

# Oracle® Network Logistics

Concepts and Procedures

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## Understanding Oracle Network Logistics

This topic group provides overviews of Oracle Network Logistics and its components, explanations of key concepts, features, and functions, as well as the application's relationships to other Oracle or third-party applications.

## Overview of Oracle Network Logistics

Oracle Network Logistics is a tracking system that integrates with and stores information collected from Inventory, Purchasing, Project Accounting, Fixed Assets, and Payables.

With Oracle Network Logistics, you can give users access to tracking information without allowing them access to sensitive processes related to assets and purchasing. You can also track inventory items after they have been installed and link financial transactions to the physical movement of equipment.

## Oracle Network Logistics Supports These Functions

This application supports all of the standard functions found in Oracle Inventory, Oracle Purchasing, Oracle Financials Enabled Assets, and Oracle Financials Enabled Projects with the exception of those listed under **Functions Not Supported by Oracle Network Logistics**.

Oracle Network Logistics supports the following functions:

- Receipt of depreciable items into expense subinventories, without a project
- Receipt of normal items into operating projects and expense subinventories
- Cycle count and physical inventory adjustments

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- Receipt of normal items into asset subinventories, without a project
- Issue of items to an operating project
- Installation of equipment from a workforce management system
- Placement of equipment into service from a workforce management system
- Subinventory transfers
- Inter-organization transfers
- Miscellaneous receipts
- Miscellaneous issues
- Placement of assets into or out of service
- Retirement of assets
- Reinstatement of assets
- Invoice cost adjustments to project expenditure lines
- Invoice cost adjustments to asset costs
- Item moves

### **Functions Not Supported by Oracle Network Logistics**

Oracle Network Logistics does not support the following functions:

- Internal order issue
- Internal order transfer
- Work in process (WIP) assembly return
- WIP component return
- WIP component issue
- Sales order issue
- Return to vendor
- Return from vendor
- Receipt of a depreciable item directly to an operating project.

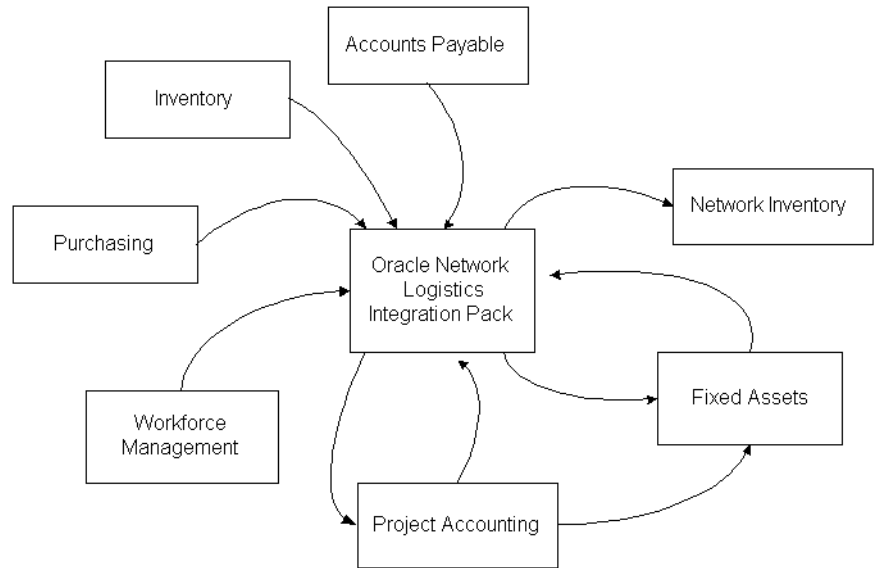
Oracle Network Logistics does not support Oracle Project Manufacturing.

### **Understanding Inventory Item and Asset Tracking**

To track inventory items and assets, Oracle Network Logistics must interact with several enterprise resource planning (ERP) applications. It sends to

and receives messages from those applications about the status and location of the items you want to track.

The arrows in the Overview of Message Flows in Oracle Network Logistics diagram show how messages flow back and forth between Network Logistics and ERP applications. Specific events automatically trigger most of these messages. Messages may be sent manually when an interfacing system must be adjusted.



### Overview of Message Flows in Oracle Network Logistics

Oracle Network Logistics acts as a hub, collecting information from and distributing information to the various other applications. In fact, Network Logistics is a systems integration pack that connects applications while residing in an interim layer between the applications and the database. For a technical overview of Network Logistics architecture, see [Steps Before Implementation](#).

In the Overview of Message Flows in Oracle Network Logistics diagram, for example, when a field service technician enters a report that a piece of equipment has been placed into service, the Workforce Management System may send a message to Network Logistics. This message updates the status of the equipment to “In Service,” and gives its location parameters. Then, in turn, Network Logistics sends a message to the Fixed Assets System to create an asset at the new location.

## The Messaging Architecture in Oracle Network Logistics

The messaging architecture is designed to receive requests from external publishing systems in XML (eXtensible Markup Language) format. Based on the input requirements, the application updates the status and keeps a history of transactions for the tracking unit. Subsequently, the application publishes outgoing requests to the subscribing systems for further processing. The publishing and subscribing systems include: inventory, purchasing, accounts payable, fixed assets, project accounting, workforce management, and network inventory systems.

