Oracle® Project Billing

User Guide

Release 11*i*

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Oracle Project Billing User Guide, Release 11*i*

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Preface

Welcome to the Release 11*i* of *Oracle Project Billing User Guide*.

This guide contains the information you need to understand and use Oracle Project Billing.

- Chapter 1 provides a brief introduction to Oracle Project Billing, including the billing data flow, and setup considerations for Oracle Project Billing.
- Chapter 2 describes rates, billing control, and billing methods for a contract project.
- Chapter 3 discusses entering agreeements and funding the project
- Chapter 4 discusses entering events
- Chapter 5 describes the revenue accrual process
- Chapter 6 describes the invoicing process
- Chapter 7 discusses the interproject billing functionality
- Chapter 8 describes billing in a global environment when multi–currency functionality is enabled for your project.

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Other Information Sources

You can choose from many sources of information, including online documentation, training, and support services, to increase your knowledge and understanding of *Oracle Project Billing*.

If this guide refers you to other Oracle Applications documentation, use only the Release 11*i* versions of those guides.

Online Documentation

All Oracle Applications documentation is available online (HTML or PDF).

- **Online Help** – Online help patches (HTML) are available on Oracle*MetaLink*.
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new documentation or documentation patches that you can download. About Documents are available on Oracle*MetaLink*.

Guides Related to All Products

Oracle Applications User's Guide

This guide explains how to enter data, query, run reports, and navigate using the graphical user interface (GUI) available with this release of *Oracle Project Billing* (and any other Oracle Applications products). This guide also includes information on setting user profiles, as well as running and reviewing reports and concurrent processes.

You can access this user's guide online by choosing "Getting Started with Oracle Applications" from any Oracle Applications help file.

Oracle Projects Documentation Set

Oracle Projects Implementation Guide

Use this manual as a guide for implementing Oracle Projects. This manual also includes appendixes covering function security, menus and responsibilities, and profile options.

Oracle Projects Fundamentals

Oracle Projects Fundamentals provides the common foundation shared across the Oracle Projects products (Project Costing, Project Billing, Project Resource Management, Project Management, and Project Collaboration). Use this guide to learn fundamental information about the Oracle Projects solution.

This guide includes a Navigation Paths appendix. Use this appendix to find out how to access each window in the Oracle Projects solution.

Oracle Project Costing

Use this guide to learn detailed information about Project Costing. Project Costing provides the tools for processing project expenditures, including calculating their cost to each project and determining the GL accounts to which the costs are posted.

Oracle Project Management User Guide

This guide shows you how to use Oracle Project Management to manage projects through their lifecycles– from planning, through execution, to completion.

Oracle Project Resource Management User Guide

This guide provides you with information on how to use Oracle Resource Management. It includes information about staffing, scheduling, and reporting on project resources.

Oracle Projects APIs, Client Extensions, and Open Interfaces Reference

This manual gives detailed information about all public application programming interfaces (APIs) that you can use to extend Oracle Projects functionality.

User Guides Related to This Product

Oracle General Ledger User Guide

Use this manual when you plan and define your chart of accounts, accounting period types and accounting calendar, functional currency, and set of books. It also describes how to define journal entry sources and categories so you can create journal entries for your general ledger. If you use multiple currencies, use this manual when you define additional rate types, and enter daily rates. This manual also includes complete information on implementing Budgetary Control.

Oracle HRMS Documentation Set

This set of guides explains how to define your employees, so you can give them operating unit and job assignments. It also explains how to set up an organization (operating unit). Even if you do not install Oracle HRMS, you can set up employees and organizations using Oracle HRMS windows. Specifically, the following manuals will help you set up employees and operating units:

- **Using Oracle HRMS – The Fundamentals**

  This user guide explains how to set up and use enterprise modeling, organization management, and cost analysis.

- **Managing People Using Oracle HRMS**

Use this guide to find out about entering employees.

Oracle Inventory User Guide

If you install Oracle Inventory, refer to this manual to learn how to define project–related inventory transaction types and how to enter transactions in Oracle Inventory. This manual also describes how to transfer transactions from Oracle Inventory to Oracle General Ledger.

Oracle Payables User Guide

Refer to this manual to learn how to use Invoice Import to create invoices in Oracle Payables from Oracle Projects expense reports data in the Oracle Payables interface tables. This manual also explains how to define suppliers, and how to specify supplier and employee numbering schemes for invoices created using Oracle Projects.

Oracle Project Manufacturing Implementation Manual

Oracle Project Manufacturing allows your company to associate manufacturing costs and inventory to a specific project and task. Use this manual as your first source of information if you are implementing Oracle Project Manufacturing.

Oracle Purchasing User Guide

If you install Oracle Purchasing, refer to this user guide to read about entering and managing the requisitions and purchase orders that relate to your projects. This manual also explains how to create purchase orders from project–related requisitions in the AutoCreate Documents window.

Oracle Receivables User Guide

Use this manual to learn more about Oracle Receivables invoice processing and invoice formatting, defining customers, importing transactions using AutoInvoice, and Defining Automatic Accounting in Oracle Receivables.

Oracle Business Intelligence System Implementation Guide

This guide provides information about implementing Oracle Business Intelligence (BIS) in your environment.

BIS 11*i* User Guide Online Help

This guide is provided as online help only from the BIS application and includes information about intelligence reports, Discoverer workbooks, and the Performance Management Framework.

Using Oracle Time Management

This guide provides information about capturing work patterns such as shift hours so that this information can be used by other applications such as General Ledger.

Installation and System Administration

Oracle Applications Concepts

This guide provides an introduction to the concepts, features, technology stack, architecture, and terminology for Oracle Applications Release 11*i*. It provides a useful first book to read before an installation of Oracle Applications. This guide also introduces the concepts behind Applications–wide features such as Business Intelligence (BIS), languages and character sets, and Self–Service Web Applications.

Installing Oracle Applications

This guide provides instructions for managing the installation of Oracle Applications products. In Release 11*i*, much of the installation process is handled using Oracle Rapid Install, which minimizes the time to install Oracle Applications, the Oracle8 technology stack, and the Oracle8*i* Server technology stack by automating many of the required steps. This guide contains instructions for using Oracle Rapid Install and lists the tasks you need to perform to finish your installation. You should use this guide in conjunction with individual product user's guides and implementation guides.

Upgrading Oracle Applications

Refer to this guide if you are upgrading your Oracle Applications Release 10.7 or Release 11.0 products to Release 11*i*. This guide describes the upgrade process and lists database and product–specific upgrade tasks. You must be either at Release 10.7

(NCA, SmartClient, or character mode) or Release 11.0, to upgrade to Release 11*i*. You cannot upgrade to Release 11*i* directly from releases prior to 10.7.

Maintaining Oracle Applications

Use this guide to help you run the various AD utilities, such as AutoUpgrade, AutoPatch, AD Administration, AD Controller, AD Relink, License Manager, and others. It contains how–to steps, screenshots, and other information that you need to run the AD utilities. This guide also provides information on maintaining the Oracle applications file system and database.

Oracle Applications System Administrator's Guide

This guide provides planning and reference information for the Oracle Applications System Administrator. It contains information on how to define security, customize menus and online help, and manage concurrent processing.

Oracle Alert User's Guide

This guide explains how to define periodic and event alerts to monitor the status of your Oracle Applications data.

Oracle Applications Developer's Guide

This guide contains the coding standards followed by the Oracle Applications development staff. It describes the Oracle Application Object Library components needed to implement the Oracle Applications user interface described in the *Oracle Applications User Interface Standards for Forms–Based Products*. It also provides information to help you build your custom Oracle Forms Developer 6*i* forms so that they integrate with Oracle Applications.

Other Implementation Documentation

Oracle Applications Product Update Notes

Use this guide as a reference for upgrading an installation of Oracle Applications. It provides a history of the changes to individual Oracle Applications products between Release 11.0 and Release 11*i*. It includes new features, enhancements, and changes made to database objects, profile options, and seed data for this interval.

Multiple Reporting Currencies in Oracle Applications

If you use the Multiple Reporting Currencies feature to record transactions in more than one currency, use this manual before

implementing *Oracle Project Billing*. This manual details additional steps and setup considerations for implementing *Oracle Project Billing* with this feature.

Multiple Organizations in Oracle Applications

This guide describes how to set up and use *Oracle Projects* with Oracle Applications' Multiple Organization support feature, so you can define and support different organization structures when running a single installation of *Oracle Projects*.

Oracle Workflow Administrator's Guide

This guide explains how to complete the setup steps necessary for any Oracle Applications product that includes workflow–enabled processes, as well as how to monitor the progress of runtime workflow processes.

Oracle Workflow Developer's Guide

This guide explains how to define new workflow business processes and customize existing Oracle Applications–embedded workflow processes. It also describes how to define and customize business events and event subscriptions.

Oracle Workflow User's Guide

This guide describes how Oracle Applications users can view and respond to workflow notifications and monitor the progress of their workflow processes.

Oracle Workflow API Reference

This guide describes the APIs provided for developers and administrators to access Oracle Workflow.

Oracle Applications Flexfields Guide

This guide provides flexfields planning, setup and reference information for the *Oracle Project Billing* implementation team, as well as for users responsible for the ongoing maintenance of Oracle Applications product data. This manual also provides information on creating custom reports on flexfields data.

Oracle eTechnical Reference Manuals

Each eTechnical Reference Manual (eTRM) contains database diagrams and a detailed description of database tables, forms, reports, and programs for a specific Oracle Applications product. This information helps you convert data from your existing applications, integrate Oracle Applications data with non–Oracle applications, and write custom reports for Oracle Applications products. Oracle eTRM is available on Metalink.

Oracle Applications User Interface Standards for Forms–Based Products

This guide contains the user interface (UI) standards followed by the Oracle Applications development staff. It describes the UI for the Oracle Applications products and how to apply this UI to the design of an application built by using Oracle Forms.

Oracle Manufacturing APIs and Open Interfaces Manual

This manual contains up–to–date information about integrating with other Oracle Manufacturing applications and with your other systems. This documentation includes API's and open interfaces found in Oracle Manufacturing.

Oracle Order Management Suite APIs and Open Interfaces Manual

This manual contains up–to–date information about integrating with other Oracle Manufacturing applications and with your other systems. This documentation includes API's and open interfaces found in Oracle Order Management Suite.

Oracle Applications Message Reference Manual

This manual describes all Oracle Applications messages. This manual is available in HTML format on the documentation CD–ROM for Release 11i.

Training and Support

Training

Oracle offers a complete set of training courses to help you and your staff master *Oracle Project Billing* and reach full productivity quickly.

These courses are organized into functional learning paths, so you take only those courses appropriate to your job or area of responsibility.

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Support

From on–site support to central support, our team of experienced professionals provides the help and information you need to keep *Oracle Project Billing* working for you. This team includes your Technical Representative and Account Manager, and Oracle's large staff of consultants and support specialists with expertise in your business area, managing an Oracle Database, and your hardware and software environment.

Do Not Use Database Tools to Modify Oracle Applications Data

Oracle STRONGLY RECOMMENDS that you never use SQL*Plus, Oracle Data Browser, database triggers, or any other tool to modify Oracle Applications data unless otherwise instructed.

Oracle provides powerful tools you can use to create, store, change, retrieve, and maintain information in an Oracle database. But if you use Oracle tools such as SQL*Plus to modify Oracle Applications data, you risk destroying the integrity of your data and you lose the ability to audit changes to your data.

Because Oracle Applications tables are interrelated, any change you make using Oracle Applications can update many tables at once. But when you modify Oracle Applications data using anything other than Oracle Applications, you may change a row in one table without making corresponding changes in related tables. If your tables get out of synchronization with each other, you risk retrieving erroneous information and you risk unpredictable results throughout Oracle Applications.

When you use Oracle Applications to modify your data, Oracle Applications automatically checks that your changes are valid. Oracle Applications also keeps track of who changes information. If you enter information into database tables using database tools, you may store invalid information. You also lose the ability to track who has changed your information because SQL*Plus and other database tools do not keep a record of changes.

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Thank you for using *Oracle Projects* and this guide.

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CHAPTER

1

Overview of Oracle Project Billing

This chapter provides a brief overview of Oracle Project Billing.

Overview of Oracle Project Billing

Oracle Project Billing provides you with the ability to define revenue and invoicing rules for your projects, generate revenue, create invoices, and integrate with other Oracle Applications to process revenue and invoices. Oracle Project Billing also integrates with Oracle Receivables.

Oracle Project Billing enables you to perform the following functions:

- Enter project customers and contacts with whom you have negotiated and contracted project work
- Enter agreements (contracts) from your customers and fund projects with those agreements
- Generate revenue using various methods including time and materials, percent complete, and cost plus
- Create draft invoices from detail transactions and milestones for online approval by your project or accounting managers
- Interface revenue to Oracle General Ledger and invoices to Oracle Receivables while maintaining a detail audit trail
- Report project revenue, invoice, and receivables status online and in reports

Billing Options for Projects and Tasks

You specify project and task options to control how Oracle Project Billing processes your transactions. Use the Options region in the Projects, Templates window to specify the billing options for your projects and tasks:

The following table lists the billing options you can specify for your project and tasks:

Billing Options	Description
Customers and Contacts	Use this option to specify your customers and contacts
Currency	Use this option to specify the billing currency conversion attributes
Billing	Use this option to specify the following for a project: – Distribution rule that determines the revenue accrual method and the billing method for the project – Invoice formats – Retention withholding and retention billing formats – Funding rules – Other invoice information
Billing Assignments	Use this option to assign a billing extension that creates revenue or billing events that suit your business needs
Credit Receivers	Use this option to define which employees receive credit for a project
Retention	Use this option to define retention terms for your project customer
Bill Rates and Discount Overrides	Use this option to define the following billing schedules for your project: – Standard billing schedules – Employee bill rate and discount overrides – Job bill rate and discount overrides – Labor multipliers – Job assignment overrides – Job billing title overrides – Non–labor bill rate and discount overrides

Table 1 – 1 Billing Options (Page 1 of 1)

For detailed setup instructions for each option, see: Project and Task Information Entry, *Oracle Projects Fundamentals.*

For detailed setup instructions for billing implementation options, see: Implementation Options, *Oracle Projects Implementation Guide*.

Accounting Transactions

Oracle Project Billing allows you to generate draft invoices and draft revenue using separate processes, which you can run at different times. To allow for different billing cycles and revenue accrual, the distribution lines for General Ledger are created during invoice and revenue generation.

During the Generate Draft Invoices process, the account that is credited with the invoice amount is either the unbilled receivables (UBR) account or the unearned revenue (UER) account, depending on whether you accrue revenue before or after you generate invoices.

Accounting Transactions for Revenue

The following examples illustrate how Oracle Projects accounts for revenue transactions.

Revenue

Once revenue is created, Oracle Projects runs AutoAccounting to determine the appropriate general ledger accounts. AutoAccounting selects all of the AutoAccounting parameters for each item or event, determines the account coding, validates the account coding against the general ledger, and updates each revenue distribution line with the appropriate account.

Any items or events that fail in AutoAccounting are marked accordingly, and the associated draft revenue is marked with a generation error. See: Overview of AutoAccounting, *Oracle Projects Implementation Guide.*

Invoice

When invoices are interfaced to Oracle Receivables, Oracle Projects runs AutoAccounting to determine the appropriate general ledger accounts.

Invoice

The following table shows entries Oracle Projects creates when the Interface Invoices to Oracle Receivables process is run:

Account	Debit	Credit
Receivables	200.00	
Unbilled Receivables and/or Unearned Revenue		200.00

Table 1 – 2 Example entry by Interface Invoices to Oracle Receivables process (Page 1 of 1)

Collections

The following table shows a Collections entry Oracle Receivables creates:

Account	Debit	Credit
Cash	200.00	
Receivables		200.00

Table 1 – 3 Example Collections transaction (Page 1 of 1)

Examples of Revenue and Invoice Accounting Transactions

The following examples shows accounting transactions for revenue accrual and billing.

Example 1: Accrue prior to billing

The following table shows a revenue transaction entry prior to billing:

Account	Debit	Credit
Unbilled Receivables	200.00	
Revenue		200.00

Table 1 – 4 Example revenue transaction prior to billing (Page 1 of 1)

The following table shows an invoice transaction entry prior to billing:

Account	Debit	Credit
Receivables	200.00	
Unbilled Receivables		200.00

Table 1 – 5 Example invoice transaction prior to billing (Page 1 of 1)

Example 2: Invoice prior to accrual

The following table shows an invoice transaction entry prior to accrual:

Account	Debit	Credit
Receivables	200.00	
Unearned Revenue		200.00

Table 1 – 6 Example invoice transaction prior to accrual (Page 1 of 1)

The following table shows a revenue transaction entry prior to accrual:

Account	Debit	Credit
Unearned Revenue	200.00	
Revenue		200.00

Table 1 – 7 Example revenue transaction prior to accrual (Page 1 of 1)

Example 3: Accrue prior to invoicing and invoice partial amount of work

The following table shows a revenue transaction entry prior to invoicing:

Account	Debit	Credit
Unbilled Receivables	200.00	
Revenue		200.00

Table 1 – 8 Example revenue transaction prior to invoicing (Page 1 of 1)

The following table shows a partial invoice transaction entry:

Account	Debit	Credit
Receivables	100.00	
Unbilled Receivables		100.00

Table 1 – 9 Example partial invoice transaction (Page 1 of 1)

Example 4: Pre–bill and accrue more than pre–bill

The following table shows a pre–bill transaction entry:

Account	Debit	Credit
Receivables	200.00	
Unearned Revenue		200.00

Table 1 – 10 Example pre–bill transaction (Page 1 of 1)

The following table shows an accrue more than pre–bill transaction entry:

Account	Debit	Credit
Unearned Revenue	200.00	
Unbilled Receivables	100.00	
Revenue		300.00

Table 1 – 11 Example of accrue more than pre–bill transaction (Page 1 of 1)

CHAPTER

2 Contract Projects

This chapter describes contract projects in Oracle Project Billing.

Overview of Contract Projects

You use contract projects to track activities, cost, revenue, and billing for services performed for and reimbursed by a customer. Types of contract projects include:

- Time and Materials
- Fixed Price
- Cost Plus

Entering a Contract Project

A contract project is the primary billing unit at which you specify the following information:

- Revenue accrual method
- Billing method
- Billing cycle
- Other billing information

For contract projects, you define additional information for revenue accrual and billing based on requirements of your project, your company, and your customer. For example, you can enter billing terms, bill rates and billing titles, status, and credit receivers for contract projects only.

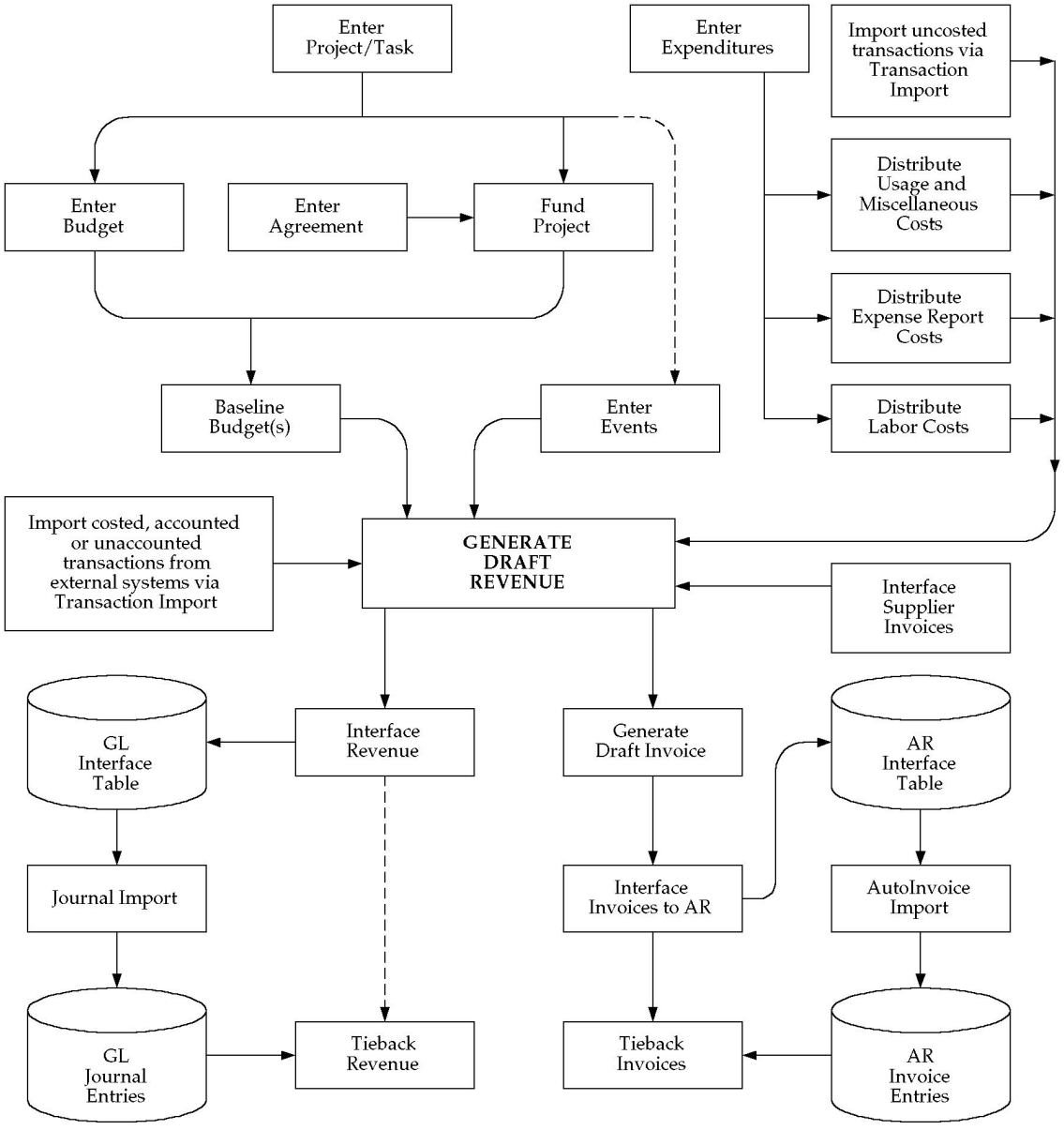
▶ **To enter a contract project:**

1. Enter a contract project and tasks. See: Billing Options for Projects and Tasks: page 1 – 3. See also: Creating Projects, *Oracle Projects Fundamentals.*
2. Enter an agreement. See: Entering an Agreement: page 3 – 3.
3. Fund the contract project. See: Funding a Project: page 3 – 6
4. Enter and baseline a draft revenue budget for the contract project. See: Entering a Budget Draft,*Oracle Project Management User Guide* and Creating a Baseline for a Draft Budget, *Oracle Project Management User Guide.*
5. Optionally, perform adjustments. See: Adjusting Expenditure Items, *Oracle Project Costing User Guide* and Types of Invoice Adjustments: page 6 – 32.

6. Distribute costs, and generate invoices and revenue. See: Submitting Requests, *Oracle Projects Fundamentals*.

Figure 2 – 1 illustrates the flow for entering a contract project.

Figure 2 – 1 Entering a contract project



Billing Methods

You use billing methods to determine how Oracle Projects generates bills for projects.

The following table shows the predefined billing methods in Oracle Projects:

Billing Method	Description
Cost / Cost	Accrues revenue and bills using the ratio of actual cost to budgeted cost (percent complete)
Cost / Event	Accrues revenue using the ratio of actual cost to budgeted cost (percent complete) and bills based on events
Cost / Work	Accrues revenue using the ratio of actual cost to budgeted cost (percent complete) and bills as work occurs
Event / Event	Accrues revenue and bills based on events
Event / Work	Accrues revenue based on events and bills as work occurs
Work / Event	Accrues revenue as work occurs and bills based on events
Work / Work	Accrues revenue and bills as work occurs

Table 2 – 1 Billing Methods (Page 1 of 1)

To specify your billing method for a project, see: Billing Information, *Oracle Projects Fundamentals.*

Rates

A bill rate is an amount or percentage that is applied to a unit (of time and materials) to calculate revenue and invoicing. Bill rates are used for time and materials projects. You can specify the following bill rates in Oracle Projects:

- Employee Bill Rates: Standard hourly bill rates or percentage markups assigned to employees. You can assign a different bill rate to each employee for customer invoicing.
- Job Bill Rates: Standard hourly bill rates assigned by job title. For example, all System Administrators can have one bill rate, while all Consultants can have a different bill rate.
- Non–Labor Bill Rates: Standard bill rates or standard markups assigned to non–labor expenditure type or non–labor resources.

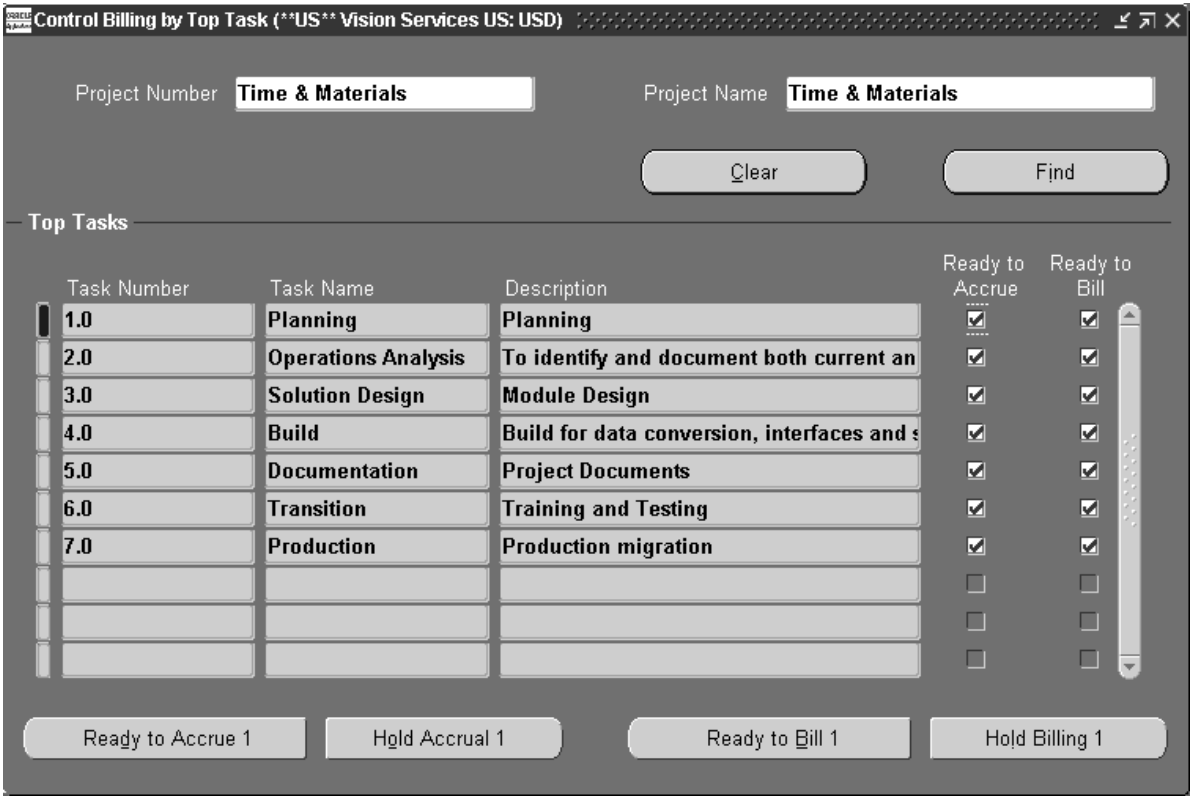
See Also

Standard Billing Schedules, *Oracle Projects Fundamentals*

Assigning Bill Rates

You can assign and override the bill rates that are defined during implementation. Use the Bill Rates and Overrides options in the Projects, Templates window to override bill rates. See: Rate Overrides, *Oracle Projects Fundamentals*.

Controlling Billing by Top Task



You can control revenue accrual and invoices by the top task of a project.

▶ **To control billing by top task:**

1. Navigate to the Control Billing by Top Task window.
2. Find the project you want.
3. Indicate whether you want to hold, accrue, or bill:

   Hold Accrual Choose this button to hold revenue accrual for this project at this top task.

   Hold Billing Choose this button to hold billing for this project at this top task.

   Ready to Accrue Choose this button if you are ready to accrue for this project at this top task.

Ready to Bill Choose this button if you are ready to bill for this project at this top task.

4. Save your work.

See Also

Accruing Revenue for a Project: page 5 – 2

Invoicing a Project: page 6 – 2

Integration with Oracle Project Contracts

Oracle Project Billing integrates with Oracle Project Contracts to create delivery based billing events that drive billing based on completed deliverables in the Deliverable Tracking System.

Delivery–Based Billing Events

Delivery–based billing events are created based on completed deliverables in the Deliverable Tracking System (DTS) in Oracle Project Contracts. They are used only with Oracle Project Contracts integration.

In the Oracle Project Contracts DTS, you can designate a contract deliverable line as billable. After a contract deliverable is delivered to the customer, the DTS initiates an Oracle Projects event. The billing event is automatically created in Oracle Projects for further processing. You can bill either individual events or multiple events at once.

Generating a Delivery–Based Billing Event from the DTS

When items are ready for billing (for example, shipped and inspected), you can select all billable deliverables ready for billing, enter an event type and date, and create an event eligible for draft invoicing.

> **Note:** You cannot add, edit, or delete events created from the Oracle Project Contracts DTS in Oracle Projects. Changes to events must be made in the DTS.

Tie Back Billing Event to Deliverables

You can tie back the billing event created for a deliverable to the deliverable for collection activity tracking.

Workflow Message to Project Manager on Event Creation

The project manager can receive a workflow notification that a billing event has been created for the contract project. The project manager can then review the event and make changes as necessary in the Oracle Project Contracts DTS.

See Also

Oracle Project Contracts User Guide

Events Summary Window: Delivery–Based Billing Fields

The fields in the Events Summary window display information about delivery–based billing events created from the Oracle Project Contracts DTS. These fields are display–only.

The following table shows the Delivery Based Billing Events fields in the Event Summary window:

Item	Description
Bill Quantity	Quantity of billed amount.
UOM	Unit of measure.
Inventory Organization	If populated, the inventory organization of the inventory item being billed.
Inventory Item	The inventory item being billed.
Unit Price	The unit price (total event amount divided by bill quantity).
Reference1 through Reference10	User–defined reference fields.

Table 2 – 2 Delivery Based Billing Events (Page 1 of 1)

Subprojects Association

If you are using Oracle Project Contracts, you can associate a project task with one or more projects to create a project hierarchy. This project hierarchy enables you to invoice your customers based on your contracts and across multiple projects. It also provides you with the ability to have multiple billing methods per project, complex organizational work structures, and different overhead rate structures within a project. For more information about billing project contracts, see: *Oracle Project Contracts User Guide*.

You can select either the project number or project name for each project with which you want the task associated. The View Subproject button displays the Projects, Templates window for the selected project.

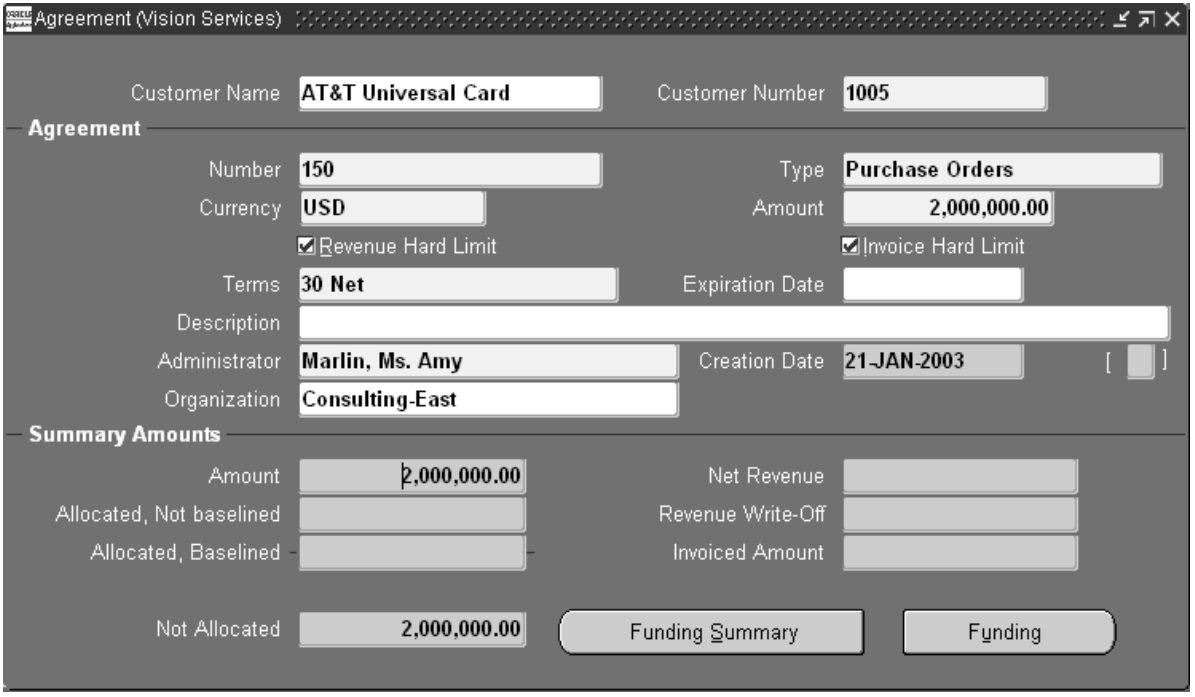
CHAPTER

3

Agreements and Project Funding

This chapter describes contract agreements and project funding in Oracle Project Billing.

Agreements



In Oracle Projects, an agreement represents any form of contract, written or verbal, between you and one of your customers. For example, an agreement may correspond to a purchase order, a continuing service agreement, or a verbal authorization.

Defining an Agreement

An agreement provides the funding for projects and tasks. Each agreement you define includes the following items:

- A customer
- A hard or a soft limit for revenue and / or invoice
- A currency amount
- An organization that owns the agreement

If you specify a hard revenue and invoice limit on an agreement, Oracle Projects prevents revenue accrual and billing activity beyond the amount you funded to a particular project or task.

If you specify a soft revenue and invoice limit, Oracle Projects provides a warning telling you when revenue and billing for the project exceeds the amount you funded.

> **Note:** You can specify a hard limit for both revenue and invoice limit, or a hard limit for revenue or invoice limit.

No project or task can accrue revenue without an agreement to fund its revenue budget.

Entering Agreements

You can enter an agreement representing a purchase order, retainer letter, or any other funding agreement you make with a customer in any currency regardless of your project functional currency. When you record an agreement, you can specify payment terms for invoices against the agreement, and whether there are limits to the amount of revenue you can accrue and bill against the agreement. See also Agreement Templates: page 3 – 26 and Quick Agreement / Funding Projects: page 3 – 25.

From the Agreements window, you can open the Funding window to allocate funds to one or more projects (or to top tasks within a project), and to see how much unused funding remains for an agreement. Each agreement that funds a project can be entered in a different currency.

For any agreement, you can review the revenue and billing activity associated with the agreement, such as the amount of revenue accrued, the amount invoiced, and the amount of funding that is allocated and has a baseline.

All revenue and invoices in Oracle Projects are recorded against an agreement, and all items that accrue revenue against an agreement subsequently bill against the same agreement.

▶ **To enter an agreement:**

1. Navigate to the Agreement window.
2. Enter the Customer who is providing the agreement funding.
3. Enter a Number to identify this agreement, such as the customer's purchase order number.

The agreement number must be unique for this customer and agreement type, although two customers can each have an agreement with an identical agreement number.

Attention: You cannot change this number once you create an invoice against this agreement and interface the invoice to Oracle Receivables.

