Copyright © 1998, Oracle Corporation. All rights reserved.

The Programs (which include both the software and documentation) contain proprietary information of Oracle Corporation; they are provided under a license agreement containing restrictions on use and disclosure and are also protected by copyright, patent and other intellectual and industrial property laws. Reverse engineering, disassembly or decompilation of the Programs is prohibited.

The information contained in this document is subject to change without notice. If you find any problems in the documentation, please report them to us in writing. Oracle Corporation does not warrant that this document is error–free. Except as may be expressly permitted in your license agreement for these Programs, no part of these Programs may be reproduced or transmitted in any form or by any means, electronic or mechanical, for any purpose, without the express written permission of Oracle Corporation.

If the Programs are delivered to the US Government or anyone licensing or using the Programs on behalf of the US Government, the following notice is applicable:

Restricted Rights Notice
Programs delivered subject to the DOD FAR Supplement are ‘commercial computer software’ and use, duplication and disclosure of the Programs including documentation, shall be subject to the licensing restrictions set forth in the applicable Oracle license agreement. Otherwise, Programs delivered subject to the Federal Acquisition Regulations are ‘restricted computer software’ and use, duplication and disclosure of the Programs shall be subject to the restrictions in FAR 52.227–19, Commercial Computer Software — Restricted Rights (June 1987). Oracle Corporation, 500 Oracle Parkway, Redwood City, CA 94065.

The Programs are not intended for use in any nuclear, aviation, mass transit, medical, or other inherently dangerous applications. It shall be licensee’s responsibility to take all appropriate fail-safe, back–up, redundancy and other measures to ensure the safe use of such applications if the Programs are used for such purposes, and Oracle disclaims liability for any damages caused by such use of the Programs.

Oracle is a registered trademark, and Oracle Web Employees and Oracle Workflow are trademarks of Oracle Corporation. All other company or product names mentioned are used for identification purposes only, and may be trademarks of their respective owners.
Oracle Cost Management Documentation Updates

Profile Options

CST: Average Costing Option

The documentation for this profile currently reads as follows:

For average costing organizations, choose the type of average costing. The options are Inventory and Work in Process or Inventory only.

<table>
<thead>
<tr>
<th>Profile Option Table</th>
<th>User</th>
<th>System Administrator</th>
<th>Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>(excerpt) User</td>
<td>User</td>
<td>Resp App Site</td>
<td>Required?</td>
</tr>
<tr>
<td>CST: Average Costing Option</td>
<td>NA</td>
<td>System derived</td>
<td>System derived</td>
</tr>
</tbody>
</table>

Indicates by whom and at what level the profile option can be updated.

Instead, it should read as follows:

The value of this profile is derived by the system and should not be updated by users or system administrators.

<table>
<thead>
<tr>
<th>Profile Option Table</th>
<th>User</th>
<th>System Administrator</th>
<th>Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>(excerpt) User</td>
<td>User</td>
<td>Resp App Site</td>
<td>NA</td>
</tr>
<tr>
<td>CST: Average Costing Option</td>
<td>NA</td>
<td>System derived</td>
<td>System derived</td>
</tr>
</tbody>
</table>

Inventory and Manufacturing Costing Compared

The first sentence in the Attention following the introductory paragraph currently reads as follows:

In all versions of Release 10 and in production releases of Release 10SC prior to production 16, manufacturing standard costing was not available, and you could only use inventory average costing.

Instead, it should read as follows:

In all versions of Release 10 and in production releases of Release 10SC prior to production 16, manufacturing average costing was not available, and you could only use inventory average costing.

The introductory paragraph in the section Setup Scenario and Features currently reads as follows:
Outlined below are the major features found in five typical setup scenarios.

Instead, it should read as follows:

Outlined below are the major features found in six typical setup scenarios.

