

# IC: Fulfillment Delivery Options for Integrated Collaborate End-to-End Session ID# 11525

Douglas A. Volz



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# Agenda

- Collaborate 13: IC Presentations
- Introductions
  - About Doug Volz
  - About Douglas Volz Consulting, Inc.
- Business Case
- Business Process Flow
- “Where are we now...”
- PRESENTATION SPECIFICS



# Collaborate 13: IC Presentations



Session Title	Session ID	Presenter	Room	Date/ Time
IC: Intercompany Orders: A Walk Through the Details	11540	Thomas Simkiss	503	April 8 <sup>th</sup> , 9:45 AM
IC: Master Data Configuration and Considerations for the Intercompany flow	11524	Mohan Iyer	503	April 8 <sup>th</sup> , 11:00 AM
IC: Intercompany Ordering, Pricing, and Sourcing Considerations	11548	Bobby Smith	503	April 8 <sup>th</sup> , 1:15 PM
IC: Procurement, Tax, and Sourcing	11490	Ketan Thanki	503	April 8 <sup>th</sup> , 3:45 PM
IC: Fulfillment Delivery Options for Integrated Collaborate End-to-End EBS Workshop	11525	Doug Volz	503	April 9 <sup>th</sup> , 8:00 AM
IC: Inter-company and Customer Invoicing. Transactions, accounting, documents, settlement	11554	Hans Kolbe	503	April 9 <sup>th</sup> , 10:45 AM
IC: Accounting Events, Wrap-up Q&A	11538	Lee Briggs	503	April 9 <sup>th</sup> , 2:00 PM



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# Doug Volz



*Helping people use Oracle since 1990 for Cost Accounting & related Financials, MFG and EAM modules*

- **Professional Summary**

- 30+ years industry, design and consulting experience, specializing in the design, implementation and project delivery for Cost Management business solutions
- Specific areas of expertise:
  - Profit in inventory
  - Multi-org inventory reporting
  - Intercompany
  - Inventory reconciliation
  - A/P accruals
  - Product Line & Margin analysis
  - WIP analysis
  - Cost Rollup and Update
- Presenter at Collaborate (OAUG) and UKOUG since 1996
- Multi-national experience in twelve countries

- **Qualification Summary**

- Former co-designer for Oracle Cost Management
- Lead the OAUG Cost Management Special Interest Group
- Prior Accounting and Cost Management industry experience



+1 510 755 7050  
doug@volzconsulting.com  
[www.volzconsulting.com](http://www.volzconsulting.com)



**COLLABORATE 13**  
TECHNOLOGY AND APPLICATIONS FORUM  
FOR THE ORACLE COMMUNITY

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# Douglas Volz Consulting, Inc.



- **Douglas Volz Consulting** started in 2005 to provide:
  - Cost Accounting business solutions
  - Cost Accounting System Designs
  - Procure to Pay Business Improvements
  - Project Management and Advisory Services
  - Cost Reporting Solutions

## Sample Project Experience:



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# Business Case

- The purpose of this business case is to show a Sales Order to a customer satisfied by creating and procuring material through a PO, from a supplier in a different operating unit. In this Drop-shipment scenario the material is directly shipped to the customer from the vendor.
- The corresponding Logical transactions are shown and also the Financial transactions are shown, which will span across 2 different Operating Units:
  - Vision Germany
  - Vision Operations



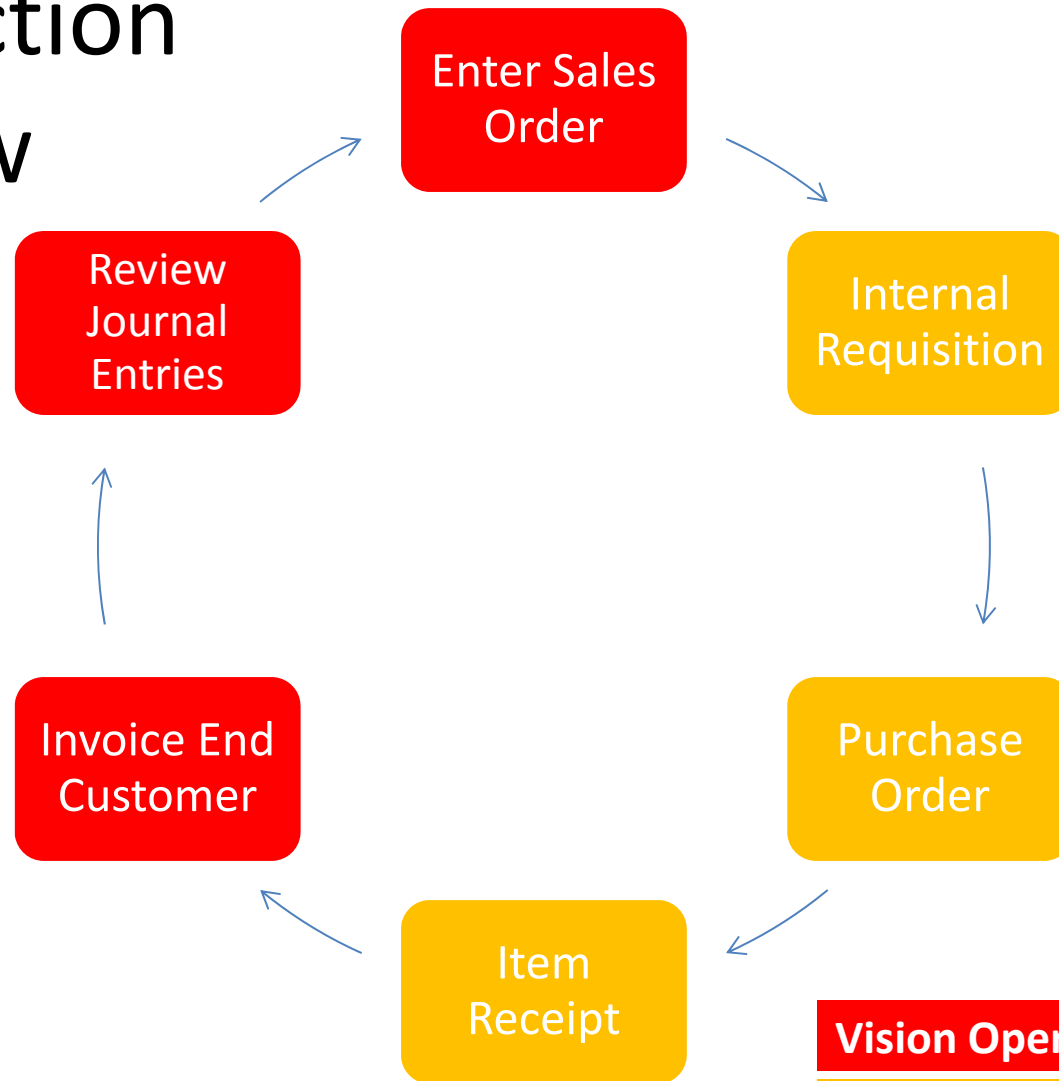
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# Business Case

- “Vision Enterprises” provides high-end lenses and camera equipment world wide.
  - Key manufacturing and distribution centers are in European countries, Germany, Poland, Netherlands, Slovakia – traditional glass and high end lens manufacturing areas.
  - “Vision” company negotiates with a customer in the US for the sale of camera equipment and some spare parts.
  - The sale is made by the US Subsidiary. The equipment is supplied by the German world-wide distributor out of its internal warehouse.



