Type
<i>1. Opening Balance</i>	<i>Accumulation</i>
<i>1.1 Carry Forward Balance</i>	<i>Balance</i>
<i>1.2 Manual Adjustments</i>	<i>Amount</i>
<i>1.3 Projected Float</i>	<i>Amount</i>
<i>2. Cash Inflows</i>	<i>Accumulation</i>
<i>2.1 Customer Receipts</i>	<i>Amount</i>
<i>2.2 Fund Transfers</i>	<i>Amount</i>
<i>3. Cash Outflows</i>	<i>Accumulation</i>
<i>3.1 Trade Payments</i>	<i>Amount</i>
<i>3.2 Operational Payments</i>	<i>Amount</i>

Use the **View Cash Forecast Outline 2.0** report to review your cash forecast outlines and make any changes. You can modify the outline structure if you haven't generated any cash forecasts, or first cancel any cash forecasts generated from the outline. You can edit the values defined within the structure at any time.

From the related actions of a cash forecast outline, you can:

- Copy the outline and modify its structure or values to create a new outline.
- Generate the cash forecast based on the outline to a worksheet where you populate your cash forecast data.
- Inactivate the outline if it's no longer in use. This prevents users from creating new cash forecasts while the outline is inactive. Inactivating an outline doesn't impact associated cash forecasts that are already created or published.

Tasks

[Steps: Define Cash Activity Categories](#) on page 1477

[Steps: Define Normalized Bank Balances](#) on page 1477

Reference

[Workday 32 What's New Post: Cash Forecasting with Worksheets](#)

[Reference: Cash Forecast Reports](#) on page 1564

Steps: Use Cash Forecasting with Worksheets

Set up cash forecasting with Worksheets.

You can model and prepare your cash forecast data in Worksheets. After generating your cash forecast, you can view your results and evaluate the forecasted cash position of your company using cash forecast reports and the Cash Management dashboard.

1. Create your cash forecast using Workday data.

You can:

- [Create Cash Forecast Data Source Sets](#) on page 1559.
- Create custom reports with live operational data to link to a model workbook in Worksheets. You can also configure the custom reports to capture data that's not provided by the data source sets.

See [Steps: Create and Use Model Workbooks](#) on page 1561.

2. [Generate a Cash Forecast](#) on page 1562.

3. (Optional) Access the **Schedule Cash Forecast** task.

You can schedule cash forecasts to automatically generate on regular intervals, or once in the future. Workday saves each generated cash forecast as a separate workbook in Drive.

Example: Use the scheduler to automatically generate a cash forecast workbook daily for a predefined number of days, instead of manually generating the cash forecast each day.

Security: *Process: Cash Forecast Reporting* domain in the Cash Management functional area.

4. Run cash forecast reports.

Use the cash forecast standard reports to view and analyze your projected income and expenses.

See [Reference: Cash Forecast Reports](#) on page 1564.

5. (Optional) Create a custom dashboard with cash forecast worklets.

You can create custom worklets using the **Cash Forecast Cells 2.0** data source to display on a custom dashboard. The worklets are up-to-date, graphical reports that display your cash forecast information such as:

- Cash forecasts for the next 5 days.
- Funding needs.
- Large supplier payments over a specified period.

See:

- [Steps: Set Up Custom Dashboards](#).
- [Concept: Custom Worklets](#).

Use the cash forecast results to:

- Estimate your cash inflows, outflows, and bank account balances over a specified period.
- Determine where you might have shortfalls or surplus funds so that you can make the necessary fund transfers.
- View insights into your overall financial performance.

Tasks

[Steps: Set Up Cash Forecasting with Worksheets](#) on page 1555

Reference

[Workday 32 What's New Post: Cash Forecast Data Automation](#)

[Workday 32 What's New Post: Cash Forecasting with Worksheets](#)

[The Next Level: Cash Forecasting with Worksheets](#)

[The Next Level: Cash Management — Dashboard, Reporting, and Analytics](#)

Examples

[Example: Create a Cash Forecast with Worksheets](#) on page 1565

Create Cash Forecast Data Source Sets

- Create a cash forecast outline.
- Security: These domains in the Cash Management functional area:
 - *Set Up: Cash Forecasting*
 - *Process: Cash Forecast Data Automation*

Workday provides data sources to automate the data accumulation for your cash forecasts. You can leverage existing operational data in Workday to create projected cash inflows, outflows, and opening cash balances for your cash forecasts.

You can select a data source to use for each cash forecast outline row, such as supplier payments or customer payments. When you generate a cash forecast, Workday uses the data source sets to automatically populate the summarized forecasted amounts in the cash forecast entry area.

1. Access the **Create Cash Forecast Outline Data Source Set** task.
2. As you complete the task, consider:

Option	Description
Data Source	Select a predefined source to extract and accumulate Workday operational data on an outline row, which can include: • Customer invoices. • Expense reports. • Bank statement line amounts from prior day or intraday bank statements. • Opening bank account balances from prior day or intraday bank statements. • Supplier invoices. You can also run data sources as standard reports on an ad hoc basis to: • Analyze detailed operational data. • Copy as custom reports to link to your model workbook.
Source Date	Select a date field from the data source to use as a cash forecast date. Examples of source dates

Option	Description
	include the supplier invoice date and supplier invoice due date. Example: The supplier invoice for 100.00 has an invoice date of January 1 and an invoice due date of January 15. You use the invoice due date as the source date. The generated cash forecast of 100.00 displays on January 15.
Source Date Modifier	Adjusts the source date by the specified number of days for the cash forecast. Enter: • A positive number to indicate a number of days in the future. • A negative number to indicate a number of days in the past. • A zero to use the source date on the cash forecast. You can also leave the field blank. Example: If you enter a date modifier as 7, Workday adjusts the cash forecast date for the 100.00 supplier invoice from January 15 to January 22.
Source Amount	Select an amount field from the data source to use as the cash forecast amount. Examples of source amounts include the supplier invoice gross amount and supplier invoice net due amount. Example: You prepay 15.00 on the 100.00 supplier invoice, and select the supplier invoice net due amount as the source amount. Workday will now use the net value as the forecasted amount. The generated cash forecast displays 85.00 on January 22.

3. (Optional) Select the data source field values to include in the forecasted calculation for the outline row. To split the field values onto separate rows in your cash forecast, you can create a new cash forecast outline row for each field value. Then, assign the data source and specific field values to each new outline row.

Example: You edit your outline to create 2 separate outline rows for partially paid and unpaid supplier payments. In your cash forecast data source set, you select the **Supplier Invoices for Cash Forecasting** data source for each row. You also assign one of these **Cash Forecast Payment Status** data source field values to each row:

- *Partially Paid*
- *Unpaid*

The partially paid and unpaid invoice amounts display on separate lines in the cash forecast.

If you don't specify any data source field values, Workday consolidates all available values into the forecasted amount.

You can create a different data source set for each cash forecast outline. When you generate a cash forecast, the data sources prepopulate the summarized outline rows in the cash forecast workbook.

- Generate the cash forecast with the data source set.
- Merge your model workbook with the cash forecast workbook to populate the values for other sources.

- Override the prepopulated values by adding any amounts you might have recently paid or other adjustments.
- Copy a data source set to create multiple sets to use for a cash forecast outline structure. From the related action on a cash forecast data source set, select **Copy** and modify the values in the fields.

Tasks

[Steps: Set Up Cash Forecasting with Worksheets](#) on page 1555

Reference

[Workday 32 What's New Post: Cash Forecast Data Automation](#)

Steps: Create and Use Model Workbooks

Create a cash forecast outline.

You can create a model workbook in Worksheets to add live operational data from custom reports to populate your cash forecasts. You can calculate projected cash activities on the data using standard spreadsheet functions. When you generate a cash forecast, you can merge it with a model workbook to automatically populate the cash activity values. A model workbook functions as a template that you can reuse for future cash forecasts.

1. Create an advanced report.

You can create a custom report that contains operational data to link to your model workbook.

Operational data can include:

- Ad hoc payments.
- Bank account transfers.
- External cash activities.
- Intercompany payments.
- Supplier invoices.
- Tax payments.

Enable the custom report for:

- Web services.
- Worksheets.

See [Concept: Creating Reports to Insert into Workbooks](#).

2. (Optional) In Drive, create a folder structure with multiple model workbooks for cash forecasts.

You can create separate model workbooks for intraday, weekly, and monthly forecasts. In each model workbook, you can add multiple worksheets as tabs to link the custom report data.

You can also upload external files to Worksheets to use as model workbooks. Example: Excel spreadsheets that you've populated with forecasted cash activities.

See [Concept: Managing Workbooks](#).

3. (Optional) Share a model workbook with other users.

You can collaborate with other users in your organization by sharing your model workbook. Example: You share the model workbook with a payroll analyst who has access to payroll data in summary reports useful for cash forecasting.

See [Concept: Editing Workbooks](#).

4. Add live data from your advanced reports to the worksheet tabs.

You can create pivot tables to manage, calculate, and analyze the extracted data more efficiently. You can include only the report values in the tables that are relevant for your cash forecast.

You can also create a separate sheet as part of the model workbook for tracking data ownership, notifications, and adding formulas.

See [Concept: Editing Workbooks](#).

5. [Generate a Cash Forecast](#) on page 1562.

6. Merge your model workbook into the cash forecast worksheet.

This enables you to use Workday operational data as a base and add calculations to project your future cash activities.

See [Concept: Editing Workbooks](#).

7. Link and refresh live data in your cash forecast workbook.

You can extract operational data from your model workbook to link to the cash activities in your cash forecast entry area. When you refresh Worksheets, your cash forecast and model workbook update based on changes to the operational data, such as new supplier invoices or modified bank statements.

See [Concept: Editing Workbooks](#).

8. (Optional) Apply mathematical calculations on the cash activity values to derive projected amounts.

Example: Add a 20% increase to the expense payment amounts every month.

You can also enter mathematical formulas directly in the cash forecast entry area to calculate values such as the *Balance Carry Forward*.

See [Concept: Data Analysis with Worksheets Functions](#).

You can use your completed model workbook as a template for different cash forecasting scenarios. This template helps to minimize the repetitive manual step of data extraction.

Tasks

[Steps: Set Up Cash Forecasting with Worksheets](#) on page 1555

[Steps: Use Cash Forecasting with Worksheets](#) on page 1558

Reference

[The Next Level: Cash Forecasting with Worksheets — Model Templates and Custom Report Definitions](#)

Generate a Cash Forecast

- Create a cash forecast outline and a time span profile.
- Configure these business processes and security policies in the Banking and Settlement functional area:
 - *Cash Forecast Event 2.0*
 - *Cash Forecast Intercompany Event 2.0*
- Security: Process: *Cash Forecast Reporting* domain in the Cash Management functional area.

You can generate your cash forecast based on a cash forecast outline and time span profile. Workday creates a worksheet based on the cash forecast outline and time span with a zero-dollar cash forecast. You use the spreadsheet functions provided in the worksheet to populate the monetary values for your cash forecast.

1. Access the **Generate Cash Forecast 2.0** task.

2. As you complete the task, consider:

Option	Description
Cash Forecast Type	Select a cash forecast type that identifies the version of your cash forecast, such as <i>Week 1</i> or <i>Version 1</i> . This is useful if you're creating iterations of cash forecasts such as weekly reports.
Cash Forecast Outline	Select an outline to use as the structure of your cash forecast. The outline organizes your opening balances, cash inflows and outflows, and their subaccounts in a hierarchical format.

Option	Description
	Workday generates the cash forecast rows based on this outline in the workbook. The lowest-level children of the outline are available for cash forecast entry in the worksheet.
Time Span Profile	Defines the time period for the cash forecast. The time period, such as days, weeks, months, or quarters, displays across the columns in the report. If the time span profile contains a combination, it displays all time types in the sequential order defined in the profile.
Companies	Select the companies to include in your cash forecast. You can select to use either the company currency or specify a default currency for all companies.

3. Generate your cash forecast.

Workday creates your cash forecast in a single sheet in the workbook.

4. Click the **Refresh** button.

5. When the generate process completes, select the **Cash Forecast Workbook** link on the **View Cash Forecast Criteria** report.

You can also open the generated cash forecast from the **Find Cash Forecasts 2.0** report.

Once generated into Worksheets, you can prepare your cash forecast data. You can collaborate with other users, apply mathematical calculations on historical data to project cash flows, and manually enter values or link custom reports to source forecasted data.

The cash forecast entry area is contained within a green dashed outline in the worksheet. This area also represents the cash forecast data available for standard reports and Cash Management dashboard worklets.

From the related actions of a cash forecast, select:

- **Copy Data** to create multiple versions of a generated cash forecast. If you change attributes such as the outline structure or time span, Workday regenerates the cash forecast using the original forecast data in the new format.
- **Publish** to finalize the draft for review and approval. If you've also configured the *Cash Forecast Intercompany Event 2.0* business process for intercompanies, reviewers from each company must approve the cash forecast for the publishing process to complete. Once a cash forecast is approved and published, you can distribute the forecast as a read-only report.

Tasks

[Steps: Set Up Cash Forecasting with Worksheets](#) on page 1555

[Steps: Use Cash Forecasting with Worksheets](#) on page 1558

Reference

[Reference: Cash Forecast Reports](#) on page 1564

Copy a Cash Forecast

- Generate a cash forecast.
- Security: *Reports: Cash Forecast Reporting* domain in the Cash Management functional area.

You can copy a generated cash forecast to create new forecasts. This enables you to:

- Create multiple versions of your cash forecast with modified cash activity amounts.
- Create financial rolling forecasts using the most current forecast values and original time span profile.

- Expand your daily cash forecast to a longer term to more accurately predict cash activity balances over time.
1. Access the **Find Cash Forecasts 2.0** report.
 2. From the related actions of a cash forecast, select **Copy Data**.
You can change any of the original cash forecast attributes, such as the outline to change the structure or the time span profile to change the term of the cash forecast.
 3. Review your **Target Outline Rows** and structure for the new cash forecast.
If you've selected a different outline to use for the new cash forecast, select the **Source Outline Rows** on the original outline to map to the **Target Outline Rows** on the new outline.
Example: Map *Domestic* and *International* supplier payment rows to the *All Payments* row to consolidate the amounts in the new cash forecast.

Source Outline Rows	Target Outline Row
<i>Domestic Payment</i> : \$100.00 <i>International Payment</i> : \$50.00	<i>All Payments</i> : \$150.00

If you've used the same outline, Workday preserves the outline structure in the new cash forecast so you don't need to change the mapping.

Workday generates a new instance of the cash forecast worksheet in Workday where you can enrich your data and make any necessary adjustments.

- When you copy a daily forecast to a weekly forecast, Workday aggregates all the daily amounts by week. Workday splits 10 days of forecasted amounts into 2 aggregated weeks.
- When you copy a weekly forecast to a daily forecast, Workday displays an aggregated weekly total on the first day. You can then manually divide the weekly total by each day.

Tasks

[Create a Cash Forecast Outline](#) on page 1556

[Steps: Use Cash Forecasting with Worksheets](#) on page 1558

Reference: Cash Forecast Reports

This table lists reports that display your cash forecast workbook results. The cash forecast reports provide insights into your projected cash flows to enable you to:

- Evaluate the forecasted cash position for your company within a specified date range.
- Drill down on balances and amounts to view lower-level details and source transactions.
- Determine where you need to perform fund transfers or other actions for maintaining liquidity.

Report	Description
Cash Forecast by Reporting Currency	Displays your forecasted cash activities and published cash forecast workbook based on the cash forecast outline using the specified reporting currency.
Cash Forecast by Transaction Currency	Displays your forecasted cash activities and published cash forecast workbook based on the cash forecast outline using the transaction currency. The report displays the balances and cash activities by each currency.

Report	Description
Cash Forecast to Actuals in Reporting Currency	Displays your forecasted cash activities, actual cash positions, and their variances based on the cash forecast outline. Workday uses the reporting currency to translate all underlying forecast and actual amounts into a single currency. You can compare the forecasted amounts with actual amounts for all inflows and outflows at the line level. Workday sources the forecasts from the cash forecast workbook and the actual cash positions from prior day bank statement balances, floats, and bank statement lines. Variances in the forecasts and actuals can indicate shortfalls or surplus funds, and provide insights into your overall financial performance. Select normalized balances used in the outline to compare the forecasted opening and float balances with the actual Opening Bank Statement Balance and Opening Bank Statement Float.

Tasks

[Create a Cash Forecast Outline](#) on page 1556

[Generate a Cash Forecast](#) on page 1562

[Steps: Define Normalized Bank Balances](#) on page 1477

[Steps: Define Cash Activity Categories](#) on page 1477

Reference

[Workday 32 What's New Post: Unify Cash Forecasting and Cash Positioning](#)

Example: Create a Cash Forecast with Worksheets

This example illustrates how to create a cash forecast using Workday operational data, custom reports, and spreadsheet formulas to model the projections in Worksheets.

As the cash manager at Global Modern Services, Inc., you want to evaluate the forecasted cash position to ensure funding is available for supplier payments due in the next 5 days. You create a cash forecast and include all revenue, expenses, and opening bank account balances for this period. To populate the cash forecast data, you:

- Create a data source set to automatically accumulate operational data.
- Extract operational data from custom reports and apply mathematical formulas to create projections.
- Manually enter forecasted values in the cash forecast entry area.
- Security: These domains in the Cash Management functional area:
 - *Process: Cash Forecast Data Automation*
 - *Process: Cash Forecast Reporting*
 - *Reports: Cash Forecast Reporting*
 - *Set Up: Cash Forecasting*
- Security: These domains in the System functional area:
 - *Aliases*
 - *Drive*
 - *Worksheets*

1. Access the **Create Cash Forecast Outline 2.0** task.

2. Create a cash forecast outline structure named *Daily Cash Forecasting* with these cash inflow, outflow, and balance outline rows:

Outline Row	Outline Row Type
1. Opening Cash Balance	Accumulation
1.1 Bank Statement Balance	Balance
1.2 Carry Forward Balance	Balance
1.3 Manual Adjustments	Amount
2. Cash Inflows	Accumulation
2.1 Customer Payments	Amount
2.2 External Cash Activities	Amount
2.3 Incoming Bank Account Transfers	Amount
2.4 Incoming Intercompany Payments	Amount
3. Cash Outflows	Accumulation
3.1 Supplier Payments	Amount
3.2 Expense Reports	Amount
3.3 Outgoing Bank Account Transfers	Amount

3. Click **Create Data Source Set**.

4. Create a data source set named *5 Day Daily* with these values to populate cash forecast outline rows:

Outline Row	Data Source	Source Date	Source Date Modifier	Source Amount
1.1 Bank Statement Balance	Prior Day Bank Account Balances for Cash Forecasting	Bank Statement Date for Cash Forecasting	1	Balance Amount for Cash Forecasting
2.1 Customer Payments	Customer Invoices for Cash Forecasting	Invoice Due Date For Cash Forecasting	0	Invoice Net Amount Due for Cash Forecasting
3.1 Supplier Payments	Supplier Invoices for Cash Forecasting	Invoice Due Date For Cash Forecasting	0	Invoice Net Amount Due for Cash Forecasting
3.2 Expense Reports	Expense Reports for Cash Forecasting	Expense Report Accounting Date for Cash Forecasting	10	Expense Report Total Amount for Cash Forecasting

5. In Drive, create a model workbook and add these worksheets to link your custom reports:

Worksheet Name	Description
External Cash Activities	Provides incoming and outgoing cash activities.
Budget Lines	Provides budgeted cash activities in the current period.
Intercompany Settlements	Provides open intercompany settlements in the next 5 days.
Incoming Bank Account Transfers	Provides incoming bank account transfers in the next 5 days.
Outgoing Bank Account Transfers	Provides outgoing bank account transfers in the next 5 days.

6. Create these custom reports using report data sources to link to each of your worksheets in the workbook:

Note: You can select the report data source filters that are applicable to your use case.

Report Name	Report Fields	Report Data Source
External Cash Activities	- Company - Pay Group - Cash Activity Date - Cash Activity Amount - Currency	External Cash Activity
Budget Lines	- Company - Period - Ledger Account - Budget Balance Amount	Plan Lines for Financial Reporting
Intercompany Settlements	- Company - Open Item Transaction Date - Open Item Currency - Open Item Amount in Preferred Currency	Open Items For Settlement
Incoming Bank Account Transfers	- Company - Transaction Date - Currency - Transaction Amount	All Bank Account Transfers
Outgoing Bank Account Transfers	- Company - Transaction Date - Currency - Transaction Amount	All Bank Account Transfers

Enable the custom reports for:

- Web services
- Worksheets

7. Add live data from the custom reports to the corresponding worksheets.

Worksheet Name	Report Name
External Cash Activities	External Cash Activities
Budget Lines	Budget Lines
Intercompany Settlements	Intercompany Settlements
Incoming Bank Account Transfers	Incoming Bank Account Transfers
Outgoing Bank Account Transfers	Outgoing Bank Account Transfers

8. Access the **Create Time Span Profile** task.

9. Create a time span profile with these values:

Name	Time Type	Processing Duration	Quantity
<i>5 Day Daily</i>	<i>Day</i>	<i>Specific Quantity</i>	<i>5</i>

10. Access the **Generate Cash Forecast 2.0** task.

11. Generate the cash forecast using these values:

Field	Value	Description
Name	<i>5 Day Daily Cash Forecast</i>	You can enter a name with a maximum of 31 characters.
Description	<i>5 Day Daily Cash Forecast</i>	
Cash Forecast Type	<i>Version 1</i>	Any values to describe your cash forecast. Example: <i>Version number, Passive, or Aggressive.</i>
Cash Forecast Outline	<i>Daily Cash Forecasting</i>	
Cash Forecast Outline Data Source Set	<i>5 Day Daily</i>	
Time Span Profile	<i>5 Day Daily</i>	
Start Date	<i>Today's date</i>	Select the first day of the cash forecast.
Companies	<i>Your company name</i>	Select 1 or more companies for your cash forecast.
Currency	<i>Use Company Currency</i>	Select the company currency or cash forecast currency.
Currency Rate Type	<i>Current</i>	Select the rate type for translating foreign currency into company currency.

Workday populates the cash forecast entry area with data generated from the data sources for each day.

12. Merge your model workbook with your cash forecast.

13.Manually add live data from your model workbook to your cash forecast workbook.

Extract operational data from the cells of your model workbook to link to these cash activities:

Outline Row	Cell Formula	Description
2.2 External Cash Activities	=External Cash Activities!E2	Link each amount field from the External Cash Activities worksheet to the entry area. The formula will contain your specific sheet name and source cell.
2.3 Incoming Bank Account Transfers	=Incoming Bank Account Transfers!D9	Link each amount field from the Incoming Bank Account Transfers worksheet to the entry area. The formula will contain your specific sheet name and source cell.
2.4 Incoming Intercompany Payments	=Intercompany Settlements!F15	Link each amount field from the Intercompany Settlements worksheet to the entry area. The formula will contain your specific sheet name and source cell.
3.3 Outgoing Bank Account Transfers	=Outgoing Bank Account Transfers!D5	Link each amount field from the Outgoing Bank Account Transfers worksheet to the entry area. The formula will contain your specific sheet name and source cell.