The bullet points listed under Scenario 5: Average Costing – Distribution Organization (R11 Processor) currently read as follows:

- Costing Method organization parameter is set to Average
- Five cost elements (material, material overhead, resource, outside processing, and overhead)

Instead, they should read as follows:

- Costing Method organization parameter is set to Average
- Five cost elements (material, material overhead, resource, outside processing, and overhead) for cost rollup
- CST: Average Costing profile option set to Inventory and Work in Process

**Differences Between Inventory and Manufacturing Costing (Table)**

Distributions for Inventory Costing currently reads as follows:

Material and material overhead distribution only (material overhead for standard costing only).

Instead, it should read as follows:

Material and material overhead distribution only (material only for average costing using R10 average cost processor)

Cost rollup for Inventory with Bills of Material Costing currently reads as follows:

Cost rollup (Standard Costing Only)

Instead, it should read as follows:

Cost rollup

Shared Costs for Inventory Costing currently reads as follows:

Can share costs

Instead, it should read as follows:

Can share costs (Standard Costing Only)

Work in Process Transaction Cost Flow

The second sentence in the paragraph following the diagram currently reads as follows:

However, if you enter the same account for more than one cost element, the system maintains elemental cost visibility.

Instead, it should read as follows:

However, even when you enter the same account for more than one cost element, the system maintains elemental cost visibility.


Associating Expenditure Types with Cost Elements

Under step 2, the definition for Overhead currently reads as follows:

A general ledger account to accumulate resource or department overhead costs. This is usually an asset account.

Instead, it should read as follows:

A general ledger account to accumulate resource overhead or department overhead costs. This is usually an asset account.

The Attention following the above referenced definition currently reads as follows:

You can choose only choose Expenditure Types that are not defined as Rate Required in Oracle Projects.

Instead, it should read as follows:

You can choose only Expenditure Types that are not defined as Rate Required in Oracle Projects.


Cost Groups

Correction to Common Cost Group

The first sentence of the second paragraph currently reads as follows:

The valuation accounts defined in the Organization Parameters window are used as the defaults for this cost group and cannot be changed nor made inactive.
Instead, it should read as follows:

The valuation accounts defined in the Organization Parameters window are used for this cost group and cannot be changed or made inactive.

**Correction to User–Defined Cost Group**

Remove the last paragraph in this section.


**Defining Cost Groups**

The following text should be added after the third introductory paragraph:

You can associate WIP accounting classes with a cost group. This association defines which WIP accounting classes are valid for use with the project or projects belonging to this cost group. By restricting the use of a WIP class to only one cost group you can avoid commingling Work in Process costs for multiple projects into one set of valuation accounts.

Under step 6, the definition for Overhead currently reads:

A general ledger account to accumulate resource or department overhead costs for this cost group. This is usually an asset account.

Instead, it should read as follows:

A general ledger account to accumulate resource overhead or department overhead costs for this cost group. This is usually an asset account.


**Inter–Organization Transfers (Standard Costing)**

**Correction to Issue Transaction**

The first paragraph currently reads as follows:

Depending upon the Freight On Board (FOB) point defined in the inventory organization relationship, the shipment to intransit inventory creates the following accounting entries:

Instead, it should read as follows:
The Free on Board (FOB) point influences the accounting entries generated for the shipment to intransit inventory. The FOB point is determined by how the interorganization shipping network in defined in the Shipping Networks window. The accounting entries for shipments to intransit inventory are as follows:

**Correction to Receipt Transaction**

The first paragraph currently reads as follows:

Depending upon the FOB point defined in the organization relationship, the receipt from intransit inventory creates the following accounting entries:

Instead, it should read as follows:

The FOB point influences the accounting entries generated for the shipment to intransit inventory. The FOB point is determined by how the interorganization shipping network in defined in the Shipping Networks window. The accounting entries for receipts from intransit inventory are as follows:

**Correction to Direct Inter–Organization Transfer**

The first sentence currently reads as follows:

When your organization relationship is set to directly transfer material, Inventory performs both the issue and the receipt transaction at the time of the issue.

Instead, it should read as follows:

When your inter–organization shipping network is set to direct transfer in the Shipping Networks window, an issue and receipt transaction are performed in one step.