4. Enter an agreement Type.
5. Choose the currency code of the agreement from the list of values. The list of values is restricted to the currencies defined in Oracle General Ledger.

   Note: The currency field can only be updated if the Multi Currency Billing implementation option is enabled at the operating unit and the funds have not been allocated.

6. Enter the Amount of this agreement.
7. Enter the payment terms (defined in Oracle Receivables) for any invoices funded by this agreement.
8. Choose the Revenue Hard Limit or / and Invoice Hard Limit check box to impose a hard limit on revenue accrual and invoice generation for projects funded by this agreement. Otherwise, Oracle Projects imposes a soft limit.

   A **hard limit** prevents revenue accrual and invoice generation beyond the amount allocated to a project or task by this agreement. A **soft limit** issues a warning when revenue accrual and invoice generation exceed the amount allocated to a project or task.

9. Enter the date this agreement expires. If you do not want to enforce an expiration date, leave this field blank.

   If you generate draft revenue or an invoice for projects funded by this agreement after the agreement expiration date, Oracle Projects creates distribution warnings for revenue and invoices.

10. Optionally enter a Description of this agreement.
11. Enter the administrator of this agreement.

    Note: An agreement administrator can be a future–dated employee. However, this is not recommended or likely, because agreement owners are almost always current employees.

12. Enter the name of the organization that owns the agreement.

    Note: You can choose any project owning organization(in the project owning organization hierarchy assigned to the operating unit) as the organization that owns the agreement.

13. Enter a Creation Date.
14. Save your work.

Viewing Agreement Summary Amounts

▶ **To view agreement summary amounts:**

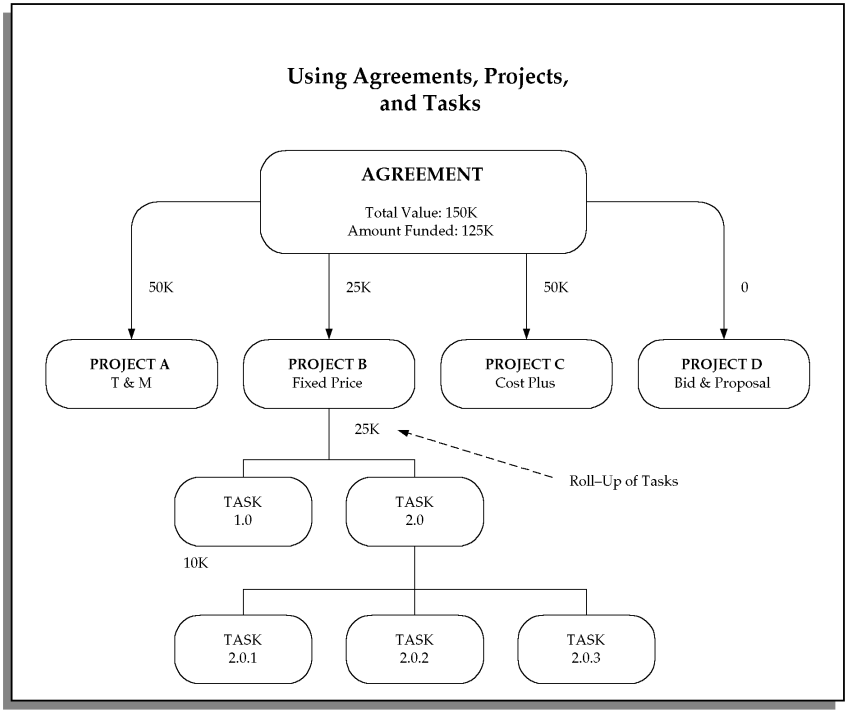
- Query the agreement you want to review in the Agreement window. The Summary Amounts region displays the overall agreement amounts in the agreement's currency for the following:
  - Amount of the Agreement
  - Allocated, Not Baseline Funding
  - Allocated, Baseline Funding
  - Not Allocated
  - Net Revenue
  - Revenue Write–off
  - Invoiced Amount
- Choose the Summary button to view the funding and billing amounts for the agreement in more detail in the Summary Project Funding window.
- Choose Funding History in the Funding Summary window to view the allocation history for this agreement.

Project Funding

You must fund a project before the project can accrue revenue and be billed. Funding is the step that allocates an amount associated with a customer agreement to a specific project. The total amount of allocated project funding must equal the current approved project revenue budget amount in order to successfully baseline the project. Optionally, top tasks on projects can be individually funded. If top tasks are funded, then the same requirement of matching budget amounts to funding amounts applies at the top task level of the project.

Oracle Projects allows you to define agreements, projects, and tasks to organize your project work. Figure 3 – 1 represents an example of how you can use an agreement to fund multiple projects and tasks.

Figure 3 – 1 Funding Multiple Projects and Tasks



In Oracle Projects, an agreement represents any form of contract, written or verbal, between you and one of your customers. For example, an agreement may correspond to a purchase order, a continuing service agreement, or a verbal authorization.

Fund Across Operating Units

You can fund different projects across operating units by enabling the Allow Funding Across Operating Units functionality in the Billing tab of the Implementation Options window. See: Allow Funding Across Operating Units, *Oracle Projects Implementation Guide*.

Fund at the Project Level

There are many different ways to link agreements, projects and tasks. You should learn the benefits and consequences of each method to create clear policies.

One Customer, One Agreement

Use one agreement when you have one customer and one contract.

This should be your most frequent case. All revenue is accrued and all invoices billed against the same agreement. The same agreement may fund other projects without changing the operation of the system.

Multiple Customers, One Agreement Per Customer

Use one agreement per customer when you have multiple paying customers, no additional contracts with any of the customers, and a requirement to invoice by contract.

All revenue and invoice amounts are divided between each customer according to the percentage splits defined for the project in the Customers and Contract Project options. Each run of generate revenue creates one draft revenue per customer, and each run of generate invoice creates one draft invoice per customer. The draft revenue and invoices for all customers contain the same items, but with prorated amounts.

Oracle Projects supports only one percentage split between customers over the life of a project. You cannot change an existing percentage split.

One Customer, Multiple Agreements

Use multiple agreements when you have one customer, but several contracts, and a requirement to invoice by contract.

For example, a project that was originally funded by one purchase order is subsequently funded by another purchase order. The customer has

requested that each invoice reference a specific purchase order. In this case, you would fund the project from two agreements, one for each purchase order. The PRC: Generate Draft Invoice process produces two invoices — one against each purchase order agreement from which funding is used.

When revenue is generated, hard limit agreements are used first in order of expiration date, followed by soft limit agreements in order of expiration date. When revenue fills one agreement and starts on the next, all of the items in the current revenue run are prorated between the two agreements.

Multiple Customers, Multiple Agreements Per Customer

Use multiple agreements per customer when you have multiple paying customers, multiple contracts with one or more of the customers, and a requirement to invoice by contract.

This method is a combination of the two above. Revenue is prorated between the customers according to their percentage split. For each customer, revenue is placed on agreements by the same rules as for multiple agreements and a single customer.

Fund at the Task Level

One Customer, One Agreement

Use one agreement when you have one customer and one contract.

Use this method only if you want to accrue revenue cost–to–cost at the task level or impose hard or soft revenue limits at the task level.

Task level funding with one agreement does NOT create separate task invoices. However, you can define an invoice format to group expenditure items by task.

Attention: If you enter funding for a project at the top task level, you must define the invoice formats (for labor, non–labor, and retention) for the project at the top task level or below. You define your invoice formats in the Revenue and Billing Information window. If you do not define invoice formats at the proper level, an invoice will not be generated for your project. If you enter funding for a project at the project level, you can define invoice formats at any level.

Case Study: Funding for Hard Limits at the Task Level

Fremont Corporation has a contract with XYZ Company for $100.000. There are three phases to the project, each with a separate hard limit. Each phase is set up as a top task, and funded with a hard revenue limit:

- Task 1: Design ($20,000)
- Task 2: Programming Services ($60,000)
- Task 3: QA / Testing ($20,000)

One Customer, Multiple Agreements

Use multiple agreements when you have one customer, but a requirement to create a separate invoice for each top task.

You can use this method to accrue revenue cost–to–cost or impose hard or soft revenue limits by task, as well as automatically create separate invoices by task.

To create separate invoices by task, you must use a different agreement to fund each task. If you use more than one agreement for a single task, the agreements are used according to the precedence described earlier for projects.

For any agreement, you can review the revenue and billing activity associated with the agreement, such as the amount of revenue accrued, the amount invoiced, and the amount of funding that is allocated and has a baseline.

Funding Multiple Projects With One Agreement

You can allocate funds from one agreement to any number of projects or top level tasks.

If your business deals with very large contracts, and divides the work into separate projects, you can use one agreement to fund each project. You may assign some of the work to a time and materials project, other work to a fixed price project, and other related bid and proposal work to an indirect project. The agreement represents the total value of the contract. You can generate separate invoices for each contract project.

An agreement may also represent a contract to do an unspecified amount of work over a period of time. You can create a project as various pieces of work are defined. Each of these projects is funded by the master agreement.

Funding a Project

You can allocate an agreement's funds to a project or top–level task in the agreement's currency. Using conversion attributes, each funding amount in the agreement currency is converted to the project functional and project currency. You can divide these funds among several projects or tasks. In addition to allocating funds, you can reverse agreement funding from a project or task, up to the amount accrued or invoiced. See : Currency Conversion Attributes, *Oracle Projects Fundamentals.*

> **Note:** You cannot fund at the task–level for multiple–customer projects.

You can also view the funding line's baseline status for this project or task.

> **Note:** Only baseline funding is used for revenue or invoice generation.

When a project is funded by amounts that are in more than one currency, the funding amounts are converted to a common currency to determine a project's total funding across all agreements. The processes that generate revenue and invoices for a project use this total amount. During revenue and invoice processing, Oracle Projects performs fund checking using the total funding amount in the project functional currency (revenue) and invoice processing currency (invoice).

> **Note:** The funding currency can be used as the invoice processing currency only when all funding amounts are in the same currency.

▶ **To fund a project:**

1. Navigate to the Agreement form and query the agreement you want.
2. Choose the Funding button.
3. In the Fund Projects window, enter the number of the project you want to fund with this agreement. The list of values displayed for this field is dependent on the following:
   - If Allow Funding Across Operating Units is enabled for your operating unit:
     - The list of values contains projects from other operating units
   - If multi–currency is disabled for a project:

- The list of values is restricted to projects whose project functional currency is the same as the agreement currency.
- The list of values contains all projects for which the Allow Funding Across Operating Units functionality is enabled.

- If multi–currency is enabled for a project:
  - The list of values contains all projects except projects whose invoice processing currency is selected as the funding currency, and that already have funding in a currency that is different from the agreement currency.

    For example, if a project with the invoice processing currency equal to the funding currency has already been funded by an agreement in GBP (agreement currency), you cannot fund the project with another agreement in a different currency (EUR).

4. Enter the number of the top–level task you want to fund with this agreement. If you do not want to restrict funding for a particular task, leave this field blank.
5. Enter the Amount you want to allocate to this project or task.
6. Enter a Date to record when you allocated agreement funds to this project or task. The Date Allocated is used as the rate date to determine the exchange rate when the Rate Date Type for the project's funding currency attribute is PA / Invoice Date.
7. If you enter an agreement currency that is different from the project functional currency, use the Folder tools to enter the conversion attributes when you fund the agreement in the Fund Projects window.
8. Enter the Funding Classification to indicate the nature of the allocations. Funding lines can be aggregated by funding classification and reported accordingly using Project Intelligence. See: Using Project Intelligence chapter in *Oracle Daily Business Intelligence*.
9. Save your work.

See Also

Currency, *Oracle Projects Fundamentals*

Currency Conversion Attributes, *Oracle Projects Fundamentals*

▶ **To review project funding information:**

- Query the project or agreement in the Project Funding Inquiry form. See: Project Funding Inquiry Window Reference: page 3 – 22.

▶ **To reverse funds from a project:**

- Enter a negative amount if you want to reverse funds from a project or task and allocate the funds elsewhere, or to leave the funds available for future funding. You can decrease the funding amount up to the amount already accrued or invoiced for the project or task.

See Also

Fund at the Project Level: page 3 – 7

Fund at the Task Level: page 3 – 8

Project Funding Inquiry Window Reference: page 3 – 22

Funding Revaluation

Funding revaluation allows you to periodically revalue your project funding, taking into account the effects of currency fluctuations between funding and project functional currency. Companies operating in a multi currency environment, with fixed price contracts, typically require that project funding amounts reflect the fluctuations in the currency exchange rate by:

- Revaluating project funding prior to revenue and invoice processing by:
  - Considering currency fluctuations between funding and functional currency on funding backlog
  - Creating funding adjustment lines in the primary and reporting currencies
- Including foreign exchange gains and losses (FXGL) for paid invoices on project revenue

- Auditing the revaluated funding amounts and components, and reprocess revaluation as needed

Revaluate Funding

Before generating revenue and processing invoices, funding is revalued to determine the total available funding on a project and to ensure that invoices are generated in accordance with the hard limits set. To revaluate funding, you run the following concurrent programs:

- PRC: Revaluate Funding for a Single Project
- PRC: Revaluate Funding for a Range of Projects

Projects are included in the concurrent programs and eligible for revaluation based on the following criteria:

- The project level option Revaluate Funding is enabled
- It is a contract project with baseline funding
- The project has no unreleased draft revenue or invoices
- The project has no unbaseline revaluation adjustment funding lines – applicable only for the PRC: Revaluate Funding for a Range of Projects process.

  Note: The PRC: Revaluate Funding for a Single Project process will delete the unbaseline revaluation adjustment funding lines, and the realized currency gains and losses events, which are created by an earlier run.

See Also

PRC: Revaluate Funding for a Single Project, *Oracle Projects Fundamentals*

PRC: Revaluate Funding for a Range of Projects, *Oracle Projects Fundamentals*

PRC: Delete Revaluated Funding for a Range of Projects, *Oracle Projects Fundamentals*

Funding Revaluation Components

The Funding Revaluation process includes the following components:

- Backlog

- Paid Invoices
- Unpaid Invoices
- Realized Gains and Losses

To view the detailed components used in the funding revaluation process, you run the audit report AUD: Revaluated Funding Audit Report.

See Also

AUD: Revaluated Funding Audit Report, *Oracle Projects Fundamentals*

Funding Backlog

The revaluate funding process first determines the current project funding backlog amount. Project funding backlog is the remaining project funding available to be billed to the customers. The funding backlog subject to revaluation is derived from the total baseline funding amount less invoices issued to customers, both paid and unpaid.

After deriving the funding backlog amount, the funding revaluation process calls the Funding Revaluation Factor client extension. The Funding Revaluation Factor client extension allows you to apply a funding revaluation factor to the funding backlog amount. This extension may be used to implement escalation indices defined for a contract. The factor can increase or decrease the funding backlog amount subject to revaluation and is applied to the funding backlog amount in the funding currency. The funding revaluation rate is applied to the funding backlog amount to derive the revaluated backlog amount in project functional and invoice processing currency.

Once the revaluated backlog amount has been derived, the process creates a net funding adjustment line with a funding line classification of ”Revaluation” in the project functional currency and adjusts the current value of your project funding available for revenue and invoice processing. If you have the option ”Baseline Funding Without Budget” enabled, you can automatically baseline the funding adjustments and update the budgets as part of the revaluation process. If this option is not enabled, you must adjust the budgets and baseline the funding adjustments manually after revaluating funding.

To enable funding revaluation for a project you must check the Revaluate Funding check box when setting up your project types and projects.

If you are using multiple reporting currencies (MRC), you can choose to have the revaluation calculations done directly in the reporting currency as opposed to calculating in primary currency and converting to reporting currency, by enabling the Revaluate Funding Using Amounts in Reporting Currency checkbox in the Implementation Options window.

> **Note:** Revaluated Backlog amounts are calculated for both the invoice processing currency (IPC) and the project functional currency (PFC).

See Also

Funding Revaluation Factor Client Extension, *Oracle Projects APIs, Client Extensions, and Open Interfaces Reference*

PRC: Revaluate Funding for a Single Project, *Oracle Projects Fundamentals*

Implementation Options, *Oracle Projects Implementation Guide*

Event Types, *Oracle Projects Implementation Guide*

Project Types, *Oracle Projects Implementation Guide*

Include Foreign Exchange Gains And Losses (FXGL)

You can optionally include gains and losses for paid and unpaid project invoices, in the funding revaluation process. The process calculates the foreign exchange gain or loss (FXGL) associated with the project and agreement, and adjusts project revenue accordingly. The gain or loss will increase or decrease the revenue for the project but will not affect the unbilled receivables or unearned revenue amounts.

To include the effects of the foreign exchange gains and losses in the project revenue, you must:

- Enable the ”Funding Revaluation Includes Gains and Losses” option at the implementation, project type and project level.

- Define event types for the Realized Gains and Realized Losses event classifications in the Billing tab of the Project Types window.
- Setup the new function transactions, Realized Gains Account and Realized Losses Account for the AutoAccounting function Revenue and Invoice Account.

Paid Project Invoices

When cash is applied to invoices, Oracle Receivables calculates and posts the realized gains and losses to the General Ledger currency gain and loss accounts of the operating unit. The revaluate funding process includes these gains and losses on paid project invoices to record the effect of the transaction as a realized gain or loss against the project revenue.

Unpaid Project Invoices

Unpaid project invoices consist of all issued project invoices less AR cash receipts. Issued project invoices include all released project invoices whether or not they have been transferred to Oracle Receivables. Though the cash applied in AR may include tax and other components as defined by the cash application rules, the revaluation process considers only the cash applied to the invoice line type ”Line.”

The paid project invoices are deducted from the total project invoiced to determine the unpaid project invoice amounts. The resulting unpaid project invoice amount is revalued by applying the revaluation rate.

> **Note:** When determining unpaid project invoice amounts with retention lines, cash receipt amounts applied to retention invoices are treated like regular invoices, except when retention is at the project level and funding is at the task level. In that case, applied cash is allocated at the task level on a first in first out basis. Cash is first applied to the earliest retention line at the task level, once that is paid, the remaining cash is applied to the second retention line and so on.

Revaluated Funding in Project Functional Currency (PFC)

The revaluated funding in project functional currency is calculated as follows:

Total Revaluated Funding Amount in PFC = Revaluated Funding Backlog in PFC + Revaluated unpaid project invoice amount in PFC + Cash applied to project invoices in PFC + Realized Gains – Realized Losses.

The net funding adjustment in PFC = Total Revaluated funding amount in PFC – Total baseline funding amount in PFC before revaluation.

Revaluated Funding in Invoice Processing Currency (IPC)

Funding revaluation needs to be performed in the invoice processing currency to revalue the backlog in IPC to control future invoicing. The revaluated funding in invoice processing currency is calculated as follows:

Total Revaluated Funding Amount in IPC = Revaluated Funding backlog in IPC

The net funding adjustment in IPC = Total Revaluated funding amount in IPC – Prior baseline funding adjustment amount in IPC – Funding backlog in IPC before revaluation

To track your revaluation currency gains and losses differently from the unbilled receivable realized gains and loss account, you must setup new function transactions called Realized Gains Account and Realized Losses Account for the AutoAccounting function Revenue and Invoice Account.

Attention: Do your Autoaccounting setup for the Realized Gains account and Realized Losses account, such that the derived account matches the general ledger currency gain or loss accounts in AR respectively.

See Also

Project Types: Billing Information, *Oracle Projects Implementation Guide*

Accounting for Revenue and Invoices, *Oracle Projects Implementation Guide*

Reviewing Funding Adjustment Lines

You can view the various revaluation components of the funding adjustment line from the folder in the Funding History window. Navigate to the Project Funding Inquiry window and select an Agreement in the Summary by Agreement region. Click on the Funding History button. You can choose the various revaluation component fields to include in the folder.

Example of Funding Revaluation

Following is an example of how funding revaluation is calculated for a company whose functional currency is different from the funding currency.

In this example the company has the following agreement in place with a customer:

- The functional currency of the operating unit of the company is US Dollars (USD)
- The customer's agreement / funding is provided in British Pounds (GBP)
- Project functional currency (USD) is selected as the invoice processing currency
- Agreement funded on 01–Jan–2001
- Customer requests to be invoiced in GBP

The following table shows the billing transactions that occur during the Jan–2001 period:

Date	Description	Funding Currency (GBP)	Exchange Rate (GBP:USD)	Project Functional Currency (USD)	Exchange Rate (GBP:USD)	Invoice Processing Currency (USD)
01–Jan–2001	Project Funding (USD) [A]	1,000,000 GBP	1.55	1,550,000 USD	1.55	1,550,000 USD
10–Jan–2001	Project Invoice #1 (USD) [B]	200,000 GBP	1.55	310,000 USD	1.55	310,000 USD
15–Jan–2001	Project Invoice #2 (USD) [C]	100,000 GBP	1.55	155,000 USD	1.55	155,000 USD
20–Jan–2001	Cash Receipt to Project Invoice #1 [D]	200,000 GBP	1.54	308,000 USD		
20–Jan–2001	Realized Gain (+) / Loss(–) [E]			–2000 USD		

Prior to generating revenue on 31–Jan–2001, the project funding in GBP is revalued in project functional currency. The currency exchange rate from GBP to USD on 31–Jan– 2001 is 1.58.

Revaluation to project functional currency on 31–Jan–2001 includes the following three components:

- Unpaid project invoice
- Project funding backlog
- Realized currency gains and losses from cash receipts applied to project invoices

The project funding requiring revaluation is determined as shown by the following table:

Date	Description	Funding Currency (GBP)	Exchange Rate (GBP:USD)	Project Functional Currency (USD)	Exchange Rate (GBP:USD)	Invoice Processing Currency (USD)
01–Jan–2001	Total project funding amount [A]	1,000,000 GBP		1,550,000 USD		1,550,000 USD
	Issued project invoices (includes paid and unpaid) [B+C=F]	300,000 GBP		465,000 USD		465,000 USD
	Project funding backlog [A–F=G]	700,000 GBP		1,095,000 USD		1,095,000 USD
	AR cash receipt to project invoices during the period[D]	(200,000) GBP		(310,000) USD		
	AR Realized Gain / Loss from cash receipts to project invoices [E]			–2000 USD		

Date	Description	Funding Currency (GBP)	Exchange Rate (GBP:USD)	Project Functional Currency (USD)	Exchange Rate (GBP:USD)	Invoice Processing Currency (USD)
	Project invoices issued but not paid [F–D=H]	100,000 GBP				
31–Jan–2001	Project funding to revaluate to project functional currency [G+H=I]	800,000 GBP				

The following table details the total project funding amount after revaluation:

Date	Description	Funding Currency (GBP)	Exchange Rate (GBP:USD)	Project Functional Currency (USD)	Exchange Rate (GBP:USD)	Invoice Processing Currency (USD)
	Project invoices issued but not paid [J]	1,000,000 GBP	1.58	1,580,000 USD		
	Project funding backlog [K]	700,000 GBP	1.58	1,106,000 USD	1.58	1,106,000 USD
	Project invoices paid [D]			(310,000) USD		
	AR Realized Gain / Loss from cash payments to project invoices [E]			–2000 USD		
31–Jan–2001	Total project funding amount after revaluation [L]			1,572,000 USD [L=J+K+D+E]		1,106,000 USD [L=K]

The revaluation process generates the funding adjustment line as detailed in the following table:

Date	Description	Funding Currency (GBP)	Project Functional Currency (USD)	Invoice Processing Currency (USD)
31–Jan–2001	Funding Revaluation Adjustment [M]		22,000 USD [L–A]	11,000 USD [L–G]

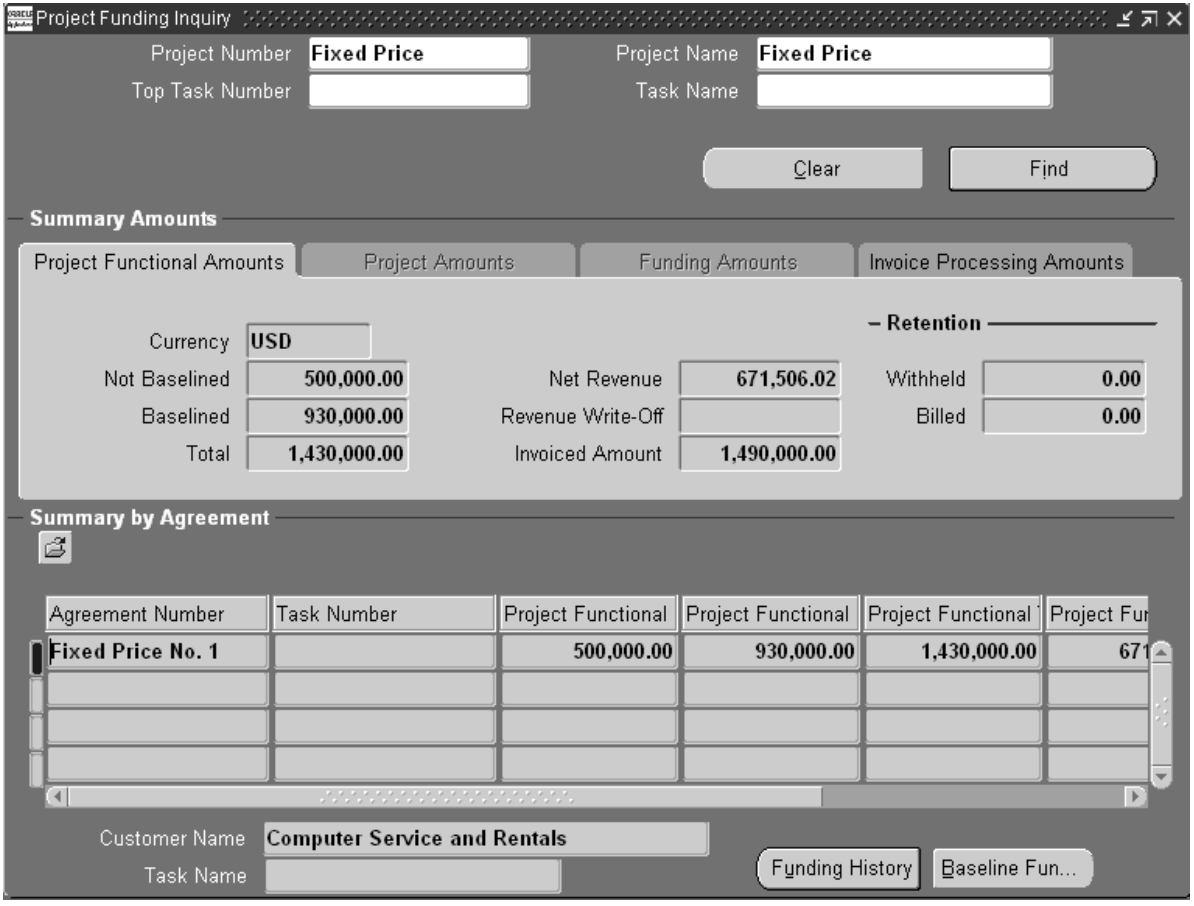
A new event line is created as shown in the following table:

Event Type	Event amount (Project functional currency)
Realized Loss	2000 USD

The Accounting entries for the Realized Loss after generating the project revenue and interfacing revenue to General Ledger is as follows:

Dr. Event Revenue Account	2000	
Cr. Realized Losses Account		2000
Dr. Realized Losses Account	2000	
Cr. Project Specific Realized Losses		2000

Project Funding Inquiry Window Reference



Use this window to view information about project funding and to baseline your budget automatically. For a given project, you can view the amount invoiced, the amount of net revenue accrued, the revenue write–off balances, as well as other funding information.

You can view summary amounts for funding allocated to a particular project by agreement and top level task, such as baseline amounts, the amount of revenue accrued and invoiced, as well as the customer providing agreement funding. Amounts can be viewed in the project functional, project, funding currency, or invoice processing currency by selecting the respective tabbed region. Funding amounts can be viewed only when all project funding is in the same currency.

You can also use this window to view a history of project funding allocation, such as the incremental allocation amounts, and the allocation date.

Baseline a Budget

You can also use this window to baseline a revenue budget if the Baseline Funding Without Budget option is enabled in the Revenue and Billing Information window. See: Project Types: Funding, *Oracle Projects Implementation Guide*. Click on the Baseline Funding button to baseline the funding and create a revenue budget for the project. A revenue budget is created for the project that includes all funding from the agreements that fund the project. The revenue budget has the following attributes:

- The budget type is Approved Revenue Budget
- The currency of the budget is the project functional currency
- The Budget Entry Method is Project Level or Task Level

If funding changes for a project, you can baseline the funding again. A new version of the budget is created each time the funding has a baseline.

> **Note:** When a budget is created by baseline funding, you cannot change the budget lines or version using the budget windows. The budget can only be viewed. In addition, once you have used the system defined budget entry methods, they cannot be modified.

Funding

Currency: Currency in which the amounts are displayed.

Not Baselined: The total funding amount that does not have a baseline for this project or task.

Baselined: The total funding amount that has a baseline for this project or task.

Total: The total funding allocated to this project or task.

Billing

Net Revenue: The net amount of revenue accrued for this project or task, regardless of revenue transfer status.

Revenue Write–Off: The total amount of revenue write–off events.

Invoiced Amount: The total amount invoiced for this project including any retention amount withheld, regardless of invoice transfer status.

Retention

Withheld: The total amount of retention withheld for this project or top task.

Billed: The total amount of withheld retention billed for this project or top task.

> **Note:** If you fund your project at the top task and retention level is at the project level, the Summary Amounts region will not display withheld and billed retention information.

Funding Summary by Agreement

Funding amounts can be viewed in the project functional currency. To view funding amounts for each agreement in the project, funding, and invoice processing currency, use the folder to select the fields for display.

Agreement Number: The agreement number from which funds are allocated.

Top Task Number: The task number to which funds are allocated, if you have funded your project at the top level task level.

Funding History Window

Funding amounts are in the funding / agreement currency. To view funding amounts in the project, funding, and invoice processing currency, use the folder technology to select the fields for display.

Date: The date this funding line was allocated.

By: The person responsible for allocating this funding line.

Funding Amount: The incremental amount of agreement funding allocated by this detail funding line.

Funding Classification: Funding classification of the funding line.

Baselined: This check box indicates whether the funding line has a baseline.

Quick Agreement / Funding Projects

Many companies have short–term projects, lasting one to ten days, which they want to bill. Oracle Projects provides an easy way to set up these short–term contract projects. You can create a project template that is associated with an agreement, funding, and baseline budgets. When you create a new project by copying the template, the agreement funding, and baseline budgets will also be copied to the new project.

The project template is funded with an agreement template; the revenue budget and funding may have a baseline. When you copy a new project from the project template, you specify the customer in the Quick Entry options, and Oracle Projects copies the agreement, funding, and baseline budgets from the template to the project. You can specify the agreement amount in Quick Entry. If the project is of short duration, you may elect to have a nominal agreement amount (such as $1.00) with a soft limit.

▶ **To create a quick agreement project:**

1. Set up a Project Template with a Customer Quick Entry field and a customer defined in the project option.
2. Set up an Agreement Template with the same customer entered in the Customer option in the Project Template.
3. Select any currency as well as a default owning organization for the Agreement template.
4. Within the Agreement Template, fund the Project Template at either the project or task level.
5. Create a revenue and / or cost budget for the Project Template. Baseline the budgets.
6. Copy the Project Template to a new project. The new project will be ready to bill as soon as it is created.

Project Templates for Quick Agreement

Project Options

When you are creating a project template that will be used to create a quick agreement, you must enter a customer in the Customer option of the project. You will use this customer in the agreement template that creates the agreement / funding for the quick agreement project. You can

only have one customer in a template that will be used to create Quick Agreement projects. The customer billing contribution must equal 100%. If you have more than one customer in the project template, you will not be able to associate the project template with an agreement template.

Define any other project and task options that are appropriate for the project. A Quick Agreement template has no special restrictions or requirements other than those noted in the above paragraph.

Quick Entry Setup

When creating a project template for quick agreement projects, you must enable the Customer field in the Quick Entry setup. You then select the customer relationship to use when creating the project customer (*primary*, for example). When you create a project by copying the template, you enter the appropriate customer in Quick Entry. The customer in the agreement template will be replaced by the customer you enter in Quick Entry.

You can also enter an agreement amount and agreement owning organization in the quick entry fields.

Enable any other Quick Entry fields that are appropriate for the project. A Quick Agreement template has no special restrictions or requirements other than those noted in the above paragraph.

See Also

Project Template Design Considerations, *Oracle Projects Fundamentals*

Defining Quick Entry Fields, *Oracle Projects Fundamentals*

Agreement Template

To create a Quick Agreement, you set up an agreement template that will be associated with a project template. See: Defining Agreement Templates, *Oracle Projects Implementation Guide*.

A project created from the project template associated with the agreement template will have an agreement created for it with the values entered in the agreement template. The only exceptions are the

Agreement Number and Expiration Date. The Agreement Number will be the same as the Project Number you enter in Quick Entry. The Expiration Date will be based on the relationship between the project start date and the agreement template Expiration Date.

For example, if the project start date of the project template is January 1, 1996, the agreement template expiration date is January 10, 1996, and the new project's start date is July 15, 1996, then the agreement for the new project will be created with an expiration date of July 25, 1996.

Agreement templates can only be viewed in the Agreement Template Entry window. You cannot view agreement templates in the Agreement Entry window.

See Also

Entering Agreements: page 3 – 3

Funding a Project Template

Each agreement template that funds a project template can fund only one project template. Conversely, each project template can only be funded by one agreement template.

When you fund an agreement template, only project templates (not projects) will be listed in the Project List of Values.

When you create a new project from the project template associated with the agreement template, you enter a starting date for the project. The funding date for the new project will be based on the funding date you entered in the agreement template, adjusted by the difference between the project template start date and the project start date.

For example, if the funding date in the agreement template is January 1, 1997 and the project template has a start date of June 1, 1996, when you create a new project whose start date is July 15, 1996, The funding for the new project will have an allocation date of July 15, 1997.

You can fund agreement templates at either the project or task level.

Budgeting for Project Templates

Enter budgets for the project template you will use to create Quick Agreements. After the budgets are created, baseline the budgets. New projects created from the template will have baseline budgets equal to the amounts entered in the budgets for the project template.

See Also

Budget Entry, *Oracle Project Management User Guide*

Copying a Template to Create a Quick Agreement Project

To create a Quick Agreement Project, you select a template to copy. Oracle Projects copies the template to the new project, along with the agreement, funding, and baseline budgets based on the following rules:

- If an agreement template is associated with the project template, the agreement and funding are copied. If a customer is specified in Quick Entry, the template customer is replaced with the specified customer. The agreement number is replaced with the project number. If a project start date is entered in Quick Entry, the agreement expiration date and funding allocated date are shifted accordingly. You can override the agreement amount, currency and owning organization values defined in the agreement template, but cannot override any conversion attributes defined in the agreement template.

  Note: If the agreement amount is entered in quick entry it creates only one funding line at the project level, even if the template was funded at the task level. If you override the agreement amount or the currency, the budget has a baseline automatically only if you have the Baseline Funding Without Budget checkbox enabled in the Revenue and Billing Information window.

- The funding, cost budget, and revenue budget are copied to the project. If these budgets have a baseline, they are copied as baseline.

- If the project template has a baseline revenue budget and the new project has no project customer for a contract project, no agreement, funding, or baseline revenue budget will be copied.

However, if there is a baseline cost budget, it will be copied as baseline and the baseline revenue budget will be copied as a draft revenue budget to the new project.