14.To calculate forecasted amounts, apply spreadsheet formulas to these cash activity values:

Cash Activity Value	Formula	Description
Calculated Closing Balance	ROUND(SUM(F2:F9)-SUM(F10:F13),2)	You can use this formula to calculate the closing balance on Day 1.
Carry Forward Balance	Calculated closing balance for the previous day	Copy the closing balance from Day 1 to Day 2, and then replicate the formula for the remaining days.

You can explore other spreadsheet formulas to create projected amounts for specific cash activities.

15.In the cash forecast entry area, enter any manual adjustments directly on the *1.3 Manual Adjustments* outline row.

16.Access the **Map Standard Aliases** task.

17.From the **Business Object** prompt, select *Cash Forecast Outline Row*.

18.Map these standard aliases to the associated rows in your outline structure:

Standard Alias	Cash Forecast Outline Row
_FC_Outline_Top_Level	Daily Cash Forecasting
_FC_Opening Balance	1. Opening Cash Balance
_FC_Inflows	2. Cash Inflows

Standard Alias	Cash Forecast Outline Row
_FC_Outflows	3. Cash Outflows

This enables you to view the generated cash forecast data in cash forecast standard reports.

19. Run the **Cash Forecast by Transaction Currency 2.0** report using these values to view and assess the results:

Field	Value
View By	<i>Timespan</i>
Start Date	Today's date
Cash Forecast Types	<i>Version 1</i>
Cash Forecast Status	<i>Draft</i>
Cash Forecast	<i>5 Day Daily Cash Forecast</i>

You view the cash forecast report results and determine that:

- The ending balance on Day 3 is out of balance.
To fund the account for the supplier payment, you can initiate a bank account transfer payment for settlement equivalent to the out-of-balance amount.
- You have sufficient funds for making the other supplier payments.

Concepts

[Concept: Managing Workbooks](#)

[Concept: Editing Workbooks](#)

[Setup Considerations: Cash Forecasting with Worksheets](#) on page 1551

Tasks

[Steps: Set Up Cash Forecasting with Worksheets](#) on page 1555

[Steps: Use Cash Forecasting with Worksheets](#) on page 1558

[Steps: Perform Bank Account Transfers for Settlement](#) on page 1462

Reference

[The Next Level: Cash Forecasting with Worksheets](#)

[The Next Level: Cash Management — Dashboard, Reporting, and Analytics](#)

[The Next Level: Cash Forecasting with Worksheets — Model Templates and Custom Report Definitions](#)

Treasury Discovery Board

Concept: Treasury Discovery Board

The Treasury discovery board is a configurable workspace that you can use to perform an enriched data analysis on your cash positions and cash forecasts. You can select and customize visualizations on the dashboard to gain insights into your cash balances and treasury operations so you can take necessary actions. Each Workday-delivered visualization is a graphical or textual representation of selected fields on a report data source.

The discovery board displays the visualizations on these sheets by category:

- Bank Balances**
- Banking Cash Pools**
- Banking Relationship**
- Cash Forecasting**

- **Cash Positioning**
- **Regional Cash Pools**

To view and customize the visualizations, copy the Treasury discovery board from the **Delivered Discovery Boards** report to Workday Drive. Secure domain access to Drive and the report data source for each visualization.

Workday delivers these visualizations available for use on the discovery board:

Visualization	Description
Average Cash Balances in last 10 days	Displays all your daily average cash balances from prior day bank statements in the last 10 days. You can determine how your cash positions are trending by bank account, and by company or company hierarchy. You can also drill into the bank statement details for each account. The visualization uses the Bank Statements report data source.
Bank Balances and Summaries by Bank Accounts	Displays all balance type codes from your prior day bank statements for each bank account. Example: The Opening Ledger, Closing Ledger, and Total ACH Debits type codes. You can track the progress of your bank balances over a specified period. You can also drill into the bank statement details for each account. The visualization uses the Bank Statement Balance(All) report data source.
Banking Cash Pools	Displays your total cash balance by cash pool translated into a single reporting currency. Visual indicators represent the status of your cash balance compared to a specified target balance on your bank account. Example: A red diamond indicates when a current balance is less than your target balance of \$1,000,000. You can view the variance between the actual and target balances. You can also drill into the bank balance details for each account. Workday automatically populates your total cash balance across all accounts for the selected company. To display your cash pools, you must select 1 or more cash pool overrides in the Data Source panel of the discovery board. The visualization uses the Bank Statements report data source. Note: To use this visualization, you must first set up and create banking cash pools.
Cash Balances in last 90 days	Displays all your daily cash balances from prior day bank statements in the last 90 days. You can determine how your cash positions are trending by bank account, and by company or company

Visualization	Description
	hierarchy. You can also drill into the bank statement details for each account. The visualization uses the Bank Statements report data source.
Forecasted Activities by Percentage	Displays the projected closing cash balances using cash forecasting with Worksheets functionality. A bar chart displays the projected cash activity percentages across your specified timespan. You can also drill into the model worksheets to view the cash forecasting details. The visualization uses the Cash Forecast Cells 2.0 report data source. Note: To use this visualization, you must first create and generate a cash forecast using Worksheets.
Forecasted Activities in Reporting Currency	Displays the projected closing cash balances in reporting currency using cash forecasting with Worksheets functionality. A bar chart displays the projected cash activity total amounts across your specified timespan. You can also drill into the model worksheets to view the cash forecasting details. The visualization uses the Cash Forecast Cells 2.0 report data source. Note: To use this visualization, you must first create and generate a cash forecast using Worksheets.
Projected Closing Cash Balances in next 30 days	Displays the projected closing cash balances in the next 30 days using cash forecasting with Worksheets functionality. The visualization uses the forecasted data from your existing cash forecasting worksheet entry area. You can analyze your current cash position and projected availability of cash. You can also drill into the model worksheets to view the cash forecasting details. The visualization uses the Cash Forecast Cells 2.0 report data source. Note: To use this functionality, you must first create and generate a cash forecast using Worksheets.
Regional Cash Pools	Displays your total cash balance by cash pool translated into a single reporting currency by region. Visual indicators represent the status of your cash balance compared to a specified target balance. Example: A red diamond indicates when a

Visualization	Description
	current balance is less than your target balance of \$1,000,000. You can view the variance between the actual and target balances. You can also drill into the bank balance details for each account. Workday automatically populates your total cash balance across all accounts for the selected company. To display your cash pools, you must select 1 or more cash pool overrides in the Data Source panel of the discovery board. The visualization uses the Bank Statements report data source. Note: To use this visualization, you must first set up and create banking cash pools.
Total Cash (In Reporting Currency) by Currency	Displays your prior day closing bank balances in reporting currency across all bank accounts. You can quickly determine the amount of available cash in each currency. You can also drill into the details to view the individual bank account balances from your prior day bank statements. The visualization uses the Bank Statements report data source.
Total Cash (In Reporting Currency) by Financial Institution and Currency	Displays a heat map of your total cash balances in reporting currency for each financial institution. You can determine the order of highest to lowest cash balances. You can also drill into the details to view the individual bank account balances from your prior day bank statements. The visualization uses the Bank Statements report data source.
Total Prior Day Bank Statements	Displays the total number of prior day bank statements that you received in the last month by statement date. You can track when you record or upload all of your daily or monthly statements. You can also drill into the bank statement details for each account. The visualization uses the Bank Statements report data source.

Concepts

[Setup Considerations: Cash Positioning](#) on page 1534

[Setup Considerations: Cash Forecasting with Worksheets](#) on page 1551

Reference

[2022R2 What's New Post: Treasury Discovery Board for Cash Management](#)

Steps: Set Up Treasury Discovery Board

- Set up your tenant for Drive.

- Security: These domains in the System functional area:
 - *Discovery Boards: Administration*
 - *Discovery Boards: Create*
 - *Discovery Boards: Manage Curated Data Source Field List*
 - *Discovery Boards: Manage Delivered Discovery Boards*

You can copy the Treasury discovery board to Workday Drive to improve how you view and track cash positions and cash forecasts. You can configure and customize visualizations in an interactive workspace to analyze your cash balances and treasury operations.

1. [Edit Domain Security Policies.](#)

Grant users access to the underlying data source for each visualization. Configure these security domains:

- *Process: Bank Reconciliation*
- *Process: Bank Statement – Reporting*
- *Reports: Cash Forecast Reporting*

2. [Copy Workday-Delivered Discovery Boards.](#)

Select **Treasury Discovery Board** from the list of discovery boards available in your tenant.

Make a copy and save it in your Drive.

3. Access your Drive.

Open the copied version, and populate the prompt and date values on the **Data Source** panel for each sheet.

4. (Optional) [Set Up Curated Field Lists.](#)

On the **Maintain Field Lists for Discovery Boards** report, configure the **Drill By** fields to drill into and view the details for each visualization. The fields are available on these business objects:

- **Bank Statement**
- **Bank Statement Balance(All)**

Then, enable your curated field list for discovery boards.

- Customize your visualizations and report prompts.
- Share the discovery board with other users in your organization.

Concepts

[Concept: The Discovery Board Workflow](#)

Tasks

[Steps: Set Up Tenant for Discovery Boards](#)

Reference

[2022R2 What's New Post: Treasury Discovery Board for Cash Management](#)
[Discovery Boards Guidance](#)

Accounting Cash and Cash Pools

Steps: Set Up Accounting Cash and Accounting Cash Pools

You can define accounting cash and accounting cash pools using ledger accounts or ledger summaries to support cash balance check and claim-on-cash processes. You can configure overage options on individual balancing worktag or accounting cash pool levels to ensure you have enough cash available for settling payments.

1. Set up worktag balancing.

Define:

- a) The primary balancing worktag types and worktags to use for balancing journals.
- b) (Optional) A cash balancing rule to balance cash accounting entries by primary balancing worktag for each bank account.

See [Steps: Configure Worktag Balancing for Journals](#) on page 255.

2. (Optional) Create balancing worktag hierarchies.

You can:

- [Create Fund Hierarchies](#).
- [Create Organization Hierarchies](#).

Group related primary balancing worktags into hierarchies to use for accounting cash pools. Workday supports multiple levels of hierarchies and cash pools. The worktag types can include Workday-delivered business dimensions such as fund, business unit, or cost center, or your own custom organization.

3. [Create Accounting Cash and Accounting Cash Pools](#) on page 1575.

4. (Optional) [Create Custom Labels](#).

Create a custom label to override the default *Accounting Cash* label with a term specific to your organization. Workday replaces all instances of *Accounting Cash* that display on the **Maintain Accounting Cash and Accounting Cash Pools** task.

Custom reports that you build using the Workday-delivered accounting cash report fields will only display the default label.

5. Configure advanced cash balance checking.

Configure the business processes and options used for assessing available ledger account cash during settlement.

See [Steps: Configure Advanced Cash Balance Checking](#) on page 1592.

Your accounting cash definition and accounting cash pools are available for cash balance checks.

Reference

[2022R2 What's New Post: Accounting Cash and Accounting Cash Pools](#)

[2022R2 What's New Post: Advanced Cash Balance Check](#)

Create Accounting Cash and Accounting Cash Pools

- Security: These domains in the Cash Management functional area:
 - *Reports: Accounting Cash and Accounting Cash Pool Reporting*
 - *Set Up: Accounting Cash and Accounting Cash Pool*
- Security: *Public Reporting Items* domain in the Tenant Non-Configurable functional area.
- Security: *View: Cash Balance Check* domain in the Banking and Settlement functional area.

You can define cash ledger accounts to use for calculating cash balances during cash balance checks. Workday applies the default accounting cash definition to all primary balancing worktags and companies in your tenant. You can also use primary balancing worktag hierarchies to pool your available cash for the cash balance checks.

Workday provides flexibility to override the default setup for specific primary balancing worktags in your definition.

1. Access the **Maintain Accounting Cash and Accounting Cash Pools** task.

2. As you complete the **Accounting Cash Definition** tab, consider:

Option	Description
Ledger and Ledger Summaries	Select the ledgers and ledger summaries that Workday uses to calculate the cash balances. Workday evaluates these ledger account balances at the balancing worktag level. Example: You make a payment that's associated with the Fund1 balancing worktag. When you enable cash balance checking for settlement, Workday checks the Fund1 balance in the Cash ledger before settling the payment.
Default Overage Option	Specify whether Workday can overdraw funds against the balancing worktags. Workday applies the default overage option to all primary balancing worktags in your tenant.
Balancing Worktag Override Overage Option	(Optional) Select to override the default accounting cash definition and overage option for specific primary balancing worktags. You can select a different ledger account, or a combination of a default and override cash ledger. Workday either rejects payments associated with the balancing worktags or overdraws funds from a specified account set and ledger balance. If you defined a cash balancing rule to use for claims on cash, you can also select primary balancing worktags that you associated to a bank account. Workday generates the interworktag entries at the time of settlement.

3. (Optional) As you complete the **Accounting Cash Pool Definition** tab, consider:

Option	Description
Top Level Pool Hierarchy	Select the top-level balancing worktag hierarchy to represent the cash pools. Workday treats all its subordinate hierarchies as individual cash pools. Before you can update the worktag hierarchy selection, you must clear any overrides from the Override Default Overage Option section.
Default Overage Option	Specify whether Workday can overdraw funds against the combination of primary balancing worktags in all cash pool hierarchies.
Select Hierarchy Pool Overage Option	(Optional) Select overage options for the top-level pool hierarchy by subordinate pool hierarchy. Workday either rejects payments or overdraws funds at the subordinate pool hierarchy level.

During settlement, Workday applies your accounting cash and accounting cash pool definition to cash balance checks and:

- Evaluates the cash ledger balances for each primary balancing worktag independently or as part of 1 or more cash pools.
- Calculates the ledger balances either by company or across all companies in your tenant according to your cash balance check settings.

Review the **View Accounting Cash Definition** report to confirm your accounting cash definition.

Tasks

[Steps: Configure Advanced Cash Balance Checking](#) on page 1592

[Define Cash Balancing Rules for Cash Transactions](#) on page 261

Reference

[2022R2 What's New Post: Accounting Cash and Accounting Cash Pools](#)

Cash Management Dashboard and Reports

Concept: Cash Management Dashboard

The Cash Management dashboard is a configurable workspace that contains visualizations and multidimensional reports to help you effectively manage your cash. The consolidated dashboard provides visibility into the daily cash positions and cash forecasts for your organization based on:

- Bank account and cash ledger account balances.
- Bank fees.
- Generated cash forecasts using Worksheets.
- Prior day and intraday bank statement information.

Workday automatically populates closing ledger balances in these formats:

- BAI2 – Type Code 015
- BTRS – Type Code 015
- ISO – Type Code CLBD
- MT940/942 – Type Code 62F

Workday delivers these report worklets available for use on the dashboard:

Worklet	Description
Bank Fees by Financial Institution	Displays your total bank fees grouped by financial institution. The graph automatically populates the last 3 months of bank fees.
Book to Bank Summary	Compares bank statement balances against the ledger bank balances in a summarized, high-level format. Using key metrics, you can identify the root causes of discrepancies between the balances for a specified company or company hierarchy, period, and bank accounts. Graphical indicators on the report represent the status of your bank account balances. You can quickly distinguish which bank account balances have unexplained differences from those that are fully reconciled.
Cash Balances and Bank Accounts by Financial Institution	Compares your total cash balances and number of bank accounts for the top 5 financial institutions in order by bank account balance. All other financial institutions are grouped under Other in the graph.

Worklet	Description
	You can assess your banking relationships by comparing the number of accounts with the amount of fund exposure at each financial institution. This can help you determine where to consolidate your funds to maximize your benefits from the banking relationships.
Cash Forecast: Projected Cash Balance	Displays your forecasted cash balances based on a generated cash forecast and cash forecast outline rows that you select. You can specify the number of days and currency to use for displaying your cash forecast. To view both daily and monthly projected cash balances, you can configure the dashboard with multiple tabs. On the first tab, select a daily cash forecast as the source for this report. On the next tab, add another instance of the report with a monthly cash forecast.
Cash Forecast: Projected Cash Inflows	Displays your forecasted cash receipts based on a generated cash forecast and cash receipt outline rows that you select. You can specify the number of days and currency to use for displaying your cash forecast. To view both daily and monthly projected cash balances, you can configure the dashboard with multiple tabs. On the first tab, select a daily cash forecast as the source for this report. On the next tab, add another instance of the report with a monthly cash forecast.
Cash Forecast: Projected Cash Outflows	Displays your forecasted cash payments based on a generated cash forecast and cash payment outline rows that you select. You can specify the number of days and currency to use for displaying your cash forecast. To view both daily and monthly projected cash balances, you can configure the dashboard with multiple tabs. On the first tab, select a daily cash forecast as the source for this report. On the next tab, add another instance of the report with a monthly cash forecast.
Cash Forecast by Reporting Currency	Displays your daily total forecasted amounts based on a generated cash forecast and reporting currency that you select. You can drill down on the outline row summary amounts to view the sublevel amounts. You can also access the worksheet used to generate the cash forecast.
Intraday Balance by Bank Account	Displays your current day cash position in bank account currency using your intraday bank statements.

Worklet	Description
Intraday Balance Summary	Displays your current day cash position in reporting currency using your intraday bank statements.
Intraday Cash Pool Balance Summary	Displays the current day cash pool balances in reporting currency using your intraday bank statements. Workday converts the subaccount currencies to the master account currency based on your selected currency rate type. You can use this report to analyze your funding needs and take the appropriate actions. You can select the type codes used for calculating the balance summaries for the master and subaccounts.
Prior Day Balance by Bank Account	Displays your prior day cash position in bank account currency using the latest prior day bank statements. The bank statements have a status other than <i>Canceled</i> .
Prior Day Balance Summary	Displays your prior day cash position in reporting currency using the latest prior day bank statements. The bank statements have a status other than <i>Canceled</i> .
Prior Day Cash Pool Balance Summary	Displays the prior day cash pool balances in reporting currency using your prior day bank statements. Workday converts the subaccount currencies to the master account currency based on your selected currency rate type. You can use this report to analyze your funding needs and take the appropriate actions. You can select the type codes used for calculating the balance summaries for the master and subaccounts.
Prior Day Ending Balance by Bank Account	Displays your prior day cash position in bank account currency using ending balances from the latest prior day bank statements. The bank statements have a status other than <i>Canceled</i> .
Prior Day Ending Balance Summary	Displays your prior day cash position in reporting currency using ending balances from the latest prior day bank statements. The bank statements have a status other than <i>Canceled</i> .
Prior Day Statements by Date	Displays the number of prior day bank statements by financial institution and date. Workday automatically populates bank statements from the last 5 days.
Total Bank Fees by Company	Displays your total bank fees grouped by company. Workday automatically populates bank fees from the last 3 months.

Worklet	Description
Total Cash Balance by Company	Displays your total cash balances by company. You can view the cash balance for each company as a percentage of the total balance for all companies. You can select the type codes used for calculating the closing ledger and carry forward balances. To view the bank statements and balance summaries for each bank account, you can drill down on the cash balance values.
Total Cash Balance by Currency	Displays your total cash balances by currency. You can view the cash balance for each currency as a percentage of the total balance for all currencies. You can select the type codes used for calculating the closing ledger and carry forward balances. To view the bank statements and balance summaries for each bank account, you can drill down on the cash balance values.
Total Cash Balance by Financial Institution	Displays your total cash balances by financial institution. You can view the cash balance for each financial institution as a percentage of the total balance for all financial institutions. You can select the type codes used for calculating the closing ledger and carry forward balances. To view the bank statements and balance summaries for each bank account, you can drill down on the cash balance values.
Weekly Average Cash Balances	Displays your weekly average cash balance for the last 12 weeks. Workday calculates a simple average of all bank statement ending balances for each week. You can drill down on the total average ending balance to view the bank statement details for each bank account.

Configure the Cash Management dashboard content using the **Maintain Dashboards** report (secured to the *Set Up: Tenant Setup - Worklets* domain in the System functional area). You can also add cash management tasks or reports that you frequently use to the dashboard. For quick access, you can add the dashboard as a worklet to the home page.

Concepts

[Setup Considerations: Cash Forecasting with Worksheets](#) on page 1551

[Setup Considerations: Cash Positioning](#) on page 1534

[Setup Considerations: Bank Fee Analysis](#) on page 1433

Tasks

[Steps: Define Cash Activity Categories](#) on page 1477

[Steps: Set Up Dashboards and Landing Pages](#)

Reference

[The Next Level: Cash Management — RPT Cash Manager Dashboard - Uptake Guide](#)

[The Next Level: COVID-19 Webinar: Proactive Cash Management - Getting the Most Out of the Cash Management Dashboard](#)

Reference: Cash Management Reports

You can use these reports to help you manage cash management and other related activities:

Report	Description
Bank Reconciliation	Displays the statement dates, cleared deposits and payments, statement end balances, and unreconciled transaction amounts. Use this report for a summary and to access the statement itself. This report only includes information from bank accounts and not petty cash accounts.
Find Bank Account Transfers	Displays all company bank account transfers. Details include the status, date, source and destination accounts, amount and reference ID.
Find Ad Hoc Bank Transactions	Displays all the company ad hoc bank transactions. Details include the status, date, memo, purpose, amount, and reference ID.
Find Bank Statements	Displays all the organization bank statements. Details include the account, status, statement date, beginning and ending balance, statement entry type, reconcile status, and unreconciled and total transaction counts.
View Account Register	Displays all transactions for a bank account. Details include transaction date, reference, transaction type, payee, payer, payment or deposit amount, and resulting balance.
View Check Register	Displays some or all checks for a bank account. Details include check number, payment date, settlement run date, payee name, and payment amount.
1099 Data Audit - Ad Hoc Payments with 1099 Payees and non-1099 Spend Categories	Displays ad hoc payment lines for 1099 payees with non-1099 spend categories (USA). To include the payees and their applicable payments in year-end tax reports, map 1099 form categories to the spend categories and hierarchies. Workday tracks and classifies all other 1099 payee payments as uncategorized.
1099 Data Audit – Ad Hoc Payments with 1099 Spend Categories and non-1099 Payees	Displays ad hoc payment lines with 1099 spend categories for non-1099 payees. To include the ad hoc payments and their applicable payees in year-end tax reports, assign the 1099 MISC or 1099 NEC tax authority form type to the payees.