**Correction to Material Overhead and Inter–Organization Transfers**

The first sentence in this section currently reads as follows:

If your item has material overhead(s), you earn material overhead on inter–organization transfers.

Instead, it should read as follows:

If your item has material overhead(s), you earn material overhead on interorganization transfers through intransit inventory.

The accounting entries for the material overhead portion of an interorganization transfer through intransit inventory currently read as follows:
Instead, they should read as follows:

<table>
<thead>
<tr>
<th>Account</th>
<th>Debit</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subinventory accounts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Material Overhead Absorption account</td>
<td>XX</td>
<td>XX</td>
</tr>
<tr>
<td>Material Overhead Absorption account</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Remove the **Attention** following this explanation of debits and credits.

The accounting entries for freight and transfer charges when the FOB point is set to Receiving (should say Receipt) currently read as follows:

<table>
<thead>
<tr>
<th>Account</th>
<th>Organization</th>
<th>Debit</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inter–Organization Receivable</td>
<td>Sending</td>
<td>XX</td>
<td>XX</td>
</tr>
<tr>
<td>Freight Expense account</td>
<td>Sending</td>
<td>XX</td>
<td>XX</td>
</tr>
<tr>
<td>Inter–Organization Receivable</td>
<td>Sending</td>
<td>XX</td>
<td>XX</td>
</tr>
<tr>
<td>Inter–Org. Transfer Credit</td>
<td>Sending</td>
<td>XX</td>
<td>XX</td>
</tr>
<tr>
<td>Org. Material account</td>
<td>Receiving</td>
<td>XX</td>
<td></td>
</tr>
<tr>
<td>Inter–Organization Payable</td>
<td>Receiving</td>
<td>XX</td>
<td></td>
</tr>
</tbody>
</table>

Instead, they should read as follows:

<table>
<thead>
<tr>
<th>Account</th>
<th>Organization</th>
<th>Debit</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inter–Organization Receivable</td>
<td>Sending</td>
<td>XX</td>
<td>XX</td>
</tr>
<tr>
<td>Freight Expense account</td>
<td>Sending</td>
<td>XX</td>
<td>XX</td>
</tr>
<tr>
<td>Inter–Organization Receivable</td>
<td>Sending</td>
<td>XX</td>
<td>XX</td>
</tr>
<tr>
<td>Inter–Org. Transfer Credit</td>
<td>Sending</td>
<td>XX</td>
<td>XX</td>
</tr>
<tr>
<td>Org. Material account</td>
<td>Receiving</td>
<td>XX</td>
<td></td>
</tr>
<tr>
<td>Inter–Organization Payable</td>
<td>Receiving</td>
<td>XX</td>
<td></td>
</tr>
</tbody>
</table>

**Corrections to Expense Subinventories and Expense Items**

The first paragraph in this section currently reads as follows:

> When you receive an inter–organization transfer into an expense subinventory or receive an expense inventory item, you have expensed the material and cannot directly issue it. The system assumes the material cost is consumed at the expense location.

Instead, it should read as follows:

> When you receive an inter–organization transfer into an expense subinventory or receive an expense inventory item, you have
expensed the material and cannot directly issue it. Subsequently, you can issue from an expense subinventory only if the Oracle Inventory INV: Allow Expense to Asset Transfer profile option is set to Yes.


Subinventory Transfers (Standard Costing)

The first sentence in the section Expense Subinventories and Expense Items currently reads as follows:

You can issue from an asset to an expense subinventory, and you can issue from an expense subinventory if the Oracle Inventory INV: Allow Expense to Asset Transfer profile option is set to Yes.

Instead, it should read as follows:

You can transfer from an asset to an expense subinventory, but you can transfer from an expense subinventory only if the Oracle Inventory INV: Allow Expense to Asset Transfer profile option is set to Yes.


