Configuring Your System for Expense Envelopes

Last Modified on 05/21/2024 10:04 am EDT

> This guide explains how to prepare your aACE system to use expense envelopes. It is intended for system administrators.

Before users can [work with expense envelopes](https://aace6.knowledgeowl.com/help/working-with-expense-envelopes) (https://aace6.knowledgeowl.com/help/working-with-expense-envelopes), the system administrator must configure the following elements:

- Team members who will be working with expense envelopes
- Line item codes (if applicable)
- GL accounts (if applicable)

Team Members

For *each* team member who will be submitting expense envelopes, complete these tasks at the Team Member record:

- Specify a team member to be the Expense Approver. If this field is empty, expense envelopes will be *automatically approved* on submission (i.e. the approval step will be skipped).
- At the Human Resources tab, specify an Internal-type company. The team member's corresponding 'company' is required in order for the system to generate purchases to repay out-of-pocket expenses. If the company record has not been created yet, click Actions > Create Related Company.

In addition, you can govern team member access to expense envelopes with the [access privileges specified on a User Group](https://aace6.knowledgeowl.com/help/controlling-access-to-aace-modules-with-user-groups) (https://aace6.knowledgeowl.com/help/controlling-access-to-aace-modules-with-user-groups). There are three expense-focused privileges, found by navigating from Main Menu > System Admin > User Groups. At the detail view of the desired user group, scroll through the Access Privileges section to the Purchase Orders module settings:

- Can Create Expense Envelopes — Enables users to enter expense envelopes
- Expense Admin — Enables users to also enter expense envelopes on behalf of other users (e.g. an assistant recording expenses for an executive)
- Expense Oversight — Enables users to see and approve expense envelopes for *all* users (By default, users can only see expense envelopes which they created or where they are specified as the Approver.)

Note: If you have users who handle expense envelopes, but *do not* handle purchase orders, make sure the user group privileges do *not* allow PO-related activities (e.g. Can Create POs, etc).

Line Item Codes

Depending on the level of detail that your organization requires for tracking expenses, you might configure only a single line item code for expenses (e.g. "Out-of-Pocket Expenses") or multiple, specific LICs (e.g. airfare, meals, hotels, hardware, supplies, etc). Fewer LICs simplifies the process of entering expenses, but reduces the granularity of those expenses when reviewing the general ledger (GL). Conversely, many LICs increases visibility in the GL, but can complicate the process of submitting them.

GL Accounts

If your team members will be using corporate credit cards, we recommend that you configure a detail account (https://aace6.knowledgeowl.com/help/setting-up-internal-credit-cards) for *each* card that will be used. (If your team will *only* submit expenses to be reimbursed for items purchased with *personal* funds, this configuration is unnecessary.)

Preferences

There is a preference to determine whether the purchase that is generated when an expense envelope is approved is automatically opened or left pending. Opt to leave pending if somebody in A/P needs to do additional work before the purchase is opened and posted to the GL.

Navigate from **Main Menu** > **Accounting** > **Accounting Preferences** > **Accounting Settings**. The preference is in **Purchasing** and is labeled "Auto-open OOP expense purchases. Credit card purchases remain pending."

The aACE Expenses Mobile App

The Expenses App allows your team members to enter expenses on their mobile devices. Using this app requires additional configuration details.