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## Headline News

The Net@Work Accpac User Group Meeting will be held on Thursday, September 16th 8:30 AM to 11:00 AM at the Net@Work offices in New York City. Please Save The Date. This is a great opportunity to meet and network with fellow Accpac users, learn tips and tricks and how to get more benefits out of your Accpac System. Watch for further details by e-mail in the coming weeks.

## Automated Purchasing

### Automating And Integrating The Purchasing Process Can Result In Significant Cost Savings

In this difficult business environment, smart managers are seeking ways to reduce expenses. Here is a powerful statistic: if a business operates on 10 percent profit margins, a reduction in expenses of just 5 percent has the same impact on the bottom-line as 50 percent higher sales. Is your company paying too much for purchased items? Effective purchasing processes can play a critical role in cost control and its contribution to the bottom-line cannot be overstated. Yet this vital function is often overlooked in the automation process. In this article we discuss the signs of inefficient purchasing processes and how the fully automated purchasing system in Sage ERP Accpac can help.

#### Signs Of Inefficient Purchasing

How efficient are your purchasing processes? The following are signs that you are missing potential savings that can be achieved with an integrated, automated process:

1. Individual departments each make small orders of items, such as office supplies, with various vendors.
2. Paper forms are used to request purchases and gather approvals. In routing, requests are often delayed or misplaced.
3. After a requestor fills out paper forms or spreadsheets for purchase approval, other staff must then key in the information to update the General Ledger and Accounts Payable systems.
4. The formal purchasing process is only required for big ticket items. Smaller



purchases are made on an individual haphazard basis.

5. The purchasing process is lengthy, and results in loss of productivity because items are not available when needed.

#### The Purchase Orders Module

The key to simplifying purchasing is integration. Purchase Orders is a comprehensive, automated purchasing system that is fully integrated with your Sage ERP Accpac system enabling you to:

- » Manage suppliers better
- » Negotiate lower prices
- » Establish effective internal controls
- » Maintain optimal inventory levels
- » Maximize purchasing power
- » Reduce time in the purchase cycle
- » Analyze spending data

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## Automated Purchasing

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### Negotiate Better Prices

The first benefit of centralizing purchasing with the Purchase Orders module is the ability to set up standard supplier lists and develop relationships with preferred vendors. You can negotiate better prices for high volume supplies or inventory items. This module allows you to set up contract pricing for each vendor to track special pricing agreements. You also can create message templates to speed the process of sending purchase orders and returns to vendors by e-mail.

### Maintain Optimal Inventory Levels

To achieve optimal inventory you must have the right products on hand when needed, while avoiding overstocking to minimize carrying costs. The Purchase Orders module can be configured to automatically produce purchase orders based on Inventory Control reorders or from Order Entry backlogs. It also allows you to smoothly drop-ship items directly to the customer from your preferred vendors. Integrating the inventory, purchasing, and order entry processes helps you maintain the delicate supply/demand balance. Purchases can be made quickly based on real-time order information. Fresh inventory can be ordered just-in-time, so that you maintain adequate stock while avoiding overstocking items and the associated storage costs.

### Flexibility In Purchase Order Creation and Receiving

Features in the Purchase Orders module make creating purchase orders fast and easy. You automatically can produce purchase orders from Inventory Control reorder information or from Order Entry back orders. Templates can be set up for frequently ordered items to improve productivity. A single purchase order can be created from

multiple requisitions, to give you more purchasing power with your suppliers. Various purchase order types are supported. You can create standing and blanket purchase orders, and you even can set up future purchase orders. Choose from seven costing methods for the default item cost that prints on purchase orders. The costing methods include: Most Recent Cost, Standard Cost, Average Cost, Vendor Cost, Last Unit Cost, and two alternate amounts for added flexibility.

Productivity gains are realized during the PO receiving process as well. You can combine multiple purchase orders on a single receipt and multiple receipts on a single invoice. You can process adjustments to quantities, item costs, and additional costs directly on the receipt, rather than as separate inventory adjustments, and allocate additional charges manually or by quantity, weight, or cost. Once goods are received, the Shippable Backorder report helps identify the customer orders that can be shipped. Leave purchase orders open indefinitely until all items are received, or cancel any remaining ordered items at any time.

