Cash Operations: Customizing Activities

May 2016
Product Version / LoB:
SAP S/4HANA Finance 1605

E2E Solution/Solution Capability:
Treasury and Financial Risk Management /
Cash and Liquidity Management

SAP

Learning Objectives

At the end of this presentation, you will be able to:

- Understand the required customizing settings of Cash Operations
- Understand how to build up the data for Cash Operations

Agenda

1	**Customizing and Data Setup**

2	**Other Customizing**

Early Knowledge Transfer   Customer   3

Agenda

1   **Customizing and Data Setup**

2   Other Customizing

Customizing to set up Cash Management data

Flow Type   **Lifecycle of cash flow**

Transactional Data (BSEG, One Exposure from Operations)
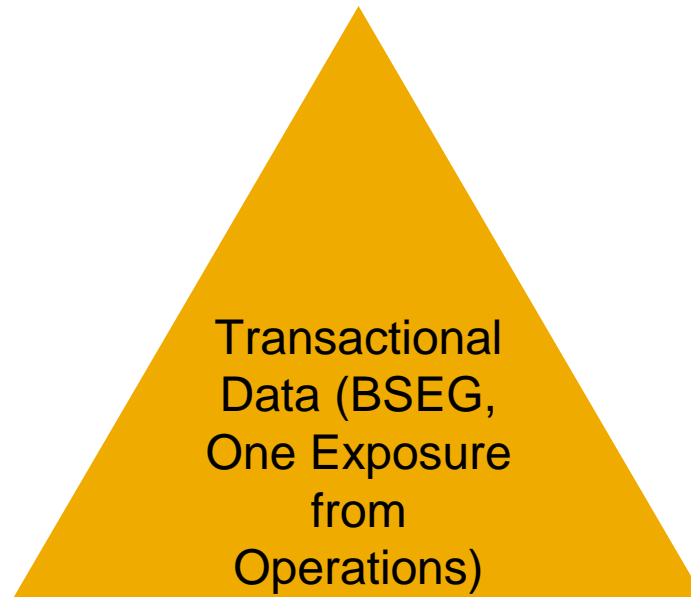
Liquidity Item
Origination of cash flow

Planning Level / Planning Group
Integration with other components

Flow Type

Data Browser: Table FQMI_FLOW_CAT Select Entries

Table: FQMI_FLOW_CAT
Displayed Fields: 3 of 3   Fixed Columns:

FLOW_CATEGORY	FLOW_LEVEL	DESCRIPTION
200000	20	Sales Order
200001	20	Purchase Order
200002	20	Treasury Deal In
200003	20	Treasury Deal Out
200010	20	Fee receivable
200011	20	Fee payable
200020	20	MM Interest Receivable
200021	20	MM Interest Payable
200100	20	Money Market Asset
200101	20	Money Market Liability
200200	20	FX Forward Position Buy
200201	20	FX Forward Position Sell
200202	20	FX Forward Position Fixed
201000	20	Fin. Instrument Receivable
201001	20	Fin. Instrument Payable
300000	30	Invoiced Tax Receivable
300001	30	Invoiced Tax Payable
300002	30	Revenue
300003	30	Material Inventory
300004	30	Unclassified P&L
300005	30	Expenses
300010	30	Output Tax Decrease
300011	30	Input Tax Decrease
400000	40	Receivables Inter-Company
400001	40	Payables Inter-Company
500000	50	Receivables from Down Paymt
500001	50	Payables from Down Paymt
600000	60	Regular Receivables Increase
600001	60	Regular Payables Increase
600010	60	Regular Payables Decrease
600011	60	Regular Receivables Decrease
700000	70	Payment Request in
700001	70	Payment Request out
700002	70	Payment Request clearing

800000	80	Self-Initiated Cash Transit In
800001	80	Self-Initiated Cash Transit ou
800003	80	Bank-Initiated Cash Transit ou
800004	80	Bank-Initiated Cash Transit in
900000	90	Incoming Bank Cash
900001	90	Outgoing Bank Cash
900050	90	Incoming Bank Cash Forecast
900051	90	Outgoing Bank Cash Forecast
900100	90	Incoming Bank Cash
900101	90	Outgoing Bank Cash
900102	90	Bank Cash Balance Increase
900103	90	Bank Cash Balance Decrease
900104	90	Incoming Bank Cash (CML)
900105	90	Outgoing Bank Cash (CML)
900106	90	Incoming Cash (FI-CA)
900107	90	Outgoing Cash (FI-CA)
900108	90	Cash Balance Increase (IDOC)
900109	90	Cash Balance Decrease (IDOC)
900110	90	Incoming Cash (IDOC)
900111	90	Outgoing Cash (IDOC)
900112	90	Incoming Cash (LP)
900113	90	Outgoing Cash (LP)

Specify the steps in the lifecycle of cash flow from "forecast" into "actual".

