Oracle Payables
Release 11

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Preface

Profile

Before You Begin This Course

Before you begin this course, you should have the following qualifications:

- Thorough knowledge of *Navigating Oracle Applications*.
- Working experience with accounts payables.

Prerequisites

None.

How This Course Is Organized

Oracle Payables Release 11 is an instructor-led course featuring lecture and hands-on exercises. Online demonstrations and written practice sessions reinforce the concepts and skills introduced.

Related Publications

Oracle Publications

Title	Part Number
Oracle Payables User's Guide	A58473-01
Oracle Payables Technical Reference Guide	A58487-01

Additional Publications

- System release bulletins
- Installation and user's guides
- *read.me* files
- International Oracle User's Group (IOUG) articles
- *Oracle Magazine*
- Oracle Applications User's Group (OAUG) proceedings and articles

Typographic Conventions

Typographic Conventions Within Text

Convention	Object or Term	Example
Uppercase	Commands, functions, column names, table names, schemas	Use the SELECT command to view information stored in the LAST_NAME column of the EMP table.
Initial cap	Triggers, windows, check boxes, buttons	Assign a When-Validate-Item trigger to the ORD block. Open the Master Schedule window. Select the Can't Delete Card check box. Click the Executable button.
Lead cap	Graphics labels (unless the term is a proper noun)	Customer address (*but* Oracle Payables)
Italic	Titles of books and courses, emphasized words and phrases, variables	For further information, see *Oracle7 Server SQL Language Reference Manual.* Do *not* save changes to the database. Enter *user_id*@us.oracle.com, where *user_id* is the name of the user.
Bold italic	Term that is defined in a glossary (used only if there is a glossary)	The ***algorithm*** inserts the new key.

Convention	Object or Term	Example

Courier, case sensitive (default is lowercase)	Filenames, directory names, pathnames, URLs, usernames, user input, code output	Filename:
		Locate the `init.ora` file.
		Pathname:
		Open `c:\my_docs\projects` first.
		URL:
		Go to the URL: `http://www.oracle.com`
		Password:
		Use `tiger` as your password.
		Username:
		Log on as `scott`.
		User input:
		Enter `300`.
		`Code output:`
		`The following statement is displayed:`
		`debug.seti('I',300);`

Quotation marks	Lesson and chapter titles in cross-references, interface elements with long names that have only lead caps	This subject is covered in Unit II, Lesson 3, "Working with Objects." Select "Include a reusable module component" and click Finish. Use the "WHERE clause of query" property.
Arrow	Menu path	Select File—>Save.
Brackets	Keycaps	Press [Enter].
Plus signs	Key combinations	Press and hold keys simultaneously: [Control]+[Alternate]+[Delete]
Commas	Key sequences	Press and release keys one at a time: [Alternate], [F], [D]

Typographic Conventions Within Code

Convention	Code	Example
Uppercase	SQL commands and functions	`SELECT userid` `FROM emp;`

Initial cap	Oracle Forms triggers	`Form module: ORD`
		`Trigger level: S_ITEM.QUANTITY item`
		`Trigger name When-Validate-Item`

Lowercase	Column names, table names, filenames, PL/SQL objects	`OG_ACTIVATE_LAYER` `(OG_GET_LAYER (’prod_pie_layer’))`
		`SELECT last_name` `FROM s_emp;`
		`DROP USER scott` `IDENTIFIED BY tiger;`
Italic, lowercase	Syntax variables	`CREATE ROLE` *`role`*

Typographic Conventions in Navigation Paths

This course uses simplified navigation paths, such as the following example, to direct you through Oracle Applications.

Example:

Invoice Batches Summary

(N) Invoice—>Entry—>Invoice Batches Summary (M) Query—>Find
(B) Approve

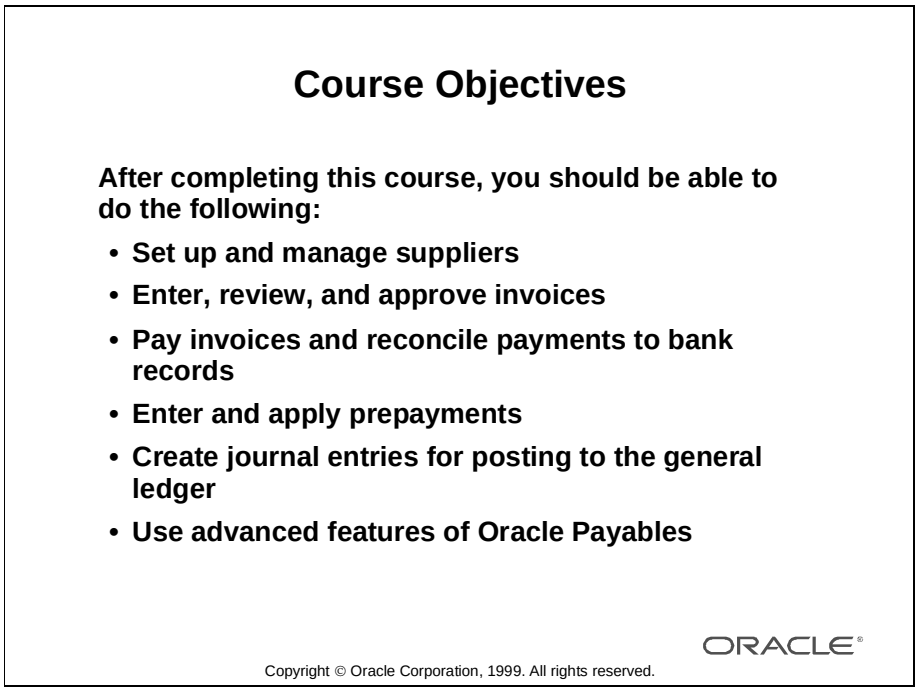
This simplified path translates to the following:

1. (N) From the Navigator window, select Invoice—>Entry—>Invoice Batches Summary.
2. (M) From the menu, select Query—>Find.
3. (B) Click the Approve button.

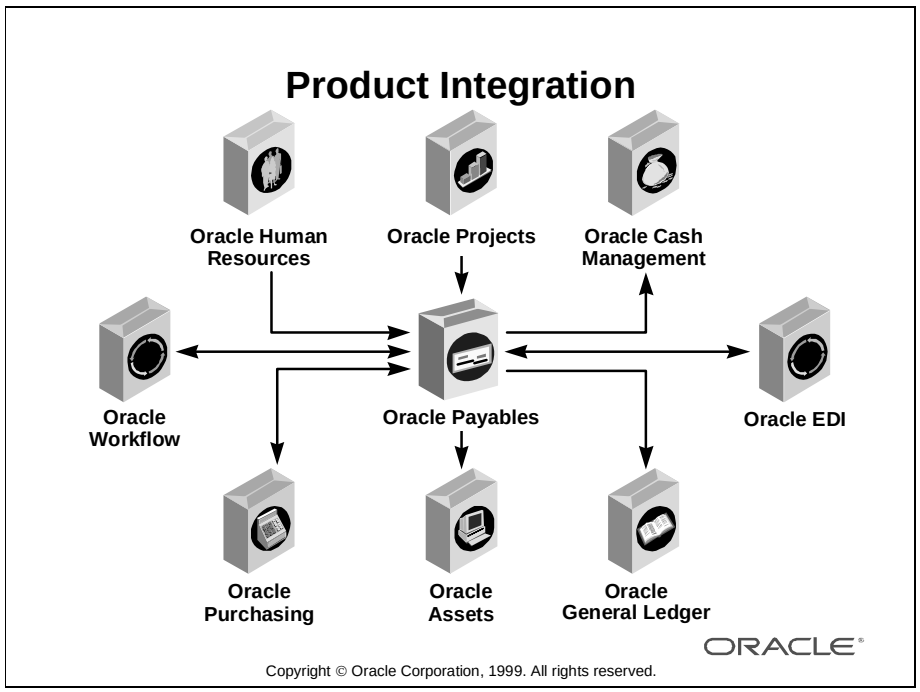
1

Introduction to Oracle Payables Release 11

Course Objectives



Product Integration

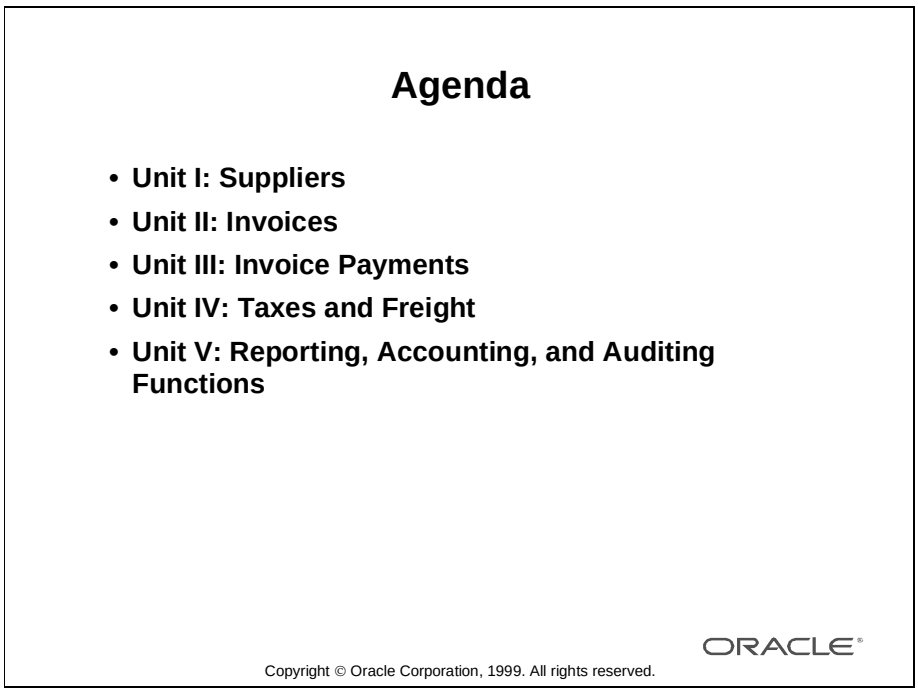


Oracle Payables Integration

Oracle Payables fully integrates with:

- Oracle Human Resources
- Oracle Projects
- Oracle Cash Management
- Oracle EDI
- Oracle General Ledger and other general ledger systems
- Oracle Assets and other fixed assets systems
- Oracle Purchasing and other purchasing systems
- Oracle Workflow

Agenda


Agenda
• Unit I: Suppliers
• Unit II: Invoices
• Unit III: Invoice Payments
• Unit IV: Taxes and Freight
• Unit V: Reporting, Accounting, and Auditing Functions
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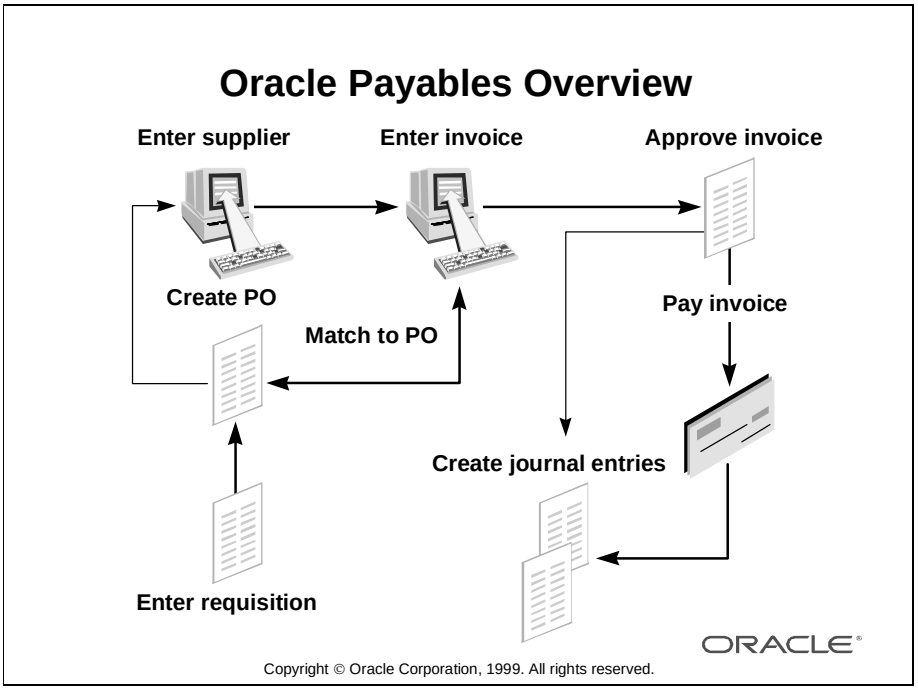
Course Overview



Overview

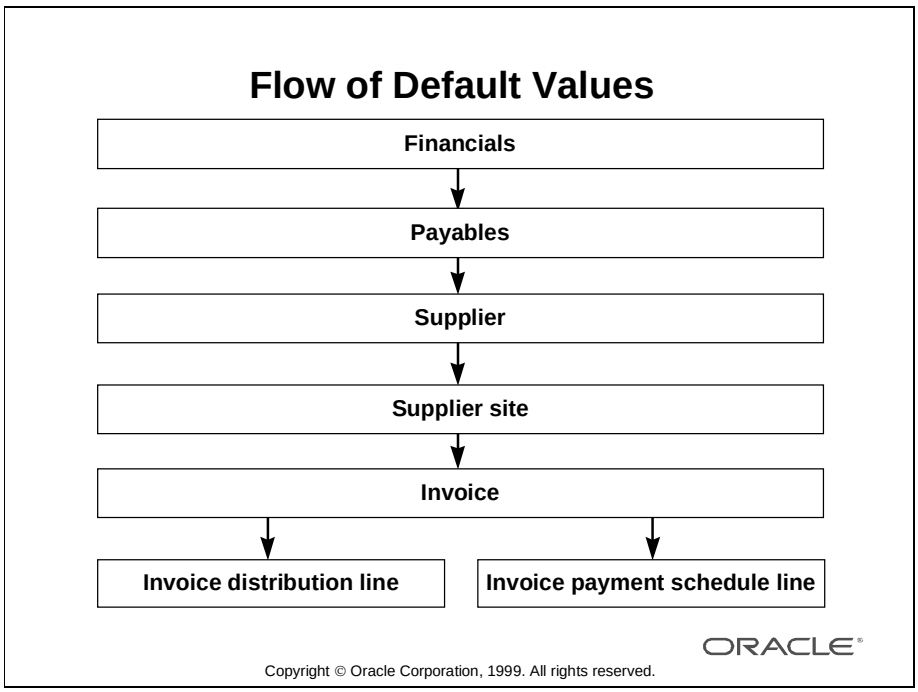
Oracle Payables is a high-productivity accounting solution that helps you maintain strong financial controls. You can maximize supplier discounts, prevent duplicate payments, and pay for only the goods and services you order and receive.

Oracle Payables helps you resolve business issues quickly by providing accurate responses to your inquiries.

Oracle Payables contains four major processes:

- Set up Suppliers: Before entering invoices for a new supplier (vendor), you need to setup the supplier in Oracle Payables or Oracle Purchasing.
- Enter and approve invoices: You can enter and approve invoices individually or in batches.
- Pay invoices: You can also pay approved invoices individually or in batches by check or electronically.
- Post transactions to the general ledger: You can transfer the invoice and payment accounting distributions and audit information to the general ledger interface. You can then use your general ledger system to import this information and create journal entries

Tracing the Flow of Default Values



Overview

Oracle Payables contains a hierarchy of options and defaults to expedite and control data entry. Options and defaults set at one level automatically cascade down to all lower levels in the hierarchy. Although you need to define these options and defaults only once, you can update them at any time to change controls and defaults for future transactions.

You can override options and defaults at lower levels in the hierarchy.

Unit I

.....

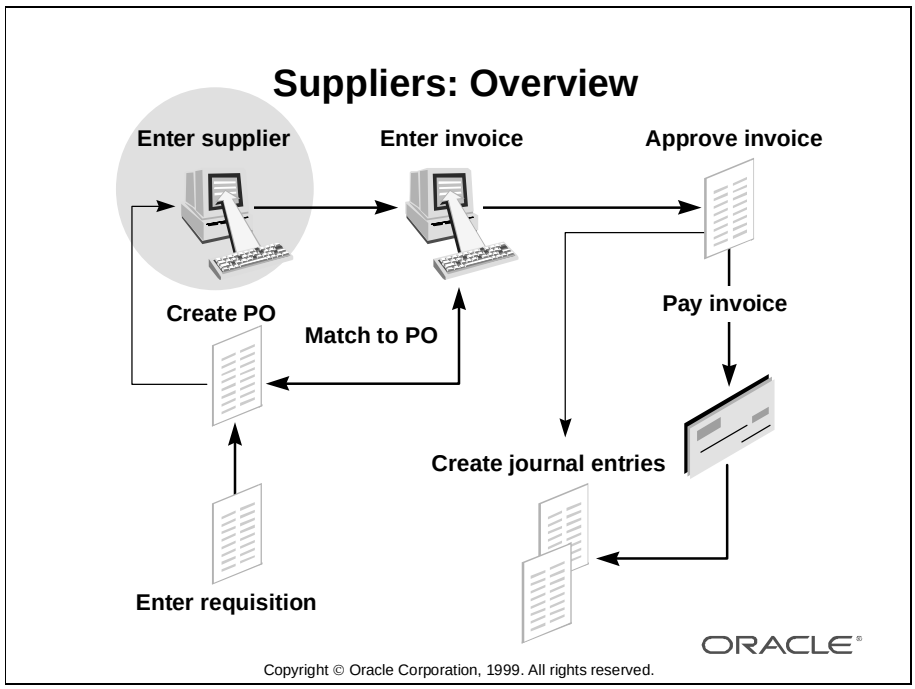
Suppliers

2

Unit I Introduction

Unit Objectives

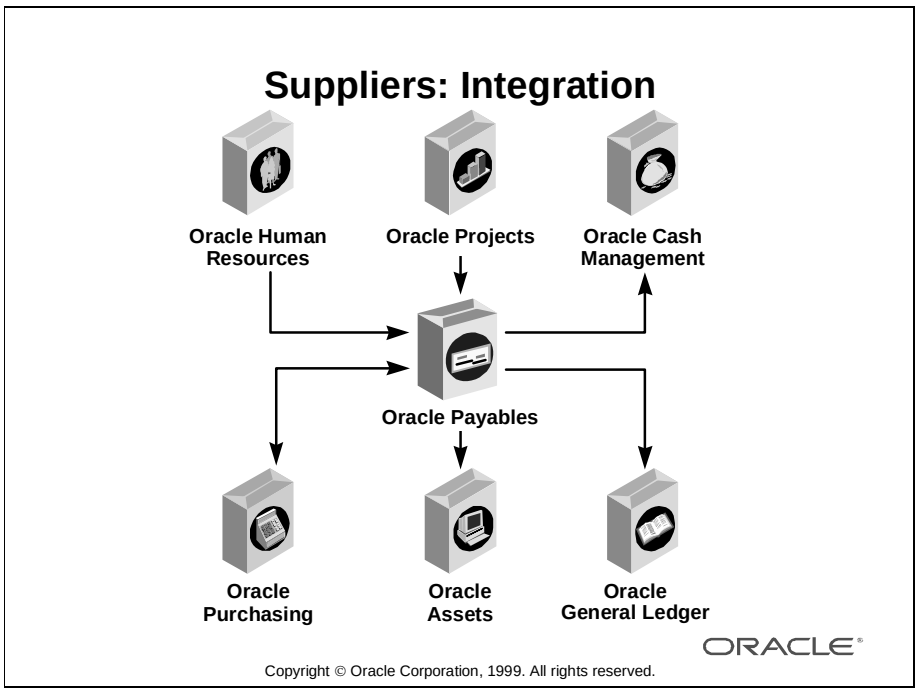
Setting Up Suppliers



Overview

- Set up suppliers in the Suppliers windows to record information about individuals and companies from whom you purchase goods and services.
- When you enter a supplier that does business from multiple locations, you store supplier information only once, and you enter supplier sites for each location.
- Most supplier information automatically defaults to all supplier sites. However, you can override these defaults and enter unique information for each site.
- When you enter a supplier, you can also record information for your own reference, such as the names of contacts or the name of the supplier’s parent company if the supplier is a franchise or subsidiary. The parent company must also be defined as a supplier in the system.

Using Supplier Information



How Oracle Products Use Supplier Information

Three Oracle financial applications use the Supplier windows: Oracle Payables, Oracle Purchasing, and Oracle Assets. If you use more than one of these products, supplier information is shared with the other products.

To enter a purchase order, Oracle Purchasing needs at least one purchasing site. Oracle Purchasing uses supplier and supplier site information to enter default values such as freight terms and shipment method for all of the supplier's purchase orders. By defining receiving control options, you can ensure that products you receive are within the tolerance you specify and the guidelines you choose.

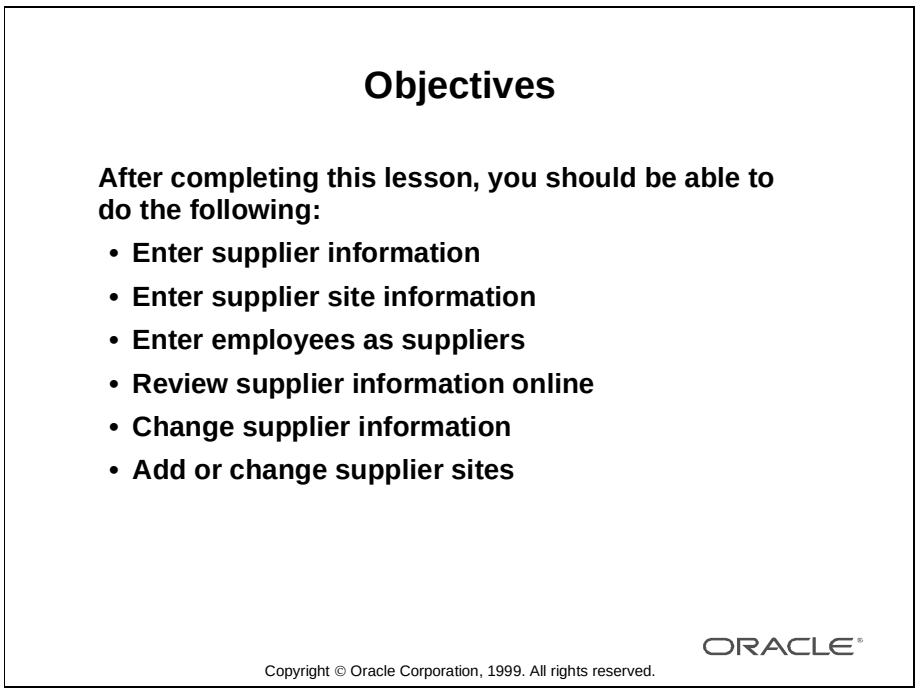
Oracle Assets uses only the supplier name, supplier number, and inactive date information from the Supplier windows.

By enabling the Create Employee as Supplier Payables option when you import the employee's expenses from Oracle Projects, Oracle Payables creates a supplier site with the appropriate address depending on the information you entered in the Enter Person window of Oracle Human Resources.

3

Setting Up Suppliers

Objectives


Objectives
After completing this lesson, you should be able to do the following:
• Enter supplier information
• Enter supplier site information
• Enter employees as suppliers
• Review supplier information online
• Change supplier information
• Add or change supplier sites
ORACLE
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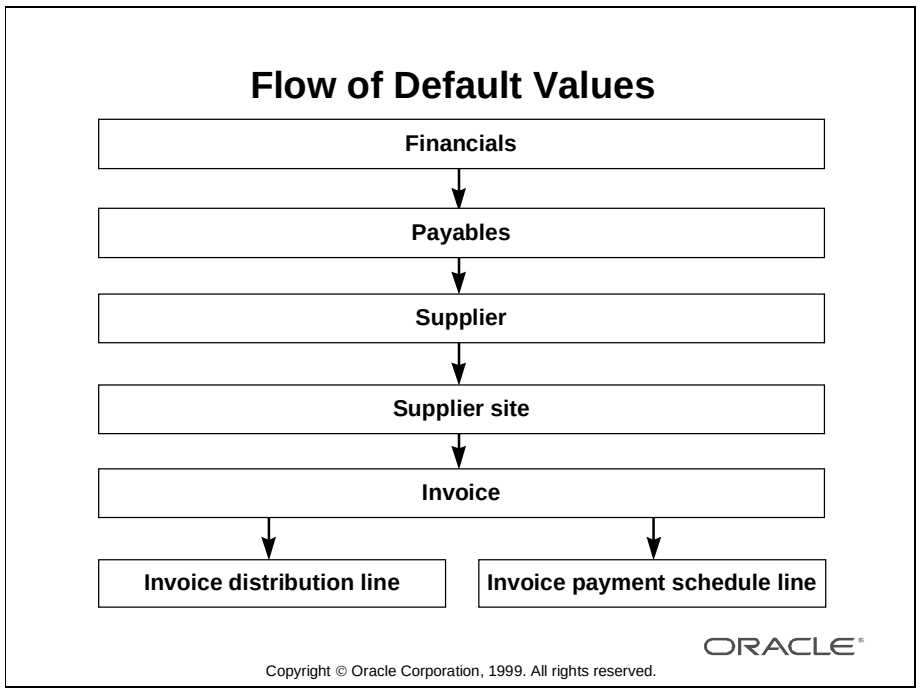
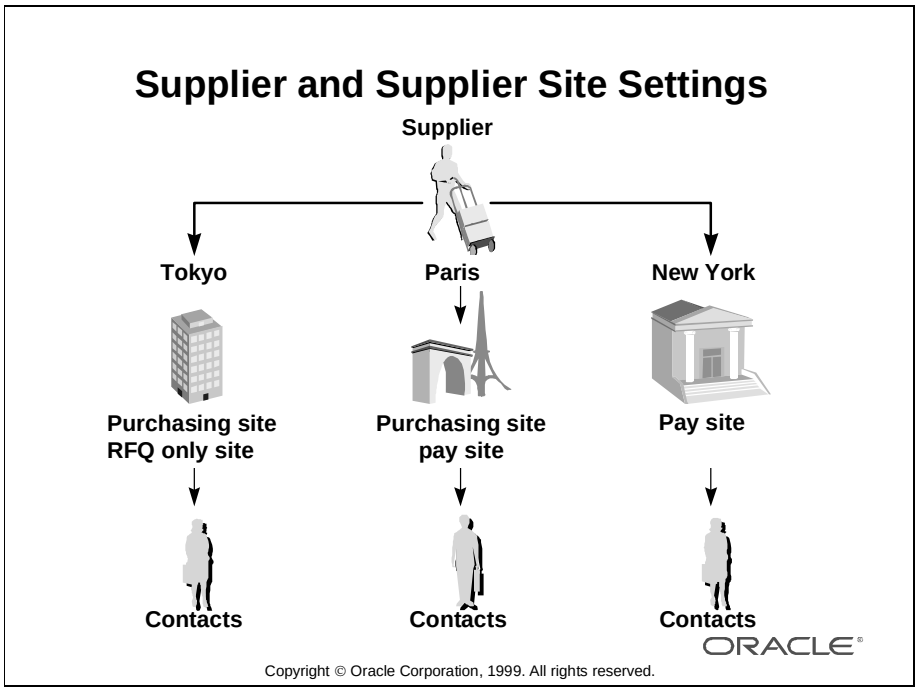
Tracing the Flow of Default Values



Overview

Oracle Payables contains a hierarchy of options and defaults to expedite and control data entry. Options and defaults set at one level automatically cascade down to all lower levels in the hierarchy. Although you need to define these options and defaults only once, you can update them at any time to change controls and defaults for future transactions. You can override options and defaults at lower levels in the hierarchy.

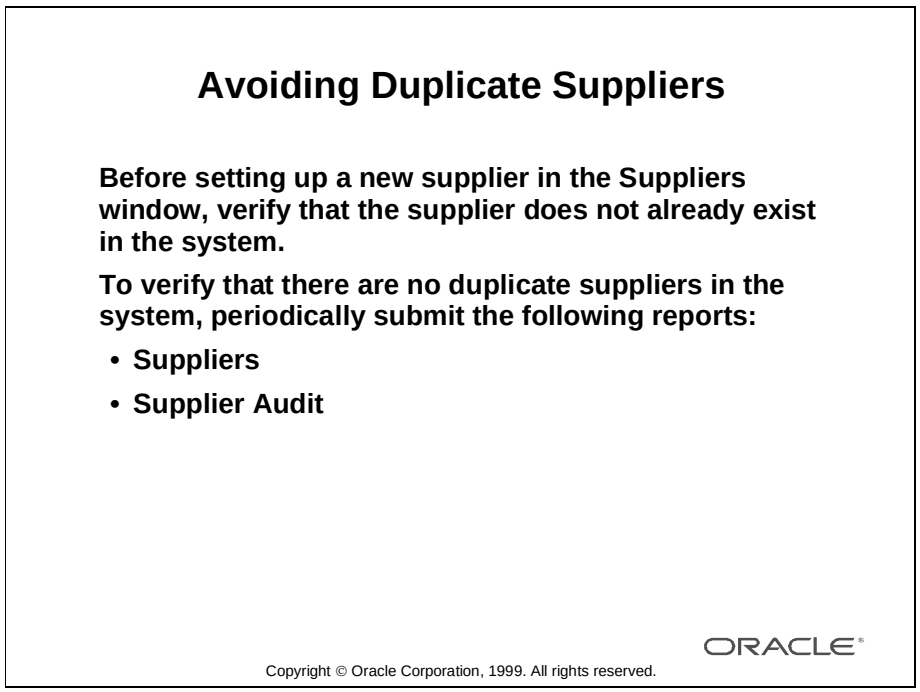
Setting Up Suppliers and Supplier Sites



Overview

- For every supplier, you can create an unlimited number of sites with different addresses and contacts. For example, for a single supplier, you can buy from several different sites and send the payments to only one site.
- You can designate supplier sites as one of the following types:
  - Pay Site: You can only enter an invoice for a supplier site that is designated as Pay Site.
  - Purchasing Site: You can only create purchase orders in a Purchasing Site.
  - RFQ Only Site: In Oracle Purchasing you can only create request for quotations from a Request For Quotations (RFQ) Only Site. You cannot create purchase orders in an RFQ Only Site.
- For every supplier site, you can enter contact information (name, address, and telephone number) specific to that site. Contact information is for your reference only and is not used by the system.

Avoiding Duplicate Suppliers

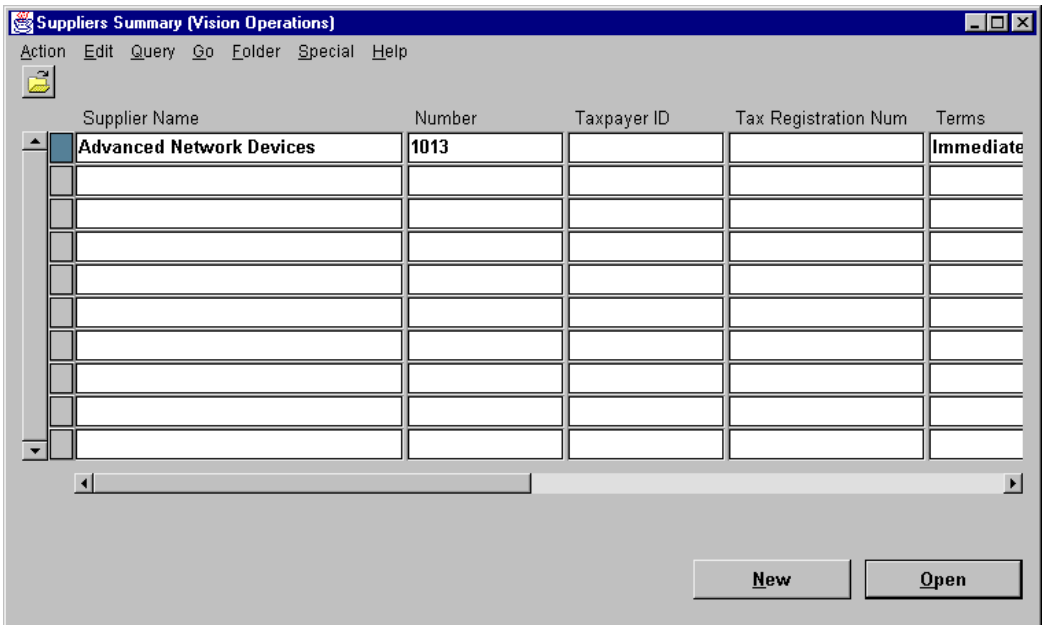


Overview

Before setting up a new supplier, verify that the supplier does not already exist in the system. The verification eliminates the possibility of having duplicate suppliers and invoices in the system and improves the system performance.

- Perform a Find or Query on the supplier name.
- Submit a Suppliers Report.
- Submit a Supplier Audit Report to obtain a listing of suppliers whose names are the same up to a specific number of characters.
- Compare the supplier name with the names on these reports to ensure that the supplier does not already exist in the system.

Entering Basic Supplier Information

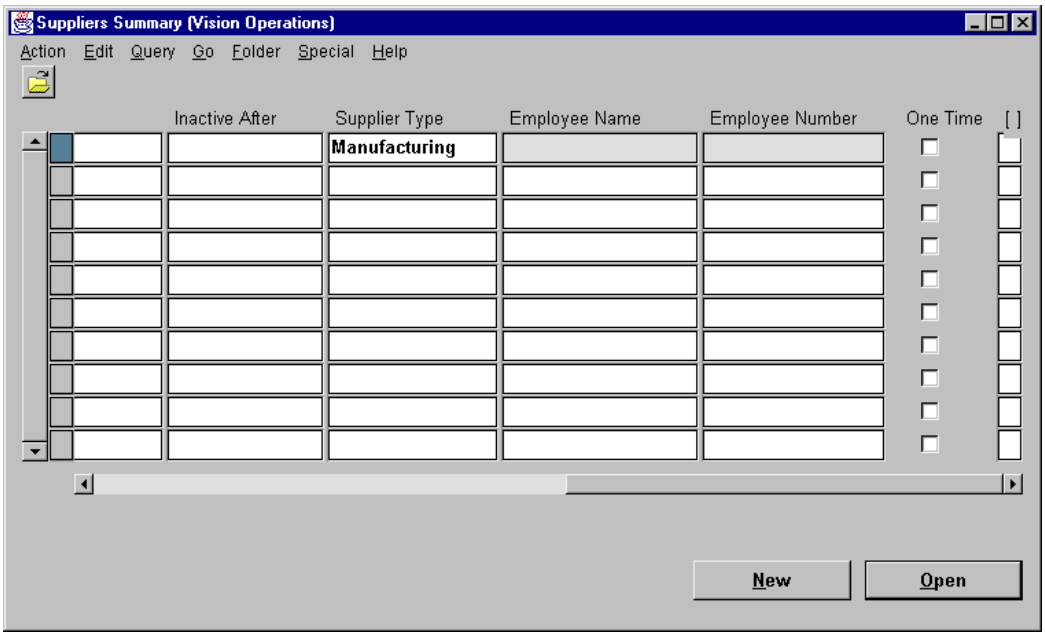


Suppliers Summary

(N) Suppliers—>Entry

How to Enter Basic Supplier Information

1. After verifying that a supplier does not already exist, set up a new supplier with a unique name in the Suppliers Summary or the Suppliers window. Use a naming convention to prevent future duplications (for example, Oracle Corporation, not Oracle Corp.).
2. If you do not enable the Automatic Supplier Numbering option in the Financials Options window, enter a unique supplier number.
3. Optionally, enter the Taxpayer ID, usually the tax identification number (TIN) for a company or the social security number for an individual.
4. If you are entering a value-added tax (VAT) supplier, optionally enter the VAT registration number in the Tax Registration Num field.
5. In the Terms field, select the term you want to assign to the supplier.



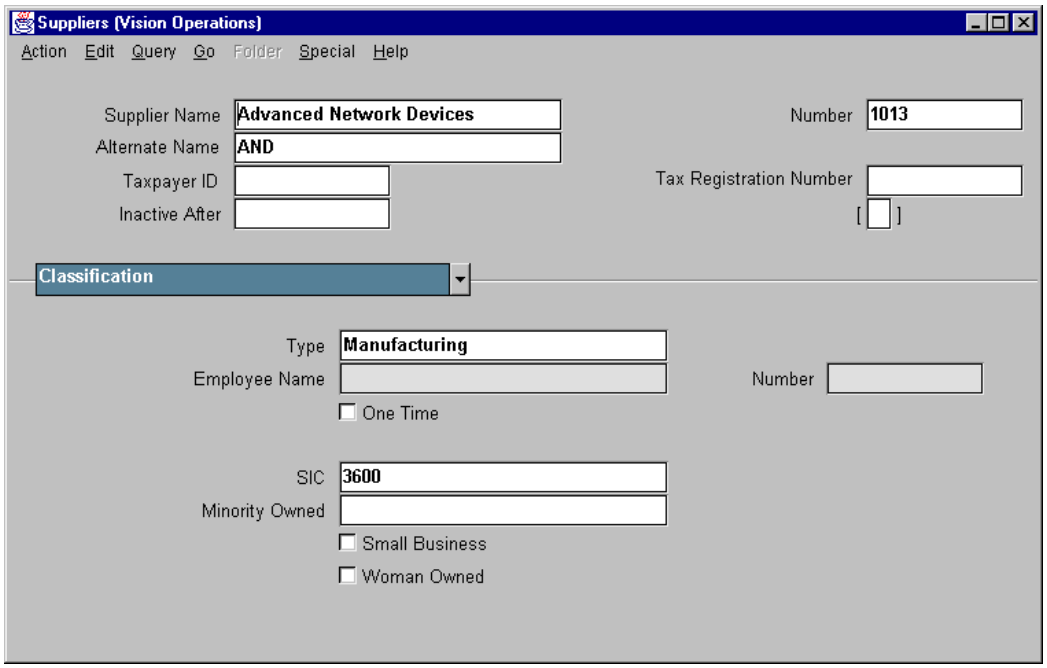
How to Enter Basic Supplier Information (continued)

6 To prevent invoice or purchase order entry for this supplier after a certain date, enter the inactive date in the Inactive After field.

7 Select a supplier type from the Supplier Type list of values to group the supplier for reporting purposes. If you are entering an employee as a supplier, you must select Employee in this field.

8 If you do not expect to do repeat business with a supplier, select the One Time check box.

Entering Detailed Supplier Information



Suppliers: Classification Region

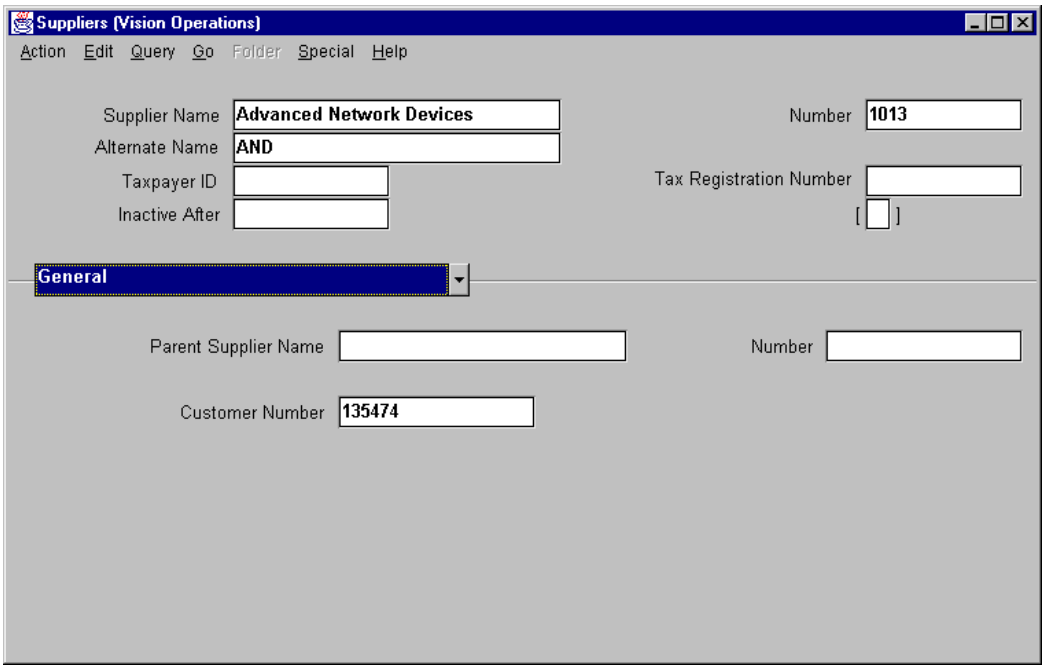
(N) Suppliers—>Entry (B) Open

How to Enter Supplier Information in the Classification Region

Except for Type and Employee name, classification information is not used by the system and is for your reference only.

In the United States, customers often use this region to classify their suppliers for government reporting purposes. For example, some customers receive certain government contracts only if a percentage of their suppliers are classified in certain categories.

1. In the SIC field, enter the standard industry code (SIC) for your supplier.
2. In the Minority Owned field, select the type of minority-owned business from the list of values.
3. If you want to track business with small companies, select the Small Business check box.
4. If you want to track business with companies owned by women, select the Woman Owned check box.



Suppliers: General Region

(N) Suppliers—>Entry (B) Open

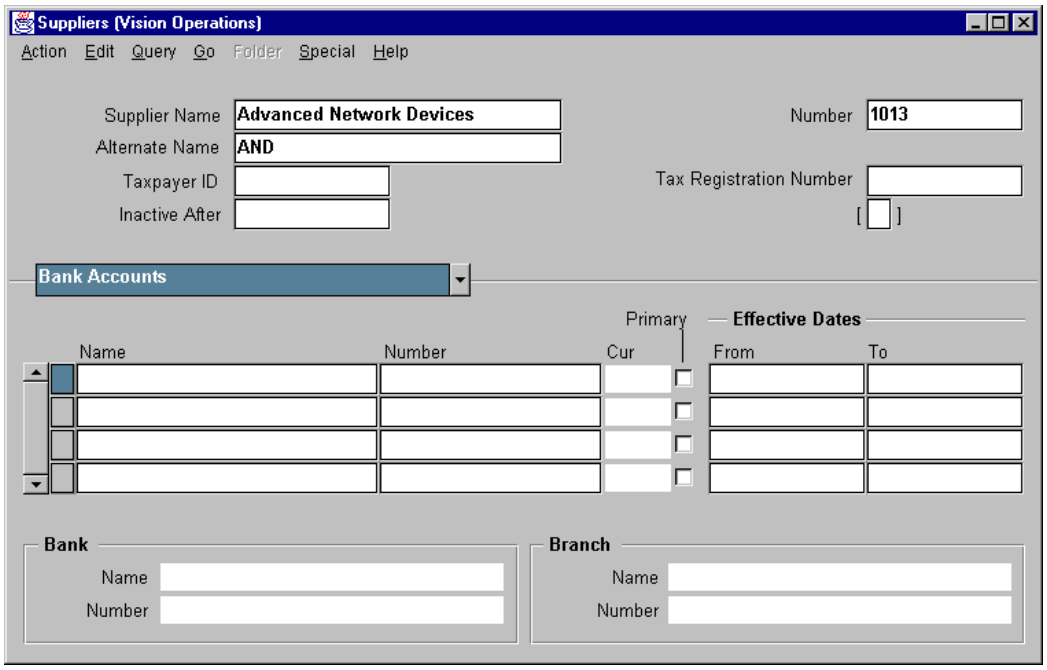
How to Enter Supplier Information in the General Region

Define parent/subsidiary relationships in the General region.

1. In the Parent Supplier Name field, enter the name of the supplier's parent company if the supplier is a franchise or subsidiary. The parent company must be defined as a supplier in the system first.

   In the Number field, the system displays the parent supplier number.

2. In the Customer Number field, enter the number that your supplier uses to identify your company or organization. This number appears on the Oracle Purchasing standard purchase orders.



Suppliers: Bank Accounts Region

(N) Suppliers—>Entry (B) Open

How to Enter Supplier Information in the Bank Accounts Region

Use the Bank Accounts region to record the supplier bank accounts information that you use for making electronic payment transactions.

Prerequisite: In the Bank Accounts window, define the bank accounts for which your supplier is the account holder.

1. In the Name field, select the name of the bank account.

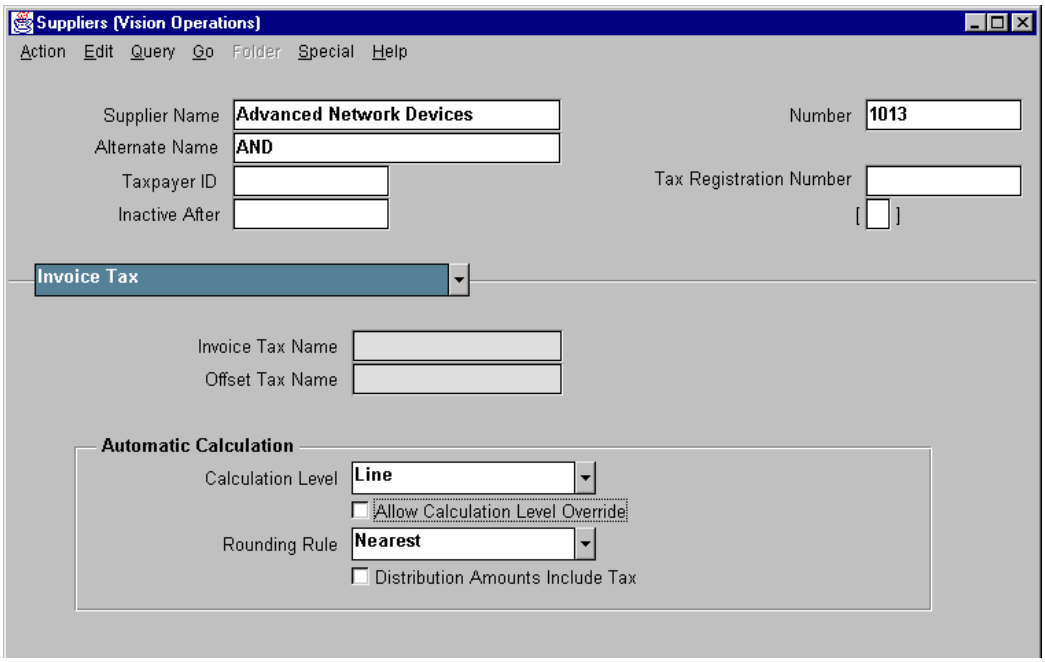
   In the Number field, Oracle Payables displays the bank account number.

   In the Cur field, Oracle Payables displays the currency for the bank account.

2. Select the Primary check box if you want to use this bank account as a default when you pay this supplier electronically.

3. In the Effective Dates From and To fields, enter dates to limit the time during which a supplier site uses this bank account as the primary bank account for receiving electronic payments.

   Oracle Payables displays the supplier's bank and branch information in the Bank and Branch fields.



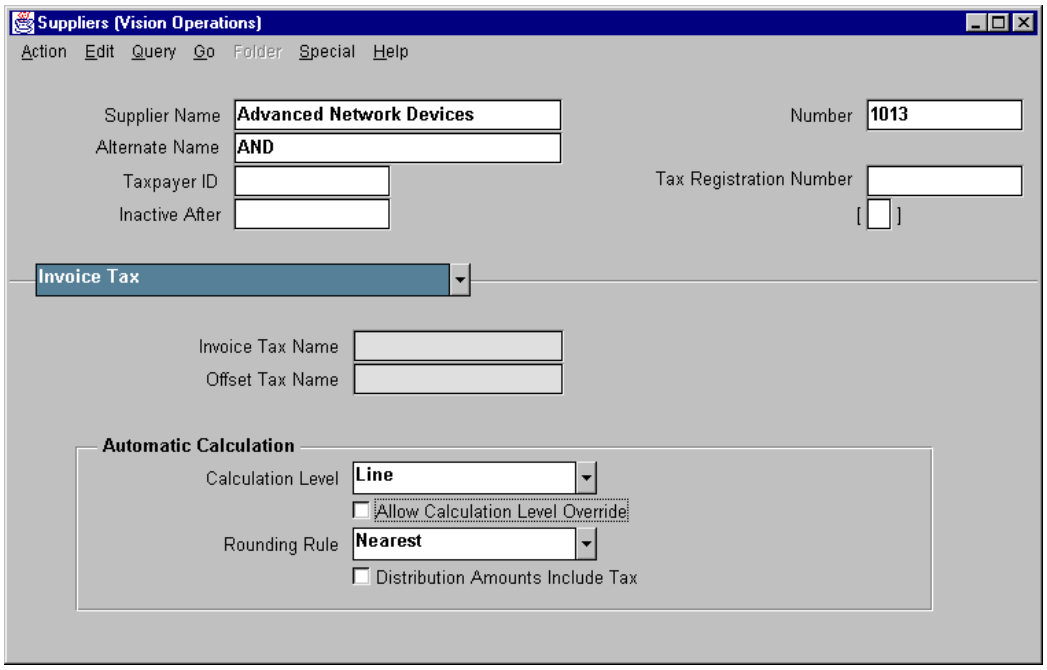
Suppliers: Invoice Tax Region

(N) Suppliers—>Entry (B) Open

How to Enter Supplier Information in the Invoice Tax Region

1. In the Invoice Tax Name field, select the tax name that represents the tax charges you generally receive on invoices from the supplier.
2. In the Offset Tax Name field, select a tax name that is used in conjunction with a value added taxes (VAT) invoice tax name for reporting intra-EU VAT charges. on invoices.

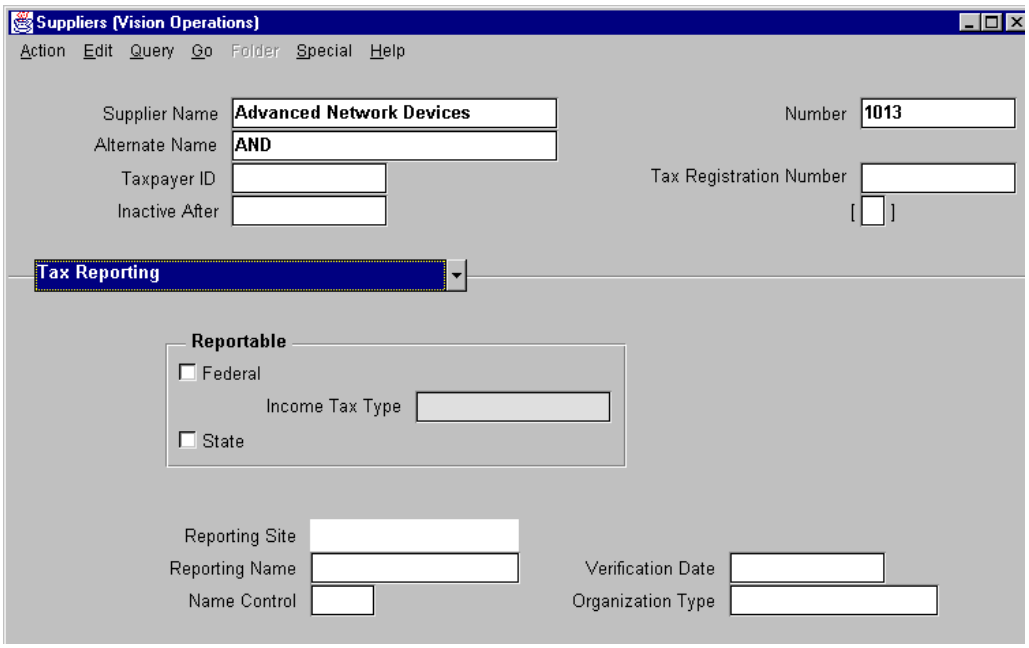
   Note: If you use the Multiple Organization feature, you can enter values in the Invoice Tax Name and Offset Tax Name fields only at the supplier site level.
3. Select the appropriate Calculation Level at which you want Oracle Payables to automatically calculate taxes.
   - Header: Automatically create tax distributions based on the invoice amount and tax name.
   - Line: Automatically create tax distributions based on the distribution amount, tax name.
4. Select the Allow Calculation Level Override check box if you want to allow updates of the default value of the Calculation Level option for the supplier sites.



How to Enter Supplier Information in the Invoice Tax Region (continued)

5 In the Rounding Rule field, select the method that you want the system to use to round the tax amount. You can select Up to round up, or round Down to round down, or round Nearest to round to the nearest.

6 Select the Distribution Amounts Include Tax check box, if you have selected Line as your Calculation Level, and if you want Oracle Payables to make an inclusive tax calculation where the calculated tax amount is subtracted from the item distribution lines.



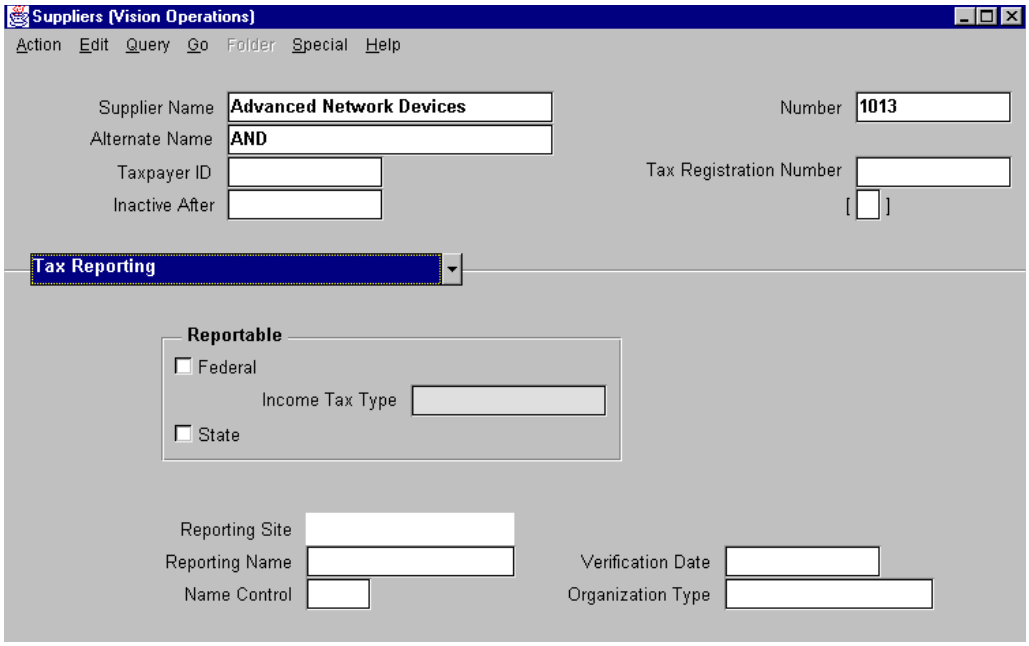
Suppliers: Tax Reporting Region

(N) Suppliers—>Entry (B) Open

How to Enter Supplier Information in the Tax Reporting Region

1. Identify a supplier as Federal and State reportable by selecting the appropriate check box.
2. In the Income Tax Type field, select the appropriate tax type for the supplier.

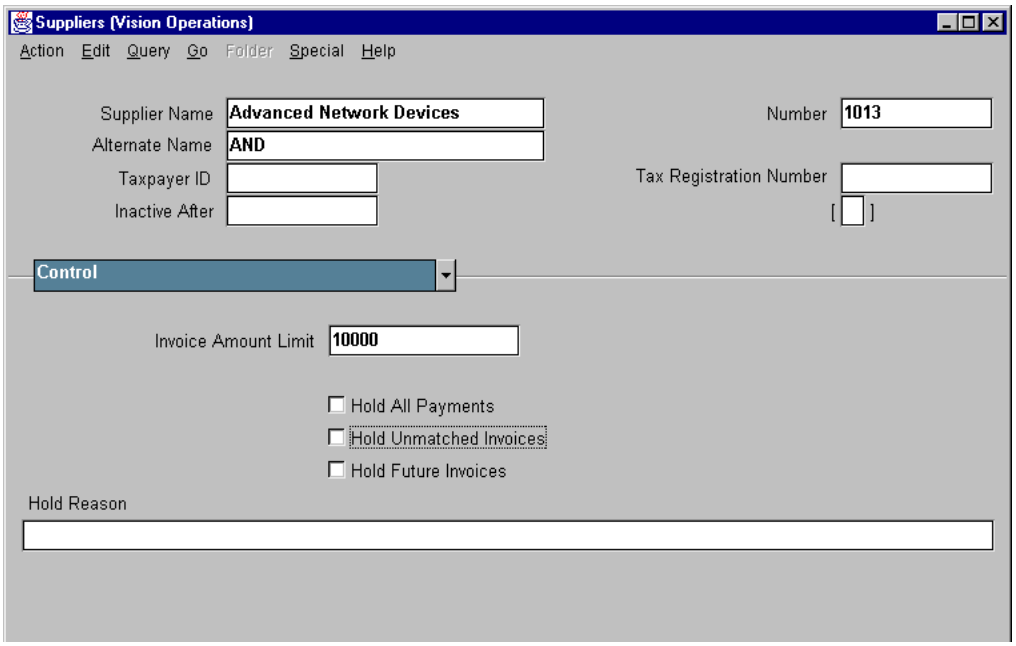
   In the Reporting Site field, Oracle Payables displays the supplier site that you chose as the income tax reporting site. For income tax reporting purposes, Oracle Payables requires a tax reporting site for each 1099 supplier. You can only choose one supplier site as the income tax reporting site for a supplier.
3. Reporting Name: This field is required only if the tax reporting name for the supplier differs from the supplier name. Oracle Payables prints this name, instead of the supplier name, on all 1099 reports for the supplier.
4. Name Control: Enter the first four characters of the last name of the 1099 supplier in this field. Oracle Payables displays the Name Control you enter here when you create the 1099 Tape for federally reportable suppliers.



How to Enter Supplier Information in the Tax Reporting Region (continued)

5 In the Verification Date field, enter the date on which you received tax verification from the supplier. In Oracle Payables you can submit Tax Information Verification Letters for your suppliers. Oracle Payables prevents the generation of any further letters to a supplier after the verification date.

6 In the Organization Type field, select the type of organization for this supplier. The United States Internal Revenue Service (IRS) requires this information if you use magnetic media to file your 1099 tax information.



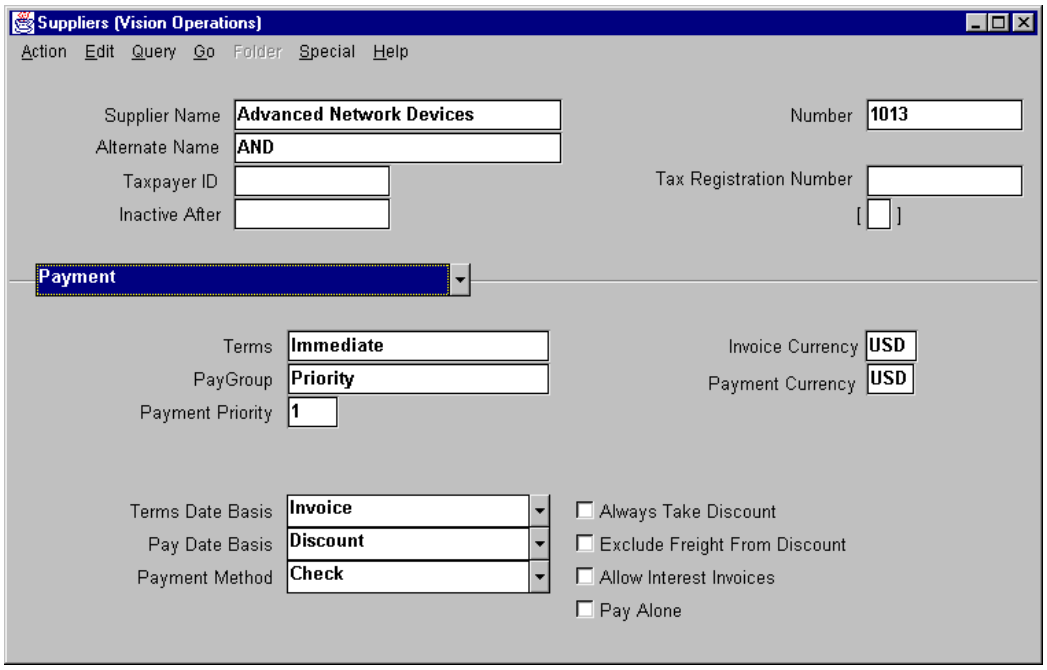
Suppliers: Control Region

(N) Suppliers—>Entry (B) Open

How to Enter Supplier Information in the Control Region

You can prevent payment of multiple supplier invoices by applying a hold to the supplier rather than on each individual invoice. There are several types of supplier related holds that you can select for a supplier.

1. Invoice Amount Limit: If you enter an invoice that exceeds the invoice amount limit specified in this field, Oracle Payables applies an Amount hold to the invoice during approval.
2. By selecting the Hold All Payments check box, you prevent the supplier from being selected for payment during a payment batch or for a Quick payment.
3. By selecting the Hold Unmatched Invoices check box, you do not match an invoice to a purchase order (and instead enter distributions manually or with a distribution set), Oracle Payables places a Matching Required hold on the invoice during approval.
4. By selecting the Hold Future Invoices check box, Oracle Payables automatically applies a Supplier hold to all new invoices entered for the supplier. However, you can pay invoices that were entered before selecting this option.
5. In the Hold Reason field, specify the reason that you are applying an invoice hold to invoices.



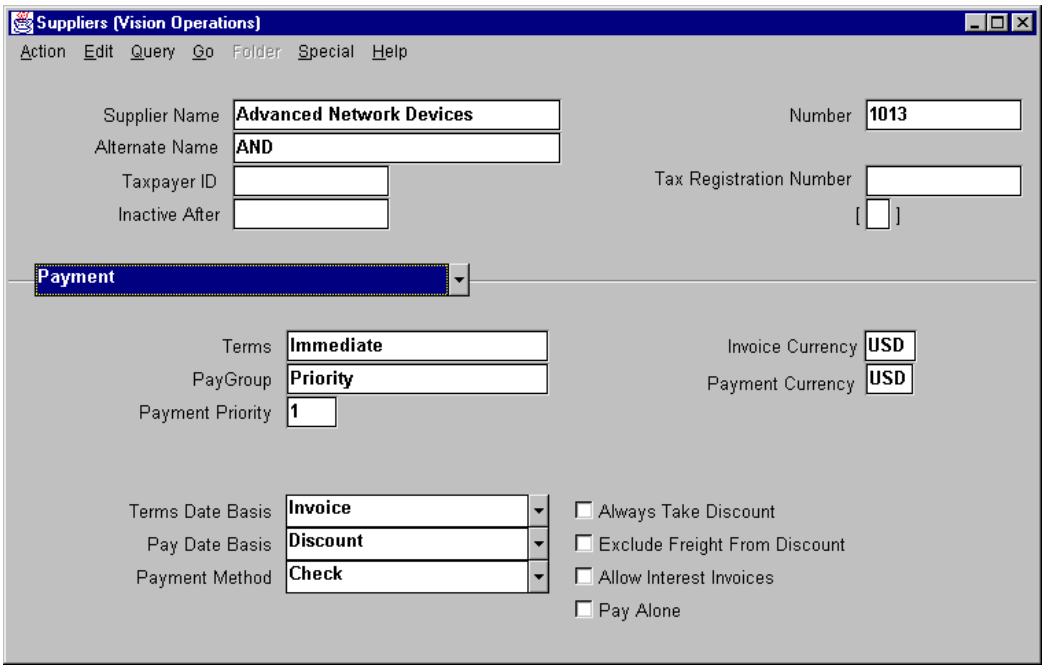
Suppliers: Payment Region

(N) Suppliers—>Entry (B) Open

How to Enter Supplier Information in the Payment Region

The defaults in the Payment region come from the defaults that you enter in the Financials Options window, except for the default for Pay Group, which comes from the Payables Options window.

1. In the Terms field, select a payment term for the supplier. Oracle Payables uses payment terms to calculate due dates, discount dates, and discount amounts for each invoice.
2. In the Pay Group field, assign a Pay Group to the supplier. When you create a payment batch, you can choose a Pay Group to pay a category of suppliers or invoices at the same time.
3. In the Payment Priority field, enter a number, between 1 (high) and 99 (low), that represents the priority of payment.
4. In the Invoice Currency field, select the invoice currency for the supplier. The invoice currency is used as a default for the Purchasing documents and Oracle Payables transactions that you enter for a supplier.

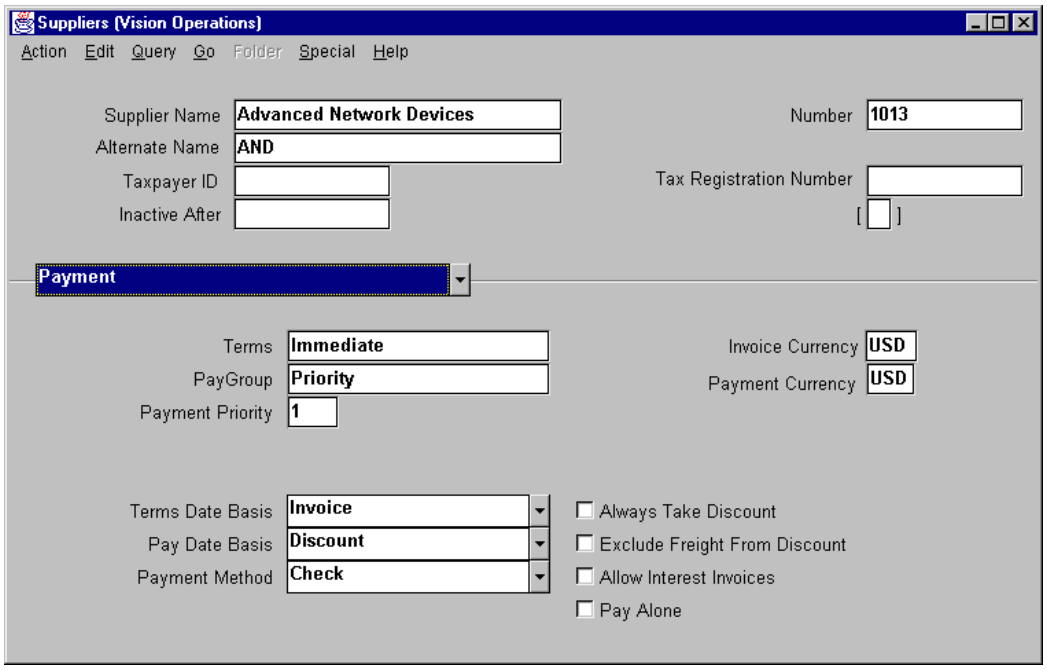


How to Enter Supplier Information in the Payment Region (continued)

5 In the Terms Date Basis field, select the date from which Oracle Payables calculates a scheduled payment for a supplier.

- If you select Current, when you enter invoices, Oracle Payables defaults the current date as the terms date.
- If you select Goods Received, when you enter invoices, Oracle Payables prompts you to enter the date on which you received the goods for an invoice as the terms date.
- If you select Invoice, when you enter invoices, Oracle Payables defaults the invoice date as the terms date.
- If you select Invoice Received, when you enter invoices, Oracle Payables prompts you to enter the date on which you received an invoice as the terms date.

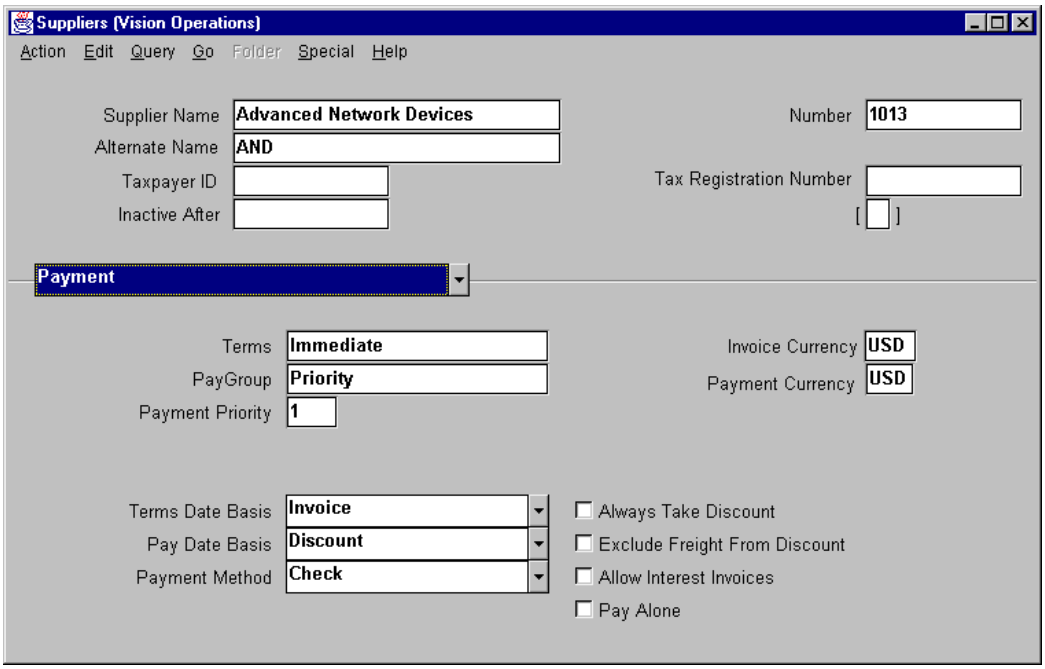
6 In the Pay Date Basis field, select Due or Discount as the pay date basis for the supplier. The pay date basis determines the pay date for the supplier's invoices.



How to Enter Supplier Information in the Payment Region (continued)

7 In the Payment Method field, select the method you use most frequently to pay the supplier's invoices:

- If you select Check, you can pay with a manual payment, a Quick payment, or in a payment batch.
- If you select Electronic, you pay electronic payments either through the EDI Gateway or by delivering a payment batch file to your bank.
- If you select Wire, you can manually record an external wire transfer of funds between your bank and your supplier's bank.
- If you select Clearing, you can record invoice payments to internal suppliers.
- If you select Future Dated, you can create payments with a future date that instructs your bank when to disburse funds to your supplier's bank (for example, a bill of exchange).
- If you select Manual Future Dated, you can disburse funds to a supplier who sends an invoice with a payment notice attached. You approve the supplier's payment notice, which includes a future payment date, and send it to your bank.



How to Enter Supplier Information in the Payment Region (continued)

8 In the Invoice Currency field, select the default currency for all supplier invoices.

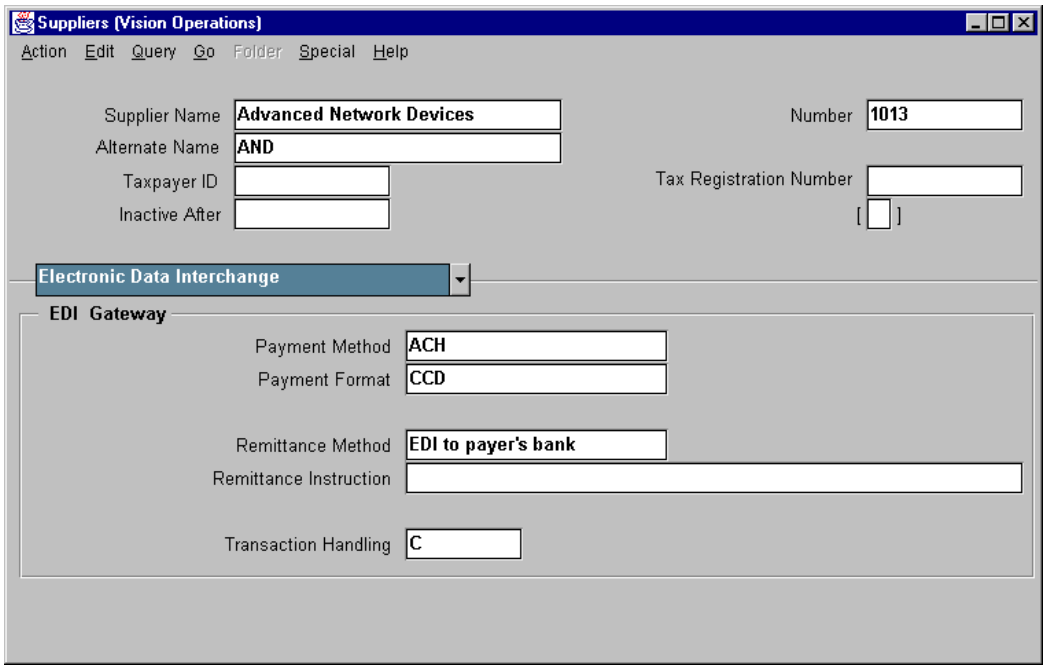
9 In the Payment Currency field, select the default currency for payments to the supplier.

10 Always Take Discount: Select this option to have Oracle Payables always take the available discount for a supplier, regardless of when you pay the invoice.

11 Exclude Freight From Discount: If this option is selected, Oracle Payables automatically subtracts the freight amount from the invoice amount when calculating the invoice amount subject to discount.

12 Allow Interest Invoices: If you select this option, Oracle Payables calculates interest for the supplier's overdue invoices and creates corresponding interest invoices when you pay the overdue invoices. You can select this option, if you have already selected the Allow Interest Invoices check box in the Payables Options window.

13 Pay Alone: If you select this option, Oracle Payables creates a separate payment for each invoice. If the Pay Alone option is not selected, all invoices for the same supplier site are paid on a single payment.



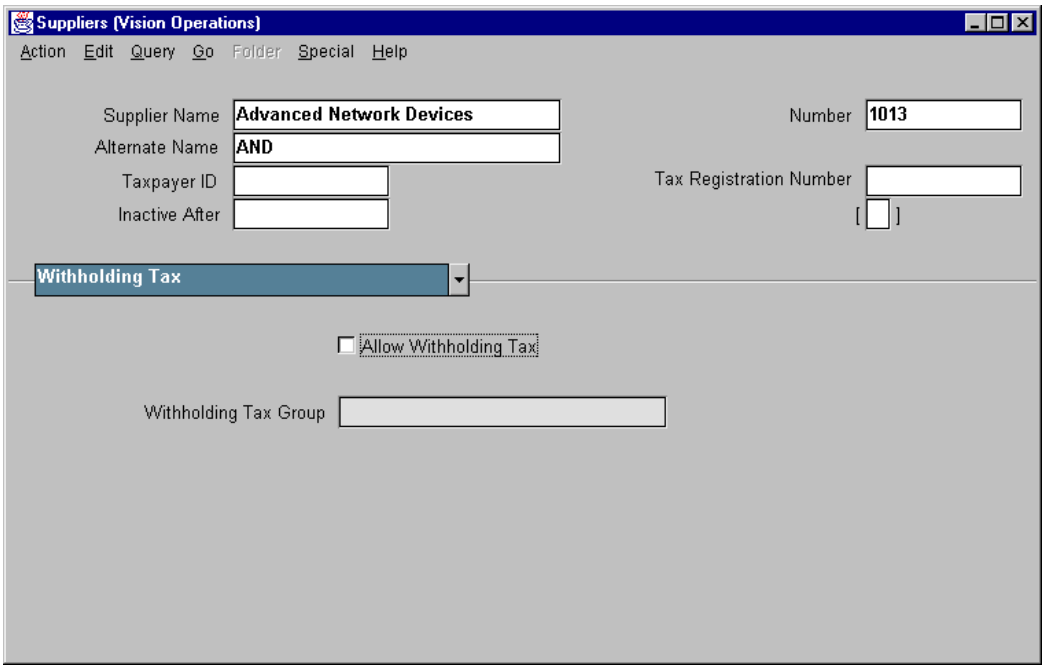
Suppliers: Electronic Data Interchange

(N) Suppliers—>Entry (B) Open

How to Enter Supplier Information in the Electronic Data Interchange Region

This region is accessible only when you select Electronic as the payment method in the Payment Region of this window.

1. In the Payment Method field, indicate how the electronic payment is to be made.
2. In the Payment Format field, indicate the type of information that is transmitted with the funds if the Payment Method is ACH.
3. In the Remittance Method field, indicate which party is responsible for sending the remittance advice to the payee.
4. In the Remittance Instruction field, you can enter the specific wire or other electronic payment instructions for an intermediary or recipient financial institution.
5. In the Transaction Handling field, select one of standard EDI transaction codes.



Suppliers: Withholding Tax Region

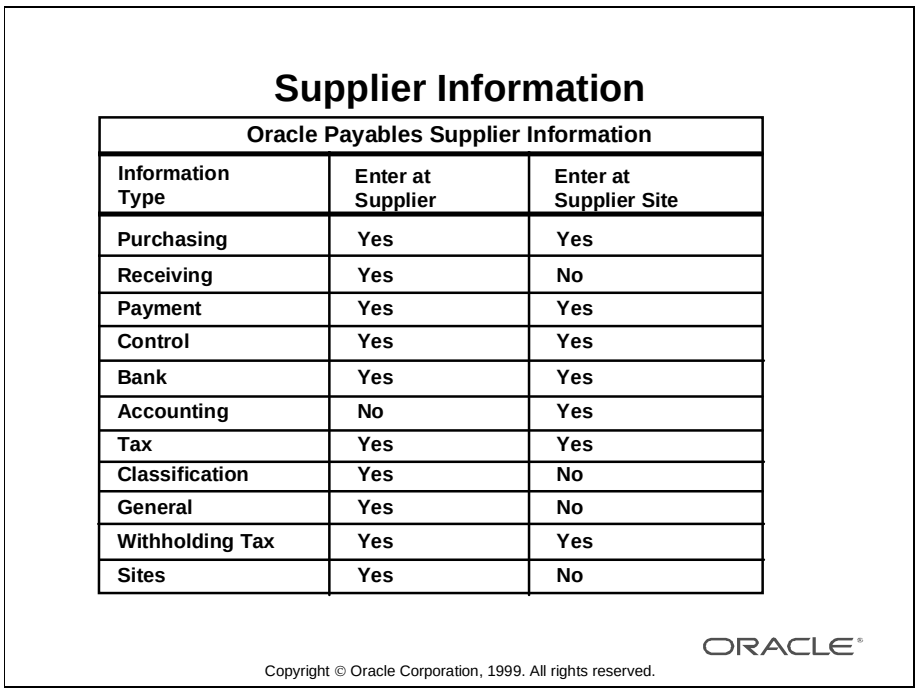
(N) Suppliers—>Entry (B) Open

How to Enter Supplier Information in the Withholding Tax Region

Use this region to enter withholding tax information for a supplier and supplier site. You have access to this region only if you selected the Use Withholding Tax check box in the Payables Option window. The options that you select for a supplier default to the new supplier sites that you enter and then default to invoices that you enter for the site.

1. Select the Allow Withholding Tax check box to allow withholding taxes for the supplier and supplier site. If you do not allow withholding tax for a supplier, you cannot allow withholding tax for any of the supplier's sites. As a result, you cannot withhold taxes for any invoices entered for this supplier site.
2. In the Withholding Tax Group field, select a default withholding tax group to assign to all invoices for the supplier site.

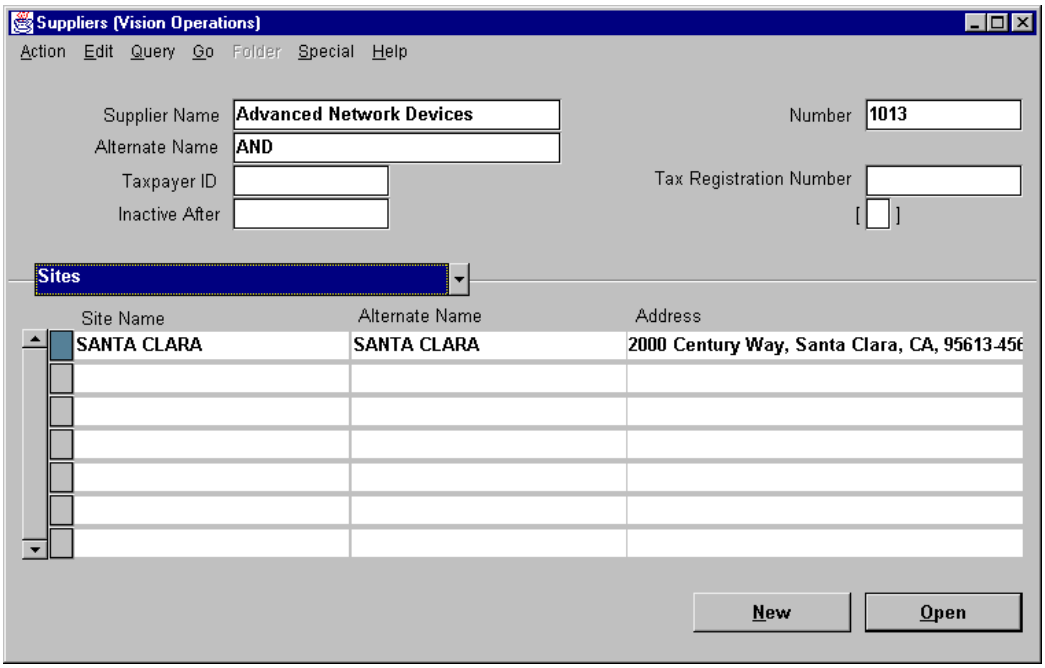
Entering Information at the Supplier Site Level



Overview

Except for Receiving, Classification, General, and Sites categories, all categories of information that are entered at the supplier level can also be entered at the supplier site level. The information that you enter at the supplier level cascades down to all supplier sites. Note that Accounting information is entered only at the supplier site level.

Entering Basic Supplier Site Information



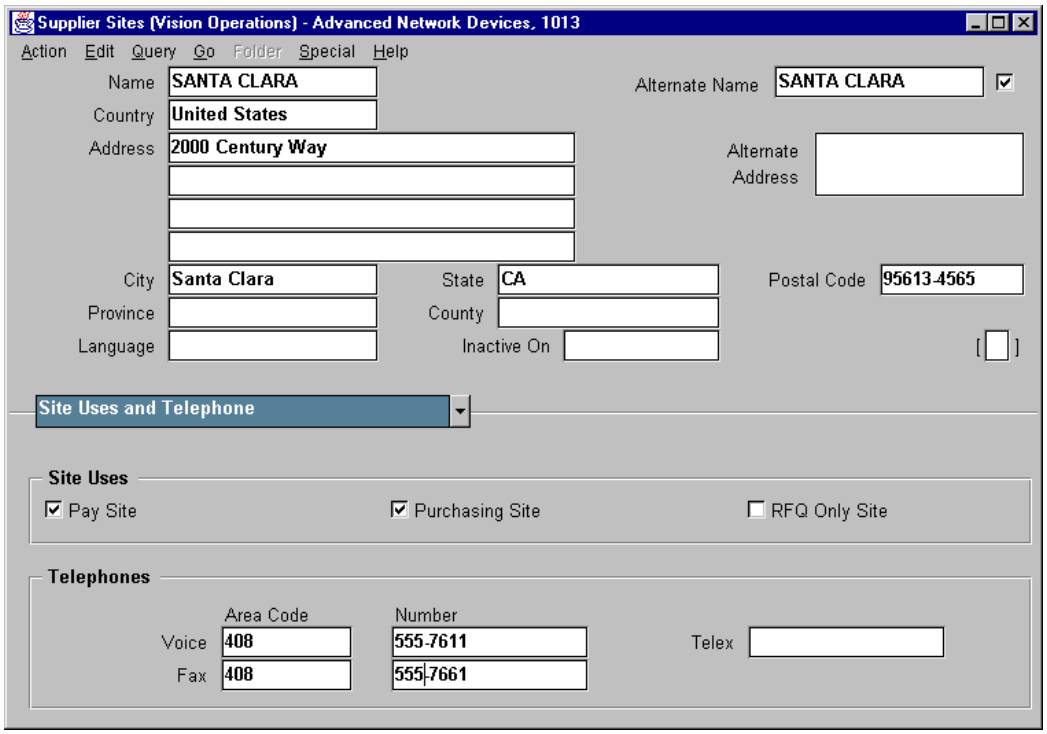
Suppliers: Sites Region

(N) Suppliers—>Entry (B) New

How to Enter Basic Supplier Site Information

1. Enter the supplier site names. To distinguish between a supplier's sites, the site names should be unique (for example, city name or branch name). The site name is for your reference when you select a supplier site from a list of values during transaction entry and will not appear on documents that you send to the supplier.
2. Enter the supplier site address.

Entering Detailed Supplier Site Information

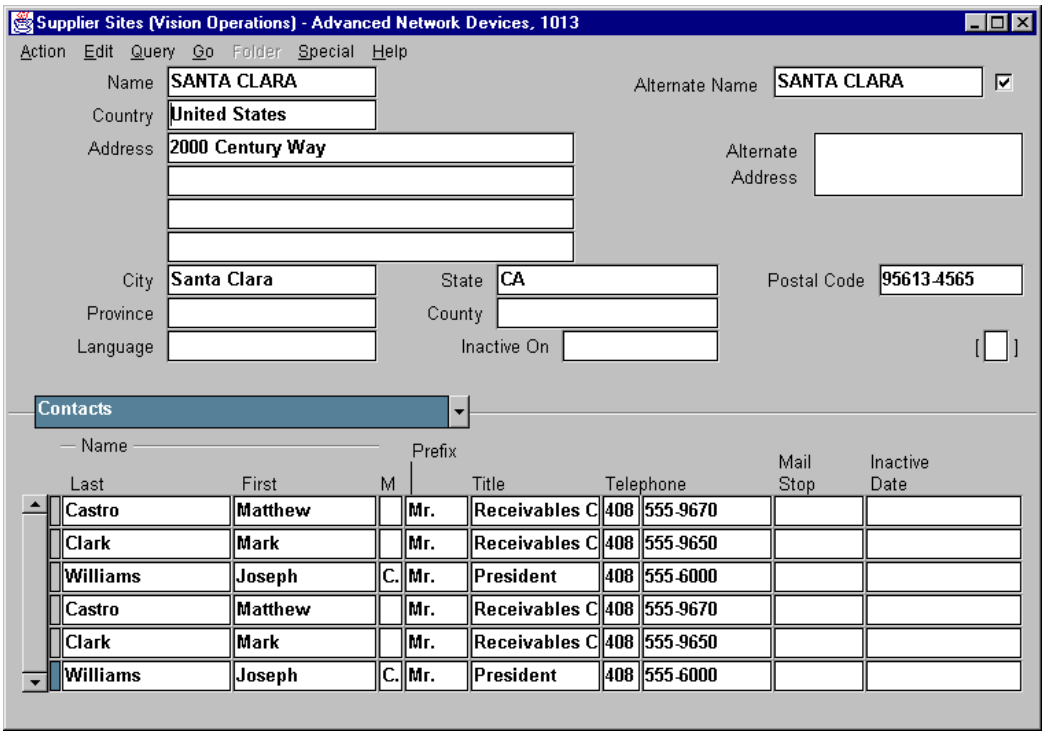


Supplier Sites: Site Uses and Telephone Region and Contact Region

(N) Suppliers—>Entry (B) New

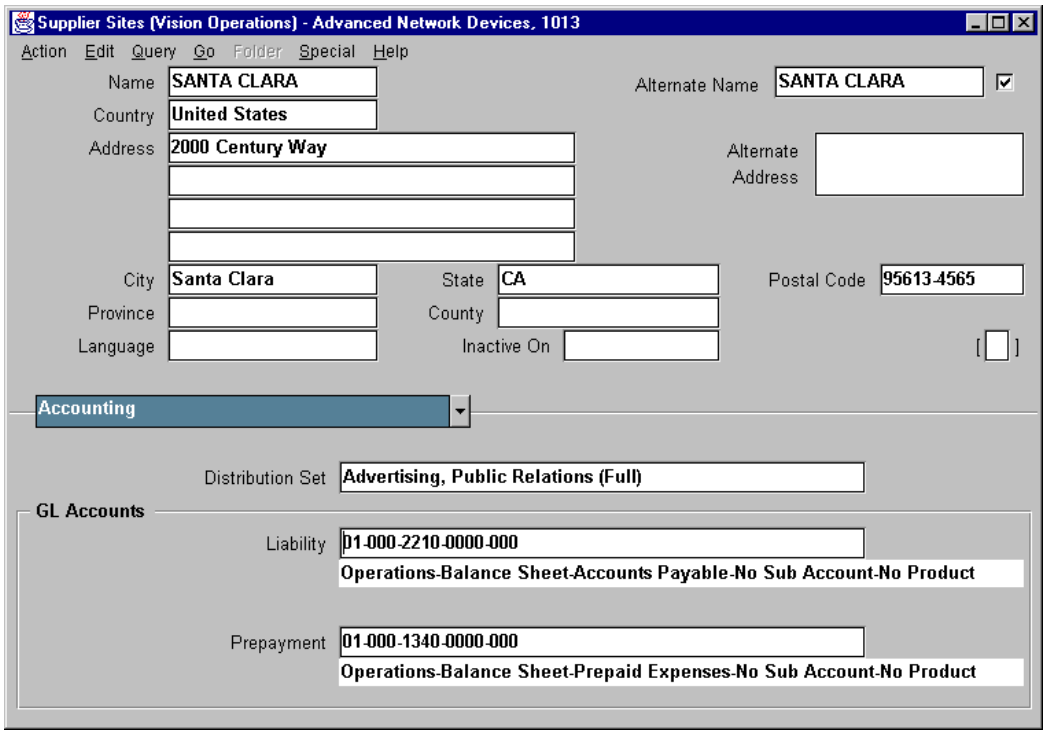
How to Enter Detailed Supplier Site Information

1. Select the appropriate Site Uses check boxes to indicate which specific business functions are performed at each site.
   - A Pay Site is a supplier site to which you send payment for an invoice. You cannot enter an invoice for a supplier site that is not defined as a Pay Site.
   - A Purchasing Site is a supplier site from which you create a purchase order for goods and services. A site can be both a Pay Site and a Purchasing Site.
   - An RFQ Only Site is a supplier site from which you enter a request for quotations. This should be selected only if you do not allow entering purchase orders for a supplier site.
2. Enter any additional supplier site information in the appropriate field.



How to Enter Detailed Supplier Site Information (continued)

3 In the Contact Region, enter contact information specific to that site. This information is for your reference only and is not used by the system.



Supplier Sites: Accounting Region

(N) Suppliers—>Entry (B) Open

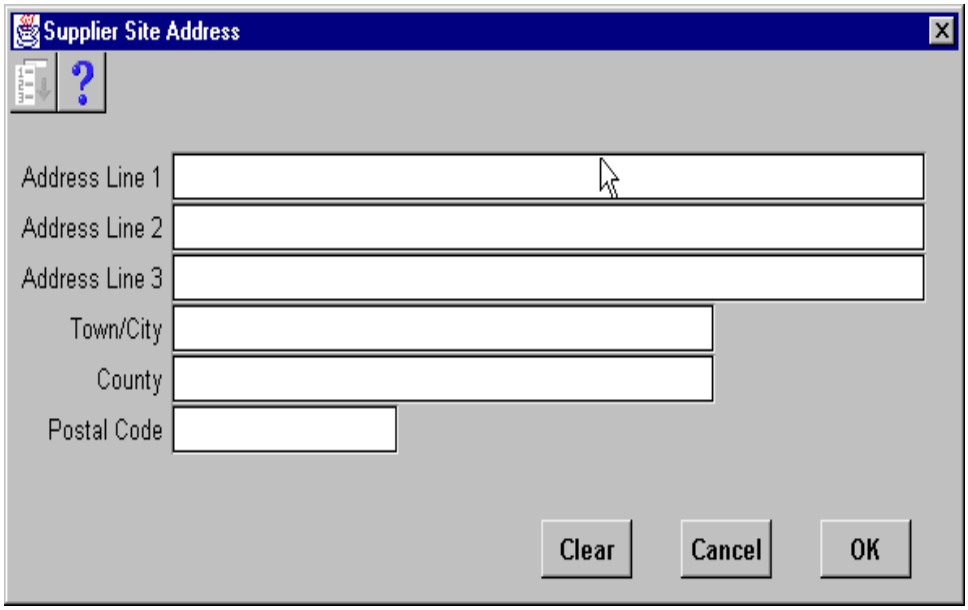
Entering Supplier Site Information in the Accounting Region

1. In the Distribution Set field, select the default distribution set for all invoices entered for the supplier site.
2. In the Liability field, select the default liability account number.

   Oracle Payables displays the description for the account number.
3. In the Prepayment field, enter the default prepayment account number for recording any prepayment to the supplier site.

   Oracle Payables displays the account description.

Using Flexible Address Format



Supplier Site Address

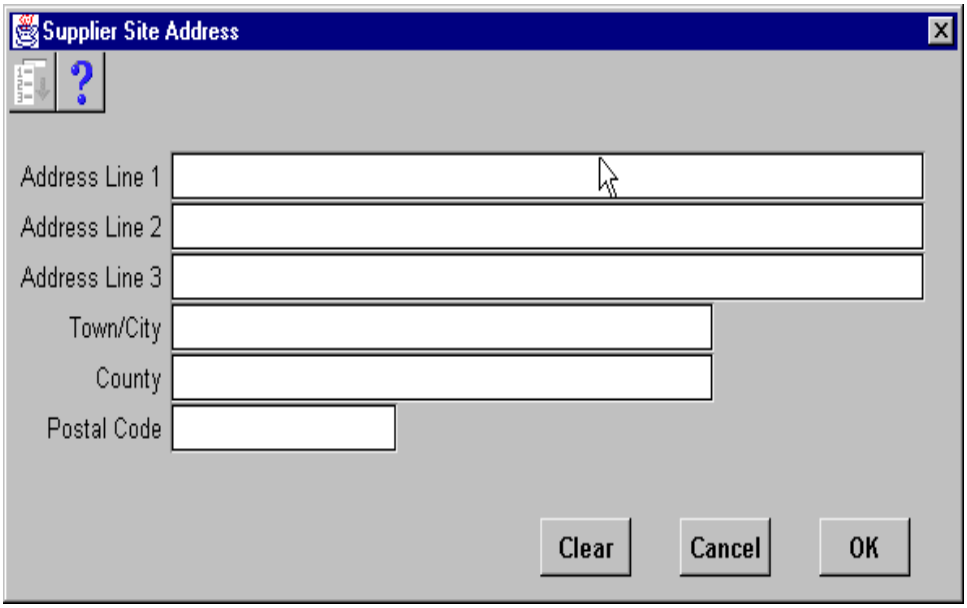
(N) Suppliers—>Entry (B) Open—>Open

Overview

Oracle applications enable you to enter customer, supplier, bank, check, and remit-to addresses in country-specific formats. For example, if you have customers in the United Kingdom, you can enter British addresses in the format recommended by the Royal Mail.

Use descriptive flexfields to enter and display address information in the appropriate formats. The flexfield window is then displayed if the country you enter has a flexible address style assigned to it, enabling you to enter an address in the layout associated with that country.

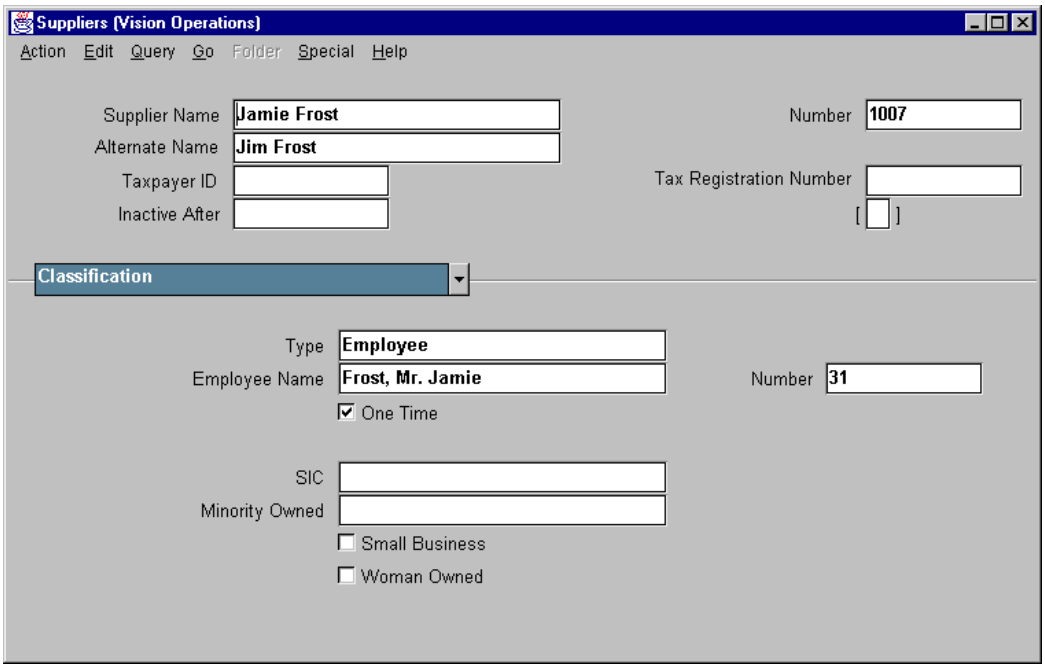
If no address style is associated with the country, the standard format is used.



How to Enter Addresses

1. In the Country field, enter the name of the country. To determine whether an address is to be entered using the standard layout or a flexible address format, you must enter the Country field first.
   - If you enter the name of a country that does not have an address style assigned to it, the address is entered using the standard layout.
   - If you enter a country that has an address style assigned to it, a window opens containing the address elements defined for the address style associated with the country.
2. Enter the address and choose OK. The system displays the concatenated address in the standard address fields. Whenever you move the cursor into any of the address fields, the flexfield window opens.

Entering Employees as Suppliers



Suppliers: Classification Region

(N) Suppliers—>Entry (B) Open

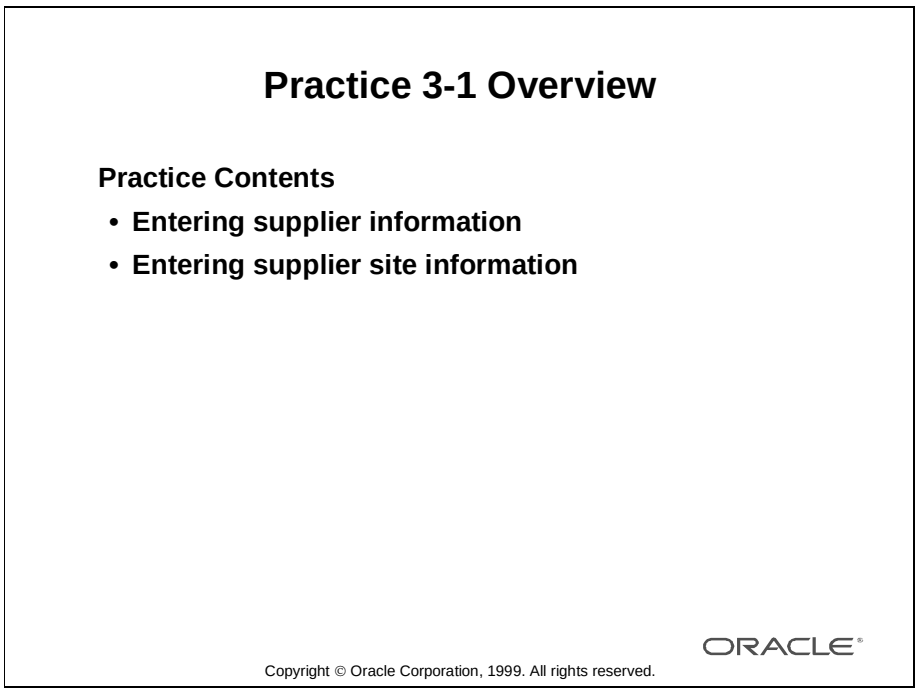
How to Enter Employees as Suppliers

You must enter an employee as a supplier before you can pay the employee's expense reports. You can enable the Automatic Create Employee as Supplier Payables option to automatically enter an employee as a supplier during Invoice Import, or you can enter the employee manually as a supplier in the Suppliers window.

To enter an employee as a supplier manually:

1. In the Classification region of the Suppliers window, select Employee as the supplier type.
2. Enter the employee name and employee number in the appropriate fields.

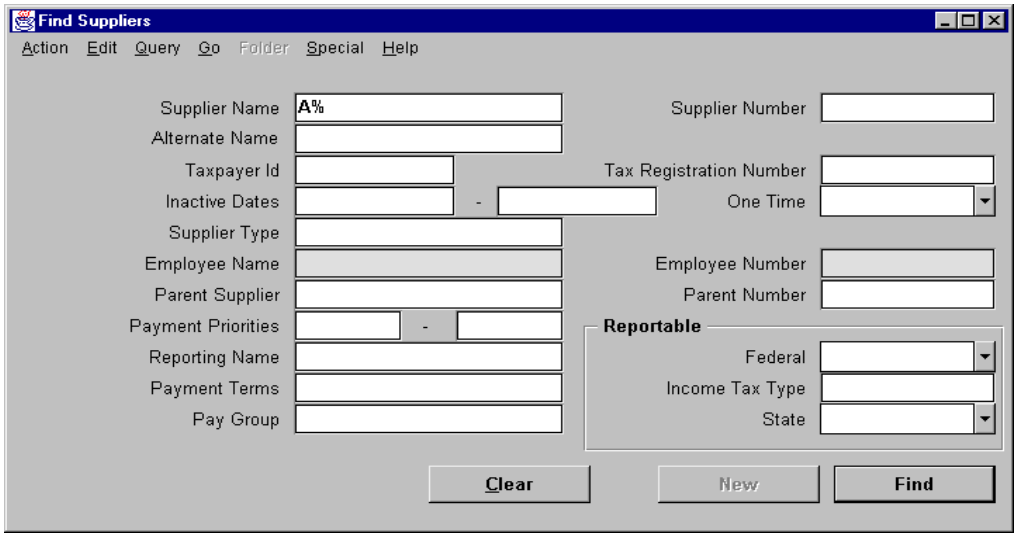
Practice 3-1 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, “Practices and Solutions.”

Searching and Reviewing Supplier Information Online



Find Suppliers

(N) Suppliers—>Entry (M) Query—>Find

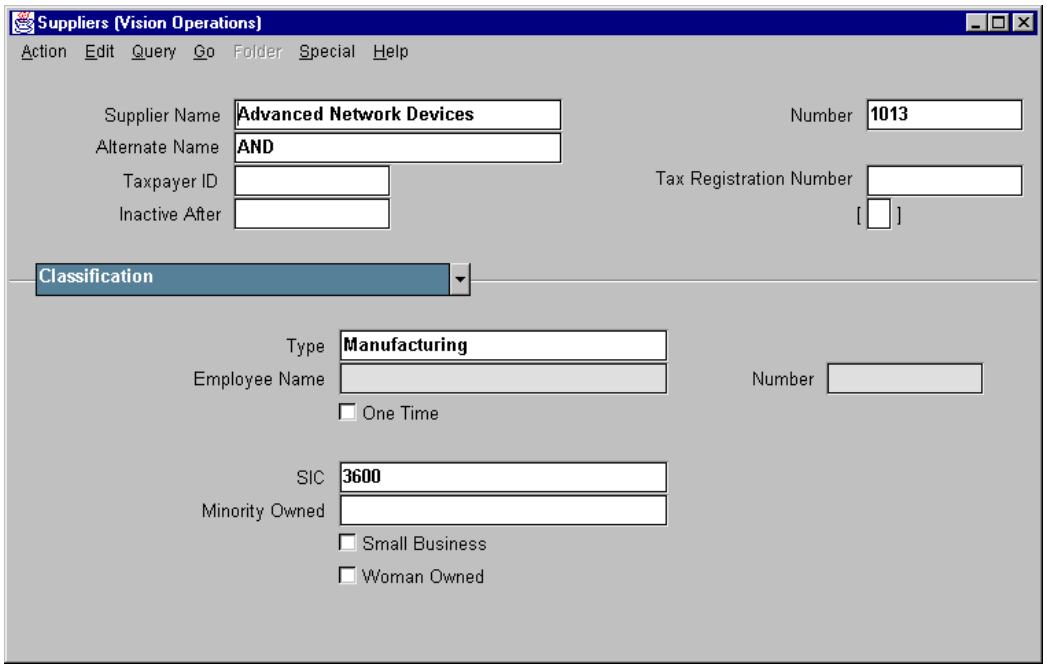
How to Search and Review Supplier and Supplier Site Information

You can find suppliers by using the Find Suppliers window or by entering a query directly into the Suppliers Summary window or the Suppliers window.