You can use the iMessage Studio window to define messages in the XML format that are tailored to operations within your system. See [Using the iMessage Studio](#).

### About Asset Creation

An asset must be created in the system so that:

- The application can send and receive background messages about the asset.
- The system can track the asset from purchase to deployment.

For the system to track asset location and status, you must follow the process shown under Steps for Asset Creation.

Step	Description
1	Receive the material into inventory.
2	Issue the material from inventory to a project and task in CRL-Financials Enabled Projects.
3	Run the Cost Collection Manager to create expenditure IDs.
4	Import the Transactions to Project Accounting.
5	To distribute material usage and cost, run the following concurrent process: <ul style="list-style-type: none"><li>■ Distribute Usage and Material Costs</li><li>■ Interface Usage and Miscellaneous Costs to General Ledger</li><li>■ Update Project Summary Accounts for a Single Project</li></ul>
6	Send a message from Workforce Management to Oracle Network Logistics to install equipment.
7	Send a message from Workforce Management to Oracle Network Logistics to place the equipment into service.
8	If you are not creating a Group Asset, then enter a depreciation expense account into CRL-Financials Enabled Projects.

Step	Description
9	To transfer the asset data to Fixed Assets and place the unit in service, run the Generate Assets Automatically for concurrent processes: Range of Projects and Generate Asset Lines.
10	Interface the asset lines in Financials Enabled Projects to transfer the capitalized project information to Mass Additions in Financials Enabled Assets.
11	Run the Mass Additions process in Financials Enabled Assets to post the capitalized project information and generate an asset ID number.

## Depreciable Inventory Items

Depreciable inventory items immediately begin accumulating depreciation when they are received, before they are placed into service as assets.

Depreciable inventory is designated at the subinventory level. Depreciable subinventories are expense subinventories. They are designated Depreciable and use the asset clearing account as their expense account.

The cost assigned to depreciable inventory items is derived from the purchase order. When the invoice is processed by Accounts Payable, the asset cost is automatically adjusted in Network Logistics.

## Understanding Move Orders

A move order transfers inventory:

- From one stocking location to another
- From a stocking location to a project

To create a move order, you manually request a move order requisition. Once the move order requisition is approved, it becomes a move order. If the organization does not require approval, the manual request automatically becomes a move order.

Network Logistics uses the following types of move orders:

- **Account Issue**, to approve a transaction and create a document that tracks the material issue
- **Subinventory Transfer**, to approve a subinventory transfer and create a document that tracks the material transfer. See [Understanding Subinventory Transfers](#).

## Parts of a Move Order

A move order comprises three parts:

- The **Move Order Header** holds the move order number, an optional description of the move order, and information to default to the individual move order lines.
- The **Move Order Lines** are the actual move requests, including: the item number, requested quantity, completed quantity, the source and destination information.
- The **Line Details** are the inventory transactions that occur to fulfill a move order line, including: CLEI (lot), serial number, quantity moved, source and destination details (locators, etc.).

## Move Order Approval Governed by Time-Out and Item Planner

At the organization level, three attributes—Move Order Time-out Period, Time-out Action, and Item Planner item—affect how move order requisitions are approved. If the move order requisition is not approved before the time-out period passes, Oracle Workflow sends a reminder notice to the item planner. If the move order requisition is still not approved within a second time-out interval, the requisition is automatically approved or rejected based on the Time-out Action setting. If no item planner is specified for the item, the requisition line is approved automatically.

## Understanding Subinventory Transfers

Subinventories are unique physical or logical separations of material inventory, such as raw inventory, finished goods or defective material. All material within an organization is held in one or more subinventories.

A subinventory transfer moves material inventory between subinventories. A move order initiates a subinventory transfer. Oracle Network Logistics handles these transfers in the same manner that Oracle Inventory handles them.

## How Oracle Network Logistics Processes Subinventory Transfers

Network Logistics processes items in a subinventory transfer, based on which of the following categories they belong to:

- Serialized, normal item
- Non-serialized, normal item
- Serialized, depreciable item
- Non-serialized, depreciable item

**For serialized normal items**, Network Logistics searches the database for the From record. This record must have a status of In Inventory or In Depreciable Inventory and a transaction status of Complete. Once Network Logistics locates the record, it simply updates the item's subinventory in that record.

**For non-serialized normal items**, Network Logistics searches the database for both From and To records. Both records must have a unit status of In Inventory or In Depreciable Inventory and a transaction status of Complete.

If a To record does not already exist, Network Logistics creates one with a unit status of In Inventory or In Depreciable Inventory. Network Logistics then decrements the quantity in the From record and increments the quantity in the To record.

**For serialized, depreciable items**, Network Logistics searches the database for both From and To records. Both records must have a unit status of In Inventory or In Depreciable Inventory and a transaction status of Complete. Network Logistics verifies that the To subinventory is also depreciable.