- **"90*": actual cash flow confirmed by the bank;**
- **"20*" to "80*": forecasted cash flows.**

Data consumed by cash management applications must have Flow Type assigned:

- **BSEG records**
- **One Exposure from Operations records**

Flow Types are already pre-defined (database table **FQMI_FLOW_CAT**)

Derivation logic of Flow Types is also partly pre-defined already by the software.

Pre-defined derivation of Flow Types

G/L Account classified as *	Debit/credit indicator	Flow Type
Bank	S	900000
	H	900001
Bank Clearing	S	800004
	H	800003
Payment Request Clearing	S	700000
	H	700001
Vendor	S	600001
	H	600010
Customer	S	600000
	H	600011
Tax (output tax; BSEG-MWART = 'A')	S	300010
	H	300001
Tax (input tax; BSEG-MWART = 'V')	S	300000
	H	300011

Pre-defined derivation logic for BSEG records

* "G/L Account classified as" is explained in next page.

Pre-defined derivation logic for One Exposure from Operations records

Data in One Exposure from Operations	Flow Type
Treasury and Risk Management (TRM)	900100, 900101
Consumer & Mortgage Loan (CML)	900104, 900105
Contract Accounts Receivable and Payable (FICA)	900106, 900107
Classic Cash Management data from remote system	900108, 900109, 900110, 900111
Classic Liquidity Planner data from remote system	900112, 900113
Uploaded Bank Account Balance	900102, 900103

…(cont.) G/L Account classified as…

"**Bank" G/L accounts**: defined in House Bank Account attribute "G/L Account", representing "actual" data in e.g. Cash Position, meaning the cash flow has been confirmed by the bank through bank statement.

"Bank Clearing" G/L accounts: defined as bank clearing account under *Financial Accounting (new) -> Bank Accounting -> Business Transactions -> Payment Transactions -> Payment Handling -> Bank Clearing Account Determination*. These G/L Accounts represent "forecast" data in e.g. Cash Position, meaning payment has been booked in the system but either hasn't been sent to the bank yet, or hasn't been confirmed by the bank.

"Payment Request Clearing" G/L accounts: defined as clearing accounts for Payment Request under *Financial Supply Chain Management -> Treasury and Risk Management -> Transaction Manager -> General Settings -> Payment Management -> Payment Requests -> Define Clearing Account for Payment Requests*. These G/L Accounts represent "forecast" data in e.g. Cash Position, meaning that the TRM deal has been settled and ready for payment run (F111) to turn them into payments.

"Tax" G/L accounts: defined as Tax account under *Financial Account (new) -> Accounts Receivable and Accounts Payable -> Business Transactions -> Outgoing Invoices / Credit Memos -> Define Tax Accounts for Outgoing Invoices*. These G/L Accounts represent "forecasted" cash flows from taxes in Liquidity Forecast.

"Vendor" G/L accounts: defined as vendor accounts (reconciliation account) with the account type K – Vendors.

"Customer" G/L accounts: defined as customer accounts (reconciliation account) with the account type D – Customers.

Enhance or overwrite the standard logic
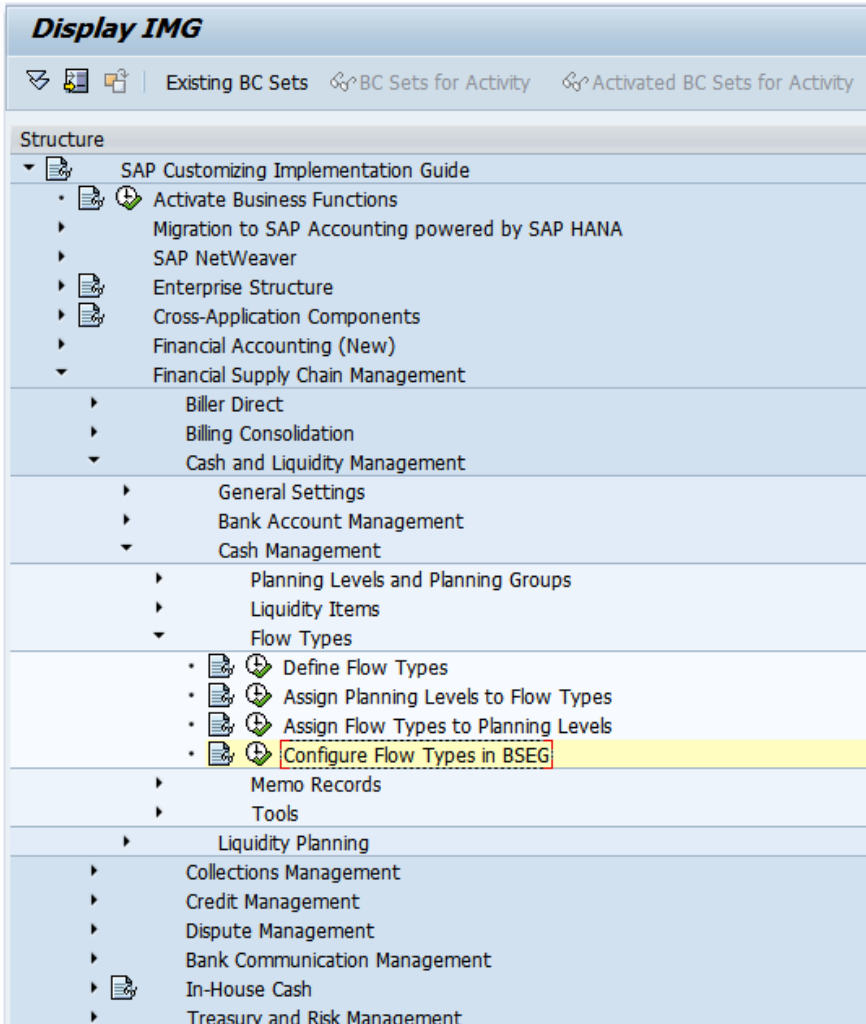
These configurations are all optional:

- **Define Flow Types**: extend standard Flow Types if necessary.

- **Configure Flow Types in BSEG**: define further derivation logic from G/L Accounts (explained in next page)

- **Assign Planning Levels to Flow Types**: give Flow Types to the data imported from remote classic cash management component (e.g. specify which planning levels are actual "90*", and which planning levels are forecast "60*" or "80*").

- **Assign Flow Types to Planning Levels**: specify the Planning Levels of the bank account balance data uploaded through excel file.

# Configure Flow Type in BSEG (optional)

Change View "Customizing for Flow Types for BSEG": Overview

New Entries

Chart of Accts [INT]

Customizing for Flow Types for BSEG

CoCd	G/L Ac Frm	G/L A/c To	Flow Type	Company Name
0001	113100		900000	SAP A.G.
0001	113101		800000	SAP A.G.
0001	113102	113109	800000	SAP A.G.
0001	113200		900000	SAP A.G.
0001	410000		300005	SAP A.G.
0001	800000		300002	SAP A.G.
0003	113100		900000	SAP A.G.
0003	113101		800000	SAP A.G.
0003	113102	113109	800000	SAP A.G.
0003	113200		900000	SAP A.G.
0003	410000		300005	SAP A.G.
0003	800000		300002	SAP A.G.
ABCC	113100		900000	SAP A.G.
ABCC	113101		800000	SAP A.G.
ABCC	113102	113109	800000	SAP A.G.
ABCC	113200		900000	SAP A.G.
ABCC	410000		300005	SAP A.G.
ABCC	800000		300002	SAP A.G.
AC01	113100		900000	Only for FI-CATTss
AC01	113101		800000	Only for FI-CATTss
AC01	113102	113109	800000	Only for FI-CATTss
AC01	113200		900000	Only for FI-CATTss
AC01	410000		300005	Only for FI-CATTss
AC01	800000		300002	Only for FI-CATTss
AC02	113100		900000	Only for FI-CATTss
AC02	113101		800000	Only for FI-CATTss
AC02	113102	113109	800000	Only for FI-CATTss
AC02	113200		900000	Only for FI-CATTss
AC02	410000		300005	Only for FI-CATTss
AC02	800000		300002	Only for FI-CATTss
ACE1	113100		900000	SAP A.G.
ACE1	113101		800000	SAP A.G.

This configuration extend or overwrite the pre-defined derivation logic from G/L Account to Flow Types.

The logic defined here applies to BSEG records only.

You might have other bank clearing accounts used in e.g. Bank Transfer configuration under *Financial Accounting (New) -> Bank Accounting -> Business Transactions -> Payment Transactions -> Payment Request -> Define Clearing Accts for Receiving Bank for Acct. Transfer or Define Clearing Accounts for Cross-Country Bank Account Transfers*. The system doesn't assign default Flow Types to these bank clearing accounts, therefore you need to define them in this configuration.