In the Find Suppliers window, you can enter a variety of search criteria, including tax status, parent supplier, and payment priority range. You can use the Find feature to initiate a query for one supplier or for a group of suppliers.

1. Open the Find Suppliers window from the Suppliers Summary or the Suppliers Detail window, either by selecting the Find icon on the toolbar or by selecting Find from the Query menu. Enter the criteria directly into the fields. You can enter complex criteria by entering information in several fields.
2. Choose Find to navigate to the Suppliers Summary window, where Oracle Payables displays all suppliers that match your criteria.
3. Review all information about a supplier from the Suppliers Summary window including:
   - Basic information and defaults for suppliers retrieved by the query
   - Basic information and defaults for a selected supplier site and details for a selected supplier site

Maintaining Supplier and Supplier Site Information



Suppliers

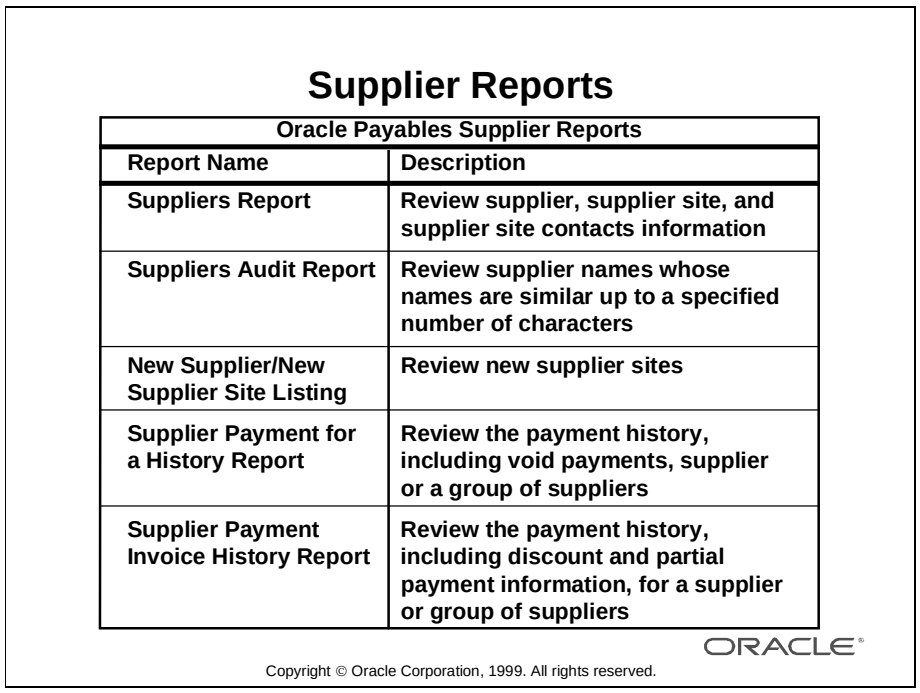
(N) Suppliers—>Entry (M) Query—>Find (B) Find

How to Maintain Supplier and Supplier Site Information

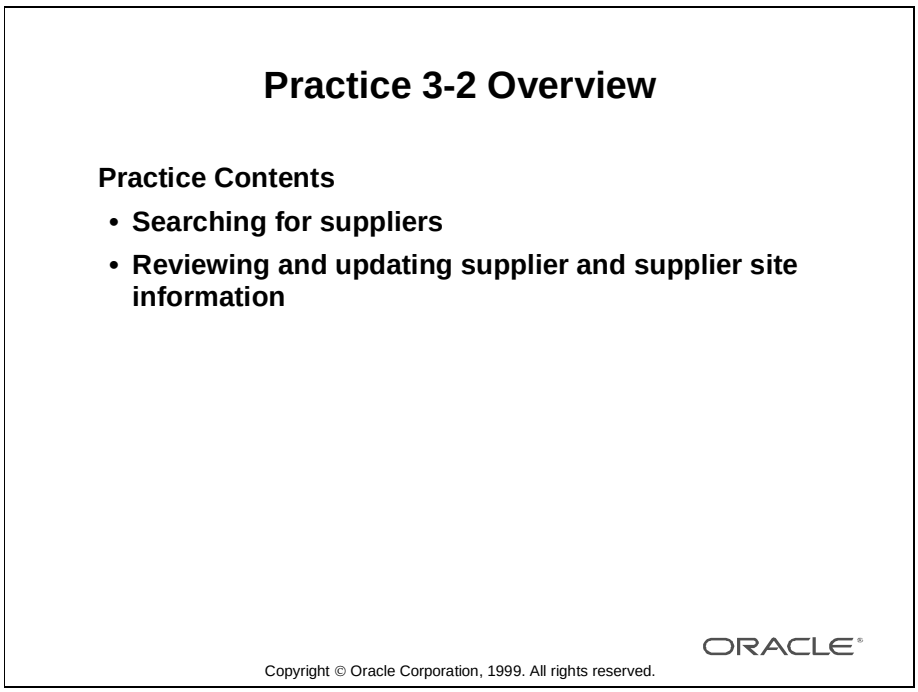
When you make changes to values that default to Oracle Payables documents, the changed value defaults only to new documents that you subsequently enter or create. For example, if you change the Pay Group for a supplier site, the new Pay Group defaults to new invoices that you enter, but the change does not affect existing invoices. Also, if you change a supplier value that defaults to supplier sites, the change affects only new supplier sites that you create, not existing supplier sites. Therefore, the change does not affect documents that you subsequently create for existing supplier sites. If you want a change to affect documents that you enter or create for an existing supplier site, be sure to make the changes at the supplier site level. To update supplier and supplier site information:

1. Find the supplier.
2. In the Suppliers Summary or the Suppliers window, make any changes in the appropriate fields.
3. Save your work.

Selecting Supplier Reports



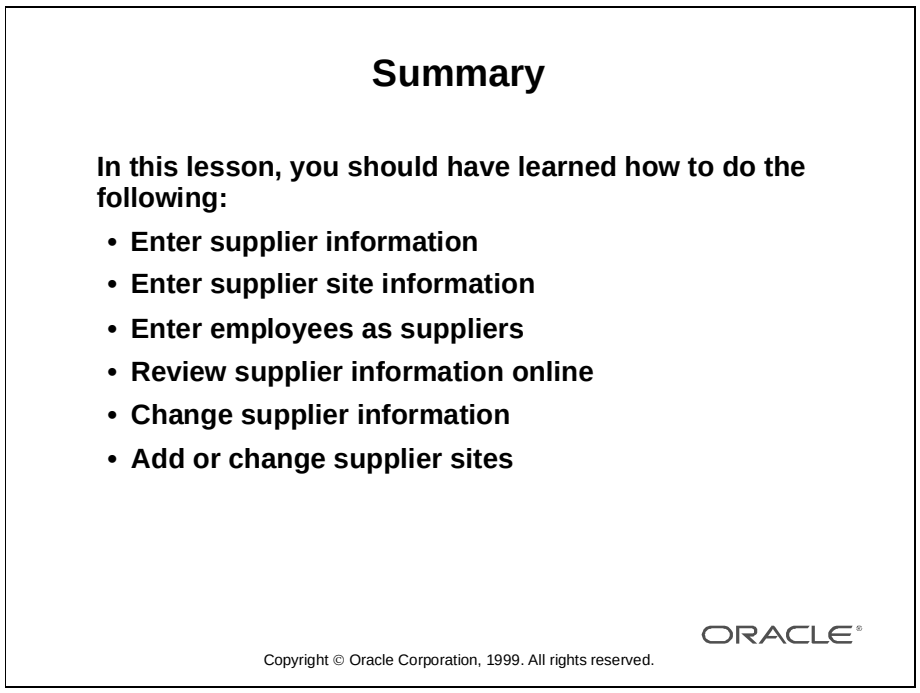
Practice 3-2 Overview



Performing This Practice

For detailed instruction on performing this practice, please refer to Appendix C, “Practices and Solutions.”

Summary


Summary
In this lesson, you should have learned how to do the following:
• Enter supplier information
• Enter supplier site information
• Enter employees as suppliers
• Review supplier information online
• Change supplier information
• Add or change supplier sites
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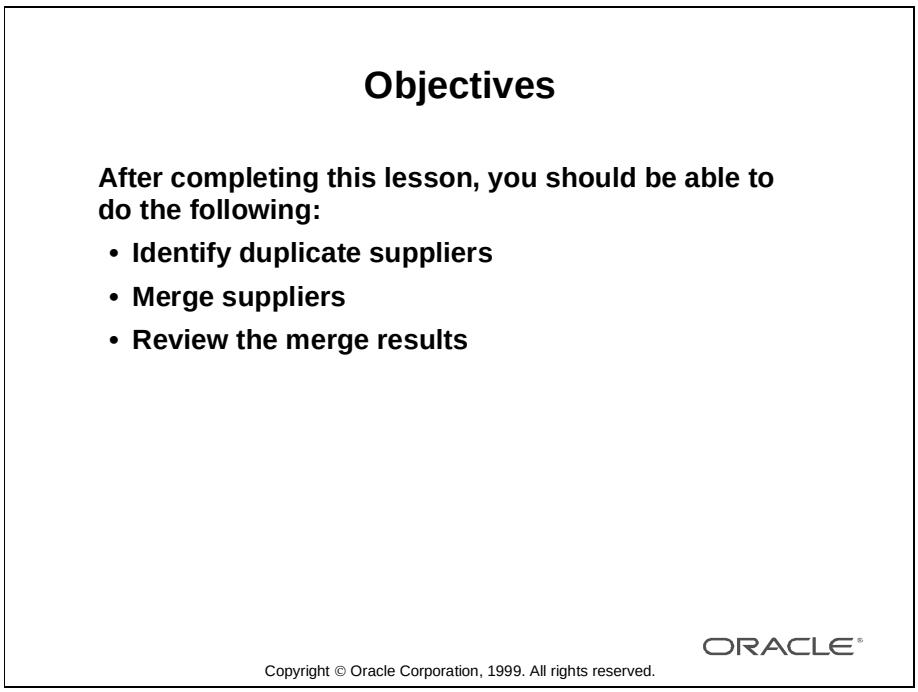
4

Merging Suppliers

Objectives


Objectives
After completing this lesson, you should be able to do the following:
• Identify duplicate suppliers
• Merge suppliers
• Review the merge results
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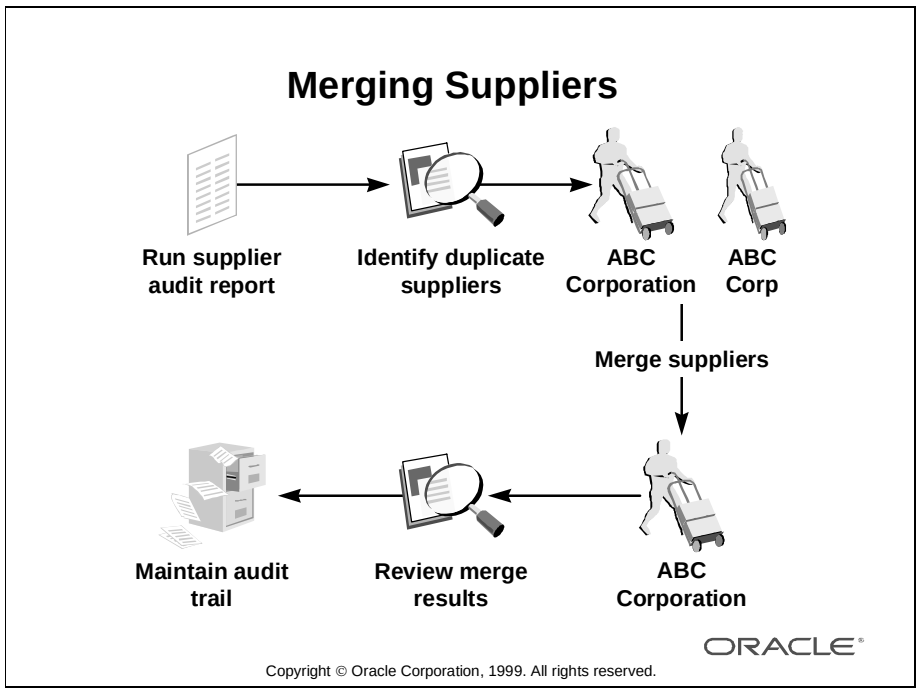
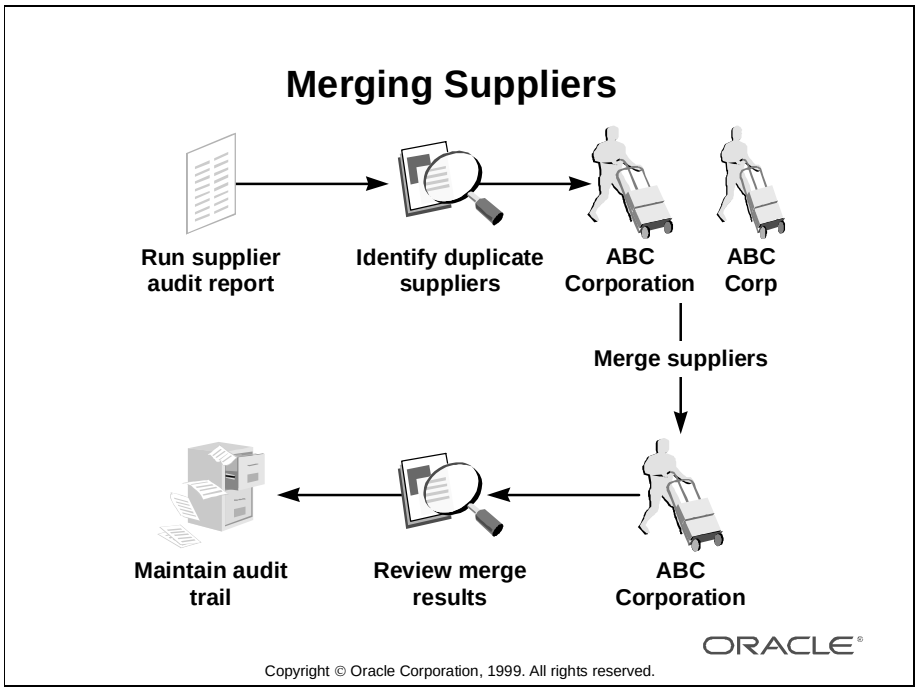
Merging Suppliers



Overview

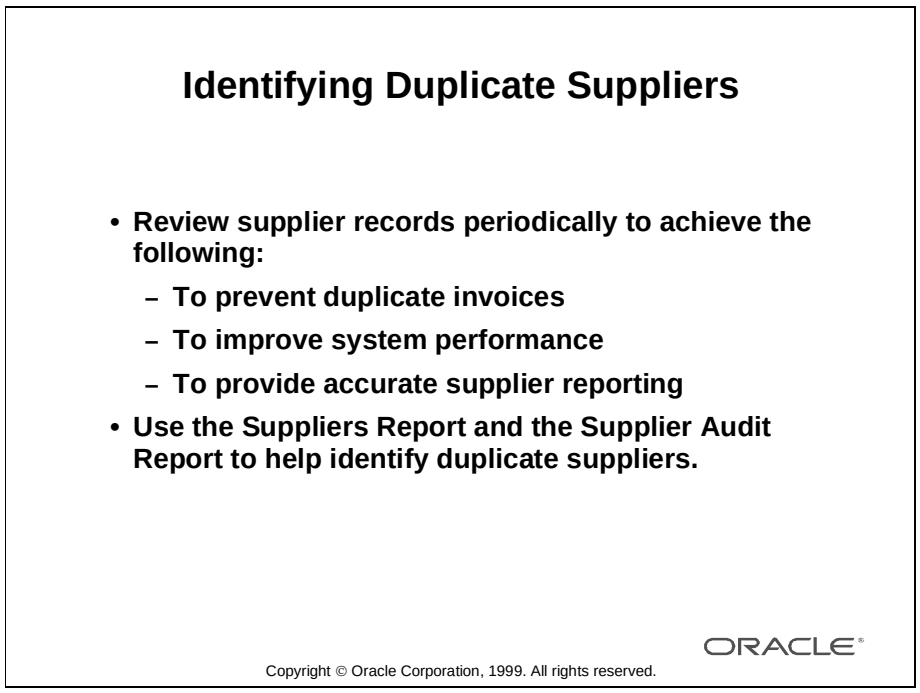
- Although the system prevents you from entering duplicate supplier names, you may inadvertently define the same supplier by using two different names. For example, you might enter ABC Corporation and ABC Corp, or you might enter a contractor under his name and his company name. You might also create duplicate suppliers if you import suppliers from another accounts payable system.
- Use Supplier Merge to combine two or more suppliers that you identify as duplicates. You can update purchase orders and invoices for the old supplier to refer to the new supplier. The Supplier Merge window also enables you to merge supplier sites so that any sites assigned to an old supplier can be reassigned to the new supplier.
- When you merge suppliers, you transfer invoices, purchase orders, or both from one supplier and site to another supplier and site. You can transfer to a new supplier and site unpaid invoices only or all invoices (including paid and partially paid invoices). Oracle Payables will not merge invoices if the merge would create a duplicate invoice for a supplier.



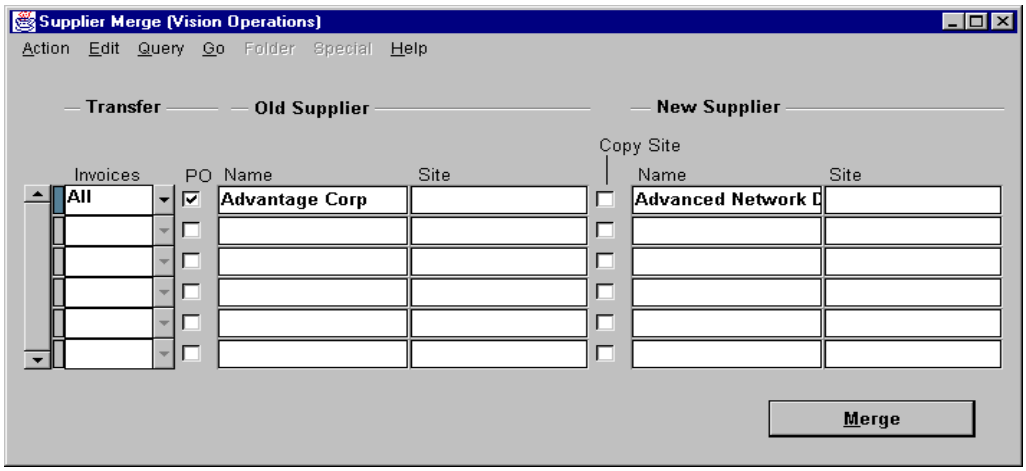
Overview (continued)

- For best auditing results, transfer both paid and unpaid invoices to a new supplier and site so you can identify duplicate payments easily. Also, transfer both purchase orders and invoices to a new supplier and site so all invoice and purchase order information refers to the same supplier.
- After you have merged suppliers, Oracle Payables automatically prints the Purchase Order Header Updates Report and the Supplier Merge Report as an audit trail of your supplier merge activity. The Supplier Merge Report also lists any duplicate invoices that it did not merge. Research the duplicated invoice. You can then update the invoice number if the invoice has not been paid or posted.

Identifying Duplicate Suppliers



Merging Suppliers

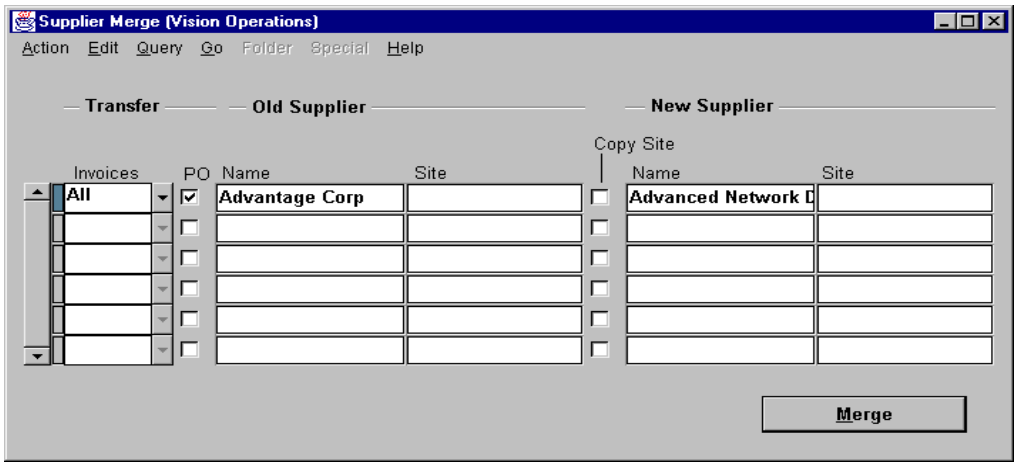


Supplier Merge

(N) Suppliers—>Supplier Merge

How to Merge Suppliers

1. Select which invoices to transfer from the Old Supplier to the New Supplier: All, Unpaid, or None. Also make sure the New Supplier site is a Pay Site, because you can only enter an invoice for a supplier that is defined as Pay site.
2. Select the PO check box if you want to transfer purchase orders. The New Supplier Site must be a Purchasing Site, because you can only enter purchase orders for a Purchasing Site.



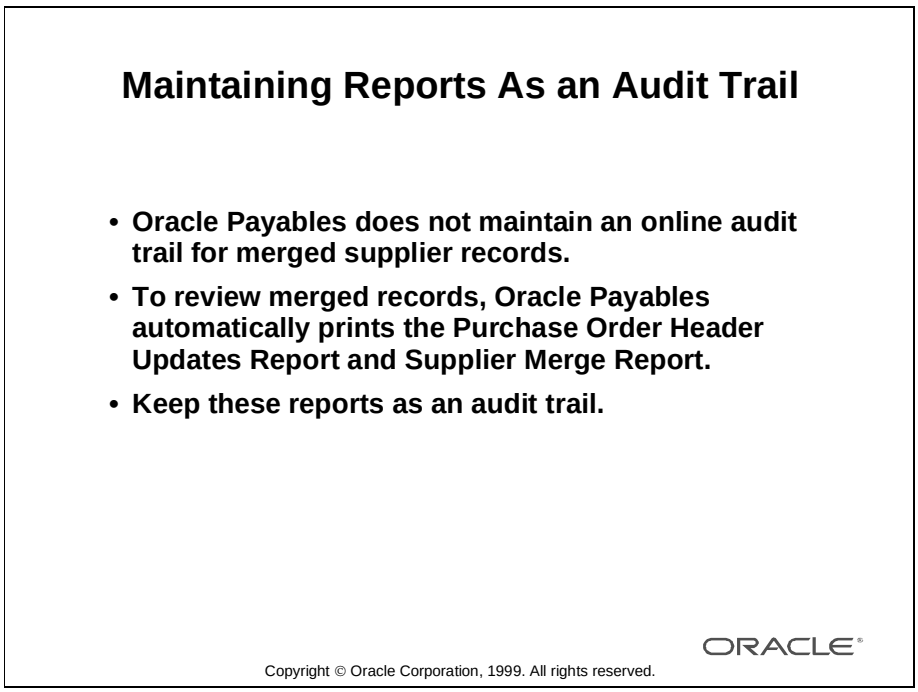
How to Merge Suppliers (continued)

3 Enter the Old Supplier Name and Site and the New Supplier Name in the appropriate fields.

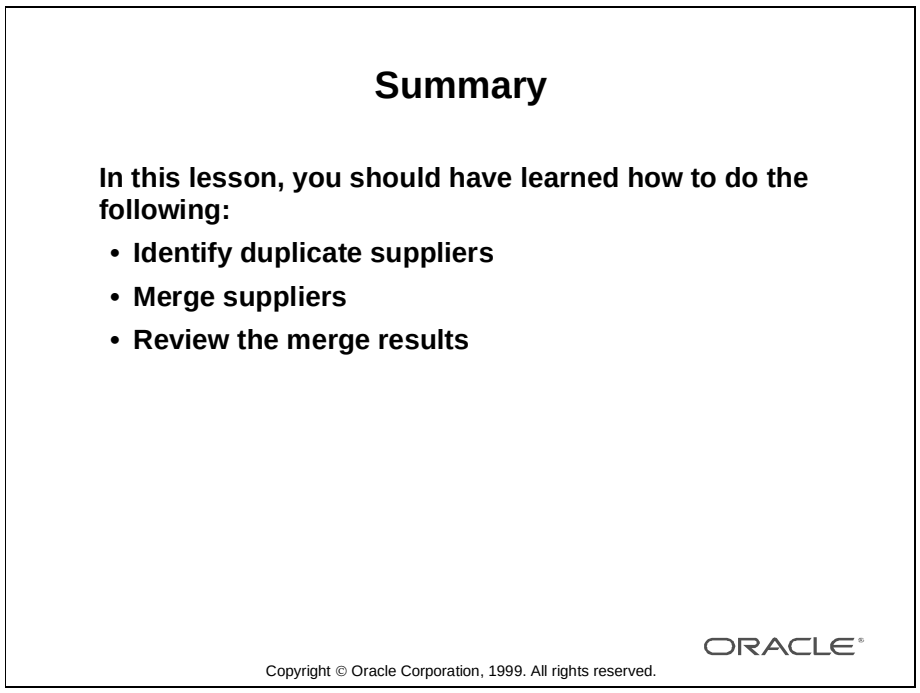
- To copy the Old Supplier Site to the new Supplier, select Copy Site; do not enter a New Supplier Site. During the merge, Oracle Payables enters the merge date as the inactive date for the Old Supplier Site and creates a new site for the New Supplier with the information you selected to transfer.
- To merge the Old Supplier Site information with the New Supplier Site information, do not select Copy Site; enter one of the New Supplier's existing sites in the Site field. During the merge, Oracle Payables enters the merge date as the inactive date for the Old Supplier site and combines all of the information you selected with the New Supplier Site.

4 Check Merge to transfer the information from the Old Supplier to the New Supplier.

Maintaining Reports As an Audit Trail



Summary


Summary
In this lesson, you should have learned how to do the following:
• Identify duplicate suppliers
• Merge suppliers
• Review the merge results
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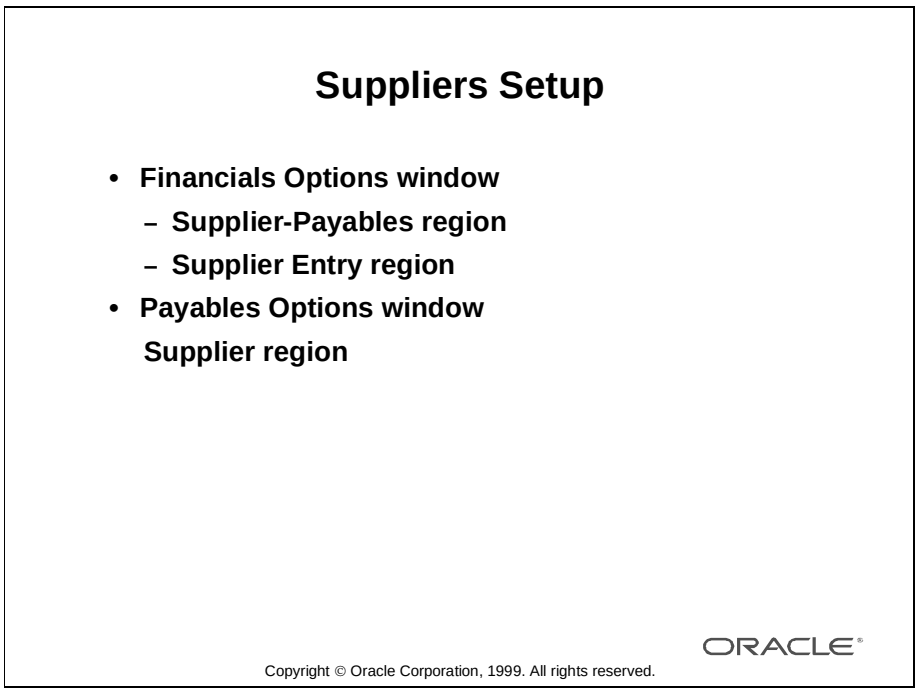
5

Unit I Setup

Suppliers Setup



Overview

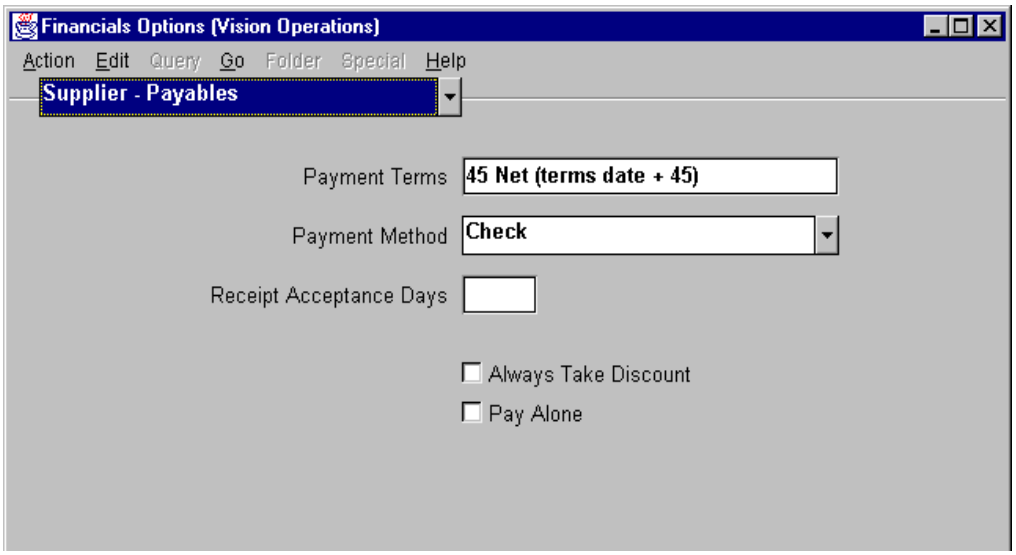
Financials Options

Use the Financials Options window to define the options and defaults that you use for your Oracle Financial Applications. Values you enter in this window are shared by Oracle Payables, Oracle Purchasing, and Oracle Assets. You can define defaults in this window to simplify supplier entry, requisition entry, purchase order entry, invoice entry, and automatic payments. Depending on your application, you may not be required to enter all fields.

Payables Options

Use the Payables Options window to set control options and defaults used throughout Payables. You can set defaults in this window that will simplify supplier entry, invoice entry, and automatic payment processing. Although you only need to define these options and defaults once, you can update them at any time to change controls and defaults for future transactions.

Entering Options in the Supplier-Payables Region



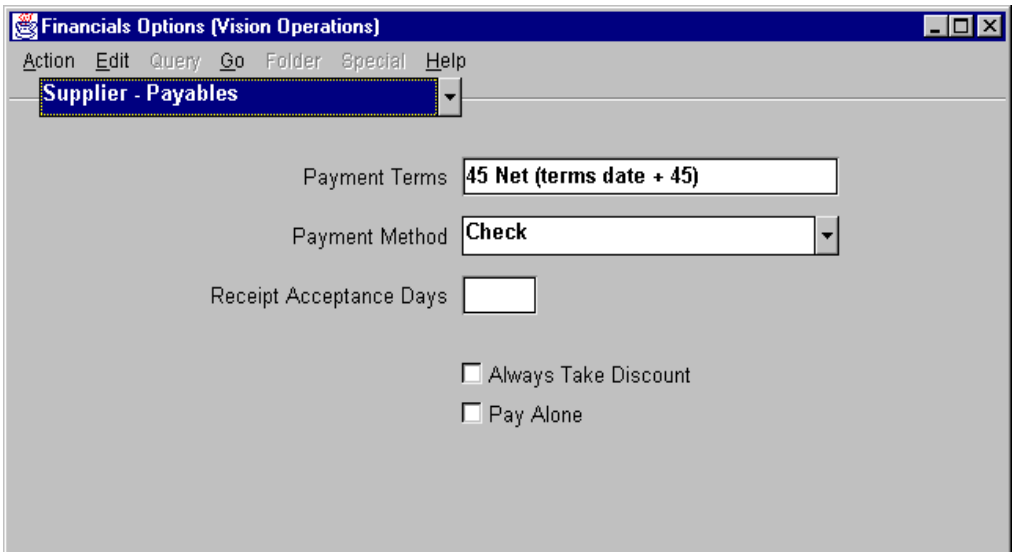
Financials Options: Supplier-Payables Region

(N) Setup—>Options—>Financials

How to Enter Options in the Supplier-Payables Region

The information you define in the region, except for Receipt Acceptance Days, are used as default values for the Payment region of the Suppliers window. The supplier values default to new supplier sites for the supplier, which default to new invoices for the supplier site. You can override these values during entry of the supplier, supplier site, and invoice.

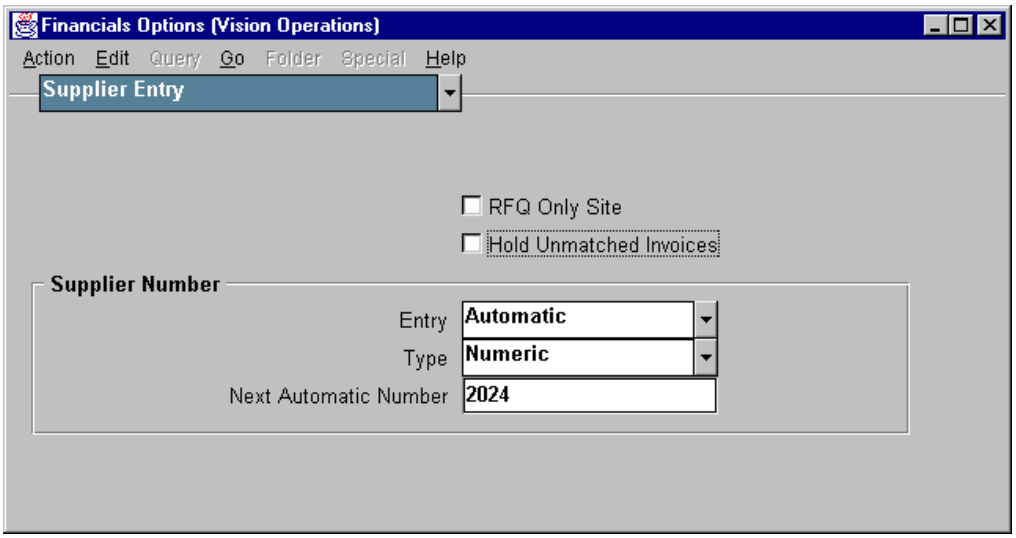
- Select a payment term that you use most frequently from the Payment Terms list.
- Select a payment method that you use most frequently from the Payment Method list.
- If you want Oracle Payables to create interest invoices for late payment, enter the number of days in the Receipt Acceptance Days field. If you enable the Recalculate Scheduled Payment Payables option, Approval recalculates your invoice due date based on this value.



How to Enter Options in the Supplier-Payables Region (continued)

- Select the Always Take Discount check box to have Oracle Payables always take an available discount for a supplier, regardless of when you pay the invoice.
- Select the Pay Alone check box to have Oracle Payables create a separate payment for each invoice. If the Pay Alone option is not enabled for an invoice, the invoice will be paid with other invoices for the same supplier site on a single payment.

Entering Options in the Supplier Entry Region



Financials Options: Supplier Entry Region

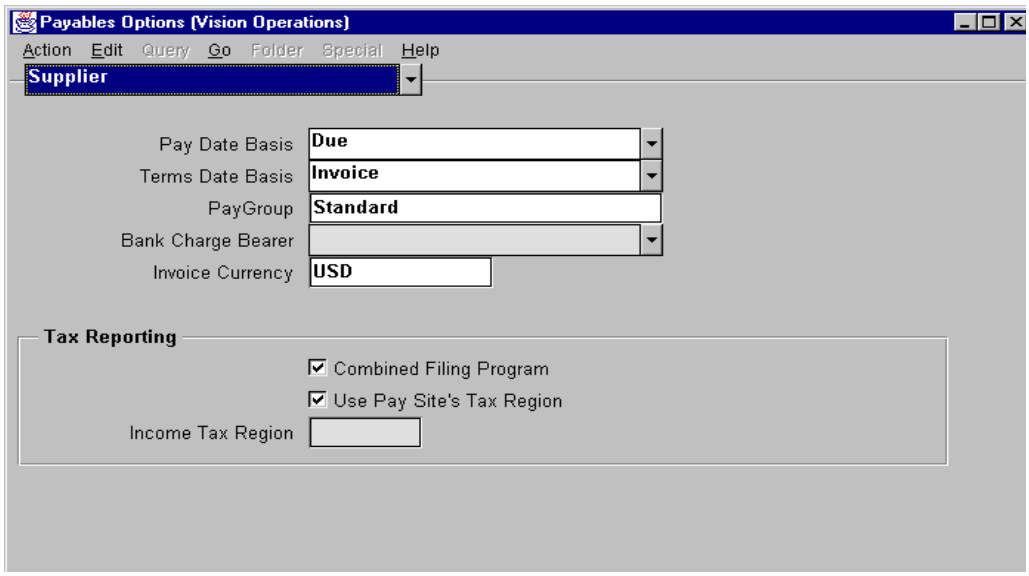
(N) Setup—>Options—>Financials

How to Enter Options in the Supplier Entry Region

The options you define in this region are used to control supplier entry and purchase order matching.

- Select the RFQ Only Site check box if you want RFQ Only Site to be the default value for all new suppliers.
- Select the Hold Unmatched Invoices check box if you want to place a hold on all invoices that are not matched to a purchase order.
- In Supplier Number Entry field, select Automatic if you want the system to automatically assign a unique sequential number to each new supplier. Select Manual if you want to enter the supplier number manually.
- If you select the Automatic Supplier Number Entry method, select Numeric for the type of supplier number you want Oracle Payables to use for supplier number entry.
- If you select the Automatic Supplier Number Entry method, enter the starting value you want the system to use for generating sequential supplier numbers.

Entering Payables Options in the Supplier Region



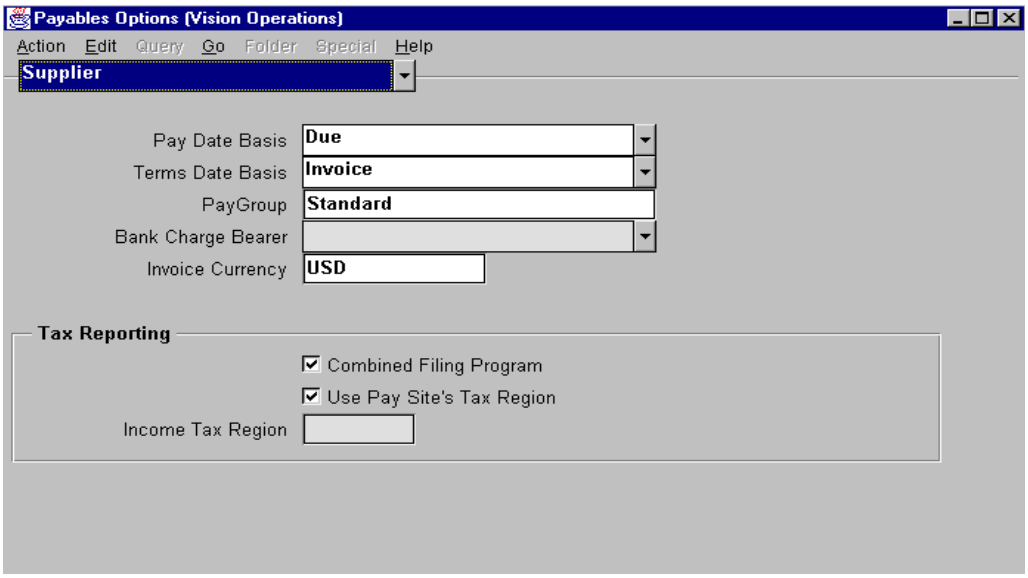
Payables Options: Supplier Region

(N) Setup—>Options—>Payables

How to Enter Payables Options in the Supplier Region

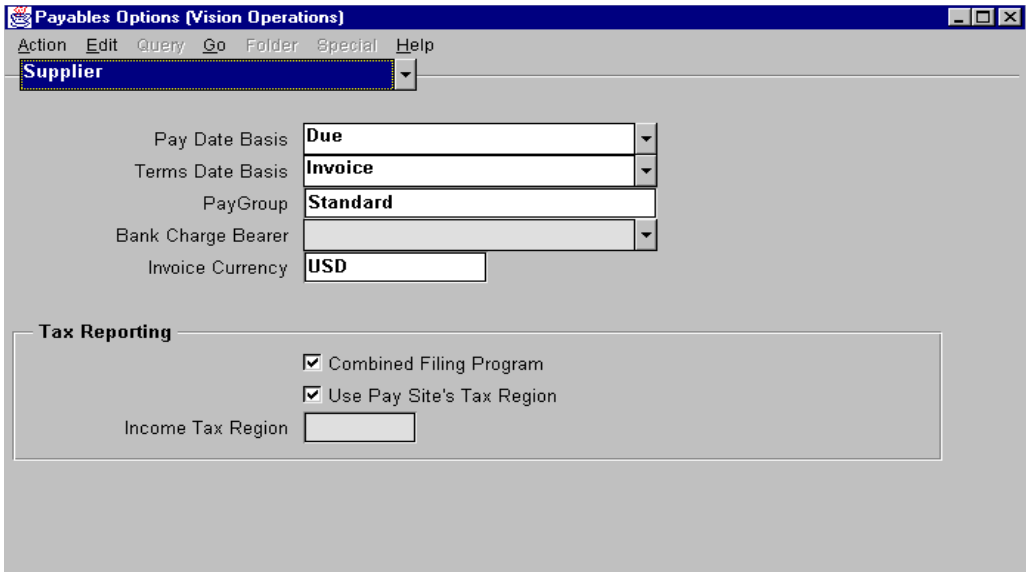
Use this region to enter defaults for the Suppliers window. These values then default to the Supplier Site and then to the invoice.

- In the Pay Date Basis field, select one of the options as the default for each new supplier.
  - Discount: Oracle Payables selects invoices for payment based on the scheduled payment discount date.
  - Due: Oracle Payables selects invoices for payment based on the scheduled payment due date, regardless of any available discounts.



How to Enter Payables Options in the Supplier Region (continued)

- In the Terms Date Basis field, select the date basis that Oracle Payables uses as the payment terms start date when it calculates the due and discount date for invoice scheduled payments.
  - System: The date you enter the invoice into the system
  - Goods Received: The date you receive goods or services
  - Invoice: The date of the invoice
  - Invoice Received: The date you receive an invoice.
- In the PayGroup field, select the Pay Group you want to assign to any new suppliers you enter. You can choose any Pay Group you have defined in the QuickCodes window.
- In the Bank Charge Bearer field, if you use the Bank Charges feature, indicate whether you or your supplier pay for any bank charges associated with payments to your suppliers. If your suppliers pay, indicate whether your suppliers use the standard or negotiated rate.
- In the Invoice Currency field, select the currency to be the default for each new supplier you enter.



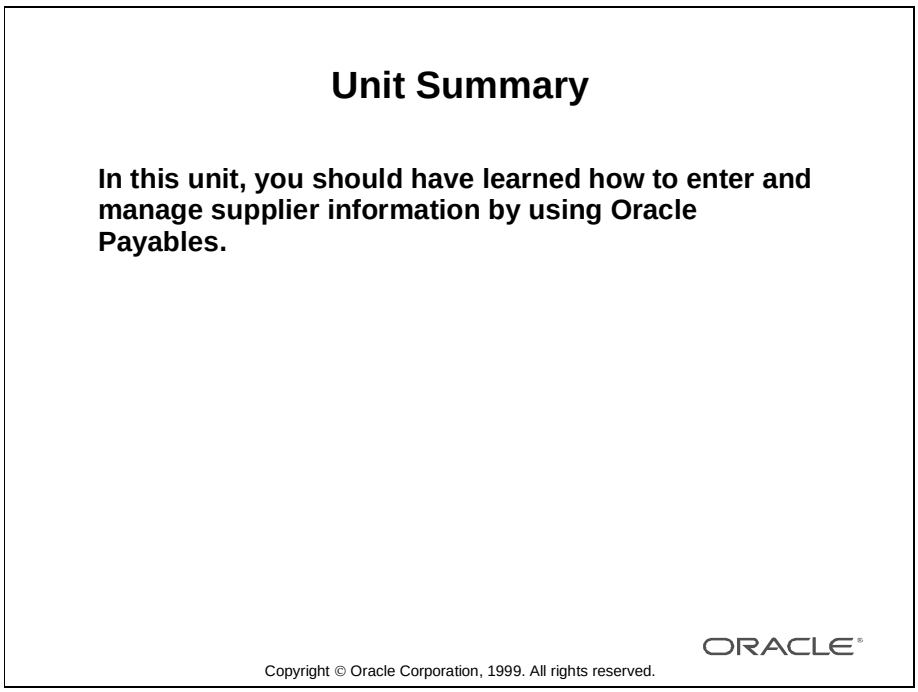
How to Enter Payables Options in the Supplier Region (continued)

- Select the Combined Filing Program check box if you are using 1099 Combined Filing Program reporting. When you submit the 1099 tape, Payables will produce K records for all tax regions participating in the Combined Filing Program that have qualifying payments.
- Select the Use Pay Site's Tax Region check box if you want to use a 1099 supplier's tax region as the default tax region. If you select this check box, Oracle Payables uses the 1099 supplier site's region as the default tax region for the invoice distributions. You can select this check box only if you selected the Combined Filing Program check box.
- Enter the tax region you want to use as the default for the invoice distributions of your 1099 suppliers in Income Tax Region field. You can enter in Income Tax Region field only if you selected the Combined Filing Program check box and did not select the Use Pay Site's Tax Region check box.

6

Unit I Summary

Unit Summary



Summary

In this unit you should have learned the stages of setting up and entering new supplier and supplier site information and defaults. You learned that Oracle Payables can automatically enter an employee as a supplier during Invoice Import or you can manually enter the employee as a supplier in the Suppliers window.

You learned how to find supplier information online by using the Find Suppliers window. You learned how to identify and merge duplicate suppliers. You learned what reports you can run to review detailed information for suppliers and supplier sites, including invoice and payment history. Finally, you learned the steps required to set up suppliers options and defaults in the Financials Options and Payables Options windows.

Unit II

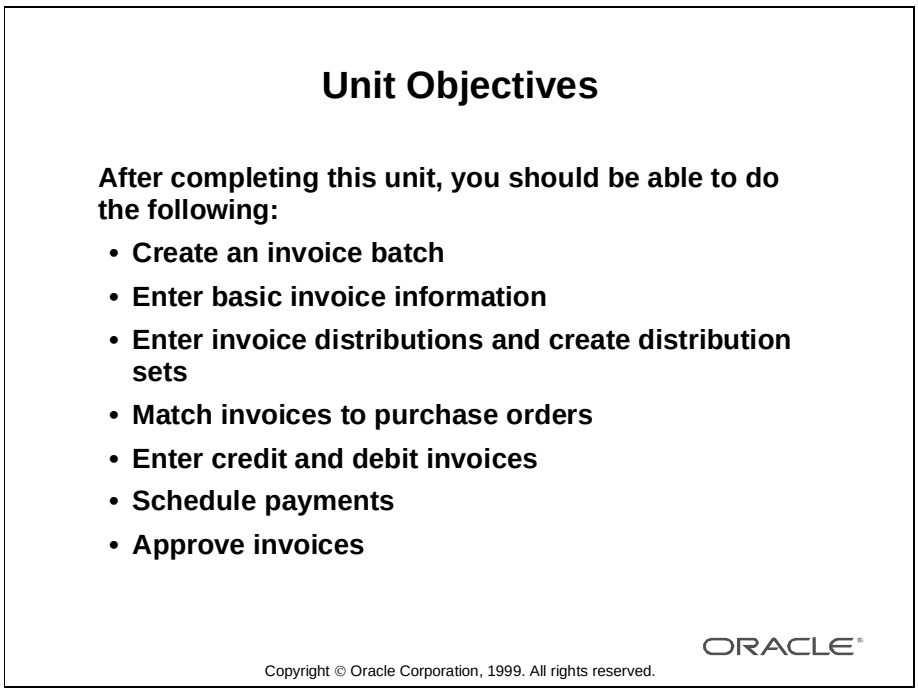
.....

Invoices

7

Unit II Introduction

Unit Objectives



Unit Objectives

- **Apply and release holds**
- **Create recurring invoices**
- **Process expense reports**
- **Review and adjust invoices and invoice batches**
- **Load invoices electronically**
- **Process procurement cards**

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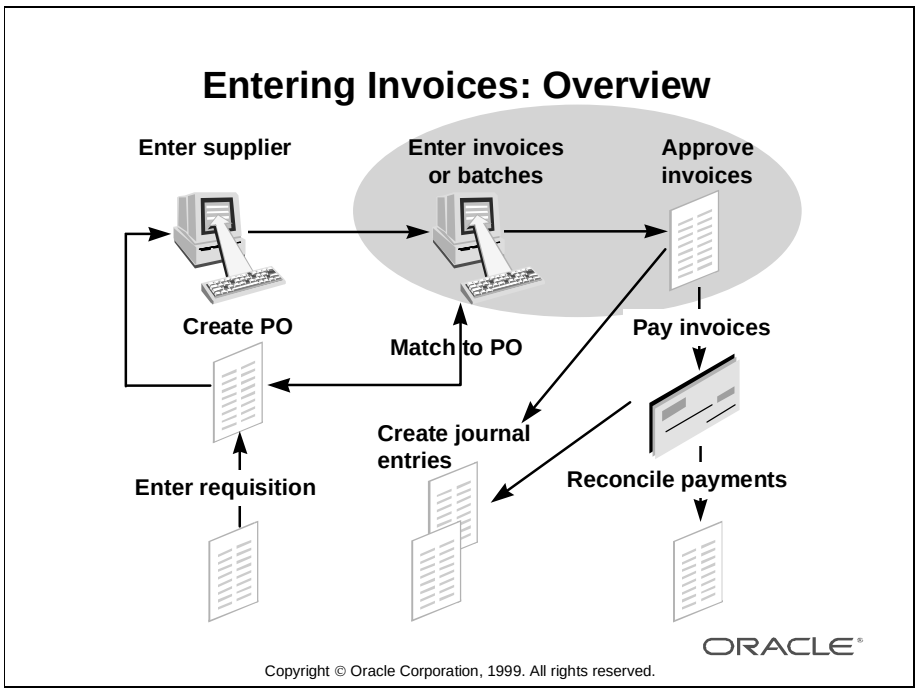
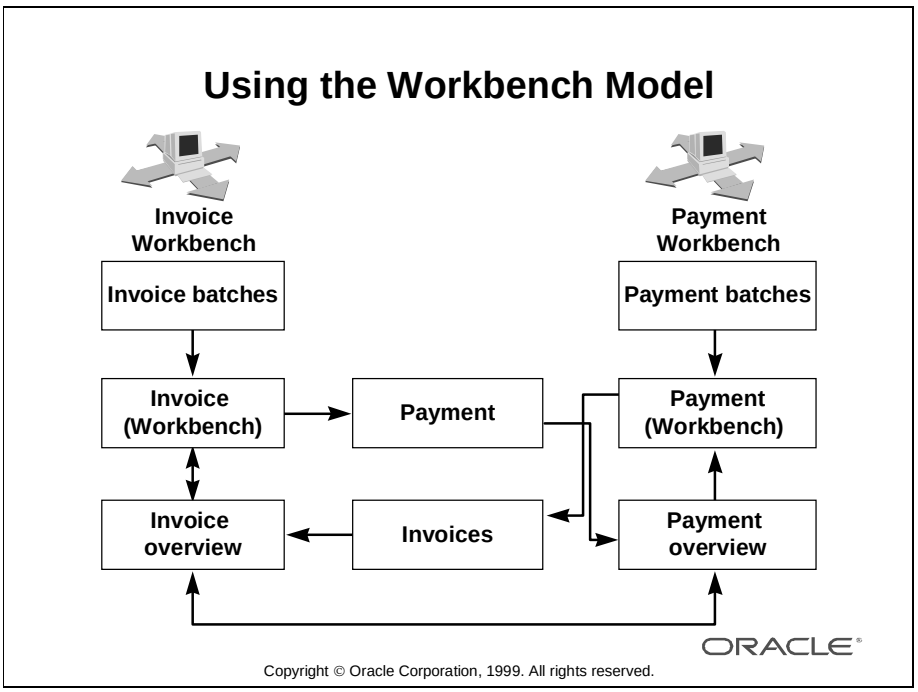
Entering Invoices



Overview

You can enter invoices in the Invoices window, or you can enter invoices in batches in the Invoice Batches window. You can also use the Recurring Invoices window to create recurring invoices or use the Payables Invoice Import Program to create invoices from expense reports or to import invoices from other systems.

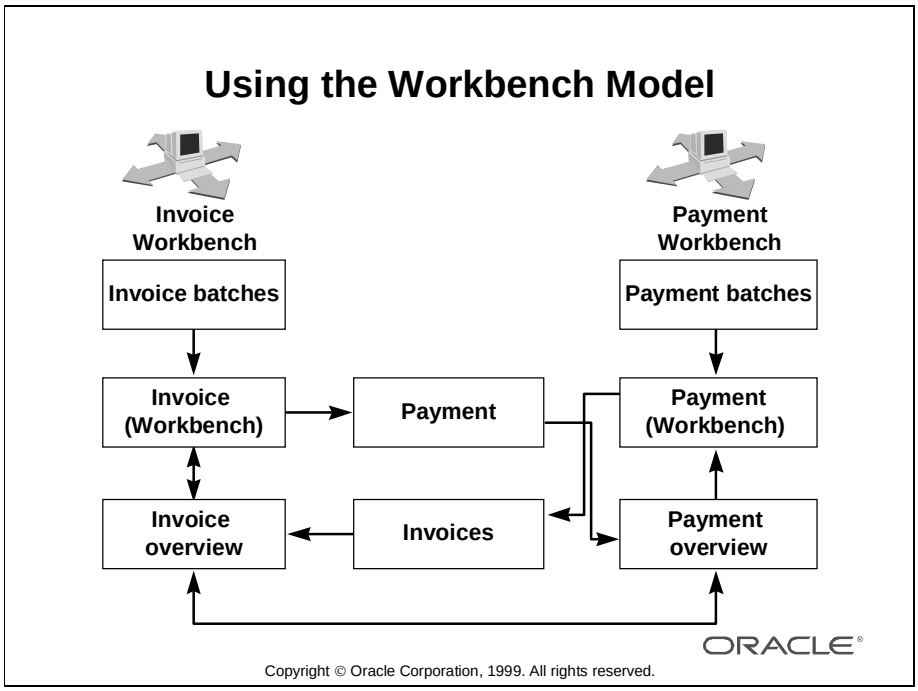
Using the Workbench Model



Overview

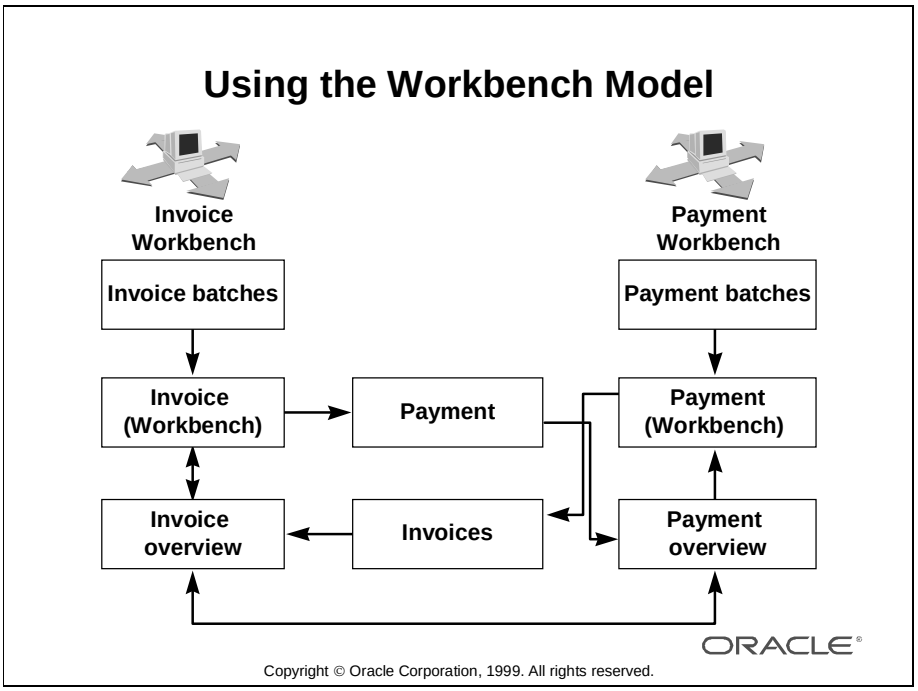
Oracle Payables includes two fully integrated workbenches: the Invoice Workbench and the Payment Workbench. You enter, adjust, or review invoices in the Invoice Workbench. You create, adjust, and review payments in the Payments Workbench.

Use the Invoice Overview and the Payment Overview windows to review information from either workbench. These windows also act as bridges between the two workbenches. For example, from the Invoices Overview, you can choose Payments to navigate to the Payments window.



Hierarchy of the Invoice Workbench

- Find Invoice Batches
  - Invoice Batches Summary (folder)
- Find Invoices
  - Calculate Balance Owed
- Invoices Summary (folder)
  - Invoice Holds
  - Payments
  - PO Match
  - Scheduled Payments
- Distribution Summary (folder)
  - Prorate
  - Invoice Actions
  - Apply/Unapply Prepayments
  - Approve and Pay Invoices
  - Release Holds
  - Cancel Invoices

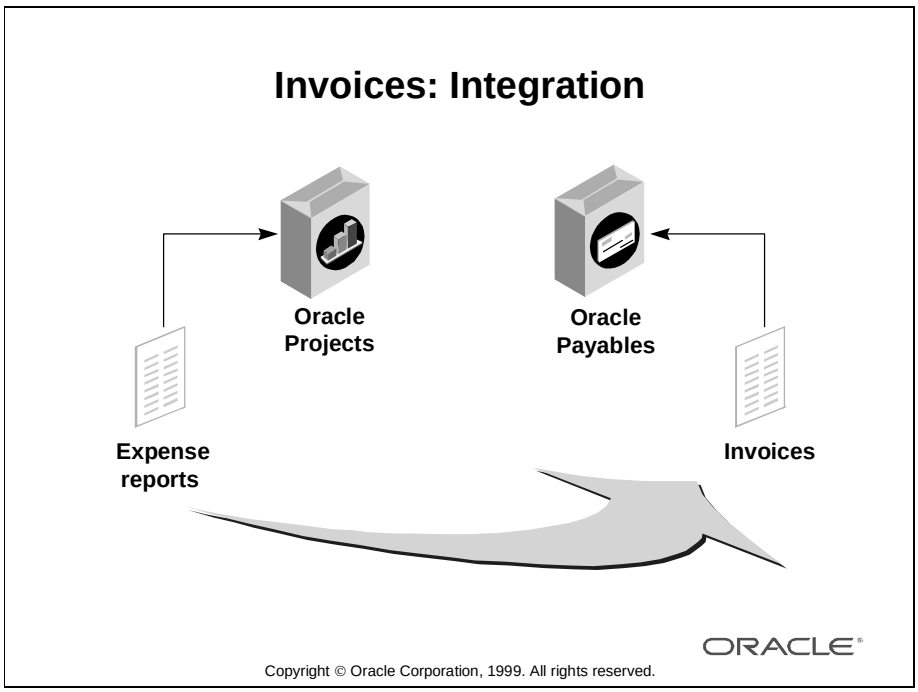


Hierarchy of the Payment Workbench

The window hierarchy in the Payment workbench is as follows:

- Find Payment Batches
- Copy To
- Payment Batch Actions
  - Modify Payment Batches
  - Confirm Payment Batches
- Find Payments
- Select Invoices
- View Invoices
- Payment Actions

Invoices: Integration with Oracle Projects



Importing Expenses from Oracle Projects and Creating Invoices

Oracle Payables integrates with Oracle Projects so that you can create Payables invoices based on expense reports entered in Oracle Projects. Submit a streamlined process from the Submit Processes window in Oracle Projects to combine the following processes in one step:

1. Transfer expense reports to Oracle Payables.
2. Submit Invoice Import.
3. Verify invoices from Oracle Payables.

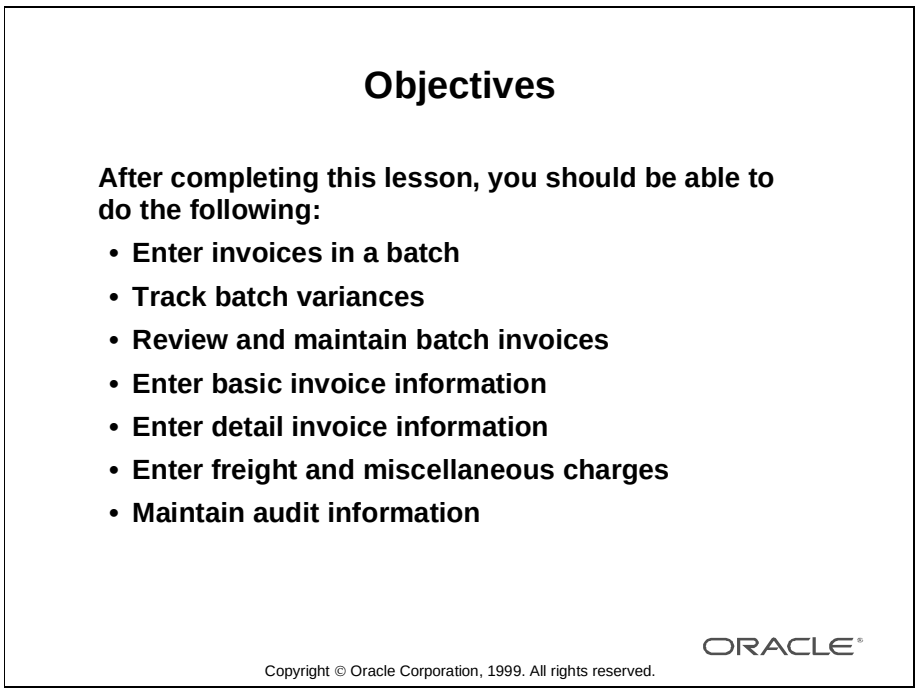
When you enter expense reports in Oracle Projects, you enter the same types of information thatyou enter for Payables expense reports (such as employee name, week ending date, project, task expenditure type, and amounts). Oracle Projects generates the general ledger account for each expense report expense item by using the AutoAccounting rules you have defined. After you transfer the expense report to the Payables Invoice Import Interface Tables, you can submit Invoice Import to create an invoice from the expense report.

If you enable the Automatically Create Employee As Supplier Payables option, Oracle Payables automatically creates suppliers and supplier sites for employees who are not already suppliers.

8

Entering Basic Invoices

Objectives


Objectives
After completing this lesson, you should be able to do the following:
• Enter invoices in a batch
• Track batch variances
• Review and maintain batch invoices
• Enter basic invoice information
• Enter detail invoice information
• Enter freight and miscellaneous charges
• Maintain audit information
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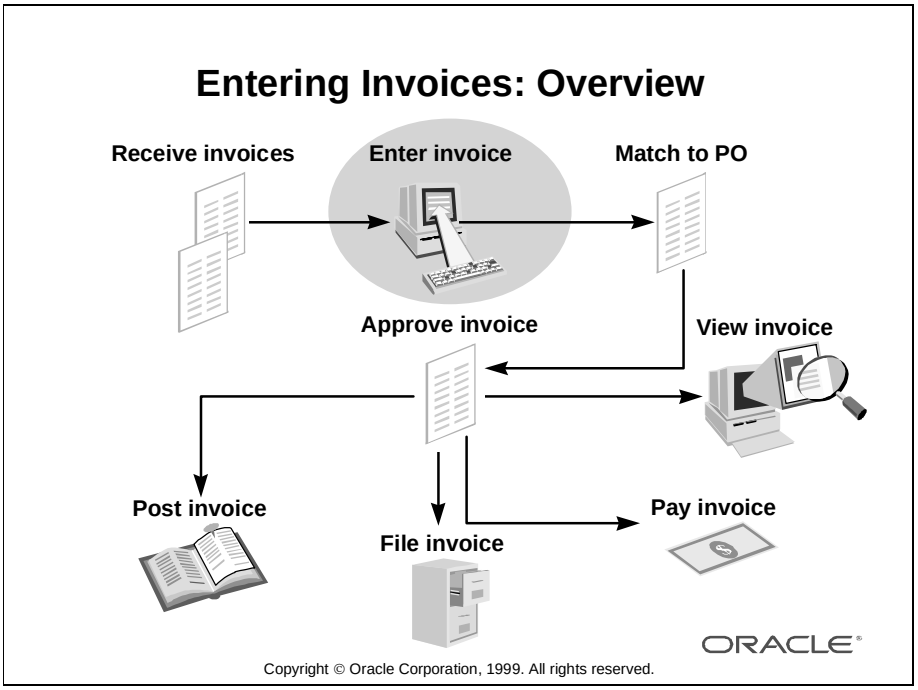
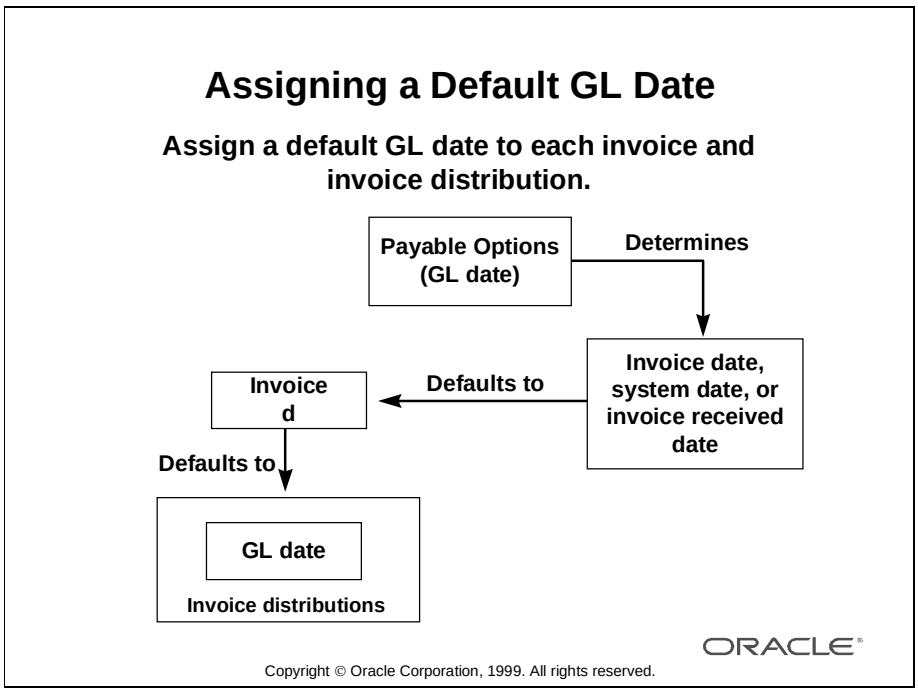
Entering Invoices



Overview

You can enter invoices in the Invoices window, or you can enter invoices in batches in the Invoice Batches window. You can also use the Recurring Invoices window to create recurring invoices, or you can use the Payables Invoice Import Program to create invoices from expense reports or to import invoices from other systems.

Assigning a Default GL Date

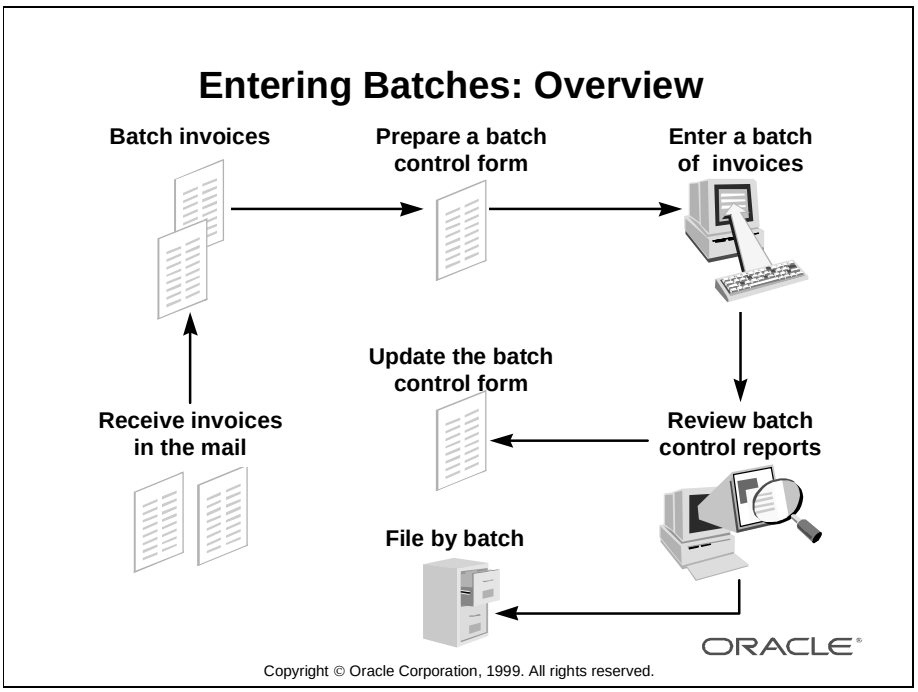


Overview

Oracle Payables determines in which accounting period an invoice or payment will be included by comparing the invoice or payment GL Date to the ranges of dates you have defined for your accounting periods.

You can enter the GL date of an invoice in the Invoices window. When you enter an invoice GL date, Oracle Payables automatically defaults this GL date to all the invoice distributions. You can then change the GL date for an invoice distribution in the Distributions window. You can define your GL date Basis Payables option so that the GL date for each invoice defaults from either the invoice date, system date, or invoice receipt date. Oracle Payables uses the payment date as the GL date for your payments.

Entering Batch Invoices

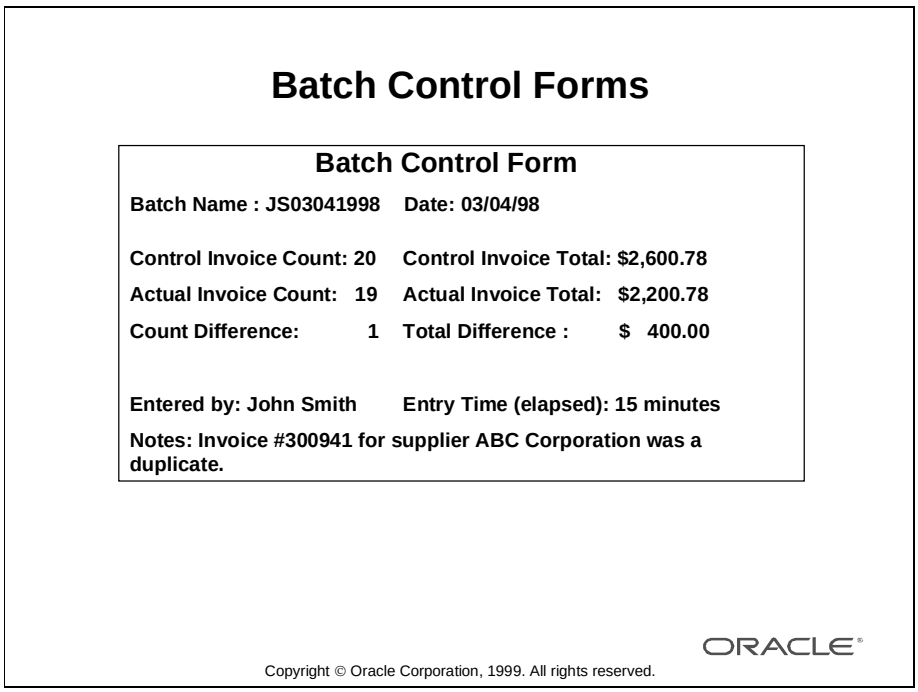


Overview

Use invoice batches to proactively manage invoice entry. You can use batches to do the following:

- Optionally, enter invoice defaults at the batch level that override system or supplier site defaults for all invoices in the batch.
- Maximize accuracy by tracking variances between the control invoice count and total and the actual invoice count and total resulting from your invoice entry.
- Easily locate a batch online and review the name of the person who created the batch and the date it was created.
- To enter invoices in batches, you must first enable the Use Batch Controls Payables option.

Creating Batch Control Forms



Creating Batch Control Forms

Prior to entering a batch of invoices, prepare a Batch Control form.

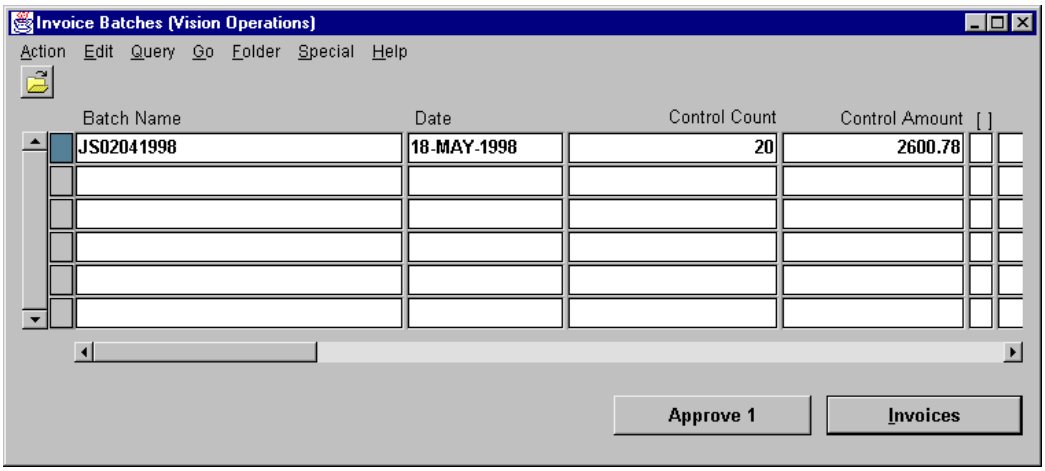
- Enter the number of invoices that are expected to be entered in Control Invoice Count field.
- Enter the total dollar amount for the above invoices in Control Invoice Total field.

After a batch of invoices are entered to Oracle Payables, complete the Batch Control form.

- Enter the actual number of invoices.
- Enter the actual invoice total.
- Explain the reason for the difference.

Note: Preparing the Batch Control form is optional and is not an Oracle Payables function.

Entering an Invoice Batch



Invoice Batches

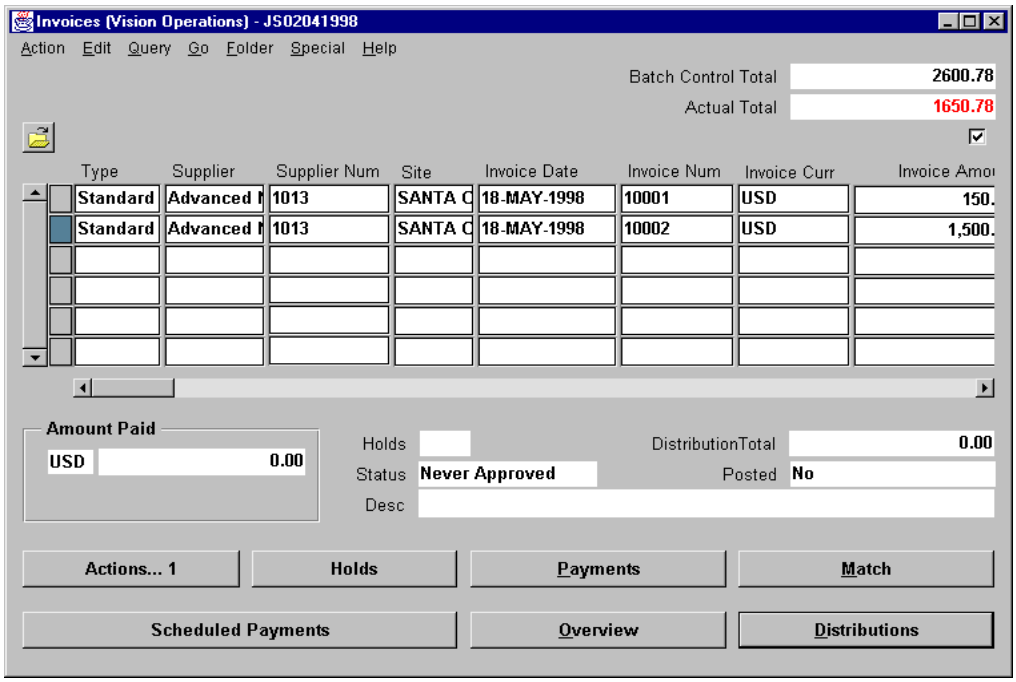
(N) Invoices—>Entry—>Invoice Batches

How to Enter an Invoice Batch

1. In the Invoice Batches window, enter a unique batch name in the Batch Name field. This name will appear on your reports and will help you locate the batch online.
2. Enter the number of invoices in the batch in the Control Count field.
3. Enter the sum of invoice amounts in the batch in the Control Amount field.

   Payables tracks variances between the control count and total and the actual count and total as you enter invoices.
4. Enter any invoice defaults you want for the invoices. Defaults include: Currency, Type, Document Category, Hold Name, Liability Account, Payment Terms, Pay Group, GL Date, and Hold Reason. These defaults override system and supplier site defaults. Of course, you can override these defaults as you enter individual invoices.
5. Save your work.

Entering Invoices in Batches



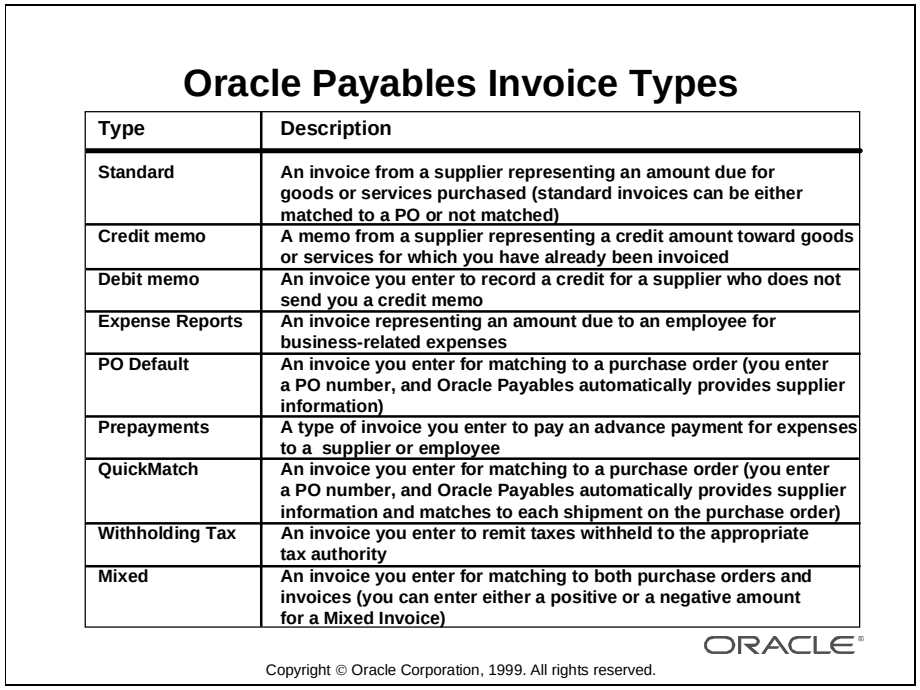
Invoices

(N) Invoices—>Entry—>Invoice Batches (B) Invoices

How to Enter Invoices in Batches

1. Enter an Invoice Batch.
2. Click the Invoices button in the Invoice Batches window.
3. Enter the invoices.
4. Save your work.

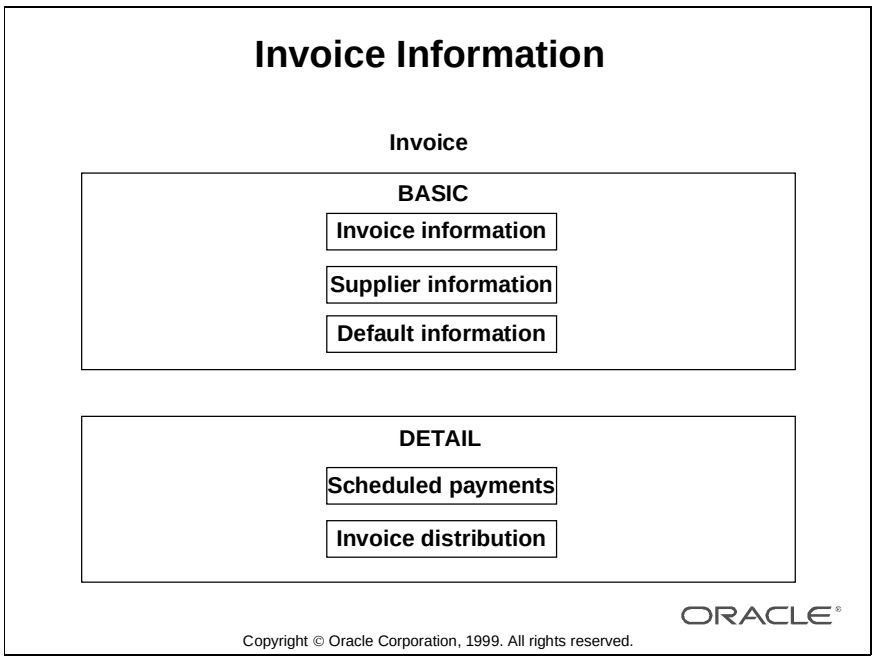
Oracle Payables Invoice Types



Types of Invoices

Type	Description
Standard	An invoice from a supplier representing an amount due for goods or services purchased. Standard invoices can be either matched to a PO or not matched.
Credit memo	A memo from a supplier representing a credit amount toward goods or services for which you have already been invoiced
Debit memo	An invoice you enter to record a credit for a supplier who does not send you a credit memo
Expense Reports	An invoice representing an amount due to an employee for business-related expenses
PO Default	An invoice you enter for matching to a purchase order. You enter a PO number, and Oracle Payables automatically provides supplier information.
Prepayments	A type of invoice you enter to pay an advance payment for expenses to a supplier or employee
QuickMatch	An invoice you enter for matching to a purchase order. You enter a PO number, and Oracle Payables automatically provides supplier information and matches to each shipment on the purchase order.
Withholding Tax	An invoice you enter to remit taxes withheld to the appropriate tax authority
Mixed	An invoice you enter for matching to both purchase orders and invoices. You can enter either a positive or a negative amount for a Mixed Invoice.

Entering Invoice Information

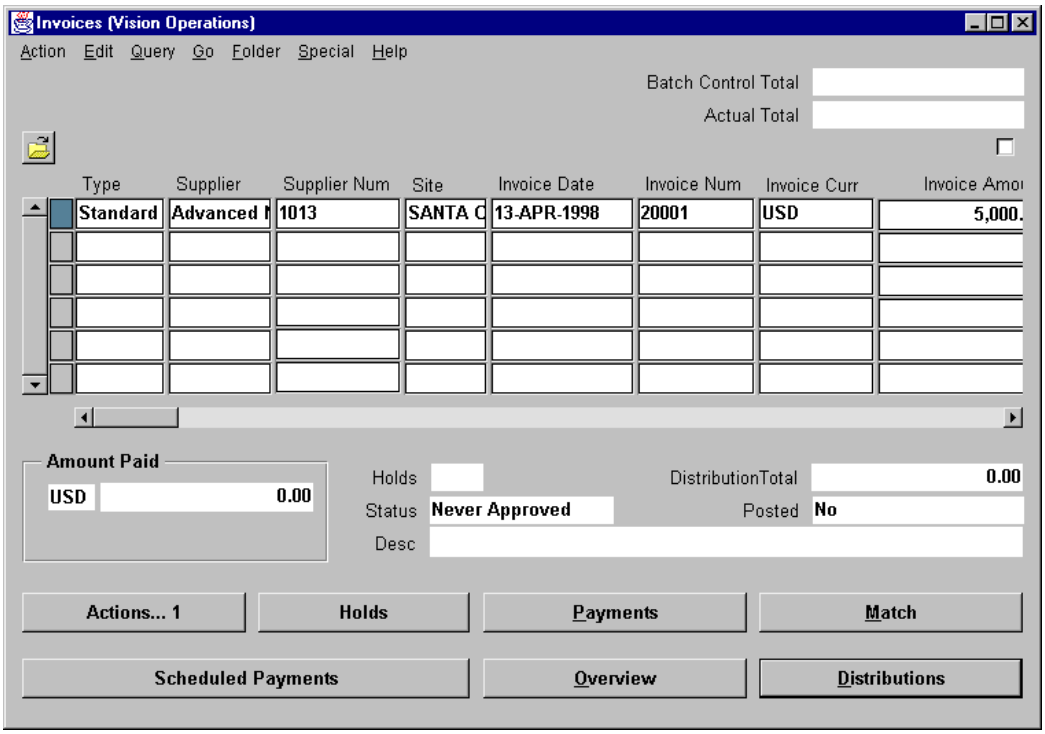


Overview

At a very basic level, invoices are entered, approved, paid, and posted. Therefore, basic invoice processing requires the following actions:

- Entry of header information including invoice type, supplier name, supplier site, invoice number, invoice date, and invoice amount
- Entry of invoice payment details
- Entry of invoice accounting details, including the GL date of the invoice and the GL accounts to which the invoice is charged

Entering Basic Invoice Information



Invoices

(N) Invoices—>Entry—>Invoices

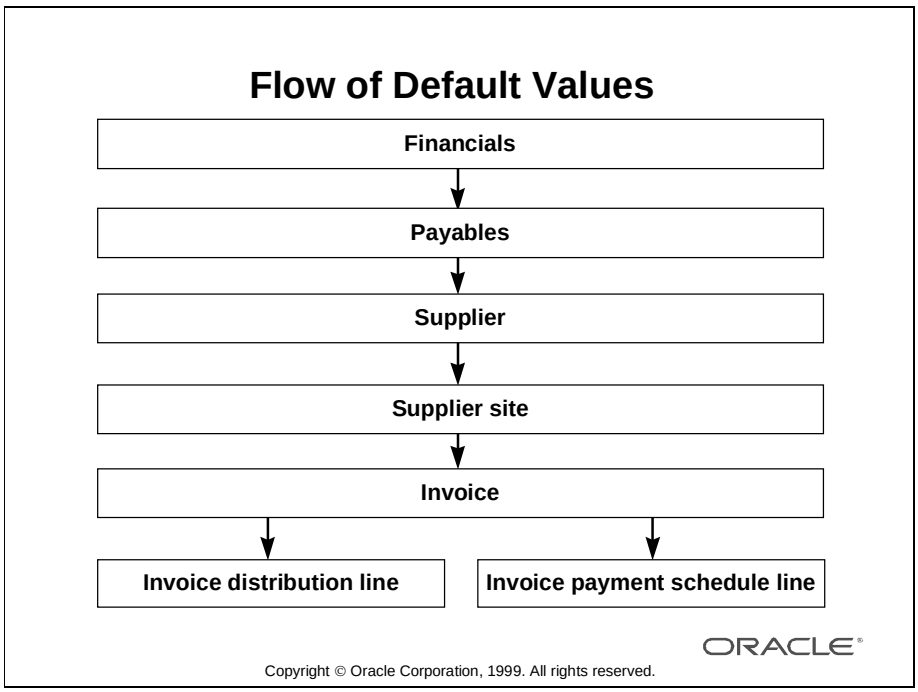
How to Enter Basic Invoice Information

Enter invoice header information including supplier name, supplier site, invoice date, invoice number, and, optionally, invoice description.

1. Select Standard or Mixed from the Type drop-down list. To enter a basic invoice, choose Standard.
2. Enter the Supplier or Supplier Number.
3. Select the Supplier Site to which you will send payment of the invoice. Oracle Payables will print the address for this site on the payment.
4. Enter the Invoice Date.
5. Enter the Invoice Number from the supplier's invoice, or accept the default (today's date) by using the [Tab] key to move to the next field. Oracle Payables will not accept duplicate invoice numbers for the same supplier.

Note: If the Batching option is turned on, invoices cannot be entered in the Invoices window.

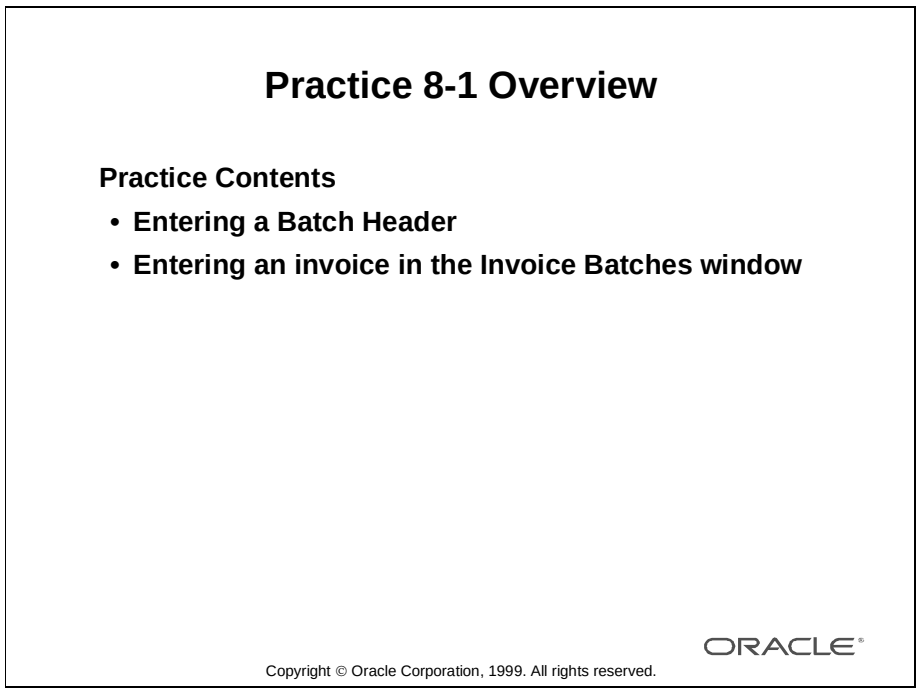
Using AutoEntry Defaults to Speed Invoice Entry



Using AutoEntry Defaults to Speed Invoice Entry

- Oracle Payables assigns Financials and Payables defaults to suppliers.
- Oracle Payables assigns supplier defaults to all the sites for a supplier.
- Oracle Payables assigns supplier site defaults to all the invoices for a supplier site.
- Batch defaults override any supplier site or Payables default.
- You can override most of the default values.

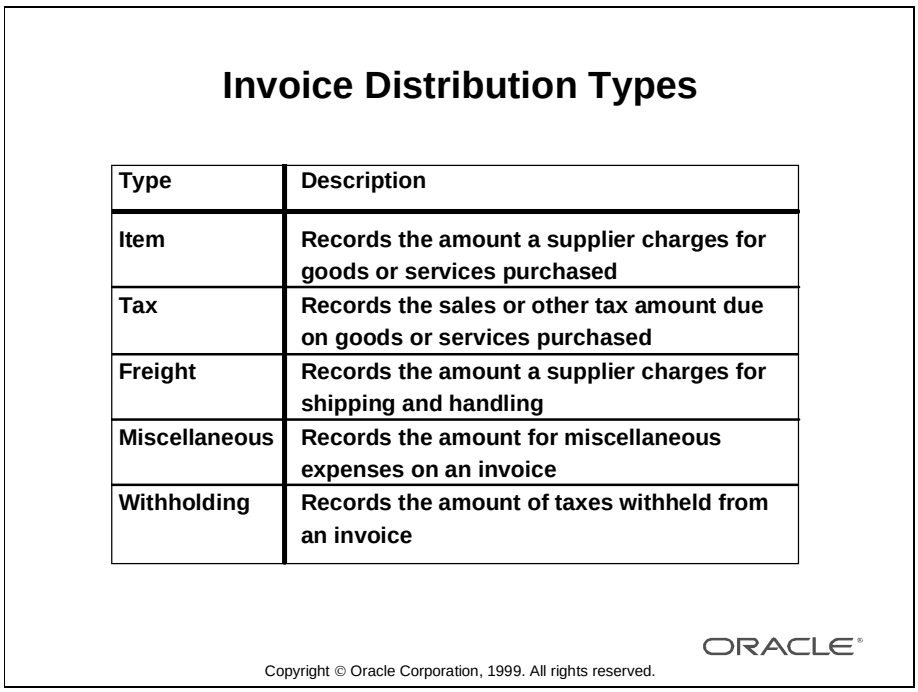
Practice 8-1 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, “Practices and Solutions.”

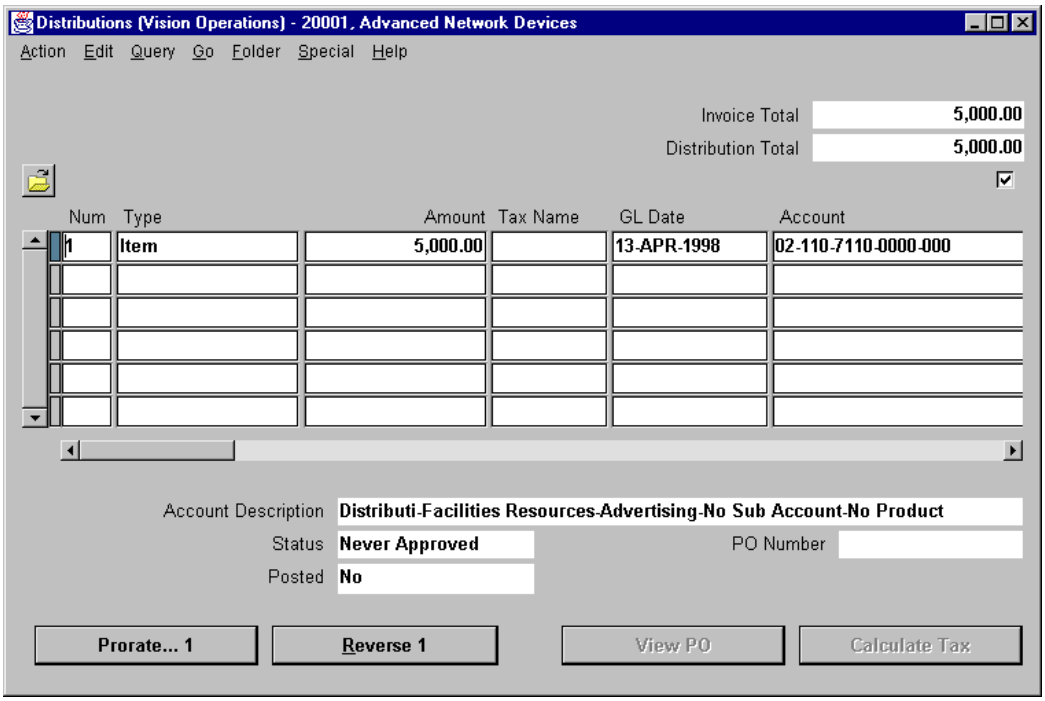
Entering Distributions Manually



Entering Distributions Manually

1. Select a distribution type. Select Item for goods or services you ordered. Select Miscellaneous for other expenses on an invoice that are not freight or tax expenses.
2. Enter the GL account to determine where the invoice gets charged; for example, the company, cost center, and GL Accounting Flexfield. If you enter an asset type account, Oracle Payables automatically selects the Track as Asset check box, and you cannot change it. If you enter an expense account and want to import this distribution to Oracle Assets, select the Track as Asset check box. Note that data must be transferred to the general ledger prior to importing asset data to Oracle Fixed Assets.
3. Enter the GL date. The distribution GL date determines the accounting period to which the distribution will post in the general ledger.
4. Enter Accounting Flexfield information to determine where the invoice gets charged.
5. Optionally, overwrite the default value.

Entering Invoice Accounting Details



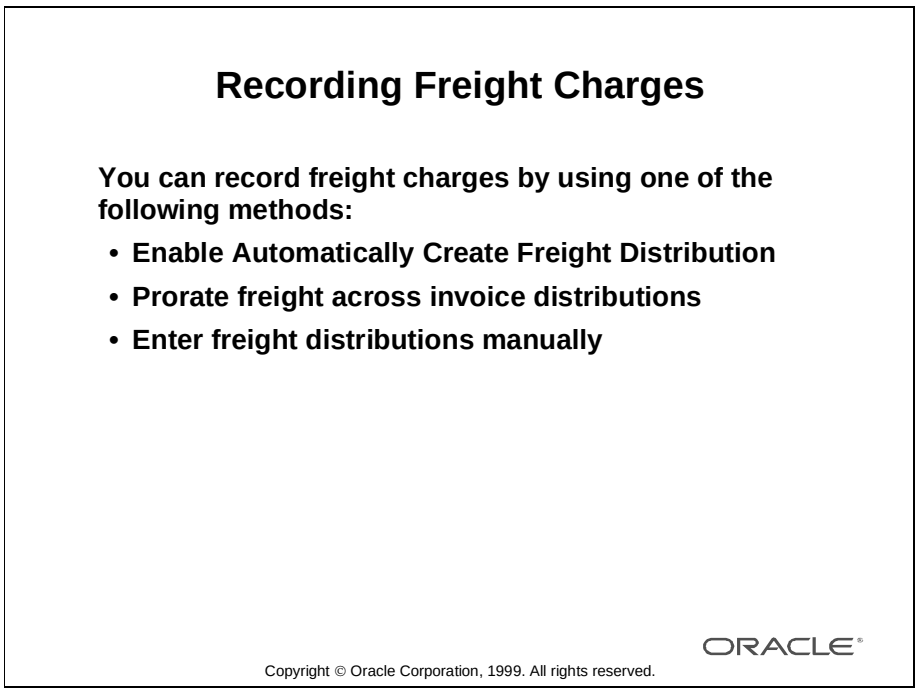
Distributions

(N) Invoices—>Entry—>Invoices (B) Distributions

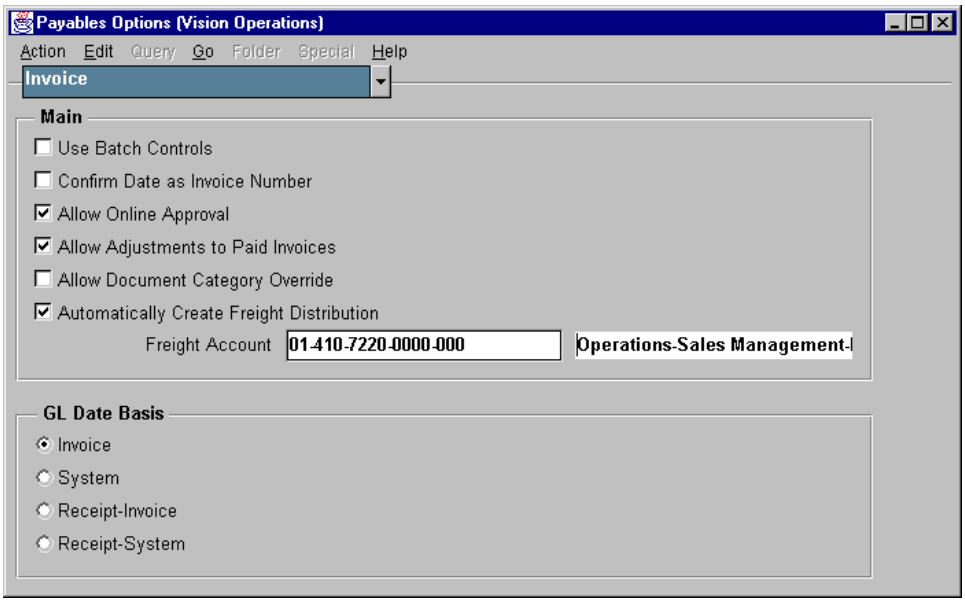
How to Enter Invoice Accounting Details

1. Enter distributions for an invoice to allocate the total invoice amount to various expense or asset accounts.
2. Enter distributions in one of three ways:
   - Manually
   - Using a distribution set
   - Matching to a purchase order
3. During approval, Oracle Payables places a hold on an invoice if the distribution total does not equal the invoice amount. A distribution variance hold prevents payment and transfer to the general ledger.

Recording Freight Charges



Enabling Automatically Create Freight Distribution



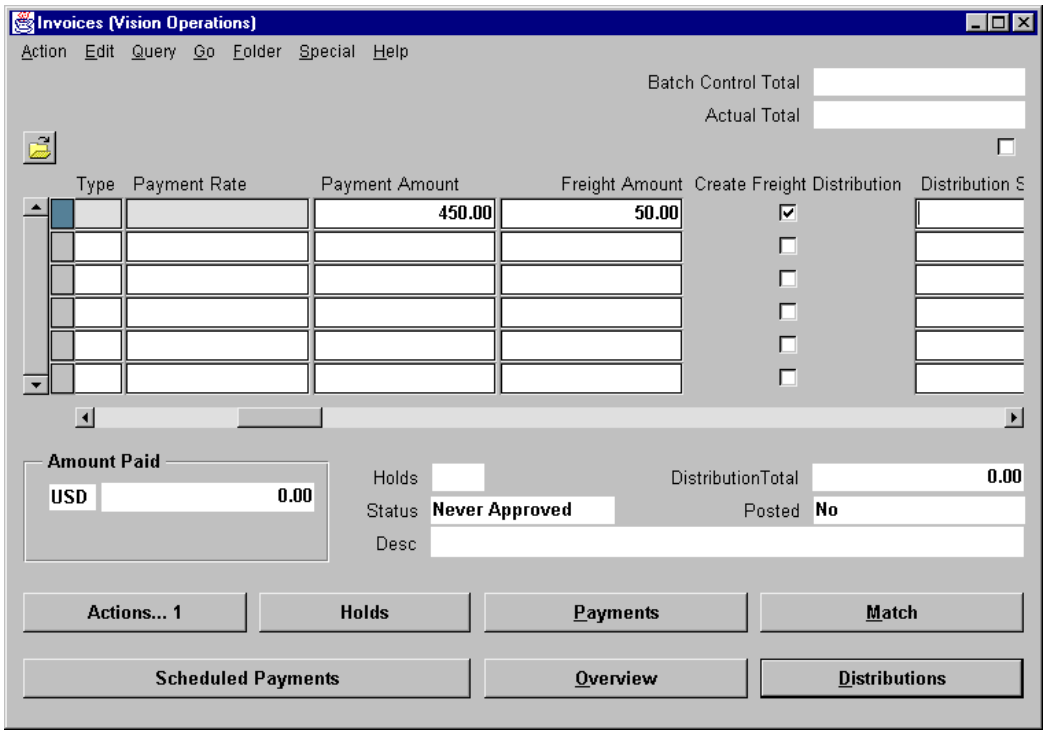
Payables Options: Invoice Region

(N) Setup—>Options—>Payables

Automatically Create Freight Distribution

- By selecting the Automatically Create Freight Distribution check box, the Create Freight Distribution check box in the Invoices window is automatically selected and as the result, a single freight distribution (using the Freight Amount and freight account that you enter for an invoice) is created.
- If you usually prorate freight to invoice distributions or enter freight distributions manually, do not enable this option.
- If you enable the Automatically Create Freight Distribution Payables option, you must enter a freight account in the Freight Account field.. Oracle Payables uses this account as the default freight account for an invoice. You can override this account during invoice entry.

