# Oracle Financials Cloud

## Implementing Enterprise Structures and General Ledger

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Preface

This preface introduces information sources that can help you use the application.

Using Oracle Applications

Using Applications Help

Use help icons to access help in the application. If you don’t see any help icons on your page, click your user image or name in the global header and select Show Help Icons. Not all pages have help icons. You can also access Oracle Applications Help.

Watch: This video tutorial shows you how to find help and use help features.

You can also read Using Applications Help.

Additional Resources

- **Community:** Use Oracle Cloud Customer Connect to get information from experts at Oracle, the partner community, and other users.
- **Guides and Videos:** Go to the Oracle Help Center to find guides and videos.
- **Training:** Take courses on Oracle Cloud from Oracle University.

Conventions

The following table explains the text conventions used in this guide.

<table>
<thead>
<tr>
<th>Convention</th>
<th>Meaning</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>boldface</strong></td>
<td>Boldface type indicates user interface elements, navigation paths, or values you enter or select.</td>
</tr>
<tr>
<td><strong>monospace</strong></td>
<td>Monospace type indicates file, folder, and directory names, code examples, commands, and URLs.</td>
</tr>
<tr>
<td>&gt;</td>
<td>Greater than symbol separates elements in a navigation path.</td>
</tr>
</tbody>
</table>

Documentation Accessibility

For information about Oracle’s commitment to accessibility, visit the Oracle Accessibility Program website.

Videos included in this guide are provided as a media alternative for text-based help topics also available in this guide.
Contacting Oracle

Access to Oracle Support
Oracle customers that have purchased support have access to electronic support through My Oracle Support. For information, visit My Oracle Support or visit Accessible Oracle Support if you are hearing impaired.

Comments and Suggestions
Please give us feedback about Oracle Applications Help and guides! You can send an e-mail to: oracle_fusion_applications_help_ww_grp@oracle.com.
1 Enterprise Structures Introduction

Overview

Oracle Fusion Applications have been designed to ensure your enterprise can be modeled to meet legal and management objectives. The decisions about your implementation of Oracle Fusion Applications are affected by your:

- Industry
- Business unit requirements for autonomy
- Business and accounting policies
- Business functions performed by business units and optionally, centralized in shared service centers
- Locations of facilities

Every enterprise has three fundamental structures that describe its operations and provide a basis for reporting.

- Legal
- Managerial
- Functional

In Oracle Fusion, these structures are implemented using the chart of accounts and organization hierarchies. Many alternative hierarchies can be implemented and used for reporting. You are likely to have one primary structure that organizes your business into:

- Divisions
- Business Units
- Departments

Align these structures with your strategic objectives.
This figure illustrates a grid with Business Axis, representing the enterprise division, Legal Axis representing the companies, and the Functional Axis representing the business functions.

Legal Structure

The figure illustrates a typical group of legal entities, operating various business and functional organizations. Your ability to buy and sell, own, and employ comes from your charter in the legal system. A corporation is:

- A distinct legal entity from its owners and managers.
• Owned by its shareholders, who may be individuals or other corporations.

Many other kinds of legal entities exist, such as sole proprietorships, partnerships, and government agencies.

A legally recognized entity can own and trade assets and employ people in the jurisdiction in which the entity is registered. When granted these privileges, legal entities are also assigned responsibilities to:

• Account for themselves to the public through statutory and external reporting.
• Comply with legislation and regulations.
• Pay income and transaction taxes.
• Process value added tax (VAT) collection on behalf of the taxing authority.

Many large enterprises isolate risk and optimize taxes by incorporating subsidiaries. They create legal entities to facilitate legal compliance, segregate operations, optimize taxes, complete contractual relationships, and isolate risk. Enterprises use legal entities to establish their enterprise’s identity within the laws of each country in which their enterprise operates.

The figure illustrates:

• A separate card represents a series of registered companies.
• Each company, including the public holding company, InFusion America, must be registered in the countries where they do business.
• Each company contributes to various divisions created for purposes of management reporting. These are shown as vertical columns on each card.

For example, a group might have a separate company for each business in the United States (US), but have its United Kingdom (UK) legal entity represent all businesses in that country.

The divisions are linked across the cards so that a business can appear on some or all of the cards. For example, the air quality monitoring systems business might be operated by the US, UK, and France companies. The list of business divisions is on the Business Axis.

Each company’s card is also horizontally striped by functional groups, such as the sales team and the finance team. This functional list is called the Functional Axis. The overall image suggests that information might, at a minimum, be tracked by company, business, division, and function in a group environment. In Oracle Fusion Applications, the legal structure is implemented using legal entities.

Management Structure

Successfully managing multiple businesses requires that you segregate them by their strategic objectives, and measure their results. Although related to your legal structure, the business organizational hierarchies don’t have to be reflected directly in the legal structure of the enterprise. The management structure can include divisions, subdivisions, lines of business, strategic business units, profit, and cost centers. In the figure, the management structure is shown on the Business Axis. In Oracle Fusion Applications, the management structure is implemented using divisions and business units as well as being reflected in the chart of accounts.

Functional Structure

Straddling the legal and business organizations is a functional organization structured around people and their competencies. For example, sales, manufacturing, and service teams are functional organizations. This functional structure is represented by the Functional Axis in the figure. You reflect the efforts and expenses of your functional organizations directly on the income
statement. Organizations must manage and report revenues, cost of sales, and functional expenses such as research and development and selling, general, and administrative expenses. In Oracle Fusion Applications, the functional structure is implemented using departments and organizations, including sales, marketing, project, cost, and inventory organizations.

Enterprise Structures Business Process Model

In Oracle Fusion Applications, the Enterprise Performance and Planning Business Process Model illustrates the major implementation tasks that you perform to create your enterprise structures. This process includes:

- Set Up Enterprise Structures business process, which consists of implementation activities that span many product families.
- Information Technology, a second Business Process Model which contains the Set Up Information Technology Management business process.
- Define Reference Data Sharing, which is one of the activities in this business process and is important in the implementation of the enterprise structures. This activity creates the mechanism to share reference data sets across multiple ledgers, business units, and warehouses, reducing the administrative burden and decreasing the time to implement.
The following figure and tablet describe the Business Process Model structures and activities.

![Business Process Model (BPM)](image)

The table describes each BPM activity.

<table>
<thead>
<tr>
<th>BPM Activities</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Define Enterprise</td>
<td>Define the enterprise to get the name of the deploying enterprise and the location of the headquarters.</td>
</tr>
<tr>
<td>Define Enterprise Structures</td>
<td>Define enterprise structures to represent an organization with one or more legal entities. Define organizations to represent each area of business within the enterprise.</td>
</tr>
</tbody>
</table>
## BPM Activities

<table>
<thead>
<tr>
<th>BPM Activities</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Define Legal Jurisdictions and Authorities</td>
<td>Define information for governing bodies that operate within a jurisdiction.</td>
</tr>
<tr>
<td>Define Legal Entities</td>
<td>Define legal entities and legal reporting units for business activities handled by the Oracle Fusion Applications.</td>
</tr>
<tr>
<td>Define Business Units</td>
<td>Define business units of an enterprise to perform one or many business functions that can be rolled up in a management hierarchy. A business unit can process transactions on behalf of many legal entities. Normally, it has a manager, strategic objectives, a level of autonomy, and responsibility for its profit and loss.</td>
</tr>
<tr>
<td>Define Financial Reporting Structures</td>
<td>Define financial reporting structures, including organization structures, charts of accounts, organizational hierarchies, calendars, currencies and rates, ledgers, and document sequences which are used in organizing the financial data of a company.</td>
</tr>
<tr>
<td>Define Chart of Accounts</td>
<td>Define chart of accounts including hierarchies and values to enable tracking of financial transactions and reporting at legal entity, cost center, account, and other segment levels.</td>
</tr>
<tr>
<td>Define Ledgers</td>
<td>Define the primary accounting ledger and any secondary ledgers that provide an alternative accounting representation of the financial data.</td>
</tr>
<tr>
<td>Define Accounting Configurations</td>
<td>Define the accounting configuration that serves as a framework for how financial records are maintained for an organization.</td>
</tr>
<tr>
<td>Define Facilities</td>
<td>Define your manufacturing and storage facilities as Inventory Organizations if Oracle Fusion tracks inventory balances there and Item Organizations if Oracle Fusion only tracks the items used in the facility but not the balances.</td>
</tr>
<tr>
<td>Define Reference Data Sharing</td>
<td>Define how reference data in the applications is partitioned and shared.</td>
</tr>
</tbody>
</table>

**Note:** Some product-specific implementation activities aren’t listed here and depend on the applications you’re implementing. For example, you can implement Define Enterprise Structures for Human Capital Management, Project Management, and Sales Management.

## Guidelines for Configuring Global Enterprises

Start your global enterprise structure configuration by discussing what your organization’s reporting needs are and how to represent those needs in the Oracle Fusion Applications. The following are some questions and points to consider as you design your global enterprise structure in Oracle Fusion.

- Enterprise Configuration
- Business Unit Management
- Security Structure
- Compliance Requirements
Enterprise Configuration

- What is the level of configuration needed to achieve the reporting and accounting requirements?
- What components of your enterprise do you need to report on separately?
- Which components can be represented by building a hierarchy of values to provide reporting at both detail and summary levels?
- Where are you on the spectrum of centralization versus decentralization?

Business Unit Management

- What reporting do I need by business unit?
- How can you set up your departments or business unit accounts to achieve departmental hierarchies that report accurately on your lines of business?
- What reporting do you need to support the managers of your business units, and the executives who measure them?
- How often are business unit results aggregated?
- What level of reporting detail is required across business units?

Security Structure

- What level of security and access is allowed?
- Are business unit managers and the people that report to them secured to transactions within their own business unit?
- Are the transactions for their business unit largely performed by a corporate department or shared service center?

Compliance Requirements

- How do you comply with your corporate external reporting requirements and local statutory reporting requirements?
- Do you tend to prefer a corporate first or an autonomous local approach?
- Where are you on a spectrum of centralization, very centralized or decentralized?

Model Your Enterprise Management Structure

This example uses a fictitious global company to demonstrate the analysis that can occur during the enterprise structure configuration planning process.

Scenario

Your company, InFusion Corporation, is a multinational conglomerate that operates in the United States (US) and the United Kingdom (UK). InFusion has purchased an Oracle Fusion Enterprise Resource Planning (ERP) solution including Oracle Fusion
General Ledger and all of the Oracle Fusion subledgers. You are chairing a committee to discuss creation of a model for your global enterprise structure including both your US and UK operations.

InFusion Corporation

InFusion Corporation has 400 plus employees and revenue of 120 million US dollars. Your product line includes all the components to build and maintain air quality monitoring applications for homes and businesses. You have two distribution centers and three warehouses that share a common item master in the US and UK. Your financial services organization provides funding to your customers for the initial costs of these applications.

Analysis

The following are elements you must consider in creating your model for your global enterprise structure.

- Your company is required to report using US Generally Accepted Accounting Principles (GAAP) standards and UK Statements of Standard Accounting Practice and Financial Reporting Standards. How many ledgers do you want to achieve proper statutory reporting?
- Your managers need reports that show profit and loss (revenue and expenses) for their lines of business. Do you use business units and balancing segments to represent your divisions and businesses? Do you secure data by two segments in your chart of accounts which represents each department and legal entity? Or do you use one segment that represents both to produce useful, but confidential management reports?
- Your corporate management requires reports showing total organizational performance with drill-down capability to the supporting details. Do you need multiple balancing segment hierarchies to achieve proper rollup of balances for reporting requirements?
- Your company has all administrative, account payables, procurement, and Human Resources functions performed at their corporate headquarters. Do you need one or more business units in which to perform all these functions? How is your shared service center configured?

Global Enterprise Structure Model

The following figure and table summarize the model that your committee has designed and uses numeric values to provide a sample representation of your structure. The model includes the following recommendations:

- Creation of three separate ledgers representing your separate legal entities:
  - InFusion America Inc.
  - InFusion Financial Services Inc.
  - InFusion UK Services Ltd.
- Consolidation of results for application components, installations, and maintenance product lines across the enterprise
- All UK general and administrative costs processed at the UK headquarters
- US Systems' general and administrative costs processed at US Corporate headquarters
• US Financial Services maintains its own payables and receivables departments
In this chart, the green globe stands for required and gold globe stands for optional setup. The following statements expand on the data in the chart.

- The enterprise is required because it serves as an umbrella for the entire implementation. All organizations are created within an enterprise.
- Legal entities are also required. They can be optionally mapped to balancing segment values or represented by ledgers. Mapping balancing segment values to legal entities is required if you plan to use the intercompany functionality. The InFusion Corporation is a legal entity but isn’t discussed in this example.
- At least one ledger is required in an implementation in which you record your accounting transactions.
- Business units are also required because financial transactions are processed in business units.
- A shared service center is optional, but if used, must be a business unit.
- Divisions are optional and can be represented with a hierarchy of cost centers or by a second balancing segment value.
- Departments are required because they track your employees.
- Optionally, add an item master organization and inventory organizations if you’re tracking your inventory transactions in Oracle Fusion Applications.
Note: Some Oracle Fusion Human Capital Management implementations don’t require recording accounting transactions and therefore, don’t require a ledger.

Overview of Diagnostic Tests for Enterprise Structures Setup

You can run diagnostic tests to perform a health check and data validation on the following enterprise structures setup data:

- Chart of accounts
- Value sets and values
- Account hierarchies versions
- Accounting calendars
- Legal entities and legal reporting units
- Ledgers setup

To access the Diagnostic Dashboard and run the diagnostic tests, you must be granted the Application Diagnostics Regular User job role. After you have been granted the role, you can run the diagnostics tests by selecting the Run Diagnostics Tests link in the Settings and Actions menu.

Note: If you have the Application Diagnostics Viewer job role, you can view the diagnostic test results, but not run the diagnostic tests.

Enterprise Structures Setup Report

Validate your enterprise structures configuration using the Enterprise Structures Setup Report. This report provides the detailed listing of chart of accounts, segments, value sets, ledgers, legal entities, business units, and account hierarchy information. Use this auditable report in multiple formats such as HTML, PDF, RTF, Excel, Power Point, and CSV to improve your off-line analysis requirements.

How it Works

Run as a scheduled process with one parameter; Chart of Accounts name.

Report Security

You must be assigned the following job roles:

- GL_General_Accounting_Setup_Review_Duty
- FUN_Enterprise_Structures_Administration_Duty

The duty roles are assigned with privileges including managing and reviewing accounting configurations.
The following predefined job roles have these duty roles assigned:

- Application Implementation Consultant
- Application Implementation Administrator

## Setup Data Import and Export for Oracle Fusion Financials

The following table describes the manual tasks that you must complete as part of the setup data export and import processes for the Oracle Fusion Financials offering.

<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Setup tasks performed before export</td>
<td>Perform these tasks prior to starting export processes for the Financials offering.</td>
</tr>
<tr>
<td>Setup tasks performed before import</td>
<td>Perform these tasks prior to starting import processes for the Financials offering.</td>
</tr>
<tr>
<td>Setup tasks performed after import</td>
<td>Review and perform the manual setup steps on the target instance as required. Setup data for these tasks is not imported from the source instance.</td>
</tr>
<tr>
<td>Setup tasks not requiring data import</td>
<td>Perform these tasks on the target instance as required. These setup tasks do not require data import.</td>
</tr>
</tbody>
</table>

Refer to the Oracle Fusion Functional Setup Manager User’s Guide for the steps to perform setup data export and import processes.

### Setup Tasks Performed Before Export

Prior to starting the export processes from the source instance, you must verify and update setup for the following task described in the table. Verifying the setup ensures that data is correctly imported into the target instance.

<table>
<thead>
<tr>
<th>Activity Name</th>
<th>Task Name</th>
<th>Setup Steps</th>
</tr>
</thead>
<tbody>
<tr>
<td>Define Chart of Accounts</td>
<td>Manage Account Combinations</td>
<td>Account combinations are not exported from the source instance. Before exporting, navigate to the Manage Chart of Accounts Instance page on the source instance and verify that dynamic insertion is enabled for your charts of accounts. As long as dynamic insertion is enabled, account combinations are created automatically as needed on the target instance.</td>
</tr>
</tbody>
</table>

### Setup Tasks Performed Before Import

Prior to starting import processes into the target instance, you must verify and update setup for the following task described in the table.
## Setup Tasks Performed After Import

Setup data for the following tasks listed in the table are not imported. Review these tasks for relevance to your implementation. For relevant tasks, open the corresponding setup pages from your implementation project to create the setup on the target instance as needed.

<table>
<thead>
<tr>
<th>Activity Name</th>
<th>Task Name</th>
<th>Setup Steps</th>
</tr>
</thead>
<tbody>
<tr>
<td>Define General Ledger Options</td>
<td>Manage Journal Approval Rules</td>
<td></td>
</tr>
</tbody>
</table>
| Define Approval Management for Financials | • Manage Task Configurations for Financials  
• Manage Approval Groups for Financials |  |
| Define Tax Geographies | Manage Tax Geographies |  |
| Define Payables | • Define Automated Invoice Processing Configuration  
• Manage Payables Document Sequences |  |
| Define Image Processing | Configure Document Capture Parameters |  |
| Define Customer Billing Configuration | Manage Salesperson Account References |  |
| Define Customer Payments | Manage Receivables Specialist Assignment Rules |  |

Setup data for the following tasks listed in the table are not imported from the source instance. Review the steps in the following table to create the setup on the target instance as needed.

<table>
<thead>
<tr>
<th>Activity Name</th>
<th>Task Name</th>
<th>Setup Steps</th>
</tr>
</thead>
<tbody>
<tr>
<td>Define Credit Card Data</td>
<td>Extend Employee Matching Rules</td>
<td>Write user-defined PL/SQL code to extend the predefined criteria for automatically matching new corporate cards to employees to incorporate your company-specific criteria. If you use a user-defined matching rule, then the PL/SQL package is not imported to the target instance. You can create the package in the target instance or copy the package to the target instance and compile it.</td>
</tr>
<tr>
<td>Define Customer</td>
<td>Create Customer</td>
<td>Manually create customers, using the Create Customer task in Functional Setup Manager, or import customer information by running</td>
</tr>
<tr>
<td>Activity Name</td>
<td>Task Name</td>
<td>Setup Steps</td>
</tr>
<tr>
<td>---------------------------------------</td>
<td>----------------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Define Customer</td>
<td>Manage Customers</td>
<td>Manually maintain customer information using the Manage Customer task in Functional Setup Manager, or by running the Trading Community Model Data Import program.</td>
</tr>
</tbody>
</table>
| Configure Payment System Connectivity | Manage BI Publisher Templates           | Manually import any new or updated Oracle Business Intelligence Publisher (Oracle BI Publisher) templates. Use the Oracle BI Publisher archiving feature, or alternatively perform the following steps:  
  1. Download the template file from the source Oracle BI Publisher catalog.  
  2. Update or create a new template in the target Oracle BI Publisher catalog.  
  3. Upload the source template file to the target template. |
| Define Subledger Accounting Rules     | Import Supporting Reference Initial Balances | This task allows upload of initial subledger balances for supporting references. These balances are not imported from the source instance, but can be loaded directly to the target instance.  
For more information, see Oracle Fusion Accounting Hub Implementation Guide, Define Accounting Transformation. |
| Configure Payment System Connectivity | Integrate External Payment Systems      | Setup entities resulting from this integration are exported and imported through the Transmission Configuration service. However any work performed outside of Oracle Fusion Applications to integrate with a payment system must be applied to the production environment manually. Examples include user-defined code, routers, or dedicated lines to facilitate communication. |
| Define Payments Security              | Manage System Security Options          | This setup cannot be imported and must be set up again in a production instance. Use the steps documented in the Oracle Fusion Applications Post-Installation Guide. |
| Define Financial Reporting Center     | Configure Smart View Client for Users  | Manually reconfigure the Smart View client to point to the production instance. |
| Configuration                         |                                        |                                                                                                                                          |
## Define Financial Reporting Center Configuration

<table>
<thead>
<tr>
<th>Activity Name</th>
<th>Task Name</th>
<th>Setup Steps</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Define Essbase Database Connection in Workspace</td>
<td>Manually reconfigure the Essbase database connection in Hyperion Workspace.</td>
</tr>
<tr>
<td></td>
<td>Configure Financial Reporting Studio Client for Users</td>
<td>Manually reconfigure the Financial Reporting Studio client to point to the production instance.</td>
</tr>
<tr>
<td></td>
<td>Create Financial Statements</td>
<td>Export the financial report definitions from Workspace in the source environment.</td>
</tr>
</tbody>
</table>

For more information about configuring the Smart View client for users, see:

- Oracle Fusion Accounting Hub Implementation Guide, Define Financial Reporting
- Oracle Enterprise Performance Management System Installation and Configuration Guide for Oracle Enterprise Performance Management, Installing Smart View and other topics
- Oracle Hyperion Smart View for Office User’s Guide for Oracle Hyperion Smart View
### Enterprise Structures Introduction

#### Activity Name

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2. Navigate &gt; Applications &gt; BI Catalog.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3. File &gt; Export.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4. Save the file to the local desktop.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Import the file into Workspace in the target environment.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. Navigate &gt; Applications &gt; BI Catalog.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3. File &gt; Import.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4. Select the file you had saved during the export.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>If you import the folder structure, the entire structure from the source instance is imported into the existing structure on the target instance. This could result in some redundant folders. In this case, you can reorganize child folders in the structure on the target instance and delete any unneeded folders.</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Note:</strong> You must export and import rules for each application on the Essbase server separately.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Export the allocation rules, rule sets, variables, and run time prompt definitions from Calculation Manager in the source environment.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>When exporting, you can export at the application level or at a single rule or rule set level.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. Navigator &gt; Administer &gt; Calculation Manager.</td>
</tr>
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<td></td>
<td></td>
<td>3. File &gt; Export.</td>
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</table>
Setup Tasks Not Requiring Data Import

The following tasks in the setup task list are available to support your overall implementation approach. These tasks listed in the following table do not require any data to be imported. You can perform these tasks on the target instance as required.

<table>
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<tr>
<th>Activity Name</th>
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<tr>
<td>Define Tax Configuration</td>
<td>Define Hyperion Financial Management Integration</td>
<td>Import the file into Calculation Manager in the target environment.</td>
</tr>
<tr>
<td></td>
<td>• Run Jurisdiction and Rates Upload Program</td>
<td>1. Navigator &gt; General Accounting: Journals &gt; Create Allocation Rules.</td>
</tr>
<tr>
<td></td>
<td>• Manage Simulator Transactions</td>
<td>2. Navigator &gt; Administer &gt; Calculation Manager</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3. Navigate to File &gt; Import.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4. Select the file you saved during the export.</td>
</tr>
<tr>
<td>Define Fixed Assets Configuration</td>
<td></td>
<td>Manually import the rules using the Oracle Enterprise Performance Management Lifecycle Management tool.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>For more information, see the Oracle Hyperion Artifact Lifecycle Management Utility User’s Guide.</td>
</tr>
<tr>
<td>Define Budget Configuration</td>
<td>Define Hyperion Financial Management Integration</td>
<td>Manually import the rules using the Oracle Enterprise Performance Management Lifecycle Management tool.</td>
</tr>
<tr>
<td></td>
<td>• Define ERP Integrator Configuration for Hyperion Financial Management</td>
<td>For more information, see the Oracle Hyperion Artifact Lifecycle Management Utility User’s Guide.</td>
</tr>
<tr>
<td>Define Budget Configuration</td>
<td>Define Budget Configuration in Hyperion Planning</td>
<td>Manually import the rules using the Oracle Enterprise Performance Management Lifecycle Management tool.</td>
</tr>
<tr>
<td></td>
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</tr>
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<td>Define ERP Integrator Configuration for Hyperion Planning</td>
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<tr>
<td></td>
<td>• Manage Simulator Transactions</td>
</tr>
<tr>
<td>Define Fixed Assets Configuration</td>
<td>Verify Data Role Generation for Asset Books</td>
</tr>
</tbody>
</table>
Considerations for Natural Languages

Natural languages are all the languages that humans use, written and spoken. If a language is enabled, then users can associate it with entities, for example as languages spoken by sales representatives. When managing natural languages, consider tasks to perform and best practices for entering particular values.

Tasks
Once you add a language, it can't be deleted, but just disabled. You can optionally associate natural languages with International Organization for Standardization (ISO) languages and territories, just for reference.

Values
When you create a natural language, use the alpha-2 ISO code as the language code, or, if not available, then alpha-3. If the language is not an ISO language, then use x- as a prefix for the code, for example x-ja for a Japanese dialect. Use the sgn code of ISO-639-2 for sign languages, followed by territory code, for example sgn-US for American Sign Language. You can also use Internet Assigned Numbers Authority (IANA) language tags.

The natural language description must be the language name with territory name in parenthesis where needed, for example English (Australia) and English (Canada).

Initial Configuration

Establishing Enterprise Structures Using the Enterprise Structures Configurator: Explained

The Enterprise Structures Configurator is an interview-based tool that guides you through the process of setting up a basic enterprise structure. By answering questions about your enterprise, the tool creates a structure of divisions, legal entities, business units, and reference data sets that reflects your enterprise structure. After you create your enterprise structure, you also follow a guided process to determine whether to use positions, and whether to set up additional attributes for jobs and positions. After you define your enterprise structure and your job and position structures, you can review them, make any necessary changes, and then load the final configuration.
This figure illustrates the process to configure your enterprise using the Enterprise Structures Configurator.

To be able to use the Enterprise Structures Configurator, you must select the Enterprise Structures Guided Flow feature for your offerings on the Configure Offerings page in the Setup and Maintenance work area. If you don’t select this feature, then you must set up your enterprise structure using individual tasks provided elsewhere in the offerings, and you can’t create multiple configurations to compare different scenarios.

**Establish Enterprise Structures**

To define your enterprise structures, use the guided flow within the Establish Enterprise Structures task to enter basic information about your enterprise, such as the primary industry. You then create divisions, legal entities, business units, and reference data sets. The Establish Enterprise Structures task enables you to create multiple enterprise configurations so that you can compare different scenarios. Until you load a configuration, you can continue to create and edit multiple configurations until you arrive at one that best suits your enterprise.

**Establish Job and Position Structures**

You also use a guided process to determine whether you want to use jobs only, or jobs and positions. The primary industry that you select in the Establish Enterprise Structures task provides the application with enough information to make an
initial recommendation. You can either accept the recommendation, or you can answer additional questions about how you manage people in your enterprise, and then make a selection. After you select whether to use jobs or positions, you are prompted to set up a descriptive flexfield structure for jobs, and for positions if applicable. Descriptive flexfields enable you to get more information when you create jobs and positions.

Review Configuration
You can view a result of the interview process prior to loading the configuration. The review results, show the divisions, legal entities, business units, reference data sets, and the management reporting structure that the application will create when you load the configuration.

Load Configuration
You can load only one configuration. When you load a configuration, the application creates the divisions, legal entities, business units, and so on. After you load the configuration, you then use individual tasks to edit, add, and delete enterprise structures.

Rolling Back an Enterprise Structure Configuration: Explained
The Enterprise Structures Configurator (ESC) provides the ability to roll back an enterprise configuration in the following circumstances:

Roll Back a Configuration Manually
You can manually roll back an enterprise configuration after loading it, for example, because you decide you do not want to use it. Clicking the Roll Back Configuration button on the Manage Enterprise Configuration page rolls back any enterprise structures that were created as a part of loading the configuration.

Roll Back a Configuration Automatically
If an error occurs during the process of loading the configuration, then the application automatically rolls back any enterprise structures that were created before the error was encountered.

Design an Enterprise Configuration
This example illustrates how to set up an enterprise based on a global company operating mainly in the US and the UK with a single primary industry.

Scenario
InFusion Corporation is a multinational enterprise in the high technology industry with product lines that include all the components that are required to build and maintain air quality monitoring systems for homes and businesses. Its primary locations are in the US and the UK, but it has smaller outlets in France, Saudi Arabia, and the United Arab Emirates (UAE).

Enterprise Details
In the US, InFusion employs 400 people and has company revenue of 120 million US dollars. Outside the US, InFusion employs 200 people and has revenue of 60 million US dollars.
Analysis

InFusion requires three divisions.

- The US division covers the US locations.
- The Europe division covers UK and France.
- Saudi Arabia and the UAE are covered by the Middle East division.

InFusion requires legal entities with legal employers, payroll statutory units, tax reporting units, and legislative data groups for the US, UK, France, Saudi Arabia, and UAE, to employ and pay its workers in those countries.

InFusion requires a number of departments across the enterprise for each area of business, such as sales and marketing, and a number of cost centers to track and report on the costs of those departments.

InFusion has general managers responsible for business units within each country. Those business units may share reference data. Some reference data can be defined within a reference data set that multiple business units may subscribe to. Business units are also required for financial purposes. Financial transactions are always processed within a business unit.

Resulting Enterprise Configuration

Based on this analysis, InFusion requires an enterprise with multiple divisions, ledgers, legal employers, payroll statutory units, tax reporting units, legislative data groups, departments, cost centers, and business units.
This figure illustrates the enterprise configuration that results from the analysis of InFusion Corporation.
FAQs for Initial Configuration

What happens if I don’t use the Enterprise Structures Configurator to set up my enterprise structures?
The Enterprise Structures Configurator is an interview-based tool that guides you through setting up divisions, legal entities, business units, and reference data sets. If you do not use the Enterprise Structures Configurator, then you must set up your enterprise structure using the individual tasks that correspond to each enterprise component. In addition, you can’t set up multiple configurations and compare different scenarios. Using the Enterprise Structures Configurator is the recommended process for setting up your enterprise structures.

What’s an ultimate holding company?
The legal entity that represents the top level in your organization hierarchy, as defined by the legal name entered for the enterprise. This designation is used only to create an organization tree, with these levels:

- Ultimate holding company as the top level
- Divisions and country holding companies as the second level
- Legal employers as the third level

What’s the default reference data set?
The reference data set that is assigned to a business unit for all reference data groups, such as grades, locations, departments, and jobs. You can override the default reference data set for any reference data group.

What happens if I override the set assignment?
For the selected business unit, you can override the default reference data set for one or more reference data groups. For example, assume you have three reference data groups: Vision 1 SET, Vision 2 SET, and Vision 3 SET, where Vision SET 1 is the default set for business unit United Kingdom Vision 1 BU. You can override the default so that:

- Grades are assigned to Vision 2 SET.
- Departments are assigned to Vision 3 SET.
- Jobs are assigned to the default set, Vision 3 SET.

When do I create or edit ISO languages?
Edit the names and descriptions of International Organization for Standardization (ISO) languages to determine how they appear in the application. The ISO languages are a part of the ISO 639 standard. If any change to the ISO standard doesn’t reflect in the application, you can update the ISO alpha-2 code or add languages to provide up-to-date information.

When do I edit languages?
Installed languages automatically appear on the Manage Languages page. This page also displays all languages that are available for installation and translation. Each dialect is treated as a separate language.

Generally, you don’t need to edit any of the detailed fields unless absolutely necessary.

Can I add or edit time zones?
You usually don’t add or edit time zones because all standard time zones are provided. However, you may create time zones if new zones become standard and the application isn’t yet updated with the latest values. You can rename existing time zones and enable them. Only the enabled time zones are available for all users to select while setting their regional general preferences.
To add or edit time zones, use the following in the Setup Maintenance work area:

- Functional Area: Application Extensions
- Task: Manage Time Zones

Social Network Objects

Management of Oracle Social Network Objects

Use the Manage Oracle Social Network Objects task for managing the Oracle Social Network Objects. The integration of Oracle Social Network with applications and business processes brings key attributes from the applications to share, socialize, and update information. This helps in making better business decisions based on additional information that you obtain and analyze within your social network environment.

Use the Manage Oracle Social Network Objects page to set up and define:

- The business objects and attributes to enable
- The enablement method for social network integration with Oracle Applications Cloud

To open the Manage Oracle Social Network Objects page, use the following in the Set and Maintenance work area:

- Functional Area: Application Extensions
- Task: Manage Oracle Social Network Objects

Use Oracle Social Network to:

- Discuss projects and plans in public forums
- Maintain:
  - Membership groups
  - Activity feeds of the people you select
- Facilitate:
  - One-on-one Conversations
  - Reviews
  - Document sharing

An important aspect of managing Oracle Social Network objects is enabling business objects for integration.

Enabling Business Objects for Integration

A business object can’t be shared within social network until a functional administrator or implementor:

- Accesses the Manage Oracle Social Network Objects page in Oracle Applications Cloud
- Enables the business object for social network integration

Related Topics

- How can I update translations
Considerations for Enabling Social Networking on Objects

You can determine whether information about a business object, such as benefit plans or sales accounts, displays in Oracle Social Network. If you enable an object for sharing, you allow users to collaborate on the object through social networking. You can choose whether all instances of an object are shared, or only at the user's discretion. You can also choose which attributes are shared, such as names, details, and who made the last update.

In addition to a wide range of predefined objects, you can share:

- Objects and attributes that you created in Application Composer
- Fields that you created in descriptive flexfields

In the Setup and Maintenance work area, use the following:

- Functional Area: Application Extensions
- Task: Manage Oracle Social Network Objects

After you click Enable Object, select one of the following enablement options:

- Manual
- Automatic
- No

**Manual**

If you select this option, which is recommended, you let users decide whether to share each instance of the object with the social network. Once shared, all updates to the enabled attributes of the instance appear on the social network. If the instance is deleted, that information is also shared.

Click Enable All to enable all objects for all applications. Enable All automatically applies the Manual option, which means that the user can choose whether to share an object instance.

**Automatic**

With this option, news about all instances of the object appears on the social network, including:

- Every newly created instance
- All subsequent updates to the enabled attributes
- Deletion of any instances

**No**

With this option, which is the default value, no news about the object appears on the social network.

> **Note:** When you click Disable Object, the enabled setting of the selected business object is automatically changed to No.
After you enable a business object, you must enable one or more attributes of the object. Only the enabled attributes are shared. The Status column in the Business Objects table indicates which enabled business objects don’t yet have an enabled attribute. For these objects, only the following information appear on the social network:

- Internal bookkeeping information, when creating or updating an instance of the object.
- News that an instance is deleted.

Related Topics

- How can I update translations
- What happens if I update translations
- Synchronization of Business Objects
- What happens if I synchronize business objects

How You Configure Social Objects

Before you can start using the social object, for example, accounting period, journal, or intercompany transaction in Oracle Social Network, configure the social object using the Manage Oracle Social Network Objects task on the Setup and Maintenance task list page.

The configuration consists of enabling the social object and its attributes for use on the Oracle Social Network. For example, for the accounting period social object, enable the following attributes: Ledger, Period Name, Period Start Date, and Period End Date. You also configure the enablement method of the social object. The methods are: No, Manual, and Automatic.

The configuration applies to all instances of that social object in the application and to all ledgers. You can automatically create an conversation by setting the option in Managing Oracle Social Network Objects user interface.

> Note: Oracle Social Network is currently only available in Oracle Cloud implementations.

FAQs for Social Network Objects

How can I enable flexfield segments for Oracle Social Network Cloud Service?
When you manage Oracle Social Network Objects during setup and maintenance, search for the business object that includes descriptive flexfields. Select the attributes that are defined as flexfield segments and enable them.

How can I use social networking to discuss external transactions with the general accounting manager?
Use the Social link on the View External Transaction page to invite others to a conversation to discuss external transactions.

You are a cash manager reviewing the external cash transactions created from bank interest and charges. Before accounting for these transactions and posting them to the general ledger, you must inform the general accounting manager that the journal entries are being created.

From the Manage External Transaction page, search for the transaction you want to discuss, in the search results, click on the transaction number to review in the conversation:

1. Click Social to open Oracle Social Network.
2. Click the Share button.
3. Create a new conversation.
4. Invite the general accounting manager to join the conversation.

The general accounting manager reviews and confirms the created journals from the external transactions can be posted to the general ledger.

After reviewing the transactions with general accounting manager, the cash manager can account for the transactions and post them to the general ledger.

Depending on your job role and permissions, you can access social networking features for the following Oracle Fusion Cash Management activities:

- Bank statement
- External cash transaction

Related Topics
- What does social networking have to do with my job

How can I use social networking to discuss intercompany allocation adjustments with cost center owners?

Use the Social link on the Intercompany Transactions work area to invite others to a conversation to address the adjustments.

For example, the monthly intercompany allocation of administration costs changed substantially to more accurately reflect resource usage. You need the cost center owners to validate their intercompany allocation.

From the Intercompany Transactions work area:

1. Search for the intercompany transaction.
2. Click Social to open Oracle Social Network. Click the Share button, or click Join if collaboration has already been initiated.
3. Create a new related conversation.
4. Invite all of the cost center owners to join the conversation.
5. Upload the allocation spreadsheet for the cost center owners’ review.

The cost center owners can post questions and because the other cost center owners are members, they can see your responses to the questions. Each cost center owner validates their intercompany allocation in the conversation itself, which creates a lasting record.

Related Topics
- What does social networking have to do with my job

How can I use social networking to effectively close the period?

Use the Social link on the Period Close work area to collaborate with members of your team or others within your company to effectively close the period.

For example, as a controller, you keep Oracle Social Network open from the Period Close Overview page during the period close so you can be aware of any transactions that must be posted for the period.

On the All tab:
- You see a conversation that needs your attention.
• Your boss, the chief financial officer, started a private conversation with you to announce the close of a deal worth 15,000,000 USD and wants it booked for this period.

• You download and listen to a voice message file that the chief financial officer posted sharing details about the delivery of the goods to help you confirm that the revenue can be posted to this period.

• You create a new conversation and invite your accounting manager to join, marking it so she knows to reply quickly.

• Your accounting manager added you to a conversation for the revenue adjustment journal.

• Your accounting manager adds a post to the conversation confirming that the revenue is posted.

You navigate to the Close Monitor page to view the latest financial balances and confirm that the revenue is posted.

