

Understanding Multi-Entity Accounting

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This guide explains functionality that aACE provides for managing multiple business entities. It is intended for system administrators.

aACE can help you organize people, products, and financials across different business entities, locations, or even brands. For an example of how this feature can help your team, read our [feature highlight](https://www.aacesoft.com/resources/manage-multiple-business-entities-in-a-single-aace-solution-heres-how) (<https://www.aacesoft.com/resources/manage-multiple-business-entities-in-a-single-aace-solution-heres-how>).

Organizing Multiple Companies Using Offices

The [Offices module](http://aace6.knowledgeowl.com/help/overview-of-offices) (<http://aace6.knowledgeowl.com/help/overview-of-offices>) enables you to organize one or more companies operating from one or more locations. You can set up each office record as a distinct business entity, including a separate tax ID, address, logo, etc.

Team Members

Each aACE user will have a [Team Member record](https://aace6.knowledgeowl.com/help/managing-a-team-members-status-office-and-department) (<https://aace6.knowledgeowl.com/help/managing-a-team-members-status-office-and-department>) linked to their respective office. You can use settings on this record to control the level of access a team member has to various offices, departments, and records.

Navigate from Main Menu > Internal > Team Members > desired team member record > Human Resources tab. In the Record Access section, you can edit the record and configure these settings:


- Can view records assigned to any office
- Can view records only assigned to the offices listed below – Constrains team members to only view records in the office(s) you specify
Note: This flag cannot be marked when the preceding flag is marked.
- Can switch offices – Enables team members to [switch offices](https://aace6.knowledgeowl.com/help/understanding-the-can-switch-offices-team-members-preference) (<https://aace6.knowledgeowl.com/help/understanding-the-can-switch-offices-team-members-preference>) for their current session
Note: Each user's current office assignment is displayed in the footer of the Main Menu.
- Can view records assigned to any department – Enables team members to view all

records in the current office, regardless of their assigned department

- Can edit Comments and Activities – Enables team members to [edit the Comments and Activities](https://aace6.knowledgeowl.com/help/adding-activities-support-or-next-steps#WaysToAddComments) section of records they can access

User Groups

The [User Groups module](https://aace6.knowledgeowl.com/help/understanding-record-access-privileges-in-user-groups-and-team-member-settings) includes settings that control various levels of access a specific group of team members have to viewing, editing, and managing specific types of records:

1. Navigate from **Main Menu > System Admin > User Groups** > select the desired User Group > **Module Access** tab > click **Edit**.
2. In the Access Privileges section, click **Search** () > select the desired Module(s) > **Save**. This gives all team members in the user group basic access to the module(s).
3. In the Access Privileges section, mark / clear the flags to further configure the level of access the user group should have for records in the specified module(s).

Note: You can mark / clear a batch of flags:

- Section-Level icons (**+** / **-**) icons – Marks or clears a specific flag for all modules currently in the list
 - Module-Level icons (**+** / **-**) icons – Marks or clears all flags for that specific module
4. Click **Save**.

Line Item Codes (LICs)

Each of your products in aACE are associated with an office. You can manage the [office-specific settings for LICs](http://aace6.knowledgeowl.com/help/overview-of-line-item-codes#LICoffices) so they display for certain offices.

Inventory on Orders

When team members are working on orders, aACE constrains the LIC lists to show only the products associated with that office. This streamlines workflows since users in one office don't have to filter through records associated with separate offices.

An order record is initially associated with the current office and department of the team

member who generated it. Note: For team members who can [switch offices](#) (<https://aace6.knowledgeowl.com/help/understanding-the-can-switch-offices-team-members-preference>), orders they generate are initially associated with the office they are currently logged into.

You can change the assigned department of an order while it is in Pending status. Because offices are derived from departments, changing an order's department may also change the office association.

Inter-Office Inventory

Sometimes product purchased for one location must be transferred to a location where the demand is greater.

With aACE's [data entry preferences for Accounting](#) (<http://aace6.knowledgeowl.com/help/accounting-data-entry-preferences>), you can prevent one office from being expensed for another office's use of inventory. Navigate from Main Menu > Accounting > Accounting Preferences > Accounting Settings tab > Inventory section. Mark the flag to 'Prevent inter-office COGS transactions'.

If needed, you can clear this flag and configure your system for inter-office accounting (see below).

Accounting

You can configure aACE to show account balances associated with *all* offices at once or to only show balances for a user's current office assignment.