Tasks

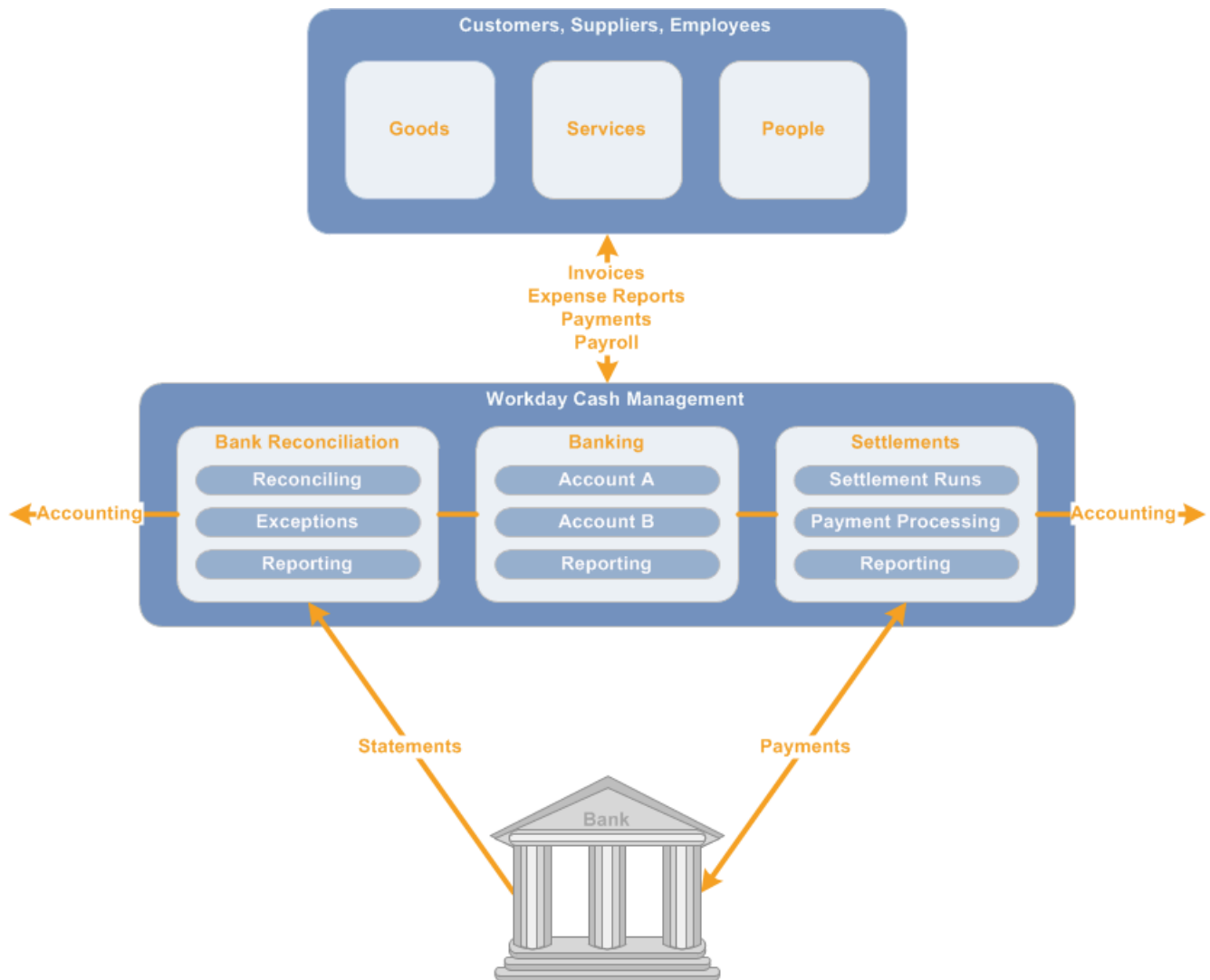
[Steps: Set Up 1099 Reporting](#) on page 477

Concept: Cash Management

The ultimate measure of a business is cash. Using Workday Cash Management, companies can automate the coordination and control of cash flow activity. Workday also automates administrative and control activities, such as bank statement reconciliation, while providing embedded business intelligence.

Workday Cash Management consists of banking, settlements, and bank reconciliation tools that enable you to manage and optimize the cash inflows and outflows for your organization.

This diagram illustrates the flow of cash in and out of Workday:



- Invoices, expense reports, payroll data, and payments flow in and out of Workday Cash Management for transactions involving goods, services, and people.

You receive supplier invoices, expense reports, payroll data, and customer payments. You send out customer invoices, expense report reimbursements, payroll payments, and supplier payments. These transactions post to the bank accounts in your Workday banking system of record.

- You make payments for these transactions through settlement processing.

Payments flow between the bank accounts at the financial institution and Workday settlement processing. For money owed, you can run check print processing, or you can use electronic or other forms of payment.

- You reconcile bank statement lines against account transactions through bank reconciliation processing.
You can manually enter or upload (recommended) bank statements into Workday for reconciliation.
- Both settlements and bank reconciliation produce accounting data that Workday Cash Management passes to Workday Financial Accounting.
- To view and analyze your cash data, you can create reports within and across banking, settlement, and bank reconciliation tools at any time.

Workday Cash Management has multiple areas:

Banking

With Workday banking tools, you create financial institutions, branches for those institutions, and the bank accounts that your company holds there. You can create both depository and source bank accounts. Account transfers, voided check recordings, and reporting give you further control of your cash.

For details, see [Banking](#).

Settlements

Workday settlement processing enables you to pay different items together as a single unit: expense reports; supplier invoices; ad hoc payments; payroll; customer invoices, payments, and refunds; and intercompany items. Using the **Settlement** dashboard, you can quickly manage, analyze, and report on all of your recent settlement run activity. To perform settlements, you first create settlement runs to group payments and open items. Then you view, edit, and process the settlement run. You can set the processing to run automatically, or you can use a preview mode to view and then run manually. By using routing rules, you can define that payments made for certain transaction types draw from specific accounts. Payment types include direct deposit, cash, and check. Reports help you find invoices and payments, and view your check and account registers.

For details, see [Settlements](#).

Bank Reconciliation

To reconcile bank statements against account transactions, use Workday bank reconciliation processing. You can manually enter the statements, upload them with a web service integration, or use a quick-entry method that creates a preliminary bank statement out of your records.

For bank statements that you enter or upload, you manually or automatically compare transactions to statement lines and reconcile differences. If you have many transactions to reconcile each period, the extra setup required to perform automatic reconciliation can save you time overall. Automatic reconciliation also provides suggested matches. You can then automatically create ad hoc transactions for first-notice items such as bank fees, where there are no corresponding transactions for the statement lines. Manual reconciliation enables you to reconcile statement lines and account records that have a one-to-many or many-to-one relationship.

For the quick-entry method, you match a preliminary bank statement based on your own records against the printed or electronic bank statement, and reconcile as you go. When you're done, reconciliation is complete and recorded in Workday. The only setup is to create your bank accounts. This method is efficient for small numbers of transactions.

Regardless of the reconciliation method you use, Workday provides additional capabilities. You can create ad hoc transactions to reconcile any bank statement lines that have no matching account transaction. Use the **Bank Statement Reconciliation** dashboard for quick access to recent bank reconciliations and analytics. Other reports give you further insight into bank statements, accounts, and reconciliation processing.

For details, see [Bank Reconciliation](#).

Common Solutions

In addition to the cash management tools, you can set up common solutions where applicable:

- *Multicurrency* enables you to record and process business transactions that occur in currencies other than the base currency of the recording company.
- [Worktags](#) enable you to tag transactions to make their business purposes clear, establish their common relationships, and provide a multidimensional view of your business to facilitate reporting.

You can associate primary balancing worktags to bank accounts using a cash balancing rule. When you settle cash transactions, Workday generates worktag balancing entries to reflect accurate balances for cash balance checks or financial reports.

- *Bank Fee Analysis* enables you to gain global visibility over banking costs, identify pricing inaccuracies, and negotiate optimal service agreements with your financial institutions.
- *Cash Positioning* enables you to determine your daily cash position based on bank account balances and external cash flows.
- *Cash Forecasting with Worksheets* enables you to create cash flow forecasts for viewing in reports and dashboards. You can leverage Worksheets to model what-if scenarios using operational transactions, bank statement transactions, and external cash activities as cash forecast data. You can use the cash forecast reports to view your future cash activities for making projections and decisions on funding and investing needs.
- *Intercompany* accounting enables you to manage and report on business events involving related companies.
- *Integrations* help you to upload financial data from third parties into Workday, and to send data between systems.

Tasks

[Steps: Perform Bank Fee Analysis](#) on page 1436

[Define Cash Balancing Rules for Cash Transactions](#) on page 261

Settlement

Setup Considerations: Settlement

You can use this topic to make configuration decisions for Workday Settlement. It explains:

- Why to set it up.
- How this feature fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

Workday Settlement provides a comprehensive platform that enables you to process and manage your payments.

Business Benefits

Workday Settlement enables you to manage all incoming and outgoing payments in 1 place across your entire business. This unified infrastructure:

- Controls the financial inflows and outflows of your enterprise.

- Gives you the analytic data you need to make informed decisions.

Use Cases

You can:

- Set up payments by managing your payment types and configuring your check printing options.
- Settle inbound electronic payments and outbound payments.
- Set up payment integrations to transmit payments to financial institutions and receive payment acknowledgments.
- Process payments after settlement by printing checks and canceling payments.

Questions to Consider

Questions	Considerations
What bank accounts do you plan to use?	You can integrate Workday with bank accounts for settlement processing and check printing. To generate payment files for settlement processing, you can: • Create 1 or more integration systems for each combination of bank and electronic payment type. • Assign multiple integration systems to a single bank account. Example: You want to process payments that are of the same type but in different categories or countries. • Use the same integration for each account in the same bank with the same payment type.
What kinds of payments and functions do you want to use your bank accounts for?	You can configure a bank account to use it for multiple payment types. You can also create a bank account for unique functions, such as an account that covers only payroll expenses.
How do you want to route your payments?	You can configure rules to determine which bank accounts the settlement process routes payments through. When a payment doesn't match any rule, Workday uses your default bank account. Bank routing rules only apply to payments involving standard accounts. A company can only have 1 bank routing rule.
How do you want to process payments?	You can assign: • A settlement specialist role responsible for processing all operational transactions. • Roles based on specific functional areas. Whether you centralize or decentralize your payment processing impacts how you: • Configure the <i>Settlement Run Event</i> business process. • Segregate your check and advice printing.

Recommendations

- To help prevent downstream integration errors, set up bank institution records in Workday. You can store detailed bank information, by country, that workers can select when they create worker and settlement bank accounts.
- Use settlement run filters to save time and fit your specific use case.
- Automate your recurring settlement and prenote runs to reduce manual effort.

Requirements

No impact.

Limitations

When you cancel a settlement run, you can no longer make changes to it.

Tenant Setup

Use the **Edit Tenant Setup - Financials** task to view and configure tenant-wide options for Workday Settlement.

You can use the task to set ID sequence generators for:

- EFT payments.
- Settlement runs.
- Prenote runs.

You can use the **Settlement and Bank Account Options** section to:

- Enable multicurrency settlement runs.
- Enable bank account masking for payment elections.
- Enable dynamic supplier payment dates.
- Disable errors when you enter invalid bank identification codes on payment elections or settlement bank accounts.
- Enable payment purpose codes for supplier payments.

Security

The *Process: Settlement* domain in the Banking and Settlement functional area enables users to settle and report on all payment types. To enable users to settle and report on specific payment types, secure them to these domains:

Domains	Considerations
<i>Process: Ad Hoc Payment Settlement</i> in the Banking and Settlement functional area.	Enables users to settle ad hoc payments and view related reporting.
<i>Process: Bank Account Transfer for Settlement/Settlement</i> in the Banking and Settlement functional area.	Enables users to settle bank account transfers for settlement and view related reporting.
<i>Process: Customer Invoice Payment/Settlement</i> in the Customer Accounts functional area.	Enables users to settle customer direct debit payments and view related reporting.
<i>Process: Customer Refund Settlement</i> in the Customer Accounts functional area.	Enables users to settle customer refund payments and view related reporting.
<i>Process: Expense Report Payment/Settlement</i> in the Expenses functional area.	Enables users to settle expense payments and view related reporting.

Domains	Considerations
<i>Process: Intercompany Payment/Settlement</i> in the Financial Accounting functional area.	Enables users to settle intercompany items and view related reporting.
<i>Process: Miscellaneous Payment Request Settlement</i> in the Miscellaneous Payments functional area.	Enables users to settle miscellaneous payment requests and view related reporting.
<i>Process: Payroll Settlement</i> in the Core Payroll functional area.	Enables users to settle payroll payments and view related reporting.
<i>Process: Pending Student Refund/Settlement</i> in the Student Financials functional area.	Enables users to settle student refunds and view related reporting.
<i>Process: Procurement Card Payment/Settlement</i> in the Procurement functional area.	Enables users to settle procurement card payments and view related reporting.
<i>Process: Schedule Settlement Run</i> in the Banking and Settlement functional area.	Enables users to schedule settlement runs and view related reporting.
<i>Process: Student Payment/Settlement</i> in the Student Financials functional area.	Enables users to settle student payments and view related reporting.
<i>Process: Student Sponsor Refund/Settlement</i> in the Student Financials functional area.	Enables users to settle student sponsor refunds and view related reporting.
<i>Process: Supplier Invoice Payment/Settlement</i> in the Supplier Accounts functional area.	Enables users to settle supplier invoices and view related reporting.

Business Processes

Business Processes	Considerations
<i>Outsourced Payment Release Event</i>	Enables you to send checks to an outsourced check printing service.
<i>Payment Printing Event</i>	Enables you to generate positive pay files that correspond to printed checks.
<i>Payment Release Event</i>	Enables you to trigger the payment for electronic payment methods.
<i>Print Checks Task</i>	Enables you to print hard-copies of payslips and checks.
<i>Remittance Release Event</i>	Enables you to create and email remittance files.
<i>Settlement Run Event</i>	Enables you to settle payments. Workday delivers the default definition of this business process minimally configured. You can add steps, such as approvals.

Reporting

Reports or Dashboards	Considerations
Find Payments report	Use this report to find payments for settlement.
Find Settlement Runs report	Use this report to find and report on settlement runs.

Reports or Dashboards	Considerations
Find Settlement Setup Rule report	Use this report to find the settlement setup associated with a specified bank account or shared between multiple bank accounts.
Settlement dashboard	Use this dashboard to view and track information on end-to-end settlement processing. You can configure this dashboard with worklets to access tasks and reports for: • Check and advice printing. • Payment returns. • Prenote payments. • Settlement runs.
Settlement Work Area report	Use this report to create, schedule, and find settlement runs.

These report data sources provide settlement data:

- **Bank Account Transfers for Settlement**
- **Open Items for Settlement**
- **Settlement Runs**

Integrations

Workday provides many web services for common settlement inputs and configurations. Consider these web services when configuring Workday Settlement:

- *Import Bank Institution Record Branches*
- *Get Payment Purpose Code*
- *Put Direct Debit Mandate*
- *Put Miscellaneous Payee*
- *Put Miscellaneous Payee Category*
- *Put Miscellaneous Payment Request Category*
- *Put Outsourced Bank Provider*
- *Put Payment Acknowledgement Message*
- *Put Payment Integration*
- *Put Payment Purpose Code*
- *Put Payment Type*
- *Put Settlement Run Custom Filter*
- *Submit Payment Return*

Workday supports integrations with these electronic payment service providers and protocols:

- Automated Clearing House (ACH)
- Bankers' Automated Clearing Services (BACS)
- ISO 20022
- Zengin

You can also create a Payment Connector integration that exports payment data from Workday to a bank or payment processor.

Workday recommends that you use enhanced performance integration templates when available.

Connections and Touchpoints

Functional Areas	Considerations
Cash	Users secured to the associated domain can settle ad hoc payments.
Customer Accounts	Users secured to the associated domain can settle: • Customer invoices. • Customer payments. • Customer refunds. Unless you select Always Separate Payments when you define a customer, the settlement process combines all invoices and adjustments into a single payment.
Expenses	Users secured to the associated domain can settle: • Cash advances. • Expense credit card transactions. • Expense reports.
Financial Accounting	Users secured to the associated domain can settle intercompany items. When you complete a settlement run, Workday generates accounting entries and sends them to Workday Financial Accounting.
Miscellaneous Payment Requests	Users secured to the associated domain can settle miscellaneous payment requests.
Payroll	Users secured to the associated domain can settle: • Pay group exceptions. • Pay groups. You can configure check print layouts to manage paychecks and advices. Note: To ensure accurate payroll payments, configure bank accounts with specific payroll usage types.
Procurement	Users secured to the associated domain can verify and settle procurement card transactions.
Student	Users secured to the associated domain can settle: • Student payments. • Student refunds. • Student sponsor refunds.
Supplier Accounts	Users secured to the associated domain can settle supplier invoices. Unless you select Always Separate Payments when you define a supplier, the settlement process combines all invoices into a single payment.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Concepts

[Setup Considerations: Bank Institution Records](#) on page 1594

[Setup Considerations: Settlement Run Filters](#) on page 1599

Reference

[Reference: Edit Tenant Setup - Financials](#)

[Reference: Settlement Business Processes](#) on page 1606

[Workday Web Services \(WWS\) Directory](#)

Settlement Configuration

Steps: Set Up Settlement

Review setup considerations for Workday Settlement.

You can set up how you want settlement runs to process and settle payments.

1. Access the *Maintain Payment Types* task.

Define valid payment types, such as cash, check, or electronic transfer. Once you specify the payment type names, you map each payment type name to the corresponding payment method that Workday provides.

There's usually a 1-to-1 relationship between the types of payment you define and the methods of payment. You can assign more than 1 payment type to the same payment method.

Security: *Set Up: Settlement* domain in the Banking and Settlement functional area.

2. (Optional) Configure Workday to check cash balances before settling payments.

See [Steps: Configure Advanced Cash Balance Checking](#) on page 1592.

3. To integrate Workday with bank accounts for settlement processing, create 1 or more integration systems for each combination of bank and payment type.

See [Steps: Set Up Bank Integrations for Settlement Processing](#).

4. (Optional) Set up bank institution records in Workday.

See [Steps: Set Up Bank Institution Records](#) on page 1596.

5. [Define Payee Bank Account Validations](#) on page 1597.

6. [Define Bank Accounts](#) on page 1418.

7. [Define Bank Routing Rules](#) on page 1597.

8. (Optional) [Define Settlement Run Custom Filters](#) on page 1601.

9. Set up organization-level definitions for each business process associated with settlement runs.

See [Reference: Settlement Business Processes](#) on page 1606.

10. Set up prenotes to validate electronic banking information.

See [Steps: Use Prenotes](#) on page 1611.

11. Import payment acknowledgments into Workday to confirm the status of electronic payments when the settlement run completes.

See [Steps: Acknowledge Payments](#) on page 1602.

12. (Optional) Configure Workday to print checks or advices for payroll payments and expense account reimbursements that have settled.

See [Steps: Set Up Checks and Advices for Printing](#) on page 1641.

For a list of settlement-related reports, access **Workday Standard Reports** and select these report categories:

- *Set Up Settlement Infrastructure*
- *Settlements*

Concepts

Concept: [Settlement Processing](#) on page 1624

Concept: [Cash Management](#) on page 1582

Tasks

Steps: [Use Settlement](#) on page 1611

Create Settlement Setup Rules

Security: *Set Up: Bank Entity* domain in the Banking and Settlement functional area.

You can specify the integration system Workday uses to route electronic payments from 1 or more bank accounts to other accounts during settlement.

1. Access the **Create Settlement Setup Rule** task.
2. As you complete the task, consider:

Option	Description
Bank Account	You can select 1 or more bank accounts for the rule. If you select multiple bank accounts: • Any changes that you make impact every bank account associated with the rule. • The settlement setup rule must also contain those banks in order to appear on the Settlement Setup Rule report.
Integration System	For bank accounts with electronic fund transfer (EFT) payments, you can specify 1 or more integration systems to route differently based on: • Payment Type • Payment Category • Country
Check Print Layout	If you're using an outsourced bank provider, leave this field blank.
Consolidate By	(Optional) Consolidate your electronic payments in settlement runs into a single payment file based on 1 or more attributes. Workday automatically creates a separate payment file per attribute, such as payment type, payment category, or currency. Example: You consolidate <i>EFT</i> payments by currency. Workday groups the payments into a single payment message (payment file) for delivery to your bank. This option enables you to reduce bank fees and administration costs associated with processing payment files.
Maximum Payments Per Group	Specify the maximum number of payments to include in a single <i>payment group</i> from this account. If a file exceeds this number, Workday

Option	Description
	automatically separates the payments into multiple groups.
Cut Off Time	(Optional) Indicate the cut-off time for including payments from this account in an electronic payment file. This field is informational only.
Receives Acknowledgment	Select if you want to track payments as pending until you receive an acknowledgment from your bank.

Create or schedule a settlement run that includes a settlement integration rule.

Steps: Configure Advanced Cash Balance Checking

- Configure these business processes and security policies in the Banking and Settlement functional area:
 - Cash Balance Check Event*
 - Express Settlement Run Event*
 - Settlement Run Event*
- Configure the *Accounting Journal Event* business process and security policy in the Financial Accounting functional area.
- Security: *View: Cash Balance Check* domain in the Banking and Settlement functional area.

You can configure cash balance checking to prevent overspending of funds in accounting journals and settlement run payments. Workday checks for sufficient ledger account balances using primary balancing worktags and ledger accounts specified in your accounting cash and accounting cash pools configurations. Workday can also automatically remove payments that fail cash balance checking from the settlement run.

1. Create accounting cash and accounting cash pools.

Define ledger or ledger summaries and overage options that Workday uses to check the ledger account cash balances during settlement.

See [Steps: Set Up Accounting Cash and Accounting Cash Pools](#) on page 1574.

2. [Maintain Cash Balance Check Options](#) on page 1593.

3. [Edit Business Processes](#).

Configure business processes for cash balance checking by adding:

a) At least 1 of these action steps on the *Cash Balance Check Event* business process definition:

- Review Cash Balance Check Exceptions*
- Remove Cash Balance Check Exceptions*

b) The *Check Cash Balance* action step from *Cash Balance Check Event* as a completion step on these business process definitions:

- Accounting Journal Event*
- Express Settlement Run Event*
- Settlement Run Event*

Workday initiates the *Cash Balance Check Event* business process and:

- Calculates ledger debits minus credits for the primary balancing worktag, ledger accounts, and, if applicable, accounting cash pools.
- Compares the net activity to the ledger balances.

When the ledger balance is positive, the business process completes and posts the journal entry to the ledger account. When negative, Workday removes payments with exceptions from the settlement run if you configured the business process with this action step.

Workday also sends an Inbox item to the reviewer to approve or deny the cash balance check exceptions. Example: When a transaction fails cash balance check, reviewers can:

- Approve the transaction even though there's a failure.
- Move funds to ensure there's sufficient fund balance for the transaction.
- Send the transaction back to the initiator to take further actions.