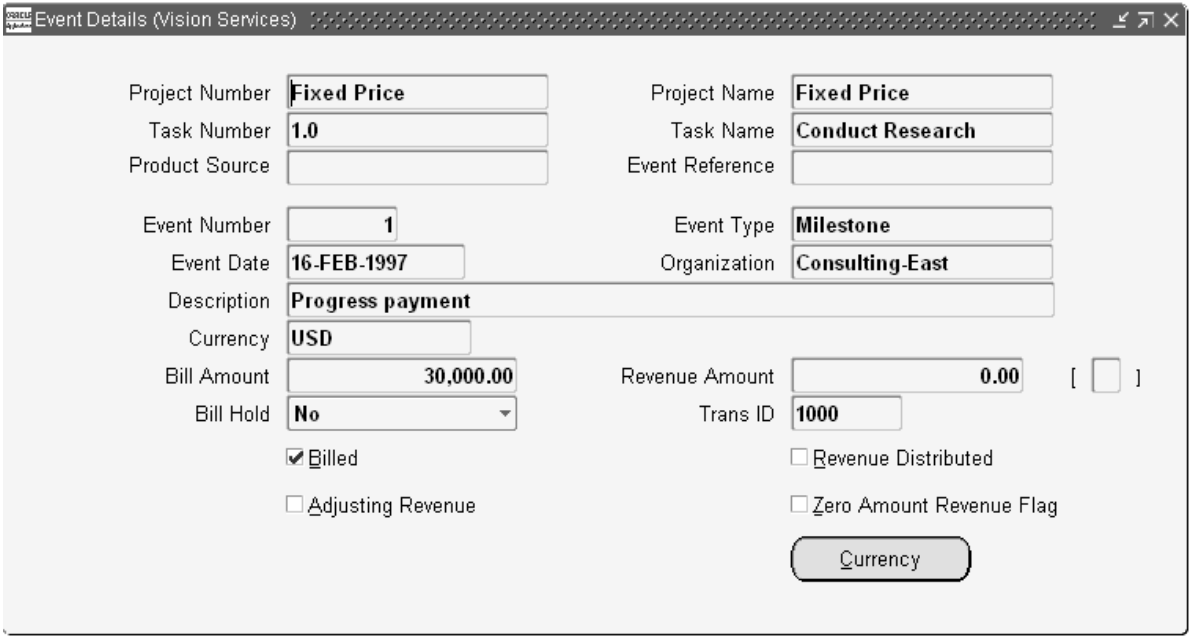
- If the template project has a baseline revenue budget but not baseline cost budget and the new project has a COST/COST, COST/EVENT, or COST/WORK distribution rule, the draft cost budget, if any exists, will be copied, along with the draft revenue budget, as well as agreement and funding, but with no baseline.
- If the Customer field in Quick Entry is null, the new project will have no customer, agreement, or funding. Any budgets will be copied as draft budgets.
- If Customer is not a Quick Entry field, the new project will have the same customer as the template and will also have an agreement, funding, and baseline budgets.
- If the customer entered in Quick Entry does not have a primary bill–to and ship–to site, you will receive an error message and will not be able to create the new project with that customer.

CHAPTER

4 Events

This chapter describes events in Oracle Project Billing.

Events



Use the Event Details window to enter and review events for a project or top task. Examples of events include an invoice reduction, a performance bonus, revenue write–off, or adjusting revenue. You can also change the bill hold status of an event using these windows.

For transactions that involve foreign currencies, all amounts displayed in the Event windows are shown in the event transaction currency.

Entering Events in Any Currency

Events can be entered in any currency when multi–currency is enabled for the associated project. The currency in which the event is entered or created is called the event transaction currency. Oracle Projects uses the currency conversion attributes stored for each event to convert revenue and invoice amounts for manually entered and automatically created events from the event transaction currency to the project functional, project currency, and the funding currency.

The following table describes the conversion currency attribute fields for the project functional currency and the project currency:

Field	Comments
Currency Code	Currency code of the project functional currency or the project currency
Rate Type	Required field. List of values is restricted to the rate types defined in Oracle General Ledger Exchange rate type used to determine the conversion rate from the event transaction currency to the project functional and project currency Default value is derived from the project setup
Rate Date	Exchange rate date used to determine the conversion from event transaction currency to the project functional currency and the project currency Default value is derived from the project setup if the exchange rate type defined for the project is Fixed Date Can be updated if the rate date type defined for the project is Fixed Date
Rate	Rate used to convert from the event transaction currency to the project functional currency or the project currency Display only field if the Exchange Rate Type is not User. Can be entered if the Exchange Rate Type is User Required if the Exchange Rate Type is User
Revenue Date	Exchange rate date used during the revenue generation process to convert from the event transaction currency to the project functional currency and the project currency
Revenue Rate	Exchange rate used during the revenue generation process to convert from the event transaction currency to the project functional currency and the project currency
Revenue Amount	Revenue amount in project functional currency or the project currency that is calculated during the revenue generation process by applying the project functional currency conversion attributes and the project currency currency conversion attributes respectively.
Bill Date	Exchange rate date used during the invoice generation process to convert from the event transaction currency to the project functional currency and the project currency

Table 4 – 1 Conversion Currency Attributes for the Project Functional Currency and Project Currency (Page 1 of 2)

Field	Comments
Bill Rate	Exchange rate used during the invoice generation process to convert from the event transaction currency to the project functional currency and the project currency
Bill Amount	Bill amount in project functional currency and the project currency that is calculated during the invoice generation process by applying the project functional currency conversion attributes and the project currency conversion attributes, respectively.

Table 4 – 1 Conversion Currency Attributes for the Project Functional Currency and Project Currency (Page 2 of 2)

The following table explains the conversion currency attributes for the funding currency:

Field	Comments
Rate Type	Exchange rate type used to determine the exchange rate from the event transaction currency to the funding currency Default value is derived from the project setup List of values is restricted to the exchange rate types defined in Oracle General Ledger
Rate Date	Exchange rate date used to determine the exchange rate from the event transaction currency to the funding currency Default value is the Exchange Rate Date defined for the project if the Funding Rate Date Type defined for the project is Fixed Date Can be entered if the Funding Rate Date type for the project is Fixed
Rate	Rate used to convert from the event transaction currency to the funding currency Display only field if the Exchange Rate Type is not User. Can be entered if the Exchange Rate Type is User Required if the Exchange Rate Type is User

Table 4 – 2 Conversion Currency Attributes for the Funding Currency (Page 1 of 1)

Adjusting Revenue Events

You can enter adjusting revenue events when you enable the Adjusting Revenue checkbox in the Event Details window.

> **Note:** The Adjusting Revenue checkbox can be enabled only for Manual Event Types.

Entering adjusting revenue events allows you to adjust revenue for a project without reopening the project accounting period. Adjusting revenue amounts do not have an effect on invoicing. Therefore, you cannot enter a value in the Bill Amount field for these events.

After you have adjusted and regenerated revenue in Oracle Projects, submit the PRC: Interface Revenue to General Ledger process t o interface the adjusted revenue amounts to General Ledger.

> **Note:** The revenue generation process assigns sequential revenue numbers to the draft revenue as it is generated. When adjusting events are entered for a project, a gap in numbering can occur when revenue is deleted and regenerated.

See Also

PRC: Interface Revenue to General Ledger, *Oracle Projects Fundamentals*

PRC: Generate Draft Revenue, *Oracle Projects Fundamentals*

Determining Accounting Dates

When Enhanced Period Processing is enabled, both the PA Date and GL Date for adjusting revenue are determined based on the Accrue Through Date you enter when you submit the revenue generation process. The PA Date and the GL Date are always equal to the Accrue Through Date, even when the accounting periods that include the Accrue Through Date have a closed status in Oracle Projects. The accounting period in General Ledger must have an open status.

When Enhanced Period Processing is not enabled, the PA date for the draft revenue is determined based on the Accrue Through Date, and the GL Date is based on the PA Date. The PA Date is the ending date of the open or closed PA period that includes the Accrue Through Date. The GL Date is the ending date of the GL period that includes the PA Date. The accounting period in General Ledger must have an open status.

For information on determining PA and GL date for non–adjusting revenue events, see: Date Processing in Oracle Projects, *Oracle Projects Fundamentals.*

Adjusting Revenue Events: Example

The rules for determining PA and GL dates are shown in the following example.

The PA Periods in this example are shown in the following table:

Period	Start Date	End Date
Jan–W3–02	14–Jan–2002	20–Jan–2002
Jan–W4–02	21–Jan–2002	27–Jan–2002
Jan–W5–02	28–Jan–2002	03–Feb–2002

Table 4 – 3 PA Periods (Page 1 of 1)

The GL Periods in this example are shown in the following table:

Period	Start Date	End Date
Jan–02	01–Jan–2002	31–Jan–2002
Feb–02	01–Feb–2002	28–Feb–2002

Table 4 – 4 GL Periods (Page 1 of 1)

An adjusting revenue event for $100.00 and a non–adjusting revenue event for $150.00 are entered. Both have an Event Date of 20–Jan–2002. The Accrue Through Date is 25–Jan–2002 for both events.

Case 1: Enhanced Period Processing is not Enabled

The table below illustrates the PA Date and the GL Date determined by the system for adjusting revenue when Enhanced Period Processing is not enabled and the PA Period (Jan–W4–02) that includes the Accrue Through Date is open.

Event	Accrue Through Date	PA Date	GL Date
Adjusting Revenue	25–Jan–2002	27–Jan–2002	31–Jan–2002
Non–Adjusting Revenue	25–Jan–2002	27–Jan–2002	31–Jan–2002

Table 4 – 5 PA and GL Date when Enhanced Period Processing not enabled and PA Period closed (Page 1 of 1)

The table below illustrates the PA Date and the GL Date determined by the system for adjusting revenue when Enhanced Period Processing is not enabled and the PA Period (Jan–W4–02) that includes the Accrue Through Date is closed.

Event	Accrue Through Date	PA Date	GL Date
Adjusting Revenue	25–Jan–2002	27–Jan–2002	31–Jan–2002
Non–Adjusting Revenue	25–Jan–2002	03–Feb–2002	28–Feb–2002

Table 4 – 6 PA Period and GL Period when Enhanced Period Processing not enabled and PA Period closed (Page 1 of 1)

Case 2: Enhanced Period Processing is Enabled

The table below illustrates the PA Date and the GL Date determined by the system for adjusting revenue when Enhanced Period Processing is enabled. The PA Period (Jan–W4–02) that includes the Accrue Through Date and the GL Period (Jan–02) that includes the Accrue Through Date are both open.

Event	Accrue Through Date	PA Date	GL Date
Adjusting Revenue	25–Jan–2002	25–Jan–2002	25–Jan–2002
Non–Adjusting Revenue	25–Jan–2002	25–Jan–2002	25–Jan–2002

Table 4 – 7 PA Period and GL Period when Enhanced Period Processing enabled and PA and GL period both open (Page 1 of 1)

The following table illustrates the PA Date and the GL Date determined by the system for adjusting revenue when Enhanced Period Processing is enabled. The PA Period (Jan–W4–02) that includes the Accrue

Through Date and the GL Period (Jan–02) that includes the Accrue Through Date are both closed.

Event	Accrue Through Date	PA Date	GL Date
Adjusting Revenue	25–Jan–2002	25–Jan–2002	25–Jan–2002
Non–Adjusting Revenue	25–Jan–2002	28–Jan–2002	01–Feb–2002

Table 4 – 8 PA Period and GL Period when Enhanced Period Processing enabled and PA and GL Period both closed (Page 1 of 1)

There are two Event Window modes:

- **Project.** The Project mode Event Windows allow you to enter and view events for a single project only. You must enter a project number or name in the Find Project Events window before you can execute the query. If project security has been implemented, you can only select projects that you are allowed to see.
- **All.** The All mode Event Windows allow you to enter and view events across projects. You are not required to enter a project number or name in the Find Events window. You can structure your query to retrieve information across projects.

The mode in which you access the Event Window is determined by your user responsibility, as set up by your System Administrator. Under the Project Billing Super User and Project Costing Super User responsibilities, which are supplied by Oracle Projects, you have access to both modes.

▶ **To Review or Enter Events:**

1. Navigate to the Find Events window (Billing > Events).
   - To view or enter events in summary format, enter your search criteria and choose Find. See Events Summary Window Reference: page 4 – 9.
   - To enter a new event in the Event Details window, choose New. See Event Details Window: page 4 – 11.
2. From the Events Summary window, choose:
   - **Revenue** to view event revenue distribution lines information.
   - **Totals** to view the total bill amount and total revenue amount for the events displayed based on your search criteria.

Note: The total bill amount and the total revenue amount are displayed only if all the events queried are in the same currency.

- **Open** to view all of the event information for a single event in one window. See: Event Details Window: page 4 – 11.

See Also

Event Types, *Oracle Projects Implementation Guide*

Event Details Window: page 4 – 11

Event Revenue Distribution Lines Window: page 4 – 12

Function Security for Event Windows, *Oracle Projects Implementation Guide*

Events Summary Window Reference

The Events Summary window uses folder technology, allowing you to customize the window to display the fields you want to view. Some of the information displayed in this window is shown in the following table:

Item	Description
Project Number	The number of the project for the event.
Project Name	The name of the project.
Task Number	The number of the top task for the event.
Task Name	The name of the top task.
Product Source	The name of the external system from which the event was imported.
Event Reference	The name of the event in the external system from which the event was imported.

Table 4 – 9 Event Summary window (Page 1 of 3)

Item	Description
Event Number	The number of the event.
Event Type	The event type.
Event Classification	The event classification of the event type.
Date	The date the event is eligible for processing.
Currency	The currency of the event.
Bill Amt	The bill amount if the event affects billing for this project / task.
Revenue Amt	The revenue amount if this event affects revenue accrual. The amount for write–off revenue may not exceed this project's unbilled receivables amount.
Description	The event description. Except for events having a classification of Write–Off, this description appears on the invoice line billing this event.
Organization	The organization name for the event. You assign organizations to events to credit project revenue to different organizations. You can also use events in AutoAccounting to account for revenue at the expenditure organization level.
Bill Hold Flag	The bill hold flag for this event. The options are: **No** – Do not hold from billing. **Once** – Hold from the next billing only. **Yes** – Hold from future billing indefinitely. Holding an event applies only to events that are billed, which does not include write–offs. You can update this flag from the Event Summary Window.

Table 4 – 9 Event Summary window (Page 2 of 3)

Item	Description
Billed	Indicates whether this event has been billed.
Revenue Hold Flag	The revenue hold flag for this event. The options are: **No** – Do not hold from revenue accrual. **Yes** – Hold from future revenue accrual indefinitely. This flag is applicable only for the Realized Gains and Realized Losses events created by the Revaluate Funding process. The Revenue Hold Flag for the realized gains is set to Yes if the corresponding revaluation adjustment funding does not have a baseline, and set to No when the revaluation adjustment funding has a baseline.

Table 4 – 9 Event Summary window (Page 3 of 3)

Event Details Window

Use the Event Details window to enter, modify, or review all of the information for a single event on one screen.

▶ **To enter events**

1. Navigate to the Event Details window.
2. Enter the details of the project, task, and event.

   Note: Event number must be greater then zero, and cannot be changed once the event is billed or revenue generated.
3. Enter the organization of the event.
4. Enter a description for the event.
5. In the currency field, enter any currency defined in Oracle General Ledger.
6. Click on the Currency button to review or override the currency conversion attributes defined for the project. See: Entering Events in Any Currency: page 4 – 2.
7. Check the Adjusting Revenue check box if you are entering an event to adjust revenue amount. See: Adjusting Revenue Amounts: page 4 – 5.

Note: After an event has been processed for revenue or invoicing, you cannot change the event transaction currency or the currency conversion attributes.

For field descriptions in the Event Details window, see: Events Summary Window Reference: page 4 – 9.

Event Revenue Distribution Lines Window

The Event Revenue Distribution Lines window displays information about the revenue distribution lines for an event.

The following information is displayed for the selected event:

- Amount
- GL Account
- GL Account Description
- Draft Revenue Number and Line
- PA Date and Period
- GL Date and Period

CHAPTER

5

Revenue Accrual

This chapter describes revenue accrual in Oracle Project Billing.

Accruing Revenue for a Project

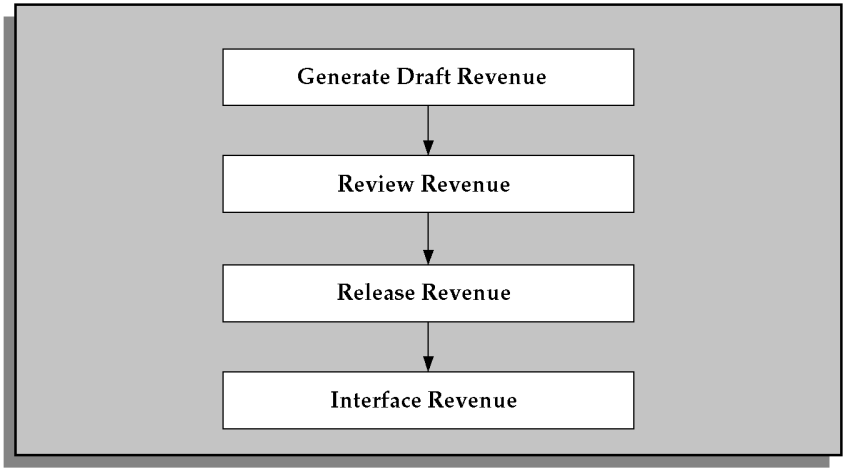
Oracle Projects generates revenue based on the transactions that you charge to your projects. You configure your projects to accrue revenue based on your company policies. You can review revenue amounts online, and can also adjust transactions. These transactions are then processed by Oracle Projects to adjust the revenue amounts for your project. Oracle Projects interfaces the revenue amounts to Oracle General Ledger.

When you generate revenue, Oracle Projects calculates revenue, creates event and expenditure item revenue, determines GL account codings, and maintains funding balances. You can generate revenue for a range of projects or for a single project.

Revenue Flow

The Oracle Projects revenue flow follows the steps detailed in Figure 5 – 1. This section describes each step, as well as procedures such as adjusting revenue and creating revenue events and hard limits.

Figure 5 – 1



Steps Before Generating Revenue

Oracle Projects provides control as to which projects are ready for revenue generation. It processes only funded, fully defined projects.

You must complete the following steps before generating revenue for a contract project in Oracle Projects:

1. Baseline the project budget and funding

   Note: You must enter and submit an approved revenue budget and allocate funds to the project or task before you can baseline it or automatically create a baseline budget when you baseline funding. See also: Baseline Funding Without Budget,*Oracle Projects Implementation Guide*.

2. Distribute costs for billable expenditures charged to your project

   Note: If you do not want to accrue revenue for a specific top task, uncheck the Ready to Accrue check box in the Control Billing by Top Task window. Oracle Projects assumes you want to generate revenue and invoices for all billable top tasks on contract projects.

3. Optionally, revaluate your funding.

See Also

Revenue Accrual and Invoice Generation Based on Percent Complete: page 5 – 22

Creating a Baseline Draft, *Oracle Project Management User Guide*

Entering a Draft, *Oracle Project Management User Guide*

Entering Agreements: page 3 – 3

Funding a Project: page 3 – 10

Submitting Requests, *Oracle Projects Fundamentals*

Generating and Adjusting Revenue: page 5 – 10

Funding Revaluation: page 3 – 12

Revenue Generation Process

When you generate revenue, Oracle Projects first selects projects, tasks, and their associated events and expenditure items that are eligible for revenue generation. Oracle Projects next calculates the potential revenue and then creates revenue events and expenditure items.

During the revenue generation process, revenue and billing amounts are calculated in the billing transaction currency. Revenue is processed using a common currency, called the revenue processing currency, which is always the project functional currency. Revenue amounts in the billing transaction currency are converted to project functional currency, project currency, and funding currency during the revenue generation process.

For expenditure items, currency conversion attributes assigned to the project are used to convert revenue amounts from the billing transaction currency to the project functional currency, project currency, and the funding currency. For events, you can enter the currency conversion attributes that override those assigned to the project, otherwise the currency conversion attributes assigned to the project are used.

Revenue recognition, funds checking, and unbilled receivables / unearned revenue (UBR / UER), are processed and posted to General Ledger in the revenue processing currency. For reporting purposes, funding balances are maintained in the project functional currency, the project currency, and the funding currency.

> **Note:** When you enter conflicting currency conversion rate attributes for the same currency, conversion attributes defined for the project functional currency take precedence over those assigned to the project currency or the funding currency. Conversion attributes defined for the project currency take precedence over those assigned to the funding currency. For more information on currency conversion attributes, see: Currency Conversion Attributes, *Oracle Projects Fundamentals*.

See Also

Entering Events in Any Currency: page 4 – 2

Generate Draft Revenue, *Oracle Projects Fundamentals*

Selection Criteria

Revenue is accrued for projects, expenditure items, and events based on the following criteria:

Projects: Oracle Projects first determines if a project is eligible for revenue accrual. To accrue revenue, a project must meet the following criteria:

- Must be a contract project
- Must have a status that allows revenue generation. For more information, see: Project Statuses: *Oracle Projects Implementation Guide*.
- Must have a baseline revenue budget
- Within the specified range (if you specify a start and end project number, for mass generation only)
- Must have expenditure items or events that are eligible for revenue accrual or transaction independent billing extensions that are assigned at the project type, project, or top task level

Expenditure Items: For each project selected, Oracle Projects then selects expenditure items that are eligible for revenue accrual based on the following criteria for items:

- Approved
- On a ready–to–accrue task
- Billable (except for cost–to–cost projects)
- Cost distributed
- Not revenue distributed, partially distributed, or marked for revenue recalculation (except for cost–to cost projects)
- Occurred on or before the accrue through date (except for cost–to cost projects)

If the project uses cost–to–cost revenue accrual, items must also:

- Have project or task cost budgets that include burdened costs and revenue budgets that include revenue amounts

  Note: Without these amounts, Oracle Projects cannot successfully generate revenue for your project.

- Have a cost distribution line which must be in a PA Period that starts on or before the accrue through date

- If the revenue accrual is based on percent complete, you must have entered percent complete at the funding level.

Events: For each project selected, Oracle Projects then selects events that are eligible for revenue accrual based on the following criteria for events:

- On a ready–to–accrue task
- Are not revenue distributed
- Have a completion date on or before the accrue through date
- Revenue amount not equal to zero
- Have an event type classification of Write–On, Write–Off, Manual, or Automatic
- Have realized gains, realized losses

Billing Extensions: For each project selected, Oracle Projects then selects expenditure items and events that are eligible for revenue accrual based on the criteria that you define in your billing extensions. If you define transaction independent billing extensions, Oracle Projects executes these extensions for each project with an active billing assignment, even if there are no transactions to process. See also: Billing Extensions, *Oracle Projects APIs, Client Extensions, and Open Interfaces Reference.*

Calculate Potential Revenue

Oracle Projects next calculates the total potential revenue that can be accrued for each project. Potential revenue is the full revenue amount that could be accrued if enough funding is available. Projects that use task level funding calculate the potential revenue for each task, while projects that are funded at the project level have a single potential revenue amount for the project.

Oracle Projects calculates the bill amounts for all expenditure items when calculating revenue, except for cost and event billing projects, which do not bill expenditure items.

As–Work–Occurs (Time and Materials)

For projects that use as–work–occurs (or time and materials) revenue accrual, the total potential revenue is simply the sum of the revenue of all expenditure items plus events.

For these projects, the revenue for each expenditure item is calculated by applying a bill rate or markup. The bill rate or markup for each item is determined by using a precedence of rates, as follows:

Bill Rate Precedence for Labor: If any of the following labor billing terms exist, Oracle Projects uses the bill rate override, discount or markup:

- Assignment Bill Rate Override
- Task or Project Employee Bill Rate Override
- Task or Project Job Bill Rate Override

  The job is determined in the following order:

  – Task Job Assignment Override

  – Project Job Assignment Override

  – Employee's Primary Job Assignment
- Task or Project Labor Multiplier

  Note: If both a task and project value exist, the task value takes precedence over the project value.

If assignment and task overrides exist, precedence is determined by the Assignment Precedes Task For Actuals check box in the Additional Information window at the project level options. See also: Project Definition and Information, *Oracle Projects Implementation Guide*.

If none of the preceding billing terms exists, the Task Labor Schedule determines if the labor revenue is calculated with a Bill Rate or Burden Schedule.

When you create the Billing Schedules during setup, you specify if the schedule is based on employee or job criteria. When you set up a contract project, you can specify an employee–based bill rate schedule, or a job–based bill rate schedule, or both.

When calculating revenue, the system first looks for an employee–based rate, if one is specified for the project. If no employee–based rate is specified or if none is available for the employee, a job–based bill rate is used.

Oracle Projects determines the effective job for labor items from the task assignment override, then the project assignment override, and finally the primary job assignment. It then uses the job that was just determined along with the task job title override, project job title override, and primary job title, to determine the correct job billing title for each labor item

Oracle Projects determines the employee billing title for labor items from the task employee billing title override, the project employee billing title, and the primary employee billing title.

Bill Rate Precedence for Non–Labor: If any of the following non–labor billing terms exist, Oracle Projects uses the bill rate override, discount or markup:

- Task or Project Non–Labor Resource Bill Rate Override
- Task Non–Labor Bill Rate Override
- Task or Project Expenditure Type Bill Rate Schedule for Non–Labor Resource Override
- Task Non–Labor Bill Rate Schedule for Expenditure Type

If none of the preceding billing terms exist, you will receive a generation error.

Items that have partially accrued revenue due to having previously reached a hard limit do not have their revenue and bill rates recalculated.

After all of the bill rates are assigned, Oracle Projects rejects those items for which no bill rate or markup is found, and creates distribution warnings.

> **Note:** If markup is used to calculate revenue and bill amount, and the discount applied to the markup results in revenue that is less than the raw cost, then revenue is billed at raw cost.

Oracle Projects also calculates the bill amounts for each item for projects which accrue cost–to–cost revenue based on percent complete but bill on a time and material basis.

Cost–to–Cost (Percent Spent)

For projects using cost–to–cost revenue accrual method, Oracle Projects uses the following formula to calculate revenue (in the project functional currency) to accrue for the revenue generation run:

CCR_{RUN}= Lesser of (Remaining funding available if using hard limit) and
((AC/BC (BC–ER) – AR)

Where, for a project or task:

CCR_{RUN} = Cost–to–cost revenue for current run
AC = Actual total burdened cost through PA Period on or before the accrue through date
BC = Budgeted baseline burdened cost*

```
BR = Budgeted baseline revenue*
ER = Entered event revenue
AR = Revenue previously accrued in PA Period on or before
accrue through date
```

> **Note:** *Oracle Projects uses the cost and revenue budget types that you specify on the Cost–to–Cost billing extension.

Oracle Projects accrues the cost–to–cost revenue using an automatic event with an event type that you specified for the cost–to–cost billing extension. See: Billing Extensions, *Oracle Projects APIs, Client Extensions, and Open Interfaces Reference.*

See Also

Revenue Accrual and Invoice Generation Based on Percent Complete: page 5 – 22

Creating Event and Expenditure Item Draft Revenue

After Oracle Projects calculates potential revenue for expenditure items, it searches for agreements against which to accrue draft revenue, based on the project customer billing contributions and the amount of funding available. Oracle Projects first creates draft revenue for events, then for expenditure items.

See Also

Revenue Flow Detail Report, *Oracle Projects Fundamentals*

Potential Revenue Summary Report, *Oracle Projects Fundamentals*

Generating and Adjusting Revenue

You can generate revenue for a single project, or for a range of projects using the PRC: Generate Draft Revenue process.

> **Note:** You can also delete the revenue of a single project using the PRC: Delete Draft Revenue of a Single Project process. See: Delete Draft Revenue of a Single Project, *Oracle Projects Fundamentals.*

When you generate revenue, Oracle Projects first selects projects, tasks, and their associated events and expenditure items that are eligible for revenue generation. Oracle Projects next calculates the potential revenue and then creates revenue events and expenditure items. See: Revenue Generation Process: page 5 – 4.

Oracle Projects also calculates the bill amounts of each expenditure item, based on the revenue distribution rule associated with a particular project.

When Oracle Projects creates revenue, it also searches for available funding for each revenue item. We discuss each of these topics in detail below after we tell you how to generate revenue.

▶ **To generate revenue across a range of projects:**

- Submit the PRC: Generate Draft Revenue for a Range of Projects process in the Submit Request window to run multiple revenue generation processes. See: Submitting Requests, *Oracle Projects Fundamentals.*

Suggestion: You should run Generate Draft Revenue on a specified processing cycle (for example, weekly) to calculate revenue for projects across the company. You can also run the process on demand by project to process adjustments.

Use the rescheduling parameters to configure the Generate Draft Revenue process to run automatically, according to a defined schedule.

▶ **To generate revenue for a single project:**

- Submit the PRC: Generate Draft Revenue for a Single Project process from the Submit Request window. See: Submitting Requests, *Oracle Projects Fundamentals.*

Revenue Accrual and Invoicing

Generate Draft Revenue uses the overrides and schedules to process projects using As Work Occurs revenue accrual and / or invoicing. These projects are assigned one of the following distribution rules: WORK / WORK, WORK / EVENT, EVENT / WORK.

Burden Schedules

Generate Draft Revenue follows the burden schedule precedence for items charged to tasks that use a burden schedule; it does not use bill rate overrides for these items.

Burden Schedules and Labor Multipliers

You may decide to use labor multipliers instead of a labor burden schedule if you are using a one tier multiplier for labor items. With a one tier labor multiplier, the use of labor multipliers and burden schedule overrides for labor will result in same bill amounts but the method of processing will be different.

You can also use labor multipliers with a standard burden schedule for multiplier–tier revenue accrual and billing. This allows you to define one negotiated labor multiplier on top of the standard cost buildup provided by the standard burden schedule. The labor multiplier is treated as another burden multiplier. The calculation is:

Bill Amount = Burdened Amount X (1 + Labor Multiplier)

You can also report this labor multiplier as another burden cost component in the PA_INV_BURDEN_DETAILS_LM_V view. The labor multiplier component is not displayed in the PA_INV_BURDEN_DETAILS_V view. See: *Oracle eBusiness Suite Electronic Technical Reference Manual*.

Bill Rate Schedules

Generate Draft Revenue follows the standard bill rate precedence for items charged to tasks that use a bill rate schedule. This precedence includes employee bill rate overrides, job bill rate overrides, non–labor bill rate overrides, job assignment overrides, and task schedules.

See Also

Revenue Flow Detail Report, *Oracle Projects Fundamentals*

Potential Revenue Summary Report, *Oracle Projects Fundamentals*

Release and Interface Revenue

Oracle Projects releases revenue to make it eligible for interface to Oracle General Ledger. You cannot update or delete released revenue. Oracle Projects processes adjustments to released revenue by creating crediting revenue transactions.

When you generate revenue for a range of projects, it has a status of Released. Released revenue can interface to Oracle General Ledger when you run the Interface revenue process. When you generate revenue for a single project, it has a status Pending.

Releasing Revenue

Oracle Projects automatically releases revenue when you interface revenue to Oracle General Ledger in the Submit Request window. You can also release revenue manually using the Revenue Review window.

If you regenerate draft revenue for a single project, the process deletes any Pending draft revenue and replaces it with the new amount.

When you release an invoice which is based on revenue details (such as a T & M invoice), Oracle Projects automatically releases the associated revenue. You use the Invoice Summary window to release an invoice.

Interfacing Revenue

Oracle Projects fully integrates with Oracle General Ledger to update your general ledger accounts with your revenue transactions. You need to interface revenue with Oracle General Ledger using Oracle Projects processes. These processes interface and tieback revenue, maintain accounting balances and Unbilled Receivables and Unearned Revenue amounts.

See Also

Releasing Invoices: page 6 – 25

Submitting Requests, *Oracle Projects Fundamentals*

Integrating with Oracle General Ledger, *Oracle Projects Fundamentals*

Adjusting Revenue

Revenue is automatically adjusted when you adjust an invoice that bills the associated revenue. You can adjust draft revenue and draft invoices by adjusting expenditure items using the Expenditure Items window. For example, you can change the status of an expenditure item from billable to non–billable, or transfer an expenditure item to a different project from the one it is charged to.

Warning: You should make all revenue adjustments in Oracle Projects. You should not adjust project revenue in Oracle General Ledger, because the revenue amounts will not reconcile to the amounts in Oracle Projects.

You also can create revenue events to adjust the revenue amount associated with a project, independent of the expenditure items charged to the project. Revenue events have a classification of Write–On, Write–Off, Manual, or Automatic. You use the Events window to enter revenue events for projects or top tasks. The Events window is accessible from the Billing Information option.

See Also

Adjustments to Supplier Invoices, *Oracle Project Costing User Guide*

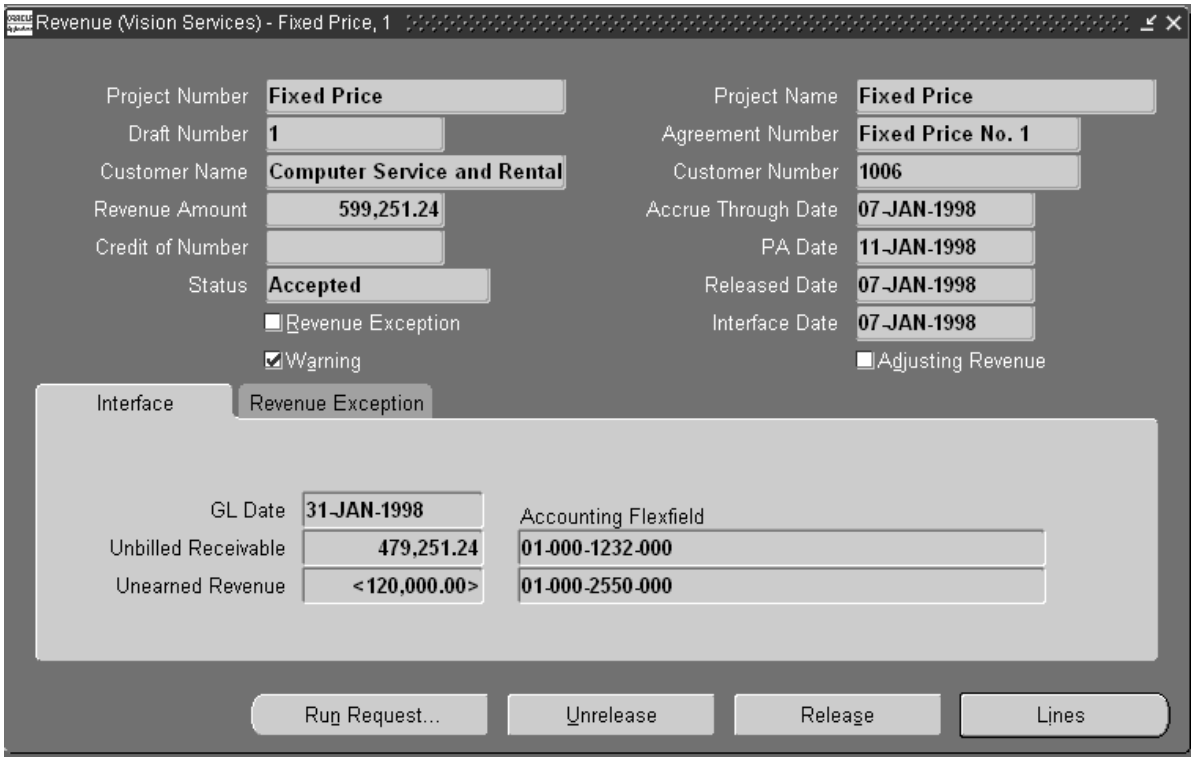
Adjusting Expenditure Items, *Oracle Project Costing User Guide*

Events: page 4 – 2

Entering Project and Task Options, *Oracle Projects Fundamentals*

Entering Tasks (WBS) for a Project, *Oracle Projects Fundamentals*

Reviewing Revenue



Use the Revenue Review windows to review detailed information about project revenue.