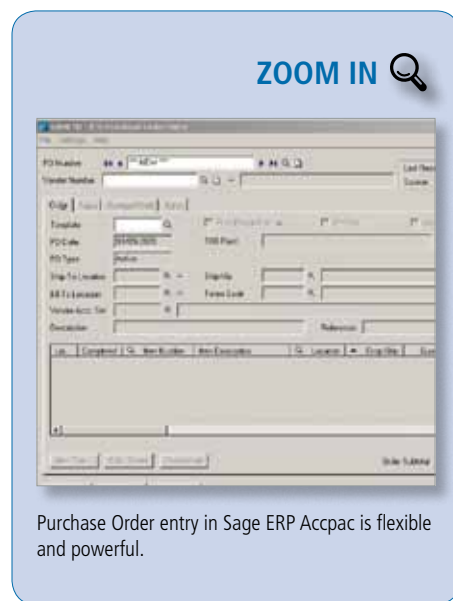
### Analyze Spending Patterns

Another important benefit of an integrated purchasing system is the insight it provides into your company's spending patterns. You can review current status and spot patterns using built-in purchasing reports such as Purchase History, Transaction and Audit Lists, Purchase Statistics, and Aging Reports. The Purchase Orders module information also will flow into your business intelligence solution so that you can analyze your spending using graphical views.

### Purchase Globally With Ease

Is your company sourcing materials, parts, or finished goods in other countries? If so, the

Purchase Orders module can make your day-to-day job much easier. Used along with the Multi-Currency module you can create POs in multiple currencies and translate them back into your home currency before posting to Accounts Payable and General Ledger.



The module also allows you to report on purchases across currencies by translating them into a single currency for analysis.

While it adds efficiency, you do not need to use the Inventory Control module to take advantage of automated purchasing with the Purchase Orders module.

As the economy recovers, your integrated purchasing system will help your organization continue to control costs and improve purchasing power. If you can purchase more goods and services than your competitors do for the same money, your company will gain an advantage that directly impacts the bottom-line. Give us a call to learn more about the Sage ERP Accpac Purchase Orders module.

# Going Global With Sage ERP Accpac

Today, many organizations are expanding into new markets to take advantage of economical global supply chains, diversify to stabilize cash flow, or to create an organization more appealing to investors. If your organization is expanding, you may be facing a number of operational challenges. You will need to consider the localization requirements of language, business and tax rules; managing transactions in multiple currencies; processing transactions between companies; and producing consolidated financial reporting from disparate entities. We will look at each of these issues in turn and discuss the tools within Sage ERP Accpac that provide strong support for your organization as it expands.

## Localization

When operating in different countries, software systems must provide the user interface and data in the local language. Every country varies in its accounting standards such as reconciliation and taxation. Sage ERP Accpac offers country-specific layers or packs that allow you to provide local language, tax, and accounting rules through seamless default settings and templates.

## Multiple Currencies

Having multiple locations around the world or simply dealing with customers and suppliers in different countries requires that you enter and process transactions in multiple currencies and keep track of constantly changing exchange rates.

The Sage ERP Accpac Multi-Currency module handles the complexities of dealing with multiple currencies with ease. You can create and maintain an unlimited number of currencies and exchange rates. Transactions can be entered in any currency and reports can be produced in both your home currency

and the currency of your vendor or customer. Seamless integration across financial and distribution modules ensure currency gain or loss is automatically calculated to reflect currency fluctuation as transactions are settled.

## Intercompany Transactions

An intercompany transaction occurs when a subsidiary is involved in a transaction with headquarters or another subsidiary. Examples of intercompany transactions include the declaration and payment of dividends, the purchase and sale of assets, and borrowing and lending.