When settlement completes, use these reports to view the results:

- **View Settlement Run:** Displays cash balance check exception details by balancing worktag or cash pool. You can view the payment categories that Workday removed from the settlement run due to the exceptions.
- **Open Items with Payment Exceptions:** Displays the items that aren't fully paid due to their payments failing cash balance check. Example: Expense reports or supplier invoices.

Resettle unpaid open items or payments with exceptions in the next settlement run.

Reference

[2022R2 What's New Post: Advanced Cash Balance Check](#)

[2022R2 What's New Post: Accounting Cash and Accounting Cash Pools](#)

Maintain Cash Balance Check Options

Security: *Set Up: Settlement* domain in the Banking and Settlement functional area.

You can configure options to provide a more accurate assessment of your available ledger account cash during cash balance check evaluations.

1. Access the **Maintain Cash Balance Check Options** task.
2. As you complete the task, consider:

Option	Description
Cash Balance Check Evaluation	When you select: • Across Companies, Workday aggregates ledger account balances across companies for cash balance check. • By Company, Workday groups ledger account balances by company for cash balance check. All companies in an aggregated grouping must use the same primary ledger currency for a cash balance check.
Book	Select any book that includes transactions with the Blank book code. Workday posts the payment accounting to this book code.
Payment Amount Sort Order	Select the sort order of payment amounts in a settlement run for cash balance check. Example: When settling payments in descending order, Workday first evaluates the highest amounts and their overage options against the ledger balances. Workday then evaluates the next amounts in order against the remaining ledger balances.

Steps: Configure Cash Balance Checking

Configure these business processes and security policies in the Banking and Settlement functional area:

- *Ad Hoc Bank Transaction Event*
- *Cash Balance Check Event*
- *Settlement Run Event*

Note: We plan to retire the old cash balance check functionality in a future update. Workday recommends that you use the advanced cash balance check functionality for a more streamlined cash balance check exception process.

You can configure cash balance checking to prevent overspending of funds in ad hoc bank transactions and settlement run payments. When you add this validation step to a business process, Workday checks for sufficient cash balances (in the ledger account and balancing worktag combination) before disbursing funds.

1. Access the **Create Cash Balance Check Treatment Rule** task.

Create treatment rules for the cash balance check exceptions, and assign them to your balancing worktags. Once configured, Workday performs the cash balance check on the balancing worktags and returns results based on these severity levels:

- Warning.
- Ignore (Business process completes without balance checking for the associated balancing worktag).
- Error.

Security: *Set Up: Settlement* domain in the Banking and Settlement functional area.

2. [Edit Business Processes](#).

Add the *Check Cash Balance* action step to either the *Ad Hoc Bank Transaction Event* or *Settlement Run Event* business process to enable it for cash balance checking. You can include this step in the business process more than once, but you must add it as a completion step.

Workday initiates the *Cash Balance Check Event* business process that:

- Returns the net disbursement resulting from the payment transaction by company, balancing worktag, ledger account, and payment category combination.
- Calculates ledger debits minus credits for the funds and ledger accounts.
- Compares the net disbursement to the ledger balance. This comparison determines if the disbursement causes the fund or cash balance to become negative. If the balance is positive, the business process completes and posts the journal entry to the ledger account.
- Evaluates negative results against treatment rules to return the appropriate error.

The business process sends an Inbox item to the reviewer to approve or deny the cash balance check results.

Reviewers can access the cash balance check results to:

- Approve, send back for revision, or deny the results for warnings.
- Send back for revision, or deny the results for errors. If any journal lines are in error, Workday treats the cash balance check as an error.
- Drill down to see the financial details.

Tasks

[Steps: Configure Advanced Cash Balance Checking](#) on page 1592

Setup Considerations: Bank Institution Records

You can use this topic to help make decisions when planning your configuration and use of bank institution records. It explains:

- Why to set them up.
- How they fit into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

Bank institution records in Workday are a configurable way to store detailed bank information, by country, that workers can select when they create worker and settlement bank accounts.

Business Benefits

Bank institution records enable you to:

- Enter bank details accurately and consistently, reducing errors and payment delays.
- Manage the level of detail workers have to input when they select a record.
- Reduce integration errors caused by incorrect bank information.
- Improve efficiency by reducing time spent on manual data entry.

Use Cases

You can use bank institution records to:

- Set up bank records that workers can select when they create worker and settlement bank accounts.
- Standardize bank institution information for each bank you do business with.

Questions to Consider

Question	Considerations
How do bank institution records affect your existing bank account information?	When you edit existing bank accounts, you must update them to match your bank institution records.
How do you want to configure bank institution records?	Depending on the needs of the bank and your organization, you can control which bank institution information is standardized and which you must manually enter in Workday.

Recommendations

When you have a significant number of bank institution records to set up or update, Workday recommends using the Enterprise Interface Builder (EIB) or an integration. They enable you to upload a batch of records at the same time. To set up or update a small number of records, you can use the **Create Bank Institution Record** task.

Requirements

No impact.

Limitations

You can't configure bank institution records for specific tasks. When you set up bank institution records, they become available on all tasks used to create worker and settlement bank accounts.

Tenant Setup

No impact.

Security

Users with security enabled for the *Set Up: Bank Institution Record* domain in the Banking and Settlement and Payroll Interface functional areas can set up bank institution records in Workday.

Business Processes

No impact.

Reporting

Reports or Dashboards	Considerations
Bank Institution Record Import Summary	You can use this report when uploading bank institution records to view: • The status of your upload. • The number of bank branch details you've imported. • Any errors and warnings.
Find Bank Institution Record: Branches	You can use this report to view and edit bank institution records, by branch.
Find Bank Institution Record: Institutions	You can use this report to view and edit bank institution records, by institution.

You can use the **Bank Institution Records** report data source to create custom reports.

Integrations

You can mass upload and maintain bank institution records using an EIB and these web services:

- *Import Bank Institution Record Branches*
- *Get Bank Institution Record Branches*

Connections and Touchpoints

Bank institution records impact payroll payment elections when you create worker and settlement bank accounts.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Reference

[Workday 32 What's New Post: Bank Account Creation](#)

Steps: Set Up Bank Institution Records

- Review setup considerations for bank institution records.
- Obtain bank institution records.

You can store your detailed bank institution information for your workers to select later when they create worker and settlement bank accounts. You can configure your records to control what bank institution information does and doesn't become standardized in Workday.

1. Use the Enterprise Interface Builder (EIB) to upload bank institution records from a spreadsheet.
Select the *Import Bank Institution Record Branches* web service from the **Web Service Operation** prompt on the **Create EIB** task.
See [Steps: Set Up EIBs Using Templates from Web Service Operations](#).
Security: *Set Up: Bank Institution Record* domain in the Banking and Settlement and Payroll Interface functional areas.
2. (Optional) Access the **Create Bank Institution Record** task.
Enter bank institution records manually.
Security: *Set Up: Bank Institution Record* domain in the Banking and Settlement and Payroll Interface functional areas.
3. [Define Payee Bank Account Validations](#) on page 1597.
Select the **Enable Bank Institution Record Searching** check box to display the **Bank Institution Record Search Option** prompt where appropriate.

Reference

[Workday 32 What's New Post: Bank Account Creation](#)

Define Payee Bank Account Validations

Security:

- *Set Up: Settlement* domain in the Banking and Settlement functional area.
- *Setup: Bank Account Configuration* domain in the Banking and Settlement and Payroll Interface functional areas.
- *Set Up: Payment Election* domain in the Expenses functional area.
- *Set Up: Payroll (Payment Election Rules)* domain in the Core Payroll functional area.
- *Set Up: Payroll Interface* domain in the Payroll Interface functional area.
- *Manage: Address Information* domain in the System functional area.

You can set up how field attributes and validations display for payee and worker bank accounts. For bank account attributes, Workday enables you to:

- Control which attributes are mandatory and optional.
- Customize display labels and format validations by country.

Payee bank accounts also include customer bank accounts used for settling items such as direct debit invoices or customer refunds.

1. Access the **Create Payee Bank Account Validation Override** task.
2. As you complete the task, consider:

Option	Description
Enable Bank Institution Record Searching	Select to display the Bank Institution Record Search Option prompt where appropriate.
Bank Institution Record Search Option	Set up bank institution records before you select <i>Prompt Search</i> . Workday populates the prompt using your stored bank institution information.

Tasks

[Maintain Payment Elections](#) on page 1264

[Define Payment Election Options](#) on page 1263

[Steps: Set Up Settlement](#) on page 1590

Define Bank Routing Rules

- Define the bank accounts the company uses to make or receive payments.

- To define a rule for settling intercompany payments, set up an intercompany profile using the **Edit Company Intercompany Profile** task.
- Security: *Set Up: Settlement* domain in the Banking and Settlement functional area.

You can configure rules to determine which bank accounts the settlement process routes payments through. When a payment doesn't match any rule, Workday uses your default bank account.

Bank routing rules only use these bank account types:

- Standard bank accounts.
- Outsourced bank accounts.

These routing rules don't apply to petty cash accounts. A company can only have 1 bank routing rule.

1. Access the **Create Bank Routing Rule** task.

2. As you complete the task, consider:

Option	Description
Default Bank Account	Select a bank account to use for all supported categories of payments where the settlement process finds no matching rule condition, or specified conditions. You can only select bank accounts that are associated with the company. Workday recommends that the default bank account includes all account usages in its definition.
Payment Type	Workday routes the payment types through the specified bank account during settlement. The payment types must match the types assigned to the bank account.
Location	Route payments based on the location of the worker. This option applies to payroll payments only.
Greater Than Amount	Expense account payments greater than the amount you enter require payment approval.
Run Calculation Criteria	When the calculation returns a value of <i>true</i> , the settlement process uses the designated source bank account. When you change the bank routing rule, rerun the calculation details. This option applies to payroll payments only.
Payee Settlement Bank Country	Route payments based on the country for the settlement bank account of the payee. Example: You can pay workers using source bank accounts located in their respective countries. This option only applies to these payment types: • Credit card. • Direct debit. • Direct deposit. • EFT. • Wire.

Option	Description
Currency	The currency is based on the transaction currency of the payment. The bank account you route to must accept this currency.

Settle payments.

Concepts

[Concept: Multicurrency](#) on page 23

Tasks

[Steps: Set Up Settlement](#) on page 1590

Reference

[Reference: Organization Types and Subtypes](#)

[#unique_1040](#)

Setup Considerations: Settlement Run Filters

You can use this topic to help make decisions when planning your configuration and use of settlement run filters. It explains:

- Why to set them up.
- How they fit into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

Workday settlement run filters automatically add unpaid open items and pending payments that meet a specified criteria to a settlement run.

Business Benefits

With Workday settlement run filters, you can:

- Reduce errors and manual effort.
- Identify specific unpaid open items and pending payments quickly and easily.
- Define custom filters.

Use Cases

Workday automatically provides predefined filters for common settlement run scenarios, such as *All Available Ad Hoc Payments* and *Due in Next 7 Days*. If these predefined filters don't fit your use case, you can set up custom filters that do. Example: You create a custom filter that identifies all ad hoc payments with check as the payment type.

Questions to Consider

Questions	Considerations
What payment sources do you need filters for?	Workday delivers predefined filters for all payment sources.

Questions	Considerations
	You can create custom filters for any payment source. You can add 1 or more payment sources to a single custom filter.
What happens when you select multiple filters in a single settlement run?	Workday retrieves data for each selected filter. The selected filters don't interact with one another. Example: You select 2 filters in a single settlement run, <i>All Available Ad Hoc Payments</i> and <i>Due in Next 7 Days</i>. As a result, Workday returns all available ad hoc payments as well as everything due in the next 7 days.

Recommendations

When you have recurring open items or pending payments to settle, Workday recommends automating this process by adding settlement run filters to scheduled settlement runs.

Requirements

No impact.

Limitations

You can't delete custom filters.

Tenant Setup

No impact.

Security

Domain	Considerations
<i>Process: Settlement</i> in the Banking and Settlement functional area. <i>Set Up: Settlement</i> in the Banking and Settlement functional area.	Can create and edit custom filters for all payment sources.

Business Processes

No impact.

Reporting

No impact.

Integrations

You can use these web services to mass retrieve and upload custom filters through the Enterprise Interface Builder (EIB):

- *Get Settlement Run Custom Filter*
- *Put Settlement Run Custom Filter*

Connections and Touchpoints

Features	Considerations
Cash Advance Customer Invoice Customer Refund Expense Credit Card Transaction Expense Report Intercompany Item Miscellaneous Payment Request Procurement Card Transaction Student Payment Student Refund Student Sponsor Refund	Workday creates and settles these payments. The payment date is the settlement date.
Supplier Invoice	Workday creates and settles these payments. By default, the payment date is the settlement date. You can enable dynamic supplier payment date to match supplier payment dates dynamically based on: • Invoice discount date. • Invoice due date. • Settlement run date.
Ad Hoc Payment Bank Account Transfer for Settlement Customer Payment Customer Refund On-Cycle Payroll Pay Group Exception Pay On-Demand	Workday settles the existing payments. The payment date derives from the transaction itself and the settlement date doesn't have any bearing.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Tasks

[Schedule Automatic Settlement Runs](#) on page 1618

Reference

[Reference: Settlement Run Custom Filters](#) on page 1609

Define Settlement Run Custom Filters

Depending on the payment source for a custom filter, set up:

- Suppliers, supplier categories, and supplier groups.
- Customers, customer categories, and customer groups.
- Payees and pay run groups.

- Intercompany affiliates.
- Corporate credit cards.
- Miscellaneous payment requests.

You can define custom filters to identify open payments that you want to capture in a settlement run. Workday already provides predefined filters for common settlement run scenarios.

1. Access the **Create Settlement Run Custom Filter** task.

2. For **Payment Source**, select 1 or more types of payments to include in settlement runs that use this filter.

If you select *Supplier Invoice*, you can use the **Reference Type** prompt to define international reference types for the custom filter.

3. To identify the scope of open payments to include in the filter, specify additional **Attributes** for each of the selected payment sources.

Note: When you make intercompany payments, select companies that are in your intercompany profile on the **On Behalf of Company for the Payment** prompt.

- Create a settlement run manually using the **Create Settlement Run** task.

The *optional* filter provides a starting point for the open payments to include in the run. You can add and remove payments as necessary.

- Schedule a settlement run using the **Schedule Settlement Run** task.

The *required* filter defines the open payments to include in the settlement run. To capture different payments, edit this filter.

Tasks

[Schedule Automatic Settlement Runs](#) on page 1618

[Steps: Set Up Settlement](#) on page 1590

Reference

[Reference: Settlement Run Custom Filters](#) on page 1609

Steps: Acknowledge Payments

You can load payment acknowledgement files from electronic-payment recipients into Workday. The files acknowledge whether the bank received, processed, or rejected your payments.

1. Access the **Edit Bank Account** task.

Select the **Receives Acknowledgement** check box on the **Settlement Setup** grid. This option enables your bank account to receive payment acknowledgements.

Security: *Set Up: Bank Entity* domain in the Banking and Settlement functional area.

2. Import payment acknowledgements using 1 of these methods:

- A connector based on the *Import Payment Status Report* integration template.

You can use this integration with the ISO 20022 file format for payment acknowledgements.

See [Steps: Set Up Integration to Import Payment Status Reports](#).

- An Enterprise Interface Builder (EIB) based on the *Put Payment Acknowledgement Message* web service.

Select *Put Payment Acknowledgement Message* from the **Workday Web Service Operation** prompt for the delivery method.

See [Set Up Inbound EIB](#).

3. Upload payment acknowledgements.

See: [Launch EIB Spreadsheet Upload](#).

Workday automatically matches payment acknowledgements with corresponding payments and sets the applicable payment status.

- For rejected payments, you can cancel the payment, or find and fix the problem and reprocess the payment.
- For unmatched payment acknowledgements, you can manually complete the payment.

Tasks

[Cancel Payments](#) on page 1622

[Reprocess Multiple Electronic Payments](#) on page 1623

[Complete Electronic Payments](#) on page 1622

Concept: Electronic Payment Acknowledgement

When a settlement run is complete, electronic payments have a status of *Awaiting Payment Acknowledgement*. The way Workday receives payment acknowledgements depends on the payment type:

- Workday automatically loads payment acknowledgements for credit cards through an integration with CyberSource.
- For other types of electronic payments, use these methods to upload payment acknowledgement files from your bank:
 - Enterprise Interface Builder (EIB)
 - *Import Payment Status Report* Connector

Workday matches acknowledgements to payments based on the payment ID and stores both high-level acknowledgement files and individual payment acknowledgements. These acknowledgements enable you to confirm when transactions have cleared or correct rejected transactions.

Payment Acknowledgement Reports

Access these reports to view payment acknowledgements:

Find Payment Acknowledgements

This report displays the original payment date, acknowledgement status, and matching customer payment.

To see payment-level details for a particular acknowledgement, click **View Payment Acknowledgement**. You can:

- Assign the acknowledgement to another worker for review.
- Cancel the payment, if it's not escheated or returned.
- Reprocess rejected payments.

Find Payment Acknowledgement Messages

You can view file-level payment acknowledgements. The report displays:

- Acknowledgement count.
- File acknowledgement count.
- Message ID and date.
- Originating bank ID.

You can drill down on an acknowledgement message to view the individual payment acknowledgements associated with that message.

Find Unmatched Payment Acknowledgements

You can filter the report by date, acknowledgement status, or payment ID.

Acknowledgement Status

Payment acknowledgements can have these statuses:

Received

The financial institution received your payment, but hasn't fully processed it. The corresponding payment has a status of *Payment Received*.

Accepted

The financial institution accepted the payment. The payment has a status of *Complete*. If Workday can't match the payment acknowledgement to its corresponding payment, you can assign the acknowledgement to a worker for review.

Rejected

The financial institution rejected the payment. The payment has a status of *Rejected*. You can cancel the payment, or reprocess the payment once you correct the problem.

Mass Payment Update

You can use the **Mass Payment Update** task to complete, cancel, or reprocess payments in bulk. Example: Find payments that have unmatched acknowledgements, and complete or cancel the payments based on the acknowledgement status.

Tasks

[Steps: Acknowledge Payments](#) on page 1602

[Steps: Set Up Integration to Import Payment Status Reports](#)

[Reprocess Multiple Electronic Payments](#) on page 1623

[Steps: Use Settlement](#) on page 1611

Concept: Electronic Payment Methods

Workday provides payment methods to which you can define configurable payment types using the **Maintain Payment Types** task. Some of the payment methods are electronic, which have additional processing considerations.

When you settle a payment that's associated with an electronic payment method, Workday sends an electronic payment file to the banks involved. For electronic payments using the digital disbursements payment method, payees can provide their mobile phone number or email address instead of bank account information. Digital disbursements is available as a payment method for miscellaneous payment requests.

However, when you use a third-party vendor to process payments outside of Workday, the third-party vendor sends electronic payment files to the banks. To prevent the banks from receiving duplicate electronic payment files, Workday recommends mapping payment types associated with third-party vendors to *Manual*. This recommendation doesn't apply to student payments because Workday doesn't settle student credit card payments. Workday recommends mapping student credit card payments to either *Credit Card* or *Manual*.

Payment Method	Electronic
Cash	No
Check	No

Payment Method	Electronic
Credit Card	Yes
Digital Disbursements	Yes
Direct Debit	Yes
Direct Deposit	Yes
EFT	Yes
EFT with Reference	Yes
Manual	No
Wire	Yes

Steps: Set Up Payment Purpose Codes

You can configure payment purpose codes by country to include on payments for supplier invoices. The payment purpose codes ensure your supplier payments comply with banks or local regulatory reporting requirements.

1. Access the **Edit Tenant Setup - Financials** task.

Select the **Enable Payment Purpose Code** check box in the **Settlement and Bank Account Options** section.

Security: *Set Up: Settlement* domain in the Banking and Settlement functional area.

2. Configure payment purpose codes.

You can either:

- Manually define each purpose code.

See [Maintain Payment Purpose Codes](#) on page 1605.

- Upload purpose codes in bulk using the Enterprise Interface Builder (EIB).

Select the *Put Payment Purpose Code* web service from the **Web Service Operation** prompt on the **Create EIB** task.

See [Steps: Set Up EIBs Using Templates from Web Service Operations](#).

Select a purpose code on supplier invoices or supplier invoice adjustments as required by your banks.

Tasks

[Create Supplier Invoices](#) on page 1173

[Create a Non-PO Supplier Invoice](#) on page 1188

[Adjust Supplier Invoices](#) on page 1197

Reference

[2023R1 What's New Post: Payment Purpose Codes for Supplier Payments](#)

Maintain Payment Purpose Codes

Security: *Set Up: Settlement* domain in the Banking and Settlement functional area.

You can add, update, and delete codes that identify the purposes for supplier payments.

1. Access the **Maintain Payment Purpose Codes** task.

2. As you complete the task, consider:

Option	Description
Purpose Code	The country-specific code to define the payment purpose, as required by banks or the local regulatory authorities.
Country	Select the country the payment purpose code applies to.
Originating Country	Select this option when the purpose code applies to a payment that originates from the country selected.
Receiving Country	Select this option when the purpose code applies to a payment received by the country selected.
Inactive	Inactivates the payment purpose code so that it doesn't display in prompts for selecting purpose codes on payments. When you inactivate a payment purpose code, the inactivation isn't retroactive and won't apply to existing supplier invoices and transactions in progress. The code will still display in existing supplier invoices.

Reference: Settlement Business Processes

Business Process	Description
<i>Settlement Run Event</i>	Initiates when you create a settlement run. Workday delivers the default definition of this business process minimally configured. You can add steps, such as approvals. When you deliver payment files to external parties, don't include an integration step on this business process. Workday recommends that you configure the integration step on the <i>Payment Release Event</i> or <i>Outsourced Payment Release Event</i> business process instead.
<i>Cash Balance Check Event</i>	Checks for overspending of funds in accounting journals and settlement run payments. To use this business process, add a <i>Check Cash Balance</i> action step to any of these business processes: • <i>Accounting Journal Event</i> • <i>Express Settlement Run Event</i> • <i>Settlement Run Event</i> You can add this action step more than once, but 1 instance must be the completion step.
<i>Cash Balance Check Event (Do Not Use)</i>	Checks for overspending of funds in ad hoc bank transactions and settlement run payments.