The information you can view in these windows includes:

- Amount
- Revenue category
- Event description
- Information about a revenue item's distribution lines
- Agreement providing the revenue funding
- Date the revenue was interfaced to Oracle General Ledger
- Distribution warnings encountered while generating draft revenue

You can use Revenue Review to delete or regenerate a project's unreleased revenue or to release and unrelease revenue. See: Revenue Flow: page 5 – 2.

Access to Revenue Review can be controlled by function security and project security. Function security can be used to control the release, unrelease, and run functions in Revenue Review. For more information, see: Function Security in Oracle Projects, *Oracle Projects Implementation Guide*.

▶ **To review project revenue:**

1. Navigate to the Find Revenue window.
2. Enter your search criteria and then choose Find.

   The Revenue Summary window opens.

   For a description of the fields displayed in the Revenue Summary window, see Revenue Summary Window Reference: page 5 – 17.

   If you select multiple lines, the Release and Unrelease buttons will display the number of items you selected (for example, Release 1, Release 2, etc.) See: Selecting Multiple Records, *Oracle Applications System Administrator's Guide*.
3. From the Revenue Summary window, choose:

   - **Run Request** to regenerate revenue or delete revenue for a project. When you delete or regenerate draft revenue using this window, you submit the **PRC: Generate Draft Revenue** process or the **PRC: Delete Draft Revenue of a Single Project** process.

     You can delete draft revenue or regenerate draft revenue only for revenue having a status of Unreleased or Generation Error.

     If you regenerate draft revenue for a project that has unreleased draft revenue, Oracle Projects deletes the project's unreleased draft revenue before it creates new draft revenue.

     See: Generate Draft Revenue, *Oracle Projects Fundamentals*.

   - **Unrelease** to change revenue status from Released to Unreleased.

     Note: You can unrelease revenue only if you have not performed any of the following actions: released draft invoices for this draft revenue, subsequently generated draft revenue, and summarized draft revenue for the project.

   - **Release** to release unreleased revenue.

Note: You cannot release revenue if you encountered any errors while generating the draft revenue.

- **Totals** to view the total revenue amount for the draft revenue displayed based on your search criteria.
- **Lines** to view the revenue lines. See: Revenue Lines Window: page 5 – 19.
- **Open** to view all of the revenue information for a single draft revenue on one screen. See: Revenue Window: page 5 – 18.

Viewing Accounting Lines

You can see how a transaction will affect the account balances in your general ledger by viewing the detail accounting lines for the transaction as balanced accounting entries (debits equal credits) or T–accounts.

▶ **To view accounting lines:**

1. Query the revenue transaction you want to view.
2. Choose View Accounting from the Tools menu.

   You see the View Revenue Accounting window.

   Note: The View Revenue Accounting window is a folder that you can customize to add or remove columns. See: Customizing the Presentation of Data in a Folder *Oracle Applications User's Guide.*
3. *(Optional)* To view the accounting detail for the selected line as T–accounts, choose T–Accounts. In the Options window that opens, select from the Default Window poplist, and then choose from the window buttons to drill down in General Ledger.

   See: Viewing T–Accounts, *Oracle General Ledger User Guide*

   Note: From the Project Revenue Accounting window in General Ledger, you can drill down even further to view detail transactions or the underlying transaction accounting. See: Drilling Down to Oracle Projects from Oracle General Ledger, *Oracle Projects Fundamentals*.

Revenue Summary Window Reference

Use this window to view information about the revenue that meets your search criteria. The Revenue Summary window uses folder technology, allowing you to customize the window to display the fields you want to view.

The following table shows some of the fields available for display in the Revenue Summary window:

Item	Description
Accrue Through	The accrue through date used to calculate the draft revenue
Agreement	The number of the agreement providing the revenue funding
Credited Number	The number of the draft revenue that was credited by this revenue (if this revenue credits another revenue number)
Customer Bill Split	The percentage of billing to the customer
Customer	Customer name
Customer Number	Customer number
Draft Revenue	The draft revenue number
Exception Reason	Revenue exception reason
Generation Error	Check box indicating if there was a revenue generation error
GL Date	The date of the GL posting period
Interface Date	Date revenue was interfaced to GL
PA Date	The date of the PA period in which the revenue was generated
Project Name	The name of the project on which the revenue was earned
Project Number	The number of the project on which the revenue was earned
Released Date	Date released
Resource Accumulated	Check box indicating if accumulated to a resource
Revenue Amount	The revenue amount
Revenue Status	Revenue status
Unbilled Receivable DR	Amount of unbilled receivable for the revenue. The Revenue window also displays the corresponding account number.

Table 5 – 1 Revenue Summary window (Page 1 of 2)

Item	Description
Unearned Revenue CR	Amount of unearned revenue included in the revenue amount. The Revenue window also displays the corresponding account number.
Revenue Currency	The currency code for the revenue amount. (The revenue currency is the same as the project functional currency.)

Table 5 – 1 Revenue Summary window (Page 2 of 2)

Revenue Window

Use the Revenue window to view all of the revenue information for a single draft revenue in one window. In addition to the information in the Revenue Summary window, the Revenue window displays the following information:

- **Released Date.** If the draft revenue is released to interface to Oracle GL, the released date.
- **Warning.** Check box indicating if revenue generation encountered warnings. You can view warnings by selecting Revenue Exceptions in the Revenue window.
- **Adjusting Revenue**: Check box indicating if the revenue is Adjusting Revenue.

Revenue Window Selections

From the Revenue window, you can choose **Run Reques**t, **Unrelease**, or **Release**. These buttons are described under Revenue Summary Window Reference: page 5 – 17.

Select **Lines** to display the lines that comprise the selected revenue. See: Revenue Lines Window: page 5 – 19.

Revenue Processing Information

The Review window contains revenue processing information displayed in two tabbed regions. You can display the region you want by selecting from the tab control:

- Choose **Interface** to review the status of revenue after a successful interface to Oracle General Ledger.
  - **GL Date**

  - **Unbilled Receivable amount**. Oracle Projects also displays the Unbilled Revenue account number to which the project's unbilled revenue is posted.
  - **Unearned Revenue amount**. Oracle Projects also displays the Unearned Revenue account number to which the project's unearned revenue is posted.

- Choose **Revenue Exceptions** to view exception reasons and warnings encountered while generating draft revenue.

  Following are some examples of exception reasons:

  - Revenue was rejected in transfer to Oracle General Ledger
  - Revenue was rejected by Journal Import
  - A generation error was encountered during revenue generation

  Some examples of warnings include:

  - Revenue has reached the hard limit
  - Revenue has reached or has accrued beyond the soft limit
  - Items with missing labor (or non–labor) bill rates or markups were encountered
  - Agreement has expired

Revenue Lines Window

The Revenue Lines window displays the task, revenue source, revenue category, and amount for the revenue lines that comprise a draft revenue item.

The Revenue Lines window displays the following information for each selected revenue line:

- Line Number
- Task Number
- Task Name
- Revenue Source
- Revenue Category
- Project Functional Revenue Amount
- Project Functional Currency

- Project Currency
- Project Revenue Amount
- Funding Currency
- Funding Revenue Amount

Choose Details to view details of the selected revenue line in the Revenue Line Details window.

Revenue Line Details Window

Use the Revenue Line Details window to view revenue line details for a selected revenue line. The Revenue Line Details window uses folder technology, allowing you to customize the window to display the fields you want to view. Some of the fields available for display in this window are:

- Account Description
- Accrual Rate
- Accrued Revenue
- Borrowed / Lent
- Employee Billing Title
- Employee Name and Number
- Employee / Supplier Name and Number
- Expenditure Batch, Comment, Organization, and Type
- Function Transaction
- GL Account
- Item Date
- Job Billing Title and Job Name
- Non–Labor Resource and Non–Labor Resource Organization
- Original Transaction Reference
- Quantity
- Raw Cost
- Revenue Amount
- Supplier Name

- Task Number and Name
- Transaction Source
- Unit

Note: The accrual rate is the current rate and calculated as Accrued Revenue / Quantity.

Suggestion: Use the Event Revenue Distribution Lines window to view revenue distribution lines for an event. For information on the fields displayed in the window, see: Events: page 4 – 2.

Accruing Revenue and Generating Invoices Based on Percent Complete

Oracle Projects can generate revenue and invoices based on the percent complete that you enter for a project. You can enter the percent complete for all the levels in the work breakdown structure (WBS). However, to generate revenue or invoices based on percent complete, you must enter percent complete at the funding level (project or top task).

> **Note:** The currency of the automatically created events is always the project functional currency. Conversion attributes entered in the Billing Assignments window are not used by the Percent Complete extension. See: Currency Conversion Attributes, *Oracle Projects Fundamentals*.

Each percent complete entry you make has an As Of Date, so that Oracle Projects can maintain percent complete history. When you use percent complete as the basis for revenue accrual or generation of draft invoices, Oracle Projects uses the As Of Date to determine the current percent complete.

Revenue accrual based on physical percent complete is different from percent complete based on our budget (Actual Cost / Budgeted Cost). The method based on budgets, is also sometimes referred to as *Percent Spent* or *Cost–to–Cost Revenue Accrual*. See: Cost–to–Cost (Percent Spent): page 5 – 8.

Revenue accrual based on physical percent complete is also different from revenue accrual on an as–work–occurs (or time and materials) basis, where the total potential revenue is the sum of the revenue of all expenditure items plus events. See: As Work Occurs (Time and Materials): page 5 – 6.

Oracle Projects performs the physical percent complete revenue calculation using the following predefined billing extensions:

- Percent Complete Revenue
- Percent Complete Invoicing

The revenue and invoice processes call the appropriate billing extension to calculate the revenue or invoice amount and to create an event.

See Also

Setup Requirements for Percent Complete Revenue and Invoicing, *Oracle Projects Implementation Guide*

Processing Percent Complete Revenue and Invoicing

To accrue revenue or generate draft invoices based on percent complete, you submit the PRC: Generate Draft Revenue or PRC: Generate Draft Invoices process. To submit the process for one project, submit PRC: Generate Draft Revenue for a Single Project or PRC: Generate Draft Invoice for a Single Project. You can also submit a project streamline request.

The revenue or invoice process performs the following steps:

1. The process calls the billing extension for each project or top task (depending on whether the project is funded at the project or top task level). The calling procedure specifies whether it is a revenue or invoice calling process and whether the call is made at the project or task level.
2. The billing extension determines the budget amounts, event amount, existing revenue amounts, funding balance, and percent complete.
3. If the percent complete cannot be determined, then the percent complete used by the process is zero, the revenue or draft invoice amount is zero, and no event is created.
4. The process calculates the accrued revenue or draft invoice amount, using the formulas shown in the formulas described under Percent Complete Revenue Accrual: page 5 – 23 and Percent Complete Invoice Generation: page 5 – 24.
5. The billing extension creates an event. The description of the event includes the event type and the formula that was used to calculate the revenue or draft invoice amount.

Percent Complete Revenue Accrual

The Percent Complete Revenue Accrual formula is shown below:

```
Accrued Revenue = the lesser of A or B:
A = Remaining funding balance if agreement has a hard limit
```

```
B = (( Budgeted revenue-event revenue) * Percent complete at
funding level/100) – Existing revenue
Where
Existing Revenue = Total revenue accrued previously by
percent complete events
Event Revenue = Total event revenue accrued other than
revenue amount accrued by percent complete events
```

Percent Complete Invoice Generation

The Percent Complete Invoice Generation formula is shown below:

```
Draft Invoice = the lesser of A or B
A = Remaining funding balance if agreement has a hard limit
B = (( Budgeted revenue-event invoice) * Percent complete at
funding level/100) – Existing invoice
Where
Existing invoice = Total invoice accrued previously by
percent complete events
Event invoice = Total event invoice accrued other than
invoice amount accrued by percent complete events
```

The event revenue or invoice is subtracted from budgeted revenue to obtain the net available budgeted revenue or invoice amounts. The process then effectively apportions the event revenue or invoice for the duration of the project.

Agreements with Hard Limits

If the agreement funding the project has a hard limit, the Remaining Funding Balance is the amount of funding left. This portion of the formula (part A) is required because revenue for an event cannot be partially accrued. If the amount calculated in part B of the formula is greater than the amount of funding, then the Remaining Funding Balance is taken as the accrued revenue or draft invoice. An event is still created in this case.

If the agreement has no hard limit, only part B of the formula is used.

See Also

Events: page 4 – 2

Event Types, *Oracle Projects Implementation Guide*

Billing Extensions, *Oracle Projects APIs, Client Extensions, and Open Interfaces Reference*

Automatic Events, *Oracle Projects APIs, Client Extensions, and Open Interfaces Reference*

Setting Up Cost–to–Cost Revenue, *Oracle Projects Implementation Guide*

Entering Agreements: page 3 – 3

Generate Draft Invoices, *Oracle Projects Fundamentals*

Generate Draft Revenue, *Oracle Projects Fundamentals*

Percent Complete

Use the Percent Complete window to enter the percent complete for a project or task. Percent completion information is used for revenue accrual and billing, and for reporting purposes. Oracle Projects does not calculate project or task percent completion, but uses the percent complete amounts that you enter.

The Percent Complete window includes the following features:

- You can maintain percent complete information at all levels of the work breakdown structure (WBS), including at the project level.
- Percent complete history is maintained by the system.

In addition, as part of the project management integration, an API (application program interface) is available to maintain percent complete information. The interface is named UPDATE_PROGRESS. See: Activity Management Gateway, *Oracle Activity Management Gateway Technical Reference Manual*.

Percent complete entries can be used in billing extensions. See: Designing Billing Extensions, *Oracle Projects APIs, Client Extensions, and Open Interfaces Reference.*

See Also

Work Types, *Oracle Projects Implementation Guide*

Accruing Revenue and Generating Invoices Based on Percent Complete: page 5 – 22

Revenue–Based Cost Accrual

Cost accruals are the accounting transactions to account for expenses in the same accounting period in which revenue is generated. Cost accruals are also referred to as *Cost of Goods Sold* or *Cost of Sales*.

According to the matching principle required by Generally Accepted Accounting Principles (GAAP), expenses (cost) incurred in earning revenue must be accrued in the same accounting period as the revenue. If you do not follow this matching principle, the financial statement and the reported profitability of the company are affected. If the current period expenses are accrued immediately, but related revenues are accrued in a future period, then the profitability of the company is reduced for the current period. To conform to the matching principle, you must defer expenses until revenue is accrued.

In Oracle Projects, cost distribution and revenue generation are two separate processes. Consequently, it is possible to account for expenses (costs) and revenue in different accounting periods. You must determine your accounting procedures and setup to ensure that you match expenses to revenue.

You must determine if your company uses cost accruals during revenue generation. The answer depends on the revenue accrual methods that your company uses. Some companies recognize revenue in the same period as costs. This type of accounting is typically done with work based or time and materials revenue accrual. For such companies, cost accruals are not needed. Other companies use a method that recognizes revenue in future periods after cost is accrued. For these companies, cost accruals are required.

With cost accruals, you initially account for the costs incurred as an asset in a cost work in process (WIP) account. You determine whether you account raw or burdened cost as the cost WIP. When you accrue revenue, the costs are recognized as expense by using cost accruals.

Cost Accrual Implementation Example

Oracle Projects provides an example implementation of cost accruals. The example includes billing extensions that create events to produce the appropriate accounting. See: Cost Accrual Calculation using Billing Extensions, *Oracle Projects Implementation Guide*.

You can use the example with the provided extensions without modification. Your business requirements for cost accruals may be different from the requirements on which the example is based. If this is

the case, you must implement your own cost accrual process and logic, using the example provided by Oracle Projects as a model. See: Implementing Your Own Cost Accrual Procedures and Extensions, *Oracle Projects Implementation Guide*.

The implementation example illustrates how to perform the following activities required for cost accrual:

- Calculate cost accrual amounts based on the accrued revenue amounts and budgeted cost and revenue amounts. The example uses a billing extension to create events that produce the appropriate accounting.
- Define the appropriate setup data to support cost accrual calculation and the corresponding accounting entries.
- Initiate project closing accounting entries using a project status with a system status of *Pending Close*.
- Implement rules to ensure that all accounting entries are complete before a project status can be changed from one with a system status of *Pending Close* to one with a system status of *Closed*.
- Create columns in the Project Status Inquiry window to view the cost WIP and cost accrual amounts.

Cost Accrual Accounting Entries

The implementation examples for cost accruals provided by Oracle Projects generate the following accounting entries for cost accruals:

The following table shows the accounting entries for distributing costs (may be raw or burdened costs):

Account	Debit	Credit
Cost WIP Account (Asset)	<Cost Amount>	
Expense Clearing Account (Liability)		<Cost Amount>

Table 5 – 2 Distribute Costs (Page 1 of 1)

The following table shows the accounting entries for generating revenue:

Account	Debit	Credit
UBR / UER Account (Asset / Liability)	<Revenue Amount>	
Revenue Account (Revenue)		<Revenue Amount>
Cost Accrual (Expense)	<Cost Accrual Amount>	
Cost Accrual Contra Account (Contra Asset)		<Cost Accrual Amount>

Table 5 – 3 Generate Revenue (Page 1 of 1)

The following table shows the accounting entries for project closing:

Account	Debit	Credit
Cost Accrual Contra Account (Contra Asset)	<Cost Accrual Amount>	
Cost Accrual Account (Expense) (Balancing entry; may be credit if cost accrual amount is greater than cost amount)	<Cost Amount> less <Cost Accrual Amount>	
Cost WIP Account		<Cost Amount>

Table 5 – 4 Project Closing Entries (Page 1 of 1)

Cost Accrual Accounting

In cost accrual accounting, costs are accounted for in a cost WIP account as they are incurred and distributed during the life of the project. You determine if you account for cost WIP with the raw or burdened costs. Based on this decision, you define your AutoAccounting rules for the raw cost or burdened cost accounting.

As revenue is accrued, the cost accrual amount is calculated and the expense account is debited via a Cost Accrual entry. A Cost Accrual Contra account is credited. A Cost Accrual Contra account is used instead of a Cost WIP account to allow you to easily view and reconcile the Cost WIP and Cost Accrual Contra accounts during the life of the project.

When the project is pending close, you must perform appropriate project closing entries. At this time you must ensure that the Cost Accrual (expense) amount equals the Cost WIP amount. You must fully

credit the Cost WIP account and debit the Cost Accrual Contra account. When this is done, you have moved all cost WIP amounts to the Cost Accrual (expense) account. The balancing entry that accounts for the difference of the cost accrual amount and the cost amount is an entry to the Cost Accrual account.

If the project status is changed from a closed status to an active status after closing entries, the closing entries are automatically reversed the next time the Generate Draft Revenue process is run for the project. See: Close the Project: page 5 – 32.

Case Study: Using Cost Accrual for a Project

A Project is created with the following values:

- Project Number: CA–Project01
- Project Name: CA–Project for Documentation
- Distribution Rule: WORK / WORK
- Employee Bill Rate Override: Amy Marlin 1,000 hourly

One additional task, Task 2, is added.

Budget and Fund the Project

The following uncategorized, non–time–phased budgets are created:

- Cost Budget
  - Budget Type: Approved Cost Budget
  - Quantity: 1000
  - Raw Cost: 250,000
- Revenue Budget
  - Budget Type: Approved Revenue Budget
  - Revenue: 1,000,000

Project CA–Project01 is funded in agreement CA–01 with a soft limit purchase order from the customer for $1,000,000 US. The budget and funding have a baseline.

Enter Timecard

The following timecard is entered:

Batch: CA–01–tc

Ending Date: 13–APR–1997

Employee: Marlin, Amy

The pre–approved timecard batch shown in the following table is entered, submitted, and released:

Expenditure Item Date	Project Number	Task Number	Expenditure Type	Quantity	Raw Cost
12–APR–1977	CA–Project01	1	Professional	50	3000
13–APR–1997	CA–Project01	2	Professional	50	3000
				100	6000

Table 5 – 5 Example Pre–approved Timecard Batch (Page 1 of 1)

The PRC: Distribute Labor Costs process is run. The cost rate for Amy Marlin is $60.00 per hour.

The accounting entries shown in the following table are created for these costs:

Account	Debit	Credit
Cost WIP	6,000.00	
Payroll Clearing		6,000.00

Table 5 – 6 Example Accounting Entries For Distributed Labor Costs (Page 1 of 1)

Generate Revenue and Cost Accrual

Because this project uses the WORK / WORK revenue distribution rule, the draft revenue is calculated as follows:

(100 hours * $1,000 per hour) – 0 = $100,000

The cost accrual is calculated as follows, using the algorithm in the Revenue–Based Cost Accrual Formula Example, *Oracle Projects Implementation Guide*.

(100,000 / 1,000,000 * 250,000) –0 = 25,000

The cost accrual events are created and accounted as shown in the following table:

Account	Debit	Credit
Cost Accrual	25,000.00	
Cost Accrual Contra		25,000.00

Table 5 – 7 Example Cost Accrual Events (Page 1 of 1)

Revenue accounting entries are created as shown in the following table:

Account	Debit	Credit
Unbilled Revenue	100,000.00	
Revenue		100,000.00

Table 5 – 8 Example Revenue Accounting Entries (Page 1 of 1)

The draft revenue is released and interfaced to GL.

Close the Project

Using the Project Closing procedure, the project status is set to *Pending Close*. This status change initiates the closing cost accrual entries. The Generate Draft Revenue process is run and three events are automatically created and accounted for as shown in the following table:

Account	Debit	Credit
Cost Accrual Contra	25,000.00	
Cost WIP		6,000.00
Cost Accrual (Balance so that Cost Accrual = Cost WIP at end of project)		19,000.00

Table 5 – 9 Example Events Created (Page 1 of 1)

The draft revenue is released and interfaced to GL.

The project status can now be changed to *Closed*. If the project is reopened (if its status is changed to an active status with a system status other than *Pending Close* or *Closed*), these three events are reversed the next time the Generate Draft Revenue process is run for the project.

Other Revenue Issues

This section discusses the following revenue issues:

- Funding multiple customers or multiple agreements
- Hard limits and partial accrual

Funding and Multiple Customers or Multiple Agreements

When you generate revenue, Oracle Projects determines which agreement an event or revenue item is accrued and billed against. Each time Oracle Projects finds available funding for an expenditure item or an event, it creates a revenue item and updates the funding amount billed on that agreement.

Expenditure Items and Events

Oracle Projects creates revenue by searching for agreements that fund the project against which to accrue potential revenue. When Oracle Projects finds an agreement with against which to accrue revenue, it updates the amount accrued on the appropriate funding record.

Whenever an agreement with acceptable funding is found, Oracle Projects creates a draft revenue against that agreement. The event revenue is split among the customers on the project according to their bill split percentage.

If Oracle Projects cannot find enough funding for the full potential revenue amount, it creates partial revenue for the expenditure items.

If multiple agreements fund the revenue generated for an expenditure item or event, Oracle Projects creates a revenue distribution line for each project (or task) and agreement funding the revenue. Therefore, a single expenditure item or event may have more than one revenue distribution line, which are billed on separate invoices.

Hard Limits and Partial Accrual

Hard Limits

You specify a hard limit for an agreement to limit revenue accrual and billing of a project funded by that agreement to the amount funded. You

specify whether to use hard limits in the Agreement window. Funding cannot be reduced below the accrued revenue if hard limit for revenue exists. See: Entering Agreements: page 3 – 3.

Events

Oracle Projects accrues revenue for an event only if enough funding is available to accrue the full event amount.

Expenditure Items and Partial Accruals

Unlike events, for which revenue can be accrued only if funding exists for the full amount of the event, you can partially accrue expenditure items against agreements with hard limit funding. You can accrue expenditure item revenue up to hard revenue limits by partially accruing the potential revenue.

If Oracle Projects encounters expenditure items funded by an agreement with a hard revenue limit, and all of the potential revenue cannot be accrued on the agreement, the expenditure items for the current revenue generation run of the project are marked as partially accrued. These partially accrued items can be fully accrued by adding more funding before the next time you generate revenue.

Oracle Projects calculates the proration for partial accruals based on the following formula:

$AR_{ITEM} = PR_{ITEM}/PR_{RUN} * (AR_{RUN})$

Where, for an item:

AR_{ITEM} = Partial accrued revenue for an item

PR_{ITEM} = Potential revenue for an item

PR_{RUN} = Total potential revenue of all items processed in the current run

AR_{RUN} = Total accrued revenue on the project or task for the current run based on available funding

For example, say Task 3.0 is funded with $1,000 from an agreement with a hard limit, and expenditures charged to the task create potential revenue of $6940, which is in excess of $1,000. When revenue is generated for task 3.0, Oracle Projects reaches the revenue limit at $1,000. Oracle Projects creates partially distributed revenue for the task and accrues a portion of each expenditure item's potential revenue as we show in the table below:

Employee Name	Labor Hours	Bill Rate	Potential Revenue *	Partially Distributed Revenue
Cheng	6 hours	180.00	1,080.00	155.62
Cheng	6 hours	180.00	1,080.00	155.62
Gray	6 hours	100.00	600.00	86.46
Gray	6 hours	100.00	600.00	86.46
Marlin	2 hours	145.00	290.00	41.79
Marlin	2 hours	145.00	290.00	41.79
Robinson	6 hours	250.00	1,500.00	216.13
Robinson	6 hours	250.00	1,500.00	216.13

Table 5 – 10 Partial Revenue Accrual (Page 1 of 1)

Total Potential Revenue is $6940.00. Potential revenue is the amount of revenue that would have been generated with sufficient funding or no hard limit.

Total Partially Distributed Revenue is $1000.00

CHAPTER

6 Invoicing

This chapter describes invoicing in Oracle Project Billing.

Invoicing a Project

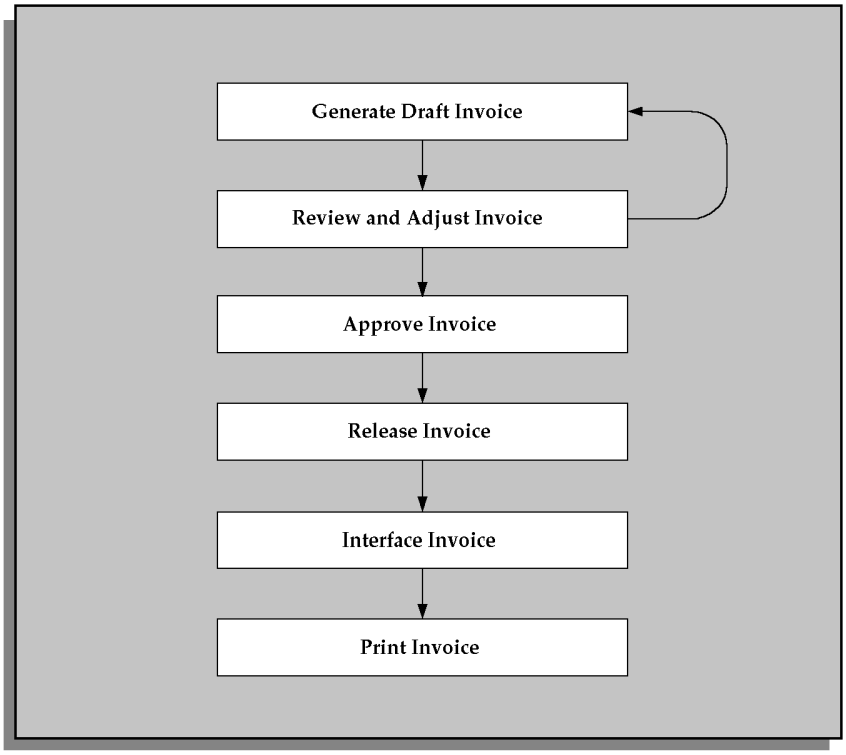
Oracle Projects provides you with rich functionality to help you meet your invoice processing needs. Using Oracle Projects features, you can manage and control your invoices, review and adjust them online, and review the detailed information that backs up your invoice amounts.

When you generate invoices, Oracle Projects calculates bill amounts, creates formatted invoices for printing and posting, and maintains funding balances.

Invoice Flow

The Oracle Projects invoice flow follows the steps detailed in Figure 6 – 1. In the pages that follow, we discuss each of these steps. We also tell you how to view invoices in Oracle Receivables, create invoice adjustments, and address other topics that help you to simplify your invoicing needs.

Figure 6 – 1



Steps To Take Before Generating Invoices

Oracle Projects provides controls as to which projects are ready for invoice generation.

You must complete the following steps before generating invoices for a contract project in Oracle Projects:

1. Enter an agreement and fund the project, using the Enter Agreements window. See: Entering Agreements: page 3 – 3.
2. If you want to generate revenue or invoices for the project based on percent complete, enter percent complete information either at the project or the funding level (project or top task). See: Revenue Accrual and Invoice Generation Based on Percent Complete: page 5 – 22.
3. If you want the project customer to be billed in a currency other than the project functional currency, enter currency attributes for the project customer.

Note: To enter currency attributes, you must enable the multi–currency billing functionality. See: Setting Up Multi–Currency Billing, *Oracle Projects Implementation Guide*.

4. If you are using multi–currency billing, enter project level currency conversion attributes.
5. Enter budgets. See: Entering a Budget Draft, *Oracle Project Management User Guide*.

   Note: If your project uses the cost–to–cost invoice generation method, you must include burdened costs in your cost budget and revenue amounts in your revenue budget. Without these amounts, Oracle Projects cannot successfully generate invoices for your project.
6. Baseline the project budget and funding. See: Baseline a Draft: *Oracle Project Management User Guide*.

   Note: You must fund the budget before you can baseline it.
7. For projects using as–work–occurs billing, generate revenue for expenditure items using the Generate Draft Revenue process. See: Generate Draft Revenue, *Oracle Projects Fundamentals*.
8. For projects using event billing, enter billing events using the Event option in the Project or Task window. See: Events: page 4 – 2.

   Note: If you do not want to generate an invoice for a specific top task on your project, uncheck the Ready to Bill check box in the Control Billing by Top Task window. Oracle Projects assumes you want to invoice all billable top tasks on contract projects.
9. Optionally, revaluate your funding.

See Also

Billing Cycles, *Oracle Projects Implementation Guide*

Funding Revaluation: page 3 – 12

Components of an Invoice

Certain components of an invoice are determined when you generate a draft invoice. We discuss some of these components below. For more information concerning how project information affects invoices, and information about the components of a released invoice in Oracle Receivables, refer to the sections below. The following table describes components of a draft invoice in Oracle Projects.

Component	Description
GL Date	The GL Date is determined from the open or future period in which the invoice date falls, based on the period status in Oracle Receivables. If Oracle Receivables is not installed, the GL date is determined based on the period status in Oracle General Ledger.
Bill Through Date	The date through which Oracle Projects picks up events and expenditure items to be billed on an invoice.
Customer Billing Address	The billing address you select for the customer in the Customers window or the Project Customers window.
Customer Shipping Address	The work site you select in the Customers window or the Project Customers window.
Draft Invoice Number	The Oracle Projects draft invoice number. This number indicates the sequential invoice number generated for a project.
Invoice Date	The date that is printed on the invoice and the date on which an invoice receivable's aging begins. You specify the invoice date when you generate the invoice. This date is used to convert the billing amounts in the billing transaction currency to billing amounts in the project functional, project, and funding currency if the Rate Date Type conversion attribute is defined as PA / Invoice Date for the project.

Table 6 – 1 Components of a Draft Invoice in Projects (Page 1 of 2)

Component	Description
Invoice Comment	The default value is the invoice comment entered for the project. You can also enter a comment for each invoice in the Invoice window.
Invoice Lines	Invoice lines are comprised of groupings of expenditure items (for T&M billing), or can be a single line item (for event billing).

Table 6 – 1 Components of a Draft Invoice in Projects (Page 2 of 2)

In addition, there are other factors that impact invoice generation. You specify these factors when you enter a project. They provide default values or rules when you generate an invoice. The terms in the table below help you to understand how information is derived from your project setup to create an invoice.

Component	Description
Billing Cycle Code	The code that indicates when to generate invoices automatically a project; determined from the project. The bill cycle code is used only during mass invoice generation. See: Billing Cycles, *Oracle Projects Implementation Guide*.
First Bill Offset Days	The number of days that elapse between the project start date and the date of the project's first invoice; determined from the project. Bill offset days are used only during mass invoice generation.
Invoice Formats	Uses the invoice formats defined for a project (T & M only). See: Determining Your Invoice Printing Method, *Oracle Projects Implementation Guide*.
Distribution Rule	Determines how bills are generated for a project; determined from the project. (T & M and Events)
Billing Titles	The job and employee billing titles printed on an invoice using the effective billing titles.

Table 6 – 2 Project Information That Affects Invoices(Page 1 of 2)

Component	Description
Invoice Currency	The invoice currency selected for the project customer.
Invoice Processing Currency	The common currency that summarizes billing transactions and funding amounts and performs fund checking when generating invoices.

Table 6 – 2 Project Information That Affects Invoices(Page 2 of 2)

Certain components of an invoice are determined when you release a draft invoice, interface it to Oracle Receivables, and create an invoice from it in Oracle Receivables. We discuss some of these components in the table below.

Component	Description
Invoice Date	The date that is printed on the invoice and the date on which an invoice receivable's aging begins. You can change the invoice date when you release the invoice. However, Oracle Projects does not recalculate the invoice using a new conversion rate based on the new AR Invoice Date.
Invoice Number (AR)	The number of an invoice that is printed on an invoice, and the number that can be tracked in Oracle Receivables. This number can be system generated, or a number that you enter which uniquely identifies the invoice in Oracle Receivables, depending on how you implemented your invoice numbering system in Oracle Projects. The invoice number is determined when you release an invoice.

Table 6 – 3 Components of a Released Invoice in Oracle Receivables (Page 1 of 2)

Component	Description
Invoice Transaction Type	If you choose decentralized invoice processing during implementation, this is the name of the organization that is the invoice processing organization for the project owning organization. Otherwise, this is the default transaction type of *Projects Invoice* or *Projects Credit Memo* based on the *PROJECTS INVOICES* batch source. You can override the transaction type of an invoice using the transaction type billing extension. You can also use the AR transaction type extension to determine the AR transaction type when you interface invoices to Oracle Receivables. An invoice transaction type determines if it is an invoice or a credit memo.
Notes	The invoice comment determined from the project comment. You can override this default for each invoice before you interface the invoice to Oracle Receivables.
Payment Terms	The payment terms in Oracle Receivable are determined from the agreement that is used to fund an invoice.
Salesperson	If you define project managers as salespeople, then this is the project manager of the invoice's project. If you do not define project managers as salespeople, this value is blank. See: Defining Salespersons and Credit Types, *Oracle Projects Implementation Guide.*
Ship to address	The ship to address specified for this customer on this project.

Table 6 – 3 Components of a Released Invoice in Oracle Receivables (Page 2 of 2)

Hard Limits

You specify a hard limit for an agreement to limit revenue accrual and billing of a project funded by that agreement to the amount funded. Hard limits can be set for both revenue and invoice or for either revenue or invoice. You specify whether to use hard limits for an agreement in the Agreements form. Funding cannot be reduced below the invoiced amount if hard limit for invoice exists. See: Entering Agreements: page 3 – 3.

When Oracle Projects encounters a hard limit when generating an invoice, it selects expenditure items until the hard limit is met, or until all additional items would cause the hard limit to be exceeded. However, the amount that Oracle Projects bills is the full bill amount for each expenditure item, not the partially accrued (partially distributed) revenue amount.

For example, say Task 3.0 is funded with $1,000 from an agreement with a hard limit, and expenditures charged to the task create potential billable items in excess of $1,000. When an invoice is generated for task 3.0, Oracle Projects reaches the hard limit at $1,000. Oracle Projects bills as many expenditure items as it can up to the limit of $1,000. Oracle Projects looks at the earliest expenditure items billed against Task 3.0 as its criteria of which items to select to bill first under the $1,000 limit. According to the example in the following table, Oracle Projects bills $940. Additional eligible items exist, none with an amount of $60 or less.

