

Order Entry and Revenue Recognition

Are you currently managing revenue in a complicated excel spreadsheet? Learn about how Sage Intacct can automate your revenue recognition and get you out of excel!

WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

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Presented by Debbie Marsh
Senior Consultant, Sage Intacct Implementation

Create Opportunities

Session Objectives

At the end of this session, you will be able to:

1. Understand the differences between the accounts receivable (AR) module and order entry (OE) module
2. How to configure the order entry module
3. What different recognition methods can be used
4. How to apply the recognition template to transactions
5. How to manage revenue recognition schedules
6. The reporting associated with revenue recognition schedules
7. Manage billing schedules that are not in align with revenue recognition schedules



What are we solving for?

- Excel spreadsheets!
 - Risks related to formulas/human errors
 - Massive files to manage
 - Version control and security issues
 - No system reporting
 - No audit control or record
 - No linkage of Excel directly to GL balances or Sales Orders/Invoices



Question 1: AR vs. Order Entry, what can be done?

- Accounts Receivable
 - Deferral of Revenue
 - Amortization of Revenue
 - Standard Reports
- Order Entry
 - Deferral of Revenue
 - Amortization of Revenue
 - Delivery (Fulfillment)
 - Renewals
 - Links to Project dimension
 - Separate Billing and Revenue
 - Supports integrations (SFDC)
 - Standard Reports



Question 2: How do we set it up?

Configure Revenue Management

Accounts Receivable

Revenue Recognition
☒ Standard revenue recognition
☐ No revenue recognition

Default deferred revenue account *

Revenue recognition journal *

☒ Edit revenue schedules

Order Entry

Revenue Recognition
☒ Standard revenue recognition
☐ Advanced revenue recognition (includes MEA)
☐ No revenue recognition

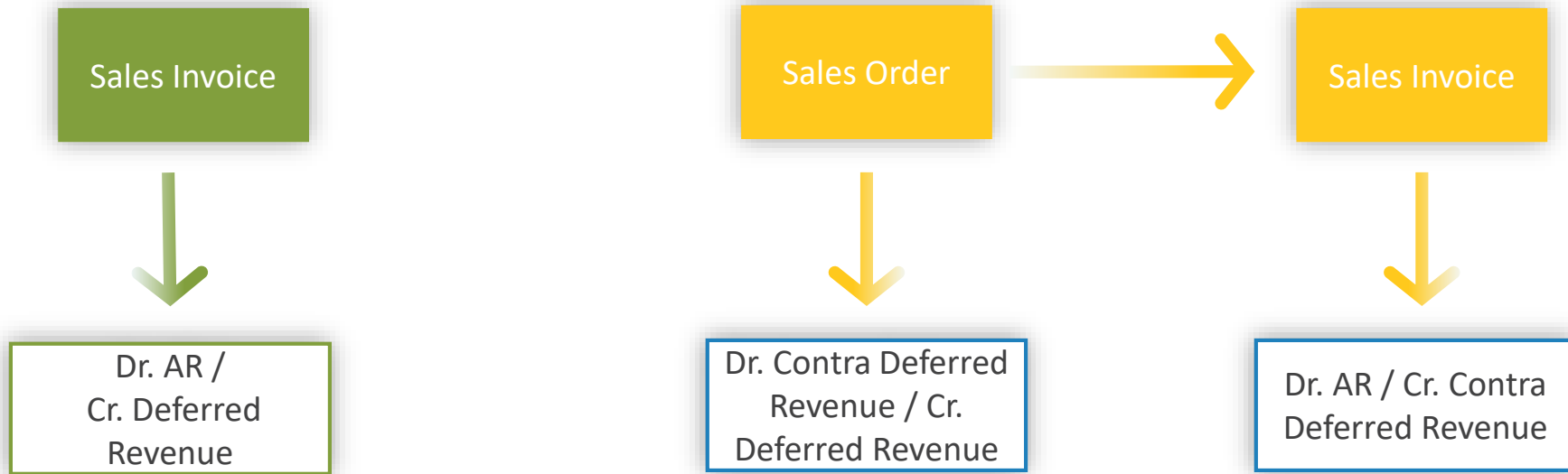
☒ Edit revenue schedules

☒ Event-based recognition

Question 2: How do we set it up?

Order Entry Configuration

- Rev Rec on Sales Invoice
- Rev Rec on Sales Order



Question 2: How do we set it up?

