

E-BUSINESS SUITE FINANCIAL INTERGRATION

MSS White Paper by Melanie Cameron

MSS
TECHNOLOGIES, INC.

Procurement

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Transaction Types

Standard Memo Lines

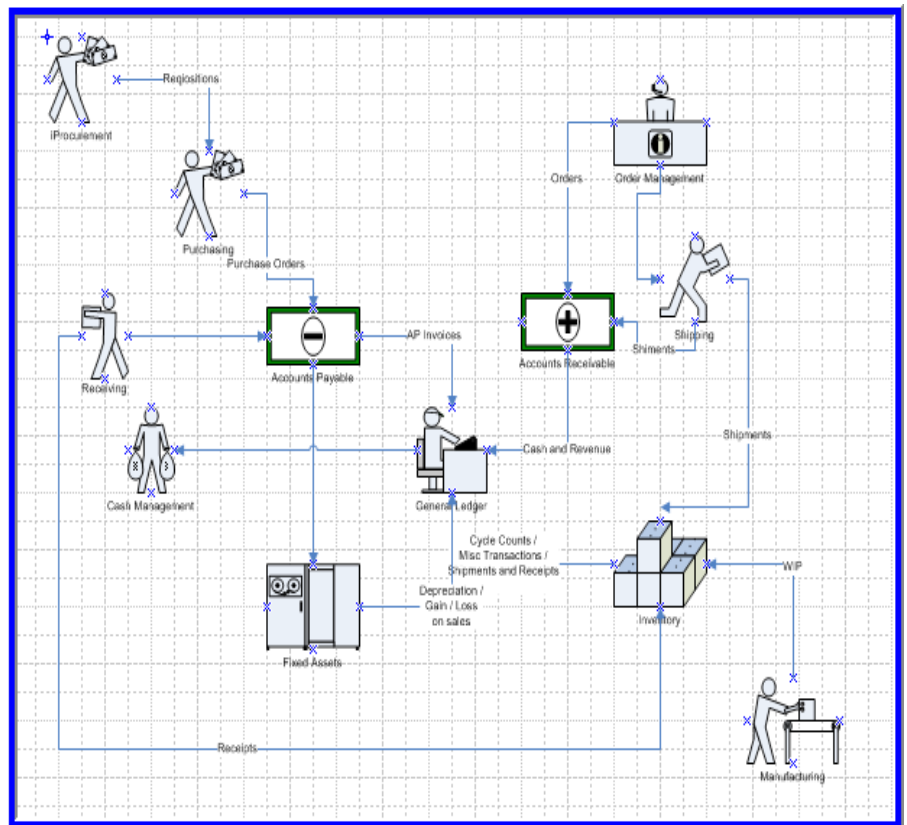
Bank Accounts

General Ledger

OVERVIEW

Oracle E-Business Suite (EBS) consists of tightly integrated modules that result in a company's financial statements. Tracking transactions through the system back to the source, then to the setups that affected the way the source transactions behaved is difficult at best. Based on R11.5.10 CU2, this paper will help understand where these transactions are coming from, back through the interfaces to the transactions, then even farther into the setups dictating their behavior.

Please note that Projects and Payroll are out of scope of this paper.



CONFUSED YET? YOU SHOULD BE. LET'S BREAK IT DOWN SECTION BY MODULE.

PROCUREMENT

The end transaction that comes from Procurement into the General Ledger is the Distribution coding for an invoice matched to a purchase order.

Requisitions are entered in either iProcurement or Purchasing. These requisitions can have a defaulted distribution code, or the creator can override the

“Purchase orders created from requisitions will default the coding from the requisition”

default and enter an alternative coding. Requisitions are then created into Purchase Orders, defaulting the coding from the requisition, or the creator can again override it. Purchase Orders created without requisition will default the coding, again based on the setups, or allow the creator to override it. Purchase orders are then received (creating an accrual if this option is selected), then matched to an invoice in Payables. Payables has the option of again accepting what was defaulted from the Purchase Order, or creating an alternative distribution. Liability accounts are added to the accounting, and the transactions are sent to the GL.

Payables Transactions that are coded to the clearing accounts setup in Assets can be interfaced to the Asset module.

REQUISITION DEFAULT CODING

The coding for a requisition comes from the Work Flow associated with this transaction type:

The screenshot shows the 'Document Types (Vision Operations)' window. The 'Document' section has a table with the following data:

Type	Subtype	Name	Quotation Class
Requisition	Purchase	Purchase Requisition	

The 'Attributes' section contains the following settings:

- Owner Can Approve
- Approver Can Modify
- Can Change Forward-To
- Can Change Forward-From
- Can Change Approval Hierarchy
- Disable
- Use Contract Agreements for Auto Sourcing
- Include Non-Catalog Requests
- Security Level: Public
- Access Level: Full
- Forward Method: Direct
- Archive on: []
- Default Hierarchy: Materials
- Approval Workflow: PO Requisition Approv
- Workflow Startup Process: Main Requisition Appro
- Approval Transaction Type: PO Create Documents
- Autocreate Workflow: Overall Document Crea
- Autocreate Workflow Startup Process: []

Purchasing> Setup> Purchasing> Document Types

You can find the Work Flow that is associated to Requisitions in the Document Types setups. The Approval Workflow will have the workflow's name. Open this work flow to see how the requisition accounts are defaulted in - most companies modify this work flow. The creator also has the option of overriding this default, so what you see on a requisition may not match what is in the Work Flow.

PURCHASE ORDER DEFAULT CODING

If a Purchase Order is created from a Requisition, it will automatically take on the distribution from the Requisition. If it is created without a Requisition, the Document Types will show the Work Flow dictating the coding:

Type	Subtype	Name	Quotation Class
Purchase Order	Standard	Standard Purchase Ord	

Attributes

Owner Can Approve
 Approver Can Modify
 Can Change Forward-To
 Can Change Forward-From
 Can Change Approval Hierarchy
 Disable

Security Level: Public
 Access Level: Full
 Forward Method: Direct
 Archive on: Approve
 Default Hierarchy:
 Approval Workflow: PO Approval
 Workflow Startup Process: PO Approval Top Proce
 Approval Transaction Type:
 Autocreate Workflow:
 Autocreate Workflow Startup Process:

Purchasing> Setup> Purchasing> Document Types

The creator has the option of overriding both the Work Flow default as well as the Requisition default, so the Purchase Order may not agree to the requisition or the PO Approval workflow.

The Requisition and Purchasing Accounting Workflows are often setup to use a combination of segments from an Employee Record and an Item or Category.

PAYABLES

The main transactions that come from the Payables Module are Invoices and Payments.

INVOICE DEFAULT CODING

Payables can default coding from several places, and there is a hierarchy to what is used.

If the invoice is matched to a Purchase Order, then the default coding will come from the Purchase Order.

If the invoice is NOT matched to a Purchase Order, then the default coding may have come from the Supplier Setup:

Site Name: ARIZONA
 Country: United States
 Address: Someplace Warm
 City:
 State:
 Province:
 County:
 Language:
 Inactive On:
 Alternate Name:
 Alternate Address:
 Postal Code:

General | Contacts | Accounting | Control | Payment | Bank Accounts | EDI | Invoice Tax | Withholding Tax

Distribution Set: Equipment Expense (Full)

Supplier> Entry, Sites

A distribution set on a Site can dictate the default coding on an invoice that is not matched to a Purchase Order.