The following table shows the amount billed by Oracle Projects:

Employee Name	Quantity Billed	Bill Rate per Unit	Bill Amount	Amount Invoiced
Marlin	6 hours	60.00	360.00	360.00
Gray	1 hours	40.00	40.00	40.00
Marlin	9 hours	60.00	540.00	540.00
Total Amount of Invoice				940.00

Table 6 – 4 Invoicing Hard Limits (Page 1 of 1)

Generating Invoices

You can generate an invoice for a single project, or for all projects having potential invoices by running the PRC: Generate Draft Invoice process. When you generate an invoice, Oracle Projects first select projects, tasks, and their associated events and expenditure items that are eligible for billing.

Oracle Projects next creates invoice items for billing events, revenue events, and for expenditure items based on invoice formats defined for labor and non–labor items. When Oracle Projects creates invoice items, it also searches for available funding for each invoice item.

Oracle Projects also calculates the bill amounts of each expenditure item, based on the distribution rule associated with a particular project. See: Accruing Revenue for a Project: page 5 – 2.

When you generate invoices, you specify an Invoice Date as well as a Bill Through Date as process parameters. The Bill Through Date is the date through which you want Oracle Projects to process all eligible expenditure items and events. Oracle Projects creates an invoice using expenditure items and events dated on or before the bill through date you specify.

The Invoice Date parameter is used as the AR Invoice Date for all the invoices generated. You can override the AR Invoice Date when you manually release an invoice. If the Rate Date Type conversion attribute is defined as PA / Invoice Date, then the Invoice Date process parameter determines the exchange rates to convert the billing transaction currency to billing amounts in the project functional currency, project currency, and the funding currency. See: Generate Draft Invoices, *Oracle Projects Fundamentals*.

Billing amounts in the billing transaction currency are converted to project functional currency, project currency, and the funding currency amounts during the invoice generation process.

When multi–currency is enabled for a project, the invoice processing currency can be either the project functional currency, the project currency, or the funding currency. When multi–currency is not enabled for a project, the invoice processing currency is the project functional currency. See also: Billing in a Global Environment: page 8 – 2.

When the Invoice by Billing Transaction Currency is enabled for the project, you can generate separate invoices for a project by each billing transaction currency, even though one or more invoices may be funded by the same agreement. Therefore, expenditures that are billed using markups or burden schedules to derive the bill amounts are grouped according to their expenditure transaction currencies.

For example, if a project is funded by only one agreement and the project has labor expenses that use bill rates in GBP and expense report expenditures in USD that use markups, separate invoices are generated for the project, although the project is funded by one agreement. One invoice includes all the labor items, and the invoice transaction currency is GBP. Another invoice includes all the expense reports, and the invoice transaction currency is USD.

You can generate retention invoices at the same time as your project invoices, or separately. Retention invoices bill previously withheld amounts.

See Also

Retention Billing: page 6 – 15

Generate Draft Invoices, *Oracle Projects Fundamentals*

▶ **To generate invoices across a range of projects:**

- Submit the PRC: Generate Draft Invoices for a Range of Projects in the Submit Request window to run multiple invoice generation processes in parallel. See: Submitting Requests, *Oracle Projects Fundamentals.*

Suggestion: You should run Generate Draft Invoice on a specified processing cycle (for example, weekly) to generate invoices for projects whose billing cycles are due across the entire company. You can also run the process on demand to process off schedule invoices.

Use the rescheduling parameters to configure the Generate Draft Invoice process to run automatically, according to a defined schedule.

▶ **To generate invoices for a single project:**

- Submit the PRC: Generate Draft Invoices for a Single Project process from the Submit Request window or choose Run Request from the Invoice Summary window or Invoice window. See: Generate Draft Invoices, *Oracle Projects Fundamentals.*

Selection Criteria

Projects: Oracle Projects first determines if a project is eligible for invoice generation using the following criteria:

- Must be a contract project
- Must have a status that allows invoice generation. For more information, see: Project Statuses, *Oracle Projects Implementation Guide.*
- Must have a baseline budget and funding
- Must have expenditure items or events that are eligible for invoice generation or transaction–independent billing extensions that are assigned at the project type, project, or top task level

If you submit the process for **all projects**, it checks the eligibility of each project to bill according to its billing cycle. A project must meet the following billing cycle criteria before it can generate an invoice:

- Must not have any pending invoices (Unreleased)
- At least one bill cycle past the bill through date (or creation date if no bill through date exists) of the last non–crediting invoice
- At least first bill offset days past the project start date (or project creation date if no start date exists) if you have not yet invoiced a particular project
- If the billing date is calculated by a client extension, and the client extension returns a null value for the billing date, then the process will not pick up the project.
- To generate retention invoices, the project must be eligible to bill retention.

When submitted for a **single project**, the Generate Draft Invoices process ignores billing cycle. Also, if you have any unreleased draft invoices, they are deleted and a new draft invoice is created.

> **Note:** For projects that use *work* billing on their revenue distribution rule (such as T & M), you must generate draft revenue before you can generate an invoice.

Tasks: To be billed on an invoice, a project's top tasks must have a ready to bill status. This is done automatically when you create a project, but you may choose to change the top task bill status to Not Ready to Bill in the Control Billing by Top Task window. A project's lowest tasks must be billable. You specify billability in the Task Details window.

Expenditure Items: To be included on an invoice, an expenditure item must meet the following criteria:

- Must have a billable status
- Must be partially or fully revenue distributed
- Must not be on billing hold
- Must not be already invoiced
- Project billing distribution rule must be Work(T & M) and not *Event*
- Expenditure item date is on or before the bill through date

Events: To be included on an invoice, an event must meet the following criteria:

- Must not be already invoiced
- Event completion date is on or before the bill through date
- Must be revenue distributed (for write–on revenue events only)

  OR

- Event Type Classification is: Scheduled Payment, Deferred Revenue, Invoice Reduction, Manual, or Automatic (for billing events only)

  Note: An automatic event created by billing extensions after an adjustment must include the number of the original event. Without this information, Oracle Receivables cannot autoinvoice the automatic event. If Oracle Projects does not find this value during the invoice generation process, it will display the following message to the log file: "Cannot find a proper inv line credited for this adjusted event." See: Inserting Events, *Oracle Projects APIs, Client Extensions, and Open Interfaces Reference.*

Billing Extensions: For each project selected, Oracle Projects then selects expenditure items and events that are eligible for invoice generation based on the criteria that you define in your billing extensions. If you define transaction independent billing extensions, Oracle Projects executes these extensions for each project with an active billing assignment, even if there are no transactions to process. See also: Billing Extensions, *Oracle Projects APIs, Client Extensions, and Open Interfaces Reference.*

Retention: If the project is eligible to bill retention, the retention amounts are billed based on the Retention Billing terms defined for the project customer. See also, Retention Billing: page 6 – 15.

Invoice Generation Option: Select one of the following choices:

- Include Retention Invoices: Generate both project and retention invoices. This option is the default setting for this parameter..
- Exclude Retention Invoices: The process excludes retention invoices.
- Retention Invoices Only: The process generates retention invoices only.

Agreements and Creating Invoices

Oracle Projects bills each customer based on their billing contribution and the available funding from the customer agreement. If a customer

is on credit hold in Oracle Receivables, Oracle Projects creates an invoice with a generation error for that customer.

When you generate an invoice, Oracle Projects determines which customer agreement an event or invoice item should be billed against.

Each time Oracle Projects finds available funding for an expenditure item or an event, it creates an invoice item and updates the funding amount billed on that agreement.

Billing Events: Billing events are events for which there is no associated revenue. Because billing events have not accrued revenue against an agreement, they can be billed against any agreement having sufficient funding to cover the entire amount of the event.

When processing a Scheduled Payment event, Oracle Projects marks expenditure items as billed using the first–in, first–out (FIFO) method based on the expenditure item date. The FIFO marked items of an event may not total to the exact amount of the event. The total item amount is an estimation of the total work performed which backups the scheduled payment amount for internal reporting.

Write–On Events: Write–on events are events that have accrued revenue against an agreement, or have been previously billed and canceled against an agreement. They must be billed to that same agreement. Revenue events typically have an event classification of Write–On.

Expenditure Items: Since expenditure items have already accrued revenue against an agreement, they must bill against that same agreement. Oracle Projects selects all of the eligible items, groups and summarizes them according to their project's invoice format, and bills them up to the limit of the available funding.

Invoice Set: For each given run of invoice generation for a project, if multiple customer agreements exist, Oracle Projects creates multiple invoices within a unique invoice set. You must approve, release, and cancel all invoices within an invoice set together by performing an action on a single invoice within the invoice set.

Reports for Reviewing Invoices

You can use the Invoice Review report to review the draft invoices of a project before approving and releasing them for interface to Oracle Receivables. See: Invoice Review Report, *Oracle Projects Fundamentals*.

Use the invoice flow reports to identify where your draft invoices are in the invoice processing flow. See: Invoice Flow Detail and Summary Reports, *Oracle Projects Fundamentals*.

Retention Billing

Retention is a provision in a contract to hold back a portion of invoiced amounts for the duration of the project. Oracle Projects enables you to set up withholding and billing terms for retention, invoice retention amounts, and account for unbilled retention.

Defining the Retention Level

Retention provisions in contracts can vary greatly. Contracts may require that the withholding and billing of retained amounts for a project customer be managed at either the project or top task level. Contracts for work–based billing may require that amounts be withheld by expenditure category, while those for event–based billing require that amounts be withheld by event category. Contracts may also include a variety of conditions for the billing of withheld amounts.

For each project customer, you can define retention terms at either the project level or the top task level to reflect the granularity of the terms specified by the contract with the project customer. You cannot change the retention level after an amount has been withheld for the project customer.

Defining Retention Terms

Retention Terms determine how amounts are withheld from project invoices and how the withheld amounts are billed to the project customer. Retention terms include:

- Withholding Terms
- Withholding Terms by Expenditure Category
- Withholding Terms by Event Revenue Category
- Billing Terms

Witholding Terms

These terms apply to all sources of project invoice amounts for the specified project or top task. For each term, you can define a withholding percentage or amount. Optionally, a threshold amount can be defined to determine the maximum amount to be withheld per term.

Each term represents a distinct retention withholding basis. This basis is used to determine the grouping of retention lines on project invoices. You can choose to define more detailed withholding terms by:

Expenditure category: For work–based billing

Event revenue category: For event–based billing

Withholding Terms by Expenditure Category

You define withholding terms for specific classifications of cost, such as labor or materials. The following expenditure classifications are available for this definition:

- Expenditure category
- Expenditure type
- Non–Labor resource

Terms defined at a more granular level take precedence over those defined at less granular levels. For example, a term defined for an expenditure category of Labor and an expenditure type of Regular Time will take precedence over a term defined only for the expenditure category of Labor.

Withholding Terms by Event Revenue Category

You define withholding terms for specific types of milestone events such as fees or incentives. The following classifications are available for this definition:

- Revenue category
- Event type

Terms defined at a more granular level take precedence over those defined at less granular levels. For example, a term defined for a revenue category of Milestone and an event type of Fee will take precedence over a term defined for only the revenue category of Milestone.

Billing Terms

Retention invoices bill project customers for previously withheld retention amounts. Billing terms control the timing and calculation of retention invoices. You define retention billing terms at the same retention level as retention withholding terms.

In defining a billing term, you can select one of the following retention billing methods:

- Total Withheld Amount
- Percent Complete
- Billing Cycle
- Retention Billing Client Extension

Total Withheld Amount Method

When the amount of unbilled retention on a project or top task exceeds a stated threshold (total amount), the invoice generation process automatically creates a retention invoice for the specified percentage (billing percentage) or amount (billing amount).

You define the following information for this method:

- Total amount: Upon reaching this total, a percentage of the withheld amount or a specified amount is billed.
- Billing percentage or billing amount: A percentage or a specific amount of the withheld amount is billed.

Percent Complete Method

When your project or top task reaches the specified percent complete, retention invoices are generated automatically. The invoice generation process selects projects or top tasks that have a physical percent complete equal to or greater than the specified percent complete for this retention billing method, and projects or top tasks that have a total withheld retention balance that has not been billed. You define the following information for this method:

- Percent complete
- Billing percentage or
- Billing amount

Billing Cycle

Retention invoices are generated automatically based on a billing cycle. The invoice generation process selects the following projects or top tasks projects or top tasks for which a retention invoice has not been generated in the current billing cycle, and projects or top tasks that have a total withheld retention balance that has not been billed.

You define the following information for this method:

- Cycle name
- Billing percentage, or
- Billing amount

You select a retention billing cycle defined in the Cycles window to determine when to bill previously withheld amounts. The initial offset date for the retention billing cycle is the invoice date of the earliest project invoice in which retention was withheld.

Enter the billing percentage or an amount of previously withheld amounts to bill. The retention billing cycle schedule determines when retention invoices are generated.

Retention Billing Client Extension

You can define your business rules for billing withheld amounts using the Retention Billing client extension. For more information, see: Retention Billing Client Extension, *Oracle Projects APIs, Client Extensions, and Open Interfaces Reference*.

Accounting for Unbilled Retention

To account for unbilled retention separately from the unbilled receivables, you define AutoAccounting rules for a new function transaction named Unbilled Retention Account for the AutoAccounting function Revenue and Invoice Account. To generate an account for unbilled retention using the defined Unbilled Retention Account AutoAccounting rules, you must also enable the Account for Unbilled Retention checkbox in the Billing tab in the Implementation Options window. If this feature is not enabled, Oracle Projects will use the Unbilled Receivable Account AutoAccounting rules when interfacing project and retention invoices to Oracle Receivables.

Note: Only those projects created after Account for Unbilled Retention check box is enabled will derive the Unbilled Retention account using the Unbilled Retention Account function transaction.

See Also

Accounting for Revenue and Invoices, *Oracle Projects Implementation Guide*

Billing Information, *Oracle Projects Fundamentals*

Reviewing Retention Information

You can view withheld and billed retention amounts at the project or top task. Additionally, you can view the details of withheld amounts per withholding terms.

- Project Retention Inquiry: You can view the total amount of withheld retention amount for a project or top task in the Project Retention Inquiry window. Amounts are in project functional, project and funding currency.
- Retention Details Window: To review retention terms and withheld amounts for an individual agreement, select an agreement and click the Details button in the Project Retention Inquiry window. Amounts are in project functional, project and funding currency.

Reviewing Invoices

You should review each invoice before you approve and release it for billing. Use the Invoice Summary window or the Invoice Review report to review invoices.

You can review invoice information such as:

- invoice amount
- withheld amount
- invoice lines
- withheld basis amount
- currency attributes
- expenditure items that back up invoice items
- invoice customer

In addition to reviewing invoice information, you should also review an invoice to ensure that it did not encounter any generation errors or distribution warnings during generation and to monitor the status of your invoices. If you encounter a draft invoice with a generation error, you should correct the error and regenerate the invoice.

The system generates invoice line descriptions in the base language. The customer language (which is derived from the "Bill Site" associated with project customer) is also associated with the invoice. You can see this association in the Customer Language field in the folder for the Invoice Summary window.

You can enter the translated text in the customer billing language for each invoice line (use the Translated Text Field in the folder in the Invoice Lines window). You can enter the text any time before the invoice is interfaced to Oracle Receivables. When you print the invoice in Receivables, the translated text will print on the invoice. For more information, see: Multilingual Support in Oracle Projects, *Oracle Projects Fundamentals.*

You can use the Invoice Review report to review the draft invoices associated with a project. You can use this report to verify your draft invoices before approving and releasing them for interface to Oracle Receivables. This report also shows detail items billed on an invoice. See: Invoice Review Report, *Oracle Projects Fundamentals.*

Invoice Review Windows

The Invoice Summary, Invoice Lines, and Invoice Line Details windows are folder–type windows. In these windows, many of the fields, including the currency fields, are not displayed in the default folder. You may want to create folders that display the fields you need, for the types of entries you need to make. For example, if you use retention billing you can create a folder in the Invoice Summary window that displays the field Retention Invoice indicating whether the invoice is a standard or retention invoice. Similarly, you can create a folder in the Invoice Lines window that displays the field Invoice Line Type indicating whether the invoice line is of the type Standard or Retention. For information about folder forms see: Administering Folders, *Oracle Applications System Administrator's Guide.*

▶ **To review invoices:**

1. Navigate to the Find Invoices window.
2. Enter selection criteria and choose Find to view invoices in the Invoice Summary window.

▶ **To review detailed invoice information:**

In the Invoice Summary window, select a standard or a retention invoice and choose the Open button to review detailed invoice information.

Attention: Because you have the capability to generate invoices in different currencies, you can have different invoices in different currencies for the same project. The Totals are therefore shown only in the project functional amount.

Invoice Window Regions

Following are the regions that you can select in the Invoice window to view invoice information:

- **Address:** This region shows:
  - Bill To Name
  - Bill To Number
  - Billing Address
  - Ship To Name
  - Ship To Number

  - Shipping Address
  - Contact Name
- **Comment:** This region shows the invoice comment.
- **Approved, Interface:** This region shows:
  - Approved Date
  - Released Date
  - Interface Date
  - GL Date
  - Approved By Name
  - Released By Name
  - Unbilled Receivable amount and currency code (functional currency)
  - Unbilled Retention amount and currency code (functional currency)
  - Unearned Revenue amount and currency code (functional currency)
  - AP Status
  - AP Interface Date
- **Receivable:** This region shows Oracle Receivables information, including:
  - AR Invoice Number
  - Invoice Date
  - Total Amount of Invoice Lines and currency code (invoice currency)
  - Tax Amount and currency code (invoice currency)
  - Credit Memo Reason
  - Original Balance, Applied Amount, Credited Amount, Written–Off Amount, and Remaining Balance (in the invoice currency)
- **Invoice Exception:** This region shows invoice warnings and exception reasons.
- **Agreement:** This region shows the agreement number, type, and terms.

- **Rounding:** This region shows the rounding amounts calculated by Oracle Projects to reconcile the functional currency amounts of invoices in Projects and Receivables.

  The following information is displayed:

  Conversion to Invoice Currency:

  - **Invoice Amount:** The total invoice amount in the functional currency.
  - **Conversion Rate:** The rate used by Oracle Projects to convert from the functional currency to the invoice currency.
  - **Receivables Amount:** The amount interfaced to Oracle Receivables, in the invoice currency.

  GL Posting and Invoice Rounding (in the functional currency):

  - **Unbilled Receivables:** The UBR amount that Oracle Projects will post to GL.
  - **Unbilled Retention:** The unbilled retention amount that Oracle Projects posts to GL.
  - **Unearned Revenue:** The UER amount that Oracle Projects will post to GL
  - **Functional Amount:** The sum of the Unbilled Receivables, Unbilled Retention, and the Unearned Revenue. This figure is equal to the functional currency invoice amount.
  - **Rounding Amount:** The Invoice Rounding amount calculated in Oracle Projects and posted to the Invoice Rounding account to reconcile the functional currency amount that Oracle Receivables will post to GL.
  - **Receivables Amount:** The functional currency amount that Oracle Receivables will post to GL. This number is the sum of the Functional Amount and the Rounding Amount.

  For more information about Invoice Rounding, see: Invoice Rounding, *Oracle Projects Implementation Guide*.

▶ **To review invoice lines:**

In the Invoice window, choose the Lines button to review the invoice lines created for your invoice.

▶ **To review invoice line details:**

From the Invoice Lines window, choose the Details button to review expenditure items that support the standard invoice line and to view the withholding basis amount for retention lines. You can also click on the Tools menu from the Invoice Details Lines window to adjust expenditure items.

▶ **To review retention invoice line details**

From the Invoice Lines window, choose the Details button to review the distribution lines for expenditure items and events that determine the withholding basis for retention line types on project invoices. Navigate to the Withholding Basis Amount Details window using the Details button.

▶ **To review draft invoices:**

Choose either the Print button in the Invoice Summary window or the Print Draft button in the Invoice window to print a hard copy of the draft invoice.

See Also

Adjusting Project Invoices: page 6 – 32

Approving, Releasing and Printing Invoices

After an invoice has been reviewed, it can be approved, released, and printed.

Approving Invoices

After you review invoices and make any necessary adjustments, you need to approve them before you can release them for interfacing to Oracle Receivables. There are two ways to approve invoices:

1. **Manual invoice approval**

   Usually your project administrator or project manager approves invoices. Oracle Projects records the invoice approval information of the person who approved the invoice and the date it was approved.

2. **Automatic invoice approval**

   The Automatic Invoice Approve/Release Extension allows you to approve invoices automatically as part of the Generate Draft Invoice process. See: Automatic Invoice Approve/Release Extension, *Oracle Projects Open Interfaces Manual*.

▶ **To approve an invoice manually:**

1. Navigate to the Find Invoices window.
2. Find the invoice or invoices you want to approve.
3. In the Invoice window or Invoice Summary window, choose the Approve button.

   Note: In the Invoice Summary window you can approve multiple invoices at one time. Highlight multiple invoices and then choose the Approve button. See: Selecting Multiple Records, *Oracle Applications User's Guide*.

4. Save your work.

Releasing Invoices

After you approve invoices, you need to release them for interface to Oracle Receivables.

There are two ways to release invoices:

1. **Manual invoice release**

   Usually your accounting department releases invoices. Oracle Projects records the invoice release information of the person who released the invoice and the date it was released.

   Before you release an invoice, you determine if the invoice has tax information. See: Applying Tax to Project Invoices, *Oracle Projects Implementation Guide*.

2. **Automatic invoice release**

   The Automatic Invoice Approve / Release Extension allows you to release invoices automatically as part of the Generate Draft Invoice process. See: Automatic Invoice Approve / Release Extension, *Oracle Projects APIs, Client Extensions, and Open Interfaces Reference*.

Attention: Once you release an invoice in Oracle Projects, you cannot change or delete it. You can adjust a released invoice. Oracle Projects processes adjustments to released invoices by creating crediting invoice transactions.

After you release an invoice, you need to interface the invoice with Oracle Receivables using Oracle Projects processes. These processes interface draft invoices, create invoices, and tie back invoices. See: Integrating with Oracle Receivables: page 6 – 39.

▶ **To release an invoice manually:**

1. Navigate to the Find Invoices window.
2. Find the invoice you want to release.
3. In the Invoice window or Invoice Summary window, choose the Release button.

   Note: You cannot release multiple invoices at one time. They must be released individually, because you must provide the invoice date and invoice number. (If you have elected to use automatic invoice numbering, you only need to enter the invoice date.)

4. Review the invoice date before you release the invoice to confirm that it falls in an open GL and PA period. If the invoice date falls in a closed period, you can change it to a date that falls in an open period.
5. Select a credit memo reason if the invoice class is Canceling Invoice, Credit Memo, or Write–Off. You must select a credit

memo reason if Require Credit Memo Reason is enabled in the Billing tab of the Implementation Options window. See Implementing Oracle Projects Foundation,*Oracle Projects Implementation Guide*.

Note: The values available in the Credit Memo field are defined in Oracle Receivables.

6. Save your work.

Printing Invoices

You can print invoices either from Oracle Projects, or from Oracle Receivables, depending on how your company implements your invoice printing method.

Attention: If you print your invoices from Oracle Projects, you do not need to interface invoices before printing them.

▶ **To print an invoice from Oracle Projects:**

- Find the invoice you want to print in the Invoice Summary window and choose Print.
- You can also print from the Invoice window by selecting Print Draft.

Oracle Projects will print the MGT: Invoice Review report. See: Invoice Review, *Oracle Projects Fundamentals*.

See Also

Determining Your Invoice Printing Method, *Oracle Projects Implementation Guide*

Changing Invoice Currency Attributes (Recalculating an Invoice)

You can change the invoice currency attributes of an invoice if:

- the invoice is unreleased, and
- the invoice is not a crediting invoice, and
- you are allowed to do so by function security (Invoice Recalculate)

The recalculate button is displayed in the Invoice window and the invoice Summary window only for eligible invoices.

▶ **To change invoice currency attributes:**

1. Navigate to the Invoice Summary window.
2. Select an invoice that is eligible for recalculation and choose Recalculate. A window is displayed showing the following fields:
   - Project Currency
   - Invoice Processing Currency
   - Invoice Currency
   - Invoice Rate Type
   - Invoice Rate Date
   - Invoice Exchange Date
3. Make the necessary changes in the currency attributes, and choose OK.

The recalculation to convert from the invoice processing currency to invoice currency is done online (the action does not call the Generate Invoice process).

Viewing Invoices

You can view invoices in Oracle Projects or in Oracle Receivables. You can also drill down from the Invoice Summary window or the Invoice window in Oracle Projects to the AR Transaction Overview form in Oracle Receivables.

Viewing Invoices in Oracle Projects

You can view invoice information by project, or for an individual invoice. When you view invoice information for a project, you can view information such as the amount invoiced, the amount of unbilled receivables, and the amount of unearned revenue.

In addition, you can view invoice information and outstanding receivables balances for each invoice for a project using the Project Status Inquiry and Funding Inquiry forms.

Unbilled Receivables Aging Report

You can use the Unbilled Receivables Aging report to review a project's unbilled receivables which includes eligible revenue items that have not yet been invoiced, or those items included in draft invoices that are not yet released. This report ages the unbilled receivables in four buckets, and you specify in the report parameters the number of days that you want in each bucket.

▶ **To view invoices in Oracle Projects:**

1. Navigate to the Find Invoices window.
2. Find the invoice(s) you want to review by entering search criteria in the Find Invoices window. Choose Find.
3. View summary invoice information in the Invoice Summary window.
   - To drill down to the Oracle Receivables Transaction Overview form, select the invoice you want to review, and choose **AR Invoice**. (The **AR Invoice** button is only enabled if function security is implemented in such a way that the user is able to see the button.) From the Transaction Overview form in Oracle

Receivables, you can access the following forms using the Tools menu:

  - Calls
  - Account Details
  - Activities

- To view detail invoice information, select the invoice you want to review, and choose **Open** to open the Invoice window.
  - To view invoice lines for an invoice, choose **Invoice Lines** to open the Invoice Lines window. Choose **Detail** to view invoice line details.
  - To drill down to the Oracle Receivables Transaction Overview form from the Invoice window, choose **AR Invoice**. (The **AR Invoice** button is only enabled if function security is implemented in such a way that the user is able to see the button.)

See Also

Function Security, *Oracle Projects Implementation Guide*

Viewing Invoices in Oracle Receivables

Each invoice and invoice line in Oracle Projects is translated into an invoice and invoice line in Oracle Receivables when you successfully interface and create an invoice in Oracle Receivables. You can view any invoice in Oracle Receivables that originates in Oracle Projects either from an Oracle Projects invoice inquiry window, or by using Oracle Receivables.

Oracle Projects does not interface invoice line detail (such as expenditure item details or event details) to Oracle Receivables. The following information appears for each line:

- UOM = Each
- Quantity = 1
- Unit Price = amount of invoice line
- Item = (Oracle Projects leaves this field blank)

Use the Invoice Number, Invoice Date, and / or Total Invoice Amount to query Oracle Projects invoice information in Oracle Receivables.

In addition, for any invoice, you can query on the following project information in the Invoice Transaction Flexfield that Oracle Projects passes to Oracle Receivables. You query this information by specifying values in the PROJECTS INVOICES context value descriptive flexfield for the Invoice Transaction Flexfield.

- Project Number
- Draft Invoice Number
- Agreement Number
- Project Organization
- Project Manager

When you process invoices in Oracle Receivables, you can also identify invoices in Oracle Receivables based on project information, using the value that you specify for the AR: Transaction Flexfield Quickpick Attribute profile value. You can set this profile to display any project information that Oracle Projects passes to Oracle Receivables in the Transaction Flexfield. The value you specify is displayed under the 'Reference' column in Lists of Values in the following Oracle Receivables forms:

- QuickCash
- Reapply Receipts
- Record A Call
- View Call History
- Reapply Credits
- Enter Receipts

See Also

Oracle Receivables User Guide

Adjusting Project Invoices

You can adjust anything on draft invoices before you approve and release them. You can perform many of the same actions on an invoice that you can on project expenditures. See: Expenditure Adjustments, *Oracle Project Costing User Guide*.

> **Note:** If you perform an adjustment on an invoice's expenditure items and events, you need to submit the appropriate process to reflect those adjustments. For example, if you change an expenditure item's status from billable to non–billable, you need to submit the appropriate processes to recalculate cost, regenerate revenue, and regenerate the invoice.

When you regenerate invoices, you can exclude new transactions and or delete only unapproved invoices.

- Exclude New Transactions: Select this check box if you want to exclude new transactions during the regeneration process. When you select this option, only expenditure items or events on existing invoices subject to regeneration are processed.
- Delete Only Unapproved Invoice: Select this check box if you want to delete only unapproved invoices during the regeneration process. Otherwise, all unreleased invoices are deleted.

When you regenerate a project's unreleased draft revenue and unreleased draft invoices, Oracle Projects deletes the project's unreleased draft revenue and invoices and creates new draft revenue and invoices.

Types of Invoice Adjustments

You can adjust invoices at the invoice line detail level in the Invoice Line Details window. You can perform most of the same types of adjustments on invoices that you can perform on expenditure items. See: Expenditure Adjustments, *Oracle Project Costing User Guide*.

The following table describes the adjustments you can make to invoices:

Level	Adjustment Type	Steps to complete adjustment
Invoice	Change Billing Address	1. Add new address in Oracle Receivables 2. Change address in Oracle Projects by choosing the Customers and Contacts project option. 3. Regenerate invoice
Invoice	Change Billing Contact	1. Add new contact in Oracle Receivables 2. Change contact in Oracle Projects by choosing the Customers and Contacts project option. 3. Regenerate invoice
Invoice	Change Invoice Currency	1. In the Invoice or Invoice Summary window, choose Recalculate. 2. Make changes in the currency attributes. 3. Choose OK.
Invoice	Change Agreement Type or Terms	1. Change information in Agreements window 2. Regenerate invoice
Invoice	Change Comment	1. Correct comments in Invoice window 2. Save
Invoice	Bill Through Date incorrect	Regenerate invoice (and revenue if necessary) with correct Through Date
Invoice	Invoice Amount Incorrect	1. Analyze how revenue was created 2. Make changes as appropriate 3. Regenerate revenue and invoice
Invoice Lines	Wrong invoice line format	1. Change invoice lines format in Billing Information window, Project options 2. Regenerate invoice
Invoice Lines	Wrong amount on invoice line	1. Analyze how amount was created 2. Make changes as appropriate 3. Regenerate revenue and invoice
Invoice Lines	Retention amount incorrect	1. Change Retention Billing Terms in the Retention Terms window. 2. Regenerate invoice
Invoice Lines	Change tax code	Change the tax code in the Invoice Lines window. (You can do this only if you are allowed to based on the profile option Tax: Allow Override of Tax Code.)
Invoice Lines	Change tax exemption	Change the tax code in the Invoice Lines window. (You can do this only if you are allowed to based on the profile option Tax: Allow Override of Customer Exemptions.)

Table 6 – 5 Adjustments to Invoices (Page 1 of 2)

Level	Adjustment Type	Steps to complete adjustment
Invoice Lines Details	Item should not be billed	1. Select Tools Menu 2. Choose Non–Billable option 3. In the Invoices window choose Run Request, Regenerate Revenue and Invoices
Invoice Lines Details	Item should not be billed at this time	1. Select Tools Menu 2. Choose Billing Hold or One–Time Hold option 3. In the Invoices window choose Run Request, Regenerate Invoices
Invoice Lines Details	Bill Amount is incorrect	1. Analyze how amount was created 2. Make changes as appropriate 3. From Tools Menu choose appropriate Recalc actions 4. Regenerate revenue and invoice
Invoice Lines Details	Only part of the expenditure item can be invoiced	1. From the Tools Menu choose Split 2. After splitting the item, select Non–Billable for the part that cannot be invoiced 3. Recalc cost, revenue, and invoice
Invoice Lines Details	Item does not belong on this project or task	1. From the Tools Menu, choose Transfer 2. After transferring the item, Recalc cost, revenue, and invoice

Table 6 – 5 Adjustments to Invoices (Page 2 of 2)

Cancel a released invoice

Canceling an invoice causes the creation of a credit memo for the entire amount of the canceled invoice. All items on the canceled invoice are returned to an unbilled status and are eligible for rebilling during the next billing cycle. In addition, Oracle Projects updates the funding balance on the agreement that funded the original invoice.

The credit memo always has the same invoice currency and currency attributes as the invoice being credited. You cannot perform a Recalculate function on a crediting memo.

You cannot cancel an invoice if payments have been applied against it in Oracle Receivables or if an invoice has credit memos applied against it. You can cancel an invoice only if it is released and has no payments, adjustments, or crediting invoices applied against it. Once the cancellation is completed, you cannot delete the credit memo created by the cancellation action. That is, you cannot reverse an invoice cancellation.

Note: You cannot edit an event that has been interfaced to Oracle Receivables, and subsequently canceled. You must create a new event.

Write off an invoice

Writing off an invoice creates a crediting invoice against the original invoice for the write–off amount you request. When you write off an invoice, Oracle Projects reverses the invoice amount from the receivables account and places it into a write off expense account when you interface the write off to Oracle Receivables.

The write off creates a negative invoice in Oracle Projects that is attached to the original invoice. Oracle Projects records the appropriate write–off accounting transaction in Oracle Receivables when you interface the invoices to Oracle Receivables.

The crediting invoice always has the same invoice currency and currency attributes as the invoice being credited. You cannot perform a Recalculate function on a crediting invoice.

You can only write off an invoice whose status is Accepted. The write–off amount you enter can be any amount up to the outstanding receivable balance on the invoice.

To partially write off an invoice with tax, write off the invoice in Oracle Projects and interface it to Oracle Receivables so that Oracle Projects and Oracle Receivables reconcile. Complete and adjust the invoice in Oracle Receivables.

See also: Rounding for an Invoice Write Off, *Oracle Projects Implementation Guide*.

Create credit memos

Oracle Projects automatically creates a credit memo each time you adjust detail expenditure items billed on a released invoice. The credit memo reverses the amount on the invoice by the amount of the adjusting item. The invoice transaction currency of the credit memo is the same as the currency of the released invoice.

To create a crediting invoice for a project that is not associated with a particular invoice, you should create an invoice reduction event for that project. When you generate the next invoice, Oracle Projects creates a negative invoice that is not attached to the original invoice. After you interface the negative invoice to Oracle Receivables, you can manually

apply the negative invoice to any receipt from that customer in Oracle Receivables.

> **Note:** Do not create credit memos in Oracle Receivables for Oracle Projects invoices. Adjustments made in Oracle Receivables will not be reflected in Oracle Projects, and will cause your amounts to be out of balance with Oracle Projects.

Overapplied Credits: When Oracle Projects sends a credit memo that is greater than the original invoice amount outstanding in Oracle Receivables, Oracle Receivables overapplies the remaining credit memo balance to the original invoice, creating a negative outstanding amount on the invoice.

Tax information for credit memos: When Oracle Projects creates a credit memo associated with an existing invoice, the tax information for the crediting invoice is the same as the tax information for the original invoice in Oracle Projects.

Delete an invoice

You may determine it is not appropriate to create an invoice for the customer at this time. You can delete unreleased draft invoices. Deletions do not require credit memos.

> **Note:** Once the invoices are released you can only cancel them.

▶ **To adjust an invoice:**

1. Navigate to the Invoice Review window.
2. Find the invoice you want to adjust.
3. Choose the Open, Lines, and Details buttons to open the Invoice Line Details window.
4. From the Tools menu, choose the adjustment you want to make.
5. Choose Run Request from the Invoice window to process the adjustment. See: Processing Adjustments, *Oracle Project Costing User Guide*.

