Removing Relationships to GL Accounts

Last Modified on 01/09/2023 12:37 pm EST

This guide explains areas where GL accounts may be linked throughout the system and how to remove those links. It is intended for system administrators.

Before you can <u>delete a general ledger account</u> (http://aace6.knowledgeowl.com/help/deleting-unused-gl-accounts), you must remove all relationships. Four types of relationships can link GL accounts to other aACE records:

- 1. GL account used as Setup Account
- 2. GL account linked to tax profiles
- 3. GL account linked to line item codes (LICs)
- 4. GL account linked to general ledger records

Removing each of these relationships is described below.

1. Setup Accounts

The Setup Accounts are used as defaults for specific accounting transactions. To work with these settings, navigate from Main Menu > Accounting > Preferences > Chart of Accounts:

aACE Software

• •			Accounting	Preference	5					
Accounting Preferences	Note: Tra	nsactions assume this Chart of Accounts	is set up corre	ectly; the vali	idation processes do not va	lidate these acco	unts.			
Chart of Accounts	Assets					Liabilitie	s			
Billing & Payment Terms	Undeposit	ed Funds - Cash/Checks >	Accounts	Receivable (A/	R) >	Accounts P	ayable (A/P) >			
Adjustment Codes	1120	Undeposited Funds - Cash/Checks	1202	Account	s Receivable	2101	Accounts Payable			
Currency Conversion	Undeposit	ad Funds - MC/Visa >	Default Ir	wentory Accou	nt >	Commissio	ns Payable >			
Period Management	1121	Undeposited Funds - MC/Visa	1301	Uncateg	orized Inventory	2106	Commissions Payable			
Data Entry	Undeposit	ed Funds - Amex >				Accrued In	iventory >			
	1122	Undeposited Funds - Amex				2104	Accrued Inventory			
Integrations	Undeposited Funds - Debit Card >						Accrued Wages >			
AvaTax	1123	Undeposited Funds - Debit Card				2105	Accrued Wages			
	Undeposit	ed Funds - E-Check >					penses >			
	1124	Undeposited Funds - E-Check				2103	Accrued Expenses			
	Default De	bursement (Bill Payment) Account >								
	1115	Cash Checking (AI)								
	Merchant	Sank Account >								
	1115	Cash Checking (AI)								
		Cash Checking (AI)								
		Cash Checking (AI)	Revenu	e (Sales)		Cost of G	Goods Sold (Cost of Sales)			
	1115 Equity Current Ye	ar Earnings (Net Income) >	Default R	evenue Accour		Default Co	st Account >			
	1115 Equity			evenue Accour	t > prized Sales					
	1115 Equity Current Ye 3999 Retained B	ar Earnings (Net Income) > Current Year Earnings Jamings >	Default R 4001	evenue Accour	orized Sales	Default Co	st Account > Uncategorized Cost of Sales			
	1115 Equity Current Ye 3999	ar Earnings (Net Income) > Current Year Earnings	Default R 4001	evenue Accour Uncateg Mark Up (Hand	orized Sales	Default Co 5001	st Account > Uncategorized Cost of Sales			
	1115 Equity Current Ye 3999 Retained E 3900	ar Earnings (Net Income) > Current Year Earnings Jamings > Retained Earnings	Default R 4001 Shipping	evenue Accour Uncateg Mark Up (Hand	orized Sales ling) >	Default Co 5001 Accrued C	st Account > Uncategorized Cost of Sales DGS >			
	1115 Equity Current Ye 3999 Retained E 3900 Expense	ar Earnings (Net Income) > Current Year Earnings arnings > Retained Earnings s	Default R 4001 Shipping 4007	evenue Accour Uncateg Mark Up (Hand Shipping	orized Sales ling) >	Default Co 5001 Accrued Cl 5003	st Account > Uncategorized Cost of Sales DGS > Accrued COGS			
	1115 Equity Current Ye 3999 Retained E 3900 Expense Commission	ar Earnings (Net Income) > Current Year Earnings larnings > Retained Earnings s ns Expense >	Default R 4001 Shipping 4007	Venue Accour Uncateg Mark Up (Hand Shipping	orized Sales ling) >] Mark Up / Handling	Default Co 5001 Accrued Cl 5003	st Account > Uncategorized Cost of Sales DGS > Accrued COGS Conversion Adjustments >			
	1115 Equity Current Ye 3999 Retained E 3900 Expense Commission 6004	ar Earnings (Net Income) > Current Year Earnings larnings > Retained Earnings s ns Expense > Commissions Expense	Default R 4001 Shipping 4007 Inventory 5002	Venue Accour Uncateg Mark Up (Hand Shipping Losses > Invento	orized Sales ling) > g Mark Up / Handling ry Losses	Default Co 5001 Accrued Cl 5003 Currency C 6998	st Account > Uncategorized Cost of Sales DGS > Accrued COGS Conversion Adjustments > Currency Conversion Adjustments			
	1115 Equity Current Ye 3999 Retained E 3900 Expense Commissik 6004 Capitalized	ar Earnings (Net Income) > Current Year Earnings Iarnings > Retained Earnings s ns Expense > Commissions Expense IMFr Labor >	Default R 4001 Shipping 4007 Inventory 5002 Capitalize	evenue Accour Uncateg Mark Up (Hand Shipping Losses > Invento d Mfr Overhea	orized Sales ling) > Mark Up / Handling ry Losses d >	Default Co 5001 Accrued Cl 5003 Currency C 6998 Labor Over	st Account > Uncategorized Cost of Sales DGS > Accrued COGS Conversion Adjustments > Currency Conversion Adjustments rhead Allocations >			