You can only add a Distribution Set to a Site. Suppliers in a multi org environment can not have a default distribution set on the supplier header, so the field is not updatable:

Suppliers (Vision Operations: USD)

Supplier Name: **MSS Technologies** Supplier Number: []

Alternate Name: []

Taxpayer ID: [] Tax Registration Number: []

Inactive On: []

General Classification **Accounting** Control Payment Bank Accounts EDI Invoice Tax Withholding Tax

Distribution Set: []

Supplier> Entry

Notice there is no list of values, and the field is not updatable.

(Multi Org does not denote that there are multiple operating units setup in a particular instance – it denotes that the environment is Multi Org enabled and CAN have multiple operating units. In 11.5 10, all environments should be multi org enabled. Earlier version you had the option of being multi org enabled)

Distribution Setups are setup in the Payable Setups:

Distribution Sets (Vision Operations: USD)

Name: **Equipment Expense (Full)** Type: Full

Description: Full Distribution Set, creates distributions with set percentage amounts. This example us

Inactive On: []

Num	%	Project Related	Account	Description	Income Tax Type	Tax Code
1	5	<input type="checkbox"/>	01-110-7530-0000-000			
2	5	<input type="checkbox"/>	01-120-7530-0000-000			
3	5	<input type="checkbox"/>	01-130-7530-0000-000			
4	5	<input type="checkbox"/>	01-140-7530-0000-000			
5	5	<input type="checkbox"/>	01-402-7530-0000-000			
6	5	<input type="checkbox"/>	01-404-7530-0000-000			

Account Description: Operations-Facilities Resources-Equipment Expense-No Sub Account-No

Project Information

Payables> Setup> Invoice> Distribution Set

This setup is showing 5% of the total invoice going to a separate GL Code Combination.

With either default (Matched to a Purchase Order or a Distribution Set on the Supplier), the invoice creator can override the distribution and change it to something totally different.

If there is no default, then the creator of the invoice will have to enter the distribution manually. If an invoice is sent out for approval via Work Flow, the approver also has the option of changing the distribution. (This option can be disabled)

The **LIABILITY ACCOUNT** will always default in when the Accounting is created for the transaction. When a supplier is created, the liability account will default in from the system setups:

Financials Options (Vision Operations: USD)

Accounting | Supplier - Entry | Supplier - Payables | Supplier - Purchasing | Encumbrance | Tax | Human Resources

Future Periods: 2

GL Accounts

Liability	01-000-2700-0000-000
Prepayment	01-000-1340-0000-000
Future Dated Payment	01-000-2580-0000-000
Discount Taken	01-740-7825-0000-000
PO Rate Variance Gain	01-740-7842-0000-000
PO Rate Variance Loss	01-740-7844-0000-000
Expenses Clearing	
Miscellaneous	

Payables > Setup > Options > Financials

This defaults on both the Supplier site when it is created:

Supplier Sites (Vision Operations: USD) - MSS Technologies, 30067

Site Name: ARIZONA | Alternate Name:

Country: United States

Address: Someplace Warm | Alternate Address:

City: | State: | Postal Code:

Province: | County: | Inactive On:

Language:

General | Contacts | Accounting | Control | Payment | Bank Accounts | EDI | Invoice Tax | Withholding Tax

Distribution Set: Equipment Expense (Full)

GL Accounts

Liability	01-000-2700-0000-000
	Operations-No Department-Other Long Term Liabiliti-No Sub Account-No
Prepayment	01-000-1340-0000-000
	Operations-No Department-Prepaid Expenses-No Sub Account-No Produ
Future Dated Payment	01-000-2580-0000-000
	Operations-No Department-Future Dated Payments-No Sub Account-No F

Supplier > Entry > Site

Note that in a multi org environment, the defaults on the Suppliers are not updatable or defaulted in:

“ Oracle will
always default
the liability
account from
the supplier
site”

Suppliers (Vision Operations: USD)

Supplier Name: **MSS Technologies** Supplier Number: **30067**

Alternate Name: _____ Taxpayer ID: _____ Tax Registration Number: _____

Inactive On: _____

General Classification Accounting Control Payment Bank Accounts EDI Invoice Tax Withholding Tax

Distribution Set: _____

GL Accounts

Liability: _____

Prepayment: _____

Future Dated Payment: _____

Sites

Supplier> Entry

Oracle will always default the Liability account from the Supplier Site, whether that is the system default or a unique account. Users can not override the Liability Account created on an invoice.

The final alternative to a default liability account is creating an Automatic Offset (i.e. the liability account) based on the Balancing or Account:

Payables Options (Vision Operations: USD)

Accounting Methods Transfer to GL Payment Accounting Currency Supplier Invoice Matching Interest

Accounting Methods

Primary Accounting Method: **Accrual** Set of Books: **Vision Operations (USA)**

Secondary Accounting Method: **None** Set of Books: _____

Automatic Offset Method

None

Balancing

Account

Prevent Prepayment Application Across Balancing Segments

Payables> Setup> Options> Payables

None: Default liability account to the account string on the Supplier Site

Balancing: Oracle will override the Company segment of the default account string on the Supplier Site with the company code on the distribution lines. If the distribution lines are as follows:

01-200-51545	100.00
02-400-51545	50.00

Then the offsetting liability accounts would be:

01-000-210000	100.00
02-000-210000	50.00

Where xx-000-21000 is the default account on the supplier site, and the 01 and 02 were derived from the distribution line coding itself.

Account: This works the same as the *Balancing*, except that all segments except the natural account are overridden:

01-200-51545	100.00
--------------	--------

If an invoice fails during the Payable Accounting process to create a liability account (the liability account being disabled is the most likely reason for this or if using automatic offsets, the offset created violates a cross validation rule or security group), then it is fixed in the Update Accounting Entries form:

Update Accounting Entries (Vision Operations: USD)

Document Class: **Invoices** Event Type: **Invoice**
 Document Number: **test01** Event Number: **1**
 Set of Books: **Vision Operations** Accounting Status: **Accounted**
 Description: This would be blank if the accounting was not generated Accounting Error Code:
 Accounting Date: **01-FEB-2008** Transfer to GL Status: **No**
 Accounting Period: **Feb-08** GL Transfer Error Code:

Lines

Num	Type	Account	Debit(USD)	Credit(USD)	Entered Curr	Entered Debit
1	Charge	01-740-7610-0000-000	100.00		USD	
2	Liability	01-000-2210-0000-000		100.00	USD	

Account Description: **Operations-No Department-Accounts Payable-No Sul** View Accounting

Payables > Accounting > Update Accounting Entries

The correct account could be added here and saved. In this case, there is the potential that the default accounts and the account on an invoice do not agree.

EXPENSE REPORTS

Expense reports can be created either in iExpenses, or in the Expense Report form in Accounts Payables. Both options will default the coding from the Expense Report Template.