▶ **To cancel a released invoice:**

1. Choose the Credit button in either the Invoice Summary or Invoice window.
2. Choose Cancel Invoices.

3. When you choose OK, Oracle Projects submits a process to create a credit invoice.

   Note: You cannot delete a cancellation (credit memo) once Oracle Projects performs the cancellation. To reverse the credit memo, rebill the expenditure items or create a new event.

▶ **To write off an invoice:**

Note: You can write off an invoice only if it has a status of Accepted.

1. Choose the Credit button from either the Invoice Summary or Invoice window.
2. Enter the write off amount for the invoice.
3. Choose OK. Oracle Projects submits a process to write off the invoice.

▶ **To create an independent crediting invoice:**

1. Find the project for which you want to create the credit invoice in the Projects, Templates Summary window.
2. Open the project and select the Events option under Billing Information.
3. Enter an Invoice Reduction type event for the project or top task, as appropriate based on your invoice format.
4. Save. When the Generate Draft Invoices process is run for your project, a credit invoice will be created.

▶ **To delete an unreleased draft invoice:**

1. Find the invoice you want in the Invoice Summary window.
2. Choose Run Request.
3. Click on the Delete Invoices option button.
4. Choose OK.

Conditions That Allow Specific Invoice Actions

In the Invoice Summary Window, the buttons and Tools Menu items that perform actions on an invoice are enabled or disabled, depending

on the characteristics of the invoice that is selected. These characteristics are listed in the following table.

The following table clarifies when you can perform each action on an invoice:

Invoice Action	Conditions Required for Action To Take Place
Approve Invoice	Invoice has no generation errors. Invoice has not been approved or released.
Adjust Invoice	Invoice has no generation errors. Invoice has not been released.
Release Invoice	Invoice has no generation errors. Invoice has been approved. Invoice has not been released.
Cancel an Invoice	Invoice has no generation errors. Invoice has been approved. Invoice has been released. Invoice has not been canceled. Invoice is not a credit memo. Invoice has not been written off. Invoice does not have a credit memo applied against it.
Write Off an Invoice	Invoice has no generation errors. Invoice has been approved. Invoice has been released. Invoice has not been canceled. Invoice is not a credit memo. Invoice status is Accepted.
Print Invoice Review Report	No conditions apply. All selected draft invoices will be printed in the Invoice Review Report.

Table 6 – 6 Invoice Actions (Page 1 of 1)

Integrating with Oracle Receivables

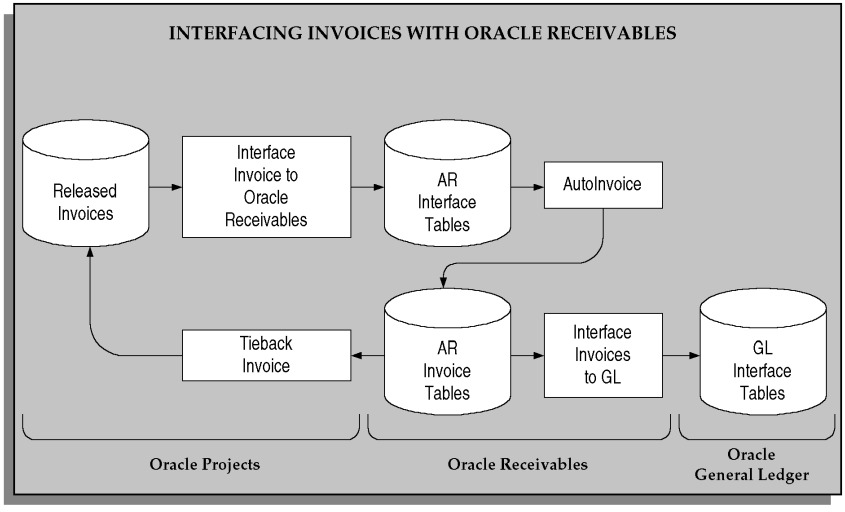
Oracle Projects fully integrates with Oracle Receivables to process your invoices and track customer payments. Oracle Projects generates draft invoices and uses Oracle Receivables features to create invoices and interface the accounting transactions to Oracle General Ledger.

You can interface released invoices and invoice lines from Oracle Projects to Oracle Receivables whenever you are ready and as many times during an accounting period as you wish.

When you interface invoices to Oracle Receivables, you use an Oracle Projects process which collects all eligible released draft invoices in Oracle Projects and interfaces them to Oracle Receivables interface tables. This process also maintains project balances of unbilled receivables and unearned revenue and creates accounting transactions for these amounts.

Once interfaced to these interface tables, the draft invoices await further processing by Oracle Receivables AutoInvoice process. After you run the AutoInvoice program to create invoices in Oracle Receivables, you tieback successfully interfaced invoices as well as rejected invoices using another Oracle Projects process. Rejected invoices are corrected, and interfaced again to Oracle Receivables. You can also interface invoices form Receivables to the Oracle General Ledger interface tables. The following figure illustrates this processing flow.

Figure 6 – 2



You can use standard Oracle Projects reports to track your invoices as you interface data between Oracle Projects and Oracle Receivables. You can also use AutoInvoice output reports to review imported transaction data and transaction data that fails when you run AutoInvoice.

For information pertaining to performing an action on a project invoice, such as generating, canceling, crediting, or writing off an invoice; and tracking customer payments on an invoice, see: Invoicing a Project: page 6 – 2.

See Also

Determining Your Invoice Printing Method, *Oracle Projects Implementation Guide*

Implementing Oracle Receivables for Oracle Projects Integration, *Oracle Projects Implementation Guide*

Importing Invoice Information into Oracle Receivables Applications Using AutoInvoice *Oracle Financials and Oracle Public Sector Financials Implementation Manual*

Data that Oracle Projects Predefines

Oracle Projects predefines most of the information that AutoInvoice needs to create your customer invoices in Oracle Receivables, such as an invoice batch source, transaction types for your invoices and credit memos, as well as other information.

Invoice Batch Source

An invoice batch source indicates the source of an invoice that you interface to Oracle Receivables. An invoice batch source also determines how AutoInvoice processes an invoice.

The batch source controls your invoice batch numbering sequence, supplies transactions with a default transaction type and grouping rule, and indicates which calculation and validation options you want AutoInvoice to use. All Oracle Projects transactions use the same

Oracle Receivables batch source. Oracle Projects predefines a batch source of PROJECTS INVOICES.

Warning: Do not modify the invoice batch source that is predefined and used by Oracle Projects.

Invoice Transaction Types

An invoice transaction type tells AutoInvoice how to process an invoice transaction. A transaction type determines whether a transaction:

- Generates an open receivables balance
- Posts to your general ledger
- Is printed

Oracle Projects creates standard invoices with an invoice transaction type. An invoice credit memo transaction type reduces the amount outstanding on the original invoice by the amount of the credit and reverses the appropriate general ledger transactions.

Oracle Projects predefines two invoice transaction types for the processing of invoices:

- Projects Invoice – creates an open receivable, posts to the general ledger, and is printed
- Projects Credit Memo – corresponds to the invoice transaction type for processing credit memos and writeoffs; creates an open receivable, posts to the general ledger, and is not printed by default.

You use the Oracle Receivables Transaction Types form to define additional transaction types. See: Define Transaction Types for Invoice Processing, *Oracle Projects Implementation Guide*.

Warning: Do not modify transaction types that are predefined and used by Oracle Projects.

Line Ordering Rules

Line ordering rules tell AutoInvoice how to order Oracle Projects invoice lines on an invoice. Oracle Projects predefines an invoice line ordering rule named *Projects Line Order* that uses the following attributes:

- Project Manager
- Line Number
- Line Type (Standard or Tax)

Warning: Do not modify the line ordering rule that is predefined and used by Oracle Projects.

Line Grouping Rules

Line grouping rules tell AutoInvoice how to group Oracle Projects invoice lines into an invoice. Each grouping rule is associated with the batch source that you use for your invoicing.

Oracle Projects predefines a grouping rule named *Projects Grouping Rule* that uses the following attributes:

- Project Number
- Draft Invoice Number
- Agreement Number
- Project Organization

Warning: Do not modify the line grouping rule that is predefined and used by Oracle Projects.

Credit Memo Reason QuickCodes

Oracle Projects predefines two QuickCodes to process credit memos and writeoffs. Oracle Receivables predefines the Credit Memo *Reason* QuickCode Type under which Oracle Projects predefines two credit memo reason QuickCodes:

- Projects Write Off
- Projects Credit Memo

Submitting Processes

We recommend that you interface invoices to Oracle Receivables using Oracle Projects streamline processes. When you use a streamline process, you submit one request that interfaces invoices to Oracle Receivables, runs AutoInvoice, and ties back invoices to Oracle Projects. The streamline process submits each process sequentially. We discuss each of these processes in the pages that follow.

You use the following streamline options to interface invoices with Oracle Receivables:

- XI: Interface Draft Invoice to AR
- XRXI: Interface Draft Revenue to GL and Draft Invoice to AR

You submit a streamline process by requesting the PRC: Submit Interface Streamline Process in the Submit Request window.

If you need to perform an individual function (such as interfacing invoices), you can use an individual process.

See Also

Submitting Requests, *Oracle Projects Fundamentals*

Processes, *Oracle Projects Fundamentals*

Interface Invoices to Oracle Receivables

When you interface invoices and invoice lines to Oracle Receivables, Oracle Projects places invoice information into Oracle Receivables interface tables.

GL Date

The GL Date of the invoice determines the accounting period in which it affects your general ledger account. Oracle Projects determines the GL Date as the end date of the open or future GL period in which the invoice date falls as defined in Oracle Receivables, when you generate an invoice.

If you are using the enhanced period processing option, Oracle Projects determines the GL Date the same as the invoice date for open GL periods or the start date of the next open or future GL period.

See: Date Processing in Oracle Projects, *Oracle Projects Fundamentals*.

Accounting Transactions

When you interface invoices to Oracle Receivables, Oracle Projects uses AutoAccounting to determine several receivables accounts for each invoice. For details about these accounts, see: Accounting for Revenue and Invoices, *Oracle Projects Implementation Guide*.

The accounting transactions that the process creates are interfaced to Oracle Receivables interface tables. Oracle Projects does not use Oracle

Receivables AutoAccounting to determine account codings except for tax transactions for taxable invoice lines. If an invoice line has tax information, Oracle Receivables AutoAccounting determines the tax account. See: Accounting Transactions: page 1 – 5.

Interfacing the Agreement Number to Receivables

When invoice lines are interfaced to Receivables, the Agreement Number from Projects is copied to the PURCHASE_ORDER column and the INTERFACE_LINE_ATTRIBUTE3 column of the RA_INTERFACE_LINES_ALL table. Receivables copies this value to the PURCHASE_ORDER column in the customer transaction table, RA_CUSTOMER_TRX_ALL.

If the invoice being interfaced is a canceled invoice, credit memo, or write off, these columns are populated by a null value.

> **Note:** The INTERFACE_LINE_ATTRIBUTE3 column contains a maximum of 30 characters. If the agreement number is longer than 30 characters, it is truncated in this column.

Output Reports

Each time you interface invoices to Oracle Receivables, Oracle Projects prints output reports (Account Receivables Interface Report and Account Receivables Interface Exception Report) which allow you to track your successfully interfaced invoices, as well as those invoices which fail to interface. You should correct any exceptions in Oracle Projects and resubmit the process to successfully import rejected invoices. See: Interface Invoices to Receivables, *Oracle Projects Fundamentals.*

AutoInvoice

Oracle Receivables AutoInvoice feature takes the interface invoice line information stored in Oracle Receivables interface tables, validates it, and converts the interface data into invoices and credit memos and writeoffs in Oracle Receivables.

AutoInvoice creates an invoice batch for each group of invoice records. For each invoice in a batch, AutoInvoice creates an invoice header. For each header in a invoice batch, AutoInvoice creates an invoice line and distribution line that corresponds to the invoice line records you interfaced from Oracle Projects to Oracle Receivables.

You can run AutoInvoice from Oracle Receivables or from one of the Oracle Projects streamline options. If you run AutoInvoice from Oracle Receivables, you can specify a value of PROJECTS INVOICES (for customer invoices) or PA INTERNAL INVOICES (for intercompany or inter–project invoices) for the invoice source to process.

Each time you run AutoInvoice, Oracle Receivables prints output reports which allow you to track each invoice created by AutoInvoice, as well as exceptions that AutoInvoice encounters during the import process.

See Also

Run AutoInvoice, *Oracle Receivables Reference Manual*

AutoInvoice Processing Report, *Oracle Receivables Reference Manual*

AutoInvoice Validation Report, *Oracle Receivables Reference Manual*

Tieback Invoices from Oracle Receivables

You run the Tieback process to ensure that your project accounting invoice data loaded successfully into Oracle Receivables. For successfully interfaced invoices loaded into Oracle Receivables, the tieback process updates your project accounting data to reconcile invoices in Oracle Projects to Oracle Receivables. Rejected invoices are purged from the Oracle Receivable interface tables. The Invoice Status in Oracle Projects is updated so you can correct them and interface them again to Oracle Receivables.

Each time you tieback invoices from Oracle Receivables, Oracle Projects prints output reports which allow you to track your successfully interfaced invoices, as well as those invoices which fail to interface. You should correct any rejected invoices in Oracle Projects and interface them again to Oracle Receivables.

The Tieback process automatically loads all successfully interfaced intercompany and inter–project invoices into the interface table of the receiver operating unit's Oracle Payables system with an invoice source of Projects Intercompany Invoices or Inter–Project Invoices, respectively.

See Also

Tieback Invoices from Receivables, *Oracle Projects Fundamentals*

Interfacing Invoices to Oracle General Ledger

After AutoInvoice creates invoices, you interface your invoice accounting information to Oracle General Ledger interface tables. You use the Run General Ledger interface process in Oracle Receivables to send invoice transactions to Oracle General Ledger.

In General Ledger, you post the invoice interface data to update your account balances.

See Also

Run General Ledger Interface, *Oracle Receivables Reference Manual*

Automatic Tax Calculation

When invoices from Oracle Projects are processed, AutoInvoice automatically calculates tax for invoice lines that have tax information. (Oracle Projects uses Oracle Receivables AutoAccounting for tax accounting only; Oracle Projects uses its own AutoAccounting for all other accounting transactions.)

See Also

Applying Tax to Project Invoices, *Oracle Projects Implementation Guide*

Reporting

Oracle Projects provides you with reports that display information that help you to track your invoices as you interface data between Oracle Projects and Oracle Receivables.

Invoice Flow Detail

You can use the Invoice Flow Detail report to review the flow of project invoices through Oracle Projects. This report groups invoices by invoice status, which allows you to quickly identify where your draft invoices currently are in the invoice processing flow.

Invoice Flow Summary

You can use the Invoice Flow Summary report to review summary flow information about project invoices by project organization and project member. You can use this report to quickly identify how many invoices are in each stage of the invoice processing flow and the invoice amounts involved.

See Also

Invoice Flow Detail and Invoice Flow Summary, *Oracle Projects Fundamentals*

Viewing Invoices in Oracle Receivables

Once invoices have been interfaced from Oracle Projects to Oracle Receivables, you can query receivables information by project–related query data. Project information in Oracle Receivables is located in the Transaction Flexfield and Reference field.

The following table shows fields in Oracle Receivables that hold project–related data:

Oracle Receivables Field Name	Oracle Projects Data
Transaction Number	Invoice Number
Source	Either the predefined Projects Invoices source, or sources you have defined

Oracle Receivables Field Name	Oracle Projects Data
Batch	Concatenation of source and processing request ID; for example, Projects Invoices_1614
Transaction Type	Either the predefined Projects Invoices and Projects Credit Memo or the transaction types you have defined
Transaction Flexfield Value 1/Reference Number	Project Number
Transaction Flexfield Value 2	Draft Invoice number from Oracle Projects
Transaction Flexfield Value 3/PO Number	Agreement Number
Transaction Flexfield Value 4	Project Organization
Transaction Flexfield Value 5/Salesperson	Project Manager

Table 6 – 7 Project related data in Oracle Receivables fields (Page 2 of 2)

The following table lists where project–related information is located in Oracle Receivables.

Oracle Receivables Window Name	Project–Related Information
Batches Summary	Folder includes Source, which can be queried for project batches by entering, for example, PROJECTS INVOICES
Find Batches	Find by Source
Transaction	Number Reference Source Salesperson (Main tabbed region) PO Number (More tabbed region)
Lines	Lines displayed under Main tabbed region match Invoice Lines in Oracle Projects Invoice Review. Reference field under More tabbed region corresponds to Project Number.

Table 6 – 8 Project related data in Oracle Receivables windows (Page 1 of 2)

Oracle Receivables Window Name	Project–Related Information
Line Transaction Flexfield	Data displayed includes: Project Number Draft Invoice Number Agreement Number Project Organization Project Manager Line Number
Transaction Summary	Folder includes: Transaction Flexfields 1–5 Transaction Number Source Batch Transaction Type
Find Transactions	Main tabbed region includes: Transaction Numbers = Invoice Numbers Reference Numbers = Project Numbers PO Numbers = Agreement Numbers Sources = PROJECTS INVOICES Batches = PROJECTS INVOICES
Credit Memo	Source Reference Transaction Flexfield
Copy Transactions	Source Transaction Number Reference Number Type
Transaction Overview	Find and Transaction Overview includes: Source PO Number Type Reference Salesperson

Table 6 – 8 Project related data in Oracle Receivables windows (Page 2 of 2)

AR Merge

If you are merging customers in Oracle Receivables, the customer reference on agreements and project customers are merged in Oracle Projects. Similarly, if you merge customer addresses in Oracle Receivables, the address references on project customers and tasks in Oracle Projects are updated.

If after you have merged customers in Oracle Receivables, you reprint an invoice generated by Oracle Projects, that is, the original invoice was billed before the merge, the new customer information will print on the reprinted invoice.

After you merge the customers, when you query invoice information in Oracle Projects for the remaining customer after the merge you will see all invoices for the merged customer. For example, the customer for Project A is XYZ Corp and the customer for Project B is XYZ Corporation. Project A has invoices totaling $3,500 and Project B has invoices totaling $10,100. In Oracle Receivables, you merge the two customers into one customer: XYZ Corporation. The customer associated with the agreement for Project A and the customer on Project A are automatically updated to XYZ Corporation. When you query in Oracle Projects Invoice Review for all invoices for XYZ Corporation, all invoices for both Project A and Project B will be displayed for a total of $13,600.

See Also

Merge Customers, *Oracle Receivables User Guide*

CHAPTER

7

Inter–Project Billing

This chapter describes inter–project billing in Oracle Project Billing.

Overview of Inter–Project Billing

Inter–project billing functionality in Oracle Projects handles inter–project billing project relationships and the billing of inter–project transactions. These features are described in detail on the following pages.

Inter–project billing generates internal invoices for costs incurred between two projects. During project setup, you define an inter–project billing relationship. This relationship enables you to invoice internally between the two projects, also called provider and receiver projects. (See definition of terms.)

Once the work has been performed, the provider project generates an Oracle Receivables invoice for expenses incurred. The receiver project receives this invoice as an Oracle Payables invoice during the AR invoice tieback process. The invoice, like any supplier invoice, is interfaced to Oracle Projects as cost on the receiver project.

> **Note:** To use inter–project billing you must implement multi–organization setup even if only one operating unit is setup.

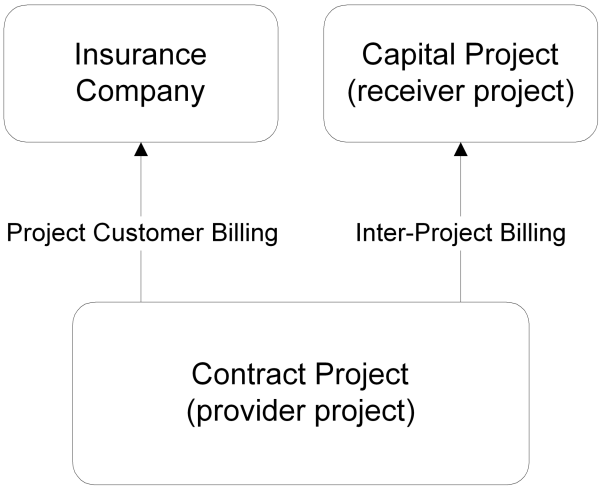
Business Needs and Examples

Enterprises face complex accounting and operational issues that result from complex work breakdown structures. Multiple organizations or departments may work together on a project, yet the customer wishes to receive only one bill. Parts of the work performed may be billed externally to a customer while other work may be billed internally to another project. These types of business needs require a way to capture multiple project costs into one project regardless of where or by whom the work is performed.

With inter–project billing, projects can be managed and controlled separately, and can bill both internally and externally. Using this model to define your work structure provides flexibility in managing your projects and consolidates costs for reporting purposes.

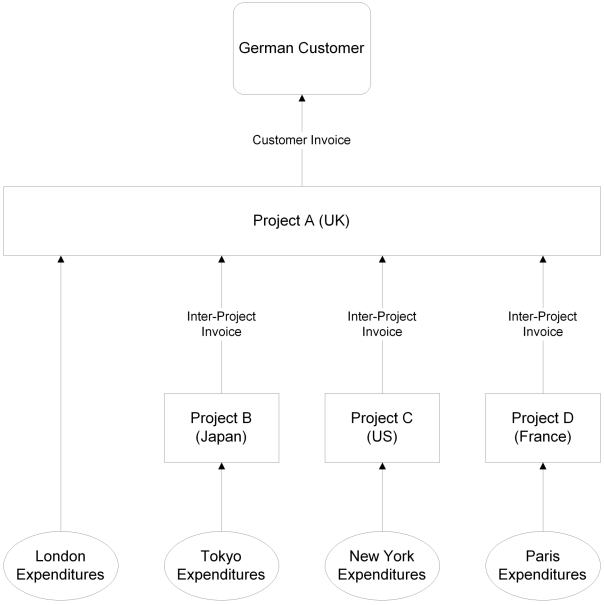
Consider the following examples:

Example 1:



During an auto accident, a telephone pole owned by the local telephone company is knocked down. A contract project is set up to track the cost of the repair. These costs will be billed to an insurance company. While the repair is under way, the telephone company decides to replace the old transformer at the top of the downed pole. These costs will need to be capitalized and will be billed internally to an capital project. The contract project will bill the insurance company for repair work performed on the pole, and, using inter–project billing, will bill a receiver project for work performed on the transformer. The receiver project can exist anywhere in the enterprise, regardless of operating unit, set of books, or legal entity.

Example 2:



Company ABC is an advertising company with a multiple organization structure. The London operating unit, ABC's headquarters, received a contract from a German customer. The customer wants ABC to produce and air live shows in Paris, New York, and Tokyo to launch its new line of high–end women's apparel. ABC will plan and design the show using resources from the London operating unit. The Paris, New York, and Tokyo operating units are each responsible for the successful execution of these live shows with their local resources.

Using the structure shown above, the customer project is divided into several related contract projects. The London operating unit owns the primary customer project, or receiver project, and bills the external customer. The related projects, or provider projects, are subcontracted to their respective internal organizations and internally bill the London organization to recover their project costs.

Inter–Project Billing Project Relationships

You use the inter–project billing feature to enable a primary (or receiver) project to delegate its tasks to related subcontract (or provider) projects. The provider and receiver projects can be in the same or different

operating units and even in different business groups if you have enabled these roles in the provider and receiver operating units, and you have identified the operating units as valid providers and receivers for each other.

To establish the project relationship:

1. Create a receiver project and identify the tasks that will be performed by other projects as receiver tasks.
2. Define one or more provider projects.
3. For each provider project, specify the receiver project and task to charge in the Project Customers window.

Prerequisite: You must select existing customers that are associated with a receiver operating unit on the Implementation Options window (Internal Billing tab). See: Internal Billing Implementation Options, *Oracle Projects Implementation Guide*.

Inter–Project Billing Process

To bill inter–project work and expenditures, you use processes and AutoAccounting functions similar to those used for external customer billing with the following differences:

When you bill inter–project work, an additional Payables invoice is created in the receiver operating unit that is charged to the receiver project and task based on the provider operating unit's Receivables invoice. The Payables invoice is automatically generated when the provider operating unit runs PRC: Tieback Invoices from Receivables. Oracle Projects generates inter–project invoices even when the provider and receiver projects are in the same operating unit.

You must import the internal Payables invoices to Oracle Payables in the receiver operating unit. The Open Interface Import process calculates recoverable and non–recoverable tax amounts. After the invoices have been reviewed and approved in Oracle Payables, you interface the associated accounting entries to the receiver operating unit's General Ledger. The invoice is treated like any other supplier invoice that is interfaced to Oracle Projects as costs for the receiver project and tasks.

For inter–project billing, you use the same draft revenue and draft invoice processes that you use for external customer billing. As a result, the provider project tracks unbilled receivable and unearned revenue amounts and accounts for them accordingly. You can configure AutoAccounting and the Account Generator to generate different

accounts for inter–project billing and third–party receivables and payables.

See Also

Workflow: Project Supplier Invoice Account Generation, *Oracle Projects Implementation Guide*

Overview of Processing Flow for Inter–Project Billing

The processing flow for inter–project billing is the same as for any contract project, with the following exception: After you interface draft inter–project billing invoices to Oracle Receivables, the tieback process copies them into the Payables system of the receiver operating unit. The inter–project billing processing flow consists of the following steps:

1. Enter transactions and distribute costs on your provider project.
2. Generate a draft inter–project invoice by running the Generate Draft Invoice process. See: Generate Draft Invoices, *Oracle Projects Fundamentals.*
3. Approve and release the draft inter–project invoice.

   Review, approve, and release the draft inter–project invoice using the standard functionality of Oracle Project Billing.
4. Interface the draft inter–project invoice to Oracle Receivables: page 7 – 8.
5. Interface the draft inter–project invoice to Oracle Payables: page 7 – 8.
6. Run Open Interface Import in Payables: page 7 – 9.
7. Interface the draft inter–project invoice to Oracle Projects: page 7 – 10.

Entering Inter–Project Transactions

To record work performed by a provider resource, expenditures are entered in the provider project. The expenditures are charged to the receiver project and tasks. The expenditure organization is the resource owning organization. The expenditure type can be any type that is defined in the provider project. When the expenditure is interfaced to the receiver project via a Payables invoice, the expenditure type and expenditure organization are overridden by the Provider Controls defined in the receiver's operating unit.

Interface the draft inter–project invoice to Oracle Receivables

You submit a streamline process (choose the XI: Interface Draft Invoice to AR parameter) to execute the processes Interface Invoices to Receivables, AutoInvoice, and Tieback Invoices from Receivables.

Inter–project invoices are interfaced to Oracle Receivables with the invoice batch source "PA Internal Invoices." Inter–project invoices and intercompany invoices share this batch source. (See: Interface Intercompany Invoices to Receivables, *Oracle Projects Fundamentals*.) The streamline process executes AutoInvoice twice, once for inter–project invoices and once for customer invoices. The tieback process automatically interfaces the inter–project invoices to the receiver operating unit's payables.

You can also execute each of these processes separately. To generate invoices in Oracle Receivables for both inter–project invoices and customer invoices, you must run AutoInvoice twice, identifying the appropriate batch source each time.

Interface the draft inter–project invoice to Oracle Payables

When the provider operating unit runs the Tieback Invoices from Receivables process, the successfully interfaced inter–project invoices are automatically interfaced to the interface table of the receiver operating unit's Oracle Payables. Inter–project invoices interfaced to Oracle Payables have the following attributes:

- Source. All inter–project invoices have the source "Inter–Project Invoices."
- Supplier. The supplier is identified by the provider operating unit's internal billing implementation options.
- Supplier Site. The supplier site is identified by the provider operating unit's internal receiver controls.
- Invoice Amount. The Payables default invoice amount is the amount of the related Receivables invoice, including taxes.

The interface process populates the following project–related attributes for inter–project Payables invoice distributions as indicated below:

- Project Number. The number of the receiver project is derived from the receiver task number linked to the provider project customer.

- Task Number. The number of the receiver task linked to the internal project customer.
- Expenditure Item Date. The invoice date of the inter–project Receivables invoice.
- Expenditure Type. The expenditure type specified by the receiver operating unit in the Internal Receiver Controls tab.
- Expenditure Organization. The expenditure organization specified by the receiver operating unit in the Internal Receiver Controls tab.
- Tax code
- Project information (project, task, expenditure item date, expenditure type, expenditure organization)

  Note: Tax group support in Oracle Payables is provided only by the Canadian or other localizations.

The following table shows the expenditure attributes for an Inter–Project billing method:

Billing Method	Work Breakdown Structure	Expenditure Type	Expenditure Organization	Quantity
Inter–Project	Project: Receiver Task:Receiver	Receiver Controls	Receiver Controls	1

Table 7 – 1 Expenditure Attributes (Page 1 of 1)

Run Open Interface Import in Payables

The receiver operating unit runs the Payables Open Interface Import process to create inter–project Payables invoices from the records in the interface table. Payables Invoice Import does the following:

- Converts amounts from the transaction currency to the functional currency of the receiver operating unit based on the default conversion attributes defined in the receiver operating unit's Payables system options. (The Receivables invoice amounts are copied as the transaction currency amounts on the Payables invoice.)

You can customize the Payables Open Interface Workflow process to override the default currency conversion attributes for the invoice and distribution amounts.

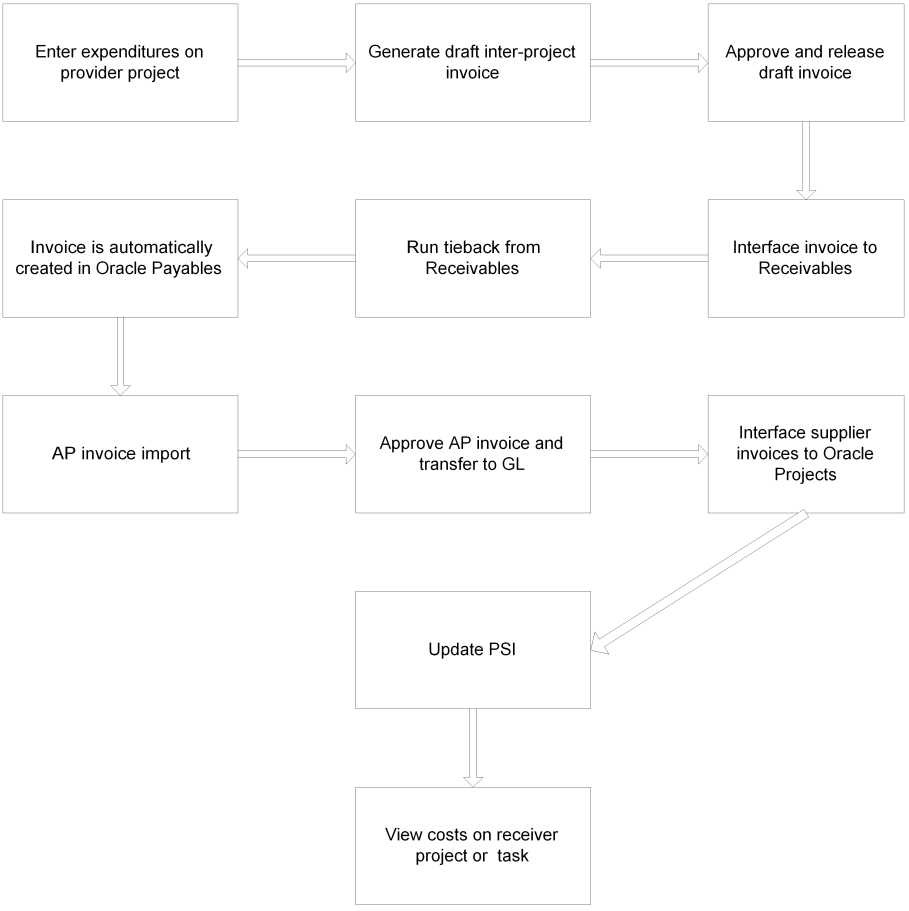
- Derives the internal Payables account from supplier information. You can either associate supplier types for internal suppliers with internal cost accounts or otherwise modify the Workflow–based account generation process to determine the appropriate intercompany cost account.
- Generates recoverable and non–recoverable tax lines (if you have specified a percentage for recoverable tax amounts) based on the tax codes interfaced from Oracle Receivables.

Oracle Payables uses the rounding accounts specified in the Oracle Payables system options to account for discrepancies due to rounding tax amounts.

Interface the draft inter–project invoice to Oracle Projects

You must interface the entire inter–project Payables invoice (and related tax lines) created by the Payables Invoice Import process interfaced to receiver operating unit's Oracle Projects system. To do this, run the Interface Supplier Invoices from Payables, which identifies inter–project invoices as those invoices with an invoice source of Inter–Project Invoice.

Processing Flow



Adjusting Inter–Project Billing Invoices

All adjustments made in the provider project are subject to the standard billing processes and can result in the creation of a credit memo. You must interface such credit memos to Oracle Receivables, and the tieback process interfaces them to the receiver operating unit's Oracle Payables system as negative invoices.

The inter–project billing process creates transactions on the receiver project and tasks, which you can adjust in Oracle Projects as you would any other transaction. Performing all such adjustments in Oracle Projects ensures that the invoice amount in Oracle Payables remains the same, since you can interface only net zero invoice adjustment to Oracle Payables.

Do not adjust inter–project invoices manually in Oracle Payables. Make adjustments in Oracle Projects (on either the provider or the receiver project) and then interface the adjustments to Oracle Receivables or Oracle Payables. Doing so ensures that the systems remain synchronized.

CHAPTER

8

Billing in a Global Environment

This chapter describes billing in a global environment in Oracle Project Billing.

Billing in a Global Environment

Oracle Projects gives you the option to bill in a global environment when the multi–currency billing is enabled for an operating unit and for a project. When multi–currency billing is enabled, you can:

- Enter agreements, bill rates, and events in any currency regardless of the project functional currency
- Designate the project functional currency, project currency, or funding currency as the invoice processing currency for a project
- Define currency conversion attributes for converting revenue and invoicing amounts to the project currency, project functional currency, and funding currency
- Define currency conversion attributes for converting funding amounts to the project functional currency, and the project currency
- Define a default invoice currency for a project customer that is different from the project functional currency

The multi–currency billing option can be set both at the operating unit level and at the project level. To enter agreements and rate schedules in any currency for a project, you must enable the multi–currency billing functionality for the operating unit. To enter events in any currency for a project, you can enable the functionality at the project level only. This value defaults from the project template You can override the default value for an individual project template or project.

See Also

Agreements: page 3 – 2

Events: page 4 – 2

Currency: *Oracle Projects Fundamentals*

Billing Implementation Options, *Oracle Projects Implementation Guide*

Currency Conversion Attributes

The system uses currency conversion attributes to convert revenue and billing amounts to the project functional currency, project currency, and funding currency, and to convert the funding amounts to the project functional currency and project currency.

By default, the system uses the conversion attribute information defined for the project to which the transaction is assigned to calculate the project currency amounts.

You enable the multi–currency billing functionality and define the currency conversion attributes for a project in the Billing tabbed region of the Currencies window accessed via Project Options window. See: Currency Conversion Attributes, *Oracle Projects Fundamentals*. You use these settings when you need the following capabilities:

- Assign a project or task a rate schedule in a currency that is different from the project functional currency
- Create event transactions for a project in a currency that is different from the project functional currency
- Enter an agreement in a currency that is different from the project functional currency and fund the project with that agreement
- Define a project currency that is different from the project functional currency
- Define a default invoice transaction currency for a project customer that is different from the project functional currency

The currency conversion attributes are used to convert expenditure items, manually entered events, and automatically created events from the billing transaction currency during revenue and invoice processing. They are also used to convert funding amounts from the funding currency to the project functional currency and the project currency.