Liquidity Item Customizing

Display IMG

☑ 🔳 🖳 | Existing BC Sets   ☆ BC Sets for Activity   ☆ Activated BC Sets for Activity

Structure
- ▼ 📑 SAP Customizing Implementation Guide
  - · 📑 ⏰ Activate Business Functions
  - ▸ Migration to SAP Accounting powered by SAP HANA
  - ▸ SAP NetWeaver
  - ▸ 📑 Enterprise Structure
  - ▸ 📑 Cross-Application Components
  - ▸ Financial Accounting (New)
  - ▼ Financial Supply Chain Management
    - ▸ Biller Direct
    - ▸ Billing Consolidation
    - ▼ Cash and Liquidity Management
      - ▸ General Settings
      - ▸ Bank Account Management
      - ▼ Cash Management
        - ▸ Planning Levels and Planning Groups
        - ▼ Liquidity Items
          - · 📑 ⏰ Edit Liquidity Items
          - · 📑 ⏰ Define Liquidity Item Hierarchies
          - ▼ Derivation Rules for Liquidity Items
            - · 📑 ⏰ Define Queries for Liquidity Item Derivation
            - · 📑 ⏰ Define Query Sequences
            - · 📑 ⏰ Assign Queries to Query Sequences
            - · 📑 ⏰ Define Liquidity Item Derivation Settings for Company Codes
            - · 📑 ⏰ Define Default Liquidity Items for G/L Accounts
            - · 📑 ⏰ Regenerate Condition Strings
        - ▸ Flow Types
        - ▸ Memo Records
        - ▸ Tools
      - ▸ Liquidity Planning
    - ▸ Collections Management
    - ▸ Credit Management

Liquidity Item specifies the business purpose or origination of the cash flow.

In cash management reports, categorize the cash flows into a structure with business meaning, for example, cash flows from Operations, cash flows from Investment, or cash flows from Financing activities.

Both Financial Accounting (database table BSEG) and One Exposure from Operations table (database table FQM_FLOW) have the field Liquidity Item.

Liquidity Item definition – For Example

	Liquidity Item	Cash Flow ...	Name	Description
	CNEX0000001	OUT	ndor down payment	Vendor down payment
	CNEX0000002	OUT	Wages	Wages
	CNEX0000003	OUT	Direct operating costs	Direct operating costs
	CNEX0000004	OUT	Capital expenditure	Capital expenditure
	CNEX0000005	OUT	Exploration investment	Exploration investment
	CNEX0000006	OUT	Geophysical prospecting	Geophysical prospecting
	CNEX0000007	OUT	Well drilling	Well drilling
	CNEX0000008	OUT	Development investment	Development investment
	CNEX0000009	OUT	Preliminary study	Preliminary study
	CNEX0000010	OUT	Design and constructions	Design and constructions
	CNEX0000011	OUT	Wells engineering	Wells engineering
	CNEX0000012	OUT	Reservoir study	Reservoir study
	CNEX0000013	OUT	Production arrangements	Production arrangements
	CNEX0000014	OUT	Others	Others
	CNEX0000015	OUT	Production capital expenditure	Production capital expenditure
	CNEX0000016	OUT	Productive well adjustment	Productive well adjustment
	CNEX0000017	OUT	Reservoir reform	Reservoir reform
	CNEX0000018	OUT	Buy or build large facilities	Buy or build large facilities
	CNEX0000019	OUT	Energy conservation and emissi	Energy conservation and emissi
	CNEX0000020	OUT	Reservoir engineering evaluati	Reservoir engineering evaluation
	CNEX0000021	OUT	Tanker overhaul	Tanker overhaul
	CNEX0000022	OUT	Large comprehensive renovation	Large comprehensive renovation
	CNEX0000023	OUT	VAT and others	VAT and others
	CNEX0000024	OUT	Product Tax	Product Tax
	CNEX0000025	OUT	Resource Tax	Resource Tax
	CNEX0000026	OUT	Other Tax	Other Tax
	CNEX0000027	OUT	Input Tax	Input Tax
	CNRE0000001	IN	Domestics income	Domestics income
	CNRE0000002	IN	Sales of oil and gas	Sales of oil and gas
	CNRE0000003	IN	Crude	Crude
	CNRE0000004	IN	Natural gas	Natural gas
	CNRE0000005	IN	Condensate oil	Condensate oil
	CNRE0000006	IN	Liquefied gas	Liquefied gas
	CNRE0000007	IN	Trade income	Trade income

Liquidity Item Hierarchy

- IMG (t-code SPRO) Financial Supply Chain Management > Cash and Liquidity Management > Cash Management > Liquidity Items > Define Liquidity Item Hierarchies

- The liquidity item hierarchy defined here can be selected in cash management report e.g. Cash Position for end user to get a desired structure of cash flows.