Order Entry Configuration

- Option 1: Revenue Recognition on Sales Invoice

Transaction posting

☒ Accounts Receivable

☐ General Ledger

☐ Don't Post

☐ Enable additional posting ?

Enable revenue recognition ?

☒ Post

☐ Display Only

☐ Don't Enable

☐ Enable payment processing ?



Question 2: How do we set it up?

Order Entry Configuration

Option 2: Revenue Recognition on Sales Order

- Sales Order

Transaction posting

- ☐ Accounts Receivable
☒ General Ledger
☐ Don't Post

☐ Enable additional posting ?

Enable revenue recognition ?

- ☒ Post
☐ Display Only
☐ Don't Enable

☐ Enable payment processing ?

- Sales Invoice

Transaction posting

- ☒ Accounts Receivable
☐ General Ledger
☐ Don't Post

☐ Enable additional posting ?

Enable revenue recognition ?

- ☐ Post
☐ Display Only
☒ Don't Enable

☐ Enable payment processing ?

Question 2: How do we set it up?

Order Entry Configuration

Configure Order Entry

Save

General configuration Documents configuration

Documents

	Label	Active/Inactive	Summary frequency	Inventory journal	Rev rec journal	Default deferred revenue account	Additional posting journal	Sales journal	Email template
≡ 1	Sales Order FF	<input checked="" type="checkbox"/>	Each Document ▾	--	RR ▾	20701--Deferred Reve ▾	--	SJ--Sales Journal ▾	Email template ▾



Question 3: What recognition methods can we use?

Revenue Recognition Methods in Sage Intacct

- Straight-line
 - Straight-line, prorate exact days (Contract Term only)
 - Straight-line, percent allocation
 - Straight-line, percent allocation, end of period (Fixed Term Only)
 - Exact days per period, prorate days
 - Exact days per period, prorate days, end of period (Fixed Term Only)
 - Percent Completed (Projects Module Required)
 - Milestone (Projects Module Required)
 - Custom
-
- Fixed Term = Required an exact # of periods for the template to run on
 - Contract Term = User defines a start and end date for the template to run on
 - Automatic and Manual revenue posting options are available



Question 3: What recognition methods can we use?

How to Create a Revenue Recognition Template

- Recognition Schedule Period
 - Monthly, Quarterly, Semi-annually, Annually
- Posting Day
 - Specific Day, Daily, End of Period
- Recognition Term
 - Fixed Period or Contract Term
- System Resume Option
 - Catch Up or Walkforward (Order Entry Only)
- # of Periods
- Recognition Start Date
 - Transaction Date or User Specified
- Posting Method
 - Automatic or Manual



Question 3: What recognition methods can we use?

How to Create a Revenue Recognition Template

☰ Revenue Recognition Template

Template ID *
SL Manual Contract Term

Template description *
Contract Term, Manual Posting

Recognition method
Straight-line

Recognition schedule period
Monthly

Posting day
End Of Period

Recognition term
☐ Fixed period ☒ Contract term

System resume option
☐ Catch up ☒ Walkforward

of periods
Required, only when Recognition term is Fixed period
[Empty field]

Recognition start date
User Specified

Posting method
☐ Automatic ☒ Manual

Status
Active

Question 4: How do I apply the recognition template to my Transactions?

- Option 1: Revenue Recognition on Sales Invoice

Sales Invoice - RR

Transaction date 08/15/2020	Date due 9/14/2020	Item totals 1,950.00	Subtotals 0.00	Transaction total 1,950.00	Transaction status --
--------------------------------	-----------------------	-------------------------	-------------------	-------------------------------	--------------------------

Date * 08/15/2020	GL posting date 08/15/2020
Customer * 10014--Fab Seven	Bill to * Lee, Artem
Project 1800 Congress Ave Austin, TX 78701 United States	

[Convert from an existing transaction](#)

Payment terms Net 30	Ship via
Date due * 9/14/2020	Attachments

Item ID *	Warehouse	Quantity *	Unit	Price *	Base price	Extended price	Extended Base Price
1 1006--Training Materie	100--100	1	Each	1,950.0000000000	1,950.0000000000	1,950.00	1,950.00

DETAILS
Item description
Training Materials
Memo
Price calculation memo
Timesheet notes
Transaction date
--
Ship to
Lee, Artem

LINKS
[Available quantities](#)
[Delivery details](#)

TERMS
Default term period
Rev rec template
SL Manual Contract Term
End date
11/30/2020
Default # of periods
Start date
09/01/2020
[Prorate](#)



Question 4: How do I apply the recognition template to my Transactions?