Business Process	Description
	To use this business process, add a <i>Check Cash Balance (Do Not Use)</i> action step to the <i>Settlement Run Event</i> or <i>Ad Hoc Bank Transaction Event</i> business process. You can add this step more than once, but 1 instance must be the completion step. Note: We plan to retire the <i>Cash Balance Check Event (Do Not Use)</i> business process with the old cash balance check functionality in a future update. Workday recommends that you use the <i>Cash Balance Check Event</i> business process with the advanced cash balance check functionality for a more streamlined cash balance check exception process.
<i>Express Settlement Run Event</i>	Initiates when the <i>Miscellaneous Payment Request Event</i> business process completes for a miscellaneous payment request that you route through an express settlement run. When you deliver payment files to external parties, don't include an integration step on this business process. Workday recommends that you configure the integration step on the <i>Payment Release Event</i> or <i>Outsourced Payment Release Event</i> business process instead.
<i>Outsourced Payment Release Event</i>	Initiates when the <i>Settlement Run Event</i> business process completes for payments that you're sending to an outsourced check printing service. On the business process definition: • Add an <i>Integration for Processing Outsource Payment Group</i> business process step for each integration, and select the <i>Outsourced Payment Group ID</i> integration criteria. • Configure the <i>Document Delivery</i> service step on each <i>Integration Process Event</i> to route payments. When you deliver all integration files to the same bank: • Include a <i>Document Delivery</i> step on the <i>Outsourced Payment Release Event</i> business process. • Remove the <i>Document Delivery</i> step from each <i>Integration Process Event</i>. When you add multiple integrations to the business process, they all initiate at once. When you add an integration step and select <i>Integration for Processing Outsource Payment Group</i>, Workday initiates a single integration conditionally. The integration that Workday initiates depends on the: • Bank account

Business Process	Description
	• Payment category • Payment type
<i>Payment Release Event</i>	Initiates for each electronic payment included in a settlement run when the <i>Settlement Run Event</i> business process completes. On the business process definition: • Add 1 <i>Integration Process Event</i> business process step for each bank account integration. Workday recommends that you configure the dynamic integration system. • Configure the <i>Document Delivery</i> service step on each <i>Integration Process Event</i> to route payments. When you deliver all integration files to the same bank: • Remove the <i>Document Delivery</i> step from each <i>Integration Process Event</i> business process. • Add a <i>Document Delivery</i> step on the <i>Payment Release Event</i> business process. When you pay AMEX for expense credit card transactions, you can include the <i>Remittance</i> service step to produce remittance files that accompany payments.
<i>Print Checks Task</i>	When payments within a settlement run require checks, Workday automatically: • Creates an event for printing checks. • Sends a notification to the settlement specialist.
<i>Payment Printing Event</i>	Initiates to generate a positive pay file when the <i>Print Checks Task</i> business process completes. To generate positive pay files: • Select the Enable Positive Pay check box on the payment bank account. • Configure the positive pay file integration on the <i>Payment Printing Event</i> business process.
<i>Remittance Release Event</i>	To settle expense payments with AMEX for expense credit card transactions: • Create the integration event for AMEX remittance files. • Include the <i>Remittance</i> service step on the <i>Payment Release Event</i> business process. To attach netting statements to your supplier emails, add the Netting Statements report field to the attachment section of the <i>Remittance Release Event</i> business process.

Tasks

[Create Custom Business Processes](#)

[Create Manual Settlement Runs](#) on page 1615

[Steps: Set Up Bank Integrations for Settlement Processing](#)

[Steps: Set Up Settlement](#) on page 1590

[Steps: Set Up Express Settlement](#) on page 1472

[Steps: Set Up Netting](#) on page 558

Reference: Settlement Run Custom Filters

You can use the **Create Settlement Run Custom Filter** task to create custom filters for settlement runs. You can edit these filters using the **Edit Settlement Run Custom Filter** task.

Fields

Option	Description
From Current Date In (Days)	Includes everything between the current date and the number of days in the future that you enter in the field.
Up to Current Date In (Days)	Includes everything between the current date and the number of days in the past that you enter in the field.
Invoices Due In (Days)	When you enter a positive number in this field, Workday includes all invoices that are: • Past due up to the settlement run date. • Past due up to the number of days in the future from the settlement run date. Example: If the settlement run date is 12/30/21 and Invoices Due In (Days) is 3, then the custom filter includes all invoices that are due up to 01/02/22. When you enter a negative number in this field, Workday includes all supplier invoices that are due up to the number of days in the past from the settlement run date. Example: If the settlement run date is 12/30/21 and Invoices Due In (Days) is -3, then the custom filter includes all invoices that are due up to 12/27/21.
Expense Report Approval Dates Before Current Date In (Days)	Includes expense reports with approval dates that are a specific number of days in the past and older.

Common Scenarios

Scenario	Steps
Pay all outstanding expense reports each week.	1. Select <i>Expense Report</i> on the Payment Source prompt. 2. On the Expense Report Attributes section, select the All Open Expense Reports check box.

Scenario	Steps
Pay outstanding expense credit card transactions on behalf of other companies.	1. Select <i>Expense Credit Card Transaction</i> on the Payment Source prompt. 2. On the Expense Credit Card Transaction Attributes section, select companies to include in the filter on the On Behalf of Company for the Payment prompt.
Pay your tier 1 suppliers before your tier 2 suppliers.	Create separate custom filters for your tier 1 and tier 2 suppliers. 1. Select <i>Supplier Invoice</i> on the Payment Source prompt. 2. On the Supplier Invoice Attributes section, select attributes on these prompts: • Supplier • Supplier Category • Supplier Group
Automatically run the settlement process nightly to pay supplier invoices due in the next 3 days. Include all expense reports and credit card transactions.	1. Select these payment sources on the Payment Source prompt: • Supplier Invoice • Expense Credit Card Transaction • Expense Report 2. On the Supplier Invoice Attributes section, enter 3 on the Invoices Due in (Days) field. 3. On the Expense Credit Card Transaction Attributes section, select the All Available Expense Credit Card Transactions check box. 4. On the Expense Report Attributes section, select the All Open Expense Reports check box.
Pay quarterly bonuses to salaried employees and control who you include in the settlement run.	Use this method if you've been experiencing time-outs when settling a high volume of off-cycle payments. 1. Select <i>Pay Group Exception</i> on the Payment Source prompt. 2. On the Pay Group Exception Attributes section, select <i>Quarterly U.S. Bonus Pay Run Group</i> on the Pay Run Group Selection prompt.
Pay supplier invoices based on their reference types.	1. Select <i>Supplier Invoice</i> on the Payment Source prompt. 2. On the Supplier Invoice Attributes section, select reference types on the Reference Type prompt.

Concepts

Setup Considerations: [Settlement Run Filters](#) on page 1599

Tasks

[Define Settlement Run Custom Filters](#) on page 1601

Steps: Use Settlement

Define the elements necessary to settle payments, such as payment types and bank accounts.

The single settlement engine in Workday enables you to manage all incoming and outgoing payments in 1 place across your entire business. This unified infrastructure:

- Controls the financial inflows and outflows of your enterprise.
- Gives you the analytic data you need to make informed decisions.

1. Create the open items and pending payments to settle.

2. (Optional) Preauthorize bank accounts.

See [Steps: Use Prenotes](#) on page 1611.

3. Settle payments.

See:

- [Create Manual Settlement Runs](#) on page 1615.
- [Schedule Automatic Settlement Runs](#) on page 1618.

4. (Optional) Upload payment acknowledgments.

See [Launch EIB Spreadsheet Upload](#).

5. (Optional) [Print Checks and Advices](#) on page 1647.

Concepts

[Concept: Settlement Processing](#) on page 1624

Tasks

[Steps: Set Up Settlement](#) on page 1590

Reference

[Reference: Settlement Run Items and Payments](#) on page 1625

[Reference: Settlement Run and Payment Statuses](#) on page 1627

Bank Account Preauthorization

Steps: Use Prenotes

Set up your bank accounts for electronic payments.

You can reduce the number of Automated Clearing House (ACH) payment rejections by sending prenote transactions to validate electronic banking information.

1. Access the **Edit Tenant Setup - Financials** task.

Specify an ID generator for the prenote run.

Security: *Set Up: Tenant Setup - Financials* domain in the System functional area.

2. Add a *Batch/Job* step on the *Prenote Run Event* business process, specify *Prenotes Create (Job)*, and select users with appropriate security access.

See [Edit Business Processes](#).

3. (Optional) Configure the *Payment Election Enrollment Event* business process to issue prenotes when workers or students add or change bank accounts on payment elections.
- Add a *Service* step before the completion step and specify *Prenote of Worker Bank Accounts if New or Changed*. To issue prenotes selectively, include an entry condition rule.

Note: To issue prenotes for worker or student bank accounts, you must configure this step.

See [Edit Business Processes](#).

4. [Define Bank Accounts](#) on page 1418.

- Add *Prenote Payment* to the primary or additional purposes in the **Bank Account Usage** section.
- Configure the payment type and payment category for your prenotes on the **Settlement Setup** tab to automate prenote payments from your company bank account. If you leave the **Payment Category** field blank, Workday applies the configurations to all payment categories for the payment type selected. Example: If you define settlement setup for ACH payment types and leave the **Payment Category** field blank, Workday applies the configurations to all ACH payments, including prenote payments.

If you don't configure the **Settlement Setup** tab for prenotes, you'll need to manually send the prenote payment files to your bank.

5. (Optional) [Maintain Payment Election Rules](#) on page 1260.

Configure override payment types for the bank accounts for workers or student refunds. Workday uses the override payment type when prenotes return with these statuses:

- *Error*
- *In Progress*
- *Pending*

When a prenote returns with the status of *Error*, the worker or student must update their payment elections. If you haven't selected an override payment type for errors, Workday rejects the payment, requiring you to process it manually.

6. (Optional) [Set Up Online Payment Options for Students](#).

Configure the **Blocked Prenote Statuses** field on the **Student Payment Settings** tab.

7. (Optional) Access the **Change Customer Banking** task to enable prenotes for customer payments.

Select **Requires Prenote** for the settlement bank account.

Configure the *Customer Banking Change Event* business process and security policy in the Customers functional area.

8. (Optional) Access the **Change Supplier Settlement Bank Account** task to enable prenotes for supplier payments.

Select the **Requires Prenote** check box for the settlement bank account.

Configure the *Supplier Settlement Bank Account Change Event* business process and security policy in the Suppliers functional area.

9. (Optional) Enable prenotes for any of these payee types:

- Ad hoc payees.
- Miscellaneous payees.
- Sponsors.
- Tax authorities.

Select the **Requires Prenote** check box for the settlement bank account on the **Settlement Bank Account** profile group.

10. [Create Prenote Runs](#) on page 1613.

11. (Optional) Access the **Update Prenotes** task.

Update prenote payment statuses manually. Example: When the receiving bank returns exceptions, you can mark individual prenote payments as errors and cancel or reverse the accounting.

When you generate a prenote run, Workday:

- Generates the prenote payments as payment files separate from the settlement run.
- Sends the prenote payment to your bank based on the integration system set up in the **Settlement Setup** section of the company bank account.

Tasks

[Steps: Set Up Banking](#) on page 1417

[Create Ad Hoc Payees](#) on page 1449

[Set Up and Manage Sponsor Information](#)

[Steps: Set Up Transaction Taxes](#) on page 416

[Steps: Set Up Settlement](#) on page 1590

[Steps: Use Settlement](#) on page 1611

[Refund Students](#)

[Steps: Set Up Student Payments](#)

[Set Up Online Payment Options for Students](#)

Reference

[Reference: Prenote Run Statuses](#) on page 1614

[2021R2 What's New Post: Prenote for Student Bank Accounts](#)

Create Prenote Runs

- Define valid bank accounts for electronic payments.
- Configure the *Prenote Run Event* business process and security policy in the Banking and Settlement or Core Payroll functional areas.

Prenote runs preauthorize bank accounts by verifying account and routing information for workers, suppliers, customers, and students. Workday handles a prenote transmission as a batch process and:

- Creates the prenote payments.
- Creates the prenote payment accounting when the amount is greater than zero.
- Sets the prenote status to *In Progress*.

1. Access the **Create Prenote Run** task.

2. As you complete the task, consider:

Option	Description
Company	To define a prenote run for suppliers or customers, select a company instead of a company hierarchy. When you select a company hierarchy, you must have previously tied the bank to that hierarchy. To define a prenote run for workers, ensure that the workers are associated with a company. When you select a company hierarchy and then select a worker, Workday associates a company with that worker. The associated company pays the prenote amount. To define a prenote run for students, ensure that they're associated with the company of the institution. The associated company pays the prenote amount. Note: The currency for the selected company and bank account must be the same.

Option	Description
Prenote Amount	Enter an amount that's zero or more for each prenote payment. For student direct debit payments, the prenote payments must be a zero amount.
Optional Balancing Worktags	When you enable optional worktag balancing on the Maintain Worktag Balancing Configuration task, Workday fully balances journal lines by optional balancing worktags. Journal lines automatically: - Inherit optional balancing worktags based on the worktag types selected. - Generate due to and due from entries to balance transactions. You can require optional balancing worktags for prenote runs using the Maintain Worktag Usage report.

To initiate recurring prenote runs, use the **Schedule Prenote Run** task.

Tasks

[Configure Optional Worktag Balancing for the Tenant](#) on page 267

[Define Bank Accounts](#) on page 1418

Reference

[Workday 32 What's New Post: Schedule Prenote Runs](#)

[2021R2 What's New Post: Prenote for Student Bank Accounts](#)

Reference: Prenote Run Statuses

This table describes the different statuses for prenote runs.

Status	Description
<i>None</i>	The bank account doesn't have prenotes enabled. For worker and student bank accounts, the worker or student didn't set the bank account for a payment election. For settlement bank accounts, you didn't edit the bank account to enable prenotes.
<i>Pending</i>	The bank account has prenotes enabled and is waiting for a prenote run to process it.
<i>In Progress</i>	Workday is awaiting confirmation that the bank received the prenote payment.
<i>Complete</i>	The bank successfully received and processed the prenote transaction.
<i>Error</i>	Either: - You canceled the prenote payment. - The bank rejected the prenote payment.

Payment Settlement

Create Manual Settlement Runs

- Create the unpaid open items and pending payments to settle.
- Set up an intercompany profile in Workday for settling intercompany items.
- Security: *Process: Settlement* domain in the Banking and Settlement functional area or 1 or more of these domains:
 - *Process: Ad Hoc Payment Settlement* domain in the Banking and Settlement functional area.
 - *Process: Bank Account Transfer for Settlement/Settlement* domain in the Banking and Settlement functional area.
 - *Process: Customer Invoice Payment/Settlement* domain in the Customer Accounts functional area.
 - *Process: Customer Refund Settlement* domain in the Customer Accounts functional area.
 - *Process: Expense Report Payment/Settlement* domain in the Expenses functional area.
 - *Process: Intercompany Payment/Settlement* domain in the Financial Accounting functional area.
 - *Process: Miscellaneous Payment Request Settlement* domain in the Miscellaneous Payments functional area.
 - *Process: Payroll Settlement* domain in the Core Payroll functional area.
 - *Process: Pending Student Refund/Settlement* domain in the Student Financials functional area.
 - *Process: Procurement Card Payment/Settlement* domain in the Procurement functional area.
 - *Process: Student Payment/Settlement* domain in the Student Financials functional area.
 - *Process: Student Sponsor Refund/Settlement* domain in the Student Financials functional area.
 - *Process: Supplier Invoice Payment/Settlement* domain in the Supplier Accounts functional area.

You can create, edit, preview, and process settlement runs to settle unpaid open items and pending payments. Workday interacts with banks to send outbound payments and receive inbound payments.

1. Access the *Create Settlement Run* task.

As an alternative, you can settle a one-off payment from the related actions menu of an unpaid open item or pending payment. Workday creates a draft settlement run with the one-off payment.

2. As you complete the task, consider:

Option	Description
Currency	This currency value can differ from the bank account currency, but the bank accounts in the bank routing rule must accept it. To select multiple or all currencies, you must enable multicurrency settlement runs in the Edit Tenant Setup – Financials task. You can select multiple currencies when searching for items or payments to add to the settlement run. Workday settles the payments using the currency of each transaction.
Display Currency	For single currency settlement runs, the display currency is the settlement run currency. Workday displays the settlement run inbound or outbound payment total in this currency for informational purposes, while settling payments using the currency of the transaction. You can change the default company currency to another

Option	Description
	currency that is associated with the company bank account.
Auto Select Filters	Workday includes all unpaid open items and pending payments that meet the settlement filter criteria for: • Organization • Currency • Run date You can add or remove selections from the settlement run as necessary before you process the run. For the United Kingdom, the settlement run date is the BACS processing date.
Include Payments on Behalf of Other Companies	Select to settle payment requests from other companies for these payments categories and make payments on behalf of the other companies: • Expense credit card transactions • Expense reports • Miscellaneous payment requests • Supplier invoices Available companies are based on your intercompany profile. This option is unavailable if you're settling payments for a company hierarchy. If you're using a custom filter with specified criteria and companies, you must select this option.
Exclude Negative Payments	Select to exclude negative payments, such as credit adjustments, from processing in the settlement run. Workday groups all negative payments by company, payment category, and currency in a single row and marked as excluded in the View Settlement Run task.
Dynamic Supplier Payment Date	Select the supplier payment date that you want to match for the settlement run. • When the supplier invoice discount date is in the past, Workday uses the supplier invoice due date as the payment date. • When the supplier invoice due date is in the past, Workday uses the settlement run date as the payment date. A settlement run can have supplier payments with different payment dates. The bank executes supplier payments based on the payment date, not the date when you send the payment file.

Workday immediately creates a draft settlement run with an auto-generated ID based on your tenant setup.

3. Click **Add** to search for and select the unpaid open items and pending payments to include in the settlement run.

4. Preview the payments that you've included in the settlement run.

The **Summary** and other views display the payments to be generated. Workday combines payments for documents such as expense reports and supplier invoices, if applicable.

If necessary, edit the details of the payment:

- Click **Edit** to edit item details such as the bank account, supplier payment dates, payment type, or to add a memo. You can remove open items from the payment.
- Click **Manage Payments** to edit payment details, or remove payments from the settlement run. You can't remove payroll payments from pay groups.
- Click **Manage Exceptions** to edit payments with exceptions such as a bank account that doesn't support a certain payment type. You can also remove payments with the exceptions.

5. To view the selected items, click **View Items**.

If your expense report payments include zero dollar expense reports, you can click **Manage Zero Reimbursement** to remove them from the settlement run.

6. To settle payments for the unpaid open items and pending payments included in the run, click **Process**.

Workday launches the *Settlement Run Event* business process and settles its unpaid open items and pending payments.

If you've configured remittance integration, Workday processes the file during the settlement run.

Once the settlement engine completes the payments, it generates the accounting entries associated with each payment and sends them to Workday financial accounting. If the ledger periods for the settlement run date are closed or in *Close in Progress* status, payments are posted to the first available open ledger period. If an open ledger period isn't available, the status for the payment journal changes to *Error*.

After launching the settlement run, you can:

- Approve the settlement run event.
- For electronic payments:
 - Approve the payment release.
 - Complete and approve any additional *Payment Release Event* business process steps.
 - Upload payment acknowledgements for payments that have an *Awaiting Acknowledgement* payment status.
 - Verify that you delivered the payment integration files correctly.
- For payments by check:
 - Complete the Print Checks Inbox items to initiate check printing when ready.
 - Complete and approve any additional *Print Checks Task* and *Payment Printing Event* business process steps.

To edit a draft settlement run, use the **Find Settlement Runs** report. If necessary, change the **Settlement Run Name** or **Payment Date**. The payment date is the date of the settlement that displays on checks and advices for payments included in the run. For electronic payments, the payment date is the date that you process the settlement run.

Concepts

[Concept: Electronic Payment Acknowledgement](#) on page 1603

[Concept: Multicurrency](#) on page 23

[Concept: Settlement Processing](#) on page 1624

Tasks

[Steps: Set Up Settlement](#) on page 1590

[Steps: Use Settlement](#) on page 1611

[Print Checks and Advices](#) on page 1647

[Verify Delivery of Electronic Payments](#) on page 1620

Reference

[Reference: Settlement Business Processes](#) on page 1606

[Reference: Settlement Run Items and Payments](#) on page 1625

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Schedule Automatic Settlement Runs

- Create the unpaid open items and pending payments that you need to settle.
- Set up an intercompany profile in Workday for settling intercompany payments.
- Security: 1 of these domains in the Banking and Settlement functional area:
 - *Process: Schedule Settlement Run*
 - *Process: Settlement*

You can define a schedule for Workday to create a settlement run and settle payments for unpaid open items and pending payments. If you schedule the creation of the settlement run only, you can review and edit it before processing.

1. Access the **Schedule Settlement Run** task.
2. As you complete the task, consider:

Option	Description
Currency	This currency can differ from the bank account currency, but the bank accounts in the bank routing rule must accept it. You can select multiple currencies when searching for items or payments to add to the settlement run. Workday settles the payments using the currency of each transaction. To select multiple or all currencies, enable multicurrency settlement runs in the Edit Tenant Setup – Financials task.
Display Currency	The settlement run currency for single currency settlement runs. For multicurrency settlement runs, Workday displays the settlement run inbound or outbound payment total in this currency, while settling payments using the currency of the transaction. You can change the default company currency to another currency that is associated with the company bank account.
Run Date From Current Date In (Days)	To settle all payments created in the settlement run, enter a number of days from the date of today. Example: You can set a future settlement run date to allow more time to fund your source bank accounts before the banks execute supplier invoice payments.
Auto Select Filters	Workday includes all unpaid open items and pending payments that meet the settlement filter criteria for: • Organization • Currency

Option	Description
	Run date You can add or remove selections from the settlement run as necessary before you process the run. For the United Kingdom, the settlement run date is the BACS processing date.
Include Payments on Behalf of Other Companies	Select to settle payment requests from other companies for these payments categories and make payments on behalf of the other companies: - Expense credit card transactions - Expense reports - Miscellaneous payment requests - Supplier invoices Available companies are based on your intercompany profile. This option is unavailable if you're settling payments for a company hierarchy. If you're using a custom filter with specified criteria and companies, you must select this option.
Keep Settlement Run in Draft	This option schedules the creation of the settlement run, but saves it as a draft. After the scheduled date and time, you can find the settlement run, review, make edits, and manually launch the process when ready.
Exclude Negative Payments	Select to exclude negative payments, such as credit adjustments, from processing in the settlement run. Workday groups all negative payments by company, payment category, and currency in a single row and marked as excluded in the View Settlement Run task.
Dynamic Supplier Payment Date	Select the supplier payment date that you want to match for the settlement run. - When the supplier invoice discount date is in the past, Workday uses the supplier invoice due date as the payment date. - When the supplier invoice due date is in the past, Workday uses the settlement run date as the payment date. A settlement run can have supplier payments with different payment dates. The bank executes supplier payments based on the payment date, not the date when you send the payment file.

When the scheduled date and time arrive, Workday creates a settlement run based on your selection criteria and either:

- Saves the settlement run as draft.
- Launches the *Settlement Run Event* business process automatically and settles its unpaid open items and pending payments.