Assembly Scrap Transactions (Standard Costing)

The accounting entries for scrap transactions currently read as follows:

<table>
<thead>
<tr>
<th>Account</th>
<th>Debit</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scrap account</td>
<td>XX</td>
<td></td>
</tr>
<tr>
<td>WIP accounting class valuation accounts @ standard</td>
<td></td>
<td>XX</td>
</tr>
</tbody>
</table>

Instead, they should read as follows:

<table>
<thead>
<tr>
<th>Account</th>
<th>Debit</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scrap account</td>
<td>XX</td>
<td></td>
</tr>
<tr>
<td>WIP accounting class valuation accounts @ calculated scrap value</td>
<td></td>
<td>XX</td>
</tr>
</tbody>
</table>

The accounting entries for reverse scrap transactions currently read as follows:

<table>
<thead>
<tr>
<th>Account</th>
<th>Debit</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>WIP accounting class valuation accounts @ standard</td>
<td>XX</td>
<td></td>
</tr>
<tr>
<td>Scrap account</td>
<td></td>
<td>XX</td>
</tr>
</tbody>
</table>
Instead, they should read as follows:

<table>
<thead>
<tr>
<th>Account</th>
<th>Debit</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>WIP accounting class valuation accounts @ calculated scrap value</td>
<td>XX</td>
<td></td>
</tr>
<tr>
<td>Scrap account @ calculated scrap value</td>
<td></td>
<td>XX</td>
</tr>
</tbody>
</table>


### Setting Up Inventory Average Costing

#### Important Correction to Prerequisites

The prerequisite “Define activities and activity costs” can be deleted. It is optional.

#### Important Correction to Setup Steps

Step 2 currently reads as follows:

- Define, at minimum, one cost type to hold the average rates or amounts for resources, resource overhead, and material overhead rates

Instead, it should read as follows:

- Define, at a minimum, one cost type to hold the average rates or amounts for material overhead rates.


### Setting Up Manufacturing Average Costing

#### Important Correction to Prerequisites

The third sentence in the third paragraph under the ”Define Resources” prerequisite currently reads as follows:

- If you apply actual rates and specify that the resource does not charge at standard, you collect actual costs in the job/schedule and recognize a variance at the end of the job or schedule.

Instead, it should read as follows:

- If you apply actual rates and specify that the resource does not charge at standard, you collect actual costs in the job.
The prerequisites “Confirm that the WIP parameters are set as required” and “Confirm that your Work in Process accounting classes and their valuation accounts are properly set up” can be deleted. They are required setup steps if you are a new manufacturing average costing user.

**Important Correction to Setup Steps**

Add the following text after the first parameter following step 4:


Also, under Step 4, the second paragraph currently reads as follows:

> You must set the appropriate average costing parameters — Default Completion Cost Source, Cost Type, Auto Compute Final Completion, and System Option — to determine how resources and completions are charged.

Instead, it should read as follows:

> You must set the appropriate average costing parameters — Default Completion Cost Source, Cost Type, Auto Compute Final Completion, and System Option — to determine how completions are costed.

Step 7 can be deleted.


**Average Costing Flows**

**Corrections to Components Issued to WIP**

After the last sentence in the section, add this sentence:

> These costs are held and relieved as previous level costs.

**Corrections to Assembly Completions Out of WIP**

The last sentence of the paragraph before the note currently reads as follows:

> As part of a completion transaction, the unit cost of the assembly in the completion subinventory is recalculated when it is different from the unit cost used in the completion transaction.
Instead, it should read as follows:

As part of a completion transaction, the unit cost of the assembly in inventory is recalculated when it is different from the unit cost used in the completion transaction.

**Corrections to WIP Job Closures and Cancellations**

In this section, the first condition that can result in a residual job balances currently reads as follows:

on the elemental level the job was over–relieved resulting in a negative net activity for that elemental level in the WIP Value Summary

Instead, it should read as follows:

on the element by level the job was over–relieved resulting in a negative net activity for that element by level in the WIP Value Summary


**Updating Average Costs**

The first sentence of the introduction currently reads as follows:

For average cost organizations only, you can directly update the average cost of items to include additional costs, such as freight or invoice price variances.