Expense Report Templates (Vision Operations: USD)

Template Name: **ERP** Inactive On:
 Description: Enable for Internet Expenses Assign Card Expense Types

Expense Items

Expense Item	Expense Category	Item Type	Includes Tax
Car Rent	Car Rental	Item	<input type="checkbox"/>
Food	Accommodations	Item	<input type="checkbox"/>
Other	Miscellaneous	Item	<input type="checkbox"/>

GL Account Description: **Operations--No Sub Account-No Product**

Internet Expenses Attributes

Prompt: Viewable from All Templates
 Require Receipt For: **Not Required** Calculate Amount
 Require Receipt Above: Justification Required: **Only with Violation**

Define Itemizations

Setup > Invoice > Expense Report Templates

Expense Item	Indes Tax	Tax Code	GL Account	Projects Expendit
Car Rent	<input type="checkbox"/>		01--0000-000	
Food	<input type="checkbox"/>		01--0000-000	
Other	<input type="checkbox"/>		01--0000-000	
	<input type="checkbox"/>			
	<input type="checkbox"/>			

GL Account Description: **Operations--No Sub Account-No Product**

Scroll over to see the GL Account coding

The Default Account will come from the GL Account on the template. Note that some of the segments are not filled in - this will cause Oracle to default these segments from the Employee Record. Employees can be entered even when Human Resources is not implemented. It is called a Shared Module in Oracle, and limited functionality can be used even without implementing HR. The Employee screen looks as follows without HR installed:

Enter Person

Name

Last Name: **Cameron**
 First: **Melanie, Contractor**
 Middle:
 Title:
Identifier

Employee Number: **11937**
 Social Security:
Gender

Male Female Unknown
 Employment Dates: **30-JAN-2006** ---
Personal Information

Birth Date:
 Mail: **Home** Email: **melanie.cameron@mesa-ai**
 Work Telephone:
 More ...

On the second page the accounting for this employee can be found:

Person Information

Name: **Cameron, Melanie, Contractor** Number: **11937**

Address | Assignment

Assignment Number: **11937** Job: **BUYER**
 Position:
 Supervisor:
 Organization: **Setup Business Group** Billing Title:
Accounting Information

Set Of Books:
 Default Expense Account: **07.7020.580120.EUG.000.0000** **Regional Aircraft Service.Stations.Employee**

The Default account for expense reports would be as follows for Car Rental:

- 01 from the Expense Report template
- 7020 from the Employee record
- 0000 from the Expense Report template
- 000 from the Expense Report template

01-7020-0000-000

This combination must not violate any cross validation or security rules when it is generated, or the Workflow will fail with an error.

When HR is fully installed, the expense account is found here:

Assignment(AKPAN, LANRE)

Organization: **Vision Corporation** Group:

Job: Position:

Grade: Payroll:

Location: **HR- New York** Status: **Active Assignment**

Assignment Number: **1485** Collective Agreement:

Assignment Category: Employee Category:

Special Ceiling Project Information Grade Ladder **Purchase Order Information** Bargaining Unit

Set of Books: **Vision ADB (USA)**

Default Expense Account: 01.110.7111.990.000

People > Assignment > Purchase Order Information

PAYMENTS

The accounting for a payment defaults from 2 different places. The accrual account will default in from the Liability Account on the Transaction being paid. The Cash and Clearing accounts will default in from the Bank Account the payment is made from:

Banks (Vision Operations: USD)

Bank

Name: **Bank of America**

Alternate Name:

Number: **163281189**

RFC Identifier:

Institution: **Bank**

Description:

Inactive On:

Bank Branch

Name: **New York**

Alternate Name:

Number: **7361982736**

Type: **ABA**

EDI ID Number: **198763981**

EDI Location:

EFT Number: **011001331** [.]

BIC:

Address

Country: **United States**

Address: **6788 Wall Street**

City: **New York**

Province:

State: **New York**

County: **New York**

Postal Code: **05443**

Alternate Address:

Transmission Details Related Banks **Bank Accounts**

Setup > Payments > Bank Accounts

Bank Accounts (Vision Operations: USD)

Bank Name **Bank of America** Branch Name **New York**

Bank Accounts

Operating Unit **Vision Operations** Agency Location Code

Name **BofA** Alternate Name

Account Use **Internal** Account Type **Corporate**

Number **10271-17621-619** IBAN

Currency **USD** Inactive On

Description Check Digits []

Allow Assignment to Multiple Suppliers

GL Accounts | Account Contact | Account Holder | Receivables Options | More Receivables Options | Payables Options

	GL Account	Description
Cash	01-000-1110-0000-000	Operations-No Department-Cash-N
Cash Clearing	01-000-1110-0000-000	Operations-No Department-Cash-N
Bank Charges	01-740-7870-0000-000	Operations-Controllers Office-Ban
Bank Errors	01-740-7870-0000-000	Operations-Controllers Office-Ban
Confirmed Receipts	01-000-1210-0000-000	Operations-No Department-Accour
Future Dated Payment	01-000-1245-0000-000	Operations-No Department-Receive

These default accounts will be for ALL receivables and payables transactions, but can be overridden for Payables under Payables Documents.

Bank Accounts (Vision Operations: USD)

Bank Name **Bank of America** Branch Name **New York**

Bank Accounts

Operating Unit **Vision Operations** Agency Location Code

Name **BofA** Alternate Name

Account Use **Internal** Account Type **Corporate**

Number **10271-17621-619** IBAN

Currency **USD** Inactive On

Description Check Digits []

Allow Assignment to Multiple Suppliers

GL Accounts | Account Contact | Account Holder | Receivables Options | More Receivables Options | **Payables Options**

Maximum Outlay **1,000,000.00** Multiple Currency Payments

Maximum Payment **500,000.00** Allow Zero Payments

Minimum Payment **10.00** Pooled Account

EFT Number **193761972**

	GL Account	Description
Realized Gain	01-740-7842-0000-000	Operations-Controllers Office-Exch
Realized Loss	01-740-7844-0000-000	Operations-Controllers Office-Exch

Payables Documents | Bank Codes

Setup> Payments> Bank Accounts> Bank Accounts

The name that appears on the Payments tab is the NAME of the Account (shown here), not the name of the Bank (seen on the previous screen shot).

Document Name	Cash Clearing	Bank Charges	Bank Errors
Check	01-000-1110-0000-000	01-740-7870-0000-000	01-740-7870-0000-000
Check EURO	01-000-1110-0000-000	01-740-7870-0000-000	01-740-7870-0000-000
Check GBP	01-000-1110-0000-000	01-740-7870-0000-000	01-740-7870-0000-000
Check MXP	01-000-1110-0000-000	01-740-7870-0000-000	01-740-7870-0000-000
Check-RS	01-000-1110-0000-000	01-740-7870-0000-000	01-740-7870-0000-000
EDI	01-000-1110-0000-000	01-740-7870-0000-000	01-740-7870-0000-000

Setup> Payments> Bank Accounts> Bank Accounts> Payables Documents

The Realized Gain and Loss accounts for intercurrency transactions are defaulted from here.

BACKTRACKING PAYABLES TRANSACTIONS FROM THE GENERAL LEDGER

Now that we have identified all the places that a transaction can default in from, how can you take a Payable Transaction in the General Ledger and backtrack it?

From either the Journal Entry screen or the Account Analysis Screen, you can see the transaction that caused the entry in the General Ledger.

From Journal Entries:

Batch Status	Source	Category	Period	Batch Name	Journal Name	Currency	Journal Debit	Journal Credit
Posted	Payables	Purchase Invo	Jan-08	22401 Payables 2794	Purchase Invoices U:	USD	100.00	100.00
Posted	Payables	Purchase Invo	Jan-08	22522 Payables 2800	Purchase Invoices U:	USD	2,000.00	2,000.00

Journals> Entry

Line	Account	Debit (USD)	Credit (USD)	UOM	Qty	Description
1	01-000-2220-0000-000		100.00			Journal Import Created
2	01-580-7740-0000-000	100.00				Test
		100.00	100.00			

Account Description: Operations-No Department-Accounts Payable Clearing-No Sub Account-No Product

Buttons: Post, Reverse, Line Drilldown..., T Accounts...

