

What's New in R12?

What really matters in the changes

Session # 11425

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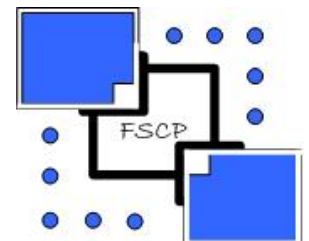
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TECHNOLOGY AND APPLICATIONS FORUM
FOR THE ORACLE COMMUNITY



What is new



A screenshot of the Oracle login page. The page has a blue header with the 'ORACLE' logo. Below the header is a row of five small images showing people working. The main content area is light blue and contains a large, semi-transparent globe on the left. To the right of the globe are the login fields: '*User Name' with a text input field and an example '(example: michael.james.smith)', '*Password' with a text input field and an example '(example: 4u99v23)', and two buttons labeled 'Login' and 'Cancel'. Below these fields is a 'Login Assistance' link and an 'Accessibility' dropdown menu set to 'None'. At the bottom of the main area, there is a 'Select a Language:' section with 'English' selected. The footer is a dark blue bar with 'Privacy Statement' on the left and 'Copyright (c) 2006, Oracle. All rights reserved.' on the right.



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What is new and where

- Overall
- General Ledger
 - Subledger Accounting (SLA)
- E-Business Tax
- Accounts Payable
- Accounts Receivable
- Fixed Assets
- Cash Management



and here too

- Purchasing
- Cost Management / Inventory
- Bills of Material
- Quality
- Service
- WIP
- eAM

