Account Structure

Overview

Coupa has built quite a bit of functionality around the account structure. The word ‘accounts’ can mean many different things to different people. It could be referred to as GL code, billing account, project, cost center, etc. The accounting structure is a very important setup step for the system. We recommend that companies have the same structure in Coupa that they have in their Financial system. If you have a 3-segment GL structure, you probably should have 3-segments in Coupa as well. If you run multiple Sets of Books, you can setup each one in Coupa. Outlined below are different areas of the system that the accounting structure can drive in Coupa.

Approvals

Many companies use a management hierarchy to manage their approvals. Management hierarchy is where approvals are driven by reporting relationships. For example, Tommy's requests always go to Sally.

If instead, your approvals are based on departments or cost centers, then you will use Coupa’s approval chains. For example, Bob is responsible for cost center 100 and Meg for cost center 200, and the requisition will route to either Bob or Meg depending on what cost center is tied to the requisition. Things like departments and cost centers are examples of segments that make up the accounting string.

Budgeting

Budget lines are tied to accounts in Coupa. You can pick which segments to budget on when you create budget periods. You can either budget on a full accounting string (example: Cost Center-GL-Expense Type) or you can budget on partial segments of the string (Cost Center). The budget line gets hit when a transaction is created against the associated account code.

Managing Projects

If you are using Coupa to manage projects and track spend against them, you have the following options:

- Create a custom field and track spend against projects. Users can then select a project number from that custom field when creating a requisition.
- Add it as a segment in the account structure.

With the second option, end users would select the account containing the appropriate project when submitting requisitions. Not only are you able to generate spend reports based on projects but you can create budget lines to track budgets for those projects. In addition, if you had special approvals for projects, you can drive approval routings against the account string and also custom fields.
Reporting

Coupa provides the ability to run custom reports for different transaction objects (requisitions, POs, invoices) in the system. Reports can be customized to include conditions to filter the data on account information. For example, if you needed to see all invoices for a specific department or cost center, you would be able to create a condition to filter the invoice data by department or cost center segment.

Integrations

As mentioned in the introduction paragraph, we recommend that the Coupa account structure mimics the structure in your financial system. This is especially important when you integrate Coupa with your financial application. As transactions flow from Coupa to the financial system, you want an exact match in the account structure so that transactions map to the correct account or billing codes in the financial system.

Future Functionality

As we continue to expand the Coupa platform, we will continue to drive features and functionality by the Chart of Accounts and Account setup. For example, we plan on allowing organizations the ability to restrict access to some of the central buying screens by Accounts.