Entering Freight Distribution for an Invoice

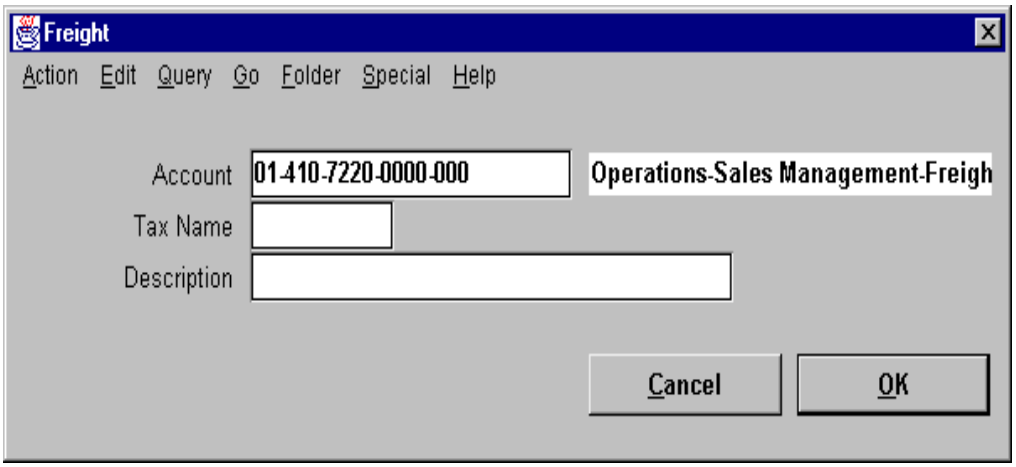


Invoices

(N) Invoices—>Entry—>Invoices

How to Enter Freight Distribution for an Invoice

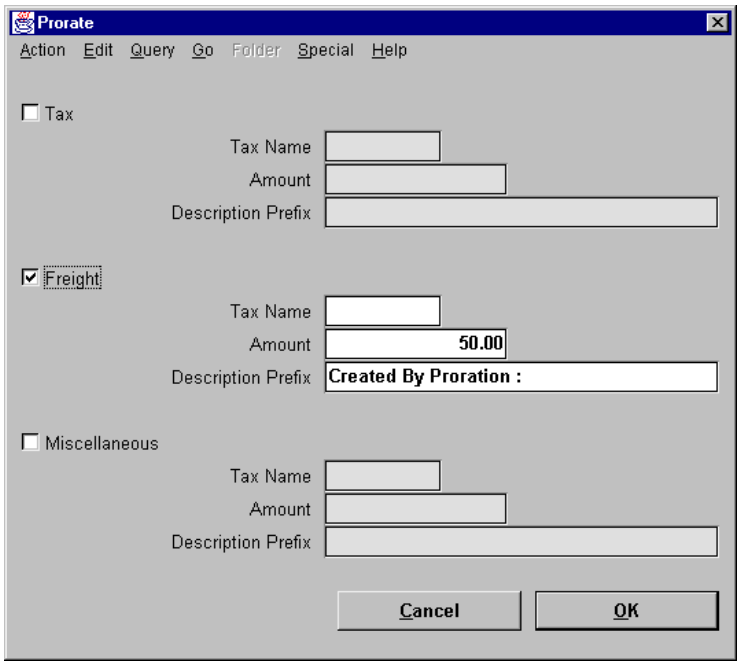
- In the Invoices window, enter all basic invoice information, but do not enter the distributions yet.
- Enter the amount of the freight in the Freight Amount field.
- If the Automatically Create Freight Distribution Payables option is selected and you have entered a default freight account, Oracle Payables selects the Create Freight Distribution check box and displays the freight account in the Freight window. In this window, you can, optionally, override the freight account, record tax on the freight amount, and add a description for the freight distribution. Based on this information, Oracle Payables automatically creates a freight distribution for the invoice.



How to Enter Freight Distribution for an Invoice (continued)

- If the Automatically Create Freight Distribution Payables option is not selected, you can select the Create Freight Distribution check box and enter the freight account in the Freight window Oracle Payables displays after you select the check box. Based on this information, Oracle Payables automatically creates a freight distribution for the invoice.
- Alternatively, you can manually enter a freight distribution directly in the Distributions window.
- Complete the invoice entry.
- Save your work.

Prorating Freight and Miscellaneous Charges



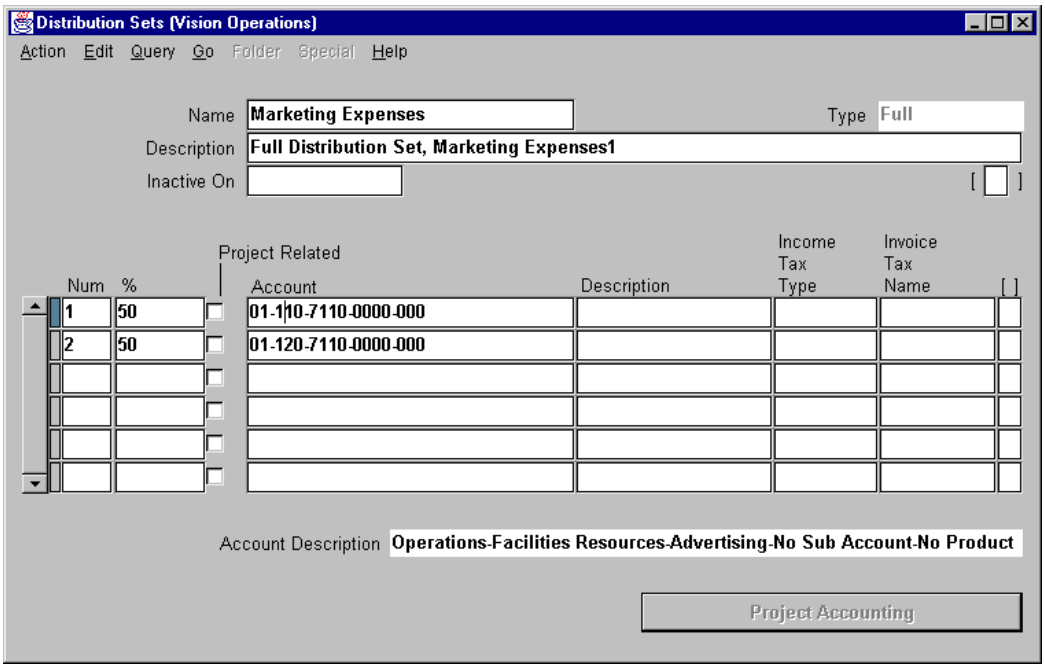
Prorate

(N) Invoices—>Entry—>Invoices (B) Distributions (B) Prorate

How to Prorate Freight and Miscellaneous Charges

1. In the Invoices window, enter all basic invoice information.
2. Do not select the Create Freight Distribution check box.
3. Enter invoice distributions using the method of your choice: Purchase Order Match, Distribution Set, or by manual entry.
4. In the Distributions Summary window, select the lines that are to receive a prorated freight charge.
5. In the Prorate window, select Freight or Miscellaneous, and enter an amount. Optionally, enter a description prefix; the default description prefix is Created By Proration.
6. When you choose Prorate, Oracle Payables automatically creates the distribution.
7. Open the Distribution window to review the invoice distribution.

Defining a Distribution Set



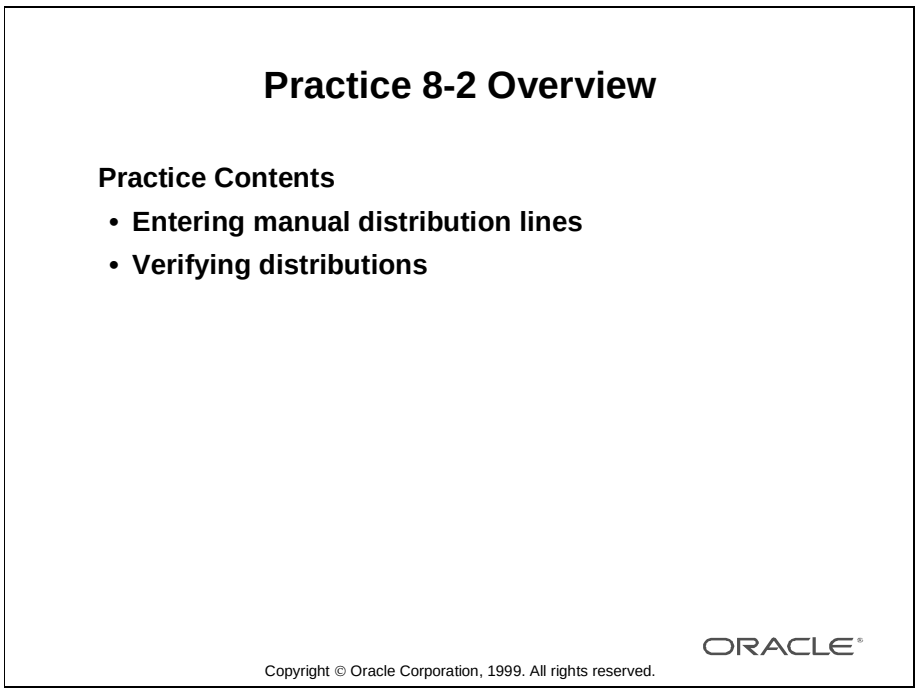
Distribution Sets

(N) Setup—>Invoice—>Distribution Sets

Defining a Distribution Set

- Use a distribution set to automatically enter distributions for an invoice when you are not matching to a purchase order.
- Assign a default distribution set to a supplier site so that Oracle Payables will use it for every invoice you enter for that supplier site, or assign a distribution set to an invoice when you enter it.
- Enter a name that describes the use of the Distribution Set, and identify the distribution set as either full (with all percent amounts totaling 100%) or skeleton (with all percent amounts equaling 0%).
- If you create a skeleton distribution set, include *skeleton* in the name to remind you during invoice entry to enter the amounts on the invoice distributions.
- Define an unlimited number of distribution lines for a distribution set.
- Optionally, assign an iIncome tax type or an invoice tax name to distribution sets.

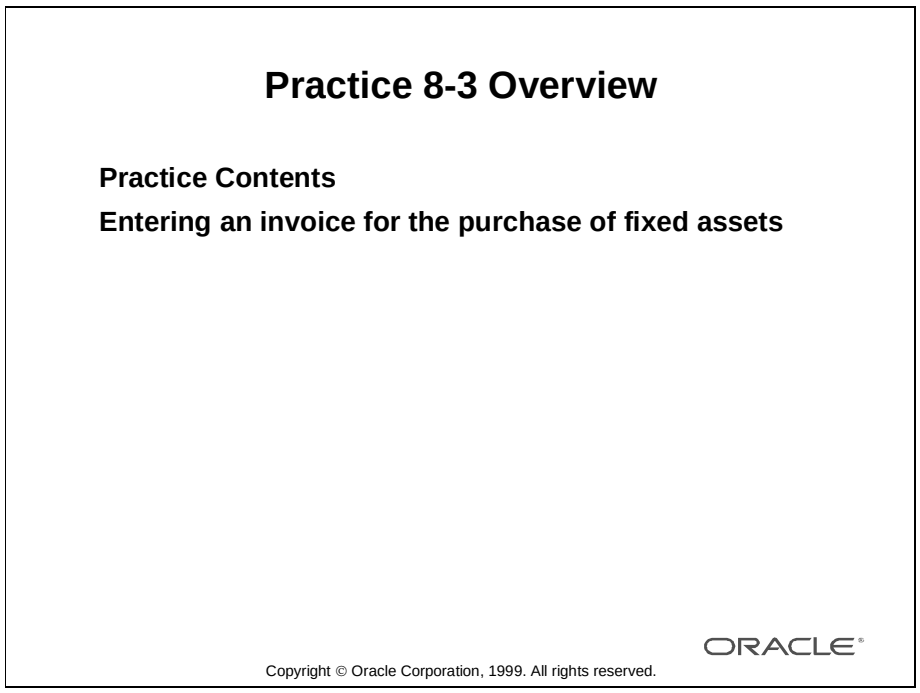
Practice 8-2 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, “Practices and Solutions.”

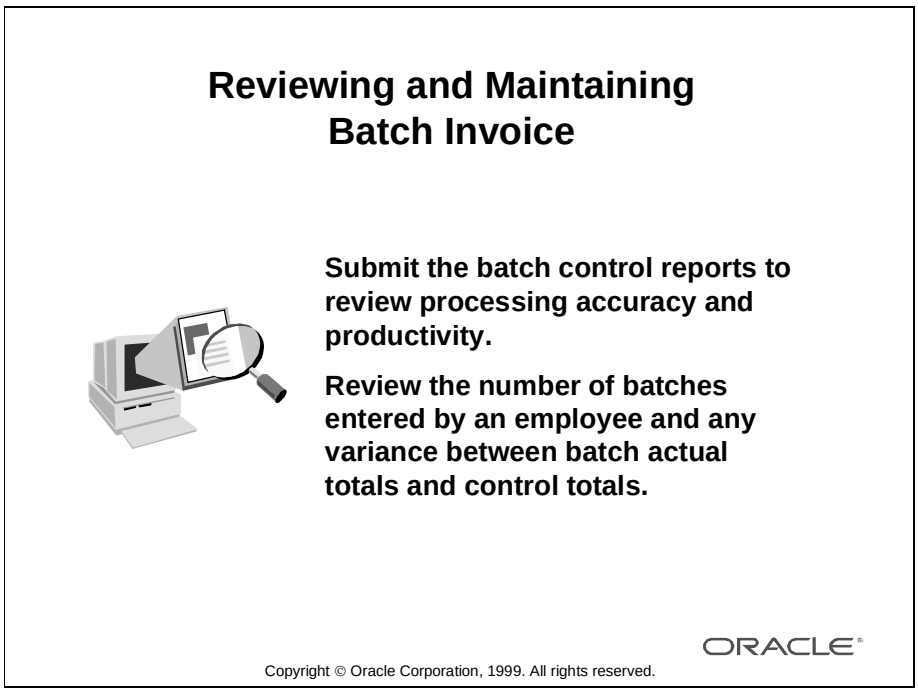
Practice 8-3 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, “Practices and Solutions.”

Reviewing and Maintaining Batch Invoices



Overview

Use the batch control reports to review invoice batches. You can run either report to review invoice entry and identify and resolve batch variances.

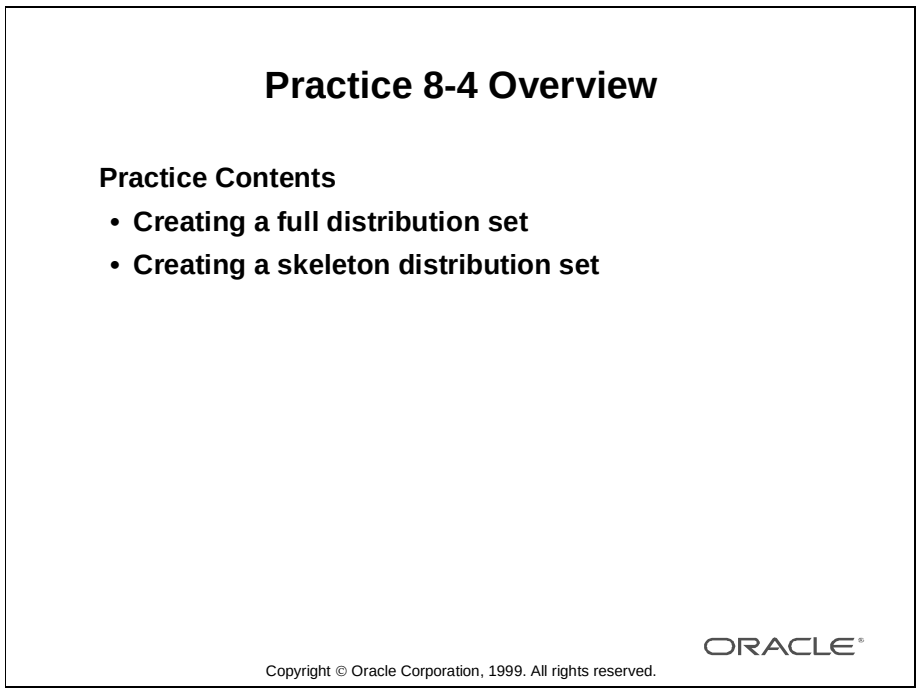
The report you choose determines the order in which the invoice batches are listed.

- Batch Control Report by Batch Name: This report lists invoice batches in order of batch name and batch date, and it sorts by entry name.
- Batch Control Report by Batch Entered By: Lists invoice batches in order of entry person, and it sorts by batch name.

Each report displays the following information:

- The user ID of the person who entered a batch (this makes research and employee performance review easier)
- The control count and the control total of invoices for all batches
- The difference between the total control count and the actual control count, as well as the difference between the total control amount and the total of actual invoice amounts

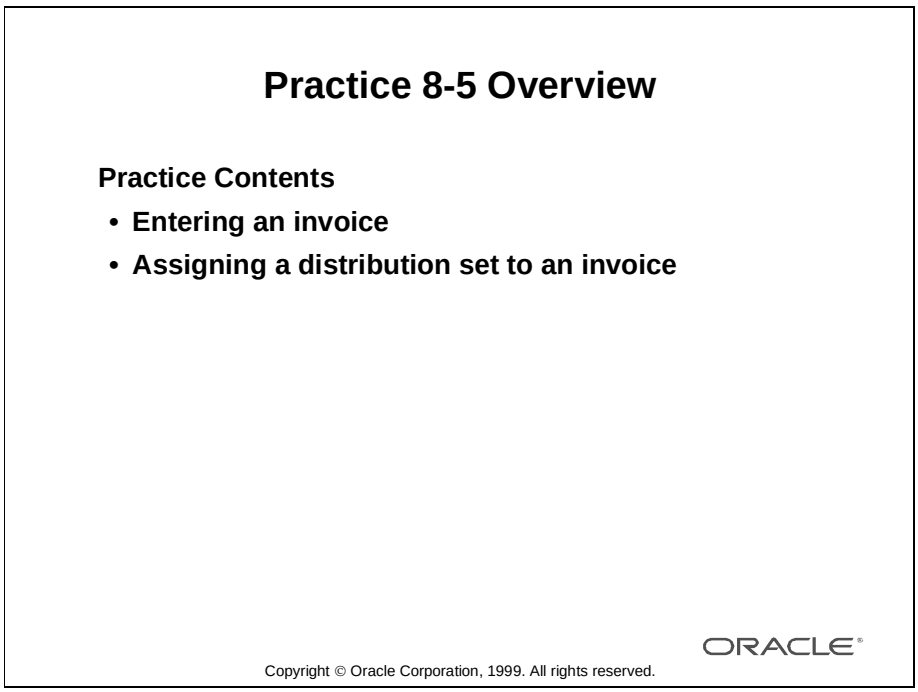
Practice 8-4 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, “Practices and Solutions.”

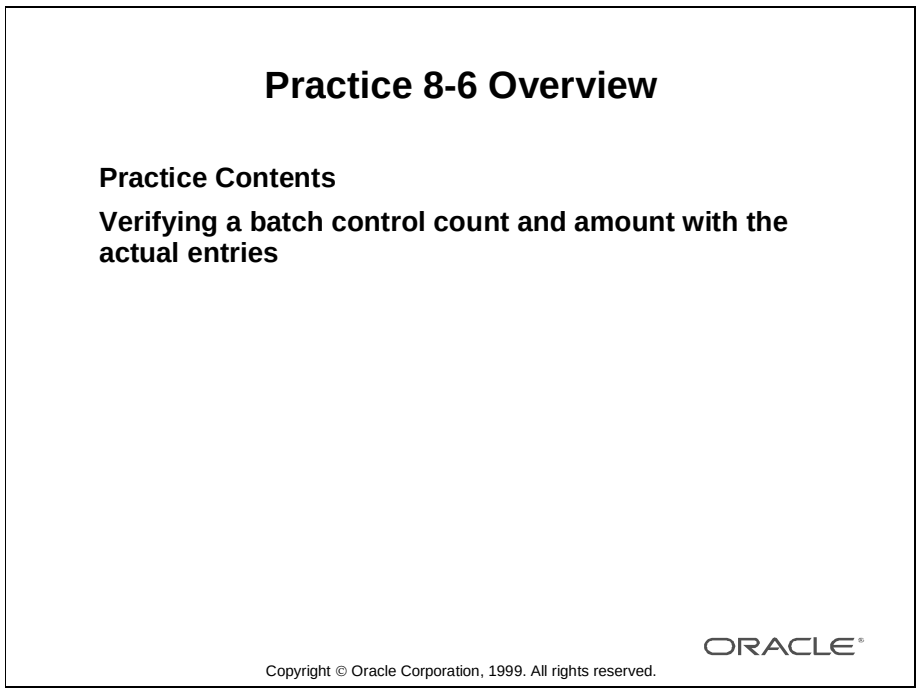
Practice 8-5 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, “Practices and Solutions.”

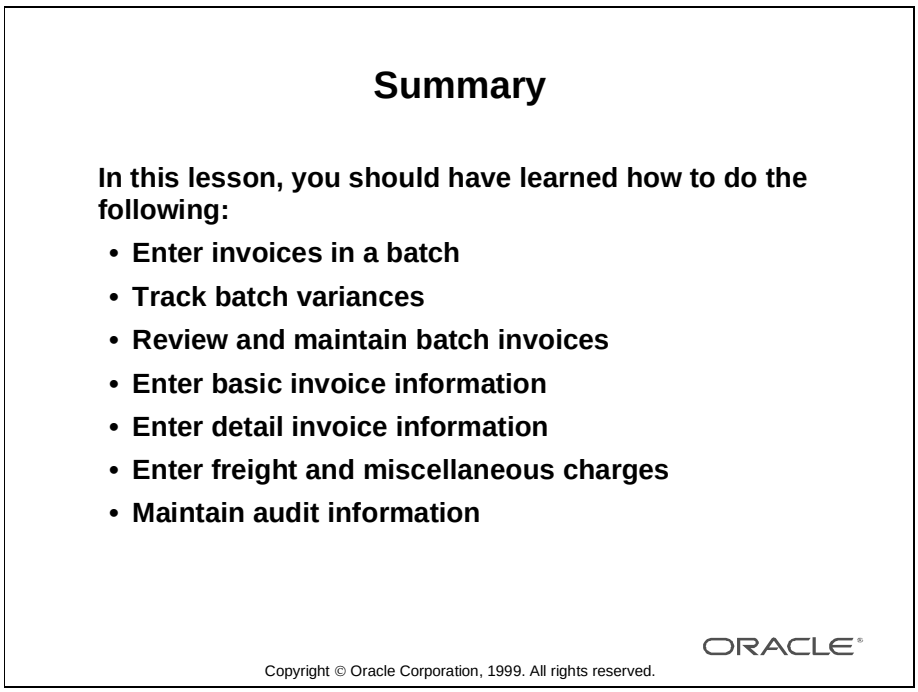
Practice 8-6 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, “Practices and Solutions.”

Summary


Summary
In this lesson, you should have learned how to do the following:
• Enter invoices in a batch
• Track batch variances
• Review and maintain batch invoices
• Enter basic invoice information
• Enter detail invoice information
• Enter freight and miscellaneous charges
• Maintain audit information
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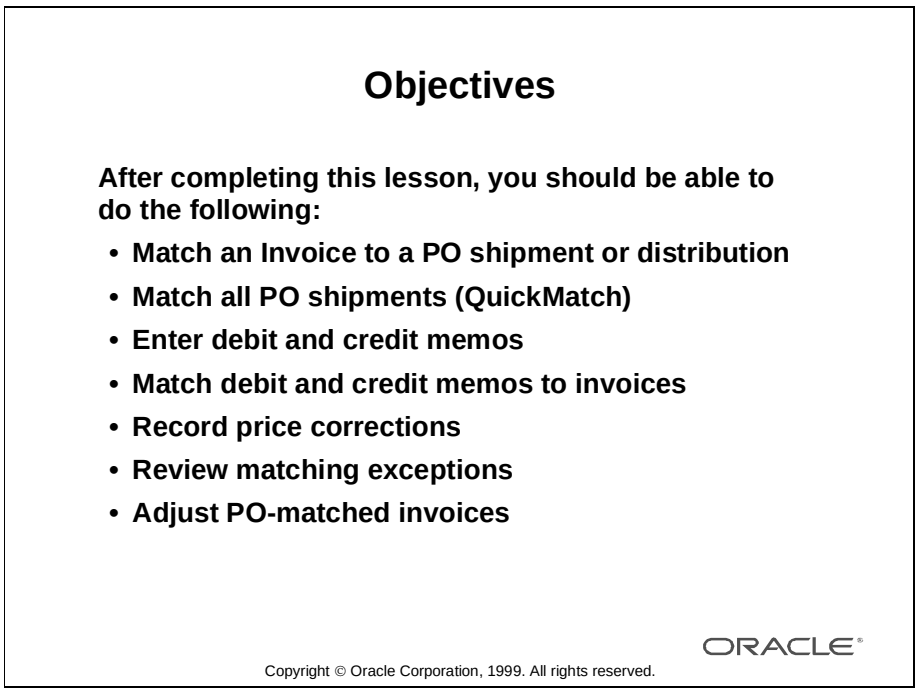
9

Matching Invoices to Purchase Orders

Objectives


Objectives
After completing this lesson, you should be able to do the following:
• Match an Invoice to a PO shipment or distribution
• Match all PO shipments (QuickMatch)
• Enter debit and credit memos
• Match debit and credit memos to invoices
• Record price corrections
• Review matching exceptions
• Adjust PO-matched invoices
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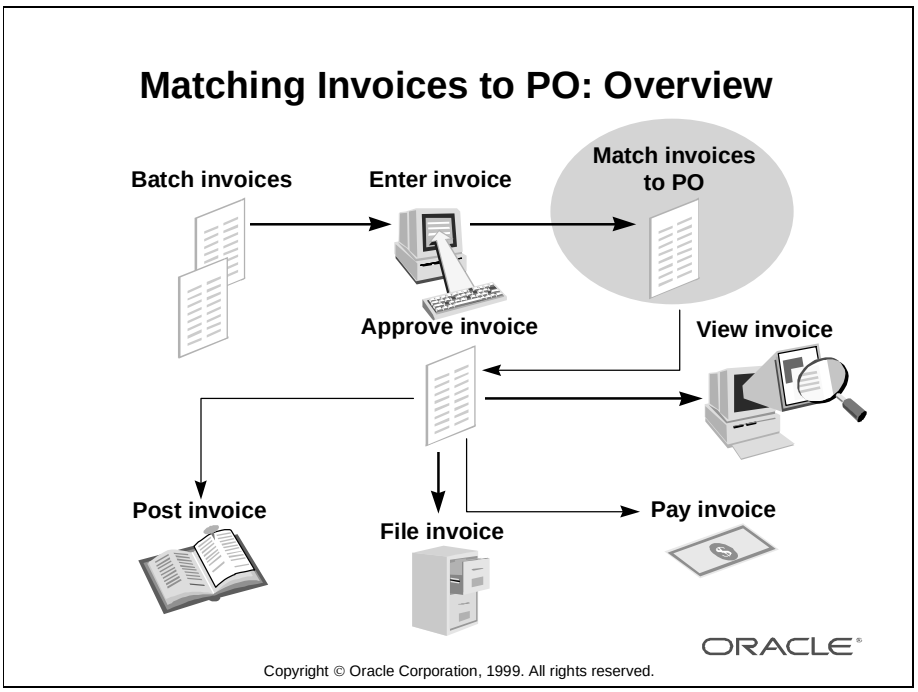
Matching Invoices to PO

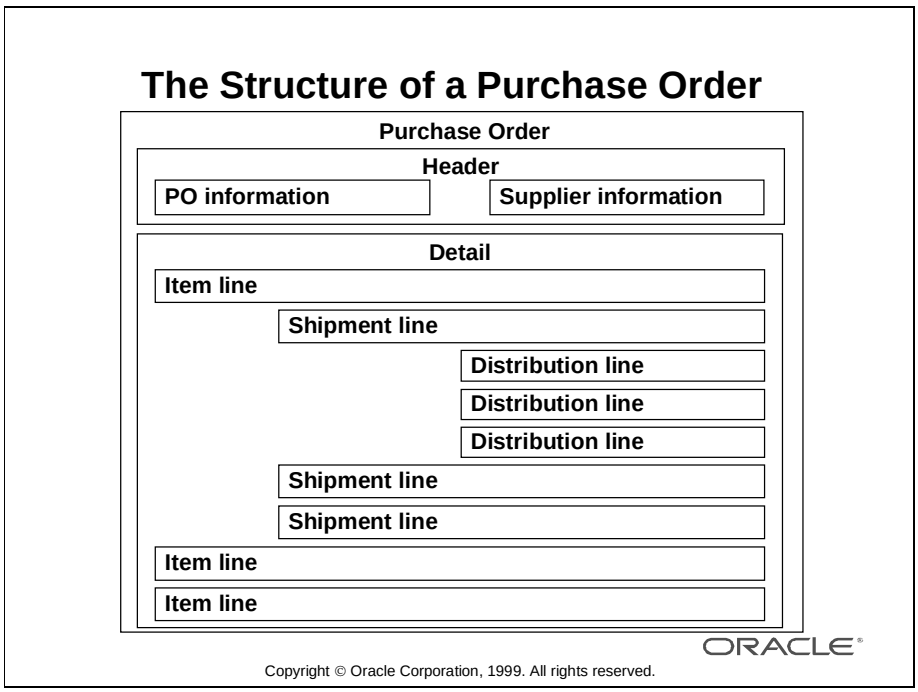


Overview

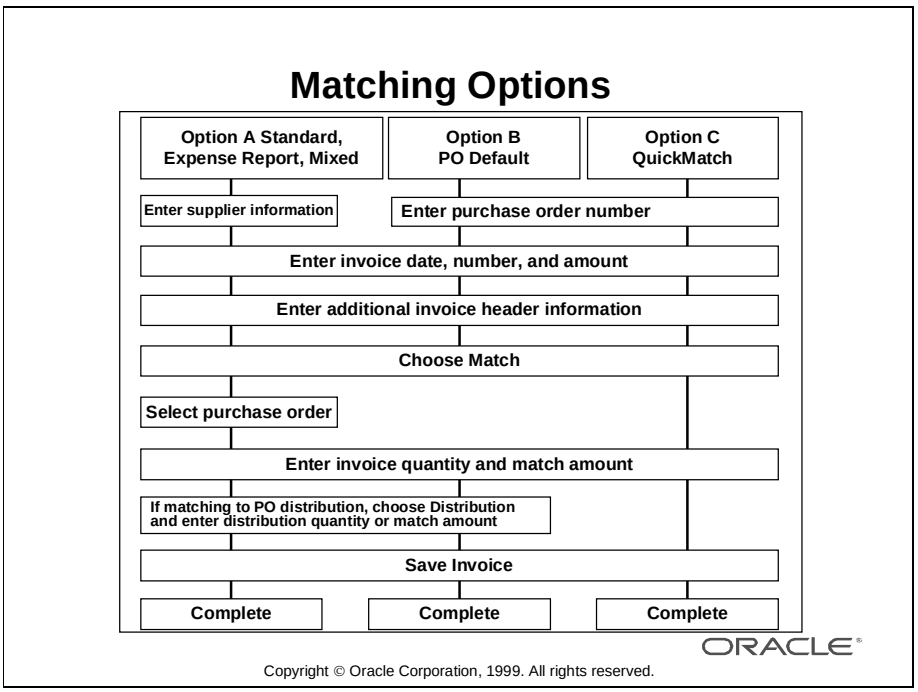
Oracle Payables shares purchase order information from your purchasing system to enable online matching with invoices. Match your billed (invoices) items to the original purchase orders to ensure that you pay only for the goods or services you ordered. If you are billed for an item over the amount and quantity tolerances you define in the Invoice Tolerance window, during approval, Oracle Payables applies a hold to the invoice, which prevents payment.

You can match a single invoice to multiple purchase order shipments, or you can match multiple invoices to a single purchase order shipment. Oracle Payables ensures that you match only to purchase orders for the supplier on the invoice and that the purchase order and invoice currencies match.

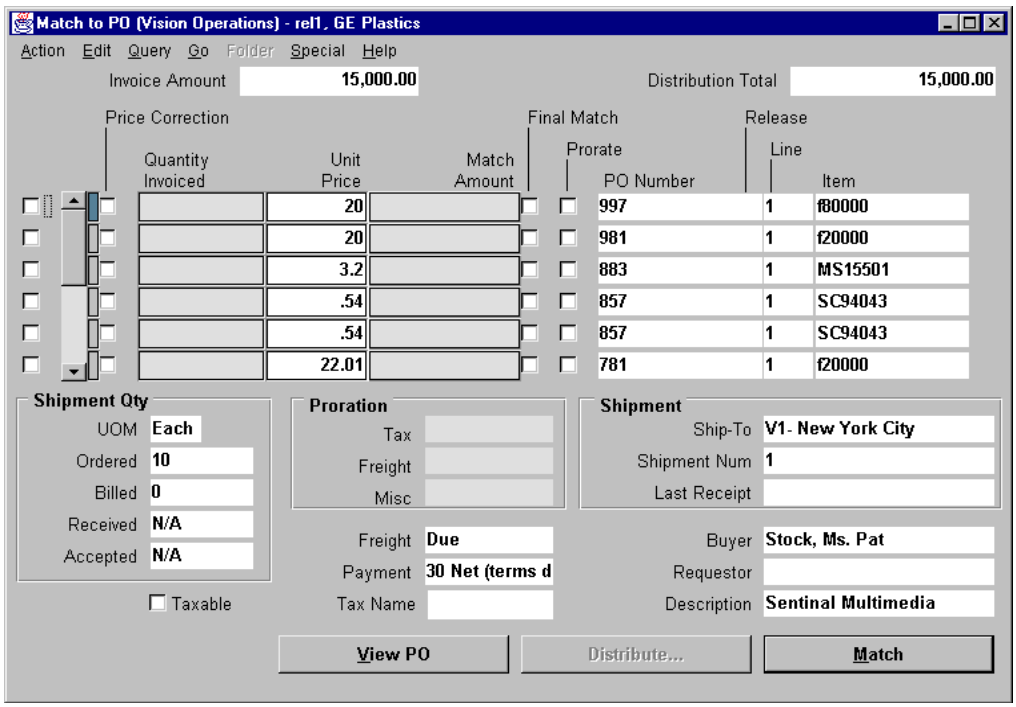
The Structure of a Purchase Order



Payables Matching Options



Matching an Invoice to Purchase Order Shipments or Distributions



Match to PO

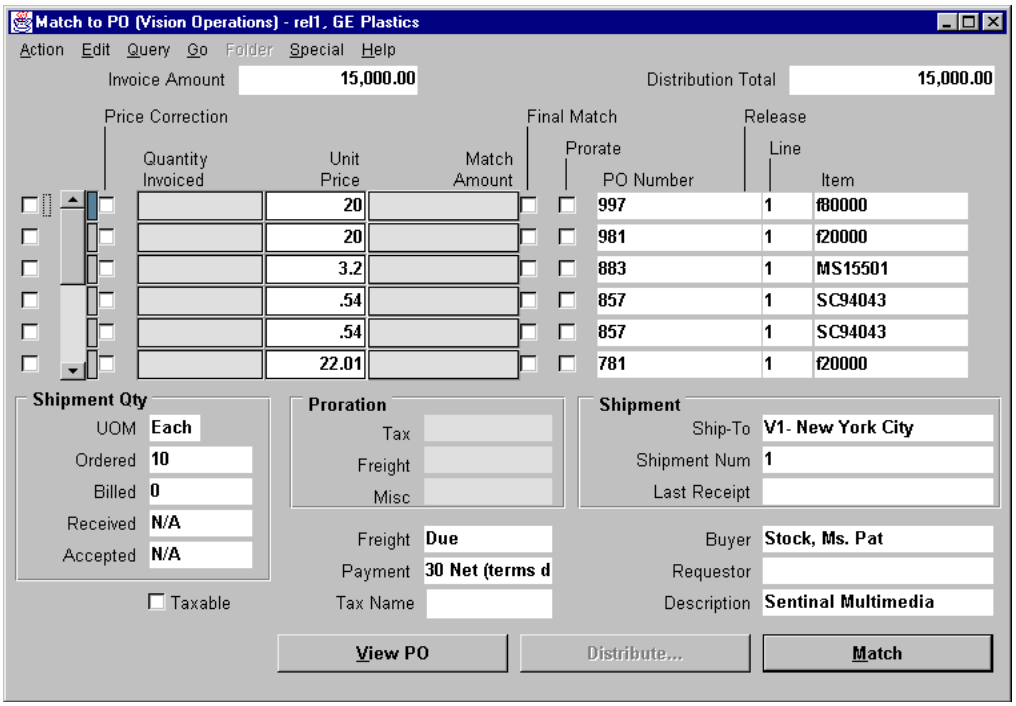
(N) Invoices—>Entry—>Invoices (B) Match

How to Match an Invoice to PO Shipments or Distributions

When you enter an invoice and match it to a purchase order, Oracle Payables automatically creates distributions for you and checks that your match is within the tolerances you define. After you save the match, Oracle Payables updates the quantity billed for each matched shipment and its corresponding distributions by the amount you enter in the Quantity Invoiced field. Oracle Payables also updates the amount billed on the purchase order distributions.

Prerequisites

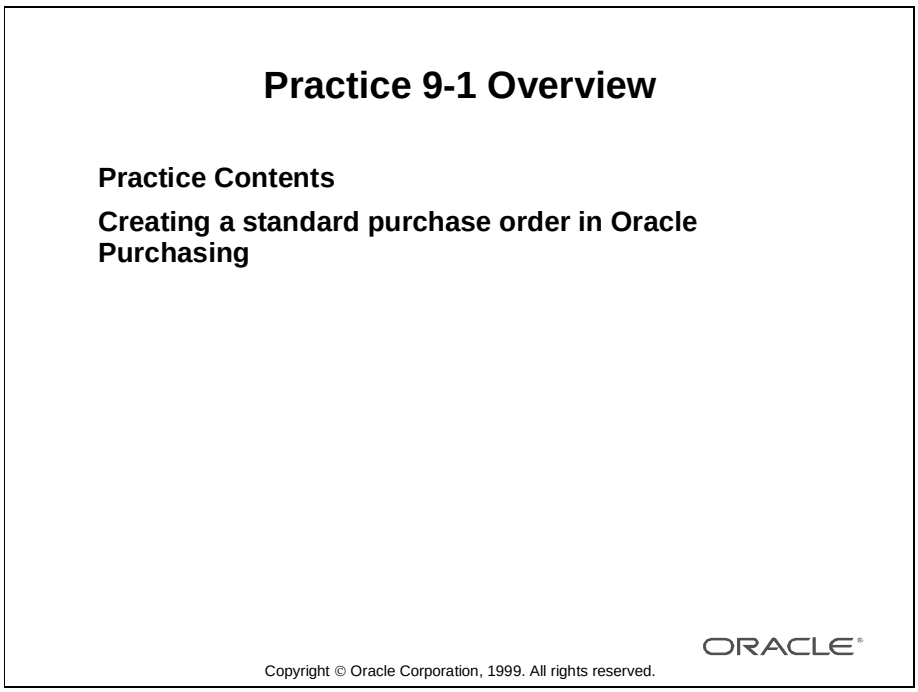
- Your purchasing information must be generated in Oracle Purchasing or transferred to Oracle Purchasing tables from an external purchasing system.
- A purchase order for the same supplier, supplier site, and currency as the invoice you are entering must be approved and open.



How to Match an Invoice to a PO Shipment or Distribution (continued)

1. Select either the Standard or the PO Default invoice type in the Invoices window.
2. If you select PO Default, you are prompted to enter the PO nNumber; then Oracle Payables automatically provides the supplier, supplier number, site, and currency.
3. Click Match to open the Match to PO window.
4. Query the purchase orders to which you want to match the invoice.
5. For each shipment you want to match, enter two of the following pieces of information: quantity invoiced, unit price, or match amount. Oracle Payables automatically calculates the remaining fields.
6. If you want to match in further detail, you can match to purchase order distributions by clicking Distribute.
7. If the Distribute button is enabled, that is an indication that there are multiple distributions for the shipment.

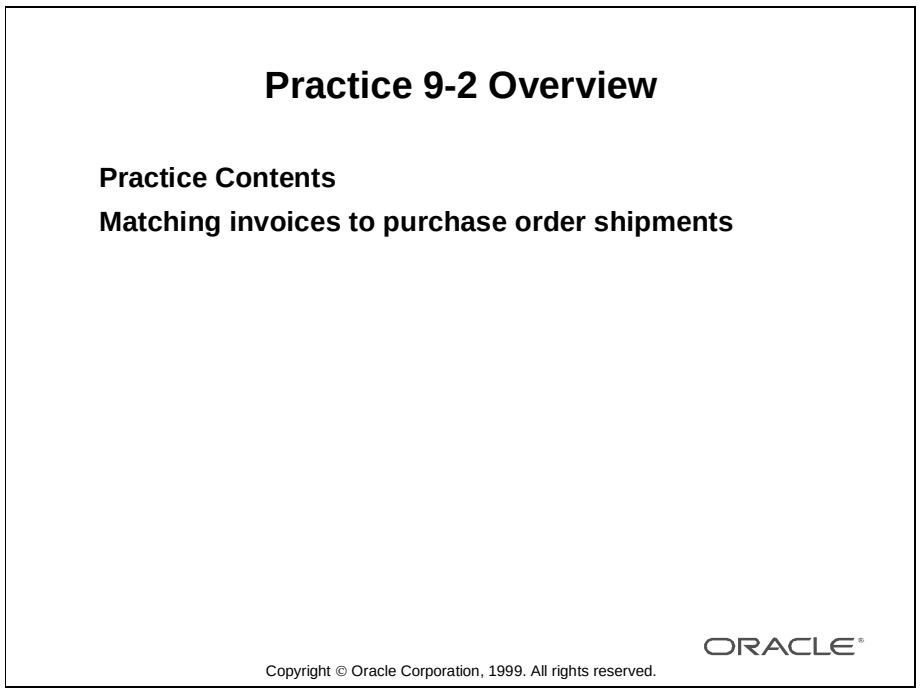
Practice 9-1 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, "Practices and Solutions."

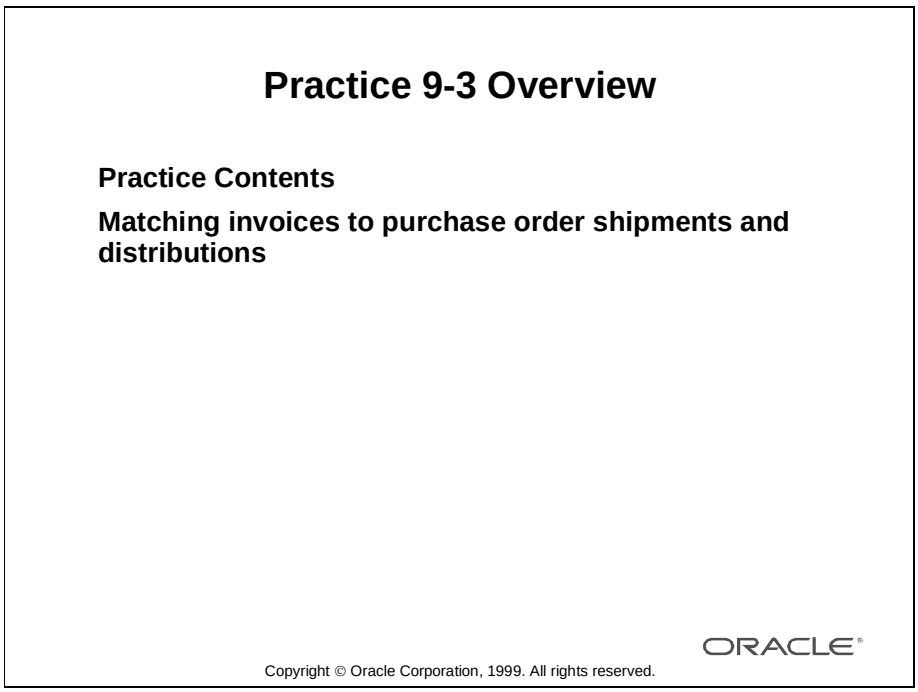
Practice 9-2 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, “Practices and Solutions.”

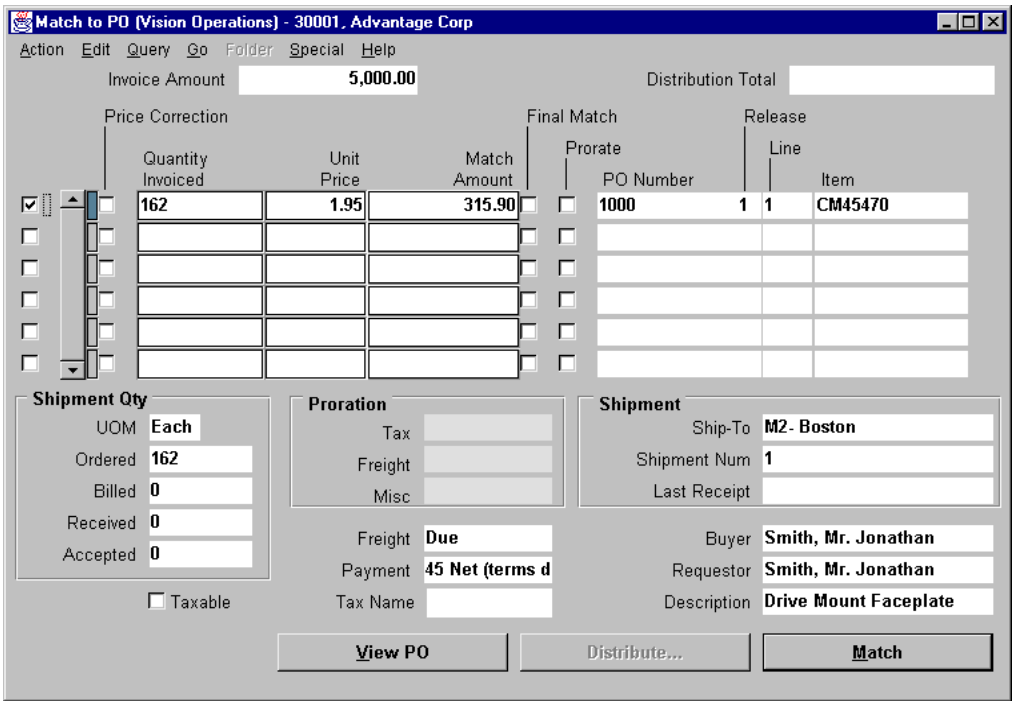
Practice 9-3 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, “Practices and Solutions.”

Matching All Purchase Order Shipments (QuickMatch)



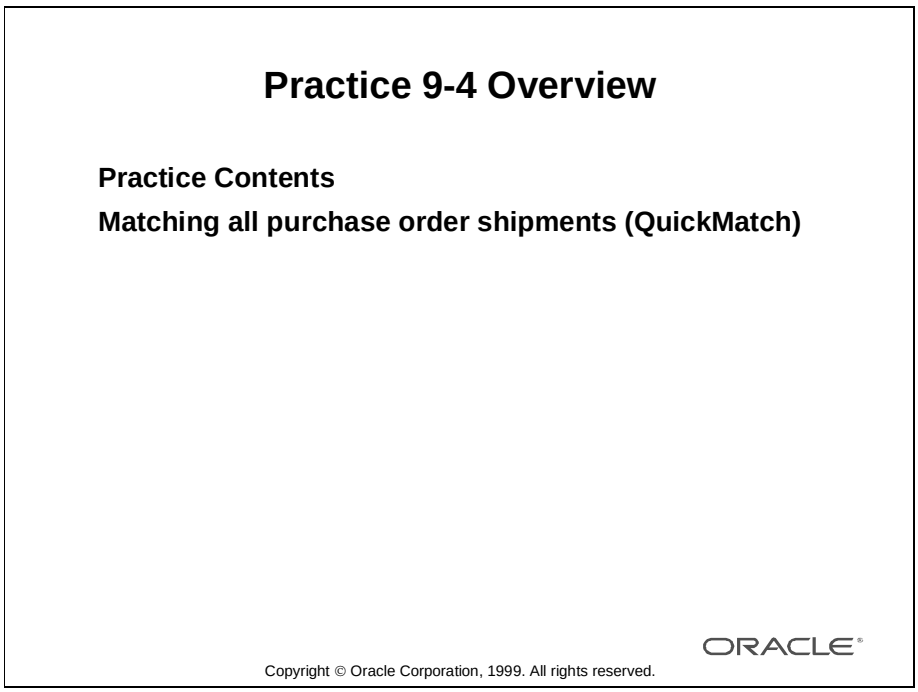
Match to PO

(N) Invoices—>Entry—>Invoices (B) Match

How to Match All Purchase Orders Shipments (QuickMatch)

1. Enter the QuickMatch invoice type in the Invoices window.
2. Click Match to navigate to the Match to PO window. Oracle Payables fully matches the invoice to the distributions of the matched shipments and automatically creates invoice distributions.
3. You can adjust any of the matches by overriding the defaults.

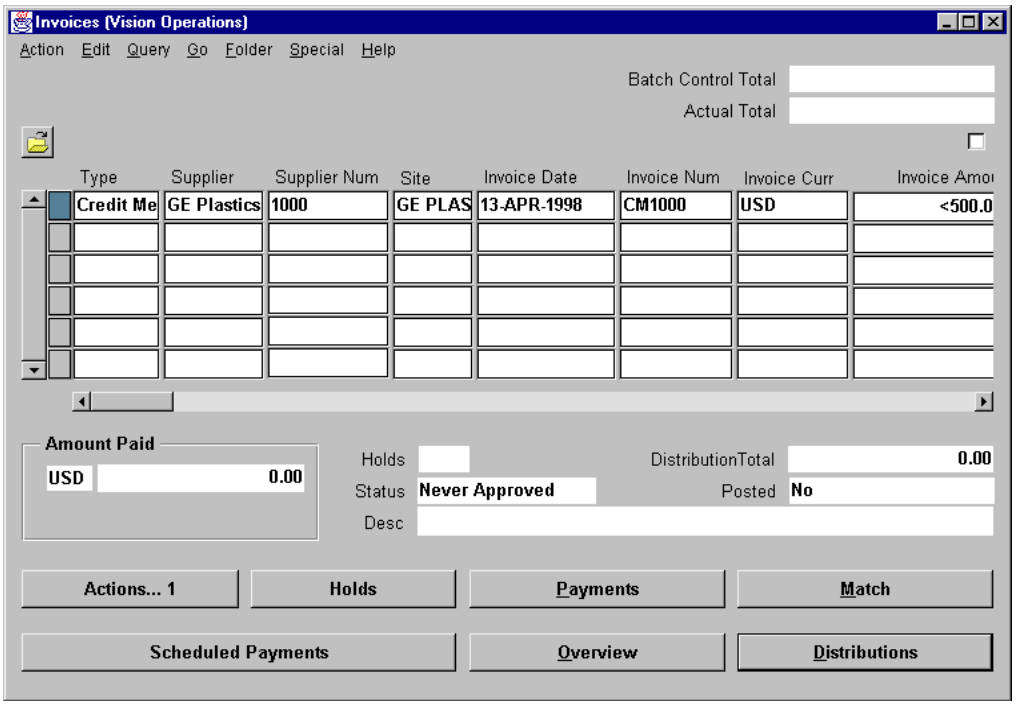
Practice 9-4 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, "Practices and Solutions."

Entering Credit and Debit Memos



Invoices

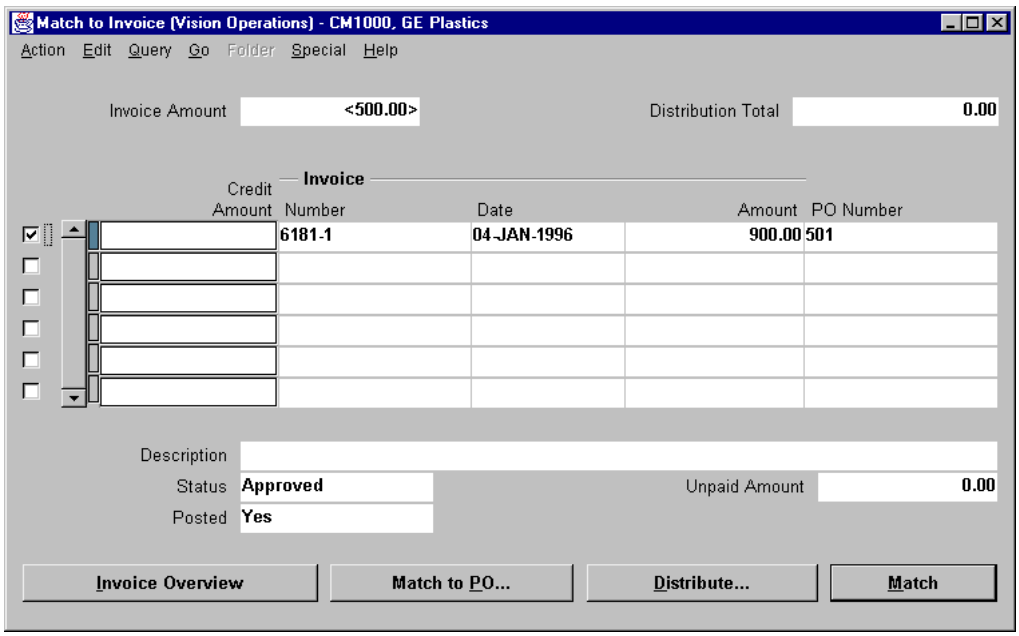
(N) Invoices—>Entry—>Invoices

How to Enter Debit and Credit Memos

Enter the invoice header information.

1. Select Debit Memo or Credit Memo from the Type drop-down list.
2. Enter the supplier or supplier number in the corresponding fields.
3. Select the supplier site from the Site drop-down list.
4. Enter the memo date, or accept the default (today's date) by using the [Tab] key to move through the Invoice Date field.
5. Enter the memo number, or accept the default (today's date) by using the [Tab] key to move through the Invoice Number field; Oracle Payables does not accept duplicate numbers for the same supplier.
6. Click Distributions, to enter distributions for the memo.

Matching Credit and Debit Memos to Invoices



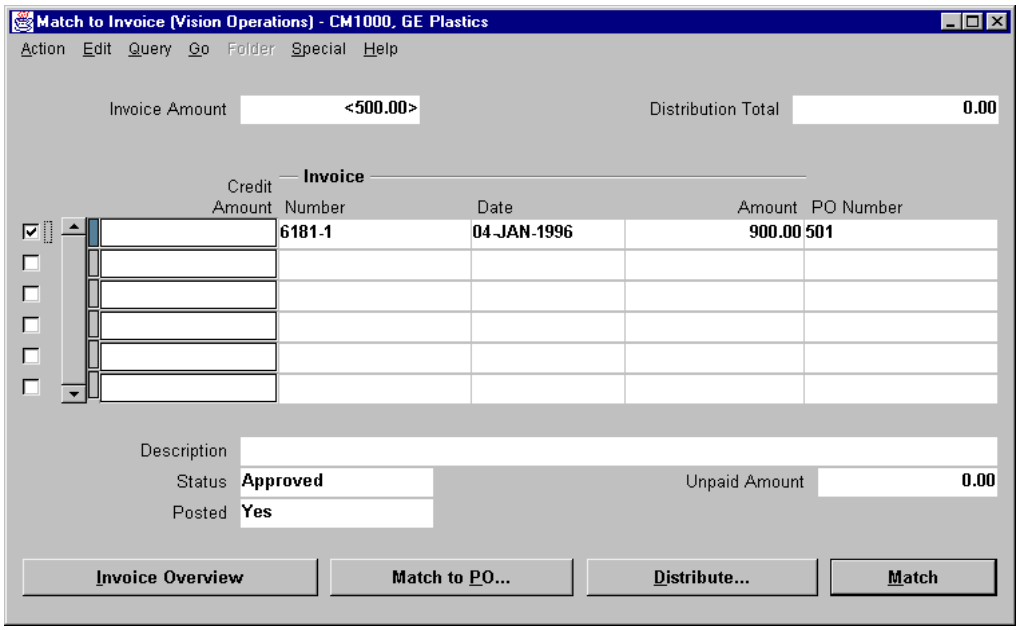
Match to Invoice

(N) Invoices—>Entry—>Invoices (B) Match

How to Match Credit and Debit Memos to Invoices

Enter the memo header information, including supplier name, number, and the description.

1. Select Debit Memo or Credit Memo from the Type drop-down list.
2. Enter a Credit Memo or Debit Memo type invoice.
3. Enter a negative invoice amount and all basic invoice information, but do not manually enter the distributions.
4. Click Match.
5. In the Find Invoices to Match window, query the invoices you want to match and click Find. If the credit or debit memo pertains to an invoice matched to a certain purchase order, query by purchase order number to see all invoices matched to that purchase order. Oracle Payables navigates to the Match to Invoice window.



How to Match Credit and Debit Memos to Invoices (continued)

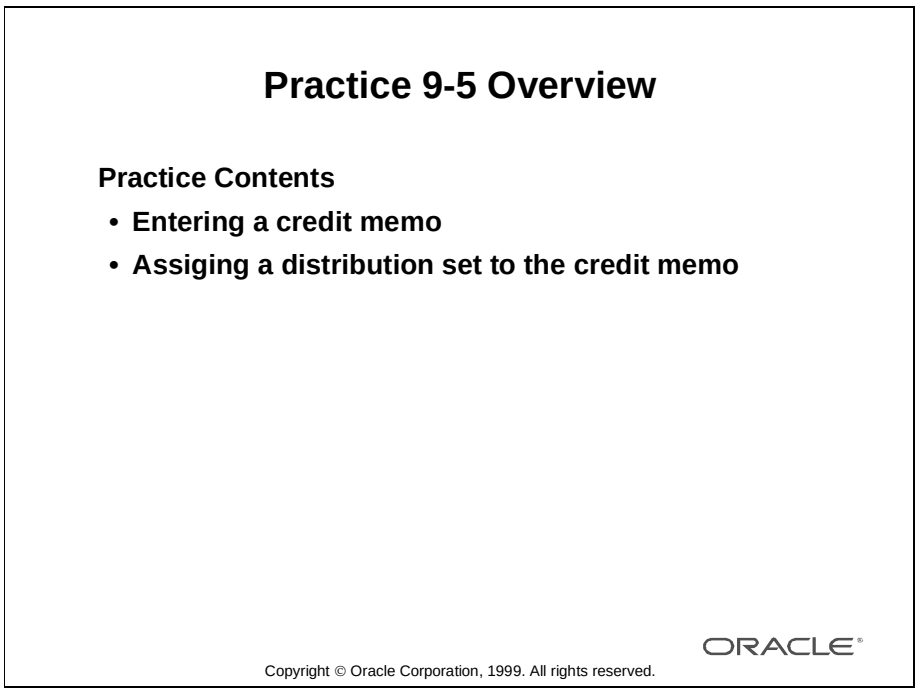
6 Optionally, click Invoice Overview to review more information about an invoice.

7 Create invoice distributions by matching to one or more invoices. If you are matching to a nonpurchase-order-matched (basic) invoice, select the invoice and enter a credit amount.

8 Click Match to create invoice distributions for the credit or debit memo based on the matches you made.

If there are multiple distributions, click Distribute to select the distribution accounts.

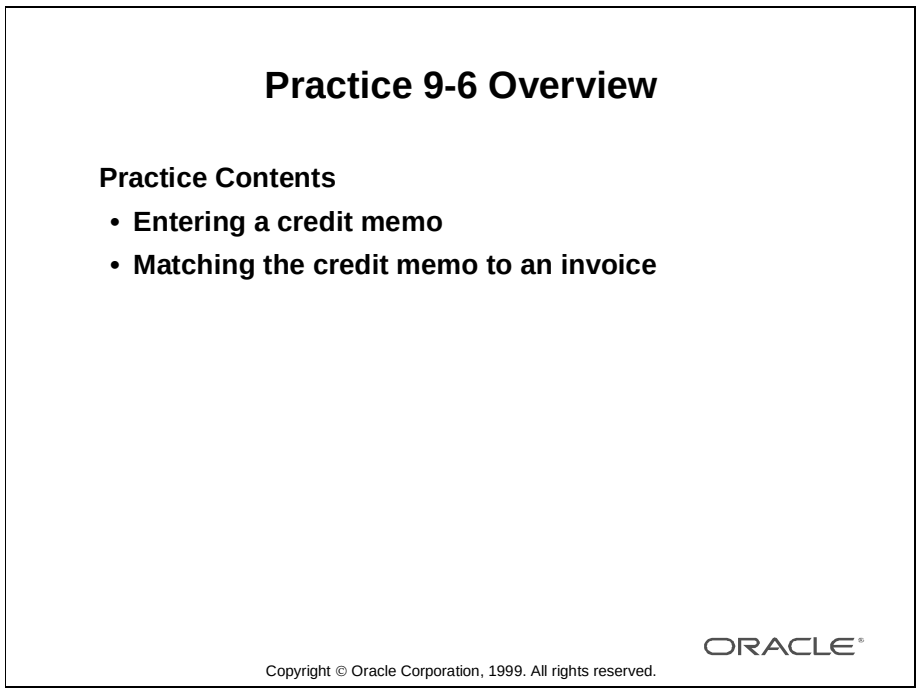
Practice 9-5 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, “Practices and Solutions.”

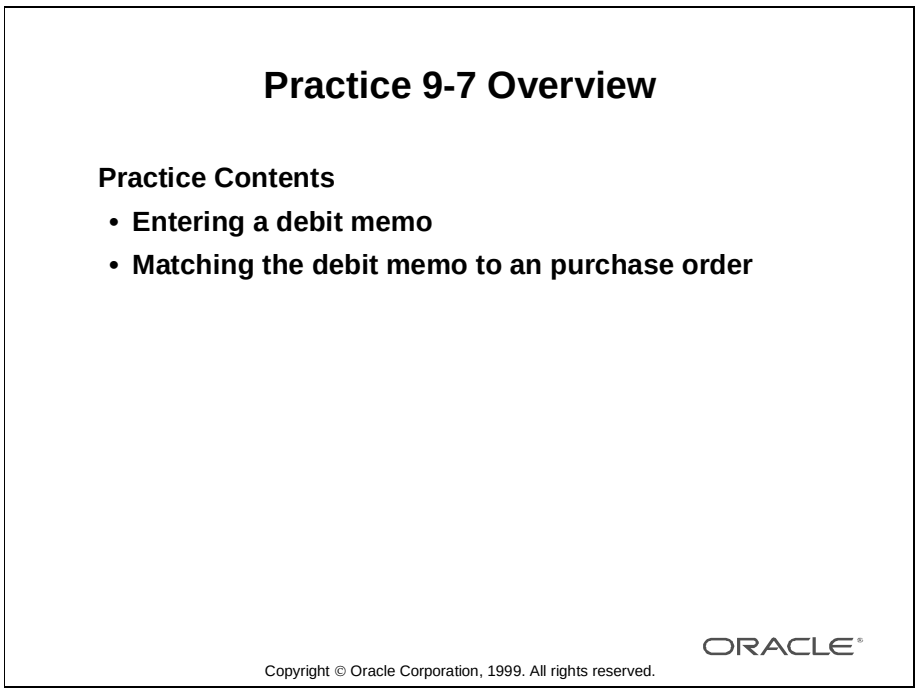
Practice 9-6 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, “Practices and Solutions.”

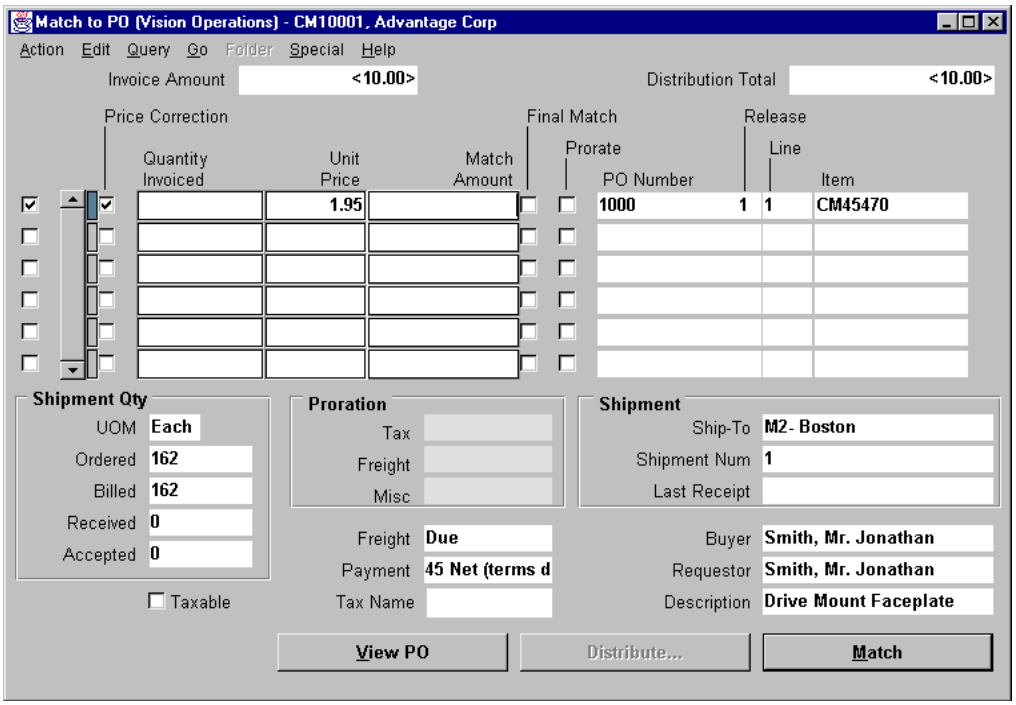
Practice 9-7 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, “Practices and Solutions.”

Recording Price Corrections



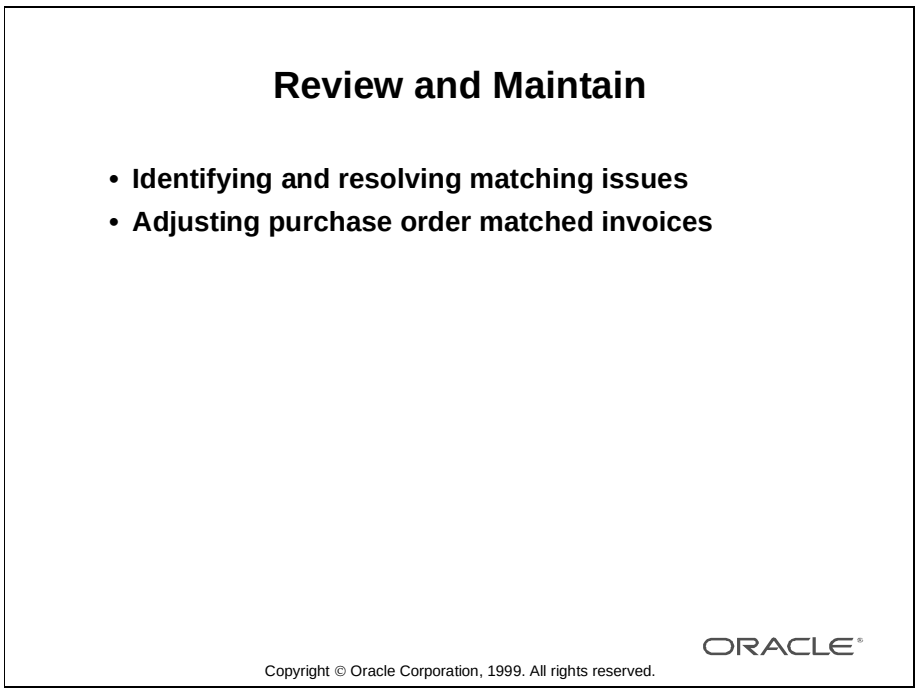
Match to PO

(N) Invoices—>Entry—>Invoice (B) Match

Price Corrections

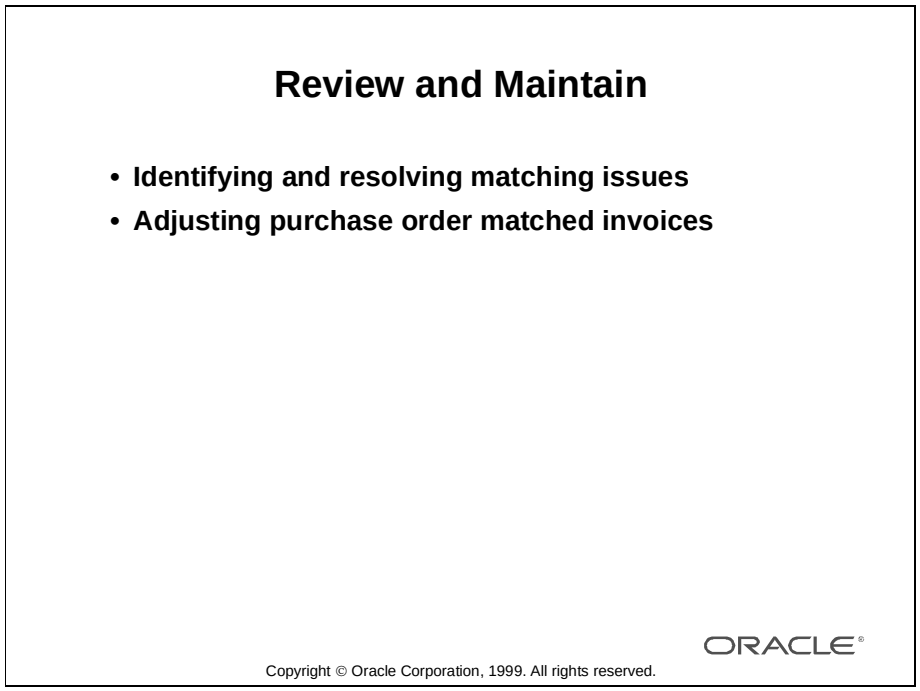
- Use a price correction to record and update the invoiced unit price of previously matched purchase order shipments or distributions without adjusting the quantity billed in order to track price variances. Record a price decrease by entering a credit or debit memo invoice and then selecting the Price Correction check box when you perform matching.
- Record a price increase by entering a Standard or PO Default invoice type and then selecting the Price Correction check box when you perform matching.
- To record a price change for a purchase order shipment, select Price Correction, enter the unit price for the incremental amount of the price correction, and enter information into either Quantity Invoiced or the Match Amount field for each shipment you want to match.

Review and Maintain



Identifying and Resolving Matching Issues

- Submit the Matching Hold Detail Report for a specified date range. Review detailed purchase order and invoice information on invoices on matching hold or released from matching hold. For example, use this report to identify and resolve invoices on QTY ORD hold. The report provides both quantity invoiced and quantity ordered information.
- Submit the Invoice on Hold Report each day to identify which invoices are on hold.



Adjusting Purchase Order Matched Invoices

- If you accidentally matched to the wrong purchase order shipments or distributions, you can reverse matched distributions and create new distributions by matching to new purchase order shipments or distributions of the same purchase order or of another purchase order. If you add or reverse invoice distributions you must also change the scheduled payment amounts to match the new invoice total, or Oracle Payables will place holds on the invoice during approval.
- You can adjust the GL Date, Income Tax Type, and Account fields of a purchase order matched invoice distribution. You can change the Account only if you have not yet posted the invoice and if you have selected the Allow Matching Account Override Payables option.
- If a supplier submits a supplementary invoice for a change in unit price for an invoice you have matched to a purchase order, use a price correction to adjust the invoiced unit price of previously matched purchase order shipments or distributions without adjusting the quantity billed.

Summary

Summary

In this lesson, you should have learned how to do the following:

- **Match an Invoice to a PO shipment or distribution**
- **Match all PO shipments (QuickMatch)**
- **Enter debit and credit memos**
- **Match debit and credit memos to invoices**
- **Record price corrections**
- **Review matching exceptions**
- **Adjust PO-matched invoices**

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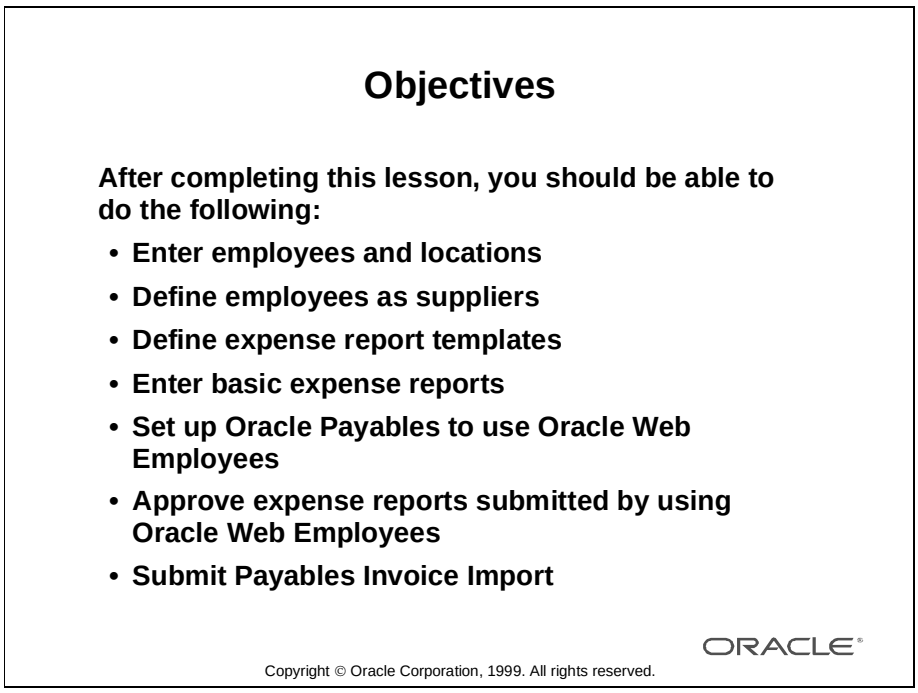
10

Processing Expense Reports

Objectives


Objectives
After completing this lesson, you should be able to do the following:
• Enter employees and locations
• Define employees as suppliers
• Define expense report templates
• Enter basic expense reports
• Set up Oracle Payables to use Oracle Web Employees
• Approve expense reports submitted by using Oracle Web Employees
• Submit Payables Invoice Import
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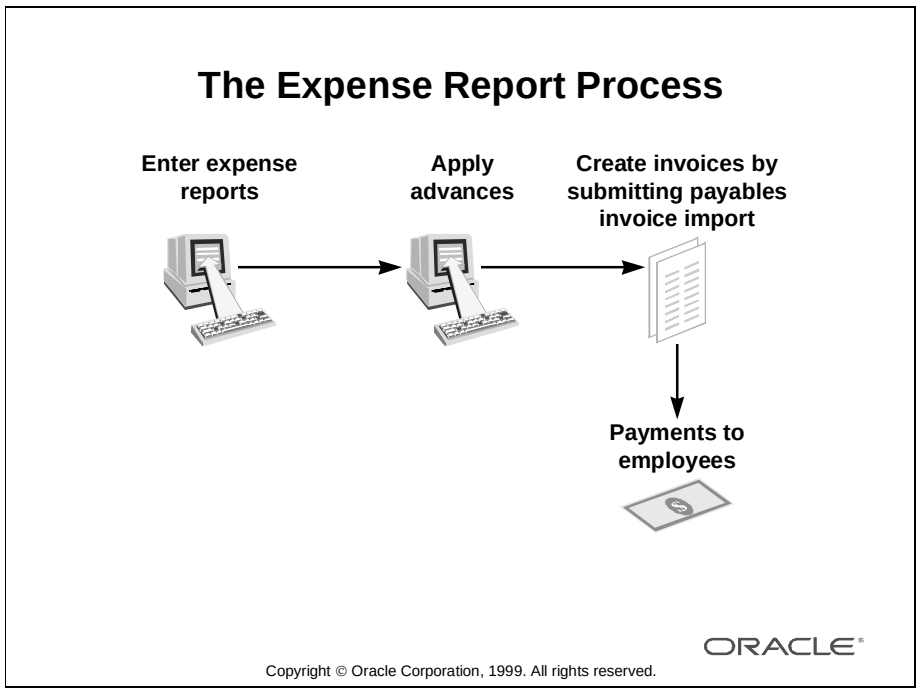
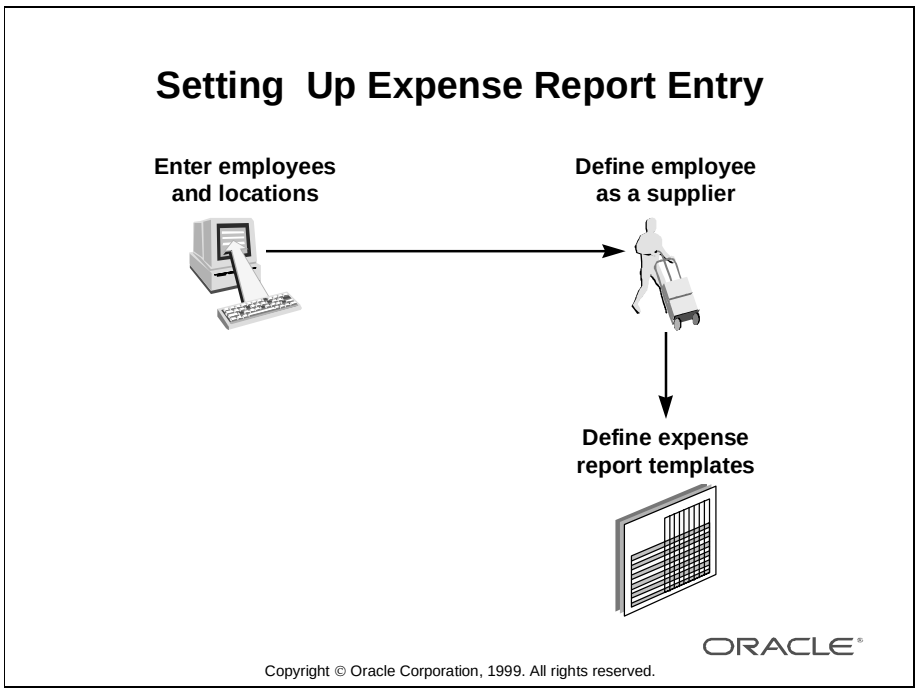
Managing the Expense Report Process



Overview

- You can enter expense reports for your employees in Oracle Payables, or you can enter them in Oracle Projects and transfer them to Oracle Payables for payment.
- You can apply advances to expense reports to reduce the amount you pay. You can also apply a hold to an expense report to prevent payment.
- Before you can pay expense reports, you must submit Payables Invoice Import to have Oracle Payables automatically create invoices from the expense reports.

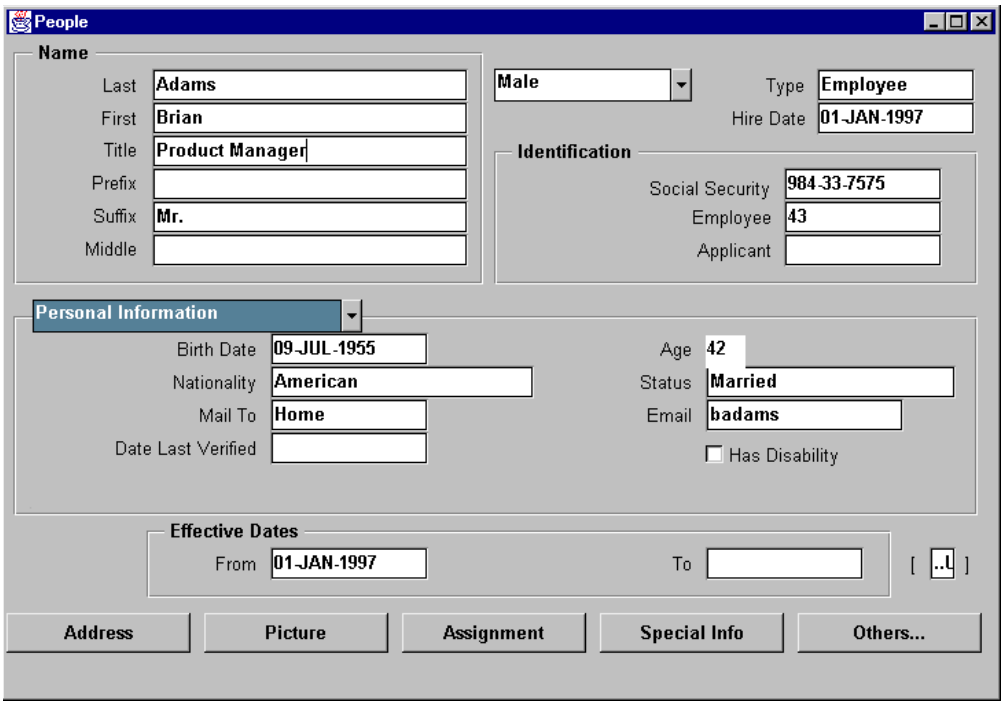
Setting Up Oracle Payables to Enter Expense Report



Overview

1. Enter employees, their locations, and their expense addresses in the People window. If Oracle Human Resources is installed, all employees must be entered in the People window of Oracle Human Resources.
2. Define the employee as a supplier by using either of the following methods:
   - Enable the Create Employee as Supplier Payables option to automatically create suppliers from employees when you submit Invoice Import.
   - Enter the employee as a supplier in the Suppliers window before submitting Invoice Import for expense reports.
3. Define expense report templates that model the different expense report formats you receive.

Entering Employees and Locations



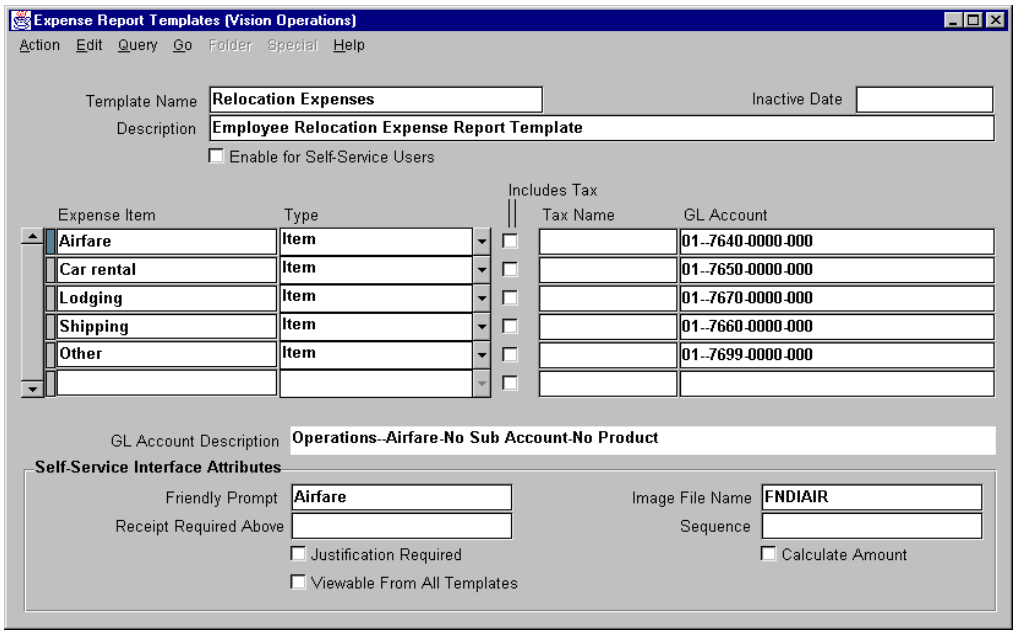
People

Oracle Human Resources: (N) People—>Enter and Maintain

Entering Employees and Locations

In the People window of Oracle Human Resources, enter employees, their locations, and their expense addresses.

Defining Expense Report Templates



Expense Report Templates

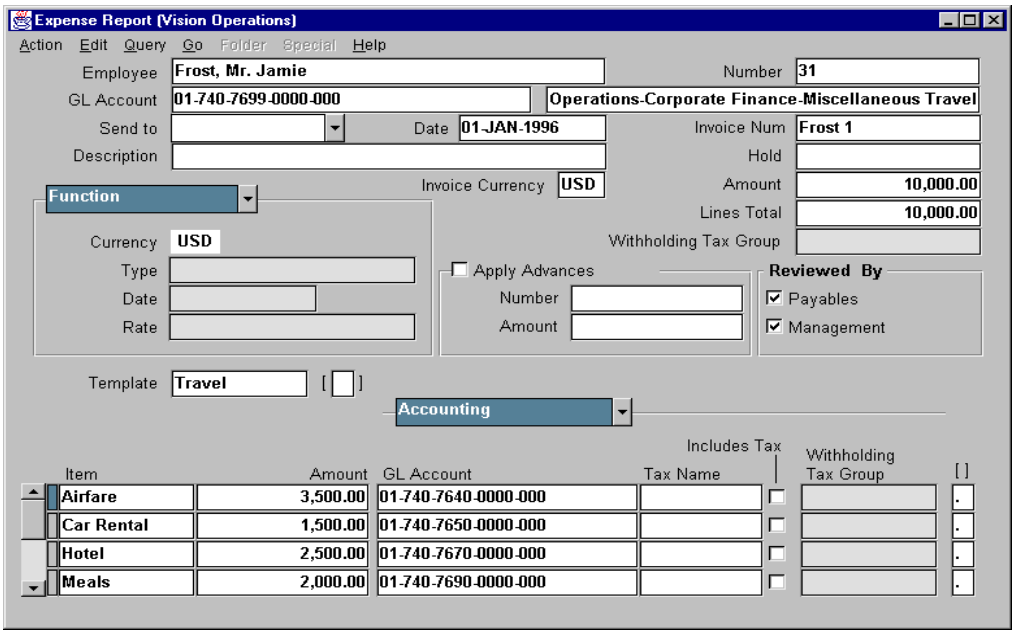
(N) Setup—>Invoice—>Expense Report Templates

How to Define Expense Report Templates

Use the Expense Report Templates window to define templates based on the expense report forms you regularly use in your company. You can define default values for expense items that can be chosen from a list of values when you or an employee enters expense reports. During Invoice Import, Payables uses the expense item information to create invoice distributions.

1. In the Expense Report Templates window, enter a template name and description. You choose this template name when you enter an expense report.
2. Enter each expense item you want to have on the list of values when you enter an expense report with this template. Use the name of an expense item as it appears on an expense report; for example, Airfare or Meals.
3. When you submit Invoice Import, Oracle Payables enters this value in the invoice distribution Type field, which indicates the type of distribution associated with an expense item
4. To indicate the amount will be inclusive of tax, select the Includes Tax check box.
5. Enter the tax name associated with the expense item.
6. Enter the GL account associated with an expense item. You can enter fewer segments of an account than necessary for a complete GL account. The blank segments will need to be entered at Expense Report entry. Save your work.

Entering Expense Report Information

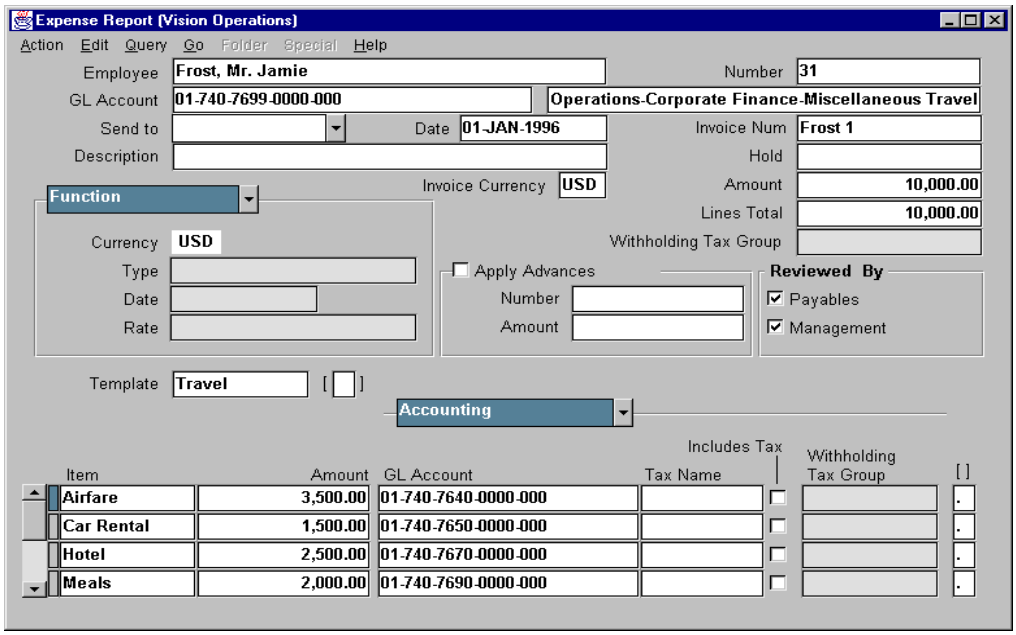


Expense Report

(N) Invoices—>Entry—>Expense Reports

How to Enter Expense Report Information

1. Choose the employee from a list of values.
2. Enter or modify the GL account for an employee.
3. Optionally, change the default expense check address in the Send To field.
4. Either enter an invoice number or the period ending date as the Invoice Number field.
5. Enter the expense report amount; Oracle Payables prevents an expense report from being saved if the total amount entered in the Item field does not equal the control amount.
6. If the Apply Advances Payables option is selected, you can apply an outstanding advance against an expense report to reduce the amount you pay.



How to Enter Expense Report Information (continued)

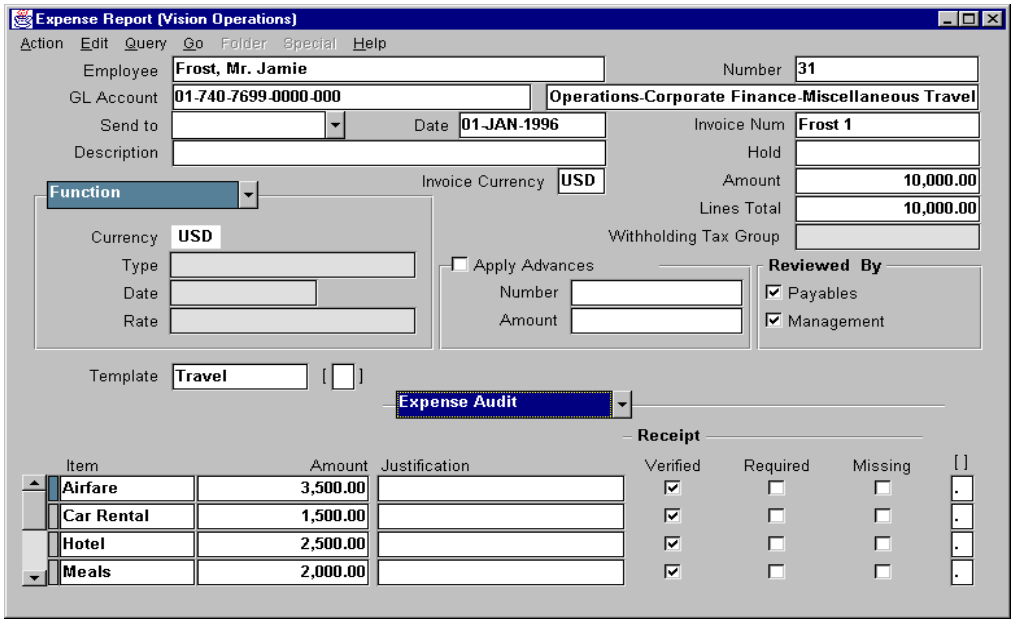
7 Select the expense report template you want to use in the Template field. The template determines which items you can select. Enter the amount for each item selected. During Payables Invoice Import, Payables creates invoice distributions for the line items.

8 Enter expense report items and amounts.

9 Oracle Payables uses the default GL account for the employee and overwrites any segment of the GL account defined as the default for an expense item.

10 When entering an expense report in a foreign currency, first select the appropriate currency, and then enter the relevant exchange rate information.

Reviewing, Auditing, and Approving Expense Reports Submitted Using Oracle Web Employees

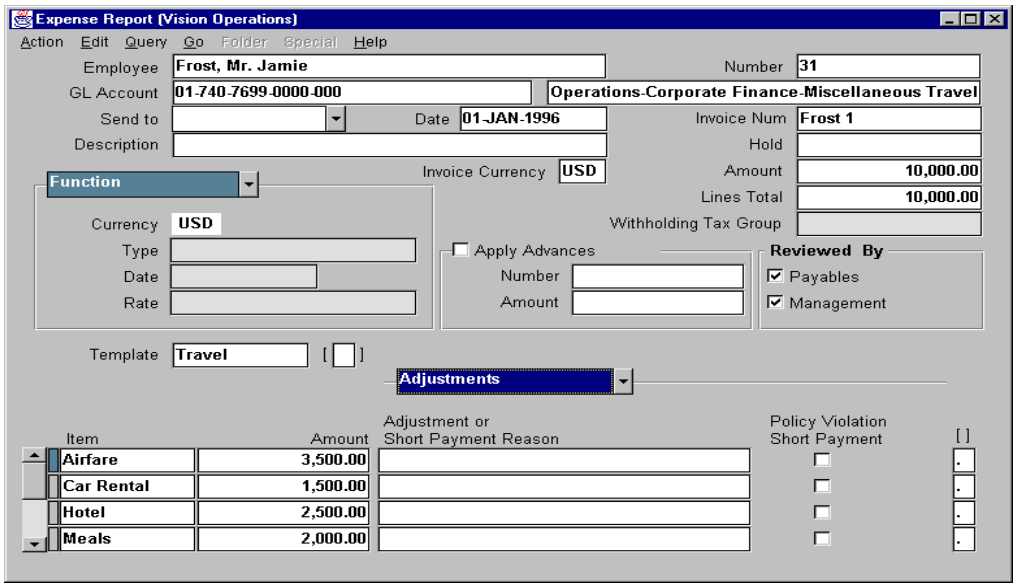


Expense Report: Expense Audit Region

(N) Invoices—>Entry—>Expense Reports

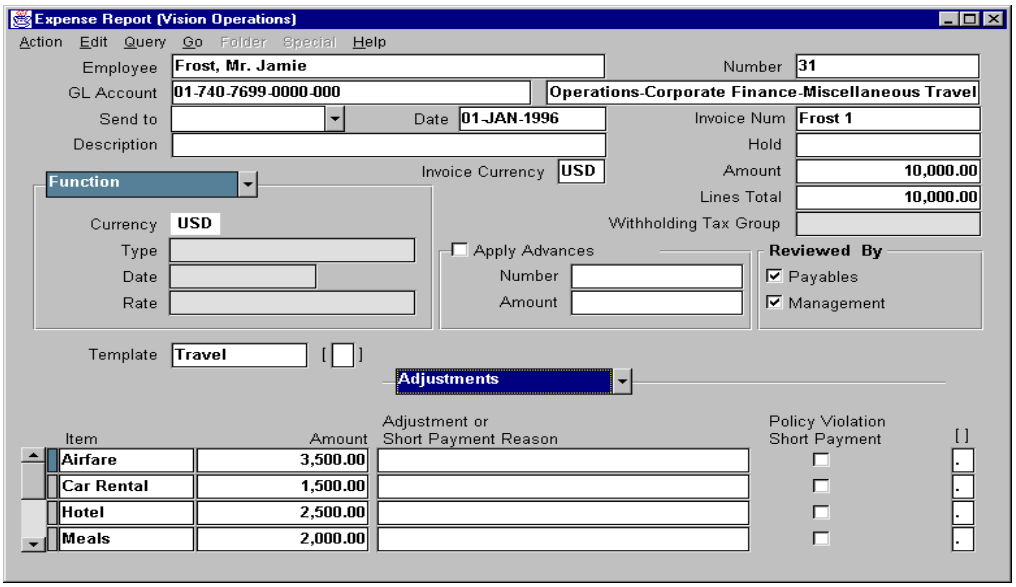
How to Review, Audit, and Approve Expense Reports Submitted Using Oracle Web Employees

1. Query an expense report in the Expense Reports window. If receipts or justification are required, an accounts payable processor must review, audit, and approve the Web Employee-entered expense report.
2. For each expense item, navigate to the fields in the Expense Audit region, and indicate if the receipt has been verified. If the expense item requires receipt and the receipt is not verified, the item is subject to shortpay.
3. After verifying receipts and auditing a Web Employee expense report, select the Reviewed By Payables check box.



How to Review, Audit, and Approve Expense Reports Submitted Using Oracle Web Employees (continued)

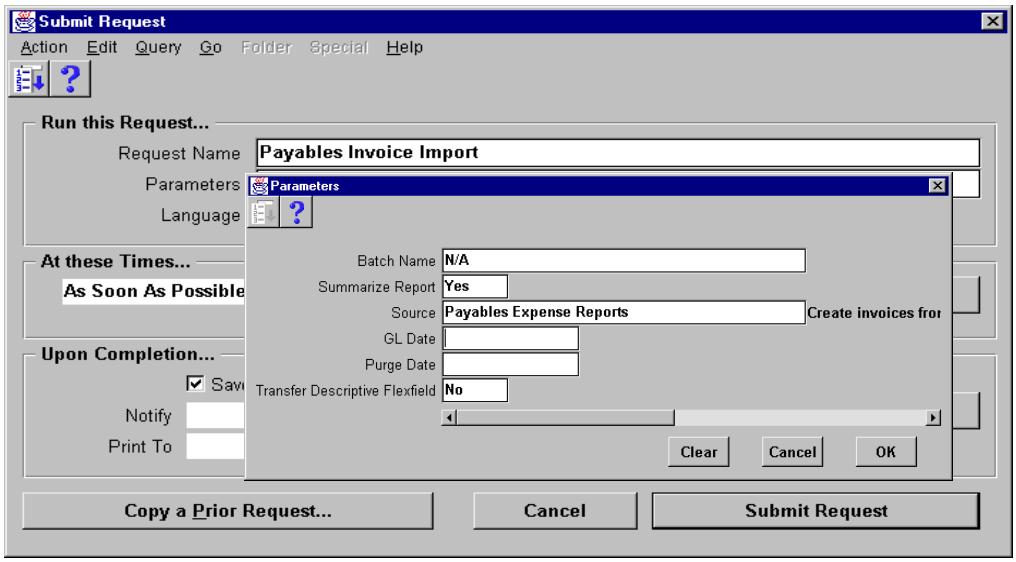
4. If an expense item is not reimbursable under your policy guidelines, you can adjust the amount of the expense item to zero or to an amount lower than the original expense item amount and include an adjustment reason. If you adjust an expense item, you must also adjust the expense report total. The employee will automatically be notified of an adjustment to the expense report.
5. If an employee does not provide sufficient information for an expense item, you can perform a Policy Violation Short Payment by selecting the appropriate check box.
6. Save your work.
7. Once an expense report is approved by accounts payables and management, you can import it to Oracle Payables for payment.



Running the Oracle Workflow Background Process

- Once an accounting review has been performed, you must run the Workflow Background Process to restart the Workflow process from deferred status. If the Workflow background process determines that accounting review has been performed, the Workflow process can continue towards completion. If the Workflow process for an expense report does not complete, the expense report cannot be imported using the Payables Invoice Import program.
- Oracle Workflow, in its standard configuration, requires accounting review for a Web Employee-entered expense report that includes expense items that require receipt or justification. If an accounting review is not performed, the Oracle Workflow process cannot complete. If the Oracle Workflow process does not complete for a Web Employee-entered expense report, it cannot be imported using the Payables Invoice Import program.
- For a Web Employee-entered expense report that includes only expense items that do not require receipts, and do not require justification, an accounting review is not required. The Payables Reviewed check box will automatically be checked. Once management approves an expense report that only includes expense items that do not require receipts and do not require justification, the Oracle Workflow process completes automatically without accounting review. After the Oracle Workflow process completes, the expense report can be imported using the Payables Invoice Import program.

Submitting Payables Invoice Import



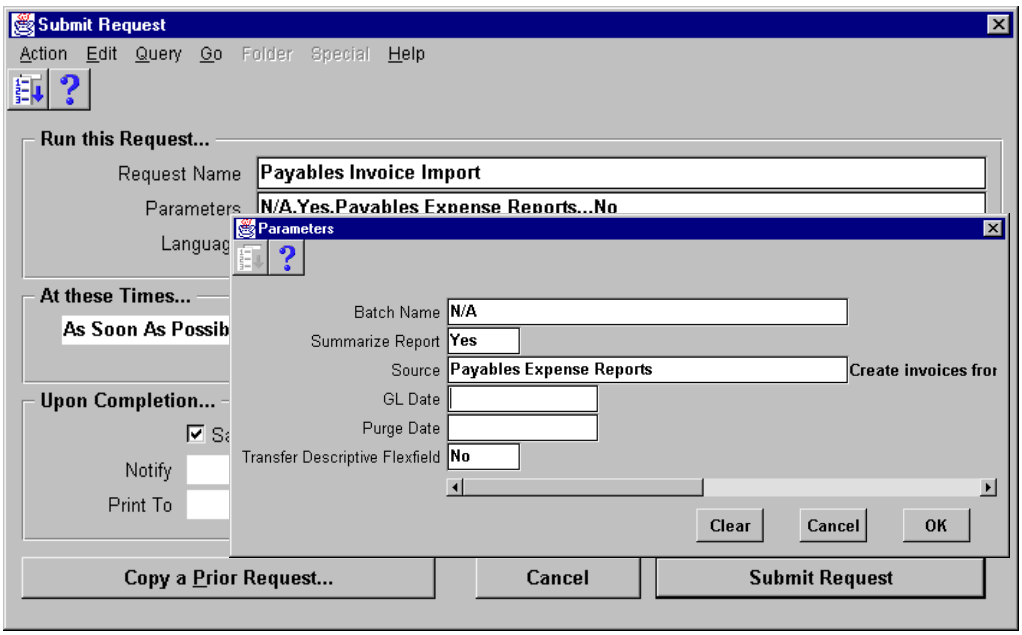
Submit Request

(N) Other—>Requests—>Run (B) OK

How to Submit Payables Invoice Import

1. Use Invoice Import to create invoices from expense reports you enter in Oracle Payables, Oracle Web Employees, or Project Accounting.
2. If the Payables option for Use Batching is selected, create a batch name for the expense reports that will be created as invoices.
3. Review detailed or summary information for imported expense reports including Invoice Import exceptions.
   - Answer *Yes* in the Summarize Report field to submit the Invoice Import Report in summary; a summary report shows the total number and dollar amount of invoices created from expense reports or imported invoices and the total number and dollar amount of advances applied to expense reports.
   - Answer *No* in the Summarize Report field to submit the Invoice Import Report in detail; a detailed report shows information about each of the expense reports or invoices from which Invoice Import created the invoices as well as the total number and dollar amount of the invoices. The detailed report also shows all the advances you applied to each expense report.