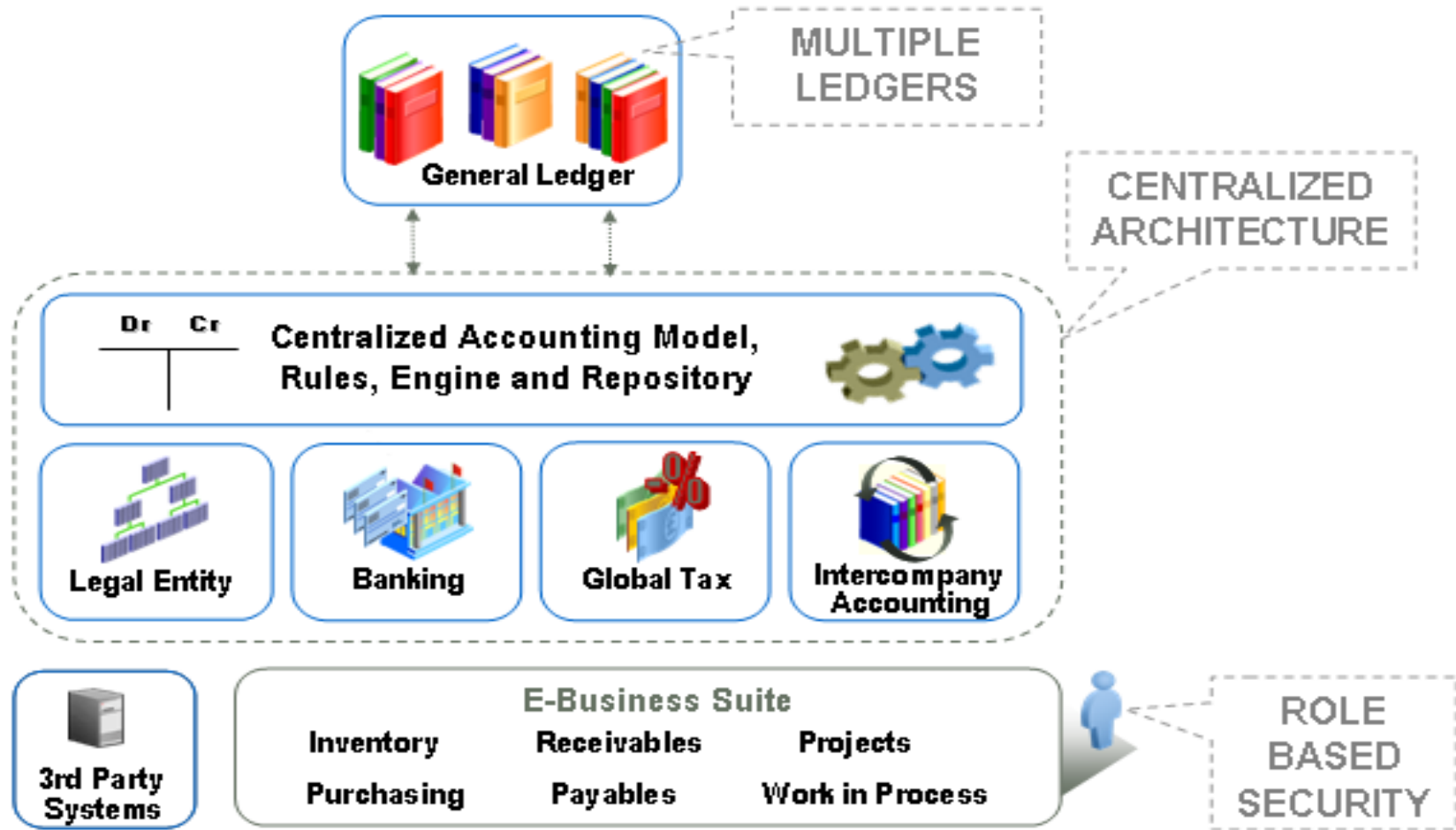


Overall changes

- Responsibilities span multiple Operating Units for transactional capability
- Legal Entity has now become relevant
- UMX – User Management has an implicit role in some tasks
- New User Interface
 - Multiple forms are now Java/HTML based; often the application jumps between these
- XML Publisher - now BI Publisher is the default publishing mechanism



R12 Architecture Overview



R12 – “Global Business Release”

- Announced in 2007 as the “Global Business Release”
 - Multi-Org Access Control
 - Ledger Sets
 - Primary and Secondary Ledgers
 - Rules-Based Accounting Engine (Subledger Accounting)
 - Shared Use of Customers, Vendors
 - New Bank and Bank Account Model
 - New Payment Processing
 - Rewritten / Shared Tax Engine
 - Financial Services Hub
 - Common Assets Repository



General Ledger

- Set of Books have become Ledgers
 - with Ledger, Data Access and Definition Access Sets
- Legal Entity has become an important aspect of the setup process
- You need to assign/link a Ledger to a Legal Entity
- Subledger Accounting (SLA) is inherent to the GL design



Old Set of Books Define Form

Set of Books [] Short Name []

Description []

Chart of Accounts [] Functional Currency []

Calendar

Name [] Future Periods **1**

Period Type []

Closing | **Journalling** | Average Balances | Budgetary Control | Multiple Reporting Currencies

Secondary Segment Tracking

Closing and Translation Revaluation

Account

Retained Earnings []

Translation Adjustment []

Account Description

[]

New Ledger Define Form



ORACLE Accounting Setup Manager
Close Window Preferences Help

Accounting Setups Legal Entities

Accounting Setups

The Accounting Setup Manager enables you to set up and implement your Oracle Financial Applications from one location. Each accounting setup you define includes the common setup components that control transaction processing across Oracle Financial Applications.

Status Key: ✔ - Completed ⌚ - In Progress ■ - Not Started

Search

Search by Ledger Go

Create Accounting Setup

Ledger	Type	Associated Primary Ledger	Status	Update Accounting Options
No search conducted.				

Accounting Setup Steps

- Create Accounting Structure
- Define Accounting Options
- Complete Accounting Setup

- [Prerequisite Checklist](#)
- [Overview of Accounting Setups](#)

ORACLE Accounting Setup Manager
Close Window Preferences Help

Accounting Setups Legal Entities

Assign Legal Entities
 Define Accounting Representations
 Save Accounting Structure

Create Accounting Setup: Assign Legal Entities

Cancel Step 1 of 3 Next

✔ **TIP** If you are not setting up accounting for a legal entity, you can skip this step.