Liquidity Item derivation

```
┌──────────┐
│          │        ┌─────────────────┐
│          │───────▶│ Default Liquidity│
│          │        │ Item for G/L     │────┐
│  BSEG    │        │ Accounts         │    │
│          │        └─────────────────┘    ├──▶ Liquidity Item field
│          │        ┌─────────────────┐    │   in BSEG
│          │───────▶│ Query / Query    │────┘
│          │        │ Sequence (Origin │
└──────────┘        │ "C" or "D")      │
                    └─────────────────┘

┌──────────┐
│  One     │
│ Exposure │        ┌─────────────────┐
│ from     │───────▶│ Query / Query    │       Liquidity Item field
│Operations│        │ Sequence (Origin │──────▶in One Exposure
│          │        │ "X")             │       from Operations
└──────────┘        └─────────────────┘
```
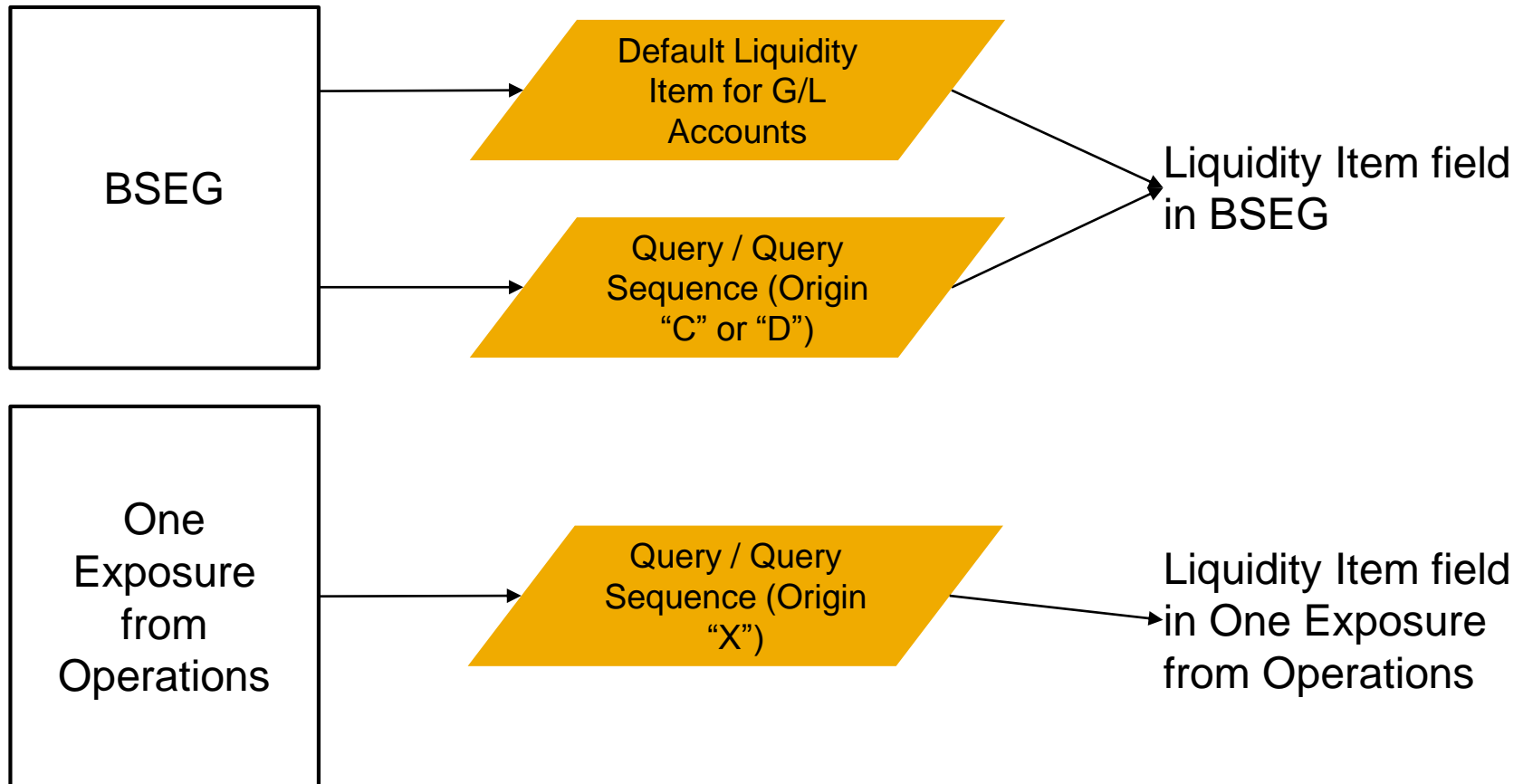
Default Liquidity Item for G/L Accounts

- IMG (t-code SPRO) Financial Supply Chain Management > Cash and Liquidity Management > Cash Management > Liquidity Items > Deviation Rules for Liquidity Items > Define Default Liquidity Items for G/L Accounts