Importing Invoices from Oracle Payables



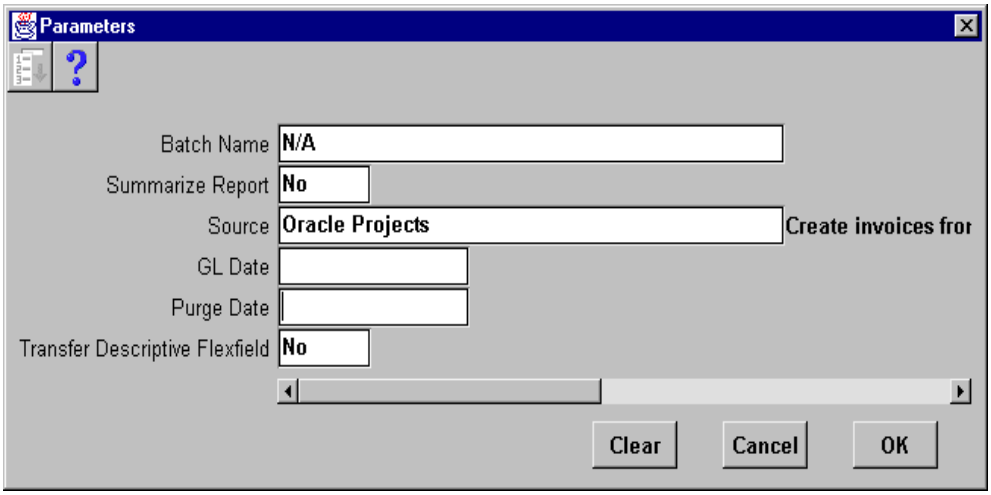
Submit Request

(N) Other—>Requests—>Run (B) OK

How to Import Invoices from Oracle Payables

1. When you enter expense reports using the Expense Reports window in Oracle Payables, the expense information is automatically saved in the Invoice Import interface table to allow for immediate submission of Invoice Import.
2. When you submit Payables Invoice Import, enter Payables Expense Report as the source.
3. Enable the Create Employee as Supplier Payables option to have Oracle Payables automatically create suppliers and supplier sites for employees who are not already suppliers. If you do not enable this option, you must manually enter the employee as a supplier before submitting Payables Invoice Import.

Importing Invoices from Oracle Projects



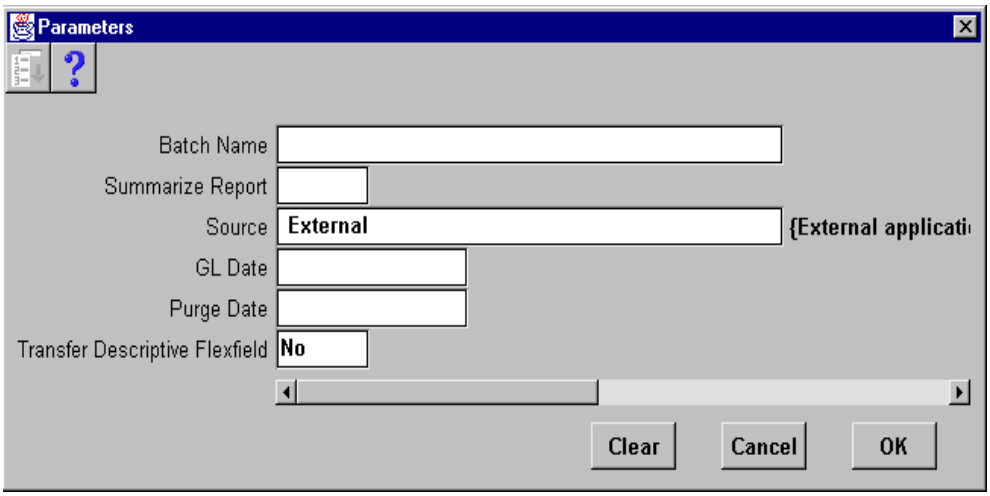
Parameters

(N) Other—>Requests—>Run (B) OK

How to Import Invoices from Oracle Projects

1. Enter Oracle Projects as the source.
2. Oracle Payables validates expense report details received from Oracle Projects so that invoices are created for active employees and valid GL accounts only.
3. After Oracle Payables creates an invoice from an Oracle Projects expense report, Oracle Projects links the invoice to a project.
4. An expense report imported from Oracle Projects becomes purgeable only after the invoice is created for the expense report and the invoice is tied back to the original expense report in Oracle Projects.

Importing Invoices from Other Accounting Systems



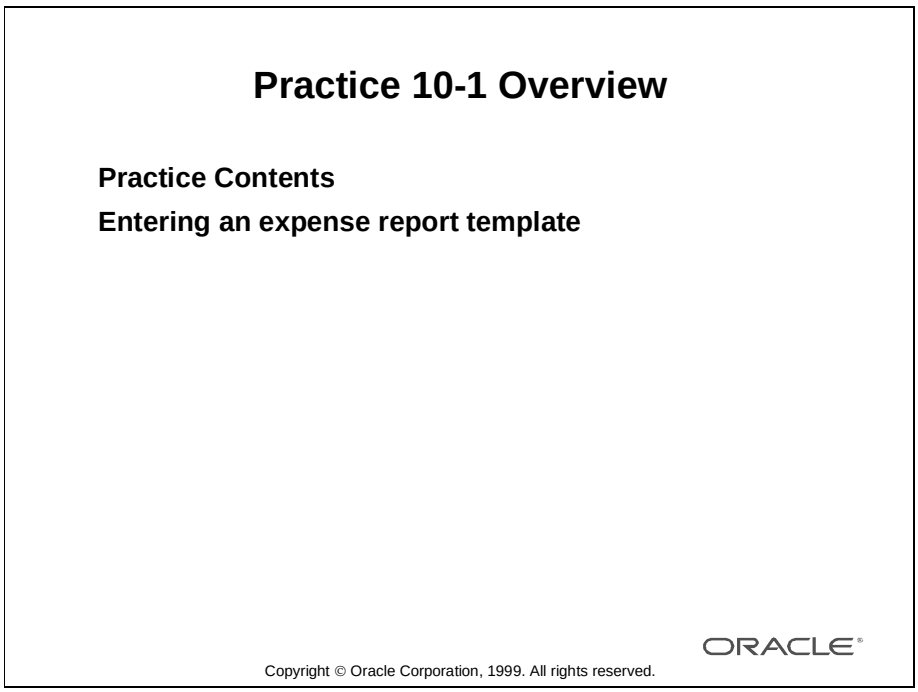
Parameters

(N) Other—>Requests—>Run (B) OK

How to Import Invoices from Oracle Projects

1. Define a Payables QuickCode to create a source name and to easily identify any invoices imported from another accounting system.
2. Enter the defined Payables QuickCode as the source when submitting Payables Invoice Import.
3. Imported information must include valid supplier name, supplier site, and invoice distributions.

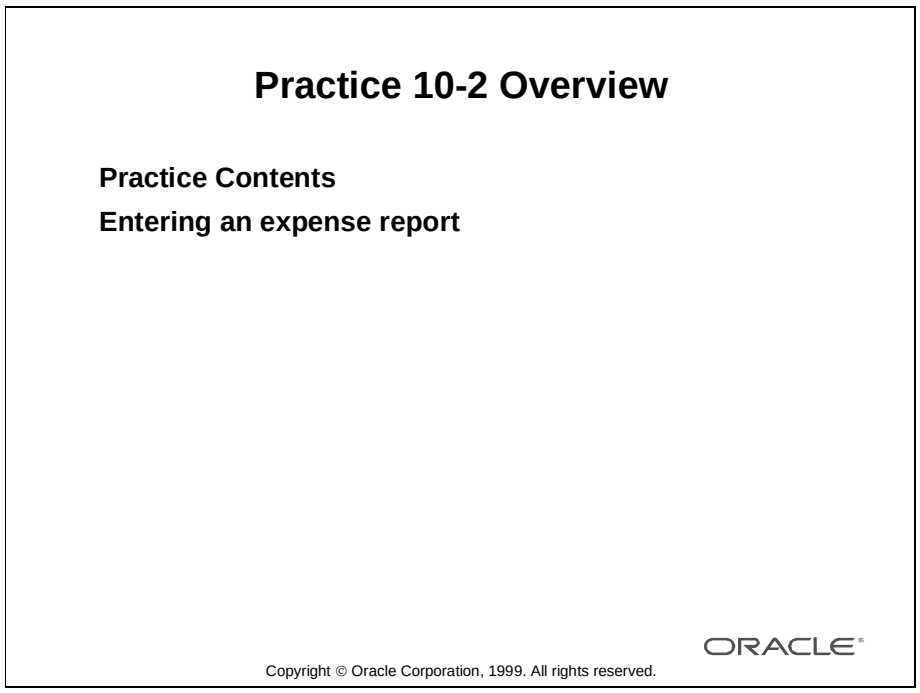
Practice 10-1 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, "Practices and Solutions."

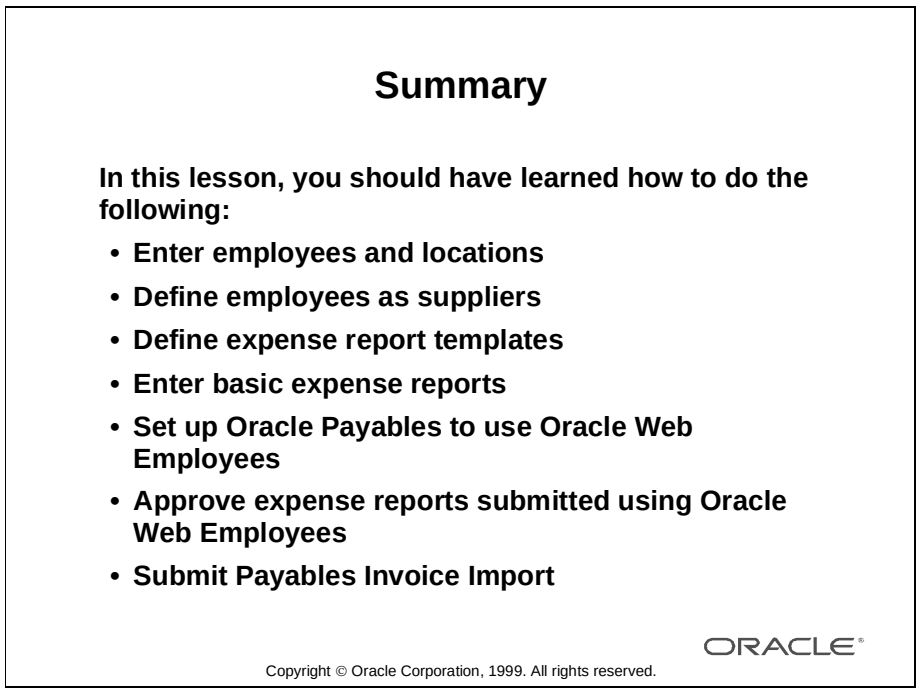
Practice 10-2 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, “Practices and Solutions.”

Summary


Summary
In this lesson, you should have learned how to do the following:
• Enter employees and locations
• Define employees as suppliers
• Define expense report templates
• Enter basic expense reports
• Set up Oracle Payables to use Oracle Web Employees
• Approve expense reports submitted using Oracle Web Employees
• Submit Payables Invoice Import
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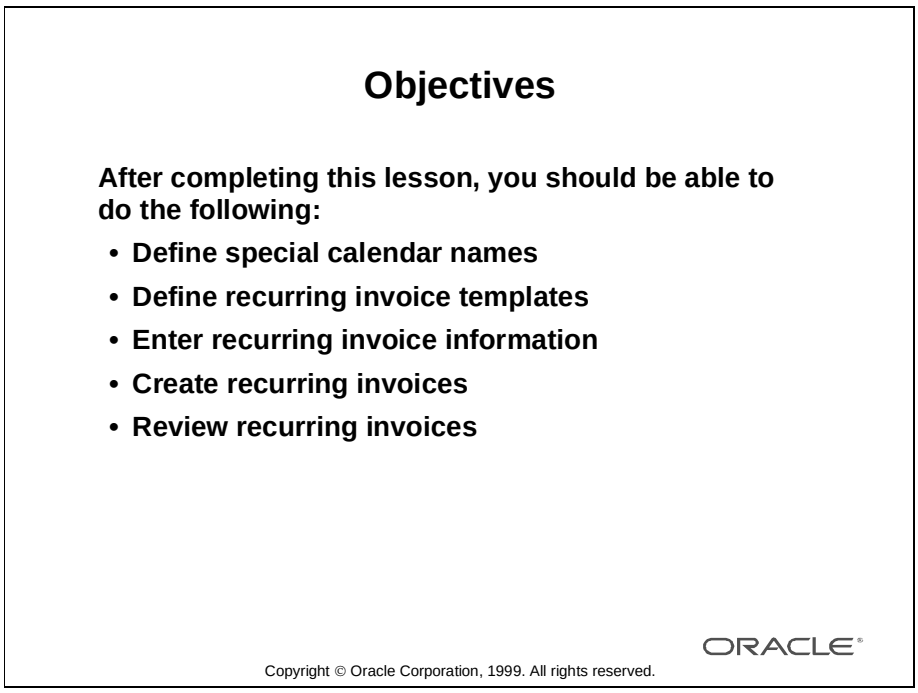
11

Entering Recurring Invoices

Objectives


Objectives
After completing this lesson, you should be able to do the following:
• Define special calendar names
• Define recurring invoice templates
• Enter recurring invoice information
• Create recurring invoices
• Review recurring invoices
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Recurring Invoices

Recurring Invoices: Overview

You can enter invoices for periodic business expenses for which you may not receive invoices (such as rent).

To enter recurring invoices:

- **Define a special calendar**
- **Define a recurring invoice template**
- **Create invoices based on the template**

With a recurring invoice template, you can:

- **Specify the intervals for which invoices will be created.**
- **Create up to two special one-time invoice amounts of a nonstandard amount, such as a deposit or balloon payment**
- **Define recurring invoices to increase or decrease by a fixed percentage from period to period**

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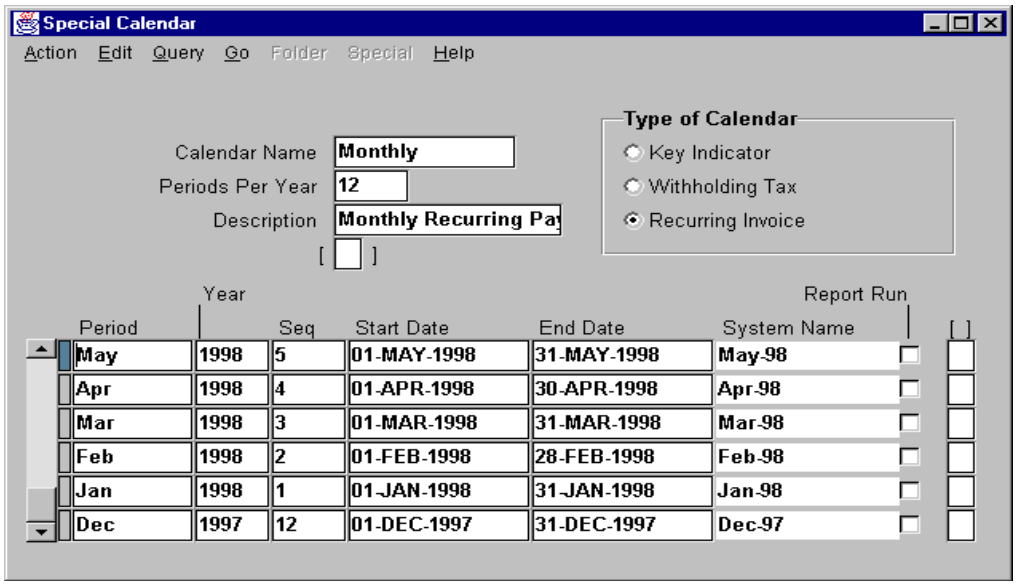
Defining Special Calendar Names



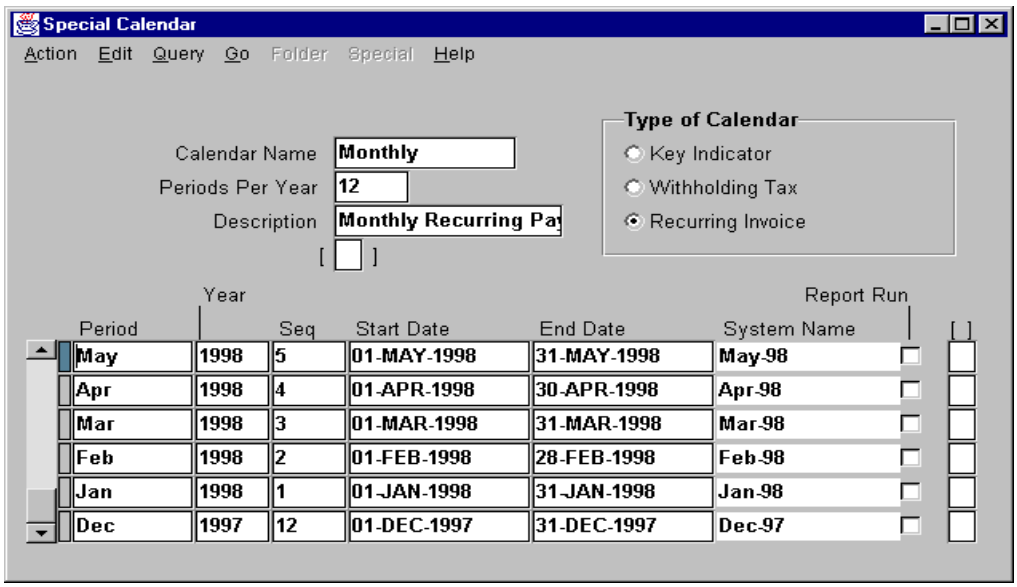
Special Calendar

(N) Setup—>Calendar—>Special Calendar

How to Define Special Calendar Names

Use the Special Calendar window to define periods that Oracle Payables uses for automatic withholding tax, recurring invoices, and for the Key Indicators Report.

1. In the Special Calendar window, select the type of calendar you want to define.
2. Enter a calendar name and description. Select the name from a list of values when you assign a special calendar to a key indicator report, recurring invoice template, or a withholding tax type tax name.
3. Enter the number of periods per year. For example, if you use a 12 month period calendar, enter 12.
4. In the Period field, enter a period name.
5. In the Year field, enter the calendar year in which a period occurs.

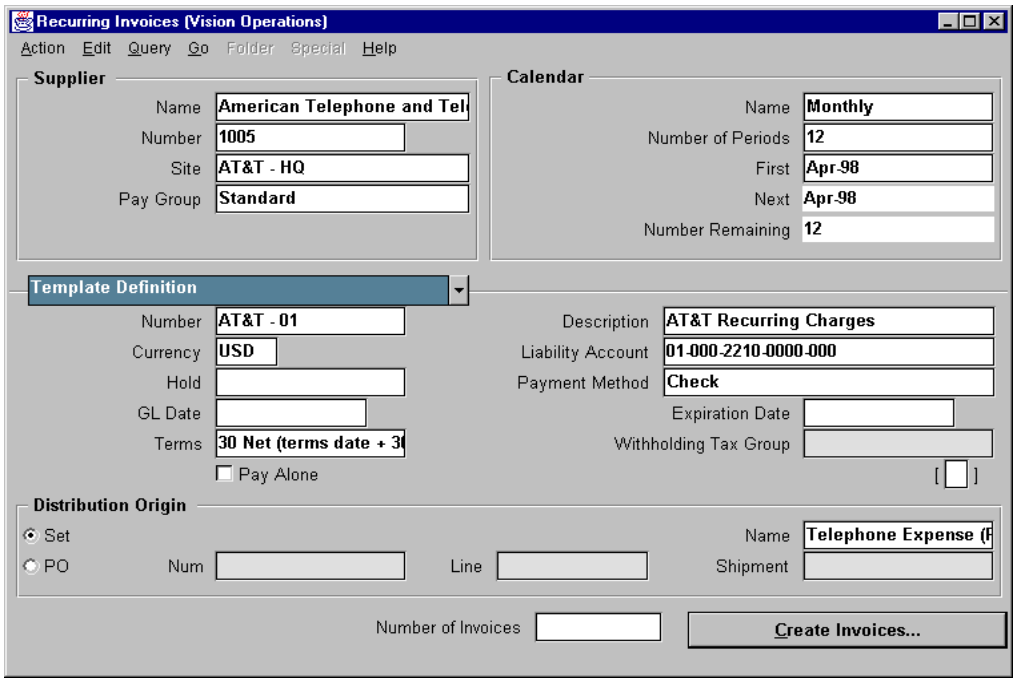


How to Define Special Calendar Names (continued)

6 In the Seq fields, enter numbers to indicate the order in which the periods occur. The sequence numbers of a period should represent the sequence of the period in a regular calendar. Therefore, May through December 1998 should be sequenced 5 through 12.

7 Enter the start dates and the end dates for the period. Periods within a year cannot overlap and can have no gaps between them. For example, if your first period ends on 31-JAN-1998, the next period must start on 01-FEB-1998. In the System Name field, the system name for the period is displayed. Save your work.

Defining Recurring Invoice Templates

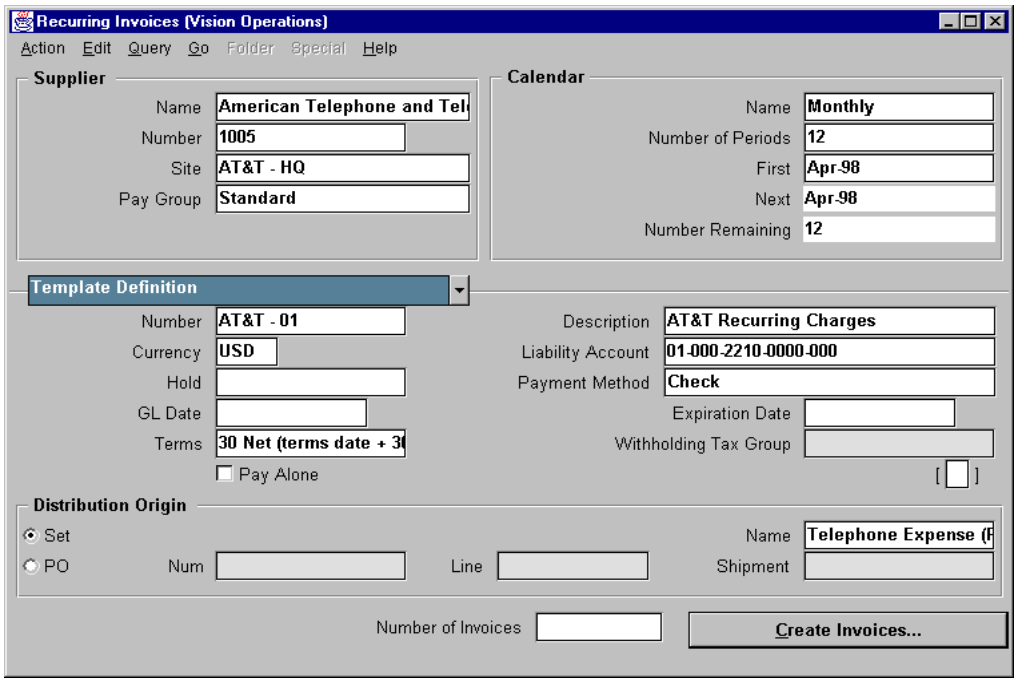


Recurring Invoices

(N) Invoices—>Entry—>Recurring Invoices

How to Define Recurring Invoice Templates

1. Enter the supplier information.
2. Enter the period information. Select a period type that determines the frequency of the recurring invoice (for example, Month or Quarter). If the period you want has not yet been defined, navigate to the Special Calendar window and define it. Save the new period, and Payables will add it to the list of values in the Recurring Invoices window.
3. In the Number of Periods field, enter the total number of invoices you want to create over the life of the template.
4. In the First field, enter the first period for which you want to create an invoice. The period must be an open or future period.



How to Define Recurring Invoice Templates (continued)

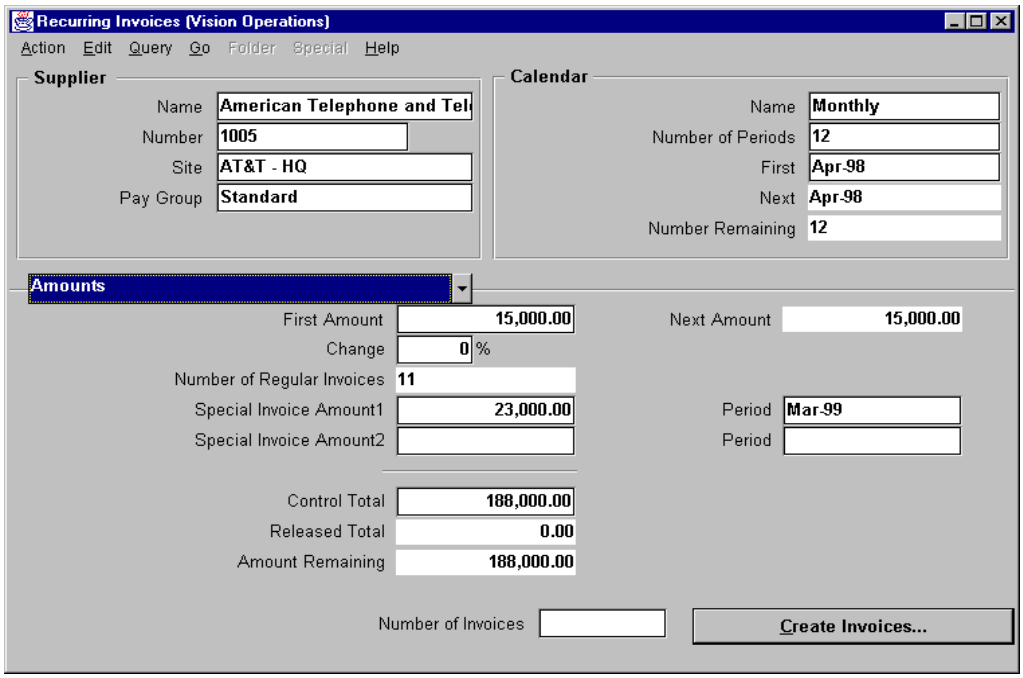
5 In the Number field of the Template Definition region, enter a unique template definition number that helps identify the source of the recurring payment. For example, if the recurring payment is for an auto lease, assign the license number as the payment number. Oracle Payables appends the invoice date to the template definition number to create a unique invoice number for each recurring invoice.

6 Define a distribution set for the invoices created for the recurring payment or match to a purchase order shipment.

7 Unless you want all payments to be posted within one period, do not fill in the GL Date field.

8 Optionally, add or modify default values in the Recurring Invoice Template.

9 Navigate to the Amounts region to define the invoice amounts.



Recurring Invoices: Amounts Region

(N) Invoices—>Entry—>Recurring Invoices

How to Define Recurring Invoice Templates (continued)

10 If you know the total of the recurring invoices you will create, enter the control amount, and Oracle Payables will calculate and enter the first amount.

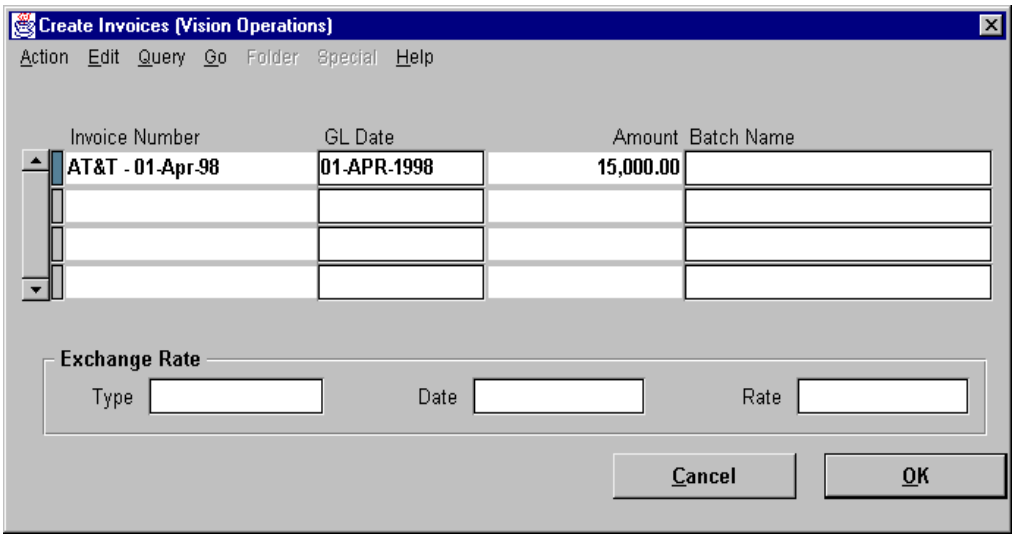
11 If you know what the periodic recurring invoice amount will be, enter the amount of your first invoice in the First Amount field. Oracle Payables will calculate and enter the amount in the Control Total field.

12 If you want the invoices to increase or decrease by a set percentage from period to period, enter the percentage in the Change field, and Oracle Payables will recalculate the control amount.

13 Enter up to two special payment amounts for one-time balloon payments or deposits.

Oracle Payables calculates invoice amounts by reducing the control amount by the amount of the special payment and divides the remaining control amount by the number of remaining periods.

Creating Recurring Invoices



Create Invoices

(N) Invoices—>Entry—>Recurring Invoices (B) Create Invoices

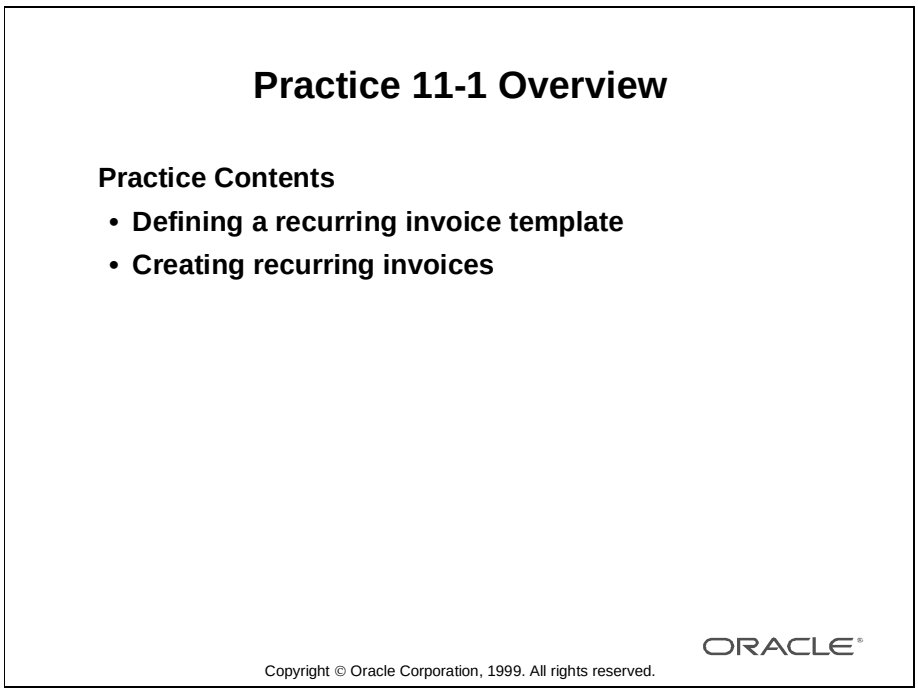
How to Create and Review Recurring Invoices

1. Determine how many invoices to create.
2. Enter the number of invoices, and click Create Invoices.

   A period must be an open or future period for Oracle Payables to create an invoice.
3. Optionally, create recurring invoices into an existing batch of similar invoices; for example, group all recurring rent invoices into one batch, and then add to the batch on a quarterly basis.
4. Use the Create Invoices window to view summary information about the invoices created.

   Oracle Payables appends the payment number with the period name in which an invoice is created to create invoice numbers for recurring payments.
5. Use the Invoices Summary window to review invoices created by the Create Recurring Payment form.

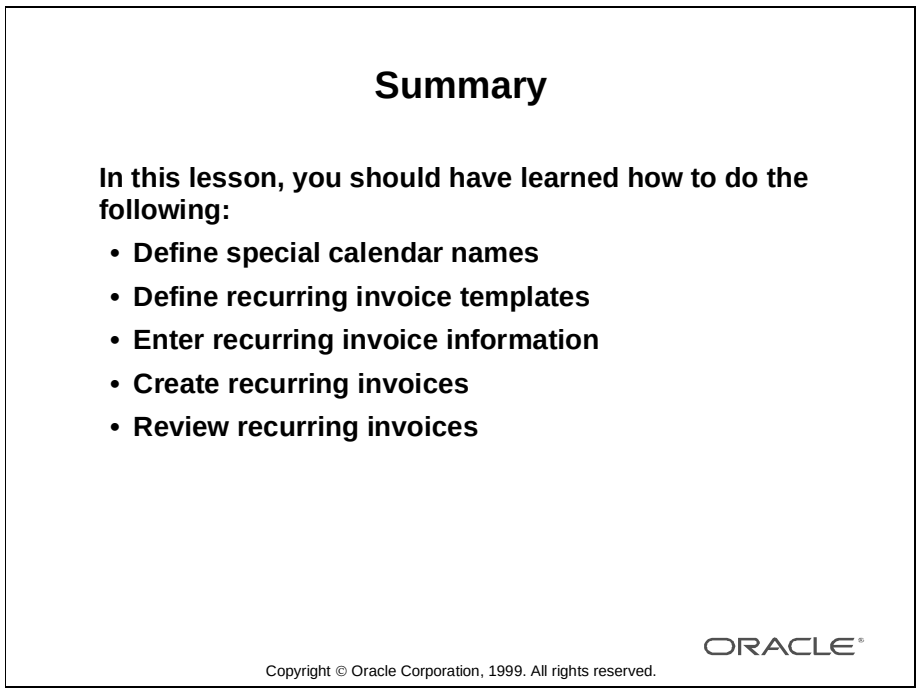
Practice 11-1 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, “Practices and Solutions.”

Summary


Summary
In this lesson, you should have learned how to do the following:
• Define special calendar names
• Define recurring invoice templates
• Enter recurring invoice information
• Create recurring invoices
• Review recurring invoices
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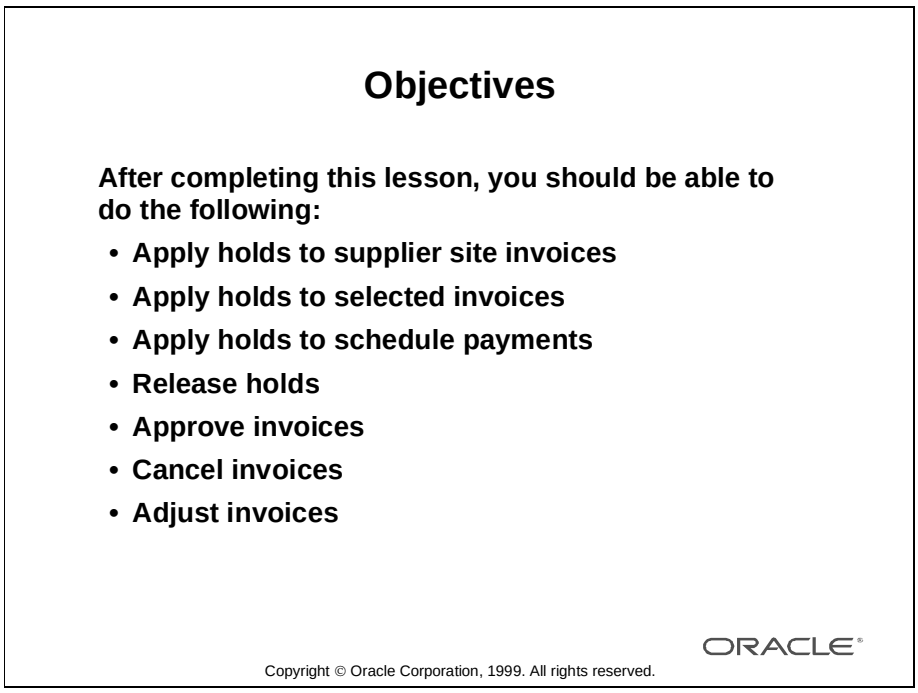
12

Processing Other Invoice Functions (Holds, Approvals, Adjustments, and Cancellations)

Objectives


Objectives
After completing this lesson, you should be able to do the following:
• Apply holds to supplier site invoices
• Apply holds to selected invoices
• Apply holds to schedule payments
• Release holds
• Approve invoices
• Cancel invoices
• Adjust invoices
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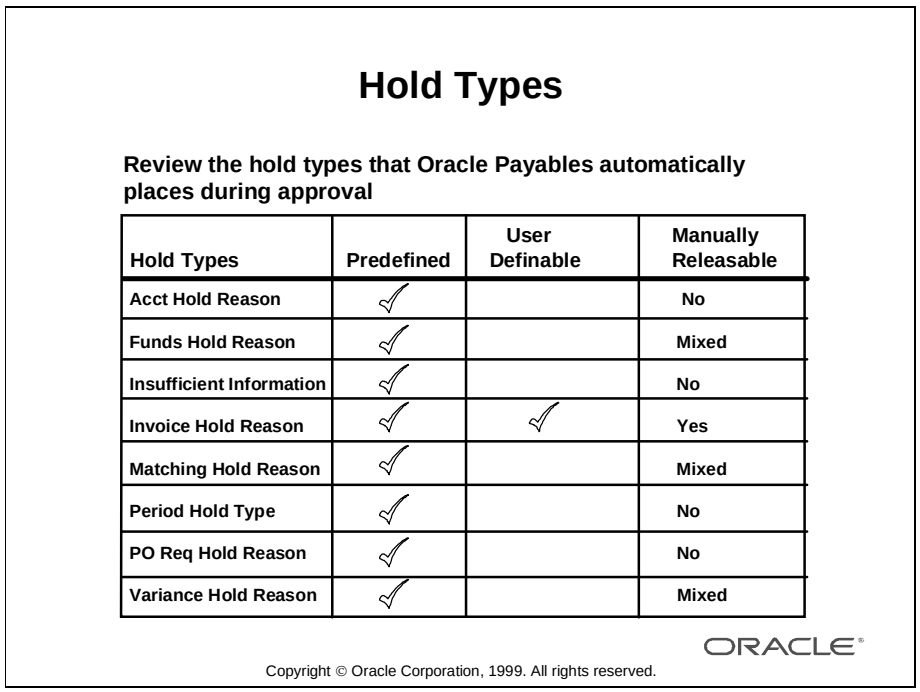
Applying Holds



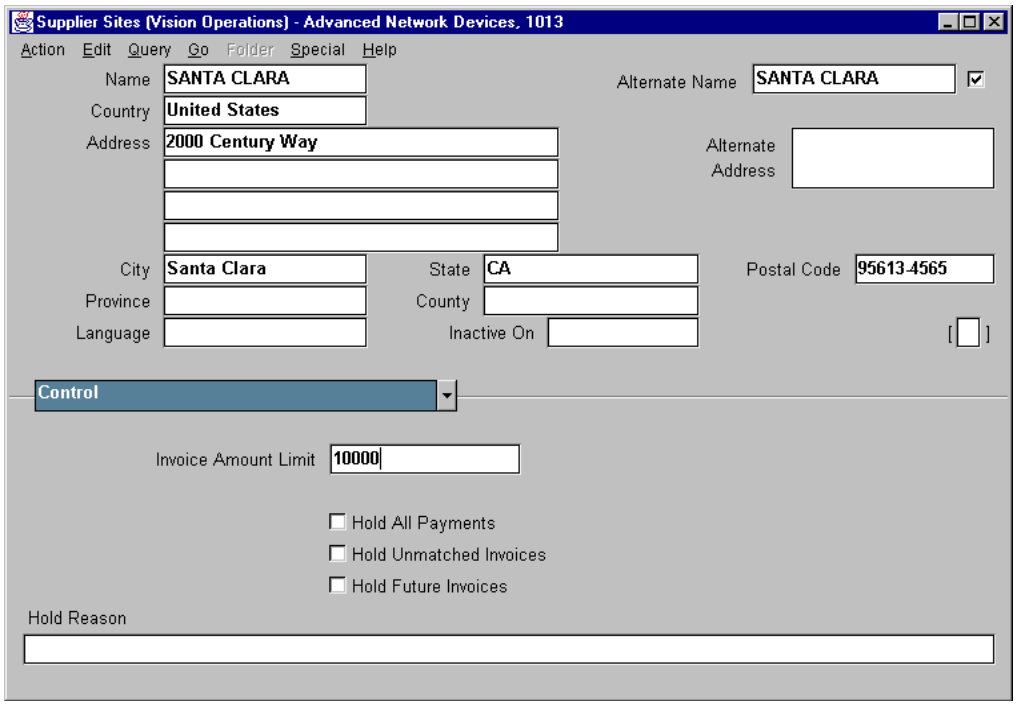
Overview

You can prevent payment and, optionally, prevent posting of an invoice by manually applying one or more holds to it. Oracle Payables provides some generic invoice holds for you, and you can define your own holds based on your invoice approval needs. You can also prevent payment of supplier invoices by placing a hold on the supplier or the supplier site instead of on each individual invoice.

There are three types of holds you can use to prevent payment of an invoice:

- Invoice Hold: You can manually apply one or more Invoice Hold Reason holds to an invoice using the Holds window of the Invoice Workbench.
- Scheduled Payment Hold: You can hold payment of part of an invoice by placing one or more of the scheduled payments on hold in the Scheduled Payments window of the Invoice Workbench.
- Supplier Hold: In the Supplier Sites window, you can enable the Hold All Payments, Hold Future Invoices, or Hold Unmatched Invoices options. You also have the option of specifying an invoice amount limit for a supplier site.

Applying Holds to Supplier Site Invoices



Supplier Sites

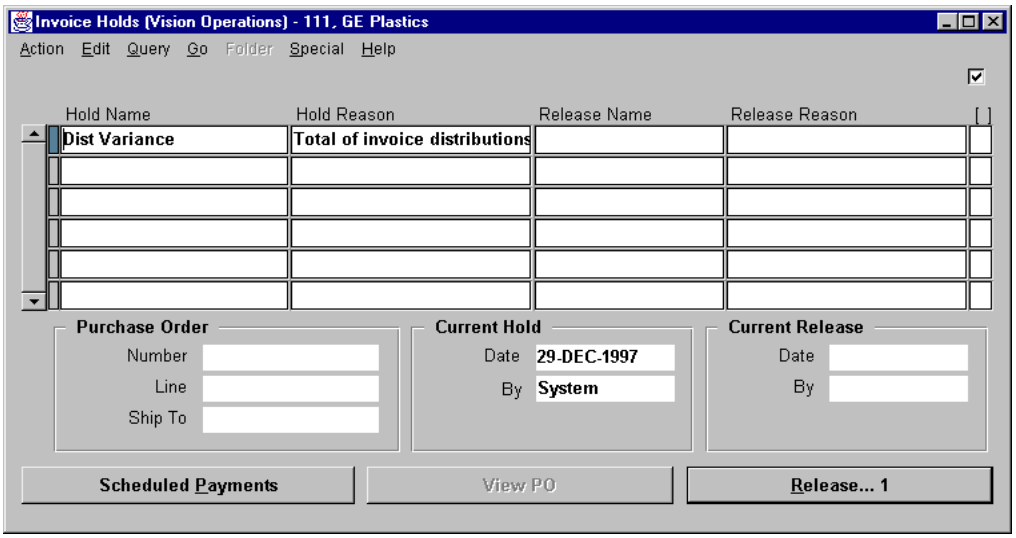
(N) Suppliers—>Entry (M) Query—>Find (B) Open—>Open

Applying Holds to Supplier Site Invoices

You can prevent payment of multiple supplier invoices by applying a hold to the supplier site instead of on each individual invoice. The options that you can enable are as follows:

- Select the Hold All Payments check box to prevent Oracle Payables from paying any invoices for a supplier site.
- Enter an invoice amount limit to have Oracle Payables apply an amount hold to an invoice of a supplier site if the invoice exceeds the amount limit.
- Select the Hold Future Invoices check box to have Oracle Payables apply a supplier hold on all future invoices entered for a supplier site.
- Select the Hold Unmatched Invoices check box to have Oracle Payables apply a matching required hold on all supplier site invoices that have not been matched to a purchase order.

Applying Holds to Selected Invoices



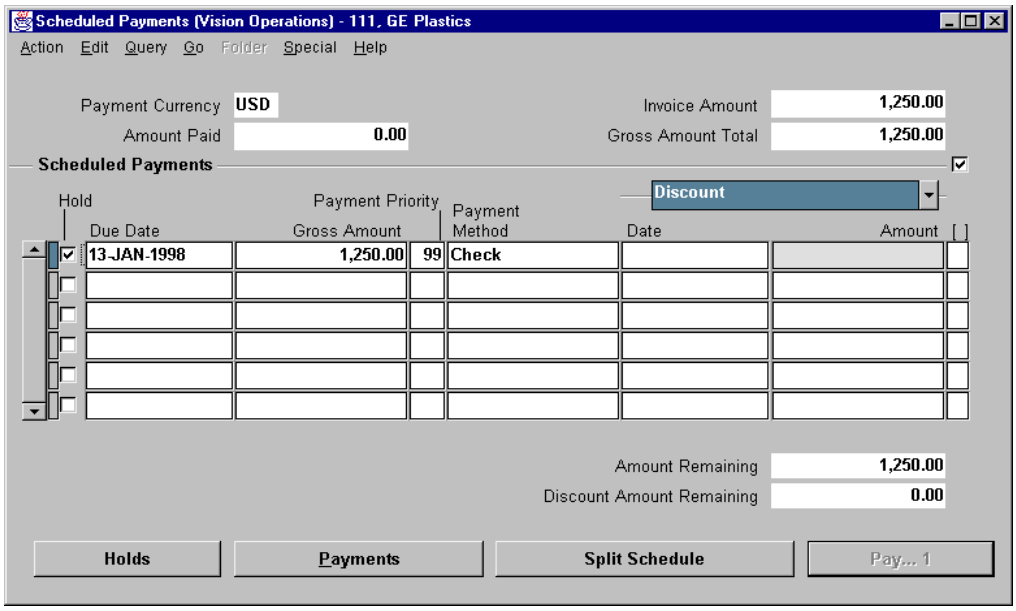
Invoice Holds

(N) Invoices—>Entry—>Invoices (B) Holds

How to Apply Holds to Selected Invoices

1. Find the invoice by using the Invoice window.
2. Apply a hold by selecting a hold name. You can select from all Invoice approvals defined with the type Invoice Hold Reason. You can apply as many holds to an invoice as you require. Oracle Payables prevents manual entry of those hold names that are automatically placed during approval.
3. Save your work.

Applying Holds to Scheduled Payments



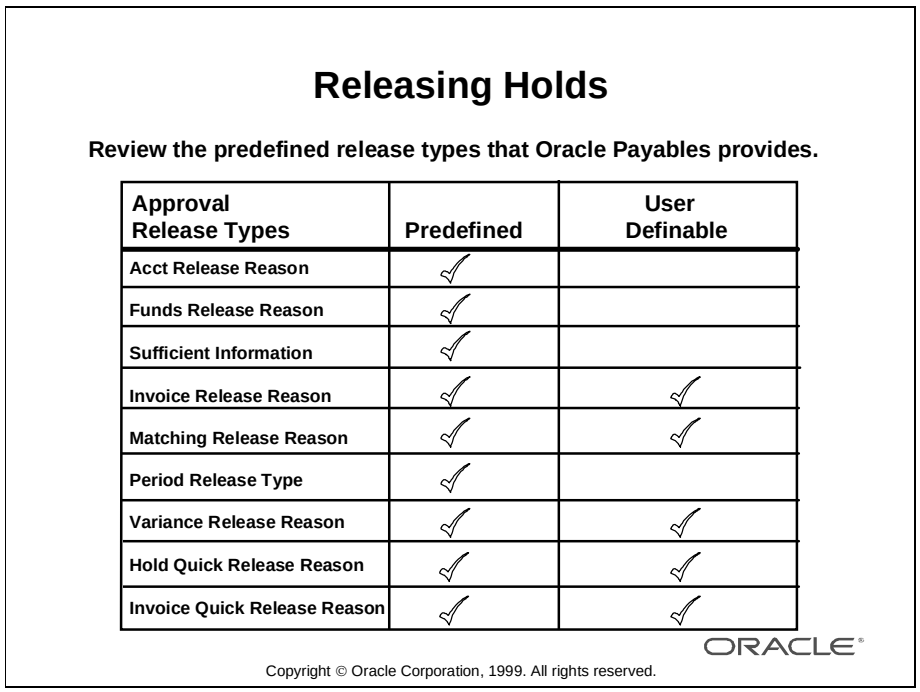
Scheduled Payments

(N) Invoices—>Entry—>Invoices (B) Scheduled Payments

How to Apply Holds to Scheduled Payments

1. Find the invoice by using the Invoices window, and click the Scheduled Payment button.
2. Select the Hold check box, to place a hold on a scheduled payment.
3. Place a hold on a scheduled payment to prevent payment for only a portion of an invoice (create multiple scheduled payments if necessary).
4. Payment schedule holds prevent payment of only that portion of the invoice.

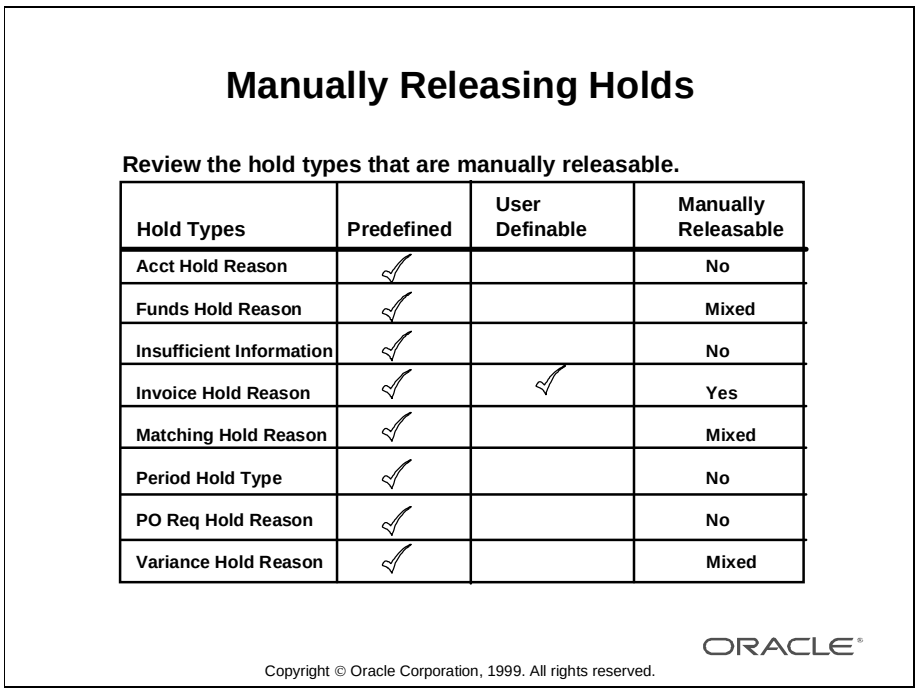
Releasing Holds



Overview

Release holds from invoices to resume payment and posting of the invoices. You can view the holds on an invoice in either the Invoice Overview or the Holds window of the Invoice Workbench. You can see the number of holds on an invoice in the Display Only region of the Invoices Summary window. Identify invoices on hold with the Invoice On Hold report and the Matching Hold Detail report. These reports aid you in managing holds.

Manually Releasing Holds



Overview

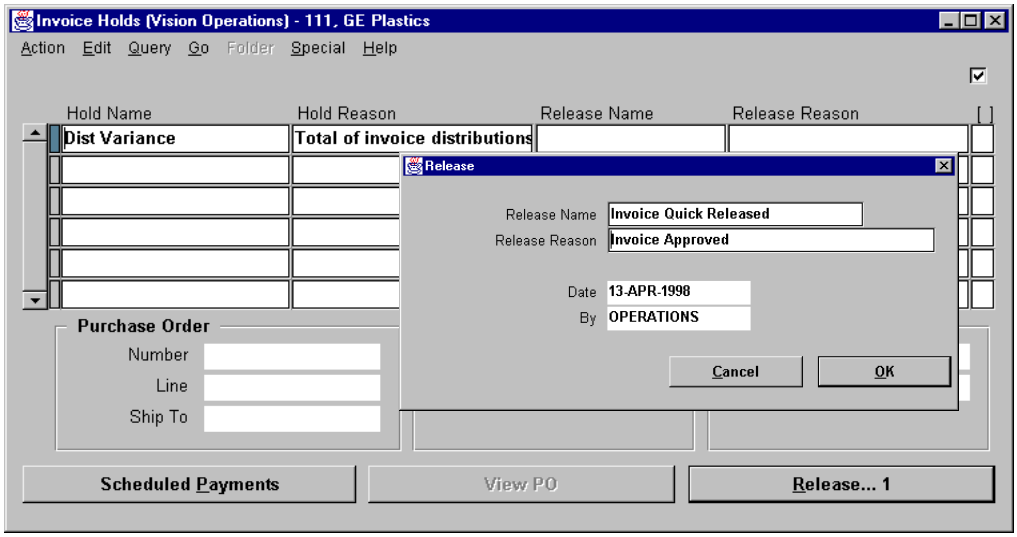
Oracle Payables applies some holds that you cannot release. You can use the Invoice Holds window to view invoices with these holds, but you cannot manually release these holds. You must correct the exception that caused Approval to place the hold on the invoice, then resubmit Approval to release the holds. You can correct exceptions by updating the invoice or the purchase order or by changing your invoice tolerances.

There are three types of holds you can manually release:

- Supplier Site Hold
- Invoice Hold
- Scheduled Payment Hold

If you release a manually releaseable hold that Oracle Payables applied during approval, the next time you submit approval, Oracle Payables will not reapply the same hold.

Releasing Holds for One Invoice or Group of Invoices



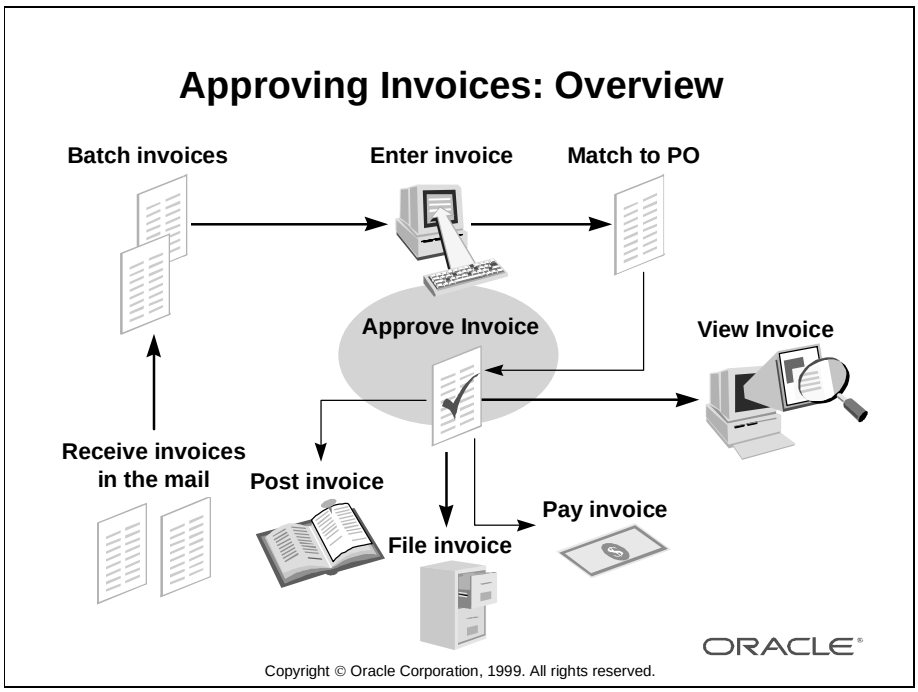
Invoice Holds

(N) Invoices—>Entry—>Invoices (M) Query—>Find (B) Holds

How to Release Holds for One Invoice or Group of Invoices

1. Search for invoices of a selected supplier or for all invoices with a selected Hold name or hold type.
2. Optionally, include invoices that are not on hold.
3. Review all invoices that meet the search criteria.
4. Select the Payment Schedule option to place or release any payment schedule line holds.
5. Initiate a QuickRelease for invoices that meet search criteria. Select from all invoice approvals defined with the type Hold Quick Release Reason. Oracle Payables assigns the release name to all releasable holds for all invoices.
6. Optionally, enter a release name that will be displayed whenever hold information is reviewed for any of the invoices; apply any release name to any hold that can be released manually. Oracle Payables initiates a concurrent request to release all invoices displayed in the Invoices zone.

Approving Invoices



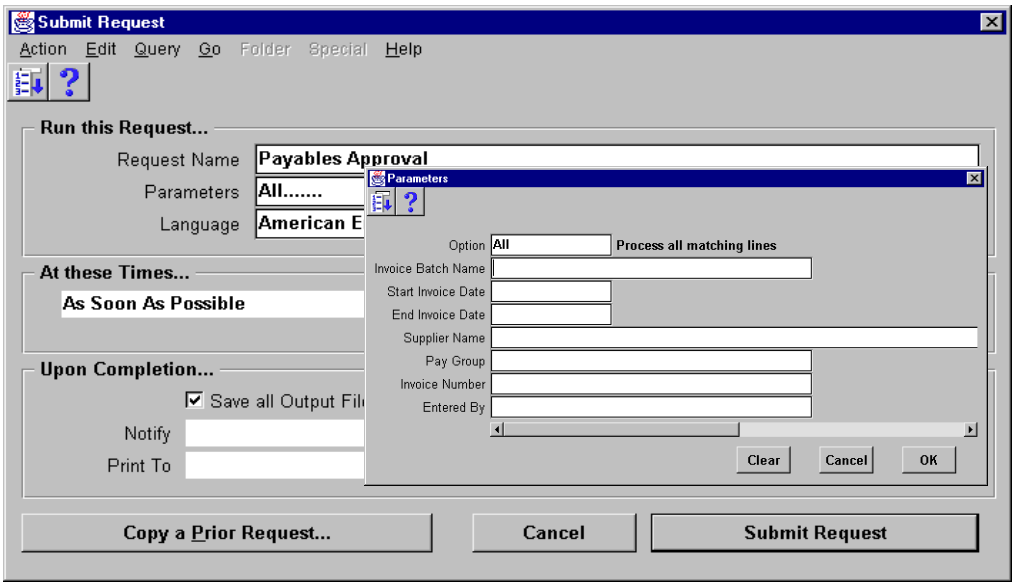
Overview

Before you can pay or post an invoice (including prepayments), you must submit approval for the invoice in one of three ways:

- Online by using the Actions window of the Invoice Workbench
- Online by using the Approve button in the Invoice Batches Summary
- Batch by submitting the Payables Approval program from the Submit Requests window

Approval validates the matching, tax, period status, exchange rate, and distribution information for invoices you enter and automatically applies holds to exception invoices.

Submitting Batch Approval



Submit Request

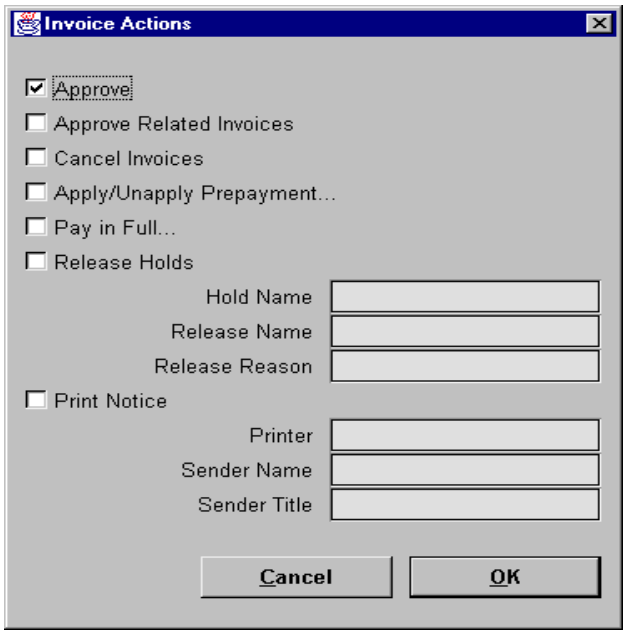
(N) Other—>Requests—>Run

How to Submit Batch Approval

You can automate your approval cycle through automatic approval resubmission. Define your submission options for the Payables Approval program in the Submit Requests window. You can specify the intervals in which you want to submit Approval, and Payables will submit approval using the parameters you specify up until the date you specify to end resubmission.

1. In the Submit Requests window, select Payables Approval, and enter the parameters of your choice.
2. Enter All in the Option field to submit approval for all invoices; otherwise, approval reviews only those invoice distributions that have not already been reviewed by approval.
3. Optionally, define other criteria to submit approval for specific groups of invoices.
4. Define resubmission options to resubmit approval automatically on a daily basis.
5. Click Submit Request, to submit your request.

Approving Invoices Online



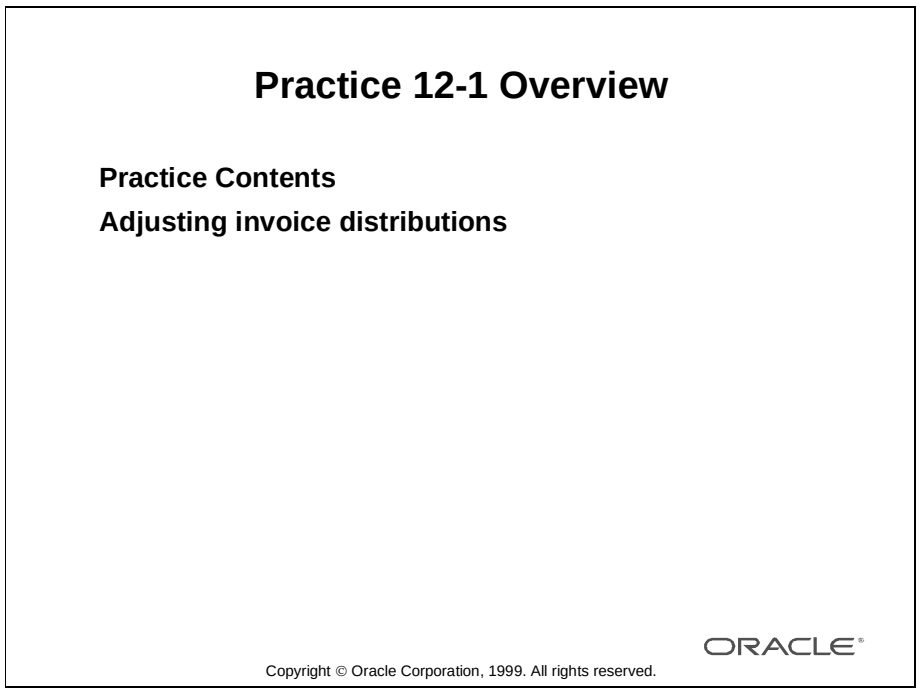
Invoice Actions

(N) Invoices—>Entry—>Invoices (M) Query—>Find (B) Actions

How to Approve Invoices Online

1. Submit online approval for individual invoices when an invoice must be approved and paid immediately.
2. Enable the Payables option to allow online approval.
3. In the Invoices window, find the invoices for which you want to submit approval.
4. Select the invoices.
5. Click Actions.
6. Select Approve.
7. If you are approving a credit or debit memo, select Approve Related Invoices to submit online approval for invoices associated with the credit or debit memo.

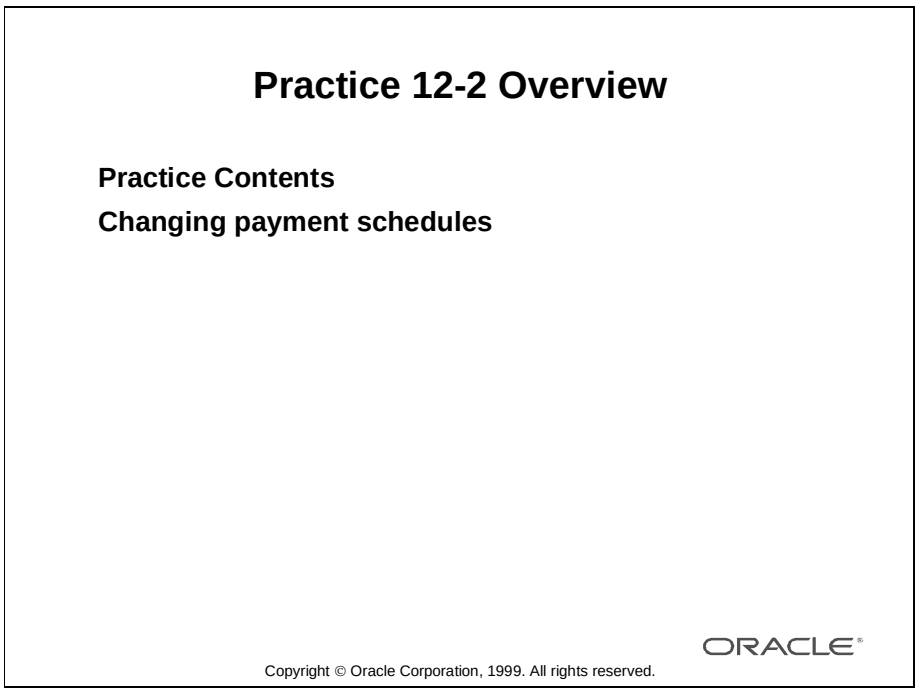
Practice 12-1 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, “Practices and Solutions.”

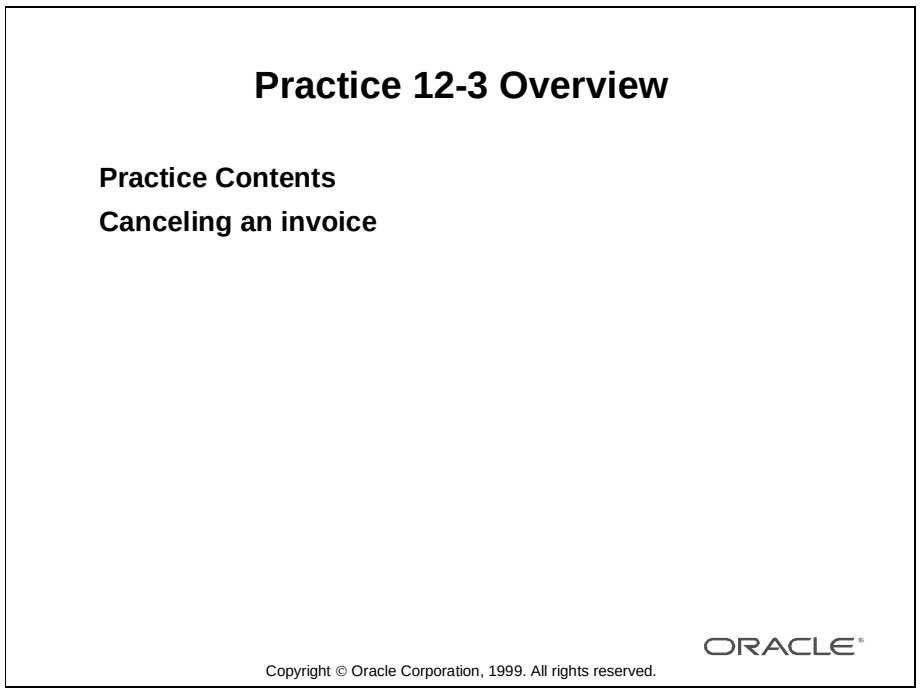
Practice 12-2 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, “Practices and Solutions.”

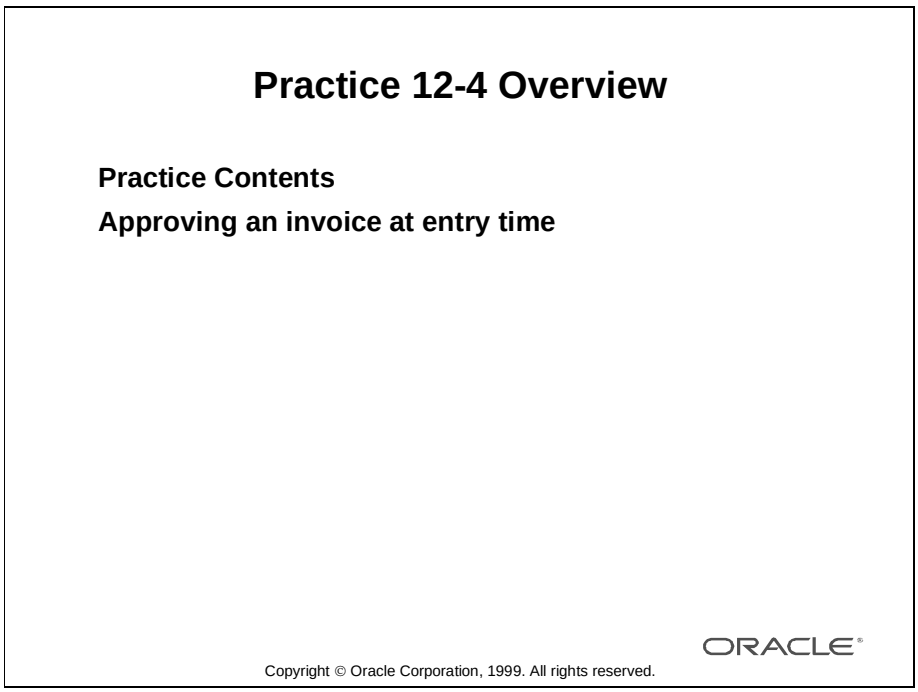
Practice 12-3 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, “Practices and Solutions.”

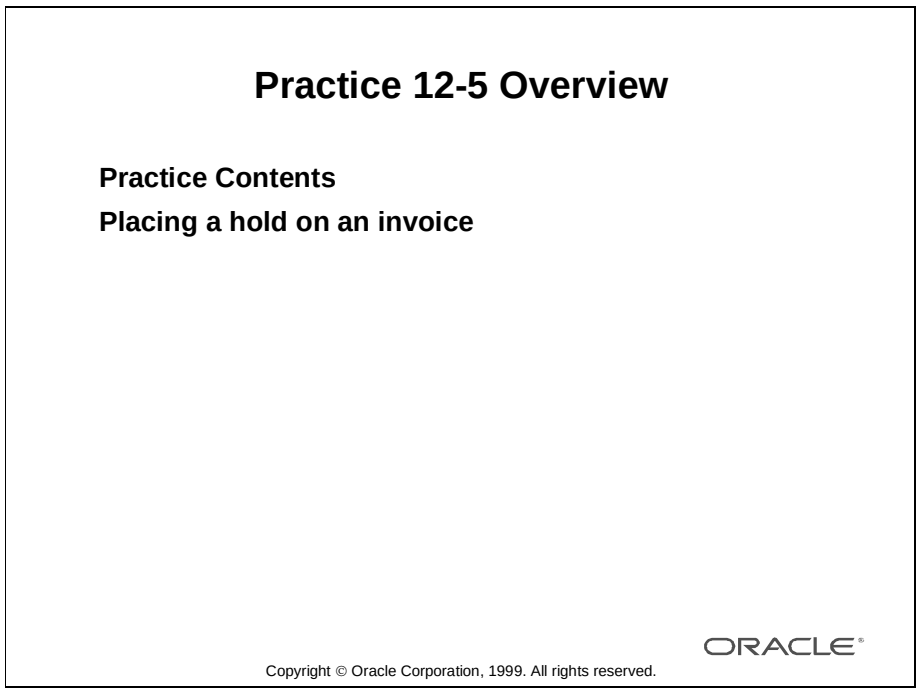
Practice 12-4 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, “Practices and Solutions.”

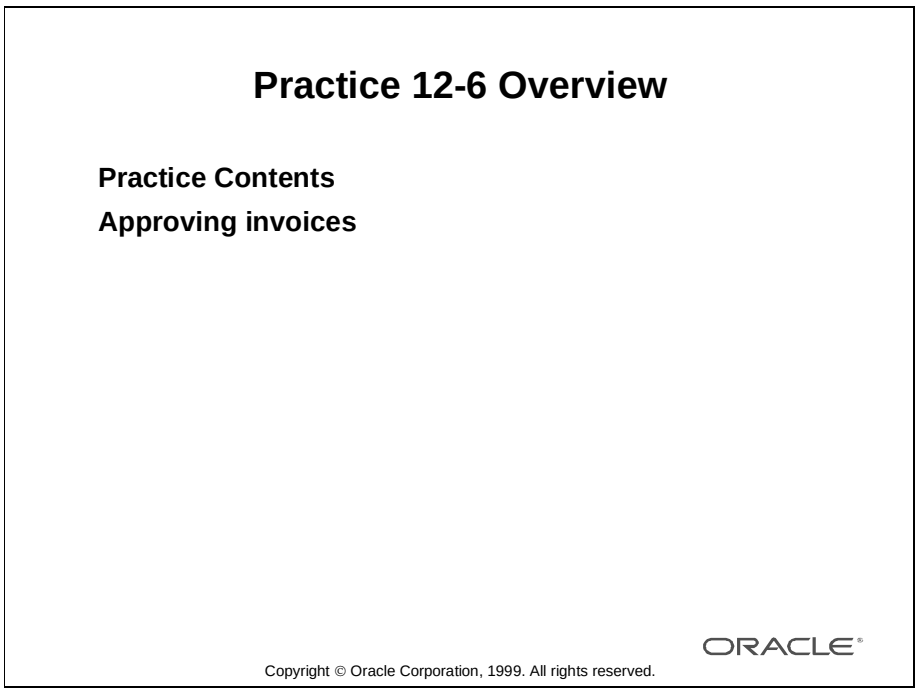
Practice 12-5 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix , "Practices and Solutions."

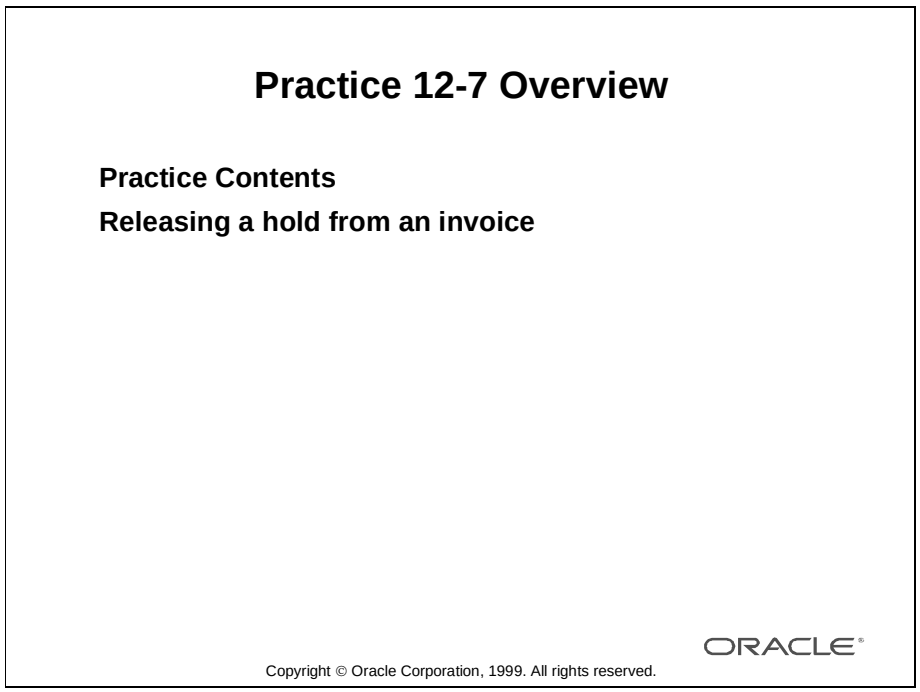
Practice 12-6 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, “Practices and Solutions.”

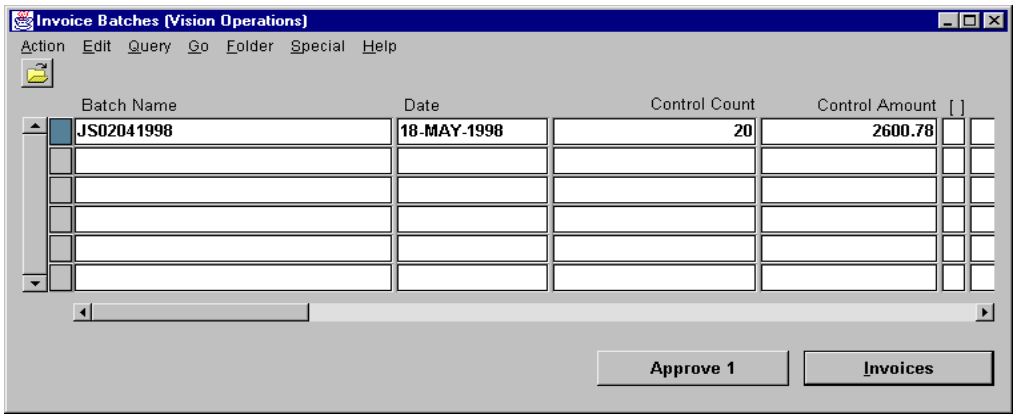
Practice 12-7 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, “Practices and Solutions.”

Approving Invoice Batches Online



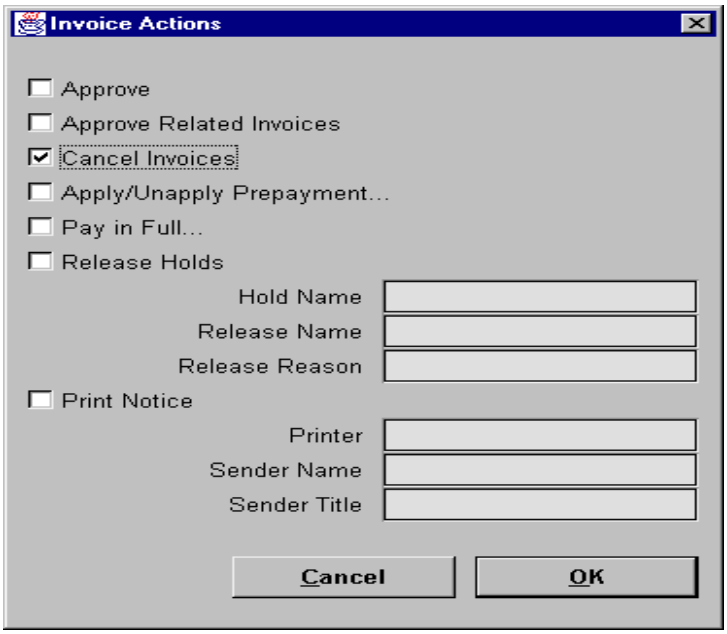
Invoice Batches

(N) Invoices—>Entry—>Invoice Batches (M) Query—>Find (B) Approve

How to Approve Invoice Batches Online

1. Submit approval for entire batches from the Invoice Batches window.
2. Use the multirow selection feature to select several batches to approve at the same time.

Canceling Invoices



Invoice Actions

(N) Invoices—>Entry—>Invoices (M) Query—>Find (B) Actions

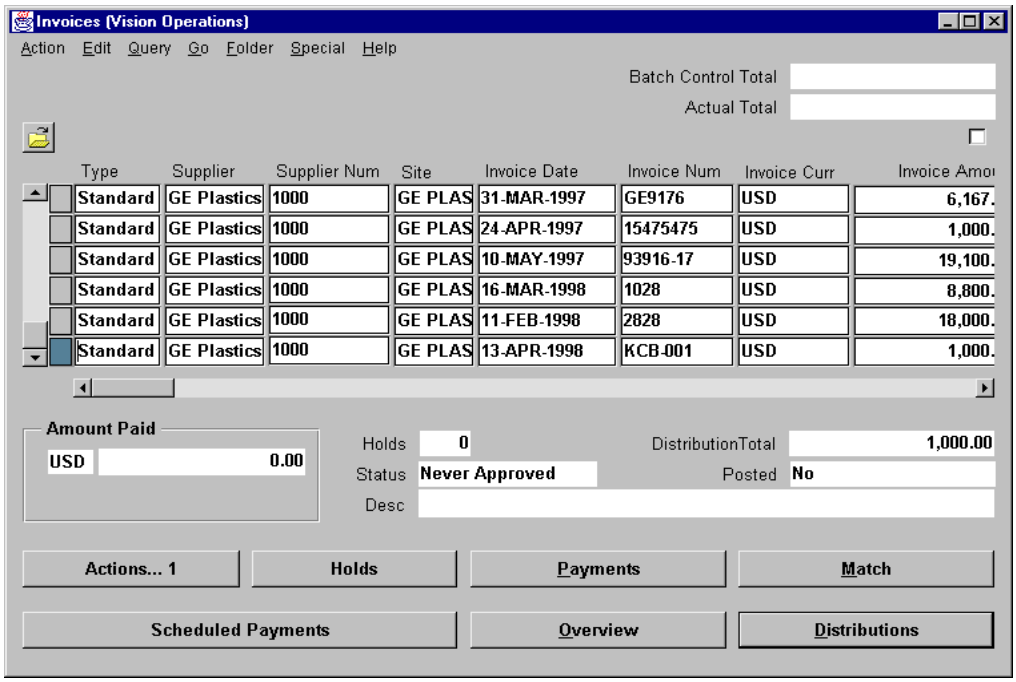
Canceling Invoices

You can cancel only unpaid invoices. You can cancel any unapproved invoice or an approved invoice that does not have any effective payments or posting holds. If an invoice has a hold that prevents posting, you must release the hold before you cancel the invoice. You cannot cancel an invoice that has been selected for payment in a payment batch.

How to Cancel an Invoice

1. In the Invoices window, select the invoice you want to cancel, and click Actions.
2. In the Invoice Actions window, select Cancel Invoices, and click OK to have Oracle Payables cancel the invoice.
3. Save your work.

Adjusting Invoice Amounts



Invoices

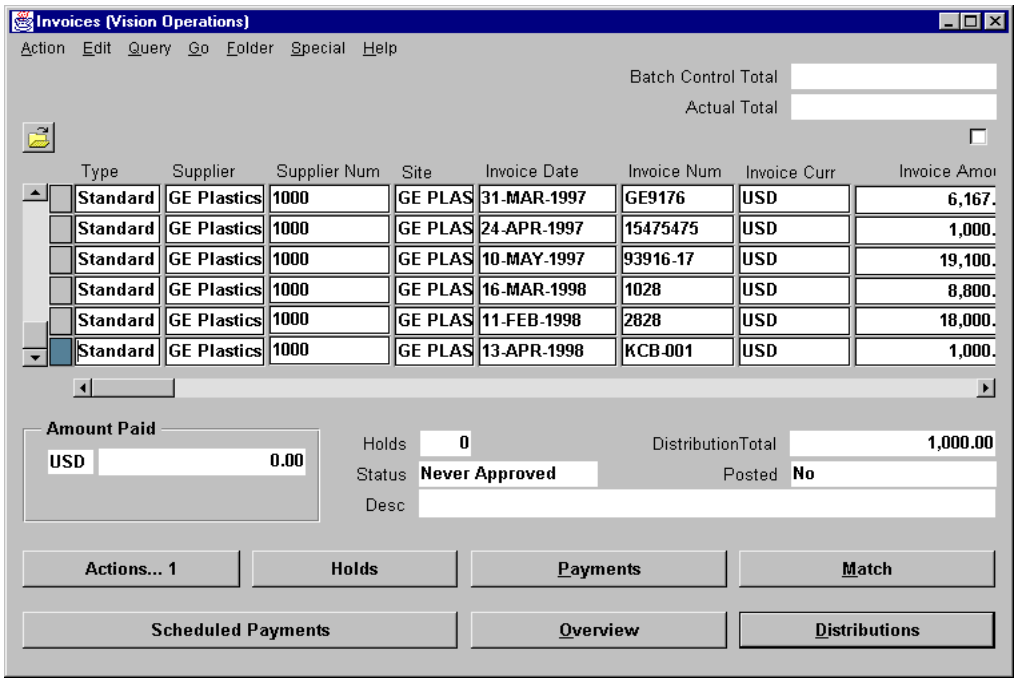
(N) Invoices—>Entry—>Invoices (M) Query—>Find

How to Adjust Invoice Amounts

There are two prerequisites for adjusting the invoice amount:

- The invoice is not fully paid.
- The invoice has at least one unposted or unapproved distribution.

1. Find the invoice in the Invoices window.
2. Change the invoice amount.
3. Click Distributions to navigate to the Distributions window.



How to Adjust Invoice Amounts (continued)

4 Adjust the distributions to match the new invoice amount.

- If the invoice is not purchase order matched, you can add, reverse, and adjust distributions. Choose OK.
- If the invoice is purchase-order matched, you can reverse, rematch, or match distributions to purchase order shipments and purchase order distributions. Click OK.

5 Click Scheduled Payments to navigate to the Scheduled Payments window.

6 Adjust the scheduled payments to match the new invoice amount. Click OK.

7 You must submit approval again before you can pay the invoice.

Summary

Summary

In this lesson, you should have learned how to do the following:

- **Apply holds to a supplier site invoices**
- **Apply holds to selected invoices**
- **Apply holds to schedule payments**
- **Release holds**
- **Approve invoices**
- **Cancel invoices**
- **Adjust invoices**

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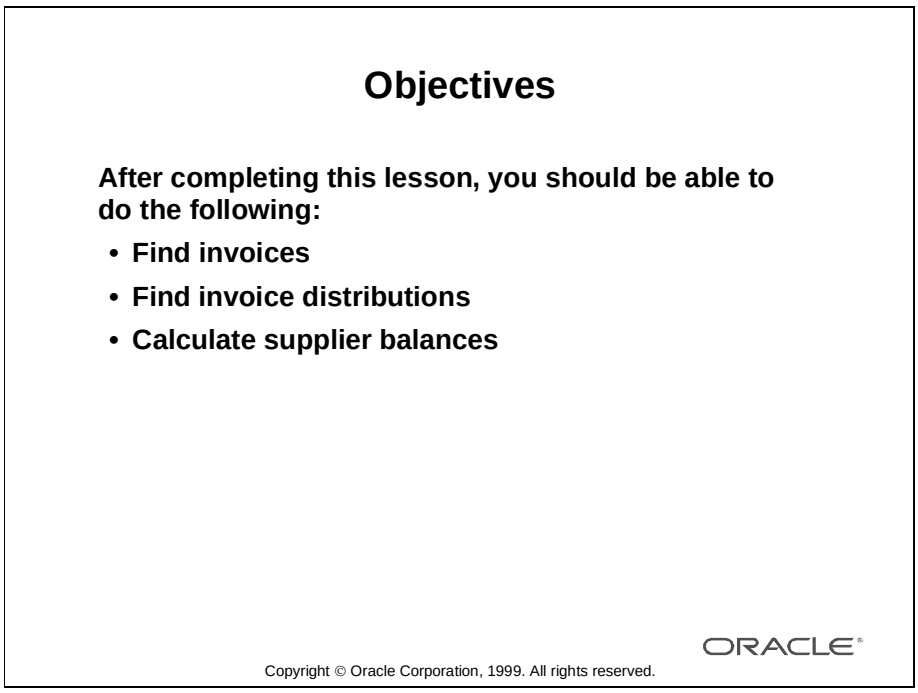
13

Performing Invoice Inquiry

Objectives


Objectives
After completing this lesson, you should be able to do the following:
• Find invoices
• Find invoice distributions
• Calculate supplier balances
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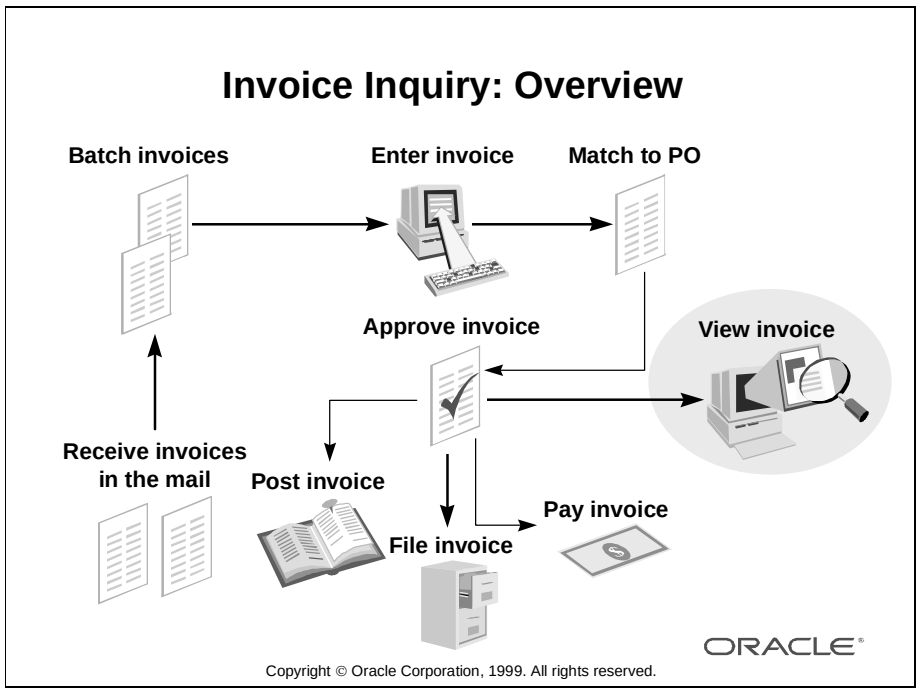
Invoice Inquiry

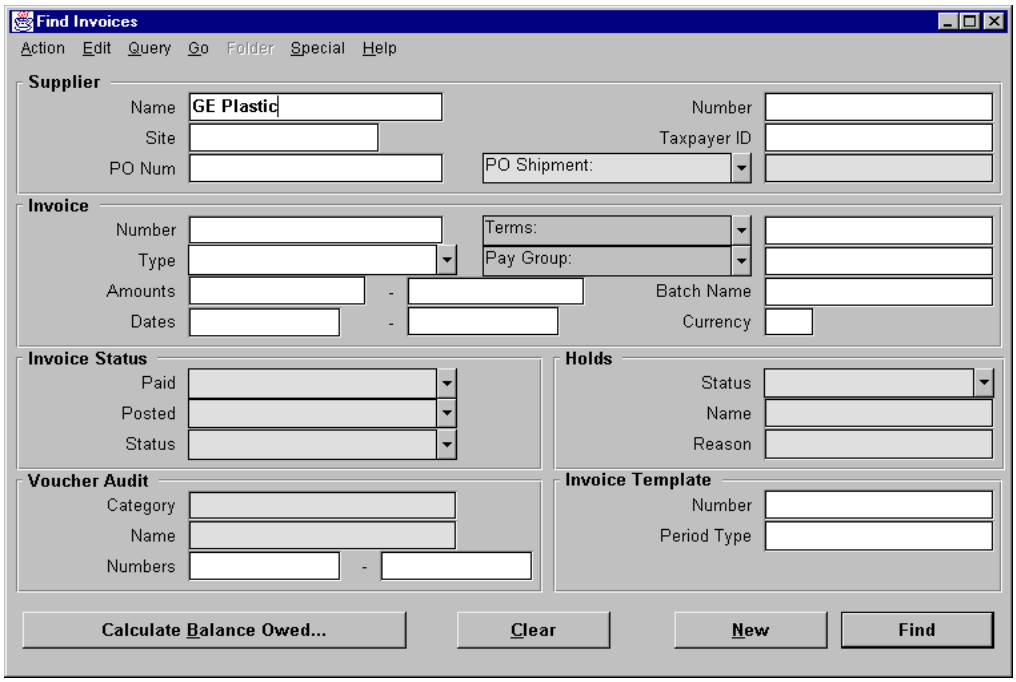


Overview

You can find invoices to respond to supplier inquiries including questions about invoice payment status, invoice payment date, reasons an invoice has not been paid, and total balance due for a supplier or supplier site. You can also find invoices to make adjustments to them or to perform actions on them such as approval or cancellation.

You can find invoices in the Invoice Workbench either by using the Find Invoices window or by entering query criteria directly into the Invoices Summary window or the Invoices detailed window. In the Find Invoices window, you can enter a greater variety of criteria including invoice status and ranges for invoice amounts, invoice dates, and voucher numbers. You then click Find to navigate to the Invoices Summary window, where Payables displays all invoices that match your find criteria.

Finding Invoices



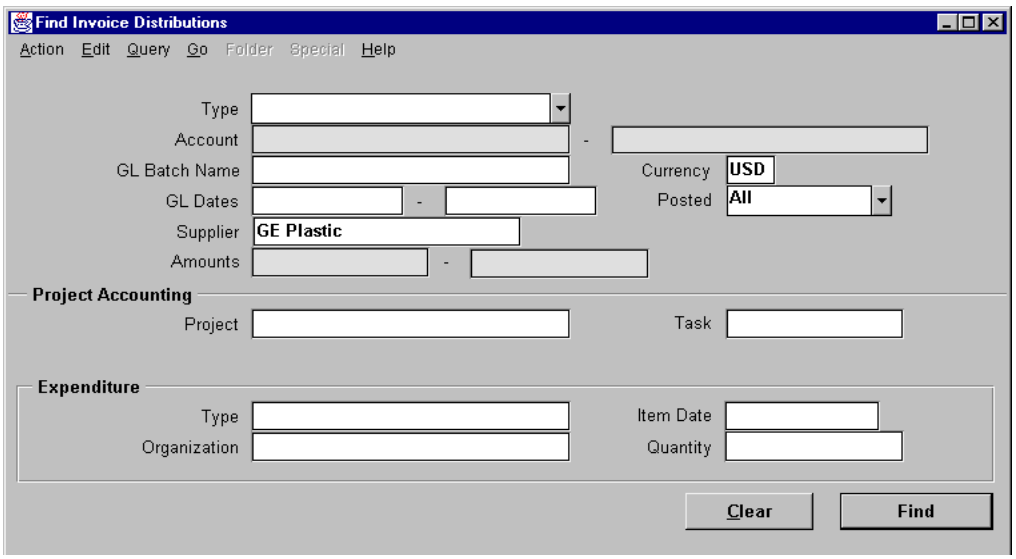
Find Invoices

(N) Invoices—>Inquiry—>Invoices (M) Query—>Find

How to Find Invoices Using the Find Invoices Window

1. Access the Find Invoices window either by choosing the Find icon from the toolbar or by selecting Find from the Query menu.
2. Enter multiple search criteria by entering information in one or more fields.
3. Click Find. The Invoices window displays all invoices that fit your criteria.

Finding Invoice Distributions Using the Find Invoice Distributions Window



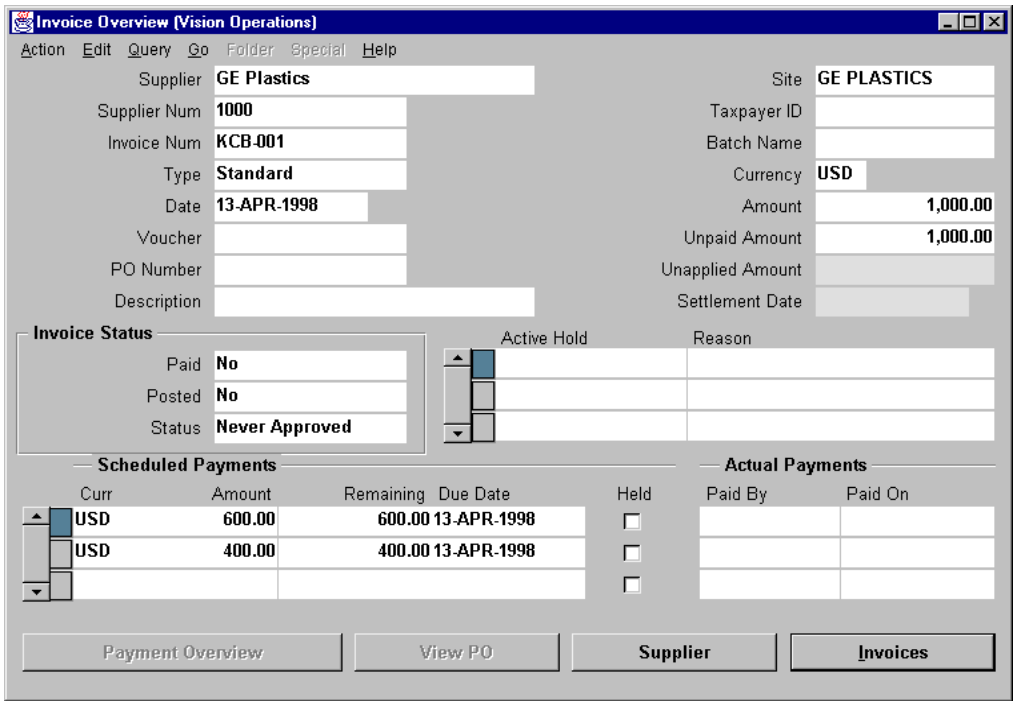
Find Invoice Distributions

(N) Invoices—>Inquiry—>Invoice Distributions (M) Query—>Find

How to Find Invoice Distributions

1. Review invoice distributions either by finding the invoice and clicking distributions or by using the Find Invoice Distributions window, where you can search for distributions outside the context of their invoices.
2. Access the Find Invoices window from either the Invoices window or the Invoice Overview window.
3. Search by any combination of the following criteria:
   - Distribution type
   - Currency
   - GL batch name
   - Posting status
   - GL account range
   - GL date range
   - Amount range

Reviewing High-Level Invoice Information



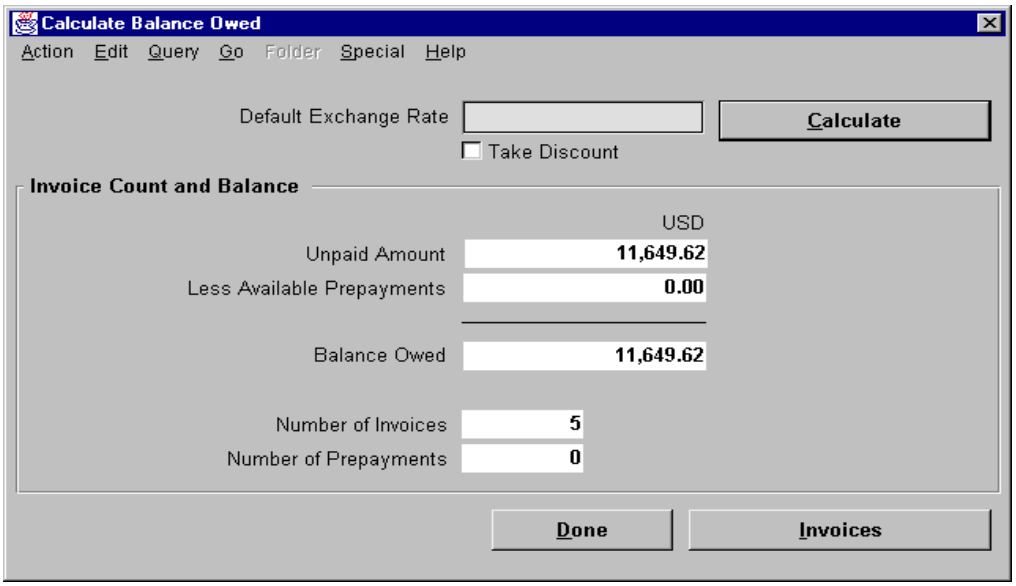
Invoice Overview

(N) Invoices—>Inquiry—>Invoice Overview

How to Review High-Level Invoice Information

1. Use the Invoice Overview window to review information quickly when a supplier calls you to inquire about the status of an invoice.
2. This window is a summary of the following information:
   - Supplier information
   - Invoice information
   - Active holds
   - Scheduled payments
   - Actual payments
3. Because this is a display-only window, navigate to the Invoices window to adjust, approve, or see more information about the invoice.

Calculating Supplier Balances



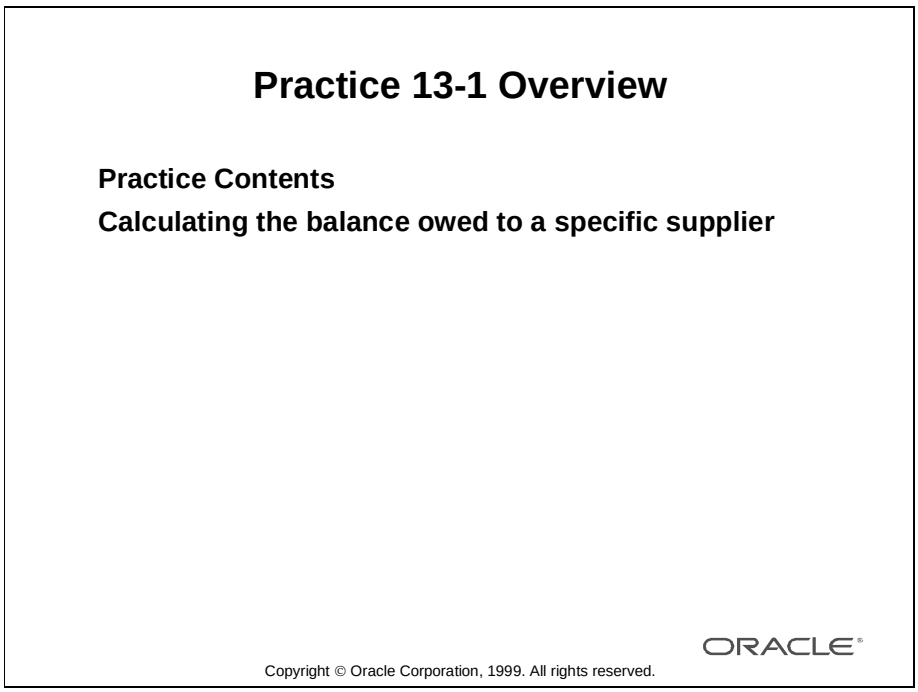
Calculate Balance Owed

(N) Invoices—>Inquiry—>Invoice (M) Query—>Find (B) Calculate Balance Owed

How to Calculate Supplier Balances

1. Use the Calculate Balance Owed window to see how much you owe a supplier and how many unpaid invoices you have in the system for the supplier. Oracle Payables calculates the balance based on the combination of criteria you enter in the Find Invoices window.
2. Enter a default exchange rate for Oracle Payables to use to convert (into your functional currency) the foreign currency invoices that do not yet have an exchange rate.
3. Click Invoices to have all supporting invoices displayed in the Invoices Summary window.