# Transaction Flow

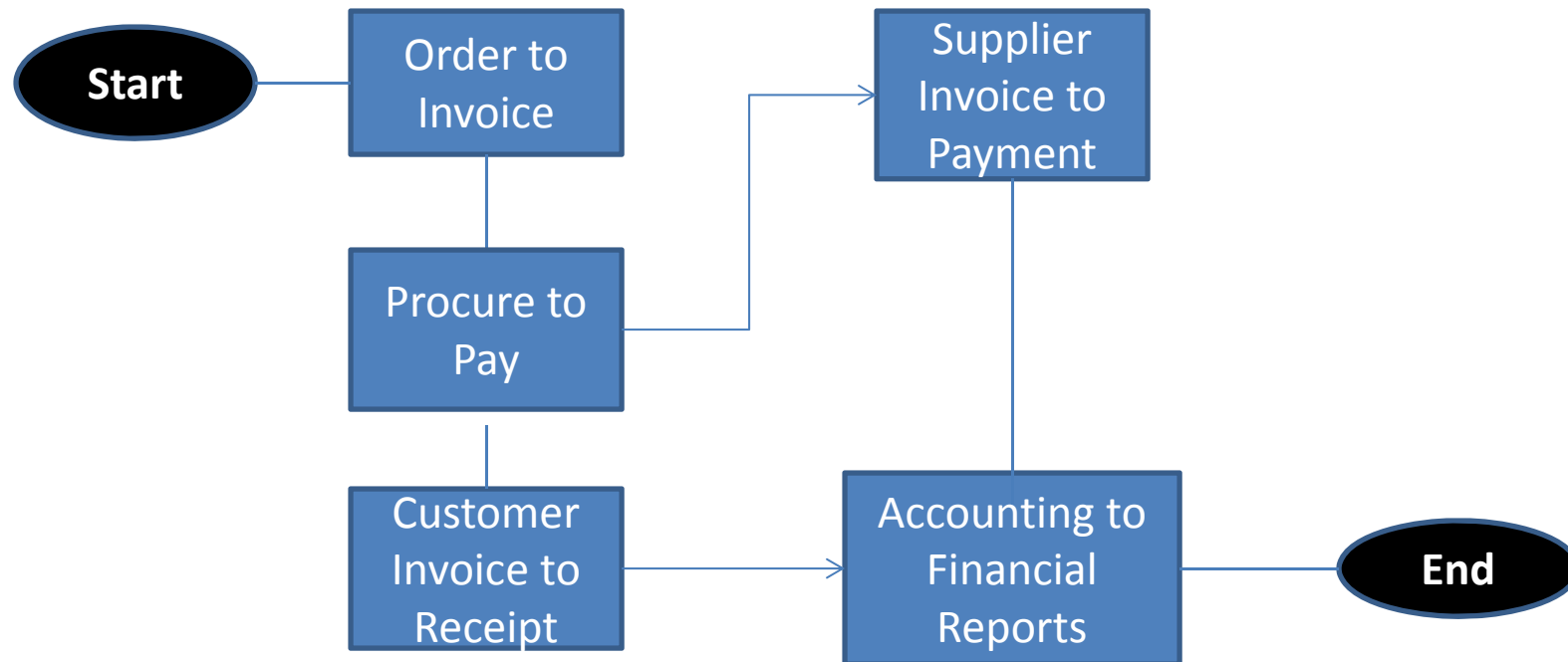


**Vision Operations**  
Vision Germany

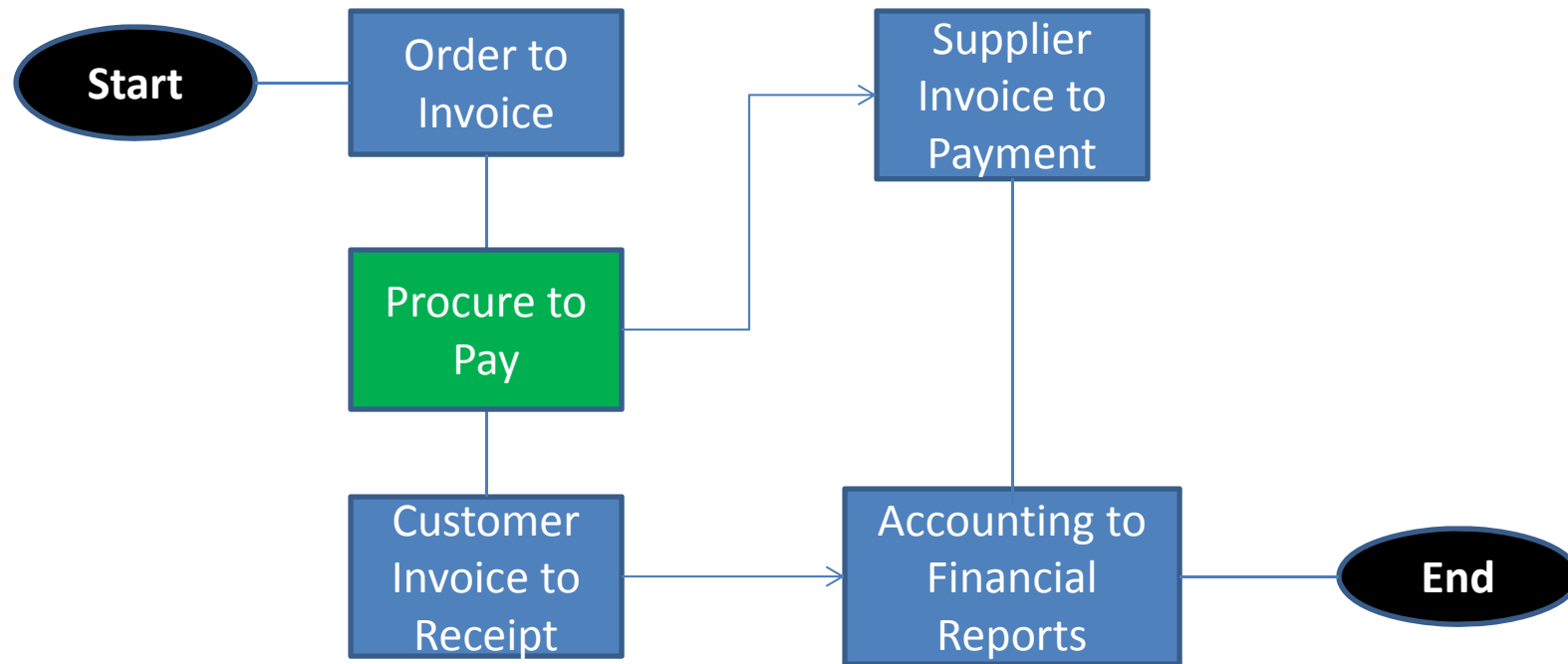




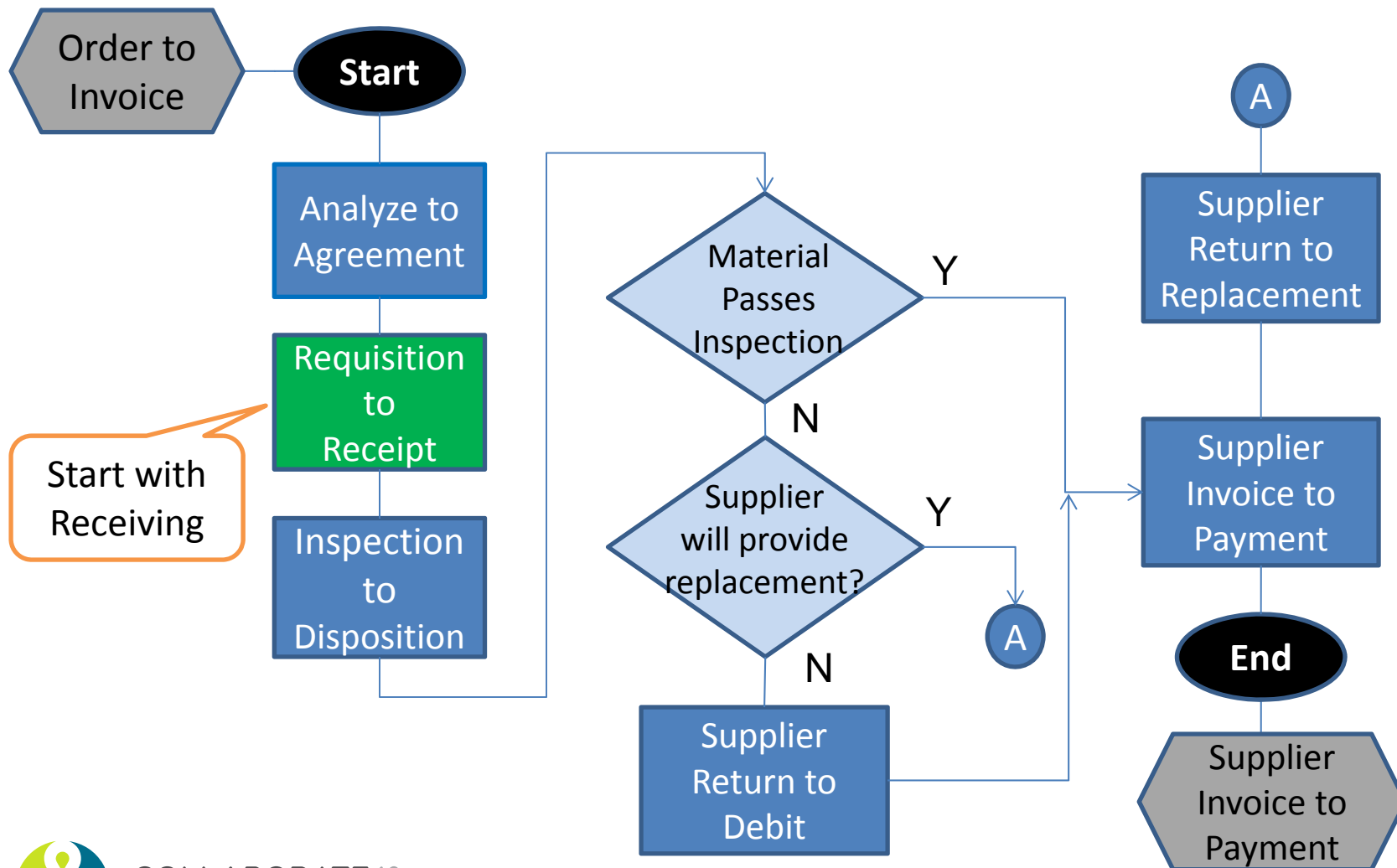
# Business Process Flows



# Where are we now?



# Procure to Pay



# Refresher – Drop Ship SO



Menu path: Order Mgmt Super User => Orders, Returns => Order Organizer => 66394

Customer SO entered in Vision Operations (US)

The screenshot displays the Oracle Order Organizer interface for a sales order. The top window shows the 'Order Information' tab with the following details:

- Customer: Business World
- Customer Number: 1608
- Customer PO: (empty)
- Order Number: 66394
- Order Type: Drop Shipment
- Date Ordered: 18-JAN-2013 20:16:12

The bottom window shows the 'Line Items' tab with a table of order lines. The first line is highlighted:

Line	Ordered Item	Qty	UOM	Unit Selling Price	Request Date	Schedule Ship Date	Status	On Hold	Cascaded Hold	ATO	Line Type	Qty Cancelled
1.1	CM51562	100	Ea	150.00	18-JAN-2013 20:16:12	31-DEC-2012 23:59:00	Awaiting Receipt	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Drop Ship Line	0

Summary information at the bottom of the line item window:

- Order Total: 16,350.00
- Line Total: 15,000.00
- Line Qty: 100
- Service Total: 0.00
- Description: PC Bag - Double Sided, Leather

An orange callout box points to the 'Drop Ship Line' entry in the 'Line Type' column of the table, with the text 'Drop Ship Line Type'.



# Refresher – Drop Ship SO

Menu path: Order Mgmt Super User => Orders, Returns => Order Organizer => Line items => Actions => Additional Line Information

Order Information | Line Items

Order Total

Main | Pricing | Shipping | Actions

Line	Ordered Item	Qty Shipped
1.1	CM51562	

Additional Line Information

Order Number: 66394 | Line: 1.1

Hold | Returns | Deliveries | Invoices / Credit Memos | Internal Requisition | Drop Ship | Quantity History

Document Type	Number	Rev	Line	Shipment	Supplier	Status
Purchase Order	1567	1	1	1	Consolidated Supplies	Approved

Operating Unit: Vision Germany | Purchasing

References the Internal PO number

# Refresher – Drop Ship PO

Menu path: Vision Germany => Purchasing => => Purchase Order Summary => Shipments



Purchase Orders - 1567

Operating Unit	Vision Germany	Created	18-JAN-2013 20:42:48	P-Card	
PO, Rev	1567 0	Type	Standard Purchase Order	Contact	
Supplier	Consolidated Supplies	Site	FRANKFURT	Currency	EUR
Ship-To	München DE	Bill-To	München DE	Total	5,200.00
Buyer	Senior Buyer, Mr. Senior Buyer	Status	Approved		
Description					

Lines | Price Reference | Reference Documents | More | Agreement | Temporary Labor

Num	Type	Item	Rev	Job	Category	Description	UOM	Quantity	Price
1	Goods	CM51562			PRODUCTN.FINC	PC Bag - Double Sided	Each	100	52

Item: CM51562 PC Bag - Double Sided, L

Shipments - 1567

Shipments | Drop Ship | More | Status

Num	Sales Order Num	Line	Ordered Quantity	Shipped Quantity	Secondary Ordered Quantity	Shipped Quantity	Sales Order Status	Ship To Customer
1	66394	1.1	100				Awaiting Rec	Business

Line Num: 1 | Item: CM51562 | PC Bag - Double Sided, Leather

Receiving Controls | Distributions

No receipts yet



# Refresher – Drop Ship PO

Menu path: Vision Germany => Purchasing => => Purchase Order Summary => Distributions



Distributions - 1567

Destination More Project

Num	Type	Requester	Deliver-To	Subinventory	Quantity	P [ ]
1	Inventory		2391 L Street-San		100	01

PO Account Descriptions

Charge: Germany-Raw material-No Cost Centre-No  
 Accrual: Germany-Accruals-No Cost Centre-No Pro  
 Budget: Germany-Accruals-No Cost Centre-No Pro  
 Variance: Germany-Price variances AP-Manufacturin

Lines And Shipment Details

Line Num: 1 Shipment Num: 1  
 Item: CM51562 PC Bag - Double Sided, Le

Distributions - 1567

Destination More Project

Requisition Online

Num	Requesting Org	Number	Line	Rate Date	Rate	PO Accrual Acc [ ]
1	Vision Germany	7887	1	18-JAN-2013		01-0976-000-000

PO Account Descriptions

Charge: Germany-Raw material-No Cost Centre-No  
 Accrual: Germany-Accruals-No Cost Centre-No Pro  
 Budget: Germany-Accruals-No Cost Centre-No Pro  
 Variance: Germany-Price variances AP-Manufacturin

Destination Account Descriptions

Charge:   
 Variance:

Lines And Shipment Details

Line Num: 1 Shipment Num: 1 Org: E1 Ship-To: 2391 L Street-San Jo  
 Item: CM51562 PC Bag - Double Sided, Leather

Outside Services



# Refresher – Intercompany Setup



Menu path: Inventory => Setup => Organizations => Intercompany Transaction Flows

Operating Unit		Type	Ship From/To		Qualifier	[]
Start	End		Organization	Organization		
Vision Germany	Vision Netherlands	Shipping	E1			
Vision Germany	Vision Operations	Shipping				
Vision Germany	Vision Operations	Shipping				
Vision Germany	Vision Operations	Procuring				
Vision Germany	Vision Industries	Procuring				

Seq	From Operating Unit	Organization	To Operating Unit	Organization	Details Required	[]
1	Vision Germany	E1	Vision Operations		<input type="checkbox"/>	
					<input type="checkbox"/>	
					<input type="checkbox"/>	
					<input type="checkbox"/>	
					<input type="checkbox"/>	