GL Accounts

To adjust GL accounts preferences, navigate from Main Menu > Accounting > Accounting Preferences > Chart of Accounts tab > Offices tab > Multi-Office Preferences section. Mark the flag to 'Manage office general ledgers separately'.

When this flag is *marked*, your system filters the GL Accounts module to show only the transactions for the current office. aACE displays a header above the accounts list to remind users which office is being displayed:

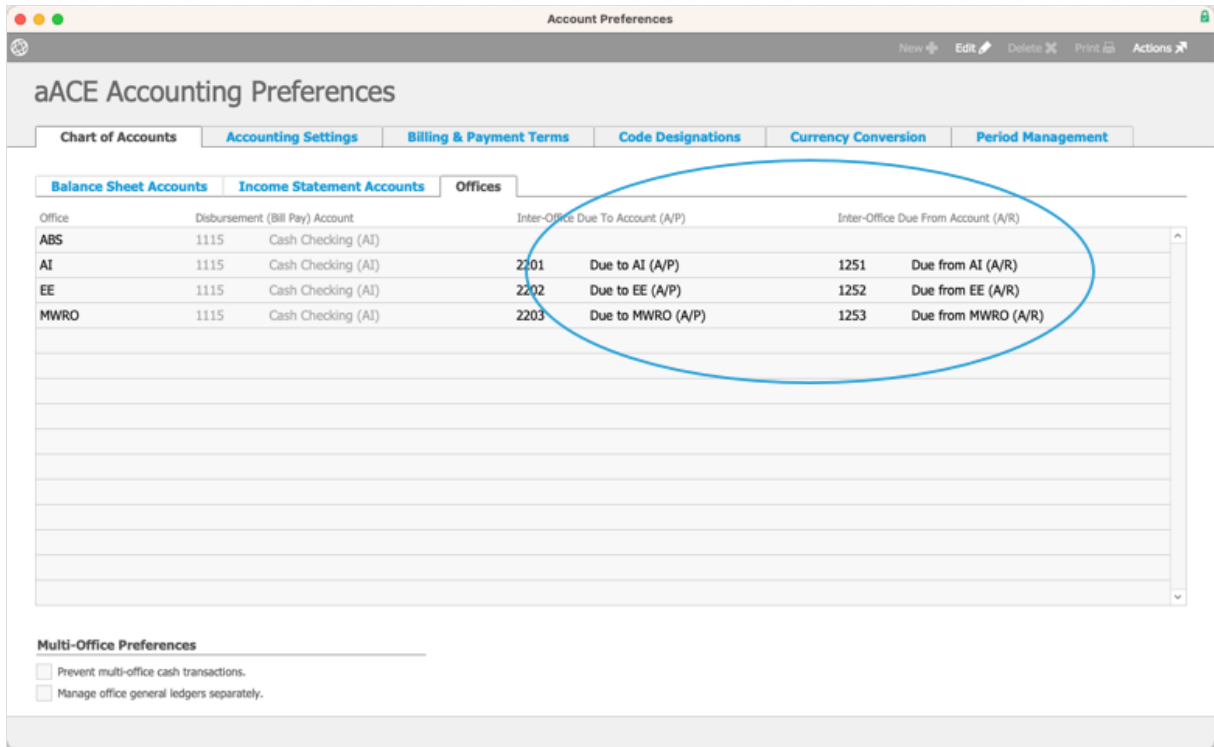
Account	Account Name	Header	Account Type	Cash Flow Section	Balance	Status
> 1000	Total Assets		Assets		4,780,866.25	ACTIVE
> 1002	Uncategorized Assets	1000	Assets	Other Assets	1,949.61	ACTIVE
> 1100	Current Assets	1000	Assets		4,679,215.35	ACTIVE
> 1101	Uncategorized Current Assets	1100	Assets	Other Assets		ACTIVE
> 1110	Total Cash	1100	Cash		3,125,661.75	ACTIVE
> 1114	Cash Checking (EE)	1110	Cash	Cash		ACTIVE
> 1115	Cash Checking (AI)	1110	Cash	Cash	3,100,309.58	ACTIVE
> 1116	Cash Checking (MWRO)	1110	Cash	Cash		ACTIVE
> 1117	Cash Checking (ABS)	1110	Cash	Cash		ACTIVE
> 1120	Undeposited Funds - Cash/Checks	1110	Cash	Cash	16,651.70	ACTIVE
> 1121	Undeposited Funds - MC/Visa	1110	Cash	Cash		ACTIVE
> 1122	Undeposited Funds - Amex	1110	Cash	Cash		ACTIVE
> 1123	Undeposited Funds - Debit Card	1110	Cash	Cash	8,700.47	ACTIVE
> 1124	Undeposited Funds - E-Check	1110	Cash	Cash		ACTIVE
> 1200	Total Receivables	1100	Receivables		1,553,553.60	ACTIVE
> 1201	Uncategorized Receivables	1200	Receivables	Accounts Receivable		ACTIVE
> 1202	Accounts Receivable	1200	Receivables	Accounts Receivable	68,493.46	ACTIVE
> 1250	Inter-Office Receivables	1200	Receivables		1,485,060.14	ACTIVE
> 1251	Due from AI (A/R)	1250	Receivables	Accounts Receivable	1,485,060.14	ACTIVE
> 1252	Due from EE (A/R)	1250	Receivables	Accounts Receivable		ACTIVE
> 1253	Due from MWRO (A/R)	1250	Receivables	Accounts Receivable		ACTIVE
> 1300	Inventory Assets	1000	Inventory		99,696.29	ACTIVE