Depending on your job role and permissions, you can access social networking features for the following Oracle Fusion General Ledger business activities:

• Period status

• Journal

Related Topics

• What does social networking have to do with my job
2 Reference Data Sharing

Reference Data Sharing

Reference data sharing facilitates sharing of configuration data such as jobs and payment terms, across organizational divisions or business units. You define reference data sets and determine how common data is shared or partitioned across business entities to avoid duplication and reduce maintenance effort. Depending on the requirement (specific or common), each business unit can maintain its data at a central location, using a set of values either specific to it or shared by other business units.

A common reference data set is available as the default set, which can be assigned to several business units sharing the same reference data. For commonly used data such as currencies, you can use the common reference data set and assign it to multiple business units in various countries that use the same currency. In cases where the default set can’t be assigned to an entity, you can create specific sets. The data set visible on the transactional page depends on the sharing method used to share reference data.

For example, XYZ Corporation uses the same grades throughout the entire organization. Instead of different business units setting up and using the same grades, XYZ Corporation decides to create a set called Grades, which contains the grades. All business units in the organization have the Grades set so that the grades can be shared and used.

Note: For specific information about configuring reference data sharing for a particular object or product, refer to the relevant product documentation.

Reference Data Sets

Reference data sets are logical groups of reference data that various transactional entities can use depending on the business context. You can get started using either the common reference data set or the enterprise set depending on your implementation requirement. You can also create and maintain additional reference data sets, while continuing to use the common reference data set.

Consider the following scenario. Your enterprise can decide that only some aspects of corporate policy should affect all business units. The remaining aspects are at the discretion of the business unit manager to implement. This enables your enterprise to balance autonomy and control for each business unit. For example, your enterprise holds business unit managers accountable for their profit and loss, but manages working capital requirements at a corporate level. Then, you can let managers define their own sales methods, but define payment terms centrally. As a result, each business unit has its own reference data set for sales methods and one central reference data set for payment terms assigned to all business units.

Partitioning

Partitioning reference data and creating data sets provide you the flexibility to handle the reference data to fulfill your business requirements. You can share modular information and data processing options among business units with ease. You can create separate sets and subsets for each business unit. Alternatively, you can create common sets or subsets to enable sharing reference data between several business units, without duplicating the reference data.
The following figure illustrates the reference data sharing method. The user can access the data assigned to a specific set in a particular business unit, as well as access the data assigned to the common set.

Related Topics

- Define Default Reference Data Sets

Reference Data Sets and Sharing Methods

Oracle Fusion Applications reference data sharing feature is also known as SetID. The reference data sharing functionality supports operations in multiple ledgers, business units, and warehouses. As a result, there is a reduction in the administrative burden and the time to implement new business units. For example, you can share sales methods, or transaction types across business units. You may also share certain other data across asset books, cost organizations, or project units.

The reference data sharing features use reference data sets to which reference data is assigned. The reference data sets group assigned reference data. The sets can be understood as buckets of reference data assigned to multiple business units or other application components.

Reference Data Sets

You begin this part of your implementation by creating and assigning reference data to sets. Make changes carefully as changes to a particular set affect all business units or application components using that set. You can assign a separate set to each business unit for the type of object that’s being shared. For example, assign separate sets for payment terms, transaction types, and sales methods to your business units.
Your enterprise can determine that certain aspects of your corporate policy can affect all business units. The remaining aspects are at the discretion of the business unit manager to implement. This allows your enterprise to balance autonomy and control for each business unit. For example, your enterprise holds business unit managers accountable for their profit and loss, but manages working capital requirements at a corporate level. In such a case, you can let managers define their own sales methods, but define payment terms centrally. In this example:

- Each business unit has its own reference data set for sales methods.
- One central reference data set for payment terms is assigned to all business units.

The reference data sharing is especially valuable for lowering the cost of setting up new business units. For example, your enterprise operates in the hospitality industry. You are adding a new business unit to track your new spa services. The hospitality divisional reference data set can be assigned to the new business unit to quickly set up data for this entity component. You can establish other business unit reference data in a business unit-specific reference data set as needed.

Reference Data Sharing Methods

Variations exist in the methods used to share data in reference data sets across different types of objects. The following list identifies the methods:

- Assignment to one set only, no common values allowed. This method is the simplest form of sharing reference data that allows assigning a reference data object instance to one and only one set. For example, Asset Prorate Conventions are defined and assigned to only one reference data set. This set can be shared across multiple asset books, but all the values are contained only in this one set.
- Assignment to one set only, with common values. This method is the most commonly used method of sharing reference data that allows defining reference data object instance across all sets. For example, Receivables Transaction Types are assigned to a common set that’s available to all the business units. You need not explicitly assign the transaction types to each business unit. In addition, you can assign a business unit-specific set of transaction types. At transaction entry, the list of values for transaction types includes the following:
  - Transaction types from the set assigned to the business unit.
  - Transaction types assigned to the common set that’s shared across all business units.
- Assignment to multiple sets, no common values allowed. The method of sharing reference data that allows a reference data object instance to be assigned to multiple sets. For instance, Payables Payment Terms use this method. It means that each payment term can be assigned to one or more than one set. For example, you assign the payment term Net 30 to several sets, but assign Net 15 to a set specific only to your business unit. At transaction entry, the list of values for payment terms consists of only the set that’s assigned to the transaction’s business unit.

**Note:** Oracle Fusion Applications contains a reference data set called Enterprise. Define any reference data that affects your entire enterprise in this set. Also update the data set going forward as you create new reference data items.

How Business Units Work with Reference Data Sets

Reference data sharing enables you to group set-enabled reference data such as jobs or grades to share the data across different parts of the organization. Sets also enable you to filter reference data at the transaction level so that only data assigned to certain sets is available to be selected. To filter reference data, Oracle Fusion Human Capital Management (HCM), applications use the business unit on the transaction. To set up reference data sharing in Oracle Fusion HCM, you create business units and sets, and then assign the sets to the business units.
Common Set Versus Specific Sets

Some reference data in your organization may be considered global, and should therefore be made available for use within the entire enterprise. You can assign this type of data to the Common Set, which is a predefined set. Regardless of the business unit on a transaction, reference data assigned to the Common Set is always available, in addition to the reference data assigned to the set that corresponds to the business unit on the transaction.

Other types of reference data can be specific to certain business units, so you can restrict the use of the data to those business units. In this case, you can create sets specifically for this type of data, and assign the sets to the business units.

Business Unit Set Assignment

When you assign reference data sets to business units, you assign a default reference data set to use for all reference data types for that business unit. You can override the set assignment for one or more data types.

Example: Assigning Sets to Business Units

InFusion Corporation has two divisions: Lighting and Security, and the divisions each have two locations. Each location has one or more business functions.

The following figure illustrates the structure of InFusion Corporation.

When deciding how to create business units, InFusion decides to create them using the country and business function level. Therefore, they created the following business units:

- Sales_Japan
- Marketing_Japan
- Sales_US
• Sales_UK
• Marketing_India
• Sales_India

Because locations, departments, and grades are specific to each business unit, InFusion does not want to share these types of reference data across business units. They create a reference data set for each business unit so that data of those types can be set up separately. Because the jobs in the Sales business function are the same across many locations, InFusion decides to create one additional set called Jobs. They override the set assignment for the Jobs reference data group and assign it to the Jobs set. Based on these requirements, they create the following sets:

• Sales_Japan_Set
• Mktg_Japan_Set
• Sales_US_Set
• Sales_UK_Set
• Mktg_India_Set
• Sales_India_Set
• Grades_Set

The following table describes the default set assignment and the set assignment overrides for each business unit in InFusion:

<table>
<thead>
<tr>
<th>Business Unit</th>
<th>Default Set Assignment</th>
<th>Set Assignment Overrides</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales_Japan</td>
<td>Sales_Japan_Set for grades, departments, and locations</td>
<td>Jobs set for jobs</td>
</tr>
<tr>
<td>Marketing_Japan</td>
<td>Mktg_Japan_Set for grades, departments, and locations</td>
<td>None</td>
</tr>
<tr>
<td>Sales_US</td>
<td>Sales_US_Set for grades, departments, and locations</td>
<td>Jobs set for jobs</td>
</tr>
<tr>
<td>Sales_UK</td>
<td>Sales_UK_Set for grades, departments, and locations</td>
<td>Jobs set for jobs</td>
</tr>
<tr>
<td>Marketing_India</td>
<td>Mktg_India_Set for grades, departments, and locations</td>
<td>None</td>
</tr>
<tr>
<td>Sales_India</td>
<td>Sales_India_Set for grades, departments, and locations</td>
<td>Jobs set for jobs</td>
</tr>
</tbody>
</table>

When setting up grades, departments, and locations for the business units, InFusion assigns the data to the default set for each business unit. When setting up jobs, they assign the Jobs set and assign the Common Set to any jobs that may be used throughout the entire organization.

When using grades, departments, and locations at the transaction level, users can select data from the set that corresponds to the business unit they enter on the transaction, and any data assigned to the Common Set. For example, for transactions for the Marketing_Japan business unit, grades, locations, and departments from the Mktg_Japan_Set is available to select, as well as from the Common Set.
When using jobs at the transaction level, users can select jobs from the Jobs set and from the Common Set when they enter a sales business unit on the transaction. For example, when a manager hires an employee for the Sales_India business unit, the list of jobs is filtered to show jobs from the Jobs and Common sets.

The following figure illustrates what sets of jobs can be accessed when a manager creates an assignment for a worker.

Creating Reference Data Sets in the Enterprise Structures Configurator: Explained

If you created business units automatically, then the Enterprise Structures Configurator automatically creates reference data sets for you. The Enterprise Structures Configurator creates one reference data set for each business unit. You can add additional sets, but you cannot delete any of the sets that were created automatically.

A standard set called the Enterprise set is predefined.

Common Set

The Common set is a predefined set that enables you to share reference data across business units. When you select set-enabled data at the transaction level, the list of values includes data in the:

- Common set
- Set associated with the data type for the business unit on the transaction

For example, when you create an assignment, the list of values for grades includes grade in the:

- Common set
- Set that is assigned to grades for the business unit in which you creating the assignment
Assignment of Reference Data Sets to Reference Objects

You can assign the reference data sets to reference objects using the Manage Reference Data Set Assignments page. For multiple assignments, you can classify different types of reference data sets into groups and assign them to the reference entity objects. The assignment takes into consideration the determinant type, determinant, and reference group, if any.

Determinant Types

The partitioned reference data is shared using a business context setting called the determinant type. A determinant type is the point of reference used in the data assignment process. The following table lists the determinant types used in the reference data assignment.

<table>
<thead>
<tr>
<th>Determinant Type</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset Book</td>
<td>Information about the acquisition, depreciation, and retirement of an asset that belongs to a ledger or a business unit.</td>
</tr>
<tr>
<td>Business Unit</td>
<td>The departments or organizations within an enterprise.</td>
</tr>
<tr>
<td>Cost Organization</td>
<td>The organization used for cost accounting and reporting on various inventory and cost centers within an enterprise.</td>
</tr>
<tr>
<td>Project Unit</td>
<td>A logical organization within an enterprise that is responsible for enforcing consistent project management practices.</td>
</tr>
<tr>
<td>Reference Data Set</td>
<td>References to other shared reference data sets.</td>
</tr>
</tbody>
</table>

Determinant

The determinant (also called determinant value) is a value that corresponds to the selected determinant type. The determinant is one of the criteria for selecting the appropriate reference data set.

Reference Groups

A transactional entity may have multiple reference entities (generally considered to be setup data). However, all reference entities are treated alike because of similarity in implementing business policies and legal rules. Such reference entities in your application are grouped into logical units called reference groups. For example, all tables and views that define Sales Order Type details might be a part of the same reference group. Reference groups are predefined in the reference groups table.

Items and Supplier Site Reference Data Sharing

Some products, such as items and supplier sites, required special logic for reference data sharing and have implemented their own domain-specific ways for sharing data.
Items
If you share your items across warehouses or manufacturing facilities, you can access them through a common item master. Configure one or multiple item masters for your enterprise, based on your enterprise structure. A single item master is recommended because it provides simpler and more efficient maintenance. However, in rare cases, it may be beneficial to keep multiple item masters. For example, if you acquire another enterprise and want to continue to operate your lines of business separately, maintaining a second item master might be the best decision.

Suppliers Sites
You can approve particular suppliers to supply specified commodities and authorize your business units to buy from those suppliers when the need arises. For example, you might be a household cleaning products manufacturer and need dyes, plastics, and perfumes to make your products. You purchase from a central supplier 70% of your perfume supplies with an additional supplier, in reserve, from whom you purchase the remaining 30%. At the same time, each of your business units purchases plastics and dyes from the same supplier, but from different local supplier sites to save transportation costs.

To implement business unit-specific supplier sites, Oracle Fusion Procurement supports a method for defining suppliers sites as owned and managed by the business unit responsible for negotiating the supplier terms. Your other business units that have a service provider relationship defined with your procurement business unit subscribe to the supplier sites using the supplier site assignments feature. In addition, Procurement allows sharing of the following procurement data objects across business units:

- Supplier qualification data, such as approved supplier lists
- Catalog content, such as agreements, smart forms, public shopping lists, and content zones
- Procurement configuration data

FAQs for Reference Data Sharing
What reference data objects can be shared across business units?
The following table contains the reference data objects for the Oracle Fusion Applications that can be shared across business units and the method in which the reference data for each is shared.

<table>
<thead>
<tr>
<th>Application Name</th>
<th>Reference Data Object</th>
<th>Method of Sharing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trading Community Model</td>
<td>Customer Account Relationship</td>
<td>Assignment to one set only, no common values allowed</td>
</tr>
<tr>
<td>Trading Community Model</td>
<td>Customer Account Site</td>
<td>Assignment to one set only, no common values allowed</td>
</tr>
<tr>
<td>Trading Community Model</td>
<td>Salesperson</td>
<td>Assignment to one set only, no common values allowed</td>
</tr>
<tr>
<td>Opportunity Management</td>
<td>Sales Method Group</td>
<td>Assignment to one set only, with common values</td>
</tr>
<tr>
<td>Application Name</td>
<td>Reference Data Object</td>
<td>Method of Sharing</td>
</tr>
<tr>
<td>------------------------</td>
<td>------------------------</td>
<td>--------------------------------------------------------</td>
</tr>
<tr>
<td>Work Management</td>
<td>Assessment Templates</td>
<td>Assignment to one set only, with common values</td>
</tr>
<tr>
<td>Enterprise Contracts</td>
<td>Contract Types</td>
<td>Assignment to one set only, with common values</td>
</tr>
<tr>
<td>Sales</td>
<td>Sales Method</td>
<td>Assignment to one set only, with common values</td>
</tr>
<tr>
<td>Common Components</td>
<td>Activity Templates</td>
<td>Assignment to one set only, with common values</td>
</tr>
<tr>
<td>Payables</td>
<td>Payment Terms</td>
<td>Assignment to multiple sets, no common values allowed</td>
</tr>
<tr>
<td>Receivables</td>
<td>Accounting Rules</td>
<td>Assignment to one set only, with common values</td>
</tr>
<tr>
<td>Receivables</td>
<td>Aging Buckets</td>
<td>Assignment to one set only, with common values</td>
</tr>
<tr>
<td>Receivables</td>
<td>Auto Cash Rules</td>
<td>Assignment to one set only, with common values</td>
</tr>
<tr>
<td>Receivables</td>
<td>Collectors</td>
<td>Assignment to one set only, with common values</td>
</tr>
<tr>
<td>Receivables</td>
<td>Lockbox</td>
<td>Assignment to one set only, with common values</td>
</tr>
<tr>
<td>Receivables</td>
<td>Memo Lines</td>
<td>Assignment to one set only, with common values</td>
</tr>
<tr>
<td>Receivables</td>
<td>Payment Terms</td>
<td>Assignment to one set only, with common values</td>
</tr>
<tr>
<td>Receivables</td>
<td>Remit To Address</td>
<td>Assignment to one set only, with common values</td>
</tr>
<tr>
<td>Receivables</td>
<td>Revenue Contingencies</td>
<td>Assignment to one set only, with common values</td>
</tr>
<tr>
<td>Receivables</td>
<td>Transaction Source</td>
<td>Assignment to one set only, with common values</td>
</tr>
<tr>
<td>Receivables</td>
<td>Transaction Type</td>
<td>Assignment to one set only, with common values</td>
</tr>
</tbody>
</table>
### Reference Data Sharing

<table>
<thead>
<tr>
<th>Application Name</th>
<th>Reference Data Object</th>
<th>Method of Sharing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advanced Collections</td>
<td>Collections Setups</td>
<td>Assignment to one set only, with common values</td>
</tr>
<tr>
<td>Advanced Collections</td>
<td>Dunning Plans</td>
<td>Assignment to one set only, with common values</td>
</tr>
<tr>
<td>Tax</td>
<td>Tax Classification Codes</td>
<td>Assignment to multiple sets, no common values allowed</td>
</tr>
<tr>
<td>Human Resources</td>
<td>Departments</td>
<td>Assignment to one set only, with common values</td>
</tr>
<tr>
<td>Human Resources</td>
<td>Jobs</td>
<td>Assignment to one set only, with common values</td>
</tr>
<tr>
<td>Human Resources</td>
<td>Locations</td>
<td>Assignment to one set only, with common values</td>
</tr>
<tr>
<td>Human Resources</td>
<td>Grades</td>
<td>Assignment to one set only, with common values</td>
</tr>
<tr>
<td>Project Billing</td>
<td>Project and Contract Billing</td>
<td>Assignment to multiple sets, no common values allowed</td>
</tr>
<tr>
<td>Project Foundation</td>
<td>Project Accounting Definition</td>
<td>Assignment to one set only, no common values allowed</td>
</tr>
<tr>
<td>Project Foundation</td>
<td>Project Rates</td>
<td>Assignment to one set only, with common values</td>
</tr>
<tr>
<td>Order Management</td>
<td>Hold Codes</td>
<td>Assignment to one set only, with common values</td>
</tr>
<tr>
<td>Order Management</td>
<td>Orchestration Process</td>
<td>Assignment to one set only, with common values</td>
</tr>
</tbody>
</table>

### What reference data objects can be shared across asset books?

The following list contains the reference data objects for Oracle Fusion Assets that can be shared across asset books and the method in which the reference data for each is shared.

<table>
<thead>
<tr>
<th>Application Name</th>
<th>Reference Data Object</th>
<th>Method of Sharing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets</td>
<td>Bonus Rules</td>
<td>Assignment to one set only, no common values allowed</td>
</tr>
</tbody>
</table>
What reference data objects can be shared across cost organizations?

The following table contains the reference data objects for Oracle Fusion Cost Management that can be shared across cost organizations and the method in which the reference data for each is shared.

<table>
<thead>
<tr>
<th>Application Name</th>
<th>Reference Data Object</th>
<th>Method of Sharing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost Management</td>
<td>Cost Structure</td>
<td>Assignment to one set only, no common values allowed</td>
</tr>
</tbody>
</table>

What reference data objects can be shared across project units?

The following table contains the reference data objects for Oracle Fusion Project Foundation that can be shared across project units and the method in which the reference data for each is shared.

<table>
<thead>
<tr>
<th>Application Name</th>
<th>Reference Data Object</th>
<th>Method of Sharing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost Management</td>
<td>Cost Structure</td>
<td>Assignment to one set only, no common values allowed</td>
</tr>
<tr>
<td>Application Name</td>
<td>Reference Data Object</td>
<td>Method of Sharing</td>
</tr>
<tr>
<td>---------------------</td>
<td>------------------------------</td>
<td>--------------------------------------------------------</td>
</tr>
<tr>
<td>Project Foundation</td>
<td>Project Definition</td>
<td>Assignment to multiple sets, no common values allowed</td>
</tr>
<tr>
<td>Project Foundation</td>
<td>Project Transaction Types</td>
<td>Assignment to multiple sets, no common values allowed</td>
</tr>
</tbody>
</table>
3 Enterprise

Define Enterprises

An enterprise is a collection of legal entities sharing common control and management.

Enterprise Defined

When implementing Oracle Fusion Applications you operate within the context of an enterprise that has already been created in the application for you. This is either a predefined enterprise or an enterprise that has been created in the application by a system administrator. An enterprise organization captures the name of the deploying enterprise and the location of the headquarters. In Oracle Fusion Applications, an organization classified as an enterprise is defined before defining any other organizations in the HCM Common Organization Model. All other organizations are defined as belonging to an enterprise.

Enterprise Information for Non-HCM Users

The Manage Enterprise HCM Information task includes default settings for your enterprise such as the employment model, worker number generation, and so on. If you’re not implementing Oracle Fusion Human Capital Management (HCM), then the only action you may need to perform using this task is to change the enterprise name, if necessary. The other settings are HCM-specific and aren’t relevant outside of Oracle Fusion HCM.

Manage Locations

Locations

A location identifies physical addresses of a workforce structure, such as a department or a job. You create and manage locations using the Manage Locations task in the Workforce Structures work area.

You can also create locations to enter the addresses of external organizations that you want to maintain, such as employment agencies, tax authorities, and insurance or benefits carriers.

The locations that you create exist as separate structures that you can use for reporting purposes, and in rules that determine employee eligibility for various types of compensation and benefits. You enter information about a location only once. Subsequently, when you set up other workforce structures you select the location from a list.

Location Sets

When you create a location, you must associate it with a set. Only those users who have access to the set’s business unit can access the location set and other associated workforce structure sets, such as those that contain departments and jobs.
Note the following:

- You can also associate the location to the common set so that users across your enterprise can access the location irrespective of their business unit.
- When users search for locations, they can see the locations that they have access to along with the locations in the common set.

The following figure shows how locations sets restrict access to users.

### Uploading Locations Using a Spreadsheet

If you have a list of locations already defined for your enterprise, you can upload them from a spreadsheet.

To use this option:

- Download a spreadsheet template
- Add your location information to the spreadsheet
- Upload directly to your enterprise configuration

You can upload the spreadsheet multiple times to accommodate revisions.

**Related Topics**

- Upload Workforce Structures Using a Spreadsheet
FAQs for Locations

Why can't I see my location in the search results?
You can search for approved locations only. Also, if you created a location in Oracle Fusion Trading Community Model, then you can’t access that location from Oracle Fusion Global Human Resources. For use in Oracle Fusion HCM, you must recreate the location from the Manage Locations page.

What happens if I select a geographic hierarchy node when I create or edit a location?
The calendar events that you created for the geographic node start to apply for the location and may impact the availability of worker assignments at that location. You manage locations using the Manage Locations task in the Workforce Structures work area.
The geographical hierarchy nodes available for selection on the Locations page display from a predefined geographic hierarchy.

Related Topics
• How an Employee’s Schedule Is Determined

What happens if I select an inventory organization when I am creating or editing a location?
The location is available for selection in purchase documents of that inventory organization in Oracle Fusion Inventory Management. If you don’t select an inventory organization, then the location is available in purchase documents across all inventory organizations.

What happens if I inactivate a location?
Starting from the effective date that you entered, you can no longer associate the location with other workforce structures, assignments, or applications. If the location is already in use, it will continue to be available to the components that currently use it.

How can I associate a location with an inventory organization?
From the Oracle Fusion Global Human Resources, go to the Manage Locations page. Use the Manage Locations task in the Workforce Structures work area.
To appear on the Create or Edit Location pages, your inventory organization must be effective on today’s date and must exist in the location set that you selected.

Legal Jurisdictions and Authorities

Overview
You are required to register your legal entities with legal authorities in the jurisdictions where you conduct business. Register your legal entities as required by local business requirements or other relevant laws. For example, register your legal entities for tax reporting to report sales taxes or value added taxes.
Define jurisdictions and related legal authorities to support multiple legal entity registrations, which are used by Oracle Fusion Tax and Oracle Fusion Payroll. When you create a legal entity, the Oracle Fusion Legal Entity Configurator automatically creates one legal reporting unit for that legal entity with a registration.

Jurisdictions

Jurisdiction is a physical territory such as a group of countries, country, state, county, or parish where a particular piece of legislation applies. French Labor Law, Singapore Transactions Tax Law, and US Income Tax Laws are examples of particular legislation that apply to legal entities operating in different countries’ jurisdictions. Judicial authority may be exercised within a jurisdiction.

Types of jurisdictions are:

- Identifying Jurisdiction
- Income Tax Jurisdiction
- Transaction Tax Jurisdiction

Identifying Jurisdiction

For each legal entity, select an identifying jurisdiction. An identifying jurisdiction is your first jurisdiction you must register with to be allowed to do business in a country. If there’s more than one jurisdiction that a legal entity must register with to commence business, select one as the identifying jurisdiction. Typically the identifying jurisdiction is the one you use to uniquely identify your legal entity.

Income tax jurisdictions and transaction tax jurisdictions don’t represent the same jurisdiction. Although in some countries, the two jurisdictions are defined at the same geopolitical level, such as a country, and share the same legal authority, they’re two distinct jurisdictions.

Income Tax Jurisdiction

Create income tax jurisdictions to properly report and remit income taxes to the legal authority. Income tax jurisdictions by law impose taxes on your financial income generated by all your entities within their jurisdiction. Income tax is a key source of funding that the government uses to fund its activities and serve the public.

Transaction Tax Jurisdiction

Create transaction tax jurisdictions through Oracle Fusion Tax in a separate business flow, because of the specific needs and complexities of various taxes. Tax jurisdictions and their respective rates are provided by suppliers and require periodic maintenance. Use transaction tax jurisdiction for legal reporting of sales and value added taxes.

Legal Authorities

A legal authority is a government or legal body that’s charged with powers to make laws, levy and collect fees and taxes, and remit financial appropriations for a given jurisdiction.

For example, the Internal Revenue Service is the authority for enforcing income tax laws in United States. In some countries, such as India and Brazil, you’re required to print legal authority information on your tax reports. Legal authorities are defined in the Oracle Fusion Legal Entity Configurator. Tax authorities are a subset of legal authorities and are defined using the same setup flow.
Legal authorities aren’t mandatory in Oracle Fusion Human Capital Management (HCM), but are recommended and are generally referenced on statutory reports.

Create Legal Jurisdictions, Addresses and Authorities

Define legal jurisdictions and related legal authorities to support multiple legal entity registrations, which are used by Oracle Fusion Tax and Oracle Fusion Payroll.

**Legal Jurisdictions**

Create a legal jurisdiction by following these steps:

1. **Navigator > Setup and Maintenance > Manage Legal Jurisdictions > Go to Task.**
2. Select **Create.**
3. Enter a unique **Name**, United States Income Tax.
4. Select a **Territory**, United States.
5. Select a **Legislative Category**, Income tax.
6. Select **Identifying**, Yes. Identifying indicates the first jurisdiction a legal entity must register with to do business in a country.
7. Enter a **Start Date** if desired. You can also add an **End Date** to indicate a date that the jurisdiction may no longer be used.
8. Select a **Legal Entity Registration Code**, EIN or TIN.
9. Select a **Legal Reporting Unit Registration Code**, Legal Reporting Unit Registration Number.
10. Optionally enter one or more **Legal Functions**.
11. **Save and Close.**

**Legal Addresses for Legal Entities and Reporting Units**

Create a legal address for legal entities and reporting units by following these steps:

1. **Navigator > Setup and Maintenance > Manage Legal Address > Go to Task.**
2. Select **Create.**
3. Select **Country**.
4. Enter **Address Line 1**, Oracle Parkway.
5. Optionally enter **Address Line 2**, and **Address Line 3**.
6. Enter or Select the postal code, 94065.
7. Select **Geography** 94065 and **Parent Geography** Redwood Shores, San Mateo, CA.
9. **OK.**
10. **Save and Close.**

**Legal Authorities**

Create a legal authority by following these steps:

1. **Navigator > Setup and Maintenance > Manage Legal Authorities > Go to Task.**
2. Enter the **Name**, California Franchise Tax Board.
3. Enter the **Tax Authority Type**, Reporting.

**Note:** Create an address for the legal authority.
4. Select Create.
5. The Site Number is automatically assigned.
6. Optionally enter a Mail Stop.
7. Select Country, United States.
8. Enter Address Line 1, 121 Spear Street, Suite 400.
9. Optionally enter Address Line 2, and Address Line 3.
10. Enter or Select the postal code, 94105.
12. OK.
14. Optionally click the One-Time Address check box.
15. The From Date displays today’s date. Update if necessary.
16. Optionally enter a To Date to indicate the last day the address can be used.

Note: You can optionally enter Address Purpose details.

17. Select Add Row.
18. Select Purpose.
19. The Purpose from Date will default to today’s date.
20. Optionally enter a Purpose to Date.
21. OK.
22. Save and Close.

Create Legal Entities, Registrations, and Reporting Units

Define a legal entity for each registered company or other entity recognized in law for which you want to record assets, liabilities, and income, pay transaction taxes, or perform intercompany trading.

Legal Entity

Create a legal entity by following these steps:

1. Navigator > Setup and Maintenance > Manage Legal Entity > Go to Task.
2. Accept the default Country, United States.
3. Enter Name, InFusion USA West.
4. Enter Legal Entity Identifier, US0033.
5. Optionally enter Start Date. When the start date is blank the legal entity is effective from the creation date.
6. Optionally enter an End Date.
7. Optionally, if your legal entity should be registered to report payroll tax and social insurance, select the Payroll statutory unit check box.
8. Optionally, if your legal entity has employees, select the Legal employer check box.
9. Optionally, if this legal entity is not a payroll statutory unit, select an existing payroll statutory unit to report payroll tax and social instance on behalf of this legal entity.
10. Enter the Registration Information
11. Accept the default Identifying Jurisdiction, United States Income Tax.
12. Search for and select a Legal Address, 500 Oracle Parkway, Redwood Shores, CA 94065.

The legal address must have been entered previously using the Manage Legal Address task.
13. OK.
14. Optionally enter a Place of Registration.
15. Enter the EIN or TIN.
16. Enter the Legal Reporting Unit Registration Number.
17. Save and Close.
18. Navigator > Setup and Maintenance > Define Legal Entries > Manage Legal Entity > Select to set scope.
19. Select the Manage Legal Entity.
20. In the *Legal Entity list, select Select and Add.
21. Click Apply and Go to Task.
22. Select your legal entity.
23. Save and Close.
This sets the scope for your task list to the selected legal entity.
24. Save and Close.

Legal Entity Registrations
A legal entity registration with the same name as that of the legal entity is created by default. To verify this, locate the Manage Legal Entity Registrations task and then select Go to Task. To create another registration for the legal entity follow these steps:

1. Navigator > Setup and Maintenance > Manage Legal Entity Registrations: Verify that the Legal Entity scope value is set correctly.
2. Go to Task.
3. Select Create.
4. Enter Jurisdiction.
5. Enter Registered Address.
6. Enter Registered Name.
7. Optionally enter Alternate Name, Registration Number, Place of Registration, Issuing Legal Authority, and Issuing Legal Authority Address, Start Date, and End Date.
8. Save and Close.

Legal Reporting Unit
When a legal entity is created, a legal reporting unit with the same name as that of the entity is also automatically created. To create more legal reporting units or modify the settings follow these steps:

1. Navigator > Setup and Maintenance > Define Legal Reporting Unit. > Manage Legal Reporting Unit. Verify that the Legal Entity scope value is set correctly.
2. Go to Task
3. Select Create.
4. Enter Territory, United States.
5. Enter Name.
6. Optionally enter a Start Date.
7. Enter Registration Information.
8. Search for and select Jurisdiction.
9. Enter Main Legal Reporting Unit information.
10. Select the value Yes or No for the Main Legal Reporting Unit. Set value to yes only if you are creating a new main (primary) legal reporting unit.
11. Enter the Main Effective Start Date, 1/1/11.
12. Save and Close.
Related Topics

- Overview
- Plan Legal Reporting Units
- Model Legal Entities
4 Geographies

Overview of Geographies

Setting up your geography structure and master geographies correctly in the Trading Community Model is critical to the proper use and management of Oracle Enterprise Resource Planning (ERP) Cloud applications.

The geography structure and master geography data is shared across multiple product families and applications. Address validation ensures complete and valid master address data across all location entities across product applications. In addition, complete and valid master data is critical for accurate transaction tax calculation.

You can either define your geography structure and corresponding master geographies manually or import these geography entities. You can use the:

1. Manage Geographies page
2. Manage File Import Activities task

For more information about managing your geographies, see the Define Geographies section in the Define Enterprise Structures chapter in the Oracle ERP Cloud Implementing Common Features for Financials and Project Portfolio Management guide on Oracle Help Center (https://docs.oracle.com).

Manage Geographies

Use the Manage Geographies page to manually define your geography structure, hierarchy, mapping, and validation. Manually define your geographies when you have a simple geography requirement with a limited number of geographies within an individual country.

Manage File Import Activities

You can upload the geography structure and hierarchy using the Manage File Import Activities task. Once you upload your geography data successfully, use the Manage Geographies page to:

- Validate your data
- Enable geography validation
- Enable tax validation

Set the address validation for applicable countries to Error to ensure that you haven't created any invalid or incomplete master address data for any location entities. The accuracy of master address data is critical to successful implementations.

Use data import when you have more complex geography requirements, such as for the United States and Canada.

Related Topics

- Manage Geography Structures, Hierarchies, and Validation
- Overview of Geography Import
- Oracle ERP Cloud Implementing Common Features for Financials and Project Portfolio Management
5 Legal Entities

Overview

A legal entity is a recognized party with rights and responsibilities given by legislation. Legal entities have the following rights and responsibilities to:

- Own property
- Trade
- Repay debt
- Account for themselves to regulators, taxation authorities, and owners according to rules specified in the relevant legislation

Their rights and responsibilities may be enforced through the judicial system. Define a legal entity for each registered company or other entity recognized in law for which you want to record assets, liabilities, expenses and income, pay transaction taxes, or perform intercompany trading.

A legal entity has responsibility for elements of your enterprise for the following reasons:

- Facilitating local compliance
- Minimizing the enterprise’s tax liability
- Preparing for acquisitions or disposals of parts of the enterprise
- Isolating one area of the business from risks in another area. For example, your enterprise develops property and also leases properties. You could operate the property development business as a separate legal entity to limit risk to your leasing business.

The Role of Your Legal Entities

In configuring your enterprise structure in Oracle Fusion Applications, the contracting party on any transaction is always the legal entity. Individual legal entities:

- Own the assets of the enterprise
- Record sales and pay taxes on those sales
- Make purchases and incur expenses
- Perform other transactions

Legal entities must comply with the regulations of jurisdictions, in which they register. Europe now allows for companies to register in one member country and do business in all member countries, and the US allows for companies to register in one state and do business in all states. To support local reporting requirements, legal reporting units are created and registered.

You are required to publish specific and periodic disclosures of your legal entities’ operations based on different jurisdictions’ requirements. Certain annual or more frequent accounting reports are referred to as statutory or external reporting. These reports must be filed with specified national and regulatory authorities. For example, in the United States (US), your publicly owned entities (corporations) are required to file quarterly and annual reports, as well as other periodic reports, with the Securities and Exchange Commission (SEC), which enforces statutory reporting requirements for public corporations.

Individual entities privately held or held by public companies don’t have to file separately. In other countries, your individual entities do have to file in their own name, as well as at the public group level. Disclosure requirements are diverse. For
example, your local entities may have to file locally to comply with local regulations in a local currency, as well as being included in your enterprise’s reporting requirements in different currency.

A legal entity can represent all or part of your enterprise’s management framework. For example, if you operate in a large country such as the United Kingdom or Germany, you might incorporate each division in the country as a separate legal entity. In a smaller country, for example Austria, you might use a single legal entity to host all of your business operations across divisions.

Model Legal Entities

Oracle Fusion Applications support the modeling of your legal entities. If you make purchases from or sell to other legal entities, define these other legal entities in your customer and supplier registers. These registers are part of the Oracle Fusion Trading Community Architecture.

When your legal entities are trading with each other, represent them as legal entities and as customers and suppliers in your customer and supplier registers. Use legal entity relationships to determine which transactions are intercompany and require intercompany accounting. Your legal entities can be identified as legal employers and therefore, are available for use in Human Capital Management (HCM) applications.

Several decisions you should consider when you create legal entities.

- The importance of using legal entity on transactions
- Legal entity and its relationship to business units
- Legal entity and its relationship to divisions
- Legal entity and its relationship to ledgers
- Legal entity and its relationship to balancing segments
- Legal entity and its relationship to consolidation rules
- Legal entity and its relationship to intercompany transactions
- Legal entity and its relationship to worker assignments and legal employer
- Legal entity and payroll reporting
- Legal reporting units

The Importance of Using Legal Entities on Transactions

All of the assets of the enterprise are owned by individual legal entities. Oracle Fusion Financials allow your users to enter legal entities on transactions that represent a movement in value or obligation.

For example, a sales order creates an obligation on the legal entity that books the order and promises to deliver the goods on the acknowledged date. The creation also creates an obligation on the purchaser to receive and pay for those goods. Contract law in most countries contains statutes that state damages can be sought for both:

- Actual losses, putting the injured party in the same state as if they had not entered into the contract.
- What is called loss of bargain, or the profit that would have made on a transaction.

In another example, if you revalued your inventory in a warehouse to account for raw material price increases, the revaluation and revaluation reserves must be reflected in your legal entity’s accounts. In Oracle Fusion Applications, your inventory within an inventory organization is managed by a single business unit and belongs to one legal entity.
Legal Entity and Its Relationship to Business Units
A business unit can process transactions on behalf of many legal entities. Frequently, a business unit is part of a single legal entity. In most cases, the legal entity is explicit on your transactions. For example, a payables invoice has an explicit legal entity field. Your accounts payables department can process supplier invoices on behalf of one or many business units.

In some cases, your legal entity is inferred from your business unit that’s processing the transaction. For example, Business Unit ACM UK has a default legal entity of InFusion UK Ltd. When a purchase order is placed in ACM UK, the legal entity InFusion UK Ltd is legally obligated to the supplier. Oracle Fusion Procurement, Oracle Fusion Project Portfolio Management, and Oracle Fusion Supply Chain applications rely on deriving the legal entity information from the business unit.

Legal Entity and Its Relationship to Divisions
The division is an area of management responsibility that can correspond to a collection of legal entities. If wanted, you can aggregate the results for your divisions by legal entity or by combining parts of other legal entities. Define date-effective hierarchies for your cost center or legal entity segment in your chart of accounts to facilitate the aggregation and reporting by division. Divisions and legal entities are independent concepts.