Intercompany Relations

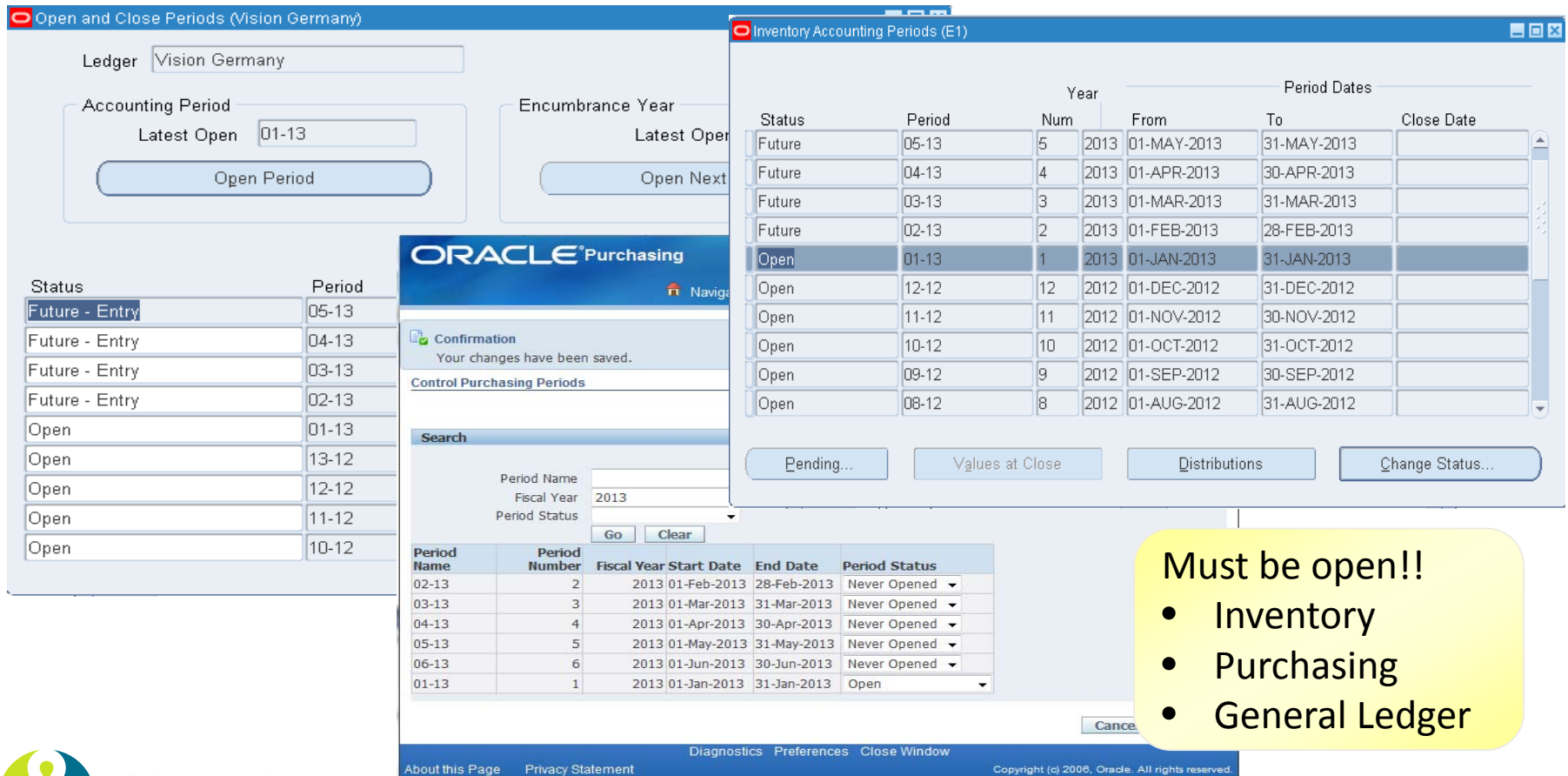
Vision Operations is procuring from Vision Germany





# Open Accounting Periods

Menu path: Purchasing => Setup => Financials => Accounting => Control Purchasing Periods  
 Cost Management => Accounting Close Cycle => Inventory Accounting Periods  
 General Ledger => Setup => Open/Close



**Open and Close Periods (Vision Germany)**

Ledger: Vision Germany

Accounting Period: Latest Open 01-13

Encumbrance Year: Latest Open

Buttons: Open Period, Open Next

Status	Period
Future - Entry	05-13
Future - Entry	04-13
Future - Entry	03-13
Future - Entry	02-13
Open	01-13
Open	13-12
Open	12-12
Open	11-12
Open	10-12

**Inventory Accounting Periods (E1)**

Status	Period	Num	Year	From	To	Close Date
Future	05-13	5	2013	01-MAY-2013	31-MAY-2013	
Future	04-13	4	2013	01-APR-2013	30-APR-2013	
Future	03-13	3	2013	01-MAR-2013	31-MAR-2013	
Future	02-13	2	2013	01-FEB-2013	28-FEB-2013	
Open	01-13	1	2013	01-JAN-2013	31-JAN-2013	
Open	12-12	12	2012	01-DEC-2012	31-DEC-2012	
Open	11-12	11	2012	01-NOV-2012	30-NOV-2012	
Open	10-12	10	2012	01-OCT-2012	31-OCT-2012	
Open	09-12	9	2012	01-SEP-2012	30-SEP-2012	
Open	08-12	8	2012	01-AUG-2012	31-AUG-2012	

Buttons: Pending..., Values at Close, Distributions, Change Status...

**ORACLE Purchasing**

Confirmation: Your changes have been saved.

Control Purchasing Periods

Search: Period Name, Fiscal Year 2013, Period Status

Period Name	Period Number	Fiscal Year	Start Date	End Date	Period Status
02-13	2	2013	01-Feb-2013	28-Feb-2013	Never Opened
03-13	3	2013	01-Mar-2013	31-Mar-2013	Never Opened
04-13	4	2013	01-Apr-2013	30-Apr-2013	Never Opened
05-13	5	2013	01-May-2013	31-May-2013	Never Opened
06-13	6	2013	01-Jun-2013	30-Jun-2013	Never Opened
01-13	1	2013	01-Jan-2013	31-Jan-2013	Open

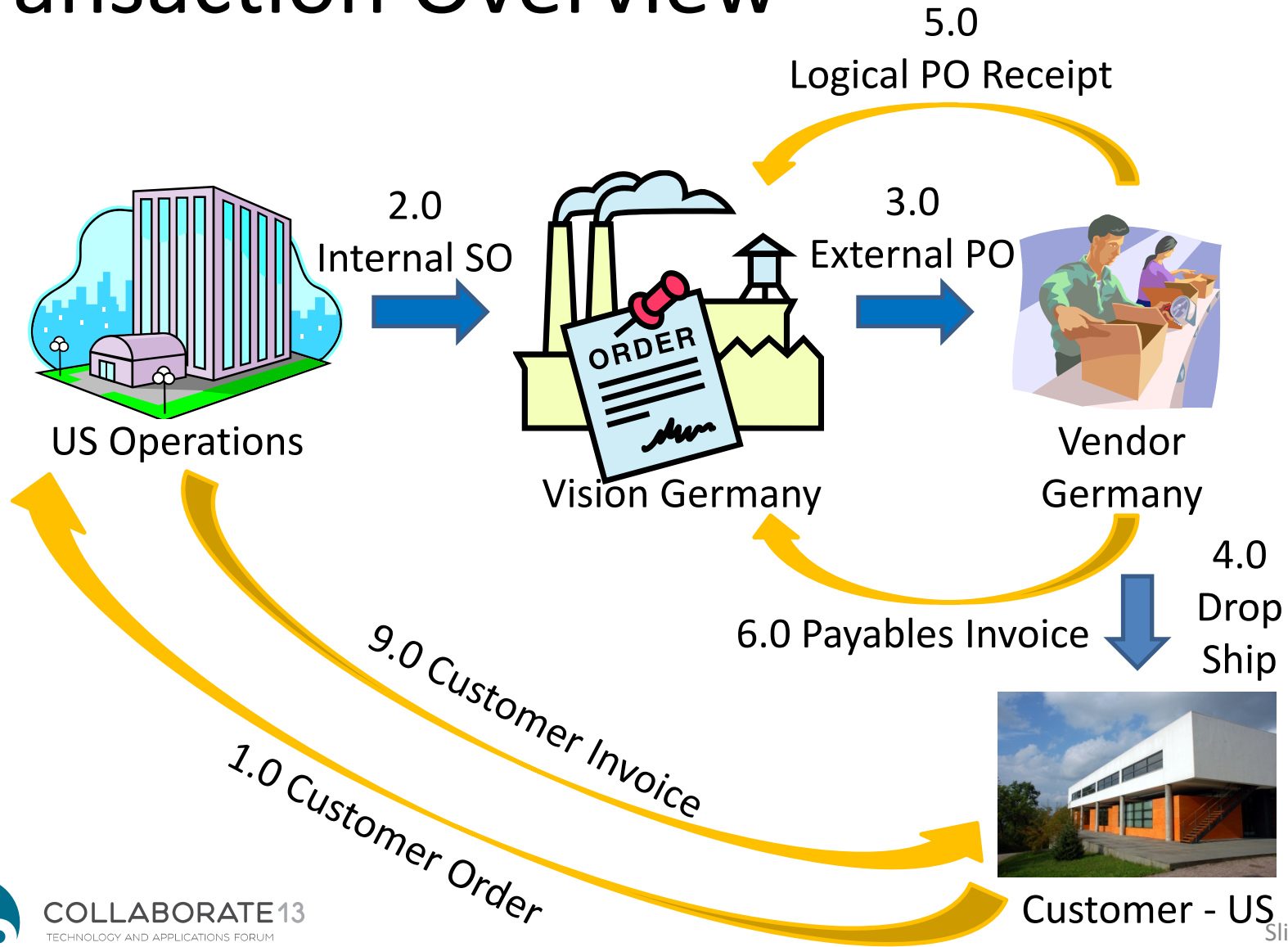
Buttons: Go, Clear, Cancel

Bottom: About this Page, Privacy Statement, Diagnostics, Preferences, Close Window, Copyright (c) 2006, Oracle. All rights reserved.

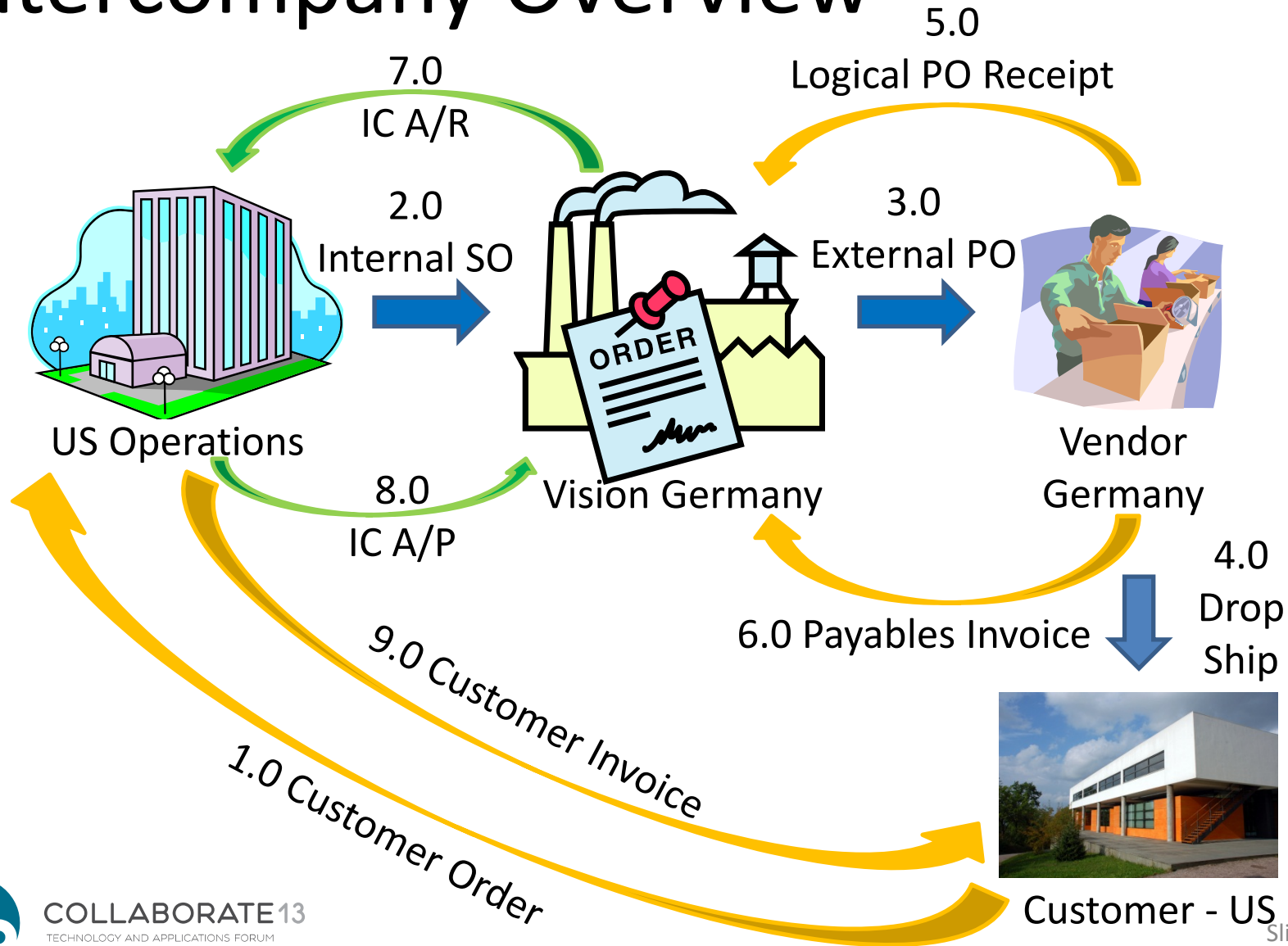
**Must be open!!**

- Inventory
- Purchasing
- General Ledger

# Transaction Overview



# Intercompany Overview



# Receive the Materials into Vision Germany (E1)

Item Receipt

Field	Value
Responsibility	Purchasing Vision Germany

Perform a logical receipt (*this means a non-physical movement*)