It retrieves the fixed asset locations of the From and To subinventories and, if the transfer requires a change in the fixed asset distribution lines, Network Logistics updates the item record with the new fixed asset distribution ID. Then it updates the item record's subinventory to the To subinventory.

**For non-serialized depreciable items**, Network Logistics searches the database for both From and To records. Both records must have a unit status of In Inventory or In Depreciable Inventory and a transaction status of Complete. If a To record does not already exist, Network Logistics creates one with a unit status of In Inventory or In Depreciable Inventory. Network Logistics verifies that the To subinventory is also depreciable.

Network Logistics retrieves the fixed asset locations of the From and To subinventories. If the transfer requires a change in the fixed asset distributions, Network Logistics transfers the asset distribution to the To record and adjusts the quantities on both the From and To records. If there was an existing To record and no change in fixed asset distribution is required, Network Logistics updates the item quantities on the From and To records.

## Understanding Inter-organization Transfers

Oracle Network Logistics handles the transfer of materials between organizations in the same manner that Oracle Inventory handles them. Before items can be transferred, items must be defined and subinventories must be created in Oracle Inventory.

If the organization from which the item is being transferred does not allow negative inventory balances, it must contain sufficient on-hand inventory for the transaction to occur.

### How Oracle Network Logistics Processes Inter-organization Transfers

Network Logistics processes items in an inter-organization transfer, based on which of the following categories they belong to:

- Serialized item, transfer type Direct or In Transit
- Non-serialized item, transfer type Direct or In Transit

**For serialized items**, the transfer type is either Direct or In Transit.

If the **transfer type is Direct**, Network Logistics processes the movement of material just as it processes a subinventory transfer of a serialized normal item. Network Logistics updates the transaction status to Complete once the receiving transaction has been entered.

If the **transfer type is In Transit**, Network Logistics searches the database for the From record. The record must have a unit status of In Inventory or In Depreciable Inventory and a transaction status of Complete. Network Logistics updates the record's unit status to In Transit and the transaction status to Incomplete.

If the Free on Board (FOB) type is Shipment, the receiving organization takes ownership of the material as soon as it leaves the shipping organization. Network Logistics updates:

- The record's subinventory to the To subinventory.
- The transaction status to Complete once the receiving transaction has been entered.

If the FOB type is Receipt, the shipping organization owns the material until it arrives at the receiving organization. The record's subinventory is updated when the receiving transaction is performed. For serialized depreciable items, Network Logistics verifies that the To Subinventory is depreciable.

**For serialized, depreciable items**, Network Logistics retrieves the fixed asset locations for the From and To Subinventories. If the transfer requires a change in the fixed asset distributions, Network Logistics transfers the distribution line by updating the item record with the new distribution ID. Regardless of the shipment type, Network Logistics updates the transaction status to Complete once the receiving transaction has been entered.

**For non-serialized items**, the transfer type is either Direct or In Transit.

If the transfer type is **Direct**, Network Logistics processes the movement of material as a non-serialized normal subinventory transfer.

If the transfer type is **In Transit**, Network Logistics searches the database for the From record. The record must have a unit status of In Inventory or In Depreciable Inventory and a transaction status of Complete.

Network Logistics creates a temporary unit record that contains the transferred quantity and has a status of In-Transit. The quantity of the From record is decremented accordingly.

When the receipt is entered at the receiving organization, Network Logistics searches the database for a To record. This record must have a unit status of In Inventory or In Depreciable Inventory and its transaction status must be Complete. If a To record does not exist, Network Logistics creates one.

**For non-serialized, normal items**, Network Logistics deletes the temporary record and increments the To record.

**For non-serialized, depreciable items**, Network Logistics uses the same process as that for non-serialized, normal items. It also verifies that the To subinventory is depreciable.

Network Logistics retrieves the fixed asset locations for the From and To Subinventories. If a To record does not exist, as when Network Logistics creates a temporary line, or if a prior record exists but it requires a change in its fixed asset distributions, Network Logistics transfers the asset distribution lines by updating the item record with the new distribution ID. It then deletes the temporary record and adjusts the quantities on the From and To records according to the receipt transaction

## Understanding the CLEI

The Common Language Equipment Identifier (CLEI) is a vendor-specific, 10-character code. It is a standard used by the telecommunications industry for identifying and describing equipment. Because Oracle Network Logistics captures the CLEI code in the Lot field, items must be set to full lot control.

The supplier usually provides CLEI codes for the items you purchase. When performing transactions, you may select CLEI codes from a list of values, or you may enter new CLEI values directly into the Lot field.

## Overview of Retirements

The process for retiring and reinstating assets in Network Logistics is the same as the process used in Oracle Assets, except that you may retire or reinstate only whole assets.

Before you retire an asset, you must first take it out of service. If the asset being retired is in a depreciable subinventory, Network Logistics generates

a miscellaneous issue transaction for the item and quantity. It then updates the item's status to Retired.

Assets must have a status of retired before they can be reinstated.

To retire or reinstate only part of an asset, you must first retire the entire asset. You then reinstate the parts to remain in service as new whole assets.