Instead, it should read as follows:

For average cost organizations only, you can directly update the average cost of items to include additional costs, such as freight, invoice price variances, or job variances.

**Important Corrections to the Steps**

Under Step 2, add the following to the paragraph following the step:

Since previously costed transactions will be affected, usually the current date should be used.

Under Step 5, append the following words to the last sentence of the paragraph following the step: *by item, by element.*

Step 14 currently reads as follows:

Optionally, choose the Cost Elements button to update average costs by element level.
Instead, it should read as follows:

Optionally, choose the Cost Elements button to update average costs by element by level.


**Inventory Average Cost Recalculation**

**Receipt from Account**

Add the following sentence to the last paragraph:

If this cost is different from the current average cost, the transaction cost is spread elementally proportional to the current average cost elements.

Add the following example after the last paragraph:

For example, if you enter a user–defined transaction cost of $20 for an item that has a current average cost of $10 (distributed as shown in the following table), then the transaction elemental costs are distributed proportionally (also shown in the following table):

<table>
<thead>
<tr>
<th>Cost Element</th>
<th>Current Average Cost</th>
<th>Distribution of Transaction Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Material</td>
<td>$5</td>
<td>$10</td>
</tr>
<tr>
<td>Material Overhead (MOH)</td>
<td>$2</td>
<td>$4</td>
</tr>
<tr>
<td>Resource</td>
<td>$1</td>
<td>$2</td>
</tr>
<tr>
<td>Overhead</td>
<td>$1</td>
<td>$2</td>
</tr>
<tr>
<td>Outside Processing</td>
<td>$1</td>
<td>$2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$10</strong></td>
<td><strong>$20</strong></td>
</tr>
</tbody>
</table>


**Issue to Account**

The last sentence of the paragraph following the formula currently reads as follows:
However, for this type of transaction, you can override the average cost Inventory suggests and enter your own average cost.

Instead, it should read as follows:

For this type of transaction, you can override the defaulted current average cost with your own cost.


### Negative Inventory Balances

In the *Negative On-Hand Quantity* section, the first paragraph currently reads as follows:

Inventory handles negative inventory balances as follows:

Instead, it should read as follows:

Transactions that update negative on-hand inventory balances are handled differently depending on whether the new on-hand quantity after the transaction is negative, zero or positive.

### Important Corrections to Positive or Zero On-Hand Quantity

The heading for this section should be New Balance is Negative or Zero. The text in this section currently reads as follows:

For each receipt transaction, if the new on-hand quantity is positive, Inventory uses the transaction cost (such as the purchase order price) to calculate the average cost.

Instead, it should read as follows:

If the new on-hand quantity is negative or zero, the transaction is costed at the current average cost.

### Important Corrections to Negative On-Hand Quantity

The heading for this section should be New Balance is Positive. The text in this section currently reads as follows:

If the new on-hand quantity is negative or zero after the time of the receipt, Inventory splits the transaction into two parts, if necessary:

Instead, it should read as follows:

If the new on-hand quantity is positive after the transaction, the transaction is split into two parts and costed as explained below:

Move Transactions (Average Costing)

When an operation pull backflush transaction occurs as you move assemblies forward in a routing, the accounting entries are currently documented as follows:

<table>
<thead>
<tr>
<th>Account</th>
<th>Debit</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>WIP accounting class valuation accounts XX</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subinventory elemental accounts XX</td>
<td>XX</td>
<td></td>
</tr>
</tbody>
</table>

Instead, they should be documented as follows:

<table>
<thead>
<tr>
<th>Account</th>
<th>Debit</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>WIP accounting class valuation accounts XX</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organization Valuation accounts XX</td>
<td>XX</td>
<td></td>
</tr>
</tbody>
</table>

When you move assemblies backward in a routing and reverse and operation pull backflush transaction, the accounting entries are documented as follows:

<table>
<thead>
<tr>
<th>Account</th>
<th>Debit</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subinventory elemental accounts XX</td>
<td></td>
<td></td>
</tr>
<tr>
<td>WIP accounting class valuation accounts XX</td>
<td>XX</td>
<td></td>
</tr>
</tbody>
</table>

Instead, they should be documented as follows:

<table>
<thead>
<tr>
<th>Account</th>
<th>Debit</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organization Valuation accounts XX</td>
<td></td>
<td></td>
</tr>
<tr>
<td>WIP accounting class valuation accounts XX</td>
<td>XX</td>
<td></td>
</tr>
</tbody>
</table>


Assembly Scrap Transactions (Average Costing)

The accounting entries for scrap transactions currently read as follows:

<table>
<thead>
<tr>
<th>Account</th>
<th>Debit</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scrap account</td>
<td>XX</td>
<td></td>
</tr>
<tr>
<td>WIP accounting class valuation accounts @ predefined amount</td>
<td>XX</td>
<td></td>
</tr>
</tbody>
</table>

Instead, they should read as follows:

<table>
<thead>
<tr>
<th>Account</th>
<th>Debit</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scrap account</td>
<td>XX</td>
<td></td>
</tr>
<tr>
<td>WIP Accounting Class Valuation accounts @ calculated scrap value</td>
<td>XX</td>
<td></td>
</tr>
</tbody>
</table>
The accounting entries for reverse scrap transactions currently read as follows:

<table>
<thead>
<tr>
<th>Account</th>
<th>Debit</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>WIP accounting class valuation accounts @ standard</td>
<td>XX</td>
<td></td>
</tr>
<tr>
<td>Scrap account</td>
<td></td>
<td>XX</td>
</tr>
</tbody>
</table>

Instead, they should read as follows:

<table>
<thead>
<tr>
<th>Account</th>
<th>Debit</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>WIP accounting class valuation accounts @ calculated scrap value</td>
<td>XX</td>
<td></td>
</tr>
<tr>
<td>Scrap account</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


### Submitting a Margin Analysis Load Run

The first sentence in the first paragraph currently reads as follows:

Prior to running the Margin Analysis Report, submit the Margin Analysis Load Run to populate temporary tables with margin analysis data for an order number across periods, or for a date range.

Instead, it should read as follows:

Prior to running the Margin Analysis Report, submit the Margin Analysis Load Run to populate temporary tables with margin analysis data for an order number across periods, or for all orders within a date range.


### Margin Analysis Report

The last paragraph in the introductory paragraph currently reads as follows:

The Margin Analysis Report displays sales revenue, cost of goods sold, and gross margin information for all inventory organizations.

Instead, it should read as follows:

If Multi–org is enabled, the Margin Analysis Report displays sales revenue, cost of goods sold, and gross margin information
for all inventory organizations within an operating unit. If Multi-org is not enabled, the Margin Analysis Report displays sales revenue, cost of goods sold, and gross margin information for the operating unit that the current organization belongs to.

Additional Parameters Information
The Customer Name, Sales Representative, Sales Channel, and Industry parameters can be combined to restrict the report to a single customer, sales representative, sales channel, and industry.


Discrete Job Value Report – Average Costing

Important Corrections to Report Submission Information
The second paragraph currently reads as follows:

This report is automatically submitted when you close standard discrete and project jobs.

Instead, it should read as follows:

This report can be submitted when you close standard discrete and project jobs.

The third paragraph in this section can be deleted. This report can be submitted from both windows that can be used to close jobs.

Important Corrections and Additions to Parameters Information
Under the Job Selection parameter, the second sentence for the Project Jobs Only option currently reads as follows:

If it the parameter is not set, you cannot access this field.

Instead, it should read as follows:

If the parameter is not set, you cannot access this field.

Also under the Job Selection parameter, the second sentence for the Project and Non-Project Jobs option currently reads as follows:

Report costs all standard discrete and non-standard asset jobs.