Journal> Entry> Review Journal

Num	Type	Amount	PO Number	PO Line Num	Account	Tax Code	Includes
1	Item	100.00	4492	1	01-580-7740-0000-000		<input type="checkbox"/>

Distributions

You can see from the Distributions that the Transaction is matched to a Purchase Order. Click on the View PO to see the coding from the PO:

Status: **Validated** Accounted: **Yes** PO Number: **4492**

Account Description: **Operations-Maintenance-Miscellaneous-No Sub Account-No Product**

[View PO](#) [View Receipt](#) [Allocate](#)

Number	Release	Line	Shipment	Distribution	Charge Account	Item
4492		1	1	1	01-580-7740-0000-000	

The Account on the PO matches the account on the Invoice.

Number	Requisition
4492	

Since the Requisition field is Blank, the Purchase Order is where the account number was originated.

Looking at the Purchasing Work flow in your system will tell you if this came from the work-flow itself, or if the person creating the Purchase Order overrides it.

Identifying the source of a transaction that is posting incorrectly helps determine if you have a user problem (the creator is constantly overriding a default workflow) or a system problem, where the default is incorrect and needs to be revised.

FIXED ASSETS

The *Book Controls* is the first level of defaults:

Retirement Accounts	Gain	Loss	Cleaning
Proceeds of Sale	7850	7851	1247
Cost of Removal	7852	7853	2240
Net Book Value Retired	7854	7855	
Reval Reserve Retired	7854	7855	
Intercompany Receivables		1810	
Intercompany Payables		2370	
Deferred Depreciation Reserve		2540	
Deferred Depreciation Expense		7860	
Depreciation Adjustment		1690	
Account Generator Defaults		01-000-9999-0000-000	

Setup> Asset System> Book Controls

This will default the Natural Account segment on all additional setups, as well as give the default segments for the Oracle Account Generator (Account Generator Defaults). Without modification to the workflow, the Defaults are used to decide what accounts are used for the Company, Department and Sub Accounts.

Setup> Asset System> Asset Categories

The **ASSET CATEGORIES** will default in the Account from the setups. They can be overridden when setting up the category.

ASSET COST is the Asset account this asset will live in

ASSET CLEARING is the clearing account that would be assigned on a requisition, purchase order, or Payables Invoice, and allows a transaction to interface to Assets. The Asset Clearing account does not ensure that this transaction will be added in this category, but it does ensure the transaction interfaces to Mass Additions. When the asset is moved out of Mass Additions, the account that is on the transaction is then relieved.

DEPRECIATION EXPENSE SEGMENT is the Account that will be used for the monthly Depreciation Expense. The seeded account generator will add this segment to the assignment of an asset to generate the entire expense account.

ACCUMULATE DEPRECIATION is used to hold the total depreciation for assets in this category.

BONUS RESERVE is the default for any bonus calculations.

REVALUATION RESERVE is used when Accumulated Depreciation is revalued for currency valuation changes.

REVALUATION AMORTIZATION is the account that will amortize any Revaluation Reserves over the remaining life of the asset.

CIP COST is used to hold the cost of all Construction in Process.

CIP CLEARING is used when the CIP cost is relieved.

“The inventory module will default a lot of the accounts used in both inventory, purchasing, order management and other modules”

Account Generator Processes

Application: **General Ledger** Flexfield Title: **Accounting Flexfield**
 Structure: **00ABC LTD** Description: **FOR ABC ACCT STRUC**

Processes

Item Type	Process Name
AR: Substitute Balancing Segment	Replace Balancing Segment
FA Account Generator	Generate Default Account
IGC Budget Account Generator	Generate Default Account
IGC Charge Account Generator	Generate Default Account
MHCA Account Generator	Generate Default Account
IAC account generator	Generate Default Account Generator
Inventory Cost of Goods Sold Account	Generate Default Account
ITR Account Generator	Generate Default Account
OM : Generate Cost of Goods Sold Account	Generate Default Account
Project Supplier Invoice Account Generation	Generate Default Account

The Account Generator Processes will tell you the default process name for the FA Account Generator. See Metalink Note 115322.1 for a white paper on how to modify your Asset Account Generator.

INVENTORY

The Inventory Module will default a lot of the accounts used in both Inventory, Purchasing, Order Management and other modules.

The defaults for an Inventory Org will default all the other setups, and can be overridden at each step. Inventory Orgs contain default setups for:

Organization Parameters (00B)

Inventory Parameters Costing Information Revision, Lot, Serial ATP, Pick, Item-Sourcing

Costing Organization: **Krish Motor Compnay**
 Costing Method: **Standard**
 Rates Cost Type:
 Transfer to GL: **Summary**
 Reverse Encumbrance
 Project Cost Collect. Enabled
 Defer Logical Transactions
 Cost Cutoff Date:
 Default Material Sub-Element:
 Material Overhead Sub-Element:
 Default Cost Group: **CG-29344**

Valuation Accounts

Material	01-001-0000-5001-100
Outside Processing	01-001-0000-5001-150
Material Overhead	01-001-0000-5001-220
Overhead	01-001-0000-1200-000
Resource	01-001-0000-1200-000
Expense	01-001-0000-1200-000

COSTING INFORMATION TAB:

The costing information in inventory for valuation of an item in inventory comes from these Valuation Accounts.

Organization Parameters (00B) Revision, Lot, Serial ATP, Pick, Item-Sourcing Inter-Org Information Other Accounts

Inter-organization Transfer Charge

- None
- Predefined percent %
- Requested value
- Requested percent

Inter-organization Transfer Accounts

Transfer Credit	<input type="text"/>
Purchase Price Variance	<input type="text"/>
Receivable	<input type="text"/>
Payable	<input type="text"/>
Intransit Inventory	<input type="text"/>

INTERORG TRANSFER ACCOUNTS:

When items are transferred between orgs, the default accounts are setup here in the Inter-Organization Transfer Accounts.

Organization Parameters (00B) Revision, Lot, Serial ATP, Pick, Item-Sourcing Inter-Org Information Other Accounts

Receiving Accounts

Purchase Price Variance	<input type="text" value="01-001-5210-1200-000"/>
Invoice Price Variance	<input type="text" value="01-001-5220-1200-000"/>
Inventory AP Accrual	<input type="text" value="01-001-0000-1200-000"/>
Encumbrance	<input type="text"/>

Profit and Loss Accounts

Sales	<input type="text" value="01-001-5110-1200-000"/>
Cost of Goods Sold	<input type="text" value="01-001-5110-1200-000"/>

Project Clearance Account

Project Clearance Account	<input type="text"/>
---------------------------	----------------------

Cost Variance Account

Cost Variance Account	<input type="text"/>
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MISCELLANEOUS GL ACCOUNTS FOR INVENTORY default in from the Other Accounts tab.

PURCHASE PRICE VARIANCE is where the difference between the Purchase Order and the Actual Cost of an item is recorded.

INVOICE PRICE VARIANCE will record the difference between the Invoice and a Purchase Order.

ENCUMBRANCE is used to record the Inventory Encumbrance entries, and is most often found in Government Accounting.

SALES is the default sales account for this inventory org.

COST OF GOODS SOLD is the default cost of goods account for this inventory org.

PROJECT CLEARING ACCOUNT is the clearing account for project related inventory items (projects would relieve this account)

COST VARIANCE CLEARING ACCOUNT is used when Average Costing is enabled with Allow Negative Balances. This is the clearing account used to process issues for inventory items prior to making the receipts. The receipt will clear this account.

Note: For a detailed flow of transactions and their entries, see Metalink Note 198545.1, which contains the white paper on Receipt Accounting.