- Option 1: Revenue Recognition on Sales Invoice

Revenue Recognition Schedule

[Hold](#)

Revenue posting status
Not Started

Scheduled
1,950.00

Recognition method
Straight-line

Template
[SL Manual Contract Term](#)

Task ID
--

Source transaction
Sales Invoice - RR-SI0003

Transaction date
[09/15/2020](#)

For
09/01/2020 - 11/30/2020

Schedule entries

	Status	Posting Date	Acct#	Journal	Currency	Txn Amount	Base Currency	Base Amount	Posted Base Amount
1	Open	09/30/2020	40900--Revenue-Other	RR	USD	650.00	USD	650.00	0.00
2	Open	10/31/2020	40900--Revenue-Other	RR	USD	650.00	USD	650.00	0.00
3	Open	11/30/2020	40900--Revenue-Other	RR	USD	650.00	USD	650.00	0.00
Total						1,950.00		1,950.00	--



Question 4: How do I apply the recognition template to my Transactions?

- Option 2: Sales Order > Sales Invoice

Date *
08/15/2020

Customer *
10074--Digital Bio

Project

Bill to *
Malik, Sanjay

Ship to *
Malik, Sanjay

Payment terms
Net 30

Ship date *
9/14/2020

Ship via

Attachments

Entries [Show defaults](#)

	Item ID *	Warehouse	Quantity *	Unit	Price *	Extended price	
1	1003--Project Fee	Warehouse	1	Each	4,000.0000000000	4,000.00	+
							+
							+

DETAILS

Rev rec template
SL Manual Contract Term

Item description
Project Fee

Start date
09/01/2020

Memo

End date
08/31/2021



Question 4: How do I apply the recognition template to my Transactions?

- Option 2: Sales Order > Sales Invoice

Revenue Recognition Schedule

Header

Revenue posting status

Not Started

Scheduled

4,000.00

Recognition method

Straight-line

Template

[SL Manual Contract Term](#)

Task ID

--

Source transaction

Sales Order FF-SO0026

Transaction date

08/15/2020

For

09/01/2020 - 08/31/2021

Schedule entries

	Status	Posting Date	Acct#	Journal	Currency	Txn Amount	Base Currency	Base Amount	Posted Base Amount
1	Open	09/30/2020	40100--Revenue-Services	RR	USD	333.34	USD	333.34	0.00
2	Open	10/31/2020	40100--Revenue-Services	RR	USD	333.34	USD	333.34	0.00
3	Open	11/30/2020	40100--Revenue-Services	RR	USD	333.34	USD	333.34	0.00
4	Open	12/31/2020	40100--Revenue-Services	RR	USD	333.34	USD	333.34	0.00
5	Open	01/31/2021	40100--Revenue-Services	RR	USD	333.33	USD	333.33	0.00
6	Open	02/28/2021	40100--Revenue-Services	RR	USD	333.33	USD	333.33	0.00
7	Open	03/31/2021	40100--Revenue-Services	RR	USD	333.33	USD	333.33	0.00
8	Open	04/30/2021	40100--Revenue-Services	RR	USD	333.33	USD	333.33	0.00
9	Open	05/31/2021	40100--Revenue-Services	RR	USD	333.33	USD	333.33	0.00
10	Open	06/30/2021	40100--Revenue-Services	RR	USD	333.33	USD	333.33	0.00
11	Open	07/31/2021	40100--Revenue-Services	RR	USD	333.33	USD	333.33	0.00
12	Open	08/31/2021	40100--Revenue-Services	RR	USD	333.33	USD	333.33	0.00
Total						4,000.00		4,000.00	--



Question 5: How do I manage my Revenue Schedules?