Once the settlement engine completes the payments, it generates the accounting entries associated with each payment and sends them to the financial accounting of Workday. If ledger periods for the settlement run date are closed or in *Close in Progress* status, payments are posted to the first available open ledger period. If an open ledger period isn't available, the status for the payment journal changes to *Error*.

After launching the settlement run, you can:

- Approve the settlement run event.
- For electronic payments:
 - Approve the payment release.
 - Complete and approve any additional *Payment Release Event* business process steps.
 - Upload payment acknowledgements for payments that have an *Awaiting Acknowledgement* payment status.
 - Verify that you delivered the payment integration files correctly.
- For payments by check:
 - Complete the Print Checks Inbox items to initiate check printing when ready.
 - Complete and approve any additional *Print Checks Task* and *Payment Printing Event* business process steps.

To edit a draft settlement run, use the **Find Settlement Runs** report. If necessary, change the **Settlement Run Name** or **Payment Date**. The payment date is the date of the settlement that displays on checks and advices for payments included in the run. For electronic payments, the payment date is the date that you process the settlement run.

Concepts

[Concept: Electronic Payment Acknowledgement](#) on page 1603

[Concept: Settlement Processing](#) on page 1624

Tasks

[Steps: Set Up Settlement](#) on page 1590

[Steps: Use Settlement](#) on page 1611

Reference

[Reference: Settlement Run and Payment Statuses](#) on page 1627

[Reference: Settlement Business Processes](#) on page 1606

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Verify Delivery of Electronic Payments

- Configure electronic payment integration to deliver payment files to the correct locations.
- Security: *My Reports* domain in the System functional area.

You can verify that your electronic payment integration delivered payment files to the correct destination.

1. Access the **Process Monitor** report.
2. Select the **Integration** process type.
3. Click **Payment Router** to view the detail.
4. To verify that the payment file was successfully delivered to the destination, click the **Output Files** tab.
5. (Optional) Click the **Messages** tab to view the reasons for any failures.

If the delivery didn't work, review the process and update the configuration. To resend payment messages without creating new payments and settlement runs, access the **Find Electronic Payment Messages** report. From the related actions menu of a payment message, select **Payment Message > Resend**.

Cancel Settlement Run

Security: *Process: Settlement* domain in the Banking and Settlement functional area or 1 or more of these domains:

- *Process: Ad Hoc Payment Settlement* domain in the Banking and Settlement functional area.
- *Process: Bank Account Transfer for Settlement/Settlement* domain in the Banking and Settlement functional area.
- *Process: Customer Invoice Payment/Settlement* domain in the Customer Accounts functional area.
- *Process: Customer Refund Settlement* domain in the Customer Accounts functional area.
- *Process: Expense Report Payment/Settlement* domain in the Expenses functional area.
- *Process: Intercompany Payment/Settlement* domain in the Financial Accounting functional area.
- *Process: Miscellaneous Payment Request Settlement* domain in the Miscellaneous Payments functional area.
- *Process: Payroll Settlement* domain in the Core Payroll functional area.
- *Process: Pending Student Refund/Settlement* domain in the Student Financials functional area.
- *Process: Procurement Card Payment/Settlement* domain in the Procurement functional area.
- *Process: Student Payment/Settlement* domain in the Student Financials functional area.
- *Process: Student Sponsor Refund/Settlement* domain in the Student Financials functional area.
- *Process: Supplier Invoice Payment/Settlement* domain in the Supplier Accounts functional area.

You can cancel an entire settlement run in any status, unless:

- Billing is complete for cost reimbursable award transactions in the settlement run. These transactions include:
 - Payroll.
 - Expense reports.
 - Supplier invoices.
 - Fringe benefits.
- The settlement run has 1 or more payments that:
 - Generated intercompany items in another settlement run.
 - Have a status of *Escheated*, *Returned*, or *Stopped*.
 - You've reconciled.

When you cancel a settlement run that has already sent the payment file to the bank, contact the bank to stop the processing. Once Workday delivers the payment file to the bank, you can't automatically cancel it.

1. Access the **Find Settlement Runs** task.
2. Select **Settlement Run > Cancel** from the related actions menu of the settlement run.
3. On the confirmation page, review the settlement run details to ensure that you have the correct settlement run.

Note: After you cancel, you can't make additional changes to the canceled settlement run.

- When you cancel a processed settlement run, you also cancel payments created by the settlement run. These payments can include supplier invoice payments, expense payments, and customer invoice payments. You can then select payable items again for payment.
- Payments and receivable transactions created outside the settlement run are set back to *Awaiting Settlement* status. These payments and receivable transactions, such as payroll and customer electronic payments, are available for settlement in a different settlement run.
- When you cancel a settlement run, you also:
 - Cancel deposit batches created by the settlement run.
 - Cancel or reverse journals.
 - Cancel or withdraw related *Payment Group* business processes, such as print checks and payment release.
- For reference, you can still view details from the **Find Settlement Run** report.

Tasks

[Steps: Set Up Settlement](#) on page 1590

Cancel Payments

Security:

- *Process: Ad Hoc Payment Reporting* domain in the Banking and Settlement functional area.
- *Process: Bank Account Transfer for Settlement - Reporting* domain in the Banking and Settlement functional area.
- *Process: Customer Invoice Payment* domain in the Customer Accounts functional area.
- *Process: Customer Refund/Payment* domain in the Customer Accounts functional area.
- *Process: Intercompany* domain in the Financial Accounting functional area.
- *Process: Payroll Settlement* domain in the Core Payroll functional area.
- *Process: Settlement* domain in the Banking and Settlement functional area.
- *Reports: Expense Report Payment* domain in the Expenses functional area.
- *Reports: Pay Calculation Results for Worker (Results)* domain in the Core Payroll functional area.
- *Reports: Procurement Card Payments* domain in the Procurement functional area.
- *Reports: Supplier Payment* domain in the Supplier Accounts functional area.

You can cancel payments that you haven't reconciled. When you print checks or generate bank files for unreconciled payments, you can cancel the payments as long as you don't cash the checks. These payments include:

- Individual payments.
- Multiple electronic payments.
- To cancel an individual payment:
 - a) Access the **Find Payments** report.
 - b) Search for the unreconciled payment to cancel.
 - c) Select **Cancel** from the related actions menu of the payment.
 - d) On the confirmation page, review the details of the payment you're canceling.
 - e) Void a related check, if necessary.
- To cancel electronic payments in mass:
 - a) Access the **Mass Payment Update** task.
 - b) Once you've filtered the payments, select the electronic payments to cancel in mass.
 - c) On the confirmation page, review the details of the electronic payments you're canceling.

Workday cancels the payments and any related accounting entries. When canceled:

- Pending payments are no longer available for settlement.
- Open items associated with a settlement run become available for selection in another settlement run.
- Workday no longer includes payments when you print checks or generate the bank file for completed settlement runs.

If you already printed the check or sent the bank file, this action stops payment. Void the check using the **Record Voided Checks** task.

Tasks

[Reprocess Multiple Electronic Payments](#) on page 1623

Complete Electronic Payments

Security: *Process: Settlement* domain in the Banking and Settlement functional area or 1 or more of these domains:

- *Process: Ad Hoc Payment Settlement* domain in the Banking and Settlement functional area.
- *Process: Bank Account Transfer for Settlement/Settlement* domain in the Banking and Settlement functional area.

- *Process: Customer Invoice Payment/Settlement* domain in the Customer Accounts functional area.
- *Process: Customer Refund Settlement* domain in the Customer Accounts functional area.
- *Process: Expense Report Payment/Settlement* domain in the Expenses functional area.
- *Process: Intercompany Payment/Settlement* domain in the Financial Accounting functional area.
- *Process: Miscellaneous Payment Request Settlement* domain in the Miscellaneous Payments functional area.
- *Process: Payroll Settlement* domain in the Core Payroll functional area.
- *Process: Pending Student Refund/Settlement* domain in the Student Financials functional area.
- *Process: Procurement Card Payment/Settlement* domain in the Procurement functional area.
- *Process: Student Payment/Settlement* domain in the Student Financials functional area.
- *Process: Student Sponsor Refund/Settlement* domain in the Student Financials functional area.
- *Process: Supplier Invoice Payment/Settlement* domain in the Supplier Accounts functional area.

You can complete in-progress electronic payments in bulk.

1. Access the **Mass Payment Update** task.
2. Select the electronic payments and click **Complete Payments**.
3. On the confirmation, review the details of the electronic payments you're completing.

Workday:

- Settles these pending payments.
- Generates their accounting entries.
- Moves their balances from the pending payment column to the account balance column.

Tasks

[Steps: Set Up Settlement](#) on page 1590

Reprocess Multiple Electronic Payments

Security: *Process: Settlement* domain in the Banking and Settlement functional area or 1 or more of these domains:

- *Process: Ad Hoc Payment Settlement* domain in the Banking and Settlement functional area.
- *Process: Bank Account Transfer for Settlement/Settlement* domain in the Banking and Settlement functional area.
- *Process: Customer Invoice Payment/Settlement* domain in the Customer Accounts functional area.
- *Process: Customer Refund Settlement* domain in the Customer Accounts functional area.
- *Process: Expense Report Payment/Settlement* domain in the Expenses functional area.
- *Process: Intercompany Payment/Settlement* domain in the Financial Accounting functional area.
- *Process: Miscellaneous Payment Request Settlement* domain in the Miscellaneous Payments functional area.
- *Process: Payroll Settlement* domain in the Core Payroll functional area.
- *Process: Pending Student Refund/Settlement* domain in the Student Financials functional area.
- *Process: Procurement Card Payment/Settlement* domain in the Procurement functional area.
- *Process: Student Payment/Settlement* domain in the Student Financials functional area.
- *Process: Student Sponsor Refund/Settlement* domain in the Student Financials functional area.
- *Process: Supplier Invoice Payment/Settlement* domain in the Supplier Accounts functional area.

You can reprocess completed electronic payments in bulk.

1. Access the **Mass Payment Update** task.
2. Select the electronic payments and click **Reprocess Payments**.
3. On the confirmation, review the details of the electronic payments that you're reprocessing.

Workday repackages these payments into new payment messages and sends them electronically to the bank or outsourced check provider.

- The bank server is down when you send the electronic payments message and you must resend it. You can recreate the electronic payments to send to the bank for the payments included in the *payment group*.
- Your bank rejects a group of payments because of an incorrect account number. You can edit the account number, then resubmit the payments.

You can resend individual electronic payment messages from the **Find Electronic Payment Messages** report by selecting **Payment Message > Resend** from the related actions menu.

Tasks

[Steps: Set Up Settlement](#) on page 1590

[Cancel Payments](#) on page 1622

Concept: Settlement Processing

When you process a settlement run, Workday launches the *Settlement Run Event* business process and settles the unpaid open items and pending payments as a single unit.

Unpaid Open Items

For unpaid open items, Workday creates and settles the payment. The payment date is the settlement date. These items include:

- Cash advances.
- Customer invoices and adjustments.
- Expense credit card transactions.
- Expense reports.
- Intercompany items.
- Miscellaneous payment requests.
- Procurement card transactions.
- Supplier invoices and adjustments.
- Student payments and refunds.

Pending Payments

For pending payments, the process settles the existing payments. The payment date derives from the transaction itself and the settlement date doesn't have any bearing. These payments include:

- Ad hoc payments.
- Bank account transfers for settlement.
- Customer payments and refunds.
- On-cycle and off-cycle payroll payments.

You can use the **Find Payments** report to find and view all inbound or outbound payments in 1 place.

Payment Groups

The process automatically organizes the payments into *payment groups* according to criteria such as:

- Bank account
- Category (such as supplier invoice, expense report, payroll, and ad hoc payment)
- Company (for intercompany payments)
- Cost center
- Country
- Credit card type
- Currency
- Handling code (on supplier invoices)

- Reference type (on supplier invoices)
- Pay group (payroll)
- Payment type (such as check or EFT)
- Paycheck delivery method
- Maximum allowable payments in a file
- Integration system
- Supervisory organization

You can review the settlement status for each payment group on the confirmation, which displays:

- How the settlement process grouped payments.
- The status of each payment group.
- Details and status of each business process and subprocess step.
- The people involved in the workflow.

Subsequent Business Processes

When the *Settlement Run Event* business process reaches *Approved* status, Workday proceeds to subsequent business processes automatically:

- For electronic payments, Workday launches the *Payment Release Event* business process to release electronic payments in the settlement run. Electronic payments include credit card payments.

After releasing the payments, Workday checks to see what integration system is associated with each bank account. Workday uses the associated integration system to create and transfer electronic payment files to the bank.

- For payments by check, Workday launches the *Print Checks Task* business process. This process creates a Workday Inbox item for the settlement specialist.

When the business process completes, Workday launches the *Payment Printing Event* business process to generate a positive pay file.

- For outsourced payments, Workday launches the *Outsourced Payment Release Event* business process to send an integration file to an outsourced provider.

Once you approve and complete all applicable subprocesses that you've configured for the *Settlement Run Event*, Workday updates the settlement run status to *Complete*. The settlement process also generates the accounting entries associated with each payment and sends them to Workday financial accounting.

Tasks

[Steps: Use Settlement](#) on page 1611

[Steps: Set Up Settlement](#) on page 1590

Reference

[Reference: Settlement Business Processes](#) on page 1606

Reference: Settlement Run Items and Payments

You can add these unpaid open items and pending payments to a settlement run:

Option	Description
Customer Invoices	The settlement process creates and settles these payments by charging the customer credit card or direct debit account. Unless you select Always Separate Payments when you define the customer, the settlement process combines all invoices and adjustments for the customer into a single payment.

Option	Description
	Invoices don't include payments the customer initiates, such as calling in to pay with a new credit card. You can: • Enter discount amounts by changing the Discount Given. The payment terms of the invoice or adjustment determine the initial discount. • Make partial payments by changing the Amount to Pay. • Collect a net amount for related invoices and adjustments. Example: The customer has an invoice for 100 USD for 3 items. The customer also has a 20 USD adjustment for a returned item. When you include both the invoice and the adjustment, you can collect the net 80 USD from the customer.
Customer Payments	Select payments that the customer makes outside of a regularly scheduled billing cycle and that you manually record. When a customer makes an unscheduled payment by check, you don't need to settle the payment. Instead, select the Create Deposit check box on the Record Customer Payment task to record the payment deposited into your bank.
Expense Reports	The settlement process combines expense reports for the same person into a single payment.
Intercompany Items	The settlement process creates and settles these payments. The process combines intercompany items for the same company into a single payment. Your payment must be a positive amount because Workday doesn't generate negative payments.
Pay Group Exceptions	Includes all off-cycle payments and these on-cycle payments that you complete after regular payroll processing: • Payments on hold. • Payments containing errors that prevent you from completing them as part of the batch. The Off-Cycle Payroll Payment Count field displays how many pay group exceptions you have in Workday, off-cycle and on-cycle.
Pay Groups	Payments from standard, on-cycle runs that you batch process, such as monthly payroll. Workday displays only summarized information about the group of payments. To see individual payments, use payroll tasks and reports.
Supplier Invoices	You can:

Option	Description
	- Enter discount amounts by changing the Discount Given. The payment terms of the invoice or adjustment determine the initial discount. - Make partial payments by changing the Amount to Pay. - Collect a net amount for related invoices and adjustments. Example: You have an invoice for 1000 USD that consists of 10 items priced at 100 USD each. You also have a 200 USD adjustment because you returned 2 items. When you include both the invoice and the adjustment, you can pay the net 800 USD to the supplier. The settlement process creates and settles these payments. Unless you select Always Separate Payments when you define the supplier, the process combines all invoices for that supplier into a single payment. Workday always combines adjustments into a net amount because Workday doesn't generate negative payments.

Tasks

Steps: [Use Settlement](#) on page 1611

Reference: Settlement Run and Payment Statuses

Settlement Run Statuses

This table describes the different statuses for a settlement run.

Status	Description
<i>Draft</i>	You created the settlement run, but haven't processed it yet. You can: - Add or remove unpaid open items or pending payments. - Preview payments. - Launch the <i>Settlement Run Event</i> business process to settle payments. - Cancel the run.
<i>In Progress</i>	You launched the <i>Settlement Run Event</i> business process, but there are steps awaiting action, such as approval, or credit card payment integration.
<i>Approved</i>	Reviewers approved the settlement run and Workday has launched any subsequent business processes.
<i>Denied</i>	Someone denied the settlement run during the approval step of the <i>Settlement Run Event</i> business process. To pay these items, you must include them in a new settlement run.

Status	Description
<i>Complete</i>	You launched the <i>Settlement Run Event</i> business process and successfully completed all steps of this business process along with any subsequent business processes.
<i>Canceled</i>	You canceled the settlement run business process in draft status.

Payment Statuses

This table describes the different statuses for a payment.

Status	Description
<i>Approved</i>	The payment is part of a settlement run that contains an approval step. You approved the settlement run and its payments, but the settlement run isn't complete yet. There are additional steps in the <i>Settlement Run Event</i> business process.
<i>Awaiting Payment Acknowledgement</i>	Workday sent the electronic payment to the bank or outsourced check provider and is awaiting payment acknowledgement.
<i>Awaiting Settlement</i>	You created the payment through a transaction, and it's awaiting settlement through a settlement run.
<i>Canceled</i>	You canceled the payment and its accounting entries.
<i>Complete</i>	You settled the payment and Workday created the corresponding accounting entries. If using payment acknowledgement, Workday receives a payment acknowledgement with a status of <i>Accepted</i> from the financial institution.
<i>Draft</i>	You saved the payment for later, but you haven't created it yet.
<i>Escheated</i>	You escheated the payment and Workday completed the <i>Escheatment Item Event</i> business process.
<i>In Progress</i>	The payment is part of a settlement run that has an incomplete approval step. The payment maintains this status until you approve the settlement.
<i>Payment Received</i>	Workday received payment acknowledgement with a status of <i>Received</i> from the financial institution. You're still waiting for the financial institution to accept or reject the payment.
<i>Rejected</i>	The bank rejected the electronic payment and returned it to Workday because of errors in the bank file.
<i>Returned</i>	The bank returned the electronic payment to Workday. Example: The payee bank information

Status	Description
	provided is invalid, or insufficient funds are in the bank account.

Concepts

[Concept: Settlement Processing](#) on page 1624

Tasks

[Steps: Use Settlement](#) on page 1611

Example: Settle Intercompany Transactions with Different Header and Line Companies

This example illustrates how to settle intercompany transactions with different header and line companies on the supplier invoices.

Your company, Global Modern Services (GMS), buys office supplies on behalf of Green Planet Solutions (GPS). You create a supplier invoice with GPS as the company on the invoice line. When you create the invoice, Workday automatically generates an intercompany item for GPS. You need to settle the supplier invoice to pay for the office supplies that you purchased for GPS.

- Set up intercompany profiles for both companies and select these options for GMS:
 - **Initiate Allowed**
 - **Record Intercompany Receipt**
- Create and approve a supplier invoice with:
 - GMS as the company initiating the invoice.
 - GPS as the company on the invoice line.
- Security: *Process: Settlement* domain in the Banking and Settlement functional area or 1 or more of these domains:
 - *Process: Ad Hoc Payment Settlement* domain in the Banking and Settlement functional area.
 - *Process: Bank Account Transfer for Settlement/Settlement* domain in the Banking and Settlement functional area.
 - *Process: Customer Invoice Payment/Settlement* domain in the Customer Accounts functional area.
 - *Process: Customer Refund Settlement* domain in the Customer Accounts functional area.
 - *Process: Expense Report Payment/Settlement* domain in the Expenses functional area.
 - *Process: Intercompany Payment/Settlement* domain in the Financial Accounting functional area.
 - *Process: Miscellaneous Payment Request Settlement* domain in the Miscellaneous Payments functional area.
 - *Process: Pending Student Refund/Settlement* domain in the Student Financials functional area.
 - *Process: Procurement Card Payment/Settlement* domain in the Procurement functional area.
 - *Process: Student Payment/Settlement* domain in the Student Financials functional area.
 - *Process: Student Sponsor Refund/Settlement* domain in the Student Financials functional area.
 - *Process: Supplier Invoice Payment/Settlement* domain in the Supplier Accounts functional area.

1. Access the **Create Settlement Run** task.
2. Select *Global Modern Services, Inc. (USA)* from the **Company** prompt.
3. Click **OK**.
4. Select *Supplier Invoices* from the **Add** prompt.
5. In the **View Results Option** section, select *Itemized View*.
6. Click **Search**.
7. In the **Selected Item Information** section, select the supplier invoice that you created.
8. Click **OK**.
9. Click **Process**.

Concepts

[Concept: Intercompany Transactions](#) on page 50

Tasks

[Steps: Set Up On-Behalf Intercompany Transactions](#) on page 37

[Create Supplier Invoices](#) on page 1173

[Create Manual Settlement Runs](#) on page 1615

Example: Settle On-Behalf-of Intercompany Transactions

This example illustrates how to settle on-behalf-of intercompany transactions. Workday doesn't use on-behalf-of intercompany transactions in payroll processing.

Your company, Global Modern Services (GMS), is the parent company for Green Planet Solutions (GPS). GPS purchases office supplies and creates a supplier invoice. You need to settle the supplier invoice on behalf of GPS.

- Set up intercompany profiles for both companies and select:
 - **Initiate Allowed** for GMS.
 - **Record Intercompany Receipt** for GMS.
 - **Settle Only** for GPS.
- Create and approve a supplier invoice with GPS as both the initiating company and the company on the invoice line.
- Security: *Process: Settlement* domain in the Banking and Settlement functional area or 1 or more of these domains:
 - *Process: Ad Hoc Payment Settlement* domain in the Banking and Settlement functional area.
 - *Process: Bank Account Transfer for Settlement/Settlement* domain in the Banking and Settlement functional area.
 - *Process: Customer Invoice Payment/Settlement* domain in the Customer Accounts functional area.
 - *Process: Customer Refund Settlement* domain in the Customer Accounts functional area.
 - *Process: Expense Report Payment/Settlement* domain in the Expenses functional area.
 - *Process: Intercompany Payment/Settlement* domain in the Financial Accounting functional area.
 - *Process: Miscellaneous Payment Request Settlement* domain in the Miscellaneous Payments functional area.
 - *Process: Pending Student Refund/Settlement* domain in the Student Financials functional area.
 - *Process: Procurement Card Payment/Settlement* domain in the Procurement functional area.
 - *Process: Student Payment/Settlement* domain in the Student Financials functional area.
 - *Process: Student Sponsor Refund/Settlement* domain in the Student Financials functional area.
 - *Process: Supplier Invoice Payment/Settlement* domain in the Supplier Accounts functional area.

1. Access the **Create Settlement Run** task.

2. Enter these values:

Option	Select
Company	<i>Global Modern Services, Inc. (USA)</i>
Include Payments on Behalf of Other Companies	Select the check box.