Legal Entity and Its Relationship to Ledgers
One of your major responsibilities is to file financial statements for your legal entities. Map legal entities to specific ledgers using the Oracle Fusion General Ledger Accounting Configuration Manager. Within a ledger, you can optionally map a legal entity to one or more balancing segment values.

Legal Entity and Its Relationship to Balancing Segments
Oracle Fusion General Ledger supports up to three balancing segments. Best practices recommend one segment represents your legal entity to ease your requirement to account for your operations to regulatory agencies, tax authorities, and investors. Accounting for your operations means you must produce a balanced trial balance sheet by legal entity. If you account for many legal entities in a single ledger, you must:

1. Identify the legal entities within the ledger.
2. Balance transactions that cross legal entity boundaries through intercompany transactions.
3. Decide which balancing segments correspond to each legal entity and assign them in Oracle Fusion General Ledger Accounting Configuration Manager. Once you assign one balancing segment value in a ledger, then all your balancing segment values must be assigned. This recommended best practice facilitates reporting on assets, liabilities, and income by legal entity.

Represent your legal entities by at least one balancing segment value. You may represent it by two or three balancing segment values if more granular reporting is required. For example, if your legal entity operates in multiple jurisdictions in Europe, you might define balancing segment values and map them to legal reporting units. You can represent a legal entity with more than one balancing segment value. Do not use a single balancing segment value to represent more than one legal entity.

In Oracle Fusion General Ledger, there are three balancing segments. You can use separate balancing segments to represent your divisions or strategic business units to enable management reporting at the balance sheet level for each. This solution is used to empower your business unit and divisional managers to track and assume responsibility for their asset utilization or return on investment. Using multiple balancing segments is also useful when you know at the time of implementation that you’re disposing of a part of a legal entity and want to isolate the assets and liabilities for that entity.

Implementing multiple balancing segments requires every journal entry that isn’t balanced by division or business unit, to generate balancing lines. You can’t change to multiple balancing segments after you begin using the ledger because your historical data isn’t balanced by the new balancing segments. Restating historical data must be done at that point.
If your enterprise regularly spins off businesses or holds managers accountable for utilization of assets, identify the business with a balancing segment value. If you account for each legal entity in a separate ledger, no requirement exists to identify the legal entity with a balancing segment value.

While transactions that cross balancing segments don’t necessarily cross legal entity boundaries, all transactions that cross legal entity boundaries must cross balancing segments. If you make an acquisition or are preparing to dispose of a portion of your enterprise, you may want to account for that part of the enterprise in its own balancing segment even if the portion isn’t a separate legal entity. If you don’t map legal entities sharing the same ledger to balancing segments, you can’t distinguish them using intercompany functionality or track individual equity.

Legal Entity and Its Relationship to Consolidation Rules

In Oracle Fusion Applications you can map legal entities to balancing segments and then define consolidation rules using your balancing segments. You are creating a relationship between the definition of your legal entities and their role in your consolidation.

Legal Entity and Its Relationship to Intercompany Transactions

Use Oracle Fusion Intercompany feature to create intercompany entries automatically across your balancing segments. Intercompany processing updates legal ownership within the enterprise’s groups of legal entities. Invoices or journals are created as needed. To limit the number of trading pairs for your enterprise, set up intercompany organizations and assign them to your authorized legal entities. Define processing options and intercompany accounts to use when creating intercompany transactions and to assist in consolidation elimination entries. These accounts are derived and automatically entered on your intercompany transactions based on legal entities assigned to your intercompany organizations.

Intracompany trading, in which legal ownership isn’t changed but other organizational responsibilities are, is also supported. For example, you can track assets and liabilities that move between your departments within your legal entities by creating departmental level intercompany organizations.

Tip: In the Oracle Fusion Supply Chain applications, you can model intercompany relationships using business units, from which legal entities are derived.

Legal Entity and Its Relationship to Worker Assignments and Legal Employer

Legal entities that employ people are called legal employers in the Oracle Fusion Legal Entity Configurator. You must enter legal employers on worker assignments in Oracle Fusion HCM.

Legal Entity and Payroll Reporting

Your legal entities are required to pay payroll tax and social insurance such as social security on your payroll. In Oracle Fusion Applications, you can register payroll statutory units to pay and report on payroll tax and social insurance for your legal entities. As the legal employer, you might be required to pay payroll tax, not only at the national level, but also at the local level. You meet this obligation by establishing your legal entity as a place of work within the jurisdiction of a local authority. Set up legal reporting units to represent the part of your enterprise with a specific legal reporting obligation. You can also mark these legal reporting units as tax reporting units, if the legal entity must pay taxes as a result of establishing a place of business within the jurisdiction.
How You Create Legal Entities in the Enterprise Structures Configurator

Use the Enterprise Structures Configurator, to create legal entities for your enterprise automatically, based on the countries in which divisions of your business operate, or you can upload a list of legal entities from a spreadsheet.

Automatically Creating Legal Entities

If you are not certain of the number of legal entities that you need, you can create them automatically. To use this option, you first identify all of the countries in which your enterprise operates. The application opens the Map Divisions by Country page, which contains a matrix of the countries that you identified, your enterprise, and the divisions that you created. You select the check boxes where your enterprise and divisions intersect with the countries to identify the legal entities that you want the application to create. The enterprise is included for situations where your enterprise operates in a country, acts on behalf of several divisions within the enterprise, and is a legal employer in a country. If you select the enterprise for a country, the application creates a country holding company.

The application automatically creates the legal entities that you select, and identifies them as payroll statutory units and legal employers. For each country that you indicated that your enterprise operates in, and for each country that you created a location for, the application also automatically creates a legislative data group.

Any legal entities that you create automatically cannot be deleted from the Create Legal Entities page within the Enterprise Structures Configurator. You must return to the Map Divisions by Country page and deselect the legal entities that you no longer want.

Example: Creating Legal Entities Automatically

InFusion Corporation is using the ESC to set up its enterprise structure. The corporation has identified two divisions, one for Lighting, and one for Security. The Lighting division operates in Japan and the US, and the Security division operates in the UK and India.

This figure illustrates InFusion Corporation's enterprise structure.
This table represents the selections that InFusion Corporation makes when specifying which legal entities to create on the Map Divisions by Country page.

<table>
<thead>
<tr>
<th>Country</th>
<th>Enterprise</th>
<th>InFusion Lighting</th>
<th>InFusion Security</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>US</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>UK</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>India</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Based on the selections made in the preceding table, the ESC creates the following four legal entities:

- InFusion Lighting Japan LE
- InFusion Lighting US LE
- InFusion Security UK LE
- InFusion Security India LE

Creating Legal Entities Using a Spreadsheet

If you have a list of legal entities already defined for your enterprise, you can upload them from a spreadsheet. To use this option, you first download a spreadsheet template, then add your legal entity information to the spreadsheet, and then upload directly to your enterprise configuration. You can export and import the spreadsheet multiple times to accommodate revisions.

**Related Topics**

- [Examples of HCM Organization Models](#)
- [What’s an ultimate holding company](#)
- [Guidelines for Using Desktop Integrated Excel Workbooks](#)

Create Legal Entities, Registrations, and Reporting Units

Define a legal entity for each registered company or other entity recognized in law for which you want to record assets, liabilities, and income, pay transaction taxes, or perform intercompany trading.

Legal Entity

Create a legal entity by following these steps:

1. **Navigator** > **Setup and Maintenance** > **Manage Legal Entity** > **Go to Task**.
2. Accept the default **Country**, United States.
3. Enter **Name**, InFusion USA West.
4. Enter **Legal Entity Identifier**, US0033.
5. Optionally enter **Start Date**. When the start date is blank the legal entity is effective from the creation date.
6. Optionally enter an **End Date**.
7. Optionally, if your legal entity should be registered to report payroll tax and social insurance, select the **Payroll statutory unit** check box.
8. Optionally, if your legal entity has employees, select the **Legal employer** check box.
9. Optionally, if this legal entity is not a payroll statutory unit, select an existing payroll statutory unit to report payroll tax and social instance on behalf of this legal entity.
10. Enter the **Registration Information**
12. Search for and select a **Legal Address**, 500 Oracle Parkway, Redwood Shores, CA 94065.

The legal address must have been entered previously using the **Manage Legal Address** task.

13. **OK**.
14. Optionally enter a **Place of Registration**.
15. Enter the **EIN or TIN**.
16. Enter the **Legal Reporting Unit Registration Number**.
17. **Save and Close**.
18. **Navigator > Setup and Maintenance > Define Legal Entries > Manage Legal Entity > Select** to set scope.
19. Select the **Manage Legal Entity**.
20. In the *Legal Entity* list, select **Select and Add**.
21. Click **Apply and Go to Task**.
22. Select your legal entity.
23. **Save and Close**.

This sets the scope for your task list to the selected legal entity.
24. **Save and Close**.

### Legal Entity Registrations

A legal entity registration with the same name as that of the legal entity is created by default. To verify this, locate the **Manage Legal Entity Registrations** task and then select **Go to Task**. To create another registration for the legal entity follow these steps:

1. **Navigator > Setup and Maintenance > Manage Legal Entity Registrations**: Verify that the **Legal Entity** scope value is set correctly.
2. **Go to Task**.
3. Select **Create**.
4. Enter **Jurisdiction**.
5. Enter **Registered Address**.
6. Enter **Registered Name**.
7. Optionally enter **Alternate Name, Registration Number, Place of Registration, Issuing Legal Authority**, and **Issuing Legal Authority Address, Start Date**, and **End Date**.
8. **Save and Close**.
Legal Reporting Unit

When a legal entity is created, a legal reporting unit with the same name as that of the entity is also automatically created. To create more legal reporting units or modify the settings follow these steps:

1. Navigator > Setup and Maintenance > Define Legal Reporting Unit. > Manage Legal Reporting Unit. Verify that the Legal Entity scope value is set correctly.
2. Go to Task
3. Select Create.
4. Enter Territory. United States.
5. Enter Name.
6. Optionally enter a Start Date.
7. Enter Registration Information.
8. Search for and select Jurisdiction.
9. Enter Main Legal Reporting Unit information.
10. Select the value Yes or No for the Main Legal Reporting Unit. Set value to yes only if you are creating a new main (primary) legal reporting unit.
11. Enter the Main Effective Start Date, 1/1/11.
12. Save and Close.

How Legal Employers Work with Payroll Statutory Units and Tax Reporting Units

When you set up legal entities, you can identify them as legal employers and payroll statutory units, which makes them available for use in Oracle Fusion Human Capital Management (HCM). Depending on how your organization is structured, you may have only one legal entity that is also a payroll statutory unit and a legal employer, or you may have multiple legal entities, payroll statutory units, and legal employers.

Legal Employers and Payroll Statutory Unit

Payroll statutory units enable you to group legal employers so that you can perform statutory calculations at a higher level, such as for court orders or for United Kingdom (UK) statutory sick pay. In some cases, a legal employer is also a payroll statutory unit. However, your organization may have several legal employers in one payroll statutory unit. A legal employer can belong to only one payroll statutory unit.

Payroll Statutory Units and Tax Reporting Units

Payroll statutory units and tax reporting units have a parent-child relationship, with the payroll statutory unit being the parent.

Tax Reporting Units and Legal Employers

Tax reporting units are indirectly associated with a legal employer through the payroll statutory unit. One or more tax reporting units can be used by a single legal employer, and a tax reporting unit can be used by one or more legal employers. For example, assume that a single tax reporting unit is linked to a payroll statutory unit. Assume also that two legal employers are
associated with this payroll statutory unit. In this example, both legal employers are associated with the single tax reporting unit.

Use the Manage Legal Reporting Unit HCM Information task to designate an existing legal reporting unit as a tax reporting unit. If you create a new legal reporting unit that belongs to a legal employer (that is not also a payroll statutory unit), you select a parent payroll statutory unit and then, when you run the Manage Legal Reporting Unit HCM Information task, you designate it as a tax reporting unit and select the legal employer.

Related Topics

- Examples of HCM Organization Models
- What’s a tax reporting unit

Considerations for Specifying First-Party Tax Profile Options

Set up first-party tax profiles for all legal entities, legal reporting units, and business units in your organization that have a transaction tax requirements. How you set up your first parties can impact the tax calculation on your transactions.

The first-party tax profile consists of:

- Defaults and controls: Applicable to legal entities and legal reporting units. Business units that use their own tax setup don’t have defaults and controls.
- Tax registrations: Applicable to legal reporting units.
- Party fiscal classifications: Applicable to legal entities and legal reporting units.
- Tax reporting codes: Applicable to legal entities, legal reporting units, and business units who don’t use the tax setup of the legal entity.
- Configuration options: Applicable to legal entities and business units who don’t use the tax setup of the legal entity.
- Service subscriptions: Applicable to legal entities and business units who don’t use the tax setup of the legal entity.

Defaults and Controls

The following table describes the defaults and controls available at the first-party tax profile level:

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rounding Level</td>
<td>Perform rounding operations on the:</td>
</tr>
<tr>
<td></td>
<td>- <strong>Header</strong>: Applies rounding to calculated tax amounts once for each tax rate per invoice.</td>
</tr>
<tr>
<td></td>
<td>- <strong>Line</strong>: Applies rounding to the calculated tax amount on each invoice line.</td>
</tr>
<tr>
<td>Rounding Rule</td>
<td>The rule that defines how the rounding must be performed on a value involved in a taxable transaction. For example, up to the next highest value, down to the next lowest value, or nearest.</td>
</tr>
</tbody>
</table>
Option | Description
---|---
**Set Invoice Values as Tax Inclusive** | This first party intends to send or receive invoices with invoice line amount inclusive of the tax amount.

*Note:* If you defined a rounding precedence hierarchy in the configuration owner tax option settings for the combination of configuration owner and event class, Oracle Fusion Tax considers the rounding details in the applicable tax profile.

*Note:* This option overrides the tax inclusive handling setting at the tax level, but not at the tax rate level.

**Tax Registrations**
Set up a separate tax registration to represent each distinct registration requirement for a first-party legal reporting unit. Oracle Fusion Tax uses tax registrations in tax determination and tax reporting. If your first party has more than one tax registration in the same tax regime, then the application considers the tax registration in the order: tax jurisdiction; tax; tax regime.

You must enable the **Use tax reporting configuration** option on the first-party tax regime to allow entry of global tax reporting configuration details during tax registration setup for legal reporting units for these tax regimes.

**Party Fiscal Classifications**
If applicable, associate first-party fiscal classification codes with this party. The party fiscal classification codes you enter become part of tax determination for invoices associated with this party. Specify start and end dates to control when these fiscal classifications are applicable for this party and transaction.

For legal entities, you can view the associated legal classifications that were assigned to the tax regime defined for this first party. The legal classifications are used in the tax determination process, similar to the party fiscal classifications.

**Tax Reporting Codes**
Set up tax reporting types to capture additional tax information on transactions for your tax reports for your first parties. Depending on the tax reporting type code, you either enter or select a tax reporting code for this party. Specify start and end dates to control when these tax reporting codes are applicable.

**Configuration Options**
The legal entities and business units in your organization are each subject to specific sets of tax regulations as designated by the tax authorities where you do business. Use configuration options to associate legal entities and business units with their applicable tax regimes. You can set up tax configuration options when you create a tax regime or when you create a party tax profile. Both setup flows display and maintain the same party and tax regime definitions.

**Service Subscriptions**
You can use a service subscription to reference a specific transaction tax offering or offerings provided by an external tax partner. The transaction tax offering provided by an external tax partner can be related to content, calculation services, or both. Oracle Fusion Tax supports the use of transaction tax offerings provided by external tax partners for transaction tax
calculation processing. Depending on the specific depth and scope of an individual tax partner’s offerings, you can use either Oracle Fusion Tax or a Partner Tax Application to perform the transaction tax calculation.

**Related Topics**

- Tax Registrations
- Tax Configuration Options
- Considerations for Setting Tax Reporting Configuration Controls for VAT
- Party Information

## Party Tax Profiles

A tax profile is the body of information that relates to a party’s transaction tax activities. A tax profile can include main and default information, tax registration, tax exemptions, party fiscal classifications, tax reporting codes, configuration options, and service subscriptions.

Set up tax profiles for the following parties involved in your transactions:

- First parties
- Third parties
- Tax authorities

## First Parties

Set up tax profiles for your first-party legal entities, legal reporting units, and business units.

First-party legal entities identify your organization to the relevant legal authorities, for example, a national or international headquarters. Legal entities let you model your external relationships to legal authorities more accurately. The relationships between first-party legal entities and the relevant tax authorities normally control the setup of the transaction taxes required by your business. In most circumstances, the tax setup is used and maintained based on the configuration of the legal entity. Enter the default information, party fiscal classifications, tax reporting codes, and configuration options for your legal entities. You can also specify if you’re using the tax services of an external service provider for tax calculation.

First-party legal reporting units identify each office, service center, warehouse, and any other location within the organization with a tax requirement. A legal reporting unit tax profile is automatically created for the headquarter legal entity. Set up additional legal reporting unit tax profiles for those needed for tax purposes. For legal reporting units, enter the default information, tax registrations, party fiscal classifications, and tax reporting codes. Also, define tax reporting details for your VAT and global tax reporting needs for tax registrations of tax regimes that allow this setup.

Business units organize your company data according to your internal accounting, financial monitoring, and reporting requirements. To help you manage the tax needs of your business units, you can use the business unit tax profile in either of two ways:

- Indicate that business unit tax setup is used and maintained based on the configuration of the associated legal entity at transaction time. The tax setup of the associated legal entity setup is either specific to the legal entity or shared across legal entities using the Global Configuration Owner setup.
- Indicate that tax setup is used and maintained by a specific business unit. Create configuration options for the business unit to indicate that the subscribed tax content is used for the transactions created for the business unit.
For business units that maintain their own setup, enter the default information, tax reporting codes, configuration options, and service providers as required.

Third Parties
Set up third-party tax profiles for parties with the usage of customer, supplier, and their sites. Enter the default information, tax registrations, party fiscal classifications, and reporting codes required for your third parties or third-party sites. You can set up tax exemptions for your customers and customer sites.

Banks are also considered third parties. When a bank is created, the tax registration number specified on the bank record is added to the party tax profile record in Oracle Fusion Tax. You can’t modify the party tax profile for a bank as it’s view only. You can only modify the bank record.

*Note:* You don’t need to set up party tax profiles for third parties. Taxes are still calculated on transactions for third parties that don’t have tax profiles.

Tax Authorities
Set up a tax authority party tax profile using the Legal Authorities setup task. The tax authority party tax profile identifies a tax authority party as a collecting authority or a reporting authority or both. A collecting tax authority manages the administration of tax remittances. A reporting tax authority receives and processes all company transaction tax reports.

The collecting and reporting tax authorities appear in the corresponding list of values on all applicable Oracle Fusion Tax pages. All tax authorities are available in the list of values as an issuing tax authority.

*Related Topics*
- Considerations for Specifying Third-Party Tax Profile Options
- When does a party tax profile get created for a third party

Plan Legal Reporting Units
Each of your legal entities has at least one legal reporting unit. Some legal reporting units can also be referred to as establishments. You can define either domestic or foreign establishments. Define legal reporting units by physical location, such as sales offices. For example, set up legal reporting units to represent your company and its offices for tax reporting.

Planning Legal Reporting Units
Plan and define your legal reporting units at both the local and national levels if you operate within the administrative boundaries of a jurisdiction that’s more granular than country. For example, your legal entity establishes operations in a country that requires reporting of employment and sales taxes locally as well as nationally. Therefore, you need more than one legally registered location to meet this legal entity’s reporting requirements in each area. Additionally, legal entities in Europe operate across national boundaries, and require you to set up legal reporting units for the purposes of local registration in each country. There can be multiple registrations associated with a legal reporting unit. However, only one identifying registration can be defined by the legal authority used for the legal entity or legal reporting unit and associated with the legal reporting unit.
FAQs for Legal Entities

What's a legal employer?

A legal employer is a legal entity that employs workers. You define a legal entity as a legal employer in the Oracle Fusion Legal Entity Configurator.

The legal employer is captured at the work relationship level, and all assignments within that relationship are automatically with that legal employer. Legal employer information for worker assignments is also used for reporting purposes.

What's a payroll statutory unit?

Payroll statutory units are legal entities that are responsible for paying workers, including the payment of payroll tax and social insurance. A payroll statutory unit can pay and report on payroll tax and social insurance on behalf of one or many legal entities, depending on the structure of your enterprise. For example, if you’re a multinational, multiple company enterprise, then you register a payroll statutory unit in each country where you employ and pay people. You can optionally register a consolidated payroll statutory unit to pay and report on workers across multiple legal employers within the same country. You associate a legislative data group with a payroll statutory unit to provide the correct payroll information for workers.

When does a party tax profile get created for a legal entity?

The legal entity party tax profile is automatically created when a legal entity record is created.

When a legal entity is created through a back-end process, a legal entity party tax profile is created, when you:

- Save a tax regime to which the legal tax entity subscribes.
- Save the configuration owner tax option that are defined for the legal entity.

You can also create a party tax profile for a legal entity manually. Use the Create Legal Entity Tax Profile page or edit the tax profile that was automatically generated with the relevant tax information.
6 Financial Structures

Rapid Implementation

Overview of Enterprise Structures Rapid Implementation

You can use the Rapid Implementation for General Ledger workbook template to rapidly implement the following common setup objects for enterprise structures:

- Chart of accounts, including value sets, value set values, structures, and structure instances
- Account hierarchies, represented in the application through trees and tree versions
- Accounting calendars (monthly type only)
- Legal entities
- Primary ledgers with legal entity assignments to primary balancing segment values
- Business units
- Rules of generating sequential IDs for transactions recorded in the application
- Select setup objects along with their accounting specifications, for various Financial applications

Completion of the rapid implementation enterprise structure setup also automatically generates sample financial reports and account groups based on your enterprise structure. Account groups are used in reporting dashboards such as the Revenues and Expenses infolets, and the Close Monitor.

Plan your implementation carefully, considering the following requirements.

- Determine your chart of accounts segments.
- Create your segment values and hierarchies data in the specified format.
- Identify your legal entities, addresses, and business units.
- Determine the key accounts for tracking accounting activities, for example, retained earnings, cash, accounts receivable, accounts payable, and top revenue and expenses parent accounts.
- Determine your calendar start date and its periodic pattern.
- Finalize your primary balancing segment value, legal entity, and business unit relationships.
- Determine your document and journal sequencing requirements.

In the Setup and Maintenance work area, create an implementation project that includes the Define Financials Configuration for Rapid Implementation task list. Download the workbook using the Create Chart of Accounts, Ledger, Legal Entities, and Business Units in Spreadsheet task.

⚠️ Caution: The rapid implementation enterprise structure configuration is meant to be used for a one-time initialization. To the extent that you want to make certain allowed modifications to the configuration, you generally have to make those changes directly in the application. After initial upload of the ledger, legal entity, and business unit file, the fundamental accounting configuration framework is only created once and is permanently set. The framework includes the ledger and its assigned chart of accounts, calendar and currency assignment, and the associated definitions of those components.
Create Chart of Accounts, Ledger, Legal Entities, and Business Units in Spreadsheets

Represent your enterprise structures in your chart of accounts, ledger, legal entities, and business unit configuration to track and report on financial objectives and meet reporting requirements. These components provide the underlying structure for organizing financial information and reporting.

The chart of accounts within the ledger facilitates:

- Aggregating data from different operations, from within an operation, and from different business flows
- Consistent definitions to your stakeholders in compliance with legislative and corporate reporting standards and aids in management decisions

Rapid implementation is a way to configure a financial enterprise and financial reporting structures quickly using sheets in a workbook that upload lists of:

- Companies (legal entities)
- Ledgers by country
- Business units
- Chart of accounts and segment values
- Segment value hierarchies
- Financial sequences
- Required subledger accounts

Once the sheets have been uploaded, the application creates:

- Chart of accounts structure and instance
- Segment value hierarchies
- Key accounts such as retained earnings
- Required subledger accounts
- Accounting calendar
- Primary ledger for each country represented on the legal entities sheet
- Legal entities and their locations
- Business units
- Document and journal sequencing
- Set of Financial Reporting reports
- Three account groups

⚠️ Caution: Once you begin using your chart of accounts, calendar, and ledger, making changes to their fundamental attributes is neither recommended nor supported. This includes your chart of account segments, including the segment labels as well as other characteristics of those segments, and your calendar structure or pattern.
The following figure illustrates the flow of the enterprise structure setup.

Legal entities (companies) incur transactions that are identified by business units with business functions. Transactions that are recorded in subledgers are transferred to the ledger. A ledger is characterized by a calendar, a currency, and a chart of accounts. A chart of accounts consists of segments, some of which are assigned segment labels, such as cost center, natural account, and primary balancing segment. Legal entities can be assigned primary balancing segment values.

Additional information for some of the common setup objects depicted in the figure follows:

- **Legal Entity**: Identifies a recognized party with rights and responsibilities given by legislation, which has the right to own property and the responsibility to account for itself.

- **Business Units**: Performs one or many business functions that can be rolled up in a management hierarchy. A business unit can process transactions on behalf of many legal entities. Usually a business unit has a manager,
strategic objectives, a level of autonomy, and responsibility for its profit and loss. When created through the spreadsheet, all available business functions are automatically enabled for the business unit.

- **Ledger**: Maintains records and is a required component in your configuration. The rapid implementation process:
  - Creates primary ledgers by combining the chart of accounts, calendar, and currency as well as other required options defined in the rapid implementation workbook.
  - Assigns the standard accrual subledger accounting method to the primary ledger. The subledger accounting method is used to group subledger journal entry rule sets together to define a consistent accounting treatment.
  - Creates a General Ledger balances cube for each ledger with a unique chart of accounts and calendar combination. Each segment is created as a dimension in the balances cube along with the standard cube dimensions.

- **Subledger**: Captures detailed transactional information, such as supplier invoices, customer payments, and asset acquisitions. Uses subledger accounting to transfer transactional balances to the ledger where they are posted.

- **Chart of Accounts**: Configures accounts that consist of components called segments. Accounts are used to record balances and organize financial information and reporting.

- **Segment**: Identifies one of the components of a chart of accounts, which when combined with other segments, creates an account combination for recording transactions and journal entries. A segment is associated with a value set, which provides the set of values for that segment, along with the formatting and validation for those values.

- **Segment Label**: Identifies certain segments in a chart of accounts and assigns special functionality to those segments.
  - **Balancing Segment**: Ensures that all journals balance for each balancing segment value or combination of multiple balancing segment values for financial processes and reports. The three balancing segment labels are: Primary Balancing Segment, Second Balancing Segment, and Third Balancing Segment.
  - **Natural Account**: Determines the account type (asset, liability, expense, revenue, or equity) and specific categorization of the financial activity. Facilitates General Ledger processes, such as closing of the income statement accounts to retained earnings at the beginning of a new fiscal year.
  - **Cost Center**: Facilitates grouping of natural accounts by functional cost types, accommodating tracking of specific business expenses across natural accounts.

With the rapid implementation workbook you can also:

- Create more than one hierarchy for any of your chart of accounts segments during initial setup. You can also create additional hierarchies and hierarchy versions, as well as update existing hierarchy versions, after the initial setup is done by uploading the rapid implementation spreadsheet data.

- Create sequences for each legal entity or ledger based on the predefined country defaults. Document sequences are created for: Payables invoices, Payments, Receivables invoices, Receivables credit memos, Receivables adjustment activities. Reporting and accounting journal sequences are created for subledger journals and General Ledger journals.

---

**How Charts of Accounts, Ledgers, Legal Entities, and Business Units Are Created Using Spreadsheets**

The rapid implementation process for setting up the enterprise structure includes the following steps:

1. Downloading the Rapid Implementation for General Ledger workbook.
2. Entering data into the sheets.
3. Verifying the entered data and resolving any errors.
4. Uploading the chart of accounts file.
5. After successful upload of the chart of accounts file, uploading the general ledger, legal entity, and business unit file with the rest of the configuration.

The rapid implementation enterprise structure configuration is meant to be used as a one-time initialization. To the extent that you want to make certain allowed modifications to the configuration, you generally have to make those changes directly in the applications. After initial upload of the ledger, legal entity, and business unit file, the fundamental accounting configuration framework is only created once and is permanently set. This framework includes the ledger and its assigned chart of accounts, calendar and currency assignment, and the associated definitions of those components.

Workbook Overview

In the Setup and Maintenance work area, create an implementation project that includes the Define Financials Configuration for Rapid Implementation task list. Download the workbook using the Create Chart of Accounts, Ledger, Legal Entities, and Business Units in Spreadsheet task.

The workbook includes the following sheets:

- Instructions
- Chart of Accounts, Calendar, and Ledger
- Business Units
- Companies and Legal Entities
- Natural Accounts
- Financial Sequences

New sheets for entering segment values and hierarchies for additional segments of your chart of accounts can be created automatically. After you enter the segments on the Chart of Accounts, Calendar, and Ledger sheet, click Add Segment Sheets or Generate Additional Hierarchy.

Note: The rapid implementation process creates a standard ledger. You can convert a standard ledger to an average daily balance ledger before the first period is opened by selecting the Enable average balances check box on the Specify Ledger Options page.

Instructions

Review the Instructions sheet for important information about how to use the workbook and submit the accounting configuration. The sheet includes data preparation requirements, setup object concepts, and best practices and recommendations. Instructions on how to create additional hierarchies or additional hierarchy versions are also included.

Use the sample completed workbook to familiarize yourself with how to enter data, preview the sample report, and generate the required upload files.
The following figure shows the section of the Instructions sheet called Rapid Implementation Template with Sample Data. This section includes the sample completed workbook, which you can download.

**Chart of Accounts, Calendar, and Ledger**

Enter the data to create your chart of accounts, calendar, and ledger.

**Caution:** Once you begin using your chart of accounts, calendar, and ledger, making changes to their fundamental attributes is neither recommended nor supported. This includes your chart of account segments, including the segment labels as well as other characteristics of those segments, and your calendar structure or pattern.

The following figure shows an example of the Chart of Accounts, Calendar and Ledger sheet with sample values.

An explanation of each field on the sheet follows.

- **Name:** Enter the name of your primary ledger.
  
  A primary ledger is created for each unique country that’s entered in the Companies and Legal Entities sheet. A country code is appended to the name that you specify. For example, one legal entity is based in the United States.
and another in Canada. If you enter the ledger name of InFusion Ledger, two primary ledgers are automatically created, InFusion Ledger US and InFusion Ledger CA.

All of the primary ledgers that are created use the same chart of accounts, account hierarchies, and accounting calendar. Legal entities and their primary balancing segment values are assigned to the primary ledger of their respective countries. If the addresses provided for the legal entities on the Companies and Legal Entities sheet are all in the same country, then only one primary ledger is created.

- **Currency**: If you’re not entering legal entities and only a single ledger should be created by the rapid implementation configuration, enter the ledger currency in which you want to maintain accounting for in that ledger. If you’re entering legal entities, leave this field blank. The currency is automatically supplied based on the country.

- **Period Frequency**: Select from among the list of available frequencies for the ledger calendar.

  ▶️ **Caution**: For the accounting calendar created using the Rapid Implementation Enterprise Structure solution, the choices of patterns are limited to the period frequency and adjusting periods options that are available for selection in the spreadsheet. It is not possible to make alterations to the pattern or specified fiscal year start date once the calendar has already been created. The accounting periods of the calendar are automatically named using a preset format. If you want to change these period names, you have a limited window of time to make those changes. Use the Manage Accounting Calendar page in the application to make the changes before the accounting calendar is being used actively, such as when one of its accounting periods has been set to a status of Open.

- **Adjusting Periods**: Select the number of periods used to segregate closing, auditing, or other adjustments in the General Ledger. The entries are tracked in the adjusting period and not in your monthly activity.

- **Fiscal Year Start Date**: Enter the start date of the accounting calendar. The date can’t be changed after the submission of the configuration.

  ▶️ **Caution**: If you plan to run translations, enter a fiscal year start date for the entire accounting year that’s before the first period for which you intend to run translations. You can’t run translation in the first defined period of an accounting calendar. For example, if your fiscal year starts on January 1, and you want to start translations for the period of Mar-17, then you should select a fiscal year start date of January 1, 2016. Also when determining the fiscal year start date, you might want to consider whether you plan to load history.

- **Segment**: Enter the names for your segments. The value sets are created from the segments.

- **Segment Label**: Select segment labels to assign special functionality to segments.

  Segment labels specifying the segment’s purpose, such as balancing, cost center and natural account, can only be assigned once to a chart of accounts segment. The **Primary Balancing Segment** and **Natural Account Segment** labels must be assigned, while the other segment labels are optional. Segments that are assigned these two particular labels cannot be assigned any other label. However, segments that are assigned the other remaining labels can also be assigned additional labels, provided they’re not **Primary Balancing Segment** or **Natural Account Segment**.

  The **Intercompany Segment** label assignment is optional. If assigned, that segment reuses the value set that’s created for the segment with the **Primary Balancing Segment** label. Using the same value set ensures that the values for both segments remain synchronized.

  ✏️ **Note**: For the posting process to apply intercompany balancing, you must select the **Enable intercompany accounting** option on the Specify Ledger Options page.


Caution: If you plan to implement segment value security rules for the segment that’s assigned the **Primary Balancing Segment** label, then don’t assign the **Intercompany Segment** label to a segment on this sheet. Segment value security rules are assigned at the value set level. Sharing the value set between the two segments causes security conflicts because segment value enforcement is simultaneously applied in the same way to both segments. For example, you define a segment value security rule for the Company segment where a user can only access company 01. Since the value set is shared, that user also can’t transact with other companies in an intercompany transaction. Instead, follow these steps:

1. Include the intercompany segment in the sheet, but don’t assign it the **Intercompany Segment** label.
2. Click the **Add Segment Sheets** button to add a sheet for the intercompany value set.
3. Create the values for your intended intercompany segment on the new sheet. Assign the same values to the intercompany segment as you have for the primary balancing segment and maintain this consistency going forward.
4. Complete the Upload Chart of Accounts task. Before starting the Upload Ledger, Legal Entities, and Business Units task, in the Offerings work area, go to the following:
   - Offering: Financials
   - Functional Area: Financial Reporting Structures
   - Task: Manage Chart of Accounts Structures
5. Assign the **Intercompany Segment** label to the intercompany segment of the chart of accounts on the Edit Key Flexfield Segment page.
6. Redeploy the key flexfield.

- **Short Prompt**: Enter a short name for the segment, which is used on applications pages.
- **Display Width**: Enter the segment size. Select the size carefully and leave room for growth. For example, if you have 89 cost centers, enter 3 for the display length to allow for more than 100 cost centers in the future.
- **Add Segment Sheets**: Select this button to create sheets for additional segments. Sheets are provided only for the Company and Natural Accounts segments.

From the new segment sheet, you can click the **Generate Additional Hierarchy** button to create more than one hierarchy for any chart of account segment. A worksheet is then automatically created and populated with the data already entered for that segment. Change this data as required for the new hierarchy. You can create additional hierarchies during initial setup, or after the initial setup is done.

Caution: You can’t change the chart of accounts, accounting calendar, or currency for your ledgers after the setup is created.

**Business Units**

Enter the name of your business units and related default legal entities.
The following figure shows an example of the Business Units sheet with sample values for the Name and Default Legal Entity Name fields.

<table>
<thead>
<tr>
<th>Name</th>
<th>Default Legal Entity Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA Business Unit1</td>
<td>VCC InFusion Cupertino Cherries</td>
</tr>
<tr>
<td>USA Business Unit2</td>
<td>VSCC InFusion San Carlos Chocolates</td>
</tr>
<tr>
<td>Canada Business Unit1</td>
<td>Infusion Core Canada Ltd.</td>
</tr>
</tbody>
</table>

Business units are created with the names that you enter. You can enter more than one business unit per ledger. Based on the default legal entity specified for the business unit in the Business Units sheet, the business unit is assigned the primary ledger to which its default legal entity is assigned.

**Companies and Legal Entities**

Enter parent and child values for your Company segment, which is the segment that’s assigned the Primary Balancing Segment label on the Chart of Accounts, Calendar, and Ledger sheet. You can create up to nine levels of parent values to roll up your companies to meet corporate and local reporting requirements.

Enter your legal entities for the child values with the address, registration number, and reporting unit registration number. The registration number identifies legal entities registered for your company and recognized by law for which you want to record and perform transactions. The reporting unit registration number identifies the lowest level component of a legal structure that requires registrations.
The following figure shows part of the Companies and Legal Entities sheet with sample values. The sheet includes columns for different levels of parent values, the child value, and company description. The Legal Entity columns include name, identifier, country, address information, and registration numbers.

To create additional hierarchies for the company segment for reporting or other purposes, click the **Generate Additional Hierarchy** button. A worksheet is automatically created and populated with the data already entered for that segment. Change this data as required for the new hierarchy. You can create additional hierarchies during initial setup, or after the initial setup is done.

When a new hierarchy sheet is created, the name for that sheet is derived by adding a counter to the sheet name. For example, when you click **Generate Additional Hierarchy** on the Companies and Legal Entities sheet, the new sheet is named Companies and Legal Entities 1. When you click **Generate Additional Hierarchy** again, another sheet is generated with the name Companies and Legal Entities 2.

**Note:** Adding legal entity information isn’t supported on a new hierarchy sheet for the Company segment.

**Natural Accounts**

Enter account hierarchies, account values, and specify account types.
The following figure shows part of the Natural Accounts sheet with sample parent and child values, descriptions, and account type.