## **Guidelines to Managing Negative Inventory**

Negative inventory balances are most often caused by inventory discrepancies, where the quantity or physical location of the item shown in the system is not correct.

With Oracle Network Logistics, you can allow a negative balance for all assets in an organization. To determine if any assets are in negative inventory, you can generate a report of only those on-hand quantities that have negative inventory balances.

### **Negative Inventory Defined by Organization Setup**

Each organization chooses whether or not to allow negative inventory balances as part of the organization setup. Some organizations choose to allow negative inventory balances so that the transactions may be entered into the system and negative quantities researched. Since you cannot physically have less than zero quantity on hand, some organizations choose not to allow negative balances because they misrepresent reality.

### **Handling Depreciable Inventory**

If an organization has depreciable inventory, it must give careful consideration to whether or not negative inventory balances are permitted. If the organization's requirements allow negative balances, then depreciable subinventories must be carefully monitored to make sure that the on-hand information for items being depreciated is accurate.

Another option is to create a separate organization for depreciable inventory where negative balances are not allowed. This option ensures that the on-hand balances of depreciating items do not fall below zero. The use of two organizations for inventory requires a higher volume of move orders and inter-organization transfers.

## **Physical Inventory Adjustments**

A physical inventory occurs when a person verifies that units exist physically and that the quantities match the on-hand records in Network Logistics. Based on the results of physical inventory, Network Logistics supports adjustments that you make to your inventory balances.

Depending on the type of inventory adjustment necessary, Network Logistics generates a miscellaneous issue, a miscellaneous receipt, or subinventory transfer transaction.

## Understanding Miscellaneous Transactions

Oracle Network Logistics supports the miscellaneous transactions—receipts and issues—used by Oracle Inventory. Each transaction in Inventory triggers a message to Network Logistics.

Network Logistics does not adjust asset units to a number less than zero. If the transaction would cause a negative balance, Network Logistics adjusts only to zero and creates no additional fixed asset distribution lines.

### Handling Miscellaneous Receipts

Use miscellaneous receipts to receive material without a purchase order number. In Oracle Network Logistics, the process for performing a miscellaneous receipt is the same as the process used in standard Oracle Inventory. In addition, you need to enter the CLEI code in the Lot field and, in most cases, a serial number.

**For normal inventory items**, if no matching record already exists in the unit table, Network Logistics creates a record for the item. The record makes the item status of In Inventory and a transaction status of Complete. If the item already has a record with an item status of In Inventory, Network Logistics increments the quantity for the record.

**For depreciable items**, Network Logistics looks for and updates or creates a record, just as for normal inventory items. In addition, it determines the fixed asset location ID for the subinventory that is associated with the receipt transaction. If a distribution line already exists, Network Logistics adjusts the units of that line. Whether or not the item is serialized, the asset cost remains unchanged.

For more information, see *Oracle Inventory User's Guide: Performing Miscellaneous Transactions* and *Oracle Assets User's Guide: Defining Locations and Defining Distributions*.

### Handling Miscellaneous Issues

In Oracle Network Logistics, the process for performing a miscellaneous issue is the same as the process used in standard Oracle Inventory. In addition, you need to enter the CLEI code in the Lot field and, in most cases, a serial number.

**Unit status**—For normal items, the status in the unit table must be In Inventory. For depreciable items, it must be In Depreciable Inventory.

**For normal inventory items that are serialized,** the application:

- Sets the item status in the unit table to Misc. Issued.
- Sets the transaction status to Misc. Issue.

**For normal inventory items that are non-serialized,** the application:

- Decrements the quantity in the unit table record.
- Sets the transaction status to Misc. Issue.

**For serialized depreciable items,** the application:

- Determines the fixed asset location ID for the subinventory that is used in the miscellaneous transaction.
- Determines the fixed asset distribution ID and the corresponding asset in Oracle Fixed Assets.
- Sets the transaction status to Misc. Issue.

Since depreciable items have companion asset records, the application also generates a workflow notification that advises you to fully retire the asset. When this transaction is completed in Oracle Fixed Assets, Network Logistics updates the item status in the unit table to Retired.

The retirement transaction is not generated automatically. You must manually perform the retirement transaction.

**For non-serialized depreciable items,** the application:

- Determines the fixed asset location ID for the transaction subinventory.
- Determines the fixed asset distribution ID and the corresponding asset in Oracle Fixed Assets.
- Decrements the unit quantity of the asset distribution line. The asset cost is not adjusted.

For more information, see *Oracle Inventory User's Guide: Performing Miscellaneous Transactions* and *Oracle Assets User's Guide: Defining Locations and Defining Distributions*.

## Using Oracle Network Logistics

This topic group provides process-oriented, task-based procedures for using the application to perform essential business tasks.

### Receiving Depreciable Items into Expense Subinventories

#### Prerequisites

At least one subinventory must exist which is designated as depreciable and expense. The item number must be defined in Oracle Inventory. The purchase order must exist in Oracle Purchasing and have a status of Approved.

#### Steps

1. Navigate to the Network Logistics Receipt window in the appropriate responsibility.
2. In the Find Receipts window, enter criteria that identifies the items you are receiving, such as the purchase order number, and click **Find**.