3. Click **OK**.

4. Select *Supplier Invoices* from the **Add** prompt.

5. In the **Search Criteria** section, select *Green Planet Solutions, Inc. (USA)* from the **Company(s)** prompt.

6. In the **View Results Option** section, select *Itemized View*.

7. Click **Search**.

8. In the **Selected Item Information** section, select the GPS-approved supplier invoice.
9. Click **OK**.
10. Click **Process**.

Workday automatically generates an intercompany item for GPS.

Concepts

[Concept: Intercompany Transactions](#) on page 50

Tasks

[Steps: Set Up On-Behalf Intercompany Transactions](#) on page 37

[Create Supplier Invoices](#) on page 1173

[Create Manual Settlement Runs](#) on page 1615

Example: Settle Direct Intercompany Transactions

This example illustrates how to settle direct intercompany transactions.

Your company, Green Planet Solutions (GPS), is a customer of another company in the same Workday tenant, Spectre. You purchase a desk from Spectre. To pay Spectre, you need to settle the intercompany item that Workday generates when you create the supplier invoice.

- Set up Spectre as a supplier and GPS as a customer.
 - Set up intercompany profiles for both companies and select:
 - **Settle Only** for GPS.
 - **Record Intercompany Receipt** for Spectre.
 - Create and approve a customer invoice with:
 - Spectre as the company initiating the invoice.
 - GPS as the bill-to customer.
 - Create and approve a supplier invoice with:
 - GPS as the company initiating the invoice.
 - Spectre as the supplier.
 - Security: *Process: Settlement* domain in the Banking and Settlement functional area or 1 or more of these domains:
 - *Process: Ad Hoc Payment Settlement* domain in the Banking and Settlement functional area.
 - *Process: Bank Account Transfer for Settlement/Settlement* domain in the Banking and Settlement functional area.
 - *Process: Customer Invoice Payment/Settlement* domain in the Customer Accounts functional area.
 - *Process: Customer Refund Settlement* domain in the Customer Accounts functional area.
 - *Process: Expense Report Payment/Settlement* domain in the Expenses functional area.
 - *Process: Intercompany Payment/Settlement* domain in the Financial Accounting functional area.
 - *Process: Miscellaneous Payment Request Settlement* domain in the Miscellaneous Payments functional area.
 - *Process: Pending Student Refund/Settlement* domain in the Student Financials functional area.
 - *Process: Procurement Card Payment/Settlement* domain in the Procurement functional area.
 - *Process: Student Payment/Settlement* domain in the Student Financials functional area.
 - *Process: Student Sponsor Refund/Settlement* domain in the Student Financials functional area.
 - *Process: Supplier Invoice Payment/Settlement* domain in the Supplier Accounts functional area.
1. Access the **Create Settlement Run** task.
 2. Select *Green Planet Solutions, Inc. (USA)* from the **Company** prompt.
 3. Click **OK**.
 4. Select *Intercompany Items* from the **Add** prompt.

5. In the **View Results Option** section, select *Itemized View*.
6. Click **Search**.
7. In the **Selected Item Information** section, select the intercompany item related to the supplier invoice.
8. Click **OK**.
9. Click **Process**.

Concepts

[Concept: Intercompany Transactions](#) on page 50

Tasks

[Steps: Set Up Customers and Suppliers for Direct Intercompany Transactions](#) on page 47

[Steps: Create Invoices for Direct Intercompany Transactions](#) on page 47

[Create Manual Settlement Runs](#) on page 1615

Payment Management

Steps: Set Up Escheatment

You can set up escheatment so that you can escheat unreconciled payments or update the payee notification dates for them.

1. Create *Escheatment Payable* and *Escheatment Expense* ledger accounts.
See [Steps: Create and Organize Ledger Accounts](#) on page 67.
2. [Set Up Account Posting Rules](#) on page 69.
Configure the *Escheatment Payable* account posting rule.
Add a row to the *Spend* account posting rule to map the *Escheatment Expense* spend category to the *Escheatment Expense* ledger account.
3. [Create Spend Categories](#).
Create an *Escheatment Expense* spend category.

Tasks

[Escheat Payments](#) on page 1635

Steps: Create Payment Returns

- Configure the *Payment Return Event* business process and security policy in the Banking and Settlement functional area.
- Security:
 - *Process: Ad Hoc Payment Reporting* domain in the Banking and Settlement functional area.
 - *Process: Customer Invoice Payment* domain in the Customer Accounts functional area.
 - *Process: Customer Refund/Payment* domain in the Customer Accounts functional area.
 - *Process: Payment Return* domain in the Banking and Settlement functional area.
 - *Process: Settlement* domain in the Banking and Settlement functional area.
 - *Reports: Expense Report Payment* domain in the Expenses functional area.
 - *Reports: Miscellaneous Payment* domain in the Miscellaneous Payments functional area.
 - *Reports: Supplier Payment* domain in the Supplier Accounts functional area.

You can record individual payments that banks have returned for these payment categories:

- Ad hoc payments.
- Cash advance payments.
- Customer payments.
- Expense credit card payments.

- Expense report payments.
- Miscellaneous payments.
- Procurement card payments.
- Student payments.
- Student refunds.
- Supplier invoice payments.

You can reverse payment calculations to cancel these payroll payments:

- Unreconciled payments.
- Payments without payroll accounting adjustments.
- Payments that don't have in-progress escheatments or a status of *Escheated*.

You can cancel other payments individually.

1. Access the **Find Payments** report.
2. Select **Return** from the related actions menu of the settled payment you want to return.

You can create payment returns for:

- Reconciled and unreconciled payments.
- Unreconciled checks.

3. (Optional) Void a related check.
4. (Optional) Access the **Find Payment Returns** report.

When you haven't paid the original payments, you can cancel or unmatch unreconciled payment returns. From the related actions menu of a payment return, select **Cancel** or **Unmatch**.

Workday cancels any related accounting entries, and the payment status of the original payment changes to *Complete*.

The payment returns generate journal entries that reverse the original payments. Once you resolve the issues, you can settle the expense reports and supplier invoices with the payments. For returned ad hoc payments and bank account transfer payments, you must create new payments to settle.

Access the:

- **Create Payment Return Statement** task to return more than 1 payment.
- **Find Payment Returns** report to view details of returned payments.

Concepts

[Concept: Bank Account Reconciliation](#) on page 1496

Tasks

[Create Manual Settlement Runs](#) on page 1615

[Schedule Automatic Settlement Runs](#) on page 1618

[Reverse a Completed Payroll Calculation](#)

[Cancel a Completed On-Cycle Payroll](#)

Reference

[FAQ: Check and Advice Printing](#) on page 1654

Create Payment Return Statements

- Configure the *Payment Return Statement Event* business process and security policy in the Banking and Settlement functional area.
- Security: *Process: Payment Return* domain in the Banking and Settlement functional area.

You can create a payment return statement to record multiple payments that the bank rejected or returned. Workday creates payment returns that you can reconcile against your bank statement.

1. Access the **Create Payment Return Statement** task.

2. As you complete the task, consider:

Option	Description
Originating Bank Account	The bank account that initiated the transaction.
Return Payment ID	The identifier for the transaction. You can use this ID to match the payment return against the original transaction.
Payment Return Date	The transaction date for the payment return. Workday uses this date for tracking and reporting purposes.

3. Click **Add** to record additional transactions for the same originating bank account, or for a different bank account. The same payment return statement saves all of the transactions.
4. After you record your payments, select **Match Payment Return** to match each payment return against the original payment in Workday. You can select the original payment by payment category based on the operational transaction that created the payment.

Workday enables matched payment returns to generate journal entries that reverse the original payments. The status of the original payments changes to *Returned*, and expense reports and supplier invoices become available for selection in settlement runs. For returned ad hoc payments and bank account transfer payments, you must create new payments to settle.

Concepts

[Concept: Bank Account Reconciliation](#) on page 1496

Tasks

[Create Manual Settlement Runs](#) on page 1615

[Schedule Automatic Settlement Runs](#) on page 1618

Record Stopped Payments

- Configure the *Stop Item Event* business process and security policy in the Banking and Settlement functional area.
- Security:
 - *Process: Ad Hoc Payment Reporting* domain in the Banking and Settlement functional area.
 - *Process: Bank Account Transfer for Settlement - Reporting* domain in the Banking and Settlement functional area.
 - *Process: Customer Invoice Payment* domain in the Customer Accounts functional area.
 - *Process: Customer Refund/Payment* domain in the Customer Accounts functional area.
 - *Process: Payroll Settlement* domain in the Core Payroll functional area.
 - *Process: Miscellaneous Payment Request Settlement* domain in the Miscellaneous Payments functional area.
 - *Process: Settlement* domain in the Banking and Settlement functional area.
 - *Reports: Expense Report Payment* domain in the Expenses functional area.
 - *Reports: Miscellaneous Payment* domain in the Banking and Settlement and Miscellaneous Payments function areas.
 - *Reports: Pay Calculation Results for Worker (Results)* domain in the Core Payroll functional area.
 - *Reports: Procurement Card Payments* domain in the Procurement functional area.
 - *Reports: Supplier Payment* domain in the Supplier Accounts functional area.

You can record stopped checks or manual payments that you want to track in Workday. You can record the stopped payments and supporting documents for the stop payment order before you issue replacement payments. Example: You want to log a check with an incorrect payment amount that you've requested the bank not to cash.

You can use the stop payment functionality for all outbound payment types in Workday except intercompany payments.

1. Access the **Find Payments** report.

2. Search for the settled payments to stop.

You can only stop payments with a:

- Payment status of *Complete*.
- Reconciliation status of *Unreconciled*.

3. Select **Stop** from the related actions menu of the payment.

4. (Optional) Add any details about the original payment or the reasons for stopping the payment from processing. You can also attach supporting documents about the payment.

Workday initiates the *Stop Item Event* business process and sends an Inbox item to the reviewer to approve or deny the stopped items. Once approved, Workday updates the payment status from *Complete* to *Stopped* to reflect that you placed a stop payment request.

For stopped payments, Workday:

- No longer makes pending payments available for settlement.
- No longer includes payments when you print checks or generate an electronic payment file for completed settlement runs. If you already printed the check, you can void it using the **Cancel Payment** task.

Use the **Find Payments** report to identify payments with a *Stopped* payment status and review, resume, or cancel the payments. You can also escheat uncashed or unclaimed items that you've stopped.

Tasks

[Cancel Payments](#) on page 1622

Escheat Payments

- Set up escheatment.
- Configure the *Escheatment Item Event* business process and security policy in the Banking and Settlement functional area.
- Security:
 - *Process: Ad Hoc Payment Escheatment* domain in the Banking and Settlement functional area.
 - *Process: Customer Refund Escheatment* domain in the Customer Accounts functional area.
 - *Process: Expense Report Payment Escheatment* domain in the Expenses functional area.
 - *Process: Miscellaneous Payment - Escheatment* domain in the Miscellaneous Payments functional area.
 - *Process: Payment Escheatment* domain in the Banking and Settlement functional area.
 - *Process: Payroll Payment Escheatment* domain in the Core Payroll functional area.
 - *Process: Procurement Card Payment Escheatment* domain in the Procurement functional area.
 - *Process: Student Refund Escheatment* domain in the Student Financials functional area.
 - *Process: Supplier Invoice Payment Escheatment* domain in the Supplier Accounts functional area.

You can escheat eligible unreconciled payments or update the payee notification dates for them. You can escheat manual or check payments that the payee hasn't cashed or claimed, except for intercompany items and inbound customer payments. Workday also gives you the option to void uncashed checks that are part of the escheatment process.

1. Access the **Find Escheatable Payments** task.

2. As you complete the task, consider:

Field	Description
Dormancy Period Greater Than or Equal To (Months)	The number of months in the escheat period with no activity on the payments. Workday finds payments that you issued and unreconciled for at least this number of months.
Dormancy End Date	Leave blank to use the current date.
Payment Reference	(Optional) Enter the check number assigned to the payment.

3. (Optional) Create a filter name to save your prompt values. You can create filters so that you can search for escheatable payments based on different legal requirements.

4. (Optional) Click **Update Notification Date** to enter the date that you informed your payees of the uncashed payments.

You can update the notification date later as needed.

5. (Optional) Click **Escheat Payment** to initiate the escheatment process.

You can select **Void Checks** to void check payments so that payees can't cash them once they're escheated.

Workday initiates the *Escheatment Item Event* business process and sends an Inbox item to the reviewer.

Workday creates new journal entries for approved escheatment items. Workday debits the corresponding cash ledger account, and credits the *Escheatment Payable* ledger account with the escheated payment amount. Workday also changes the payment status of the unreconciled payment to *Escheated*.

The payment status for settled items remains as *Paid*. Workday doesn't reverse the accounting entries of the unreconciled escheated payments.

You can remit the escheated payment amounts to the respective government agencies using the *Escheatment Expense* spend category on a supplier invoice or ad hoc payment. When you settle the supplier invoice payment or ad hoc payment, Workday:

- Uses the *Spend* account posting rule to debit the *Escheatment Expense* ledger account.
- Clears the credit from the *Escheatment Expense* ledger account to the cash ledger account.

Tasks

[Steps: Set Up Escheatment](#) on page 1632

Update Escheatment Items

Security:

- These domains in the Banking and Settlement functional area:
 - *Process: Ad Hoc Payment Escheatment*
 - *Process: Payment Escheatment*
- *Process: Customer Refund Escheatment* domain in the Customer Accounts functional area.
- *Process: Expense Report Payment Escheatment* domain in the Expenses functional area.
- *Process: Miscellaneous Payment - Escheatment* domain in the Miscellaneous Payments functional area.
- *Process: Payroll Payment Escheatment* domain in the Core Payroll functional area.
- *Process: Procurement Card Payment Escheatment* domain in the Procurement functional area.
- *Process: Student Refund Escheatment* domain in the Student Financials functional area.
- *Process: Supplier Invoice Payment Escheatment* domain in the Supplier Accounts functional area.

You can update or cancel groups of escheated items at once. Example: After remitting escheated item amounts to the government agency, you can change the payment status of these items to *Paid* for tracking purposes.

1. Access the **Mass Update Escheatment Items** task.
2. As you complete the task, consider:

Option	Description
Payment Reference	(Optional) Enter the check number assigned to the payment.
Payment Status	Select a payment status for the escheated items. You can only cancel the escheated items in <i>Unpaid</i> status.

3. (Optional) Create a filter name to save your prompt values. You can create filters so that you can search for escheated items based on different legal requirements.
4. (Optional) Click **Update Payment Status** to change the payment status of the selected escheated items.
5. (Optional) Click **Cancel Escheatment Item** to undo the escheated payment.

For canceled escheated items, Workday:

- Cancels the escheatment process and any related accounting entries.
- The payment status changes from *Escheated* to *Complete*.

Use the **Find Escheatment Items** report to search for and view escheated items.

Tasks

[Steps: Set Up Escheatment](#) on page 1632

Check and Advice Printing

Setup Considerations: Print Checks and Advices

You can use this topic to help make decisions when planning your configuration and use of check and advice printing. It explains:

- Why to set it up.
- How it fits into the rest of Workday.
- Downstream impacts and cross-product interactions.
- Security requirements and business process configurations.
- Questions and limitations to consider before implementation.

Refer to detailed task instructions for full configuration details.

What It Is

You can set up Workday to manage the printing requirements of your organization and print checks or advices for payments that you've already settled.

Business Benefits

Workday enables you to:

- Print checks and advices.

Note: Workday Payroll for the UK doesn't support check printing.

- Provide a paper record of payments.

- Customize check print layouts to include important information for your organization.
- Split checks and advices into separate batch files for printing based on employee data.

Use Cases

You can print:

- Physical paychecks for employees.
- Payroll advices for employees who receive payment by direct deposit.
- Advices for expense account payments made by electronic payment methods.
- Final checks for terminated employees.
- Checks for one-off payments to payees such as visitors or guest speakers.
- Checks for supplier payments.
- Checks for customer refunds.

Questions to Consider

Question	Considerations
What are the laws surrounding check printing for your location and organization?	Review the legal requirements for check printing in your location and business area. Workday enables you to print checks and advices based on the needs of your organization.
Will you print checks and advices in-house or through an outsourced company?	When you print in-house, consider the layout requirements and data that you want to include for different payment methods. When you print through an outsourced company, review the integrations available to export data to vendors.
What are the printing requirements for terminated employees in your organization?	When you have to pay employees immediately upon termination, Workday enables you to print a check on demand. Configure the Company Payroll Printing Options task to print a paper copy of payslips during your next pay run for employees terminated before the period end date.
Do you want to use a default print layout for all checks and advices?	Workday delivers default layouts for Payroll. For other payment types, you can configure your own default layouts. You can use the Maintain Default Check Print Layout task to select a default check print layout for all worker-related checks and advices.
Do you want to include zero net pay checks in print runs?	Workday automatically excludes zero net pay checks from print runs. You can include them by printing from the Print Checks Work Area report.

Recommendations

Use Report Designer when you want to:

- Customize check and advice print layouts.
- Print on blank check stock.

Use XSLT for payroll-related tasks that don't require customized print layouts.

Requirements

- Enable the *Check* payment type when creating suppliers, customers, or payees.
- Define payment elections or expense account reimbursements for employees, and designate a preferred payment method such as check or direct deposit.

Limitations

When you print paychecks for a group of employees, you can only print 1 check per employee regardless of the time period covered. Example: You configure a print run of paychecks for a group of employees for a 6-month period. Workday prints 1 check for each employee that covers all 6 months.

Workday Payroll for the UK doesn't support check printing.

Tenant Setup

You can configure the **Edit Tenant Setup - Payroll** task to enable payslip printing options for users.

Security

Domains	Considerations
<i>Custom Report Creation</i> in the System functional area	Users secured to this domain can create custom reports for check print layouts.
<i>Process: Payroll Settlement</i> in the Core Payroll functional area <i>Process: Settlement</i> in the Banking and Settlement functional area	Users secured to these domains can print and manage advices.
<i>Process: Expense Report Payment/Settlement</i> in the Expenses functional area <i>Process: Payroll Settlement</i> in the Core Payroll functional area <i>Process: Supplier Invoice Payment/Settlement</i> in the Supplier Accounts functional area	Users secured to these domains can: • Reprint checks and advices. • Reassign check numbers.
<i>Set Up: Settlement</i> in the Banking and Settlement functional area	Users secured to this domain can: • Define split and sort options to separate checks and advices into batch files for printing. • Configure the fields on their Report Designer payroll check.
<i>Set Up: Tenant Setup - Payroll</i> in the System functional area	Users secured to this domain can access the Edit Tenant Setup - Payroll task.

Business Processes

Business Process	Considerations
<i>Payment Printing Event</i>	Workday automatically launches this business process event to generate a positive pay file when you complete the <i>Print Checks Task</i> business process.

Business Process	Considerations
<i>Print Checks Task</i>	When payments in a settlement run require checks, Workday automatically creates an event for printing checks and sends a notification to the settlement specialist.

Reporting

Reports or Dashboards	Considerations
Print Advices Work Area report Print Checks Work Area report	You can use these reports to view and edit pending and completed check and advice print runs.
Settlement dashboard	You can configure these reports as worklets on your Settlement dashboard: • Ready to Print • Ready to Print Advices • Ready to Print Checks

Integrations

Integration	Considerations
<i>ADP Check Print (Enhanced Performance)</i>	You can configure this integration to export data to ADP for Full Service Direct Deposits and to print: • Payroll checks. • Payroll advices. • Mail labels.
<i>Core Connector: Payroll Check Printing (Enhanced Performance)</i>	You can configure this integration to export data to external check printing services for: • Payroll checks. • Payroll advices. • Payments.
<i>WPN - Ceridian Check Printing</i>	You can configure this integration to export data to Ceridian Payroll Services for: • Payroll checks. • Payroll advices. • Payments.

Connections and Touchpoints

Features	Considerations
Cash	When you create a bank account in Workday, you can select a check print layout specific to the account.
Expenses	Workday payment elections enable you to set preferences for how employees receive reimbursement for expenses.

Features	Considerations
Staffing	You can manage check printing for terminated workers.
Payroll	You can configure printing options for checks and payslips, generate payslips in bulk, and export payslips. Payment elections enable you to set preferences for how employees receive payment.
Supplier Accounts Customer Accounts	You can configure options to print checks or advices for suppliers or customers.

Workday offers a Touchpoints Kit with resources to help you understand configuration relationships in your tenant. Learn more about the [Workday Touchpoints Kit](#) on Workday Community.

Tasks

[Print Checks and Advices](#) on page 1647

[Steps: Set Up Payslip Printing Options](#)

Reference

[Reference: Edit Tenant Setup - Payroll](#)

[The Next Level: Payslips and Paychecks](#)

Steps: Set Up Checks and Advices for Printing

- Review setup considerations for check and advice printing.
- Enable *Check* as the payment type when creating suppliers, customers, or ad hoc payments.
- Set up and run the settlement process.

You can configure Workday to print checks or advices for payroll payments and expense account reimbursements. When you complete a settlement run, Workday prints any required checks or advices using different layouts based on your configuration.

Note: Workday Payroll for the UK doesn't support check printing.

1. Create check and advice print layouts using Report Designer or XSLT.

See:

- [Steps: Create Check and Advice Print Layouts Using Report Designer](#) on page 1642.
- [Create Check and Advice Print Layouts Using XSLT](#) on page 1646.

2. (Optional) Access the **Maintain Default Check Print Layout** task.

Designate a default XSLT print layout for all checks and advices.

Security: *Set Up: Settlement* domain in Banking and Settlement functional area.

3. (Optional) Assign check print layouts (XSLT or Report Design) to specific bank accounts.

These layouts override the default print layout for the tenant. Example: Associate a payroll-specific layout with a bank account used to make payroll payments.

See [Define Bank Accounts](#) on page 1418.

4. Access the **Edit Check Sorting Setup** task.

Add rows to specify how Workday sorts checks and advices in the output.

Select the **Split Batch** check box for a row to split the output into separate files by that value.

Example: Split files by company, and sort checks within each file by employee ID, location, and ZIP code.

5. (Optional) Configure Workday to automatically create positive pay files when you print checks or outsourced checks.

See [Steps: Set Up Positive Pay Files](#) on page 1648.

When you print checks or advices, Workday replaces the business form layout XSL stylesheet with your configuration. Workday selects layouts in this order of preference:

1. The layout associated with the payment type.
2. The layout defined for the bank account.
3. The layout defined for your tenant.

Print checks and advices.

Tasks

[Steps: Use Settlement](#) on page 1611

[Steps: Set Up Payslip Printing Options](#)

[Define Payslips](#)

Steps: Create Check and Advice Print Layouts Using Report Designer

If you're creating a custom layout, download and install Workday Studio, including Report Designer, from Workday Community.