- Also can use Queries and Query Sequences for complex rule definition

Planning Level and Planning Group
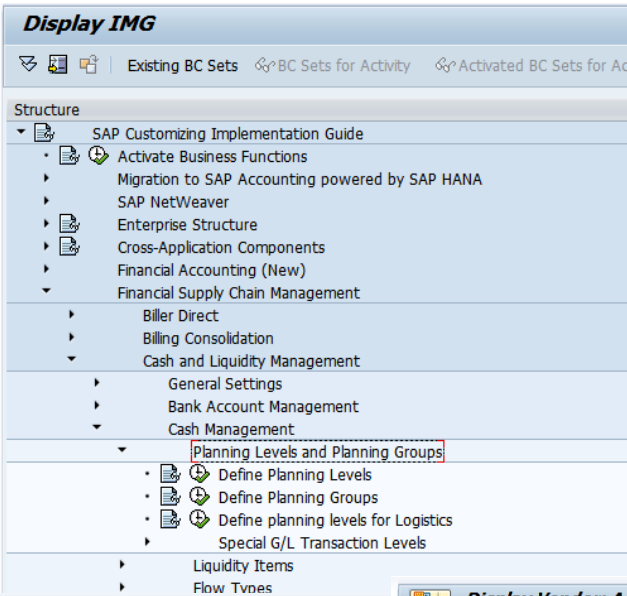
Planning Level and Planning Group are not visible in cash management reports.

However they still need to be configured, in order to ensure all integration points with other components are still working.

- You need to assign Planning Group to customer or vendor master data, so that the system ensures to calculate Planning Date (field FDTAG) in corresponding accounting documents.
- You need to assign Planning Level to G/L Accounts (for example, the bank clearing G/L account), so that the system ensures to calculate Planning Date (field FDTAG) in the accounting documents.
- To include Treasury deals into cash management, assign a planning level for Treasury deals. The configuration is under *IMG: Financial Supply Chain Management -> Treasury and Risk Management -> Transaction Manager -> General Settings -> Link to Cash Management -> Assign Planning Levels*.
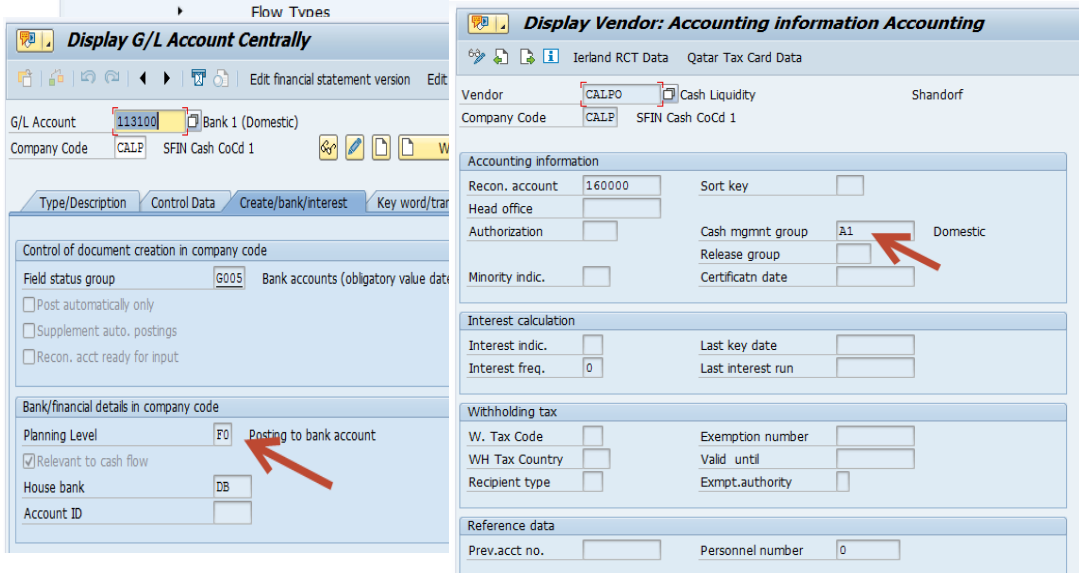
Activate source applications

Activate Individual Source Applications:

- Maintenance view: FQMV_ACT_COMP

- Once a source application has been activated, the transactions from the application are included in reporting for cash management

- To activate source applications for mass company codes easily, transaction FQM_ACTIVATE can be used

Switch of classic Cash Management – Deprecated

SAP Cash Management is switched on through the Business Function mentioned in the previous page.

Classic Cash Management cannot work anymore in SAP Simple Finance add-on 2.0.

Data Set Up 3-1: Flow Type and Liquidity Item in BSEG

Rebuild Flow Type and Liquidity Item in BSEG:

• Account Document Segment table is enhanced with two additional fields: Flow Type and Liquidity Item

• Rebuild Flow Types (t-code FQM_UPD_FLOW_TYPE)

• Rebuild Liquidity Item (t-code FQM_UPD_LITEM)

Data Set Up 3-2: House Bank and House Bank Account in BSEG

Dictionary: Display Table

Transparent Table: BSEG   Active

Short Description: Accounting Document Segment

Technical Settings   Indexes...   Append Structure...