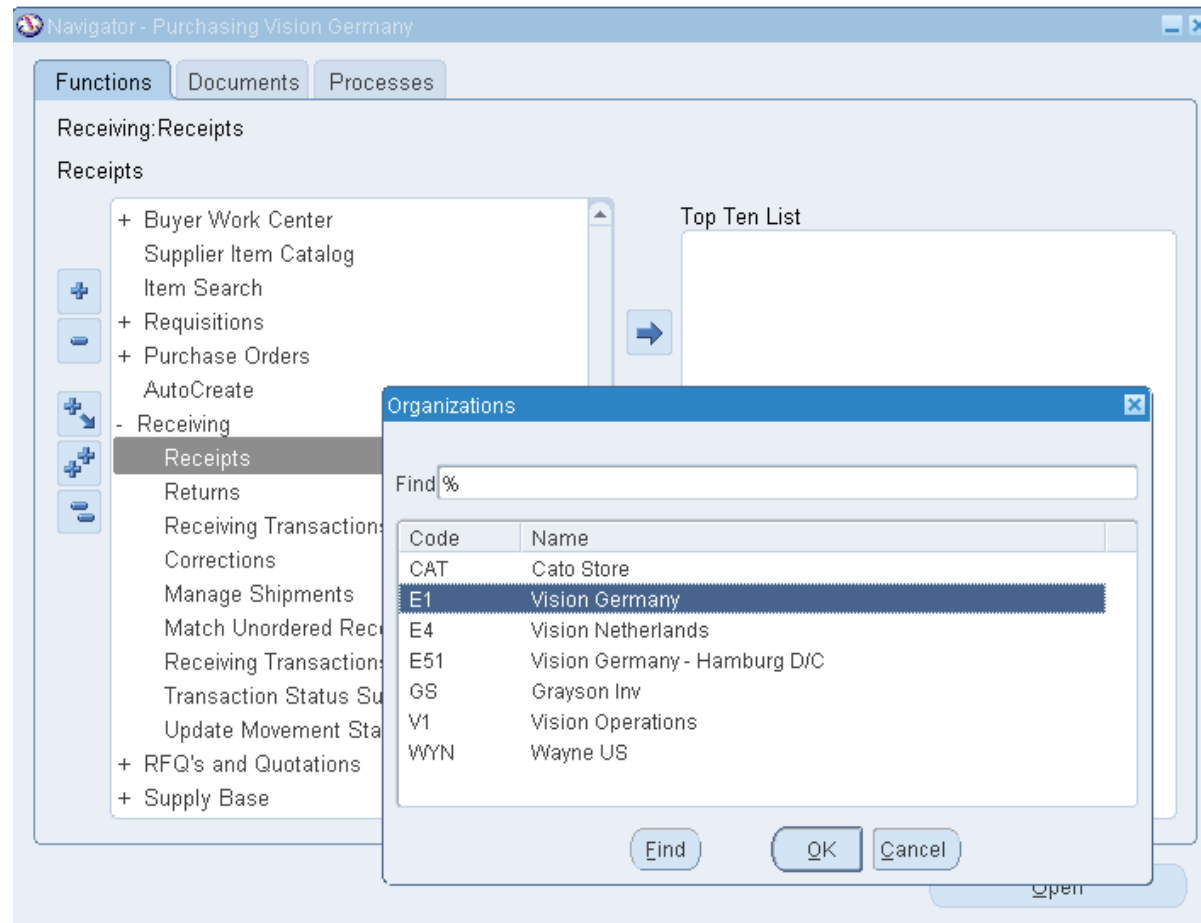
- The logical receipt of the material in E1 updates the Sales Order in Vision Operations to a Fulfilled status
- This action signifies the product has shipped to the customer, yet, does not update the inventory values in Vision Germany

Purchasing > Receiving > Receipts > Select E1 Vision Germany  
from the Organizations LOV

Receive into the Subinventory S1

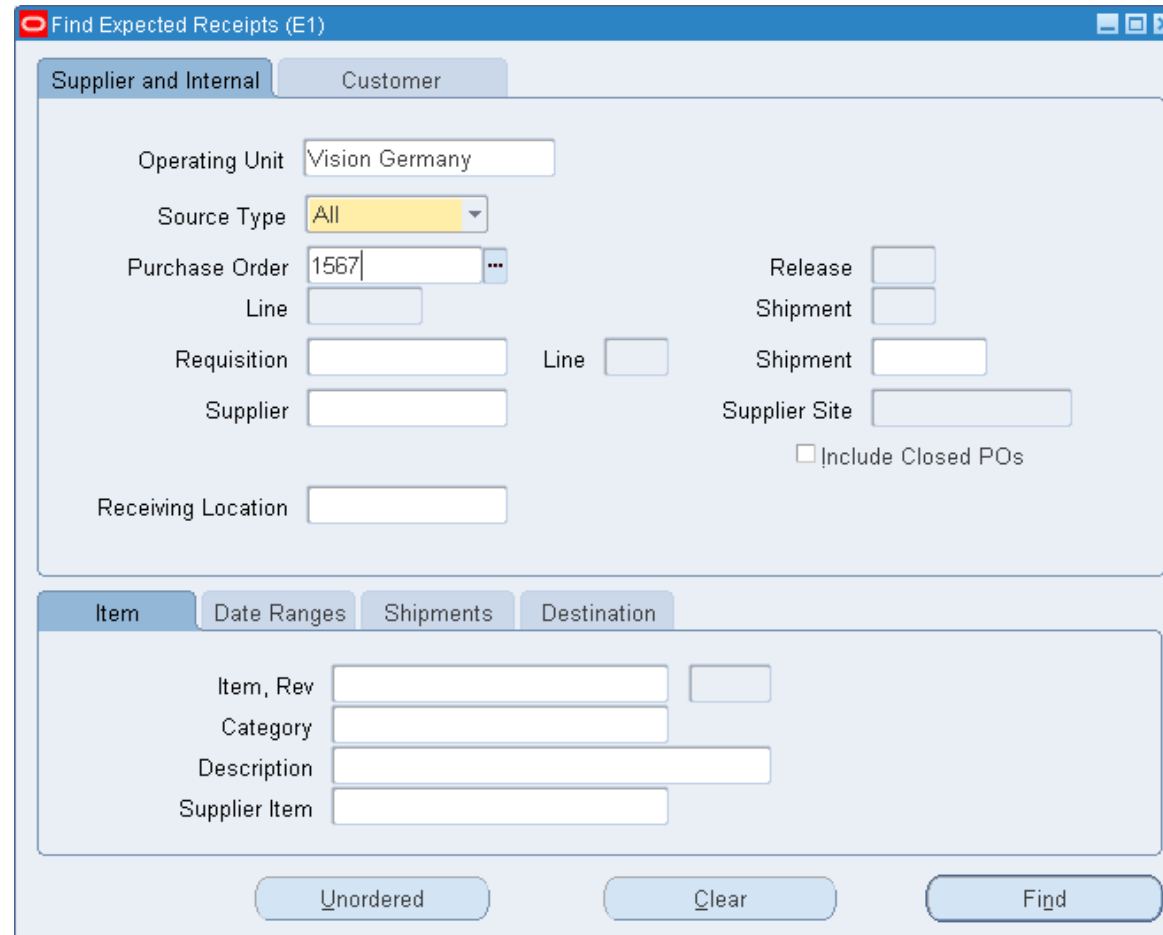
# Logical Receipt

Menu path: Purchasing Vision Germany => Receiving => Receipts => E1 Organization (LOV Vision Germany OU)



# Find Expected Receipts

Menu path: Purchasing Vision Germany => Receiving => Receipts => E1 Organization



The screenshot shows the 'Find Expected Receipts (E1)' form in Oracle EBS. The form is divided into two main sections: 'Supplier and Internal' and 'Customer'. The 'Supplier and Internal' section contains fields for Operating Unit (Vision Germany), Source Type (All), Purchase Order (1567), Line, Requisition, Supplier, Receiving Location, Release, Shipment, and Supplier Site. There is also a checkbox for 'Include Closed POs'. The 'Customer' section contains fields for Item, Rev, Category, Description, and Supplier Item. At the bottom of the form are three buttons: 'Unordered', 'Clear', and 'Find'.



# Enter Receipt Transaction

Menu path: Purchasing Vision Germany => Receiving => Receipts => E1 Organization

**Receipt Header (E1)**

New Receipt       Add To Receipt

Receipt:

Shipment: 1567-1

Packing Slip:

Freight Carrier:

Containers:

Supplier: Consolidated Suppl...

Comments:

**Receipts (E1)**

Receipt Date: 18-JAN-2013 23:43

	Quantity		Secondary		Destination Type	Item	Rev	Description	L	[ ]
	UOM	Quantity	UOM	Quantity						
<input checked="" type="checkbox"/>	1	Each			Inventory	CM51562		PC Bag - Double S	2	
<input type="checkbox"/>										
<input type="checkbox"/>										
<input type="checkbox"/>										
<input type="checkbox"/>										
<input type="checkbox"/>										
<input type="checkbox"/>										
<input type="checkbox"/>										

Operating Unit: Vision Germany

Supplier: Consolidated Supplies

Item Description: PC Bag - Double Sided, Leather

Destination: 2391 L Street-San Jo---

Header Receiver Note:

Shipment Receiver Note:

Order Type: Standard

Order: 1567

Due Date: 31-DEC-2012 23:59

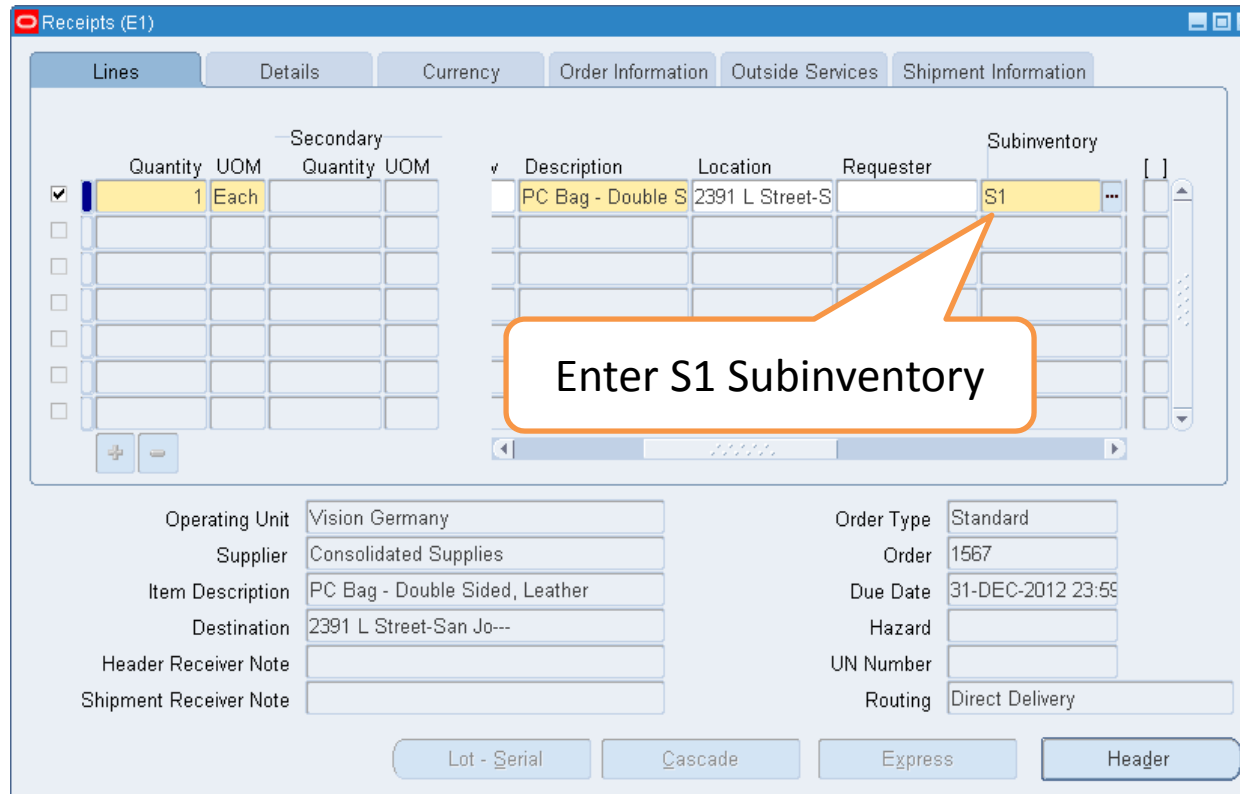
Hazard:

UN Number:

Routing: Direct Delivery

# Enter Receipt Transaction

Menu path: Purchasing Vision Germany => Receiving => Receipts => E1 Organization



Quantity	UOM	Secondary	Description	Location	Requester	Subinventory
1	Each		PC Bag - Double S	2391 L Street-S		S1

Operating Unit: Vision Germany  
 Supplier: Consolidated Supplies  
 Item Description: PC Bag - Double Sided, Leather  
 Destination: 2391 L Street-San Jo---  
 Header Receiver Note:  
 Shipment Receiver Note:

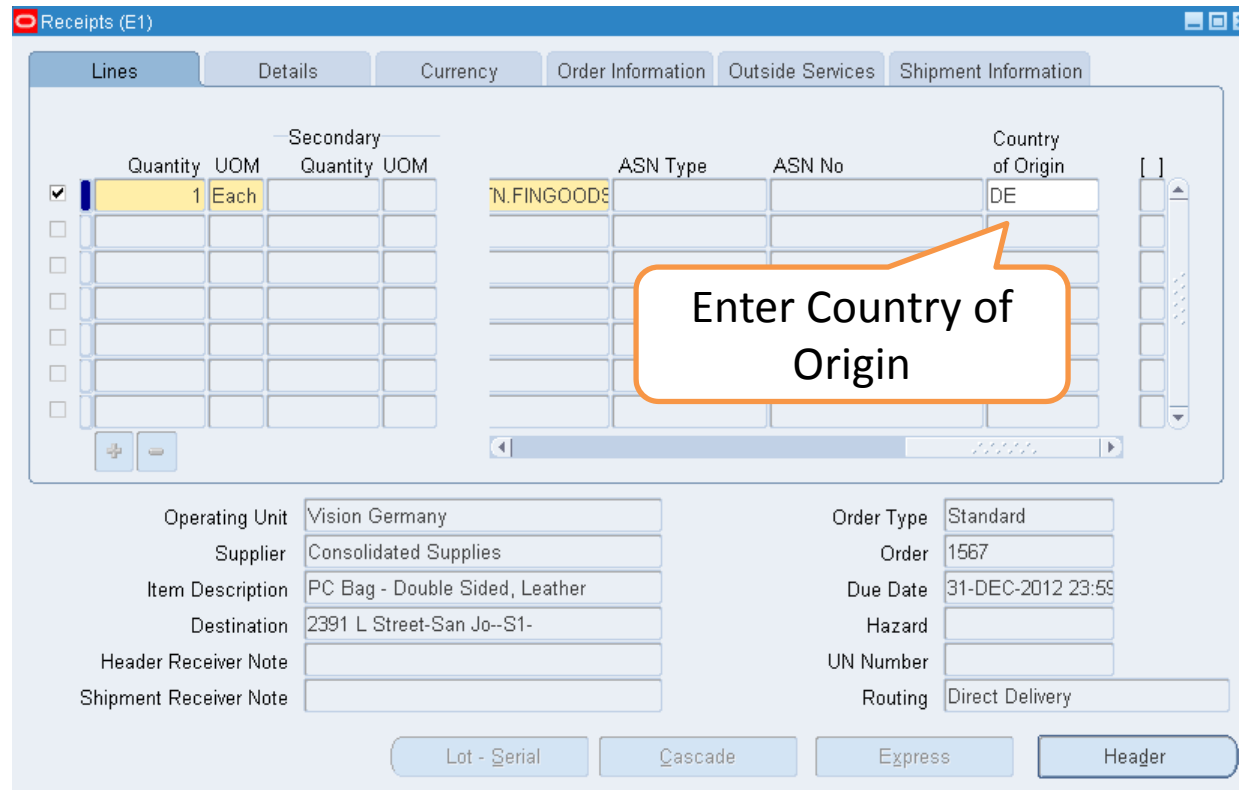
Order Type: Standard  
 Order: 1567  
 Due Date: 31-DEC-2012 23:59  
 Hazard:  
 UN Number:  
 Routing: Direct Delivery

Buttons: Lot - Serial, Cascade, Express, Header



# Enter Receipt Transaction

Menu path: Purchasing Vision Germany => Receiving => Receipts => E1 Organization



The screenshot shows the Oracle Receipts (E1) form with the following data:

Quantity	UOM	Secondary Quantity	UOM	ASN Type	ASN No	Country of Origin
1	Each			N.FINGOODS		DE

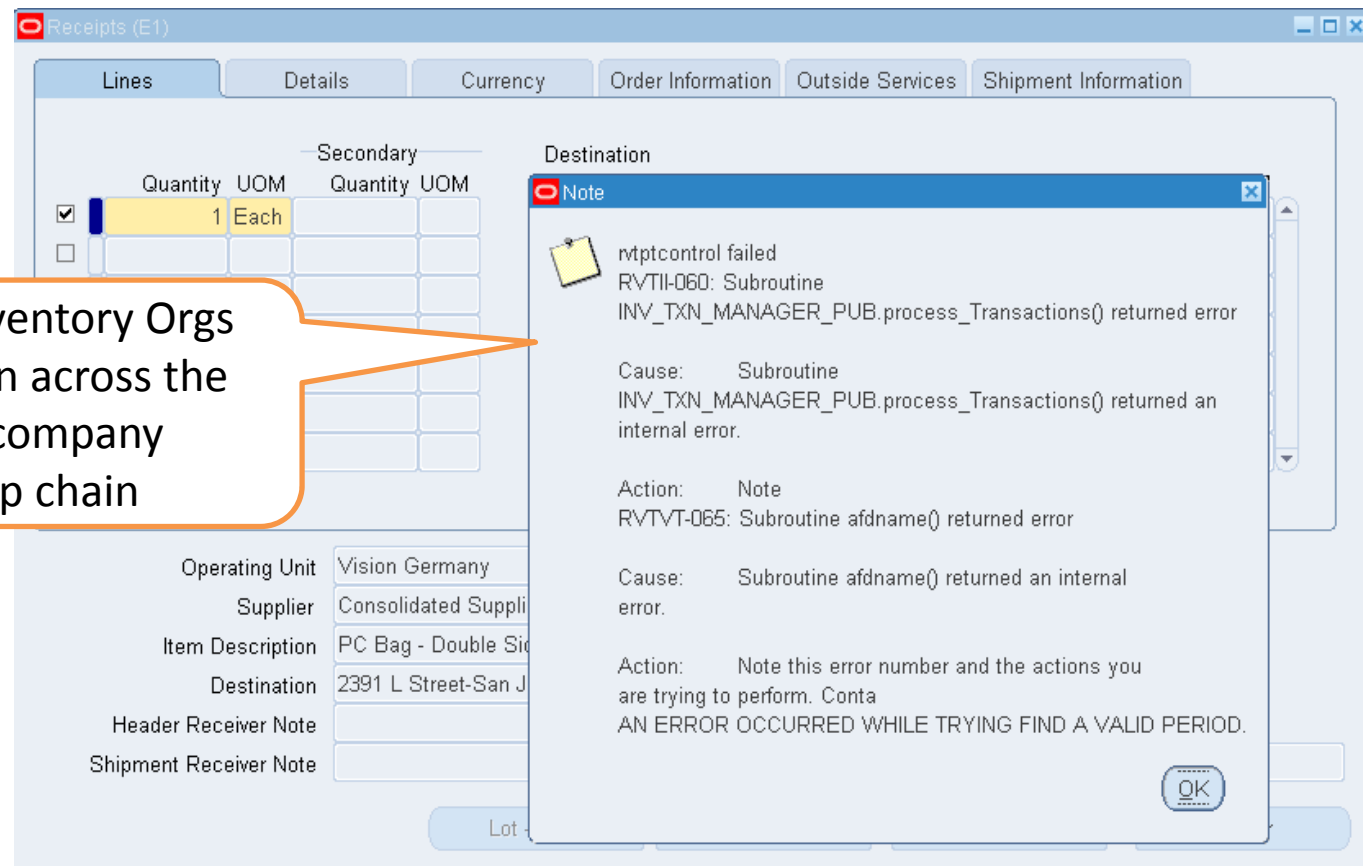
Form Fields:

- Operating Unit: Vision Germany
- Supplier: Consolidated Supplies
- Item Description: PC Bag - Double Sided, Leather
- Destination: 2391 L Street-San Jo--S1-
- Header Receiver Note:
- Shipment Receiver Note:
- Order Type: Standard
- Order: 1567
- Due Date: 31-DEC-2012 23:59
- Hazard:
- UN Number:
- Routing: Direct Delivery