* Indicates required field

Create Legal Entity

*Legal Entity	Country	Legal Entity Identifier	Remove
No results found.			

Add Another Row

Cancel Step 1 of 3 Next

What you should know

- You have to start with creating a Legal Entity to start a Ledger definition
- You cannot use the same name for a Legal Entity
- The key is the Tax ID Number (cannot be re-used)
- You cannot delete these from the system
 - you can end-date them



Ledger & Data Access Sets



Ledger Set

Ledger Set

Ledger Set: Short Name:

Description:

Chart of Accounts:

Calendar: Period Type:

Default Ledger:

Ledger/Ledger Set	Description
Progress State and Local	Progress State & Local Set of Books
Progress State and Local Cash	Progress State & Local Cash Basis Set of Books
GASB34	Progress State and Local GASB 34 Reporting

Data Access Set

Data Access Set:

Description:

Chart of Accounts:

Calendar: Period Type:

Access Set Type:

Default Ledger:

Access Details

Ledger/Ledger Set	Values		Privilege
	All	Specific	
SSC France	<input type="checkbox"/>	101	Read Only
SSC France ALC (USD)	<input type="checkbox"/>	101	Read Only
SSC US	<input checked="" type="checkbox"/>		Read and Write

Data Access Set

Definition Access Sets

- Allows securing functionality within GL
- Specific tasks are managed by this (short list)
 - Mass Allocation definitions
 - Recurring Journal Formulas
 - Financial Statement Generator components
- Securing access capabilities
 - Use
 - View
 - Modify



R12 Multi-Org Access Control



Global Security Profile

Name:

View Employees:

View Contingent Workers:

View Applicants:

View Contacts:

View Candidates:

View All Records

Allow Granted Users

Restrict on Individual Assignments

Organization Security | Supervisor Security | Miscellaneous Security | Custom Security | Static Lists

Security Type:

Organization Hierarchy:

Specify Top Organization:

Use the Organization on the User's Assignment(s) as the Top Organization

Include Top Organization Exclude Business Groups

Classification	Organization Name	Include	Exclude
<input type="text" value="Operating Unit"/>	<input type="text" value="Vision Construction"/>	<input checked="" type="radio"/>	<input type="radio"/>
<input type="text" value="Operating Unit"/>	<input type="text" value="Vision Leasing"/>	<input checked="" type="radio"/>	<input type="radio"/>
<input type="text" value="Operating Unit"/>	<input type="text" value="Vision Communications (USA)"/>	<input checked="" type="radio"/>	<input type="radio"/>
<input type="text" value="Operating Unit"/>	<input type="text" value="Vision Project Manufacturing USD"/>	<input checked="" type="radio"/>	<input type="radio"/>



R12 Multi-Org Access Control

- Mostly affects “operating unit” level functions
- Allows you to access information across multiple operating units without changing responsibilities
- Set up a security profile to access the operating units
- Run Security List Maintenance concurrent program
- Assign the security profile using the MO: Security Profile
- Allows the move to Role Based Security Control (RBAC)



Security Inconsistencies

- Inventory Org Access and MOAC is not Consistent
- You Can Access an Inventory Org that
 - Belongs to an Operating Unit you cannot access
 - Belongs to a Ledger you cannot access
- Inventory Org Forms Work Differently Than OU Forms
 - Cost Mgmt INTL => Go to Operational Analysis => Purchases => Purchase Orders => Purchase Orders
 - Try to access the US Operating Unit -- NOT ALLOWED
 - Yet you can access any US inventory organization-based forms
 - OU Based: any PO, A/P, Order Management, A/R forms
 - Inventory Org Based: INV, CST, BOM, WIP, MRP, Receiving



Financials – Accounting Setup Manager

- The Accounting Setup Manager is a central location to define your accounting related setup across all financial applications
 - Define your legal entities and their accounting context
 - Which ledgers
 - Multi-Org setup
 - Centralizes your setup and makes it easier to inquire on and maintain relationships between ledgers, legal entities, and operating units.