The intercompany transaction must be recognized in the financial records of both units of the entity as if it were a transaction with an unrelated party. Sage ERP Accpac allows you to enter transactions that affect more than one company in one account, and then automatically distribute those transactions across companies, performing required currency translations and creating the necessary journal entry as soon as transactions are posted, balancing the books of both companies.

## Local And Consolidated Reporting

When it comes to financial reporting, multi-national companies face a two-prong challenge. Each division or subsidiary must pay its employees, manage accounts receivable and accounts payable and pay taxes in the local currency using local accounting standards. Yet financial data from subsidiaries also must be consolidated into the ledger of record in the monetary unit and accounting standards of the country in which the corporation as a whole is operated. Exchange rates between currencies change constantly and the ledger of record must reflect these changes, and ensure that all entries balance.

With the multi-national capabilities of

Sage ERP Accpac and the Multi-Currency module, you easily can comply with the international currency standard. The Multi-Currency module uses international principles for accounting and reporting with adherence to FASB-52 and IAS 125 guidelines.

If your organization is expanding, either globally or into new locations nationally, give us a call for assistance in leveraging the multi-national capabilities of Sage ERP Accpac.

## (( Tips & Tricks ))

### Sample Data For Multi-Currency

For current Sage ERP Accpac customers there is a sample multi-currency company available for your review and testing.

If you would like to see for yourself what a company operating in multiple currencies in Sage ERP Accpac looks like, files for Sample Data can be DBLoaded from the Sage Accpac shared data location in the Samdata folder.

- » This folder is by default: C:\Program Files\Sage Software\Sage Accpac\Samdata
- » The multi-currency database is: SAMLTD—Sample Company Ltd with Canadian Payroll and Multi-Currency

Please give us a call with any questions you may have.



# IN THE SPOTLIGHT:

## New Credit Card Processing Regulations

Credit card fraud has been a serious issue for some time now, fueled in part by the high volume of Web-based credit card transactions. According to the Privacy Rights Clearinghouse, more than 100 million records containing sensitive information have been exposed to theft since 2005. To safeguard sensitive information, effective July 2010, all organizations processing credit card data must comply with the new Payment Card Industry Data Security Standard (PCI-DSS) or risk being fined by their credit card processor. Here we provide a brief overview of the PCI-DSS requirements.

### 12 PCI-DSS Requirements

All businesses processing credit cards are required to comply to the 12 components of PCI-DSS requirements below:

1. Install and maintain a firewall configuration to protect cardholder data.
2. Do not use vendor-supplied defaults for system passwords and other security parameters. Use strong system passwords.
3. Protect stored cardholder data using programming methods such as encryption, truncation, masking, and hashing.
4. Encrypt transmission of cardholder data across open, public networks.
5. Use and regularly update anti-virus software.
6. Develop and maintain secure systems and applications. When a software vendor, such as Microsoft, issues a security patch, it must be installed promptly.
7. Restrict access to cardholder data to those who need it to complete their job responsibilities.
8. Assign a unique ID to each person with access to your computer or network.
9. Secure hard copies of credit card information in a restricted access location.
10. Track and monitor all access to network resources and cardholder data.
11. Test your security systems and processes on a regular basis.
12. Maintain a written company policy that addresses information security.

### Sage ERP Accpac Credit Card Data Scrub Utility

To assist customers in complying with PCI-DSS by removing credit card data from Sage ERP Accpac, a Credit Card Data Scrub Utility has been developed. The utility is compatible with all supported versions of Sage ERP Accpac, including Versions 5.4, 5.5, and 5.6, and addresses all Order Entry, Accounts Receivable, Accounts Payable, and Bank Services records that contain credit card information.

An option is provided to export the credit card information. In this case a password will be required to protect/encrypt the exported data file. The password will not be stored by Sage ERP Accpac and Sage will not have the ability to extract it at a later date. You must run the utility separately for each company that contains credit card information. Make certain to backup all company databases before running the utility.

Once you have completed running the Scrub Utility you will be able to complete the required Self-Assessment Questionnaire, stating that you do not store credit card information in your payment application.

For more information on PCI Compliance, please visit: <http://www.sageaccpacinfo.com/PCI/>

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