<table>
<thead>
<tr>
<th>Value</th>
<th>Parent4</th>
<th>Parent3</th>
<th>Parent2</th>
<th>Parent1</th>
<th>Child</th>
<th>Description</th>
<th>Account Type</th>
<th>Financial Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>12999</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>00000</td>
<td>Default</td>
<td>Asset</td>
<td></td>
</tr>
<tr>
<td>12999</td>
<td></td>
<td></td>
<td></td>
<td>10080</td>
<td></td>
<td>Total Assets</td>
<td>Asset</td>
<td></td>
</tr>
<tr>
<td>12999</td>
<td></td>
<td></td>
<td>11000</td>
<td></td>
<td></td>
<td>Total Cash</td>
<td>Asset</td>
<td></td>
</tr>
<tr>
<td>12999</td>
<td></td>
<td></td>
<td>11010</td>
<td></td>
<td></td>
<td>Cash Checking</td>
<td>Asset</td>
<td></td>
</tr>
<tr>
<td>13000</td>
<td></td>
<td></td>
<td>13000</td>
<td></td>
<td></td>
<td>Total Receivables</td>
<td>Asset</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>13005</td>
<td></td>
<td></td>
<td>Accounts Receivable</td>
<td>Asset Accounts Receivable</td>
<td>Accounts receivable</td>
</tr>
</tbody>
</table>

- **Parent**: Enter parent account values to define hierarchies. Hierarchies are used for chart of accounts mappings, revaluations, data access sets, cross-validation rules, and segment value security rules. The balances cube and account hierarchies are also used for financial reporting, Smart View queries, and allocations.

- **Child**: Enter child account values to define the postable accounts.

- **Description**: Enter descriptions for the segment values.

- **Account Type**: You must assign an account type to each account value. Account types are used in year-end close processes and to correctly categorize account balances for reporting. Select from among general account types and expanded account types. The general account types are: **Asset**, **Liability**, **Owner's Equity**, **Revenue**, **Expense**. Expanded account types provide specialized functionality and are used to:
  
  - Identify the intended usage of your natural account values to facilitate automation and enable completion of other required setup objects. For example, assign the **Asset - Intercompany Receivable** and **Liability - Intercompany Payable** expanded account types. The Rapid Implementation process then automatically creates a chart of accounts level intercompany balancing rule, which is a required setup for the application to perform intercompany balancing.
  
  - Automatically generate fully defined initial Financial Reporting reports and Account Groups based on your enterprise structure.

Examples of expanded account types include:

- **Asset - Accounts Receivable**: For Receivables receipt methods
- **Liability - Accounts Payable**: For Payables common options
- **Owner's Equity - Retained Earnings**: For General Ledger ledger options
- **Revenue - Top Revenues Parent Account**: For sample reports and account groups
- **Expense - Top Operating Expenses Parent Account**: For sample reports and account groups

You must assign the **Revenue - Top Revenues Parent Account** and **Expense - Top Operating Expenses Parent Account** account types to the parent accounts that are your highest level and comprehensive revenue and operating expenses accounts. You can optionally assign the account type of **Expense - Top Cost of Sales Parent Account**, if it's applicable for your scenario.

The Generate Financial Reports and Account Groups process, which is automatically submitted when the accounting configuration is created in the application, generates a set of Financial Reporting reports and account
groups according to the accounting configuration defined in the workbook. The top parent accounts are used as the basis for deriving the accounts referenced in the reports and in the Account Groups.

The immediate descendants of the top parent accounts are used to define the rows on the reports. Depending on whether both the top operating expense and top cost of sales accounts are tagged, different variations of the income statements are generated. If the optional top cost of sales account is provided, the Financial Reporting reports that are income statements also include a gross margin section.

⚠️ Caution: Assign account types carefully. If you assign an incorrect account type to a natural account segment value, accounting entries are recorded incorrectly and financial statements are inaccurate. Misclassified accounts are also potentially handled incorrectly at year end, with actual balances either getting zeroed out to retained earnings, or accumulating into the next year.

- **Financial Category**: Select a value to identify groups of accounts for reporting with Oracle Transactional Business Intelligence. Accounts that are tagged with expanded account types are automatically assigned a financial category. You can override the default category or leave it out.
- **Generate Additional Hierarchy**: To create additional hierarchies for the natural account segment for reporting or for other purposes, click the Generate Additional Hierarchy button. A worksheet is automatically created and populated with the data already entered for that segment. Change this data as required for the new hierarchy. You can create additional hierarchies during initial setup or after the initial setup is done.

### Financial Sequences

Enable document or journal sequences to assign unique numbers to transactions to meet legal requirements.

The following figure shows the Financial Sequences sheet with sample values for the **Restart** and **Initial Value** columns.

![Sequences](image)

Document sequences are created for these transactions: Payables invoices, Payments, Receivables invoices, Receivables credit memos, Receivables adjustment activities. Reporting and accounting journal sequences are created for Subledger journals and General Ledger journals.

For each transaction, you can provide values for the following fields:

- **Restart**: Set when to restart the numbering: Annually, Monthly, Never.
- **Initial Value**: Specify the beginning number in the sequence.
How The Worksheets Are Processed

After you complete the worksheets, proceed with validation, sample report preview, and file upload.

1. On the Chart of Accounts, Calendar, and Ledger sheet, click the **Step 1: Validate** button.

   The validation checks the worksheets for missing or inappropriate setups. Errors are marked as actionable items in a validation report sheet that's dynamically generated. You can review the anomalies and make the corrections as indicated. The **Field** column on the validation report notes the issue. Click the text link to navigate to the appropriate field in the sheet that must be updated. When the validation is successful, a message appears with the option of previewing a sample of the reports that are automatically generated as part of the enterprise configuration.

   The following figure shows the message that appears after a successful validation.

   ![Validation Successful. No Errors found. Do you want to preview the Sample Report?](image)

   If you select to preview the sample report, a new sheet is automatically created called Preview Report. The preview incorporates elements of the setup that you provided. The rows on the report are derived based on the top parent revenue and expense account values that you tagged on the Natural Accounts sheet. The preview also reflects the reporting hierarchy for your natural accounts.

   The following figure shows an example of the sample Financial Reporting report.
You can use the preview to validate whether the hierarchy setup aligns to your reporting needs. If the natural account hierarchy requires adjustments, this is your chance to make those corrections before actually creating the account hierarchies in the application. You can modify your enterprise structure setup, validate the spreadsheet, and preview the revised sample reports for as many times as you need. The account hierarchies are created when you finally submit the accounting configuration in the rapid implementation spreadsheet.

2. Click **Step 2: Generate Chart of Accounts File**. The process generates a data file called ChartOfAccounts.xml with the entered chart of accounts and hierarchies setup data. Save the file to a network or local drive.

3. Click **Step 3: Generate Ledger, LE, and BU File**. The process generates a data file called FinancialsCommonEntities.xml with the entered ledger, legal entities, and business unit setup data. Save the file to a network or local drive.

4. From your implementation project, go to the **Upload Chart of Accounts** task. The Upload Enterprise Structures and Hierarchies process is launched.

5. Accept the default selection of the **Upload Enterprise Structure** option.

6. Click **Browse** and select the first file that you saved called ChartOfAccounts.xml.

7. Click **Submit**.

8. Verify that the process completed without errors or warnings.

9. From your implementation project, go to the **Upload Ledger, Legal Entities, and Business Units** task. The Upload Enterprise Structures and Hierarchies process is launched.

10. Accept the default selection of the **Upload Enterprise Structure** option.

11. Click **Browse** and select the second file that you saved called FinancialsCommonEntities.xml.

12. Click **Submit**.
13. Verify that the process completed without errors or warnings.

An individual set of the following Financial Reporting reports is generated for each ledger that's defined within the rapid implementation accounting configuration. If multiple primary ledgers are created as part of your configuration, a set of Financial Reporting reports is generated for each ledger.

- Income Statement
- Consolidated Income Statement
- Rolling Quarterly Income Statement
- Rolling Monthly Income Statement
- Trial Balances by Ledger Currency
- Trial Balances by Entered Currency

The process also generates three account groups. These include two for the infolets, Revenues and Expenses, and one for the Close Monitor called Close Monitor Summary Income Statement. A set of these three account groups is generated for the balances cube, to be shared among all the ledgers that are part of that balances cube.

Additional Hierarchies After Initial Setup

To create additional hierarchies and hierarchy versions, or to update existing hierarchy versions after the initial setup:

1. Click the Generate Additional Hierarchy button on the applicable segment sheet. A new worksheet is automatically created and populated with the data already entered for that segment. Change the data as required.
2. Click the Generate File for This Hierarchy Only button. This generates a .zip file for the particular hierarchy.
3. From your implementation project, go to the Upload Chart of Accounts task. The Upload Enterprise Structures and Hierarchies process is launched.
4. Select the Upload Hierarchy option.
5. Select from among the following options and provide values for the required parameters:
   a. Create hierarchy: Select to create another account hierarchy. Specify the value set, tree code, and start date.
   b. Create version: Select to render a new version of an existing account hierarchy. Specify a value set, tree code, tree version, and start date.
   c. Update existing version: Select to edit an existing version of an account hierarchy. Specify a value set, tree code, and tree version.
6. Click Choose File and select the .zip file that you saved earlier.
7. Click Submit.

Related Topics
- How Financial Reporting Reports and Account Groups Are Generated
- Creating an Implementation Project: Procedure

Correct Misclassified Accounts

When you create a value for a segment that's assigned the natural account segment label, you must select an account type, such as Asset, Liability, Expense, Revenue, and Owner’s Equity. Account combinations subsequently created with that segment value inherit the assigned account type. For example, you assign segment value 1000 the account type of Asset, and then create account combination 01-000-1000-000-000. The account combination is classified as an asset.

Misclassified accounts occur when the inherited account type of the corresponding natural account segment value is set incorrectly. If you assign an incorrect account type to a natural account segment value, accounting entries are recorded
incorrectly and financial statements are inaccurate. Misclassified accounts are also potentially handled incorrectly at year end, with actual balances either getting zeroed out to retained earnings, or accumulating into the next year.

⚠️ Caution: Be sure to assign the correct account type to natural account segment values before account combinations are created. Having to correct misclassified accounts isn’t standard practice.

You can use the Correct Misclassified Accounts process to correct account types for account combinations. Running the process though is only one aspect of correcting misclassified accounts. The overall procedure to correct misclassified accounts depends on:

• The account type correction being made
• Whether the impacted account combinations ever had activities posted to them
• The impact of the correction across accounting years
• Whether balances have been translated

### Account Type Correction

Account types can be grouped into income statement accounts and balance sheet accounts. Income statement accounts consist of the Revenue and Expense account types, and balance sheet accounts consist of the Asset, Liability, and Owner’s Equity account types. At the end of an accounting year, income statement accounts are zeroed out to retained earnings, and balance sheet accounts accumulate into the next year.

Account type corrections within the income statement group or within the balance sheet group don’t affect the retained earnings calculation or beginning balances across accounting years. The following table lists the specific account type corrections that can be made without requiring manual journal entries as part of the correction process.

<table>
<thead>
<tr>
<th>Incorrect Account Type</th>
<th>Correct Account Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>Expense</td>
</tr>
<tr>
<td>Expense</td>
<td>Revenue</td>
</tr>
<tr>
<td>Asset</td>
<td>Liability or Owner’s Equity</td>
</tr>
<tr>
<td>Liability</td>
<td>Asset or Owner’s Equity</td>
</tr>
<tr>
<td>Owner’s Equity</td>
<td>Asset or Liability</td>
</tr>
</tbody>
</table>

Account type corrections that cross from the income statement group to the balance sheet group, or from the balance sheet group to the income statement group, can affect the retained earnings calculation and beginning year balances if the corrections cross accounting years. The following table lists the specific account type corrections that may require manual journal entry adjustments as part of the correction process.

<table>
<thead>
<tr>
<th>Incorrect Account Type</th>
<th>Correct Account Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>Asset, Liability, or Owner’s Equity</td>
</tr>
<tr>
<td>Expense</td>
<td>Asset, Liability, or Owner’s Equity</td>
</tr>
</tbody>
</table>
IncCorrect Account Type | Correct Account Type
---|---
Asset | Revenue or Expense
Liability | Revenue or Expense
Owner’s Equity | Revenue or Expense

**Procedure**

Follow these recommended steps to correct misclassified accounts.

1. On the Manage Values page, correct the account type for the value set value.
2. Before submitting the Correct Misclassified Accounts process, it’s recommended that you:
   - Ensure journals aren’t being posted when the process is run in reclassification mode.
   - Disable the **Dynamic combination creation allowed** option for the chart of accounts.
3. On the Scheduled Processes page, run the Correct Misclassified Accounts process with the following parameters:
   - **Value Set**: Select the value set for the natural account segment.
   - **Value Set Value**: Select the value from which account combinations must inherit the account type.
   - **Mode**: Select **Preview** mode.
4. Review the report output.

   The report lists actual balances for the affected account combinations by ledger, currency, and fiscal year that must be zeroed out in cases where corrections cross from the balance sheet group to the income statement group, or from the income statement group to the balance sheet group. Use this information to facilitate the journal entry that you must create for fiscal year cross-over scenarios. The report also lists periods with translated balances. If the report doesn’t display balances to zero out, skip to step 9.
5. Open the last period of the prior fiscal year for each primary ledger with balances that must be zeroed out.
6. Create the respective journal entries using the information in the report to bring the misclassified account balances to zero and post the journals. Use a temporary account, such as a suspense account, for the offsetting amount.

   ✍️ **Note**: The journal entries should zero out balances in every entered currency.
7. Rerun the Correct Misclassified Account process in **Preview** mode.
   
   Check whether any balances should be zeroed out. If so, repeat steps 5 and 6 until all balances are zeroed out. If the only balances listed are for secondary ledgers and reporting currencies, the journal entries should be created and posted in those ledgers directly.
8. Run the Correct Misclassified Accounts process in **Reclassify Account Type** mode.
   
   The process first validates that the affected account combinations have zero actual balances if the misclassification affects multiple fiscal years. This validation ensures that the account type reclassification doesn’t cause errors in the calculation of retained earnings and beginning balances. The process then corrects the account type on the misclassified account combinations to match the account type of the selected segment value.
9. Review the report output for the list of reclassified account combinations for each chart of accounts.
10. Update the **Account** dimension by running the Publish Chart of Account Dimension Members and Hierarchies to Balances Cubes process:

   a. Select the value set for the **Account** dimension.
   b. Set the **Publish Detail Values Only** parameter to **Yes**.

11. Starting from the earliest fiscal year, reverse and post the journals that you created to zero out the balances in each ledger. The reversal journal must be in the same period as the journal being reversed.

   ✍️ **Note:** The recommended reversal method for the journals is **Change Sign**.

12. If there are misclassified account corrections, and if a translation currency has balances, you must:
   a. Run the Delete Translated Balances process and after the process completes, rebuild the balances cube.
   b. Rerun the translation process after the misclassification has been addressed.

**Related Topics**
- How Translated Balances Are Deleted

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**Chart of Accounts**

**Overview of Key Flexfields**

Key flexfields provide a means to capture a key such as a part number, a job code, or an account code. A key flexfield consists of one or more segments, where each segment can have a meaning.

For example, a part number 10-PEN-BLA-450 might correspond to a black pen from supplier #450 sold by division #10 (office supplies). Behind the scenes, the application uses a unique number, 13452, for this part, but the user always sees the 10-PEN-BLA-450 part number.

The following aspects are important to understanding key flexfields:

- Architecture
- Segments and segment labels
- Structures
- Segment and structure instances
- Combinations
- Dynamic combination creation
- Security

Key flexfields aren’t optional. You must configure key flexfields to ensure that your applications operate correctly. You configure and maintain key flexfield definitions with the Manage Key Flexfields task. To get a list of predefined key flexfields, use the Manage Key Flexfields task in the Setup and Maintenance work area. For information about specific key flexfields, see the help for the product where the associated business component is implemented.
Architecture
Flexfield metadata is stored in the flexfield metadata tables. When you configure a key flexfield, you define metadata about the key flexfield covering aspects such as:

- Segments are in a structure
- Structures in the flexfield
- Value sets in each segment

Based on the flexfield metadata, actual part numbers are captured at run time as a combination of segment values and stored in a combinations table. A combinations table contains all the segment columns for a flexfield, a unique ID column, and a structure instance number column. The structure instance number column differentiates multiple arrangements of the segment columns. For example, a part number containing multiple segments can be represented by a key flexfield. A part number key flexfield has a corresponding combinations table. In that table, the flexfield stores a list of the complete codes, with each segment of the code in a column, with the corresponding unique ID and structure instance number for the code. When users define a new part number or maintain existing part numbers in the parts catalog, they directly maintain rows in the combinations table.

The foreign key table contains a different business entity than the combinations table. For example, the business entity in the foreign key table is order lines or invoice lines that contain foreign key references to parts for ordering. Any number of foreign key tables can reference a particular entity represented by a key flexfield.

Segments and Segment Labels
A key flexfield contains segments and a segment label identifies a particular segment within a key flexfield. Segment labels are defined and made available by the product development. A segment contains the following details:

- A prompt
- A short prompt
- Display width
- The sequential position of the segment within the key flexfield structure
- The range type
- Column name of the attribute being stored by the segment
- A default value set
- A label for the segment

Applications identify a particular segment for some purpose such as security or computations. Segment name or segment order cannot reliably identify a segment because key flexfield segments can be configured to appear in any order with any prompts. A segment label functions as a tag for a segment.

For example, the requirement is to identify which segment in the accounting flexfield contains balancing information and which segment contains natural account information. A segment label determines which segment you are using for natural account information. When you define your accounting flexfield, you must specify which segment labels apply to which segments. Some labels must be unique, and cannot be applied to more than one segment in each structure. Other labels are required, and must be applied to at least one segment in each structure.

A segment label helps a user searching for segments, such as the Cost Center label for all segments across key flexfields that store a value for the cost center.
Structures

A key flexfield structure definition includes the number of segments and their order.

In some applications, different users like to see different segment structures for the same flexfield. A key flexfield can have multiple structures if registered to support more than one structure.

The flexfield can display different fields for different users based on a data condition in your application data, such as the value of another field entered by the user or the user’s role. For example, the correctly formatted local postal address for customer service inquiries differs based on locale. A postal address key flexfield could display different segments and prompts for different users based on a location condition in your application data, such as the user’s role or a value entered by the user.

Each structure can have one or more segments. Thus a segment is a child of a structure. To store a particular segment, such as Cost Center, in two different structures, you must define the segment separately in each structure. Each structure may have one or more structure instances. Each instance of a structure shares the same number and order of segments, but differs in the values or value sets used in validating the segments.

Structure and Segment Instances

You can define multiple configurations of a key flexfield structure. These structure instances have the same segment structure, in the same sequence order. They differ primarily in how each segment is validated. You define a structure instance for each key flexfield and each key flexfield structure instance.

The segments in a key flexfield structure instance are segment instances. A segment instance is a segment with a specific value set assigned to it. If a key flexfield is registered with a tree structure, you can specify a tree code for a segment instance.

Combinations

A combination is a complete code, or combination of segment values that makes up the code, that uniquely identifies an object.

For example, each part number is a single combination, such as PAD-YEL-11x14 or 01-COM-876-7BG-LTN. In these combinations, the hyphen is the segment separator. If you have ten parts, define ten combinations. A valid combination is an existing or new combination that can be used because it’s currently active and doesn’t violate cross-validation or security rules. A combination has different segments depending on the flexfield structure being used for that combination. Any combination is associated with only one particular flexfield structure.

Many applications refer to a key flexfield combination by using the name of the entity or the key flexfield itself. For example, Assets uses the asset key flexfield and refers to one of its combinations as an asset key or asset key flexfield. In another example, Oracle Fusion General Ledger refers to combinations of the accounting flexfield as account or GL account.

Each key flexfield has one corresponding table, known as the combinations table, where the flexfield stores a list of the complete codes, with one column for each segment of the code, together with the corresponding unique ID number (an account combination ID) for that code. Then, other tables in the application have a column that stores just the unique ID for the code. For example, you may have a part number code, such as PAD-YEL-11x14. The Parts combinations table stores that code along with its ID, 57494. If your application lets you take orders for parts, you might then have an Orders table that stores orders for parts. That Orders table would contain a single column that contains the part ID, 57494, instead of several columns for the complete code PAD-YEL-11x14. Typically, one combinations page maintains the key flexfield, where the key flexfield is the representation of an entity in your application. Maintain individual combinations, such as part numbers in the combinations page.

Dynamic Combination Creation

Dynamic combination creation is the insertion of a new valid combination into a combinations table from a page other than the combinations page. The following table lists the levels at which dynamic combination creation may be enabled.
Level Of Dynamic Combination Creation | Controlled By:
--- | ---
Flexfield | Application development
Each usage or reference to the key flexfield | Application development
Structure instance | Administrators and implementation consultants
Other | Administrators and implementation consultants

If your key flexfield or certain usages or references of the key flexfield don't permit dynamic combination creation, you may control whether dynamic combination creation is enabled for each structure instance. If enabled, a user can enter a new combination of segment values using the flexfield window from a foreign key page. For example, when entering a transaction, a GL user can enter a new expense account combination for an account that doesn't yet exist. Your application creates the new account by inserting the new combination into the combinations table behind the scenes. Assuming that the new combination satisfies any existing cross-validation rules, the flexfield inserts the new combination into the combinations table, even though the combinations table isn't the underlying table for the foreign key page.

Related Topics
- Considerations for Managing Flexfields
- Key Flexfield Structures
- How can I access predefined flexfields
- Update Existing Setup Data

Considerations for Planning Key Flexfields

Your first step in planning your key flexfields is to determine which key flexfields your application requires. Your plan should include:

- The purpose of the key flexfield
- The number and length of its available segment columns
- Whether your key flexfield permits more than one structure
- Whether more than one structure must be defined
- The number, order and length of your segments for each structure

Before You Begin

Once you have identified a flexfield, plan its configuration in advance. Compile a list of the UI pages and other artifacts in your deployment that are affected by the configuration. Verify that you are provisioned with the roles required to view and configure the flexfield. Use the Highlight Flexfields command in the Administration menu to view the run time page where the flexfield appears. Plan how you deploy the flexfield for test and production users and review the tools and tasks available for managing flexfields.

If you plan to use value sets, create them before configuring the key flexfield. You cannot create value sets for key flexfields at the time that you add and configure key flexfield segments.
Access to Flexfield-Related Tasks

To configure flexfields and value sets, you must have access to the tasks for managing flexfields. Contact your security administrator for details. For information about product-specific flexfield tasks, such as Manage Fixed Assets Key Flexfields, refer to the product-specific documentation.

Restrictions

If you plan to use value sets, create them before configuring the flexfield. Plan your key flexfield configuration to scale to your enterprise needs. For example, if you expect to disable old cost centers and enable new ones frequently, plan a larger maximum size for your cost center value set so that you can have more available values. A 3-character value set with one thousand available values provides more room for changes than a 2-character value set with 100 available values.

Note the code name of the flexfield you intend to configure so that you find it easily in the tasks for managing key flexfields. In some cases you can configure how the flexfield appears on the page. See product-specific documentation to determine any restrictions on using product-specific key flexfields.

Reporting

To report on your data by certain criteria or sub-entities, such as account number or project or region, consider making that sub-entity a distinct segment, rather than combining it with another sub-entity. You can categorize and report on smaller discrete units of information.

Related Topics

- Considerations for Planning Value Sets

Essbase Character and Word Limitations

The following is a comprehensive list of character and word limitations that apply to Essbase. All of the limitations apply to all of the Oracle General Ledger configurations summarized in the table.

The following table shows how the General Ledger configuration maps to Essbase.

<table>
<thead>
<tr>
<th>General Ledger Configuration</th>
<th>Maps to Essbase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chart of Account Name</td>
<td>Cube Name</td>
</tr>
<tr>
<td>Chart of Account Segment Name</td>
<td>Dimension Name</td>
</tr>
<tr>
<td>Chart of Accounts Segment Value Description</td>
<td>Dimension Member Name</td>
</tr>
<tr>
<td>Chart of Accounts Segment Value Description</td>
<td>Alias for Member</td>
</tr>
<tr>
<td>Tree and Tree Version Name</td>
<td>Dimension Member Name</td>
</tr>
<tr>
<td>Primary Ledger Name</td>
<td>Dimension Member Name in Ledger Dimension</td>
</tr>
<tr>
<td>Secondary Ledger Name</td>
<td>Dimension Member Name in Ledger Dimension</td>
</tr>
</tbody>
</table>
Even if case sensitivity is enabled in an aggregate storage outline for which duplicate member names is enabled, do not use matching dimension names with only case differences. For example, do not:

- Name two dimensions `Product` and `product`.
- Use quotation marks or brackets.
- Use tabs in dimension, member, or alias names.
- Use accent characters.
- Use the characters for dimension or member names.

**Restricted Characters**

The following table lists the characters that are restricted and can’t be used in dimension, member, or alias names.

<table>
<thead>
<tr>
<th>Character</th>
<th>Meaning</th>
</tr>
</thead>
<tbody>
<tr>
<td>&amp;</td>
<td>ampersand</td>
</tr>
<tr>
<td>@</td>
<td>at sign</td>
</tr>
<tr>
<td>\</td>
<td>backslash</td>
</tr>
<tr>
<td>()</td>
<td>brace</td>
</tr>
<tr>
<td>,</td>
<td>comma</td>
</tr>
<tr>
<td>-</td>
<td>dash, hyphen, or minus sign</td>
</tr>
</tbody>
</table>

For the accounting calendar period names, you can use a hyphen or an underscore in the middle of an accounting calendar period name. For example: `Jan-15` or `Adj_Dec-15` can be used successfully.

<table>
<thead>
<tr>
<th>Character</th>
<th>Meaning</th>
</tr>
</thead>
<tbody>
<tr>
<td>=</td>
<td>equal sign</td>
</tr>
<tr>
<td>&lt;</td>
<td>less than sign</td>
</tr>
<tr>
<td>()</td>
<td>parentheses</td>
</tr>
<tr>
<td>.</td>
<td>period</td>
</tr>
<tr>
<td>Character</td>
<td>Meaning</td>
</tr>
<tr>
<td>-----------</td>
<td>---------</td>
</tr>
<tr>
<td>+</td>
<td>plus sign</td>
</tr>
<tr>
<td>'</td>
<td>single quotation mark</td>
</tr>
<tr>
<td>_</td>
<td>underscore</td>
</tr>
</tbody>
</table>

For the accounting calendar period names, you can use a hyphen or an underscore in the middle of an accounting calendar period name. For example: Jan-15 or Adj_Dec-15 can be used successfully.

| | vertical bar |
|-----------------|

Other Restrictions

- Don’t place spaces at the beginning or end of names. Essbase ignores such spaces.
- Don’t use the following types of words as dimension or member names:
  - Calculation script commands, operators, and keywords.
  - Report writer commands.
  - Function names and function arguments.
  - Names of other dimensions and members (unless the member is shared).
  - Generation names, level names, and aliases in the database.

The following table lists additional words that should not be used.

<table>
<thead>
<tr>
<th>List 1</th>
<th>List 2</th>
<th>List 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALL</td>
<td>AND</td>
<td>ASSIGN</td>
</tr>
<tr>
<td>AVERAGE</td>
<td>CALC</td>
<td>CALCBR</td>
</tr>
<tr>
<td>COPYFORWARD</td>
<td>CROSSDIM</td>
<td>CURMBRNAME</td>
</tr>
<tr>
<td>DIM</td>
<td>DIMNAME</td>
<td>DIV</td>
</tr>
<tr>
<td>DYNAMIC</td>
<td>EMPTYPARM</td>
<td>EQ</td>
</tr>
<tr>
<td>EQOP</td>
<td>EXCEPT</td>
<td>EXP</td>
</tr>
<tr>
<td>EXPR</td>
<td>FLOAT</td>
<td>FUNCTION</td>
</tr>
<tr>
<td>GE</td>
<td>GEN</td>
<td>GENRANGE</td>
</tr>
<tr>
<td>GROUP</td>
<td>GT</td>
<td>ID</td>
</tr>
</tbody>
</table>
Chart of Accounts

The chart of accounts is the underlying structure for organizing financial information and reporting. An entity records transactions with a set of codes representing balances by type, expenses by function, and other divisional or organizational codes that are important to its business.

A well-designed chart of accounts provides the following benefits:

- Effectively manages an organization’s financial business.
- Supports the audit and control of financial transactions.
- Provides flexibility for management reporting and analysis.
- Anticipates growth and maintenance needs as organizational changes occur.
- Facilitates an efficient data processing flow.
- Enables delegation of responsibility for cost control, profit attainment, and asset utilization.
- Measures performance against corporate objectives by your managers.
Caution: Once you begin using your chart of accounts, making changes to its fundamental attributes is neither recommended nor supported. This includes your chart of account segments, including the segment labels as well as other characteristics of those segments.

The chart of accounts facilitates aggregating data from different operations, from within an operation, and from different business flows, thus enabling the organization to report using consistent definitions to their stakeholders in compliance with legislative and corporate reporting standards and aiding in management decisions.

Best practices include starting the design from external and management reporting requirements and making decisions about data storage in the general ledger, including thick versus thin general ledger concepts.

Thick Versus Thin General Ledger

Thick versus thin general ledger is standard terminology used to describe the amount of data populated and analysis performed in your general ledger. Thick and thin are the poles; most implementations are somewhere in between. Here are some variations to consider:

- A general ledger used in conjunction with an enterprise profitability management product, which has data standardized from each operation, is a thin general ledger. Use this variation if your solution is project-based, and Oracle Fusion Project Portfolio Management is implemented. More detailed reporting can be obtained from the Projects system. In the thin general ledger, business units, divisions, and individual departments aren’t represented in the chart of accounts.
- A thick general ledger:
  - Has segments representing all aspects.
  - Captures every detail of your business.
  - Runs frequent posting.
  - Defines many values in each segment.

A thick general ledger is designed to serve as a repository of management data for a certain level of management. For example, a general ledger designed to provide management data to supervise operations, such as daily sales, without invoice details.

- A primary and secondary ledger, with one thick general ledger and the other a thin general ledger, provides dual representation to meet reporting requirements.

Thin General Ledger

With a thin general ledger, you use the general ledger for internal control, statutory reporting, and tracking of asset ownership. You minimize the data stored in your general ledger. A thin general ledger has many of the following characteristics:

- Minimal chart of accounts
  - Short list of cost centers
  - Short list of natural accounts
    - Short list of cost accounts
    - Summary level asset and liability accounts
  - Low number of optional segments
• Infrequent posting schedule

A thin general ledger:

• Has natural accounts at a statutory reporting level, for example, payroll expense, rent, property taxes, and utilities.
• Has cost centers at the functional expense level, such as Research and Development or Selling, General, and Administrative, rather than at department or analytic levels.
• Omits business unit, division, and product detail.

One example of an industry that frequently uses a thin general ledger is retail. In a retail organization, the general ledger tracks overall sales numbers by region. A retail point of sales product tracks sales and inventory by store, product, supplier, markup, and other retail sales measures.

**Thick General Ledger**

With a thick general ledger, you use the general ledger as a detailed, analytic tool, performing analytic functions directly in the general ledger. Data is broken down by many reporting labels, and populated frequently from the subledgers.

You maximize the data stored in the general ledger. A thick general ledger has many of the following characteristics:

• Maximum use of the chart of accounts
  • Long list of natural accounts
  • Long list of cost centers
  • Long list of costing accounts
  • Detailed asset and liability accounts
• Frequent posting schedule

A thick general ledger had details for cost of goods sold and inventory balances and track property plant and equipment at a granular level. Cost centers represent functional expenses, but also roll up to departmental or other expense analysis levels. Using product and location codes in optional segments can provide reporting by line of business. Posting daily, at the individual transaction level, can maximize the data stored in the general ledger.

One example of an industry that frequently uses a thick general ledger is electronic manufacturers. Detail on the revenue line is tagged by sales channel. Product is structured differently to provide detail on the cost of goods sold line, including your bill of materials costs. The general ledger is used to compare and contrast both revenue and cost of goods sold for margin analysis.

**Other Considerations**

Consider implementing a thick ledger if there are business requirements to do any of the following:

• Track entered currency balances at the level of an operational dimension or segment of your chart of accounts, such as by department or cost center
• Generate financial allocations at the level of an operational dimension or segment
• Report using multiple layered and versions of hierarchies of the operational dimension or segment from your general ledger

Consider implementing a thin ledger in addition to a thick ledger, if there are additional requirements for:

• Minimal disclosure to the authorities in addition to the requirements previously listed. For example, in some European countries, fiscal authorities examine ledgers at the detailed account level.
• Fiscal only adjustments, allocations, and revaluations, which don’t impact the thick general ledger.
The important consideration in determining if a thick ledger is the primary or secondary ledger is your reporting needs. Other considerations include how the values for an operational dimension or segment are derived and the amount of resources used in reconciling your different ledgers. If values for an operational dimension or segment are entered by the user, then a thick primary ledger is the better choice.

However, if values for the operational segment are automatically derived from attributes on transactions in your subledger accounting rules, then use a thick secondary ledger. This decision affects the amount of:

- Storage and maintenance needed for both the general ledger and subledger accounting entries
- System resources required to perform additional posting

In summary, you have:

- Minimum demand on storage, maintenance, and system resources with the use of a thin ledger
- Greater demand on storage, maintenance, and system resources with the use of a thick ledger
- Greatest demand on storage, maintenance and system resources with the use of both thick and thin ledgers

Note: Generally speaking, there is a trade-off between the volume of journals and balances created and maintained versus system resource demands. Actual performance depends on a wide range of factors including hardware and network considerations, transaction volume, and data retention policies.

Summary

The factors you should consider in your decision to use a thick or thin general ledger for your organization, are your:

- Downstream EPM system and its capabilities
- Business intelligence system and its capabilities
- Subledger systems and their capabilities and characteristics, including heterogeneity
- General ledger reporting systems and their capabilities
- Maintenance required for the thick or thin distributions and record keeping
- Maintenance required to update value sets for the chart of accounts segments
- Preferences of the product that serves as a source of truth
- Level at which to report profitability including gross margin analysis
- Industry and business complexity

Chart of Accounts Components

The important elements in a basic chart of accounts in Oracle Fusion Applications included a structure that defines the account values, segments and their labels, and rules (security and validation). Account combinations link the values in the segments together and provide the accounting mechanism to capture financial transactions.

This figure illustrates the main components in the chart of account structure and the way they fit together. The chart of accounts consists of segments which have value sets attached to them to determine the values from each used in creating account combinations. Segments also have segment labels attached to them to point to the correct segment to use in
general ledger processing, such as intercompany balancing or retained earning summarization. Segments are secured by security rules and accounts are secured by cross validation rules.

Chart of Accounts
The chart of accounts defines the number and attributes of various segments, including:

- Order of segments
- Width of segments
- Prompts
• Segment labels, such as balancing, natural account, and cost center.

The chart of accounts further defines:

• Combination of value sets associated with each segment
• Type of segment
• Default values for the segments
• Additional conditions designating the source of the values using database tables
• Required and displayed properties for the segments

Segments
A chart of accounts segment is a component of the account combination. Each segment has a value set attached to it to provide formatting and validation of the set of values used with that segment. The combination of segments creates the account combination used for recording and reporting financial transactions. Examples of segments that may be found in a chart of accounts are company, cost center, department, division, region, account, product, program, and location.

Value Sets and Values
The value sets define the attributes and values associated with a segment of the chart of accounts. You can think of a value set as a container for your values. You can set up your flexfield so that it automatically validates the segment values that you enter against a table of valid values. If you enter an invalid segment value, a list of valid values appears automatically so that you can select a valid value. You can assign a single value set to more than one segment, and you can share value sets across different flexfields.

⚠️ Caution: You must use Independent validation only for the Accounting Key Flexfield value sets. Other validations prevent you from using the full chart of accounts functionality, such as data security, reporting, and account hierarchy integration. Dependent values sets aren’t supported.

Segment Labels
Segment labels identify certain segments in your chart of accounts and assign special functionality to those segments. Segment labels were referred to as flexfield qualifiers in Oracle E-Business Suite. Here are the segment labels that are available to use with the chart of accounts.

• **Balancing**: Ensures that all journals balance for each balancing segment value or combination of multiple balancing segment values to use in trial balance reporting. The three balancing segment labels are: primary, second, and third balancing. The primary balancing segment label is required.

• **Cost Center**: Facilitates grouping of natural accounts by functional cost types, accommodating tracking of specific business expenses across natural accounts. As cost centers combine expenses and headcount data into costs, they’re useful for detailed analysis and reporting. Cost centers are optional, but required if you’re accounting for depreciation, additions, and other transactions in Oracle Fusion Assets, and for storing expense approval limits in Oracle Fusion Expense Management. If you’re implementing Oracle Fusion Procurement, you can use cost centers for business intelligence reporting and to route transactions for approval.

• **Natural Account**: Determines the account type (asset, liability, expense, revenue, or equity) and other information specific to the segment value. The natural account segment label is required.

• **Intercompany**: Optionally, assigns the segment to be used in intercompany balancing functionality.

✏️ Note: All segments have a segment qualifier that enables posting for each value. The predefined setting is Yes to post.
Account Combinations

An account combination is a completed code of segment values that uniquely identifies an account in the chart of accounts, for example 01-2900-500-123, might represent InFusion America (company)-Monitor Sales (division)-Revenue (account)-Air Filters (product).

Rules

The chart of accounts uses two different types of rules to control functionality.

- **Security rules**: Prohibit certain users from accessing specific segment values. For example, you can create a security rule that grants a user access only to his or her department.

- **Cross-validation rules**: Control the account combinations that can be created during data entry. For example, you may decide that sales cost centers 600 to 699 should enter amounts only to product sales accounts 4000 to 4999.

FAQs for Chart of Accounts

**How can I use future accounting segments?**

To plan for future growth in the business organization that requires additional segments in the chart of accounts. Extra segments can be added to the chart of accounts structure during your original implementation. All segments of the chart of accounts are required and have to be enabled. The unused segments can be assigned value sets that have a single value in the chart of accounts structure instance. The value is set as a default for that segment so that the extra segments are automatically populated when an account account combination is used.

**What's the difference between mapping with segment rules and mapping with account rules?**

Segment rules map target chart of accounts segments to an account value or segment of the source account of a secondary chart of accounts. A segment is only one part of the account combination.

Account rules map a complete target account combination against one or more source account combinations.

> **Note**: Segment and account rules can be used alone or both types of mapping rules can be used in the same mapping set.