	1115 Equity Current Ye 3999 Retained E 3900 Expensee Commissik 6004 Capitalized 6005	ar Earnings (Net Income) > Current Year Earnings larnings > Retained Earnings s ns Expense > Commissions Expense Mfr Labor > Capitalized Mfr Labor	Default R 4001 Shipping 4007 Inventory 5002 Capitalize 6006	evenue Accour Uncateg Mark Up (Hand Shipping / Losses > Invento d Mfr Overhea Capitalia	orized Sales ling) > g Mark Up / Handling ry Losses	Default Co 5001 Accrued Cl 5003 Currency C 6998	st Account > Uncategorized Cost of Sales DGS > Accrued COGS Conversion Adjustments > Currency Conversion Adjustments			
	1115 Equity Current Ye 3999 Retained E 3900 Expense Commissie 6004 Capitalized 6005 Use Tax E	ar Earnings (Net Income) > Current Year Earnings arnings > Retained Earnings s ns Expense > Commissions Expense INfr Labor > Capitalized Mfr Labor opense >	Default R 4001 Shipping 4007 Inventory 5002 Capitalize 6006	evenue Accour Uncateg Mark Up (Hand Shipping Losses > Invento d Mfr Overhea	orized Sales ling) > Mark Up / Handling ry Losses d >	Default Co 5001 Accrued Cl 5003 Currency C 6998 Labor Over	st Account > Uncategorized Cost of Sales DGS > Accrued COGS Conversion Adjustments > Currency Conversion Adjustments rhead Allocations >			
	1115 Equity Current Ye 3999 Retained E 3900 Expensee Commissik 6004 Capitalized 6005	ar Earnings (Net Income) > Current Year Earnings larnings > Retained Earnings s ns Expense > Commissions Expense Mfr Labor > Capitalized Mfr Labor	Default R 4001 Shipping 4007 Inventory 5002 Capitalize 6006	evenue Accour Uncateg Mark Up (Hand Shipping / Losses > Invento d Mfr Overhea Capitalia	orized Sales ling) > Mark Up / Handling ry Losses d >	Default Co 5001 Accrued Cl 5003 Currency C 6998 Labor Over	st Account > Uncategorized Cost of Sales DGS > Accrued COGS Conversion Adjustments > Currency Conversion Adjustments rhead Allocations >			
	1115 Equity Current Ye 3999 Retained E 3900 Expense Commissie 6004 Capitalized 6005 Use Tax E	ar Earnings (Net Income) > Current Year Earnings arnings > Retained Earnings s ns Expense > Commissions Expense INfr Labor > Capitalized Mfr Labor opense >	Default R 4001 Shipping 4007 Inventory 5002 Capitalize 6006	evenue Accour Uncateg Mark Up (Hand Shipping / Losses > Invento d Mfr Overhea Capitalia	orized Sales ling) > Mark Up / Handling ry Losses d >	Default Co 5001 Accrued Cl 5003 Currency C 6998 Labor Over	st Account > Uncategorized Cost of Sales DGS > Accrued COGS Conversion Adjustments > Currency Conversion Adjustments rhead Allocations >			
	1115 Equity Current Ye 3999 Retained E 3900 Expense Commissie 6004 Capitalized 6005 Use Tax E 6200 Offices	ar Earnings (Net Income) > Current Year Earnings arnings > Retained Earnings s ns Expense > Commissions Expense Mir Labor > Capitalized Mfr Labor opense > Use Tax Expense	Default R 4001 Shipping 4007 Inventory 5002 Capitalize 6006 Sales Tax	evenue Accour Uncateg Mark Up (Hand Shipping Losses > Invento d Mfr Overhea Capitalii Expense >	orized Sales ling) > g Mark Up / Handling ry Losses d > d >	Default Co 5001 Accrued Cl 5003 Currency C 6998 Labor Ove 7001	st Account > Uncategorized Cost of Sales DGS > Accrued COGS Conversion Adjustments > Currency Conversion Adjustments rhead Allocations > Uncategorized Overhead			
	1115 Equity Current Ye 3999 Retained E 3900 Expense Commissik 6004 Capitalizee 6005 Use Tax E 6200 Offices Office	ar Earnings (Net Income) > Current Year Earnings larnings > Retained Earnings s ns Expense > Commissions Expense N#r Labor > Capitalized Mfr Labor opense > Use Tax Expense Disbursement (Bill Pay) Account	Default R 4001 Shipping 4007 Inventory 5002 Capitalize 6006 Sales Tax	evenue Accour Uncateg Mark Up (Hand Shipping (Losses > Invento d Mfr Overhea Capitalia Expense > Inter-Offic	orized Sales ling) > g Mark Up / Handling ry Losses d > red Mfr Overhead as Due To Account (A/P)	Default Co 5001 Accrued Cl 5003 Currency C 6998 Labor Ove 7001	st Account > Uncategorized Cost of Sales DGS > Accrued COGS Conversion Adjustments > Currency Conversion Adjustments rhead Allocations > Uncategorized Overhead fice Due From Account (A/R)			
Commit Updates	1115 Equity Current Ye 3999 Retained E 3900 Expense Commissie 6004 Capitalized 6005 Use Tax E 6200 Offices	ar Earnings (Net Income) > Current Year Earnings arnings > Retained Earnings s ns Expense > Commissions Expense Netr Labor > Capitalized Mfr Labor opense > Use Tax Expense Disbursement (Bill Pay) Account 1115 Cash Checking	Default R 4001 Shipping 4007 Inventory 5002 Capitalize 6006 Sales Tax	evenue Accour Uncateg Mark Up (Hand Shipping Losses > Invento d Mfr Overhea Capitalii Expense >	orized Sales ling) > g Mark Up / Handling ry Losses d > d >	Currency C 6998 Labor Over 7001	st Account > Uncategorized Cost of Sales DGS > Accrued COGS Conversion Adjustments > Currency Conversion Adjustments rhead Allocations > Uncategorized Overhead flice Due From Account (A/R)			