Instead, it should read as follows:

Report costs for all standard discrete and non-standard asset jobs.
Under the *Jobs From/To* parameter, add this sentence after the last sentence:

> If your Job Selection option is *Non–Project Jobs Only*, you can only select non–project jobs.

Under the *Status* parameter, the **Attention** is not applicable to average costing and can be deleted.


**Client Extensions**

It should be noted that extensions are applicable in all organizations unless the client extension is designed to restrict its use.

The paragraph following the table currently reads:

> Client extensions and functions can be used in either average costing organizations or both average and standard costing organizations as indicated below:

Instead, it should read as follows:

> In average costing organizations, you can implement Transaction Cost, Accounting Entry, and Account Generations client extensions. In standard costing organizations, you can only implement Accounting Entry and Account Generation client extensions.

The figure following this table can be deleted.


**Types of Client Extensions**

In the Accounting Entry Extension section, the first sentence currently reads as follows:

> You can use this extension to perform accounting distributions per your unique requirements.

Instead, it should read as follows:

> You can use this extension to generate accounting entries per your unique requirements.


**Determining Your Business Requirements**

Step 3 currently reads as follows:
For those business rules not handled by the normal functionality, review the client extensions and determine whether the client extension can help address the specific business rules, based on your documented business requirements.

Instead, it should read as follows:

For those business rules not handled by the normal functionality, review the client extensions and determine whether a client extension can help address the specific business rules, based on your documented business requirements.


Transaction Cost Extension

The first sentence of the first paragraph currently reads as follows:

The Transaction Cost Extension allows you to reset the costs transactions by cost element and by level in an average costing organization.

Instead, it should read as follows:

The Transaction Cost Extension allows you to reset the transaction costs by cost element and by level in an average costing organization.

In the Processing section, the first sentence currently reads as follows:

Cost Management calls the transaction cost extensions for each transaction at the time of processing.

Instead, it should read as follows:

Cost Management calls the transaction cost extensions for most transactions at the time of processing. The two exceptions are Average Cost Update transactions, in an average costing organization, and a Common Issue to Project Work in Process transaction, in a project manufacturing costing organization.


Accounting Entry Extensions

The first sentence of the first paragraph currently reads as follows:

The Accounting Entry Extension allows you to perform accounting distributions per your unique requirements.
Instead, it should read as follows:

The Accounting Entry Extension allows you to generate accounting entries per your unique requirements.


Product Line Accounting Setup

Step 1 currently reads as follows:

Create product line categories and associate them with the product line category set.

Instead, it should read as follows:

Create product line categories and associate them with the default category set you assigned to the Product Line Functional Area.


Project Cost Collector

The first paragraph currently reads as follows:

The Cost Collector collects the costs of project–related transactions then passes these costs by project and expenditure type or project, task, and expenditure type to the Transaction Import Interface table in Oracle Projects. These transactions can then be imported into Oracle Projects. Non–project transactions, those without a project/task reference, are marked as processed by the cost collector.

Instead, it should read as follows:

The Cost Collector collects the costs of project–related transactions, then passes these costs by project, task and expenditure type to the Transaction Import Interface table in Oracle Projects. These transactions can then be imported into Oracle Projects. Non–project transactions, those without a project/task reference, are marked as processed by the Cost Collector, then ignored.

The second and third paragraphs can be deleted.

Transferring Project Costs

The second sentence in the first paragraph currently reads as follows:

Each of these records includes the project, task (if applicable), and expenditure type reference required by Oracle Projects.

Instead, it should read as follows:

Each of these records includes the project, task, and expenditure type reference required by Oracle Projects.

The first paragraph following step 2 currently reads:

Costs are collected from the day you last collected project costs from to the end of the number of days specified. For example, suppose today is Thursday and that project costs were collected up through Friday of the previous week. If you enter 3 as the Number of Days, costs will be collected for Saturday, Sunday, and Monday.

Instead, it should read as follows:

For example, suppose today is Thursday and project costs were previously collected up through Friday of the previous week. If you enter 3 as the Number of Days, costs will be collected for Saturday, Sunday, and Monday.