**When do account rules override segment rules in a chart of accounts mapping?**

You can create a chart of accounts mapping using only segment rules, only account rules, or a combination of both segment and account rules. If an overlap exists between the two types of rule, the account rule supersedes. Segment rules are used to broadly define the relationship between two charts of accounts on a segment by segment basis. Account rules can be used to more precisely map specific source account combinations to their target accounts.

Value Sets
Value Sets for Charts of Accounts

A value set is a collection of account values that are associated with a segment of a chart of accounts structure instance. When creating values sets, consider the following critical choices:

- Module Designation
- Validation Type
- Format Assignments
- Security Rules
- Value Definition

Module Designation

The module designation is used to tag value sets and sets the value sets apart during upgrades and other processes. When creating value sets for a chart of accounts, the module can be specified as General Ledger to distinctly identify its intended use in an accounting flexfield, basically a chart of accounts.

Validation Type

Assign one of the following validation types to chart of accounts value sets:

- Independent: The values are independently selected when filling out the segments in an account combination.
- Table: The values are stored in an external table to facilitate maintenance and sharing of reference data.

⚠️ Caution: You must use Independent validation only for the Accounting Key Flexfield value sets. Other validations prevent you from using the full chart of accounts functionality, such as data security, reporting, and account hierarchy integration. Dependent values sets are not supported.

Format Assignments

Value sets for chart of accounts must use the Value Data Type of Character. The Value Subtype is set to Text. These two settings support values that are both numbers and characters, which are typical in natural account segment values. Set the maximum length of the value set to correspond to the length of the chart of accounts segment to which it is assigned. Best practices recommend restricting values to Upper Case Only or Numeric values that are zero filled by default.

Security Rules

If flexfield data security rules are to be applied to the chart of accounts segment associated with the value set, the Enable Security option for the assigned value set must be selected. In addition, assign a data security resource name to enable creation of a data security object automatically for the value set. The data security object is used in the definition of flexfield data security rules.

Value Definition

Once these basic characteristics are defined for the value set, values can be added to the set on the Manage Values page.

1. Enter the value and description. Set the value to conform to the value set length and type.
2. Indicate whether the value is enabled and specify the start and end dates.
3. Assign the following attributes: Summary, Allow Posting, Allow Budgeting.
4. If the value set is used with a natural account segment, you must set the Account Type attribute. Select one of the following options: Asset, Liability, Owner’s Equity, Revenue, or Expense.
Caution: Assign account types carefully. If you assign an incorrect account type to a natural account segment value, accounting entries are recorded incorrectly and financial statements are inaccurate. Misclassified accounts are also potentially handled incorrectly at year end, with actual balances either getting zeroed out to retained earnings, or accumulating into the next year.

5. Other attributes that you can set are Third-Party Control Account, Reconcile, and Financial Category, which is used with Oracle Transactional Business Intelligence reporting.

The Third-Party Control Account attribute enables you to maintain detailed balances by third party for an account combination. Valid third-party information must be associated with the journal line if the account is a third-party control account. General Ledger prevents manual journal entries from posting to third-party control accounts. This ensures that journal lines that post to control accounts such as the supplier liability account and the customer receivables account, are associated with valid third-party information in the respective subledgers.

You can select one of the following options:
- **Customer Control Account**: Customer information is required when such accounts are used in subledger transactions or subledger journals.
- **Supplier Control Account**: Supplier information is required when such accounts are used in subledger transactions or subledger journals.
- **Third-Party Control Account**: Third-party information is required when such accounts are used in subledger transactions or subledger journals.
- **Restrict GL Manual Journals**: Third-party information isn’t required when such accounts are used in subledger transactions or subledger journals.
- **No**: Not a control account.

General Ledger prevents manual journal entries to all of the accounts whose Third-Party Control Account attribute is set to a value other than **No**.

Tip: Best practice is to define value set values after the value set has been assigned to a chart of accounts structure instance. Otherwise you can’t define the mandatory value attributes, such as the summary indicator, the posting allowed indicator, and the account type for natural account segments. The attributes must be added after the value set is assigned to a chart of accounts structure instance.

Create a Value Set for Your Chart of Accounts

Create your value sets before creating your chart of accounts. A value set can be shared by different charts of accounts or across different segments of the same chart of accounts.

Scenario

You are creating a company value set to be used in your chart of accounts for your enterprise, Vision Corporation. Follow these steps:

1. In the Setup and Maintenance work area, go to the following:
   - Offering: Financials
   - Functional Area: Financial Reporting Structures
   - Task: Manage Chart of Accounts Value Sets
2. Click the **Create** icon in the Search Results section.
3. On the Create Value Set page, enter a unique value set code, **Vision Corporation**, and an optional description, **Company values for Vision Corporation**.
4. Select **General Ledger** from the list in the **Module** field.
5. Select **Independent** as the validation type.

**Note:** You must use independent validation only for Accounting Key Flexfield value sets. Other validations prevent you from using the full chart of accounts functionality, such as data security, reporting, and account hierarchy integration. Dependent values sets aren’t supported.

6. Select **Character** for the validation data type.
7. Click **Save and Close**.

**Related Topics**
- **Update Existing Setup Data**

**Considerations for Enabling Key Flexfield Segments for Business Intelligence**

A key flexfield registered in the database as enabled for Oracle Business Intelligence (BI) includes a BI Enabled setting for each of its segment instances. When a segment instance is BI-enabled, it’s available for use in Oracle Business Intelligence.

The following aspects are important in understanding BI-enabled key flexfield segments.

- Flattening business components to use BI-enabled segments in Oracle BI
- Equalizing segments to prevent duplication and complexity in the flattened component
- Mapping attributes of flattened business components to logical objects in Oracle BI
- Managing the labels that map segments to logical objects in Oracle BI

After you deploy a business intelligence-enabled flexfield, use the Import Oracle Fusion Data Extensions for Transactional Business Intelligence process to import the flexfield changes into the Oracle Business Intelligence repository. Users can make use of the newly-generated attributes in business intelligence applications. For additional information about logical objects and import, refer to the Oracle Transactional Business Intelligence Administrator’s Guide.

**Flattening**

When you deploy a business intelligence-enabled key flexfield, the deployment process generates an additional set of flattened business components for use in business intelligence. The flattened business components include attributes for business intelligence-enabled segment instances only.

If you assigned a label to a segment, the flattened components include a single attribute representing all segment instances with that label. If you didn’t assign a label, the flattened components include a discrete attribute for each BI-enabled segment instance in each structure.

**Mapping to Logical Objects in Business Intelligence**

You can simplify reporting by representing similar segments as a single logical object in Business Intelligence. If you assign a label to segments that serve the same purpose in different structures, you can consolidate the segments into a single attribute. This prevents duplication and the extra workload and complexity that result from the flattening process. For example, an organization may have more than one definition of its key accounting flexfield to support different requirements.
for accounting reporting. A US Accounting Flexfield structure may have a segment called Subaccount to track project expenditures. The same type of information may be tracked in a UK accounting flexfield structure with a segment called Project. Equalize these two segments to create a single list of values for reporting.

Non-labeled segments aren’t equalized across context values, so the flattened components include a separate attribute for each segment for each structure. It may not be possible to equalize similarly labeled segments if they have incompatible data types or value set types.

Assign a label to a segment to map the corresponding attribute in the flattened components to a logical object in Oracle Business Intelligence. Using labels to map segments to BI logical objects minimizes the steps for importing the flexfield into Oracle Business Intelligence. Assigning a label to a segment serves to equalize the attribute across structures, as well as map the equalized attribute to business intelligence.

Managing Labels
You may assign a predefined label (if available) to segments or create labels for assignment, as needed. Specify a code, name, and description to identify each label. In the BI Object Name field, enter the name of the logical object in Oracle Business Intelligence to which the segment label should map during import. Specifying the BI logical object minimizes the steps for importing the flexfield into Oracle Business Intelligence and helps to equalize context-sensitive segments across structures.

If no labels are assigned to a BI-enabled segment, or the BI Object Name on the assigned label doesn’t exist in business intelligence, you must manually map the segment to the required logical object when importing into Oracle Business Intelligence. In addition, segments without labels cannot be equalized across structures. The flattened components include a separate attribute for each non-labeled segment in each structure.

Importing to Oracle Business Intelligence Repository
After you deploy a business intelligence-enabled flexfield, import the flexfield changes into the Oracle Business Intelligence repository to make use of the newly flattened business components in business intelligence. Then propagate the flexfield object changes. When you import the metadata into the Oracle Business Intelligence repository, you must do so as the FUSION_APPS_BI_APPID user.

To import flexfield changes into the Oracle Business Intelligence repository in Oracle Cloud implementations, run the Import Oracle Fusion Data Extensions for Transactional Business Intelligence process. For additional information about import, refer to the Oracle Transactional Business Intelligence Administrator’s Guide.

➤ Note: When you import a flexfield into the Oracle Business Intelligence repository, you see both `<name>` and `<name>_c` attributes for each segment, along with some other optional attributes. The `<name>` attribute contains the value. The `<name>_c` attribute contains the code of the value set that the value comes from, and is used for linking to the value dimension. You must import both attributes.

Related Topics
- Considerations for Enabling Descriptive Flexfield Segments for Business Intelligence

Configure Chart of Account Segments for Business Intelligence
To map the Oracle General Ledger accounting flexfield in the Oracle Fusion Transaction Business Intelligence (BI) Repository file (RPD) for Oracle Fusion Financials, populate values in the Manage Key Flexfields user interface. These values enable the chart of accounts segments for Oracle Fusion Transactional BI. The values also provide the mapping with BI Object names that are used as dimensions for each of the chart of accounts segments.
Follow these steps to select the **BI enabled** option for all chart of account segments that you intend to map in the RPD.

1. In the Setup and Maintenance work area, use the following:
   - Offering: Financials
   - Functional Area: Financial Reporting Structures
   - Task: Manage Chart of Accounts Structures

2. Enter GL# in the **Key Flexfield Code** field.
3. Click **Search**.
4. Click **Manage Structure Instances**.
5. Click **Search**.
6. Click **Search**.
7. Click the specific segment and click the **Edit** icon.
8. Select the **BI enabled** option.
9. Click **Save**. This should be done for all segments in every chart of accounts structure instance that you intend to be mapped in the RPD.
10. Click **Save and Close**.
11. Click **Done**.

Follow these steps to specify a BI object name for each segment label. This name is the logical table name in the RPD that is used as the dimension for the corresponding segment.

1. In the Setup and Maintenance work area, use the following:
   - Offering: Financials
   - Functional Area: Financial Reporting Structures
   - Task: Manage Chart of Accounts Structures

2. Enter GL# in the **Key Flexfield Code** field.
3. Click **Search**.
4. Select the **Actions** menu and click **Manage Segment Labels**.
5. Populate the **BI Object Name** field for all of the segment labels that must be mapped in the RPD. Complete the fields, as shown in this table.

<table>
<thead>
<tr>
<th>Segment Label Code</th>
<th>BI Object Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>FA_COST_CTR</td>
<td>Dim - Cost Center</td>
</tr>
<tr>
<td>GL_BALANCING</td>
<td>Dim - Balancing Segment</td>
</tr>
<tr>
<td>GL_ACCOUNT</td>
<td>Dim - Natural Account Segment</td>
</tr>
</tbody>
</table>

6. Click **Save**.

*Note:* For all the nonqualified segment labels, populate the **BI Object Name** with one of the following values:

- Dim - GL Segment1
- Dim - GL Segment2
- Dim - GL Segment3
- Dim - GL Segment4
• Dim - GL Segment5
• Dim - GL Segment6
• Dim - GL Segment7
• Dim - GL Segment8
• Dim - GL Segment9
• Dim - GL Segment10

Deploy the flexfield using the **Deploy Flexfield** button on the **Manage Key Flexfields** page. For more information about using both key and descriptive flexfields in Oracle Fusion Transactional BI, refer to the Oracle Fusion Transactional Business Intelligence Administrator's Guide.

**Related Topics**
- Update Existing Setup Data

## Correct Misclassified Accounts

When you create a value for a segment that's assigned the natural account segment label, you must select an account type, such as Asset, Liability, Expense, Revenue, and Owner’s Equity. Account combinations subsequently created with that segment value inherit the assigned account type. For example, you assign segment value 1000 the account type of Asset, and then create account combination 01-000-1000-000-000. The account combination is classified as an asset.

Misclassified accounts occur when the inherited account type of the corresponding natural account segment value is set incorrectly. If you assign an incorrect account type to a natural account segment value, accounting entries are recorded incorrectly and financial statements are inaccurate. Misclassified accounts are also potentially handled incorrectly at year end, with actual balances either getting zeroed out to retained earnings, or accumulating into the next year.

⚠️ **Caution:** Be sure to assign the correct account type to natural account segment values before account combinations are created. Having to correct misclassified accounts isn’t standard practice.

You can use the **Correct Misclassified Accounts** process to correct account types for account combinations. Running the process though is only one aspect of correcting misclassified accounts. The overall procedure to correct misclassified accounts depends on:

- The account type correction being made
- Whether the impacted account combinations ever had activities posted to them
- The impact of the correction across accounting years
- Whether balances have been translated

### Account Type Correction

Account types can be grouped into income statement accounts and balance sheet accounts. Income statement accounts consist of the Revenue and Expense account types, and balance sheet accounts consist of the Asset, Liability, and Owner’s Equity account types. At the end of an accounting year, income statement accounts are zeroed out to retained earnings, and balance sheet accounts accumulate into the next year.

Account type corrections within the income statement group or within the balance sheet group don’t affect the retained earnings calculation or beginning balances across accounting years. The following table lists the specific account type corrections that can be made without requiring manual journal entries as part of the correction process.
Account type corrections that cross from the income statement group to the balance sheet group, or from the balance sheet group to the income statement group, can affect the retained earnings calculation and beginning year balances if the corrections cross accounting years. The following table lists the specific account type corrections that may require manual journal entry adjustments as part of the correction process.

<table>
<thead>
<tr>
<th>Incorrect Account Type</th>
<th>Correct Account Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>Expense</td>
</tr>
<tr>
<td>Expense</td>
<td>Revenue</td>
</tr>
<tr>
<td>Asset</td>
<td>Liability or Owner’s Equity</td>
</tr>
<tr>
<td>Liability</td>
<td>Asset or Owner’s Equity</td>
</tr>
<tr>
<td>Owner’s Equity</td>
<td>Asset or Liability</td>
</tr>
</tbody>
</table>

Procedure

Follow these recommended steps to correct misclassified accounts.

1. On the Manage Values page, correct the account type for the value set value.
2. Before submitting the Correct Misclassified Accounts process, it’s recommended that you:
   - Ensure journals aren’t being posted when the process is run in reclassification mode.
   - Disable the Dynamic combination creation allowed option for the chart of accounts.
3. On the Scheduled Processes page, run the Correct Misclassified Accounts process with the following parameters:
   - **Value Set**: Select the value set for the natural account segment.
   - **Value Set Value**: Select the value from which account combinations must inherit the account type.
   - **Mode**: Select Preview mode.
4. Review the report output.

The report lists actual balances for the affected account combinations by ledger, currency, and fiscal year that must be zeroed out in cases where corrections cross from the balance sheet group to the income statement group, or
from the income statement group to the balance sheet group. Use this information to facilitate the journal entry that you must create for fiscal year cross-over scenarios. The report also lists periods with translated balances. If the report doesn’t display balances to zero out, skip to step 9.

5. Open the last period of the prior fiscal year for each primary ledger with balances that must be zeroed out.

6. Create the respective journal entries using the information in the report to bring the misclassified account balances to zero and post the journals. Use a temporary account, such as a suspense account, for the offsetting amount.

**Note:** The journal entries should zero out balances in every entered currency.

7. Rerun the Correct Misclassified Account process in **Preview** mode.
   Check whether any balances should be zeroed out. If so, repeat steps 5 and 6 until all balances are zeroed out. If the only balances listed are for secondary ledgers and reporting currencies, the journal entries should be created and posted in those ledgers directly.

8. Run the Correct Misclassified Accounts process in **Reclassify Account Type** mode.
   The process first validates that the affected account combinations have zero actual balances if the misclassification affects multiple fiscal years. This validation ensures that the account type reclassification doesn’t cause errors in the calculation of retained earnings and beginning balances. The process then corrects the account type on the misclassified account combinations to match the account type of the selected segment value.

9. Review the report output for the list of reclassified account combinations for each chart of accounts.

10. Update the **Account** dimension by running the Publish Chart of Account Dimension Members and Hierarchies to Balances Cubes process:
   a. Select the value set for the **Account** dimension.
   b. Set the **Publish Detail Values Only** parameter to **Yes**.

11. Starting from the earliest fiscal year, reverse and post the journals that you created to zero out the balances in each ledger. The reversal journal must be in the same period as the journal being reversed.

   **Note:** The recommended reversal method for the journals is **Change Sign**.

12. If there are misclassified account corrections, and if a translation currency has balances, you must:
   a. Run the Delete Translated Balances process and after the process completes, rebuild the balances cube.
   b. Rerun the translation process after the misclassification has been addressed.

**Related Topics**
- How Translated Balances Are Deleted

### FAQs for Value Sets

**What happens if you use average balances and create a segment value?**
The new segment value is added to both the standard balances cube and the average daily balances cube.

### Chart of Accounts Structures and Instances
Example of One Chart of Accounts Structure with Many Instances

In Oracle Fusion General Ledger, the chart of accounts model is framed around the concept of a chart of accounts structure, for which one or more chart of accounts structure instances can be created.

Scenario

Your company, InFusion Corporation, is a multinational conglomerate that operates in the United States (US) and the United Kingdom (UK). InFusion has purchased an Oracle Fusion Enterprise Resource Planning (ERP) solution including Oracle Fusion General Ledger and all of the Oracle Fusion subledgers. You are chairing a committee to discuss creation of a model for your global financial reporting structure including your charts of accounts for both your US and UK operations.

InFusion Corporation

InFusion Corporation has 400 plus employees and revenue of 120 million US dollars. Your product line includes all the components to build and maintain air quality monitoring systems for homes and businesses.

Analysis

In Oracle Fusion General Ledger, the chart of accounts model is framed around the concept of a chart of accounts structure, for which one or more chart of accounts structure instances can be created.

Chart of Accounts Model

The chart of accounts structure provides the general outline of the chart of accounts and determines the number of segments, the type, the length, and the label (qualifier) of each segment. This forms the foundation of the chart of accounts definition object.

For each chart of accounts structure, it is possible to associate one or more chart of accounts structure instances. Chart of accounts structure instances for the same structure share a common configuration with the same segments, in the same order, and the same characteristics. Using one chart of accounts structure with multiple instances simplifies your accounting and reporting.

At the chart of accounts structure instance level, each segment is associated with a value set that conforms to the characteristic of that segment. For example, you assign a value set with the same segment type and length to each segment. You are using hierarchies with your chart of accounts segments. Each structure instance segment is assigned a tree code to indicate the source of the hierarchy information for the associated value set. The same value set can be used multiple times within the same or across different chart of accounts instances within the same structure or in different structures. This functionality reduces your segment value creation and maintenance across your charts of accounts.

The collective assignment of value sets to each of the segments forms one chart of accounts instance. At the chart of accounts structure instance level, you can select to enable dynamic insertion. Dynamic insertion allows the creation of account combinations automatically the first time your users enter that new account combination. The alternative is to create them manually. By deciding to enable dynamic insertion, you save data entry time and prevent delays caused by the manual creation of new account combinations. Well-defined cross-validation rules help prevent the creation of inappropriate account combinations.

Perform deployment after a new chart of accounts structure and structure instances are defined or any of their modifiable attributes are updated. Deployment validates and regenerates the necessary objects to enable your charts of accounts and chart of accounts structure instances. By unifying and standardizing your organization's chart of accounts, you are positioned to take full advantage of future functionality in Oracle Fusion General Ledger.

In summary, you are recommending to your company to unify the organization's chart of accounts in a single chart of accounts structure based on chart of accounts commonalities across ledgers. You have also decided to use the chart of
accounts structure instance construct to serve different accounting and reporting requirements by using value sets specific to each of your entities.

Create a Chart of Accounts Structure and Instance

In Oracle General Ledger, the chart of accounts model is framed around the concept of a chart of accounts structure, for which one or more chart of accounts structure instances can be created. A chart of accounts structure defines the key attributes for your chart of accounts. These attributes include the number of segments, the segment sequences, the segment names, segment prompts, segment labels, for example natural account and primary balancing, and default value sets.

The chart of accounts instance is exposed in user interfaces and processes. By default, a chart of accounts instance inherits all of the attributes of the chart of accounts structure, meaning that all instances of the same structure share a common shape and have the same segments in the same order. However, at the chart of accounts instance level, you can override the default value set assignments for your segments and assign a unique account hierarchy that determines the parent and child relationships between the value set values. At the chart of accounts instance level, you can determine whether to generate new account combinations dynamically instead of creating them manually.

Chart of Accounts Structure

You are creating a chart of accounts structure as you set up a chart of accounts for your enterprise, InFusion America, Inc. Follow these steps:

1. In the Setup and Maintenance work area, go to the following:
   - Offering: Financials
   - Functional Area: Financial Reporting Structures
   - Task: Manage Chart of Accounts Structures

2. Select the General Ledger module and click Search.

3. Click Manage Structures.

4. On the Manage Key Flexfield Structures page, select the General Ledger row and click the Create icon.

5. On the Create Key Flexfield Structure page, enter the unique structure code INFUSION_AM_COA_STRUCTURE and name InFusion America COA Structure. Provide an optional description of InFusion America Inc. chart of accounts structure.

6. Select a delimiter to visually separate the segment values.

7. Click Save.

8. To create a segment, click the Create icon to open the Create Key Flexfield Segment page.

   a. Complete the fields, as shown in this table.

<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Segment Code</td>
<td>INFUSION_AM_CO</td>
</tr>
<tr>
<td>Name</td>
<td>InFusion America Company</td>
</tr>
<tr>
<td>Description</td>
<td>InFusion America Inc.</td>
</tr>
<tr>
<td>Sequence Number</td>
<td>1</td>
</tr>
<tr>
<td>Prompt</td>
<td>Company</td>
</tr>
</tbody>
</table>
### Chart of Account Instance

You are creating a chart of accounts instance as you set up your chart of accounts for your enterprise, InFusion America, Inc. Follow these steps:

1. In the Setup and Maintenance work area, go to the following:
   - Offering: Financials
   - Functional Area: Financial Reporting Structures
   - Task: Manage Chart of Accounts Structure Instances

2. On the Manage Chart of Accounts Structure Instances page, select the General Ledger module and click Search.

3. Select the General Ledger row and click Manage Structure Instances.

4. On the Manage Key Flexfield Structure Instances page, click the Create icon.

5. On the Create Key Flexfield Structure Instance page, enter the unique structure instance code `INFUSION_AM_COA_INSTANCE` and name `InFusion America COA Instance`. Provide an optional description, `InFusion America Inc. chart of accounts structure instance`.

6. Select the Dynamic combination creation allowed option to indicate that you want to dynamically generate account combinations.

7. Associate your instance with the structure InFusion America Structure.

   - **Note:** By default, an instance inherits the key attributes of the associated structure. Some attributes, such as the value set assigned to each segment, can be modified.

8. Click Save.

9. To modify an instance segment, select the segment row and click Edit.

10. Select the Required, Displayed, and BI enabled options.
Note: Select the Required and Displayed options for all segments including those intended for future use. The recommended best practice is to define one segment for future use and set a default value. This ensures room for expansion in your chart of accounts and that the extra segment is populated in account combinations. Select the BI enabled option to use key flexfield segments in Oracle Fusion Transactional Business Intelligence. The business intelligence option is only valid when enabled on segments with segment labels. The second step is to populate the BI Object Name field for each of the segment labels on the Manage Segment Label page, which you open from the Manage Key Flexfields page.

11. Click OK.
12. Click Save and Close.
13. Define additional instances following the same process.

Note: Alternatively, proceed directly with creating your value set values by selecting the corresponding Value Set Code in the Segment Instances table.

14. Click Done.
15. Click Deploy Flexfield.
16. Click OK.

Related Topics
- Update Existing Setup Data

Overview of Balancing Segments

Balancing segments ensure that all journals balance for each balancing segment value or combination of multiple balancing segment values. You can secure access to your primary balancing segment values only with data access sets. The General Ledger application automatically calculates and creates balancing lines as required in journal entries.

The three balancing segment labels are:
- Primary
- Second
- Third

Note: The primary balancing segment label is required.

By enabling multiple balancing segments for your chart of accounts, you can produce financial statements for each unique combination of segment values across one, two, or three qualified balancing segments. This ability provides you greater insights into your operations as it affords you visibility along the critical fiscal dimensions you use to plan, monitor, and measure your financial performance.

The following explains processes that use balancing segments.
- Intercompany balancing: Adds lines to unbalanced journals using intercompany rules.
- Opening first period of the accounting year: Calculates retained earnings amounts at the level of granularity that totals revenue and expense account balances for multiple balancing segment value combinations. This applies to standard and average balances.
- Importing journals: Adds lines using the suspense account on unbalanced journals.
• Posting journals: Adds additional lines to unbalanced journals for the following enabled account types:
  - Suspense
  - Rounding
  - Net income
  - Retained earnings
  - Cumulative translation adjustments from replication of revaluation journals to reporting currencies and for multiple reporting currency account type specific conversion
• Posting prior period journals: Calculates any income statement impact and posts to the appropriate retained earnings account.
• Translating balances: Supports multiple balancing segments for the following accounts:
  - Retained earnings: Calculated translated retained earnings are post to the retained earnings accounts by balancing segment. Retained earnings accounts represent the summing of the translated revenue and expense accounts across multiple balancing segment values.
  - Cumulative translation adjustment: Amounts posted by balancing segment to these accounts represents currency fluctuation differences between ranges of accounts which use different rate types. For example, period end rates are used for asset and liability accounts and historical rates for equity accounts.
• Revaluing Balances: Supports multiple balancing segments when calculating gain or loss accounts.
• Creating Opening Balances: Initializes reporting currency balances by converting from the total primary currency. Any difference in the reporting currency amounts is offset by populating retained earnings accounts.
• Closing year end: Supports multiple balancing segments when calculating the income statement offset and closing account in the closing journals.

Considerations for Multiple Balancing Segments
Oracle Fusion General Ledger supports tracking financial results at a finer level of granularity than a single balancing segment. In addition to the required primary balancing segment for the chart of accounts, which is typically associated with the company dimension of a business organization, two additional segments of the chart of accounts can be optionally qualified as the second and third balancing segments respectively. Possible chart of accounts segments that can be tagged as these additional balancing segments include cost center or department, additional aspects of a business commonly used in measuring financial results.

Several points must be consider when using multiple balancing segments:
- Journal entry processing
- Implementation timing
- Change options
- Migration adjustments

Journal Entry Processing
Multiple balancing segments ensure that account balances come from journal entries where the debits equal the credits. The financial reports are properly generated for each unique instance of account value combinations across the balancing segments. Consider this option carefully as it provides more granular reporting but requires more processing resources.
Implementation Timing
When using optional second and third balancing segments, remember that these chart of accounts segment labels are set from the beginning of time. Ensure that balances are immediately maintained in accordance with the necessary balancing actions to produce consistent financial reporting for the wanted business dimensions. Multiple balancing segment ledgers that are not maintained from the beginning of time, require extensive manual balance adjustments to catch up and realign the balances.

Note: Do not set a segment already qualified as a natural account or intercompany segment as any of the three balancing segments. Validations are not performed when segment labels are assigned, so verify that all are assigned correctly before using your chart of accounts.

Change Options
Once a segment has been enabled and designated as a balancing segment, you must not change the segment. Do not disable the segment or remove the segment labels. These settings must be consistently maintained throughout the life of the chart of accounts to control the accuracy and integrity of the financial data.

Migration Adjustments
For charts of accounts migrated from Oracle E-Business Suite to Oracle Fusion General Ledger that uses a second and third balance segments, steps must be taken to ensure the proper transition. The required adjustments are extensive.

For ledgers associated with a migrated chart of accounts, the balances must be adjusted manually. The manual adjustment is to ensure that the second and third balancing segments are consistent as though these segment labels have been in place since the beginning of entries for these ledgers. Recomputing and updating of the following processes is required to reflect the correct balancing for each account using the second and third balancing segments.

- Intercompany balancing
- Suspense posting
- Rounding imbalance adjustments on posting
- Entered currency balancing
- Revaluation gains or losses
- Retained earnings calculations at the opening of each new fiscal year
- Cumulative translation adjustments during translation

Note: All previously translated balances must also be purged. New translations must be run to properly account for translated retained earnings and cumulative translation adjustments with the correct level of balancing.

Related Topics
- How can I change segments in an existing chart of accounts structure

Example of Using Multiple Balancing Segments
This simple example illustrates balancing along two balancing segments for a simple chart of accounts with three segments.
Scenario

Your company has a chart of accounts with two balancing segments and three segments, qualified as follows:

- Company: Primary balancing segment
- Cost Center: Second balancing segment
- Account: Natural account segment

The following table shows a journal that was entered to transfer advertising and phone expense from company 1, cost center A to company 2, cost center B.

<table>
<thead>
<tr>
<th>Line</th>
<th>Account</th>
<th>Debit</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Company 1-Cost Center A-Advertising Expense Account</td>
<td>600</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Company 2-Cost Center B-Advertising Expense Account</td>
<td></td>
<td>600</td>
</tr>
<tr>
<td>3</td>
<td>Company 1-Cost Center A-Phone Expense Account</td>
<td>800</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Company 2-Cost Center B-Phone Expense Account</td>
<td></td>
<td>800</td>
</tr>
</tbody>
</table>

The posting process creates journal lines to balance the entry across the primary and second balancing segments, company and cost center. The following table shows all of the journal lines, including balancing lines 5 through 8, which were automatically created.

<table>
<thead>
<tr>
<th>Line</th>
<th>Account</th>
<th>Debit</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Company 1-Cost Center A-Advertising Expense Account</td>
<td>600</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Company 2-Cost Center B-Advertising Expense Account</td>
<td></td>
<td>600</td>
</tr>
<tr>
<td>3</td>
<td>Company 1-Cost Center A-Phone Expense Account</td>
<td>800</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Company 2-Cost Center B-Phone Expense Account</td>
<td></td>
<td>800</td>
</tr>
<tr>
<td>5</td>
<td>Company 1-Cost Center A-Balancing Account</td>
<td>600</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Company 2-Cost Center B-Balancing Account</td>
<td>600</td>
<td></td>
</tr>
</tbody>
</table>
### Flexfield Deployment

#### Overview of Flexfield Deployment

Deployment generates or refreshes the Application Development Framework (ADF) business component objects that render the flexfield in a user interface. The deployment process adds user-defined attributes to the Web Services Description Language (WSDL) schemas exposed by Oracle ADF services and used by SOA composites. Flexfields are deployed for the first time during the application provisioning process. After you configure or change a flexfield, you must deploy it to make the latest definition available to users.

If a descriptive flexfield is enabled for business intelligence, the deployment process redeploy the flexfield’s business intelligence artifacts.

You can deploy a flexfield to a sandbox for testing or to the mainline metadata for use in a test or production run time environment. You can deploy extensible flexfields as a background process.

After deployment, the user-defined attributes are available for incorporating into the SOA infrastructure, such as business process and business rule integration. For example, you can now write business rules that depend on the user-defined attributes. You must sign out and sign back in to Oracle Applications Cloud to see the changes you deployed at run time.

The following aspects are important in understanding flexfield deployment:

- Deployment Status
- Initial Deployment Status
- Metadata Validations
- Metadata Synchronization
- Deployment as a Background Process
- Export of Artifacts from Flexfield MDS

#### Deployment Status

Every flexfield has a deployment status. Check the deployment status of your flexfield after patching. The following table lists the different deployment statuses a flexfield can have.

<table>
<thead>
<tr>
<th>Deployment Status</th>
<th>Meaning</th>
</tr>
</thead>
<tbody>
<tr>
<td>Edited</td>
<td>The flexfield metadata definition hasn’t been deployed yet. Updates of the metadata definition aren’t applied in the run time environment yet.</td>
</tr>
</tbody>
</table>

---
<table>
<thead>
<tr>
<th>Deployment Status</th>
<th>Meaning</th>
</tr>
</thead>
<tbody>
<tr>
<td>Patched</td>
<td>The flexfield metadata definition has been modified through a patch or a data migration action, but the flexfield hasn’t yet been deployed. So, the updated definition isn’t reflected in the run time environment.</td>
</tr>
<tr>
<td>Deployed to Sandbox</td>
<td>The current metadata for the flexfield is deployed in ADF artifacts and available as a flexfield-enabled sandbox. The status of the sandbox is managed by the Manage Sandboxes dialog box available in the Settings and Actions menu.</td>
</tr>
<tr>
<td>Deployed</td>
<td>The current metadata for the flexfield is deployed in ADF artifacts and available to users. No changes have been made to the flexfield after being deployed to the mainline metadata.</td>
</tr>
<tr>
<td>Error</td>
<td>The deployment attempt in the mainline metadata failed.</td>
</tr>
</tbody>
</table>

**Note:** Whenever a value set definition changes, the deployment status of a flexfield that uses that value set changes to edited. If the change results from a patch, the deployment status of the flexfield changes to patched.

**Initial Deployment Status of Flexfields**

The Oracle Applications Cloud implementation loads flexfield metadata into the database. This initial load sets the flexfield status to Edited. During installation, the application provisioning process deploys the flexfields of the provisioned applications, setting their status to Deployed if no errors occur.

In a provisioned application, deployed flexfields are ready to use. In some cases, flexfield availability at run time requires setup, such as defining key flexfields.

**Metadata Validation**

Use the Validate Metadata command to view possible metadata errors before attempting to deploy the flexfield. Metadata validation is the initial phase of all flexfield deployment commands. By successfully validating metadata before running the deployment commands, you can avoid failures in the metadata validation phase of a deployment attempt. The deployment process ends if an error occurs during the metadata validation phase. Metadata validation results don’t affect the deployment status of a flexfield.

**Metadata Synchronization**

When an extensible or descriptive flexfield is deployed, the deployment process regenerates the XML schema definition (XSD). As a result, the user-defined attributes are available to web services and the SOA infrastructure.

After deploying a flexfield configuration, you must synchronize the updated XML schema definition (XSD) files in the MDS repositories for each SOA application.

**Note:** To synchronize the updated XSD files in the MDS repositories in Oracle Cloud implementations, log a service request using My Oracle Support at http://support.com/

**Deployment as a Background Process**

You can deploy extensible flexfields offline as a background process and continue working in the session without having to wait for the deployment to complete. You can queue up several extensible flexfields and deploy as a background process. The flexfields are deployed, one at a time, in the order that you deploy them to the queue. You must deploy extensible flexfields with more than 30 categories as a background process.
You can remove an extensible flexfield from the deployment queue with the Cancel Background Deployment command. When an extensible flexfield is deployed in a background process, its offline status indicates that the flexfield is in a background deployment process. A flexfield’s offline status is cleared and its deployment status updated when the background deployment process has completed.

**Export of Artifacts from Flexfield MDS**
You can export business components from MDS for descriptive, extensible, or key flexfields, mainly for use in troubleshooting issues with flexfields. Use **Download Flexfield Archive** on the Manage Flexfields page to export MDS artifacts of the selected flexfield, and import them to an archive on your local computer. You can use these archived business components of flexfields for troubleshooting purposes.

Alternatively, export the deployed artifacts using **exportMetadata WLST**.

**Related Topics**
- How Flexfields Work with Oracle Application Cloud Architecture
- Why did my flexfield changes not appear in the runtime UI

**How Flexfield Deployment Status is Calculated**
Flexfield deployment status indicates how the flexfield metadata definition in the Oracle Applications Cloud database relates to the Application Development Framework (ADF) business components residing in an Oracle Metadata Services (MDS) Repository.

The following aspects are important in understanding how flexfield deployment status is calculated:

- Settings that affect flexfield deployment status
- How deployment status is calculated

**Settings That Affect Flexfield Deployment Status**
If you have made a change to a flexfield and expect a changed deployment status, ensure that you have saved your changes.

No settings affect flexfield deployment status.

**How Deployment Status Is Calculated**
If the flexfield definition has been edited through the Define Flexfields activity task flows, the status is Edited. The latest flexfield metadata definition diverges from the latest deployed flexfield definition. Any change, including if a value set used in a flexfield changes, changes the deployment status to Edited. If a flexfield has never been deployed, its status is Edited.

**Note:** When an application is provisioned, the provisioning framework attempts to deploy all flexfields in that application.

If you deploy the flexfield to a sandbox successfully, the status is Deployed to Sandbox. The latest flexfield metadata definition in the application matches with the metadata definition that generated ADF business components in a sandbox MDS Repository. Whether the sandbox is active or not doesn’t affect the deployment status. If the flexfield was deployed to a sandbox and hasn't been edited or redeployed to the mainline metadata since then, the status remains Deployed to Sandbox independent of whether the sandbox is active, or who is viewing the status.

If you deploy the flexfield successfully to the mainline metadata, the status is Deployed. The latest flexfield metadata definition in the application matches the metadata definition that generated ADF business components in a mainline MDS Repository. Change notifications are sent when a flexfield is deployed successfully to the mainline metadata. If either type of deployment
fails and that the current flexfield definition isn't deployed, the status is Error. The deployment error message gives details about the error. The latest flexfield metadata definition in the application likely diverges from the latest successfully deployed flexfield definition.

If the flexfield definition has been modified by a patch, the status is Patched. The latest flexfield metadata definition in the application diverges from the latest deployed flexfield definition. If the flexfield definition was Deployed before the patch and then a patch was applied, the status changes to Patched. If the flexfield definition was Edited before the patch and then a patch was applied, the status remains at Edited to reflect that there are still changes (outside of the patch) that aren't yet in effect.

When a deployment attempt fails, you can access the Deployment Error Message for details.

Related Topics

• How Flexfields Work with Oracle Application Cloud Architecture

• Considerations for Managing Extensible Flexfields

How Deploying a Flexfield-Enabled Sandbox Works with Mainline Metadata

The flexfield definition in a sandbox corresponds to the flexfield metadata definition in the Oracle Applications Cloud database at the time the flexfield was deployed to the sandbox. When the flexfield is ready for end users, the flexfield must be deployed to the mainline metadata.