Attributes | Delivery and Maintenance | Fields | Entry help/check | Currency/Quantity Fields
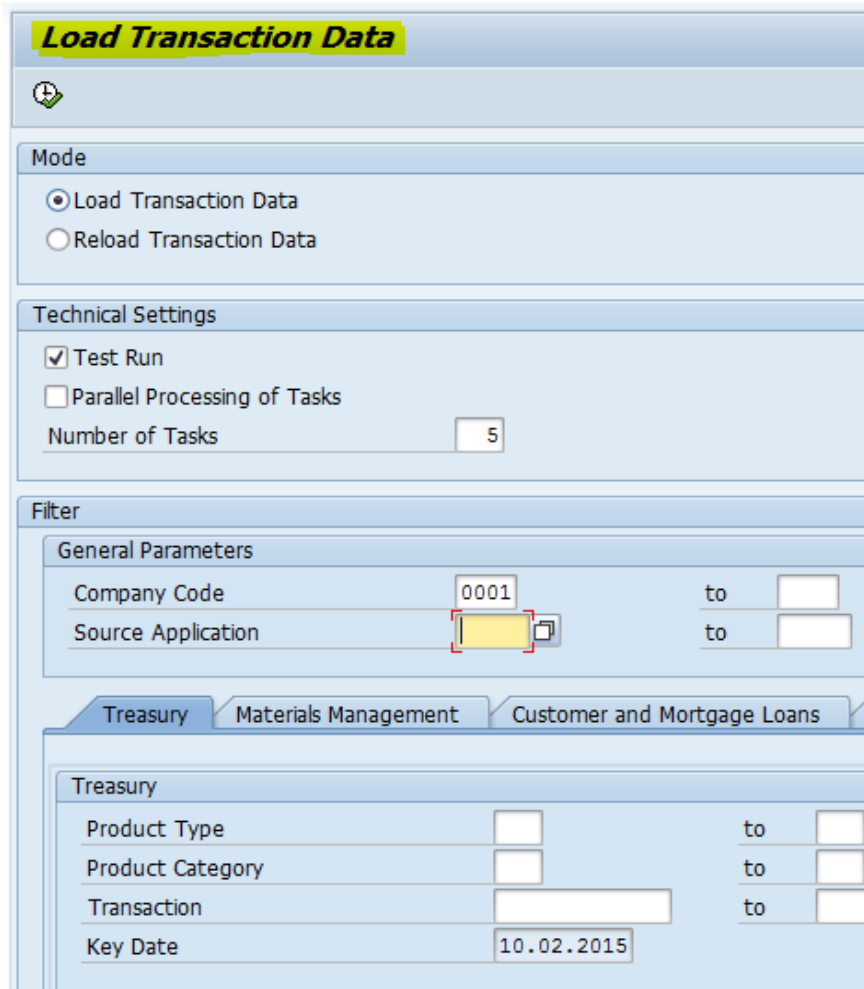
Srch Help   Predefined Type   308 / 366

Field	Key	Ini...	Data element	Data Type	Length	Deci...	Short Description	Group
SEGMENT	☐	☐	FB_SEGMENT	CHAR	10	0	Segment for Segmental Reporting	
PSEGMENT	☐	☐	FB_PSEGMENT	CHAR	10	0	Partner Segment for Segmental Reporting	
PFKBER	☐	☐	SFKBER	CHAR	16	0	Partner Functional Area	
HKTID	☐	☐	HKTID	CHAR	5	0	ID for account details	
KSTAR	☐	☐	KSTAR	CHAR	10	0	Cost Element	
XLGCLR	☐	☐	XLGCLR	CHAR	1	0	Clearing Specific to Ledger Groups	
TAXPS	☐	☐	TAX_POSNR	NUMC	6	0	Tax document item number	
PAYS_PROV	☐	☐	COM_WEC_PAYMENT...	CHAR	4	0	Payment Service Provider	
PAYS_TRAN	☐	☐	FPS_TRANSACTION	CHAR	35	0	Payment Reference of Payment Service Provider	

Populate House bank and House bank account for existing entries in BSEG:

- Transaction Code: FQM_UPD_HBK_HKT

- In this program, system finds the house bank and house bank account from imported bank statements, payments for open items (F110) and payment request (F111) and inserts the information in BSEG.

Data Set Up 3-3: Load Cash relevant information to One Exposure from Operations

Load Legacy Transaction Data relevant to Cash Management to One Exposure from Operations:

- Transaction Code: FQM_INITIALIZE

- Load transaction data from a source applications into One Exposure from Operations so that the data is available for cash management reporting.

Real-time update of transactional data

Data Set Up procedure needs to be executed once before go-live, or if there is any corresponding customizing change that make it necessary to re-set up the data to reflect customizing change.

