Working with Currency Conversions

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This guide explains how to configure currency conversions. It is intended for system administrators.

When dealing with international currencies, you should always coordinate with the customer or vendor to agree on the exchange rates for your transactions. Many international transactions are handled as wire transfers, with the banks involved handling the currency conversions. aACE also enables you to use various methods to account for currency conversions.

Because business transactions can proceed slowly, a currency exchange rate may fluctuate significantly between the start and finish of a transaction. Currency conversion exchange rates in aACE must be entered and updated manually. Before you enable Currency Conversions, you should implement company policies to standardize when your staff will update exchange rates in aACE.

Accounting Preferences for System-Wide Currency Conversions

Out-of-the-box, aACE supports basic currency conversion. You must enable this preference. Navigate from Main Menu > Accounting > Accounting Preferences > Currency Conversion tab. Then click Edit, mark the flag to Enable Conversion, and click Save.

ACE Account	ting Preferences						
Chart of Accounts	Accounting Settings Bil	illing & Payment Terms	Code Designations	Currency Conversion	Period I	Management	
Enable Conversion	Line Item Codes						
Default Currency	Currency		Currency Code	Symbol	Exchange Rate	Last Updated	
USD	British Pound/Sterling		GBP	£	1		ж
	Chinese Yuan		PBC	¥	0.14		×
	Euro		EUR	€	1.4	03/02/23	×
	Euro US Dollar		EUR USD	£ \$		03/02/23 03/03/23	

When enabled, the Currency Conversion preference applies globally. The related fields will be included on *all* affected records (i.e. orders, invoices, customer receipts, purchase orders, purchases, disbursements, related printouts).

Note: You may need to update your <u>order layout settings (https://aace6.knowledgeowl.com/help/order-entry-</u> preferences) to display fields related to international transactions.

Calculating Currency Conversions

Currency conversions are typically calculated from the Purchase Orders and Orders modules. However, you can calculate and apply a currency conversion rate at any of the affected records listed above.

This guide follows a PO to an international vendor as an example.

Currency Conversion Selector for POs

POs drive the currency exchange rate for their related purchase records. When you create and save a PO from an international vendor, aACE will display a blue Currency Conversion link under the PO Items list:

Management					
*			Notices 😣	Tasks 🗹	Emails M Docs
	Ship To End Customer	×	Comment	s and Next St	teps
🖞 ♀ Vendor Reference	Ship To > Blind 🗌 📋	Ship Type Expected Date 🖈			
	aACME Education Solutions, Inc.	Complete TBD			
nter, Required By	Mark Jennings 1238 Broadway New York, NY 10001	Inventory Bin			
Payment Terms		Shipping Terms			
Net 30					
	Additional Info		Next Class		Next Olars Data
	Additional into		Next Step		Next Step Date
Description	Order Job	Dept	Cases Quantity	Unit Cost	Total 🔀
					200.00 🛪
4-					250.00 🛪
					50.00 곳 100.00 곳
white bissle barriood brush size z	x	ALDEY	50	2.00	100.00 %
\geq			Subto	Ital	600.00
ority Payment Date Recu	rring Transaction > Curren	y Exchange Rate	Shipp Tax Total	ing 0%	0.00 0.00 600.00
07/07/23				ant Due	0.00
	Payment Terms Net 30 ment Description Goat hair bamboo brush size 4 1/2" Hake Brush Rabbit hair bamboo brush size 1 White bristle bamboo brush size 2 white bristle bamboo brush size 2	Required By Mark Jennings 1238 Broadway Payment Terms Net 30 Additional Info Description Order Goat hair bamboo brush size 4 # 1/2" Hake Brush # Rabbit hair bamboo brush size 1 # White bristle bamboo brush size 2 # White bristle bamboo brush size 2 #	Mark Jennings 1238 Broadway New York, NY 10001 Inventory Bin Payment Terms Net 30 Additional Info Additional Info Shipping Terms Description Order Job Dept Goat hair bamboo brush size 4 # AI-Dev 1/2" Hake Brush # AI-Dev Rabbit hair bamboo brush size 1 # AI-Dev White bristle bamboo brush size 2 # AI-Dev white bristle bamboo brush size 2 # AI-Dev Verty Payment Date Recurring Transaction > Currency Exchange Rate	Required By Mark Jennings 1238 Broadway New York, NY 10001 Inventory Bin Payment Terms Net 30 Additional Info Net Step nent Shipping Terms Description Order Job Dept Cases Quantity Goat hair bamboo brush size 4 ⇒ * AI-Dev 50 J2" Hake Brush ⇒ * AI-Dev 50 White bristle bamboo brush size 1 ⇒ * AI-Dev 50 White bristle bamboo brush size 2 ⇒ * AI-Dev 50 Very Payment Date Recurring Transaction > Currency Exchange Rate Subtro	Mark Jennings 1238 Broadway New York, NY 10001 Inventory Bin Payment Terms Net 30 Additional Info Next Step Additional Info Next Step Description Order Job Dept Cases Quantity Unit Cost Goat hair bamboo brush size 4 ■ * Al-Dev 50 4.00 J/2" Hake Brush ■ * Al-Dev 50 5.00 Rabbit hair bamboo brush size 1 ■ * Al-Dev 50 1.00 White bristle bamboo brush size 2 ■ * Al-Dev 50 2.00