Buttons: Lot - Serial, Cascade, Express, Header

# Logical Receipt – Oops ...

Menu path: Purchasing Vision Germany => Receiving => Receipts => E1 Organization



The screenshot shows the Oracle Receipts (E1) window with a 'Note' dialog box open. The dialog box contains the following error message:

```

rvtpcontrol failed
RVTH-060: Subroutine
INV_TXN_MANAGER_PUB.process_Transactions() returned error

Cause: Subroutine
INV_TXN_MANAGER_PUB.process_Transactions() returned an
internal error.

Action: Note
RVTVT-065: Subroutine afdname() returned error

Cause: Subroutine afdname() returned an internal
error.

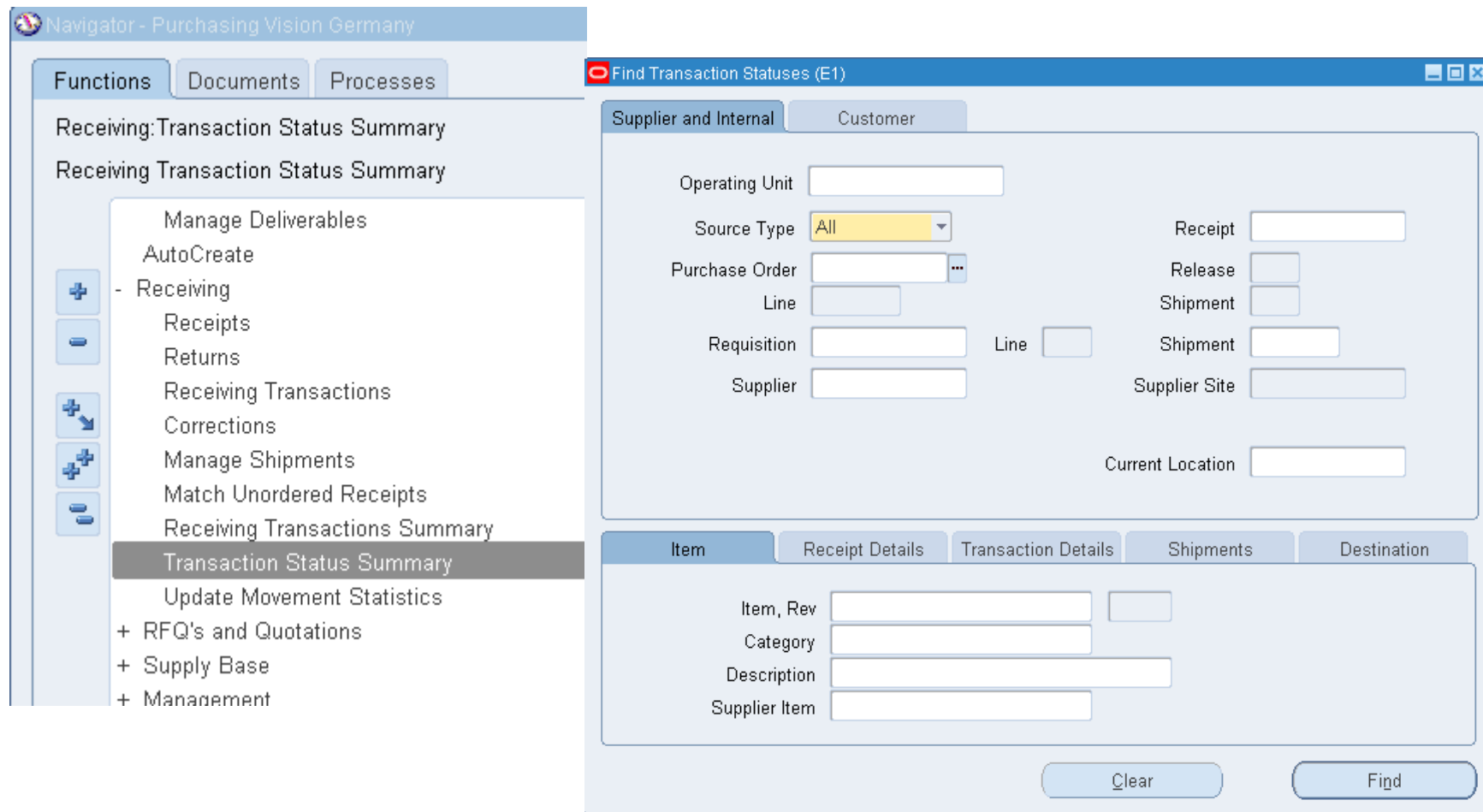
Action: Note this error number and the actions you
are trying to perform. Conta
AN ERROR OCCURRED WHILE TRYING FIND A VALID PERIOD.
    
```

The background window shows a table with columns for Quantity and UOM, and a 'Destination' field set to '2391 L Street-San J'. A callout box points to the 'Destination' field.

G/L, OU and Inventory Orgs  
have to be open across the  
entire intercompany  
relationship chain

# Logical Receipt – Find Errors

Menu path: Purchasing Vision Germany => Receiving => Transaction Status Summary



The screenshot displays the Oracle Purchasing Vision Germany interface. On the left is a navigation tree with the following structure:

- Functions
  - Documents
  - Processes
  - Receiving: Transaction Status Summary
  - Receiving Transaction Status Summary
    - Manage Deliverables
    - AutoCreate
    - Receiving
      - Receipts
      - Returns
      - Receiving Transactions
      - Corrections
      - Manage Shipments
      - Match Unordered Receipts
      - Receiving Transactions Summary
      - Transaction Status Summary**
      - Update Movement Statistics
    - + RFQ's and Quotations
    - + Supply Base
    - + Management

The main window is titled "Find Transaction Statuses (E1)" and has two tabs: "Supplier and Internal" (selected) and "Customer".

**Supplier and Internal Tab:**

- Operating Unit:
- Source Type:
- Purchase Order:
- Line:
- Requisition:  Line:
- Supplier:
- Receipt:
- Release:
- Shipment:
- Shipment:
- Supplier Site:
- Current Location:

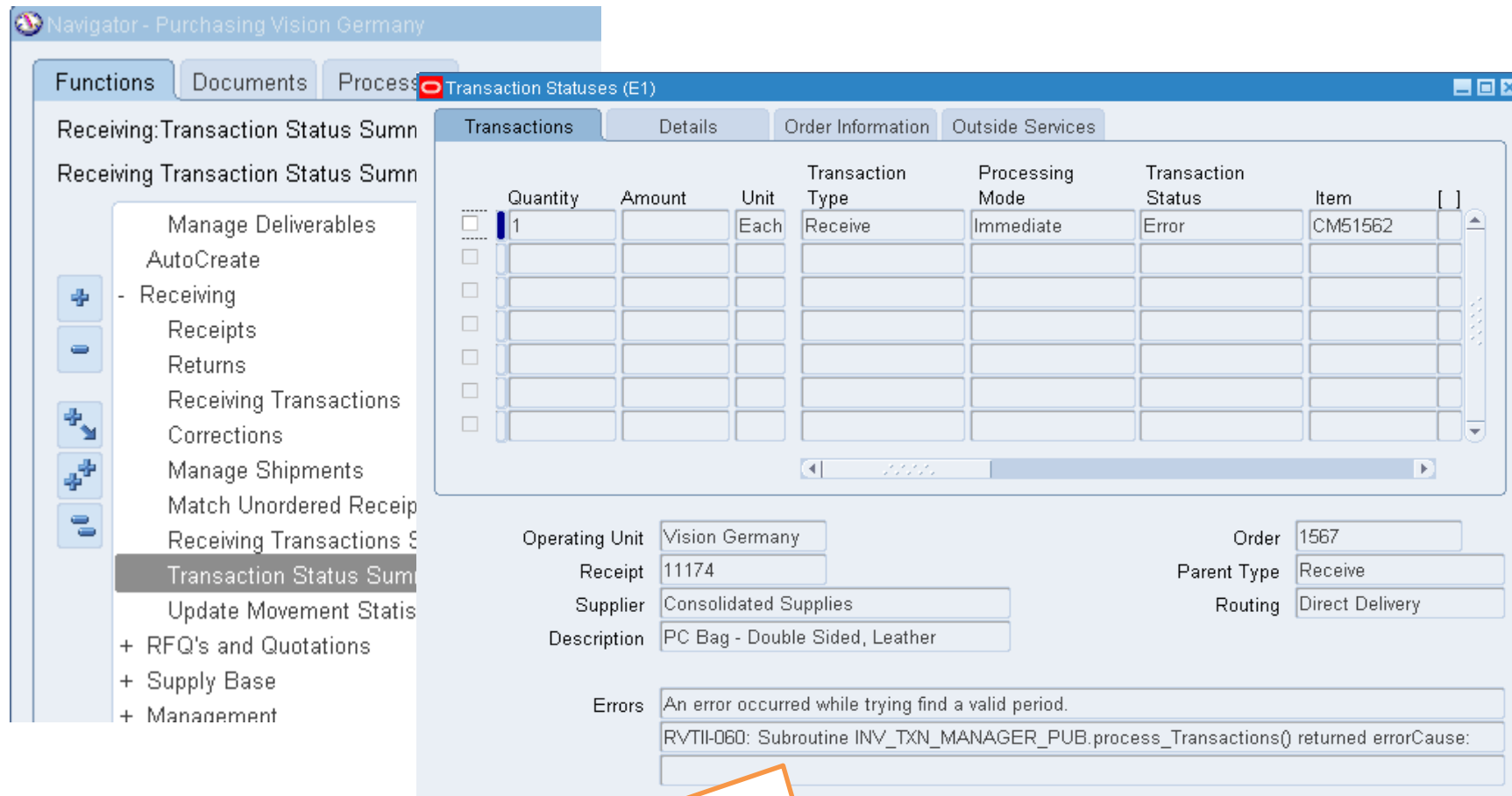
**Item Tab:**

- Item, Rev:
- Category:
- Description:
- Supplier Item:

Buttons:

# Logical Receipt

Menu path: Purchasing Vision Germany => Receiving => Transaction Status Summary



The screenshot shows the Oracle EBS interface for 'Receiving: Transaction Status Summary'. The window title is 'Transaction Statuses (E1)'. The main table displays transaction details:

Quantity	Amount	Unit	Transaction Type	Processing Mode	Transaction Status	Item
1		Each	Receive	Immediate	Error	CM51562

Below the table, the following details are visible:

- Operating Unit: Vision Germany
- Receipt: 11174
- Supplier: Consolidated Supplies
- Description: PC Bag - Double Sided, Leather
- Order: 1567
- Parent Type: Receive
- Routing: Direct Delivery

The 'Errors' section contains the following message:

```
An error occurred while trying find a valid period.
RVTHI-060: Subroutine INV_TXN_MANAGER_PUB.process_Transactions() returned errorCause:
```

Until all the periods were opened we kept on getting this error

---

# Inventory Periods Open

Menu path: Inventory=> Accounting Close Cycle => Inventory Accounting

## To summarize, we had to open up:

- Every inventory org in the Inter-Org Relationships setup, including any Nodes
- Every OU in the Inter-Org Relationships setup, including any Nodes
- Every Primary ledger related to the Inter-Org Relationships setup, including any Nodes



# Reprocessing PO Receipts

Menu path: USE SQL ...

## Not able to Reprocess Failed PO Receipts via a Form

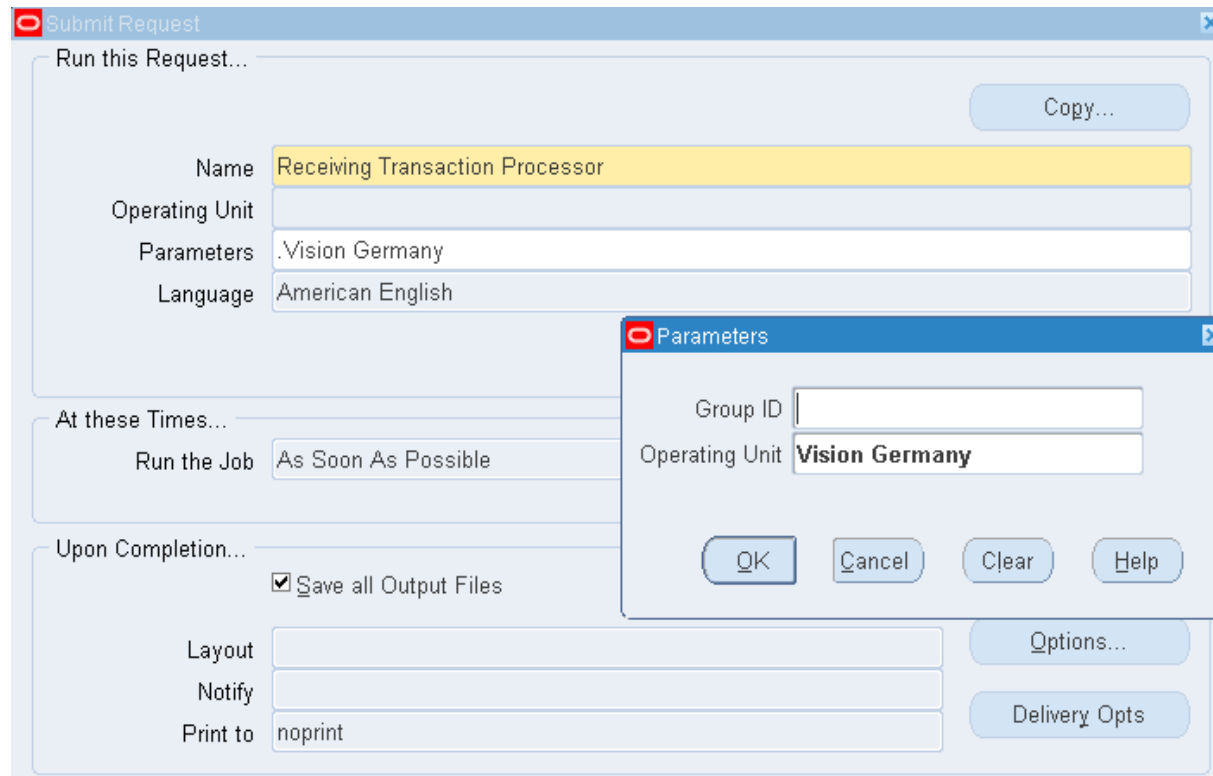
- You can only DELETE from the Transaction Statuses form
- So .... Either you DELETE and re-enter the PO receipt or ... reset via SQL:

```
UPDATE po.rcv_transactions_interface rti
SET    rti.processing_status_code = 'PENDING',
       rti.processing_mode_code = 'BATCH',
       rti.transaction_status_code = 'PENDING'
WHERE  rti.processing_mode_code = 'IMMEDIATE'
AND    rti.transaction_status_code = 'ERROR'
AND    rti.to_organization_id = 911;
```



