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About this Documentation Update

This document contains important information. Please read this document for the latest updates and additions to your user's guide. If you have installed Release 11.0.2, read the whole document. If you have not installed Release 11.0.2, read only the first section, Oracle Receivables Documentation Update, Release 11.

Oracle Receivables Documentation Update, Release 11

This section contains important information. Please read this section for the latest updates and additions to your user's guide.

Each heading indicates the corresponding section title in the Release 11 documentation that contains the missing or incorrect information. If the topic is new, we tell you in the section title.

Receivables Application Rule Sets

Additional Considerations when Using Application Rule Sets

The section Application Rule Sets Example does not consider the case in which a payment is applied to a transaction with mixed sign balances. For example, a transaction that has both positive and negative amounts (line, tax, freight, or charges) has a mixed sign balance. In this case, the procedure Receivables uses to apply a payment is different than when applying to a transaction whose amounts are all positive or all negative (i.e. "same sign" balance).

When you apply a payment to a transaction with mixed sign balances, Receivables applies the payment *only to those amounts that have the same sign as the payment*. For example, if the payment is for a positive amount (i.e. not a credit memo), Receivables only reduces the charges that have a positive balance; any negative balances are not affected.

As with transactions having a same sign balance, Receivables will apply any remaining amounts according to the overapplication rule assigned to your Application Rule Set.

Consider the following example:

Invoice #101

Line	<100.00>
Tax	100.00
Freight	30.00
Charges	10.00

Assume that you are using the Application Rule 'Prorate All.' Your customer remits a receipt of \$100 which you apply to invoice 101. Receivables prorates the amount among the tax, freight, and charges, because, like the receipt, these amounts are positive. The Line amount, -100, is not affected.

The invoice now appears as shown below:

Invoice #101

Line <100.00>
Tax 28.56
Freight 8.58
Charges 2.86

The table below compares each line type for this invoice before and after you apply the payment.

Application Rule Set	Line Items Original	Line Items Remaining	Tax Original	Tax Remaining	Freight Original	Freight Remaining	Charges Original	Charges Remaining
Prorate All	<100>	<100>	100	28.56	30	8.58	10.00	2.86

The amount applied to each line type and the calculations Receivables performs are shown below.

Total Amount Applied	Line Amt. Applied	Tax Amt. Applied	Freight Amt. Applied	Charges Amt. Applied
100	0	71.44 ¹	21.42 ²	7.14 ³

Table 1 - 1 (Page 1 of 1) Applying Payment Using Application Rule Prorate All

Calculations:

¹ $100 - (21.42 + 7.14) = 71.44$

² $(30 * 100) / 140 = 21.42$

³ $(10.00 * 100) / 140 = 7.14$

For more information, see: Receivables Application Rule Sets and Application Rule Sets in the *Oracle Receivables User's Guide*.

Completing Transactions

This section omitted new information about completing transactions in Release 11. In previous GUI versions of Receivables you used the Complete check box in the Transactions window to complete a transaction. Although the Complete check box still appears in the Transactions window, in Release 11 you can only use it when the form is in Query mode to indicate the status of transactions you want to view.

We added a new button to the Transactions window which replaces the Complete check box's previous functionality. The new button serves two purposes:

- indicates the status of the current transaction (Complete or Incomplete)
- lets you change the status of the current transaction from Incomplete to Complete or from Complete to Incomplete (provided the transaction meets the necessary requirements)

Transactions and Customers System Options

Information about the Allow Transaction Deletion check box was omitted from this section.

This option lets you control whether transactions can be deleted from Receivables after they have been saved. If you set this option to Yes, you can still specify at the responsibility level which users can delete transactions by using function security. Setting this option to No prevents all Receivables users from deleting transactions; this is a requirement for installations that are legally required to number transactions sequentially with no missing transaction numbers.

How AutoLockbox Identifies Customers for a Receipt

In this section, under the AutoAssociate heading, both the Note and Suggestion text contain erroneous information. Please ignore them.