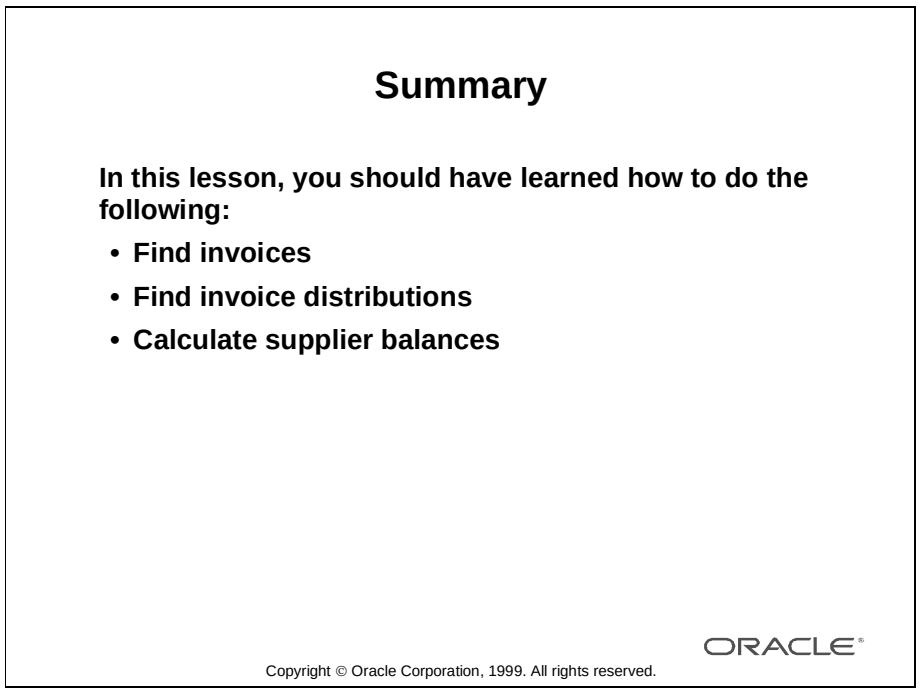
Practice 13-1 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, "Practices and Solutions."

Summary


Summary
In this lesson, you should have learned how to do the following:
• Find invoices
• Find invoice distributions
• Calculate supplier balances
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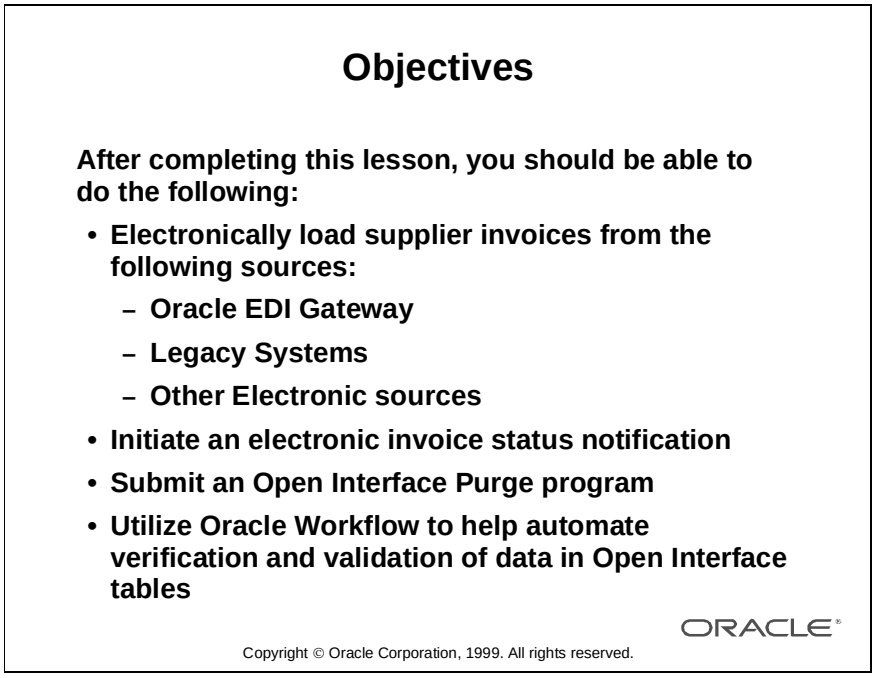
14

Loading Invoices Electronically

Objectives


Objectives
After completing this lesson, you should be able to do the following:
• Electronically load supplier invoices from the following sources:
– Oracle EDI Gateway
– Legacy Systems
– Other Electronic sources
• Initiate an electronic invoice status notification
• Submit an Open Interface Purge program
• Utilize Oracle Workflow to help automate verification and validation of data in Open Interface tables
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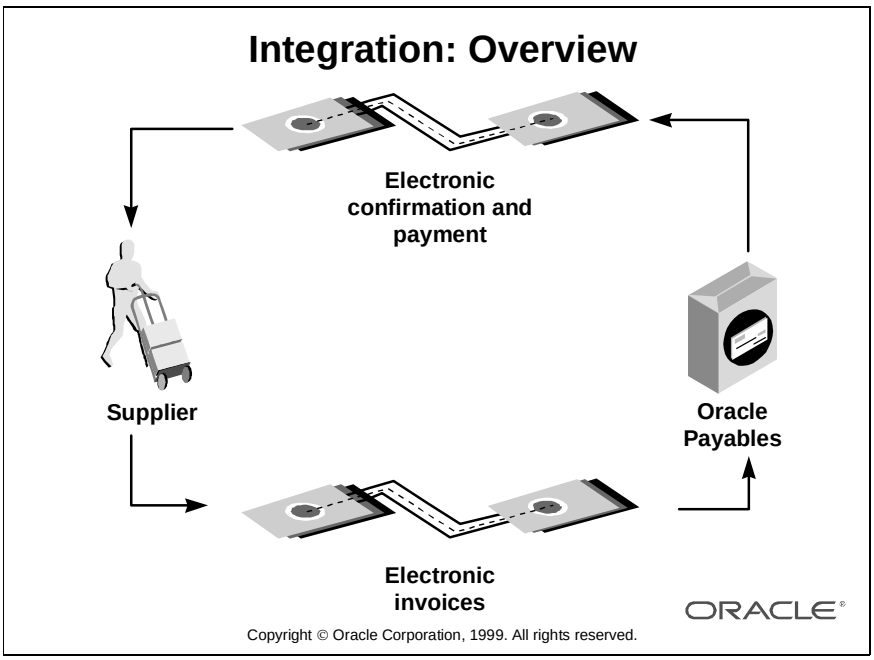
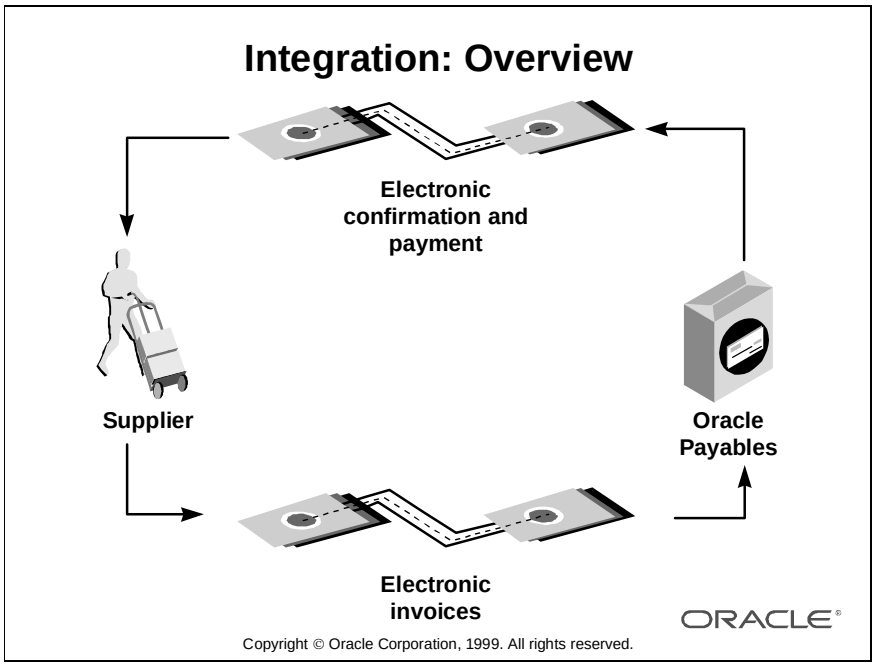
Integration with Oracle EDI Gateway and Oracle Workflow



Integration with Oracle EDI Gateway

You can use Oracle Payables and Oracle EDI Gateway to import invoice data from your suppliers.

- Through the EDI translator of your choice, Oracle EDI Gateway receives invoice information from suppliers and creates an inbound invoice data file (ASC X12 810/EDIFACT INVOIC).
- Oracle EDI Gateway uploads the supplier's invoice information directly into Oracle Payables in the Payables Invoice Open Interface. You can then import the invoices using the Payables Open Interface Import program. Invoices are then ready for approval and payment.
- Oracle Payables and Oracle EDI Gateway notify your suppliers of problem invoices. For example, if your supplier transmits a duplicate invoice or an invoice that does not reference a valid purchase order, Oracle Payables and Oracle EDI Gateway create an outbound application error acknowledgment that notifies the supplier that you have not accepted the invoice.

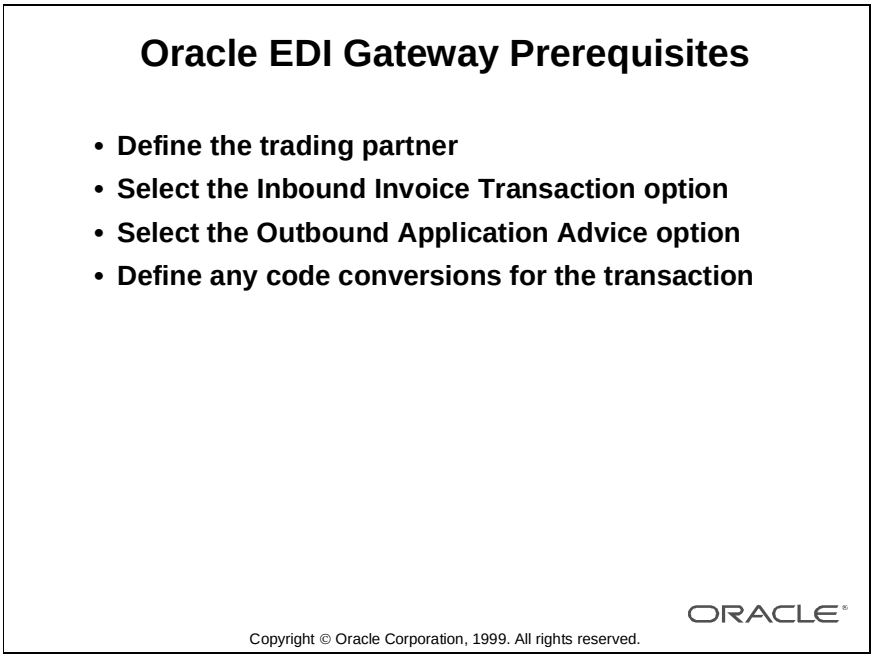


Integration with Oracle Workflow

Oracle Payables has integrated Oracle Workflow into the Payables Open Interface to help automate verification and validation of data in the Open Interface tables.

- Oracle Payables Open Interface Import workflow (a standard workflow) can be used as needed for this purpose.
- You can modify this workflow to validate all accounting code combinations in the Open Interface tables.
- You can send a notification for any invalid code combinations to a specified user for correction.
- Optionally, you can set up the workflow to override any invalid code combinations with a designated default value.
- Using Oracle Workflow, you can add workflow rules that meet the specific requirements of your business.
- Once an invoice has successfully passed Oracle Workflow, you can import it into the Oracle Payables application tables.

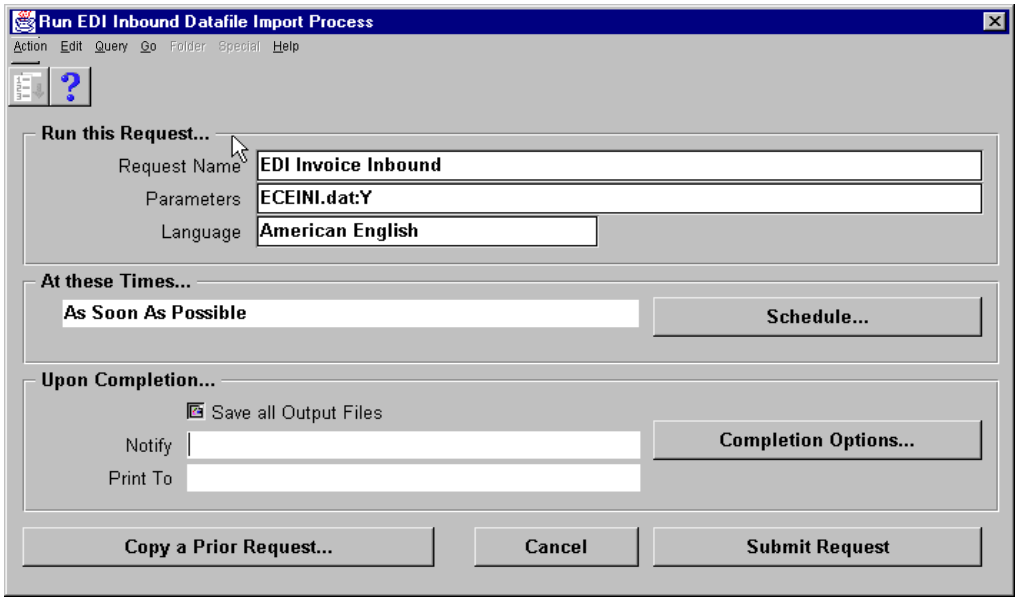
Oracle EDI Gateway Prerequisites



Setting Up Oracle EDI Gateway

- Create a record in the EDI Gateway for each supplier from which you want to receive invoices.
- Link this record to the supplier record in Oracle Payables.
- Select all EDI transactions you want to use with a supplier.
- In the case of the inbound invoice, select that transaction as well as the outbound application advice (824/APERAK) to notify suppliers of invoice status.

Importing Invoices to Oracle EDI Gateway



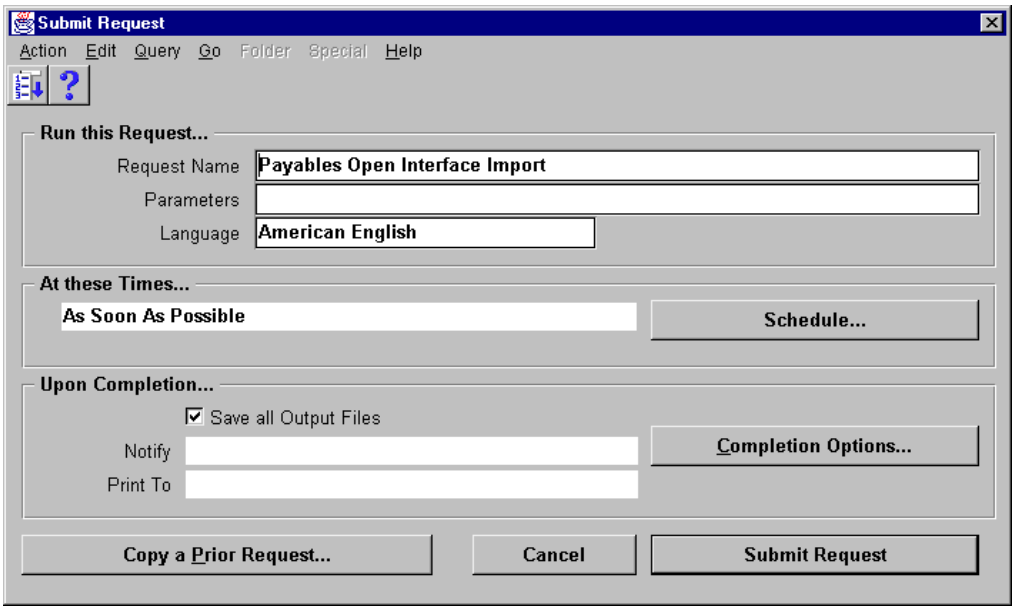
Run EDI Inbound Datafile Import Process

Oracle EDI Gateway: (N) Import Programs—>Single Request

Importing Invoices to Oracle EDI Gateway

1. From the Oracle EDI Gateway main menu, navigate to the Import Programs window.
2. In the Name field, select EDI Invoice Inbound.
3. In the Parameters window, enter the input file name. The EDI Gateway program uses the default input file name of `ECEINI.dat`. You can override the default.
4. Schedule the import request for processing.

Importing Invoices from Oracle EDI Gateway



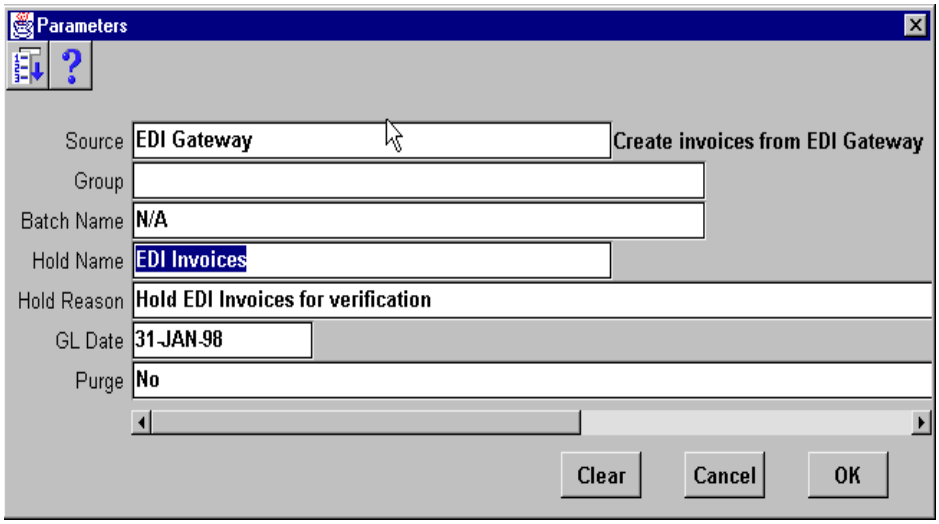
Submit Request

(N) Other—>Requests—>Run—>Single Request

Importing Invoices from Oracle EDI Gateway

Use the Payables Open Interface Import program to import supplier invoices from the EDI Gateway.

- The Payables Open Interface Import program validates the data and populates the Oracle Payables database tables with the valid data.
- Validation is based on the same business rules that are applied to the data entered interactively. Validation is done at the transaction, header, and detail levels to ensure document integrity before importing the data into the Oracle Payables system.
- If no value is provided in the flat file, the Payables Open Interface Import program adds the default values based on standard value rule sets established for required fields.



Parameters

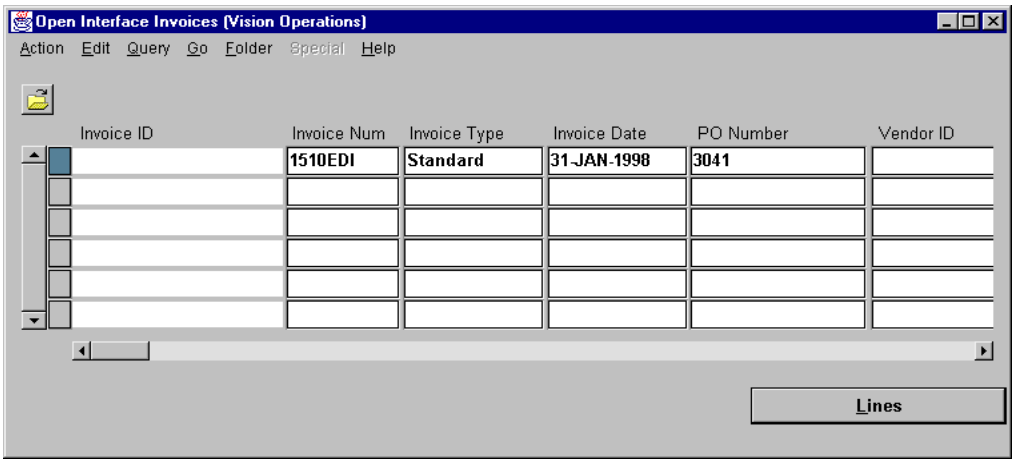
(N) Other—>Requests—>Run—>Single Request—>Source

Importing Invoices from Oracle EDI Gateway (continued)

Identify the Payables Open Interface Import program parameters:

- In the Source field, select EDI Gateway for EDI invoices or another source name you have populated for your data.
- If you are importing data from another source, enter the appropriate value in the Group field.
- The batch name is required if you are using Batch Control.
- Enter a hold name if you want to place all invoices on hold. Oracle Payables displays the hold name description.
- If you want to assign a specific GL date to all invoices, enter it in the GL Date field.
- Enter Yes in the Purge field if you want Oracle Payables to delete all successfully imported invoices.
- Click Submit.
- Oracle Payables generates the Payables Open Interface report with two sections:
  - Payables Open Interface Audit Report: Shows all data successfully imported
  - Payables Open Interface Rejections Report: Shows all data import errors and the reason codes

Correcting Importing Errors



Open Interface Invoices

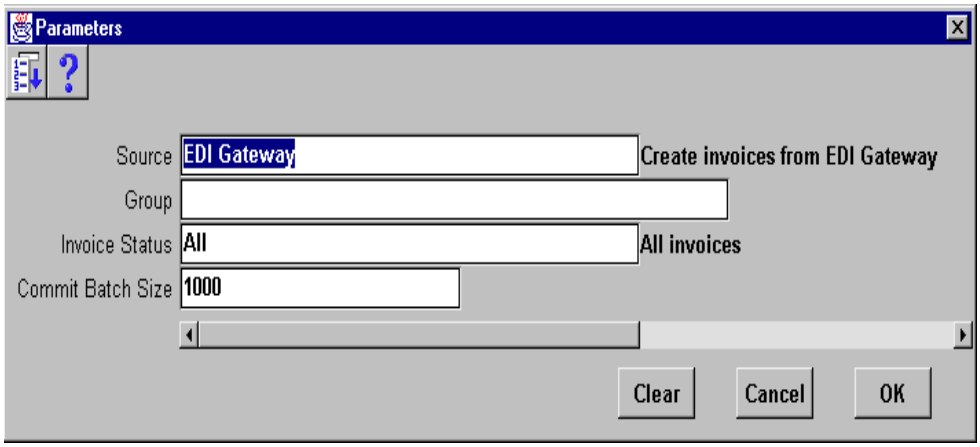
(N) Invoices—>Entry—>Open Interface Invoices

Correcting Importing Errors

Use the Open Interface Invoices window to correct the data that failed the Payables Open Interface Import process. The window has a field for each column in the open interface tables.

1. Query the data you want to correct.
2. Make the necessary changes.
3. Resubmit the Payables Open Interface Import program to load the corrected data.

Notifying Suppliers of the Status of Their Invoices



Parameters

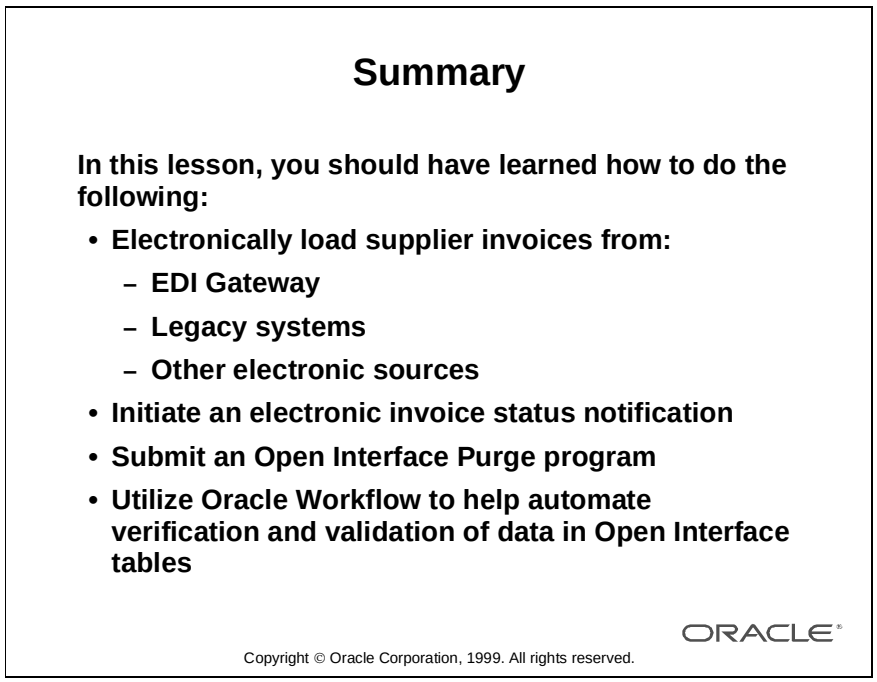
(N) Other—>Requests—>Run—>Single Request—>Source

Notifying Suppliers of the Status of Their Invoices

Use the Payables Open Interface Outbound Advice program to notify your suppliers, who are set up as EDI trading partners, of the status of invoices they sent to you. This program supports the (ASC X12 824/EDIFACT APERAK) standards.

- Submit this process from Oracle Payables for the source of EDI Gateway.
- In the Invoice Status field, you can choose to create notification for invoices that were:
  - Accepted (successfully imported into Oracle Payables)
  - Rejected (failed import: supplier needs to take corrective action and resend)
  - All (all Invoices)
- After this process is completed, navigate to the Extract Programs window of Oracle EDI Gateway and submit the Application Advice Outbound program to send the data to your EDI translator.

Summary


Summary
In this lesson, you should have learned how to do the following:
• Electronically load supplier invoices from:
– EDI Gateway
– Legacy systems
– Other electronic sources
• Initiate an electronic invoice status notification
• Submit an Open Interface Purge program
• Utilize Oracle Workflow to help automate verification and validation of data in Open Interface tables
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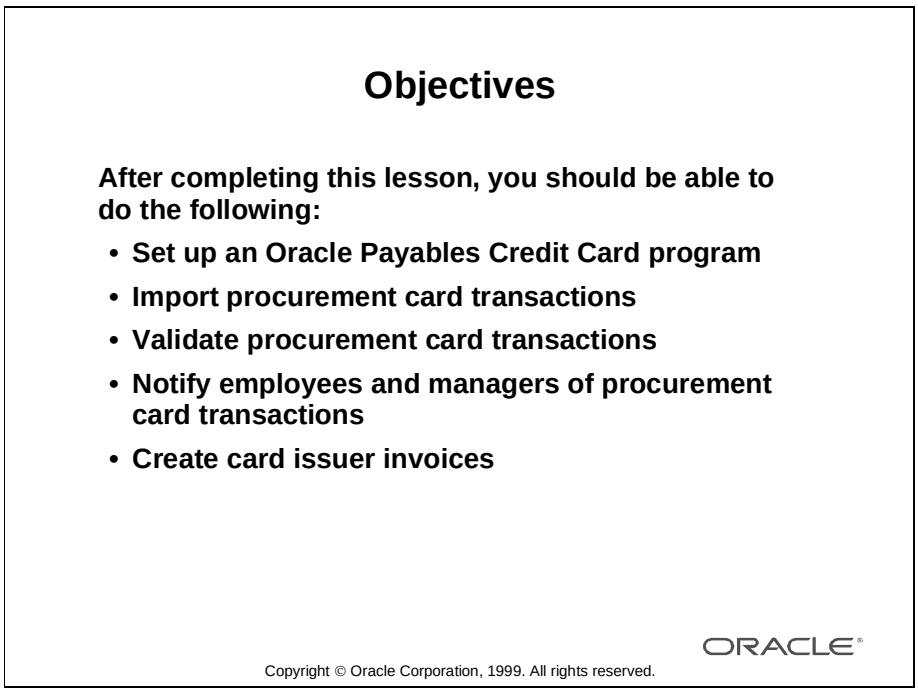
15

Processing Procurement Card Transactions

Objectives


Objectives
After completing this lesson, you should be able to do the following:
• Set up an Oracle Payables Credit Card program
• Import procurement card transactions
• Validate procurement card transactions
• Notify employees and managers of procurement card transactions
• Create card issuer invoices
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Overview

Overview

You can streamline your procure-to-pay process by implementing a procurement card program:

- **Your employees purchase items directly from suppliers using a credit card.**
- **The credit card issuer sends a detailed transactions file directly to you (the employer).**
- **Import the transactions file from your card issuer directly into Oracle Payables.**
- **Validate and automatically generate accounting distributions for transactions.**
- **Notify employees and managers of transactions, and request verification and approval.**
- **Automatically create invoices to pay the credit card issuer.**

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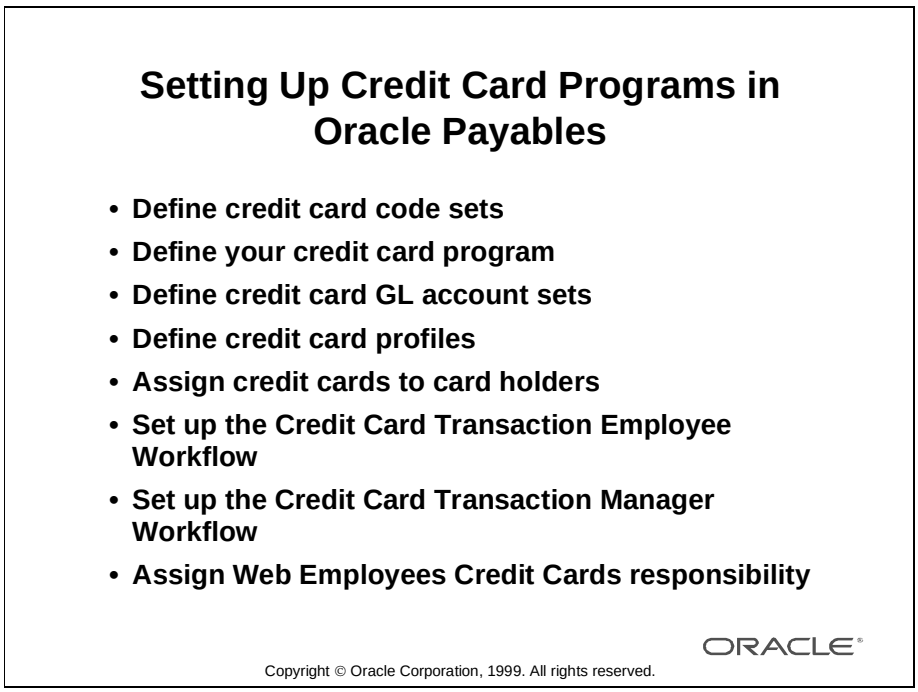
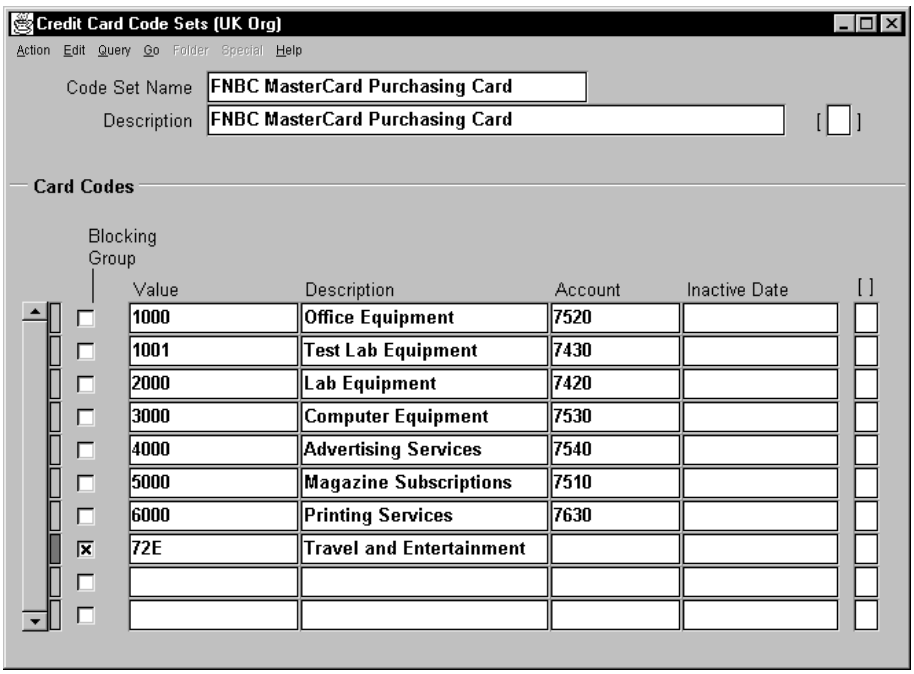
Setting Up Credit Card Programs in Oracle Payables



Creating Credit Card Code Sets



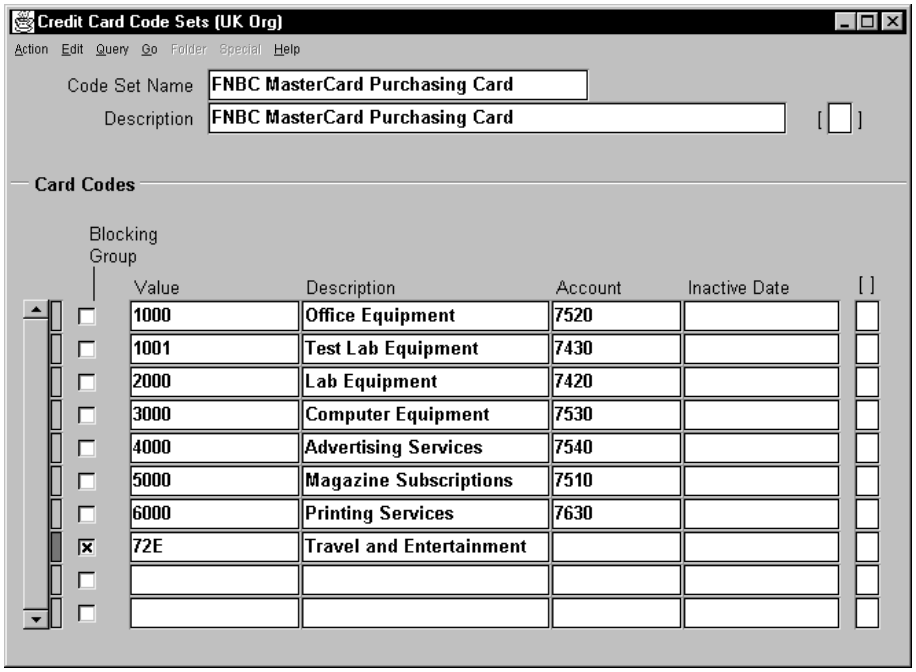
Credit Card Code Sets

(N) Setup—>Credit Cards—>Credit Card Code Sets

How to Create Credit Card Code Sets

Use this window to define sets of credit card codes that can be used to create default accounting distributions for transactions that you import from your credit card issuer.

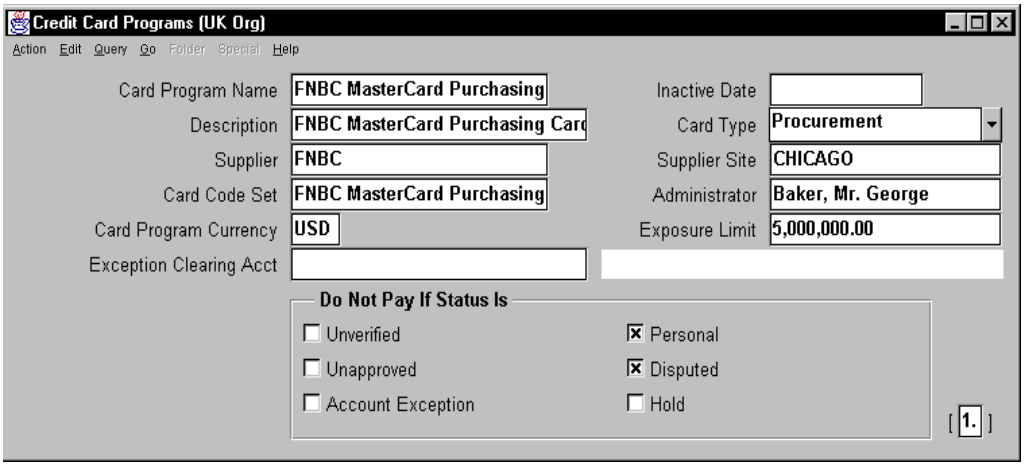
- Your card issuer maintains card codes, for example, Standard Industry Classification (SIC) codes or Merchant Category Codes (MCC), to identify suppliers and supplier types for the transactions that your employees incur when using a procurement card. The credit card provider sends you the list of card codes it uses.
- You can assign a default account to a card code so that when you import a transaction for that card code, you can create a default accounting distribution for the transaction based on the card code for the transaction.
- Assign credit card code sets to credit card profiles. You then assign credit card profiles to credit cards.



How to Create Credit Card Code Sets (continued)

1. In the Code Set Name field, enter the code set name.
2. In the Description field, enter the description for the code set name.
3. Select the Blocking Group check box, if the card code value is a group card code.
4. In the Value field, enter the card code value.
5. In the Description field, enter a description for the card code.
6. In the Account field, if you want to assign a default account to the card code value, enter the account. You cannot enter an account if you select the Blocking Group check box.
7. Enter an inactive date if you want to limit the time during which the card code appears on the list of values.
8. Save your work.

Defining a Credit Card Program



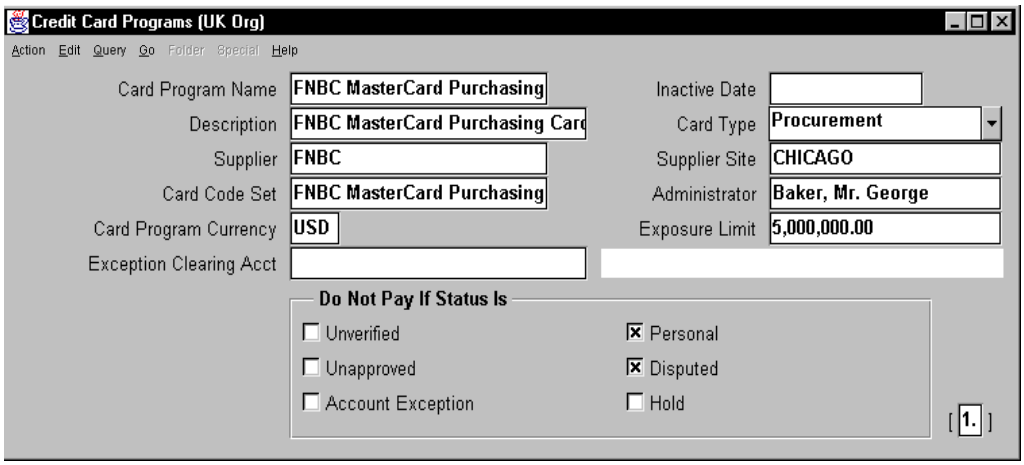
Credit Card Programs

(N) Setup—>Credit Cards—>Credit Card Programs

How to Define a Credit Card Program

1. In the Card Program Name field, enter the name of credit card program.
2. In the Description field, enter the description of the credit card program.
3. In the Supplier field, select the name of card issuer from the list of values.
4. In the Card Code Set, select a card code set that you defined in the Credit Card Code Sets window.

   In the Card Program Currency field, Oracle Payables displays the currency in which the card issuer invoice is created. This defaults from the supplier currency.
5. In the Exception Clearing Account field, enter the account to which Oracle Payables charges exceptions when the Credit Card Transaction Validation and Exception Report tries to create a transaction distribution for an invalid GL account.
6. In the Inactive Date field, enter the date after which you can no longer create a credit card profile with this credit card program.



How to Define a Credit Card Program (continued)

7 In the Card Type field, select the card type for your reference. You can select Procurement or Travel and Entertainment.

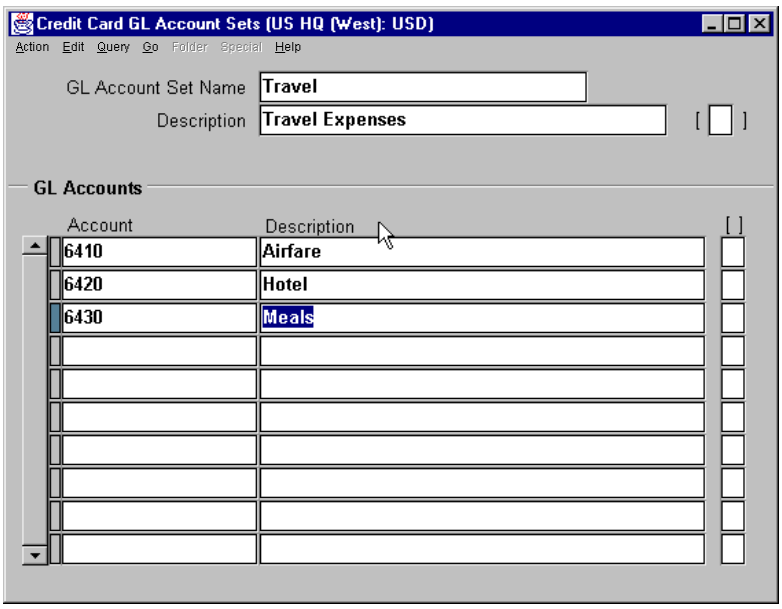
8 In the Supplier Site field, select the card issuer's payment supplier site.

9 In the Administrator field, select the employee name of the administrator for the credit card program.

The Exposure Limit field will be used by a future version of Oracle Payables. You can use this field for your reference to record the program's credit limit.

10 Do Not Pay If Status Is: If you want the Credit Card Invoice Interface Summary program to exclude any transaction accounting distributions with the following statuses, select each check box status you want to exclude from invoice creation. For example, if you do not want to pay transactions with a status of Unverified or Hold, select those check boxes. If you select the Unapproved check box, the Credit Card Invoice Interface Summary program does not select those transactions for which manager approval is required and manager approval has not yet been obtained, or for those transactions that managers have rejected.

Defining Credit Card GL Account Sets



Credit Card GL Account Sets

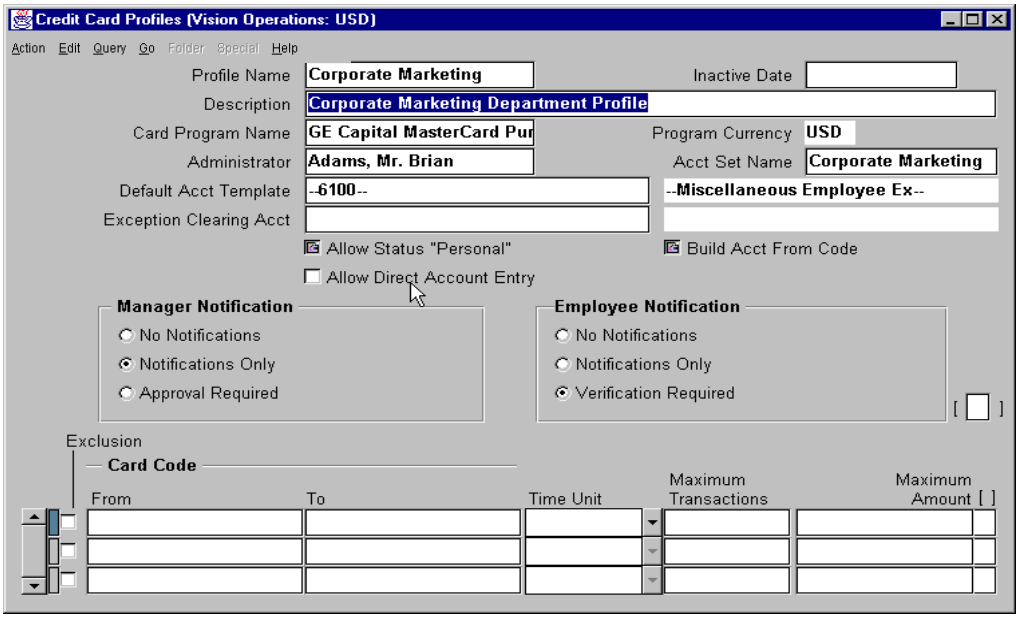
(N) Setup—>Credit Cards—>Credit Card GL Account Sets

How to Define Credit Card GL Account Sets

Use the Credit Card GL Account Sets window to create a list of values of GL accounts that your employees can use to correct account information for their credit card transactions, if your credit card holders update transaction accounts. Each card holder's credit card is assigned a credit card profile. Each credit card profile can be assigned one credit card GL set. This list is displayed for the users who have access to the Credit Card responsibility in Oracle Web Employees.

1. In the GL Account Set Name field, enter a set name.
2. In the Description field, enter the description for the set name.
3. In the Accounts fields, enter the GL accounts that are included in the set.
4. In the Description field, enter the account name that credit card holders see when they use Oracle Web Employees to change the account for a transaction.
5. Save your work.

Defining Credit Card Profiles



Credit Card Profiles

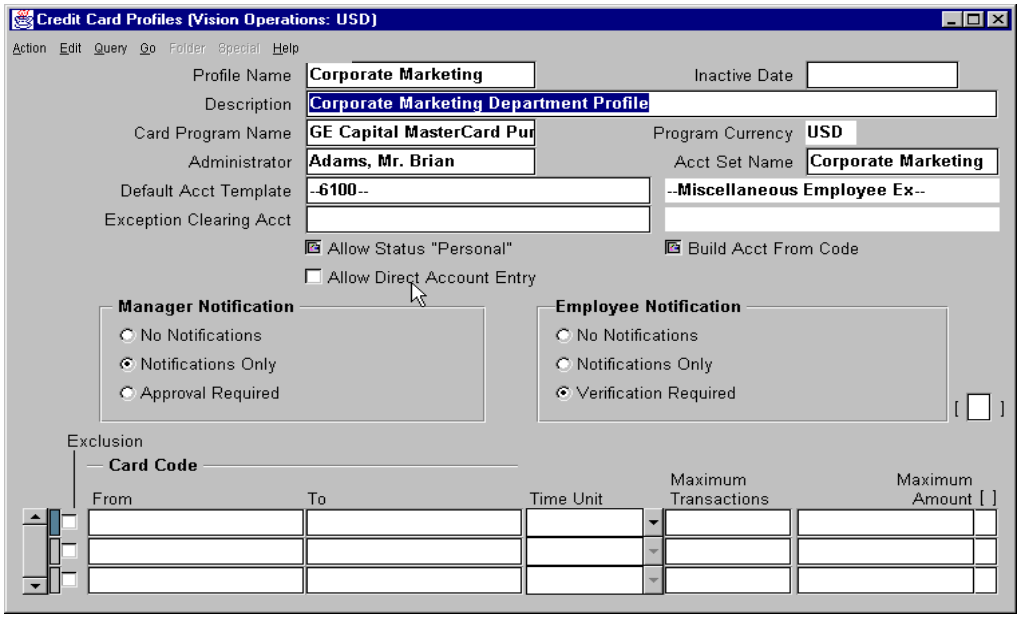
(N) Setup—>Credit Cards—>Credit Card GL Account Sets

How to Define Credit Card Profiles

Use this window to define how to build detailed accounting distributions for transactions and to define the level of notification you require for managers and employees.

1. In the Profile Name field, enter the name of the credit card profile.
2. In the Description field, enter a description of the credit card profile. This value appears on the list of values when you select a profile in the Credit Cards window.
3. In the Administrator field, select the employee name of the administrator for the credit card profile.
4. In the Default Acct Template field, if you want to default account segments to the transactions you import for this card program, enter the account segments. If you want to skip an account segment, then leave the segment blank.

   The Default Acct Template can contain a skeleton GL account.



How to Define Credit Card Profiles (continued)

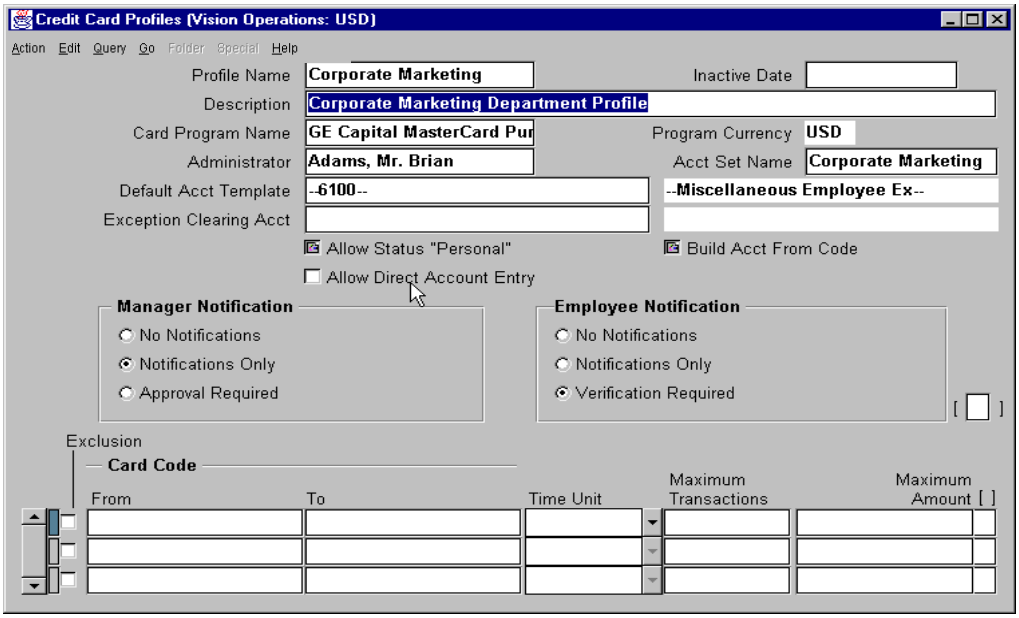
5 In the Exception Clearing Acct field, enter the account to which you charge exceptions that occur when the Oracle Payables Credit Card Transaction Validation Exception Report executes.

In the Program Currency field, Oracle Payables displays the currency of the credit card program (defaults from supplier site).

6 In the Acct Set Name field, select the credit card GL accounts set you are assigning to the credit card profile.

7 Select the Allow Status “Personal” check box if you want to allow employees to change the status of their transactions to Personal during verification. If you do not enable this option, then the Personal status does not appear as an option in Oracle Web Employees.

8 Select the Allow Direct Account Entry check box if you want to allow Oracle Web Employees users to enter account numbers directly in the Account field of the Credit Card Transaction Verification page of Oracle Web Employees during transaction verification. This allows users to enter account numbers in Oracle Web Employees rather than selecting the GL account description you defined in the Credit Card GL Account Sets window.



How to Define Credit Card Profiles (continued)

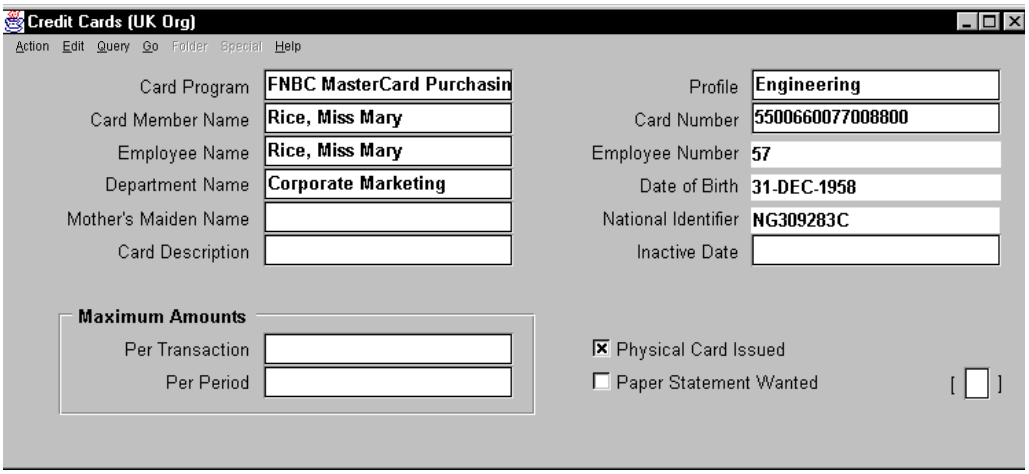
9 If you select the Build Acct From Code check box, when Oracle Payables builds the default accounting distribution for a transaction, it uses the account associated with the card code to overlay the account values from the default employee expense GL account and the profile Default Account Template. You associate accounts with card codes in the Credit Card Code Sets window.

10 In the Manager Notifications field, select the level of notification or approval that you want Oracle Workflow to enforce for transactions to which this profile has been assigned when Workflow processes a transaction for a manager's direct reports.

11 In the Employee Notifications field, select the level of card holder notification or verification that you want Workflow to enforce for transactions to which this profile has been assigned when Workflow processes a transaction for the card holder.

12 Values in the Card Code region will be used in a future release of Oracle Payables.

Assigning Credit Cards to Card Holders



Credit Cards

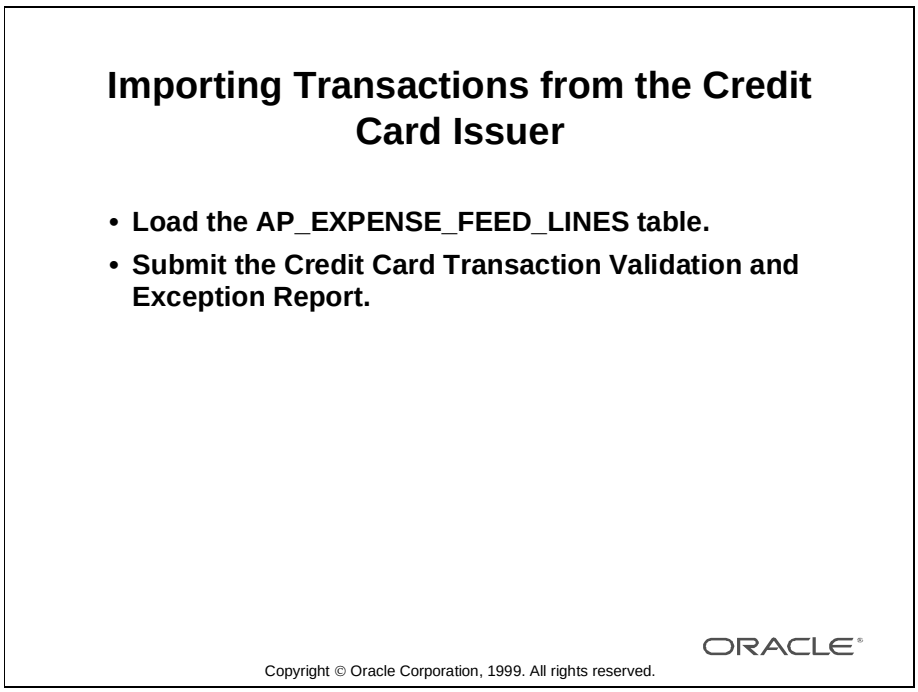
(N) Credit Cards—>Credit Cards

How to Assign Credit Cards to Card Holders

In the Credit Cards window, assign a card to a card holder and assign a credit card profile to the card.

1. In the Card Program field, select the credit card program you want to assign to the credit card.
2. In the Card Member Name field, enter the card holder's name, as it appears on the credit card.
3. In the Employee Name field, select the employee's name from the list of values.
4. In the Profile field, assign a profile to each credit card to control creation of default accounting distributions and the notification level for employees and managers.
5. In the Card Number field, enter the number on the credit card.
6. The remaining fields are for your reference only. Optionally, enter the relevant information in these fields.
7. Save your work.

Importing Transactions from the Credit Card Issuer

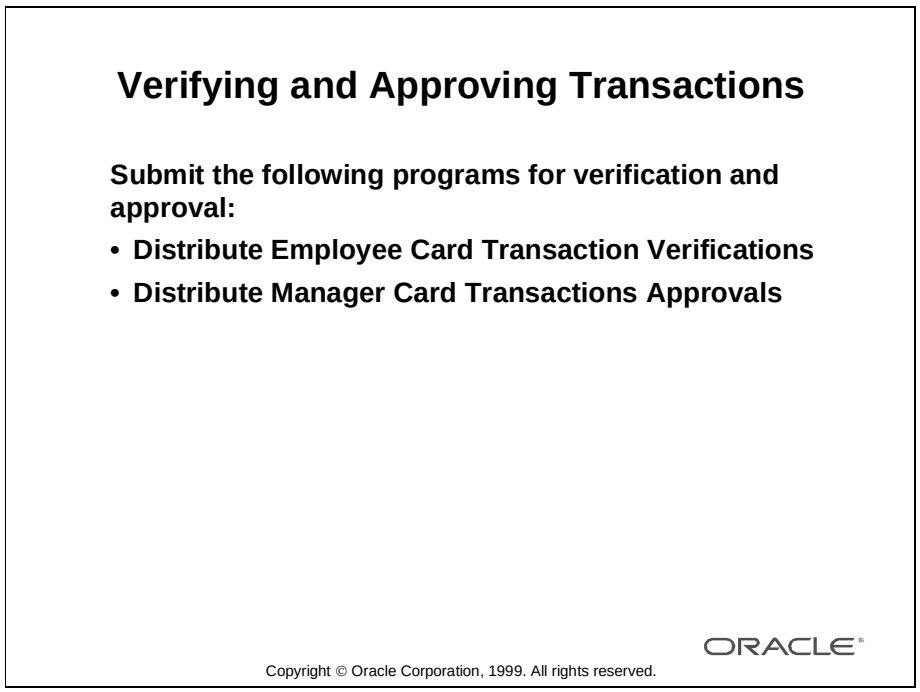


Importing Transactions from the Credit Card Issuer

The card issuer sends you a file with the card transactions and charges.

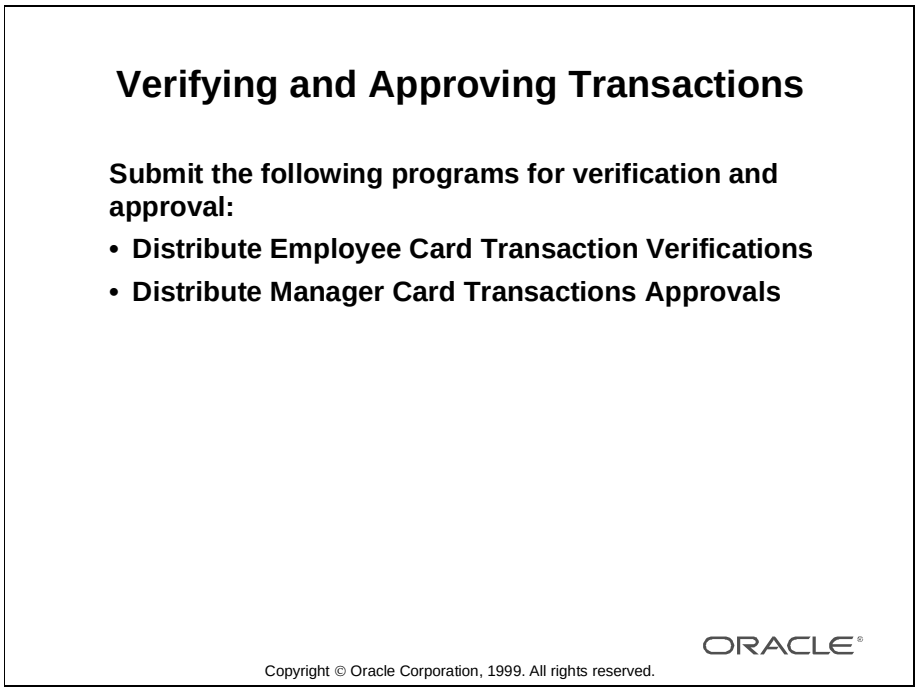
- Load this data into the AP_EXPENSE_FEED_LINES table.
- Submit the Credit Card Transaction Validation and Exception Report from the Submit Requests window. This report creates default accounting distributions for transactions. This report also validates imported transactions and identifies exceptions. Exceptions include:
  - Transaction loaded for an employee who is not defined in Oracle Payables
  - Transaction loaded for a card number that is not defined in Oracle Payables
  - Duplicate reference numbers of transactions posted by your card issuer (the reference number is the unique number assigned to each transaction by the card issuer)

Verifying Transactions by Employees and Managers



Notification and Verification of Transactions by Employees

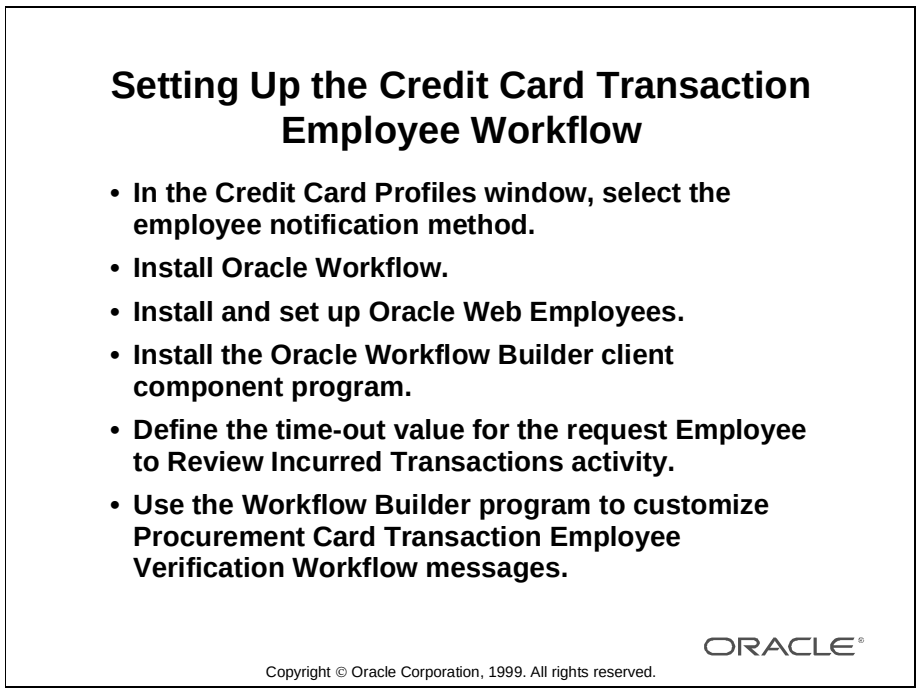
Submit the Distribute Employee Card Transaction Verifications program from the Submit Requests window. This program initiates the Employee Verification Workflow program and runs based on the level of notification you define at the card profile level. If verification is required at the profile level, the employee is able to verify transactions directly from the workflow notification (for all or none). Alternatively, the employee can use Oracle Web Employees to verify transactions individually. With Oracle Web Employees, you can also verify transactions using different statuses, update the default cost center, account for a transaction, and split a transaction. If verification is not required at the profile level, the employee receives a notification that requires no action (unless notification level is set to None).



Notification and Approval of Transactions by Managers

Submit the Distribute Manager Card Transactions Approvals program from the Submit Requests window. This program initiates the Manager Approval Workflow program and runs based on the level of notification you define at the card profile level. If approval is required at the profile level, the manager can only approve or reject transactions directly from the workflow notification. If approval is not required, the manager receives a notification that requires no action (unless notification level is set to None).

Setting Up the Credit Card Transaction Employee Workflow



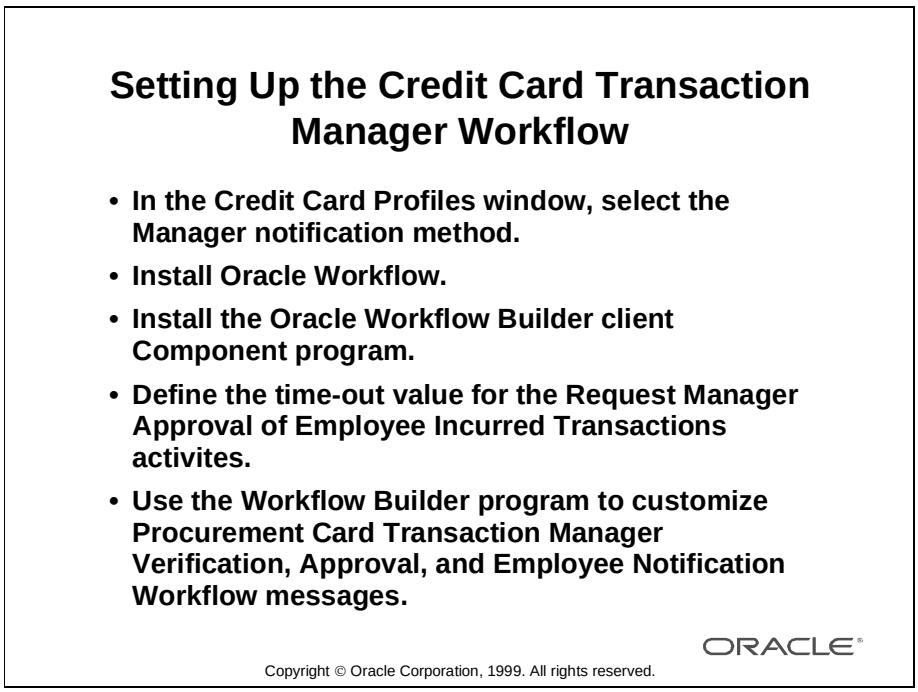
How to Set Up Credit Card Transaction Employee Workflow

A predefined sample Credit Card Transaction Employee Workflow is included with Oracle Applications.

- In the Credit Card Profiles window, select the employee notification method.
- Install Oracle Workflow.
- Install and set up Oracle Web Employees to allow verification of transactions using Oracle Web Employees.
- Install the Oracle Workflow Builder client component program.

  The Credit Card Transaction Employee Workflow definition file is automatically loaded into the database under the APPS account when you install Oracle Web Employees. Using the Oracle Workflow Builder program, you can open the Credit Card Transaction Employee Workflow definition file.
- Define the time-out value for the Request Employee To Review Incurred Procurement Card Transactions activity.
- Use the Workflow Builder program to customize Procurement Card Transaction Employee Verification Workflow messages.

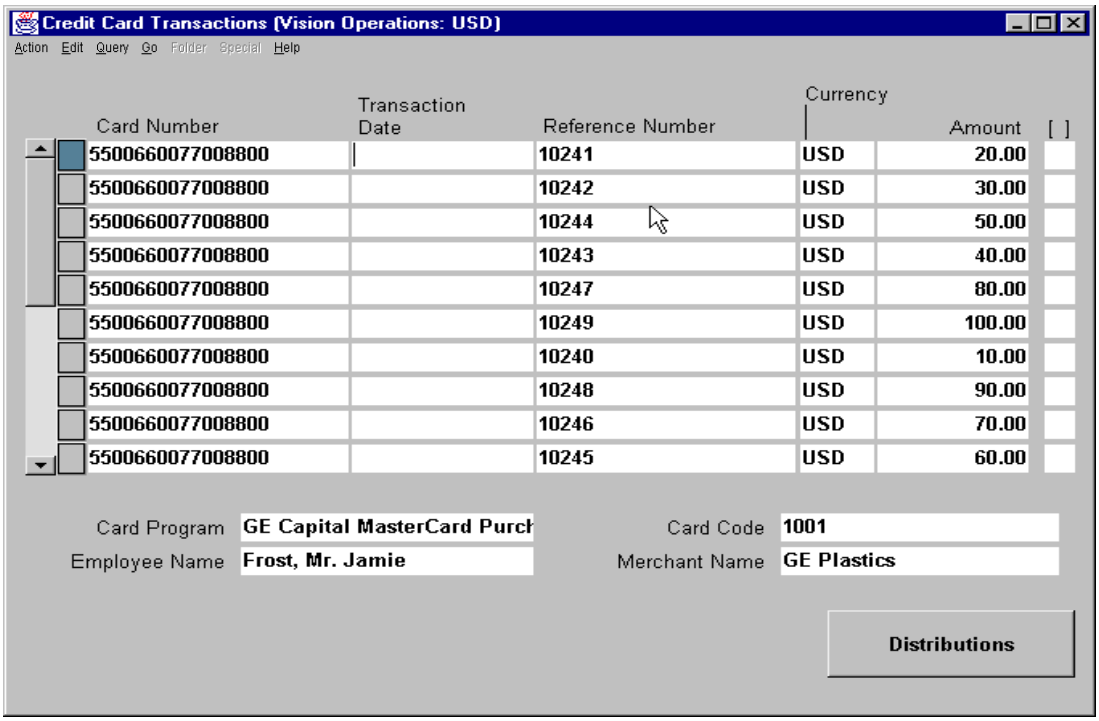
Setting Up the Credit Card Transaction Manager Workflow



How to Set Up Credit Card Transaction Manager Workflow

- In the Credit Card Profiles window, select the manager notification method.
- Install and configure Oracle Workflow.
- Employees verify credit card transactions. If at the Credit Card Profile level, the Employee Notification Method is Notification Only or Verification Required, verification can occur during the Credit Card Transaction Employee Workflow. If at the Credit Card Profile level the Employee Notification Method is None, the Credit Card Transaction Validation and Exception Report automatically sets the status to Verified.
- Install the Oracle Workflow Builder client component program.
- The Credit Card Transaction Manager Workflow definition file is automatically loaded into the database under the APPS account when you install Oracle Web Employees.
- Define the time-out value for the Request Manager Approval of Employee Incurred Procurement Card Transactions activities.
- Optionally (recommended), customize Workflow Messages.

Reviewing and Updating Transaction Distributions



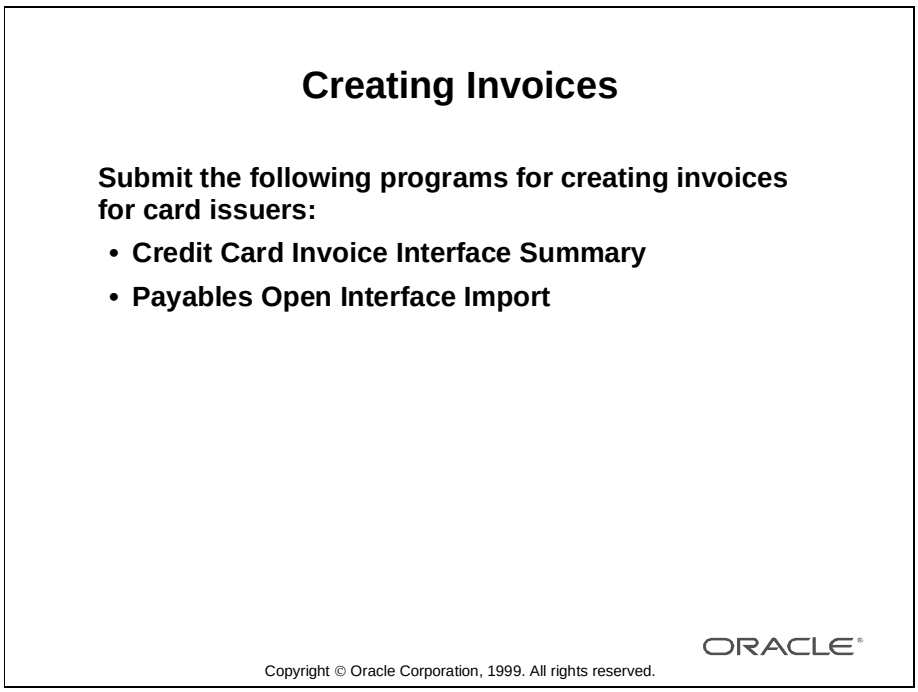
Credit Card Transactions

(N) Credit Cards—>Credit Card Transactions

Reviewing and Updating Transaction Distributions

You can use the Credit Card Transactions window and the Transaction Distributions window to review or adjust transaction distributions and statuses prior to creating the card issuer invoice.

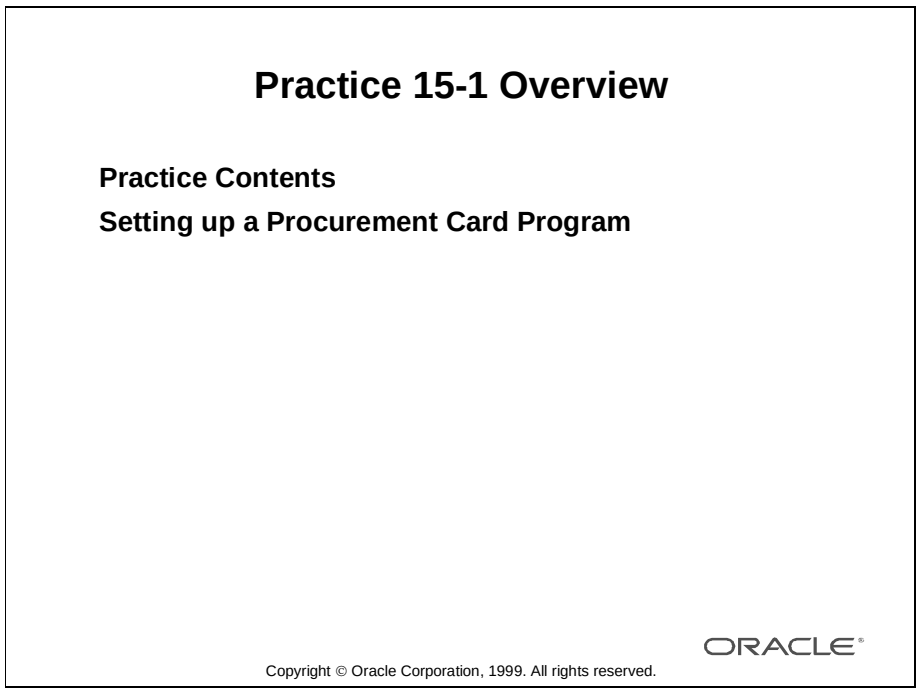
Creating Invoices



How to Create Invoices

1. Submit the Credit Card Invoice Interface Summary program to move the transaction data from the AP_EXPENSE_FEED_DISTS table to the AP_INVOICE_HEADERS and AP_INVOICE_DISTRIBUTIONS tables.
2. Submit the Payables Open Interface Import program, for the source Credit Card, to create invoices in Oracle Payables from the invoice data in the Payables Open Interface tables.

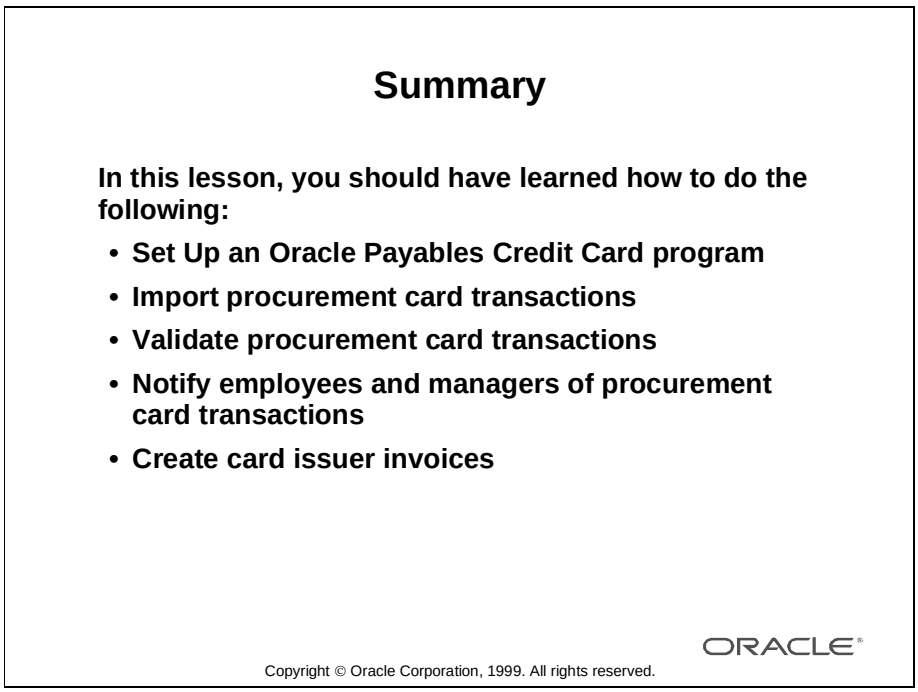
Practice 15-1 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, “Practices and Solutions.”

Summary


Summary
In this lesson, you should have learned how to do the following:
• Set Up an Oracle Payables Credit Card program
• Import procurement card transactions
• Validate procurement card transactions
• Notify employees and managers of procurement card transactions
• Create card issuer invoices
ORACLE
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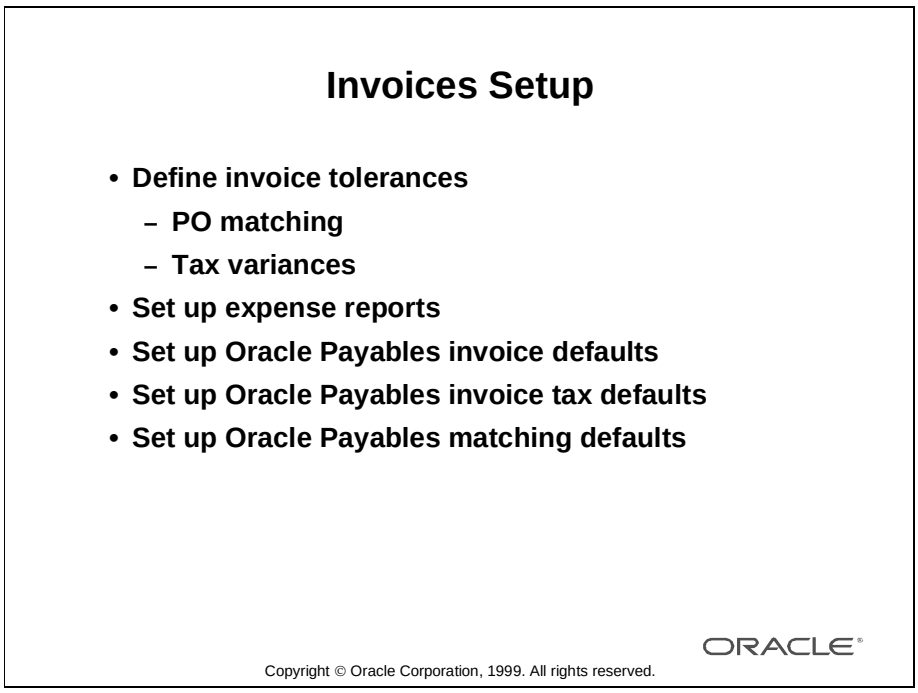
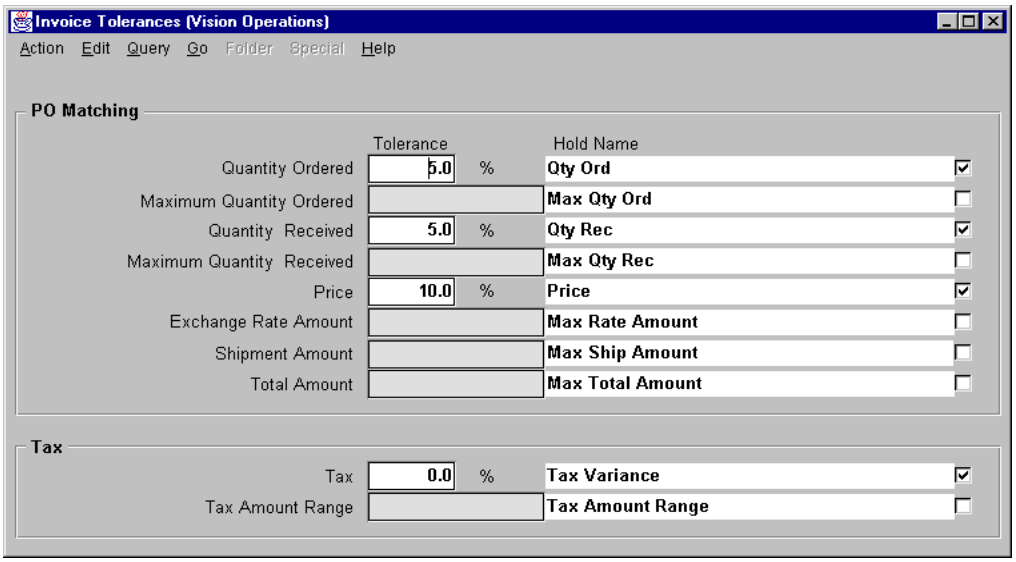
16

Unit II Setup

Invoices Setup



Defining Invoice Tolerances



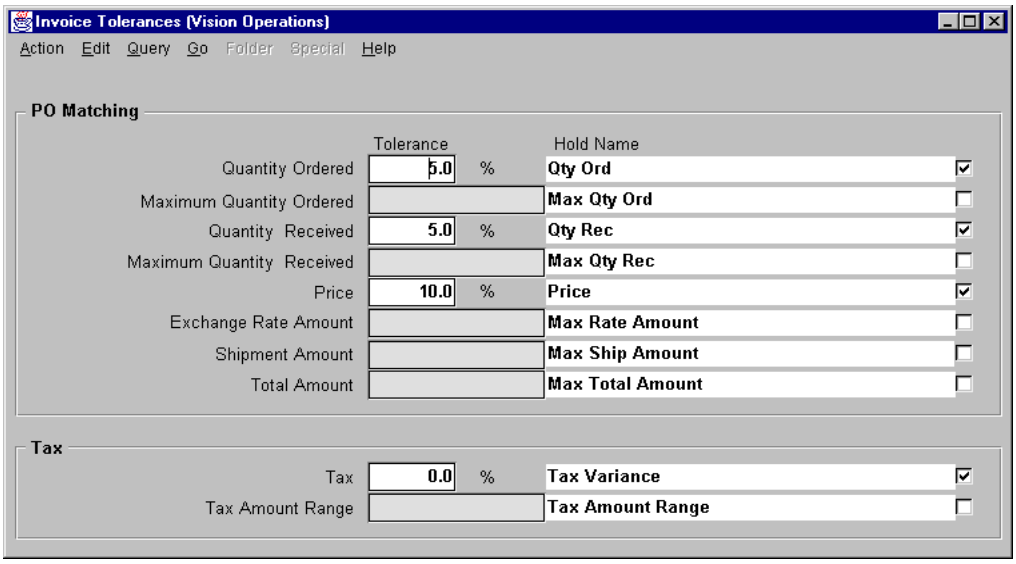
Invoice Tolerances

(N) Setup—>Invoice—>Tolerances

Defining Invoice Tolerances

- Use the Invoice Tolerances window to define the matching and tax tolerances you want to enforce. Tolerances are variances between invoice, purchase order, receipt, and tax information. You can define both percentage-based and amount-based tolerances.
- Tolerances determine the margin of error Oracle Payables accepts before placing matching or tax holds on an invoice. When you submit approval for an invoice you have matched to a purchase order, Oracle Payables checks that the invoice matches the purchase order within the matching tolerances you define. When you submit approval for an invoice with a tax amount, Oracle Payables checks that the actual invoice tax amount is equal to the calculated tax amount within the tolerances you define.
- If the variance exceeds the tolerance you define, Oracle Payables displays the name of the hold next to the tolerance field. Oracle Payables places the hold on the invoice during approval.

Setting Tolerance Levels for PO Matching

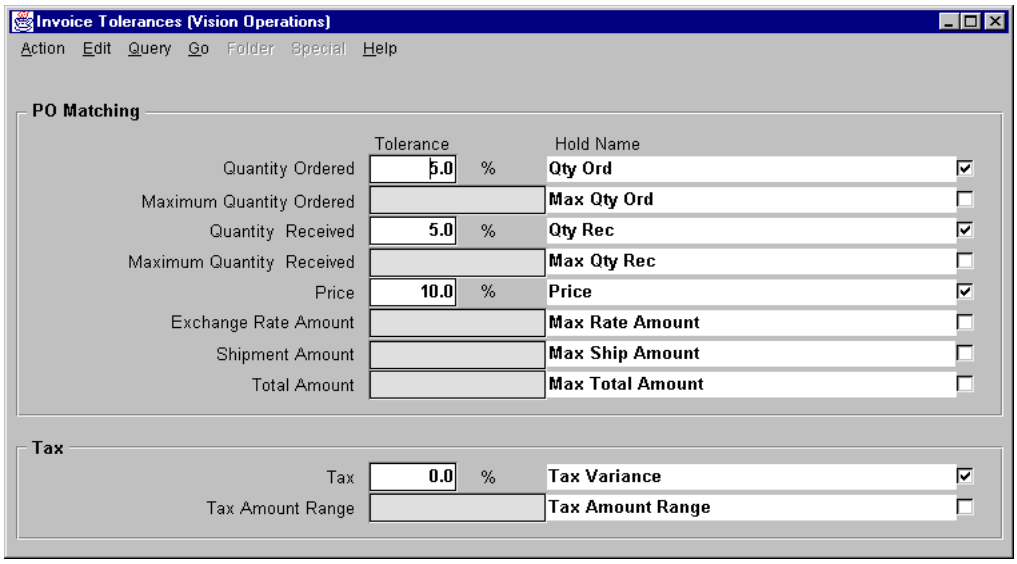


Invoice Tolerances

(N) Setup—>Invoice—>Tolerances

How to Set Tolerance Levels for PO Matching

1. In the Invoice Tolerances window, enable the check box for each tolerance you want to enforce.
2. Enter tolerance levels for your purchase order matching transactions and your invoice taxes.
3. In the Maximum Quantity Ordered field, enter either the percent tolerance or the allowed quantity difference between the quantity ordered and the suppliers' invoice.
4. In the Maximum Quantity Received field, enter either the percent tolerance or the allowed quantity difference between quantity received and the suppliers' invoice.
5. In the Price field, enter the allowed percent tolerance between the purchase order shipment line unit price and the shipment line unit price on the invoice.



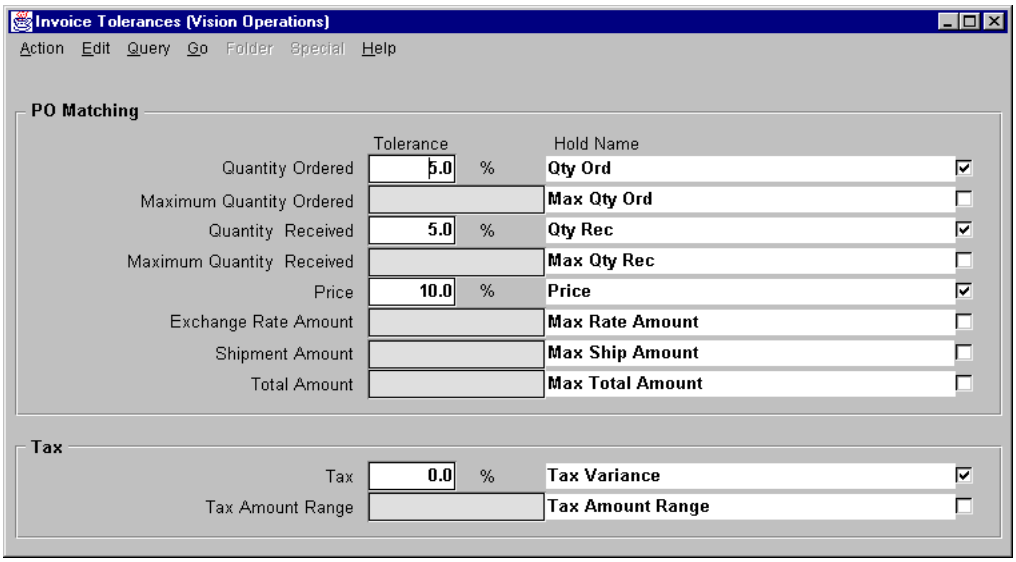
How to Set Tolerance Levels for PO Matching (continued)

6 In the Exchange Rate Amount field, enter the amount of variance you allow between an invoice amount and the amount of the purchase order shipment to which it is matched. Enter a value in this field only if you enter foreign currency invoices in Oracle Payables.

7 In the Shipment Amount field, enter the maximum allowable variance between an invoiced amount and the amount of the purchase order shipment. Oracle Payables will take this into account during the matching process.

8 In the Total Amount field, enter the total amount of variance you allow for both the exchange rate amount variance and the shipment amount combined. If you do not use foreign currency, do not enter a value in this field. For the greatest control over your foreign currency invoices, you may choose to enter a Total amount tolerance that is less than the total of your shipment amount and exchange rate amount tolerances. For example, if your foreign currency invoice match is within the individual exchange rate amount and shipment amount tolerances, you still may want Oracle Payables to prevent payment of the invoice because the exchange rate variance combined with the shipment amount variance, while within their individual tolerances, exceed your desired total amount tolerance.

Setting Tolerance Levels for Invoice Taxes



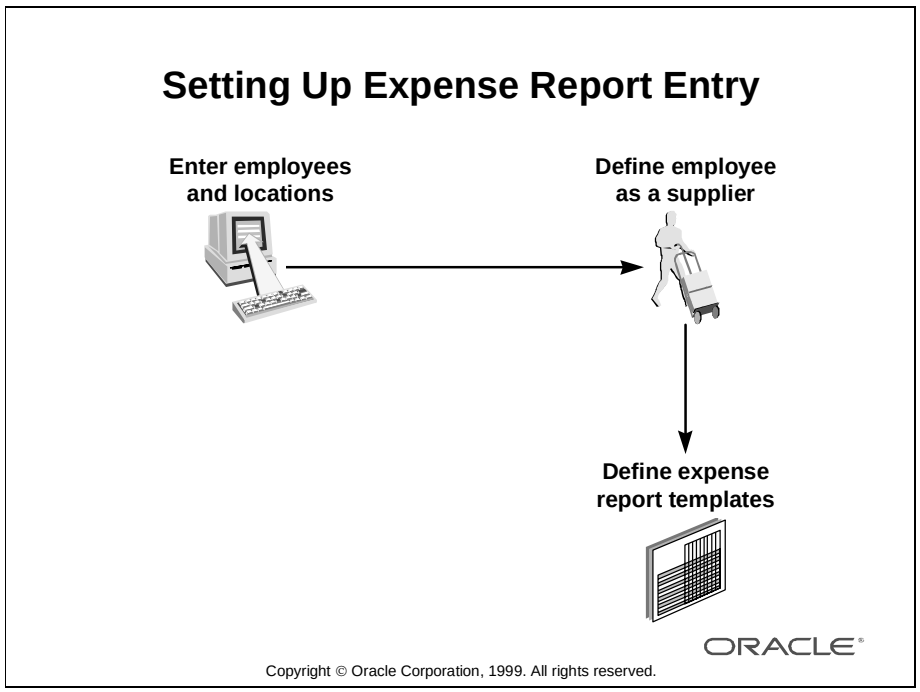
Invoice Tolerances

(N) Setup—>Invoice—>Tolerances

How to Set Tolerance Levels for Invoice Taxes

1. Enter the tax rate in the Tax % field. Oracle Payables validates the tax amount you enter on invoice distributions for a particular tax name against the sum of the item distributions that have the same tax name. If the implied rate of the tax distributions you enter is different from the rate you enter for a particular tax name, including the tax tolerance you define, approval places a tax variance hold on the invoice.
2. In the Tax Amount Range field, enter the amount of variance you allow between the actual invoice tax amount and the invoice calculated tax amount.

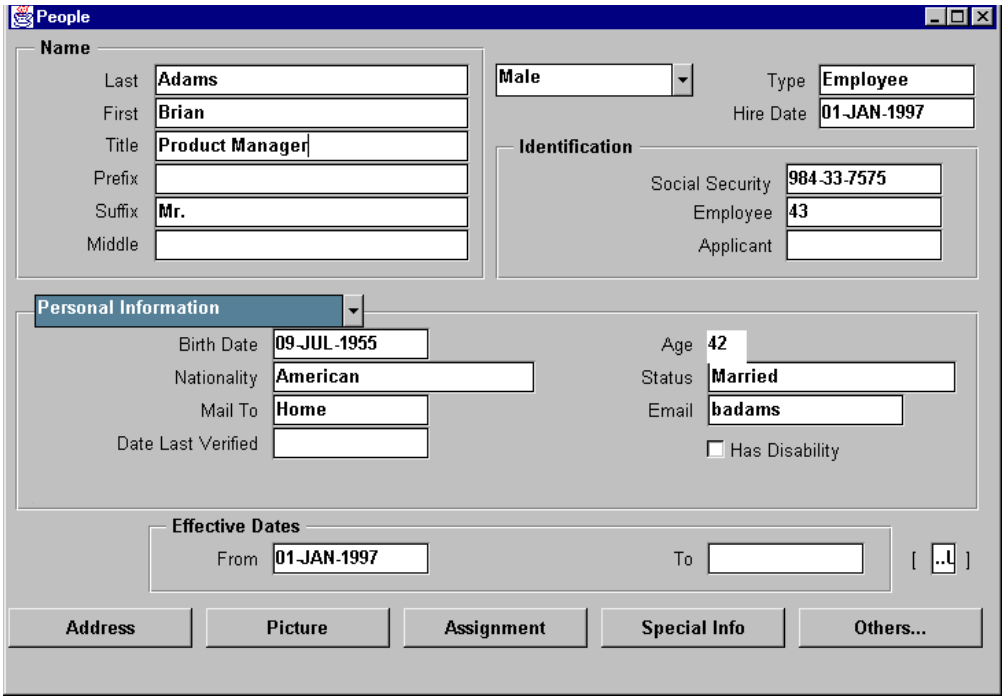
Setting Up Oracle Payables to Enter Expense Reports



How to Set Up Oracle Payables to Enter Expense Reports

1. Enter employees, their locations, and their expense addresses in the Enter Person window or Oracle Human Resources. (If you do not have Oracle Human Resources installed, enter the employees as suppliers in the Suppliers window.)
2. Define the employee as a supplier by using either of the following methods:
   - Enable the Create Employee as Supplier Payables option to automatically create suppliers from employees when you submit Invoice Import.
   - Enter the employee as a supplier in the Suppliers window before submitting Invoice Import for expense reports.
3. Define expense report templates that model the different expense report formats you receive.

Entering Employee and Locations



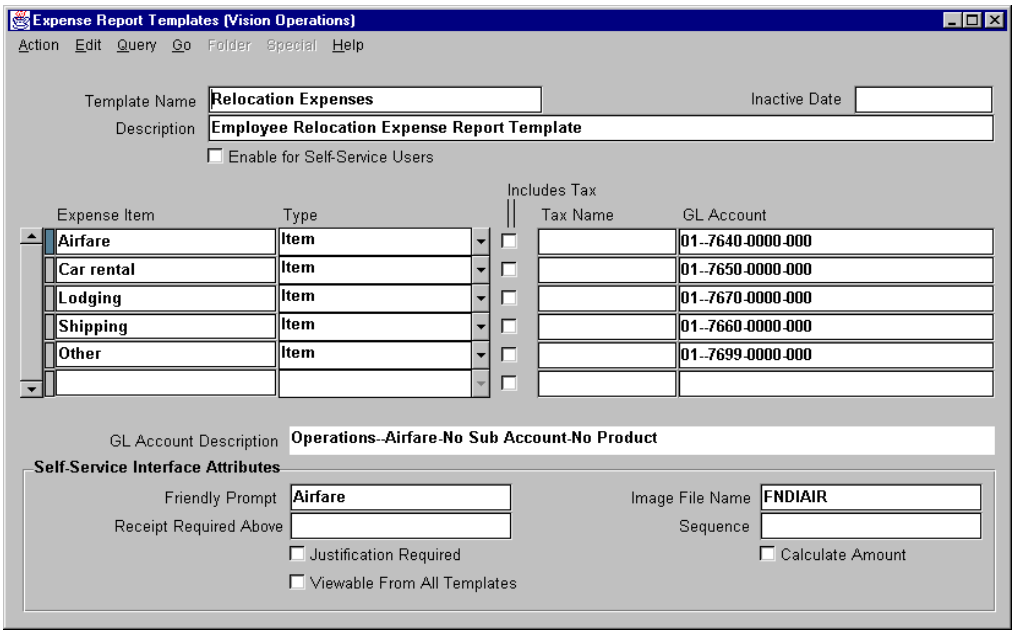
People

Oracle Human Resources: (N) People—>Enter and Maintain

Entering Employee and Locations

In the People window of Oracle Human Resources, enter employees, their locations, and their expense addresses.

Defining Expense Report Templates



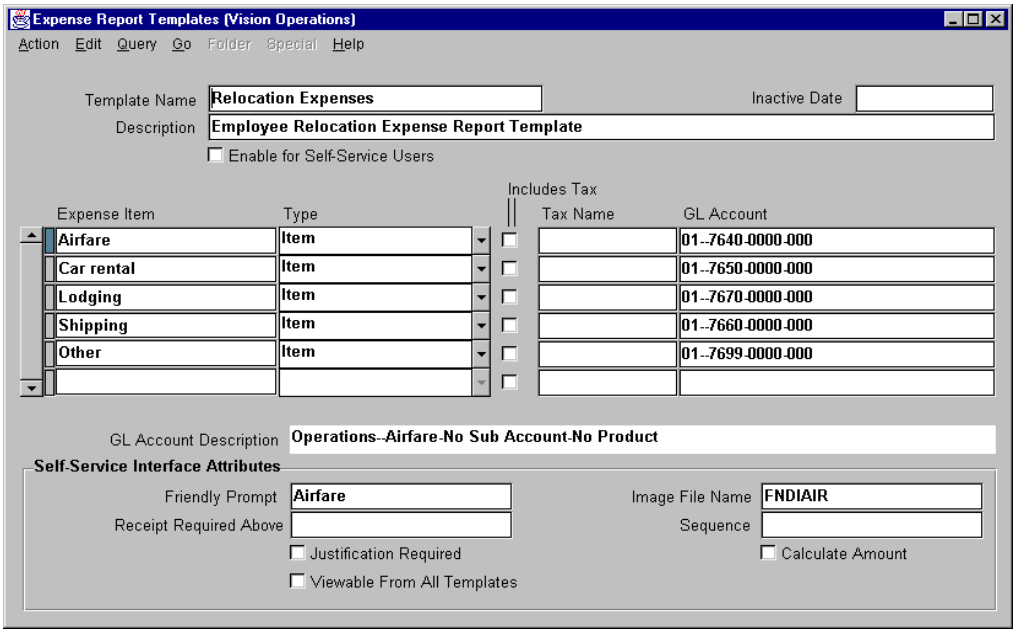
Expense Report Templates

(N) Setup—>Invoice—>Expense Report Templates

How to Define Expense Report Templates

Use the Expense Report Templates window to define templates based on the expense report forms you regularly use in your company. You can define default values for expense items that can be chosen from a list of values when you or an employee enters expense reports. During Invoice Import, Oracle Payables uses the expense item information to create invoice distributions.

1. In the Expense Report Templates window, enter a template name and description. You choose this template name when you enter an expense report.
2. Enter each expense item you want to have on the list of values when you enter an expense report with this template. Use the name of an expense item as it appears on an expense report; for example, Airfare or Meals.



How to Define Expense Report Templates (continued)

3 Select the type of invoice distribution associated with an expense item from the list of values in the Type field. When you submit Invoice Import, Oracle Payables enters this value in the invoice distribution Type field. For certain types of tax reporting, such as Value Added Tax, Oracle Payables uses the type to relate tax distributions to the invoice item lines which were taxed. You can enter the following types:

- Freight
- Item: Goods or services
- Miscellaneous
- Tax: Tax amount associated with taxable expense items

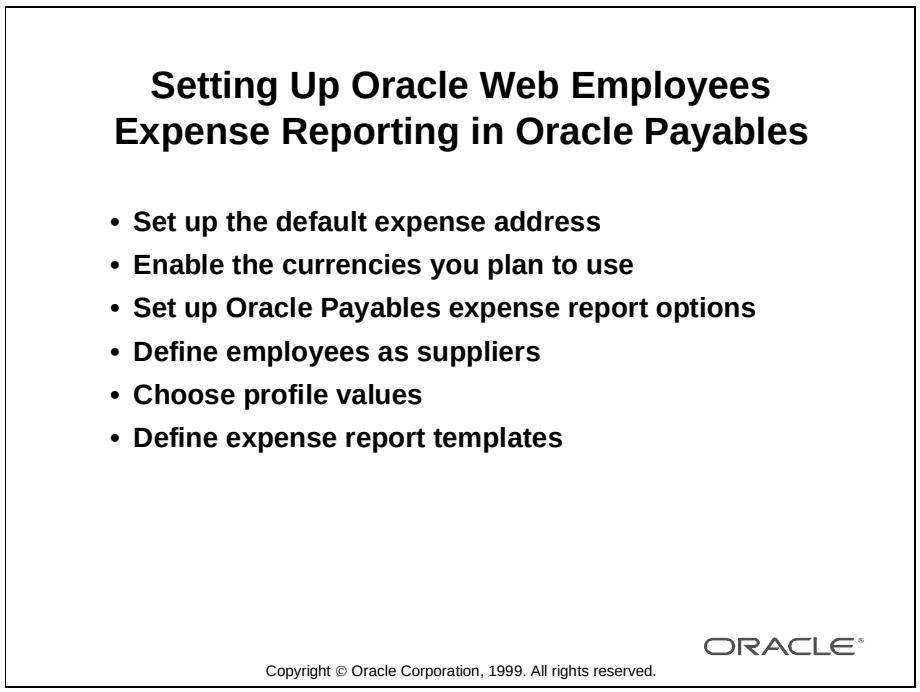
4 Indicate whether the amount will be inclusive of tax by selecting the Includes Tax check box.

5 Enter the tax name associated with the expense item.

6 Enter the GL account associated with an expense item. You can enter fewer segments of an account than necessary for a complete GL account. The blank segments will need to be entered when the expense report is enterd.