The screenshot displays the NetSuite user interface. On the left, the navigation sidebar includes categories like Dashboards, Reports, Company, Cash Management, General Ledger, Accounts Payable, Platform Services, Accounts Receivable, Projects, Time & Expenses, Inventory Control, **Order Entry** (highlighted), Purchasing, and Global Consolidations. The main area is divided into sections: 'All' and 'Setup' tabs, 'Customers' and 'Items' sub-sections, and a 'Transactions' section with options like Order, Invoice, and Return. A 'More' dropdown is open, showing 'Manage revenue schedules' highlighted. To the right, there's an 'Overview' link and a 'Reports' section. The main content area is titled 'Manage Revenue Schedules' and features a 'Filters' section with a dropdown menu open, showing options like 'Post revenue from a schedule', 'Place a schedule on hold', 'Resume a schedule from hold', 'Terminate all or part of a schedule', 'Mark an item as delivered', and 'View all schedules'.

Question 5: How do I manage my Revenue Schedules?

View Revenue Schedules

Manage Revenue Schedules

Done

Filters

Show results where I can *

View all schedules

Customer ID

Revenue posts on or before

09/30/2020

Apply filters

[More filters...](#)

Filtered schedules

	Customer	Source transaction	Line no.	Item	Delivery status	Delivery date	Schedule status	Posting method	Start date	End date	Total amount ⓘ	Amount recognized	Amount deferred	Amount terminated	Next posting date	Next posting amount
1	10014--Fab Seven	Sales Invoice - RR-SI0003	1	1006--Training Materials	Delivered	08/15/2020	Not Started	Manual	09/01/2020	11/30/2020	\$1,950.00	\$0.00	\$1,950.00	\$0.00	09/30/2020	\$650.00
2	10074--Digital Bio	Sales Order FF-SO0026	1	1003--Project Fee	Delivered	08/15/2020	Not Started	Manual	09/01/2020	08/31/2021	\$4,000.00	\$0.00	\$4,000.00	\$0.00	09/30/2020	\$333.34



Question 5: How do I manage my Revenue Schedules?

Post Revenue from a Schedule

Manage Revenue Schedules

Post Cancel

Filters

Show results where I can *

Post revenue from a schedule

Revenue posts on or before

09/30/2020

Customer ID

Apply filters

More filters...

Currency gains and losses

☐ Post currency gains and losses

Exchange rate type

Filtered schedules

Select	Customer	Source transaction	Line no.	Item	Delivery status	Delivery date	Schedule status	Posting method	Start date	End date	Total amount ⓘ	Amount recognized	Amount deferred	Amount terminated	Next posting date	Next posting amount
<input type="checkbox"/>	10014--Fab Seven	Sales Invoice - RR-SI0003	1	1006--Training Materials	Delivered	08/15/2020	Not Started	Manual	09/01/2020	11/30/2020	\$1,950.00	\$0.00	\$1,950.00	\$0.00	09/30/2020	\$650.00
<input type="checkbox"/>	10074--Digital Bio	Sales Order FF-SO0026	1	1003--Project Fee	Delivered	08/15/2020	Not Started	Manual	09/01/2020	08/31/2021	\$4,000.00	\$0.00	\$4,000.00	\$0.00	09/30/2020	\$333.34



Question 5: How do I manage my Revenue Schedules?

Place a Schedule on Hold

Manage Revenue Schedules

Hold Cancel

Filters

Show results where I can

Place a schedule on hold

Revenue posts on or before

09/30/2020

Customer ID

Apply filters

More filters...

Hold Details

Category

Add Find

Collectability

Delivery Commitment

Dispute

Legal

	Position	Line no.	Item	Delivery status	Delivery date	Schedule status	Posting method	Start date	End date	Total amount	Amount recognized	Amount deferred	Amount terminated	Next posting date	Next posting amount		
1	<input type="checkbox"/>	10014--Feb Seven	Sales Invoice - RR-SI0003	1	1006--Training Materials	Delivered	08/15/2020	Not Started	Manual	09/01/2020	11/30/2020	\$1,950.00	\$0.00	\$1,950.00	\$0.00	09/30/2020	\$650.00
2	<input type="checkbox"/>	10074--Digital Bio	Sales Order FF-SO0026	1	1003--Project Fee	Delivered	08/15/2020	Not Started	Manual	09/01/2020	08/31/2021	\$4,000.00	\$0.00	\$4,000.00	\$0.00	09/30/2020	\$333.34



Question 5: How do I manage my Revenue Schedules?

Resume a Schedule on Hold

Manage Revenue Schedules

▼ Filters

Show results where I can *

Resume a schedule from hold

Revenue posts on or before

09/30/2020

Customer ID

Apply filters

More filters...