The Receipt Header and Receipt Lines open to display items that match the criteria entered.

3. In Receipt header, enter the packing slip number and other pertinent information.
4. In Receipt lines, verify the quantity to be received.  
You may receive a partial line quantity.
5. In Receipt lines, verify that the destination subinventory entered on the purchase order is depreciable.
6. Enter the CLEI code in the Lot field on Receipt lines.  
You may choose from a list of values or dynamically enter a new code.
7. If the item is under serial control, enter all serial numbers on Receipt lines.

The number of serial numbers you enter must match the number of items you are receiving.

#### Guidelines

**Depreciable items must be received only into depreciable subinventories.** Depreciable items do not depreciate if they are received into an asset subinventory. To ensure that they are received only to depreciable

subinventories, set up depreciable items with item/subinventory restrictions.

**A subinventory may hold only depreciable or normal items, but not both.** When you designate a subinventory as depreciable, an asset record is created for each item received into the subinventory. Depreciation occurs against those records. When normal items are received into a depreciable subinventory, they accrue depreciation.

On the other hand, if a subinventory is not depreciable, no asset records are created for the items in the subinventory. Depreciable items received into these subinventories never depreciates.

## References

See the description of subinventory and item setups during implementation of Oracle Inventory.

## Receiving Normal Items Directly into an Operating Project

A normal item is any item that is not a depreciable item.

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**Note:** A depreciable item cannot be received directly into a project. Instead, it must be issued from Inventory.

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## Prerequisites

The purchase order must exist in Oracle Purchasing with a status of Approved. The item number must be defined in Oracle Inventory. The project must be defined, with a status of Active.

## Steps

1. Navigate to the Network Logistics Receipt window in the appropriate responsibility.
2. In the Find Receipts window, enter criteria that identifies the items you are receiving, such as the purchase order number, and click **Find**.

The Receipt Header and Receipt Lines open to display items that match the criteria entered.

3. In Receipt Header, enter the packing slip number and any other pertinent information.
4. Click **Save** to complete the receipt.

## Guidelines

Network Logistics does not support the receipt of depreciable items directly to a capital project.

## Receiving Normal Items into Asset Subinventories

A normal item is any item that is not a depreciable item.

### Prerequisites

At least one subinventory must exist which has been designated as not depreciable and an asset. The item number must be defined in Oracle Inventory. The purchase order must exist in Oracle Purchasing with a status of Approved.

### Steps

1. Navigate to the Network Logistics Receipt window in the appropriate responsibility.
2. In the Find Receipts window, enter criteria that identifies the items you are receiving, such as the purchase order number.
3. In the Receipt header, enter the packing slip number and any other pertinent information.
4. In the Receipt lines, verify the quantity to be received.  
You may receive a partial line quantity.
5. Verify that the destination subinventory entered on the purchase order is not depreciable.
6. In the Lot field on Receipt Lines, enter the CLEI code.  
You may choose from the list of values or enter a new code directly into the field.
7. Enter all serial numbers if the item is under serial control. The number of serial numbers you enter must match the quantity you are receiving.

## Creating a Move Order

Create a move order when you need to transfer inventory across subinventories or into a project account.

### Prerequisites

Inventory setups, such as item and subinventory definition, must be complete. If you use an Oracle Workflow process to route move order requisitions for approval, the item must be assigned to an item planner.

### Steps

1. Enter an order number in the Number field. Oracle will insert a value for you automatically if you leave this field without entering a value.

A description of the order in the Description field is optional.

2. In the Default region, you may enter the following information:

**Transaction type.** Select either Subinventory Transfer—the movement from one subinventory to another—or Account Transfer—an issue to an account.

**Required Date.** Enter the requested delivery date

3. On the Item page of the Lines, enter the item number, item revision, and quantity to move.

You can use the Item page to change the default delivery date.

4. Enter Project and Task information.

5. On the Source Page, enter the source subinventory, if this is different from the default value.

If you know them, you can also enter the locator, CLEI (lot), and serial numbers. If you do not know what subinventory the item should be transferred from, click **On Hand** to search for material locations.

6. On the Destination page, specify the destination subinventory or account, if this is different from the default value.

If you know it, you can also specify the destination locator for a subinventory transfer type move order.

7. Use the Control page to change the move order transaction type, if it is different from the default value.

You can also add a predefined reason code or alphanumeric reference information.

If approval is required, the item planner receives a Workflow notification that there are move order requisition order lines awaiting approval. The planner uses Oracle Workflow to approve the orders.

The item planner chooses Approve or Reject for each move order requisition line. If one requisition line on a move order is rejected, other lines of the same move order can be approved. Action defined on a move order line cannot be performed without approval.

## Executing a Move Order

After one or more lines on a move order are approved, you execute the move order by performing the action described on the approved lines.

### Prerequisites

One or more lines on the move order must be approved.

### Steps

1. In the Navigator window, go to Move Orders to locate move order lines that have been approved.

You can query by header, line, source, or destination information.

2. To add details to the move order line, check the Select box for each line you wish to detail and click **Location Details**.