7 Save your work.

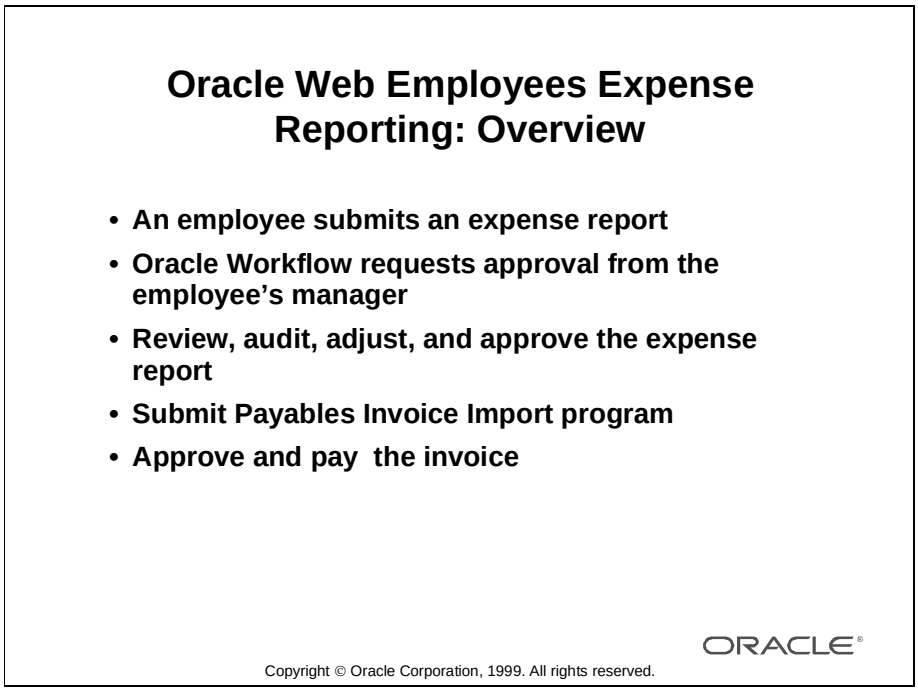
Setting Up Oracle Web Employees Expense Reporting



Overview

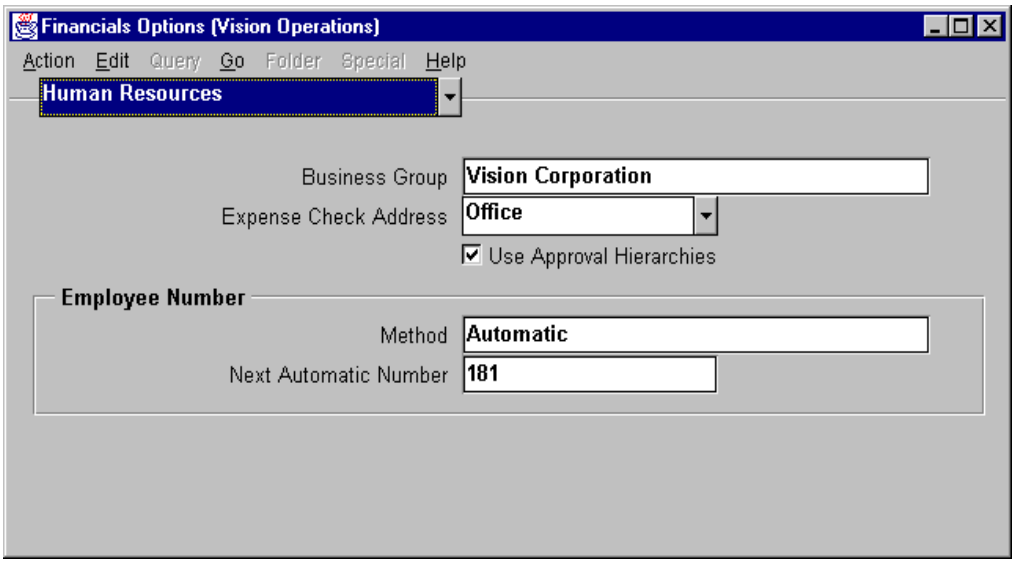
If you install Oracle Self-Service Web Applications, your organization's employees can enter their own expense reports in Oracle Web Employees using a Web browser. The system automatically maintains the expense report data in Oracle Payables. You can use Oracle Payables to view and audit these expense reports. You can then create invoices from the expense reports and approve and pay the invoices.

This section, describes those steps that are required to be performed in Oracle Payables to set up and use the Oracle Web Employees Expense Reporting feature. The steps described in this section, comprise a partial list of all the steps required to set up and use this feature. For a complete list and description of all steps to set up and use the Oracle Web Employees Expense Reporting, please see Oracle Payables user's guide.



Overview (continued)

1. An employee enters and submits an expense report using either the Create New Expense Report function or the Upload Expense Spreadsheet function of Oracle Web Employees. The system automatically populates the Payables Invoice Import Interface tables.
2. Once the employee submits an expense report, the Workflow process begins. Workflow requests approval from the employee's manager by the method defined during Workflow setup, for example, e-mail. If the manager rejects the expense report, the employee is notified and has the option to restore the expense report, edit it, and resubmit the expense report.
3. Using the Expense Reports window in Oracle Payables, review, audit, adjust and approve the expense report.
4. Submit the Payables Invoice Import program to import the expense report as an invoice. A Web Employees-entered expense report is not eligible for Invoice Import until both the manager approves and, if required, the accounts payable department reviews and approves the expense report.
5. In Oracle Payables, approve and pay the invoice.

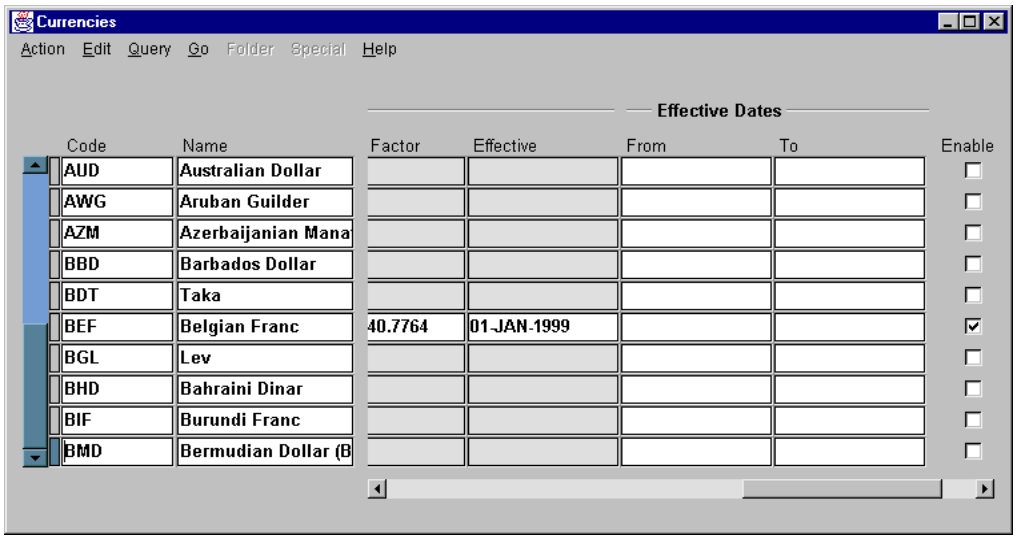


Financials Options

(N) Setup—>Options—>Financials

Setting Up the Default Expense Address in the Financials Options Window

1. Navigate to the Human Resources region of the Financials Options window.
2. In the Expense Check Address field, select the default mailing address for each new employee you enter in the Enter Person window. This defines the default expense check address for every new employee you enter.
3. Save your work.



Currencies

(N) Setup—>Currency—>Define

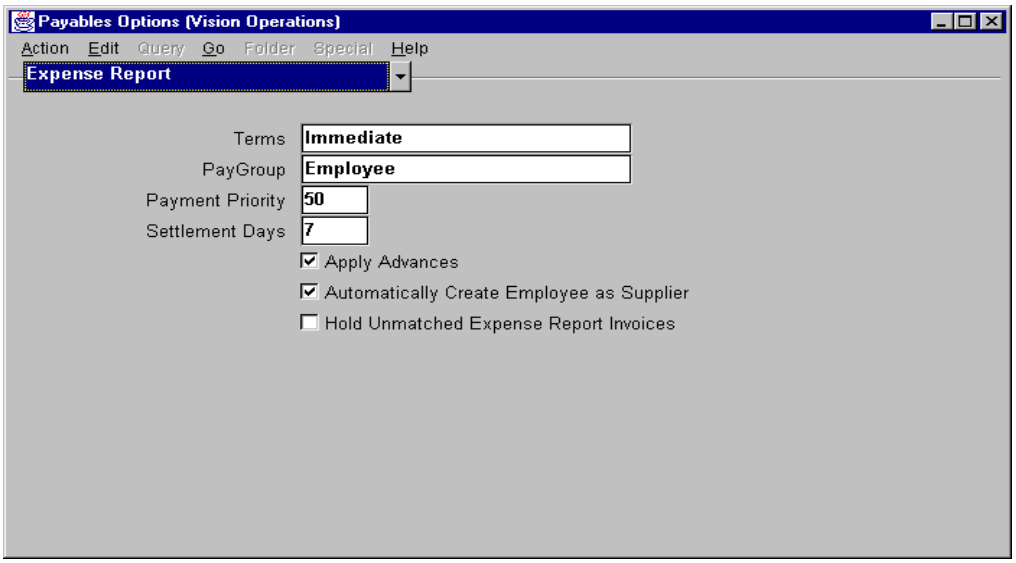
Enabling the Currencies You Plan to Use

If you do not use multiple currencies with Oracle Applications, and you plan to use multiple reimbursement currencies or multiple receipt currencies with expense reporting, you must enable the currencies you plan to use with expense reporting.

Navigate to the Currencies window to enable the currencies that you plan to use.

To allow reimbursement in a currency other than your functional currency, you must enable the Web Expense: Allow Non-Base Pay System Profile option in the System Profile Values window.

To use multiple currencies, you must also enable the Use Multiple Currencies Payables option.

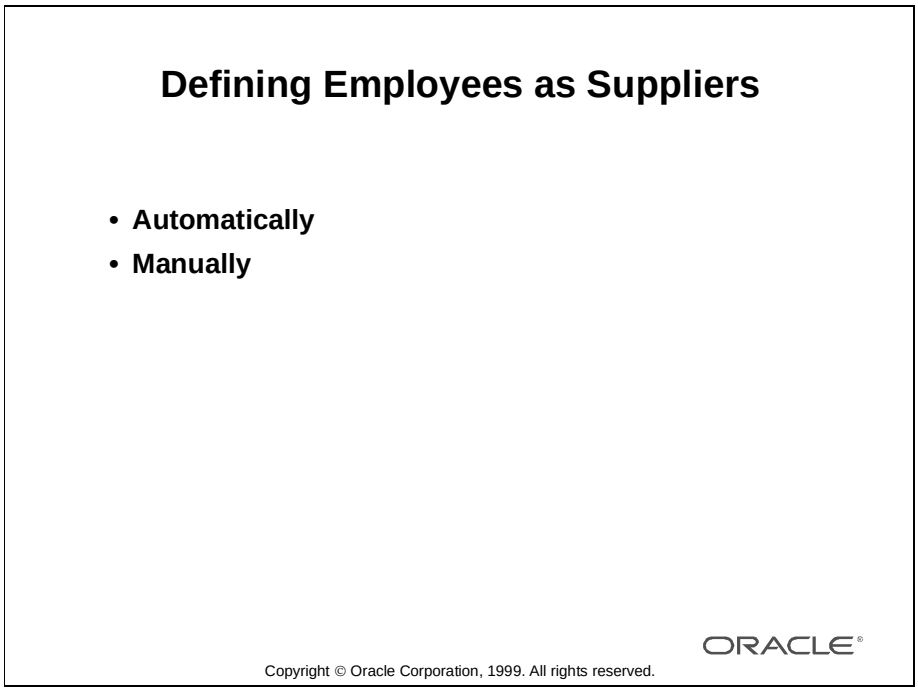


Payables Options

(N) Setup—>Options—>Payables

Setting Up Expense Report Defaults

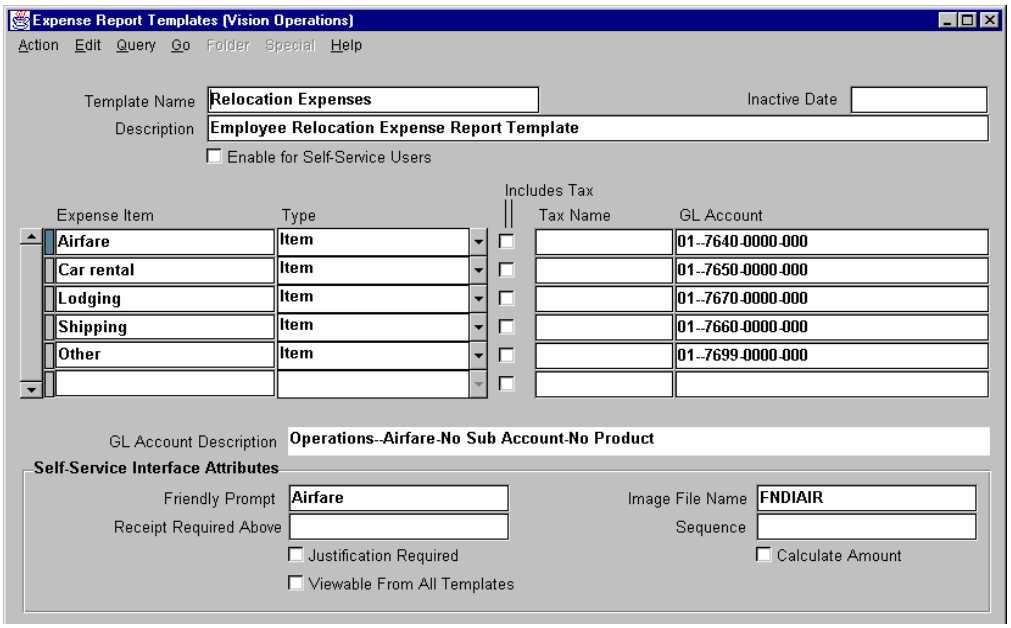
- In the Terms field, select the payment term you want to assign to any suppliers that you create from employees during Invoice Import.
- In the Pay Group field, select the pay group you want to assign to any suppliers that you create from employees during Invoice Import.
- In the Payment Priority field, assign a priority number, between 1 and 99, to any suppliers that you create from employees during Invoice Import.
- In the Settlement Days field, enter the number of days you want Oracle Payables to add to the system date to calculate a default settlement date for an employee advance.
- If you select the Apply Advances option, Oracle Payables applies advances to employee expense reports if the employee has any outstanding, paid advances.
- In the Automatically Create Employee as Supplier: If you select the Automatically Create Employee as a Supplier option, when you import expense reports, the system automatically creates a supplier for any employee that does not already exist as a supplier.
- The Hold Unmatched Expense Report Invoices option defaults to the Hold Unmatched Invoices option for the supplier and supplier site for any suppliers that Oracle Payables creates during Invoice Import.



Defining Employees as Suppliers

Define the employee as a supplier by using either of the following methods:

- Enable the Create Employee as Supplier Payables option to automatically create suppliers from employees when you submit Invoice Import.
- Enter the employee as a supplier in the Suppliers window before submitting Invoice Import for expense reports. Link the employee number to the supplier you define for the employee.



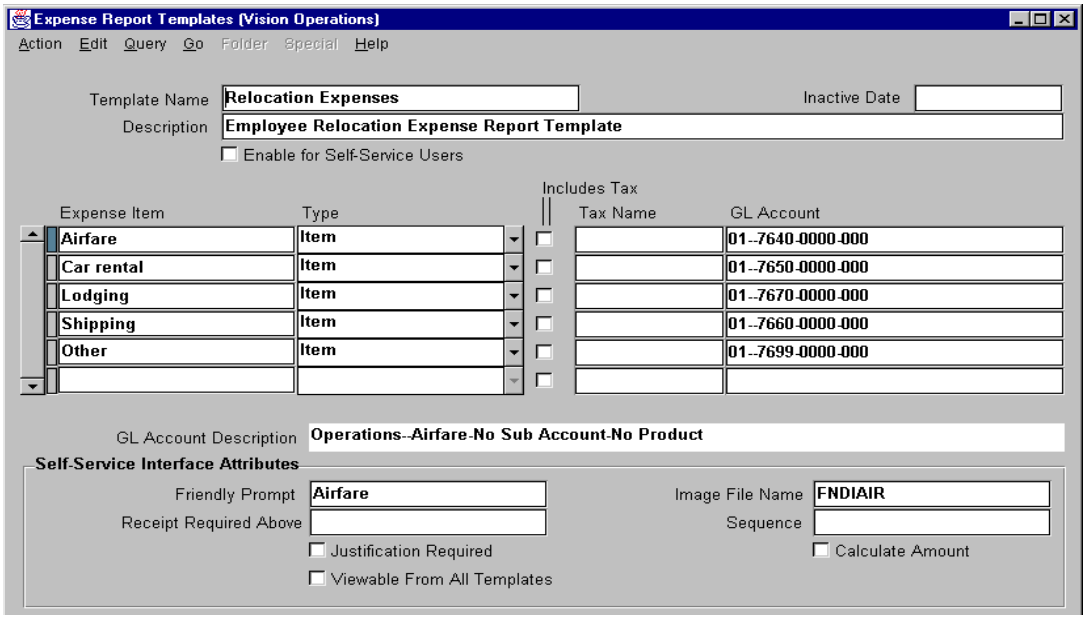
Expense Report Templates

(N) Setup—>Invoices—>Expense Report Templates

Defining Expense Report Templates

Use this window to define templates based on the expense report forms you regularly use in your company. You can define default values for expense items, and you can then choose those items from a list of values when you enter expense reports. During Invoice Import, Oracle Payables uses the expense item information to create invoice distributions. If you install Oracle Web Employees, you can use this window to define expense report templates and expense items that your employees can use to enter their own expense reports using a standard Web browser.

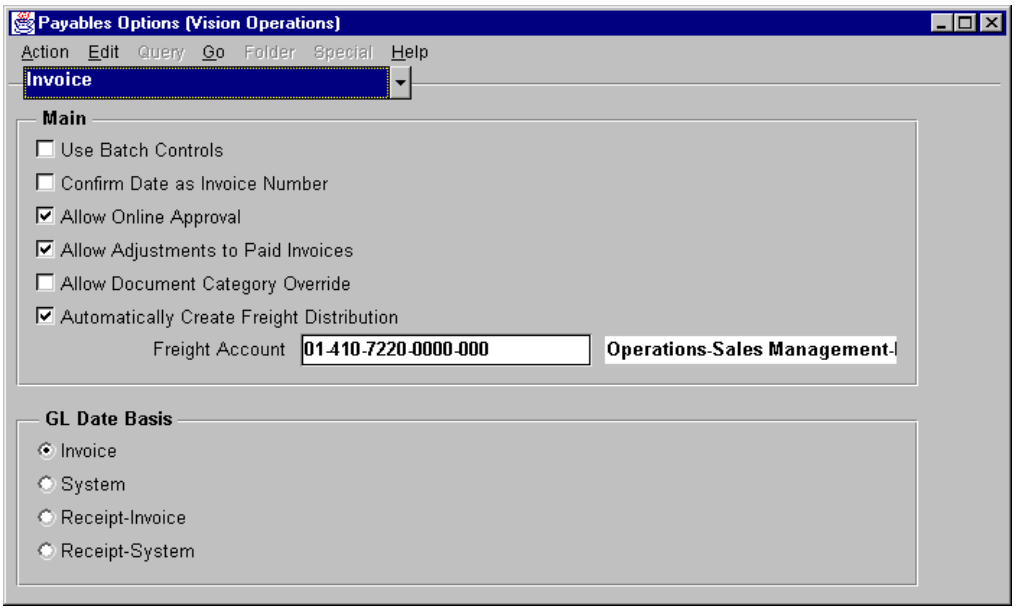
- In the Expense Report Templates window, enter a template name and description. You choose this template name when you enter an expense report.
- If you want to include this template on the list of values for Oracle Web Employees, select the Enabled for Self-Service Users check box.
- Enter information for each expense item you want to have on the list of values when you enter an expense report with this template.
- If you want to define a label for an expense item that will be displayed in Oracle Web Employees in place of the value entered for an expense item, enter that value in the Friendly Prompt field.



Defining Expense Report Templates (continued)

- In the Receipt Required Above field, to require employees to submit receipts for this expense type, enter the amount above which a receipt is required.
- In the Image File Name field, if you want employees to automatically enter this expense type by selecting an image, enter the file name of the binary image that you want to appear in Oracle Web Employees.
- In the Sequence field, if you want to order expense type icons, enter a unique sequence number to assign a location to the expense type icon.
- If you want the expense type item to appear for every Web Employees Template, select the Viewable From All Templates check box.

Setting Up Invoice Defaults

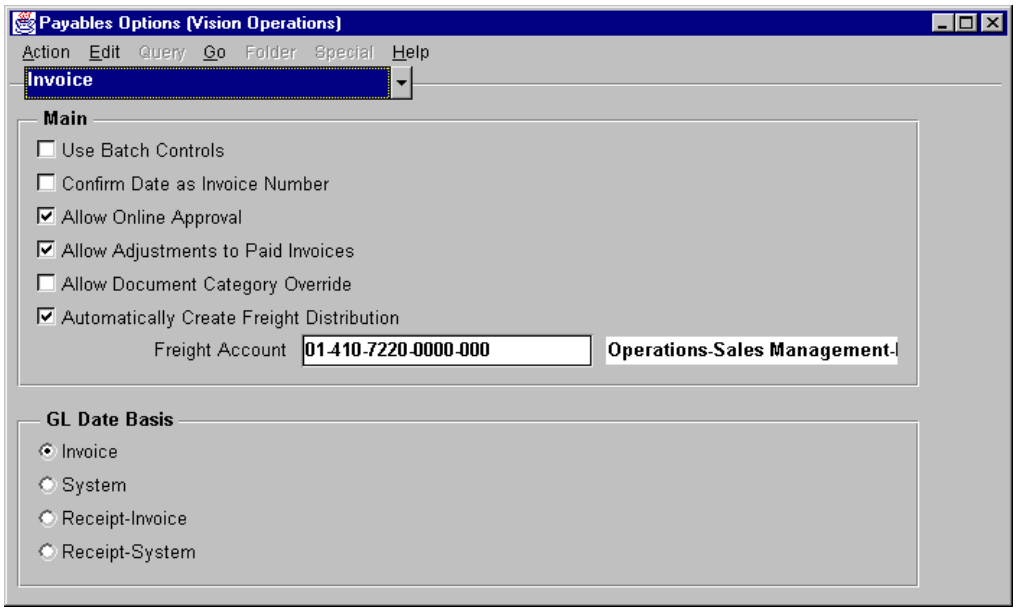


Payables Options: Invoice Region

(N) Setup—>Options—>Payables

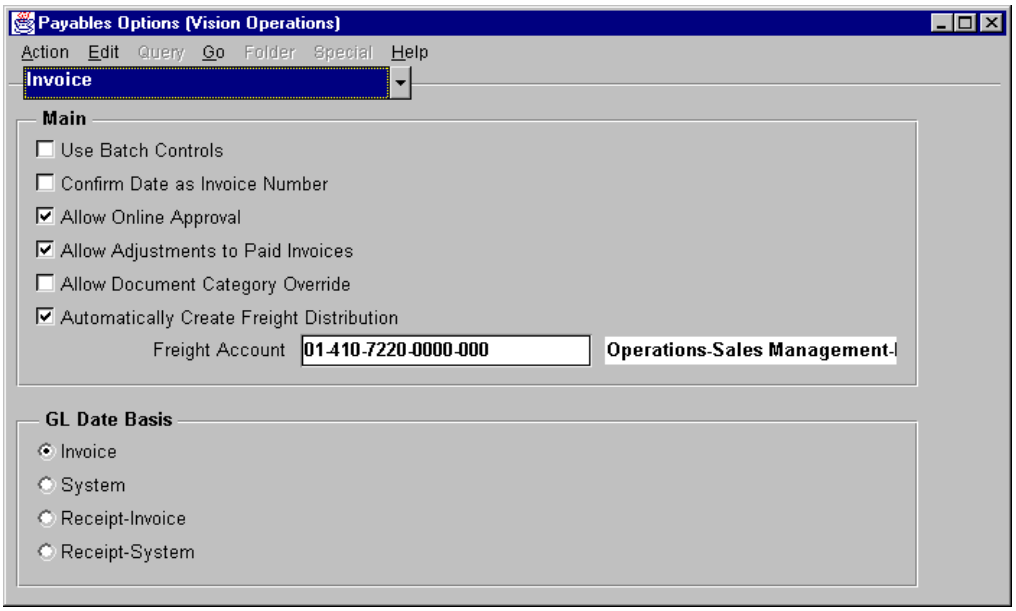
Setting Up Invoice Defaults

- Use Batch Controls: Select this option to enable use of the Invoice Batches Summary or detailed windows, which you can use to specify batch defaults that help speed and control invoice entry. If the batch controls are on, you cannot enter individual invoices in the Invoices window.
- Confirm Date as Invoice Number: If you select this option, during invoice entry when you accept the invoice date as the default for invoice number, Oracle Payables displays a window that reads, “Use the Invoice Date as the Invoice Number?”
- Allow Online Approval: Select this option if you want to allow users to submit Payables Approval from the Actions window.



Setting Up Invoice Defaults (continued)

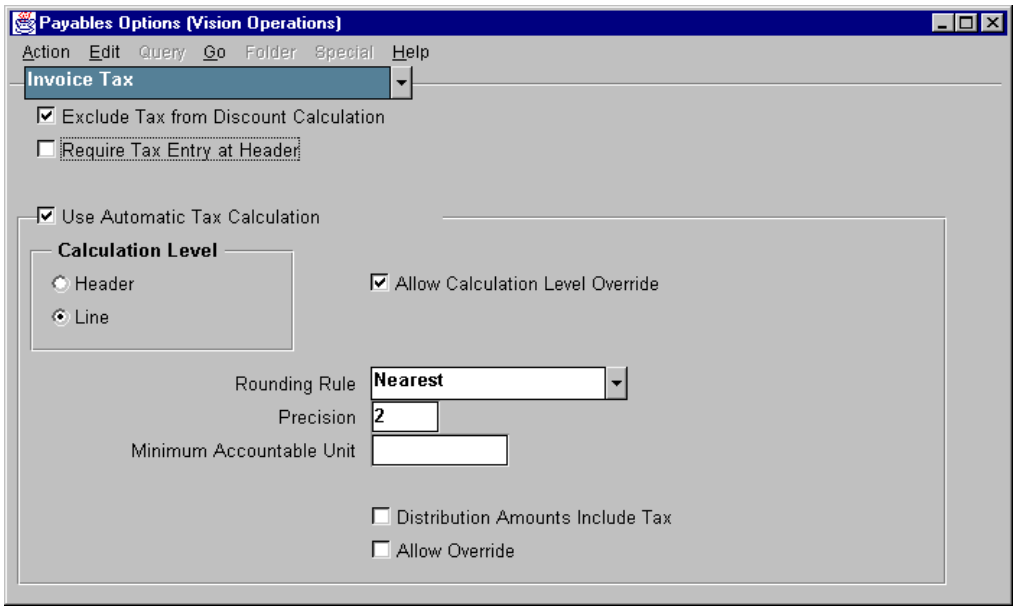
- Allow Adjustments to Paid Invoices: Select this option if you want to allow users to update the distributions of a paid invoice. This means you can create a distribution variance on a paid invoice if you do not ensure the distributions total is equal to the invoice amount when you do your invoice adjustments. You would discover this possible error when you submitted approval, because approval would place a distribution variance hold on the invoice and prevent you from posting the invoice. You can select this option only if you use accrual as your primary accounting method and you do not use automatic offsets.
- Allow Document Category Override: Select this option if you want to allow users to override the default document category assigned to an invoice by Oracle Payables.



Setting Up Invoice Defaults (continued)

- Automatically Create Freight Distribution: If you select this option, Oracle Payables selects the Create Freight Distribution check box in the Invoices Summary and automatically creates a single freight distribution using the freight amount you enter for an invoice and the Freight Account field, which is defaulted from the Payables Options window. If you usually prorate freight to invoice distributions or enter freight distributions manually, do not select this option.
- Freight Account: If you select the Automatically Create Freight Distribution Payables option, you must enter a freight account. Oracle Payables uses this account as the default freight account for an invoice, but it can be overridden at invoice entry.
- GL Date Basis: Select the type of date you want Oracle Payables to use as the default accounting date during invoice entry.

Setting Up Invoice Tax Defaults



Payables Options: Invoice Tax Region

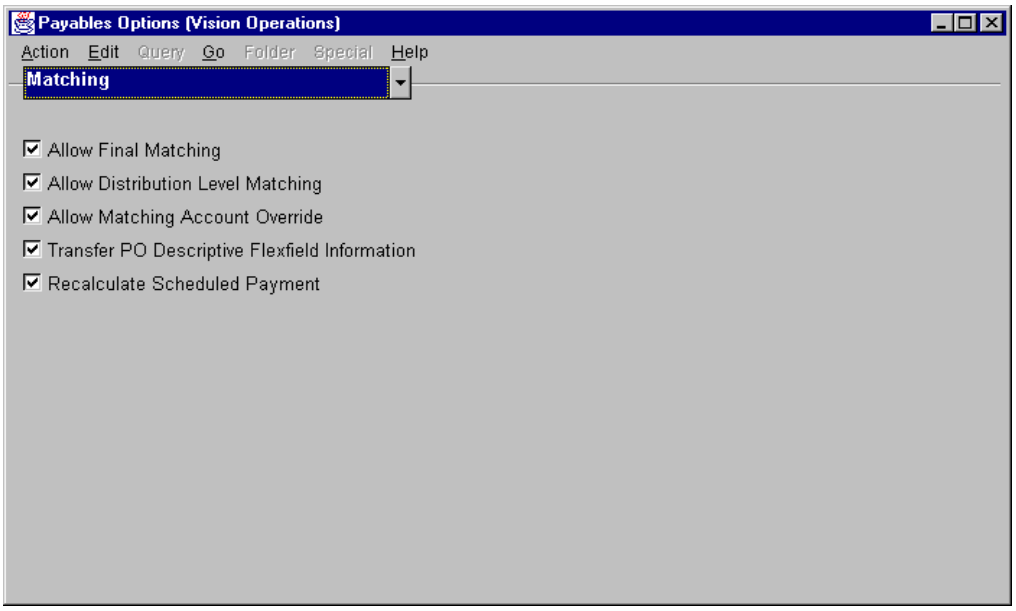
(N) Setup—>Options—>Payables (Invoice Tax Region)

Setting Up Invoice Tax Defaults

You can control taxes at the system level in the Payables Options window.

- Exclude Tax from Discount Calculation: This option excludes amounts for tax type distributions when the discountable amount of an invoice is calculated. If you select this option, you cannot select Prorate Tax for the Discount Distribution Method Payables option.
- Require Tax Entry at Header: If you select this option, you must enter a tax name and tax amount for each invoice you enter. Do not enable this option if you plan to enter use taxes or prorating taxes.
- Use Automatic Tax Calculation: If this option is selected, Oracle Payables automatically calculates the invoice tax amount when you enter a sales tax name on an invoice. Oracle Payables calculates the tax amount based on the gross amount of the invoice and the tax rate you define for the tax name. This option is useful for entering invoices without an itemized tax amount.

Setting Up Matching Defaults

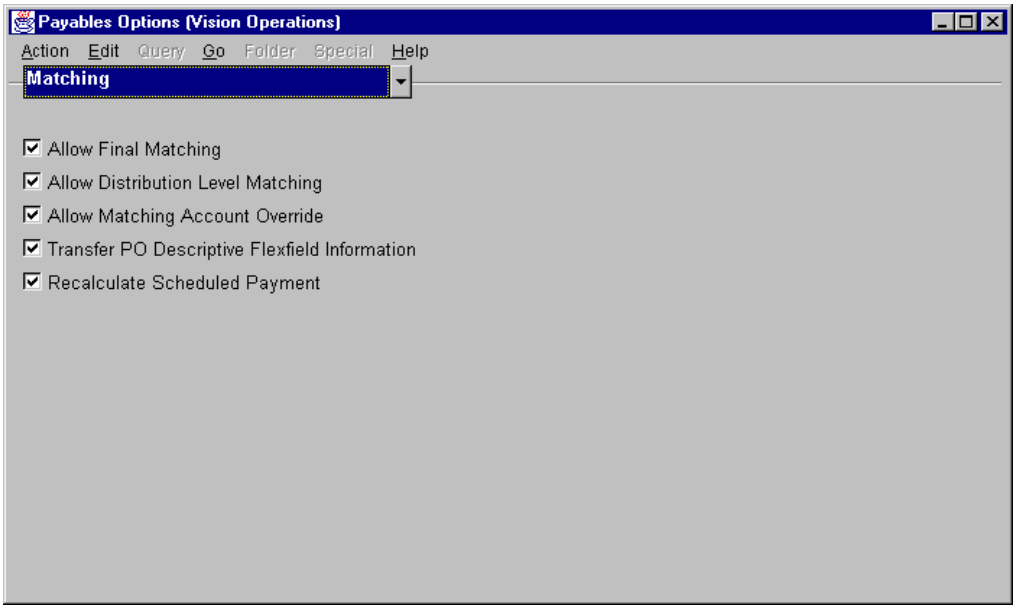


Payables Options

(N) Setup—>Options—>Payables (Matching Region)

Setting Up Matching Defaults

- Allow Final Matching: Select this option to allow final matching of purchase order matched invoices. You can indicate a final match when you match an invoice to a purchase order during invoice entry or when you adjust a matched invoice distribution. Select this option only if you want to allow the option of permanently closing purchase orders. Once a purchase order is permanently closed, you cannot reopen the purchase order.
- Allow Distribution Level Matching: Select this option if you want to allow matching to purchase order distributions. If you select this option, you can match an invoice to one or more purchase order distributions. If you do not select this option, you can match an invoice to a purchase order shipment.



Setting Up Matching Defaults (continued)

- Allow Matching Account Override: Select this option if you want to allow override of the account for an invoice distribution created from matching to a purchase order. You can override the account for a matched invoice distribution in the Distributions window. You cannot override the account for a matched invoice distribution if you use encumbrance accounting or perpetual receipt accrual.
- Transfer PO Descriptive Flexfield Information: Select this option if you want to automatically transfer the descriptive flexfield information from the purchase order distribution to the invoice distribution when you match an invoice to a purchase order.
- Recalculate Scheduled Payment: If you select this option Oracle Payables calculates scheduled payments using a start date and payment terms. For example, if the start date is 01-JAN-98 and the payment terms are Net 30, the invoice will be payable in full on 30-JAN-98.

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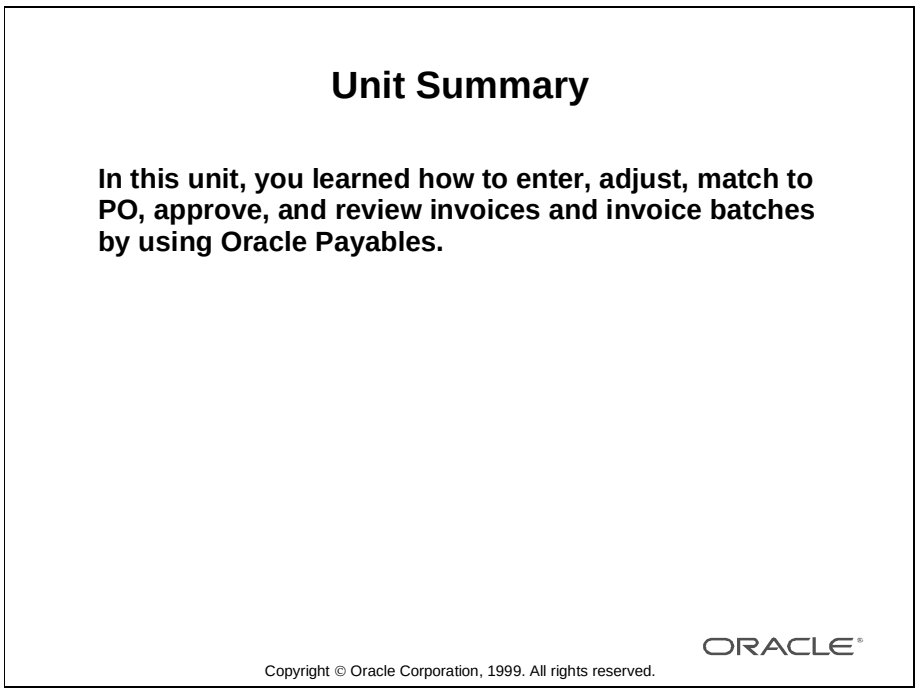
Unit II Summary

Unit Summary



Summary

In this unit you learned the stages of entering new invoices individually or in a batch. You learned how to enter different kinds of invoices including Basic, Credit Memo, Debit Memo, Mixed, Purchased Order Matched, Recurring, and Expense Report.

You learned how to apply different holds to invoices and how to release the holds. You learned how to approve, adjust, or cancel invoices. You also learned how to find an invoice by using the Find Invoices window and the Find Invoices Distributions window. You learned the steps required to define invoice tolerances and process expense reports. Finally, you learned how to load invoices electronically and process procurement cards.

Unit III

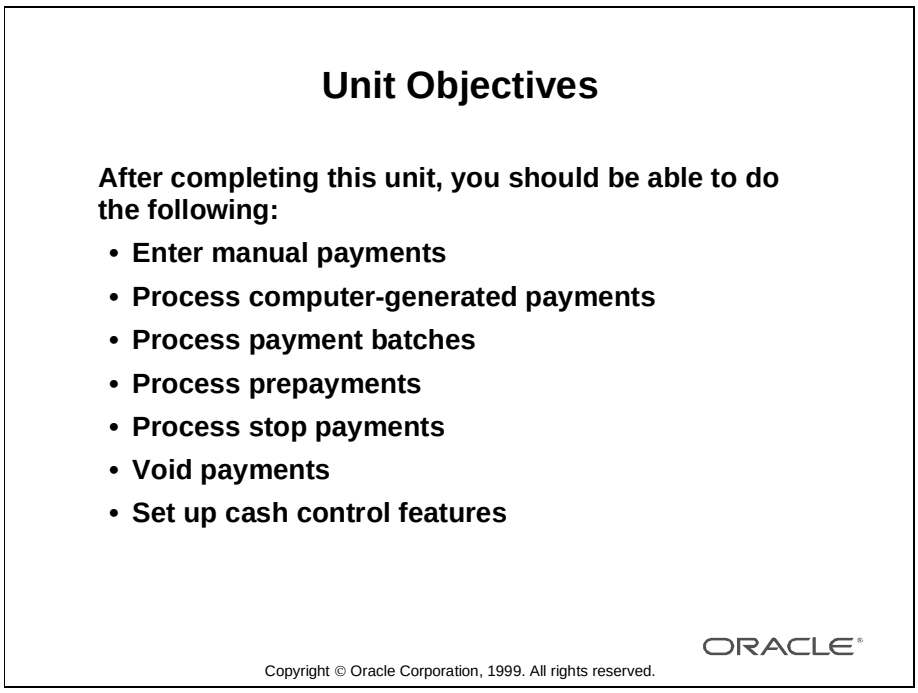
.....

Invoice Payments

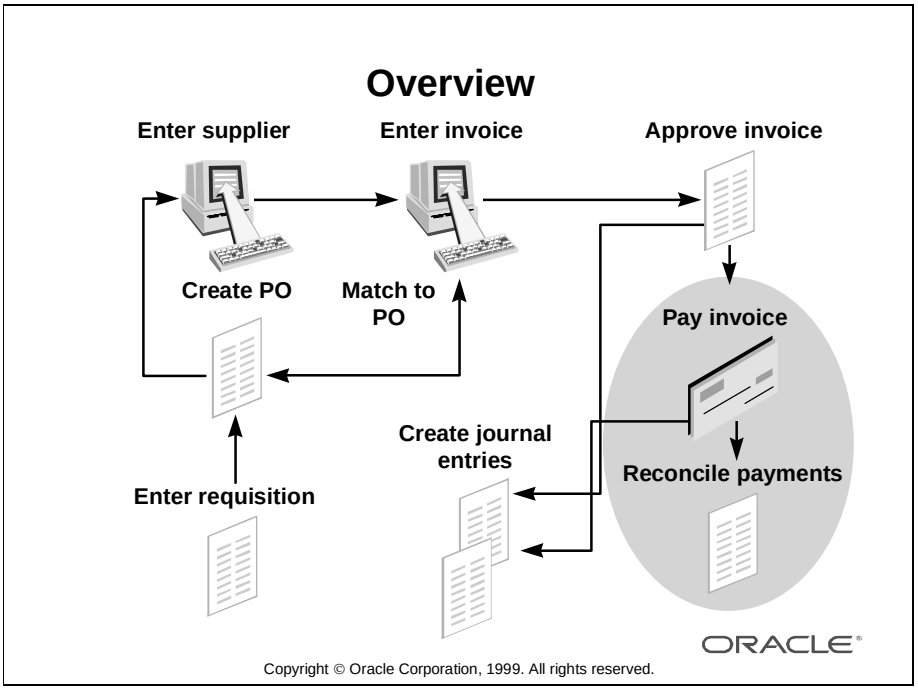
18

Unit III Introduction

Unit Objectives



Invoice Payment



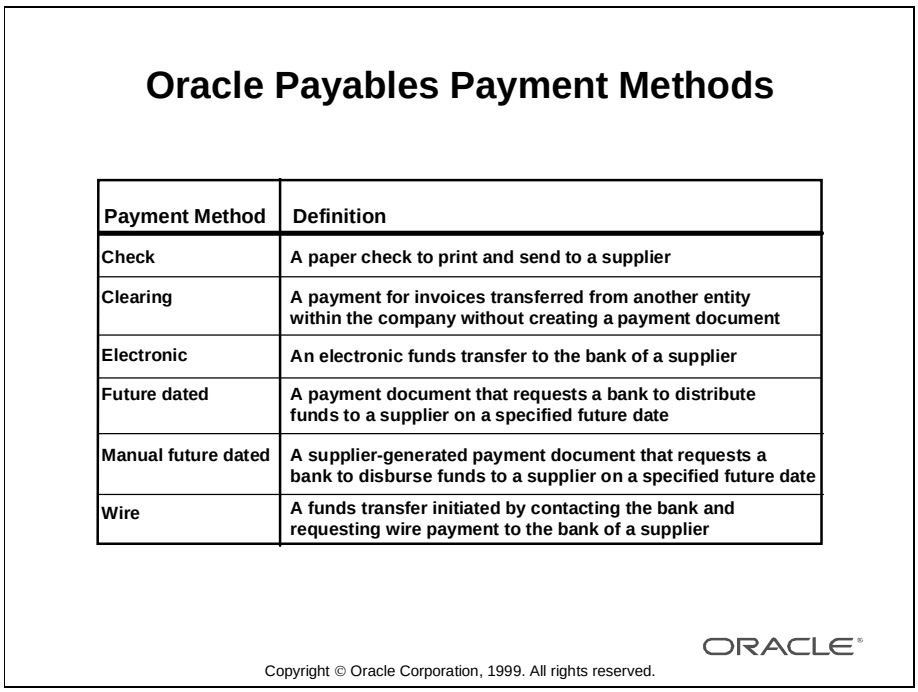
Overview

Oracle Payables provides a variety of features for fast, controlled payment processing.

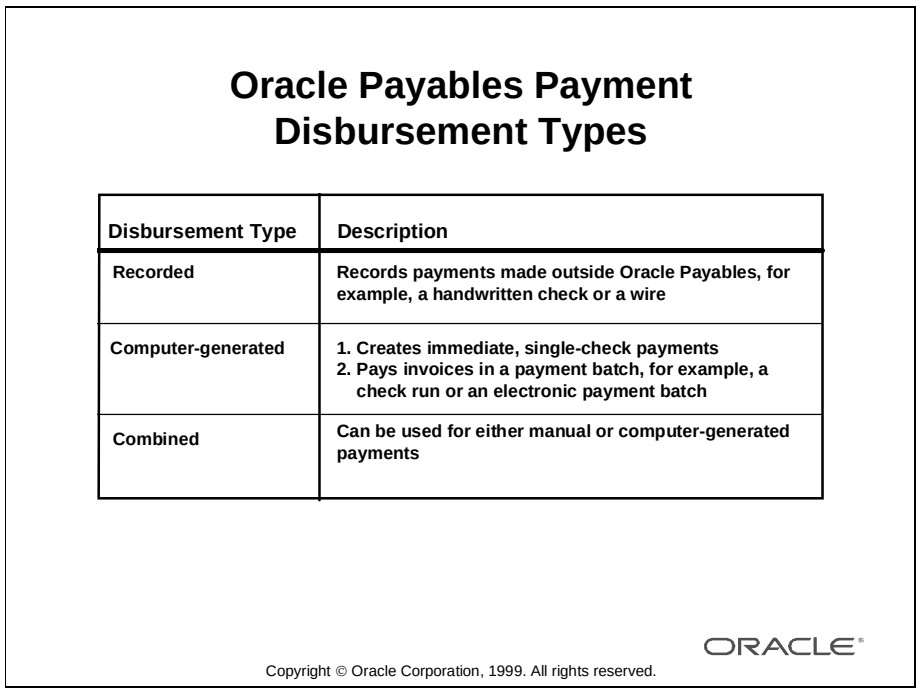
With Oracle Payables you can do the following:

- Distribute funds by using multiple payment methods
- Ensure that duplicate invoice payments never occur
- Pay only invoices that are due, and automatically take the maximum discount available
- Select invoices for payment, using a wide variety of criteria, and create payments automatically
- Print checks online
- Choose from different payment method options including checks, EDI, electronic funds transfer (EFT), and wire
- Record stop payments
- Void payments
- Review information online on the result and status of every payment

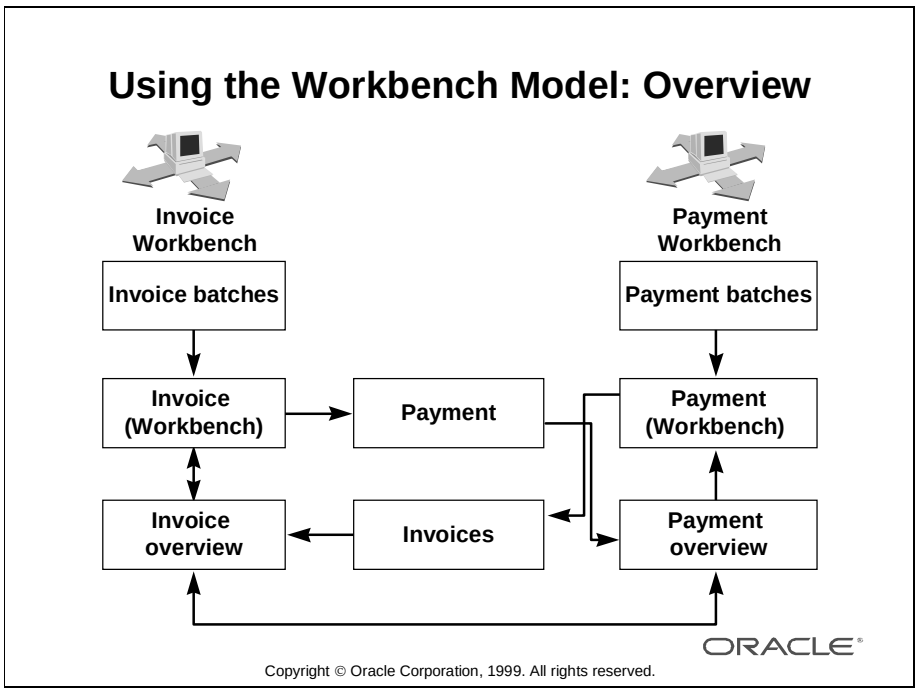
Oracle Payables Payment Methods



Oracle Payable Payment Disbursement Types



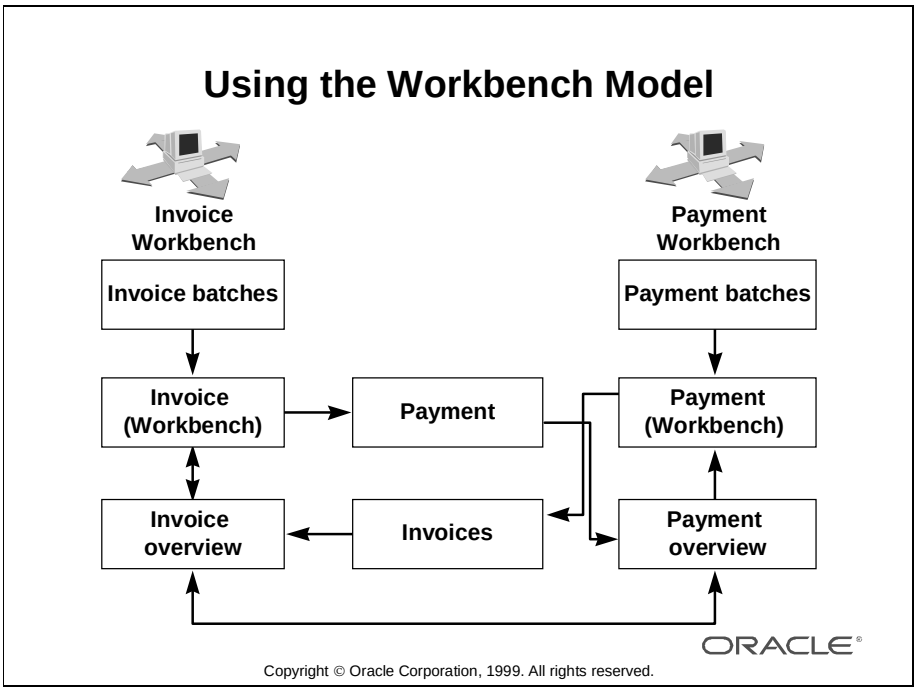
Using the Workbench Model



Overview

Oracle Payables includes two fully integrated workbenches: the Invoice Workbench and the Payment Workbench. You enter, adjust, or review invoices in the Invoice Workbench. You create, adjust, and review payments in the Payments Workbench.

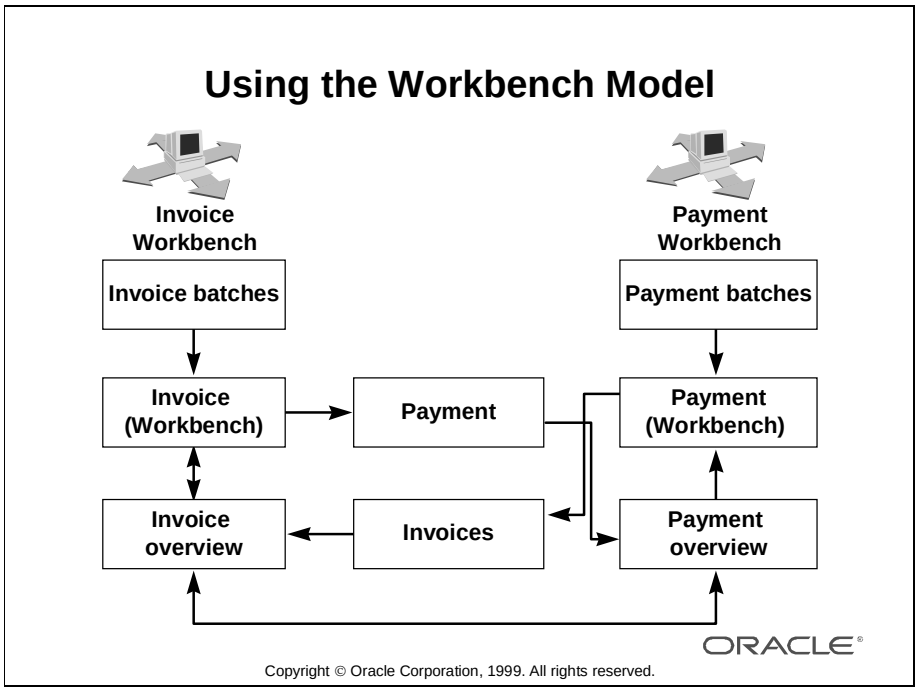
Use the Invoice Overview and the Payment Overview windows to review information from either workbench. These windows also act as bridges between the two workbenches. For example, from the Invoices Overview, you can click Payments to navigate to the Payments window.



Hierarchy of the Invoice Workbench

The window hierarchy in the Invoice Workbench is as follows:

- Find Invoice Batches
  Invoice Batches Summary (folder)
- Find Invoices
  Calculate Balance Owed
- Invoices Summary (folder)
  - Invoice Holds
  - Payments
  - PO Match
  - Scheduled Payments
- Distribution Summary (folder)
  - Prorate
  - Invoice Actions
  - Apply/Unapply Prepayments
  - Approve and Pay Invoices
  - Release Holds
  - Cancel Invoices



Hierarchy of the Payment Workbench

The window hierarchy in the Payment Workbench is as follows:

- Find Payment Batches
- Copy To
- Payment Batch Actions
  - Modify Payment Batches
  - Confirm Payment Batches
- Find Payments
- Select Invoices
- View Invoices
- Payment Actions

19

Entering Manual Payments

Objectives

Objectives

After completing this lesson, you should be able to do the following:

- **Select invoices to pay**
- **Pay from the Invoice Workbench**
- **Pay suppliers with future-dated payments**
- **Override payment controls**

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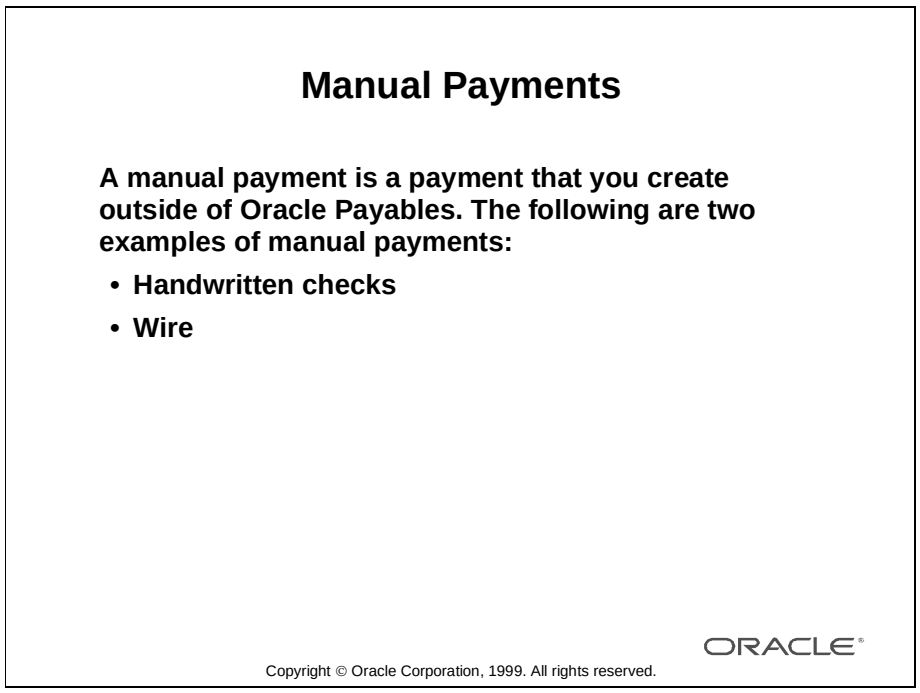
What Is a Manual Payment?



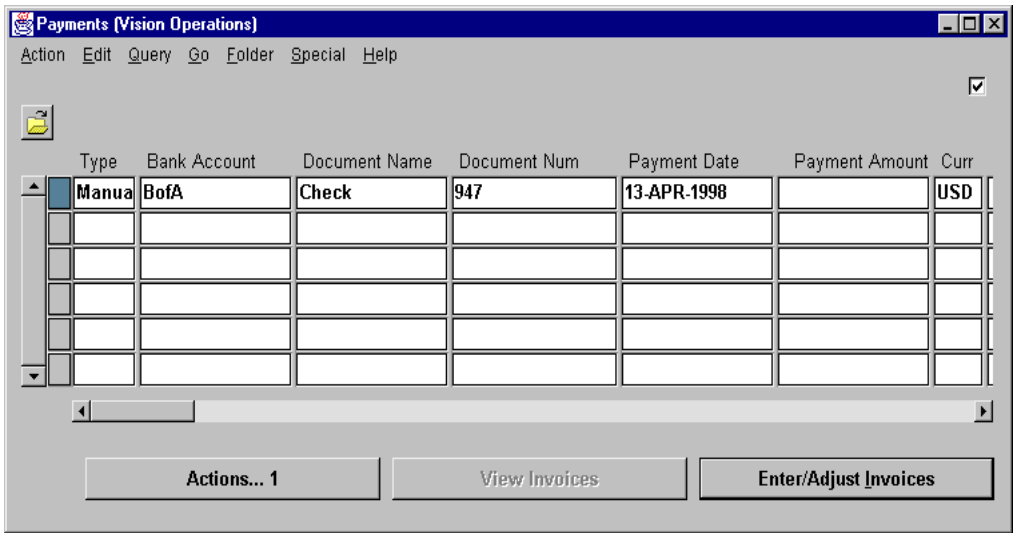
Overview

When you create a payment outside of Oracle Payables, for example, using a typed check or wire transfer, you can record the payment within Oracle Payables and update the invoices that you paid. With a manual payment, you can override some payment controls of Oracle Payables. You can record a single payment for multiple pay alone invoices. You can record payment for invoices that are associated with any payment method type except EFT.

Prerequisites for processing manual payments in Oracle Payables are:

- Create the payment outside of Payables.
- The invoice you paid must be approved, uncancelled, without holds, and must have the same currency as the payment.
- The bank account must have at least one payment document that uses the recorded or combined disbursement type.

Recording a Manual Payment



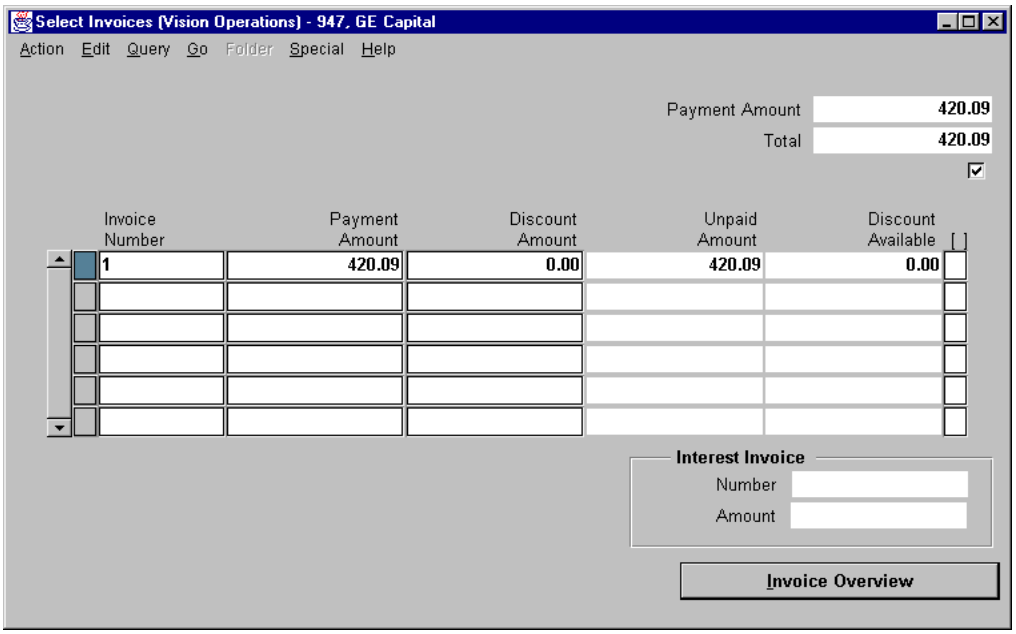
Payments

(N) Payments—>Entry—>Payments

How to Initiate a Manual Payment

1. In the Type field, select Manual.
2. Select the bank account you use for the payment.
3. Select a payment document name.
4. Enter the payment document number.
5. Enter the payment date.
6. Enter the payment amount.
7. If you are using a multiple currency bank account with a multiple currency payment document, optionally, change the payment currency.
8. Enter either the supplier name or number.
9. Enter the supplier site.
10. If necessary, enter or adjust other information.

Selecting Invoices to Pay



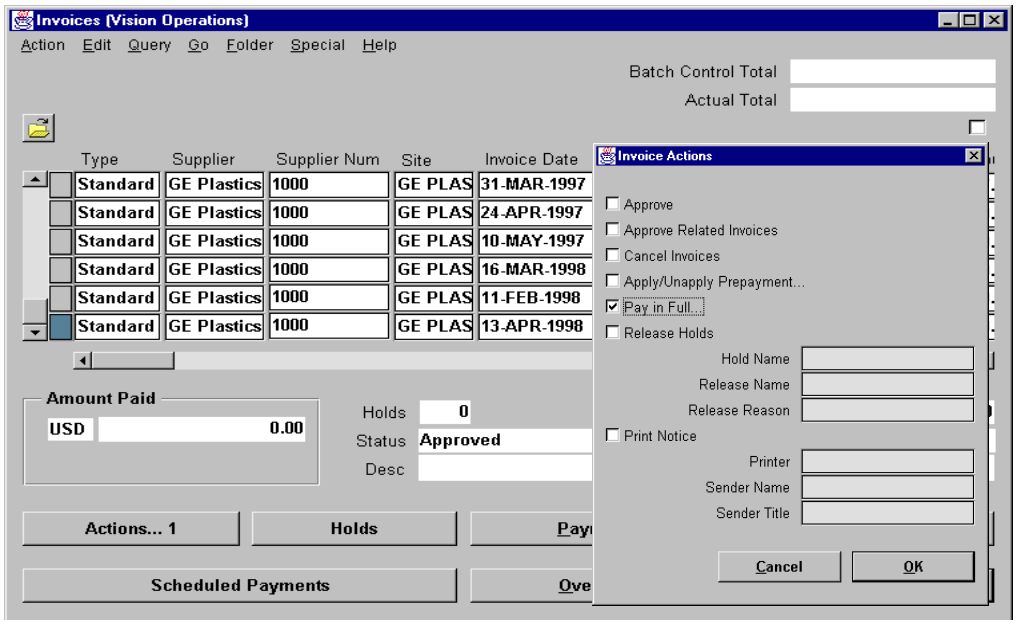
Select Invoices

(N) Payments—>Entry—>Payments (B) Enter/Adjust Invoices

How to Select Invoices to Pay

1. From the Payments window, click Enter/Adjust Invoices to select approved invoices that are not on hold.
2. Select as many approved invoices as will fit on a single check stub.
3. To record a manual payment, save your work at this point and you are done.
4. To create a computer-generated payment, from the Payment window, click Actions to navigate to the Payment Actions window; format and print the check. Optionally, create a check, save it, and print it later.

Paying Invoices from the Invoice Workbench



Invoice Actions

(N) Invoices—>Entry—>Invoices (B) Actions

How to Pay Invoices from the Invoice Workbench

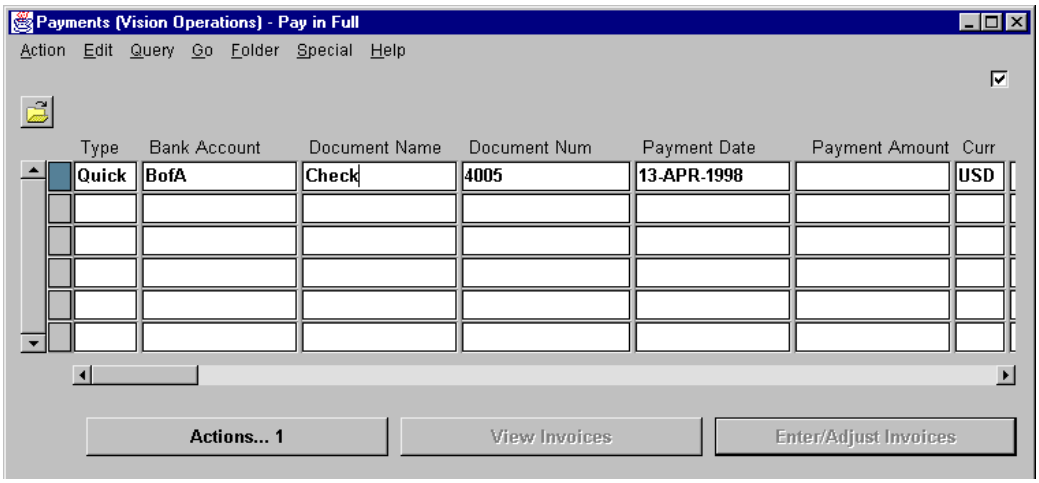
You can initiate payment of one or more invoices by selecting the invoices in the Invoices window and using the Pay in Full option in the Invoice Actions window. When you pay using this method, you can generate a manual payment or a Quick payment. Oracle Payables automatically enters most of the payment information for you, and you omit the invoice selection step you would perform if you were to create the payment in the Payment Workbench.

To pay an invoice or scheduled payment from the Invoice Workbench:

1 Make certain the invoices that you want to pay are fully approved.

2a To pay one or more invoices in full, select the relevant invoices from the Invoices window; clickActions to navigate to the Actions window, and select the Pay in Full check box to open the Payments—Pay in Full window.

2b To pay a portion of an invoice, select the invoice from the Invoices window; click Scheduled Payments, and select one or more scheduled payments. Click Pay to pay the selected payments.



Payment—Pay in Full

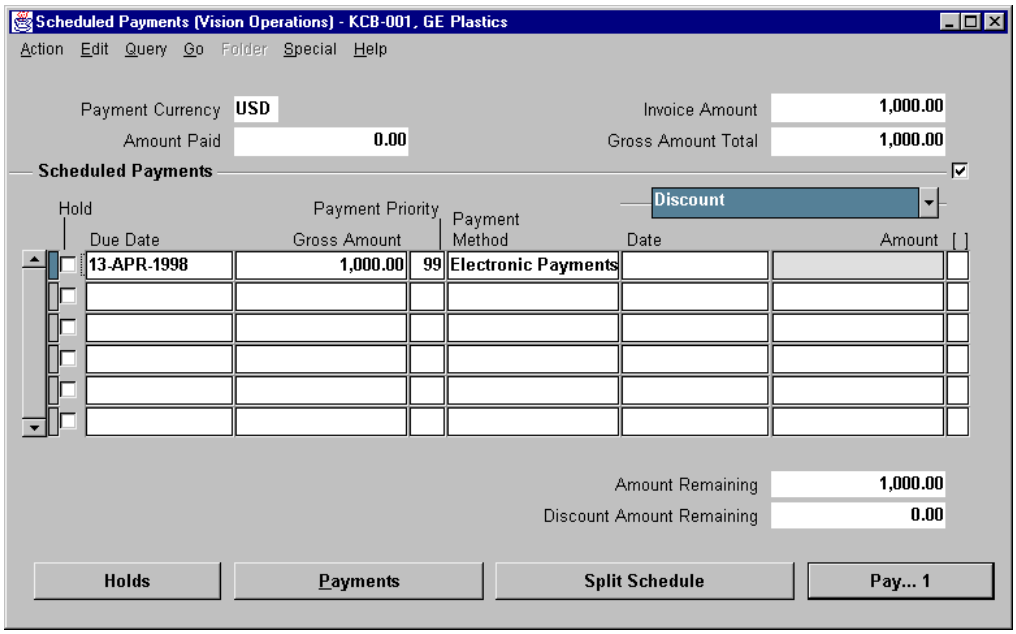
(N) Invoices—>Entry—>Invoices (B) Actions

How to Pay Invoices from the Invoice Workbench (continued)

3. In the Payments window, choose Quick or Manual for the payment type. Enter the bank account from which you want to make the payment, and enter the payment document you want to use. Oracle Payables automatically enters the remaining fields for you.
4. If necessary, enter or adjust other information in the Payments window.
5. If you are creating a manual payment, save your work to complete the payment. Oracle Payables records the payment and updates the invoices as paid. If you are creating a quick payment, continue with Step 6.
6. Click Actions to navigate to the Payment Actions window. Format and, optionally, print the check.
7. Save your work.

   Oracle Payables records the payment and updates the invoices as paid.

Scheduling Payments from the Invoice Workbench



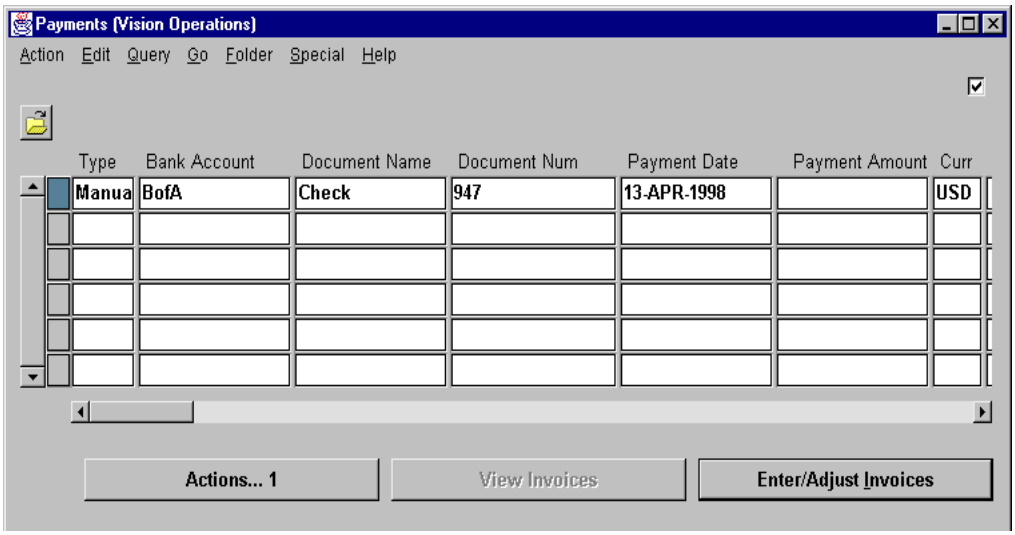
Scheduled Payments

(N) Invoices—>Entry—>Invoices (B) Scheduled Payments

How to Schedule Payments from the Invoice Workbench

1. Make certain the invoices that you want to pay are fully approved.
2. To pay a portion of an invoice, select the invoice from the Invoices window.
3. Click Scheduled Payments.
4. Make any updates to unpaid scheduled payments, and create any new scheduled payments.
5. To split a scheduled payment, update the amount, and then click Split Schedule. Oracle Payables creates an additional scheduled payment with the net amount due.
6. Adjust the dates as appropriate and, optionally, apply a hold to the scheduled payment.
7. Save your work.

Paying Suppliers with Future Dated Payments



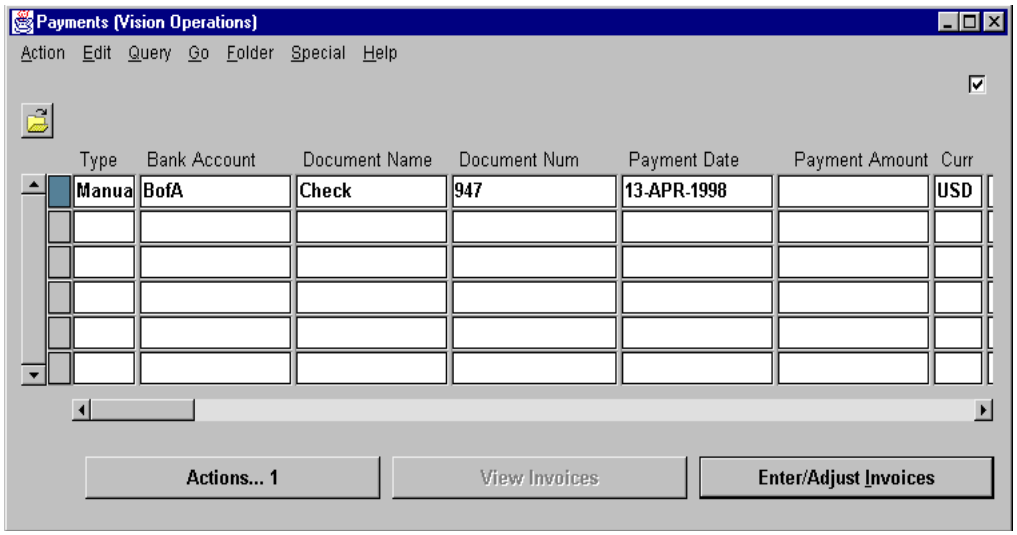
Payments

(N) Payments—>Entry—>Payments

How to Pay Suppliers with Future Dated Payments

1. Make certain the invoice that you want to pay is fully approved.
2. In the Payments window, record the invoice payment as a manual payment.
   - If you use the payment document your supplier sent you and do not create a payment document, enter Manual Future Dated in the Payment Method field.
   - If you manually created a future dated payment that you want to record, enter Future Dated in the Payment Method field.
3. Enter a maturity date.
4. Return the payment notice to the supplier.
5. The supplier submits the payment request to the bank.
6. The bank disburses funds on the maturity date the supplier specified on the payment notice.
7. Your bank sends you payment reconciliation information.

Adjusting Selected Invoices for Manual Payments



Payments

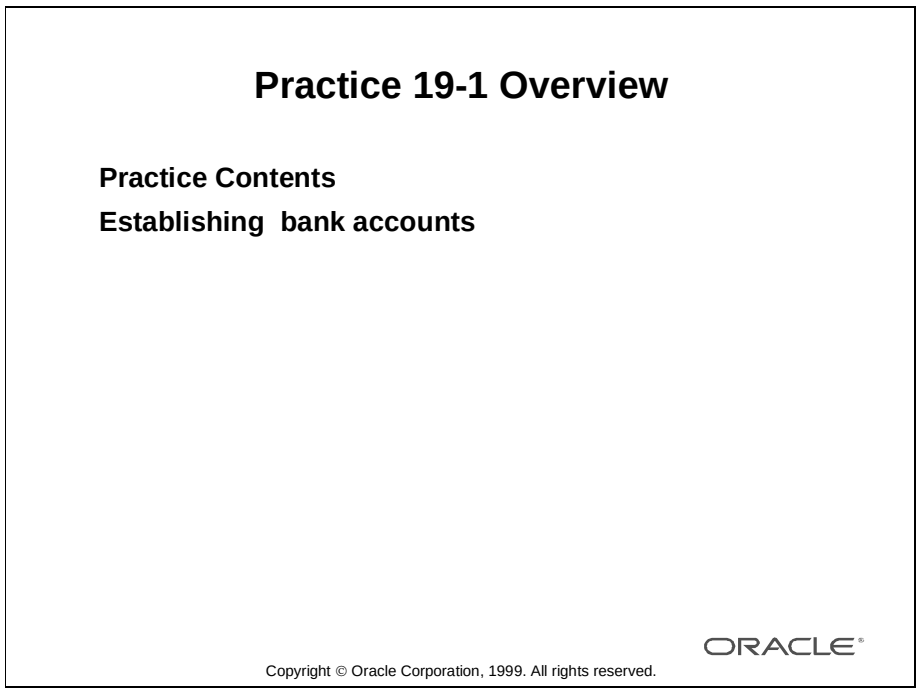
(N) Payments—>Entry—>Payments

Adjusting Selected Invoices for Manual Payments

You can change the invoices you select for a manual payment at any time before posting:

1. Find the payment online by using the Payments Overview window, or by opening the Payments window in entry mode and querying the payment.
2. In the Payments window, select the payment, and click the Enter/Adjust Invoices button to navigate to the Select Invoices window.
3. Select the invoices you had associated with the payment by mistake, and click the Reverse Payment button. Oracle Payables creates a negative line for each invoice you selected.
4. Enter each invoice you want to pay with the manual payment in a new row. The sum of the invoice payment amounts must equal the payment amount you entered for the manual payment. To see detailed information about an invoice, select the invoice, and choose Invoice Overview.
5. Save your work to have Oracle Payables reset the status of the reversed invoices to Unpaid and set the selected invoices as Paid by the manual payment.

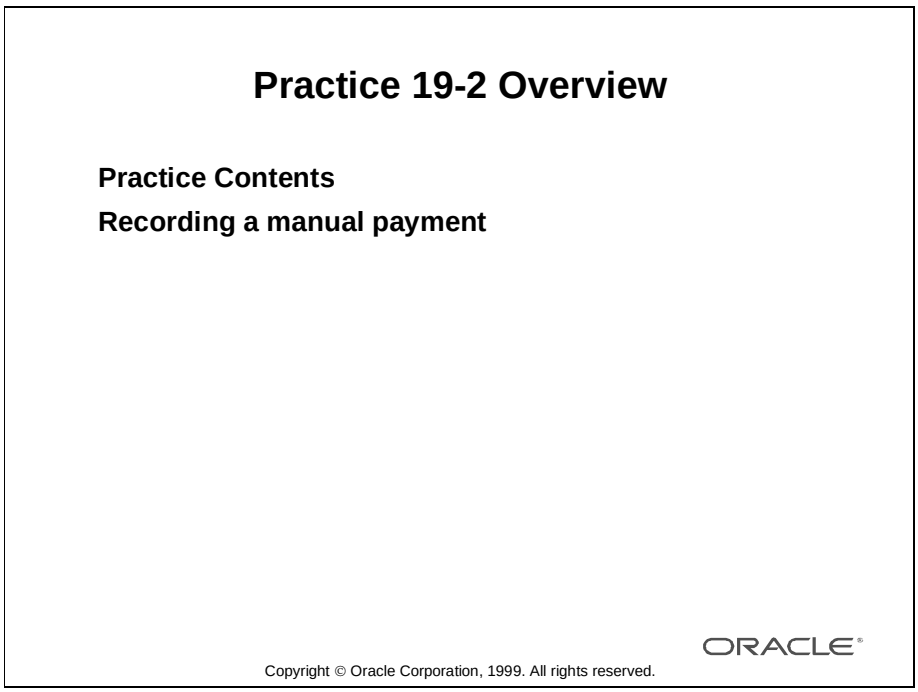
Practice 19-1 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, “Practices and Solutions.”

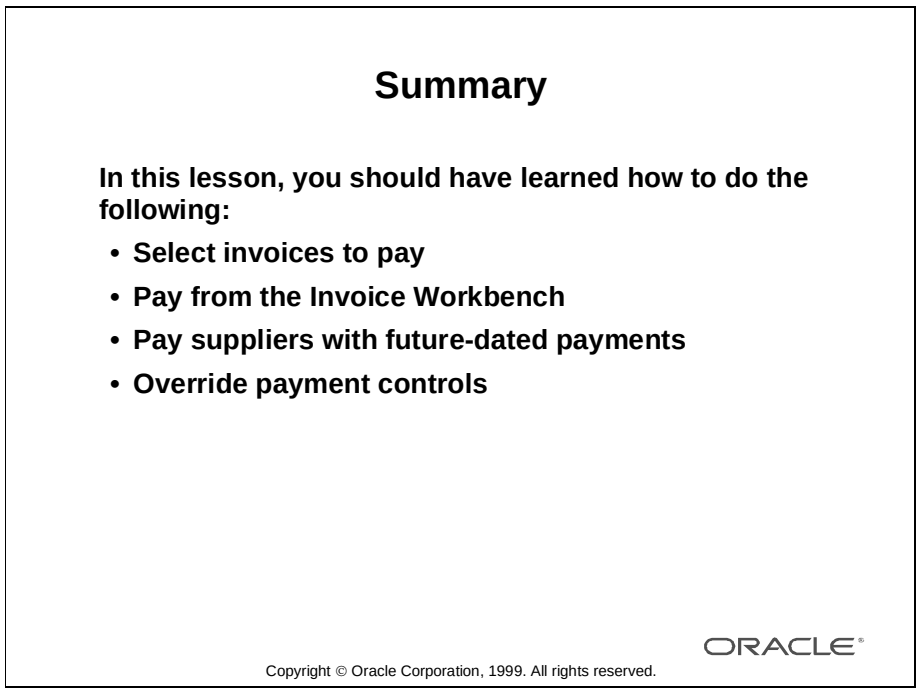
Practice 19-2 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, "Practices and Solutions."

Summary


Summary
In this lesson, you should have learned how to do the following:
• Select invoices to pay
• Pay from the Invoice Workbench
• Pay suppliers with future-dated payments
• Override payment controls
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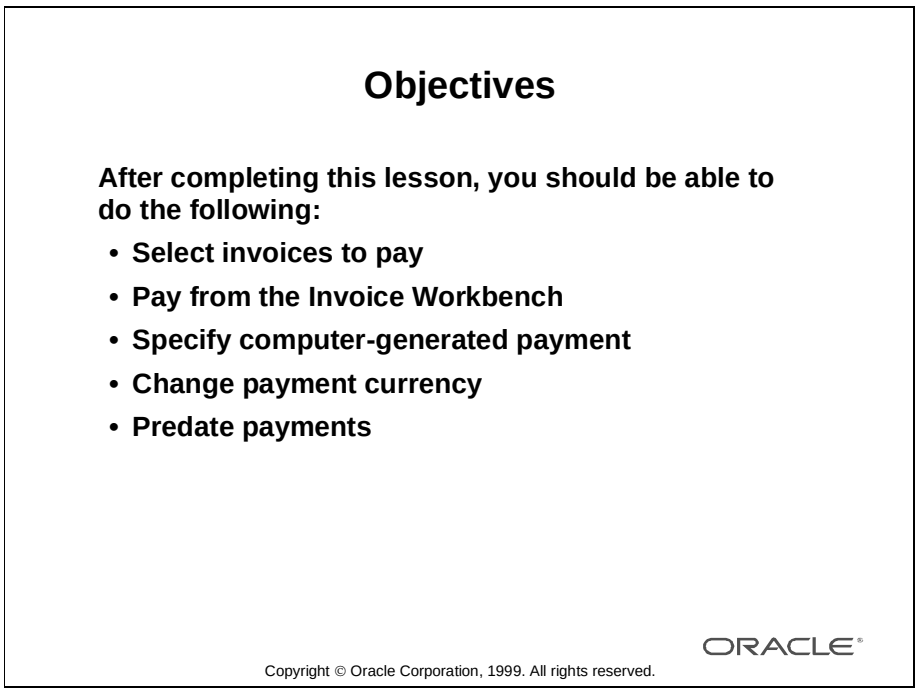
20

Processing Computer-Generated Single Payments

Objectives


Objectives
After completing this lesson, you should be able to do the following:
• Select invoices to pay
• Pay from the Invoice Workbench
• Specify computer-generated payment
• Change payment currency
• Predate payments
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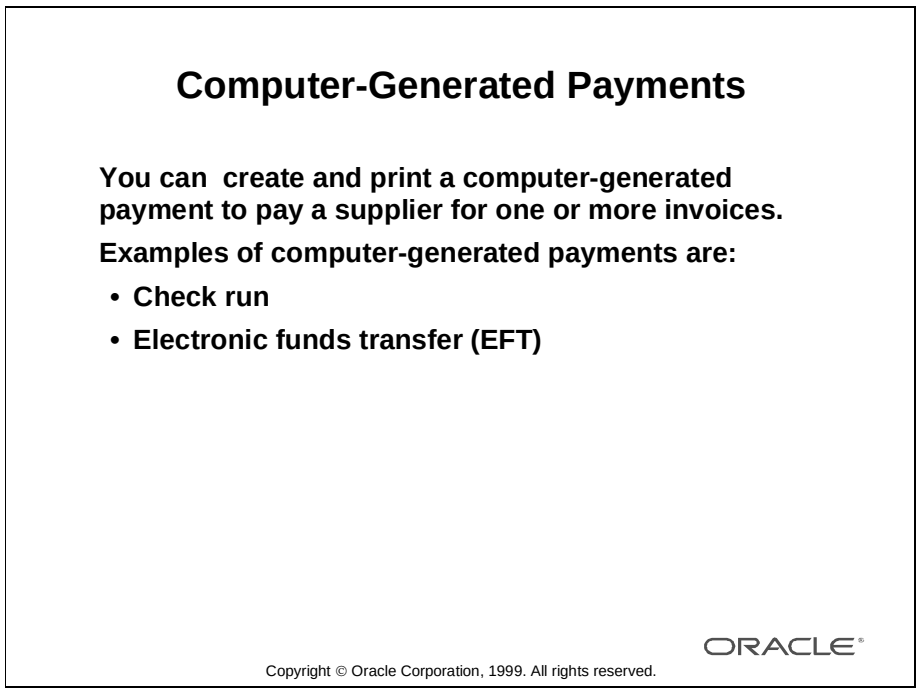
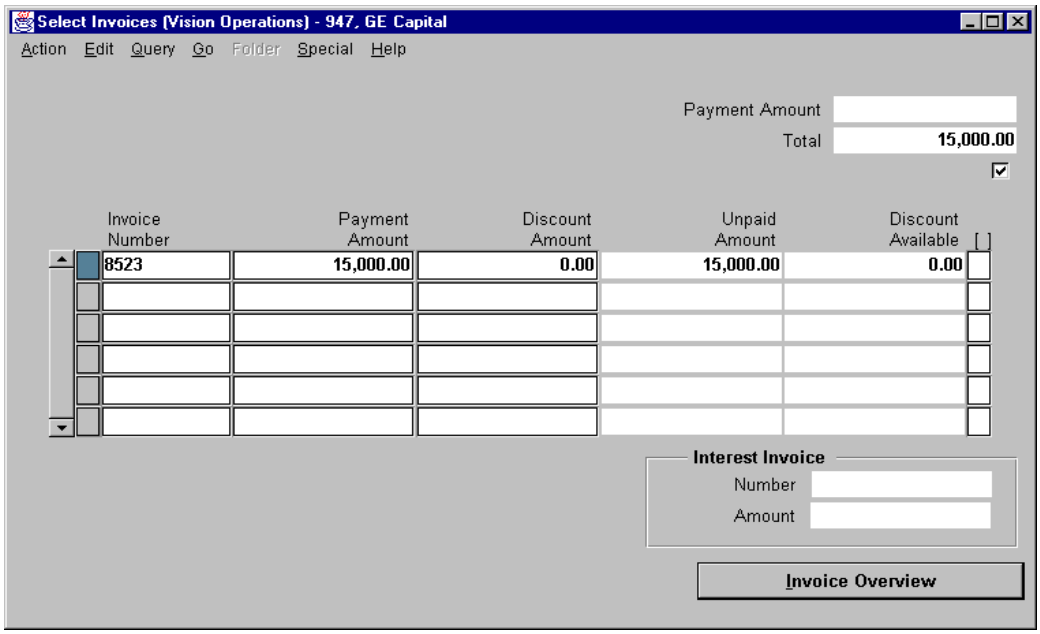
Computer-Generated Payments



Selecting Invoices to Pay



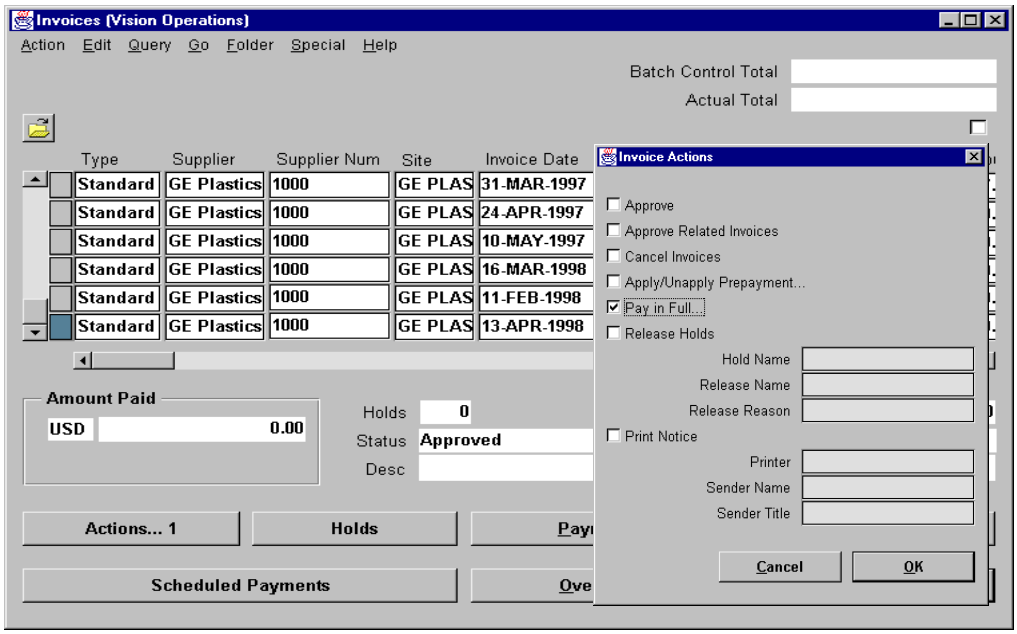
Select Invoices

(N) Payments—>Entry—>Payments (B) Enter/Adjust Invoices

How to Select Invoices to Pay

1. From the Payments window, click Enter/Adjust Invoices to select approved invoices that are not on hold.
2. Select the invoices that you want to pay. The invoices must have Check as their payment method and must have the same currency as the payment.
3. To create a computer-generated payment, click Actions to navigate to the Payment Actions window; format and print the check. Optionally, create a check, save it, and print it later. The bank account must have at least one payment document that uses computer-generated or combined disbursement type.

Paying Invoices from the Invoice Workbench



Invoice Actions

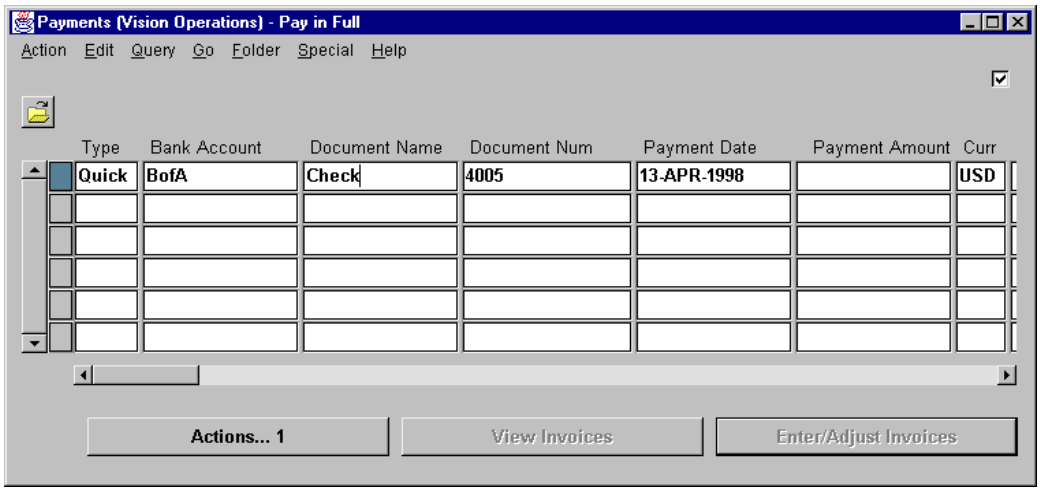
(N) Invoices—>Entry—>Invoices (B) Actions

How to Pay Invoices from the Invoice Workbench

You can initiate payment of one or more invoices by selecting the invoices in the Invoices window and using the Pay in Full option in the Invoice Actions window. When you pay using this method, you can generate a manual payment or a quick payment. Oracle Payables automatically enters most of the payment information for you, and you omit the invoice selection step you would perform if you were to create the payment in the Payment Workbench.

To pay an invoice or scheduled payment from the Invoice Workbench:

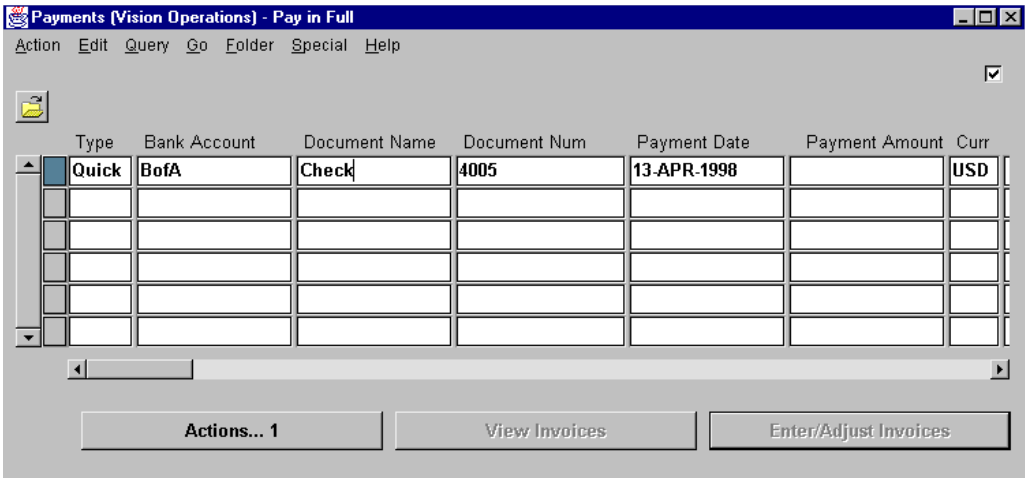
1. Make certain the invoices that you want to pay are fully approved.
2. To pay one or more invoices in full, select the relevant invoices from the Invoices window; click Actions to navigate to the Actions window, and select the Pay in Full check box to open the Payments—Pay in Full window.



How to Pay Invoices from the Invoice Workbench (continued)

3. To pay a portion of an invoice, select the invoice from the Invoices window; click Scheduled Payments, and select one or more scheduled payments. Choose Pay to pay the selected payments.
4. In the Payments window, select Quick or Manual for the payment type. Enter the bank account from which you want to make the payment, and enter the payment document you want to use. Oracle Payables automatically enters the remaining fields for you.
5. If necessary, enter or adjust other information in the Payments window.
6. If you are creating a manual payment, save your work to complete the payment. Oracle Payables records the payment and updates the invoices as paid. If you are creating a quick payment, continue with Step 7.
7. Click Actions to navigate to the Payment Actions window. Format and, optionally, print the check.
8. Save your work. Oracle Payables records the payment and updates the invoices as paid.

Creating and Maintaining Computer-Generated Payments



Payments

(N) Payments—>Entry—>Payments

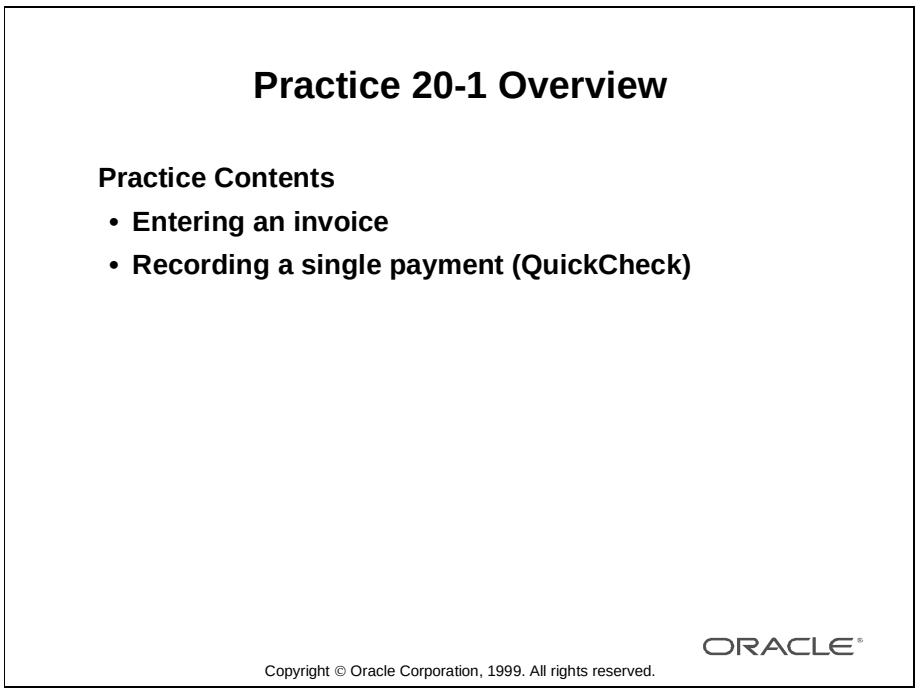
Creating and Maintaining Computer-Generated Payments

To create a computer-generated check, you must enable the Allow Online Print Payables option; the invoices must be approved, uncanceled, and without holds; the invoices must have check as their payment method and have the same currency as the payment; and the bank account must have at least one payment document that uses computer-generated or combined disbursement type.

In the Payments window:

- You can, optionally, change the payment document number, which defaults to the next available number.
- You can, optionally, change the payment currency if you are using a multicurrency bank account with a multicurrency payment document.
- The payment date must be in an open or future period.
- Unless you enable the Allow Pre-Date Payables option, you cannot predate a computer-generated payment.

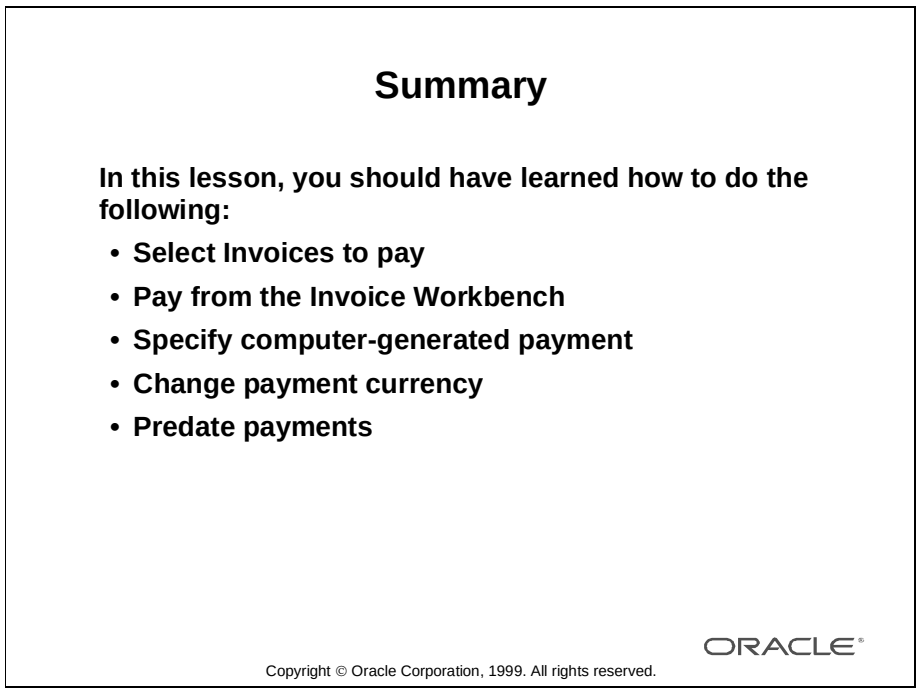
Practice 20-1 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, “Practices and Solutions.”

Summary


Summary
In this lesson, you should have learned how to do the following:
• Select Invoices to pay
• Pay from the Invoice Workbench
• Specify computer-generated payment
• Change payment currency
• Predate payments
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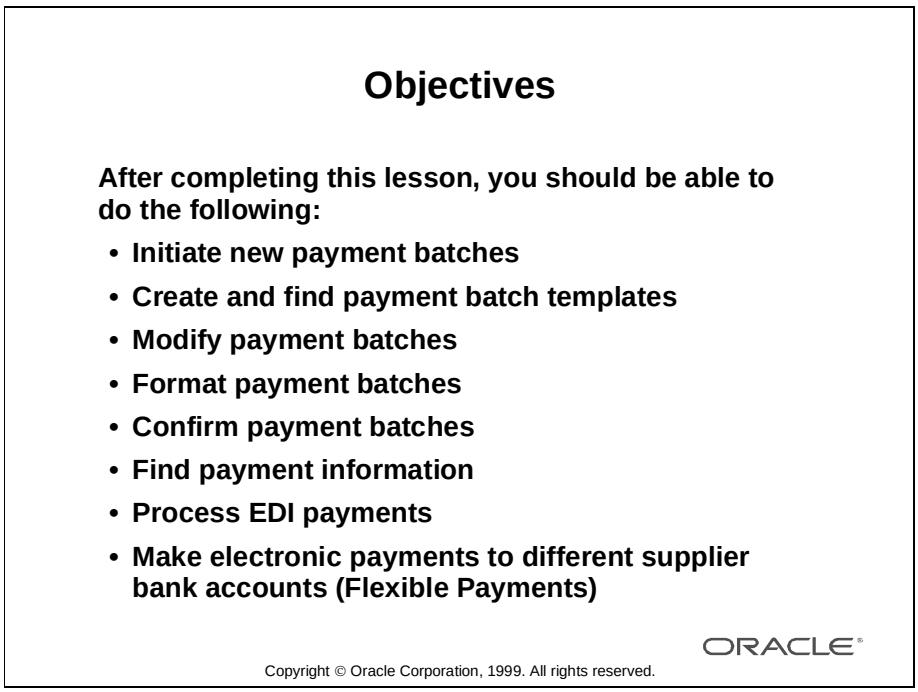
21

Processing Payment Batches

Objectives


Objectives
After completing this lesson, you should be able to do the following:
• Initiate new payment batches
• Create and find payment batch templates
• Modify payment batches
• Format payment batches
• Confirm payment batches
• Find payment information
• Process EDI payments
• Make electronic payments to different supplier bank accounts (Flexible Payments)
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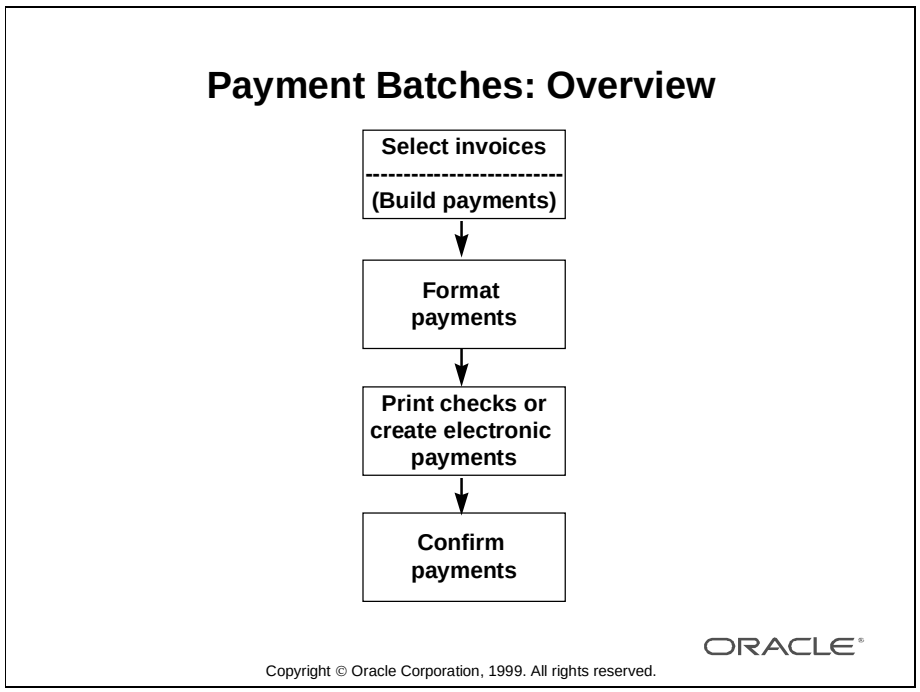
Payment Batches



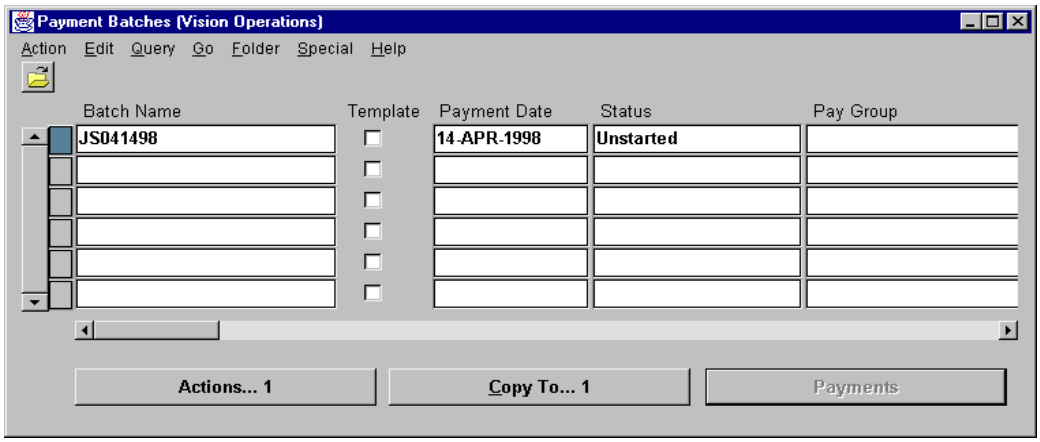
Overview

Use payment batches to create payments for multiple invoices that meet selection criteria you specify. In addition to controlling which invoices Oracle Payables selects for payment in the batch, you can also set limits on payment amounts and decide whether to take applicable discounts.