Resume Details

☐ Past scheduled entries use next posting

Memo

Filtered schedules

Select	Customer	Source transaction	Line no.	Item	Delivery status	Delivery date	Schedule status	Posting method	Start date	End date	Total amount ⓘ	Amount recognized	Amount deferred	Amount terminated	Next posting date	Next posting amount
<input type="checkbox"/>																

Question 5: How do I manage my Revenue Schedules?

Edit or Reallocate a Schedule

Revenue Recognition Schedule

Reallocate Revenue Save Cancel More actions

Schedule information Change history

Header

Revenue posting status
Not Started

Scheduled
4,000.00

Recognition method
Straight-line

Template
SL Manual Contract Term

Task ID

Source transaction
Sales Order FF-SO0026

Transaction date
08/15/2020

For
09/01/2020 - 08/31/2021

Class
--

Customer
10074--Digital Bio

Vendor
--

Revenue Reallocation

Recognition method
Straight-line

Schedule period
Monthly - Not Started

Revenue last posted on
--

Reallocation
For schedules in progress, the start date must be after the last revenue posted date:

Start Date *
10/01/2020

End Date
09/30/2021

Help Submit Cancel

Question 5: How do I manage my Revenue Schedules?

Terminate a Revenue Schedule

Revenue Recognition Schedule

Hold

Terminate

Edit

Done

Schedule information

Change history

Header

Revenue posting status

Not Started

Scheduled

4,000.00

Recognition method

Straight-line

Template

SL Manual Contract Term

Task ID

--

Source transaction

Sales Order FF-SO0026

Transaction date

08/15/2020

For

09/01/2020 - 08/31/2021

Schedule entries

	Status	Posting Date	Acct#	Journal	Currency	Txn Amount	Base
1	Open	09/30/2020	40100--Revenue-Services	RR	USD	333.34	USD
2	Open	10/31/2020	40100--Revenue-Services	RR	USD	333.34	USD

Terminate Revenue Recognition

☒ All
 ☐ Any scheduled after the schedule's next posting date
 ☐ Any after specified date. Any partial period amounts will be pro-rated

Note:

All terminated schedule entries will be cancelled and cannot be resumed.

Category

Save

Cancel



Question 5: How do I manage my Revenue Schedules?

Revenue Recognition Related to Projects

- Using the Intacct Projects Module opens up some additional functionality related to Revenue Recognition
 - Budgeted Hours
 - Project/Tasks
 - Percent Completed, calculated and observed



Question 6: What Reporting Can I Use?

Reporting Overview

- Deferred Revenue Details
- Deferred Revenue Forecast- Detailed and Summary
- Deferred Revenue Forecast Graphs
- Financial Reports

Question 6: What Reporting Can I Use?

Deferred Revenue Details

- **Purpose:** Review deferred revenue details for a specific period
- **Audience:** Finance Team or Auditors
- **Details:** Transaction amount, deferred amount, amount recognized, amount paid

Deferred Revenue Details Report

[Customize](#)
[View](#)
[Print](#)
[Process & store](#)
[Email](#)
[Add to dashboard](#)
[Memorize](#)
[Export](#)

Deferred revenue account number	Deferred revenue account name	Customer ID	Customer name	Document type	Document number	Document line number	Transaction date	GL Posting Date	Item ID	Item name	Transaction currency	Schedule status	Revenue recognition category	Revenue account ID	Revenue account title	Base amount(USD)	Amount deferred(USD)	Amount recognized(USD)	Fx gain/loss recognized(USD)
20701	Deferred Revenue	10014	Fab Seven	Sales Invoice - RR	SI0003	1	08/15/2020	08/15/2020	1006	Training Materials	USD	Not Started		40900	Revenue-Other	1,950.00	1,950.00	0.00	0.00
		10074	Digital Bio	Sales Order FF	SO0026	1	08/15/2020	08/15/2020	1003	Project Fee	USD	Not Started		40100	Revenue-Services	4,000.00	4,000.00	0.00	0.00
Total for 20701															5,950.00	5,950.00	0.00	0.00	
															Grand Totals	5,950.00	5,950.00	0.00	0.00




Question 6: What Reporting Can I Use?