Note: Users with certain [User Group privileges](http://aace6.knowledgeowl.com/help/controlling-access-to-aace-modules-with-user-groups) may be able to switch between offices at the Main Menu. After switching, they can view the GL Accounts for the new office.

Inter-Office A/P and A/R Accounts

When your separate offices conduct internal transactions, you can set up accounting preferences to help track these exchanges:

1. Navigate from **Main Menu > Accounting > GL Accounts**.
2. For *each* office you have created for your organization, [create an A/P account and an A/R account](http://aace6.knowledgeowl.com/help/adding-an-account-to-the-chart-of-accounts).
3. Navigate from **Main Menu > Accounting > Accounting Preferences > Chart of Accounts tab > Offices tab**.



- Click **Edit**, then specify the inter-office A/P and A/R accounts for each office.
Note: As the screenshot above shows, the line for an office should include the due-to and due-from accounts for *that* office. aACE will apply those accounts appropriately as they are used by other offices.
- Click **Save**.

Examples of Inter-Office Transactions

After you organize your inter-office accounts, aACE will track receivable and payable balances between your offices. It will automatically create an A/R balance for the office that purchased the inventory and an A/P balance for the office that used the inventory.

For example, if two offices are paying part of a purchase (e.g. rent for a shared space), you can specify each Dept field on the Purchase record. In the General Ledger, the office that originates the purchase gets the Accounts Payable balance for the overall purchase. aACE also automatically creates a receivable balance for the part of the purchase due from the second office, plus a liability on the second office's accounts for what they owe to the originating office.

As an example with receivable transactions, one office could sell a [line item code which another office should receive the proceeds for](http://aace6.knowledgeowl.com/help/overview-of-line-item-codes#LICoffices) (e.g. the inventory belongs to one entity, even though other entities can add it on orders). aACE would create an A/R balance for the office that should receive the sale and an A/P balance for the office that handled the sale.