You follow a series of steps to create your payment batch payments, and you initiate each step from the Payment Batch Actions window.

1. Initiate the payment batch by entering criteria for invoices you want to pay. Oracle Payables selects invoices and from the list builds the payments; it determines which invoices will be paid on each payment document and lists this information for you on the Preliminary Payment Register.
2. Format payments to have Oracle Payables produce an output file.
3. Print checks from the output file, or create electronic payments.
4. Confirm the payment batch by recording the document numbers associated with each payment. During this step, Oracle Payables updates the invoice status to Paid and associates a payment number with the invoice and invoice payment.

Initiating New Payment Batches

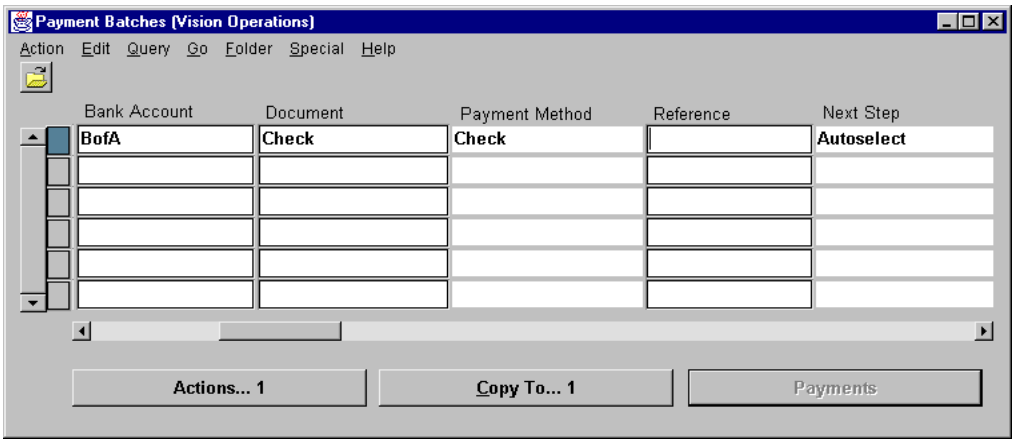


Payment Batches

(N) Payments—>Entry—>Payment Batches

How to Initiate New Payment Batches

1. In the Payment Batches window, enter a unique batch name. This name will appear on your reports and will help you locate the batch online. Optionally, change the bank account. Select a payment document. Enter a payment date. This is the date that Payables will print on the payment or remittance advice.
2. To use this payment batch as a template for future payment batches, select the Template check box. For example, if you regularly create payment batches with the same criteria, you can save the payment batch as a template. You can then later copy it, change the batch name, and use it with minor changes such as a new payment date and pay through date.
3. Define your invoice selection criteria. Optionally, enter the pay group. Verify the pay through date. Oracle Payables will select invoices with a discount or due date on or before this date. Optionally, choose your payment Priorities.
4. To allow Oracle Payables to select zero amount invoices for payment, select Allow Zero Invoices.



How to Initiate New Payment Batches (continued)

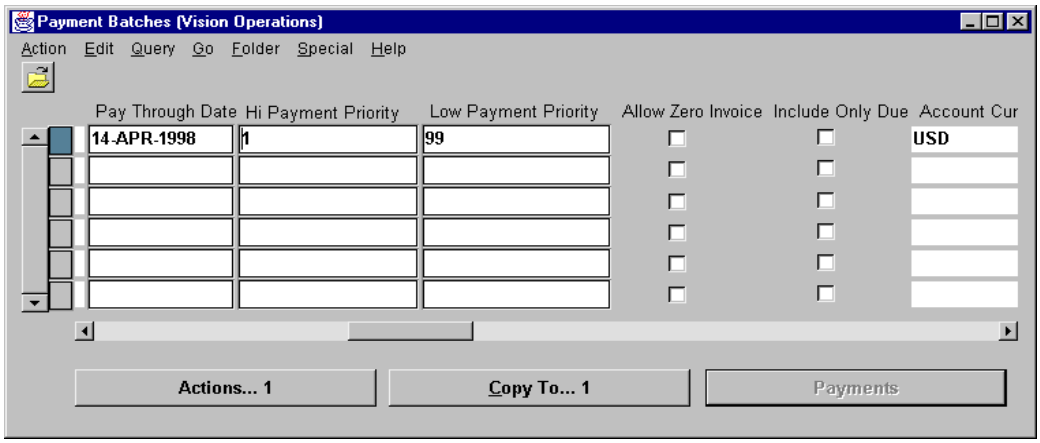
5 To override the pay date basis for the supplier site and only pay invoices with due dates on or before the pay through date, select Include Only Due.

6 Optionally, review or adjust payment limits in the Limits region. The Maximum/Minimum Payments field defines the range of payment amounts allowed for a single payment in a payment batch. If Payables selects invoices for a supplier site and the total of the invoices is more or less than the maximum/minimum payment, Oracle Payables pays no invoices for that supplier site.

7 The maximum outlay is the maximum Oracle Payables will pay for this payment batch. If the batch total exceeds this number, you will get a warning, but you can continue processing the payment batch.

8 Optionally, review or adjust document information in the Document region. Oracle Payables displays the first document number, including any setup checks, to use for printing payments in a payment batch. Oracle Payables displays the last available document number for the payment document.

9 If your Sequential Numbering profile option is not enabled, (optionally) enter a beginning voucher number.



How to Initiate New Payment Batches (continued)

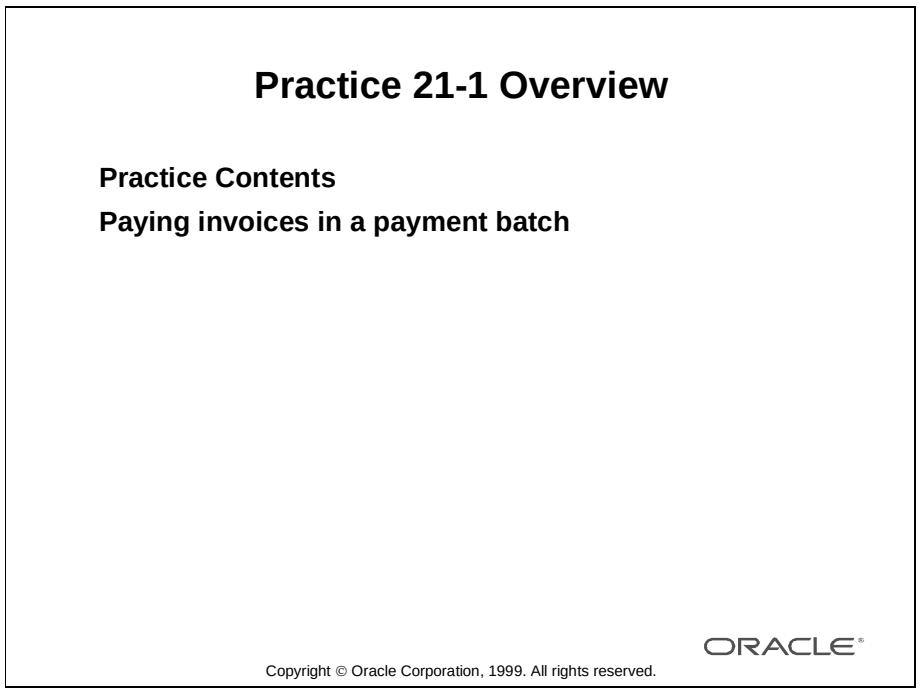
10 In the Document Order field, select the order in which you want to print your payment documents and want to review your Preliminary Payment Register: Ascending Postal Code, Descending Postal Code, Supplier Name, or Supplier Number.

11 Click Actions. Depending on whether you want to be able to review and modify the payment batch before formatting, complete one of the following options:

- To format the payments without modifying them, select Format Payments to have Oracle Payables automatically select and perform the required prerequisite actions, which are Select Invoices and build payments. Oracle Payables then formats the payments. After formatting is complete, continue with printing payment batch checks, or, if you are creating electronic payments, proceed with confirming payment batches.
- To review and modify the invoices selected in the payment batch before you format payments, choose Select Invoices and Build Payments to have Oracle Payables select invoices and build payments. After the build process is complete, you have the option to proceed with Modifying Payment Batches or with formatting payments.

12 Click OK to save your work.

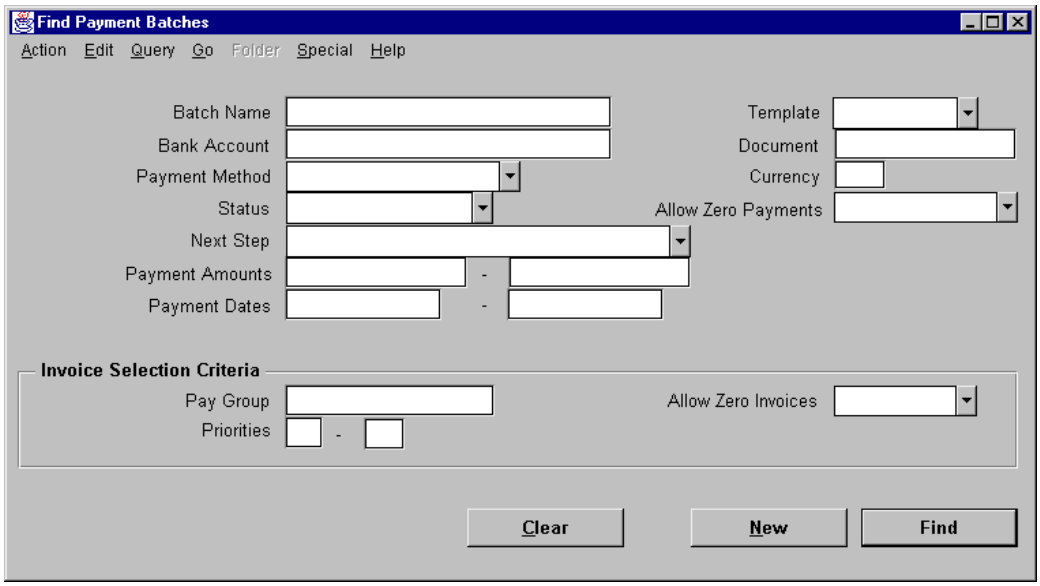
Practice 21-1 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, “Practices and Solutions.”

Finding Payment Batch Templates



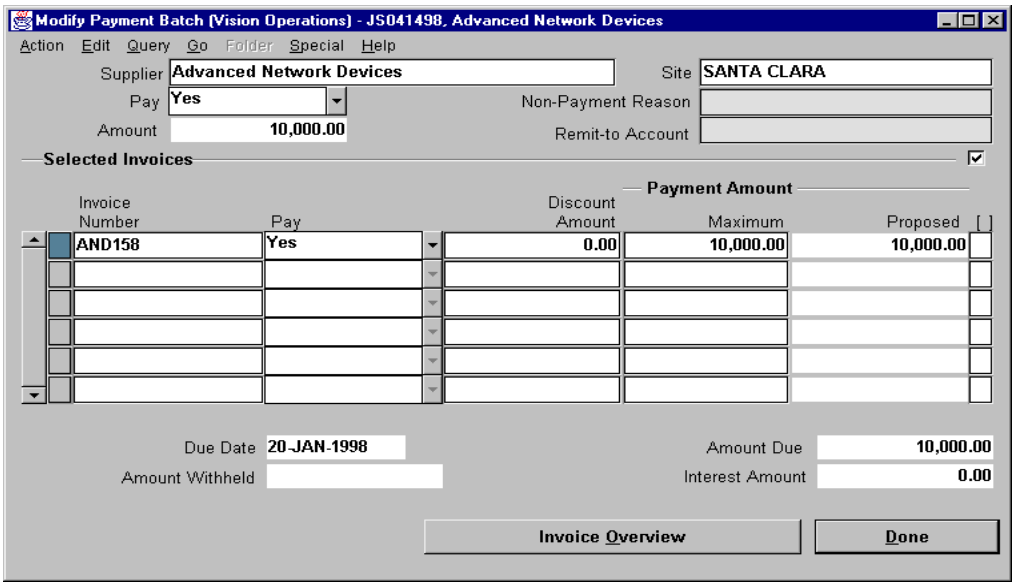
Find Payment Batches

(N) Payments—>Entry—>Payment Batches (M) Query—>Find

How to Find Payment Batch Templates

1. In the Find Payment Batches window, enter criteria to find the payment batch template you want to use. Click Find.
2. In the Payment Batches window, select the payment batch you want to copy, and click Copy To.
3. In the Copy To window, enter either a prefix or suffix to precede or append to the template payment batch name to create the new payment batch name. Enter a Payment Date and a Pay Through Date for the new payment batch.
4. Click OK to save, and Oracle Payables automatically queries the new payment batch in the Payment Batches window.

Modifying Payment Batches



Modify Payment Batch

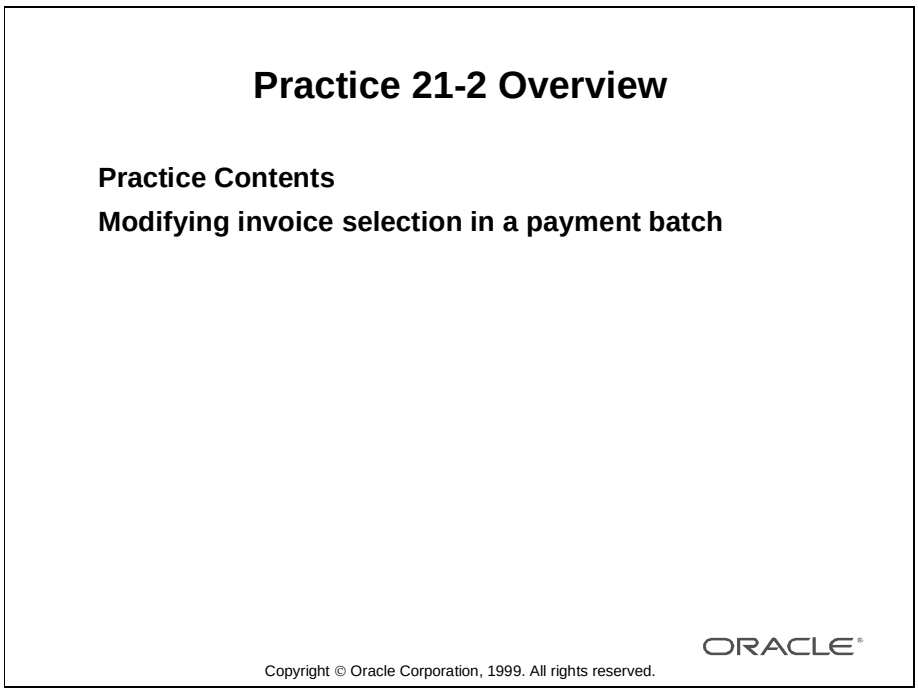
(N) Payments—>Entry—>Payment Batches (M) Query—>Find (B) Actions (OK)

How to Modify Payment Batches

After selecting invoices and building payments (and prior to formatting payments), you can review and modify a payment batch.

1. In the Find Payment Batches window, enter criteria to find the payment batch you want to use. Click Find.
2. In the Payment Batches window, select the payment batch, and click Actions. Then modify the payment batch. You can:
   - Modify the payment amount of an invoice
   - Prevent payment to a supplier
   - Prevent payment of a particular invoice
   - Add an invoice that Oracle Payables did not originally select
3. If you change invoices to a payment batch, Oracle Payables automatically rebuilds payments after you modify the payment batch. After you complete your modifications, you can review your changes on a new Preliminary Payment Register and modify the payment batch again or continue with formatting payments.

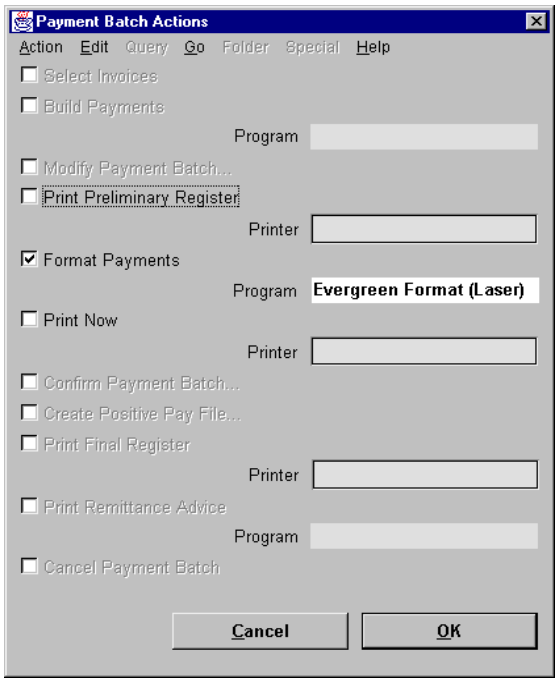
Practice 21-2 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, "Practices and Solutions."

Formatting Payment Batches



Payment Batch Actions

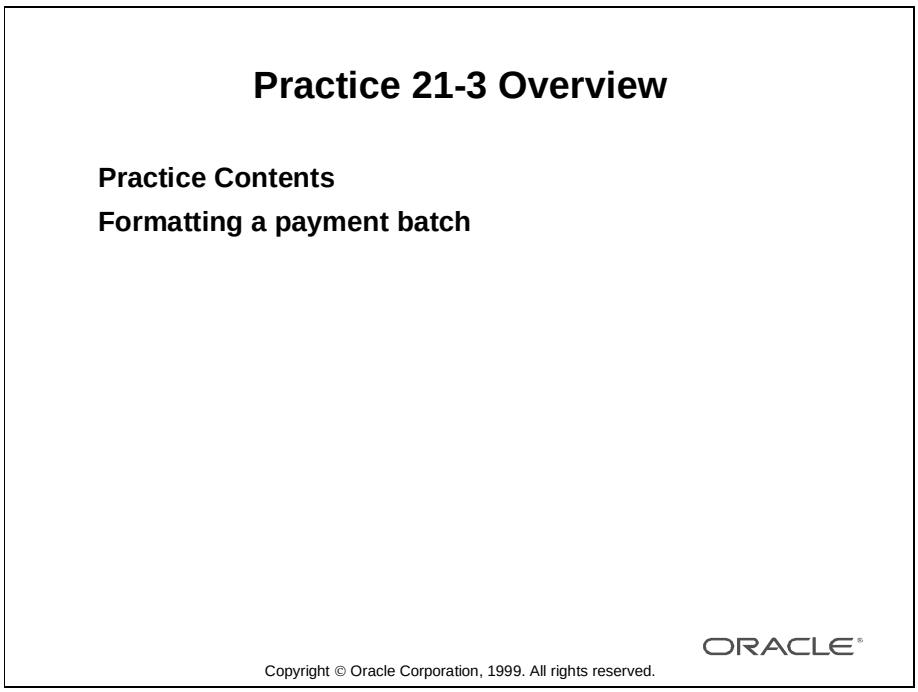
(N) Payments—>Inquiry—>Payment Batches (B) Actions

How to Format Payment Batches

When Oracle Payables formats payments, it creates an output file that you can use to print checks or handle electronic payments.

1. In the Find Payment Batches window, enter criteria to find the payment batch you want to format. Click Find.
2. In the Payment Batches Summary window, select the payment batch you want to format, and click Actions.
3. In the Payment Batch Actions window, select Format Payments.
4. Click OK.

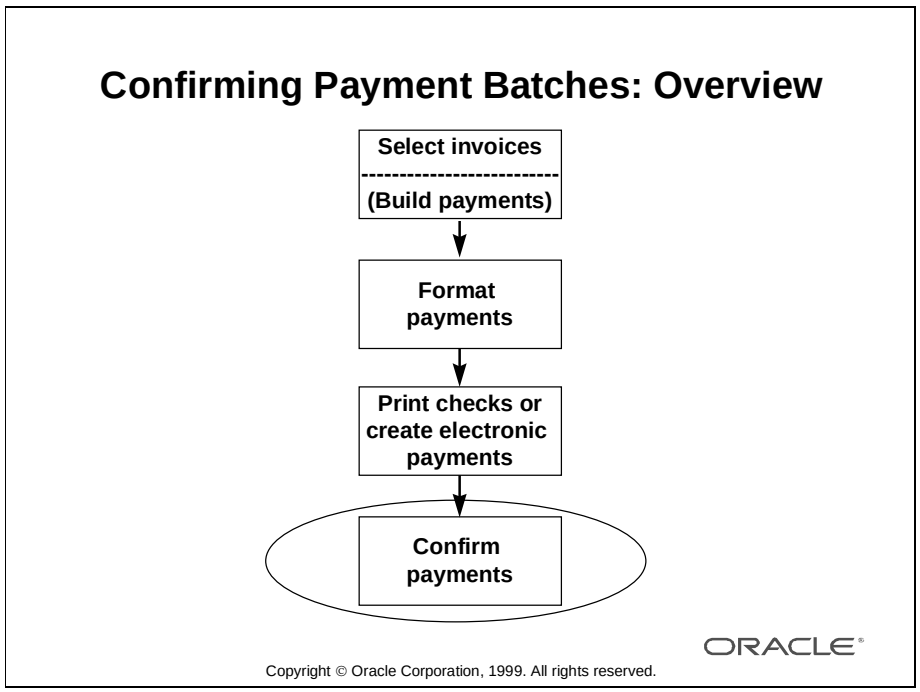
Practice 21-3 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, "Practices and Solutions."

Confirming Payment Batches



Overview

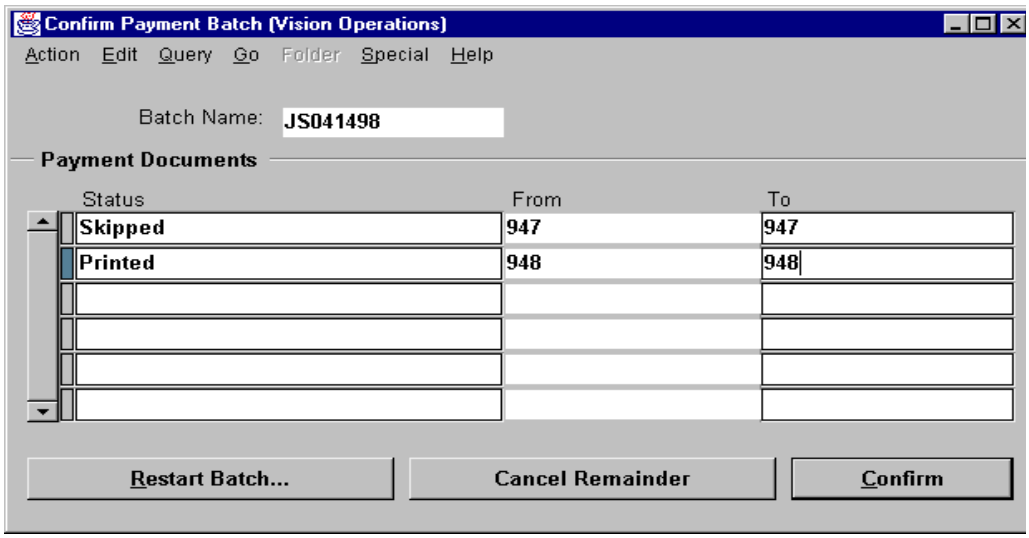
Confirmation is the final step in processing a payment batch. During payment confirmation, Oracle Payables performs the following tasks:

- Updates the payment history of invoices paid in a payment batch
- Creates one payment distribution for each invoice in the payment batch and credits it to the asset account for the bank account
- Creates a single payment distribution for each balancing segment of an invoice, if the Automatic Offsets Payables option is enabled and a pooled bank account for the payment batch is used

During confirmation, you assign one of four status types to each document:

- Setup: Oracle Payables displays the setup checks used to align the printer.
- Printed: Either the checks printed properly or the electronic payments formatted correctly.
- Skipped: The printer skipped over these checks and nothing printed on them.
- Spoiled: The printer malfunctioned and ruined these documents, so you cannot reuse them. Oracle Payables automatically voids these documents and sets the status of corresponding invoices to unpaid. To pay these invoices, include them in a new batch.

Confirming Complete Payment Batches



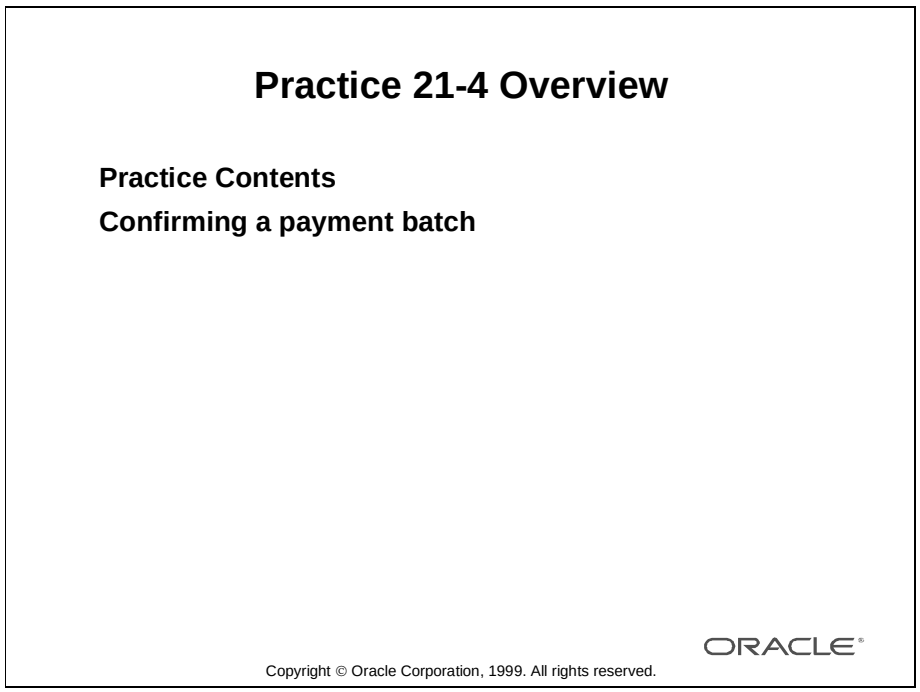
Confirm Payment Batch

(N) Payments—>Entry—>Payment Batches (M) Query—>Find (B) Actions (B) OK

How to Confirm Complete Payment Batches

1. In the Find Payment Batches window, enter criteria to find the payment batch you want to confirm.
2. Click Find.
3. In the Payment Batches window, select the payment batch, and click Actions. Select Confirm Payment Batch, and click OK.
4. If you select Create Positive Pay File, Oracle Payables creates a flat file for custom or third-party check verification.
5. In the Confirm Payment Batch window, enter the document number range of the successfully printed checks or the successfully formatted electronic payments, and select the status Printed. Enter the document number of the spoiled, skipped, or setup checks and select the appropriate status.
6. Click Confirm. Oracle Payables updates the status of the invoices paid with the Printed checks to Paid status and prints the Final Payment Register.

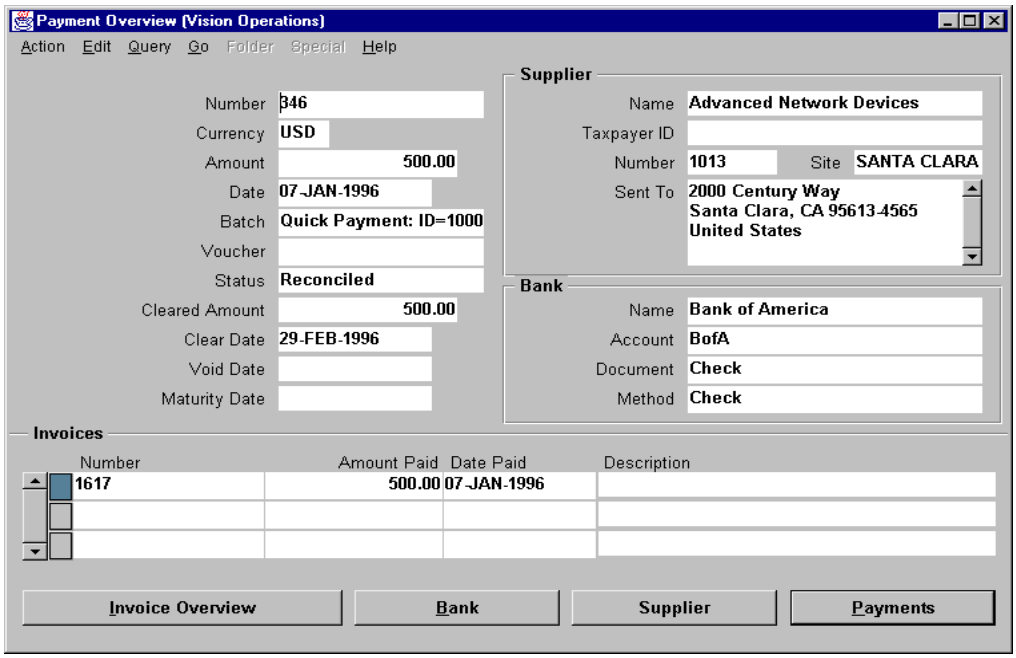
Practice 21-4 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, “Practices and Solutions.”

Finding High-Level Payment Information



Payment Overview

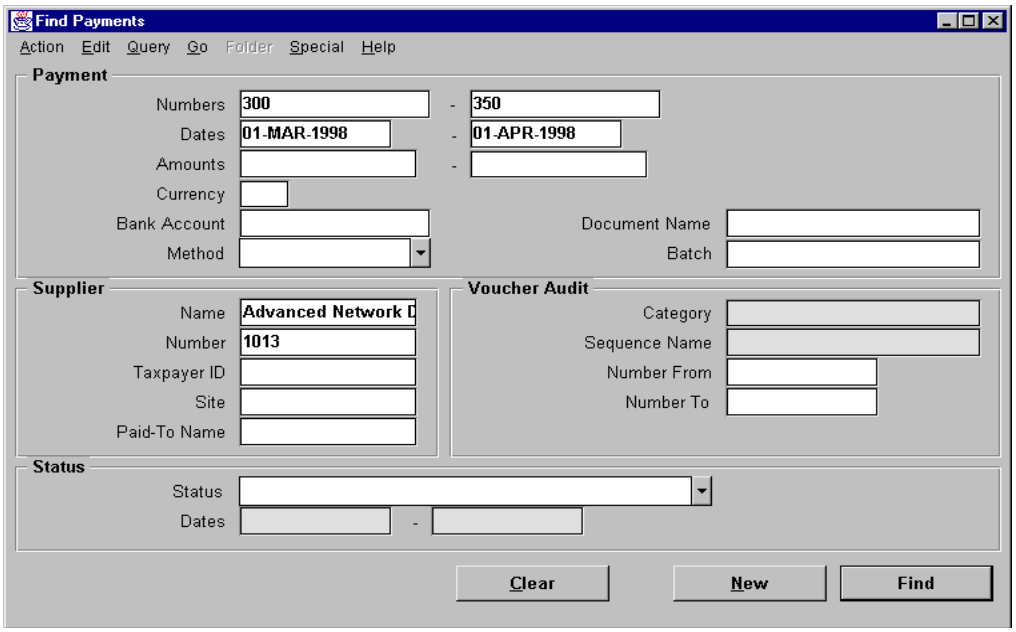
(N) Payments—>Inquiry—>Payment Overview (B) Find

Finding High-Level Payment Information

Use the Payment Overview window to review the status of a payment and its related high-level information. Review information quickly when a supplier calls to inquire about the status of a payment. Since the Payment Overview window is a display-only window, click Payments to navigate to the Payments window to view additional details or to make any necessary adjustments. This window displays summary information for:

- Payment status
- Payment information
- Supplier information
- Invoice information
- Bank information

Finding Payments in the Payment Workbench



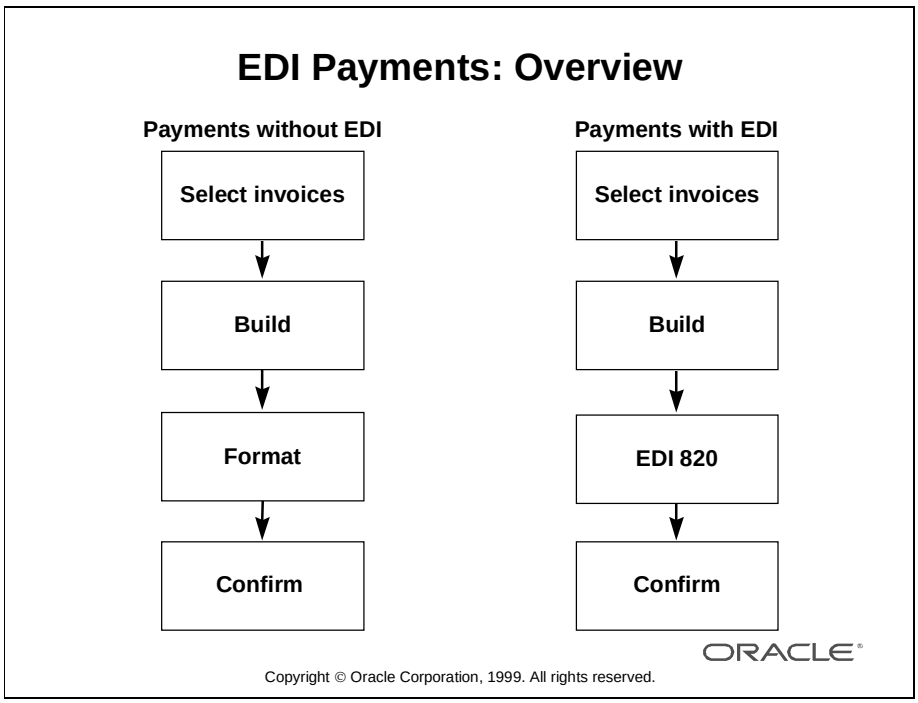
Find Payments

(N) Payments—>Inquiry—>Payment (N) Query—>Find

Finding Payments in the Payment Workbench

- Find payments in the Payment Workbench either by using the Find Payments window or by entering query criteria directly into the Payments window.
- Use the Payment Batches window to find the payment batch.
- In the Find Payments window, you can enter a variety of criteria including status and ranges for payment amounts, payment dates, and payment numbers. Click Find to navigate to the Payments Summary window, where all of the payments that match your criteria are displayed. If your query retrieves more than one payment, Oracle Payables orders and displays queried payments in numerical order based on the payment number. To see the next queried payment, click Next Screen.

Processing EDI Payments

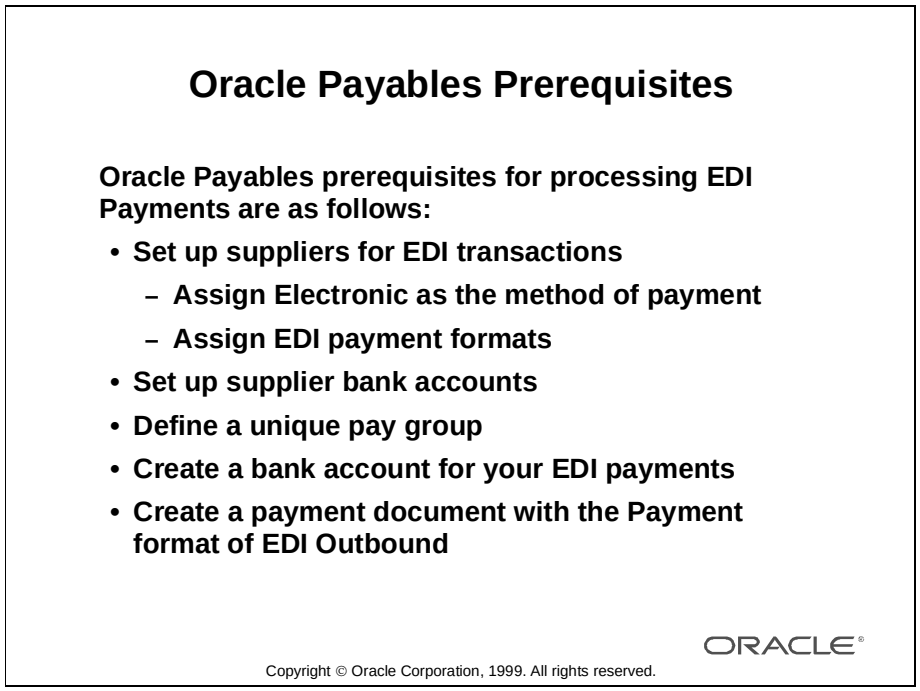


Overview

To create an electronic payment file that Oracle EDI Gateway formats and transfers to your bank, you follow nearly the same steps as in creating checks in a payment batch.

- Invoices are selected for payment based on the criteria you specify in the Payment Workbench. Payments are then built based on other criteria such as pay site.
- Instead of the format process which creates the check layout, the EDI 820 program runs and extracts the payment data to the Oracle EDI Gateway.
- The payment data is automatically sent to your EDI translator and then to the bank.
- Once you have verified that the data has been received by your bank, you can confirm your payments and Oracle Payables marks the invoices as paid.

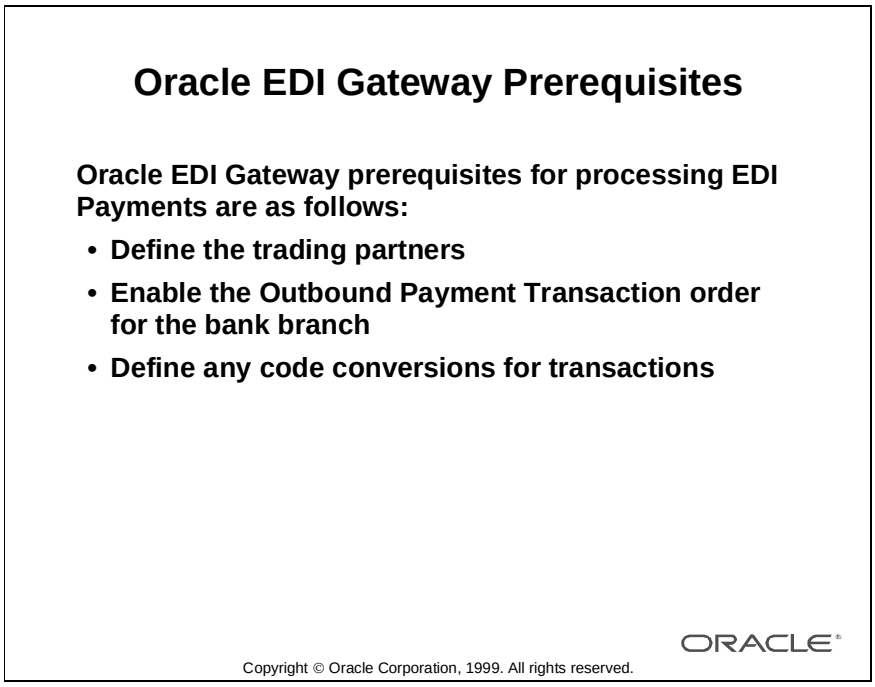
Note: Refer to Lesson 3, “Setting Up Suppliers” (Unit I), to learn how to set up suppliers for EDI payments.



Oracle Payables Prerequisites

The prerequisites for processing EDI payments in Oracle Payables are as follows:

- Set up your suppliers and their bank data for EDI Transactions.
- Approve invoices for payment for these suppliers.
- Optionally, define a pay group unique to the outbound payment transaction. When you submit a payment batch for EDI payments, Oracle Payables selects all approved invoices which have the electronic payments as their payment method.
- Set up a bank account that you will use for EDI payments.
- Create a payment document with the payment format of EDI Outbound for your bank account.

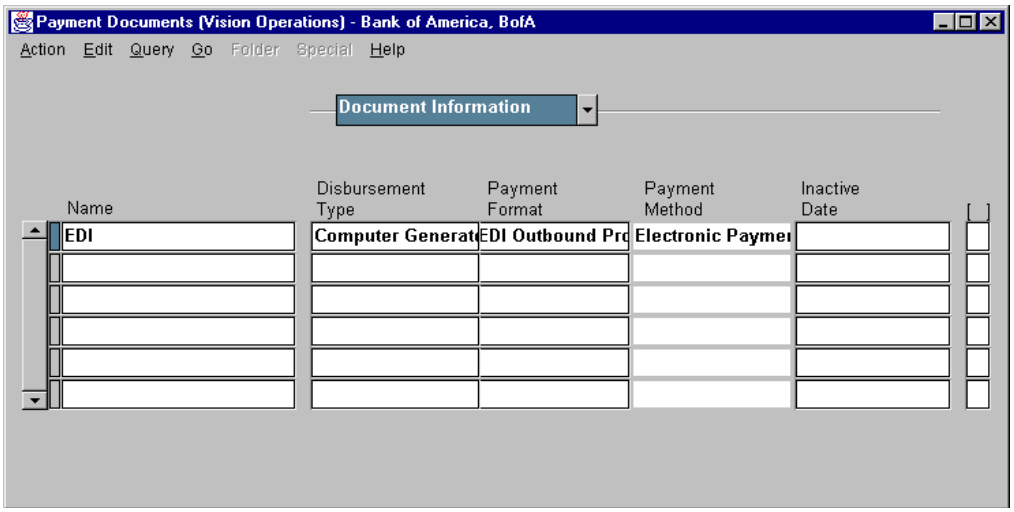


Oracle EDI Gateway Prerequisites

The prerequisites for processing EDI payments in Oracle EDI Gateway are as follows:

- Create a record in the EDI Gateway for each supplier that you want to send EDI payments.
- Link this record to the supplier record in Oracle Payables.

Creating an EDI Outbound Format Payment Document



Payment Documents

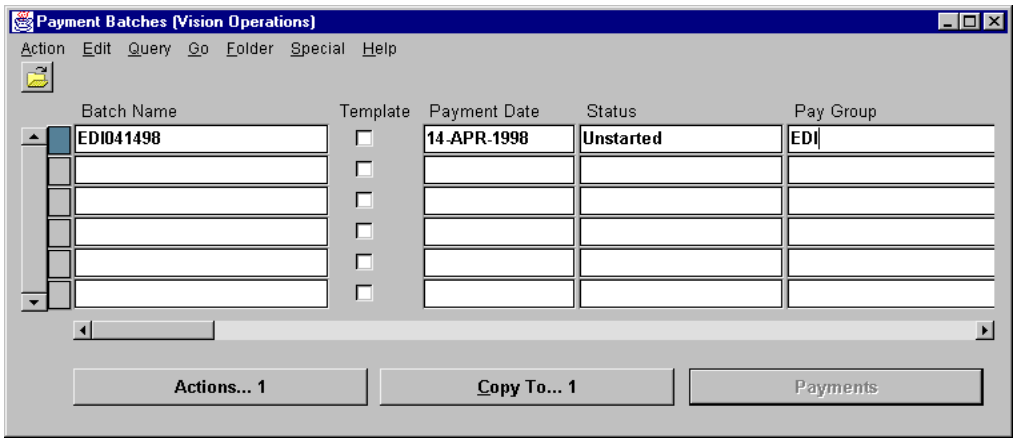
(N) Setup—>Payments—>Banks (B) Bank Accounts (B) Payables Documents

How to Create a Payment Document with the Payment Format of EDI Outbound

A seeded payment format of EDI Outbound is provided to support the outbound payment transaction. Define a payment document that uses the EDI Outbound Program payment format, and assign this payment document to the bank account from which you will disburse payment.

1. In the Bank Accounts window, query a disbursement bank account for EDI payments.
2. Click Payables Documents to navigate to the Payment Documents window.
3. Enter a name for the payment document that is unique for the bank account.
4. Select Computer Generated as the disbursement type.
5. Select the EDI Outbound Program as the payment format.
6. In the Document Number fields, enter the first and the last payment document numbers.
7. Save your work.

Creating EDI Payments



Payment Batches

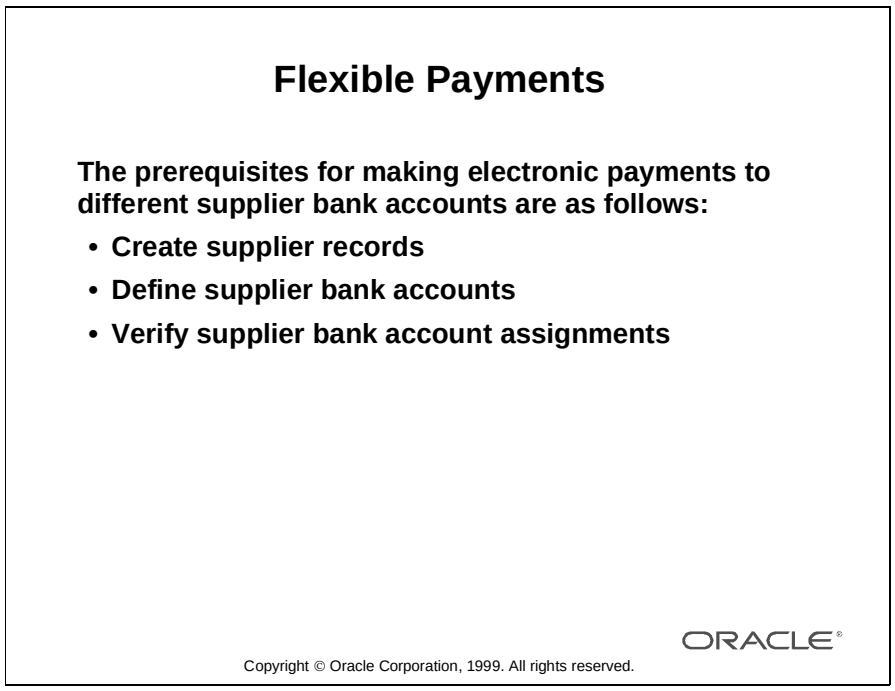
(N) Payments—>Entry—>Payment Batches

How to Create EDI Payments

1. Initiate a payment batch using a payment document associated with the EDI Outbound Program payment format.
2. Format the payment batch. During formatting, Oracle EDI Gateway automatically formats the payment batch and creates a flat file in your EDI Gateway output directory.

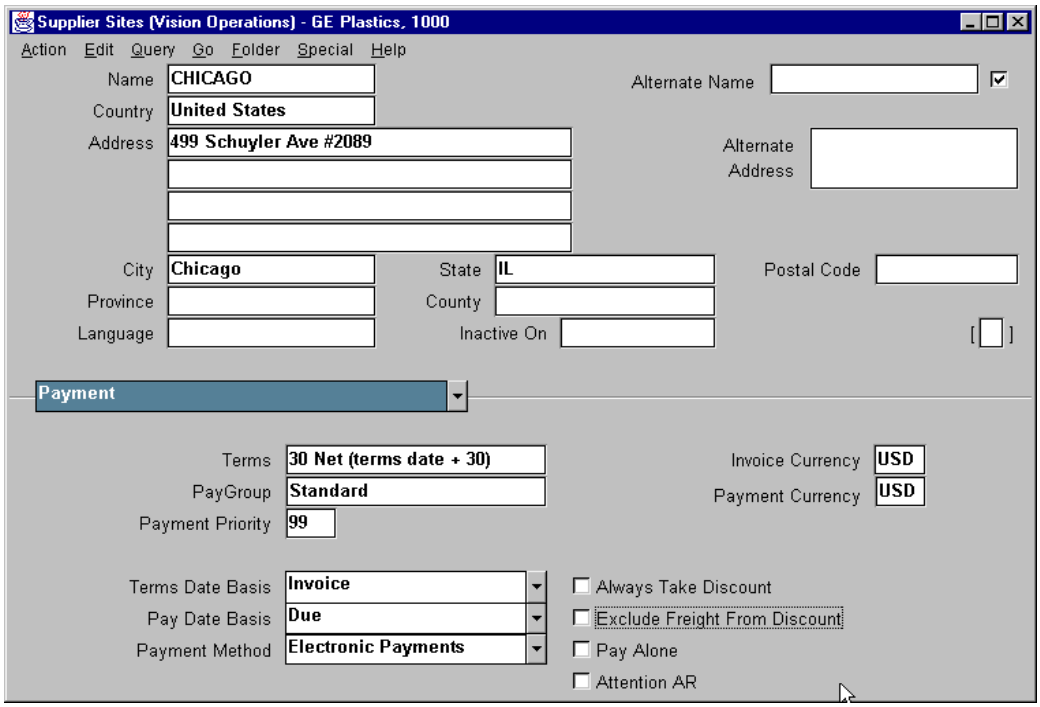
   Oracle EDI Gateway sends the file to your EDI translator, then to your bank.
3. Verify that your bank has received the file.
4. Confirm the payment batch.

Processing Flexible Payments



Overview

For a single invoice, you can make electronic payments to different bank accounts. You specify which supplier bank account will receive payment for a scheduled payment. At the supplier site level you can set a default primary bank account for a supplier site to use. This value defaults to the scheduled payment. You can change this default any time before payment.



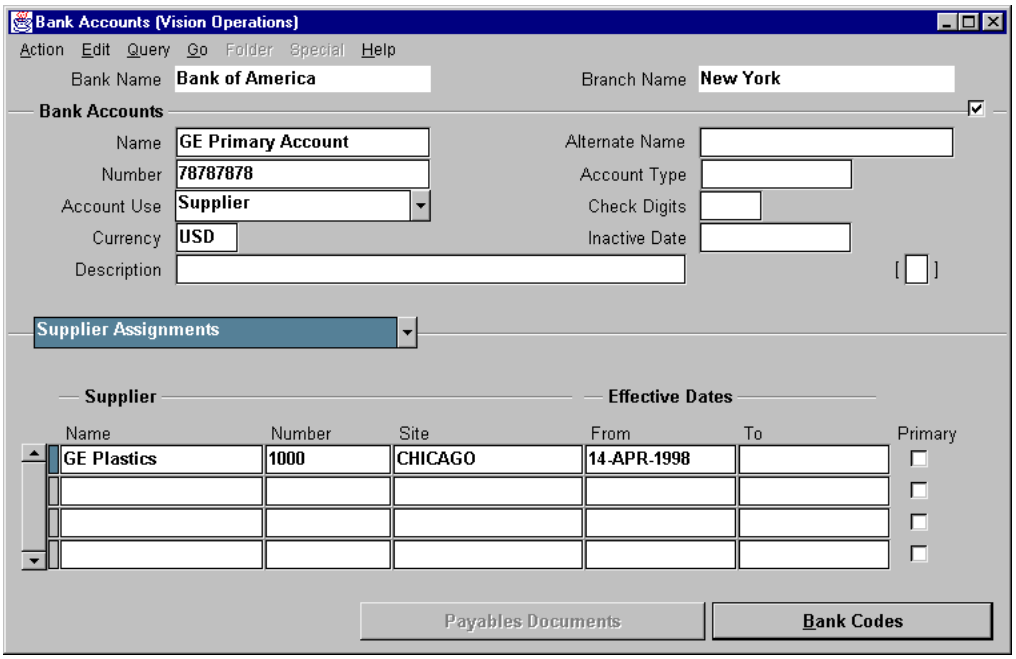
Supplier Sites

(N) Suppliers—>Entry (B) Open—>Open

How to Set Up Suppliers

Define the suppliers and supplier sites that use the bank account to receive electronic payments.

- Enter the data about the supplier in the Suppliers and Supplier Sites windows.
- In the Payment region, choose Electronic Payments as the payment method.



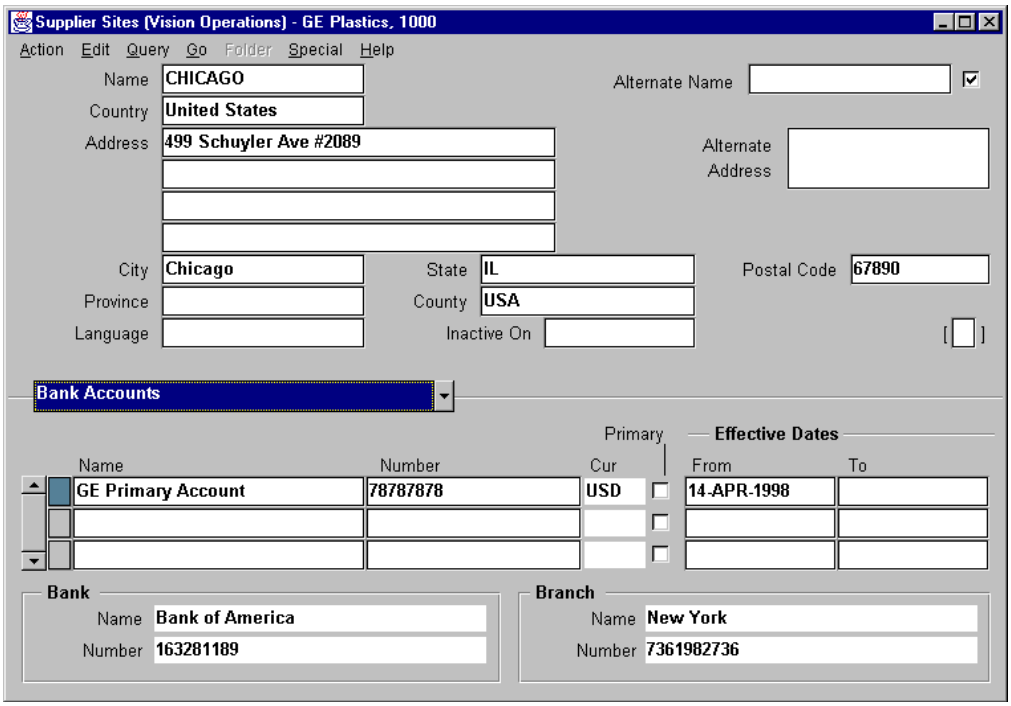
Bank Accounts

(N) Setup—>Payments—>Banks (B) Open

How to Define Supplier Bank Accounts

In the Bank Accounts window, enter information about the bank accounts for which your supplier is the account holder and assign these accounts to the supplier or its sites.

- In the Banks window query an existing Bank or create a bank record.
- Choose Bank Account. Oracle Payables displays the Bank Accounts window.
- Enter the bank account name, number, and currency.
- In the Account Use field, choose Supplier.
- In the Supplier Assignments region, enter the supplier, and, optionally, the supplier site that use the bank account to receive electronic payments.
- Select the Primary check box, if the bank account is the primary bank account for the supplier. For each supplier and supplier site that has bank account assignments, you must designate one bank account as the primary bank account per currency.
- Repeat the above process to define additional bank accounts for your supplier.

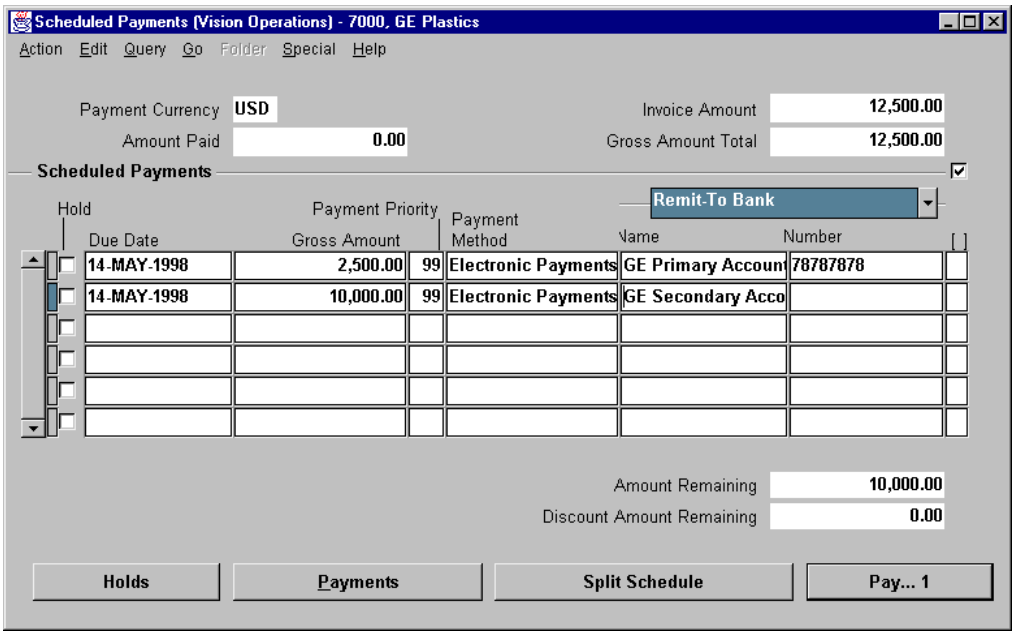


Supplier Sites

(N) Suppliers—>Entry (B) Open—> Open

How to Verify Supplier Bank Assignments

- In the Bank Accounts region of the Suppliers or Supplier Sites window, verify that all appropriate bank accounts are listed.
- For suppliers and supplier sites with multiple bank accounts, verify that one bank account is designated as the primary bank account.



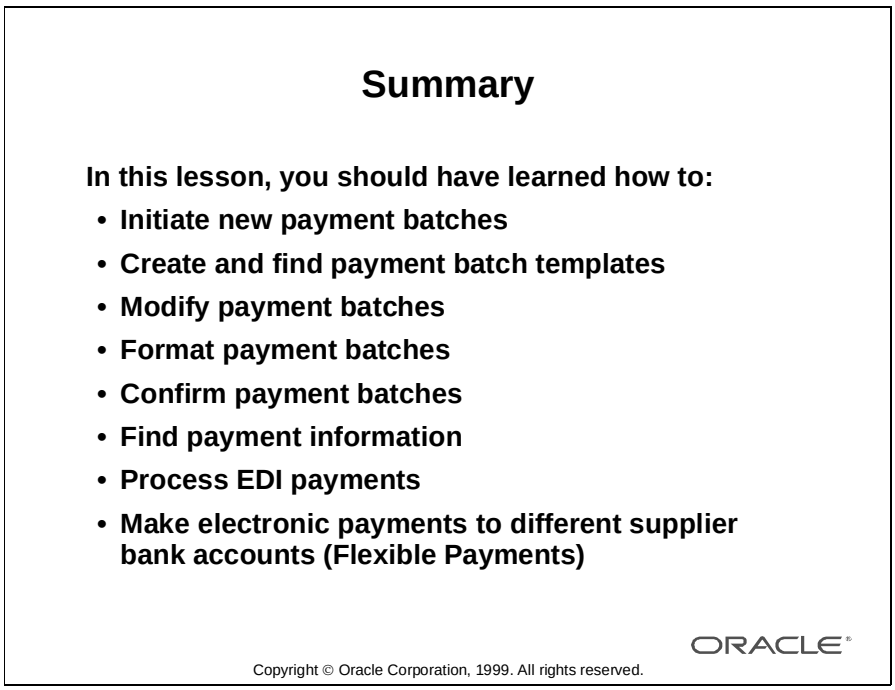
Scheduled Payments

(N) Invoices—>Entry—>Invoices (B) Scheduled Payments

How to Schedule Payments

- In the Invoices window, select the invoice that you want to pay. The invoice must be approved, uncancelled, and without any holds.
- Click Schedule Payments. Oracle Payables displays the Schedule Payments window.
- In the Remit To Bank region, Oracle Payables displays the invoice amount and the primary bank account for the supplier or supplier site.
- In the Gross Amount field, overwrite the amount of payment to the primary bank account.
- Click Split Schedule.
- In the next row, enter the payment amount to another bank account and select the appropriate bank count.
- Save your work.

Summary


Summary
In this lesson, you should have learned how to:
• Initiate new payment batches
• Create and find payment batch templates
• Modify payment batches
• Format payment batches
• Confirm payment batches
• Find payment information
• Process EDI payments
• Make electronic payments to different supplier bank accounts (Flexible Payments)
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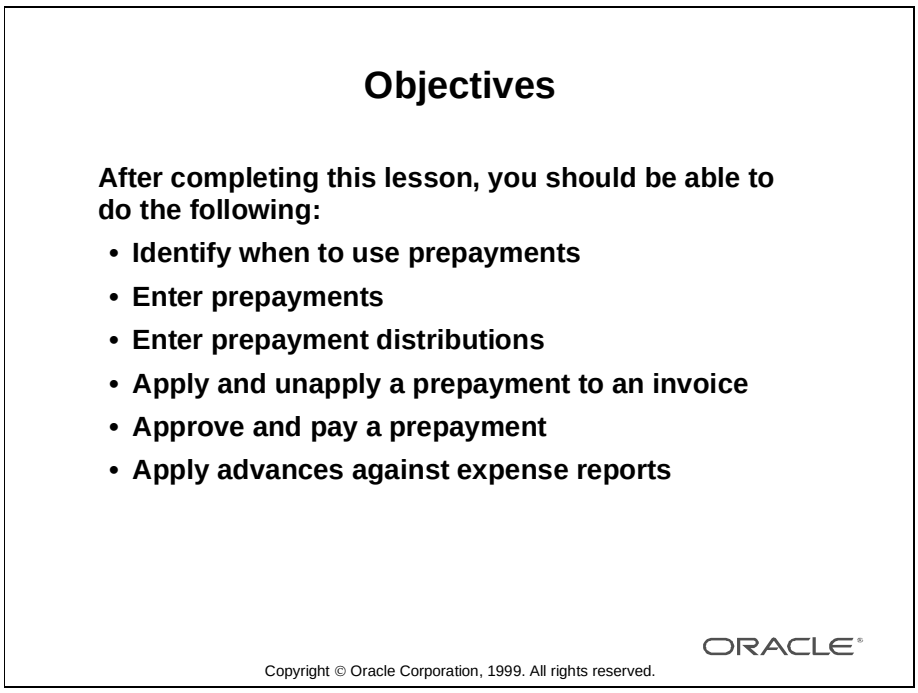
22

Entering Prepayments

Objectives


Objectives
After completing this lesson, you should be able to do the following:
• Identify when to use prepayments
• Enter prepayments
• Enter prepayment distributions
• Apply and unapply a prepayment to an invoice
• Approve and pay a prepayment
• Apply advances against expense reports
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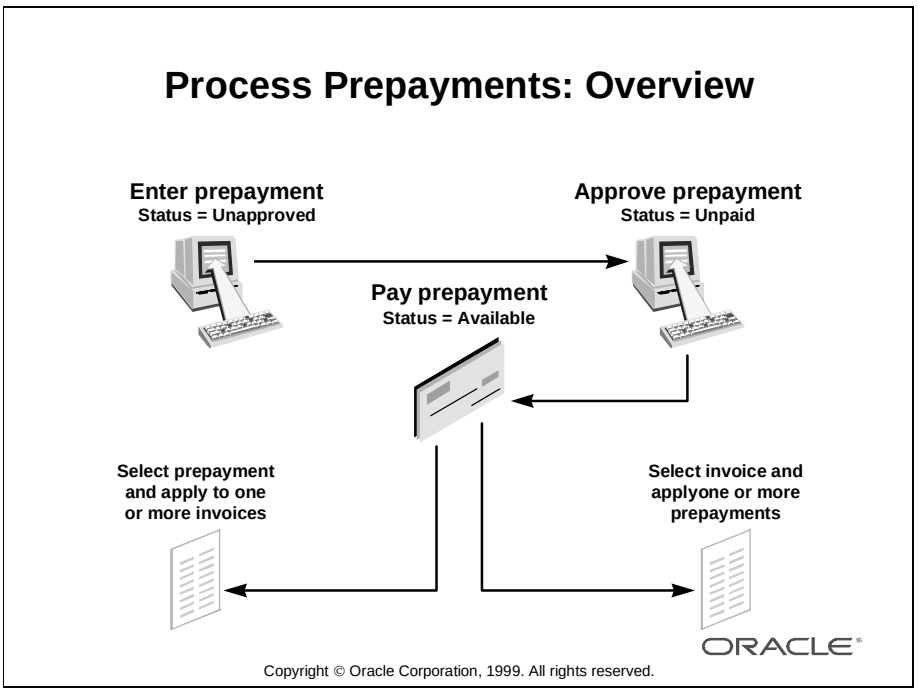
Prepayments



Overview

A prepayment is a type of invoice you enter to pay an advance payment for expenses to a supplier or employee. For example, you may need to pay a deposit on a lease, or you may need to pay an employee an advance for travel expenses.

You can later apply the prepayment to one or more invoices or expense reports you receive from the supplier or employee to offset the amount paid to them.

You can enter either a temporary or a permanent prepayment type.

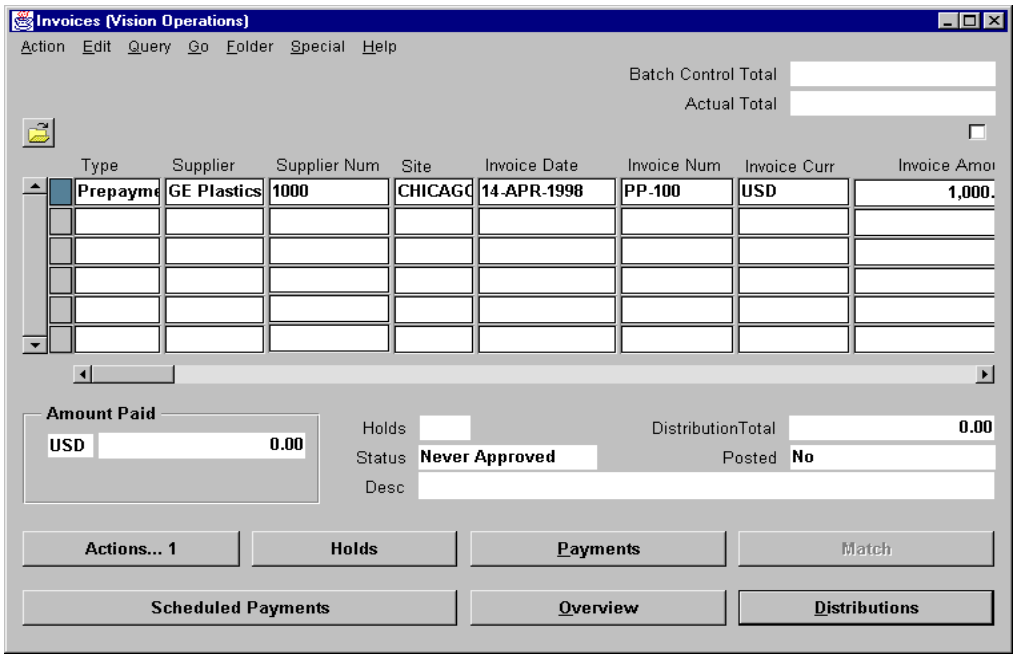
- Temporary prepayments can be applied to invoices or expense reports.
- Permanent prepayments cannot be applied to invoices. For example, you use a permanent prepayment to pay a lease deposit for which you do not expect to be invoiced.

To apply a temporary prepayment to one or more invoices, you must first approve and pay the prepayment. You control when a prepayment is available by the settlement date you enter and by, optionally, applying a hold to the prepayment.

When you enter an invoice for a supplier for whom you have outstanding temporary prepayments, Oracle Payables notifies you that you have prepayments available that you can, optionally, apply. You can also review the Prepayment Status Report to check the status of all prepayments in your system.

If necessary, you can change the type from permanent to temporary.

Entering Prepayments



Invoices

(N) Invoices—>Entry—>Invoices

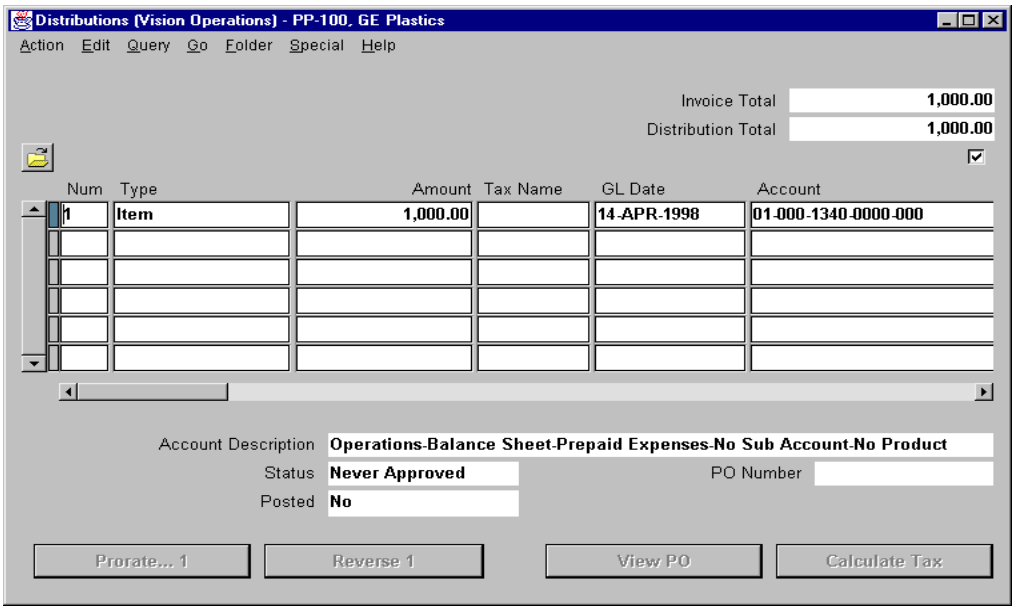
How to Enter Prepayments

With the exception of choosing prepayment as the Invoice type and selecting either temporary or permanent as the prepayment type, entry of a prepayment is identical to the process for entering invoices.

1. Click Prepayment as the invoice type.
2. Choose a prepayment type as either temporary or permanent.

   Oracle Payables calculates a default settlement date for employee advances by adding the Settlement Days Payables option to the system date.
3. Optionally, associate a prepayment to a purchase order to restrict the prepayment of an application to invoices matched to the associated purchase order.

Entering Prepayment Distributions



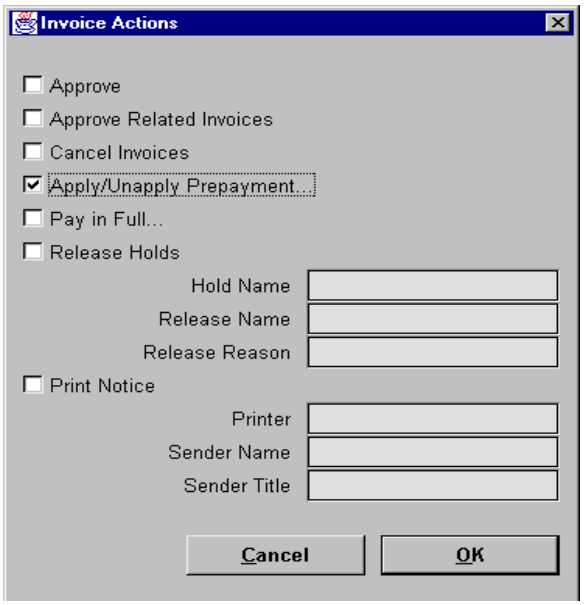
Distributions

(N) Invoices—>Entry—>Invoices (B) Distribution

How to Enter Prepayment Distributions

1. Automatically create a prepayment distribution by using the default prepayment account from the supplier site.
2. Optionally, enter other distribution details, including a description and 1099 information.
3. Automatically create, as an option, one tax distribution using the tax name entered for the prepayment.
4. Review or modify the scheduled payments, and review or apply holds by choosing the appropriate button.
5. Associate a prepayment with a specific purchase order to restrict the application of the prepayment to invoices matched to that purchase order.

Applying Prepayments to Invoices



Invoice Actions

(N) Invoices—>Entry—>Invoices (B) Actions

How to Apply Prepayments to Invoices

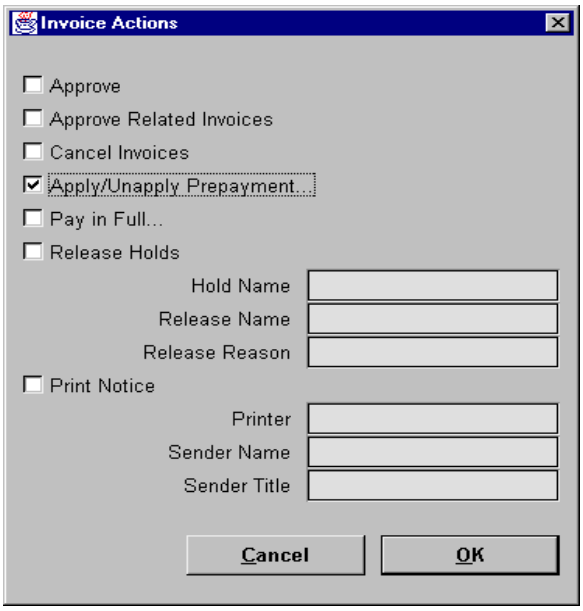
The prepayment should be type Temporary, paid, approved, not canceled, and not already fully applied. Also the invoice to which you want to apply the prepayment should be approved, without active holds, and with an amount remaining for payment.

1. In the Invoices window, query either the prepayment or the invoice to which you want to match it.
2. Click Actions, and select Apply/Unapply Prepayments.

   If you initially queried an invoice, Payables displays all available prepayments that you can apply to the invoice. Select each prepayment you want to apply. Enter the amount to apply to the invoice.

   If you initially queried a prepayment, Payables displays all approved and not fully-paid invoices to which you can apply the prepayment. Select each invoice that you want to apply the prepayment. Enter the amount to apply to each invoice.
3. Click the Apply/Unapply button to apply the prepayment amount to the invoice.

Unapplying Prepayments from Invoices

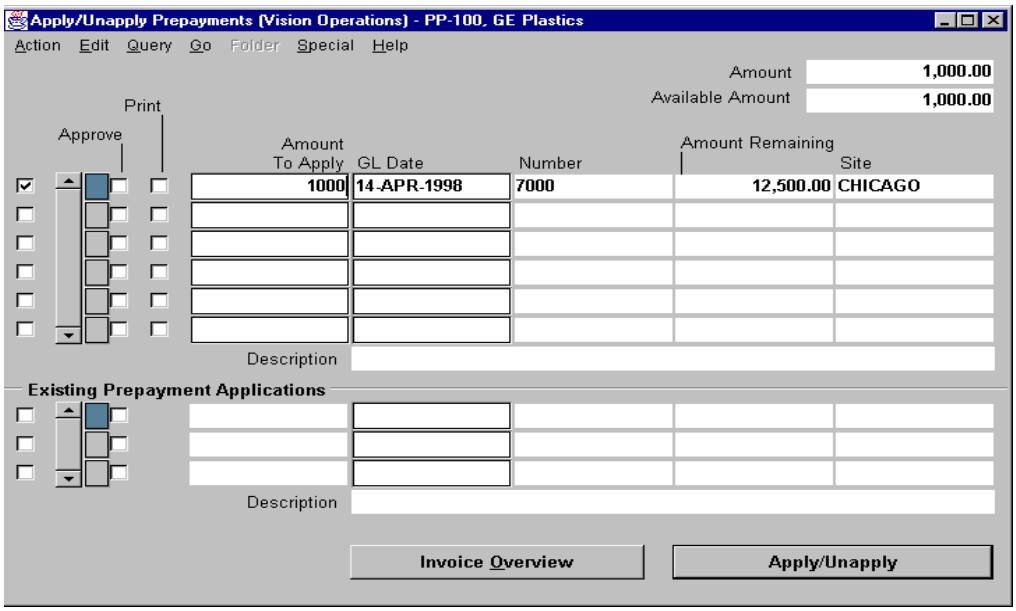


Invoice Actions

(N) Invoices—>Entry—>Invoices—>Actions

How to Unapply Prepayments from Invoices

If you mistakenly apply a prepayment to an invoice, you can unapply it. Oracle Payables automatically creates a reversal distribution and a new scheduled payment for the prepayment in the amount that you unapply. It also increases the amount available for the prepayment by the unapplied amount and updates the status of the invoice to Unpaid or Partially Paid.



Apply/Unapply Prepayments

(N) Invoices—>Entry—>Invoices—>Actions (B) OK

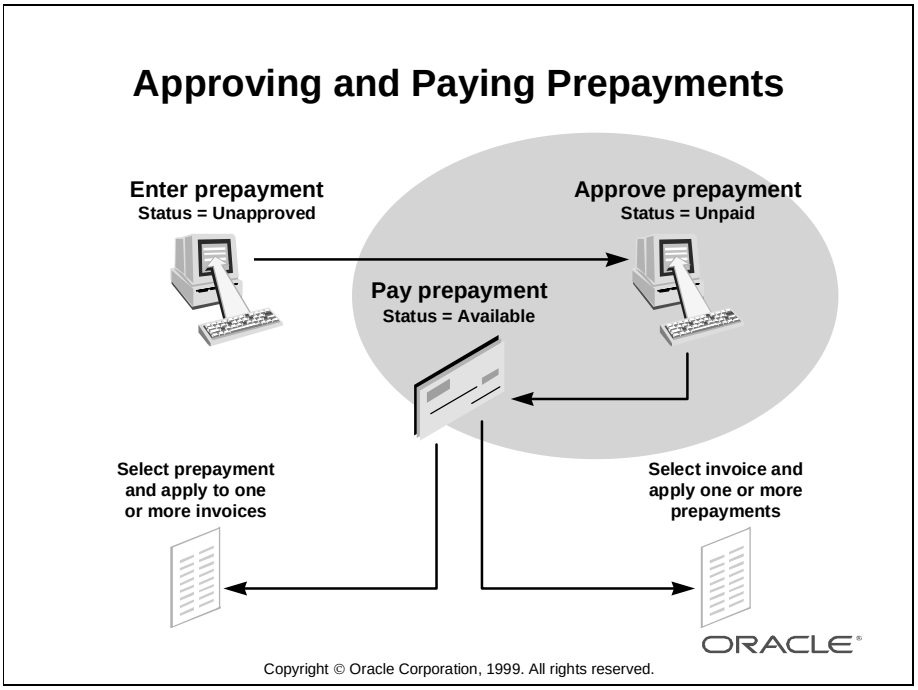
How to Unapply Prepayments from Invoices (continued)

1. In the Invoices window, query either the prepayment or the invoice to which you matched it.
2. Click Actions, and select Apply/Unapply Prepayments.

   If you initially queried an invoice, Oracle Payables displays in the Existing Applications region of the Apply Prepayments window all existing prepayments that have been applied to it. Select each prepayment you want to unapply. You cannot modify the amount, because you must unapply the complete amount that you previously applied.

   If you initially queried a prepayment, Oracle Payables displays in the Existing Applications region of the Apply Prepayments window all invoices that have had the prepayment applied. Select each invoice from which you want to unapply the prepayment. You cannot modify the Amount, because you must unapply the complete amount that you previously applied.
3. Click the Apply/Unapply button to unapply the prepayment amount to the invoice.
4. Save your work.

Approving and Paying Prepayments



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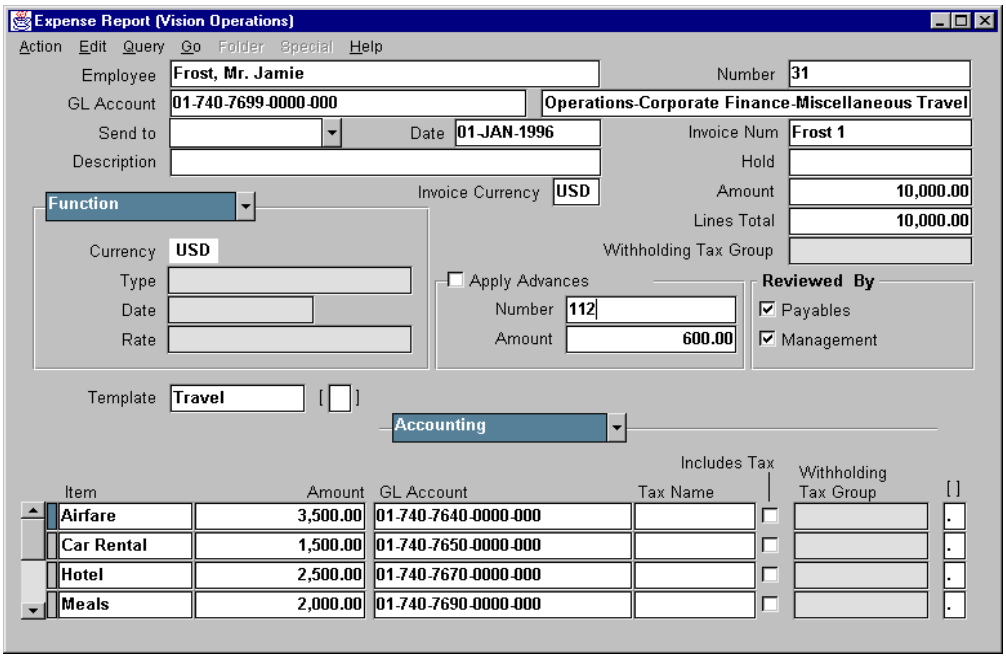
Overview

- You must fully pay a prepayment before you can apply it to an invoice.
- Pay a prepayment just as you would any other invoice. You cannot partially pay a prepayment.
- Apply a prepayment on or after the settlement date.
- Approve online in the Actions window, or submit approval in a batch from the Submit Requests window.
- Submit AutoApproval for the prepayment.
- Apply a prepayment to an invoice by clicking Actions and selecting Prepayments.

Applying Advances to Expense Reports



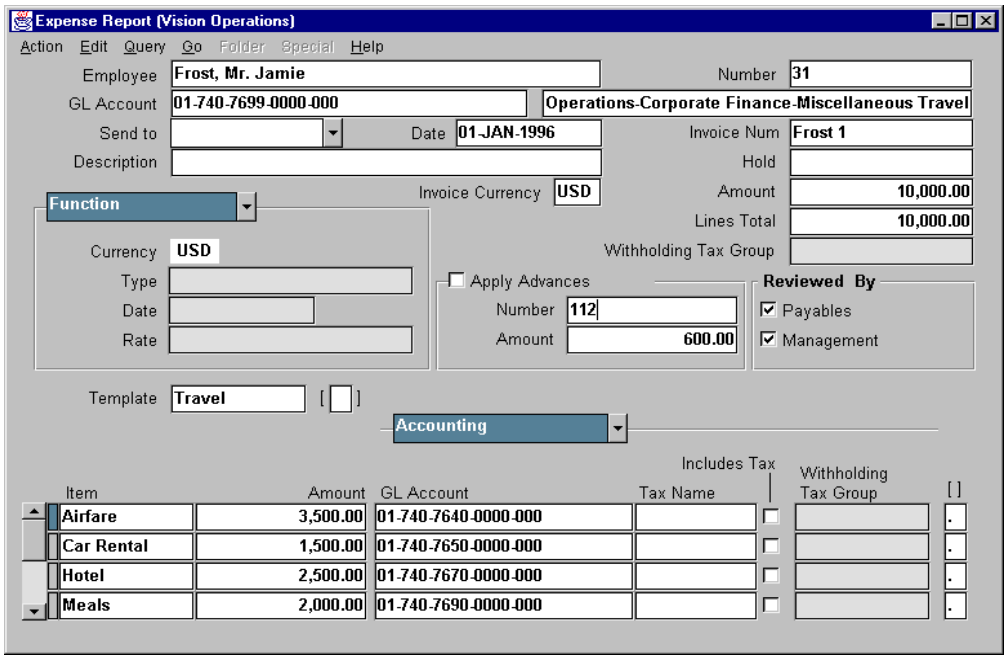
Expense Report

(N) Invoices—>Entry—>Expense Reports

How to Apply Advances to Expense Reports

1. Pay an employee advance and later apply the advance against an expense report to reduce the amount you pay for an expense report.
2. Check that the Apply Advances Payables option is enabled and that the advance has a settlement date on or before the system date, is fully paid, has the same currency as the report, and has not been fully applied.

   Oracle Payables notifies you if the employee has outstanding advances.
3. Apply an advance at any time before submitting Invoice Import for an expense report.
4. To apply a single advance, enter the invoice number of the advance. If you do not want to apply the full available advance to this expense report, reduce the amount.



How to Apply Advances to Expense Reports (continued)

5 To apply multiple advances, leave the Number field empty. Oracle Payables applies all outstanding advances in chronological order, starting with the oldest advance first, up to the amount of the expense report, unless you specify a maximum amount in the Amount field.

6 To apply multiple advances, starting with a specific advance, enter the number of the advance in the Number field, then override the advance's amount to a greater number. Oracle Payables will first apply the specified advance, then apply remaining advances (oldest first) up to the amount you specify.

Identify and Review Available Prepayments

Identify and Review Available Prepayments

- **Use the Prepayment Status Report to review details for outstanding prepayments.**
- **Include invoices to compare outstanding prepayments to outstanding invoices for a supplier.**
- **Submit the report for prepayments only to obtain a listing and a balance for all outstanding prepayments.**
- **Submit the report for a supplier type, a single supplier, and a date range.**

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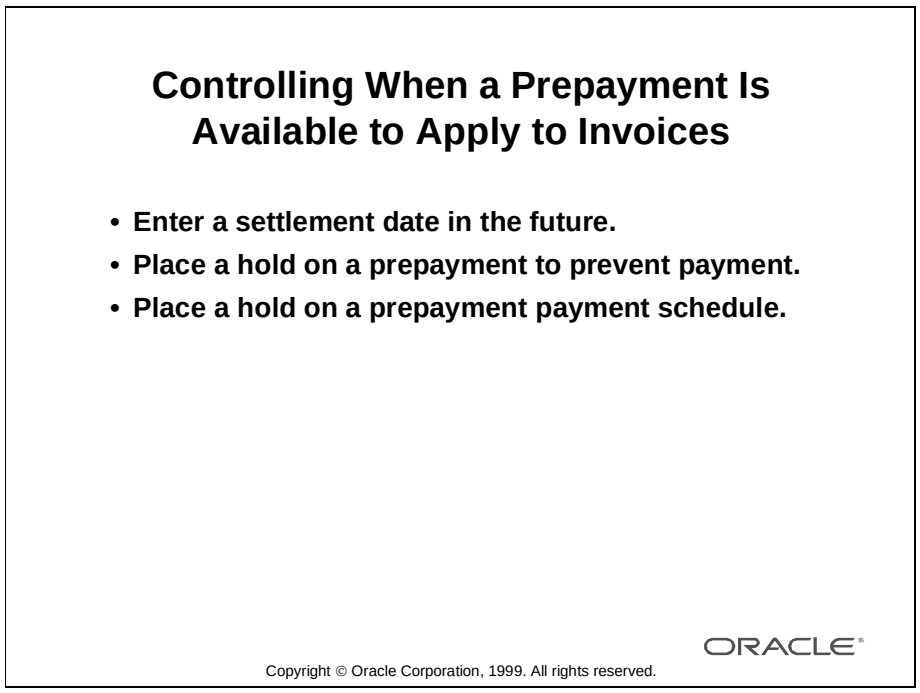
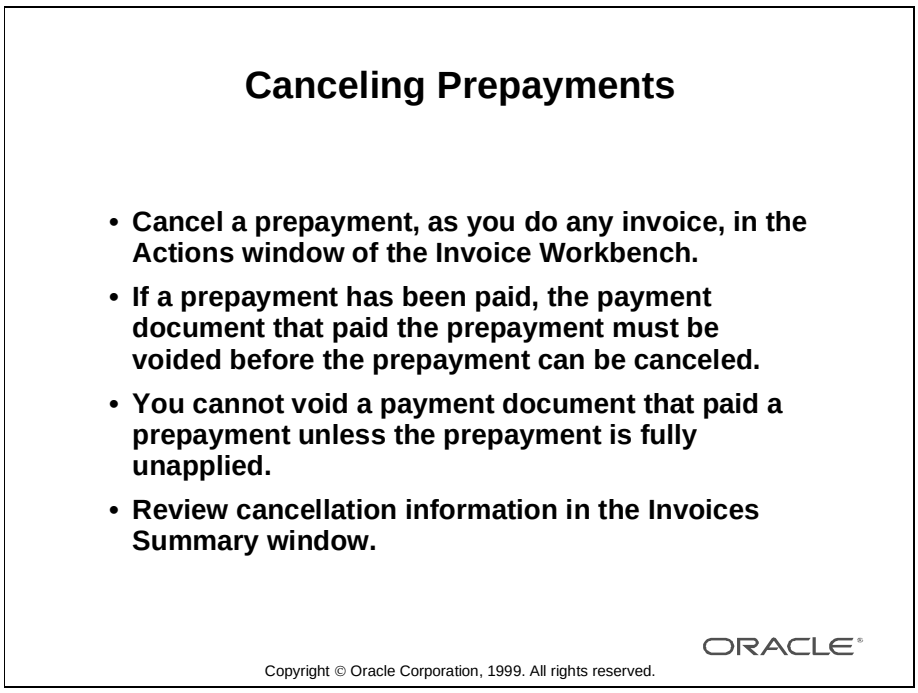
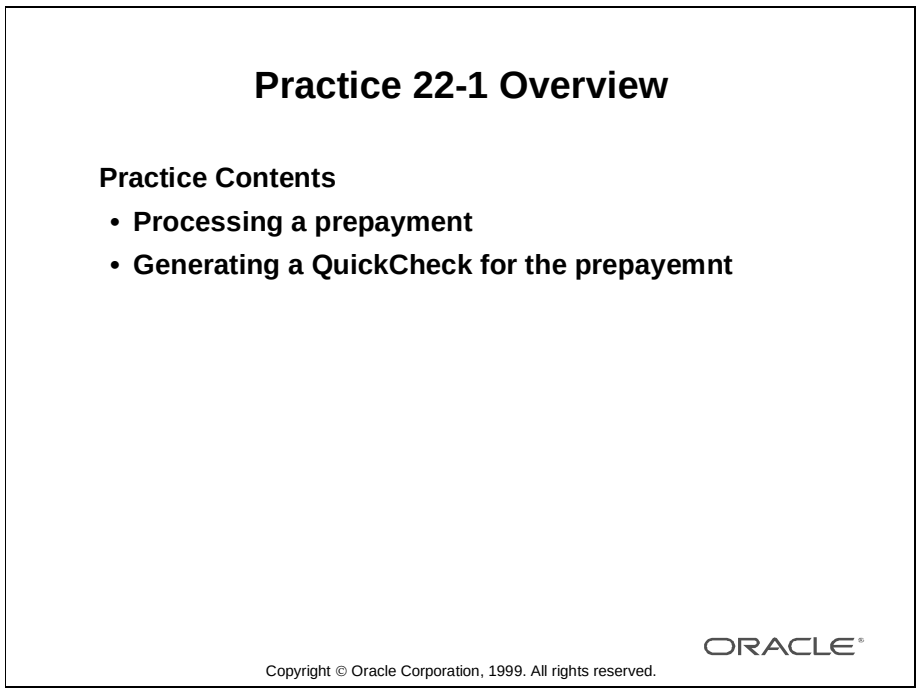
Controlling Availability of Prepayments



Canceling Prepayments



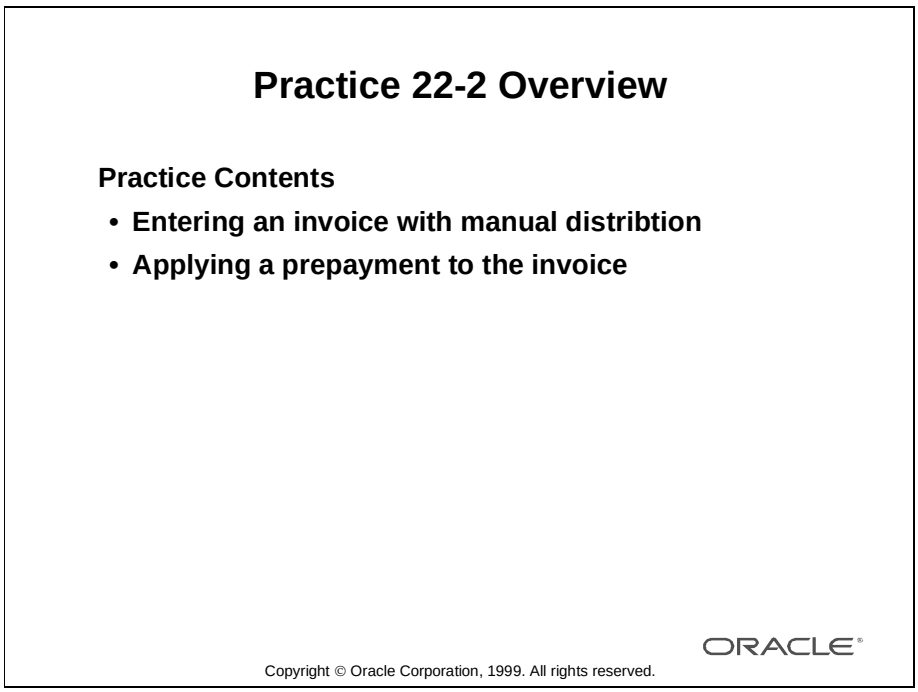
Practice 22-1 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, “Practices and Solutions.”

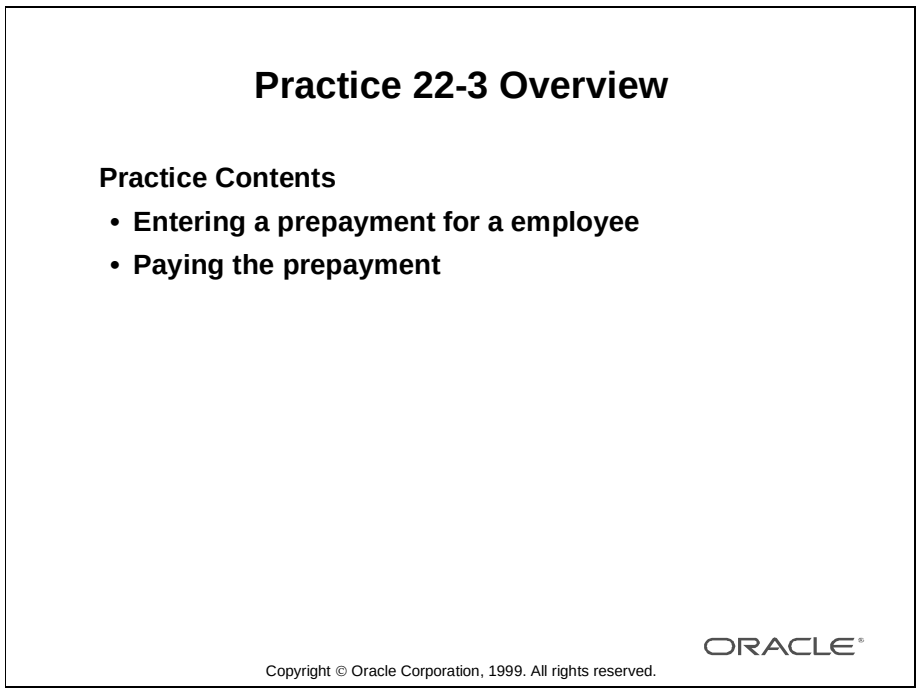
Practice 22-2 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, “Practices and Solutions.”

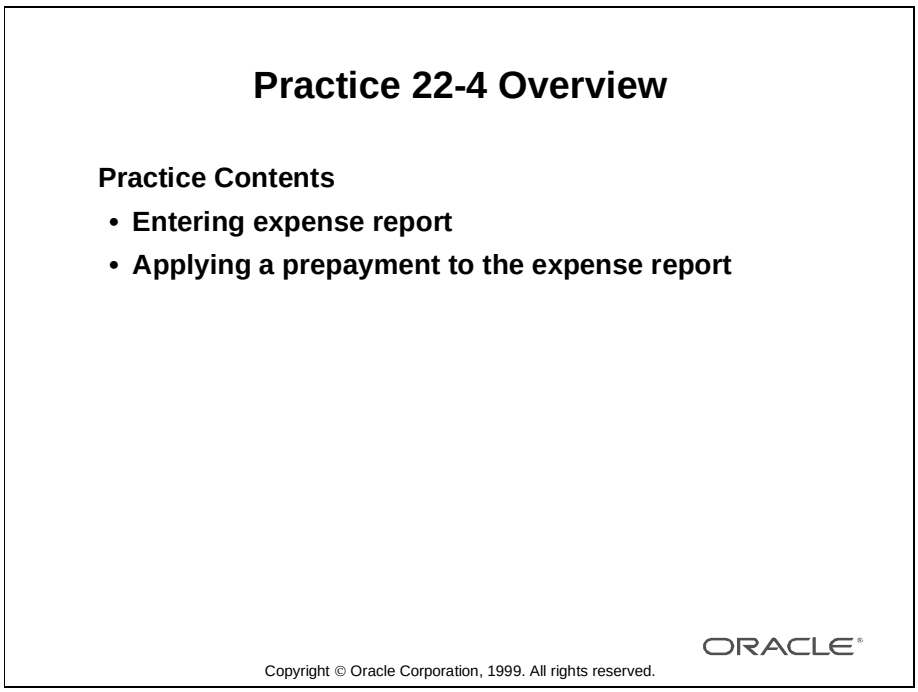
Practice 22-3 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, “Practices and Solutions.”

Practice 22-4 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, “Practices and Solutions.”

Summary

Summary

In this lesson, you should have learned how to do the following:

- **Identify when to use prepayments**
- **Enter prepayments**
- **Enter prepayment distributions**
- **Apply and unapply a prepayment to an invoice**
- **Approve and pay a prepayment**
- **Apply advances against expense reports**

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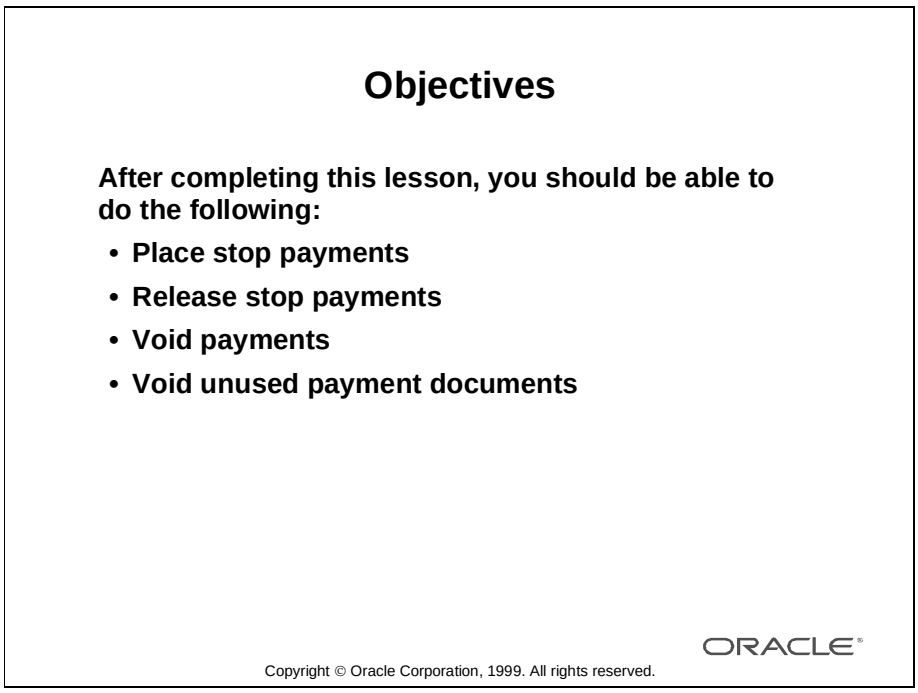
23

Recording Stop and Void Payments

Objectives


Objectives
After completing this lesson, you should be able to do the following:
• Place stop payments
• Release stop payments
• Void payments
• Void unused payment documents
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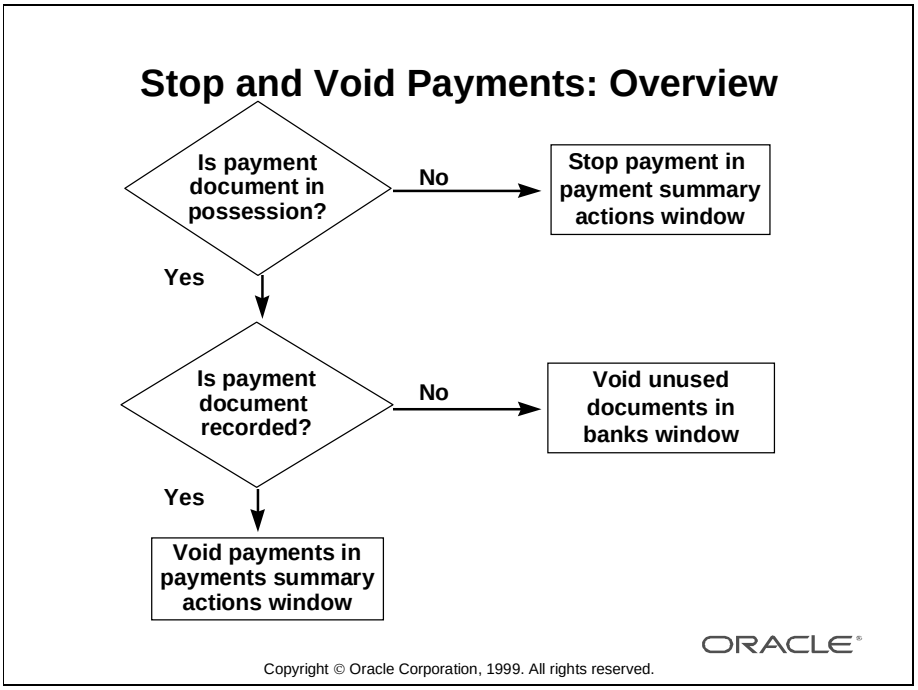
Stop and Void Payments: Overview



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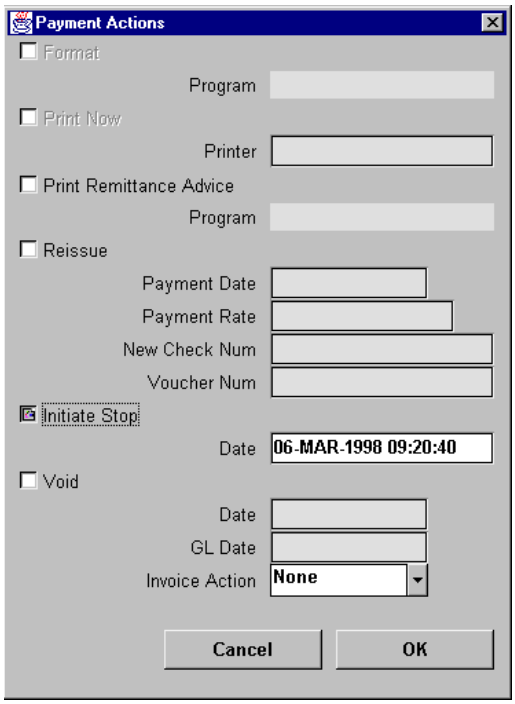
Recording Stop Payments



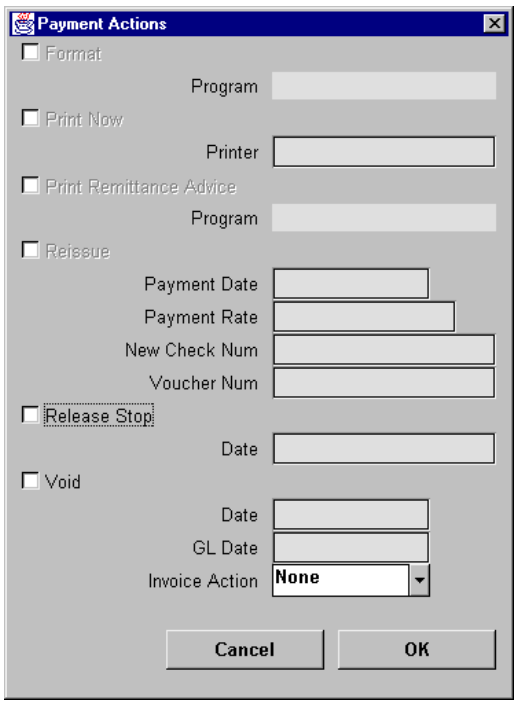
Payment Actions

(N) Payments—>Entry—>Payments (B) Actions

How to Record Stop Payments

1. Find the payment online. In the Payments window, select the payment, and click Actions.
2. In the Payment Actions window, select Initiate Stop.
3. Click OK to have Oracle Payables update the payment status to Stop Initiated.
4. Save your work.
5. Use the Stop Payments Report to review all current stop payments. Oracle Payables does not list any stop payments that were initiated but then released or voided at a later time. Oracle Payables sorts the report by bank, bank account, payment document, and document number.