Lockboxes

This section, which describes how to define your Lockboxes, contains erroneous information.

The Suggestion within Step 11 should read as follows:



Suggestion: If you have customers that match receipts using different methods and either Allow Payment of Unrelated Invoices is Yes for this Lockbox submission or AutoAssociate is Yes for this Lockbox, set Match on Corresponding Date to either Always or For Duplicates Only. Because different customers can have transactions with the same number, setting Match on Corresponding Date to one of these values ensures that Lockbox will check both the transaction number *and* date before matching it with a receipt.

Step 13 should read as follows:

Choose how this Lockbox will handle receipts that were identified by the customer or MICR number but could not be fully applied because of invalid transaction numbers. For example, your receipt record indicates that Lockbox should apply the receipt to several invoices, but one of the invoices is invalid. Depending on how you set this option, Lockbox will:

- **Post Partial Amount as Unapplied:** Apply the receipt to the valid transactions, then transfer the receipt to the interim table with the remaining receipt amount Unapplied. You can then manually apply the receipt to the invalid transaction using the Applications window.
- **Reject Entire Receipt:** Do not import the receipt (it will remain in the AR_PAYMENTS_INTERFACE table). You will need to edit the invalid record in the Lockbox Transmission Data window, then resubmit the Validation step for the receipt before Lockbox can import it into the Receivables interim table.

Attachments in Receivables (new section)

To illustrate or clarify your application data, you can link non-structured data such as images, word processing documents, spreadsheets, or video to more structured application data. For example, you could attach an image file to an invoice to show the item or items that your customer ordered.

The Attachment icon in the toolbar indicates whether the Attachments feature is enabled in a window. When the button is greyed out, the Attachment feature is not available. When the Attachment feature is enabled in a window, the icon becomes a solid paper clip. The icon changes to a paper clip holding a paper when the Attachment feature is enabled in a window and the current record has at least one attachment. To view the attachment, choose the Attachment icon.

In Receivables, you can use Attachments in the following windows:

- Credit Transactions
- Customer Calls
- Receipt Batches and Receipt Batches Summary
- Receipts and Receipts Summary
- Remittances and Remittances Summary
- Transactions and Transactions Summary

For more information about Attachments and using the Attachments window, see: About Attachments in the *Oracle Applications User's Guide* About Attachments: page NO TAG.

Oracle Receivables Documentation Update, Release 11.0.2

This section contains important information. Please read this section for the latest updates and additions to Oracle Receivables.

Header Level Rounding

When entering a foreign currency transaction, Receivables requires that you enter an exchange rate to convert the transaction amount to your functional currency. When you save the transaction, Receivables creates accounting entries for the total amount in both the foreign and your functional currency.

In some cases, the exchange rate between your functional and the foreign currency can cause a discrepancy in the way that Receivables accounts for the foreign currency amount. Receivables lets you optionally account for these differences in a separate account by enabling Header Level Rounding.

This section shows you:

- How rounding differences can occur when creating foreign currency transactions
- Examples of how Receivables accounts for rounding differences when Header Level Rounding is enabled and when it is not
- How to enable Header Level Rounding

Examples

The following examples illustrate a header level rounding difference and shows how Receivables accounts for these amounts with and without Header Level Rounding enabled.

Note: The currencies and rates used in these examples are for illustration purposes only.

Assume that you create an invoice with the following information:

Functional Currency = USD

Foreign Currency = JPY

Exchange Rate = .015

Payment Terms = 25% after 30 days, 75% after 60 days

Four invoice lines for .01 each

Example 1: Header Level Rounding Not Enabled (current behavior)

When you save this transaction, Receivables creates the following entries in RA_CUST_TRX_LINE_GL_DIST_ALL:

account_class	amount	acctd_amount
REV	.01	.02
REC	.04	.08 *

* Note that this amount is technically incorrect, since $4 \times .015 = .06$, not .08.