Subledger Accounting (SLA)

- SLA as this is commonly called is now everywhere!
- This has become the gateway to GL from all other modules
- All accounting entries are created in the SLA – before coming into GL
- Create Accounting is the process to create accounting entries - everywhere



E-Business Tax

- A new Tax Engine has been added to the multitude of modules
- This now manages tax calculation for all application modules
- It has to be setup independently and has its own setup steps
- One still needs to connect/contract with a service provider for the Tax Rates



Accounts Payable

- Accounts Payable has gone a retrofit change on the Invoice and Payment functions
- There is additional region - Lines - between the Header and the Distribution
- The FA Book Name can be identified on the distribution and line level
- Payment Manager is a new concept for Payment processing



New AP Invoice Form

Invoice Workbench (AP Manager US)

Batch Control Total Batch Actual Total

Type	PO Number	Trading Pa	Supplier Num	Supplier Site	Invoice Date	Invoice Num	Invoice	Invoice Amount	Tax Amount	Tax Control Ar
Standard		FSCP SOL	501	PAYMENT	11-OCT-2009	110635	USD	5075.00		
Standard		FSCP SOL	501	PAYMENT	22-DEC-2009	110672	USD	900.00		
Standard		FSCP SOL	501	PAYMENT	18-OCT-2009	110638	USD	4600.00		
Standard		FSCP SOL	501	PAYMENT	18-OCT-2009	110639	USD	1250.00		

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	5075.00									

Discard 1 | Distributions | Allocations

Actions... 1 | Calculate Tax | Tax Details | Corrections | Quick Match | Match | All Distributions

New Payments Dashboard



Home | Templates | Payment Process Requests | Payment Instructions | Payments

Search

Template ▼

Shortcuts

- [Submit Cash Requirements Report](#)
- [Create Template](#)
- [Schedule Payment Process Request](#)
- [Submit Single Payment Process Request](#)
- [Create Printed Payment Instructions](#)
- [Create Electronic Payment Instructions](#)
- [Review Completed Payments](#)
- [Stop or Void Payments](#)

Concurrent Requests

- [Submit a Request](#)
- [Monitor Requests](#)

Payments Dashboard

Today's Payment Process Requests

Need Action	Program Errors	Processing	User Terminated	Completed	Total
<u>4</u>	<u>0</u>	<u>59</u>	<u>1</u>	<u>1</u>	65

Legend

- Program Errors
- User Terminated
- Processing
- Completed
- Need Action

Today's Payment Process Requests

Status	Count	Percentage
Processing	59	90.77%
Need Action	4	6.15%
Program Errors	0	1.54%
User Terminated	1	1.54%
Completed	1	1.54%



New Payments Dashboard



Submit Payment Process Request

* Indicates required field

Cancel Submit

* Payment Process Request Name
Use Template
(A template will update this page with default values)

Scheduled Payment Selection Criteria | Payment Attributes | User Rates | Processing | Validation Failure Results | Additional Information

Pay From Date <input type="text"/> <small>(example: 26-Jul-2012)</small>	Supplier Type <input type="text"/>
* Pay Through Date <input type="text"/> 10-Aug-2012	Payee <input type="text"/>
Payment Priority High <input type="text"/> 1	Payment Method <input type="text"/>
Payment Priority Low <input type="text"/> 99 <small>(1 is highest priority, and 99 is lowest)</small>	Invoice Batch Name <input type="text"/>
<input type="checkbox"/> Include Only Due	Invoice Exchange Rate Type <input type="text"/>
<input type="checkbox"/> Include Zero Amount	

Pay Groups | **Legal Entities**

Values <input checked="" type="radio"/> All <input type="radio"/> Specify	Values <input checked="" type="radio"/> All <input type="radio"/> Specify
--	--