# Reprocessing PO Receipts

Menu path: Purchasing Vision Germany => View Requests => Submit New Request => Receiving Transaction Processor



The screenshot shows the 'Submit Request' dialog box with the following fields and options:

- Run this Request...** (Text area with a **Copy...** button)
- Name:** Receiving Transaction Processor
- Operating Unit:** (Empty)
- Parameters:** .Vision Germany
- Language:** American English
- At these Times...**
  - Run the Job:** As Soon As Possible
- Upon Completion...**
  - Save all Output Files
  - Layout:** (Empty)
  - Notify:** (Empty)
  - Print to:** noprint
- Buttons:** Options..., Delivery Opts

The **Parameters** sub-dialog box is open, showing:

- Group ID:** (Empty)
- Operating Unit:** Vision Germany
- Buttons:** OK, Cancel, Clear, Help

# Processing PO Receipts

Menu path: Purchasing Vision Germany => View Requests

Payables Invoice to Supplier

Pay on Receipt / ERS processing

Receiving Transaction Processor

Request ID	Name	Parent	Phase	Status	Parameters
5834709	Payables Open Interface In		Completed	Normal	ERS, ERS-4892363, RECEIF
5834708	ADS (Pay On Receipt Aut		Completed	Normal	ERS, 1, 4811910, 0
5834707	Receiving Transaction Proc		Completed	Normal	BA
5834573	Payables Open Interface In		Completed	Normal	, E
5834572	Payables Open Interface In		Completed	Normal	, E
5834206	Payables Open Interface In		Completed	Normal	, E
5834205	ADS (Pay On Receipt Aut		Completed	Normal	ERS, 1, 4811909, 0
5834204	Receiving Transaction Proc		Completed	Normal	IMMEDIATE, 41422
5834108	Payables Open Interface In		Completed	Normal	, ERS, ERS-4891377, RECEIF
5834107	ADS (Pay On Receipt Aut		Completed	Normal	ERS, 1, 4811909, 0

Check Output for Errors



# Processing PO Receipts

Menu path: Purchasing Vision Germany => View Requests => Payables Open Interface Import => Output

Report Date: 20-JAN-2013 15:42  
Page: 2

## Payables Open Interface Import Report

Source Name:	ERS	Hold Name:	
Group:	ERS-4891385	Hold Reason:	
		GL Date:	
		Purge:	No
		Summarize Report	N

## Payables Open Interface Rejections Report

Vision Germany

Supplier Number	Supplier Name	Invoice Number	Invoice Date	Invoice Currency	Invoice Amount	Line Number	Reason	Description
1014	Consolidated Supplies	ERS-11178-163654	20-JAN-13	EUR	103.6	1	Acct date not in open pd	Accounting date is not in an open period

Total Invoices Rejected: 1

Check Output for Errors

# Find Receiving Transactions

Menu path: Inventory Vision Germany => Transactions => Receiving => Receiving Transactions

Find Receiving Transactions (E1)

**Supplier and Internal**    Customer

Operating Unit:

Source Type:     Receipt:

Purchase Order:

Line:

Requisition:

Supplier:

Receiving Location:

Receipt Headers Summary (E1)

Receipt	Date	Supplier	Supplier Site	Shipment Number	Ship Date
11174	18.01.2013 23:45:5	Consolidated Suppl	FRANKFURT	1567-1	
11175	19.01.2013 00:12:0	Consolidated Suppl	FRANKFURT	1567-2	

**Item**    Receipt Details    Trans

Item, Rev:

Category:

Description:

Supplier Item:

# Find Receiving Transactions

Menu path: Inventory=> Transactions => Receiving => Receiving Transactions

**Find Receiving Transactions (E1)**

Supplier and Internal Customer

Operating Unit: Vision Germany

Source Type: Supplier

Purchase Order: 1567

Line:

Requisition:  Line

Supplier: Consolidated Supp

Receiving Location:

---

Item Receipt Details Transaction

Item, Rev:

Category:

Description:

Supplier Item:

**Receipt Transaction Summary (E1)**

Transaction Type	Amount	Unit	Date	Item	Rev	Destination	Receipt
Receive	1	Each	19-JAN-20	CM51562		Receiving	11175
Deliver	1	Each	19-JAN-20	CM51562		Inventory	11175
Receive	1	Each	18-JAN-20	CM51562		Receiving	11174
Deliver	1	Each	18-JAN-20	CM51562		Inventory	11174

---

Order Type: Purchase Order

Source: Consolidated Supplies

Description: PC Bag - Double Sided, Leather

Destination: ---

Header Receiver Note:

Shipment Receiver Note:

Operating Unit: Vision Germany

Order: 1567

Transaction Date: 19-JAN-2013 00:09

Hazard:

UN Number:

Routing: Direct Delivery

# Find Receiving Accounting Transactions



Menu path: Vision Germany => Cost Accounting => View Transactions => Receiving Accounting Events

**Find Receiving Accounting Events**

Transaction Dates: 18.01.2013 00:00:00 — 25.01.2013 23:59:59  
 Item:   
 Purchase Order: 1567  
 Requisition:   
 Receipt:   
 Vendor: Consolidated St

**Accounting Events**

Event Id	Item	Transaction Date	Rcv Transaction	Event Type
234313	CM51562	19.01.2013 00:09:59	4891401	LOGICAL_RECEIVE
234312	CM51562	18.01.2013 23:43:35	4891399	LOGICAL_RECEIVE

**Distributions**

Accounting Date	Account	Accounting Line Type	Currency	Debit	Credit	Entered Dr	Entered Cr
19.01.2013 00:00:00	01-3000-000-000	Clearing	EUR	52,00		52,00	
19.01.2013 00:00:00	01-0976-000-000	Accrual	EUR		52,00		52,00

**A/P Accrual washes to zero with A/P entry**

**Washes to zero with inventory transactions**



# Find Material Transactions

Menu path: Inventory=> E1 => Transactions => Material Transactions

Unchecked - means physical transactions



# Find Material Transactions

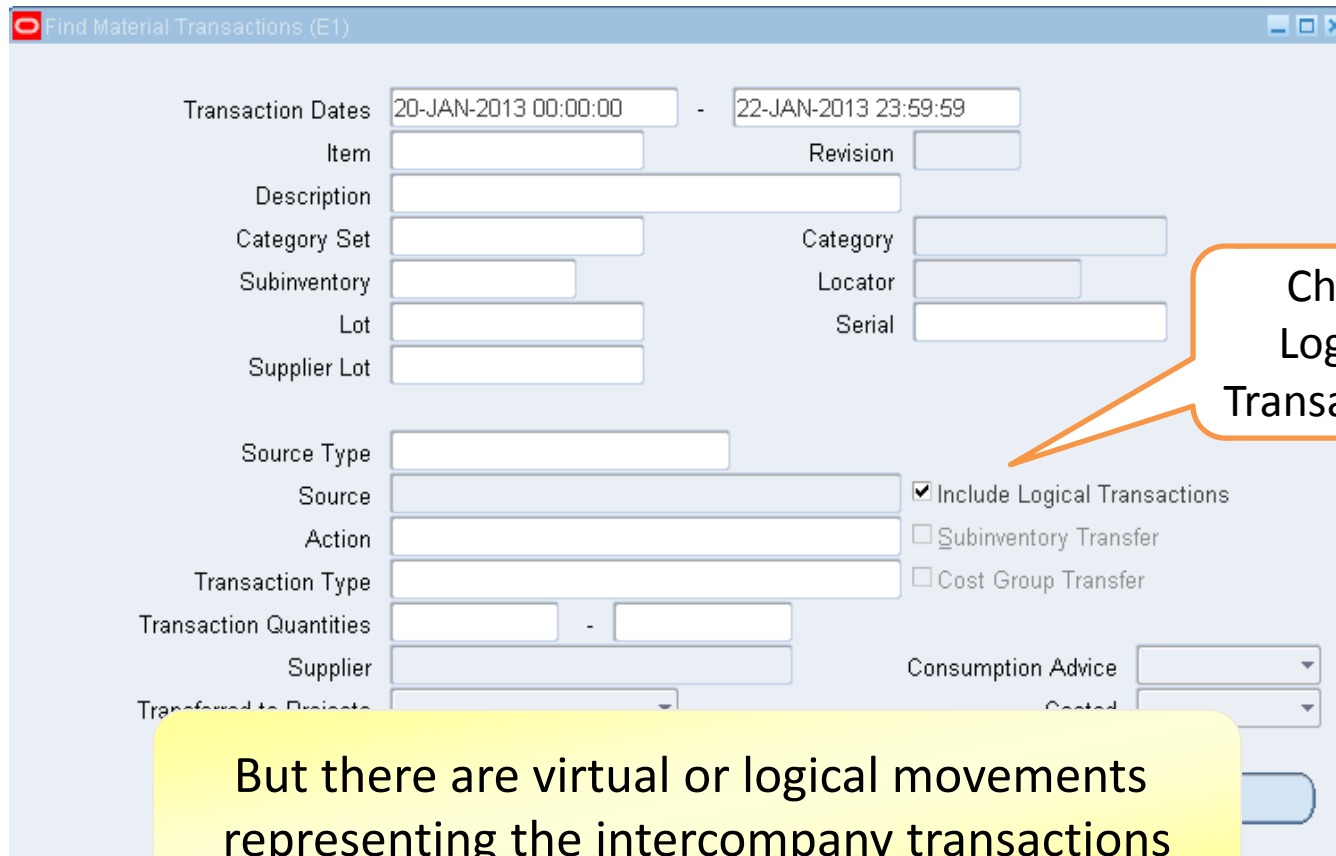
Menu path: Inventory=> E1 => Transactions => Material Transactions

Item	Source Type	Source	Transaction Type	Transaction ID

Item Description:  Date:   
Primary UOM:  Primary Quantity:   
Secondary UOM:  Secondary Quantity:   
Distributions      Lot / Serial

# Find Material Transactions

Menu path: Inventory=> E1 => Transactions => Material Transactions



Transaction Dates: 20-JAN-2013 00:00:00 - 22-JAN-2013 23:59:59

Item: [ ] Revision: [ ]

Description: [ ]

Category Set: [ ] Category: [ ]

Subinventory: [ ] Locator: [ ]

Lot: [ ] Serial: [ ]

Supplier Lot: [ ]

Source Type: [ ]

Source: [ ]  Include Logical Transactions

Action: [ ]  Subinventory Transfer

Transaction Type: [ ]  Cost Group Transfer

Transaction Quantities: [ ] - [ ]

Supplier: [ ] Consumption Advice: [ ]

Transferred to Projects: [ ] Costed: [ ]

But there are virtual or logical movements representing the intercompany transactions

Check  
Logical  
Transactions



# Material Logical Transactions

Menu path: Inventory=> E1 => Transactions => Material Transactions

Transaction ID	Transaction Date	Source Type	Source	Transaction Type
23608091	20.01.2013 01:36:48	Sales order	66394.Drop Shipment.ORDER ENTRY	Logical Sales Order Issue
23608090	20.01.2013 01:36:48	Inventory		Logical Intercompany Shipment Receipt
23608087	20.01.2013 01:36:48	Inventory		Logical Intercompany Sales Issue
23608086	20.01.2013 01:36:48	Purchase order	1567	Logical PO Receipt

Germany Org E1, PO Receipt from Supplier

Germany Org E1, IC Shipment to Org M1, US

US Org M1, Customer Shipment

US Org M1, IC PO Receipt from Germany

Item Description: PC Bag - Double Sided, Leather  
Date: 20.01.2013 01:36:48  
Primary UOM: Ea  
Primary Quantity: -1  
Secondary UOM:   
Secondary Quantity:   
Buttons: Distributions, Lgt / Serial