Receivables also creates the following entries in AR_PAYMENT_SCHEDULES_ALL:

amount_due_remaining	acctd_amount_due_remaining
.01	.02
.03	.06 *

* This value is .06 because the sum of acctd_amount_due_remaining column in the table AR_PAYMENT_SCHEDULES_ALL must be equal to the receivable acctd_amount column in the table RA_CUST_TRX_LINE_GL_DIST_ALL (in this example, .08).

Example 2: Header Level Rounding Enabled, Header Rounding Account Defined

If Header Level Rounding is enabled and a Header Rounding Account is defined, Receivables creates the following entries in RA_CUST_TRX_LINE_GL_DIST_ALL when you save this transaction:

account_class	amount	acctd_amount
REV	.01	.02
REC	.04	.06
ROUND	0.0	<.02>

Receivables also creates the following entries in AR_PAYMENT_SCHEDULES_ALL:

amount_due_remaining	acctd_amount_due_remaining
.01	.02
.03	.04

Summary

As you can see from these examples, when Header Level Rounding is not enabled (Example 1) Receivables accounts for the rounding difference in the receivable acctd_amount column.

When Header Level Rounding is enabled (Example 2), Oracle Receivables accounts for the rounding difference by creating an offsetting amount in the Header Rounding Account (in this example, -.02).

Enabling Header Level Rounding will result in a record with new account_class 'ROUND' for all transactions.

The table below shows the column values for the ROUND account in RA_CUST_TRX_LINE_GL_DIST_ALL:

Column	Description
amount	0
acctd_amount	Receivable amount converted to the functional currency, less the total line amount converted to the functional currency
code_combination_id	code_combination_id defined for Header Rounding Account with balancing segment from the receivable account
gl_date	receivable gl_date
original_gl_date	receivable original_gl_date
account_class	ROUND
customer_trx_line_id	null

Setting Up Header Level Rounding

This section tells you how to enable Header Level Rounding in Receivables.



Warning: Once you enable Header Level Rounding and save your work, you cannot disable it.

► **To enable Header Level Rounding:**

1. Navigate to the System Options window.
2. Check the Header Level Rounding box.
3. Enter a Header Rounding Account, or select from the list of values.
4. Save your work.

See

Accounting System Options (*Oracle Receivables User's Guide*)

Revenue Recognition

Release 11.0.2 includes several changes to improve the performance of the Revenue Recognition program. This section describes the changes that were made to the program and things you should consider when applying this patch.

Example

This example describes how the Revenue Recognition program operated in previous releases and how it will function after you apply the 11.0.2 patch.

In this example, assume that you create an invoice with one line and that there is no tax or freight. The invoice line has the following information:

Invoice Line Information	
Accounting Rule	Fixed Duration-Monthly
Number of Accounting Periods	12
First GL Date	01-JAN-1998

In previous versions of Receivables, Revenue Recognition recorded revenue by *accounting period*. When submitting the program, you entered a GL date range and Revenue Recognition created revenue distribution lines for the transactions that recognized revenue during that accounting period. Therefore, the invoice above would have to be processed a total of 12 times to create revenue for each accounting period. This increased the workload for Revenue Recognition since it was not only required to process invoices like the one above, but also transactions that were created since the last time you submitted the program.

After you apply the 11.0.2 patch, Revenue Recognition will process revenue by *transaction* instead of by accounting period. As a result, the program will create all of the revenue (i.e. for all 12 periods) for the invoice above the first time it is selected for processing. In subsequent runs of the program, this invoice will not be processed because all of the revenue will already be created; instead, only transactions that were created since the last time you submitted Revenue Recognition will be selected.

This change greatly reduces the number of transactions Revenue Recognition has to process and allows it to complete faster.

Behavior Changes

Please note that the following will be true after you apply this patch:

- The first time you run Revenue Recognition, the program might take longer than usual to complete, especially if you have many transactions with incomplete revenue (i.e. revenue that is recognized in more than one accounting period). This is because Revenue Recognition will select all of these transactions and record the revenue for each accounting period.