Afterwards, BSEG data's corresponding information (Liquidity Item and Flow Type) are updated real-time when the BSEG record is inserted; One Exposure from Operations data integrated from local system (TRM, CML, or FICA) is updated real-time.

Agenda

1	Customizing and Data Setup

2	Other Customizing

Bank Statement Monitor - Settings

Settings for Bank Statement Monitor

IMG Path: Financial Supply Chain Management -> Bank Communication Management -> Bank Statement Monitor -> Settings for Bank Statement Monitor

- Bank Statement Monitor is using the backend of Bank Communication Management's Bank Statement Monitor function.
- Therefore the configuration must be done for each House Bank Account to be included in the monitoring.

FTE-BSM: Settings for Bank Statement Monitor

CoCd	House bk	Acct ID	Process St…	Difference…	Serial No. …	Reconcil. Sts	Inte…	Interval Unit
0001	CN	CNCNY	✓	✓	✓	✓	1	1 Calendar D… ▼
0001	CN	CNY	✓	✓	✓	✓	1	1 Calendar D… ▼
0001	CN	EUR	✓	✓	✓	✓	1	1 Calendar D… ▼
0001	DB	EUR	✓	✓	✓	✓	1	1 Calendar D… ▼
0001	DB	GIRO	✓	✓	✓	✓	1	1 Calendar D… ▼
0001	DB	US$	✓	✓	✓	✓	1	1 Calendar D… ▼
0001	DB	WERTP	✓	✓	✓	✓	1	1 Calendar D… ▼
0001	DRE	GIRO	✓	✓	✓	✓	1	1 Calendar D… ▼

Company Code: 0001
House bank: CN
Account ID: CNCNY

FTE-BSM: Settings for Bank Statement Monitor

- ✓ Process Status
- ✓ Difference Sts
- ✓ Serial No. Sts
- ✓ Reconcil. Sts

Interval: 1
Interval Unit: 1 Calendar Days ▼
Fac.Calendar ID:
Position:
Difference Amount: 400.063.044,18
Currency:

Make Bank Transfer - Settings

Payment Request relevant configurations

IMG Path: Financial Accounting (New) -> Bank Accounting -> Business Transactions -> Payment Transactions

- Make Bank Transfer creates payment request to process cash transfers
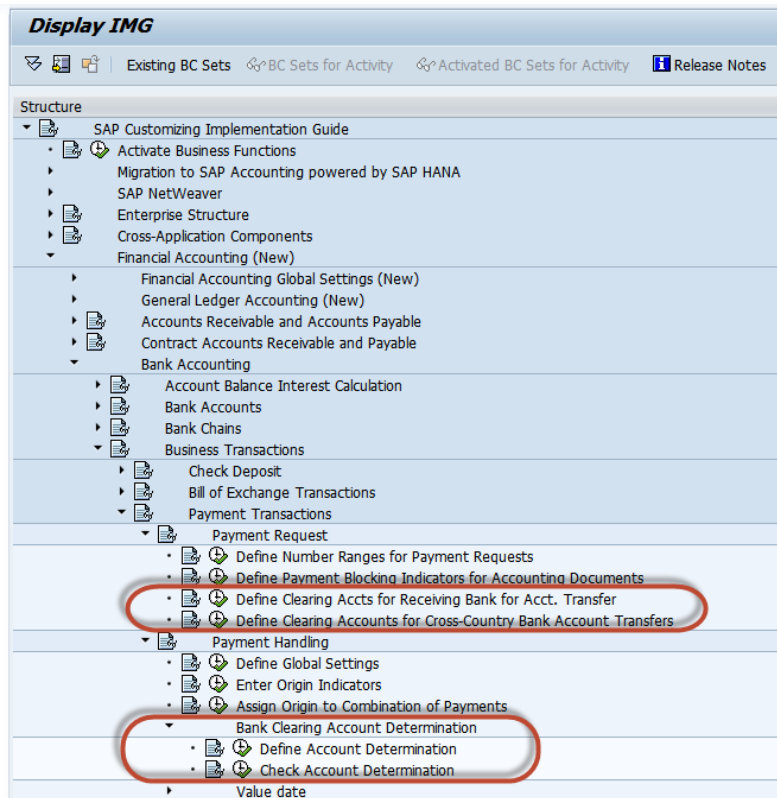
Cash Position Details - Settings

Summarization Group & Term configurations
Run t-code SM30, edit table V_T038P & V_T038

Lesson Summary

You should now be able to:

- Describe the required Customizing settings for the *Develop Liquidity Plans* app and the *Liquidity Plans* app

- Describe the required customizing settings of *Liquidity Forecast*

- Describe the required customizing settings of *Actual Cash Flow*

Early Knowledge Transfer   Customer

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