Releasing Stop Payments



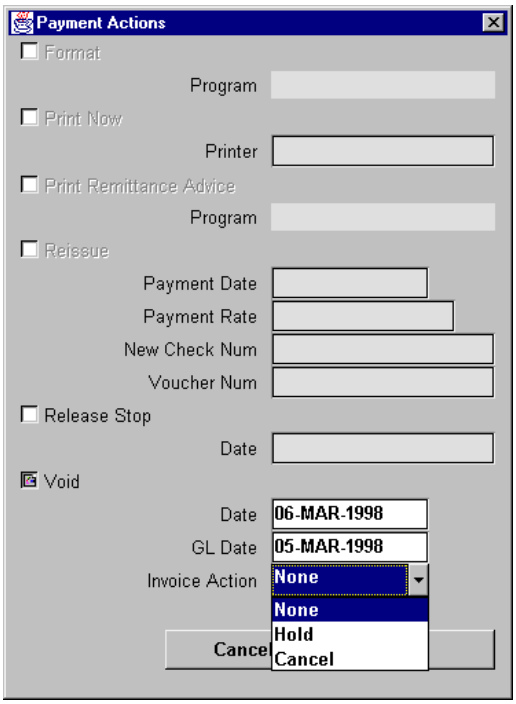
Payment Actions

(N) Payments—>Entry—>Payments (B) Actions

How to Release Stop Payments

1. Find the payment online. In the Payments window, select the payment and click Actions.
2. In the Payment Actions window, select Release Stop.
3. Click OK to have Oracle Payables release the stop on the payment and reset the status to Negotiable.
4. Save your work.

Voiding Payments



Payment Actions

(N) Payments—>Entry—>Payments (B) Actions

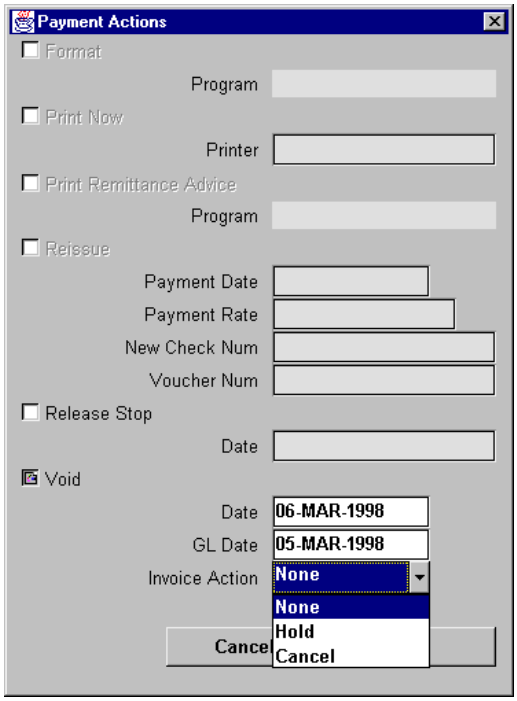
How to Void Payments

When you void a payment, Oracle Payables automatically reverses the following:

- The accounting and payment records. Your general ledger will then have the correct information, and the status of the paid invoices is then reset to Unpaid.
- Any realized gains or losses on foreign currency invoices recorded as paid by the payment
- All related interest invoices when you void a past-due payment for the supplier site (if you enable the Allow Interest Invoices option for a supplier site)

Because you cannot reverse a void payment, before recording it have the uncashed payment document you want to void in your possession, or have proof that the payment did not clear the bank and that the bank was able to stop payment

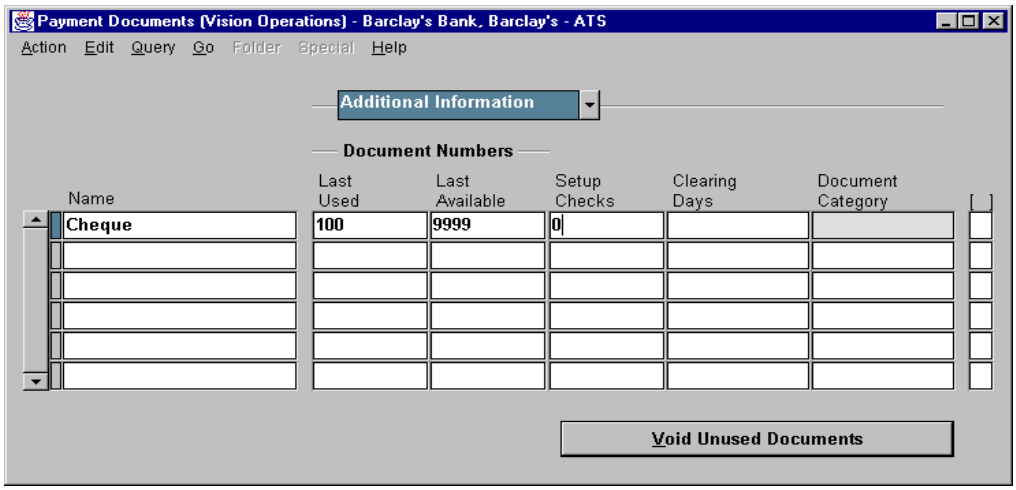
Review the invoices paid by that payment before you void it to make sure that you are voiding the correct payment. You can review these invoices in the Invoice Workbench.



How to Void Payments (continued)

1. Find the payment online; and from the Payments window, select the payment, and click Actions.
2. In the Payment Actions window, select Void. Review and, optionally, change the void date and the GL date you want Oracle Payables to use for the accounting distributions.
   - To change to Unpaid the status of the related invoices, select None for the iInvoice action. The invoices will be available for payment on a new payment document. Click OK to have Oracle Payables void the payment document.
   - To apply a hold to the related invoices, select Hold for the invoice action, and select a Hold Name in the Hold window. Click Hold, then click OK to have Oracle Payables void the payment document, reset the status of the related invoices to Unpaid, and apply the hold you selected to the related invoices.
   - To cancel all related invoices and reset their amounts to zero, select Cancel for the invoice action. Click OK to have Oracle Payables void the payment document and cancel the related invoices.
3. Save your work.

Voiding Unused Payment Documents



Payment Documents: Additional Information Region

(N) Setup—>Payment—>Banks (B) Bank Accounts (B) Payables Documents

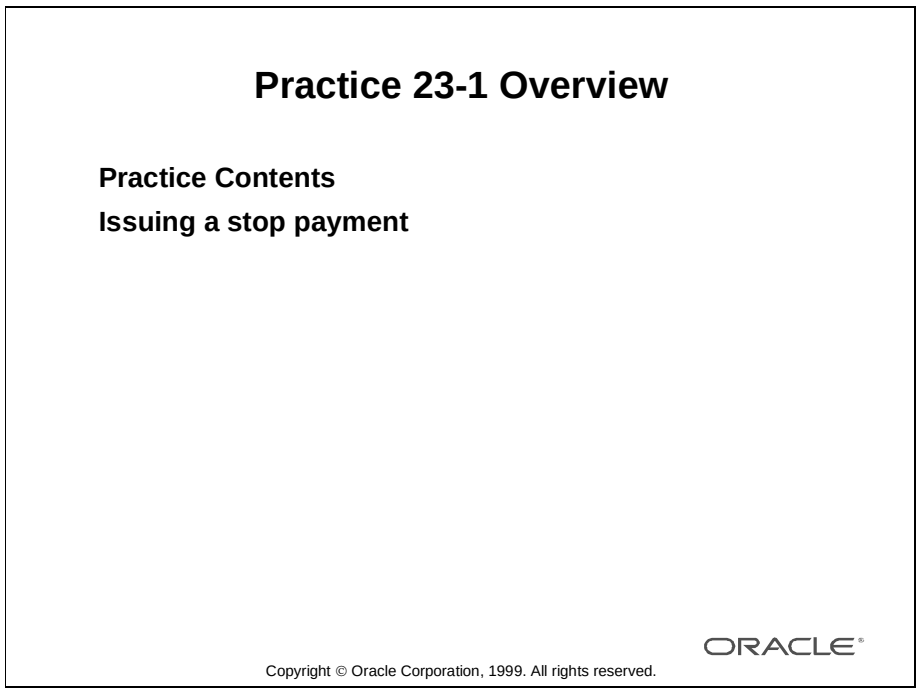
How to Void Unused Payment Documents

You can do a mass void of unused check stock in the Document Information region of the Payment Documents window.

Oracle Payables prevents you from voiding negotiable payments using this window.

1. To query the bank, choose Bank Accounts, and query the bank account in the Bank Accounts window.
2. Click Payment Documents to navigate to the Payment Documents window.
3. In the Additional Information region, choose Void Unused Documents.
4. Enter the range of documents you want to void, and enter a void date. These documents will no longer be available for use.
5. Save your work.

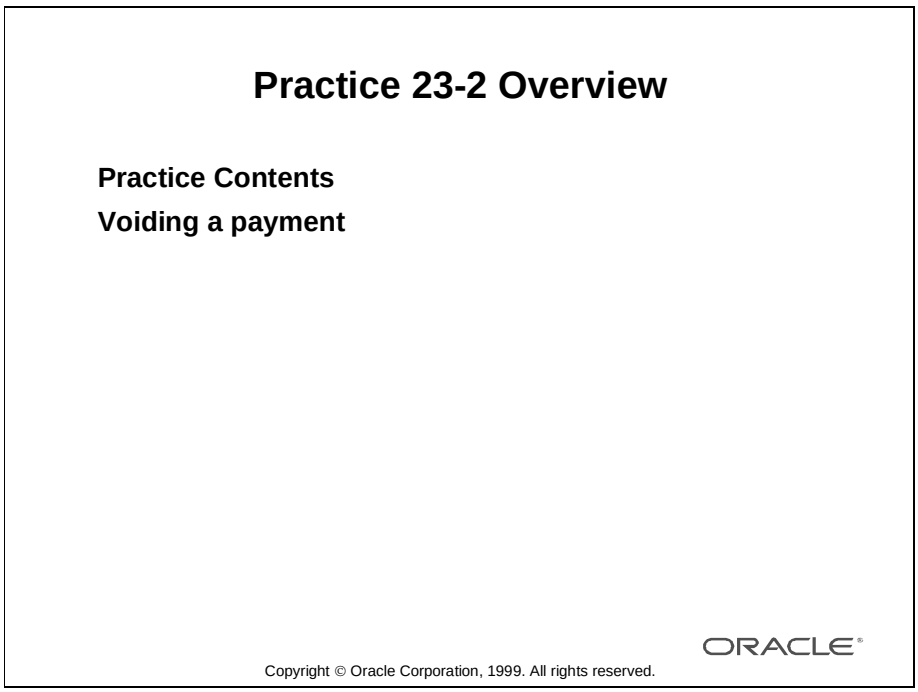
Practice 23-1 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, “Practices and Solutions.”

Practice 23-2 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, “Practices and Solutions.”

Summary

Summary

In this lesson, you should have learned how to do the following:

- **Place stop payments**
- **Release stop payments**
- **Void payments**
- **Void unused payment documents**

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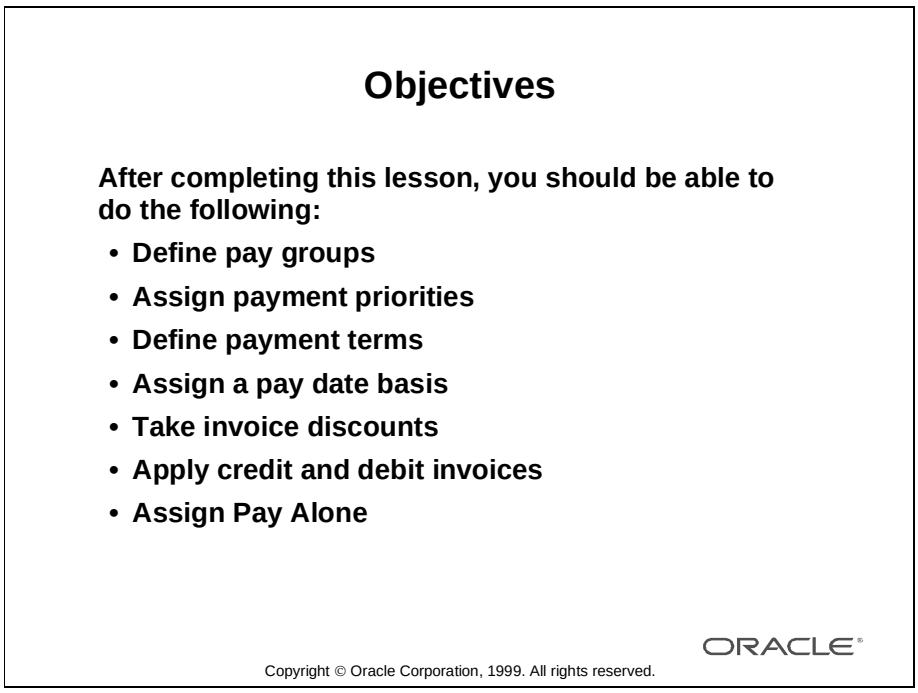
24

Setting Up Cash-Control Features

Objectives


Objectives
After completing this lesson, you should be able to do the following:
• Define pay groups
• Assign payment priorities
• Define payment terms
• Assign a pay date basis
• Take invoice discounts
• Apply credit and debit invoices
• Assign Pay Alone
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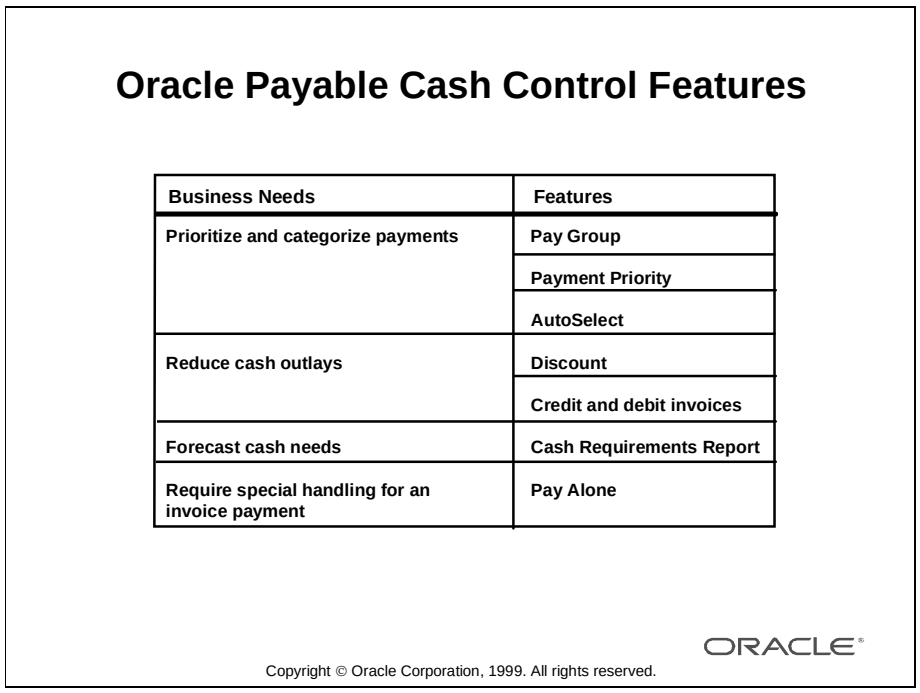
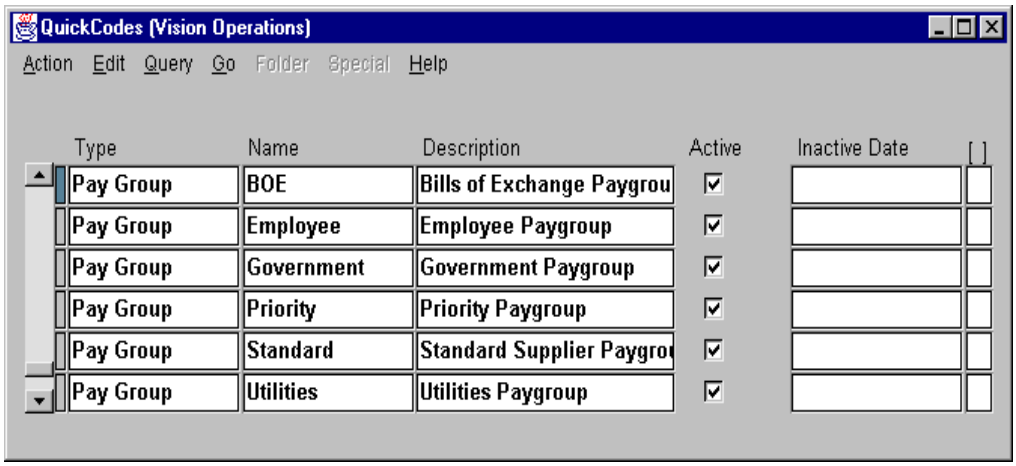
Oracle Payables Cash Control Features



Defining Pay Groups



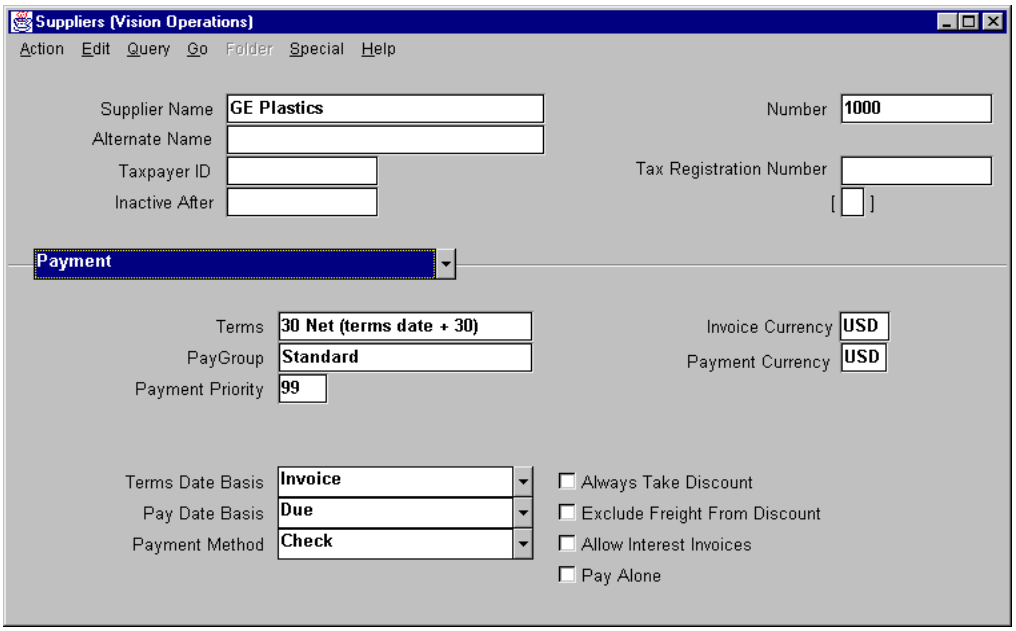
QuickCodes

(N) Setup—>QuickCodes—>Payables

How to Define Pay Groups

1. Select Pay Group in the Type field.
2. In the Name field, enter the name of the pay group that you are defining.
   - Define a pay group name that is descriptive; for example, Utilities or Employees.
   - Define a default pay group for all suppliers, for an individual supplier, or for a supplier site.
3. Enter a description for the pay group. The name and description will appear on a list of values when you need to enter the name.
4. To inactivate this name on and after a certain date, enter an inactive date.
5. Save your work.

Defining Payment Priorities



Suppliers

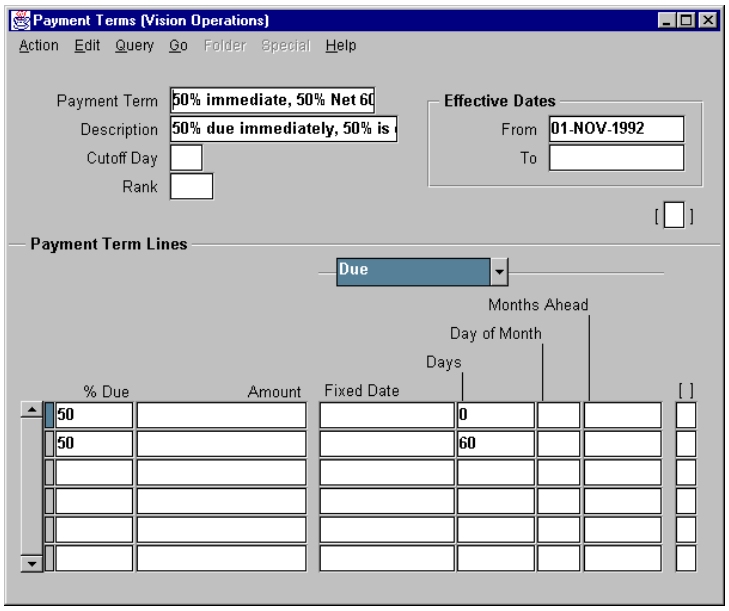
(N) Supplier—>Entry (B) Open

How to Define Payment Priorities

Define and use default payment priorities to prioritize payments.

- In the Payment Priority field, assign a default payment priority, numbered from 1 (high) to 99 (low).
- Oracle Payables assigns a supplier site's default payment priority to all of the invoices for the supplier site, and the invoice assigns its default payment priority to all of its payment schedule lines.

Defining Payment Terms



Payment Terms

(N) Setup—>Invoice—>Payment Terms

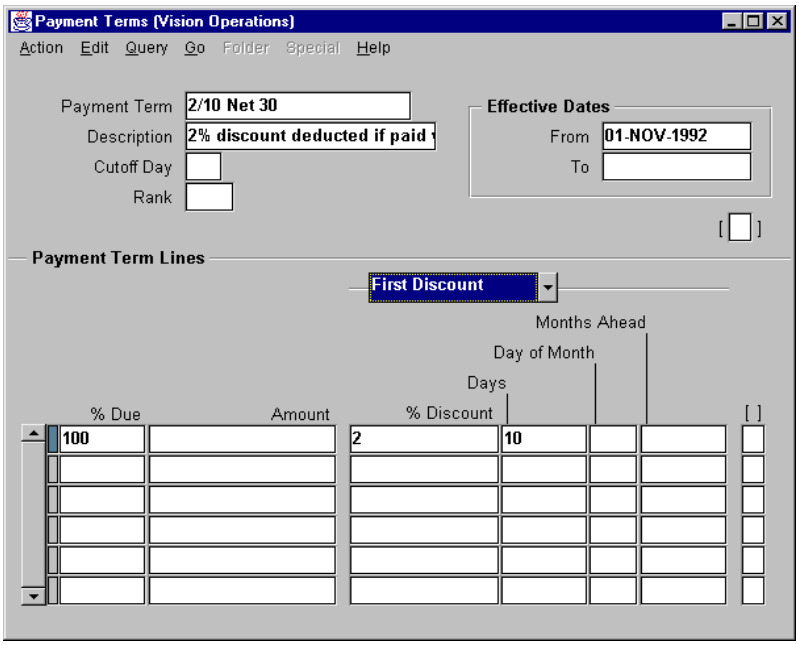
How to Define Payment Terms

Define discount payment terms to take discounts.

- Assign default payment terms to all suppliers, to individual suppliers, or to supplier sites.
- Assign a payment term name that helps identify the term.
- Assign up to three discounts for each payment line.

To define payment terms:

1. In the Payment Terms window, enter a unique payment term name and a description.
   - If you are entering Day of Month terms, enter a cutoff day (the day of the month after which the due and discount dates of the scheduled payment will be in a future month).
   - If you enable Automatic Interest, enter a unique value in the Rank field.
   - To invalidate this payment term after a certain date, enter that date in the Effective Dates To field.



How to Define Payment Terms (continued)

2 Enter information in each payment term line.

- Enter percent due or amount to determine the portion of an invoice due on the scheduled payment date.
- In the Due region, enter one of the following to determine the due date on the scheduled payment line:

  Fixed date

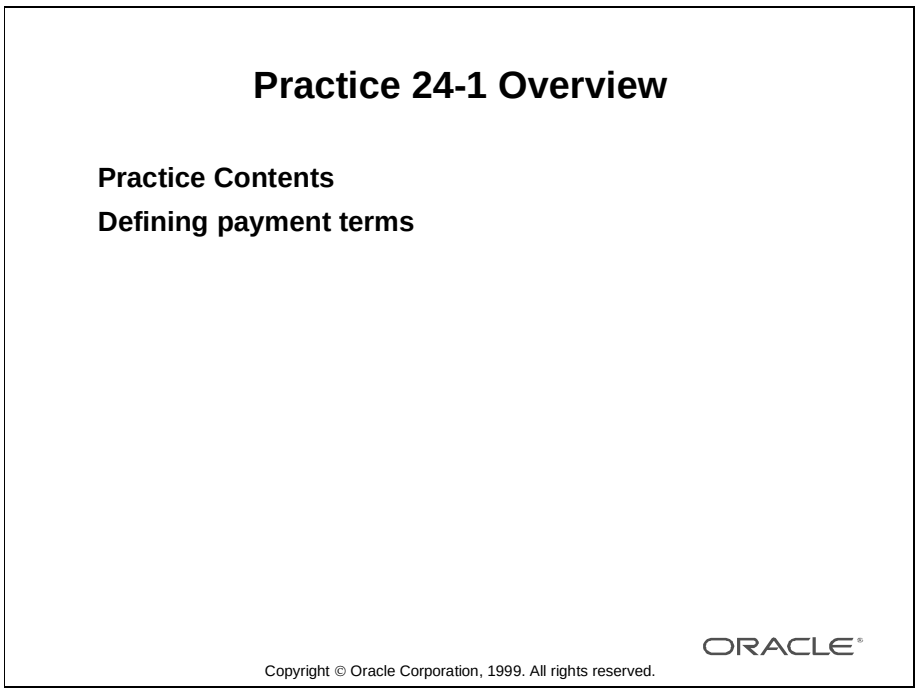
  Days

  Day of month, and months ahead.

3 If you are using discount terms, define payment term lines in the First Discount, and (optionally) Second Discount, and Third Discount regions. Define your discounts so that the first discount has an earlier discount date than the second and so on. You can realize only one discount on a payment term line.

4 Save your work.

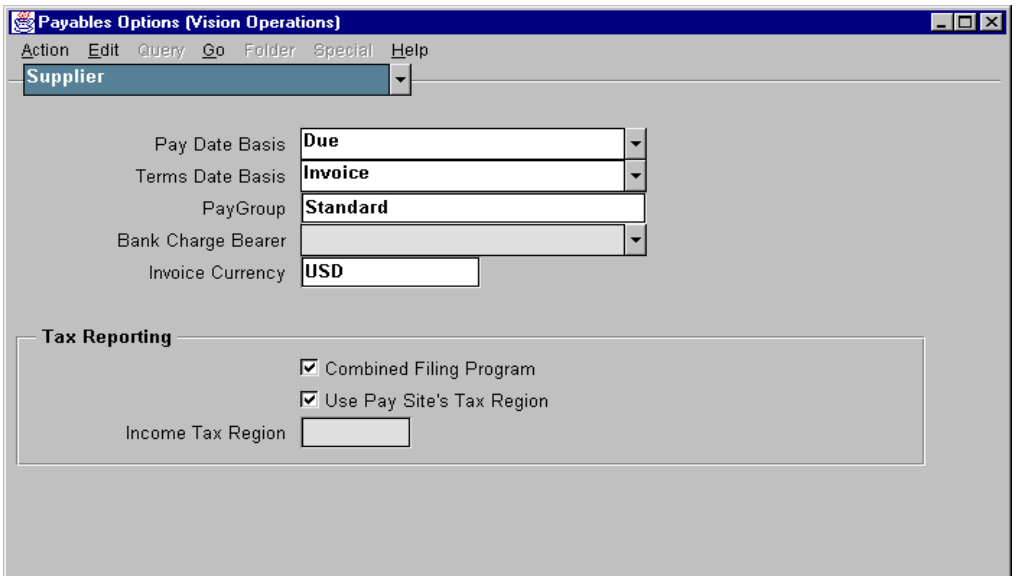
Practice 24-1 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, “Practices and Solutions.”

Defining Pay Date Basis



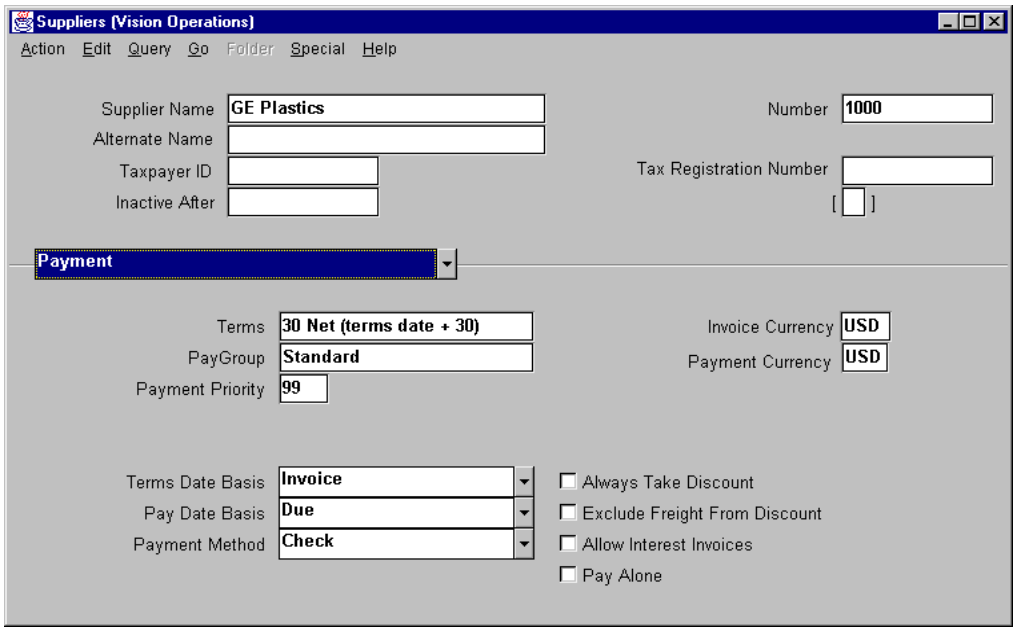
Payables Options

(N) Setup—>Options—>Payables (Supplier Region)

How to Define Pay Date Basis

- The information in the Pay Date Basis field defaults to each new supplier you enter. The Pay Date Basis for a supplier defaults to the new supplier sites you enter for the supplier. You can override the default for each supplier and supplier site.
- Define the Pay Date Basis to determine whether invoices of a supplier are paid on the discount date or the due date.
  - Discount: Oracle Payables selects invoices for payment based on the scheduled payment discount date, if any.
  - Due: Oracle Payables selects invoices for payment based on the scheduled payment due date, regardless of any available discounts.
- Define the Pay Date Basis as discount to take discounts when a supplier offers them.

Taking Invoice Discounts



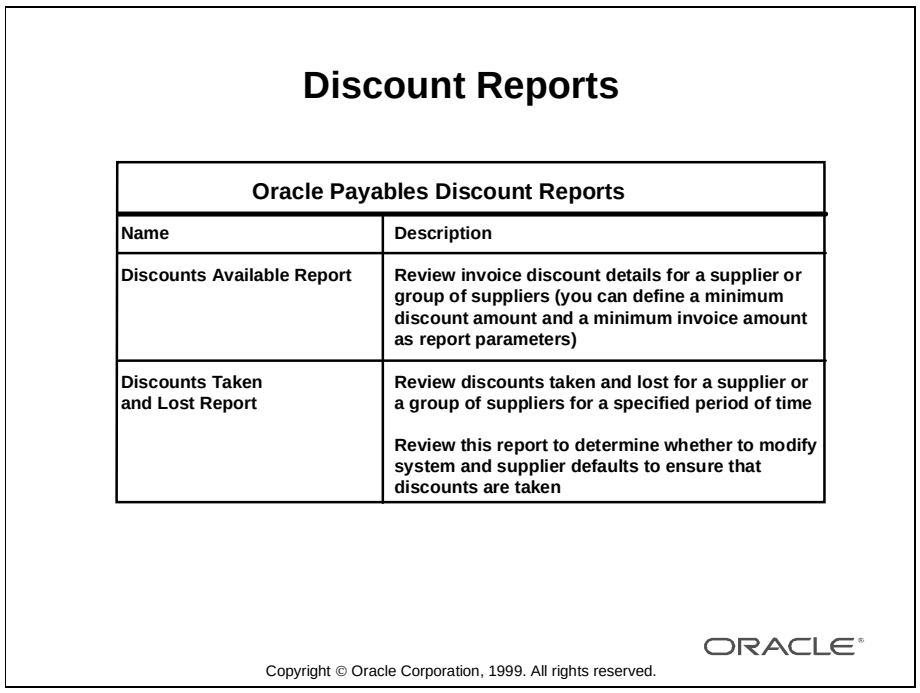
Suppliers

(N) Suppliers—>Entry (B) Open

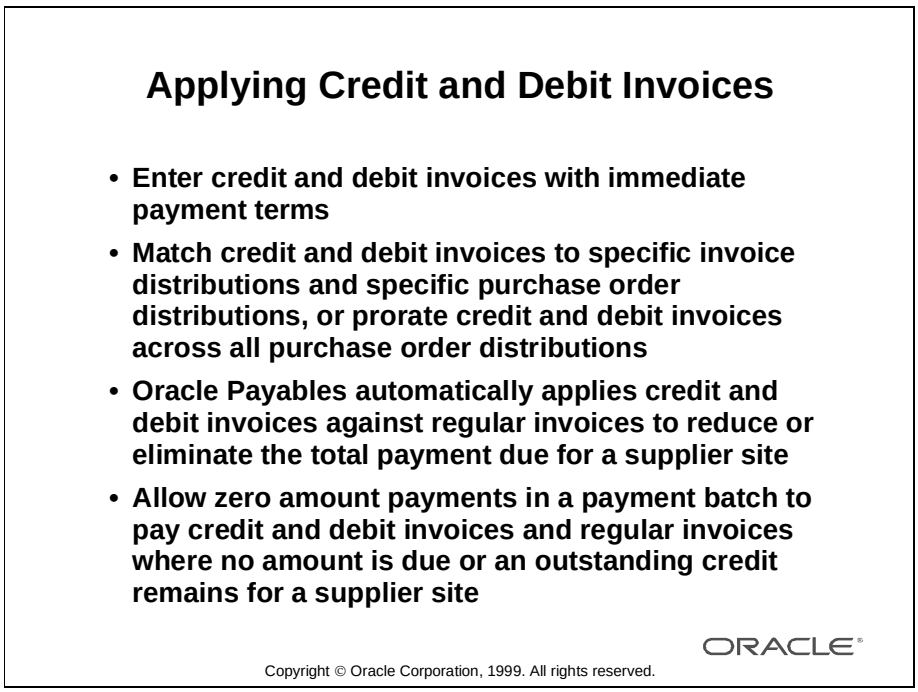
How to Take Invoice Discounts

- Enable the Always Take Discount option for all suppliers, for an individual supplier, or for a supplier site.
- If this option is enabled, Oracle Payables will always take invoice discounts, regardless of when invoice payments are made.

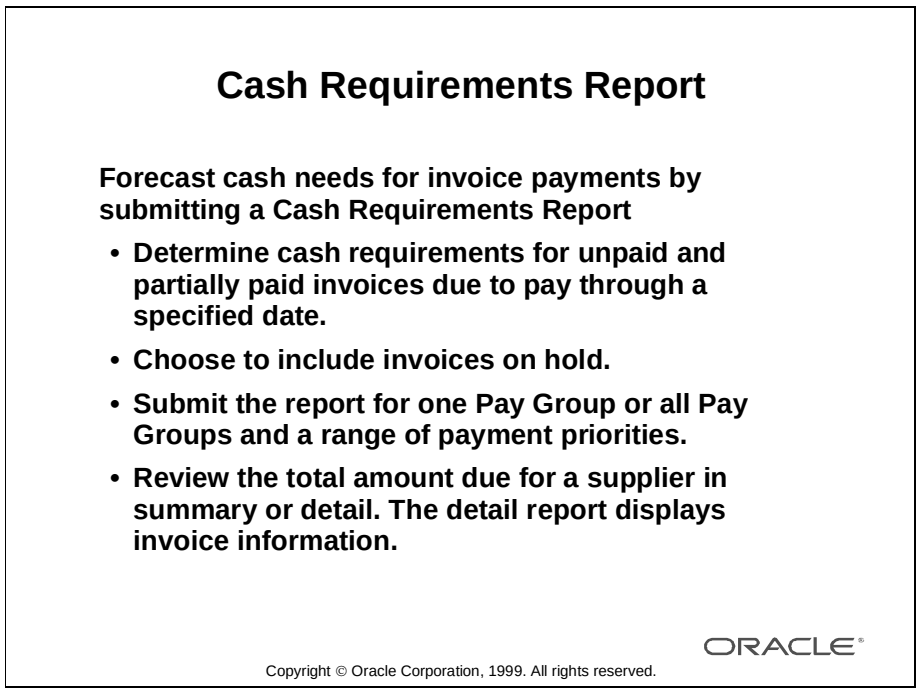
Available Discount Reports



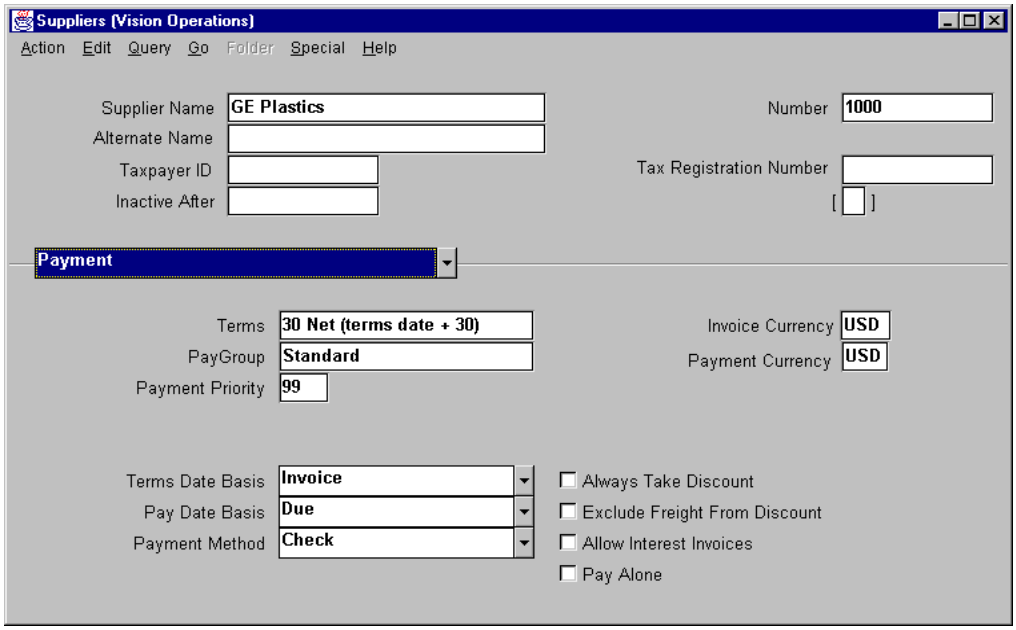
Applying Credit and Debit Invoices



Cash Requirements Report



Assigning Pay Alone



Suppliers

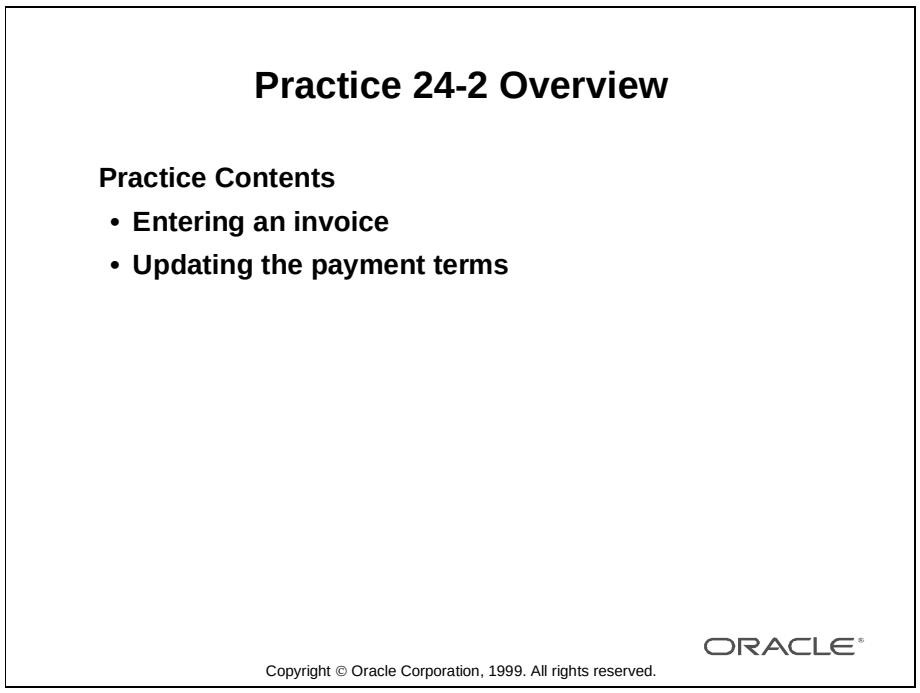
(N) Suppliers—>Entry (B) Open

How to Assign Pay Alone

Use Pay Alone for greater control over specific invoices.

- Select the Pay Alone option as a default for all suppliers, a single supplier, or a supplier site.
- Use Pay Alone to pay an invoice on its own payment document.
- Override the Pay Alone default at the invoice level.

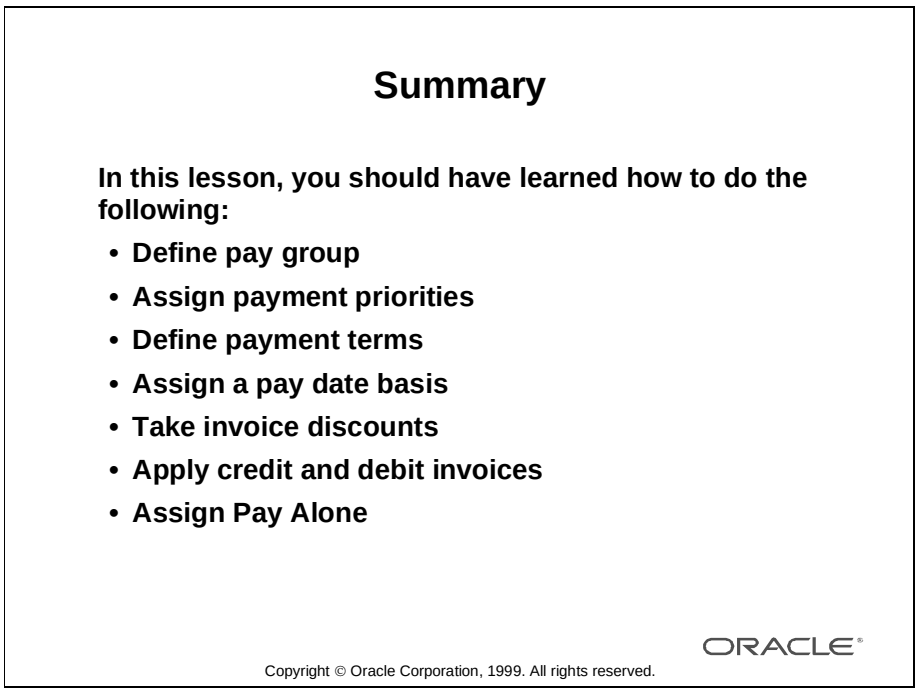
Practice 24-2 Overview



Performing This Practice

For detailed instructions on performing this practice, please refer to Appendix C, “Practices and Solutions.”

Summary


Summary
In this lesson, you should have learned how to do the following:
• Define pay group
• Assign payment priorities
• Define payment terms
• Assign a pay date basis
• Take invoice discounts
• Apply credit and debit invoices
• Assign Pay Alone
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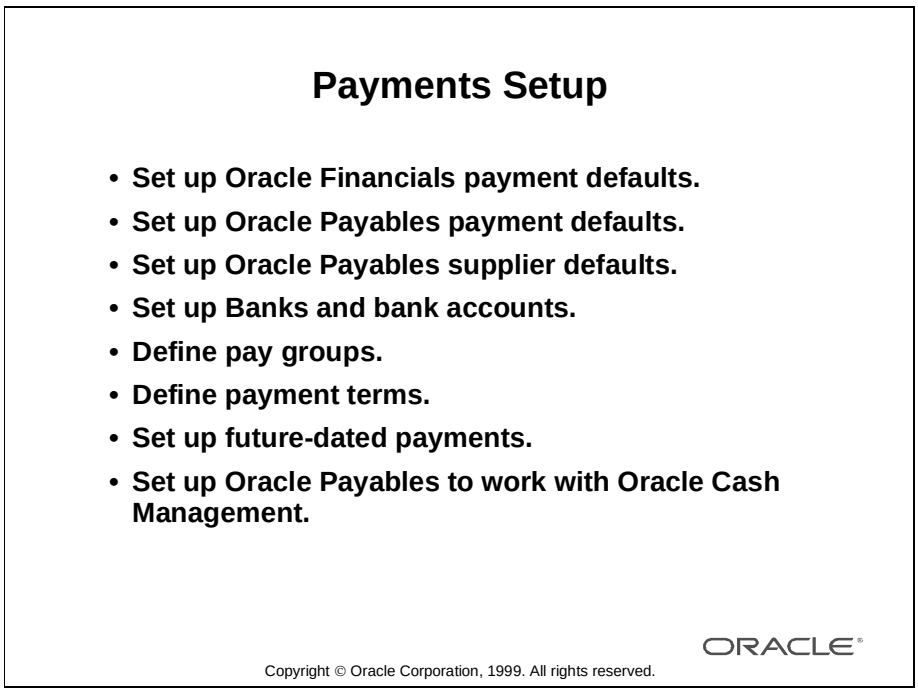
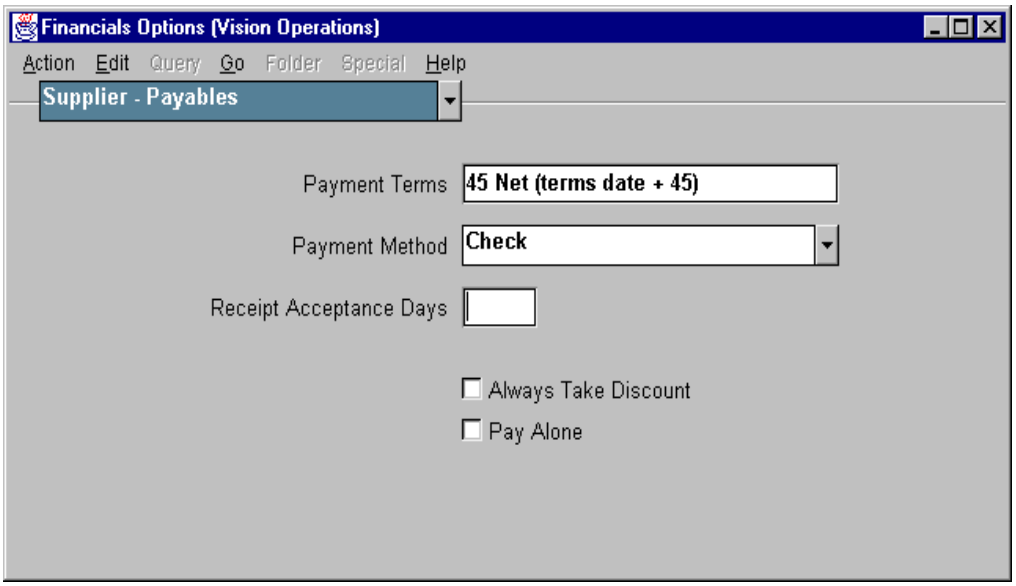
25

Unit III Setup

Payments Setup



Setting Up Oracle Financials Payment Defaults



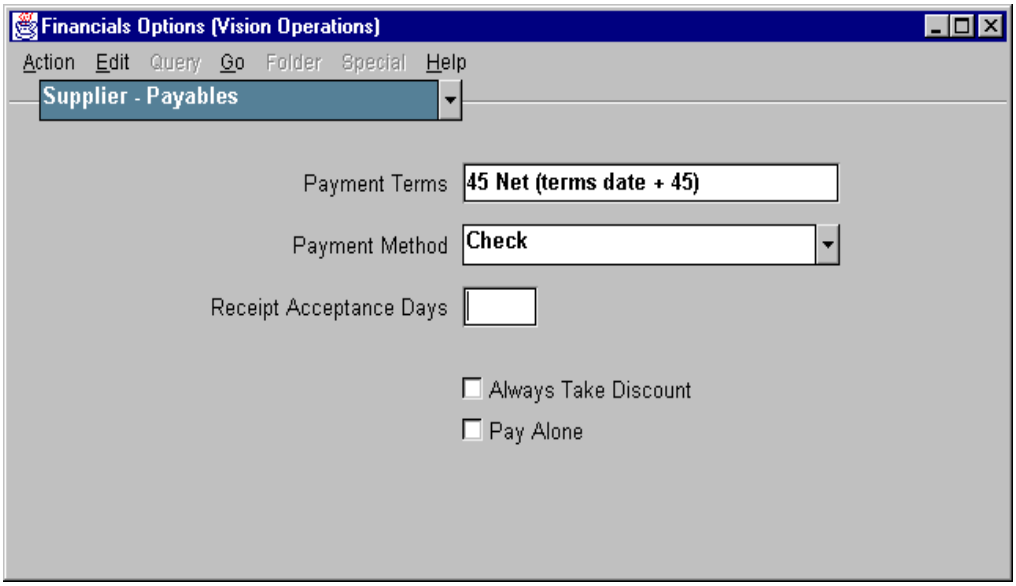
Financials Options: Supplier—Payables Region

(N) Setup—>Options—>Financials

How to Set Up Oracle Financial Payment Defaults

The options you define in the region, except for Receipt Acceptance Days, are used as default values for the Payment region of the Suppliers window. The supplier values default to new supplier sites for the supplier, which default to new invoices for the supplier site. You can override these values during entry of the supplier, supplier site, and invoice.

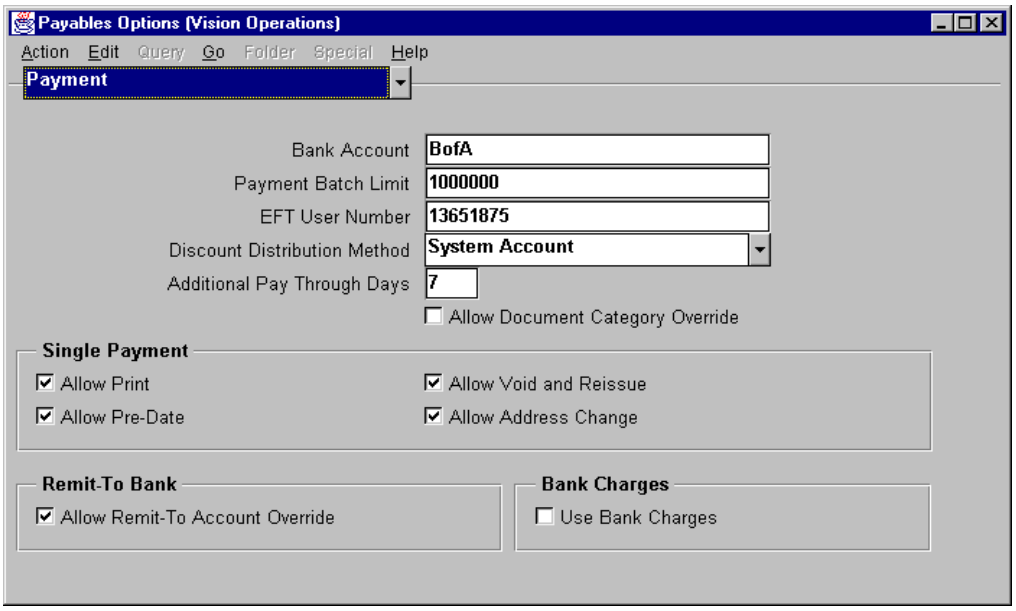
- Payment Terms: Oracle Payables uses payment terms to automatically calculate due dates, discount dates, and discount amounts for each invoice you enter.
- Payment Method: Select of one following invoice payment methods that you use most frequently:
  - Check: You can pay with a manual payment, a Quick payment, or in a payment batch.
  - Electronic: You generate an electronic funds transfer file that you deliver to your bank to create payments.
  - Wire: Wire transfer of funds between your bank and your supplier's bank.
  - Clearing: Record invoice payments to internal suppliers.
  - Future-Dated: Create payments with a future date that instructs your bank when to disburse funds to your supplier's bank (for example, a bill of exchange).
  - Manual Future-Dated: Used to disburse funds to a supplier who sends you an invoice with a payment notice attached.



How to Set Up Oracle Financial Payment Defaults (continued)

- Receipt Acceptance Days: If you create interest invoices for late payments, enter the number of days in your receipt acceptance period. If you select the Recalculate Scheduled Payment Payables option, approval recalculates your invoice due date based on this value.
- Always Take Discount: Select this option to have Oracle Payables always take an available discount for a supplier, regardless of when you pay the invoice.
- Pay Alone: If an invoice has the Pay Alone option selected, Oracle Payables creates a separate payment for that invoice. If the Pay Alone option is not selected for an invoice, the invoice will be paid with other invoices for the same supplier site on a single payment.

Setting Up Payment Defaults

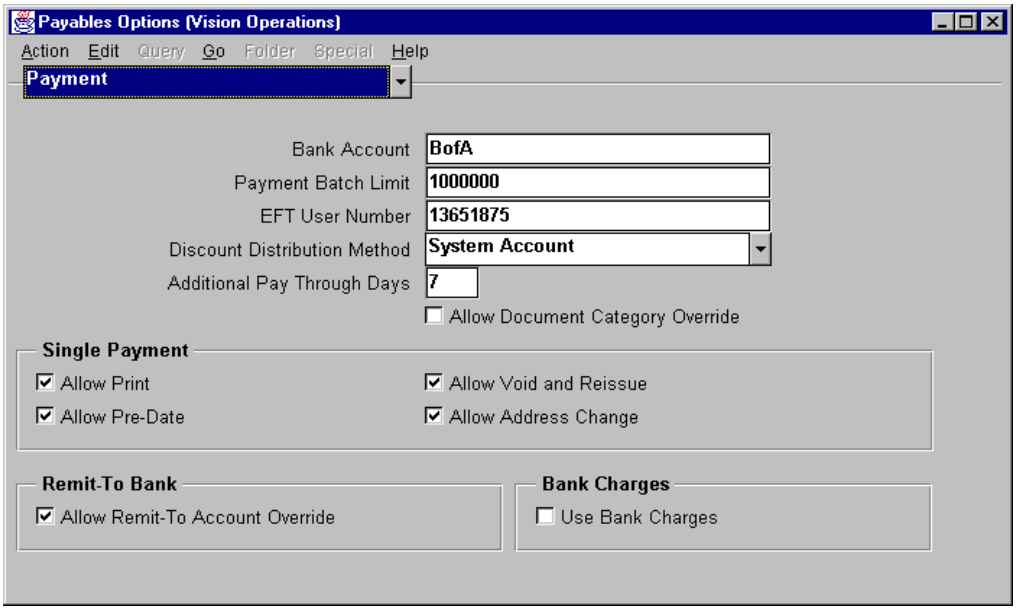


Payables Options: Payment Region

(N) Setup—>Options—>Payables

Setting Up Payment Defaults

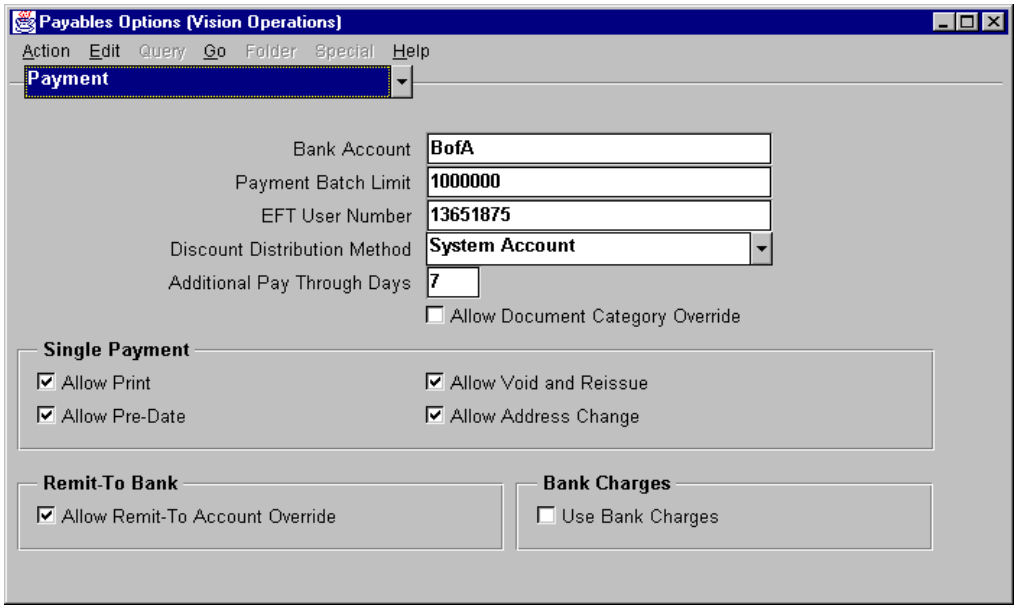
- Bank Account: Enter the bank account that Oracle Payables provides as a default in the Payment Batches Summary window, Payment Summary window, or detail window.
- Payment Batch Limit: Enter the default maximum outlay amount Oracle Payables will pay for each payment batch. If a payment batch exceeds the maximum outlay, Oracle Payables enables you to proceed with the payment batch by allowing you to force the payment in the Modify Payments window.
- EFT User Number: Enter the number that identifies you as a user of electronic funds transfer services to your bank or clearing organization. Oracle Payables includes this information in some electronic payment formats.
- Discount Distribution Method: Select the method you want Oracle Payables to use for distributing the discounts you take when making payments. If you leave this field blank, Oracle Payables uses the System Account method for distributing your discounts.
  - Prorate Expense: Oracle Payables automatically prorates any discounts across all the invoice distributions. You cannot select Prorate Expense if the Exclude Tax For Discount Payables option is selected in the Invoice Tax region of this window.



Payables Options (continued)

- Prorate Tax: Oracle Payables automatically prorates a percentage of the discount amount across the tax distributions. The remaining discount amount is charged to the Discount Taken account as specified in Financials Options window.

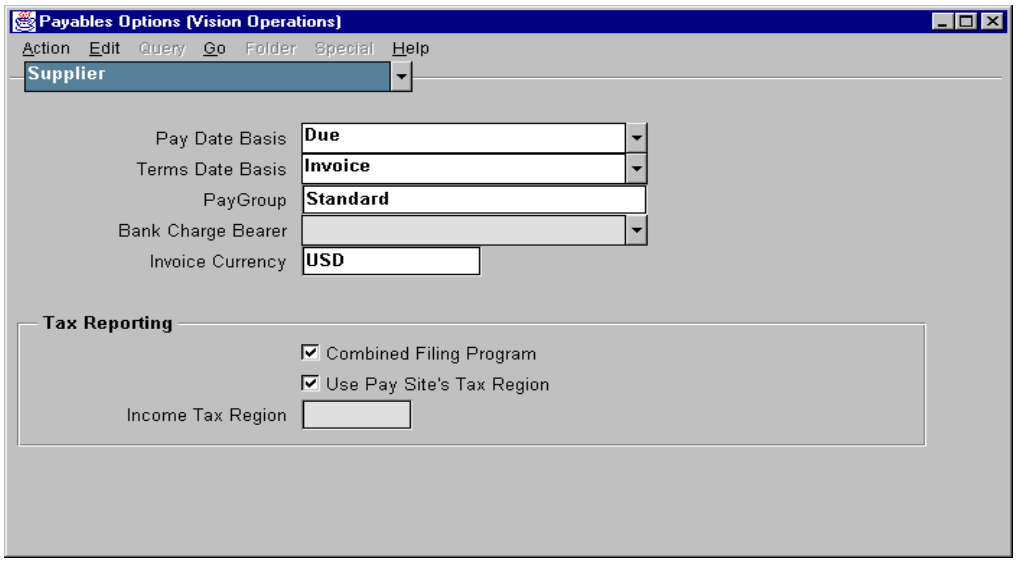
- Additional Pay Through Days: Enter the number of days between your regular payment batches. Oracle Payables uses the additional pay through days to determine the default Pay Through Date when you initiate a payment batch. For example, if you define 5 as the value in this field, Oracle Payables adds five days to the system date to calculate the default pay through date when you initiate a payment batch.
- Allow Document Category Override: Select this option if you want to allow users to override the default document category assigned to a payment document by Oracle Payables. If your sequential numbering profile option is Partially Used or Always Used, Oracle Payables automatically assigns a document category to a payment document when you define a payment format for the payment document. Oracle Payables predefines a document category for each payment method. Your system administrator can define additional document categories for a payment method. You can then use these additional document categories to override the default document category for a payment document if you select this Payables option.



Payables Options (continued)

- Allow Print: If you select this option, you can create quick payments. If you are going to print quick payments, you may want to have a fast, dedicated concurrent manager queue and a dedicated printer with checks ready to print.
- Allow Pre-Date: If you select this option, Oracle Payables enables you to create payments with a payment date before the system date for any payment except a manual payment.
- Allow Void and Reissue: You may need to reissue a check if it is spoiled during printing. If you select this option, you can reissue a quick payment. When you reissue a check, Oracle Payables voids the old check and creates a replacement check. The checks are identical except that the new check has a new check number, payment date, and payment exchange rate if you are using multiple currencies.
- Allow Address Change: Select this option if you want to allow users to address a payment to an address other than the invoice's supplier site address.
- Allow Remit-To Account Override: Select this option if you want to allow users to change the default primary supplier site bank account during quick payment and payment batch creation.
- Use Bank Charges: Select this option if you want to use the Bank Charge feature.

Setting Up Supplier Defaults



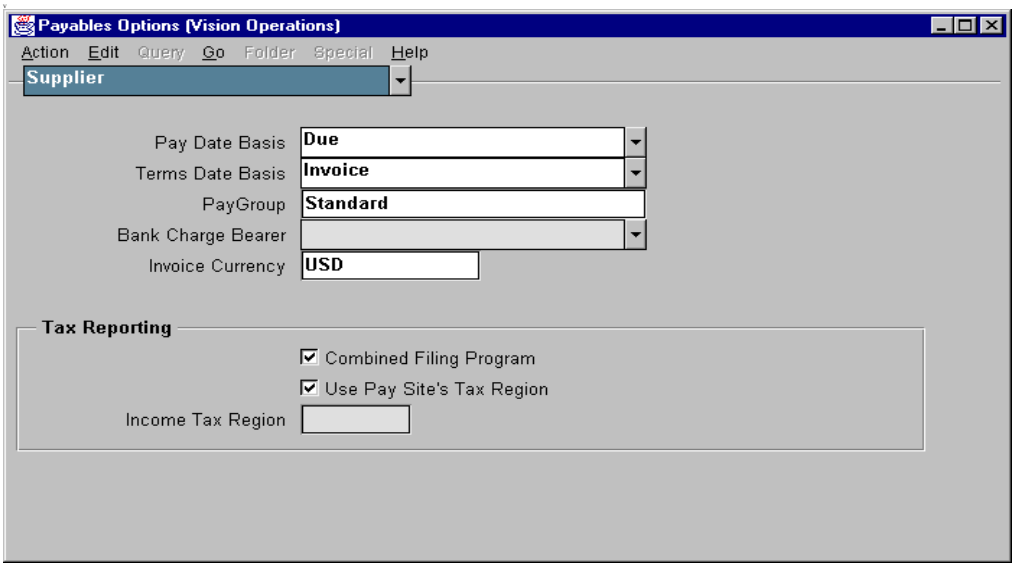
Payables Options: Supplier Region

(N) Setup—>Options—>Payables

Setting Up Supplier Defaults

Use the Supplier region of Payables Options window to enter defaults for the Suppliers window. These values then default to the Supplier Site, and then to the invoice. You can override these defaults at any time.

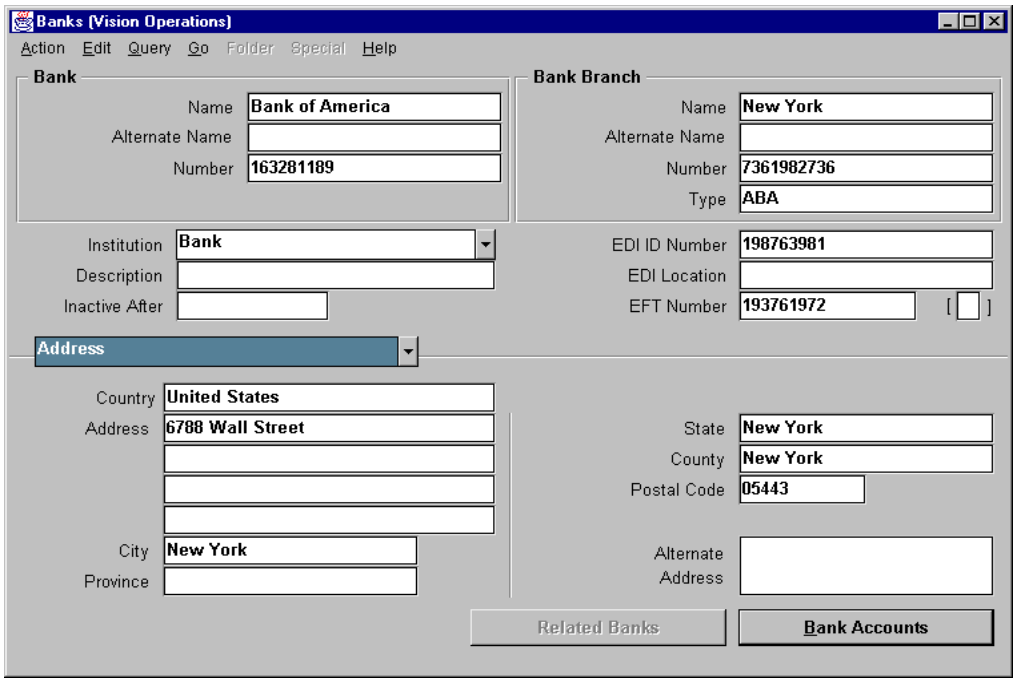
- Pay Date Basis: Select the type of date you want the system to use to decide when to pay an invoice.
  - Discount: Oracle Payables selects invoices for payment based on the scheduled payment discount date.
  - Due: Oracle Payables selects invoices for payment based on the scheduled payment due date, regardless of any available discounts.
- Terms Date Basis: Select the type of date that Oracle Payables uses as the payment terms start date when it calculates the due and discount date for invoice scheduled payments. You can select System, Goods Received, Invoice, or Invoice Received.



Setting Up Supplier Defaults (continued)

- PayGroup: Select the pay group you want to default to any new suppliers you enter. You can use a PayGroup to select only certain types of invoices to pay or query.
- Invoice Currency: Select the currency that you use as a default for each new supplier you enter.
- Combined Filing Program: Select this option if you are using 1099 Combined Filing Program reporting. When you submit the 1099 tape, Oracle Payables will produce K records for all tax regions participating in the Combined Filing Program that have qualifying payments. If you use magnetic media to file your tax information with the Internal Revenue Service and you are not participating in the Combined Filing Program, do not select this option. The Internal Revenue Service may return your 1099 magnetic tape if the tape contains K records.
- Use Pay Site’s Tax Region: You can select this option only if you select the Combined Filing Program Payables option. Select this option if you want to use a 1099 supplier's tax region as the default tax region. If you select this option, Oracle Payables uses the 1099 supplier site’s region as the default tax region for the invoice distributions. Do not select this option if you do not want to use a supplier site’s tax region as the default tax region. You must then enter the default tax region you want to use for all invoices in the next field, the Income Tax Region field.

Defining Banks



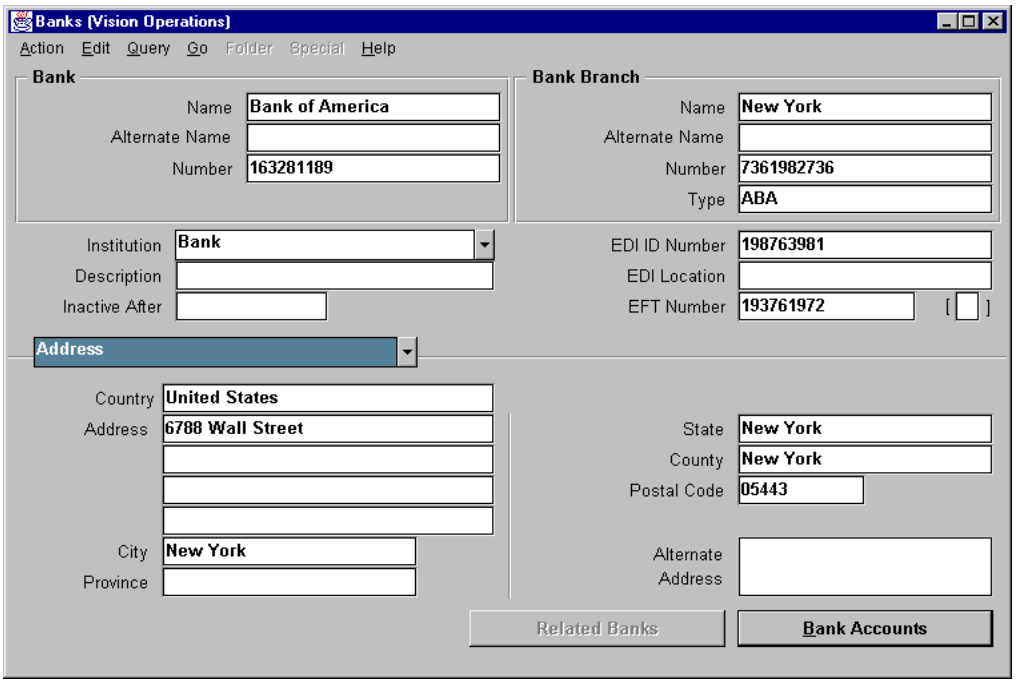
Banks

(N) Setup—>Payment—>Banks

Overview

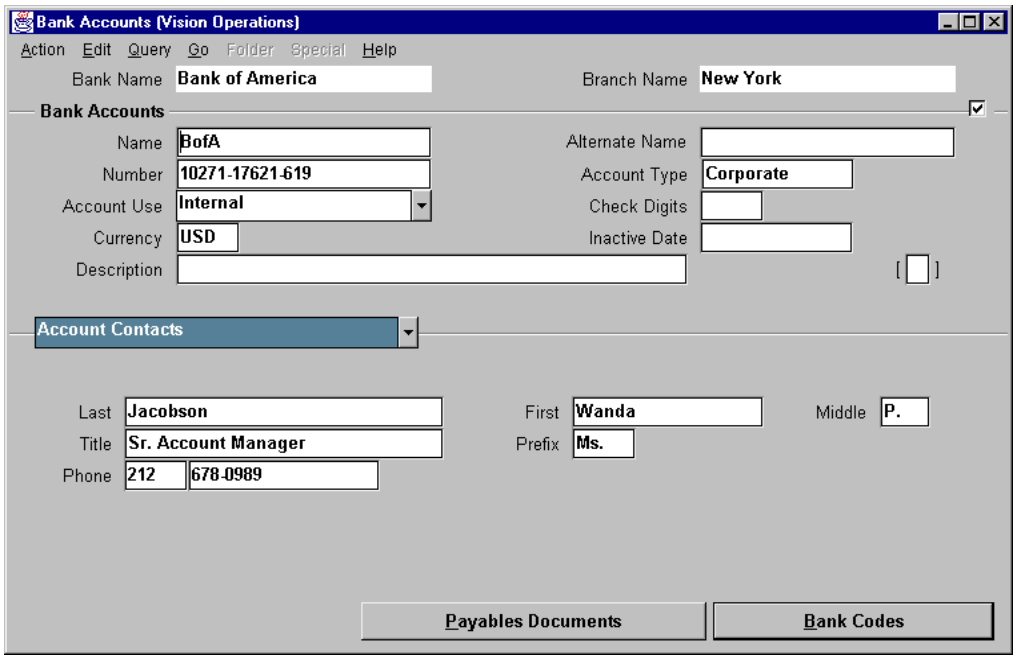
Use the Banks window to enter bank information for bank branches with which you do business. Oracle Financial Applications, including Oracle Receivables and Oracle Payables, share bank definitions, although not every application uses all available bank information. Each bank branch can have multiple accounts, and each account you define can be associated with Payables payment documents and Receivables payment methods.

For Oracle Payables, use the Banks window to define your internal bank accounts from which you disburse payments. For each internal bank account, you can define payment documents for checks, electronic payments (EFT and EDI), wire transfers, and other payment methods. You can also enter supplier bank information for your suppliers to which you send electronic payments.



How to Enter Basic Bank Information

1. In the Banks window, enter all basic bank information: bank name, branch name, bank number, branch number, and address. Use a bank account name that indicates its usage, for example, “Main Disbursement—USD.”
2. Select Bank as the institution.
3. Optionally, enter the information related to electronic data interchange (EDI) and electronic funds transfer (EFT).
4. Optionally, enter names and information for your bank contacts in the Contact region.
5. Save your work.
6. Proceed with Defining Bank Accounts.

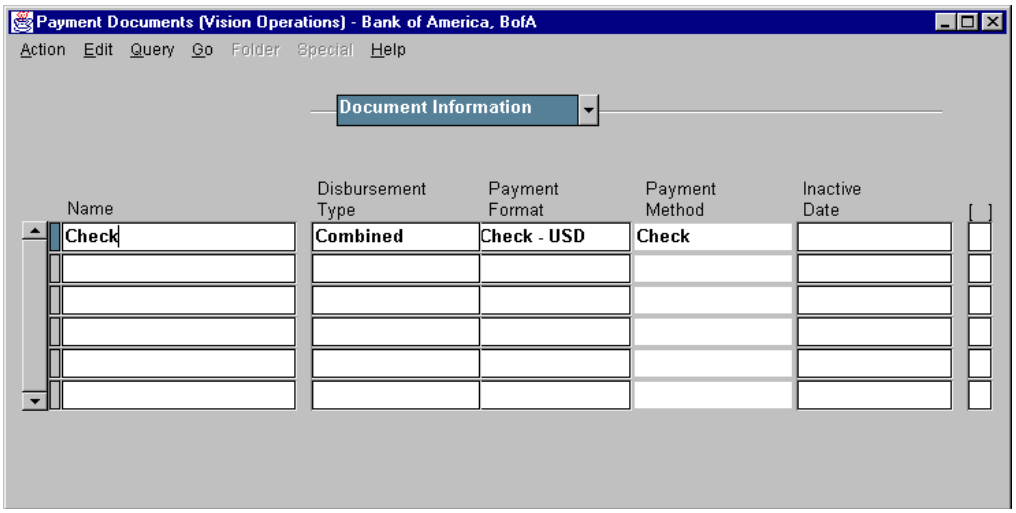


Bank Accounts

(N) Setup—>Payment—>Banks (B) Bank Accounts

How to Define Internal Bank Accounts

1. Enter the bank accounts name and bank accounts number.
2. Optionally, enter an account type and description. The currency defaults from your functional currency.
3. To use bank account validation, enter check digits.
4. Select internal account use.
5. In the GL Accounts region, enter a cash account.
6. In the Payables Options region, enter default information for your payment batches. Record whether you allow zero-amount payments and whether this is a pooled account.
7. Optionally, enter contact information in the Account Contacts region.
8. Proceed with Defining and Maintaining Payables Documents.



Payment Documents

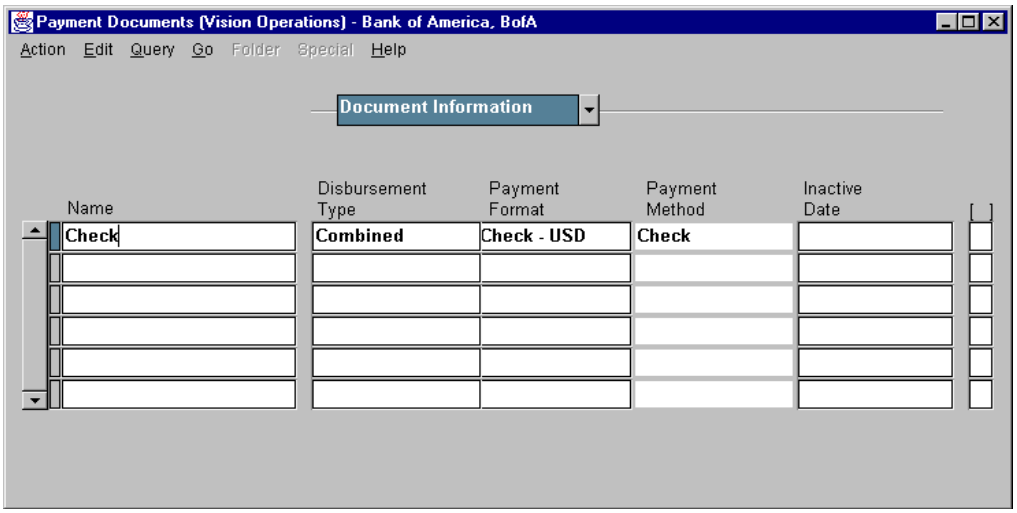
(N) Setup—>Payment—>Banks (B) Bank Accounts (B) Payment Documents

How to Define Payment Documents for Internal Bank Accounts

You must create at least one payment document before you can use a bank account to create invoice payments.

When you define payment documents, you can only select payment formats that use the same currency as the bank account currency. If the bank account is a multiple currency bank account, you can choose foreign currency payment formats or multiple currency payment formats.

1. Enter a name for the payment document that is unique for the bank account.
2. Select the appropriate disbursement type.
   - Computer Generated: A payment document that you use for payment batches or Quick payments.
   - Recorded: A payment document that you use only for manual payments.
   - Combined: A payment document that you use for both manual and computer generated payments.



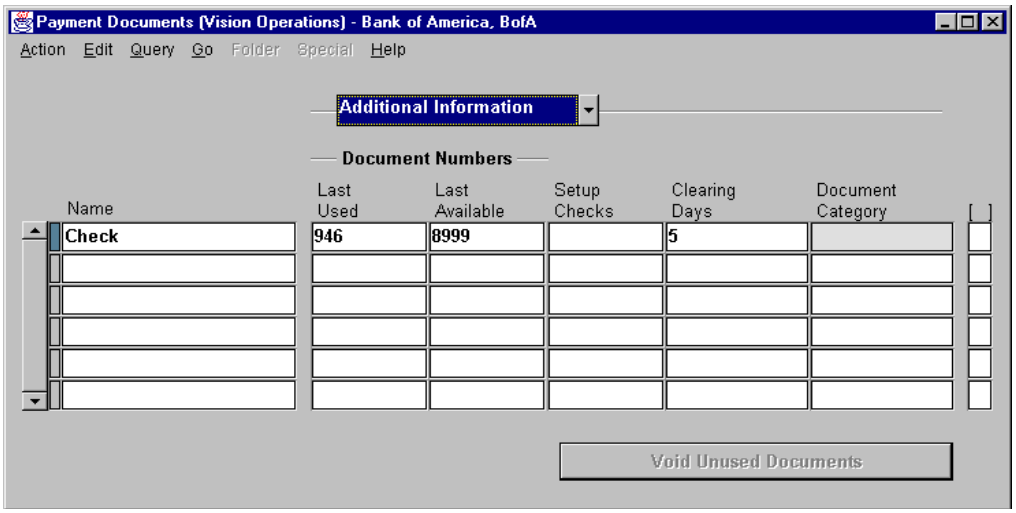
How to Define Payment Documents for Internal Bank Accounts (continued)

3 Select the payment format you want Oracle Payables to use to format payments for a payment document.

If you enable the Use Multiple Currencies Payables option, select your functional currency as your bank currency, and define your bank account as multiple currency, you can select any of the payment formats you defined, whether they are multiple currency or not. If you do not define your bank account as multiple currency, you can only select formats that are defined in the same currency as your bank account.

Oracle Payables displays the payment method for the payment format you assigned to a payment document. You assign a payment format to a payment document in the Payment Document window.

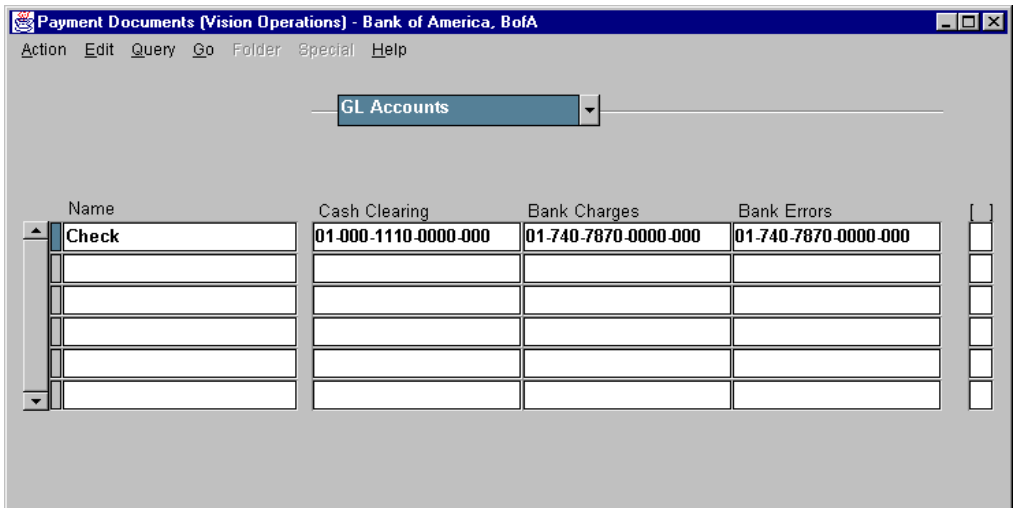
4 Enter the date to make a payment document invalid for any disbursements in the Inactive Date field.



How to Define Payment Documents for Internal Bank Accounts (continued)

Additional Information Region:

5. In the Last Used field, enter the last payment number you used to create a payment. If you are defining a new payment document, enter the number of the first document less 1. Oracle Payables automatically updates this number when you create payments.
6. In the Last Available field, enter the last payment document number available for a payment document.
7. In the Setup Checks field, enter the number of setup checks you want the system to print at the beginning of each automatic payment batch or quick payment.
8. In the Clearing Days field, enter the number of days it takes for the bank to clear future dated payment documents.
9. If you enable your Sequential Numbering System Profile option, Oracle Payables predefines a document category for each payment method for a payment document. Oracle Payables uses the document category to assign a unique voucher number to a payment, if your system administrator assigns an automatic sequential numbering sequence to the document category. You can only update the document category for a payment document if you enable the Allow Document Category Override Payables option.



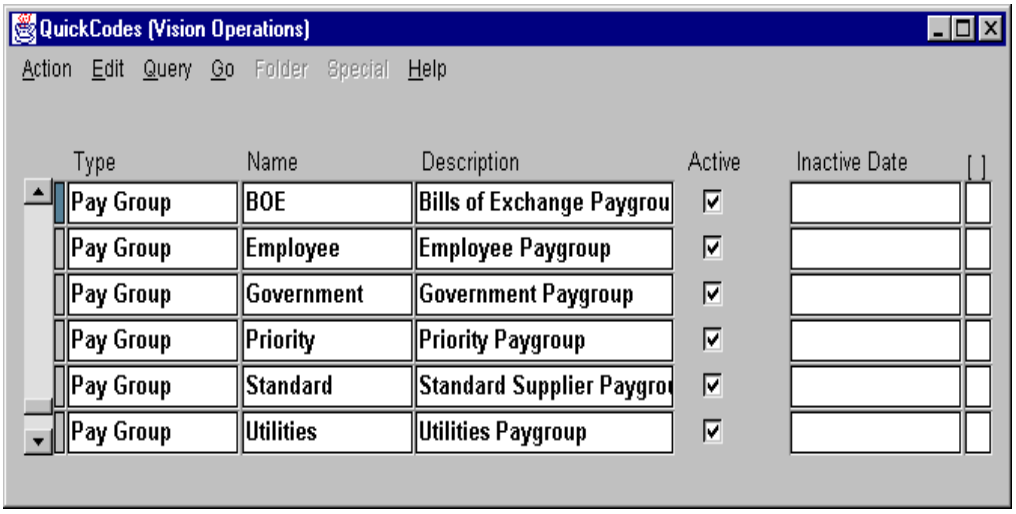
How to Define Payment Documents for Internal Bank Accounts (continued)

GL Accounts Region:

- Cash Clearing: If you enabled the Allow Reconciliation Accounting Payables option, enter the cash clearing account you are associating with a payment document. When you create a payment, Payables creates accounting entries for your unreconciled invoice payments to credit your cash clearing account using this account. When you reconcile your invoice payments using Oracle Cash Management, Oracle Payables creates accounting entries to debit this cash clearing account and credit this bank account's cash account.
- Bank Charges: If you enabled the Allow Reconciliation Accounting Payables option and you are using Oracle Cash Management to reconcile your payments, enter the bank charges account you are associating with a payment document. When you reconcile your invoice payments using Oracle Cash Management, Oracle Payables creates accounting entries to record your bank charges using this account.
- Bank Errors: If you have enabled the Allow Reconciliation Accounting Payables option and you are using Oracle Cash Management to reconcile your payments, enter the bank errors account you are associating with a payment document. When you reconcile your invoice payments using Oracle Cash Management, Oracle Payables creates accounting entries to record any bank errors using this account.

The accounts you enter in this region override the accounts you entered in the GL Accounts region of the Bank Accounts window.

Defining Pay Groups



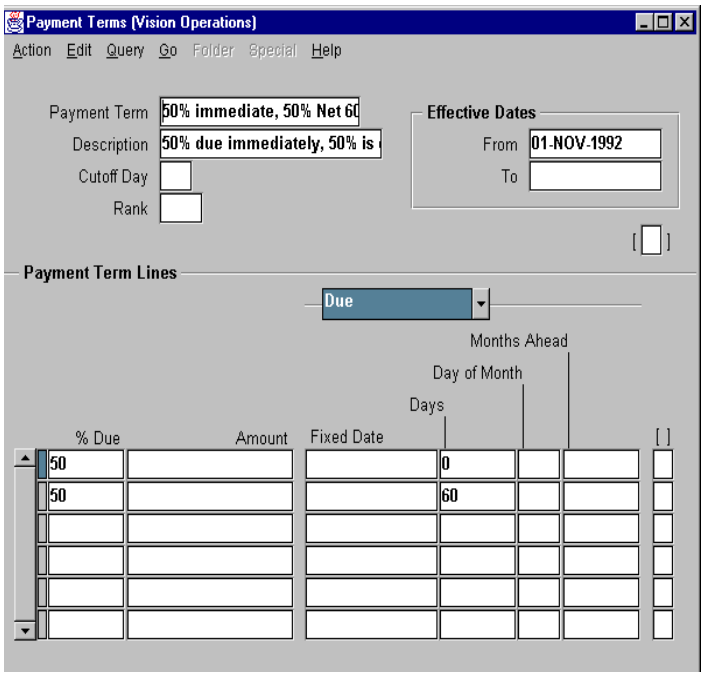
QuickCodes

(N) Setup—>QuickCodes—>Payables

How to Define Pay Groups

1. Select Pay Group in the Type field.
2. In the Name field, enter a name for the pay group that you are defining.
   - Define a pay group name that is descriptive; for example, Utilities or Employees.
   - Define a default pay group for all suppliers, for an individual supplier, or for a supplier site.
3. Enter a description for the pay group. The name and description will appear on a list of values when you need to enter the name.
4. To inactivate this name on and after a certain date, enter an inactive date.
5. Save your work.

Defining Payment Terms



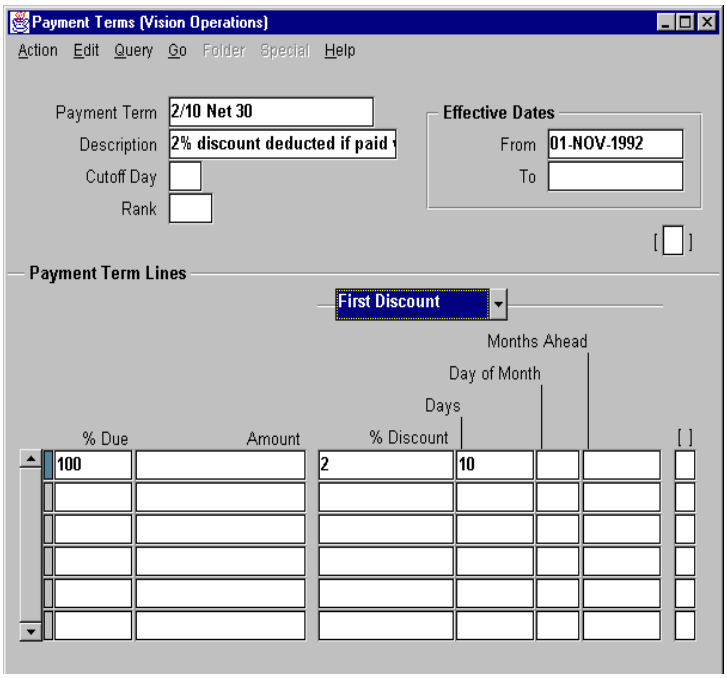
Payment Terms

(N) Setup—>Invoices—>Payment Terms

How to Define Payment Terms

In the Payment Terms window, you define payment terms that you can assign to an invoice to automatically create scheduled payments when you submit approval for the invoice.

1. Enter a unique payment term name and a description which will appear on a list of values whenever you select payment terms.
2. If you are entering Day of Month terms, enter a cutoff day.
3. If you select the Recalculate Scheduled Payment Payable option and you match to a purchase order, enter a unique value in the Rank field.
4. To invalidate this payment term after a certain date, enter that date in the Effective Dates To field.
5. Enter information into one or more payment term lines.
6. In the % Due or Amount field, enter the percentage or amount to determine the portion of an invoice due on the scheduled payment.



How to Define Payment Terms (continued)

7 In the Due region, enter one of the following to determine the due date on the scheduled payment line:

- Fixed date
- Days
- Day of month, and months ahead

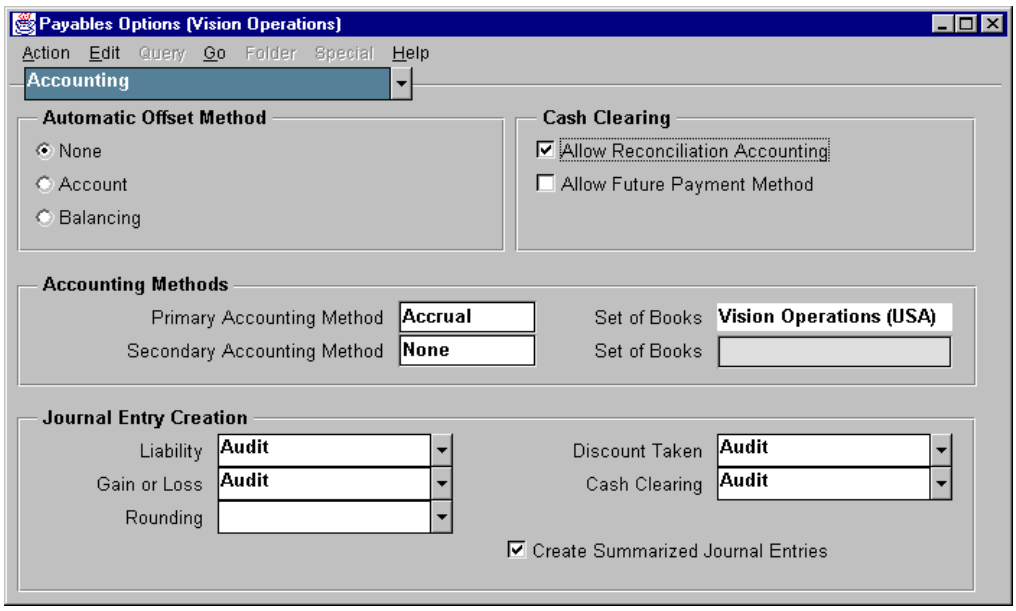
8 If you are using discount terms, define payment terms lines in the First Discount, Second Discount, and Third Discount regions. Define your discounts so that the first discount has an earlier discount date than the second, and so on. You can realize only one discount on a payment term line. Enter one of the following to determine the portion of the invoice to discount on the scheduled payment:

- % Discount
- Amount

9 In the Discount region, enter the discount percent. Enter one of the following to determine the due date on the scheduled payment line:

- Due days
- Day of month, and months ahead

Setting Up Future-Dated Payments



Payable Options: Accounting Region

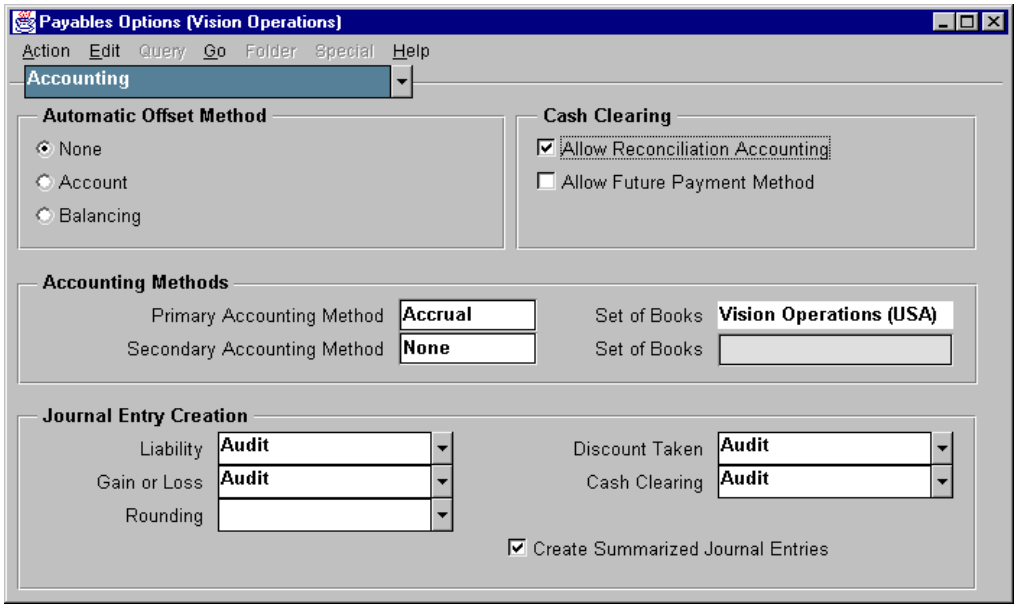
(N) Setup—>Options—>Payables

How to Set Up Future-Dated Payments

You can use future-dated payments to control the timing of your payments and, therefore, control your cash flow. A future-dated payment instructs your bank to disburse funds to your supplier's bank on a specific date (the maturity date).

Oracle Payables accounts for future-dated payments differently than for other methods of payment. For future-dated payments, Oracle Payables creates journal entries in two stages: the first to recognize the payment (reduction of liability), and the second to recognize the clearing of the payment (reduction in cash). Oracle Payables uses two kinds of future-dated payments:

- Future-Dated: You generate and send to your supplier a payment that includes instructions to your bank to transfer funds to your supplier's bank on the maturity date you specify. A Bill of Exchange is an example of a future-dated payment document. When you create a payment batch, create a quick payment, or record a manual payment, you select a payment document that uses a future-dated payment format.

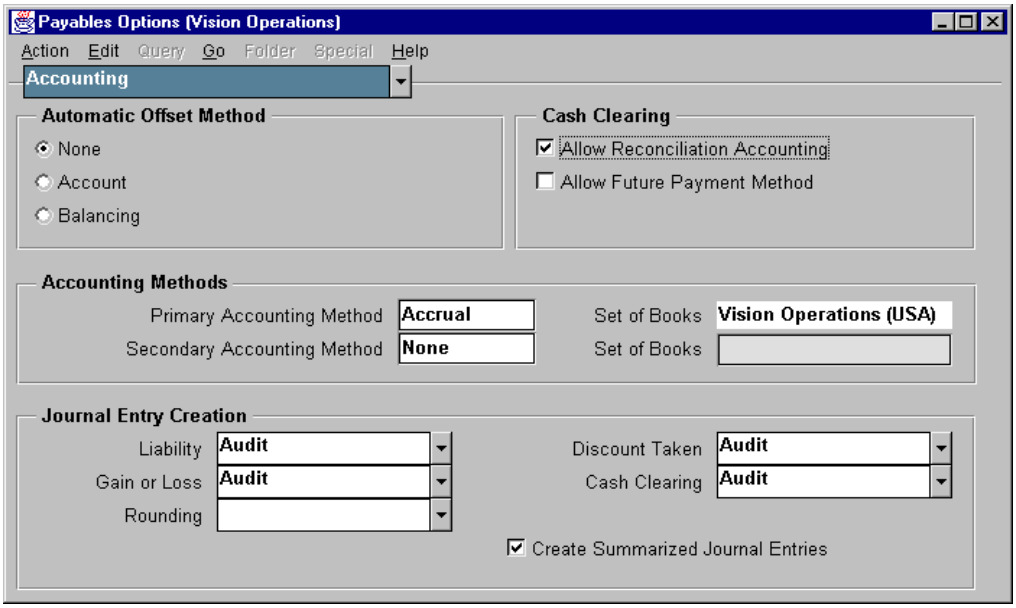


How to Set Up Future-Dated Payments (continued)

- Manual Future-Dated: This method is the same as the Future-Dated method except that your supplier includes with an invoice a payment notice with a maturity date specified by the supplier. You approve the payment notice and return it to the supplier. Because you do not generate a payment document, you use a manual payment with a manual future-dated payment document to record the payment.

1. In the Payables Options window, select the Allow Future Payment Method check box.
2. In the Automatic Payment Programs window, define payment programs to format future-dated payments.
3. In the Payment Formats window, define payment formats for your future-dated payments. Choose either the Future-Dated or Manual Future-Dated payment method. In the Programs region, you can select future-dated payment programs you defined in the Automatic Payment Programs window.
4. In the Payment Documents window, for the bank account from which you want to disburse future-dated payments, define payment documents that use future-dated payment formats you defined in the Payment Formats window. Enter the cash clearing account you want to use.

Setting Up Oracle Payables Options to Work with Oracle Cash Management



Payables Options: Accounting Region

(N) Setup—>Options—>Payables (Accounting Region)

Select the Allow Reconciliation Accounting check box if you want Oracle Payables to create reconciliation accounting entries for cash clearing, bank charges, bank errors, and exchange rate gain or loss when you reconcile payments using Oracle Cash Management. When this option is selected, Oracle Payables posts each payment you issue twice: once as an unreconciled payment, and again as a reconciled payment.

- When you create a payment, Oracle Payables creates accounting entries for unreconciled payments. These entries debit the AP Liability account and credit the cash clearing account you specify.
- When you reconcile the payment using Oracle Cash Management, Oracle Payables creates accounting entries to debit the Cash Clearing account and credit the cash account. Oracle Payables also creates accounting entries to record bank charges, bank errors, and exchange rate gains or losses that occur between payment issuance and payment reconciliation.

If you do not select this option, you can still reconcile payments using Oracle Cash Management. However, Oracle Payables creates no reconciliation entries.

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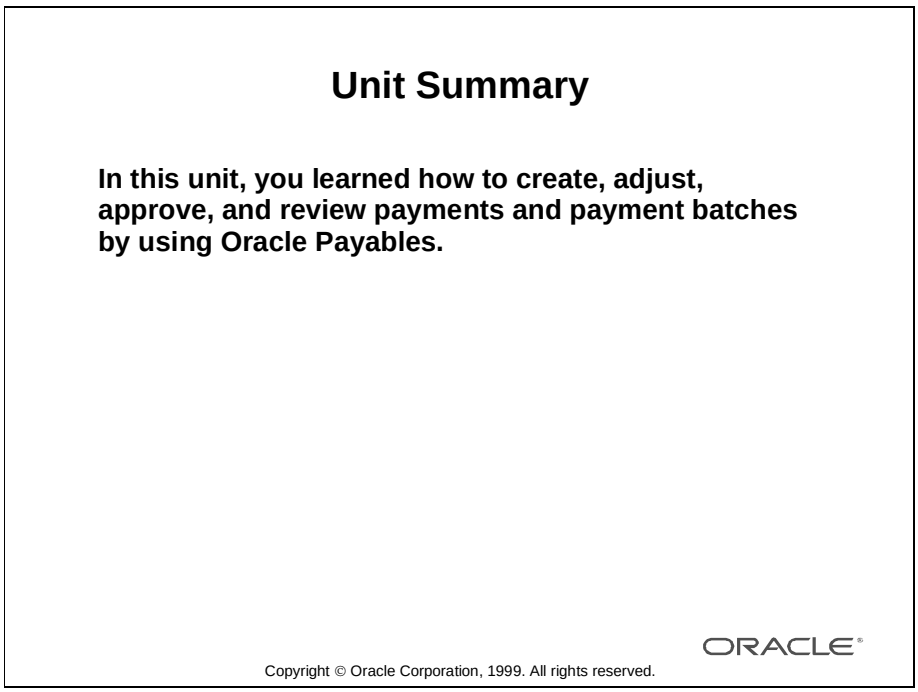
Unit III Summary

Unit Summary



Summary

In this unit you learned the stages of paying invoices individually or in a batch. You learned how to pay invoices manually and how to process computer-generated payments. You learned how to process prepayments. You learned how to stop and void payments. You also learned how to find payment batches by using the Find Payment Batches window, and you learned how to modify payment batches by using the Payment Batch Actions window. Finally, you learned the steps required to set up and use cash control features of Oracle Payables.