Information is automatically entered on the transaction lines of the move order, based on the inventory picking rules and transaction defaults defined within the organization.

3. Click **View/Update** to view the detailed lines.

You can manually update any information that is incorrect. Add missing information, such as CLEI (lot) and serial numbers.

4. If you do not require a pick slip, click **Transact** to execute the detailed lines.

If you need to print a pick slip, save the transaction at this point. When the pick slip is ready, return to the Transact Move Orders window, select the line(s) to be executed, and click **Transact**.

## **Transferring Items between Subinventories**

### **Prerequisites**

Complete all Oracle Inventory setups, such as item definition and subinventory creation. If the organization does not allow negative inventory balances, sufficient on-hand inventory must exist for the transaction.

### **Steps**

- 1.

### **Guidelines**

Depreciable items can be transferred only between depreciable subinventories.

## Implementing Oracle Network Logistics

This topic group provides general descriptions of the setup and configuration tasks required to implement the application successfully.

### Steps Before Implementation

You must install and set up these applications before performing the preliminary Network Logistics setup steps:

- Oracle Inventory
- Oracle Purchasing
- Oracle Assets or Oracle Financials Enabled Assets
- Oracle Projects or Oracle Financials Enabled Projects

See the setup documentation for these products for detailed setup information.

After these applications have been installed and set up, install Network Logistics.

For optimum implementation perform the setup tasks in the following order:

1. [Preliminary system-wide setups](#)
2. [Inventory setup](#)
3. [CRL-Financials Enabled Projects setup](#)
4. [Oracle Network Logistics setup](#)

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**Note:** Use a standard setup for Oracle Purchasing, Oracle Assets, Oracle General Ledger, Oracle Payables, and the Oracle Human Resource Management System (HRMS). For detailed setup information on all of these applications, except Oracle HRMS, consult the appropriate documentation set. For detailed setup information on Oracle HRMS, please refer to the Oracle HRMS implementation documentation appropriate for the country where the application is being installed.

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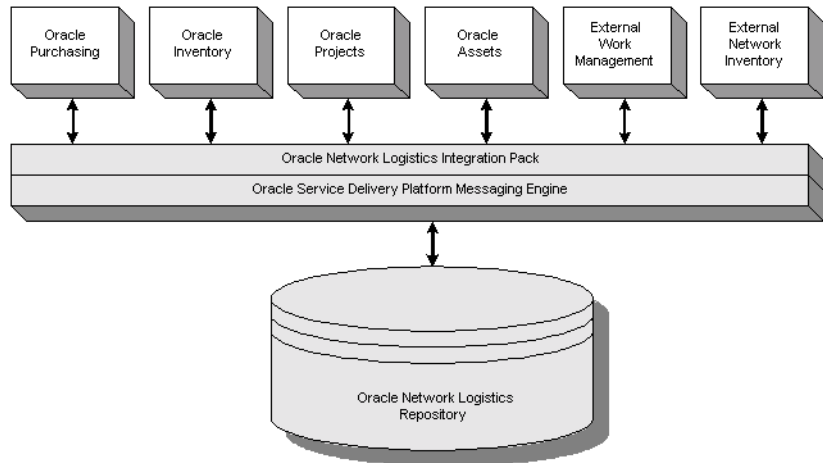
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### System Architecture

For implementation purposes, it is useful to view Network Logistics as an integration application. In effect, the messages that pass back and forth between various enterprise resource planning applications tie those

applications together. The figure titled Oracle Network Logistics Architecture illustrates this architecture.

### Oracle Network Logistics Architecture



### Preliminary System-wide Setups

These setup steps must be performed system-wide before setting up each application module for Network Logistics. Use these steps to prepare the individual application modules for system setup.

#### Prerequisites

You must install and set up the following applications before performing the preliminary setup of Network Logistics. See the setup documentation for these products for detailed setup information.

- Oracle Inventory
- Oracle Purchasing
- Oracle Assets or Oracle Financials Enabled Assets
- Oracle Projects or Oracle Financials Enabled Projects

After these applications have been installed and set up, install Network Logistics.

#### Steps

1. Navigate to the System Administrator responsibility.

- Define descriptive flexfields for location and asset category in the inventory, Oracle Payables, and Financials Enabled Projects modules.

Use attribute 8 and attribute 9 to define asset location and asset category.

You can use attribute 10 to provide even more details to the asset structure. For example, you can use attribute 10 to define an assets geographic location in addition to a network location defined for attribute 8.