Many of the accounts listed above can be overridden in several areas:

Subinventory setups are the first override:

The screenshot shows the 'Subinventories (ANB)' window. The 'Name' field is 'ANB_ASSY' and the 'Description' is 'ASSEMBLY SUBINVENTORY'. The 'Status' is 'Active', 'Default Cost Group' is 'CG-16344', and 'Type' is 'Storage'. The 'Accounts' tab is selected, showing a table of accounts for various categories. A red box highlights the first five rows, all of which have the account number 'BMFG.0011.0018.0010.0000'.

Category	Account Number
Material	BMFG.0011.0018.0010.0000
Outside Processing	BMFG.0011.0018.0010.0000
Material Overhead	BMFG.0011.0018.0010.0000
Overhead	BMFG.0011.0018.0010.0000
Resource	BMFG.0011.0018.0010.0000
Expense	
Encumbrance	

These accounts will default in from the Costing Information Tab on the Inventory Org setups. They can be overridden for specific accounts for this sub-inventory.

Items have several Accounts on them, and will override the Organization and Subinventory setups:

The **COST OF GOODS SOLD ACCOUNT** is defaulted in on transactions when an item is shipped on a Sales Order.

The screenshot shows the 'Master Item (V1)' window in SAP, specifically the 'Purchasing' tab. The organization is 'V1 Vision Operations' and the item is '012345 Widget'. The 'Expense Account' field is highlighted with a red box and contains the value '01-510-7530-0000-000'. Other fields include 'Encumbrance Account', 'Asset Category', 'Unit Type', 'Price Tolerance' (0%), 'Taxable' (No), and 'RFQ Required' (No).

The **ENCUMBRANCE ACCOUNT** is defaulted in when this item is used on a Purchase Order and Encumbrances are enabled.

The **EXPENSE ACCOUNT** is defaulted in on an Expense Purchase Order or Requisition, based on their Workflows for Accounting.

The screenshot shows the 'Master Item (V1)' window in SAP, specifically the 'Invoicing' tab. The organization is 'V1 Vision Operations' and the item is '012345 Widget'. The 'Sales Account' field is highlighted with a red box and contains the value '01-510-4110-0000-000'. Other fields include 'Accounting Rule', 'Invoicing Rule', 'Tax Code', and 'Payment Terms'. The 'Invoiceable Item' and 'Invoice Enabled' checkboxes are checked.

The **SALES ACCOUNT** is the default revenue account on a Sales Order.

ACCRUALS FOR RECEIVED ITEMS NOT INVOICED

Purchasing has the ability to Accrue received items that have not yet been invoiced, for both Expense or Inventory items. This accrual process for Expenses will create a reversing journal entry in the general ledger. The accrual process for Inventory will create a journal entry in an accrued account, which is relieved when the item is invoiced.

To accrue Expense Items, run the Receipt Accrual – Period End concurrent request. This will generate a reversing journal entry in the general ledger based on the following setups:

Purchasing Options (Vision Operations)

Receipt Accounting | Control | Default | Internal Requisition | Numbering | Tax Defaults

Accrue Expense Items: At Receipt

Accrue Inventory Items: At Receipt

Expense AP Accrual Account: 01-580-7740-0000-000

Accrual Account Description: Operations-Maintenance-Miscellaneo

Automatic Offset Method: None

Setup > Options > Purchasing Options

Oracle will accrue all Expense items either At Receipt, or At Period End, offsetting the expense entry in the Expense AP Accrual Account.

Inventory Items will be accrued At Receipt, based on the Receiving Account in the Receiving Options for that Inventory Organization:

Organization Parameters (V1)

Revision, Lot, Serial | ATP, Pick, Item-Sourcing | Inter-Org Information | Other Accounts

Receiving Accounts

Purchase Price Variance: 01-510-5210-0000-000

Invoice Price Variance: 01-510-5220-0000-000

Inventory AP Accrual: 01-000-2210-0000-000

Encumbrance:

Profit and Loss Accounts

Sales: 01-510-4110-0000-000

Cost of Goods Sold: 01-510-5110-0000-000

Project Clearance Account

Project Clearance Account: 01-510-1570-0000-000

Cost Variance Account

Cost Variance Account:

Organizations > Inventory Organization > Inventory Information > Other Accounts

A Receipt would Dr Inventory and Cr Inventory AP Accrual at time of receipt, then the Inventory AP Accrual would be relieved when the invoice is entered.

ORDER MANAGEMENT

TRANSACTION TYPES will override Item Setups:

The screenshot shows the 'Transaction Types' configuration window. The 'Main' tab is selected. The 'Operating Unit' is 'Vision Operations'. The 'Transaction Type' is 'Standard'. The 'Description' is 'Standard Order Type fo'. The 'Order Category' is 'Order'. The 'Fulfillment Flow' is 'Order Flow - Generic'. The 'Effective Dates' are '01-JAN-199'. The 'Layout Template' and 'Contract Template' are empty. The 'Retain Document Number' checkbox is checked. The 'Approvals' and 'Assign Line Flows' buttons are visible. The 'Finance' tab is also visible, showing the 'Rule' section with 'Invoicing Rule' set to 'Advance Invoice' and 'Accounting Rule' set to 'Immediate'. The 'Source' section shows 'Invoice Source' as 'standard1'. The 'Credit Method For' section shows 'Invoices With Rules' and 'Split Term Invoices' as dropdown menus. The 'Receivables Transaction Type' is 'standard1'. The 'Cost of Goods Sold Account' is '01-510-5110-0000-000', which is highlighted with a red box. The 'Conversion Type' is 'Corporate'.

ORDER MANAGEMENT TRANSACTION TYPES can be linked to specific customers:

The screenshot shows the 'Business Purpose - someplace warm' window. The 'Order Management' tab is selected. The 'Order Type' is 'Internal', which is highlighted with a red box. The 'Price List' is empty. The 'GSA' checkbox is unchecked. The 'Item Identifier Type' and 'Request Date Type' are empty. The 'Lines In' section has 'Ship Sets' and 'Arrival Sets' checkboxes, both of which are unchecked. The 'Push Group' checkbox is unchecked. The 'Schedule Date' is empty. The 'Earliest Schedule Limit', 'Latest Schedule Limit', and 'Overship Invoice Base' are empty. The 'Freight Terms', 'FOB', 'Warehouse', and 'Ship Method' are empty. The 'Over Shipment Tolerance', 'Under Shipment Tolerance', 'Over Return Tolerance', and 'Under Return Tolerance' are empty.

The Invoice Source will connect OM Transaction Types to AR Transaction Types, which contain Receivables accounts:

Transaction Types (Order Management Super User, Vision Operations (USA))

Operating Unit: **Vision Operations**

Name: **standard1** Description: **standard1invoice**

Class: **Invoice** Open Receivable Post to GL

Terms: Printing Option: **Print**

Transaction Status: **Open**

Allow Freight Tax Calculation

Creation Sign: **Any Sign** Natural Application Only

Application Rule Set: Allow Overapplication

Invoice Type: Credit Memo Type:

Start Date: **30-JAN-2008** End Date:

Accounts Bills Receivable Deposit

Receivable Account: **01-000-1210-0000-000** Freight Account:

Revenue Account: **01-000-1110-0000-000** Clearing Account:

Unbilled Receivable Acct: Unearned Revenue Acct:

Tax Account:

GL Account Description:

Setup> Financials> Transaction Types

The next layer is Sales Persons:

Resource

Number: **10000** Category: **Other** Salesperson Number:

Name: Organization:

Source Name: Start Date: **01-JAN-1952** End Date:

User Name: Identification Num: Transaction Number: [] View

Roles Groups Teams Service Interaction Center Compensation **Receivables** Miscellaneous

Date Active: **16-FEB-2008** - Email:

Geo Override: Inside City Limits Active for Receivables

Sales Credit Type: **Quota Sales Credit** Freight Account:

Revenue Account: **01-000-1210-0000-000** Receivable Account: []

Setup> Sales> Sales Persons

How does this all fit in? The Oracle Account Generator will dictate what defaults from where:

Item Type	Process Name
AR: Substitute Balancing Segment	Replace Balancing Segment
FA Account Generator	Generate Default Account
IGC Budget Account Generator	Generate Default Account
IGC Charge Account Generator	Generate Default Account
MHCA Account Generator	Generate Default Account
IAC account generator	Generate Default Account Generator
Inventory Cost of Goods Sold Account	Generate Default Account
ITR Account Generator	Generate Default Account
OM : Generate Cost of Goods Sold Account	Generate Default Account
Project Supplier Invoice Account Generation	Generate Default Account

There are 2 basic options here:

GENERATE DEFAULT ACCOUNT uses the system default accounts as defined in the setups above, following the hierarchy (Items, Sales Persons, Transaction Types, Default system options)

GENERATE DEFAULT ACCOUNT GENERATOR, which will call a customized workflow that will use all or some of the elements of the above setups.

Alias	Account	Effective On	Effective To
BAD ITEMS	01-112-7730-0000-000	16-FEB-2008	

Setup> Receiving> Account Alias

The user in this case would not have the option of overriding this account.

MISCELLANEOUS ISSUES OR RECEIPTS require the user to key an account in when the items are issued or received:

Transaction

Date: 16-FEB-2008 12:56:45

Type: Account issue

Source: 01-000-7730-0000-000

Account: 01-000-7730-0000-000

Serial-Triggered

Transaction Lines

Source would be entered by a user to create the inventory offset account.

SHIPPING NETWORKS dictate what accounts are hit when items are transferred from one Inventory Organization to another:

Shipping Networks (M1)

Organization: M1 Seattle Manufacturing

Scope: From or To Organization:

Shipping Networks

Main | Transfer, Distance | Primary Accounts | Secondary Accounts | Other Accounts

Organization		Transfer Credit	Purchase Price Variance
From	To		
B1	M1	01-520-5390-0000-000	01-520-5210-0000-000
D1	M1	02-550-5290-0000-000	01-520-5210-0000-000
D2	M1	01-560-5290-0000-000	01-520-5210-0000-000
GED	M1	01-580-7740-0000-000	01-520-5210-0000-000
H1	M1	01-815-5290-0000-000	01-520-5210-0000-000
J1	M1	103.3100.825000.0000.000000.000000.00	01-520-5210-0000-000
M1	D1	01-520-5290-0000-000	02-550-5210-0000-000

Shipping Networks (M1)

Organization: M1 Seattle Manufacturing

Scope: From or To Organization:

Shipping Networks

Main | Transfer, Distance | Primary Accounts | Secondary Accounts | Other Accounts

Organization		Inter-Org Receivable	Inter-Org Payable
From	To		
B1	M1	01-520-5390-0000-000	01-000-2370-0000-000
D1	M1	02-000-1810-0000-000	01-000-2370-0000-000
D2	M1	01-000-1810-0000-000	01-000-2370-0000-000
GED	M1	01-580-7740-0000-000	01-000-2370-0000-000
H1	M1	01-000-1810-0000-000	01-000-2370-0000-000
J1	M1	103.0000.113800.0000.000000.000000.00	01-000-2370-0000-000
M1	D1	01-000-1810-0000-000	02-000-2370-0000-000

Shipping Networks (M1)

Organization: M1 Seattle Manufacturing

Scope: From or To Organization:

Shipping Networks

Main | Transfer, Distance | Primary Accounts | Secondary Accounts | Other Accounts

Organization		Intransit Inventory	Profit In Inventory
From	To		
B1	M1	01-520-5390-0000-000	
D1	M1	02-000-1460-0000-000	
D2	M1	01-000-1460-0000-000	
GED	M1		
H1	M1	01-000-1460-0000-000	
J1	M1	103.0000.121000.0000.000000.000000.00	
M1	D1	01-000-1460-0000-000	

Shipping Network (M1)

From Organization **B1** Northwest Electronic Supply

To Organization **M1** Seattle Manufacturing

Transfer Type **Intransit**

FOB **Receipt**

Receipt Routing **Direct**

Internal Order Required

Elemental Visibility Enabled

Manual Receipt at Expense Destination

Inter-organization Transfer Charge

Type **None** %

Inter-organization Distance

UOM Value

Transfer Credit	01-520-5390-0000-000
Purchase Price Variance	01-520-5210-0000-000
Receivable	01-520-5390-0000-000
Payable	01-000-2370-0000-000
Intransit Inventory	01-520-5390-0000-000
Profit In Inventory	

RECEIVING OPTIONS have defaults for the Receiving Account, which is where all receipts are recorded. This account is relieved when the item is processed though to inventory.

Receiving Options (M1)

Receipt Date

Days Early **5**

Days Late **5**

Action **Warning**

Over Receipt Control

Tolerance **5** %

Action **Warning**

Miscellaneous

Allow Substitute Receipts

Allow Unordered Receipts

Allow Express Transactions

Allow Cascade Transactions

Allow Blind Receiving

Validate Serial Numbers on RMA Receipts

Receipt Routing **Direct Delivery**

Enforce Ship-To **Warning**

ASN Control Action **Warning**

RMA Receipt Routing **Direct Delivery**

Receipt Number Options

Action **Automatic** Type **Numeric** Next Receipt Number **9647**

Receiving Inventory Account	01-000-1412-0000-000
Account Description	Operations-No Department-Receiving Inventory Accou-No Sub /
Retroactive Price Adjustment Account	
Account Description	
Clearing Account	01-000-1410-0000-000
Account Description	Operations-No Department-Inventory Material Value-No Sub Ac

RETROACTIVE PRICE ADJUSTMENTS is used when an item is on a Blanket Purchase Order Agreement and there is a price adjustment on that item. Reapproving the Blanket Agreement will adjust any Receipt Accruals that are still outstanding.

CLEARING ACCOUNT is the intercompany account used to receive an item in an organization that is different from the org that created the Purchase Order.

SHIPPING PARAMETERS has the account called **GOODS DISPATCHED** – don't let the name fool you. This is just another setup for the Cost of Goods Sold account, and can be setup here as a default if it is not derived from the other locations.

The screenshot shows the 'Shipping Parameters (M1)' window with the 'Shipping Transaction' tab selected. The settings are as follows:

Field	Value
Default Ship Confirm Document Set	Ship Confirm Documents
Ship Confirm Rule	Auto Ship
Auto-pack Options	Autopack Master
Goods Dispatched Account	01-510-5110-0000-000
Enforce Packing in Containers	No

RECEIVABLES

TRANSACTION TYPES are the main default for receivables:

The screenshot shows the 'Transaction Types (Receivables, Vision Operations (USA))' window. The configuration is as follows:

Field	Value
Operating Unit	Vision Operations
Name	ABC INVOICE TRNSTY
Description	INVOICE TRANSACTION TYPES
Class	Invoice
Terms	
Printing Option	Print
Transaction Status	Open
Creation Sign	Positive Sign
Application Rule Set	
Invoice Type	
Start Date	15-FEB-2008
Credit Memo Type	ABC CREDIT MEMO
End Date	
Receivable Account	01-000-1210-0000-000
Revenue Account	01-000-4162-0000-000
Unbilled Receivable Acct	
Tax Account	01-000-2520-0000-000
GL Account Description	
Freight Account	01-000-7220-0000-000
Clearing Account	
Unearned Revenue Acct	

Setup > Transactions > Transaction Types

Transaction Types will default in the accounts for all transactions at the highest level.