Project Billing Transaction Currency

The billing transaction currency for work based billing and event based billing are as follows:

Work Based Billing

For work–based billing, the billing transaction currency is:

- The bill transaction currency for cost based revenue if billing amounts are based on cost and use markups (bill rate schedules) or multipliers (burden schedules)
- The bill rate schedule currency if billing amounts are based on bill rate schedules and no project or task rate override is entered
- The user entered bill rate currency from employee, job, or non–labor rate overrides if billing amounts are based on bill rate schedules and project or task overrides are specified.

Event Based Billing

For event–based billing events, the billing transaction currency is:

- The user–entered event transaction currency for manually entered events.
- The project functional currency for automatic revenue and invoice events that are created when the Cost / Cost billing method is used.

The following table summarizes the transaction currencies for expenditures and events:

Type of Transaction	Transaction Currency
Events(manual and automatic)	Event transaction currency
Expenditures with markups or burden multipliers(multi–currency billing enabled)	Bill transaction currency for cost based transactions.
Expenditures with bill rates	Rate schedule currency
Expenditures with bill rate overrides	Override currency
Expenditures with labor billing extension that calculates the amount	Billing transaction currency provided by the extension

Table 8 – 1 Transaction currencies for Expenditure and Events (Page 1 of 1)

Billing Transaction Currency Calculation

When Oracle Projects calculates revenue, it calculates revenue and billing amounts for expenditure items in the billing transaction currency.

The following table illustrates how currency, rates, and amounts are determined during revenue generation:

Type of Transaction	Billing Transaction Currency =	Billing Transaction Bill Rate =	Billing Transaction Revenue, Raw Revenue, or Billing Amount =
Expenditure items that use bill rates	Rate schedule currency	Billing schedule rate	Billing transaction bill rate*quantity
Expenditure items that use bill rate overrides	Currency of the bill rate override	Rate override	Billing Transaction bill rate*quantity
Expenditures with markups (multi–currency billing enabled)	Bill transaction currency for cost based based revenue	Raw revenue or bill amount / quantity	Markup applied on the bill transaction currency for cost based revenue
Expenditures with burden multipliers (multi–currency billing enabled)	Bill transaction currency for cost based revenue	Raw revenue or bill amount / quantity	Burden multiplier applied on bill transaction currency for cost based revenue
Events	Event transaction currency	N / A	Event revenue or bill amount in the event transaction currency

Table 8 – 2 Determination of Currency rates and amounts during revenue generation (Page 1 of 1)

Note: When multi–currency billing is not enabled, the billing transaction currency for an expenditure item that uses markups or burden schedule is the same as the project functional currency, although the expenditure item transaction currency can be a currency other than the project functional currency. The markup or burden multiplier is applied to the expenditure cost in the project functional currency.

Glossary

account The business relationship that a party can enter into with another party. The account has information about the terms and conditions of doing business with the party.

account combination A unique combination of segment values that records accounting transactions. A typical account combination contains the following segments: company, division, department, account and product.

Account Generator A feature that uses Oracle Workflow to provide various Oracle Applications with the ability to construct Accounting Flexfield combinations automatically using custom construction criteria. You define a group of steps that determine how to fill in your Accounting Flexfield segments. You can define additional processes and / or modify the default process(es), depending on the application. See also *activity, function, item type, lookup type, node, process, protection level, result type, transition, Workflow Engine.*

Account segment One of up to 30 different sections of your Accounting Flexfield, which together make up your general ledger account combination. Each segment typically represents an element of your business structure, such as Company, Cost Center or Account.

Account segment value A series of characters and a description that define a unique value for a particular value set.

account site A party site that is used within the context of an account, for example, for billing or shipping purposes.

accounting currency In some financial contexts, a term used to refer to the currency in which accounting data is maintained. In this manual, this currency is called functional currency. See *functional currency.*

Accounting Flexfield The code you use to identify a general ledger account in an Oracle Financials application. Each Accounting Flexfield segment value corresponds to a summary or rollup account within your chart of accounts.

Accounting Flexfield structure The account structure you define to fit the specific needs of your organization. You choose the number of segments, as well as the length, name, and order of each segment in your Accounting Flexfield structure.

Accounting Flexfield value set A group of values and attributes of the values. For example, the value length and value type that you assign to your account segment to identify a particular element of your business, such as Company, Division, Region, or Product.

accrue through date The date through which you want to accrue revenue for a project. Oracle Projects picks up expenditure items having an expenditure item date on or before this date, and events having a completion date on or before this date, when accruing revenue. An exception to this rule are projects that use cost–to–cost revenue accrual; in this case, the accrue through date used is the PA Date of the expenditure item's cost distribution lines.

accumulation See *summarization.*

activity In Oracle Workflow, a unit of work performed during a business process.

activity In Oracle Receivables, a name that you use to refer to a receivables activity such as a payment, credit memo, or adjustment. See also *activity attribute, function activity, receivables activity name.*

activity attribute A parameter for an Oracle Workflow function activity that controls how the function activity operates. You define an activity attribute by displaying the activity's Attributes properties page in the Activities window of Oracle Workflow Builder. You assign a value to an activity attribute by displaying the activity node's Attribute Values properties page in the Process window.

actual transactions Recorded project costs. Examples include labor, expense report, usage, burden, and miscellaneous costs.

ad hoc For the specific purpose, case, or situation at hand and for no other. For example, an ad hoc tax code, report submission, or database query.

advance An amount of money prepaid in anticipation of receipt of goods, services, obligations or expenditures.

advance In Oracle Payables, an advance is a prepayment paid to an employee. You can apply an advance to an employee expense report during expense report entry, once you fully pay the advance.

agreement A contract with a customer that serves as the basis for work authorization. An agreement may represent a legally binding contract, such as a purchase order, or a verbal authorization. An agreement sets the terms of payment for invoices generated against the agreement, and affects whether there are limits to the amount of revenue you can accrue or bill against the agreement. An agreement can fund the work of one or more projects.

agreement type An implementation–defined classification of agreements. Typical agreement types include purchase order and service agreement.

allocation A method for distributing existing amounts between and within projects and tasks. The allocation feature uses existing project amounts to generate expenditure items for specified projects.

allocation method An attribute of an allocation rule that specifies how the rule collects and allocates the amounts in the source pool. There are two allocation methods, full allocation and incremental allocation. See also *full allocation, incremental allocation.*

allocation rule A set of attributes that describes how you want to allocate amounts in a source pool to specified target projects and tasks.

allocation run The results of the PRC: Generate Allocation Transactions process.

alternative region An alternative region is one of a collection of regions that occupy the same space in a window where only one region can be displayed at any time. You identify an alternative region by a poplist icon that displays the region title, which sits on top of a horizontal line that spans the region. This display method has been replaced by tabs in Release 11i and higher.

amount class For allocations, the period or periods during which the source pool accumulates amounts.

amount type The starting point for a time interval. Available options include period–to–date, year–to–date, and project–to–date. Used to define budgetary controls for a project.

approved date The date on which an invoice is approved.

archive To store historical transaction data outside your database.

attribute See *activity attribute, item type attribute.*

attribute In TCA, corresponds to a column in a TCA registry table, and the attribute value is the value that is stored in the column. For example, party name is an attribute and the actual values of party names are stored in a column in the HZ_PARTIES table.

asset An object of value owned by a corporation or business. Assets are entered in Oracle Projects as non–labor resources. See *non–labor resource.* See *fixed asset.*

AutoAccounting In Oracle Projects, a feature that automatically determines the account coding for an accounting transaction based on the project, task, employee, and expenditure information.

AutoAccounting In Oracle Receivables, a feature that lets you determine how the Accounting Flexfields for your revenue, receivable, freight, tax, unbilled receivable and unearned revenue account types are created.

AutoAccounting function A group of related AutoAccounting transactions. There is at least one AutoAccounting function for each Oracle Projects process that uses AutoAccounting. AutoAccounting functions are predefined by Oracle Projects.

AutoAccounting Lookup Set An implementation–defined list of intermediate values and corresponding Accounting Flexfield segment values. AutoAccounting lookup sets are used to translate intermediate values such as organization names into account codes.

AutoAccounting parameter A variable that is passed into AutoAccounting. AutoAccounting parameters are used by AutoAccounting to determine account codings. Example AutoAccounting parameters available for an expenditure item are the expenditure type and project organization. AutoAccounting parameters are predefined by Oracle Projects.

AutoAccounting Rule An implementation–defined formula for deriving Accounting Flexfield segment values. AutoAccounting rules may use a combination of AutoAccounting parameters, AutoAccounting lookup sets, SQL statements, and constants to determine segment values.

AutoAccounting Transaction A repository of the account coding rules needed to create one accounting transaction. For each accounting transaction created by Oracle Projects, the necessary AutoAccounting rules are held in a corresponding AutoAccounting Transaction. AutoAccounting transactions are predefined by Oracle Projects.

autoallocation set A group of allocation rules that you can run in sequence that you specify (step–down allocations) or at the same time (parallel allocations). See also *step–down allocation*, *parallel allocation*.

AutoInvoice A program that imports invoices, credit memos, and on–account credits from other systems to Oracle Receivables.

automatic event An event with an event type classification of Automatic. Billing extensions create automatic events to account for the revenue and invoice amounts calculated by the billing extensions.

AutoReduction An Oracle Applications feature in the list window that allows you to shorten a list so that you must scan only a subset of values before choosing a final value. Just as AutoReduction incrementally reduces a list of values as you enter additional character(s), pressing [Backspace] incrementally expands a list.

AutoSelection A feature in the list window that allows you to choose a valid value from the list with a single keystroke. When you display the list window, you can type the first character of the choice you want in the window. If only one choice begins with the character you enter, AutoSelection selects the choice, closes the list window, and enters the value in the appropriate field.

AutoSkip A feature specific to flexfields where Oracle Applications automatically moves your cursor to the next segment as soon as you enter a valid value into a current flexfield segment. You can turn this feature on or off with the user profile option Flexfields:AutoSkip.

balancing segment An Accounting Flexfield segment that you define so that General Ledger automatically balances all journal entries for each value of this segment. For example, if your company segment is a balancing segment, General Ledger ensures that, within every journal entry, the total debits to company 01 equal the total credits to company 01

baseline To approve a budget for use in reporting and accounting.

baseline budget The authorized budget for a project or task which is used for performance reporting and revenue calculation.

basis method How an allocation rule is used to allocate the amounts from a source pool to target projects. The basis methods include options to spread the amounts evenly, allocate by percentage, or prorate amounts based on criteria you specify. Also referred to as the ”basis.” See also *source pool*.

batch source A source you define in Oracle Receivables to identify where your invoicing activity originates. The batch source also controls invoice defaults and invoice numbering. Also known as a **transaction batch source**.

bill rate A rate per unit at which an item accrues revenue and/or is invoiced for time and material projects. Employees, jobs, expenditure types, and non–labor resources can have bill rates.

bill rate schedule A set of standard bill rates that maintains the rates and percentage markups over cost that you charge clients for your labor and non–labor expenditures.

bill site The customer address to which project invoices are sent.

bill through date The date through which you want to invoice a project. Oracle Projects picks up revenue distributed expenditure items having an expenditure item date on or before this date, and events having a completion date on or before this date, when generating an invoice.

billing The functions of revenue accrual and invoicing.

billing cycle The billing period for a project. Examples of billing cycles you can define are: a set number of days, the same day each week or month, or the project completion date. You can optionally use a client extension to define a billing cycle.

billing title See *Employee Billing Title*, *Job Billing Title.*

block Every Oracle Applications window (except root and modal windows) consists of one or more blocks. A block contains information pertaining to a specific business entity Generally, the first or only block in a window assumes the name of the window. Otherwise, a block name appears across the top of the block with a horizontal line marking the beginning of the block.

borrowed and lent A method of processing cross charge transactions that generates accounting entries to pass cost or share revenue between the provider and receiver organizations within a legal entity. See also: Intercompany Billing.

boundary code The end point for a time interval. Available options include period, year, and project. Used to define budgetary controls for a project.

budget Estimated cost, revenue, labor hours or other quantities for a project or task. Each budget may optionally be categorized by resource. Different budget types may be set up to classify budgets for different purposes. In addition, different versions can exist for each user–defined budget type: current, original, revised original, and historical versions. The current version of a budget is the most recently baseline version. See also *budget line*, *resource*.

budgetary controls Control settings that enable the system to monitor and control project–related commitment transactions.

budget line Estimated cost, revenue, labor hours, or other quantity for a project or task categorized by a resource.

burden cost code An implementation–defined classification of overhead costs. A burden cost code represents the type of burden cost you want to apply to raw cost. For example, you can define a burden cost code of G&A to burden specific types of raw costs with General and Administrative overhead costs.

burden costs Burden costs are legitimate costs of doing business that support raw costs and cannot be directly attributed to work performed. Examples of burden costs are fringe benefits, office space, and general and administrative costs.

burden multiplier A numeric multiplier associated with an organization for burden schedule revisions, or with burden cost codes for projects or tasks. This multiplier is applied to raw cost to calculate burden cost amounts. For example, you can assign a multiplier of 95% to the burden cost code of Overhead.

burden schedule An implementation–defined set of burden multipliers that is maintained for use across projects. Also referred to as a *standard burden schedule*. You may define one or more schedules for different purposes of costing, revenue accrual, and invoicing. Oracle Projects applies the burden multipliers to the raw cost amount of an expenditure item to derive an amount; this amount may be the total cost, revenue amount, or bill amount. You can override burden schedules by entering negotiated rates at the project and task level. See also *Firm Schedule, Provisional Schedule, Burden Schedule Revision, Burden Schedule Override.*

burden schedule override A schedule of negotiated burden multipliers for projects and tasks that overrides the schedule you defined during implementation.

burden schedule revision A revision of a set of burden multipliers. A schedule can be made of many revisions.

burden structure A burden structure determines how cost bases are grouped and what types of burden costs are applied to the cost bases. A burden structure defines relationships between cost bases and burden cost codes and between cost bases and expenditure types.

burdened cost The cost of an expenditure item, including raw cost and burden costs.

business entity A person, place, or thing that is tracked by your business. For example, a business entity can be an account, a customer, or a part.

business group The highest level of organization and the largest grouping of employees across which a company can report. A business group can correspond to an entire company, or to a specific division within the company. Each installation of Oracle Projects uses one business group with one hierarchy.

button You choose a button to initiate a predefined action. Buttons do not store values. A button is usually labeled with text to describe its action or it can be an icon whose image illustrates its action.

capital project A project in which you build one or more depreciable fixed assets.

chart of accounts The account structure your organization uses to record transactions and maintain account balances.

chart of accounts structure See: *Accounting Flexfield Structure: page Glossary – 1*.

check box You can indicate an on / off or yes / no state for a value by checking or unchecking its check box. One or more check boxes can be checked since each check box is independent of other check boxes.

child request A concurrent request submitted by another concurrent request (a parent request.) For example, each of the reports and / or programs in a report set are child requests of that report set.

CIP assets See: *construction–in–process assets.*

chargeable project For each expenditure, a project to which the expenditure can be charged or transferred.

claim A discrepancy between the billed amount and the paid amount. Claims are often referred to as deductions, but a claim can be positive or negative.

class category An implementation–defined category for classifying projects. For example, if you want to know the market sector to which a project belongs, you can define a class category with a name such as *Market Sector.* Each class category has a set of values (class codes) that can be chosen for a project. See *class code.*

class code An implementation–defined value within a class category that can be used to classify a project. See *class category.*

clearing account An account used to ensure that both sides of an accounting transaction are recorded. For example, Oracle General Ledger uses clearing accounts to balance intercompany transactions. When you purchase an asset, your payables group creates a journal entry to the asset clearing account. When your fixed assets group records the asset, they create an offset journal entry to the asset clearing account to balance the entry from the payables group.

combination block A combination block displays the fields of a record in both multi–record (summary) and single–record (detail) formats. Each format appears in its own separate window that you can easily navigate between.

combination query See *Existing Combinations.*

comment alias A user–defined name for a frequently used line of comment text, which can be used to facilitate online entry of timecards and expense reports.

commitment transactions Anticipated project costs. Examples include purchase requisitions and purchase orders, provisional and confirmed contract commitments, and supplier invoices.

complete matching A condition where the invoice quantity matches the quantity originally ordered, and you approve the entire quantity. See also *matching, partial matching.*

construction–in–process (CIP) asset A depreciable fixed asset you plan to build during a capital project. The costs associated with building CIP assets are referred to as CIP costs. See also *capital project*. You construct CIP assets over a period of time rather than buying a finished asset**.** Oracle Assets lets you create, maintain, and add to your CIP assets as you spend money for material and labor to construct them. When you finish the assets and place them in service (capitalize them), Oracle Assets begins depreciating them.

concurrent manager A unique facility that manages many time–consuming, non–interactive tasks within Oracle Applications. When you submit a request that does not require your interaction, such as releasing shipments or running a report, the Concurrent Manager does the work for you, letting you complete multiple tasks simultaneously.

concurrent process A non–interactive task that you request Oracle Applications to complete. Each time you submit a non–interactive task, you create a new concurrent process. A concurrent process runs simultaneously with other concurrent processes (and other interactive activities on your computer) to help you complete multiple tasks at once.

concurrent queue A list of concurrent requests awaiting completion by a concurrent manager. Each concurrent manager has a queue of requests waiting to be run. If your system administrator sets up your Oracle Application to have simultaneous queuing, your request can wait to run in more than one queue.

concurrent request A request to Oracle Applications to complete a non–interactive task for you, such as releasing a shipment, posting a journal entry, or running a report. Once you submit a request, Oracle Applications automatically completes your request.

contact In Oracle Projects, a customer representative who is involved with a project. For example, a contact can be a billing contact, the customer representative who receives project invoices.

contact point A means of contacting a party other than postal mail, for example, a phone number, e–mail address, fax number, and so on.

contact type An implementation–defined classification of project contacts according to their role in the project. Typical contact types are Billing and Shipping.

context field prompt A question or prompt to which a user enters a response, called a context field value. When Oracle Applications displays a descriptive flexfield pop–up window, it displays your context field prompt after it displays any global segments you have defined. Each descriptive flexfield can have up to one context prompt.

context field value A response to your context field prompt. Your response is composed of a series of characters and a description. The response and description together provide a unique value for your context prompt, such as 1500, Journal Batch ID, or 2000, Budget Formula Batch ID. The context field value determines which additional descriptive flexfield segments appear.

context response See *context field value*.

context segment value A response to your context–sensitive segment. The response is composed of a series of characters and a description. The response and description together provide a unique value for your context–sensitive segment, such as Redwood Shores, Oracle Corporation Headquarters, or Minneapolis, Merrill Aviation's Hub.

context–sensitive segment A descriptive flexfield segment that appears in a second pop–up window when you enter a response to your context field prompt. For each context response, you can define multiple context segments, and you control the sequence of the context segments in the second pop–up window. Each context–sensitive segment typically prompts you for one item of information related to your context response.

contract project A project for which you can generate revenue and invoices. Typical contract project types include Time and Materials and Fixed Price. Formerly known as a **direct project**.

control level The level of control to impose on project transactions during a funds check. Available options are absolute, advisory, and none. Used to define budgetary controls for a project.

controlled budget A budget for which budgetary controls have been enabled.

conversion A process that converts foreign currency transactions to your functional currency. See also *foreign currency conversion*.

corporate exchange rate An exchange rate you can optionally use to perform foreign currency conversion. The corporate exchange rate is usually a standard market rate determined by senior financial management for use throughout the organization. You define this rate in Oracle General Ledger.

cost base A cost base refers to the grouping of raw costs to which burden costs are applied. Examples of cost bases are Labor and Materials.

cost budget The estimated cost amounts at completion of a project. Cost budget amounts can be summary or detail, and can be burdened or unburdened.

cost burden schedule A burden schedule used for costing to derive the total cost amount. You assign the cost burden schedule to a project type that is burdened; this default cost burden schedule defaults to projects that use the project type; and then from the project to the tasks below the project. You may override the cost burden schedule for a project or a task if you have defined the project type option to allow overrides of the cost burden schedule.

cost distribution The act of calculating the cost and determining the cost accounting for an expenditure item.

cost rate The monetary cost per unit of an employee, expenditure type, or resource.

cost–to–cost A revenue accrual method that calculates project revenue as budgeted revenue multiplied by the ratio of actual cost to budgeted cost. Also known as **percentage of completion method or percentage spent method**.

credit memo In Oracle Payables and Oracle Projects, a document that partially or fully reverses an original invoice.

In Oracle Receivables, a document that partially or fully reverses an original invoice. You can create credit memos in the Receivables Credit Transactions window or with AutoInvoice.

cross charge To charge a resource to a project owned by a different operating unit.

credit receiver A person receiving credit for project or task revenue. One project or task may have many credit receivers for one or many credit types.

credit type An implementation–defined classification of the credit received by a person for revenue a project earns. Typical credit types include Quota Credit and Marketing Credit.

Cross–Project responsibility A responsibility that permits users to view and update any project.

cross charge transaction An expenditure item whose provider operating unit is different from the receiver operating unit, the provider organization is different from the receiver organization, or both.

cross charge project A project that can receive transactions from an operating unit or organization that is different from the operating unit or organization that owns the project.

cross charge type One of the three types of cross charge transactions: intercompany, inter–operating unit, and intra–operating unit.

cross–project user A user who is logged into Oracle Projects using a Cross–Project responsibility.

current budget The most recently baseline budget version of the budget.

current record indicator Multi–record blocks often display a current record indicator to the left of each record. A current record indicator is a one character field that when filled in, identifies a record as being currently selected.

customer agreement See *agreement*.

database table A basic data storage structure in a relational database management system. A table consists of one or more units of information (rows), each of which contains the same kind of values (columns). Your application's programs and windows access the information in the tables for you.

deferred revenue An event type classification that generates an invoice for the amount of the event, and has no immediate effect on revenue. The invoice amount is accounted for in an unearned revenue account that will be offset as the project accrues revenue.

denomination currency In some financial contexts, a term used to refer to the currency in which a transaction takes place. In this manual, this currency is called transaction currency. See: *transaction currency.*

depreciate To depreciate an asset is to spread its cost over the time you use it. You charge depreciation expense for the asset each period. The total depreciation taken for an asset is stored in the accumulated depreciation account.

Descriptive Flexfield A field that your organization can extend to capture extra information not otherwise tracked by Oracle Applications. A descriptive flexfield appears in your window as a single character, unnamed field. Your organization can customize this field to capture additional information unique to your business.

direct project An obsolete term. See *contract project*.

dimension An Oracle Financial Analyzer database object used to organize and index the data stored in a variable. Dimensions answer the following questions about data: "What?" "When?" and "Where?" For example, a variable called Units Sold might be associated with the dimensions Product, Month, and District. In this case, Units Sold describes the number of products sold during specific months within specific districts.

distribution line In Oracle Payables and Oracle Projects, a line corresponding to an accounting transaction for an expenditure item on an invoice, or a liability on a payment.

distribution line In Oracle Assets, information such as employee, general ledger depreciation expense account, and location to which you have assigned an asset. You can create any number of distribution lines for each asset. Oracle Assets uses distribution lines to allocate depreciation expense and to produce your Property Tax and Responsibility Reports.

distribution rule See *revenue distribution rule.*

draft budget A preliminary budget which may be changed without affecting revenue accrual on a project.

draft invoice A potential project invoice that is created, adjusted, and stored in Oracle Projects. Draft invoices require approval before they are officially accounted for in other Oracle Applications.

draft revenue A project revenue transaction that is created, adjusted, and stored in Oracle Projects. You can adjust draft revenue before you transfer it to other Oracle Applications.

drilldown A software feature that allows you to view the details of an item in the current window via a window in a different application.

dynamic insertion An optional Accounting Flexfields feature that allows you to create new account combinations during data entry in Oracle Applications. By enabling this feature, it prevents having to define every possible account combination that can exist. Define cross–validation rules when using this feature.

employee billing title An employee title, which differs from a job billing title, that may appear on an invoice. Each employee can have a unique employee billing title.

employee organization The organization to which an employee is assigned.

encumbrance A journal entry to reserve funds for anticipated project costs (commitments). The primary purpose for posting encumbrances is to avoid overspending a budget.

euro A single currency adopted by the member states of the European Union. The official abbreviation, EUR, is used for all commercial, business, and financial purposes, and has been registered with the International Standards Organization (ISO).

event In Oracle Projects, a summary level transaction assigned to a project or top task that records work completed and generates revenue and / or billing activity, but is not directly related to any expenditure items. For example, unlike labor costs or other billable expenses, a bonus your business receives for completing a project ahead of schedule is not attributable to any expenditure item, and would be entered as an event.

event type An implementation–defined classification of events that determines the revenue and invoice effect of an event. Typical event types include Milestones, Scheduled Payments, and Write–Offs.

exchange rate A rate that represents the amount one currency can be exchanged for another at a specific point in time. Oracle Applications can access daily, periodic, and historical rates. These rates are used for foreign currency conversion, revaluation, and translation.

exchange rate type The source of an exchange rate. For example, user defined, spot, or corporate rate. See also: corporate exchange: page Glossary – 9 rate, spot exchange rate: page Glossary – 32.

Existing Combinations A feature specific to key flexfields in data entry mode that allows you to enter query criteria in the flexfield to bring up a list of matching predefined combinations of segment values to select from.

expenditure A group of expenditure items incurred by an employee or an organization for an expenditure period. Typical expenditures include Timecards and Expense Reports.

expenditure (week) ending date The last day of an expenditure week period. All expenditure items associated with an expenditure must be on or before the expenditure ending date, and must fall within the expenditure week identified by the expenditure week ending date.

expenditure category An implementation–defined grouping of expenditure types by type of cost. For example, an expenditure category with a name such as *Labor* refers to the cost of labor.

expenditure comment Free text that can be entered for any expenditure item to explain or describe it in further detail.

expenditure cost rate The monetary cost per unit of a non–labor expenditure type.

expenditure cycle A weekly period for grouping and entering expenditures.

expenditure group A user–defined name used to track a group of pre–approved expenditures, such as Timecards, or Expense Reports.

expenditure item The smallest logical unit of expenditure you can charge to a project and task. For example, an expenditure item can be a timecard item or an expense report item.

expenditure item date The date on which work is performed and is charged to a project and task.

expenditure operating unit The operating unit in which an expenditure is entered and processed for project costing.

expenditure organization For timecards and expense reports, the organization to which the incurring employee is assigned, unless overridden by organization overrides. For usage, supplier invoices, and purchasing commitments, the incurring organization entered on the expenditure.

expenditure type An implementation–defined classification of cost that you assign to each expenditure item. Expenditure types are grouped into cost groups (expenditure categories) and revenue groups (revenue categories).

expenditure type class An additional classification for expenditure types that indicates how Oracle Projects processes the expenditure types. For example, if you run the Distribute Labor Costs process, Oracle Projects will calculate the cost of all expenditure items assigned to the Straight Time expenditure type class. Formerly known as **system linkage**.

expense report In Oracle Payables, a document that details expenses incurred by an employee for the purpose of reimbursement. You can enter expense reports online in Payables, or employees enter them online in Internet Expenses. You can then submit Expense Report Import to import these expense reports and expense reports from Projects. The import program creates invoices in Payables from the expense report data.

expense report In Oracle Projects, a document that, for purposes of reimbursement, details expenses incurred by an employee. You can set up expense report templates to match the format of your expense reports to speed data entry. You must create invoices from Payables expense reports using Expense Report Import before you can pay the expense reports.

Expense Report Import An Oracle Payables process you use to create invoices from Payables expense reports. You can also use Expense Report Import to create invoices from expense reports in Oracle Projects.

When you initiate Expense Report Import, Payables imports the expense report information and automatically creates invoices with invoice distribution lines from the information. Payables also produces a report for all expense reports it could not import.

external organization See *organization*.

feeder program A custom program you write to transfer your transaction information from an original system into Oracle Application interface tables. The type of feeder program you write depends on the environment from which you are importing data.

field A position on a window that you use to enter, view, update, or delete information. A field prompt describes each field by telling you what kind of information appears in the field, or alternatively, what kind of information you should enter in the field.

firm schedule A burden schedule of burden multipliers that will not change over time. This is compared to provisional schedules in which actual multipliers are mapped to provisional multipliers after an audit.

first bill offset days The number of days that elapse between a project start date and the date that the project's first invoice is issued.

fixed asset An item owned by your business and used for operations. Fixed assets generally have a life of more than one year, are acquired for use in the operation of the business, and are not intended for resale to customers. Assets differ from inventory items since you use them rather than sell them**.**

fixed date See *schedule fixed date*.

flat file A file where the data is unformatted for a specific application.

flexfield An Oracle Applications field made up of segments. Each segment has an assigned name and a set of valid values. Oracle Applications uses flexfields to capture information about your organization. There are two types of flexfields: key flexfields and descriptive flexfields.

flexfield segment One of the sections of your key flexfield, separated from the other sections by a symbol that you define (such as –, /, or \). Each segment typically represents an element of your business, such as cost center, product, or account.

folder Customizable windows located throughout Oracle Applications. Folders allow you to: change the display of a window by resizing or reordering columns, hide or display columns, and change field names to best fit the needs of each user's working style.

foreign currency In Oracle Applications, a currency that is different from the functional currency you defined for your set of books in Oracle General Ledger. When you enter and pay a foreign currency invoice, Payables automatically converts the foreign currency into your functional currency at the rate you define. General Ledger automatically converts foreign currency journal entries into your functional currency at the rate you define. See also *exchange rate, functional currency.*

foreign currency conversion A process in Oracle Applications that converts a foreign currency transaction into your functional currency using and exchange rate you specify.

form A window that contains a logical collection of fields, regions, and blocks that appear on a single screen. You enter data into forms. See *window.*

full allocation An allocation method that distributes all the amounts in the specified projects in the specified amount class. The full allocation method is generally suitable if you want to process an allocation rule only once in a run period. See also *incremental allocation.*

function A PL/SQL stored procedure referenced by an Oracle Workflow function activity that can enforce business rules, perform automated tasks within an application, or retrieve application information. The stored procedure accepts standard arguments and returns a completion result. See also *function activity.*

function activity An automated Oracle Workflow unit of work that is defined by a PL/SQL stored procedure. See also *function.*

function security An Oracle Applications feature that lets you control user access to certain functions and windows. By default, access to functionality is *not* restricted; your system administrator customizes each responsibility at your site by including or excluding functions and menus in the Responsibilities window.

functional currency The principal currency you use to record transactions and maintain accounting data for your set of books. Also, in cross charge transactions, the currency, as defined in the set of books, associated with a project transaction. For example, the cost functional currency is the functional currency for both the project expenditure item and the set of books of the expenditure operating unit. The invoice functional currency is the functional currency for both the project revenue and the set of books of the project operating unit.

funds check The process that verifies a budget's available funds. When budgetary controls are enabled, a funds check is performed against the project budget for commitment transactions. When top–down budgeting is also enabled, a funds check is performed against the funding budget for the project budget lines.

GL Date The date, referenced from Oracle General Ledger, used to determine the correct accounting period for your transactions.

In Oracle Projects, the end date of the GL Period in which costs or revenue are transferred to Oracle General Ledger. This date is determined from the open or future GL Period on or after the Project Accounting Date of a cost distribution line or revenue. For invoices, the date within the GL Period on which an invoice is transferred to Oracle Receivables.

global segment prompt A non–context–sensitive descriptive flexfield segment. Each global segment typically prompts you for one item of information related to the zone or form in which you are working.

global segment value A response to your global segment prompt. Your response is composed of a series of characters and a description. The response and description together provide a unique value for your global segment, such as J. Smith, Financial Analyst, or 210, Building C.

hard limit An option for an agreement that prevents revenue accrual and invoice generation beyond the amount allocated to a project or task by the agreement. If you do not impose a hard limit, Oracle Projects automatically imposes a soft limit of the same amount. See also *soft limit*.

incremental allocation An allocation method that creates expenditure items based on the difference between the transactions processed from one allocation to the next. This method is generally suitable if you want to use an allocation rule in allocation runs several times in a given run period. See also *full allocation*.

indirect project A project used to collect and track costs for overhead activities, such as administrative labor, marketing, and bid and proposal preparation. You can also define indirect projects to track time off such as sick leave, vacation, and holidays. You cannot generate revenue or invoices for indirect projects.

inter–operating unit cross charge transaction An expenditure item for which the provider and receiver operating units are different, but both operating units are associated with the same legal entity.

intercompany billing A method of internally billing work performed by a provider operating unit and charged to a project owned by a receiver operating unit. The provider operating unit creates a Receivables invoice, which is interfaced as a Payables invoice to the receiver operating unit. See: *Borrowed and Len*t.

intercompany billing project A contract project set up in the provider operating unit to process intercompany billing. The provider operating unit must create one intercompany billing project for each receiver operating unit it wants to charge.

intercompany cross charge transaction An expenditure item that crosses legal entity boundaries, which means that the provider and receiver operating units are different and are associated with different legal entities.

intercompany invoice base amount The sum of the amounts in the provider's transfer price functional currency.

intercompany invoice currency The transaction currency of an intercompany invoice. You can specify the invoice currency attributes for each intercompany billing project to convert the intercompany invoice base amount to the intercompany invoice amount

intermediate value The parameter value, constant, or SQL statement result that is determined during the first step in the execution of an AutoAccounting rule.

internal billing Intercompany billing for work performed between two organizations or projects. The process creates the appropriate documents so the provider operating unit can bill the receiver operating unit.

internal organization See *organization*.

internal requisition See *internal sales order, purchase requisition*.

internal sales order A request within your company for goods or services. An internal sales order originates from an employee or from another process as a requisition, such as inventory or manufacturing, and becomes an internal sales order when the information is transferred from Purchasing to Order Management. Also known as **internal requisition** or **purchase requisition.**

intra–operating unit cross charge transaction An cross charge expenditure item charged entirely within an operating unit. The provider and receiver organizations are different, but the provider and receiver operating units are the same.

invoice In Oracle Receivables and Oracle Cash Management, a document that you create in Receivables that lists amounts owed for the purchases of goods or services. This document also lists any tax, freight charges, and payment terms.

invoice In Oracle Payables and Oracle Assets, a document you receive from a supplier that lists amounts owed to the supplier for purchased goods or services. In Payables, you create an invoice online using the information your supplier provides on the document, or you import an invoice from a supplier. Payments, inquiries, adjustments and any other transactions relating to a supplier's invoice are based upon the invoice information you enter.

invoice In Oracle Projects, a summarized list of charges, including payment terms, invoice item information, and other information that is sent to a customer for payment.

invoice burden schedule A burden schedule used for invoicing to derive the bill amount of an expenditure item. This schedule may be different from your revenue burden schedule, if you want to invoice at a different rate at which you want to accrue.

invoice currency The currency in which an Oracle Projects invoice is issued.

invoice date In Oracle Assets and Oracle Projects, the date that appears on a customer invoice. This date is used to calculate the invoice due date, according to the customer's payment terms.

In Oracle Receivables, the date an invoice is created. This is also the date that Receivables prints on each invoice. Receivables also uses this date to determine the payment due date based on the payment terms you specify on the invoice.

In Oracle Payables, the date you assign to an invoice you enter in Payables. Payables uses this date to calculate the invoice due date, according to the payment terms for the invoice. The invoice date can be the date the invoice was entered or it can be a different date you specify.

invoice distribution line A line representing an expenditure item on an invoice. A single expenditure item may have multiple distribution lines for cost and revenue. An invoice distribution line holds an amount, account code, and accounting date.

invoice format The columns, text, and layout of invoice lines on an invoice.

invoice item A single line of a project's draft invoice, formatted according to the project invoice formats.

invoice set For each given run of invoice generation for a project, if multiple agreements exist and multiple invoices are created, Oracle Projects creates the invoices within a unique set ID. You approve, release, and cancel all invoices within an invoice set.

invoice transaction type An Oracle Receivables transaction type that is assigned to invoices and credit memos that are created from Oracle Projects draft invoices.

invoice write–off A transaction that reduces the amount outstanding on an invoice by a given amount and credits a bad debt account.

invoicing The function of preparing a client invoice. Invoice generation refers to the function of creating the invoice. Invoicing is broader in the terms of creating, adjusting, and approving an invoice.

item type A term used by Oracle Workflow to refer to a grouping of all items of a particular category that share the same set of item attributes, used as a high level grouping for processes. For example, each Account Generator item type (e.g. FA Account Generator) contains a group of processes for determining how an Accounting Flexfield code combination is created. See also *item type attribute*.

item type attribute A feature of a particular Oracle Workflow item type, also known as an item attribute. An item type attribute is defined as a variable whose value can be looked up and set by the application that maintains the item. An item type attribute and its value is available to all activities in a process.