Payment Currencies | **Operating Units**

Values <input checked="" type="radio"/> All <input type="radio"/> Specify	Values <input checked="" type="radio"/> All <input type="radio"/> Specify
--	--

Cancel Submit

Accounts Receivable

- Major change is the COGS and Revenue Recognition matching – happens simultaneously
- However, you can now apply receipts to a line on an AR Invoice
- Customer form has changed drastically
- The Customer form has been moved to the TCA architecture



New Customer Form

Customer: PC CONNECTION SERVICES

Customer Type **Organization**

Customer Information

* Organization Name Alias

* Registry ID **3448** Name Pronunciation

Context Value

Accounts

Status

Select Account Number	Account Description	Profile Class	Primary Bill-To Address	Status	Details
<input checked="" type="radio"/> 2718		DEFAULT	730 Milford Road , MERRIMACK, NH 03054	Active	<input type="button" value="Details"/>

Sites

Status Purpose

Operating Unit Show related contact sites

Address	Country	Purposes	Operating Unit	Site Number	Status	Details	Remove
730 Milford Road, MERRIMACK, NH 03054	United States	Bill To, Ship To	OU-Mirapoint US	2392	Active	<input type="button" value="Details"/>	<input type="button" value="Remove"/>
2870 Old State Route 73, Building 3, WILMINGTON, OH 45177	United States	Bill To, Ship To	OU-Mirapoint US	2958	Active	<input type="button" value="Details"/>	<input type="button" value="Remove"/>

Fixed Assets

- You can now make changes to an Asset and the system will automatically roll-back depreciation for that asset
- R11i: You can separately run depreciation **without** closing the F/A accounting period
- You can then run “Create Accounting” multiple times



Cash Management

- Cash Management now “owns” Banks!
- You MUST assign access to Legal Entities to the responsibility using UMX – User Management functionality
- This MUST be done using the SYSADMIN User, not the responsibility!
 - Else the grant capability (RBAC) has to be assigned to another responsibility that can then perform the task



Banks in Cash Management



Manage Banks and Branches

Overview | Banks | Bank Branches

Overview Of Bank Accounts

[Expand All](#) | [Collapse All](#)

Focus	Type	Number	Description	Total Accounts	Details
[-] United States				2	
[+] [-] Square 1 Bank	Bank		Square 1 Bank	2	
[+] [-] Silicon Valley	Bank Branch	053112615		2	

Manage Banks and Branches

Overview | Banks | **Bank Branches**

Bank Branches

Simple Search

[Advanced Search](#)

Branch Name Alternate Branch Name

Branch Number Country

EDI Location Bank Name

[Go](#) [Clear All](#)

[Create](#)

Branch Name	Alternate Branch Name	Branch Number	Update Branch	View Accounts	Bank Name	Alternate Bank Name	Short Bank Name	Bank Number	Country	Create Account
Silicon Valley		053112615		⌵	Square 1 Bank	Square 1	SQ1		United States	



Banks in Cash Management






Manage Bank Accounts



Bank Accounts



Simple Search

Advanced Search

Account Name  Alternate Account Name 

Short Account Name  Account Number

Account Owner  Currency 

Bank Name  Branch Name 

Go **Clear All**

Select Account | **Update Account** | **Manage Payment Documents** | **Create**

Select	Account Name	Alternate Account Name	Short Account Name	Account Number	Bank Name	Bank Number	Branch Name	Branch Number
<input type="radio"/>	Checking	Checking		X1369	Square 1 Bank		Silicon Valley	053112615
<input type="radio"/>	INT Checking Account			XXX0635	Square 1 Bank		Silicon Valley	053112615

Purchasing

- Vendors are now part of TCA
- Form has changed considerably and is not the same as the Customer form!
- Common Catalog for Purchasing and iProcurement; are synchronized automatically
 - Specific steps need to be followed
- Advanced Pricing in Purchasing now allows you to model complex pricing rules on Global Blanket Agreements