For this reason, we recommend that you run Revenue Recognition during a slow period of your business operations, such as over the weekend.



Suggestion: You can also improve performance by not running other batch programs that import large amounts of data in to the database at the same time that Revenue Recognition is running.

- Because Revenue Recognition no longer uses a GL date range to record revenue, you will notice that the GL Date Low and GL Date High parameters no longer appear when you submit the program.
- If you submit Revenue Recognition with the Commit Work parameter set to Yes, the program will commit revenue after each transaction is processed, rather than at the end of the submission. This change was made to improve performance; it does not effect any other aspects of the program.

If you submit the program with Commit Work set to No, Revenue Recognition will perform the same as in previous releases (i.e. it will roll back all of the work when it finishes processing and generate the Revenue Recognition Program Execution Report).

- If the GL date for a transaction is in a period that has a status of either Closed or Close Pending, Revenue Recognition will change the revenue GL date to the first subsequent period that has a status of Open, Future, or Not Open.

If the GL date for a transaction is in a period that has a status of Open, Future, or Not Open, Revenue Recognition will create the revenue in the accounting period specified by the accounting rule.



Attention: These changes apply whether you submit the Revenue Recognition program by itself or via General Ledger Interface.

See

Recognizing Revenue (*Oracle Receivables User's Guide*)

AutoInvoice Exceptions

Use the Interface Lines and the AutoInvoice Errors windows to update records that failed validation during AutoInvoice. AutoInvoice transfers transaction data from Oracle Order Entry or another, non-Oracle system to the Receivables interface tables. The interface tables temporarily store the data until it passes AutoInvoice validation. AutoInvoice validation verifies that all of the necessary information exists, the data is compatible with Receivables tables, and that the columns in the interface tables reference the correct values and columns in Receivables.

Records that pass validation are transferred into Receivables tables. Records that fail validation are called *exceptions*; these records remain in the AutoInvoice interface tables. Before AutoInvoice can validate these records and create transactions in Receivables, you need to correct any invalid data, and then resubmit AutoInvoice.

Each time you run AutoInvoice, the program prints information about records that fail validation in the AutoInvoice Validation report. Use this report with the AutoInvoice Errors window to see which transactions failed validation and why. Then, use the Interface Lines window and its associated drilldown windows to modify records that have errors. After correcting the invalid data, resubmit AutoInvoice to import the data into Receivables tables.

Note: You might have to modify data and submit AutoInvoice several times before all of the records in the interface tables will pass validation.

AutoInvoice Interface Tables

AutoInvoice uses the following tables to store records that fail validation:

- **RA_INTERFACE_LINES_ALL:** This table stores information about your transaction lines, such as the accounting rule, revenue amount, batch source, currency, bank account,

transaction type, and GL date. Data in this table corresponds to the Interface Lines, Interface Freight, and Interface Tax windows.

- **RA_INTERFACE_DISTRIBUTIONS_ALL:** This table stores information about the accounting distributions for each transaction, such as the amount and percent of each line type, the account class, and accounting flexfield information. Data in this table corresponds to the Line, Tax, and Freight Distribution windows.
- **RA_INTERFACE_SALESCREDITS_ALL:** This table stores information about the sales credit information for each transaction, such as the sales credit amount, and the salesperson name and number. Data in this table corresponds to the Sales Credits window.
- **RA_INTERFACE_ERRORS_ALL:** This table stores information about each record that failed validation.

Correcting AutoInvoice Exceptions

Use the Interface Lines and the AutoInvoice Errors windows to correct invalid data in the AutoInvoice interface tables.

The AutoInvoice Errors window displays the interface ID, exception type, error message, and the invalid value associated with each error. You cannot edit data in this window, but you can edit data in the drilldown windows by selecting a record and choosing the Details button.

Note: The interface ID is the `interface_line_id`, `interface_distribution_id`, or the `interface_salescredit_id` for this line.