Deferred Revenue Forecast

- **Purpose:** Review deferred revenue schedules over time
- **Audience:** Finance Team
- **Details:** Time Period, Filters, Format: Group by Account, Customer, Doc Type, Item, Other Dimensions

Deferred Revenue Forecast Report

[Customize](#)
[View](#)
[Print](#)


Revenue account ID	Revenue account name	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Total (USD)
40100	Revenue-Services	333.34	333.34	333.34	333.34	333.33	333.33	333.33	333.33	333.33	333.33	333.33	333.33	4,000.00
40900	Revenue-Other	650.00	650.00	650.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,950.00
Grand Total		983.34	983.34	983.34	333.34	333.33	333.33	333.33	333.33	333.33	333.33	333.33	333.33	5,950.00



Question 6: What Reporting Can I Use?

Deferred Revenue Forecast

- Report Type – Summary; Group By Customer

Customer ID	Customer Name	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Total (USD)
10014	Fab Seven	650.00	650.00	650.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,950.00
10074	Digital Bio	333.34	333.34	333.34	333.34	333.33	333.33	333.33	333.33	333.33	333.33	333.33	333.33	4,000.00
Grand Total		983.34	983.34	983.34	333.34	333.33	333.33	333.33	333.33	333.33	333.33	333.33	333.33	5,950.00

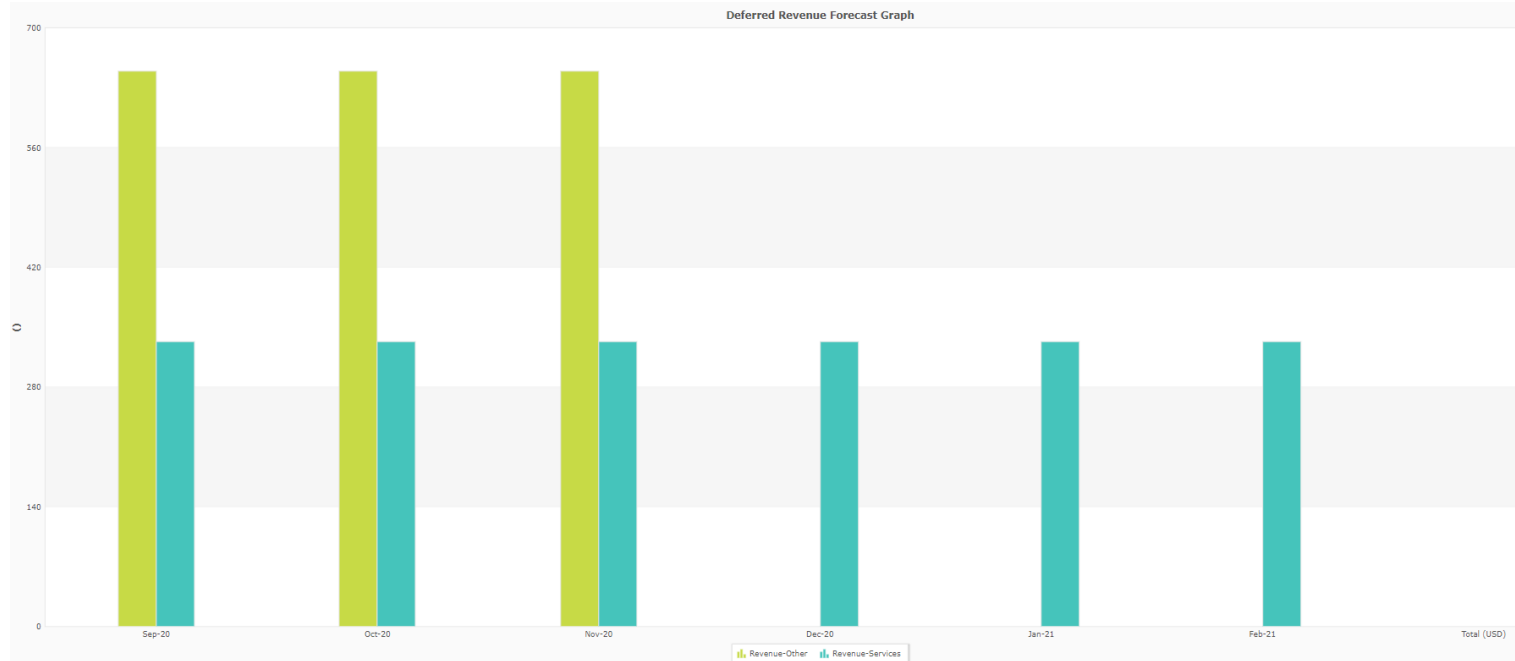
- Report Type - Detail; Group By Customer