New Supplier Form



ORACLE® Payables Close Window Preferences

Suppliers

- Quick Update
- Company Profile
 - Organization
 - Tax Details
 - Address Book
 - Contact Directory
 - Business Classification
 - Products & Services
 - Banking Details
 - Surveys
- Terms and Control
 - Accounting
 - Tax and Reporting
 - Purchasing
 - Receiving
 - Payment Details
 - Invoice Management

Update FSCP SOLUTIONS, INC - 501: Quick Update
 * Indicates required field

* Supplier Name
 Supplier Number
 Alternate Supplier Name
 Registry ID
 Inactive Date
(example: 13-Jan-2010)
 Alias

Supplier Sites

Site Status Site Name Operating Unit

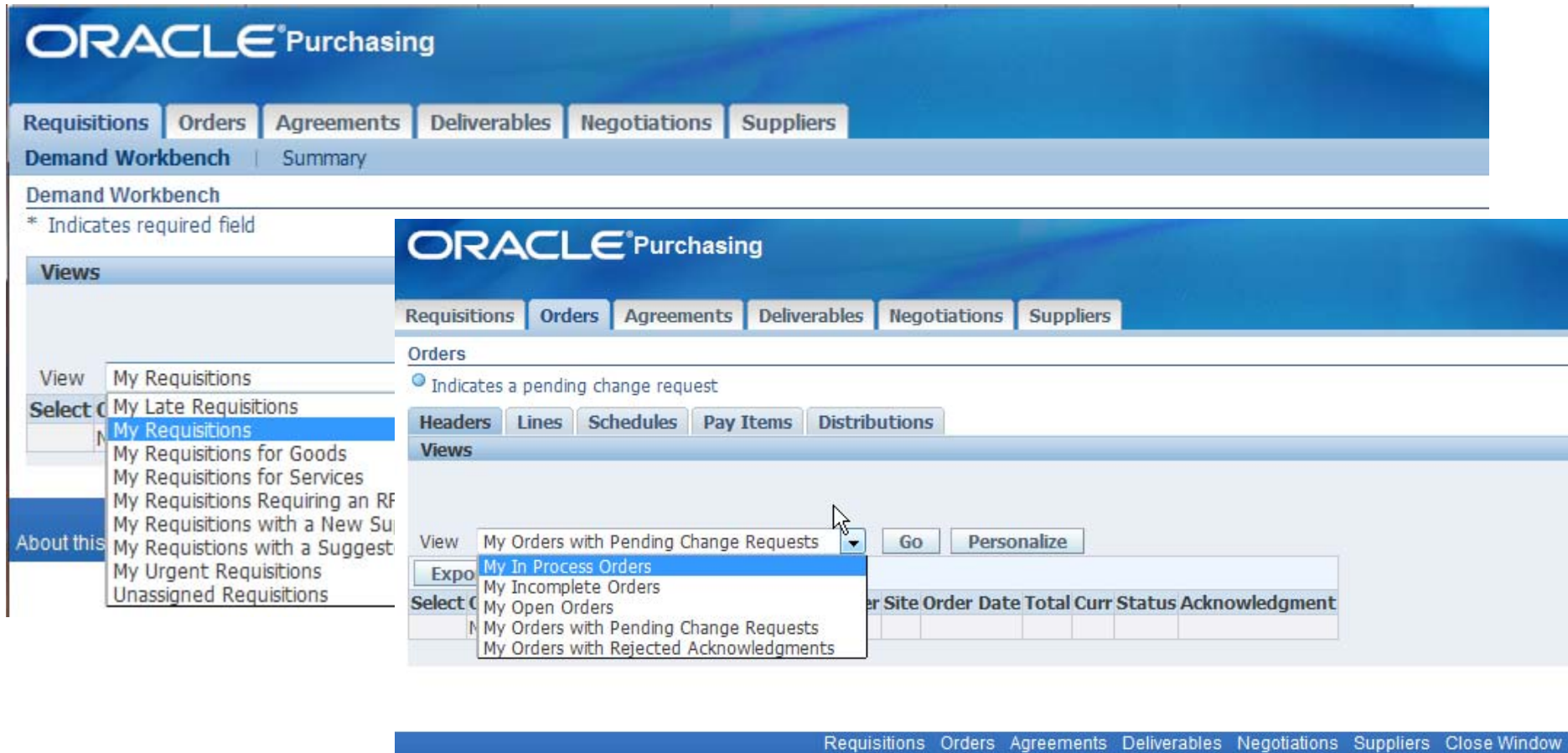
Key Purchasing Setups **Key Payment Setups**