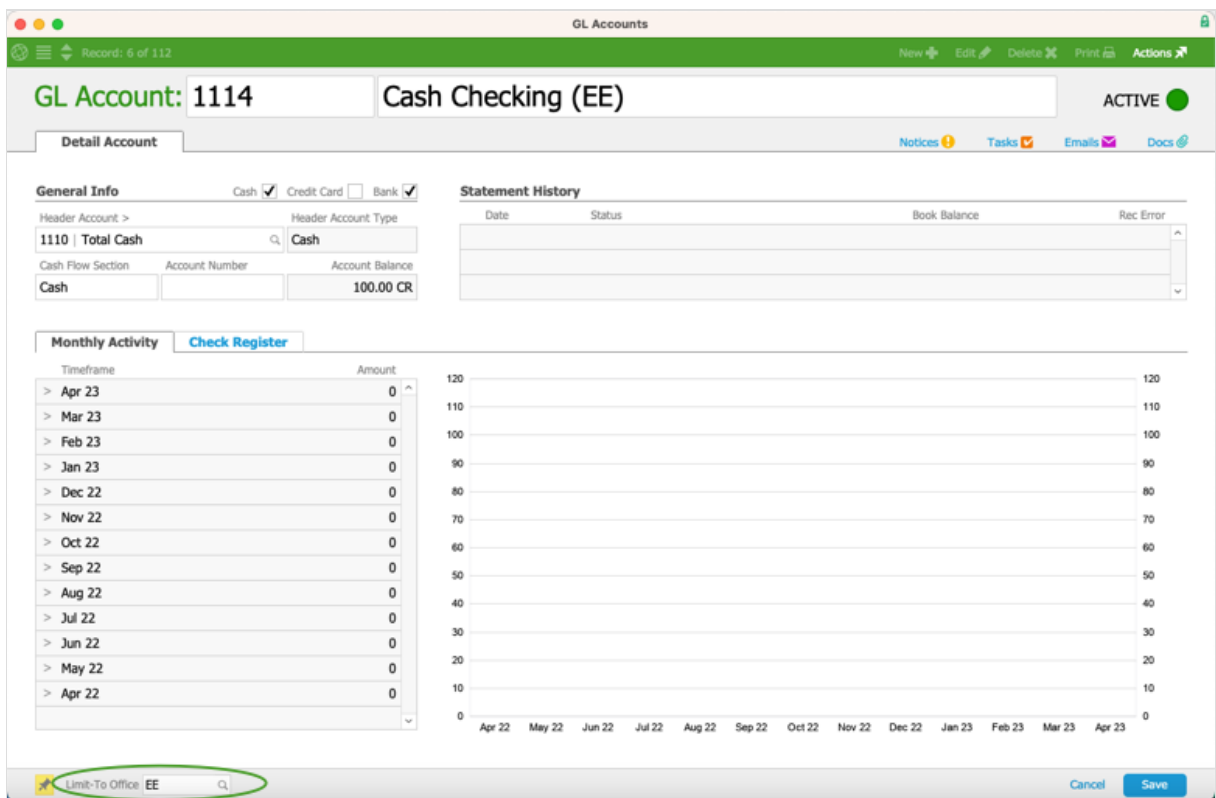
Bank Accounts

Specify a Bank Account for the Office

For each office, you can specify a default bank account for disbursements. Navigate from Main Menu > Accounting > Accounting Preferences > Chart of Accounts tab > Offices tab. Click Edit, then click the field for 'Disbursement (Bill Pay) Account' and select an option. (Note: After you manually assign a specific account in this field, it will *not* be affected by changes to the *Default* Disbursement account noted on the Balance Sheet Accounts tab.)

For organizations with separate legal entities, you can help avoid reconciliation problems by constraining bank accounts to a single office (e.g. Bank of America 1107):

1. Navigate to the GL Accounts module and locate the desired account.
2. At the detail view, click **Edit**.
3. In the module footer, click the **Limit-To Office** field, then select the appropriate office.



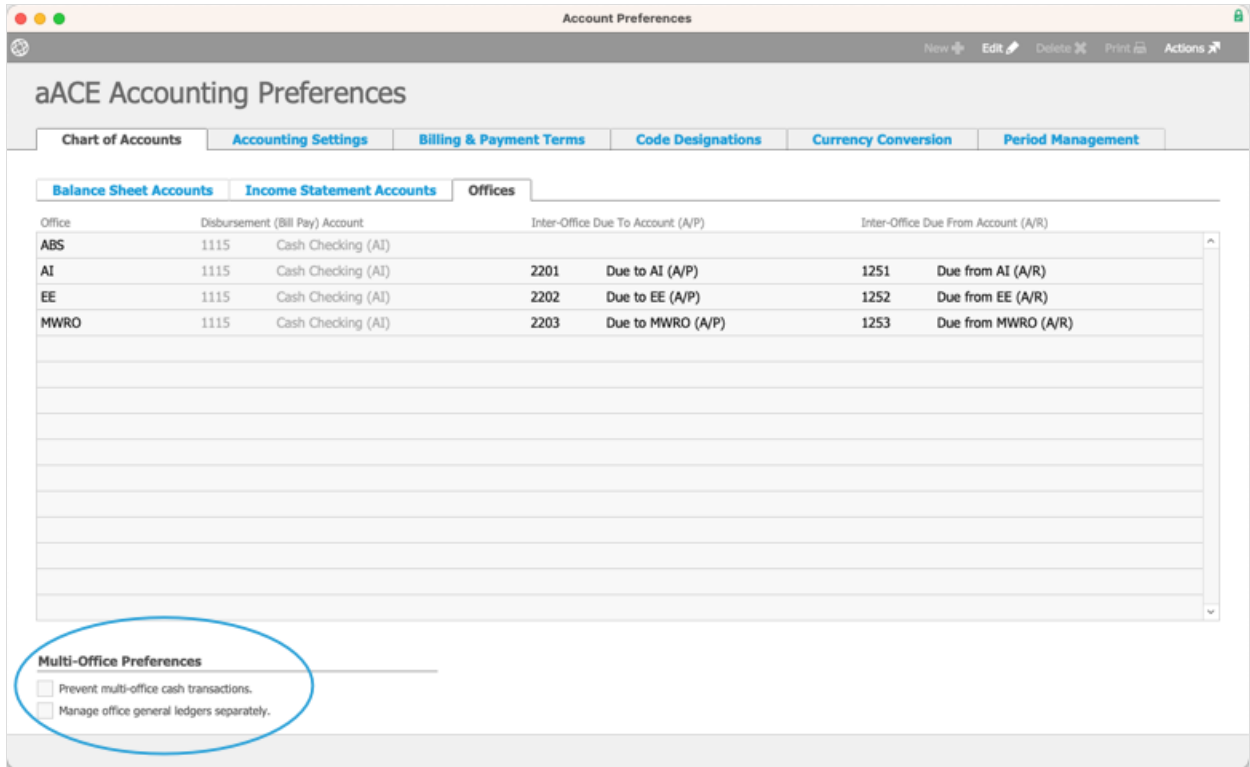
4. Click **Save**.