- Define the following new responsibilities:

<b>Responsibility Name</b>	<b>Setup</b>
NL Inventory	Link to application inventory
CRL Enabled Projects	Link to application Financials Enabled Projects
Financials Enabled Assets	Link to application Financials Enabled Assets
ONL General Ledger	Copy of General Ledger Services
ONL Purchasing	Copy of Purchasing Services

- Define the following system profile options:

<b>Profile Option</b>	<b>Value (Site Level)</b>
Set of Books	Select from Corporate or Tax books
MO: Operating Unit	Select operating unit (for multiple organization implementations only)
PA: Default Expenditure Organizations	Organization name
CUI: Issue to Project Transaction Type	Issue to Projects
CUN: NL Debug Log Directory	Select the debug log directory
CUN: Pop Timeout	Select the maximum wait time in seconds for the Message Dequeueer to dequeue messages from the Oracle8 Advanced Queue

- Define user profiles at the site, application, responsibility and user levels.
- Define the following key flexfields for assets with a location value and an item identifier:

Key Flexfield Name	Application Name	Suggested Segment Values
Group Asset	CRL Financials Enabled Assets	City-Network Element
Super Group	CRL Financials Enabled Assets	Region-Product Line
NI (Network Inventory) Location Flexfield	Oracle Network Logistics	City-Network Element

7. Choose **File > Save** to save your work.

## Inventory Setup

Additional setup steps have been added to the standard Oracle Inventory implementation. Some setup steps have been changed to make use of features in Oracle Service for Communications (Network Logistics), Release 11i.

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**Attention:** For details on Oracle Inventory setup steps, please refer to the Oracle Inventory setup documentation.

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The additional setup steps for inventory are:

- Define organization classifications
- Define organization parameters
- Set selected inventory items as Network Logistics-trackable

These special inventory setup steps are described below.

### Defining Organization Classifications in inventory

Oracle Network Logistics tracks those network inventory items for which you have defined organization classifications. Oracle Inventory passes a tracking message to the Oracle Network Logistics module for all items that are marked as Network Logistics-trackable and belong to all of the following organizations:

- HR Organization
- Inventory Organization
- Project Expenditure/Event Organization

Use these steps to define inventory organization classifications.

## Prerequisites

None

## Steps

1. Navigate to the Organization window.
2. Enter the appropriate information in the header region of the window.
3. In the Organization Classifications region, enter the three organization classifications specified above. Add any other organization classifications that you need for your implementation of Network Logistics.
4. Choose **File > Save** to save your work.

## References

When you assign the Inventory Organization classification to an organization that is defined in Oracle Inventory, the items owned by that organization are classified as inventory items. Assigning the HR Organization classification to organizations will allow the inventory module to associate employee assignments, such as those specified in the workforce management system, to items owned by that organization.

The Project Expenditure/Event Organization classification allows the inventory module to associate items that are assigned to projects and tasks to the project clearing account. This account collects the costs of material issued to projects and tasks. You can closely monitor the expenditures for a project or task by reviewing this account through Financials Enabled Projects.

## Defining Organization Parameters in Oracle Inventory

When you issue materials to projects and tasks, all costs are charged to a project clearing account set up for each project. This account provides a convenient check point for tracking project costs.

The organization parameters described below ensure that the costs associated to a project or task are passed to the clearing account for the inventory organization that has been set up to own network inventory items.

Use these steps to define organization parameters.

## Prerequisites

You must define your organizations when you set up Oracle Inventory before you can define the organization parameters.

## Steps

1. Navigate to the Organization Parameters window.
2. Click the Inventory Parameters tab.
3. Check Project Reference Enabled and Project Cost Collection Enabled.
4. Select the Project Control Level.
5. Enter the Project Clearing Account number.
6. Choose **File > Save** to save your work.

## Setting Inventory Items as Network Logistics Trackable

After you define which Network Logistics organizations own your network inventory items, you must define the items owned by those organizations as Network Logistics-trackable. This ensures that a message is passed to the Oracle Network Logistics module for each network inventory item.

Consequently, each transaction involving network inventory items sends a message to Network Logistics, which in turn routes a corresponding message to the appropriate inventory, workforce management, or accounting module.

For example, if you receive a switch into inventory as a Purchase Order Receipt and that type of switch is defined as Network Logistics-trackable, then a message is sent to the Oracle Network Logistics. In turn, Network Logistics sends a message to the network inventory system to update the quantity on hand for that switch.

Use these steps for defining network inventory items as Network Logistics trackable.

## Prerequisites

None

## Steps

1. Navigate to the Master Item window.
2. Enter the appropriate information into the header region of the window.
3. Click the Inventory tab.
4. Check Inventory Item.  
Stockable and Transactable are checked by default.
5. Check Network Logistics Trackable.

6. Enter or select information in the remaining fields of the window.
7. Choose **File > Save** to save your work.

## CRL-Financials Enabled Projects Setup

In addition to the standard implementation of Oracle Projects and Oracle Financials Enabled Projects, you must set up expenditure items that group element numbers to correspond with the descriptive flexfield attributes 8, 9, and 10 that you defined during the [Preliminary System-Wide Setups](#). This ensures that the Oracle Network Logistics module receives the asset location and asset category information.

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**Attention:** For details on Oracle Projects and Oracle Financials Enabled Projects setup steps, please refer to the setup documentation for those products.

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## Setting Up Expenditure Items for Asset Creation

An asset can be created when a project is completed. The asset must be associated to location and asset category information. Financials Enabled Projects can send the associated information to Oracle Network Logistics. In turn, Oracle Network Logistics uses this information to update your network inventory system.

Use this procedure to ensure that the assets created in Financials Enabled Projects are associated to the required location and asset category information.