The Interface Lines window displays records of type Line or Charges that exist in the interface tables, indicates which records contain errors, and provides general information about each record. You can edit data in this window as well as drill down to view more detailed information about each record.

Note: The transaction batch source determines whether AutoInvoice will reject or partially create transactions when an error occurs in one or more of the invoice lines.

Exception Types

Records that fail validation have an associated exception type to help you identify and fix invalid data. The AutoInvoice Errors window displays the exception type for each record.

Valid exception types include: Charges; Freight; Freight Distribution; Line; Line Distribution; Sales Credit; Tax; Tax Distribution.

► **To correct AutoInvoice exceptions:**

1. Navigate to the Interface Lines window.
2. To display all of the records in the interface tables, choose Run from the Query menu. The Errors check box indicates whether a record contains one or more exceptions.

To view *only* records in the interface tables that have errors, check the Errors box, then choose Run from the Query menu.

3. Select the record to view, then choose Errors. Receivables displays all of the errors associated with this record.

Note: The Line Type of the record you select determines which window appears. For example, if the Line Type is Tax, Receivables displays the Tax Errors window; if the Line Type is Sales Credit, Receivables displays the Sales Credit Errors window, and so on.

4. Review the error(s) for this record, then decide which error you want to fix. Note the error type, message text, and the invalid value (if any).

Note: There might be only one but there could be many errors with various error types for a single record.

5. Return to the Interface Lines window. If the error type of the error you want to fix is either Line or Charges, enter or update the appropriate information in this window, then go to step 8.



Suggestion: You can use the list of values to enter data for most of the fields in the Interface Lines window. You can also view additional information by choosing Show Field from the Folder menu, and then selecting the field to view.

6. If the error type is *not* Line or Charges, choose the button that corresponds to the error type. For example, if the error type is Sales Credit, choose the Sales Credits button. If the error type is Line Distributions, Freight Distributions, or Tax Distributions, choose the Accounting button.
7. Update the incorrect values in the Accounting Distributions window, or choose Errors to view all of the errors for this distribution line.

Note: You cannot edit data in the Distribution Errors windows. You need to return to the Accounting Distributions window to modify the error for a distribution line.

8. Save your work.
9. Repeat step 3–8 for each error. After you fix all of the errors in the AutoInvoice interface tables, resubmit AutoInvoice.

► **To view all exceptions in the AutoInvoice interface tables:**

1. Navigate to the AutoInvoice Errors window.
2. Choose Run from the Query menu. Receivables displays all records and their error types.
3. Select the record to edit, then choose Details.

Note: The Line Type of the record you select determines which window appears. For example, if the Line Type is Tax, Receivables displays the Tax Errors window; if the Line Type is Sales Credit, Receivables displays the Sales Credit Errors window, and so on.

4. Enter any missing information or update the invalid data for this record.
5. Save your work.
6. To fix another error, return to the AutoInvoice Errors window, then repeat steps 3–5.

See

AutoInvoice (*Oracle Receivables User's Guide*)

Integrating Taxware Sales/Use Tax System or Vertex Quantum with Oracle Receivables

Oracle Receivables provides a Tax Vendor Extension to integrate external tax calculation programs with Oracle Applications. This Extension lets you perform complex tax calculations while retaining the full power of Receivables to create and store all other tax data.

Oracle Receivables Release 11.0.2 lets you integrate with the Taxware Sales/Use Tax System or Vertex Quantum tax vendor extensions to calculate tax.

For more information about integrating these tax vendor extensions, please see the Oracle Receivables area of Metalink, Oracle's web

support system (<http://www.support.com>). You can also find these documents (artwint.pdf and arvqint.pdf) on the Oracle Applications Documentation Library CD, A60725-04 or later.

These manuals are also available in hardcopy format. Use the following information to order them:

Integrating Oracle Receivables with Taxware Sales/Use Tax System, part number A66669-01.

Integrating Oracle Receivables with Vertex Quantum, part number A66672-01.