Prevent Cash Transactions


Another oversight feature is the 'Prevent multi-office cash transactions' option. When you mark this flag, aACE verifies details to ensure cash separation between legal entities. It constrains receipts and disbursements to be assigned only to bank accounts linked to the

office creating the receipt or disbursement.

Navigate from Main Menu > Accounting > Accounting Preferences > Chart of Accounts tab > Offices tab. In the Multi-Office Preferences section, mark the flag to 'Prevent multi-office cash transaction'.



Financial Printouts

You can generate various financial reports, either for a single office or for all offices. At the GL Accounts module, click the Print () icon, then select the desired report. For example:

- To print a balance sheet for a *single* office, select Balance Sheet, specify the desired office, and click Print.
- To print a balance sheet for *all* offices, select Balance Sheet, leave the Office(s) field *blank*, and click Print.

GL Accounts						
Account	Account Name	Header	Account Type	Cash Flow Section	Balance	Status
> 1000	Total Assets		Assets		4,908,736.05	ACTIVE
> 1002	Uncategorized Assets	1000	Assets	Other Assets	1,949.61	ACTIVE
> 1100	Current Assets	1000	Assets		4,779,169.84	ACTIVE
> 1101	Uncategorized Current Assets	1100	Assets	Other Assets		ACTIVE
> 1110	Total Cash				3,217,640.35	ACTIVE
> 1114	Cash Checking (EE)				100.00	CR ACTIVE
> 1115	Cash Checking (AI)				3,100,309.58	ACTIVE
> 1116	Cash Checking (MWRO)				92,078.60	ACTIVE
> 1117	Cash Checking (ABS)					ACTIVE
> 1120	Undeposited Funds - Cash				16,651.70	ACTIVE
> 1121	Undeposited Funds - MC/V					ACTIVE
> 1122	Undeposited Funds - Amer					ACTIVE
> 1123	Undeposited Funds - Debit				8,700.47	ACTIVE
> 1124	Undeposited Funds - E-Ch					ACTIVE
> 1200	Total Receivables	1100	Receivables		1,561,529.49	ACTIVE
> 1201	Uncategorized Receivables	1200	Receivables	Accounts Receivable		ACTIVE
> 1202	Accounts Receivable	1200	Receivables	Accounts Receivable	68,493.46	ACTIVE
> 1250	Inter-Office Receivables	1200	Receivables		1,493,036.03	ACTIVE
> 1251	Due from AI (A/R)	1250	Receivables	Accounts Receivable	1,493,036.03	ACTIVE
> 1252	Due from EE (A/R)	1250	Receivables	Accounts Receivable		ACTIVE
> 1253	Due from MWRO (A/R)	1250	Receivables	Accounts Receivable		ACTIVE
> 1300	Inventory Assets	1000	Inventory		127,611.60	ACTIVE

Filters

As of: 04/30/2023

Entity #: []

Office(s): []

- ABS aACE Building & Supplies
- AI aACE Education Solutions, Inc.
- EE Education Elite
- MWRO Midwest Regional Outlet

Compare to prior year.

Omit accounts with zero-value balances.

Cancel Print