Item Validation Organization The organization that contains your master list of items. You must define all items and bills in your Item Validation Organization, but you also need to maintain your items and bills in separate organizations if you want to ship them from other warehouses. Oracle Order Management refers to organizations as warehouses on all Order Management forms and reports. See also *organization*.

job A name for a set of duties to which an employee may be assigned. You create jobs in Oracle Projects by combining a job level and a job discipline using your job key flexfield structure. For example, you can combine the job level *Staff* with the job discipline *Engineer* to create the job *Staff Engineer.*

job billing title A job billing title, which differs from a job title, that may appear on an invoice.

job discipline A categorization of job vocation, used with Job Level to create a job title. For example, a job discipline may be Engineer, or Consultant.

job level A categorization of job rank, used with Job Discipline to create a job title. For example, a job level may be Staff, or Principal.

job title In Oracle Projects, a unique combination of job level and job discipline that identifies a particular job.

job title In Oracle Receivables, a brief description of your customer contact's role within their organization.

journal entry batch A method used to group journal entries according to your set of books and accounting period. When you initiate the transfer of invoice or payment accounting entries to your general ledger for posting, Payables transfers the necessary information to create journal entry batches for the information you transfer. Journal Import in General Ledger uses the information to create a journal entry batch for each set of books and accounting period.

You can name your journal entry batches the way you want for easy identification in your general ledger. General Ledger attaches the journal entry category, date, and time of transfer to your batch name so that each name is unique. If you choose not to enter your own batch name when you transfer posting information, General Ledger uses the journal entry category, date, and time of transfer.

journal entry category A category to indicate the purpose or nature of a journal entry, such as Adjustment or Addition. Oracle General Ledger associates each of your journal entry headers with a journal category. You can use one of General Ledger's pre–defined journal categories or define your own.

For Oracle Payables, there are three journal entry categories in Oracle Projects if you use the accrual basis accounting method: Invoices, Payments, and All (both Invoices and Payments). If you use the cash basis accounting method, Oracle Projects only assigns the Payment journal entry category to your journal entries.

journal entry header A method used to group journal entries by currency and journal entry category within a journal entry batch. When you initiate the transfer of invoices or payments to your general ledger for posting, Oracle Payables transfers the necessary information to create journal entry headers for the information you transfer. Journal Import in General Ledger uses the information to create a journal entry header for each currency and journal entry category in a journal entry batch. A journal entry batch can have multiple journal entry headers.

journal entry lines Each journal entry header contains one or more journal entry lines. The lines are the actual journal entries that your general ledger posts to update account balances. The number and type of lines in a journal entry header depend on the volume of transactions, frequency of transfer from Oracle Payables, and your method of summarizing journal entries from Oracle Payables.

journal entry source Identifies the origin of journal entries from Oracle and non–Oracle feeder systems. General Ledger supplies predefined journal sources or you can create your own.

Journal Import A General Ledger program that creates journal entries from transaction data stored in the General Ledger GL_INTERFACE table. Journal entries are created and stored in GL_JE_BATCHES, GL_JE_HEADERS, and GL_JE_LINES.

key flexfield An intelligent key that uniquely identifies an application entity. Each key flexfield segment has a name you assign, and a set of valid values you specify. Each value has a meaning you also specify. You use this Oracle Applications feature to build custom fields used for entering and displaying information relating to your business. The following application uses the listed Key Flexfields:

Oracle Projects – Accounting, Category Flexfield, Location, Asset Key.

key flexfield segment One of up to 30 different sections of your key flexfield. You separate segments from each other by a symbol you choose (such as –, / or \.). Each segment can be up to 25 characters long. Each key flexfield segment typically captures one element of your business or operations structure, such as company, division, region, or product for the Accounting Flexfield and item, version number, or color code for the Item Flexfield.

key flexfield segment value A series of characters and a description that provide a unique value for this element, such as 0100, Eastern region, or V20, Version 2.0.

key member An employee who is assigned a role on a project. A project key member can view and update project information and expenditure details for any project to which they are assigned. Typical key member types include Project Manager and Project Coordinator.

labor cost The cost of labor expenditure items.

labor cost multiplier A multiplier that is assigned to an indirect project task and applied to labor costs to determine the premium cost for overtime or other factors.

labor cost rate The hourly raw cost rate for an employee. This cost rate does not include overhead or premium costs.

labor costing rule An implementation–defined name for an employee costing method. Also known as pay type. Typical labor costing rules include *Hourly* and *Exempt*.

labor invoice burden schedule A burden schedule used to derive invoice amounts for labor items.

labor multiplier A multiplier that is assigned to a project or task, and is used to calculate the revenue and/or bill amount for labor items by applying the multiplier to the raw cost of the labor items.

labor revenue burden schedule A burden schedule used to derive revenue amounts for labor items.

legal entity An organization that represents a legal company for which you prepare fiscal or tax reports. You assign tax identifiers and other relevant information to this entity.

lifecycle A collection of sequential project phases.

liquidation The process of relieving an encumbrance.

listing An organized display of Oracle Applications information, similar to a report, but usually showing setup data as opposed to transaction data.

lookup code The internal name of a value defined in an Oracle Workflow lookup type. See also *lookup type*.

lookup type An Oracle Workflow predefined list of values. Each value in a lookup type has an internal and a display name. See also *lookup code*.

lowest task A task that has no child tasks.

Mass Additions In Oracle Assets, a feature that allows you to copy asset information from another system, such as Oracle Payables. Create Mass Additions for Oracle Assets creates mass addition lines for potential assets. You can review these mass addition lines in the Prepare Mass Additions window, and actually create an asset from the mass addition line by posting it to Oracle Assets.

Mass Additions In Oracle Payables, invoice distribution lines that you transfer to Oracle Assets for creating assets. Oracle Payables only creates mass additions for invoice distribution lines that are marked for asset tracking. Invoice distribution lines distributed to Asset Accounting Flexfields are automatically marked for asset tracking.

Oracle Assets does not convert the mass additions to assets until you complete all of the required information about the asset and post it in Oracle Assets.

master–detail relationship A master–detail relationship is an association between two blocks—a master block and its detail block. When two blocks are linked by a master–detail relationship, the detail block displays only those records that are associated with the current (master) record in the master block, and querying between the two blocks is always coordinated. Master and detail blocks can often appear in the same window or they can each appear in separate windows.

match rule A set of rules that determines which records are matches for an input record. A match rule consists of an acquisition portion to determine potential matches, a scoring portion to score the potential matches, and thresholds that the scores are compared against to determine actual matches.

matching In Oracle Cash Management, the process where batches or detailed transactions are associated with a statement line based on the transaction number, amount, currency and other variables, taking Cash Management system parameters into consideration. In Cash Management, matching can be done manually or automatically.

matching In Oracle Payables and Oracle Assets, the process of comparing purchase order, invoice, and receiving information to verify that ordering, billing, and receiving information is consistent within accepted tolerance levels. Payables uses matching to control payments to suppliers. You can use the matching feature in Payables if you have Purchasing or another purchasing system. Payables supports two–, three–, and four–way matching.

message line A line on the bottom of a window that displays helpful hints or warning messages when you encounter an error.

mid task A task that is not a top task or a lowest task.

multi–org See *multiple organizations.*

multiple organizations The ability to define multiple organizations and the relationships among them within a single installation of Oracle Applications. These organizations can be sets of books, business groups, legal entities, operating units, or inventory organizations.

Multiple Reporting Currencies A unique set of features embedded in Oracle Applications that allows you to maintain and report accounting records at the transaction level in more than one functional currency.

node An instance of an activity in an Oracle Workflow process diagram as shown in the Process window of Oracle Workflow Builder. See also *process.*

non–invoice related claim A claim that is due to a discrepancy between the billed amount and the paid amount, and cannot be identified with a particular transaction.

non–labor invoice burden schedule A burden schedule used to derive invoice amounts for non–labor items.

non–labor resource An implementation–defined asset or pool of assets. For example, you can define a non–labor resource with a name such as *PC* to represent multiple personal computers your business owns.

non–labor revenue burden schedule A burden schedule used to derive revenue amounts for non–labor items.

non–project budget A budget defined outside Oracle Projects. Examples include organization–level budgets defined in Oracle General Ledger, and budgets defined in Oracle Contract Commitments.

non–revenue sales credit Sales credit you assign to your salespeople that is not associated with your invoice lines. This is sales credit given in excess of your revenue sales credit. See also *revenue sales credit*.

offsets Reversing transactions used to balance allocation transactions with the source or other project.

one time billing hold A type of hold that places expenditure items and events on billing hold for a particular invoice; when you release that invoice, the items are billed on the next invoice.

operating unit An organization that partitions data for subledger products (AP, AR, PA, PO, OE). It is roughly equivalent to a single pre–Multi–Org installation.

operator A mathematical symbol you use to indicate the mathematical operation in your calculation.

option group An option group is a set of option buttons. You can choose only one option button in an option group at a time, and the option group takes on that button's value after you choose it. An option button or option group is also referred to as a radio button or radio group, respectively.

organization A business unit such as a company, division, or department. Organization can refer to a complete company, or to divisions within a company. Typically, you define an organization or a similar term as part of your account when you implement Oracle Financials. See also *business group*.

Internal organizations are divisions, groups, cost centers or other organizational units in a company. External organizations can include the contractors your company employs. Organizations can be used to demonstrate ownership or management of functions such as projects and tasks, non–labor resources, and bill rate schedules. See also *Item Validation Organization*.

organization hierarchy An organizational hierarchy illustrates the relationships between your organizations. A hierarchy determines which organizations are subordinate to other organizations. The topmost organization of an organization hierarchy is generally the business group.

organization structure See *organization hierarchy.*

original budget The budget amounts for a project at the first successful baseline of the project.

Overtime Calculation Program A program that Oracle Projects provides to determine which kind of overtime to award an employee based on the employee's labor costing rule and hours worked. If your company uses this automatic overtime calculation feature, you may need to modify the program based on the overtime requirements of your business.

overtime cost The currency amount over straight time cost that an employee is paid for overtime hours worked. Also referred to as Premium Cost.

PA Date The end date of the PA Period in which costs are distributed, revenue is created, or an invoice is generated. This date is determined from the open or future PA Period on or after the latest date of expenditure item dates and event completion dates included in a cost distribution line, revenue, or an invoice.

PA Period See *Project Accounting Period.*

PA Period Type The Period Type as specified in the PA implementation options for Oracle Projects to copy project accounting periods. Oracle Projects uses the periods in the PA Period Type to populate each Operating Unit's PA periods. PA periods are mapped to GL periods which are used when generating accounting transactions. PA periods drive the project summary for Project Status Inquiry. You define your accounting periods in the Operating Unit's Set of Books Calendar.

parallel allocation A set of allocation rules that carries out the rules in an autoallocation set without regard to the outcome of the other rules in the set. See also *autoallocation set, step–down allocation.*

parameter (report) See *report parameter.*

partial matching A condition where the invoice quantity is less than the quantity originally ordered, in which case you are matching only part of a purchase order shipment line. See also *matching, complete matching.*

parent request A concurrent request that submits other concurrent requests (child requests). For example, a report set is a parent request that submits reports and / or programs (child requests).

pay type See *labor costing rule.*

phase A collection of logically related project activities, usually culminating in the completion of a major deliverable.

pop–up window An additional window that appears on an Oracle Applications form when your cursor enters a particular field.

poplist A poplist, when selected by your mouse, lets you choose a single value from a predefined list.

posting The process of updating account balances in Oracle General Ledger from journal entries. Payables uses the term posting to describe the process of transferring accounting entries to General Ledger. Payables transfers your invoice and payment accounting entries and sets the status of the payments and invoices to posted. You must then complete the process by creating and posting the journal entries in General Ledger. Note that Oracle Applications sometimes use the term posting to describe the process of transferring posting information to your general ledger. See also *Journal Import.*

premium cost See *overtime cost.*

prepayment A payment you make to a supplier in anticipation of his provision of goods or services. A prepayment may also be an advance you pay to an employee for anticipated expenses.

In Payables a prepayment is a type of invoice that you can apply to an outstanding invoice or employee expense report to reduce the amount of the invoice or expense report. You must validate the prepayment and fully pay the prepayment before you can apply the prepayment.

primary set of books The set of books you use to manage your business. You can choose accrual or cash basis as the accounting method for your primary set of books.

process A set of Oracle Workflow activities that need to be performed to accomplish a business goal. See also *Account Generator, process activity, process definition*.

process activity An Oracle Workflow process modelled as an activity so that it can be referenced by other processes; also known as a subprocess. See also *process*.

process cycle The planned schedule for batch processing of costs, revenue, and invoices, according to your company's scheduling requirements. See *streamline request*.

process definition An Oracle Workflow process as defined in the Oracle Workflow Builder. See also *process*.

process responsibility type An implementation–defined name to which a group of reports and processes are assigned. This group of reports and processes is then assigned to an Oracle Projects responsibility. A process responsibility type gives a user access to Oracle Projects reports and programs appropriate to that user's job. For example, the process responsibility type Data Entry could be a set of reports used by data entry clerks. See *responsibility*.

product lifecycle management A process for guiding products from their birth through their completion. The lifecycle management process adds business value to an enterprise by using product information to support planning, monitoring, and execution of vital activities.

profile option A set of options that control access to certain features throughout Oracle Applications and determines how data is processed. Generally, profile options can be set at the Site, Application, Responsibility, and User levels. For more information, see the user guide for your specific Oracle Application.

project A unit of work that can be broken down into one or more tasks. A project is the unit of work for which you specify revenue and billing methods, invoice formats, a managing organization and project manager, and bill rate schedules. You can charge costs to a project, and you can generate and maintain revenue, invoice, unbilled receivable, and unearned revenue information for a project.

Project Accounting Period An implementation–defined period against which project performance may be measured. Also referred to as *PA Periods*. You define project accounting periods to track project accounting data on a periodic basis by assigning a start date, end date, and closing status to each period. Typically, you define project accounting periods on a weekly basis, and your general ledger periods on a monthly basis.

Project Burdening Organization Hierarchy The organization hierarchy version that Oracle Projects uses to compile burden schedules. Each business group must designate one and only one version of an organization hierarchy as its Project Burdening Organization Hierarchy. (Note: In Oracle Projects Implementation Options, each operating unit is associated with an organization hierarchy and version for project setup, invoice level processing, and project reporting. The Project Burdening Organization Hierarchy selected for the business group does not have to match the hierarchy version in the Implementation Options.).

project chargeable employees In a multiple organization installation, employees included as labor resource pool to a project. This includes all employees, as defined in Oracle Human Resources, who belong to the business group associated with the project operating unit.

project currency The currency in which project transactions are billed (unless overridden during the billing process). Also, the currency in which project amounts are summarized for project summary reporting.

project funding An allocation of revenue from an agreement to a project or task.

project operating unit The operating unit within which the project is created, and in which the project customer revenue and receivable invoices are processed.

project/task organization The Organization that owns the project or task. This can be any organization in the LOV (list of values) for the project setup. The Project / Task Organization LOV contains organizations of the Project / Task Organization Type in the Organization Hierarchy and Version below the Start Organization. You specify your Start Organization and Version in the Implementation Options window.

project role An implementation–defined classification of the relationship that an employee has to a project. You use project roles to define an employee's level of access to project information.

project status An implementation–defined classification of the status of a project. Typical project statuses are Active and Closed.

project template A standard project you create for use in creating other projects. You set up project templates that have features common in the projects you want to create.

project type A template defined for your implementation. The template consists of project attributes such as the project type class (contract, indirect, or capital), the default revenue distribution rule and bill rate schedules, and whether the project burdens costs. For example, you can define a project type with a name such as *Time and Materials* for all projects that are based on time and materials contracts.

project type class An additional classification for project types that indicates how to collect and track costs, quantities, and, in some cases, revenue and billing. Oracle Projects predefines three project type classes: *Indirect*, *Contract*, or *Capital*. For example, you use an Indirect project type to collect and track project costs for overhead activities, such as administrative and overhead work, marketing, and bid and proposal preparation.

Project/customer relationship An implementation–defined classification of the relationship between a project and a customer. Project / Customer Relationships help you manage projects that involve multiple clients by specifying the various relationships your customers can have with a project. Typical relationships include Primary or Non–Paying.

Project/Task Alias A user–defined short name for a project or project / task combination used to facilitate online timecard and expense report entry.

Project/Task Organization The Organization that owns the project or task.

protection level In Oracle Workflow, a numeric value ranging from 0 to 1000 that represents who the data is protected from for modification. When workflow data is defined, it can either be set to customizable (1000), meaning anyone can modify it, or it can be assigned a protection level that is equal to the access level of the user defining the data. In the latter case, only users operating at an access level equal to or lower than the data's protection level can modify the data. See also *Account Generator*.

provider operating unit The operating unit whose resources provide services to another project or organization. For cross charge transactions, the provider operating unit is the expenditure operating unit; the project operating unit owns the intercompany billing project.

provider organization For cross charge transactions, the organization that provides resources to another organization. The default is the expenditure organization or the non–labor resource organization, which can be overridden using the Provider and Receiver Organization Override client extension.

provider project The contract project that performs work on behalf of another (receiver) project.

provider transfer price functional currency The functional currency of the set of books for the *provider operating unit*.

provider transfer price functional currency amount The currency amount calculated by applying the transfer price currency conversion attributes (as specified by the implementation options for the provider operating unit) to the transfer price base currency amount.

provisional schedule A burden schedule of estimated burden multipliers that are later audited to determine the actual rates. You apply actual rates to provisional schedules by replacing the provisional multipliers with actual multipliers. Oracle Projects processes adjustments that account for the difference between the provisional and actual calculations.

purchase order (PO) In Oracle General Ledger and Oracle Projects, a document used to buy and request delivery of goods or services from a supplier.

purchase order (PO) In Oracle Assets, the order on which the purchasing department approved a purchase.

purchase order distribution Each purchase order shipment consists of one or more purchase order distributions. A purchase order distribution consists of the Accounting Flexfield information Payables uses to create invoice distributions.

purchase order line An order for a specific quantity of a particular item at a negotiated price. Each purchase order in Purchasing can consist of one or more purchase order lines.

purchase order requisition line Each purchase order line is created from one or more purchase order requisition lines. Purchasing creates purchase order requisition lines from individual requisitions.

purchase order shipment A scheduled delivery of goods or services from a purchase order line to a specified location. Each purchase order line can have one or more purchase order shipments.

Purchasing defines a purchase order shipment by a purchase order line location you enter in Purchasing. When you perform matching during invoice entry, you can match an invoice to one or more shipments.

purchase requisition An internal request for goods or services. A requisition can originate from an employee or from another process, such as inventory or manufacturing. Each requisition can include many lines, generally with a distinct item on each requisition line. Each requisition line includes at least a description of the item, the unit of measure, the quantity needed, the price per item, and the Accounting Flexfield you are charging for the item. Also known as **internal requisition**. See also *internal sales order*.

purchasing site A supplier site from which you order goods or services. You must enter at least one purchasing site before Purchasing will allow you to enter a purchase order.

query A search for applications information that you initiate using an Oracle Applications window.

raw costs Costs that are directly attributable to work performed. Examples of raw costs are salaries and travel expenses.

receipt currency The currency in which an expense report item originates.

record A record is one occurrence of data stored in all the fields of a block. A record is also referred to as a row or a transaction, since one record corresponds to one row of data in a database table or one database transaction.

receiver operating unit An operating unit whose projects receive services from another project or organization. For inter–project billing , the receiver operating unit is the project operating unit that owns the receiver project.

receiver organization The operating unit whose projects receive services from another project or organization. For cross charged transactions, the receiver operating unit is the project operating unit that owns

receiver project A project for which work is performed by another (provider) project. In inter–project billing, the receiver project incurs costs from a Payables invoice generated by the Receivables tieback process performed by the provider project.

receiver task A task in the receiver project to which costs are assigned on the Payables invoice.

region A collection of logically–related fields set apart from other fields by a dashed line that spans a block. Regions help to organize a block so that it is easier to understand. Regions in Release 11i and higher are defined by Tabs.

reimbursement currency The currency in which an employee chooses to be reimbursed for an expense report. See also *transaction currency*.

related transaction Additional transactions that are created for labor transactions using the Labor Transaction Extension. All related transactions are associated with a *source transaction* and are attached to the expenditure item ID of the source transaction. You can identify and process the related transactions by referring to the expenditure item ID of the source transaction. Using labor transaction extensions, you can create, identify, and process the related transactions along with the source transaction.

released date The date on which an invoice and its associated revenue is released.

remit to addresses The address to which your customers remit their payments.

report an organized display of information drawn from Oracle Applications that can be viewed online or printed. Most applications provide standard and customizable reports. Oracle General Ledger's Financial Statement Generator lets you build detailed financial reports and statements based on your business needs.

resource A user–defined group of employees, organizations, jobs, suppliers, expenditure categories, revenue categories, expenditure types, or event types for purposes of defining budgets or summarizing actuals.

report headings A descriptive section found at the top of each report detailing general information about the report such as set of books, date, etc.

report option See *report parameter*.

report parameter Submission options in Oracle Applications that allow you to enter date and account ranges. You can also sort, format, select, and summarize the information displayed in your reports. Most standard reports require you enter report parameters.

report security group A feature that helps your system administrator control your access to reports and programs. Your system administrator defines a report security group which consists of a group of reports and/or programs and assigns a report security group to each responsibility that has access to run reports using Standard Report Submission. When you submit reports using Standard Report Submission, you can only choose from those reports and programs in the report security group assigned to your responsibility.

report set A group of reports that you submit at the same time to run as one transaction. A report set allows you to submit the same set of reports regularly without having to specify each report individually. For example, you can define a report set that prints all of your regular month–end management reports.

responsibility A level of authority set up by your system administrator in Oracle Applications. A responsibility lets you access a specific set of windows, menus, set of books, reports, and data in an Oracle application. Several users can share the same responsibility, and a single user can have multiple responsibilities.

responsibility type See *process responsibility type*.

result code In Oracle Workflow, the internal name of a result value, as defined by the result type. See also *result type, result value.*

result type In Oracle Workflow, the name of the lookup type that contains an activity's possible result values. See also *result code, result value.*

result value In Oracle Workflow, the value returned by a completed activity, such as *Approved*. See also *result code, result type.*

revenue In Oracle Projects, the amounts recognized as income or expected billing to be received for work on a project.

revenue accrual The function of calculating and distributing revenue.

revenue authorization rule A configurable criterion that, if enabled, must be met before a project can accrue revenue. For example, an active mandatory revenue authorization rule states that a project manager must exist on a project before that project can accrue revenue. Revenue authorization rules are associated with revenue distribution rules. See also *revenue distribution rule.*

revenue budget The estimated revenue amounts at completion of a project. Revenue budget amounts can be summary or detail.

revenue burden schedule A burden schedule used for revenue accrual to derive the revenue amount for an expenditure item. This schedule may be different from your invoice burden schedule, if you want to accrue revenue at a different rate than you want to invoice.

revenue category An implementation–defined grouping of expenditure types by type of revenue. For example, a revenue category with a name such as *Labor* refers to labor revenue.

revenue credit Credit that an employee receives for project revenue. See *revenue sales credit*.

revenue distribution rule A specific combination of revenue accrual and invoicing methods that determine how Oracle Projects generates revenue and invoice amounts for a project. See *revenue authorization rule*.

revenue item A single line of a project's revenue, containing event or expenditure item revenue summarized by top task and revenue category or event.

revenue sales credit Sales credit you assign to your salespeople that is based on your invoice lines. The total percentage of all revenue sales credit must be equal to 100% of your invoice lines amount. Also known as **quota sales credits**. See also *non–revenue sales credit, sales credit*.

revenue write–off An event type classification that reduces revenue by the amount of the write–off. You cannot write–off an amount that exceeds the current unbilled receivables balance on a project. See also *invoice write–off*.

root window The root window displays the main menu bar and tool bar for every session of Oracle Applications. In Microsoft Windows, the root window is titled "Oracle Applications" and contains all the Oracle Applications windows you run. In the Motif environment, the root window is titled "Toolbar" because it displays just the toolbar and main menu bar.

row One occurrence of the information displayed in the fields of a block. A block may show only one row of information at a time, or it may display several rows of information at once, depending on its layout. The term "row" is synonymous with the term "record".

sales credit Credits that you assign to your salespeople when you enter orders, invoices, and commitments. Credits can be either quota or non–quota and can be used in determining commissions. See also *non–revenue sales credit, revenue sales credit*.

sales tax A tax collected by a tax authority on purchases of goods and services. The supplier of the good or service collects sales taxes from its customers (tax is usually included in the invoice amount) and remits them to a tax authority. Tax is usually charged as a percentage of the price of the good or service. The percentage rate usually varies by authority and sometimes by category of product. Sales taxes are expenses to the buyer of goods and services.

salesperson A person who is responsible for the sale of products or services. Salespeople are associated with orders, returns, invoices, commitments, and customers. You can also assign sales credits to your salespeople.

schedule fixed date The date used to freeze bill rate or burden schedules for a project or task. You enter a fixed date to specify that you want to use particular rates or multipliers as of that date. You do not use schedule fixed dates if you want to use the current effective rates or multipliers for a particular schedule.

scrollable region A region whose contents are not entirely visible in a window. A scrollable region contains a horizontal or vertical scroll bar so that you can scroll horizontally or vertically to view additional fields hidden in the region.

segment A single sub–field within a flexfield. You define the structure and meaning of individual segments when customizing a flexfield.

service type An implementation–defined classification of the type of work performed on a task.

set of books Defined in Oracle General Ledger, an organization or group of organizations that share a common chart of accounts, calendar, and currency. A set of books is associated with one or more responsibilities.

To use Multiple Reporting Currencies, you must create a primary set of books and separate reporting sets of books for each reporting currency.

soft limit The default option for an agreement that generates a warning when you accrue revenue or generate invoices beyond the amount allocated to a project or task by the agreement, but does not prevent you from running these processes. See also *hard limit*.

shorthand flexfield entry A quick way to enter key flexfield data using shorthand aliases (names) that represent valid flexfield combinations or patterns of valid segment values. Your organization can specify flexfields that will use shorthand flexfield entry and define shorthand aliases for these flexfields that represent complete or partial sets of key flexfield segment values.

shorthand window A single–segment customizable field that appears in a pop–up window when you enter a key flexfield. The shorthand flexfield pop–up window only appears if you enable shorthand entry for that particular key flexfield.

sign–on An Oracle Applications user name and password that allows you to gain access to Oracle Applications. Each sign–on is assigned one or more responsibilities.

source pool The combination of all the source amounts defined by an allocation rule. See also *allocation rule*.

source transaction For related transactions, the identifying source transaction from which the related items are created.

spot exchange rate A daily exchange rate you use to perform foreign currency conversions. The spot exchange rate is usually a quoted market rate that applies to the immediate delivery of one currency for another.

standard bill rate schedule currency The functional currency of the operating unit in which the standard bill rate schedule is maintained.

Standard Request Submission A standard interface in Oracle Applications in which you run and monitor your application's reports and other processes.

start organization An organization that defines a set which includes itself and all subordinate organizations in the organization hierarchy. When you choose a start organization as a report parameter, all organizations below the start organization are included in the report.

status line A status line appearing below the message line of a root window that displays status information about the current window or field. A status line can contain the following: **^** or **v** symbols indicate previous records before or additional records following the current record in the current block; **Enter Query** indicates that the current block is in Enter Query mode, so you can specify search criteria for a query; **Count** indicates how many records were retrieved or displayed by a query (this number increases with each new record you access but does not decrease when you return to a prior record); the **<Insert>** indicator or *lamp* informs you that the current window is in insert character mode; and the **<List>** lamp appears when a list of values is available for the current field.

step–down allocation In Oracle Projects, a set of allocation rules that carries out the rules (steps) an autoallocation set serially, in the sequence specified in the set. Usually the result of each step will be used in the next step. Oracle Workflow controls the flow of the autoallocations set. See also *autoallocation set***,** *parallel allocation***.**

straight time cost The monetary amount that an employee is paid for straight time (regular) hours worked.

streamline process See *streamline request*.

streamline request A process that runs multiple Oracle Projects processes in sequence. When using streamline processing, you can reschedule your streamline requests by setting rescheduling parameters. Rescheduling parameters allow you to configure your processes to run automatically, according to a defined schedule. When you reschedule a process, the concurrent manager submits another concurrent request with a status of *Pending*, and with a start date according to the parameters you define.

structure A structure is a specific combination of segments for a key flexfield. If you add or remove segments, or rearrange the order of segments in a key flexfield, you get a different structure.

subtask A hierarchical unit of work. Subtasks are any tasks that you create under a parent task. Child subtasks constitute the lowest level of your work breakdown structure; where Oracle Projects looks when processing task charges and for determining task revenue accrual amounts. See *task*.

summarization Processing a project's cost, revenue, commitment, and budget information to be displayed in the Project, Task, and Resource Project Status windows. You must distribute costs for any expenditure items, accrue and release any revenue, create any commitments, and baseline a budget for your project before you can view summary project amounts. Formerly known as **accumulation**.

supplier A business or individual that provides goods or services or both in return for payment.

supplier invoice An external supplier's invoice entered into Oracle Payables.

system linkage An obsolete term. See *expenditure type class.*

tablespace The area in which an Oracle database is divided to hold tables.

target A project, task, or both that receives allocation amounts, as specified by an allocation rule. See also *source pool*

task A subdivision of project work. Each project can have a set of top level tasks and a hierarchy of subtasks below each top level task. See also *Work Breakdown Structure, subtask.*

task organization The organization that is assigned to manage the work on a task.

task service type See *service type.*

tax authority A governmental entity that collects taxes on goods and services purchased by a customer from a supplier. In some countries, there are many authorities (e.g. state, local, and federal governments in the U.S.), while in others there may be only one. Each authority may charge a different tax rate. You can define a unique tax name for each tax authority. If you have only one tax authority, you can define a unique tax name for each tax rate that it charges. A governmental entity that collects taxes on goods and services purchased by a customer from a supplier. In some countries, there are many authorities (e.g. state, local and federal governments in the U.S.), while in others there may be only one. Each authority may charge a different tax rate. Within Oracle Receivables, tax authority consists of all components of your tax structure. For example: California. San Mateo. Redwood Shores for State. County. City. Oracle Receivables adds together the tax rates for all of these locations to determine a customer's total tax liability for an invoice.

tax codes Codes to which you assign sales tax or value–added tax rates, tax type, taxable basis, tax controls, and tax accounting. You can define a tax code for inclusive or exclusive tax calculation. Oracle Receivables lets you choose state codes as the tax code when you define sales tax rates for the United States. (Receivables Lookup)

Time and Materials (T&M) A revenue accrual and billing method that calculates revenue and billings as the sum of the amounts from each individual expenditure item. The expenditure item amounts are calculated by applying a rate or markup to each item.

time intervals The units that define how budget amounts are accumulated to determine the available funds for a transaction. Used to define budgetary controls for a project.

timecard A weekly submission of labor expenditure items. You can enter timecards online, or as part of a pre–approved batch.

toolbar The toolbar is a collection of iconic buttons that each perform a specific action when you choose it. Each toolbar button replicates a commonly–used menu item. Depending on the context of the current field or window, a toolbar button can be enabled or disabled. You can display a hint for an enabled toolbar button on the message line by holding your mouse steadily over the button. The toolbar generally appears below the main menu bar in the root window.

top task A task whose parent is the project.

transaction currency The currency in which a transaction originally takes place. For processing purposes, the reimbursement currency in an expense report is the transaction currency.

transfer price The price agreed upon by the provider and receiver organizations in a cross charged transaction.

transfer price base currency The transfer price basis determines the currency. For a basis of raw or burdened cost, the transfer price base currency is the transaction currency of the cross charged transaction. For a basis of revenue, the transfer price base currency is the functional currency of the set of books for the receiver operating unit. For a basis calculated using the bill rate schedule, the transfer price base currency is the standard bill rate schedule currency.

transferred date The date on which you transfer costs, revenue, and invoices to other Oracle Applications.

transformation function A seeded or user–defined rule that transforms and standardizes TCA attribute values into representations that can assist in the identification of potential matches.

transition In Oracle Workflow, the relationship that defines the completion of one activity and the activation of another activity within a process. In a process diagram, the arrow drawn between two activities represents a transition. See also *activity, Workflow Engine.*

unbilled receivables The amount of open receivables that have not yet been billed for a project. Oracle Projects calculates unbilled receivables using the following formula: *(Unbilled Receivables = Revenue Accrued – Amount Invoice)*

unearned revenue Revenue received and recorded as a liability or revenue before the revenue has been earned by providing goods or services to a customer. Oracle Projects calculates unearned revenue using the following formula: *(Unearned Revenue = Amount Invoiced – Revenue Accrued)*

unit of measure A classification created in Oracle General Ledger that you assign to transactions in General Ledger and subledger applications. Each unit of measure belongs to a unit of measure class.

For example, if you specify the unit of measure Miles when you define an expenditure type for personal car use, Oracle Projects calculates the cost of using a personal car by mileage. Or, in Oracle Payables, you define square feet as a unit of measure. When you enter invoices for office rent, you can track the square footage addition to the dollar amount of the invoice.

In Oracle Assets, a label for the production quantities for a units of production asset. The unit used to measure production amounts.

UOM See *unit of measure.*

usage See *non–labor resource.*

usage cost rate override The cost rate assigned to a particular non–labor resource and non–labor organization which overrides the rate assigned to its expenditure type.

usage logs Usage logs record the utilization of company assets on projects as the asset is used.

user profile A set of changeable options that affect the way your applications run. You can change the value of a user profile option at any time. See *profile option*.

value Data you enter in a parameter. A value can be a date, a name, or a code, depending on the parameter.

value set A group of values and related attributes you assign to an account segment or to a descriptive flexfield segment. Values in each value set have the same maximum length, validation type, alphanumeric option, and so on.

vendor See *supplier*.

window A box around a set of related information on your screen. Many windows can appear on your screen simultaneously and can overlap or appear adjacent to each other. Windows can also appear embedded in other windows. You can move a window to a different location on your screen.

window title A window title at the top of each window indicates the name of the window, and occasionally, context information pertinent to the content of the window. The context information, contained in parenthesis, can include the organization, set of books, or business group that the window contents is associated with.

WIP See *work in process*.

word replacement A word mapping that is used to create synonyms which are treated as equivalents for searching and matching.

work breakdown structure (WBS) The breakdown of project work into tasks. These tasks can be broken down further into subtasks, or hierarchical units of work.

work in process An item in various phases of production in a manufacturing plant. This includes raw material awaiting processing up to final assemblies ready to be received into inventory.

work site The customer site where project or task work is performed.

Workflow Engine The Oracle Workflow component that implements a workflow process definition. The Workflow Engine manages the state of all activities, automatically executes functions, maintains a history of completed activities, and detects error conditions and starts error processes. The Workflow Engine is implemented in server PL/SQL and activated when a call to an engine API is made. See also *Account Generator, activity, function, item type*.

write–off See *invoice write–off, revenue write–off*.

write–on An event type classification that causes revenue to accrue and generates an invoice for the amount of the write–on.

Zoom A forms feature that is obsolete in GUI versions of Oracle Applications.

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