A flexfield-enabled sandbox uses the following components.

• Flexfield metadata in the Oracle Applications Cloud database
• Flexfield business components in a sandbox Oracle Metadata Services (MDS) repository
• User interface modifications for the flexfield in the mainline MDS repository

The following figure shows the two types of deployment available in the Manage Flexfield tasks of the Define Flexfields activity. Deploying a flexfield to a sandbox creates a sandbox MDS Repository for the sole purpose of testing flexfield behavior. The sandbox is only accessible to the administrator who activates and accesses it, not to users generally. Deploying a flexfield to the mainline metadata applies the flexfield definition to the mainline MDS Repository where it is available to end users. After
deploying the flexfield to the mainline metadata, modify the page where the flexfield segments appear. Modifications done to the page in the sandbox MDS Repository cannot be published to the mainline MDS Repository.

Sandbox Metadata Services Repository Data
Deploying the flexfield to a sandbox generates the Application Development Framework (ADF) business components of a flexfield in a sandbox MDS Repository for testing in isolation.

⚠️ Caution: Don’t modify flexfield segment display properties using Page Composer in a flexfield-enabled sandbox as these changes will be lost when deploying the flexfield to the mainline metadata.
Mainline Metadata Services Repository Data

The Oracle Fusion Applications database stores the single source of truth about a flexfield. When the flexfield is deployed, the ADF business component objects that implement the flexfield in the run time user interface are generated in the mainline MDS Repository from this source.

Related Topics

- How You Manage Configurations in Classic Sandboxes

Considerations for Deploying a Flexfield to a Sandbox

Deploying a flexfield to a sandbox creates a flexfield-enabled sandbox. Each flexfield-enabled sandbox contains only one flexfield.

You can test the run time behavior of a flexfield in the flexfield-enabled sandbox. If changes are needed, you return to the Define Flexfield tasks to change the flexfield definition.

When you deploy a flexfield to sandbox, the process reads the metadata about the segments from the database, generates flexfield Application Development Framework (ADF) business component artifacts based on that definition, and stores in the sandbox only the generated artifacts derived from the definition.

When you deploy a flexfield sandbox, the process generates the name of the flexfield sandbox, and that flexfield sandbox is set as your current active sandbox. When you next sign in to the application, you can see the updated flexfield configurations. The Oracle Applications Cloud global header displays your current session sandbox.

Note: Unlike a standalone sandbox created using the Manage Sandboxes dialog box, the sandbox deployed for a flexfield contains only the single flexfield. You can manage flexfield sandboxes, such as setting an existing flexfield sandbox as active or deleting it, using the Manage Sandboxes dialog box.

When you deploy a flexfield to the mainline metadata after having deployed it to the sandbox, the sandbox-enabled flexfield is automatically deleted.

Sandbox MDS Repository Data

The sandbox data lets you test the flexfield in isolation without first deploying it in the mainline metadata where it could be accessed by users.

Caution: Don’t modify flexfield segment display properties using Page Composer in a flexfield-enabled sandbox as these changes will be lost when deploying the flexfield to the mainline metadata.

Managing a Flexfield-Enabled Sandbox

When you deploy a flexfield as a sandbox, that flexfield-enabled sandbox automatically gets activated in your user session. When you sign back in to see the changes, the sandbox is active in your session.

You can only deploy a flexfield to a sandbox using the Define Flexfields task flow pages.

You also can use the Manage Sandboxes dialog box in the Administrator menu of the Setup and Maintenance work area to activate and access a flexfield-enabled sandbox.
Note: Whether you use the Define Flexfields or Manage Sandboxes task flows to access a flexfield-enabled sandbox, you must sign out and sign back in before you can see the changes you deployed in the run time.

You cannot publish the flexfield from the sandbox to the mainline metadata. You must use the Define Flexfields task flow pages to deploy the flexfield for access by users of the mainline metadata because the flexfield configuration in the mainline metadata is the single source of truth.

Related Topics
- How Flexfields Work with Oracle Application Cloud Architecture
- Why did my flexfield changes not appear in the runtime UI
- How You Manage Configurations in Classic Sandboxes

General Ledger Security

Overview of General Ledger Security

General ledger functions and data are secured through job roles, data access sets, and segment value security rules.

Functional Security

Functional security, which is what you can do, is managed using job roles. The following job roles are predefined for Oracle Fusion General Ledger:

- General Accounting Manager
- General Accountant
- Financial Analyst

Each job role includes direct privilege grants, as well as duty role assignments, to provide access to application functions that correspond to their responsibilities. For example, the General Accounting Manager role grants comprehensive access to all General Ledger functions to the general accounting manager, controller, and chief financial officer in your organization.

Data Security

Data security, which controls what action can be taken against which data, is managed using:

- Data access sets
- Segment value security rules

Data access sets can be defined to grant access to a ledger, ledger set, or specific primary balancing segment values associated with a ledger. You decide whether each data access set provides read-only access or read and write access to the ledger, ledger set, or specific primary balancing segment values, which typically represent your legal entities that belong to that ledger. Primary balancing segment values without a specific legal entity association can also be directly assigned to the ledger.

Segment value security rules control access to data that is tagged with the value set values associated with any segment in your chart of accounts.
Security Assignment

Use the Security Console to assign users roles (job roles, as well as roles created for segment value security rules or others). Use the Manage Data Access Set Data Access for Users task to assign users data access sets as the security context paired with their General Ledger job role assignments.

For more information about security assignments and managing data access for users, see the Securing Oracle ERP Cloud guide.

Related Topics

- Data Access

Overview of Data Access Set Security

Data Access Sets secure access to ledgers, ledger sets, and portions of ledgers using primary balancing segment values. If you have primary balancing segment values assigned to a legal entity, then you can use this feature to secure access to specific legal entities.

You can combine ledger and ledger set assignments in single data access sets if the ledgers share a common chart of accounts and calendar. If you have primary balancing segment values assigned to a legal entity within the ledger, then you can use data access sets to secure access to specific legal entities. You can also secure access to primary balancing segments assigned directly to the ledger.

When a ledger or ledger set is created, a data access set for that ledger or ledger set is automatically created, giving full read and write access to those ledgers. You can also manually create data access sets to give read and write access, or read-only access to entire ledgers or portions of the ledger represented as primary balancing segment values.
The following figure shows that a data access set consists of an access set type and an access level. The access set type can be set to full ledger or primary balancing segment value. The access level can be read only or read and write.

The **Full Ledger** access set type provides access to the entire ledger or ledger set. This could be for read-only access or both read and write access to the entire ledger.

The **Primary Balancing Segment Value** access set type provides access to one or more primary balancing segment values for that ledger. This access set type security can be specified by parent or detail primary balancing segment values. The specified parent value and all its descendants, including middle level parents and detail values are secured. You can specify read only, read and write access, or combination of both, for different primary balancing segment values for different ledgers and ledger sets.

For more information about security assignments and managing data access for users, see the Securing Oracle ERP Cloud guide.

**Examples of Data Access Set Security**

This example shows a data access set that secures access by using primary balancing segment values that correspond to legal entities.

**Scenario**

The following figure shows a data access set for the US Financial Services Ledger. The access set type is Primary Balancing Segment Value, with each primary balancing segment value representing different legal entities. Read-only access has been assigned to primary balancing segment value 131, which represents the Insurance legal entity. Read and write access has been assigned to primary balancing segment values 101 and 102, which represent the Banks and Capital legal entities.
For this data access set, the user can:

- View the journals, balances, and reports for primary balancing segment value 131 for the Insurance legal entity.
- Create journals and update balances, as well as view journals, balances and reports for primary balancing segment value 101 and 102 for legal entities Banks and Capital.

**Note:** In financial reporting, the list of ledgers isn't secured by data access sets when viewing a report in Preview mode. Users can view the names of ledgers they don't have privileges to view. However, the data from a secured ledger doesn't appear on the report.

For more information about security assignments and managing data access for users, see the Securing Oracle ERP Cloud guide.

**Segment Value Security**

Set up segment value security rules on value sets to control access to parent or detail segment values for chart of accounts segments, also called flexfield segments. Segment value security rules restrict data entry, online inquiry, and reporting.

**Secured Value Sets**

When you enable security on a value set, access to all values for that value set is denied. To control access to value set values, you enable security on the value set, create conditions, and then assign the conditions to roles. The roles should be created solely for the purpose of segment value security. The roles are then assigned to users.
If a value set is secured, every usage of that value set in a chart of accounts structure instance is secured. For example the same security applies if that value set is:

- Used for two or more segments in the same chart of accounts, such as the primary balancing and intercompany segments
- Shared across different segments of different charts of accounts

**Secured Segment Values**

Segment value security applies mainly when data is created or updated, and when account combinations are queried. When you have access to secured account values, you can view and use those secured values across all modules of the applications where there are references to accounting flexfields including:

- Transaction entry pages
- Balances and transactions inquiry pages
- Setup pages
- Reports

On setup pages, you can still view referenced account combinations with secured account values, even if you haven’t been granted access to those secured values. However, if you try to update such references, you can’t use those secured values. On reports, you can view balances for secured account values only if you have access to those secured values.

> **Note:** You can enforce segment value security for inquiries and reporting based on any hierarchy, even hierarchies that aren’t published to the reporting cube.

**Segment Value Security Implementation**

You implement segment value security using the Security Console and these pages: Manage Value Sets, Manage Chart of Accounts Structures, Publish Account Hierarchies.
To define segment value security roles:

1. Create segment value security roles.
2. Enable security on the value set.

**Note:** You can enable security only on value sets with a type of Independent.

3. Create conditions for the rule.
4. Create policies to associate the conditions with the role.
5. Deploy the accounting flexfield.
6. Publish the account hierarchies.
7. Assign the role to users.

Whenever you assign segment value security roles to a user, the rules from the user's assigned roles can be applied together. All of the segment value security roles assigned to a user pertaining to a given value set are simultaneously applied when the user works with that value set. For example, one rule provides access to cost center 110 and another rule provides access to all cost centers. A user with both of these segment value security rules has access to all cost centers when working in a context where that value set matters.

Segment Value Security Conditions

When you create a condition, you specify an operator. The following table describes the operators that you can use.

<table>
<thead>
<tr>
<th>Operator</th>
<th>Usage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equal to</td>
<td>• Provides access to a specific detail or child value.</td>
</tr>
<tr>
<td></td>
<td>• Don’t use to provide access to a parent value.</td>
</tr>
<tr>
<td>Not equal to</td>
<td>• Provides access to all detail and child values, except the one that you specify.</td>
</tr>
<tr>
<td></td>
<td>• Don’t use to provide access to a parent value.</td>
</tr>
<tr>
<td>Between</td>
<td>• Provides access to a detail range of values.</td>
</tr>
<tr>
<td>Is descendant of</td>
<td>• Provides access to the parent value itself and all of its descendants including middle level parents and detail values.</td>
</tr>
<tr>
<td>Is last descendant of</td>
<td>• Provides access to the last descendants for example, the detail values of a parent value.</td>
</tr>
</tbody>
</table>

💡 Tip: For the operators **Is descendant of** and **Is last descendant of**:
- Specify an account hierarchy (tree) and a tree version to use these operators.
- Understand that the security rule applies across all the tree versions of the specified hierarchy, as well as all hierarchies associated with the same value set of the specified hierarchy.

Example of Segment Value Security

You can set up segment value security rules on value sets to control access to parent or detail segment values for chart of accounts segments. Segment value security rules restrict data entry, online inquiry, and reporting.

The following example describes why and how you might want to use segment value security.

Securing Values for the Cost Center and Account Segments

For this scenario, only certain users should have access to the **Accounting** cost center and the **US Revenue** account. To create a complete data security policy that restricts segment value access to those users:

1. Plan for the number of roles that represent the unique segment value security profiles for your users. For this scenario, you can create two roles, one for the cost center segment and one for the account segment.
2. Use the Security Console to create the roles. Append the text **SVS-role** to the role names so it’s clear the roles are solely for segment value security. For this scenario, you create roles **Accounting Cost Center-SVS Role** and **US Revenue Account-SVS Role**.
3. Use the Manage Segment Value Security Rules task to enable security on the cost center and account value sets associated with the chart of accounts.

4. Create a condition for each value set. For example, the condition for the Accounting cost center is that the cost center is equal to Accounting.

5. Create a policy to associate the conditions to the roles. For example, create a policy to assign the condition for the Accounting cost center to the role Accounting Cost Center-SVS Role.

6. Use the Security Console to assign the appropriate role to the appropriate user. For example, assign the role Accounting Cost Center-SVS Role to the users who should have access to the Accounting cost center.

Enable Security on a Chart of Accounts

This example demonstrates how to enable security on a chart of accounts to control access to specific segment values. The following table summarizes the key decisions for this scenario.

<table>
<thead>
<tr>
<th>Decisions to Consider</th>
<th>In This Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Which segment in the chart of accounts must be restricted?</td>
<td>Cost center</td>
</tr>
</tbody>
</table>
| Which cost center values have to be granted to different users? | • Child values 110 to 120  
• Child value 310  
• Parent value 400 and all its children  
• All cost centers |
| What’s the name of the value set for the segment with the Cost Center label? | Cost Center Main                                      |
| What’s the name of the user who can access cost centers 110 to 120? | Casey Brown                                            |
| What’s the name of the tree for the accounting flexfield? | All Corporate Cost Centers                            |
| What version of the tree hierarchy does the condition apply to? | V5                                                    |

Summary of the Tasks and Prerequisites

This example includes details of the following tasks you perform when defining and implementing segment value security.

1. Define roles for segment value security rules.
2. Enable segment value security for the value set.
3. Define the conditions.
4. Define the policies.
5. Deploy the accounting flexfield.
6. Publish the account hierarchies.
7. Assign segment value security roles to users.

Perform the following prerequisites before enabling security on a chart of accounts:

• To work with the Security Console, you need the IT Security Manager role assigned to your user setup.
To work with value sets and profile options, you need the Financial Application Administrator role.

Set the Enable Data Security Policies and User Membership Edit profile to Yes.

**Defining Roles for Segment Value Security Rules**

To create a complete data security policy, create the roles first so that they’re available for assignment to the segment value security rules.

1. In the Tools work area, open the Security Console.
2. Perform the following steps four times to create four roles.
3. Click **Create Role**.
4. On the Create Role page, complete the fields as shown in this table, and then click **Next, Next, Next, Next, Save and Close**.
5. Click **OK** and complete the fields, as shown in this table.

<table>
<thead>
<tr>
<th>Field</th>
<th>Role 1</th>
<th>Role 2</th>
<th>Role 3</th>
<th>Role 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Role Name</td>
<td>Cost Center 110-120 SVS Role</td>
<td>Cost Center 310 SVS Role</td>
<td>Cost Center 400 SVS Role</td>
<td>Cost Center All SVS Role</td>
</tr>
<tr>
<td>Role Code</td>
<td>CC_110_120_SVS_ROLE</td>
<td>CC_310_SVS_ROLE</td>
<td>CC_400_SVS_ROLE</td>
<td>CC_ALL_SVS_ROLE</td>
</tr>
<tr>
<td>Role Category</td>
<td>Default</td>
<td>Default</td>
<td>Default</td>
<td>Default</td>
</tr>
<tr>
<td>Description</td>
<td>Access to cost centers 110 to 120.</td>
<td>Access to cost center 310.</td>
<td>Access to parent cost center 400 and all its children.</td>
<td>Access to all cost centers.</td>
</tr>
</tbody>
</table>
The following figure shows the Create Role page for the first role, which is Cost Center 110-120 SVS Role. The role code, role category, and description fields are complete.

![Create Role Cost Center 110-120 SVS Role: Basic Information](image)

**Enabling Segment Value Security for the Value Set**

1. In the Setup and Maintenance work area, go to the following:
   - Offering: Financials
   - Functional Area: Financial Reporting Structures
   - Task: Manage Segment Value Security Rules
2. In the **Value Set Code** field, enter Cost Center Main and click **Search**.
3. In the Search Results section, click **Edit** to open the Edit Value Set page.
4. Select the **Security enabled** option.
5. In the **Data Security Resource Name** field, enter Secure_Main_Cost_Center_Values.
6. Click **Save**.
The following figure shows the Edit Value Set page for the Cost Center Main value set. Security is enabled and a data security resource name has been entered.

![Edit Value Set: Cost Center Main](image)

**Defining the Conditions**

Use conditions to specify the segment values that require security.

Segment value security rules that provide access to all segment values, and segment value security rules that provide access to single nonparent segment values, don’t need a condition. Instead, you can define the policy to cover all values, and you can define a policy to cover a single nonparent segment value provided that you know the internal ID for that segment value. If you don’t know the internal ID, you can create a condition for that single segment value.

In this scenario, the internal ID for segment value 310 isn’t known, so the following steps create all of the conditions, except for the access to all cost centers, which the policy definition can cover.

1. Click **Edit Data Security** to open the Edit Data Security page.
2. On the Condition tab, click **Create** to open the Create Database Resource Condition window.
3. Enter CC 110 - 120 in the **Name** field.
4. Enter Cost Centers 110 to 120 in the **Display Name** field.
5. Accept the default value of All for the **Match** field.

Matching to All means that all of the condition rows apply simultaneously and all of them must be met in identifying the values.

Matching to Any means that any of the condition rows could apply. For example, if you create multiple condition rows, each of which on its own is an alternative scenario for identifying the values that apply, you would select Match to Any.
Because this example only has one condition row, the Match selection doesn’t matter. If however, you define multiple condition rows for segment value security, you would have to select Match to Any, because a single account value can’t satisfy multiple account value-based conditions.

6. Click Add in the Conditions section.
7. Select VALUE for the Column Name field.
8. Select Between for the Operator field.

**Note:** You can select one of the following operators: Equal to, Not equal to, Between, Is descendant of, Is last descendant of.

9. Enter 110 in the first Value field and 120 in the second Value field. The following figure shows the Create Database Resource Condition page for the condition named CC 110 - 120. The display name is Cost Centers 110 to 120, and one condition is defined. The condition has a column name of VALUE, an operator of Between, and the specified values are 110 and 120.

10. Click Save.
11. To create the next database resource condition for segment value 310, click Create on the Condition tab.
12. Enter CC 310 in the Name field.
13. Enter Cost Center 310 in the Display Name field.
14. Click Add in the Conditions section.
15. Select VALUE for the Column Name field.
16. Select Equal to for the Operator field.
17. In the Value field, enter 310. The following figure shows the definition of the second condition.
The following figure shows the Create Database Resource Condition page for the condition named CC 310. The display name is Cost Center 310, and one condition is defined. The condition has a column name of VALUE, an operator of Equal to, and the specified value is 310.

18. Click Save.
19. To create the next database resource condition for parent value 400, click Create on the Condition tab.
20. Enter CC 400 in the Name field.
21. Enter Parent Cost Center 400 in the Display Name field.
22. In the Condition section, click Add.
23. Select VALUE for the Column Name field.
24. Select the Tree Operators option.
25. For the Operator field, select Is a last descendant of, which restricts access to the parent cost center 400 and all of its children, including intermediary parents.

Note: For the Tree Operators field, you can only select Is a last descendant of or Is a descendant of.

26. In the Value column, click the Select Tree Node icon to open the Select Tree Node window.
The following figure shows the Select Tree Node window. Values are required for the Tree Structure, Tree, and Active Tree Version fields. The window also includes these Tree Node options: Specify primary keys, Select from hierarchy.

27. In the **Tree Structure** field, select Accounting Flexfield Hierarchy. This signifies that you are choosing among trees that are used as accounting flexfield, or charts of accounts, hierarchies.

28. In the **Tree** field, select All Corporate Cost Centers.

29. In the **Active Tree Version** field, select V5.

30. In the **Tree Node** field, select the **Select from hierarchy** button. The Tree Node section opens.

31. In the Tree Node section, expand the nodes and select 400.
The following figure shows the Select Tree Node window after completing the fields in steps 27 through 31.

32. Click **OK**.
The following figure shows the resulting Create Database Resource Condition page for the condition named CC 400. The display name is Parent Cost Center 400 and one condition is defined. The condition has a column name of VALUE, an enabled **Tree Operators** option, an operator called **Is a last descendant of**, and a value of 400.

![Create Database Resource Condition](image)

33. Click **Save**.

**Defining the Policies**

Create policies to assign conditions to segment value security roles.

1. On the Edit Data Security page, click the Policy tab.
2. Click **Create** to open the Create Policy window.
3. On the General Information tab, enter Policy for 110-120 in the **Name** field.
4. Accept the default value of General Ledger in the **Module** field.
5. Enter 9/1/16 in the **Start Date** field.
The following figure shows the General Information tab on the Create Policy page for the policy named Policy for 110-120. The start date for the policy is 9/1/16.

6. Select the Role tab and click **Add** to open the Select and Add window.
7. Enter 110 in the **Role Name** field.
8. Select hcm in the **Application** field.
   - Roles with the Default category are created in the hcm application.
9. Click **Search**.

   The following figure shows the Select and Add Roles window with the search results. The role retrieved by the search results is named Cost Center 110-120 SVS Role.

10. Select Cost Center 110-120 SVS Role and click **OK**.
The following figure shows the Role tab on the Create Policy page with the role that was populated by the search results.

![Create Policy](image)

11. Select the Rule tab.
12. Accept the default setting of Multiple Values in the **Row Set** field.

   ![Note](image)
   **Note:** The **Row Set** field determines the range of value set values affected by the policy.
   - If Multiple Values is selected, a condition must be specified.
   - If All Values is selected, then the policy grants access to all values in the value set and no condition is needed.
   - If Single Value is selected, then the internal Value ID for the segment value must be specified and no condition is needed.

13. Click **Search** on the **Condition** field.
14. Select Cost Centers 110 to 120 for the **Condition** field and click **OK**.

The following figure shows the Rule tab on the Create Policy page. The selected row set is Multiple Values and the condition is Cost Centers 110 to 120.

![Create Policy](image)

15. Click **Save and Close**.
16. Click **OK** to confirm.
17. Repeat steps 2 through 13 to create the rest of the policies, using the values in the following table.
### Field | Policy 2 | Policy 3 | Policy 4
--- | --- | --- | ---
General Information tab, Name | Policy for 310 | Policy for 400 | Policy for all cost centers
General Information tab, Start Date | 9/1/16 | 9/1/16 | 9/1/16
Role tab, Role Name | Cost Center 310 SVS Role | Cost Center 400 SVS Role | Cost Center All SVS Role
Rule tab, Row Set | Multiple Values | Multiple Values | All Values
Rule tab, Condition | Cost Center 310 | Parent Cost Center 400 | Not Applicable

18. Click **Done**.

### Deploying the Accounting Flexfield

You must deploy the accounting flexfield for the segment value security changes to take effect.

1. In the Setup and Maintenance work area, go to the following:
   - Offering: Financials
   - Functional Area: Financial Reporting Structures
   - Task: Manage Chart of Accounts Structures
2. In the **Module** field, select General Ledger and click **Search**.
3. Select the row for the Accounting Flexfield and click **Deploy Flexfield**.

The following figure shows the Manage Chart of Accounts Structure page after searching for General Ledger modules. The search results display a row with a key flexfield named Accounting Flexfield.

4. Click **OK**.
Publishing the Account Hierarchies

1. In the Setup and Maintenance work area, go to the following:
   - Offering: Financials
   - Functional Area: Financial Reporting Structures
   - Task: Publish Account Hierarchies

2. In the **Hierarchy** field, select All Corporate Cost Centers.
3. In the **Hierarchy Version** field, select V5.
4. Click **Search**.
5. In the Search Results field, expand the hierarchy row.
6. Select the row for the hierarchy version V5.
7. Click **Publish**.
8. Click **OK**.

Assigning Segment Value Security Roles to Users

1. In the Tools work area, open the Security Console.
2. Enter Cost Center 110-120 SVS Role in the **Search** field and click **Search**.
3. In the Search Results section, select the down arrow icon and select **Edit Role**.

   The following figure shows the Roles page and the available menu options, including Edit Role, for the role named Cost Center 110-120 SVS Role.

   ![Roles Page](image)

4. Click **Next** four times to navigate to the Edit Role: Users page.
5. Click Add User.
6. Enter Casey in the Search field and click Search.
7. Click Add User to Role to add Casey Brown to the role.
8. Click OK to confirm.

The following figure shows the Edit Role page for the Cost Center 110-120 SVS Role with the user Casey Brown selected.

9. Repeat steps 2 through 8 to add the other roles to different users as needed.

Related Topics
- Update Existing Setup Data

Data Security Differences in GL Features Based on Balance Cubes

In certain cases, differences in data security can appear depending on whether the GL feature being used is directly or indirectly based on the balances cube. For example, this can occur when a user is assigned multiple data access sets for the same balances cube with different security specifications for ledger or primary balancing segment value access, or when segment value security rule assignments are involved.

General Ledger features based directly on the balances cube are:
- Inquire on Detail Balances
- Account Monitor
- Account Inspector
- Financial Reporting
- Smart View
- Allocations

All other General Ledger features are indirectly based on the balances cube.

When using features indirectly related to the balances cube, you select a specific data access set and you work only with that one data access set at a time. The defined ledger and primary balancing segment value access for the selected data access set are enforced.

When using features directly related to the balances cube, the cumulative effects of your combined data access sets for that balances cube are enforced. From your combined data access sets for that cube, balances cube security separately
constructs the access filter for the ledger dimension and primary balancing segment values dimension independently of the
other dimensions. This means the specific combination of ledger and primary balancing segment values access as defined in
each distinct data access set are not enforced as such. Instead, you have access simultaneously to all the ledgers and all the
primary balancing segment values granted to you through your combined data access sets.

Note: Balances cube security grants access to all values of the balancing segment value set for a data access
set defined as either of the following:

- Full ledger
- All Values: Specific Balancing Segment Values Access Type

With segment value security rules assigned to you through your various roles, the security rules are in effect simultaneously
whether working directly or indirectly with the balances cube.

Segment value security rules are specified for a particular value set. Therefore, as you are working on anything that references
the secured value set, all segment value security rules for that value set that are assigned to you through any of your roles
are in effect at the same time, regardless of the specific role the rule was assigned to. In other words, segment value security
rules are cumulative, or the union of all the segment value security rules you have assigned to you through your roles. If you
have one role assigned to your user that only grants access to cost center 200, and another role that grants access to cost
centers 300 through 500, then you have access to cost centers 200 and 300 through 500.

When using features indirectly based on the balances cube, such as journal entry pages, the primary balancing segment
values you can access are based on the intersection of:

- Primary balancing segment values granted to you through your current selected data access set.
- All of your assigned segment value security rules pertaining to the primary balancing segment value set across all of
  your assigned segment value security roles.

So, if a balancing segment value is only granted in either of the selected data access set or a segment value security role, that
balancing segment value isn’t available to you.

In contrast, for features directly based on the balances cube, your access is based on the cumulative union of:

- Primary balancing segment values granted to you through all your assigned data access sets related to the balances
cube that you’re working with.
- Any segment value security rule grants to that primary balancing segment value set across all of your segment value
  security role assignments.

Example
This setup is used to more clearly and comprehensively illustrate the difference in how security works for features directly and
indirectly related to the balances cube with respect to data access sets and segment value security, though this might not
generally reflect a real-life example.

In this example, your job role is assigned two different data access sets for the Vision Corporation ledger. The Vision
Corporation 01 data access set is assigned primary balancing segment value 01, and the Vision Corporation 02 data access
set is assigned primary balancing segment value 02. You are also assigned segment value security roles SVS 01 and SVS 03.

The following table lists the job role, data access set, and primary balancing segment value assignments for this example.

<table>
<thead>
<tr>
<th>Job Role</th>
<th>Data Access Set</th>
<th>Primary Balancing Segment Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Accounting Manager</td>
<td>Vision Corporation 01</td>
<td>01</td>
</tr>
<tr>
<td>General Accounting Manager</td>
<td>Vision Corporation 02</td>
<td>02</td>
</tr>
</tbody>
</table>
The following table lists the primary balancing segment values that are assigned to you through the segment value security roles.

<table>
<thead>
<tr>
<th>Segment Value Security Role</th>
<th>Primary Balancing Segment Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>SVS 01</td>
<td>01</td>
</tr>
<tr>
<td>SVS 03</td>
<td>03</td>
</tr>
</tbody>
</table>

**Select Vision Corporation 01 Data Access Set**

For features indirectly based on the balances cube, you can access primary balancing segment value 01. This segment value represents the intersection of the Vision Corporation 01 data access set and the SVS 01 and SVS 03 segment value security roles.

Neither your selected data access set, nor your segment value security roles provide access to Company 02, and your selected data access set Vision Corporation 01 and your cumulative segment value security roles SVS01 and SVS03 only intersect on primary balancing segment value 01, and not on 03.

For features directly based on the balances cube, you can access primary balancing segments 01, 02, and 03. These segment values represent the union of your assigned data access sets and segment value security roles. With the balances cube, all data access sets assigned to you that are related to the balances cube you’re working with apply simultaneously, regardless of the data access set you selected to work with in the application.

**Select Vision Corporation 02 Data Access Set**

For features indirectly based on the balances cube, you can’t access any primary balancing segment value because none of the values from the Vision Corporation 02 data access set and SVS 01 and SVS 03 segment value security roles intersect.

For features directly based on the balances cube, you can access primary balancing segments 01, 02, and 03. These values represent the union of your assigned data access sets and segment value security roles.

**FAQs for General Ledger Security**

**When does security take effect on chart of accounts value sets for balances cubes?**

To enforce segment value security according to defined security policies, you must enable security on the value set before you publish the affected account hierarchies to the balances cube. Likewise, to stop enforcing segment value security for a previously secured value set, you must disable security on the value set and then republish the account hierarchies.

Once segment value security is enforced, you don’t have to republish account hierarchies if you define new security policies or modify existing policies for the secured value set, even if the security definition has hierarchical conditions that use parent values.
Note: If you change an account hierarchy that’s already published, you must republish to reflect the updated hierarchy in the balances cube. Use the Publish Account Hierarchy task to republish the tree version. Republishing the account hierarchy also ensures proper enforcement of security policies that are based on parent values included in the changed hierarchy.

What happens when changes are made to an account hierarchy that's referenced in segment value security rules?
The tree is set from an active to a draft state. The rules referencing the account hierarchy become ineffective.

After making changes to your hierarchy, you can submit the Process Account Hierarchies process to automatically run the required steps for processing account hierarchies updates in one submission, including:

- Tree audit
- Tree activation
- Row flattening
- Column flattening
- Maintain value set
- Maintain account hierarchy
- Publish hierarchy

With a successful audit process, the hierarchy is set back to an active status. The rules referencing the account hierarchy go back to being effective using the updated hierarchy.

Run the row and column flattening processes for the updated hierarchy as the flexfield component in the application as well as other hierarchy processes rely on the flattened hierarchy data to come up with the list of values available to the user to properly secure the correct account values.

Run the Maintain Value Sets and Maintain Chart of Account Hierarchies processes, particularly for hierarchy changes to the primary balancing segment value set if such values are referenced in your primary balancing segment value based data access sets. These processes update the data that is required to regulate ledger and data access security by storing:

- Primary balancing segment values assigned to a ledger.
- Specific child balancing segment values assigned to a data access set through parent value assignments.

How can I secure the data in GL balances cubes?
Use data access set and segment value security to secure dimension values such as ledger and chart of account values. For chart of accounts dimension values, security restricts the display of data associated with the secured values, but not the selection of the values themselves. For example, when submitting a report, you can select company value 100 in your report definition when selecting the Point of View, even if you weren’t granted access to that company value. However, you can’t see the data associated with company 100 in your report.

Cross-Validation Rules

Overview of Cross-Validation Rules in General Ledger
You can use cross-validation rules to determine the valid account combinations that can be dynamically created as users enter transactions or journal entries. Once enabled, a cross-validation rule determines whether a selected value for a
particular segment of an account combination can be combined with specific values in other segments to form a new account combination.

For example, your organization has determined that the company Operations can't use the cost center Marketing. You can define a cross-validation rule such that, if the company is Operations, then validate that the cost center isn't Marketing. New account combinations have to satisfy all of the cross-validation rules enabled for the chart of accounts before they can be created.

Entry and Maintenance
You can create cross-validation rules in the Setup and Maintenance work area using the following tasks:

- Offering: Financials
- Functional Area: General Ledger
- Task: Create Cross Validation Rules in Spreadsheet
- Offering: Financials
- Functional Area: Financial Reporting Structures
- Task: Manage Cross-Validations Rules

Use the Create Cross Validation Rules in Spreadsheet task to quickly enter large volumes of rules during implementation. Use the Manage Cross-Validation Rules task to add a one-off rule or to edit existing rules. To edit the error messages for cross-validation rules, use the following task in the Setup and Maintenance work area:

- Offering: Financials
- Functional Area: Financial Reporting Structures
- Task: Manage Messages for General Ledger

Tip: When you export or import cross-validation rules to a new instance using an export or import project in the Functional Setup Manager, you must add the Manage Messages for General Ledger task before the Manage Cross-Validation Rules task. You must export or import the messages before exporting or importing the cross-validation rules.

Existing Account Combinations
If account combinations already exist that violate newly enabled cross-validation rules, those account combinations continue to be valid. Before disabling existing account combinations that violate your rules and that you no longer use, move the balances in those accounts to the correct accounts. Then disable the account combinations manually to prevent further posting. Best practice is to define and enable cross-validation rules before: account combinations are created, transactions or journal entries are imported or entered, balances are loaded.

Related Topics
- Update Existing Setup Data

Cross-Validation Rules
You can control the creation of new key flexfield code combinations by defining cross-validation rules. A cross-validation rule defines validation across segments and enforces whether a value of a particular segment can be combined with specific values of other segments to form a new combination.
The following table compares segment validation to cross-segment validation:

<table>
<thead>
<tr>
<th>Type of validation</th>
<th>Type of control</th>
</tr>
</thead>
<tbody>
<tr>
<td>Segment validation</td>
<td>Controls the values you can enter for a particular segment</td>
</tr>
<tr>
<td>Cross-segment validation</td>
<td>Controls the combinations of values that administrators and end users can create for key flexfields</td>
</tr>
</tbody>
</table>

**Note:** You can use cross-validation rules for any key flexfield that has cross-validation enabled. See the documentation for your key flexfield to determine if it supports cross validation.

Cross-validation rules prevent the creation of combinations with values that can’t coexist in the same combination. For example, your company requires that all revenue accounts must have a specific department. Therefore, account combinations that have revenue account values, such as all values between 4000 and 5999, must have a corresponding department value other than 000, which indicates no department is specified. You can define cross-validation rules that disallow creation of combinations with incompatible segments, such as 4100-000 or 5000-000.

Alternatively, suppose your accounting key flexfield has an Organization segment with two possible values, 01 and 02. You also have a Natural Account segment with many possible values, but company policy requires that Organization 01 uses the natural account values 001 to 499 and Organization 02 uses the natural account values 500 to 999. You can create cross-validation rules to ensure that users cannot create a general ledger account with combinations of values such as 02-342 or 01-750.

The following aspects are important to understanding cross-validation rules:

- Rule Definitions
- Enforcement
- Timing

**Rule Definitions**

The following table contains definitions used in cross-validation rules:

<table>
<thead>
<tr>
<th>Rule Definition</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td>Uniquely identifies cross-validation rules in a deployment.</td>
</tr>
<tr>
<td>Description</td>
<td>Helps administrators identify the purpose of the rule.</td>
</tr>
<tr>
<td>Error message</td>
<td>Explains why the attempted combination violates the rule.</td>
</tr>
<tr>
<td>Start Date, End Date</td>
<td>Indicates the period of time when the rule is in effect.</td>
</tr>
<tr>
<td>Enabled</td>
<td>Determines whether the rule is enforced.</td>
</tr>
<tr>
<td>Condition filter</td>
<td>Determines the conditions in which an enabled cross-validation rule should be evaluated.</td>
</tr>
<tr>
<td>Validation filter</td>
<td>Determines the validation that the rule enforces when that condition is met.</td>
</tr>
</tbody>
</table>
When the event specified in the condition filter is applicable, the validation filter condition must be satisfied before the combination can be created. If the event specified in the condition filter isn’t applicable, then the combination is considered to pass the rule and the rule won’t be evaluated even if it is enabled.

Note: If you don’t specify any statement in the condition filter, then the condition is always true and the rule is always evaluated.

Enforcement
Cross-validation prevents creation of invalid combinations by administrators using maintenance pages and end users using dynamic insertion in foreign key pages.

Enabled rules are enforced when there is an attempt to create a new combination of segment values. Disabled rules are ignored. Deleting the rule has the same effect, but you can re-enable a disabled rule.

Timing
When users attempt to create a new combination, the key flexfield evaluates any cross-validation rules that are enabled and in effect.

Note: Cross-validation rules have no effect on combinations that already exist. The flexfield treats any existing invalid combinations that pre-date the rule as valid.

If you want to prevent users from using previously existing combinations that are no longer valid according to your cross-validation rules, manually disable those combinations using the combinations page for that key flexfield.

When defining a cross-validation rule, specify a start and end date to limit the time when the rule is in effect. The rule is valid for the time including the From and To dates.

Considerations for Cross-Validation Rules
To validate the key flexfield combinations of segment values across segments, optimize your cross-validation rules to improve the experience of administrators and users.

Consider the following when defining cross-validation rules:

- Filters
- Rule Complexity
- Maintenance

Filters
A cross-validation rule includes a condition filter and a validation filter. The rule is evaluated using the following logical order: If the condition filter is satisfied, then apply the validation filter.

The condition filter describes the event when the rule is evaluated. If the event specified in the condition filter isn’t applicable, then the rule isn’t evaluated, even if enabled. When the event specified in the condition filter is applicable, the validation filter condition must be satisfied before the combination can be created.

For example, your organization has determined that a certain company value called Operations can’t use a specific cost center called Marketing. You can define a cross-validation rule to validate your combinations.