Site Name	Operating Unit	Ship-To Location	Bill-To Location	Ship Via	Pay On	Alternate Pay Site	Invoice Summary Level	Create Debit Memo from RTS Transaction	Gapless Invoice Numbering	*Selling C
PAYMENT	OU-Mirapoint US	Sunnyvale ▾	Sunnyvale ▾	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="button"/>	<input type="button"/>	



Purchasing

Unified work center for procurement



ORACLE[®] Purchasing

Requisitions | Orders | Agreements | Deliverables | Negotiations | Suppliers

Demand Workbench | Summary

Demand Workbench

* Indicates required field

Views

View: My Requisitions
 Select: My Late Requisitions
 My Requisitions
 My Requisitions for Goods
 My Requisitions for Services
 My Requisitions Requiring an RF
 My Requisitions with a New Su
 My Requisitions with a Suggest
 My Urgent Requisitions
 Unassigned Requisitions

ORACLE[®] Purchasing

Requisitions | Orders | Agreements | Deliverables | Negotiations | Suppliers

Orders

Indicates a pending change request

Headers | Lines | Schedules | Pay Items | Distributions

Views

View: My Orders with Pending Change Requests
 My In Process Orders
 My Incomplete Orders
 My Open Orders
 My Orders with Pending Change Requests
 My Orders with Rejected Acknowledgments

Go Personalize

Site	Order Date	Total Curr	Status	Acknowledgment

Requisitions | Orders | Agreements | Deliverables | Negotiations | Suppliers | Close Window

Accruals



- Accrual accounting and processing is part of Cost Management
- Accrual processing and reports have changed
- Write-offs now create accounting entries
- Receiving and Expense Accruals are listed as coming from Cost Management
 - In releases prior to 12.06, you need to make setup changes to auto reverse the expense accrual entry in GL, now automatic
- Detail and Summary reporting for perpetual accruals



Contract Purchases - Improvements

- Contract based purchase orders are now possible
 - Allows withholding payments based on percentages set on a PO (Recoupment Rate)
 - These are decided as part of the contract when the PO was initiated
 - Progress payments are possible, these invoices are matched to the PO updating progress
 - Also manages complex financing (Progress Payment Rate)



General Manufacturing Improvements

- Better Manufacturing Demand Planning & Execution
 - Demantra (Demand Planning) Integrated to SC Planning
 - Manufacturing Execution Systems (MES) for Discrete & Process

- Global MFG Improvements
 - Enhancements to support VMI, Contract MFG
 - Enterprise Supply Chain Planning and Costing
 - OSFM, Flow and Quality Enhancements



BOM, WIP & Cost Mgmt

- Cost Management now manages all Receiving, Inventory & WIP accounting
- Fixed Component Usage Support
 - Support for lot-based materials that have a fixed usage regardless of the job size for discrete WIP jobs, OSFM lot-based jobs and Flow Manufacturing
 - This feature is not supported in Standard MRP or Standard Supply Chain Planning. This enhancement is only available with ASCP (Advanced Supply Chain Planning)
- Component Yield Support
 - Flexibility to control the value of component yield factors at WIP job level. The transaction logic now considers pre-yield BOM quantity per assembly rather than the quantity inflated by shrinkage.