Customer ID	Customer Name	Revenue account ID	Revenue account name	Transaction Date	Document Type	Document Number	Document Line Number	Item ID	Item Name	Term Start Date	Term End Date	Transaction Currency	Schedule Status	Transaction Line Total (Base)	Department ID	Location ID	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21
10014	Fab Seven	40900	Revenue-Other	08/15/2020	Sales Invoice - RR	SI0003	1	1006	Training Materials	09/01/2020	11/30/2020	USD	Not Started	1,950.00		100	650.00	650.00	650.00	0.00	0.00
Total for 40900																	650.00	650.00	650.00	0.00	0.00
Total for 10014																	650.00	650.00	650.00	0.00	0.00
10074	Digital Bio	40100	Revenue-Services	08/15/2020	Sales Order FF	SO0026	1	1003	Project Fee	09/01/2020	08/31/2021	USD	Not Started	4,000.00		100	333.34	333.34	333.34	333.34	333.33
Total for 40100																	333.34	333.34	333.34	333.34	333.33
Total for 10074																	333.34	333.34	333.34	333.34	333.33
Grand total																	983.34	983.34	983.34	333.34	333.33



Question 6: What Reporting Can I Use?

Deferred Revenue Forecast Graph



Question 6: What Reporting Can I Use?

Financial Reports

Account Report Structure - GL Accounts are the rows

- Pros: Expand certain accounts/account groups by a dimension; always ties to the GL
- Cons: Less flexibility
- Example: Revenue by Customer

Question 6: What Reporting Can I Use?

Financial Reports

Dimension Report Structure – Dimensions are the rows

- Pros: More flexibility with Dimension Groups and Dimension Hierarchies
- Cons: If there are transactions that aren't tagged to a dimension, then the report won't tie to the GL
- Example: Revenue by Customer by Region

Question 7: What if my Billing schedule is separate from Revenue?



- **Setup Requirements**
 - Sales Order Transaction Definition
 - ◇ Enable Line Item Conversion
 - Create Recurring Schedule Templates
 - ◇ One time
 - ◇ Quarterly
 - ◇ Semi-Annual

Question 7: What if my Billing schedule is separate from Revenue?

Sales Order Transaction Definition

- Enable line item conversion

Transaction conversion

	Can be created from: ?	
1		+ 
2		+ 
3		+

☒ Enable line item conversion ?

Partial conversion handling ?

- ☒ Leave Transaction Open
- ☐ Close Original and Create Back Order
- ☐ Close Transaction

Question 7: What if my Billing schedule is separate from Revenue?

- Create Recurring Schedule template

☰ Recurring Schedule Information

Transaction

Schedule ID

Quarterly Invoice

Description

Start date ?

User Specified

☒ Installment pricing

Schedule

Repeats

Months

Every *

3

months

Ends

☐ Never

☒ After 4 occurrences

☐ On

Question 7: What if my Billing schedule is separate from Revenue?

- **Apply Schedule to Transaction**
 - Find Sales Order, select Convert by Line

Order Entry Transactions: Sales Order FF

All ▾ Manage views ▾ ☐ Include inactive ☐ Include private [Advanced filters](#) [Clear all filters](#)

	Type	Document number	Reference number	Customer name	Txn currency	Base currency	Date ▲	State
Edit View Convert Convert by line	Sales Order FF	SO0026		Digital Bio	USD	USD	08/15/2020	Pending



Question 7: What if my Billing schedule is separate from Revenue?

- **Apply Schedule to Transaction**
 - On each line, view details of each line and associate the desired recurring schedule

CONVERT BY LINE

Create recurring template

☒ Manually create template

☐ Append to existing template

Existing template

☒ Installment pricing

Recurring schedule

Quarterly Invoice

☐ Extend period

Document Type

Sales Invoice FF

Schedule start date

09/15/2020

Question 7: What if my Billing schedule is separate from Revenue?

- View Schedule upon Save of Sales Order conversion

Recurring Transactions Templates:

Add Done

All Manage views Include inactive Include private Advanced filters Clear all filters

Customer name	Document type	Record number	Frequency	Next execution date	Transactions created	Currency	Base currency	Contract ID	Schedule
Digital Bio	Sales Invoice FF	1	Months	09/15/2020	0	USD	USD		Turn off





Thank you!

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- CLA, Senior Consultant