These are then linked to the Batches as a default Transaction Type:

Transaction Sources (Receivables, Vision Operations (USA))

Operating Unit: **Vision Operations**

Name: **Intercompany** Type: **Imported**

Batch Source | AutolInvoice Options | Customer Information | Accounting Information

Description: **Intercompany Invoices**

Active Effective Dates: **01-NOV-1992** - []

Automatic Batch Numbering Last Number: []

Automatic Transaction Numbering Last Number: **10019**

Copy Document Number to Transaction Number

Allow Duplicate Transaction Numbers

Copy Transaction Information Flexfield to Credit Memo

Receipt Handling for Credits: []

Reference Field Default Value: **interface_header_attribute1**

Standard Transaction Type: Invoice-Intercompany

Credit Memo Batch Source: **Intercompany**

Accounts entered to the Accounts tab on a business purpose will override the Order Type accounts:

Business Purpose - someplace warm

Details | Accounts | Order Management

Receivable: **01-000-1210-0000-000**

Revenue: **01-000-4504-0000-000**

Tax: **01-840-7430-0000-000**

Freight: **01-000-1232-0000-000**

Clearing: []

Unbilled Receivable: []

Unearned Revenue: []

STANDARD MEMO LINES can be used in place of the accounting on a Transaction Type as well:

Standard Memo Lines (Receivables, Vision Operations (USA))

Operating Unit: **Vision Operations**

Name: **Principal Consultant**

Description: **Principal Consultant**

Type: **Line**

Tax Code: []

Unit List Price: **425**

Unit of Measure: **HRS**

Revenue Account: 01-420-4130-0000-000

Account Description: **Operations-Sales East-Consulting-No Sub Account-No Produ**

Invoicing Rule: []

Accounting Rule: []

Active Dates: **01-JAN-1990** - []

When entering a transaction, select the Name of the Memo Line in the Description, and the accounting will default from the **MEMO LINES SETUPS**:

Num	Item	Description	UOM
1		Principal Consultant	HRS

RECEIVABLES ACTIVITIES allows you to setup accounts for Adjustments, and Miscellaneous Transactions:

Select the Type of transaction you want to setup, the assign it an **ACTIVITY GL ACCOUNT**.

Just like in Payables, **DISTRIBUTION SETS** are preset account distributions:

%	Account	Description
80	01-740-7740-0000-000	Miscellaneous
20	01-000-7740-0000-000	
Total 100 %		

These are attached to **RECEIVABLES ACTIVITIES** for Miscellaneous Cash, allowing you to distribute the cash of more than one account:

The screenshot shows the 'Receivables Activities' configuration window for 'Misc Cash'. The 'Accounting' section is highlighted with a red box. In this section, the 'GL Account Source' is set to 'Distribution Set' and the 'Tax Code Source' is set to 'None'. Below this, the 'Activity GL Account' is set to 'Distribution Set Miscellaneous', also highlighted with a red box. Other fields include 'Operating Unit' (Vision Operations), 'Name' (Misc Cash), 'Type' (Miscellaneous Cash), and an 'Active' checkbox.

BANK ACCOUNTS will determine the cash accounts:

The screenshot shows the 'Bank Accounts' configuration window for 'Bank of America'. The 'GL Accounts' tab is selected and highlighted with a red box. This tab displays a table of GL accounts associated with the bank account. The table has columns for 'Cash', 'GL Account', and 'Description'. The 'GL Account' column is highlighted in yellow.

Cash	GL Account	Description
Cash	01-000-1110-0000-000	Operations-No Department-Cash-N
Cash Clearing	01-000-1110-0000-000	Operations-No Department-Cash-N
Bank Charges	01-740-7870-0000-000	Operations-Controllers Office-Bank
Bank Errors	01-740-7870-0000-000	Operations-Controllers Office-Bank
Confirmed Receipts	01-000-1210-0000-000	Operations-No Department-Accour
Future Dated Payment	01-000-1245-0000-000	Operations-No Department-Receive

Setup > Receipts > Banks

GL Accounts	Account Contact	Account Holder	Receivables Options	More Receivables Options	Payables Options
<input checked="" type="checkbox"/> Multiple Currency Receipts					
	GL Account	Description			
Remitted Receipts	01-000-1245-0000-000	Operations-No Department-Receipts			
Factored Receipts					
Short Term Debt					

GL Accounts	Account Contact	Account Holder	Receivables Options	More Receivables Options	Payables Options
	GL Account	Description			
Unapplied Receipts	01-000-1240-0000-000	Operations-No Department-Unapplied			
Unidentified Receipts	01-000-1240-0000-000	Operations-No Department-Unapplied			
On Account Receipts	01-000-1240-0000-000	Operations-No Department-Unapplied			
	Receivables Activities	Description			
Unearned Discounts	Unearned Discounts	Unearned Discounts			
Earned Discounts	Earned Discounts	Earned Discounts			

Then the accounts are attached to RECEIPT CLASSES where some of the accounts can be overridden:

Receipt Classes (Vision Operations)

Receipt Class

Name: Notes Receivable

Creation Method: Require Confirmation

Remittance Method:

Clearance Method: []

Payment Method

Name: Printed Name:

Effective Dates: - []

Manual | Automatic | Bills Receivable | Bills Receivable Remittance

Debit Memos Inherit Receipt Numbers

Setup> Receipts> Receipt Classes> Banks

Remittance Banks (Vision Operations) - Manual Receipts - BofA, Check - BofA

Bank Name: **Bank of America** Branch Name: **New York**
 Account Name: **BofA** Currency: **USD**
 Minimum Receipt Amount: [] Risk Elimination Days: []
 Clearing Days: [] Override Bank
 Effective Dates: **01-NOV-1992** - [] Primary []

GL Accounts Bills Receivable Formatting Programs

Cash	01-000-1110-0000-000
Receipt Confirmation	
Remittance	
Factoring	
Short Term Debt	
Bank Charges	
Unapplied Receipts	01-000-1240-0000-000
Unidentified Receipts	01-000-1240-0000-000
On Account Receipts	01-000-1240-0000-000
Unearned Discounts	Unearned Discounts
Earned Discounts	Earned Discounts
Claim Investigations	

Setup> Receipts> Receipt Classes> Banks> Bank Accounts

GENERAL LEDGER

The General Ledger is the end result for all transactions, and can also have transactions entered directly into it. Use the Batch Source to determine where the Journal Entry came from:

Enter Journals (Vision Operations)