Chargeable Subcontracting



- Support for Chargeable Subcontracting
 - Chargeable Subcontracting, (SHIKYU), is a concept used in Japan, Korea and Taiwan with subcontract manufacturers.
- Features across the Supply Chain products to support Chargeable Subcontracting
- Ability to set up OEM and Mfg Partner Orgs
- Related item and cost setups as well



Cost Management & SLA

- Discrete - flexible variance accounting for:
 - Invoice price and purchase variances
 - Average cost adjustment
 - Standard cost adjustment
 - Manufacturing variances
 - Account aliases
 - Freight charges
 - Most other inventory, manufacturing and related account entries
- Process - the MAC has been replaced by SLA



Inventory

- Genealogy
- The key enhancements
 - Unified view of lot and serial number genealogy
 - Genealogy of Lot Exclusivity
 - Quality information as part of Genealogy Inquiry
 - Supplier Lot Number in Genealogy Inquiry
 - Lot number validation for component return
 - Lot and Serial Genealogy Report
 - CFR P Lot Number Length change
Inventory lot number from 30 to 80 characters



WIP - MES

- Discrete Execution Workstation
 - Streamlined User Interface
 - Job assignments, requirements, instructions and ability to monitor progress all in the same place
 - Based on the user role, predefined security and preferences control the types of functions and information that each user of this workstation can access
 - Dispatch list – a listing of all job operations that are in queue to be worked on for one particular resource, across multiple resources or departments, or an entire organization – as determined by parameter setups
 - Streamlined lot and serial number entry
 - Overall better exceptions reporting and resolution



Quality, Service, Field Service

- ERES capabilities have been extended the following 21 CFR Part critical events
 - 820.170 - Installation
 - 820.198 - Complaint files
 - 820.200 – Servicing
 - To support these critical events, these events were added
 - Service Request Approval to obtain approvals during different phases of the service request lifecycle
 - Debrief Report for any completion of the field service or depot repair tasks.
 - The ERES events for Oracle Quality in 11.5.10 have been re-used with enhancements to support deferred approvals



EAM – Item Attribute Changes

- EAM now has Transactable Asset Groups
- Asset Group Item
 - Allows Item to be Stockable and Transactable.
(Previously Asset group Item could not be transactable)
- This is HUGE for eAM users – allows you to transfer rebuildable assets to and from locations



Period Close Diagnostics

- Forms Drilldown
 - Using the same Inventory Accounting Periods form you can drilldown to associated forms to view the problem transactions
- New workflow to notify of failing transactions
- Period Close Pending Transactions Report
 - Report for the transactions holding up the inventory accounting period
 - Inventory reconciliation reports have an as-of-date
 - Subledger Period Close Exception Report



Additional Information

- **Metalink**
 - **Subledger Accounting Setup & Usage FAQ's [ID 559064.1]**
 - **Release Content Documents for E-Business Suite Release 12 and 12.0.x Release Update Packs [ID 404152.1]**
 - **Best Practices for Adopting Oracle E-Business Suite, Release 12 [ID 580299.1]**
 - <http://www.oracle.com/applications/financials/intro.html>
 - **Oracle Payments Documentation Resources, R12 [ID 396083.1]**
 - **Oracle Payments Release Notes, Release 12.1.1 [ID 812085.1]**
 - **R12 Payments and Payment Reports 'How To' documents [ID 579132.1]**
- **Various other sites –**
 - <https://oracleerp.groupsite.com/main>
 - <http://www.oracleappshub.com/>
 - <http://realworldoracleapps.blogspot.com/>
 - <https://mix.oracle.com/>

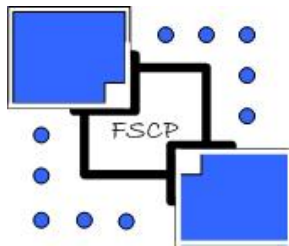


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 - Cost and Accounting industry positions
 - Co-Designed Oracle Cost Management
 - International Consulting in 12 countries
 - Project Management, Track Lead and SME positions



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