You can remove a reference to a GL account for any of these settings by deleting the account number from the field.

Warning: Once you remove a GL account reference, related transactions may *fail* until you re-populate the reference field value.

2. Tax Profiles

GL accounts are related to tax profiles in the Tax Profiles module. To work with these settings, navigate from Main Menu > Accounting > Tax Profiles:

•••	Tax Profiles								
Record: 1 of 6				New	Edit 🖋	Delete 🗙	Print 🖶	Actions 🛪	
Tax Profiles									
0								Q.,	
Tax Profile Name	Abbr	Start Date	End Date	Default	Use	EU	Status	_	
> Out of State	OUT			√			ACTIVE	r 🔴	
> New York State	NYS	01/01/18					ACTIVE	r 🔴	
> Use Tax	USE	01/01/18	12/31/18		1		ACTIVE	R 🔴	
> AvaTax	AVA						ACTIVE	۳ 🔴	
> New York City	NYC	01/01/20	12/31/20				ACTIVE	۳ 🔴	
> California	CA	06/20/22	06/20/23				ACTIVE	۳. 🔴	
Show All Related Records									

You can remove a tax profile by using the Action menu to either deactivate or delete the profile. If the tax accounts are still applicable, we recommend leaving them in aACE and just unlinking the GL account from the tax profile:

- 1. Click on the Tax Profile Name and review the linked GL accounts.
- 2. Click **Edit**, and delete the account number from the field.