Batch Status	Source	Category	Period	Batch Name	Journal Name	Currency	Journal Debit	Journal Credit
Posted	Recurring	Payroll	Feb-08	AL_ Standing Journ	Salary Expense: 21	USD	0.00	0.00
Posted	Manual	Headcount	Feb-08	01_Employee Statist	01_Employee Headc	STAT	350.00	0.00
Processing	Payables	Payments	Feb-06	22282 Payables 2783	Payments USD	USD	550.00	550.00
Posted	Payables	Purchase Invo	Jan-08	22401 Payables 2794	Purchase Invoices U	USD	100.00	100.00
Unposted	Inventory	WIP	Jan-08	22419 M1 Inventory 2	WIP USD	USD	12.40	12.40
Posted	Receivables	Sales Invoices	Jan-08	AR 44520 Receivable	Sales Invoices USD	USD	122,000.00	122,000.00
Posted	Receivables	Credit Memos	Jan-08	AR 44520 Receivable	Credit Memos USD	USD	450.00	450.00
Posted	Receivables	Trade Receipt	Jan-08	AR 44520 Receivable	Trade Receipts USD	USD	8,600.00	8,600.00
Unposted	Assets	CIP Addition	Nov-03	CIP Addition OPS C	CIP Addition USD No	USD	245,150.00	245,150.00
Posted	Budget Journa	Budget	Apr-08	CJE: GVA-Budget-08	CJE: Budget USD 26	USD	916.67	0.00
Unposted	Assets	Depreciation	Nov-05	Depreciation A BOO	Depreciation USD Nc	USD	1,223.47	1,223.47
Posted	MassAllocato	Allocation	Jan-08	MA: 2791920 BA_Ins	BA_Insurance Formu	USD	250,000.00	250,000.00
Posted	Revaluation	Revaluation	Feb-08	Revalues Feb-08 14-1	Revalues for GBP tra	GBP	0.00	0.00
Unposted	Consolidation	Consolidation	Dec-08	Reverses *06-NOV-02	Reverses *06-NOV-02	USD	21,170,803.01	21,170,803.01

Journal> Entry

Oracle uses some Sources for interfaced transactions from other modules, and these include:

Source	Description	Import Journal References
Assets	Fixed Assets System	*
AX Inventory	AX Inventory Entry	*
AX Payables	AX Payables Entry	*
AX Receivables	AX Receivables Entry	*
Budgetary Transaction	Budgetary Transaction	*
Consolidation	Consolidation Transfer	*
Inventory	Inventory Control System	*
Lease	Oracle Lease Management	*
Marketing	Marketing Online System	*
OPM Costing	OPM Costing	*
OPM Inventory Ctrl	OPM Inventory Control	*
OPM Order Processing	OPM Order Processing	*
OPM Production Mgmt	OPM Production Management	*
OPM Purchasing	OPM Purchasing	*
OPM/Order Management	OPM/Order Management	*
Payables	Accounts Payable System	*
Payroll	Payroll System	*
Periodic Inventory	Periodic Inventory Control System	*
Projects	Projects	*
Property Manager	Property Manager	*
Public Sector Budget	Public Sector Budget	*
Purchasing	Purchasing System	*
Purchasing/OPM	Oracle Purchasing - Inventory Transactions for Process Items	*
Receivables	Accounts Receivable System	*
Revenue	Revenue Accounting System	*
Student Fees	Student Fees	*
Student System	Student System	*
Treasury	Treasury	*
Year End Close	Federal Year End Close	*

To eliminate confusion if a Journal was created from an interface or entered manually into the General Ledger, these Sources should be reserved for interfaced journal entries only.

Besides Manual and Spreadsheet (uploaded from ADI) sources, General Ledger can also create journal entries with default coding.

ALLOCATIONS: Allocations are used to allocate transactions or account balances from one department or company to others:

Formula (Vision Operations) - ADE RENT ALLOCATION

Name: RENT ALLOCATION Category: Allocation
 Description: RENT ALLOCATION Status: Validated

Allocate Balances From:
 Full Balance
 Single Entered Currency Currency: []

Full Cost Pool Allocation

	Amount	Account	Currency	Type	Relative Period
A		01-140-1170-0000-000	USD	PTD	Current Period
*		C-C-C-C-C			
B	1				
/					
C	1				
T:		01-000-1110-0000-000	USD	PTD	Current Period
		C-C-C-C-C			
O:		01-000-1170-0000-000	USD	PTD	Current Period
		C-C-C-C-C			

Journals> Define> Allocations> Formulas

It is the T (Target) and O (Offset) accounts that will be the Debit and Credit of an allocating journal entry.

RECURRING: Recurring entries are setup as repeating entries or masters for journal entries.

Define Recurring Journal Formula (Vision Operations)

Recurring Batch
 Batch: AL_Standing Journals
 Description: []
 Last Executed:
 Period: Feb-08
 Date: 02-FEB-2008
 AutoCopy... []

Journal Entry
 Journal: Bad Debt Exp2
 Category: Adjustment
 Currency: USD []
 Effective Dates:
 From: []
 To: []

Lines [] Generate []

Journals> Entry> Define> Recurring

Journal Entry Line (Vision Operations) - AL_ Standing Journals, Bad Debt Exp2

Line **10** Account **01-000-7730-2103-000**

Line Description
Bad debt Provision for the month of Jan

Account Description
Operations-No Department-Bad Debt-California-No Product

Formula

Step	Operator	Amount	Account	Balance Type	Amount Type
1	Enter		01-000-1210-2103-000	Actual	PTD
2	-		01-000-7740-2103-000	Actual	PTD
3	x	.05			
4	-		01-000-1260-2103-000	Actual	PTD

Journals> Entry> Define> Recurring> Lines

The Account field is the account that will be on this journal entry - All recurring entries must have at least 2 lines. The Line 9999 will always be the offsetting account for the recurring entry:

Journal Entry Line (Vision Operations) - AL_ Standing Journals, Bad Debt Exp2

Line **9999** Account **01-000-1260-2103-000**

Line Description
Provision for D/D

Account Description
Operations-No Department-Allowance for Bad Debt-California-No Product

Formula

Step	Operator	Amount	Account	Balance Type	Amount Type
	Enter				

Journals> Entry> Define> Recurring> Lines

REVERSING: Reversing Entries are created when a Journal Entry has a Period completed in the Reverse field, and then the reversal is Generated.

Journals (Vision Operations) - ERP_Allocation 29-JAN-2008 12:18:19

Journal **ERP_Allocation**

Period **Mar-09** Effective Date **01-MAR-2009**

Category **Allocation** Source **Manual**

Balance Type **Actual** Budget

Reference Date

Description

Reference

Clearing Company Control Total

Conversion

Currency **USD**

Date **01-MAR-2009**

Type **User**

Rate **1**

Status

Posting **Posted**

Funds **Passed**

Approval **N/A**

Reverse

Date

Period **Mar-09**

Method **Switch Dr/Cr**

Status **Not Reversed**

Journals> Entry

CONSOLIDATION: Consolidation Entries are defined in the Consolidation workbench, and dictated by Segment Rules:

Parent Segment	Action	Subsidiary Segment
Company	Use Rollup Rules From	Company
Department	Copy Value From	Dept
Account	Copy Value From	Account
Sub-Account	Not Assigned	
Product	Not Assigned	

Parent Segment	Transfer Level	Using	Subsidiary Segment	Parent Value
01	Detail	Parent	T	

Low	High
00	99

In this example, the Company will replace company 01 with T when consolidations are run, and default the Department and Account from the subsidiary ledger.

Remember that all of the above Journals, as well as Journals created from subsidiary modules, can be changed prior to posting unless the Freeze Journal field is checked for the source:

Source	Description	Require Journal Approval	Freeze Journals	Import Journal References
Payables	Accounts Payable System	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Setup> Journal> Sources

CONCLUSION

Integration within the modules is flexible within Oracle E-Business Suite, allowing numerous defaults and override places. It takes a little detective work to follow the transactions and defaults back to their sources, but is well worth the while to understand the integration as well as correct recurring issues with coding in the General Ledger.

ABOUT MELANIE CAMERON

Melanie Cameron, the EBS Manager for MSS Technologies, is a Funco Techno consultant specializing in Oracle Financials related to SOX, Process Improvements, System Integration, Upgrades, Implementations, and Workflow. Based in Phoenix Arizona, Melanie served on the Board of Directors of the AZOAug for six years and can be found at most Oracle events in the Valley of the Sun. She can be reached at mcameron@msstech.com.