With Workday Report Designer, you can create check print layouts to customize the default configuration of checks and advices. Examples of types of printouts include financial checks, payroll checks, and payslips.

1. (Optional) [Configure Report Design Payroll Checks](#) on page 1643.

For your U.S. and Canada payroll checks that use the **Payroll Checks (Report Design)** layout, you can select, position, and format your fields.

2. (Optional) Download the Report Designer payroll check layout that you want to customize.

See [Workday Community: Payroll Payslip, Check, and Advice Configurations \(US/ CAN\)](#).

3. (Optional) [Create Report Design Files](#).

For other custom checks, create a custom report design file in Workday Studio that defines the layout of fields, a company logo, and signature on checks and advices.

4. (Optional) Access the **Copy Standard Report to Custom Report** task.

Copy and modify an existing report to use with check print layouts:

- **Payments to Print - Report Design** for financial checks.
- **Payroll Payments to Print - Report Design** for payroll checks or advices (U.S., UK, Canada).
- **Payslip to Print - FRA** for payroll checks or advices (France).

Security: *Custom Report Creation* in the System functional area.

5. (Optional) Create a business form layout to associate a custom report design file with a custom report.

See [Steps: Create a Business Form Layout](#).

Security: *Custom Report Creation* domain in the System functional area.

6. [Configure Check Print Layout with Report Design](#) on page 1645.

Create a check print layout for your printed checks and advices.

Workday maps the data elements from the custom report to your report design file or report design configuration, which formats the printable PDF layouts.

You can review the details for the new check print layout using the **View Check Print Layout with Report Design** report.

You can now associate the check print layout with specific bank accounts.

To test your printouts, you can print sample checks or advices on your own paper and printers to verify. For custom layouts, you can:

- Make adjustments to the alignment or layout of the data elements.
- Edit the report design file in Workday Studio.
- Reassociate it with your custom report and complete the remaining steps.

For delivered layouts, you can use the **Edit Report Design Configuration** task to edit the field placements on your payroll checks.

Concepts

[Workday 33 What's New Post: Payroll Checks for Report Designer](#)

Tasks

[Define Bank Accounts](#) on page 1418

Configure Report Design Payroll Checks

Security: *Set Up: Settlement* domain in the Banking and Settlement functional area.

You can configure your U.S. and Canada payroll checks within Workday when you use the **Payroll Checks (Report Design)** delivered business form layout. You can configure:

- The fields you want to include on your checks, such as bank name, address, or MICR.
- Where you want to position your fields within your checks.
- The formatting style of the fields.

Workday structures the payroll check configuration by rows and columns. Within 1 row, you can have multiple columns with different fields. For more configuration options, you can use Workday Studio to create custom payroll checks layout.

Workday uses these parameters for payroll checks:

Layout	Parameters
Margins for checks	• Top: 0.70 inches (in) • Bottom: 0.12 in • Left: 0.50 in • Right: 0.00 in
Minimum check height	3.00 in
Minimum payslip height without overflow	6.28 in
PDF size	8.5 × 11 in

1. Access the **Create Report Design Configuration** task.

2. As you complete the **Row Details** section, consider:

Option	Description
Order	Use numeric or alphabetical ordering for positioning your rows on your checks. Workday recommends that you use alphabetical order if you plan to use more than 9 rows.
Name	Provide a name for the row.

3. As you complete the **Column Details** section, consider:

Option	Description
Order	Use numeric or alphabetical ordering for positioning your columns on your checks. Workday recommends that you use alphabetical order if you plan to use more than 9 columns.
Column Width	Workday recommends that you: • Ensure that percentages add up to 100%. • Don't enter a value that exceeds 202 mm. • Don't mix percentages and millimeters in the same row.

4. The **Column Formatting Style** options apply to all fields within the column. As you complete the section, consider:

Option	Description
Override Position	You can enter values to position your field up, down, left, or right. To use Position Right , set the Horizontal Alignment to the <i>Right</i> .
Override Alignment	Select your field to align to the left, center, or right of the column.
Override Font Size	Set your font size for any text on the whole column.

5. As you complete the **Contents** section, consider:

Option	Description
Field	Select the field you want to display in your current column. You can only select a field once per configuration.
Field Formatting Style	Field formatting styles supersede column formatting styles. Example: Column A has Column Formatting Style set to override font size to 12. Field 1 in column A has Field Formatting Style set to override font size to 9. Field 2 in column A has no field formatting style selected. In this case, field 1 will have font size 9 and field 2 will have font size 12. To use horizontal alignment for fields with Display Inline selected , select Horizontal Alignment on the Column Formatting Style . For images, select Override Position instead of Override Alignment .

You can apply your configuration to your payroll checks using a Workday-delivered **Payroll Checks (Report Design)** business form layout.

Add your report design configuration to the **Create Check Print Layout with Report Design** task.

Reference

[Workday 33 What's New Post: Payroll Checks for Report Designer](#)

Examples

[Example: Configure Report Design Payroll Checks](#) on page 1652

Configure Check Print Layout with Report Design

Security: *Set Up: Settlement* domain in the Banking and Settlement functional area.

You can generate checks and advices with either a delivered or custom business form layout. You can attach a report design configuration with your own customized format and position of fields.

1. Access the **Create Check Print Layout with Report Design** task.
2. As you complete the task, consider:

Option	Description
Check Print Layout Name	Name your check print layout so you can find and attach it to a bank account.
Business Form Layout	For payroll checks using Report Design Configuration, select the Payroll Checks (Report Design) delivered business form layout. If you created a custom report design file on Workday Studio, you need to create a new business form layout. The delivered layout might not be compatible with your custom report design file.
Report Design Configuration	For Payroll for the U.S. and Payroll for Canada, you can: • Use the Create Report Design Configuration task to format and place the fields on your payroll check. • Attach your configuration to the Payroll Checks (Report Design) delivered business form layout.

3. As you complete the **PDF Security Options** section, consider:

Option	Description
Password Protected	You can set a password on your check print layout.
Allow Copy	Enable other users access to copy this layout.
Allow Edit	Enable other users access to edit this layout.

4. For Payroll for the U.S. and Payroll for Canada, as you complete the **Payroll Check Options** section, consider:

Option	Description
• Print Check At Top • Print Check At Bottom	You can print your check on top or on the bottom of the page. If you print your check on the bottom, you can't enable overflow.
Enable Overflow	You can enable your payroll checks to exceed the minimum check height that is 3.0 inches.

Option	Description
Fill Amount as Text To The End	Add asterisks to the back of the amount as text until it reaches the end of the page.
Check Message	Add a message to your check. Example: Void after 180 days.
Show Second Signature Image When Amount Is Over	Displays the second signature image based on the net amount of the check.

Workday uses the layout definition to generate and print checks and advices.

Apply your check print layout to a bank account, run settlements, and print your checks.

Tasks

[Define Bank Accounts](#) on page 1418

Create Check and Advice Print Layouts Using XSLT

Security: *Set Up: Settlement* domain in the Banking and Settlement functional area.

Create XSLT print layouts to configure placement of information on checks and advices. You can also configure additional fields when you plan to use blank check stock.

1. Access the **Create Check Print Layout (XSLT)** task.
2. As you complete the task, consider:

Option	Description
Check Options	Specify field positions using the top and left margins in relation to the placement of the check on the page.
Blank Check Options	To exclude fields from printing, define the top and left margins in zero positions. Example: 0,0. You can: • Override the standard Workday magnetic ink character recognition (MICR) format on the Create Bank Account and Update Bank Account tasks. • Use the same blank check stock across multiple companies and bank accounts. To produce fully negotiable checks on plain check stock, use: • Check stock with built-in security features, such as microprinting and watermarks. • Magnetic ink or toner so that checks are machine readable.
Margin Adjustment	XSL stylesheets for the payroll check and payslip forms have preset margins. The financial check form has no preset margins.

- Print a test check to confirm that your layout aligns with check stock, envelope windows, and so on.
- Verify with a bank that checks are machine readable.

Tasks

[Define Bank Accounts](#) on page 1418

Reference

[Reference: Sample Check \(XSLT\)](#) on page 1651

[Reference: Magnetic Ink Character Formats](#) on page 1426

Print Checks and Advices

- Approve and complete the settlement run that contains the payments.
- Set up checks and advices for printing.

You can:

- Print a sequence of checks or advices for payroll payments and expense account reimbursements that you've settled.
- Generate payroll advices (payslips) for employees that want a paper record of funds deposited into their bank accounts.

Workday generates advices for expense account payments made by electronic payment methods when:

- The payee is configured to receive paper copies.
- The bank account is for a person.

1. Access the **Print Checks Work Area** report.
2. To print checks or advices for a *payment group*, click:
 - **Print Checks** on the **Checks** tab.
 - **Print Advices** on the **Advices** tab.
3. As you complete the task, consider:

Option	Description
Next Check Number in Printer	You can change the starting check number to match the first check in your preprinted check stock.
Include 0.00 Net Pay Checks	Includes payments with a net pay amount of zero, such as garnishments, in the print run. Displays only when applicable.
Print Checks Print Advices	Prints all checks or advices in the payment group.
Select Checks to be Printed Select Advices to be Printed	Prints a subset of checks or advices from the payment group.

Workday:

- Prints to PDF in the preferred language of your user account.
 - Splits the print run into separate PDFs based on your configuration on the **Edit Check Sorting Setup** task.
4. When the print run completes, review the output in the **PDF File** field.
 5. Print the PDFs.

Ensure that page scaling isn't active as it causes problems with blank check stock. Check scanners can't read resized magnetic ink character recognition (MICR) numbers.

You can:

- Retrieve the generated PDFs from **My Reports** to review the checks or advices. When you delete a PDF from **My Reports**, Workday removes the PDF from the payment printing run.

- Create a positive pay file for verification from your financial institution that includes information about the checks in the printing run.

Concepts

[Concept: My Reports](#)

Tasks

[Define Bank Accounts](#) on page 1418

[Steps: Set Up Positive Pay Files](#) on page 1648

[Steps: Set Up Checks and Advices for Printing](#) on page 1641

Reprint Checks and Advices and Reassign Check Numbers

Print a check or advice.

When you set up a bank account, you enter the last used check number. Workday updates the check number as it generates checks through normal settlement processing. When the check number in Workday and the number on your check stock are out of sync, you can reassign check numbers and reprint checks and advices.

1. Access the **Print Checks Work Area** report.
2. On the **Printing Runs** tab, click:
 - **Reassign Check Number and Reprint** for checks.
 - **Reprint** for advices.
3. As you complete the task, consider:

Option	Description
Manually Enter Check Numbers	You can assign a new number to each check, enabling you to have breaks in the check numbering sequence.
Manually Enter Range of Check Numbers	Workday displays each check in a range that you specify. You can assign a new number to each check and reprint.

4. Print the check or advice PDFs.

Steps: Set Up Positive Pay Files

You can configure Workday to create positive pay files automatically when you print:

- Checks.
- Outsourced checks.

You can send positive pay files to your financial institution for fraud prevention purposes. These electronic files contain details of checks issued from your account.

1. Access the **Edit Bank Account** task.

Enable positive pay for a company bank account.

See [Define Bank Accounts](#) on page 1418.

2. Configure the *Payment Printing Event* business process and security policy in the Banking and Settlement and Core Payroll functional areas.

Add an *Integration* step and configure the *Positive Pay Banking File (EIB)* integration. Workday automatically triggers the *Payment Printing Event* event when the *Print Checks Task* business process event completes.

See [Steps: Configure Business Process Definitions](#).

3. (Optional) Configure the *Outsourced Payment Release Event* business process and security policy in the Banking and Settlement and Core Payroll functional areas.

Add a *Batch/Job* step and specify *Create Positive Pay File for Outsourced Checks*.

See [Steps: Configure Business Process Definitions](#).

4. (Optional) To create positive pay files manually, access the **Create Positive Pay File** task.

When you print checks, Workday creates a positive pay file and releases it to your financial institution.

Concepts

[Concept: Settlement Processing](#) on page 1624

Tasks

[Steps: Set Up Bank Integrations for Settlement Processing](#)

Reference

[Reference: Settlement Business Processes](#) on page 1606

Concept: Paycheck Cashing Out Address (USA)

For compliance, these states in the U.S. require displaying a business address on the paycheck where a worker can cash out without a transaction fee:

- California
- Florida
- Georgia

To configure the required address for a specific state, you can access the **Maintain Payroll Check Cash Out Address** task secured by the *Set Up: Payroll (Reporting)* domain in the Core Payroll functional area. Select an **Effective Date** and enter the required:

- **Business Name**
- **Address Line 1**
- **City**
- **Postal Code**

Workday:

- Validates only the **Postal Code** for the state.
- Displays the address on the paycheck based on the payroll payment date.
- Uses only 1 effective address per state.
- Uses this precedence to display the appropriate address on the paycheck:

Compliance	Non-Compliance
For workers taxed or primary work location in CA, FL, or GA: 1. Worker processing position location or state withholding in a compliant state. 2. Worker processing position location. 3. Maximum withholding amount. 4. State alphabetical order.	For workers not taxed nor primary work location in CA, FL, or GA: 1. State withholding. 2. Worker position location. 3. Maximum withholding amount. 4. State alphabetical order.

These examples illustrate how Workday uses the precedence to display the appropriate address on a paycheck when a worker has multiple positions with different cash out addresses:

Example 1: Compliance Precedence

Mike has 3 positions at Global Retail (USA):

Employee Taxes	Withholding Amount	Position	Compliance
State Tax - FL	-	Floor Manager (Processing)	Yes
State Tax - AZ	\$200	Trainer	No
State Tax - CA	\$50	Trainer	Yes

Payroll Administrator configures 3 different cash out addresses using the **Maintain Payroll Check Cash Out Address** task:

Effective Date	State	Address
1/1/2015	Arizona	Global Inc, 987 Hope St., Phoenix, AZ - 85001
1/1/2015	California	Global Inc, 123 Mission St., Los Angeles, CA, 90001
1/1/2015	Florida	Global Inc, 567 Peach St., Miami, FL -33101

Result:

Workday displays Florida address on the paycheck. California and Florida both are compliant states but Florida takes the precedence as it's also the worker's processing position location.

Example 2: Non-Compliance Precedence

David has 3 positions at Global Retail (USA):

Employee Taxes	Withholding Amount	Position	Compliance
State Tax - MN	\$100	Floor Manager (Processing)	No
State Tax - WI	\$200	Trainer	No
State Tax - ND	\$50	Trainer	No

Payroll Administrator configures 2 different cash out addresses using the **Maintain Payroll Check Cash Out Address** task:

Effective Date	State	Address
1/1/2015	North Dakota	Global Inc, 987 Hope St., Bismark, ND - 58501
1/1/2015	Wisconsin	Global Inc, 123 Mission St., Madison, WI - 53558

Result:

Workday displays Wisconsin address on the paycheck. The processing position in Minnesota has no cash out address configured. Wisconsin and North Dakota both have cash out addresses configured. Wisconsin takes the precedence because it has a higher withholding amount than North Dakota.

Tasks

[Steps: Set Up Checks and Advices for Printing](#) on page 1641

[Print Checks and Advices](#) on page 1647

Reference: Sample Check (XSLT)

Workday provides sample XSLT-based check layouts in your setup tenant. Default field positions vary by country.

You can configure the check print layout to include the **Payee** field. Workday doesn't automatically include it.

For both financials and payroll, the **Payee Address** field includes the name and address.

Sample positions for **Check Options**:

Field	Position (Top, Left)
Date	18, 178
Payee	30, 32
Amount	30, 178
Amount as Text	40, 15
Payee Address	50, 30
Memo / Sort Order	71, 25

Sample positions for **Blank Check Options**:

Field	Position (Top, Left)
Company Name	5, 10
Company Address	10, 10
Bank Name	5, 110
Bank Address	10, 110

Field	Position (Top, Left)
Check Number	5, 185
Pay To Label	30, 10
Currency Symbol	30, 175
Currency Name	35, 190
Signature Label	70, 135
Memo Label	71, 10
MICR	80, 50

Tasks

[Create Check and Advice Print Layouts Using XSLT](#) on page 1646

Example: Configure Report Design Payroll Checks

This example illustrates 1 way to configure fields on your U.S. and Canada payroll check.

You want to position and style the fields on a payroll check for:

- Company Logo
- Payee Information
- Payment Date
- Payment Amount
- Signature
- Security: *Set Up: Settlement* domain in the Banking and Settlement functional area.
- Add your company logo and signatures on the **Configure Business Form Layout** task.

1. Access the **Create Report Design Configuration** task.
2. Enter Company Payroll Checks Configuration in the **Name** field.
3. Add these 4 rows:

Row Details - Order	Row Details - Name	Column Details - Order	Column Details - Column Width	Column Details - Column Precision	Column Details - Column Formatting Style	Column Details - Contents	Column Details - Field Formatting Style
1	Logo and Payment Date	A	170	mm		<i>Company Logo</i>	
		B	30	mm	Override Position: Selected Position Top: 10 Position Right: 10 Override Alignment: Right	<i>Payment Date</i>	

Row Details - Order	Row Details - Name	Column Details - Order	Column Details - Column Width	Column Details - Column Precision	Column Details - Column Formatting Style	Column Details - Contents	Column Details - Field Formatting Style
2	Payment Amount	A	202	mm	Override Position: Selected Position Top: 5 Position Right: 10 Override Alignment: Right	<i>Currency Symbol Ellipsis</i> <i>Payment Amount</i>	Display Inline: Selected for both fields.
3	Amount as Text	A	202	mm	Override Position: Selected Position Top: 5 Position Left: 15 Override Alignment: Right	<i>Amount as Text</i>	
4	Payee Info	A	202	mm	Override Position: Selected Position Top: 5 Position Left: 15	<i>Remit To Addressee Name</i> <i>Remit To Addressee</i>	
5	Signatures	A	202	mm	Override Position: Selected Position Right: 135	<i>Signature Image</i>	Override Image Size: Selected Image Width: 125 Image Height: 50

You can apply this payroll check configuration to your checks.

Test your configuration by creating a check print layout and assigning it to a bank account.

Reference

[Workday 33 What's New Post: Payroll Checks for Report Designer](#)

FAQ: Check and Advice Printing

How do I record voided checks?

You can create and maintain a record of voided checks using the **Record Voided Checks** task. Be sure to search for and cancel any existing payments before recording voided checks on those payments.

Security: These domains in the Banking and Settlement functional area:

- *Process: Void Check*
- *Process: Settlement*
- *Process: Ad Hoc Payment Settlement*

Does Workday translate Canadian checks?

Workday translates:

Payment	Description
Payroll Direct Deposit	Workday translates earnings statements and direct deposit slips into the preferred language of the employee.
Payroll Checks	Workday translates earnings statements into the preferred language of the employee. Check is English only.
Financial Checks	English only.

Tasks

[Print Checks and Advices](#) on page 1647

Concept: Settlement Dashboard

The **Settlement** dashboard (secured to the *Management Dashboard: Settlement* domain in the Banking and Settlement functional area) is a configurable workspace that provides up-to-date, graphical reports on the settlement activities in your organization. You can view and track information that's important to making operational decisions or taking action on settlement processing.

Workday delivers these reports as worklets that you can add to the **Settlement** dashboard:

- **Actionable Settlement Runs**
- **Count of Payroll Open Items**
- **Most Recent Settlement Runs**
- **Open Items for Settlement**
- **Payment Counts by Status**
- **Payment Returns by Month**
- **Ready to Print**
- **Ready to Print Advices**
- **Ready to Print Checks**
- **Settlement Run Actions Pending**
- **Settlement Run Integrations**

- **Settlement Run Integrations - Last x Days**
- **Uncashed Payments**
- **Unsettled Payroll Payments by Amount**

If you rerun an unsuccessful integration event on the **Settlement Run Integrations** worklet, Workday creates a new event that's no longer associated with the settlement run. The successful integration status doesn't update.

Configure the **Settlement** dashboard content using the **Maintain Dashboards** report. You can add settlement tasks or reports that you frequently use to the dashboard. For quick access, you can add the dashboard as a worklet to the **Home** page.

Tasks

[Steps: Set Up Dashboards and Landing Pages](#)

Optimize Financial Management Performance

Financial Management Innovation Services

Reference: Financial Management Machine Learning GA Features Innovation Service

The Financial Management Machine Learning GA Features innovation service enables you to contribute tenant data to benefit from the machine learning-powered capabilities of various Workday Financial products.

Note: You must subscribe to Innovation Services to use this feature. Contact your Customer Success Manager to request the Innovation Services Addendum (ISA), or see [Workday Innovation Services](#) in the Workday Community for more information.

We support these machine learning features on the **Maintain Innovation Services Data Selection Opt-In** task:

Innovation Service	Opt-In Data Category	Considerations
Financial Management Machine Learning GA Features	Customer Payment Data	To enable Intelligent Customer Payment Matching, you must have customer payment transaction data in past 30 days. This functionality provides beneficial recommendations only when you are processing customer payments in Workday.
	Expense Protect	To use the Expense Protect feature, you need at least 10,000 expense reports in your tenant. When users submit expenses, Expense Protect automatically evaluates them to provide risk levels, recommendations, and insights.

Innovation Service	Opt-In Data Category	Considerations
	Journal Line Data	Before you can use the Journal Insights feature, you need at least 12 months of existing historical data.
	Supplier Invoice Worktag Recommendations Data (Do Not Use)	After you set up the feature, it takes 2 weeks for Workday to display up to 5 supplier invoice worktag spend category recommendations. We use at least 3,000 historical manual supplier invoices to train the feature model. Workday supports 16 languages for training the machine learning model for this feature. When your data is in a language other than the 16 languages supported, Workday continues to provide recommendations for spend category, but they might be slightly less accurate. Note: Workday plans to retire this data category in a future release. To continue seeing Spend Category recommendations on Supplier Invoices, you must opt in to the Supplier Invoice Data category.
	Supplier Invoice Data	You can enable machine learning suggestions for your top 5 most commonly used selections for these worktags on supplier invoice lines: • Cost center • Location • Region • Spend category Note: After you opt in to the Innovation Service, you must enable worktag recommendations on supplier invoice documents in the Supplier Accounts Options section on the Edit Tenant Setup – Financials task.
Receipt Scanning for Expenses	Receipt Scanning for Expenses	You can scan receipts in PDF, JPG, TIFF, and PNG file formats.

You can access the **Innovation Service Data Details** report to drill into the fields tied to the Financial Management Machine Learning GA Features Innovation Service.

Tasks

[Steps: Set Up Machine Learning for Customer Payment Matching](#) on page 608

[Steps: Set Up Journal Insights](#) on page 122

[Steps: Set Up Receipt Scanning for Expenses](#) on page 1321

[Steps: Set Up Machine Learning for Spend Category Recommendations](#)

Glossary

Cross Application Services Glossary

Financial Management Glossary

HCM Glossary

Integration Glossary

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