### Prerequisites

This setup step must coordinate with the descriptive flexfields defined in step 2 of [Preliminary System-Wide Setups](#). You must set up asset creation in Financials Enabled Projects to coordinate with the location and asset category descriptive flexfields you have already set up.

### Steps

1. Navigate to the Expenditure Item window.
2. Enter the information listed in Expenditure Item Setup Values for Asset Creation.

Field Name/Checkbox	Value
Define Asset Name	Project Name

Field Name/Checkbox	Value
Define Asset Description	Project Name Task Name Grouping Element Number (must correspond with attribute 8, 9, or 10 depending on which attribute was chosen to indicate location in the system-level descriptive flexfield setup. See <a href="#">Preliminary System-Wide Setups</a> )
Location	Grouping Element Number (must correspond with attribute 8, 9, or 10 depending on which attribute was chosen to indicate location in the system-level descriptive flexfield setup. See <a href="#">Preliminary System-Wide Setups</a> )
Category	Grouping Element Number (must correspond with attribute 8, 9, or 10 depending on which attribute was chosen to indicate asset category in the system-level descriptive flexfield setup. See <a href="#">Preliminary System-Wide Setups</a> )

3. Choose **File > Save** to save your work.

## Oracle Network Logistics Integration System Module Setup

Setting up the Oracle Network Logistics module determines what information displays when you query the system and how network inventory locations map to asset locations in Financials Enabled Assets. These set up steps also determine where the message history log is stored and how the messages are queued.

The setup steps for the Oracle Network Logistics module are:

- [Defining Item Status Type Lookup Codes](#)
- [Associating Network Locations to Fixed Asset Locations](#)
- [Defining Vendor Equipment Codes \(CLEI\)](#)
- [Setting Profile Options](#)

### Defining Item Status Type Lookup Codes

Defining these values determine what information displays in the status column of the Inquiry window and what information displays in the reports that you generate from the Oracle Network Logistics module. These values indicate the current status of network inventory items. Some examples of status are In Inventory, In Service, or Retired from Service. Use these steps to define network inventory item status types.

## Steps

1. From the Network Logistics responsibility, choose **Setup > Lookup Codes**.
2. In the Lookup Codes window, scroll down to Status Type in the Type column.
3. Enter the appropriate information in the Code, Displayed Value, and Description columns.
4. Choose **File > Save** to save your work.

## Associating Network Locations to Fixed Asset Locations

You must associate network inventory locations to asset locations in Financials Enabled Assets so the Oracle Network Logistics module can display both network and asset location information for items when the system is queried. Use these steps to associate network inventory locations to asset locations.

## Steps

1. In the Network Logistics responsibility, choose **Setup > Network Locations**.
2. In the Network Locations window, select the Network Unit Location and the corresponding Fixed Asset Location from the list of values.
3. Choose the Effective Dates from the the list of values.
4. Check Enabled to activate this setup.
5. Choose **File > Save** to save your work.

## Guidelines

After you have mapped the network inventory locations to asset locations you may need to disable certain mappings when items are temporarily moved or taken out of service. It is also useful to be able to disable or enable mappings for different sites or for different users.

## Defining Vendor Equipment Codes (CLEI)

Vendor equipment codes are Common Language Equipment Identifier (CLEI) codes that can be seeded from the ONL Purchasing module. If you are not currently using this application, then these values may be imported from your legacy system.

To manually define the vendor equipment codes, use these steps.

## Steps

1. From the Network Logistics responsibility, choose **Setup > Vendor Equipment Codes**.
2. In the Vendor Equipment Codes Setup window, enter the Vendor Equipment Code.
3. Choose the Vendor name from the list of values.
4. Enter the Model number for the item.
5. Choose **File > Save** to save your work.

## Setting Profile Options

These profile options determine how messages are dequeued, where the history file for debugging is located, and where event notifications are sent. Use these steps to set the profile options.

## Steps

1. From the Network Logistics responsibility, choose **Setup > Profiles**.
2. In the Personal Profile Values window, scroll down to the profile names listed in the table of Oracle Network Logistics Module Profile Option Settings and enter the appropriate values in the User Value column.
3. Choose **File > Save** to save your work.

## Reference

Use this information to set Profile Options.

Profile Name	Default Value	Profile Option Function	User Value
CUN: NATS Debug Log Directory	/usr/tmp	Sets the file and directory of the debug log file.	Enter the preferred file and directory of the debug log file.
CUN: NATS Debug Option	Y	Controls the message dequeuer debugging function.	To activate the message dequeuer debugging function, enter Y (for Yes) here.
CUN: NATS Notification Recipient	SYSADMIN	Defines who receives error notifications or alerts about the Oracle Network Logistics module messages.	To send notifications to someone other than the system administrator, enter that information here.

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<b>Profile Name</b>	<b>Default Value</b>	<b>Profile Option Function</b>	<b>User Value</b>
CUN: Pop Timeout	30	Specifies the maximum wait time in seconds for the message dequeuer to dequeue messages from the Oracle8 Advanced Queue.	To set the maximum wait time for more than or less than 30 seconds, enter that information here.

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