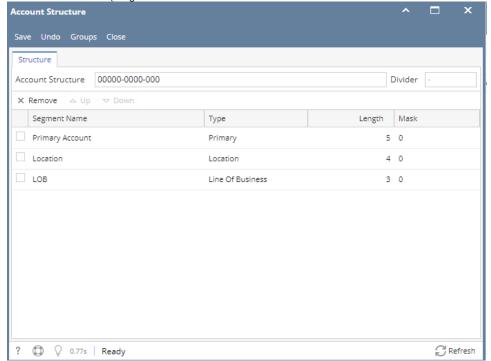# Implementing The Chart of accounts

1. Account structure:
   a. iRely Recommends the following structure for your chart of accounts
      i. Primary Account (5 Digit numeric code)
      ii. Location (4 digit numeric code)
      iii. LOB (3 digit Numeric Code

2. iRely does not support an alpha-numeric chart of accounts
   a. This style of account is difficult to use from a data entry perspective
   b. The sorting and grouping function in the chart of accounts in not optimized for this pattern
   c. Financial report design is more difficult with an alpha numeric pattern
3. iRely does not support the primary account being in a position other than the first position
   a. Financial reporting has been optimized based upon having the primary account in the first position
4. The location should be in the second position of the chart of accounts
   a. This is the Facility or location that you wish to create a profit and loss statement by
   b. General Ledger accounts are defaulted to transactions based upon the location that a transaction is being processed for
5. The LOB or line of business is the third segment
   a. This segment gives you the ability to auto assign accounts based upon the item category configuration
   b. this will allow you to create a profit and loss by line of business in a simple manner.