1. The rule evaluates the company condition filter.
2. When company is equal to Operations, the rule evaluates the cost center validation filter.
3. When cost center is equal to Marketing, the rule prevents a combination from being created.
4. The error message you defined for the rule displays to inform the user that the attempted combination violates the rule.

Such a rule doesn’t affect the creation of combinations with Marketing cost center and company values other than Operations.

**Rule Complexity**

For optimal performance and ease of understanding, define several simple validation rules instead of using one complex rule. Simple validation rules let you provide a more specific error message and are easier to maintain over time.

Avoid rules that control validation across more than two segments, where possible. While you can define cross-validation rules that span two or more segments, it becomes difficult to interpret cross-validation error messages and rectify invalid key flexfield combinations.

**Maintenance**

To maintain consistent validation, review existing key flexfields when you update your cross-validation rules. Regardless of your current validation rules, you can use an existing key flexfield combination if it’s enabled. Therefore, to ensure accurate validation, you must review your existing combinations and disable any combinations that don’t match the criteria of your new rules.

💡 **Tip:** To keep this type of key flexfield maintenance to a minimum, decide upon your cross-validation rules when you first set up your key flexfield structure. Define cross-validation rules before creating combinations and before combinations are used in transactions.

To prevent users from using existing combinations that are no longer valid according to your cross-validation rules, disable them using the combinations page.

**Cross-Validation Rules Spreadsheet**

The rapid implementation solution provides a template for defining cross-validation rules in a spreadsheet. Cross-validation rules determine whether a selected value for a particular segment of an account combination can be combined with specific values in the other segments to form a new account combination.

In the Setup and Maintenance work area, use the following:

- Offering: Financials
- Functional Area: General Ledger
- Task: Create Cross Validation Rules in Spreadsheet

🔍 **Note:** The spreadsheet can only create cross-validation rules. To update existing cross-validation rules, use the Manage Cross-Validation Rules task in the Setup and Maintenance work area.

**Spreadsheet Overview**

The cross-validation rules spreadsheet includes two sheets. One sheet has instructions and the other sheet provides the template for creating the cross-validation rules. The Instructions sheet includes:

- An overview
- An explanation of the template
- Steps to fill in the template
- An example

The following figure shows the Create Cross-Validation Rules sheet.

![Create Cross Validation Rules](image)

The following table describes each field and column on the sheet.

<table>
<thead>
<tr>
<th>Field or Column</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Worksheet Status</td>
<td>The upload results for the worksheet. The application updates this field when you submit the spreadsheet.</td>
</tr>
<tr>
<td>Chart of Accounts</td>
<td>The chart of accounts for which the cross-validation rules are defined.</td>
</tr>
<tr>
<td>Changed</td>
<td>The indicator that the row has been updated. The application updates this field.</td>
</tr>
<tr>
<td>Row Status</td>
<td>The upload results for the row. The application updates this field when you submit the spreadsheet.</td>
</tr>
<tr>
<td>Name</td>
<td>The name that uniquely identifies the cross-validation rules in a deployment.</td>
</tr>
<tr>
<td>Description</td>
<td>The purpose for the cross-validation rule.</td>
</tr>
<tr>
<td>Error Message</td>
<td>The explanation to users for why the attempted combination violates the cross-validation rule.</td>
</tr>
<tr>
<td>Condition Filter Segment</td>
<td>The segments of the chart of accounts that constitute the condition filter.</td>
</tr>
<tr>
<td>Condition Filter Values</td>
<td>The values of the condition filter segment that determine whether the cross-validation rule is evaluated.</td>
</tr>
<tr>
<td>Validation Filter Segment</td>
<td>The segments of the chart of accounts that constitute the validation filter.</td>
</tr>
<tr>
<td>Validation Filter Values</td>
<td>The values of the validation filter segment used to enforce a new account combination.</td>
</tr>
</tbody>
</table>
Field or Column | Description
---|---

Note: Cross-validation rules created from the spreadsheet are automatically enabled and don’t have a start or end date.

Steps to Use the Template

To use the spreadsheet template:

1. Select the chart of accounts.
2. Enter a suitable name, description, and error message in the respective columns.
3. Select the condition filter segment. To add more than one segment to the condition filter, use the next row. Repeat the rule name and select the condition filter segment.
4. Provide the segment values that constitute the condition filter in the **Condition Filter Values** column.
   - To select multiple detail values, enter the detail values separated by commas. For example: 5501,5502,5503.
   - To select a range, enter the detail values separated by hyphens. You can enter multiple ranges using the comma as the range separator. For example: 3001-3030,3045-3200.
   - To select all detail values that are descendants of a parent, enter the parent value. You can enter multiple parent values using commas as the separator. For example: 1000,2000.
   - You could enter all of the previously listed values in the same cell. For example: 1000,2000,3001-3030,3045-3200,5501,5502,5503.
   - To specify that a detail value should not be selected, prefix the value with the less than and greater than symbols <>. These symbols represent the Does Not Equal operator. For example, <>5501 means the rule applies when the segment value isn’t equal to 5501.
     - This operator can’t be used for parent values or ranges.
     - This operator can’t be used more than once for the same rule and segment.
5. Select the validation filter segment. To add more than one segment to the validation filter, use the next row. Repeat the rule name and select the validation filter segment.
6. Provide the segment values that constitute the validation filter in the **Validation Filter Values** column in the same way as specified for the condition filter.
7. Review the data that you entered and click **Submit** to publish the cross-validation rules.
8. Review the upload results in the **Worksheet Status** and **Row Status** fields.

Related Topics
- **Update Existing Setup Data**

Create Cross-Validation Rules in a Spreadsheet

This example shows how to create two cross-validation rules using the Cross-Validation Rules spreadsheet. The following table summarizes key decisions for this scenario.

<table>
<thead>
<tr>
<th>Decisions to Consider</th>
<th>In This Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>What’s the name of the chart of accounts?</td>
<td>US Chart of Accounts</td>
</tr>
</tbody>
</table>
Decisions to Consider | In This Example
--- | ---
What segments make up the chart of accounts? | • Company  
• Department  
• Account  
• Product

What cross-validation rules have to be created? | • Companies 131 and 151 have only one department, department 40. Department 40 produces only one product, represented by segment value 211. All account combinations for these two companies must have department 40 and product 211.  
• Company 202 has three manufacturing departments: 10, 20, 30. All three departments work only with products 235 and 236. All account combinations for company 202 must have only these three departments and these two products.

Creating Cross-Validation Rules

1. In the Setup and Maintenance work area, go to the following:
   - Offering: Financials
   - Functional Area: General Ledger
   - Task: Create Cross Validation Rules in Spreadsheet
2. Sign into the application to open the spreadsheet.
3. Complete the fields, as shown in this table, to create the rule for companies 131 and 151.

<table>
<thead>
<tr>
<th>Row 1</th>
<th>Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td>Companies 131 and 151</td>
</tr>
<tr>
<td>Description</td>
<td>Valid department and product for companies 131 and 151.</td>
</tr>
<tr>
<td>Error Message</td>
<td>Companies 131 and 151 can only be used with department 40 and product 211.</td>
</tr>
<tr>
<td>Condition Filter Segment</td>
<td>Company</td>
</tr>
<tr>
<td>Condition Filter Values</td>
<td>131, 151</td>
</tr>
<tr>
<td>Validation Filter Segment</td>
<td>Department</td>
</tr>
<tr>
<td>Validation Filter Values</td>
<td>40</td>
</tr>
</tbody>
</table>

4. Complete the fields, as shown in this table, to complete the rule for companies 131 and 151.

<table>
<thead>
<tr>
<th>Row 2</th>
<th>Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td>Companies 131 and 151</td>
</tr>
<tr>
<td>Validation Filter Segment</td>
<td>Product</td>
</tr>
</tbody>
</table>
5. Complete the fields, as shown in this table, to create the rule for company 202.

<table>
<thead>
<tr>
<th>Row 3</th>
<th>Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td>Company 202</td>
</tr>
<tr>
<td>Description</td>
<td>Valid products for company 202 manufacturing departments.</td>
</tr>
<tr>
<td>Error Message</td>
<td>Manufacturing departments 10, 20, and 30, of company 202, can only be used with products 235 or 236.</td>
</tr>
<tr>
<td>Condition Filter Segment</td>
<td>Company</td>
</tr>
<tr>
<td>Condition Filter Values</td>
<td>202</td>
</tr>
<tr>
<td>Validation Filter Segment</td>
<td>Product</td>
</tr>
<tr>
<td>Validation Filter Values</td>
<td>235,236</td>
</tr>
</tbody>
</table>

6. Complete the fields, as shown in this table, to complete the rule for company 202.

<table>
<thead>
<tr>
<th>Row 4</th>
<th>Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td>Company 202</td>
</tr>
<tr>
<td>Condition Filter Segment</td>
<td>Department</td>
</tr>
<tr>
<td>Condition Filter Values</td>
<td>10-30</td>
</tr>
</tbody>
</table>
The following figure shows the Create Cross-Validation Rules spreadsheet with the rules that were entered following steps 3 through 6.

<table>
<thead>
<tr>
<th>Name</th>
<th>Description</th>
<th>Error Message</th>
<th>Condition Filter Segment</th>
<th>Condition Filter Values</th>
<th>Validation Filter Segment</th>
<th>Validation Filter Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Companies 131 and 151</td>
<td>Valid department and product for companies 131 and 151</td>
<td>Companies 131 and 151 can only be used with department 40 and product 211.</td>
<td>Company</td>
<td>131,151</td>
<td>Department</td>
<td>40</td>
</tr>
<tr>
<td>Companies 131 and 151</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Company 202</td>
<td>Valid products for company 202 managing departments.</td>
<td>Manufacturing departments 10, 20, and 30, of company 202, can only be used with products 229 or 236</td>
<td>Company</td>
<td>202</td>
<td>Product</td>
<td>211</td>
</tr>
<tr>
<td>Company 202</td>
<td></td>
<td></td>
<td>Department</td>
<td>10-30</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

7. Click **Submit** to upload the cross-validation rules.
8. Click **OK** on the Upload Options window to accept the default setting.
9. Review the upload results.

**Related Topics**
- Update Existing Setup Data

### Edit a Cross-Validation Rule

Cross-validation rules prevent specific combinations of segment values in account combinations. You can use the Manage Cross-Validation Rules task to edit existing rules or to create one-off rules.

**Scenario**

Your organization has a cross-validation rule called Companies 131 and 151, which restricts account combinations for those companies to department 40 and product 211. Account combinations for both companies should now include department 30. To edit the cross-validation rule, perform these steps.

1. In the Setup and Maintenance work area, go to the following:
   - Offering: Financials
   - Functional Area: Financial Reporting Structures
   - Task: Manage Cross-Validation Rules
2. Select the chart of accounts for your organization and select the **Companies 131 and 151** cross-validation rule.
The following figure shows the section of the Edit Cross-Validation Rules page with the condition and validation filter details for companies 131 and 151. A condition is defined for company values equal to 131 or 151, and the validation specifies the department value equals 40 and the product value equals 211.

3. Click the Validation Filter icon.
4. Click Add Fields and select the Department segment.
5. Accept the default operator, which is Equals, and select department 30.

The following figure shows the Validation Filter window with three validations: department equals 40, department equals 30, and product equals 211.

6. Click OK.
7. Click Save.
The following figure shows the details for the updated validation on the Edit Cross-Validation Rules page. The validation specifies departments equal to 30 or 40, and the product equal to 211.

8. To update the error message, search for and select the Manage Messages for General Ledger task. Query the error message name for the cross-validation rule and edit the message to include department 30.

Related Topics
- Update Existing Setup Data

How Cross-Validation Rule Violations Are Managed

Cross-validation rules determine whether a selected value for a particular segment of an account combination can be combined with specific values in other segments to form a new account combination. The Manage Cross-Validation Rule Violations process lists and optionally disables account combinations that violate cross-validation rules for a given chart of accounts. The process also lets you preserve attributes of account combinations to prevent the Inherit Segment Value process from reenabling them.

After you define a cross-validation rule, you can run the Manage Cross-Validation Rule Violations process to:

- Test that the rule is set up correctly.
- Identify existing account combinations that violate the rule and optionally disable them.

How Cross-Validation Rule Violations Are Processed

Submit the process from the Scheduled Processes work area. The process evaluates all account combinations that are enabled and not end-dated when the process is submitted. The process is also affected by the Enabled option on the Manage Cross-Validation Rules page.

The following table describes the parameters for the process.

<table>
<thead>
<tr>
<th>Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chart of Accounts</td>
<td>Select the chart of accounts for the applicable cross-validation rule.</td>
</tr>
<tr>
<td>Cross-Validation Rule</td>
<td>Select All or select a specific cross-validation rule.</td>
</tr>
</tbody>
</table>
Name | Description
--- | ---
Disable Accounts | Select from among the following options:

- **No**: Only lists account combinations that violate the cross-validation rule, regardless of whether the cross-validation rule is enabled.
- **Yes**: Disables account combinations that violate the cross-validation rule if the *Preserve Attributes* option for the account combination isn’t set.

- **Note**: This option applies only to enabled cross-validation rules. Cross-validation rules that are disabled don’t disable any account combinations.

- **Yes and Preserve Change**:
  - Disables account combinations that violate the cross-validation rule if the *Preserve Attributes* option for the account combination isn’t set.
  - Sets the *Preserve Attributes* option on account combinations to prevent the Inherit Segment Value process from reenabling them.

- **Note**: This option applies only to enabled cross-validation rules. Cross-validation rules that are disabled don’t disable any account combinations.

At completion, the process produces the Cross-Validation Rule Violations report with information about the account combinations that were processed.

### Account Hierarchies

#### Overview of Trees

Trees are hierarchical data models that you can use to organize data, apply business rules, control data access, and improve performance while querying. For example, an application maintains data of an organization called Vision Corporation that has two departments: Marketing and Finance. The Finance department has two functional divisions: Receivables and Payables. You can define a tree for Vision Corporation to establish a hierarchy across its departments, and their respective functional divisions. You can use the hierarchy to manage data at various levels of the organization.

To work with trees, in the Setup and Maintenance work area, use any of the following tasks:

- **Manage Tree Structures**: To create and update tree structures. You must first define a tree structure to create a tree.
- **Manage Trees and Tree Versions**: To create and update trees and their versions.
- **Manage Tree Labels**: To create and update tree labels.

### Tree Structures

As the name suggests, tree structures provide you the framework to organize data such that you can establish a hierarchy for use by the tree. So, similar to a template, a tree structure guides the creation of a tree.
Tree
A tree is an instance of the tree structure. The root node is the highest nodal point of a tree. Child nodes branch off from the root node. Child nodes at the same level, branching off from a common parent node, are called siblings. Leaves are details branching off from a node but not extending further down the tree hierarchy. You can create trees for multiple data sources and share them across applications.

Tree Versions
A tree by default has only one version. If required, you can create and maintain more than one editable tree version. At any point, only one tree version must be active. If you edit an existing version, it changes from active to draft. To use it again, you must set it to active. Similar to any other version control system, versions of trees are maintained to track all the changes that a tree undergoes in its life cycle.

Tree Labels
Tree labels are short names given to trees and tree structures. You can label the tree versions for better accessibility and information retrieval. When nodes are created in a tree, the existing tree labels are automatically assigned to the new tree nodes. You can use any table to store the labels and register the label data source with the tree structure.

Account Hierarchy Trees
Account hierarchies are defined in Oracle Fusion applications using tree functionality. Each account hierarchy is defined as a tree with one or more versions. Tree versions are used to track account hierarchies as they change over time. For example, an account hierarchy to summarize cost of goods has different accounts for 2011, versus 2010. The changes are in the business operations and affect the chart of accounts values.

Chart of accounts values can be associated with multiple hierarchies by defining multiple trees. Using multiple trees enable create financial reports for different target audiences. For example, you can use different hierarchies to track cost centers either by geography or line of business.

Considerations for Using Account Hierarchies
Before setting up hierarchies, you may want to consider different hierarchy requirements for financial reporting, allocations, cross validation rules, revaluations, and chart of accounts mapping.

Financial Reporting and Allocations: You can use the same hierarchy for both reporting and allocations purposes, or you can have different hierarchies for reporting and for allocations purposes. Hierarchies that are used in financial reporting and allocations must be published to Oracle Essbase. You can select which hierarchies you publish to Essbase. Any hierarchy that is published to Essbase cannot have a single child value roll up to multiple parents. If you have requirements to have a single child roll up to multiple parents, it has to be defined using multiple hierarchies.

Cross Validation Rules, Revaluations, and Chart of Accounts Mappings: You need one hierarchy for each segment that is used for cross validation rules, revaluation, and chart of accounts mapping. Hierarchies used for cross validations, revaluations, or chart of accounts mapping have to be defined within the same hierarchy. The hierarchy must then be associated with a chart of accounts instance. You can only associate one hierarchy with a chart of accounts instance, per segment.
You can optionally publish this hierarchy to Essbase to use the same hierarchy for reporting and allocations. Note the restriction that any hierarchy that is published to Essbase cannot have a single child value roll up to multiple parents. If you require the same child to roll up to different parents within the hierarchy, then create a different hierarchy for reporting and allocation rules.

If you use the same hierarchical account relationships for financial reporting, allocations, cross validation rules, revaluations, and chart of accounts mapping definition, define one hierarchy. However, if you need multiple hierarchies, define the hierarchies using multiple trees.

How Segment Value and Hierarchy Import Data Is Processed

Use the Import Segment Values and Hierarchies file-based data import to upload segment values and hierarchies from external sources into Oracle Fusion General Ledger. You can download a spreadsheet template to use to prepare your segment values and hierarchies data. The template contains an instruction sheet to help guide you through the process of entering your segment values and hierarchy information.

To access the template, complete the following steps:

1. Navigate to the File-Based Data Import for Oracle Financials Cloud guide.
2. In the Table of Contents, click File-Based Data Imports.
3. Click Import Segment Values and Hierarchies.
4. In the File Links section, click the link to the Excel template.

Follow these guidelines when preparing your data in the worksheet:

- Enter the required information for each column. Refer to the tool tips on each column header for detailed instructions.
- Do not change the order of the columns in the template.
- You can hide or skip the columns you do not use, but do not delete them.
- Do not change the format or data type of the columns, otherwise parsing errors could occur.

Settings That Affect the Segment Values and Hierarchies Import Process

The Segment Values and Hierarchies template contains an instructions tab, plus two tabs that represent the tables where the data is loaded.

<table>
<thead>
<tr>
<th>Spreadsheet Tab</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instructions and CSV Generation</td>
<td>Contains instruction information about preparing and verifying the segment values and hierarchies data, understanding the format of the template, and loading and importing the data.</td>
</tr>
</tbody>
</table>

| GL_SEGMENT_VALUES_INTERFACE            | Enter information about the segment values that you are adding, such as the value sets, values, effective start and end dates, and whether to allow posting. You can import segment values for multiple value sets in a single worksheet. |

| GL_SEGMENT_HIER_INTERFACE              | Enter information about the segment value hierarchies that you are adding, such as the tree version name, and parent and child values. You can import hierarchies for multiple value sets and tree versions in a single worksheet. |

After you add the data, you can validate the information and check for errors by clicking the Validate Segment Values and Validate Segment Hierarchy buttons.
How Segment Values and Hierarchies Import Data Is Processed

To load the data into the interface tables and into the product:

1. Click the Generate CSV button on the instructions tab to create a CSV file in a .zip file format.
2. Save the .zip file locally.
3. Navigate to the Scheduled Processes work area.
4. Select the Load Interface File for Import process.
5. For the Import Process parameter, select Import Segment Values and Hierarchies.
6. For the Data File parameter, select the file that you saved in step 2.
7. If the process ends in error or warning:
   a. Review the log and output files for details about the rows that caused the failure.
   b. Correct the errors in the spreadsheet.
   c. Repeat steps 1 through 6 until errors are resolved.

The Load Interface File for Import process loads the data from the file to the interfaces table and submits the Import Segment Values and Hierarchies process. This process imports the segment values and hierarchy information from the interface tables into General Ledger.

Related Topics
• File-Based Data Import for Oracle Financials Cloud

Segment Values and Hierarchies Interface Tables

The Import Segment Values and Hierarchies process loads segment values and hierarchies if you maintain chart of accounts reference data outside Oracle Fusion applications. You can load the segment values and hierarchies by populating two tables: GL_SEGMENT_VALUES_INTERFACE and GL_SEGMENT_HIER_INTERFACE, and by running the Import Segment Values and Hierarchies process.

You can use the GL_SEGMENT_VALUES_INTERFACE table to load segment values and the GL_SEGMENT_HIER_INTERFACE table to load segment value hierarchies to Oracle Fusion applications. For more information about tables, see the Tables and Views for Oracle Financials Cloud guide.

Assigning Values for Columns in the GL_SEGMENT_VALUES_INTERFACE table

You must enter values in all columns of the interface table that require values for the Import Segment Values and Hierarchies process to be successful.

The following table describes the columns that require values.

<table>
<thead>
<tr>
<th>Name</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>STATUS_CODE</td>
<td>Enter the value NEW to indicate that you are bringing new segment value data.</td>
</tr>
<tr>
<td>VALUE_SET_CODE</td>
<td>Enter the value set code for the segment values.</td>
</tr>
<tr>
<td>VALUE</td>
<td>Enter the segment value.</td>
</tr>
<tr>
<td>SUMMARY_FLAG</td>
<td>Select N if the segment value is a child value or Y if the segment value is a parent value.</td>
</tr>
</tbody>
</table>
**Name** | **Value**
---|---
ENABLED_FLAG: | Select Y to enable the segment value. Enter N to disable the segment value.
ACCOUNT_TYPE: | Enter the natural account type if the segment value is for a natural account segment.
  - A: Asset
  - L: Liability
  - E: Expense
  - O: Owner’s Equity
  - R: Revenue
ALLOW_POSTING_FLAG | Select Y if posting is allowed for this segment value. Select N if posting is not allowed.
OBJECT_VERSION_NUMBER | Enter default value of 1.

The following table describes the columns that are optional.

<table>
<thead>
<tr>
<th>Name</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>START_DATE_ACTIVE</td>
<td>Enter the start date of the segment value.</td>
</tr>
<tr>
<td>END_DATE_ACTIVE</td>
<td>Enter the end date of the segment value.</td>
</tr>
<tr>
<td>THIRD_PARTY_CTRL_ACCOUNT</td>
<td>Enter the third-party control account value. Valid values are: CUSTOMER, SUPPLIER, R for restrict manual journals, Y, and N.</td>
</tr>
<tr>
<td>FINANCIAL_CATEGORY</td>
<td>Enter a financial category value for Oracle Transactional Business Intelligence reporting. Valid values are values defined for the FINANCIAL_CATEGORY lookup type.</td>
</tr>
<tr>
<td>DESCRIPTION</td>
<td>Different description columns exist for different languages. To see segment value description in a different language installation, you populate the segment description for that language too.</td>
</tr>
</tbody>
</table>

The following columns should remain blank. The Import Segment Values and Hierarchies process uses them for internal processing, or doesn’t currently use them.

- CREATION_DATE
- CREATED_BY
- LAST_UPDATE_DATE
- LAST_UPDATE_LOGIN
- LAST_UPDATED_BY
- SEGMENT_VALUE_INTERFACE_ID
- REQUEST_ID
- LOAD_REQUEST_ID
Assigning Values for Columns in the GL_SEGMENT_HEIR_INTERFACE table

You must enter values in all columns of the interface table that require values for the Import Segment Values and Hierarchies process to be successful.

The following table describes the columns that require values.

<table>
<thead>
<tr>
<th>Name</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>STATUS_CODE</td>
<td>Enter the value <strong>NEW</strong> to indicate that you are loading new hierarchy data.</td>
</tr>
<tr>
<td>VALUE_SET_CODE</td>
<td>Enter the value set code for the segment values.</td>
</tr>
<tr>
<td>TREE_CODE</td>
<td>Enter the hierarchy name (tree code).</td>
</tr>
<tr>
<td>TREE_VERSION_NAME</td>
<td>Enter the hierarchy version name (tree version name).</td>
</tr>
<tr>
<td>TREE_VERSION_START_DATE_ACTIVE</td>
<td>Enter the date that the tree version is activated.</td>
</tr>
<tr>
<td>TREE_VERSION_END_DATE_ACTIVE</td>
<td>Enter the date that the tree version is inactivated.</td>
</tr>
<tr>
<td>VALUE</td>
<td>Enter the segment value.</td>
</tr>
<tr>
<td>PARENT_VALUE</td>
<td>Select <strong>N</strong> if the segment value is a child value or <strong>Y</strong> if the segment value is a parent value.</td>
</tr>
<tr>
<td>DEPTH</td>
<td>Enter the depth of the hierarchy that shows the many ancestors the segment value has in the hierarchy.</td>
</tr>
<tr>
<td>OBJECT_VERSION_NUMBER</td>
<td>Enter default value of <strong>1</strong>.</td>
</tr>
</tbody>
</table>

The following columns should remain blank. The Import Segment Values and Hierarchies process uses them for internal processing or doesn’t currently use them.

- CREATION_DATE
- CREATED_BY
- LAST_UPDATE_DATE
- LAST_UPDATE_LOGIN
- LAST_UPDATED_BY
- SEGMENT_VALUE_INTERFACE_ID
- REQUEST_ID
- LOAD_REQUEST_ID

**Related Topics**

- Overview of External Data Integration Services for Oracle Cloud
- Tables and Views for Oracle Financials Cloud
Considerations for Hierarchy Member Names in Financial Reporting and Allocations

You must publish hierarchies for financial reporting and allocations to Oracle Essbase cubes. When a hierarchy is published to an Essbase cube, a fully qualified member name is generated for each node in the hierarchy. This fully qualified member name is used to refer to the node in the hierarchy in financial reports and allocation rules.

Each combination of tree plus tree version is published as a different account hierarchy to Essbase cubes.

When a chart of accounts child or parent value is assigned to multiple hierarchy versions, the fully qualified member name includes the hierarchy version name.

Member Names and Financial Reporting and Allocations Hierarchies

You must consider the implications to your financial reports, allocation rules, and Smart View templates if the member name changes due to hierarchy changes. The points to considered are:

- The member name for a member can change if you originally published a single hierarchy to a cube and later published another hierarchy. The change happens if the member includes the same chart of accounts value.
- If the fully qualified member name changes, you must update existing financial reports, allocation rules, and Smart View templates that refer to that member. Otherwise, such processes have errors.

For example, only a single hierarchy version, V1, existed when you defined a financial report. The hierarchy version includes the chart of accounts value of 500 for a cost center. The path does not include a hierarchy version name, since there is only one hierarchy version in the cube. The fully qualified name path is 500.

Later, you publish a new hierarchy version, V2. The fully qualified member name changes since there are now two versions and cost center 500 is associated with two hierarchy versions, V1 and V2. When selecting the value 500, the cube has logic to uniquely identify the member. The fully qualified member name for the two hierarchy versions is now:

- [All VF Cost Centers-V1].[999].[500]
- [All VF Cost Centers-V2].[999].[500]

Note: The fully qualified member can also be shortened by the cube logic, such as [Cost_Center][Cost Center Level 29 Code][500].

Update configurations, such as financial reports, allocation rules, or Smart View queries that referenced the original name path of 500 with the correct name.

Considerations for Initial Publishing of Account Hierarchies

If you start with one version of a hierarchy and you add multiple versions of the hierarchy later, then the fully qualified member name changes. Therefore it is recommended that you always create at least two hierarchy versions before creating any financial reports or allocations. This will force the fully qualified member name path to be generated and refers to the full tree name, tree versions, and minimize the report maintenance, if you must add another version in future.
Recommendations

To avoid maintenance efforts when more hierarchies are published, it is recommended for you to follow these recommendations:

- Create two tree versions of the same tree before creating any financial reports or allocations to force the fully qualified name to be generated.
- Keep the two tree versions in sync always to guarantee fully qualified names are used in financial reports and allocations.
- Use the same tree version names over time to avoid breaking your reports or configurations.
- Use different hierarchies if you have requirements to roll the same child to more than one parent.

The initial configuration steps must be completed before the definition of any financial reports, allocation rules, or Smart View queries.

Create an Initial Configuration of an Account Hierarchy

Here’s an example of the steps for initially configuring account hierarchies.

Scenario

Once the following steps are complete, you can create financial reports, allocation rules, and Smart View queries, using the version called Current in this example. The baseline version is published to enforce generation of the fully qualified name and minimization of changes in the future.

1. In the Setup and Maintenance work area, go to the following:
   - Offering: Financials
   - Functional Area: Financial Reporting Structures
   - Task: Manage Account Hierarchies

2. Select the Create Tree icon.

3. Create a hierarchy version for an account hierarchy that includes the definition of the hierarchies in a hierarchy version. Name the hierarchy version with a name that is consistently used across versions. For example, Current or other similar naming conventions. Use an effective start date equal to the beginning of the financial reporting period.

4. Set the status to Active.

5. Copy the hierarchy version. Name the hierarchy version to indicate that this version is just a copy. For example, Baseline.

6. Set the copied hierarchy version status to Active because only active versions can be published to the cube.

7. Provide the copied hierarchy version with an effective date range earlier than the original to ensure no effective date is overlapped.

8. Don’t make hierarchy changes to the hierarchy version that is copied (baseline) so that the two hierarchy versions are consistent.

9. Publish both tree versions to the cube.
   - a. In the Setup and Maintenance work area, go to the following:
      - Offering: Financials
      - Functional Area: Financial Reporting Structures
      - Task: Publish Account Hierarchies
   - b. Search for your hierarchy.
c. Publish.

Note: Review the published results using Smart View.

Related Topics
- Update Existing Setup Data

Overview of Account Hierarchy Maintenance

This topic describes the best practices of maintaining and publishing the account hierarchies. Account hierarchies are used throughout Oracle Fusion General Ledger for creating financial reports, Smart View inquiries, allocation definitions, cross validation rules, and revaluation definitions.

Maintenance Hierarchies

As your organization changes or there are updates to your chart of accounts values, you can make updates to your hierarchy versions. Changes must be in the two hierarchy versions to minimize errors related to member name paths in financial reports, allocation rules, or Smart View queries. Both hierarchy versions must be published to the balances cube.

To keep an audit history, copy the hierarchy version and use the copy as the version for audit history. After you copy the hierarchy version, modify that same version to use as the latest version. You do not have to change reports.

Hierarchy Versions Configuration

Perform the following steps before updating the current hierarchy version:

1. Copy the current hierarchy version to create cost center 2011 to keep an audit history for year 2011.
2. Update the effective date for the Current hierarchy version to the current period. Set the effective dates for the copied hierarchy version to what the past dates were.
3. Make all of your current hierarchy changes to the Current hierarchy version.
4. Set the status to Active again.
5. Delete the Baseline hierarchy version in the Manage Account Hierarchies page. You do not unpublish the hierarchy from the cube, as long as you follow the naming conventions discussed in the following steps.
6. Copy the Current hierarchy version and name it Baseline. You must name it the same exact name because Baseline still exists in the cube. The procedures overwrite the hierarchy version named Baseline in the cube.
7. Use effective dates that do not overlap and that are before periods used by previously active hierarchy versions.
8. Set the status for the Baseline hierarchy version to Active.
9. Publish both hierarchy versions, Current and Baseline, to their respective cube.
10. Publish the cost center 2011 to the cube if the version is still needed for financial reporting, Smart View queries, or allocation rules.
11. Review the published results using Smart View.

You have the following three versions:

1. The new copied version: This version is used to track the history of the old master version, for example, cost center 2011 and have been end dated.
2. Current version: This version has been modified to reflect the new hierarchy and is now active.
3. Baseline version: This version should continue to be the duplicate of the master version. Rather than modifying this manually, delete the old baseline version and create another copy of the master. Modify the master version. These steps should be followed each time when there are hierarchy changes that must be published.
Note: Best practices recommend that if there are changes, you update the hierarchies before completing period close and financial reporting.

Example of Hierarchy Maintenance

The following example illustrates how to maintain your hierarchy.

Scenario

Your organization, Vision Operations:

- Decided in 2015 to begin using Oracle General Ledger, effective January 1, 2016.
- Uses a single chart of accounts named Corporate Chart of Accounts. Since you only have one chart of accounts, this is also the name of the cube.
- Uses a hierarchy to capture its cost center roll ups by line of business. The name of this hierarchy is Cost Centers Hierarchy.

At the end of 2016, your organization, Vision Operations, makes organizational changes to its lines of business. You add new cost centers and a new line of business. As a result, you must update your cost center hierarchies to ensure that financial reporting reflects the new organization hierarchy.

Don’t make changes to the Cost Center Master hierarchy version if no account value changes have been made and the current hierarchies are working.

However, since there are changes, you must:

1. Copy and backup the Cost Center Current hierarchy version to maintain history.
2. Make changes to the Cost Center Current hierarchy version and change it to the new effective dates.
3. Delete the hierarchy version named Baseline. You don’t unpublish the hierarchy from the cube, as long as you follow the naming conventions discussed in the following steps.
4. Copy the Current hierarchy version after changes are completed, and name it Baseline.
5. Publish the Current hierarchy version again.
6. Publish the new Baseline hierarchy version again.

After publishing both versions, there are still only two hierarchy versions in the cubes. The version name must always be the same across all periods. The name is referenced in financial reports, allocation rules, and Smart View queries. For example, Cost Center Current and Cost Center Baseline. Don’t have a version named 2016 Cost Center, or 2017 Cost Center Current, or 2017 Cost Center Baseline.

This example assumes an annual change. It can also be quarterly, monthly, or as needed. Follow these steps for any hierarchy changes at any time for even regular maintenance, such as adding values or moving values in the hierarchy. Best practices recommend keeping your current and baseline hierarchy versions synchronized.

Hierarchies for Cross Validations, Revaluations, and Chart of Accounts Mapping

Hierarchies you create for reporting or allocations may not be suitable for setting up cross validations, revaluation, and chart of accounts mapping rules.
For example, if you must enforce a cross-validation rule that a set of 20 departments is applicable only to a certain company, then you can group the 20 departments in a hierarchy node and refer to that hierarchy node in the cross-validation rule.

Cross Validations, Revaluations, and Chart of Accounts Mapping

For hierarchies for cross validations, revaluations, and chart of accounts mapping:

- Create hierarchies for cross validations, revaluation, or chart of accounts mapping within one hierarchy. Associate this hierarchy to the chart of accounts segment instance in the chart of accounts instance setup page. You can only associate one hierarchy with the chart of accounts instance. You can create separate root nodes for each segment of the hierarchy.
- Create an account hierarchy for each of the segments that are used in the rule set ups. Depending on your requirements, not all segments may need a hierarchy.
- Use the same child to roll up to different parents if you need different roll ups for cross validations, revaluations, and chart of accounts mapping.
- Flatten and audit the hierarchy after the hierarchies are complete and set it to an active status.
- Associate the hierarchy to the chart of accounts segment instance.
- Redeploy the accounting flexfield after the chart of accounts instance is updated.

If you have the duplicate segment values in a hierarchy, you should not publish the hierarchies to Oracle Essbase.

Publish an Account Hierarchy

Publish an account hierarchy to finalize a new or edited account hierarchy. Account hierarchies organize data and enable the creation of groups and rollups of information that exist within an organization. After creating or editing an accounting hierarchy, run the Publish Account Hierarchies, Maintain GL Value Sets, and Maintain Chart of Account Hierarchies processes before using the new or changed account hierarchy.

Scenario

You have made changes to your Vision Corporation account hierarchy. Follow these steps to publish your account hierarchy.

1. In the Setup and Maintenance work area, go to the following:
   - Offering: Financials
   - Functional Area: Financial Reporting Structures
   - Task: Publish Account Hierarchies
2. Search for your Vision Corporation account hierarchy.
3. Click Expand to open the versions of your hierarchy.
4. Click the Publish button.

>Note: For a new hierarchy, scroll over to verify the Publish check box is selected.

Related Topics

- Update Existing Setup Data
FAQs for Account Hierarchies

How can I manage and review account hierarchies?
View segment value descriptions when creating, editing, or reviewing account hierarchies online. You can also export account hierarchies to a spreadsheet to review, analyze, and report offline.

To export all nodes in the hierarchies to a spreadsheet, expand all nodes first from View -> Expand All in the Manage Account Hierarchies: Specify Nodes page.

What happens when changes are made to an account hierarchy that’s referenced in segment value security rules?
The tree is set from an active to a draft state. The rules referencing the account hierarchy become ineffective.

After making changes to your hierarchy, you can submit the Process Account Hierarchies process to automatically run the required steps for processing account hierarchies updates in one submission, including:

- Tree audit
- Tree activation
- Row flattening
- Column flattening
- Maintain value set
- Maintain account hierarchy
- Publish hierarchy

With a successful audit process, the hierarchy is set back to an active status. The rules referencing the account hierarchy go back to being effective using the updated hierarchy.

Run the row and column flattening processes for the updated hierarchy as the flexfield component in the application as well as other hierarchy processes rely on the flattened hierarchy data to come up with the list of values available to the user to properly secure the correct account values.

Run the Maintain Value Sets and Maintain Chart of Account Hierarchies processes, particularly for hierarchy changes to the primary balancing segment value set if such values are referenced in your primary balancing segment value based data access sets. These processes update the data that is required to regulate ledger and data access security by storing:

- Primary balancing segment values assigned to a ledger.
- Specific child balancing segment values assigned to a data access set through parent value assignments.

When do I manually submit row and column flattening for tree versions?
Row Flattening and Column Flattening for tree versions must be manually submitted in the following scenarios.

- A new tree or tree version is defined
- If the tree or tree version has any change made to it that would alter the flattened hierarchy data. For example, adding, moving, and duplicating members. Basically, anything that impacts the flattened hierarchy data.
- If Data Relationship Management (DRM) is used with Oracle Fusion General Ledger, after running the Load Account Values and Hierarchies process from the Scheduled Process work area to load chart of accounts reference data from DRM to Oracle Fusion General Ledger.
When range based hierarchy assignments are supported, if new values are added that are within the account range assigned to the hierarchy.