Each Drop Shipment creates four logical material transactions



# Material I/C Accounting

Menu path: Inventory=> Transactions => Material Transactions => Distributions

Material Transaction Distributions (E1) - 23608086

Transaction Date	Accounting Type	Transaction Source Type	Transaction Source	UOM	Primary Quantity	Transaction ID	Parent Transaction ID
20.01.2013 01:36	Inv valuation	Sales order	66394.Drop Shipment.	Ea	<1,00>	23608091	23608086
20.01.2013 01:36	Deferred Cost of Goods	Sales order	66394.Drop Shipment.	Ea	<1,00>	23608091	
20.01.2013 01:36	Accrual	Inventory		Ea	1,00	23608090	
20.01.2013 01:36	Inv valuation	Inventory		Ea	1,00	23608090	
20.01.2013 01:36	Account	Inventory		Ea	1,00	23608087	
20.01.2013 01:36	Inv valuation	Inventory		Ea	<1,00>	23608087	
20.01.2013 01:36	Inv valuation	Purchase order	1567	Ea	1,00	23608086	
20.01.2013 01:36	Clearing	Purchase order	1567	Ea	<1,00>	23608086	23608086

Item	CM51562	UOM	Ea
Description	PC Bag - Double Sided, Leather	Quantity	<1,00>
Revision		Unit Cost	<99,00000>
Account	01-000-1410-0000-000	Value	99,00

US Org M1, Customer Shipment

US Org M1, IC PO Receipt from Germany

Germany Org E1, IC Shipment to Org M1, US

Germany Org E1, PO Receipt from Supplier

Each Drop Shipment creates 8 logical material accounting entries

# Material I/C Accounting

Menu path: Custom Reporting

Operating Unit	Org	Txn Id	Co	Acct	Cost Ctr	Product		Acctg Line Type	Subinv	Transaction Type	Quantity	Txn Amount
Vision Germany	E1	23608087	01	7240	000	000		Account	S1	Logical Intercompany Sales Issue	1	52.00
Vision Germany	E1	23608087	01	3000	000	000		Inv valuation	S1	Logical Intercompany Sales Issue	-1	(52.00)
Vision Germany	E1	23608086	01	3000	000	000		Clearing	S1	Logical PO Receipt	-1	(52.00)
Vision Germany	E1	23608086	01	3000	000	000		Inv valuation	S1	Logical PO Receipt	1	52.00
Operating Unit	Org	Txn Id	Co	Dept	Acct	SubAcct	Prod	Acctg Line Type	Subinv	Transaction Type	Quantity	Txn Amount
Vision Operations	M1	23608090	01	000	1410	0000	000	Inv valuation		Logical Intercompany Shipment Receipt	1	(99.00)
Vision Operations	M1	23608090	01	000	5290	0000	000	Accrual		Logical Intercompany Shipment Receipt	1	99.00
Vision Operations	M1	23608091	01	000	1410	0000	000	Inv valuation		Logical Sales Order Issue	-1	99.00
Vision Operations	M1	23608091	01	520	1415	0000	000	Deferred Cost of Goods Sold		Logical Sales Order Issue	-1	(99.00)

Custom Reports really help with understanding intercompany transactions

# Find Payables Invoice

Menu path: Vision Payables Germany => Invoices => Inquiry => Invoices

Invoice Workbench (Payables Vision Germany)

Batch Control Total  Batch Actual Total

Operating Unit	Customer Taxpayer ID	Type	PO Number	Trading Pa	Supplier Num	Supplier Site	Invoice Date	Invoice Num	Invoice
Vision Germany		Standard		Consolidat	1014	FRANKFUR	20-JAN-2013	ERS-11177-1E	EUR

ERS Invoice

1 General | 2 Lines | 3 Holds | 4 View Payments | 5 Scheduled Payments | 6 View Prepayment Applications

Total  
Gross  Retained  Net

Num	Type	Amount	PO Number	PO Release	PO Line	PO Shipment	Match Basis	PO Distribution	Receipt Number	Receipt Line	Qu:
1	Item	52.00	1567		1	1	Quantity	1			1
2	Tax	9.88									

Discard Line | Distributions | Allocations

Tax Details | All Distributions



# Payables Invoice Accounting

Menu path: Vision Payables Germany => Invoices => Inquiry => Invoices => Distributions

Distributions (Payables Vision Germany) - Vision Germany, ERS-11177-163673, Consolidated Supplies

Line Number: 1  
Line Description: PC Bag - Double Sided, Leather

Invoice Total: 61,88  
Distribution Total: 61,88

Num	Type	Amount	GL Date	Account	Asset Book	Description
1	Accrual	52,00	20.01.2013	01-0976-000-000		PC Bag - Double Sided, Leather
1	Nonrecoverable Tax	0,00	20.01.2013	01-0976-000-000		DE VAT - DE VAT
2	Recoverable Tax	9,88	20.01.2013	01-1775-000-000		DE VAT - DE VAT

Relieves A/P Accrual Account

Status: Never Validated  
Accounted: Unprocessed  
Distribution Class: Saved  
Associated Charges: 9,88  
Account Description: Germany-Accruals-No Cost Centre-No Product

Tax Distributions View PO View Receipt



# Revised Sales Order Status

Menu path: Order Mgmt Super User => Orders, Returns => Order Organizer => 66394

Sales Orders (Vision Operations) - 66394, Business World

Order Information | **Line Items**

Order Total 16,350.02

Main | Pricing | Shipping | Addresses | Returns | Services | Others

Line	Ordered Item	Qty	UOM	Unit Selling Price	Request Date	Schedule Ship Date	Status	On Hold	Cascaded Hold	ATO	Line Type	Qty Cancelled
1.1	CM51562	1	Ea	150.00	18-JAN-2013 20:16:12	31-DEC-2012 23:59:00	Shipped	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Drop Ship Line	0
1.2	CM51562	1	Ea	150.00	18-JAN-2013 20:16:12	31-DEC-2012 23:59:00	Shipped	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Drop Ship Line	
1.3	CM51562	98	Ea	150.00	18-JAN-2013 20:16:12	31-DEC-2012 23:59:00	Awaiting Receipt	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Drop Ship Line	

Line Total 15,000.00 | Line Qty 100 | Service Total 0.00

Description PC Bag - Double Sided, Leather

Actions | Related Items | Configurator | Availability | Book Order

The status is now "Shipped"

# T Accounts for Drop Ship

Event	Receiving Clearing (E1)	Inventory Clearing (E1)	I/C COGS (E1)	Trade A/P Accrual (E1)	Trade Payables (E1)	I/C Receivables (E1)	I/C Revenue (E1)
1. PO Receipt (PO Rcvg)	52				52		
2. Logical PO Receipt (INV)		52					
3. Logical IC Sales Issue			52				
6. A/P ERS Supplier Invoice				52	52		
7. I/C AR (AutoInvoice)						52	52
	I/C A/P Accrual (M1)	IC Payable (M1)	Inventory Clearing (M1)	Deferred COGS (M1)	Trade COGS (M1)	Trade Receivable (M1)	Trade Revenue (M1)
4. Logical IC Shipment Receipt	99		99				
5. Logical Sales Order Issue			99	99			
8. I/C AP Invoice	120	120					
9. COGS Recognition				99	99		
9. Customer Invoice						120	120

On the next IC presentation

On the next IC presentation

Hit a Major Bug, Entries Booked in Reverse

# T Accounts for Drop Ship

Event	Receiving Clearing (E1)	Inventory Clearing (E1)	I/C COGS (E1)	Trade A/P Accrual (E1)	Trade Payables (E1)	I/C Receivables (E1)	I/C Revenue (E1)
1. PO Receipt (PO Rcvg)	52				52		
2. Logical PO Receipt (INV)		52					
3. Logical IC Sales Issue			52				
6. A/P ERS Supplier Invoice				52	52		
7. I/C AR (AutoInvoice)						52	52
	I/C A/P Accrual (M1)	IC Payable (M1)	Inventory Clearing (M1)	Deferred COGS (M1)	Trade COGS (M1)	Trade Receivable (M1)	Trade Revenue (M1)
4. Logical IC Shipment Receipt			99				
5. Logical Sales Order Issue				99			
8. I/C AP Invoice	120	120					
9. COGS Recognition				99	99		
9. Customer Invoice						120	120

On the next IC presentation

On the next IC presentation

Corrected Entries

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# What's Next?

- Session: 11554
  - IC: Inter-company and Customer Invoicing.  
Transactions, accounting, documents, settlement
- Areas of Focus:
  - Intercompany A/R
  - Intercompany A/P
  - Revenue and COGS Recognition
  - Consolidations and Intercompany Profit Elimination
  - International Invoicing considerations





# Collaborate 13: IC Presentations



Session Title	Session ID	Presenter	Room	Date/ Time
IC: Intercompany Orders: A Walk Through the Details	11540	Thomas Simkiss	503	April 8 <sup>th</sup> , 9:45 AM
IC: Master Data Configuration and Considerations for the Intercompany flow	11524	Mohan Iyer	503	April 8 <sup>th</sup> , 11:00 AM
IC: Intercompany Ordering, Pricing, and Sourcing Considerations	11548	Bobby Smith	503	April 8 <sup>th</sup> , 1:15 PM
IC: Procurement, Tax, and Sourcing	11490	Ketan Thanki	503	April 8 <sup>th</sup> , 3:45 PM
IC: Fulfillment Delivery Options for Integrated Collaborate End-to-End EBS Workshop	11525	Doug Volz	503	April 9 <sup>th</sup> , 8:00 AM
IC: Inter-company and Customer Invoicing. Transactions, accounting, documents, settlement	11554	Hans Kolbe	503	April 9 <sup>th</sup> , 10:45 AM
IC: Accounting Events, Wrap-up Q&A	11538	Lee Briggs	503	April 9 <sup>th</sup> , 2:00 PM



## Professional Background

Doug Volz is a Senior Architect and Advisor for Oracle Application projects, specializing in Cost Management and Intercompany processes. He has 30 years accumulated experience, including 5 years in Oracle Development (co-designing Oracle Cost Management) and 12 years in industry in Cost and Accounting Management positions. His Manufacturing and Cost systems experience covers project management, software design/development, delivery and consulting services, for both Oracle Corporation, and multiple international consulting firms. Prior to his systems career, Mr. Volz also held numerous management accounting positions for telecommunications, defense, and electronics companies.

In his consulting roles, Doug has served over 100 clients. Many of these were multi-org, multi-currency with global footprints. Countries include US, Mexico, UK, Netherlands, Belgium, Taiwan, P.R.O.C., Norway, Japan, Italy, Switzerland and Germany.

Doug leads the OAUG Cost Management Special Interest Group. He also advises and participates on the Oracle Customer Advisory Board for Fusion Costing and for the SCM Financial Orchestration Functional Forum.

## Core Expertise

- ❑ Multi-organization, Multi-currency Implementations
- ❑ Cost Accounting Processes
- ❑ Project Management and Senior Project Advisor
- ❑ Core manufacturing & EAM processes
  - ▶ Cost Management
  - ▶ Intercompany
  - ▶ Inventory
  - ▶ Bills of Material
  - ▶ WIP
- ❑ Systems Integration and Data Conversions

## Experience

- ❑ Sample of clients served:
  - Beckman Coulter (US)
  - Celgene (US, Switzerland)
  - Garlock Sealing Tech. (US, Germany)
  - Logitech (US, Taiwan, P.R.C.)
  - Matsushita (UK, Mexico)
  - NTL (UK, now Virgin Media)
  - TCI International (US)
  - Onninen AS (Norway)



# Any Questions?

**Doug Volz**

**[doug@volzconsulting.com](mailto:doug@volzconsulting.com)**

**[www.volzconsulting.com](http://www.volzconsulting.com)**

**+1 510 755-7050**



# Any Questions?



**Doug Volz**  
[doug@volzconsulting.com](mailto:doug@volzconsulting.com)  
[www.volzconsulting.com](http://www.volzconsulting.com)  
**+1 510 755-7050**