To update the exchange rate, click Edit and then click the Currency Conversion link. At the selector, select the desired currency:

rchase Order	60000	China Brushw	orks Interna	ational		06/07/23	PE	NDIN
Durchasa Ardar Nataile	Managamant					Alation A Tacks	en Constra	
Currency Conversio	n Purchase Order: 6000	0 China Brushwork	s International				06/07/23 PEN	IDING
✓ Enable Conversion								
Currency Exchange ()								
EUR								
GBP								
PBC	Description		Qty	Unit Cost	Unit Cost ()	Total	Total ()	×
USD T	Goat hair bamboo brush siz	ze 4	50	4.00	0.00	200.00		* ^
2 > SE-B-H	1/2" Hake Brush		50	5.00	0.00	250.00	0.00	×
3 > SE-B-R1	Rabbit hair bamboo brush s	size 1	50	1.00	0.00	50.00	0.00	ж
4 > SE-B-WB2	White bristle bamboo brush	h size 2	50	2.00	0.00	100.00	0.00	×
				Subt	total	600.00	0.00	
				Ship		0.00	0.00	
				Tax Tota	0%	0.00	0.00	
					ment Due	0.00	0.00	
							Cancel	iave
	onty Payment Date Kecu	urring transaction >	currency Es	change Hate		Total	60	0.00
nase Order Type Pri	07/07/23							

Transaction-Specific Currency Conversions

If you do not want the full currency conversion features implemented, you can instead create an Other-type line item code (LIC) and use it for currency fluctuation expenses on individual transactions.

On your currency fluctuation LIC, fill out the general information on the Code tab, including any custom prices, vendors, offices, or additional info. On the Setup tab, specify the relevant GL accounts:

Code: CURR Cu	Irrency Fluctuation								ACT	
Code Setup	1						Notices	9 Tasks 🗹	Emails 🔛	Docs
Accounting Setup		Commissions and R	ate Setup Exc	l from	Commissions	Unit Info				
Revenue Account >	Cost Account >	Rate Type	Rate Value	VDS	Price					
6998 Currency Conversion	6998 Currency Conversion	Fixed Price	0.00	v	0.00					
	Department >	Commission Type	Comm Value	VCS	Commission					
		Not Applicable		\mathbb{V}						
Enforce rate card billing. Exclude customer discount. Inable tax automation. Tax code:		B) purchasing activity within the last number of days: (Leave empty to consider all purchasing activity.) Record Access								
hipping and Fulfillment		Accessible to all offices.								
Enable outgoing shipments in		Accessible to selected offices only.								
		AI; EE; MWRO								
		A south the till and a south of the south of								
	Do not create a sub-assembly job.		Oversight Notifications Send notice when an order or PO is opened.							
		Send notice if sold with margin less than:								
		Send notice if sold will								
Do not create a sub-assembly			an margin read unan							
Do not create a sub-assembly		Barcode Scanning	ES0123							

If a transaction is affected significantly by exchange rates, you can use this LIC to account for the currency conversion.

Example of Using a Currency Conversion LIC

You can apply the currency conversion LIC at a purchase record for an international vendor.

- 1. At the purchase's detail view, click **Actions** > **Credit/Adjust Purchase**.
- 2. Remove the initial LICs, then **add** the currency conversion LIC as a purchase item.

E 🗣 Record: 1 of 1				New 🖶 Edit 🖋 Delete 🗱 Print 🖴 Actions
Purchase: 60017 Credit/Adjust			ust Pur #50420	05/09/23 PENDING
Adjustment Details				Notices 🔒 🛛 Tasks 🗹 Emails 🎽 Docs
endor		×	Description	Payment Comments
/endor >	Vendor Inv #	Inv Date		
China Brushworks International	12395 🤞	05/05/23		
Ming Xiou Flat D, 6/F, Golden Industrial Center, Block 4 182-190 Tai Lin Pal Road Wan Chai, Hong Kong	Payment Terms	Pur Order >	Additional Info	
	Net 30	50412		
	Payment Due 06/04/23	Pmnt Expected 06/04/23		
Q Code GL A 1 > CURR Q 6990		Fluctuation	Purchase Order Job Departmen	nt Quantity Unit Cost rotal 4 Ereight ¥ 1 0.00 0.00 0.00 ¥
				Subtotal 0.00 0.00
				Freight 0.00
				Shipping Exp 0.00
				Shipping Exp 0.00 Tax 0% 0.00 Total 0.00
				Tax 0% 0.00

- 3. Enter the amount to cover the currency change as the **Unit Cost**.
- 4. Click Save.

aACE applies the currency conversion adjustment to the purchase's initial balance.