Record: 5 of 6					New 🖶 🛛 E	iit 🖋 🛛 Delete 🎗	🕻 🛛 Print 🖶	Actions ;
Tax Profile	: New York City				NYC	ACTIVE		
Tax Profile Deta	ails				Notices 😣	Tasks 🗹	Emails 🔀	Docs
General Info Defa	ault Use Tax EU AvaTax	Description						
Start Date 01/01/20	End Date 12/31/20	New York City tax profile effect	tive 1/1/2020-12/31/2	020				
ax Setup			Default Rates					
Label	GL Account		Line Item Type:	NYS	NYC	Metro		
ax 1 NYS	2302 State Tax	Q,	Item (Products)	4.0000%	4.5000%	0.3800%		
ax 2 NYC	(> 2303)	Q	Expense	4.0000%	4.5000%	0.3800%		
Tax 3 Metro	2308 Metropolitan Commute	r Transportation District	Time (Service)	4.0000%	4.5000%	0.3800%		
ax 4		Q,	Other	0.0000%	0.0000%	0.0000%		
xceptions								
Code DEPOSIT	Code Description		*	NYS 0.0000%	0.0000%	Metro 0.0000%		×
> SHIP	Q. Shipping		*	0.0000%	0.0000%	0.0000%		×
	0							

Note: You must enter another GL account in order to save the tax profile.

3. Line Item Codes

Each LIC requires a GL account relationship. You can <u>update the revenue, cost, and</u> <u>inventory GL accounts (https://aace6.knowledgeowl.com/help/updating-gl-accounts-activity-for-line-item-codes)</u> for a single LIC or for multiple LICs at one time.

When deleting GL accounts, you can prevent conflicts by reassigning LICs to a holding detail account. You may need to create a new GL detail account for this purpose. We recommend assigning the LICs to a general ledger account you plan to keep in aACE.

4. General Ledger Records

You can reassign general ledger transactions (http://aace6.knowledgeowl.com/help/reassigning-gl-accounts-to-posted-

transactions) to a holding account.

In addition, if you have updated your LIC records with the correct accounts, you can update multiple GL transactions based on the relevant LICs:

- 1. From the General Ledger module list view, filter the list to show the needed account and the transactions related to the needed LIC(s).
- 2. Click Admin Actions > Reassign GL Account for List from Line Item Codes > Update.

Warning: Be careful not to end up with general ledger data that you cannot accurately reassign later. To avoid this, you may need to create a new GL holding account for reassigning these records.

Best Practices

Recycle Existing Accounts

For some accounts, it may be more effective to update the name and number to match accounts from the chart of accounts (COA) you are importing. This saves the effort of needing to handle related records twice, as when using a placeholder account (see below).

You can also update account numbers in a batch:

- 1. From the GL Accounts list view, filter the list to show all the accounts that need to be updated within a single root header account.
- 2. Click Actions > Renumber Account IDs for List.
- 3. At the dialog, enter the new, initial number for the Starting Value and enter the Increment By value.
- 4. Click UPDATE.

Note: When updating GL account numbers, be mindful of preserving the initial numbers, which govern the nine <u>root header accounts (https://aace6.knowledgeowl.com/help/understanding-the-aace-chart-of-accounts#RootHeaderAccountSetup</u>), the natural balances of credits / debits, and various reporting results.

Use a Placeholder Account

You can create another account to serve as a placeholder for temporarily linking other records. This can make it easier to keep track of things when reassigning accounts.

- 1. Create an account named "9999 Temporary Placeholder" or similar.
- 2. Reassign records from the previous account to the placeholder account.

3. Deactivate and delete the previous account.

Keep clear notes of these transfers and temporary assignments. After you import the new accounts, be sure to reassign any linked records or transfer funds from the placeholder to the correct, final accounts.