Note: In this case, try submitting the flattening programs using the Online Mode first. If the newly inserted child account value does not appear to be included in the flattened hierarchy data, then the flattening program has to be submitted using the Force Flattening Mode, instead of Online Flattening. An issue with the incremental flattening programs can prevent them from picking up this type of hierarchy change, so full flattening can be required.

Note: Column flattening processed data is primarily relevant to Oracle Fusion Transactional Business Intelligence, but there should not be any adverse impact to run both row and column flattening processes.

Manage Tree Structures

Tree Structures
A tree structure defines the hierarchy for creating trees and prescribes rules based on which trees are created, versioned, and accessed. You can associate multiple data sources with a tree structure. A tree is an instance of this hierarchy. Every tree structure can contain one or more trees.

You can create tree structures specific to an application but you can share tree structures across applications. If you apply version control to the tree structure, it’s carried over to the trees that are based on the tree structure. Each tree version contains at least one root node. Occasionally, a tree version may have more than one root node.

An administrator controls the access to tree structures through a set of rules that are periodically audited for validity.

Guidelines for Defining the Tree Structure
While creating a tree structure, you must specify important details on the Create Tree Structure: Specify Definition page. As the source of the tree structure, you may either select the predefined tree structures and proceed with the definition or create tree structures.

Tree Node Selection
The data in Tree Node table maps to the data in nodes of the tree structure. You must select the correct and most appropriate tree node table to define the tree structure, based on which you establish the tree hierarchy. This selection also affects the level of security that is set on a tree node and its child entities.

Tree Sharing Mode
Use the following options to determine the mode of sharing a tree structure across the applications.

- Open: Indicates that the tree is associated with all reference data sets.
- Set ID: Indicates that the tree is associated with a specific reference data set.

Modification
You can modify the predefined tree structures as well as those you create. However, modifying a predefined tree structure is restricted and permitted through additional privileges. Modification is limited to specific tree nodes and lower in the tree hierarchy.
Multiple Tree Versions
Although multiple tree versions can exist together, Oracle recommends only one version be active at any given time. However, if required, you can have more tree versions to be in the active state for the same date range. You can use this flexibility to select the tree version you want to implement.

Guidelines for Managing Tree Structures
You can create, edit, and delete tree structures. You can also change the status of a tree structure and audit the changes.

Creating and Editing Tree Structures
When you edit an active tree structure, the status of the tree structure and all associated trees and their versions changes to draft. To reuse a tree structure, create a copy of the tree without copying the associated trees and tree versions. After making changes, set the status again to active. If you delete a tree structure, all the associated trees and tree versions are automatically deleted.

For information about working with the offering-specific predefined tree structures, refer to the relevant product documentation.

Status
When you change the status of a tree structure, the status of the trees and tree versions associated with that tree structure also changes.

The following table lists the different statuses of a tree structure.

<table>
<thead>
<tr>
<th>Status</th>
<th>Meaning</th>
</tr>
</thead>
<tbody>
<tr>
<td>Draft</td>
<td>In a modified state, or not yet in use.</td>
</tr>
<tr>
<td>Active</td>
<td>In use, indicating that one or more trees or tree versions are created from the tree structure.</td>
</tr>
<tr>
<td>Inactive</td>
<td>Not in use.</td>
</tr>
</tbody>
</table>

Tree Structure Audit Results
Use the tree structure audit results to verify the tree structure's correctness and data integrity. The audit results include the following details:

- The name of the validator, which is a specific validation check
- The result of the validation, including a detailed message
- Corrective actions to take if there are any validation errors

Running an Audit
Setting the status of a tree structure to active automatically triggers an audit of that tree structure. To manually trigger an audit, select Audit from the Actions menu on the Manage Tree Structures page. The Tree Structure Audit Result table shows a list of validations that ran against the selected tree structure.

Audit Validators
The following table lists the validators used in the audit process and describes what each validator checks for. It also lists possible causes for validation errors and suggests corrective actions.
<table>
<thead>
<tr>
<th>Validator</th>
<th>Description (what’s validated)</th>
<th>Possible Cause for Validation Failure</th>
<th>Suggested Corrective Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restrict By Set ID</td>
<td>Manage Tree Structures: Specify Data Sources</td>
<td>If you select the <strong>Reference Data Set</strong> check box for the <strong>Restrict Tree Node List of Values Based on</strong> option, each of its data source view objects must have a reference data set attribute.</td>
<td>Even when the check box is selected, one or more data source view objects doesn’t contain a reference data set attribute.</td>
</tr>
<tr>
<td>Available Label Data Sources</td>
<td>Manage Tree Structures: Specify Data Sources</td>
<td>If you select a list item from <strong>Labeling Scheme</strong> to specify a labeling scheme, the label data source view object specified for each data source must be accessible. Also, the primary keys must be valid. This restriction doesn’t apply if you select <strong>None</strong> from the list.</td>
<td>• Any of the specified label data source view objects doesn’t exist. • Any of the specified label data source view objects doesn’t have primary keys. • When a label data source view object is initially defined, the database registers the primary keys for the view object. If the view object is later modified such that its primary keys no longer match the primary keys that were registered earlier, this validation fails.</td>
</tr>
<tr>
<td>Row Flattened Table Name</td>
<td>Manage Tree Structures: Specify Performance Options</td>
<td>You must specify a valid row flattened table for the tree structure. It can either be the standard row flattened table FND_TREE_NODE_RF or another table.</td>
<td>• The specified table doesn’t exist in the database. • The specified table doesn’t contain the same columns as the FND_TREE_NODE_RF table.</td>
</tr>
<tr>
<td>Available Data Sources</td>
<td>Add Data Source</td>
<td>Each data source view object specified for the tree structure must be accessible, and all its primary key attributes must be valid.</td>
<td>• Any of the specified data source view objects doesn’t exist.</td>
</tr>
<tr>
<td>Validator</td>
<td>Description (what’s validated)</td>
<td>Possible Cause for Validation Failure</td>
<td>Suggested Corrective Action</td>
</tr>
<tr>
<td>-----------</td>
<td>---------------------------------</td>
<td>---------------------------------------</td>
<td>----------------------------</td>
</tr>
<tr>
<td>Validator</td>
<td>Page Description (what’s validated)</td>
<td>Possible Cause for Validation Failure</td>
<td>Suggested Corrective Action</td>
</tr>
<tr>
<td>- When you define a data source view object, keep the use non-defined primary key columns check box deselected. The database automatically registers the primary keys for the view object. Select this check box if you want the database to register the primary keys you specify. However, if the registered primary keys contain any duplicates, this validation fails.</td>
<td>- Correct the primary keys in the registered primary keys.</td>
<td>- Correct the primary keys of the specified data source view object.</td>
<td></td>
</tr>
<tr>
<td>- The use non-defined primary key columns check box is selected in a data source, but the list of specified primary key columns doesn’t match the primary keys defined in the corresponding data source view object.</td>
<td>- Correct any mismatch in data types.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Any common attribute that exists in both the data source view object and the tree node view object isn’t of the same data type in both view objects.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Column Flattened Table Name</th>
<th>Manage Tree Structures: Specify Performance Options</th>
<th>You must specify a valid column flattened table for the tree structure. It can either be the standard row flattened table FND_TREE_NODE_CF or another table.</th>
<th>The specified table doesn’t exist in the database.</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Correct the column flattened table definition.</td>
<td></td>
<td>The specified table doesn’t contain the same columns as the FND_TREE_NODE_CF table.</td>
<td></td>
</tr>
</tbody>
</table>

| Restrict by Date | Manage Tree Structures: Specify Data Sources | If you select the Date Range check box for the Restrict Tree Node List of Values Based | Even when the check box is selected, one or more of its data source view objects doesn’t contain effective start | If the date restriction is required for this tree structure, include the effective start date and effective end date | Correct the column flattened table definition. |
|-----------------|------------------------------------------------|----------------------------------------------------------|----------------------------------------------------------|----------------------------------------------------------|----------------------------------------------------------|----------------------------------------------------------|----------------------------------------------------------|
| - | | | | | | | | | | | |
Guidelines for Specifying Data Sources for Tree Structures

The data sources provide the items for establishing hierarchy in a tree structure. In the tree management infrastructure, these data sources are Oracle ADF business components view objects, which are defined by application development.

Labeling Schemes

Selecting a labeling scheme determines how the tree nodes are labeled. You may select a labeling scheme to assign at the data source level, at the parent node level, or keep it open for customers assignment. You may also choose not to have any labeling scheme. However, if you decide to use any of the labeling schemes, select the following additional options, to restrict the list of values that appear in the selected tree node.

- **Allow Ragged Nodes**: To include nodes that have no child nodes, and are shorter than the remaining nodes in the entire hierarchy.

- **Allow Skip Level Nodes**: To include nodes that are at the same level but have parent nodes at different levels.

Restriction of Tree Node Values

You can decide the depth of the tree structure by selecting an appropriate value from the list. Keeping the depth limit open renders an infinite list of values.

Using the following options, you can restrict the list of values that appear for selection in a specific tree node.

- **Date Range**: Specifies whether a selection of nodes should be restricted to the same date range as the tree version.

- **Allow Multiple Root Nodes**: Allows you to add multiple root nodes when creating a tree version.

- **Reference Data Set**: Specifies whether a selection of nodes should be restricted to the same set as the tree.

Data Source Values and Parameters

Tree data sources have optional data source parameters with defined view criteria and associated bind variables. You can specify view criteria as a data source parameter when creating a tree structure, and edit the parameters when creating a tree. Multiple data sources can be associated with a tree structure and can have well-defined relationships among them.
Note: Parameter values modified at the tree level override the default values specified at the tree-structure level.

The data source parameters are applied to any tree version belonging to that data source, when performing node operations on the tree nodes. Data source parameters also provide an additional level of filtering for different tree structures. The tree structure definition supports three data source parameter types.

- **Bound Value**: Captures any fixed value, which is used as part of the view criteria condition.
- **Variable**: Captures and binds a dynamic value that is being used by the data source view object. This value is used by the WHERE condition of the data flow.
- **View Criteria**: Captures the view criteria name, which is applied to the data source view object.

You can also specify which of the data source parameters are mandatory while creating or editing the tree structure.

View objects from the Oracle ADF business components are used as data sources. To associate the view object with the tree structure, you can pick the code from Oracle ADF business component view objects and provide the fully qualified name of the view object, for example, oracle.apps.fnd.appcore.trees.model.view.FndLabelVO.

**Guidelines for Improving the Performance of a Tree Structure**

Tree structures are heavily loaded with data. As a tree management guideline, use the following settings to improve performance of data rendering and retrieval.

- **Row Flattening**
- **Column Flattening**
- **Column Flattened Entity Objects**
- **BI View Objects**

**Row Flattening**

Row flattening optimizes parent-child information for run-time performance by storing additional rows in a table for instantly finding all descendants of a parent without initiating a CONNECT BY query. Row flattening eliminates recursive queries, which allows operations to perform across an entire subtree more efficiently.

To store row flattened data for the specific tree structure, users can either use the central FND_TREE_NODE_RF table or they can register their own row flattened table. For example, in a table, if Corporation is the parent of Sales Division (Corporation-Sales Division), and Sales Division is the parent of Region (Sales Division-Region), a row-flattened table contains an additional row with Corporation directly being the parent of Region (Corporation-Region).

**Column Flattening**

Column flattening optimizes parent-child information for runtime performance by storing an additional column in a table for all parents of a child.

To store column flattened data for the specific tree structure, users can either use the central FND_TREE_NODE_CF table or they can register their own column flattened table. For example, in a table, if Corporation is the parent of Sales Division (Corporation-Sales Division), and Sales Division is the parent of Region (Sales Division-Region), a flattened table in addition to these columns, contains three new columns: Region, Sales Division, and Corporation. Although positioned next to each other, the column Region functions at the lower level and Corporation at the higher level, retaining the data hierarchy.

**Column Flattened Entity Object**

In the absence of a column-flattened table, if you need to generate the business component view objects for your tree structure for the flattened table, use the tree management infrastructure to correctly provide the fully qualified name of the entity object for the flattened table.
BI View Object
View objects from Business Intelligence can be used as data sources, eliminating the need to create new types of data sources. This field is to store the fully qualified name for the BI view object generated by the tree management for business intelligence reporting and usage. The BI view object is a combination of the tree data source and column flattened entity. Using this option prevents data redundancy and promotes greater reuse of existing data, thereby improving the performance of the tree structure.

Search View Object
Specify the full name of the view object for the tree node to ensure that search operations performed on the tree node are efficient.

Manage Tree Labels

Tree Labels
Tree labels are tags that are stored on tree nodes. You can store labels in any table and register the label data source with the tree structure. When a labeling scheme is used for trees, the selected labels are stored in the tree label entity, and each tree node contains a reference to a tree label in the labeling scheme.

The following table lists the three ways in which tree labels are assigned to the tree nodes.

<table>
<thead>
<tr>
<th>Labeling Scheme</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level</td>
<td>Labels that are automatically assigned based on the data source to which the tree node belongs. A level label points to a specific data source. For example, in a tree that reflects the organizational hierarchy of an enterprise, all division nodes appear on one level and all department nodes on another.</td>
</tr>
<tr>
<td>Group</td>
<td>Labels that you can arbitrarily assign to tree nodes.</td>
</tr>
<tr>
<td>Depth</td>
<td>Labels that are automatically assigned based on the depth of the tree node within the tree. No manual assignment is performed.</td>
</tr>
</tbody>
</table>

Note: In an unbalanced hierarchy, a level may not be equal to depth.

Manage Trees and Tree Versions

Guidelines for Managing Trees and Tree Versions
You can create and edit trees and tree versions depending upon the requirement. A tree can have one or more tree versions. When changes are made to an existing tree, a new version is created and published.

Creating and Editing Trees
Trees are created based on the structure defined in the tree structure. You can create trees, modify existing trees, and delete trees. If you want to copy an existing tree, you can duplicate it. You can also select and copy the associated tree versions.
Creating a tree involves specifying the tree definition and specifying the labels that are used on its nodes. If the selected tree structure has data sources and parameters defined for it, they appear on the page allowing you to edit the parameter values at the tree node level.

**Note:** Parameter values modified at the tree level will override the default values specified at the tree-structure level.

Creating and Editing Tree Versions

Tree versions are created at the time of creating trees. Each tree must contain a version. Editing an existing tree provides you with the option of updating the existing version. You can also edit the existing version that lies nested in the tree in the search results.

When you edit a tree version bearing Active status, the status changes to Draft until the modifications are saved or canceled. To edit a tree version while keeping the status active select the **Update tree nodes while keeping the tree version active** Check Box.

Tree Version Audit Results

Use the tree version audit results to verify the tree version’s correctness and data integrity. The audit results include the following details:

- The name of the validator, which is a specific validation check
- The result of the validation, including a detailed message
- Corrective actions to take if there are any validation errors

Running an Audit

An audit automatically runs whenever a tree version is set to active. You can also manually trigger an audit on the Manage Trees and Tree Versions page, using **Actions > Audit**. If you run an audit on a tree version, which is in Draft status, and want to change the status to Active after the audit is complete then select the **Set tree version status to active after audit is successfully complete** Check Box.

The Tree Version Audit Result table shows a list of validations that ran against the selected tree version.

Validation Details

The following table lists the validators used in the audit process and describes what each validator checks for. It also lists possible causes for validation errors and suggests corrective actions.

<table>
<thead>
<tr>
<th>Validator</th>
<th>Description (what’s checked)</th>
<th>Possible Cause for Validation Failure</th>
<th>Suggested Corrective Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effective Date</td>
<td>The effective start and end dates of the tree version must be valid.</td>
<td>The effective end date is set to a value that isn’t greater than the effective start date.</td>
<td>Modify the effective start and end dates such that the effective start date is earlier than the effective end date.</td>
</tr>
<tr>
<td>Root Node</td>
<td>On the Manage Tree Structures: Specify Data Sources page, if the <strong>Allow Multiple Root Nodes</strong> check box for the <strong>Restrict Tree Node List of Values Based on</strong> option isn’t selected, and if the tree structure isn’t empty, the tree version has multiple root nodes.</td>
<td>Even if the check box is deselected, the tree version has multiple root nodes.</td>
<td>Modify the tree version such that there is exactly one root node.</td>
</tr>
<tr>
<td>Validator</td>
<td>Description (what’s checked)</td>
<td>Possible Cause for Validation Failure</td>
<td>Suggested Corrective Action</td>
</tr>
<tr>
<td>----------</td>
<td>---------------------------------------------------------------------------------------------</td>
<td>--------------------------------------------------------------------------------------------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>tree version must contain exactly one root node. This validation doesn’t take place if the check box is selected.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Data Source Maximum Depth</td>
<td>For each data source in the tree structure, on the Data Source dialog box, if the data source is depth-limited, the data in the tree version must adhere to the specified depth limit. This validation doesn’t apply to data sources for which the Maximum Depth field is set to Unlimited.</td>
<td>The tree version has data at a depth greater than the specified depth limit on one or more data sources.</td>
<td>Modify the tree version such that all nodes are at a depth that complies with the data source depth limit.</td>
</tr>
<tr>
<td>Duplicate Node</td>
<td>On the Data Source dialog box, if the Allow Duplicates check box isn’t selected, the tree version must not contain more than one node with the same primary key from the data source. If the check box is selected, duplicate nodes are permitted.</td>
<td>Even when the check box is deselected, the tree version contains duplicate nodes.</td>
<td>Remove any duplicate nodes from the tree version.</td>
</tr>
<tr>
<td>Available Node</td>
<td>All nodes in the tree version must be valid and available in the underlying data source.</td>
<td>• A node in the tree version doesn’t exist in the data source. Deleting data items from the data source without removing the corresponding nodes from the tree version can result in orphaned nodes in the tree version. For example, if you added node A into your tree version, and subsequently deleted node A from the data source without removing it from the tree version, the validation fails. • The tree version contains a tree reference node, which references another tree version that doesn’t exist.</td>
<td>Remove any orphaned nodes from the tree version. Update tree reference nodes so that they reference existing tree versions.</td>
</tr>
<tr>
<td>Node Relationship</td>
<td>All nodes must adhere to the relationships mandated by the data sources registered in the tree structure.</td>
<td>The tree structure has data sources arranged in a parent-child relationship, but the nodes in the tree don’t adhere to the same parent-child relationship. For example, if the tree structure has a Project data source with a Task data source as its child, Task nodes must always be within Project nodes in the tree version. This validation fails if there are instances where a</td>
<td>Modify the tree version such that the nodes adhere to the same parent-child relationships as the data sources.</td>
</tr>
<tr>
<td>Validator</td>
<td>Description (what's checked)</td>
<td>Possible Cause for Validation Failure</td>
<td>Suggested Corrective Action</td>
</tr>
<tr>
<td>---------------------------</td>
<td>-----------------------------------------------------------------------------------------------</td>
<td>--------------------------------------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>SetID Restricted Node</td>
<td>On the Manage Tree Structures: Specify Data sources page, if the Set ID check box is selected</td>
<td>Even when the check box is selected, the tree version has nodes whose data source values belong to a different reference data set than the tree.</td>
<td>Modify the tree version such that all nodes in the tree have data sources with reference data set matching that of the tree.</td>
</tr>
<tr>
<td></td>
<td>to enable the <strong>Restrict Tree Node List of Values Based on</strong> option for each tree node,</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>the underlying node in the data source must belong to the same reference data set as the tree</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>itself. This restriction doesn't apply when the check box isn't selected.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Label Enabled Node</td>
<td>On the Manage Tree Structures: Specify Data Sources page, if a labeling scheme is specified</td>
<td>The tree structure has a labeling scheme but the tree version has nodes without labels.</td>
<td>Assign a label to any node that doesn't have a label.</td>
</tr>
<tr>
<td></td>
<td>for the tree structure by selecting a list item from the <strong>Labeling Scheme</strong> list, all nodes</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>must have labels. This restriction doesn't apply when you select <strong>None</strong> from the <strong>Labeling</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Scheme list.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Date Restricted Node</td>
<td>On the Manage Tree Structures: Specify Data Sources page, if the Date Range check box is</td>
<td>Even when the check box is selected, there are data source nodes that have a date range beyond the tree</td>
<td>Ensure that all nodes in the tree version have effective date range for the effective date range for the tree version.</td>
</tr>
<tr>
<td></td>
<td>selected to enable the <strong>Restrict Tree Node List of Values Based on</strong> option for a tree</td>
<td>version’s effective date range. For example, if the tree version is effective from Jan-01-2012 to Dec-31-2012, all nodes in the tree version must be effective from Jan-01-2012 to Dec-31-2012 at a minimum. It is acceptable for the nodes to be effective for a date range that extends partly beyond the tree version’s effective date range (for example, the node data source value is effective from Dec-01-2011 to Mar-31-2013). It isn’t acceptable if the nodes are effective for none or only a part of the tree version’s effective date range (for example, the node data source value are effective only from Jan-01-2012 to June-30-2012).</td>
<td></td>
</tr>
<tr>
<td></td>
<td>structure, each node in the underlying data source must have an effective date range same as</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>the effective date range of the tree version. This restriction doesn’t apply if the check box</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>isn’t selected.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Multiple Active Tree Version</td>
<td>On the Manage Tree Structures: Specify Definition page, if the <strong>Allow Multiple Active Tree Versions</strong> check box isn’t selected for the tree structure, there must not be more than one active tree version in the tree for the same date range.</td>
<td>Even when the check box isn’t selected, there is more than one active tree version in the tree for the same date range.</td>
<td>Set no more than one tree version to Active within the same date range and set the others to inactive or draft status.</td>
</tr>
</tbody>
</table>
Validator | Description (what’s checked) | Possible Cause for Validation Failure | Suggested Corrective Action
--- | --- | --- | ---
one active tree version for a tree at any time. This restriction doesn’t apply if the check box is selected. | Even when the check box isn’t selected, there are range-based nodes from a data source. | Ensure that any range nodes in your tree version are from a data source that allows range children.

Range Based Node
On the Data Source dialog box, if the Allow Range Children check box isn’t selected, range-based nodes aren’t permitted from that data source. This restriction doesn’t apply if the check box is selected.

Terminal Node
On the Data Source dialog box, if the Allow Use as Leaves check box isn’t selected, values from that data source can’t be added as leaves (terminal nodes) to the tree version. This restriction doesn’t apply if the check box is selected.

Usage Limit
On the Data Source dialog box, if the Use All Values option is selected to set the Usage Limit for the data source, every value in the data source must appear as a node in the tree. This restriction doesn’t apply if None option is selected.

Even when the check box isn’t selected, values from a data source are added as leaf nodes (terminal nodes).

Modify the tree version such that all terminal nodes are from data sources for which this check box is selected.

Even if the Use All Values option is selected, there are values in the data source that aren’t in the tree version.

For each data source value that isn’t yet available, add nodes to the tree version.

How Trees and Data Sources Work Together
Data sources are the foundation of tree management. Tree structures, trees, and tree versions establish direct and real-time connectivity with the data sources. Changes to the data sources immediately reflect on the Manage Trees and Tree Versions page and wherever the trees are being used.

Metadata and Data Storage
Tree structures contain the metadata of the actual data and the core business rules that manifest in trees and tree versions. You can select and enable a subset of trees to fulfill a specific purpose in that application.

Access Control
Source data is mapped to tree nodes at different levels in the database. Therefore, the changes you make to the tree nodes affect the source data. Access control set on trees prevents unwanted data modifications in the database. Access control can be applied to the tree nodes or anywhere in the tree hierarchy.

Tree Nodes
Tree nodes are points of data convergence where a tree branches into levels. Nodes are the building blocks of a tree structure and are attached to tree versions. Whenever you create or edit a tree version, you need to specify its tree node.

In the Setup and Maintenance work area, open the panel tab and click Search to search for the Manage Trees and Tree Versions task.
Managing Tree Nodes
You can create, modify, or delete tree nodes on the **Tree Version: Specify Nodes** page. To add a tree node, ensure that the tree structure with which the tree version is associated is mapped to a valid data source. You can also duplicate a tree node if the multiple root node feature is enabled.

Node Levels
Usually, the nodes at a particular level represent similar information. For example, in a tree that reflects the organizational hierarchy, all nodes representing divisions appear at one level and all the department nodes on another. Similarly, in a tree that organizes a user’s product catalog, the nodes representing individual products might appear at one level and the nodes representing product lines on the immediate higher level.

The following node levels are in use:
- Root node: The highest node in the tree structure
- Parent node: The node that branches off into other nodes
- Child node: The node that is connected to a node higher in hierarchy (parent node)
- Sibling node: Nodes that are at the same level and belong to the same parent node
- Leaf node: Entities branching off from a node but not extending further down the tree hierarchy

Node Types
A tree node has the following node types.
- Single: Indicates that the node is a value by itself.
- Range: Indicates that the node represents a range of values and possibly could have many children. For example, a tree node representing account numbers 10000 to 99999.
- Referenced Tree: Indicates that the tree node is actually another version for the tree based on the same tree structure, which isn’t physically stored in the same tree. For example, a geographic hierarchy for the United States can be referenced in a World geographic hierarchy.

Account Combinations

Overview of Account Combinations
Account combinations contain a completed set of segment values that uniquely identifies an account in the chart of accounts. Here are some examples of account combinations:
- 01-100-1420-003
- 02-100-1420-005
- 01-100-1420-002
- 02-100-1420-004

Account combinations:
- Are enabled when created by default.
- Cannot be deleted.
• Use a **From Date** to be enabled as of a particular date. For example, if you have a new department as of January 1, 2014, create the account combinations in advance by using a **From Date** of 01-JAN-2017 to enable the combinations on that date.

• Are discontinued by:
  o Deselecting the **Enabled** option.
  o Entering an end date.

⚠ **Caution:** Before creating account combinations, ensure that account types for the natural account segment values have been correctly assigned. If you assign an incorrect account type to a natural account segment value, accounting entries are recorded incorrectly and financial statements are inaccurate. Misclassified accounts are also potentially handled incorrectly at year end, with actual balances either getting zeroed out to retained earnings, or accumulating into the next year.

Set the following attributes on the **Manage Account Combinations** page:

• **Preserve Attributes:** To prevent changed segment values from overriding values defined at the account combination level when running the Inherit Segment Value Attributes process.

• **Type:** To identify the type of account, Asset, Liability, Revenue, Expense, and Owner’s Equity.

• **From and To Dates:** To enable or disable the account combination on a specific date.

• **Allow Posting:** To use the account combination in journals.

• **Alternative Account:** To use an alternative account combination when this one is disabled.

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**Create an Account Combination**

Use the **Manage Account Combinations** page to create account combinations manually or using a spreadsheet.

⚠ **Caution:** Before creating account combinations, ensure that account types for the natural account segment values have been correctly assigned. If you assign an incorrect account type to a natural account segment value, accounting entries are recorded incorrectly and financial statements are inaccurate. Misclassified accounts are also potentially handled incorrectly at year end, with actual balances either getting zeroed out to retained earnings, or accumulating into the next year.

**Scenario**

Create account combinations using a spreadsheet:

1. In the Setup and Maintenance work area, use the following:
   o Offering: Financials
   o Functional Area: Financial Reporting Structures
   o Task: Manage Account Combinations

2. Select your chart of accounts.
3. Click **Search**.
4. Click the **Create in Spreadsheet** button.
5. Click **OK** in the message that pops up.
6. Sign in with your user name and password.
7. Enter the new account combination in the appropriate segments. For example: 01-120-5110-00.
8. Click **Submit** to upload the account combinations.

**Scenario**

Create account combinations manually:

1. In the Setup and Maintenance work area, use the following:
   - Offering: Financials
   - Functional Area: Financial Reporting Structures
   - Task: Manage Account Combinations
2. Select your chart of accounts.
3. Click the **Add Row** icon.
4. Verify that the Enabled check box is selected.
5. Select the Account segment values from the drop-down lists. For example:
   - Company 01
   - Department 120
   - Account 5105
   - Intercompany 00
6. Enter today’s date in the **From Date** field to make the account effective today.
7. Click **Save and Close**.

**Related Topics**

- Update Existing Setup Data

**How Account Combination Import Data Is Processed**

Use the Import Account Combinations file-based data import to import and update account combinations. You can download a spreadsheet template to use to prepare your account combination data. The template contains an instruction sheet to help guide you through the process of entering your account combination information.

In addition to creating account combinations, you can also use the template to update attributes on existing account combinations. Enter the segment values for the existing account combinations and specify the attributes to update such as Enabled, Allow Posting, From Date, To Date, Alternate Account, and Preserve Attributes.


**Note:** An alternate account is used when its associated account combination is disabled or inactive.

To access the template, complete the following steps:

1. Navigate to the File-Based Data Import for Oracle Financials Cloud guide.
2. In the Table of Contents, click **File-Based Data Imports**.
3. Click **Import Account Combinations**.
4. In the File Links section, click the link to the Excel template.

Follow these guidelines when preparing your data in the worksheet:

- Enter the required information for each column.
- Refer to the tool tips on each column header for detailed instructions.
- Do not change the order of the columns in the template.
• You can hide or skip the columns you do not use, but do not delete them.

Settings That Affect the Account Combinations Import Process

The Account Combinations Import Interface template contains an instructions tab, plus a tab that represents the table where the data is loaded.

The following table contains the names of the tabs in the Import Account Combinations spreadsheet template and a description of their contents.

<table>
<thead>
<tr>
<th>Spreadsheet Tab</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instructions and CSV Generation</td>
<td>Contains an overview of the template and information about how to generate the data files for upload.</td>
</tr>
<tr>
<td>GL_BULK_COMBINATIONS_INT</td>
<td>Enter information about the account combinations that you are adding or updating, such as the chart of accounts, the segment values, and whether posting is allowed.</td>
</tr>
</tbody>
</table>

After you prepare the data in the spreadsheet, click Validate Account Combinations to verify that the template doesn’t have errors.

How Account Combinations Import Data Is Processed

To load the data into the interface table:

1. Click the Generate CSV File button on the instructions tab to create a CSV file in a .zip file format.
2. Save the .zip file locally.
3. Navigate to the Scheduled Processes work area.
4. Select the Load Interface File for Import process.
5. For the Import Process parameter, select Import Account Combinations.
6. For the Data File parameter, select the file that you saved in step 2.
7. If the process ends in error or warning:
   a. Review the log and output files for details about the rows that caused the failure.
   b. Correct the errors in the spreadsheet.
   c. Repeat steps 1 through 6 until the errors are resolved.

To load the data from the interface table into the product:

1. Navigate to the Scheduled Processes work area.
2. Select the Import Account Combinations process.
3. Optionally provide values for the Chart of Accounts and Group ID parameters.
4. Submit the process.
5. If the process ends in error or warning:
   a. Review the log file for details about the rows that cause the failure.
   b. Correct the spreadsheet.
   c. Follow the steps to delete the data from the interface table.
   d. Repeat the steps to load the data into the interface table.

To delete the data from the interface table without loading into the product:

1. Navigate to the Scheduled Processes work area and select the Purge Interface Tables process.
3. Select **Import Account Combinations** for the **Import Process** parameter.

4. For the **Load Request ID** parameter, enter the process ID from the **Load Interface File for Import** process.

5. Submit the process.

**Related Topics**

- File-Based Data Import for Oracle Financials Cloud

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**Account Aliases**

Define account shorthand aliases to speed entry of account segment values.

If you enable shorthand alias when you define your chart of accounts, then you can define aliases, or codes, which represent complete or partial accounts.

Oracle Fusion General Ledger can currently use this feature in the following user interfaces:

- Journal lines in the **Create Journal** page.
- **Create Journal in Spreadsheet** for both **Single Journal** and **Multiple Journals** modes.
- **Manage Account Combinations** in the **Alternate Account** field.
- **Manage Intercompany Outbound Transactions** and **Manage Intercompany Inbound Transactions** pages.
- Other pages where the account list of values selector is present.

**Note:** **Account Groups** in the **Account Monitor** region and the **Inquire and Analyze Balances** page are based on the underlying **GL Balances** cube. These pages do not present you with a list of values to search and select accounts. Therefore, you are not able to leverage shorthand aliases.

**Enabling Shorthand Aliases**

The administrator or implementor is required to select the **Shorthand alias enabled** option as part of the chart of accounts structure instance definition. Freeze and compile your account structure in the **Manage Chart of Accounts Structure Instances** page when you are ready to begin using your structure. You must recompile your chart of accounts structure instance every time you make changes to your structure and segments, including enabling or disabling shorthand entries.

The following features and functionality apply to shorthand aliases.

- The segment value security is automatically enforced when creating or maintaining aliases.
- Cross-validation rules are not imposed since the aliases template account combinations do not update the account combinations.
- The alias field is displayed when you select the account list of values selector in the data entry regions where the selector appears. The field is enabled for both the list of values and search functionality. You can also enter segment values directly in the account value fields, thus ignoring the alias functionality.
Enter a GL Account Alias

You are assigned the task of defining shorthand account aliases to speed up journal entry.

Enter a Partial Account Alias

Use these steps to enter a partial account alias for your account payables account.

1. In the Setup and Maintenance work area, go to the following:
   - Offering: Financials
   - Functional Area: Financial Reporting Structures
   - Task: Manage Shorthand Aliases
2. Select a chart of accounts.
3. Click the Add Row icon.
4. Enter the name of AP.
5. Enter the account template by entering 101 in the Company segment and 221000 in the Account segment.
6. Enter a description of Accounts Payables account.
7. Verify that the Enabled option is selected.
8. Accept today’s date as the Start Date.
9. Leave the End Date blank.
10. Click Save.

Enter a Full Account Alias

Use these steps to enter a full account alias for your cash account.

1. In the Setup and Maintenance work area, go to the following:
   - Offering: Financials
   - Functional Area: Financial Reporting Structures
   - Task: Manage Shorthand Aliases
2. Select a chart of accounts.
3. Click the Add Row icon.
4. Enter the name of Cash.
5. Enter the Account Template values, as shown in this table.

<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company</td>
<td>101</td>
</tr>
<tr>
<td>LOB</td>
<td>00</td>
</tr>
<tr>
<td>Account</td>
<td>111000</td>
</tr>
<tr>
<td>Sub-Account</td>
<td>000</td>
</tr>
<tr>
<td>Product</td>
<td>000</td>
</tr>
</tbody>
</table>
181

<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intercompany</td>
<td>000</td>
</tr>
</tbody>
</table>

6. Enter a description of **Cash account**.
7. Verify that the **Enabled** option is selected.
8. Accept today’s date as the **Start Date**.
9. Leave the **End Date** blank.
10. Click **Save and Close**.

**Related Topics**
- Update Existing Setup Data

## Correct Misclassified Accounts

When you create a value for a segment that’s assigned the natural account segment label, you must select an account type, such as Asset, Liability, Expense, Revenue, and Owner’s Equity. Account combinations subsequently created with that segment value inherit the assigned account type. For example, you assign segment value 1000 the account type of Asset, and then create account combination 01-000-1000-000-000. The account combination is classified as an asset.

Misclassified accounts occur when the inherited account type of the corresponding natural account segment value is set incorrectly. If you assign an incorrect account type to a natural account segment value, accounting entries are recorded incorrectly and financial statements are inaccurate. Misclassified accounts are also potentially handled incorrectly at year end, with actual balances either getting zeroed out to retained earnings, or accumulating into the next year.

**Caution:** Be sure to assign the correct account type to natural account segment values before account combinations are created. Having to correct misclassified accounts isn’t standard practice.

You can use the Correct Misclassified Accounts process to correct account types for account combinations. Running the process though is only one aspect of correcting misclassified accounts. The overall procedure to correct misclassified accounts depends on:

- The account type correction being made
- Whether the impacted account combinations ever had activities posted to them
- The impact of the correction across accounting years
- Whether balances have been translated

### Account Type Correction

Account types can be grouped into income statement accounts and balance sheet accounts. Income statement accounts consist of the Revenue and Expense account types, and balance sheet accounts consist of the Asset, Liability, and Owner’s Equity account types. At the end of an accounting year, income statement accounts are zeroed out to retained earnings, and balance sheet accounts accumulate into the next year.

Account type corrections within the income statement group or within the balance sheet group don’t affect the retained earnings calculation or beginning balances across accounting years. The following table lists the specific account type corrections that can be made without requiring manual journal entries as part of the correction process.
Account type corrections that cross from the income statement group to the balance sheet group, or from the balance sheet group to the income statement group, can affect the retained earnings calculation and beginning year balances if the corrections cross accounting years. The following table lists the specific account type corrections that may require manual journal entry adjustments as part of the correction process.

<table>
<thead>
<tr>
<th>Incorrect Account Type</th>
<th>Correct Account Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>Expense</td>
</tr>
<tr>
<td>Expense</td>
<td>Revenue</td>
</tr>
<tr>
<td>Asset</td>
<td>Liability or Owner’s Equity</td>
</tr>
<tr>
<td>Liability</td>
<td>Asset or Owner’s Equity</td>
</tr>
<tr>
<td>Owner’s Equity</td>
<td>Asset or Liability</td>
</tr>
</tbody>
</table>

Procedure

Follow these recommended steps to correct misclassified accounts.

1. On the Manage Values page, correct the account type for the value set value.
2. Before submitting the Correct Misclassified Accounts process, it’s recommended that you:
   a. Ensure journals aren’t being posted when the process is run in reclassification mode.
   b. Disable the Dynamic combination creation allowed option for the chart of accounts.
3. On the Scheduled Processes page, run the Correct Misclassified Accounts process with the following parameters:
   a. Value Set: Select the value set for the natural account segment.
   b. Value Set Value: Select the value from which account combinations must inherit the account type.
   c. Mode: Select Preview mode.
4. Review the report output.

The report lists actual balances for the affected account combinations by ledger, currency, and fiscal year that must be zeroed out in cases where corrections cross from the balance sheet group to the income statement group, or
from the income statement group to the balance sheet group. Use this information to facilitate the journal entry that you must create for fiscal year cross-over scenarios. The report also lists periods with translated balances. If the report doesn’t display balances to zero out, skip to step 9.

5. Open the last period of the prior fiscal year for each primary ledger with balances that must be zeroed out.

6. Create the respective journal entries using the information in the report to bring the misclassified account balances to zero and post the journals. Use a temporary account, such as a suspense account, for the offsetting amount.

**Note:** The journal entries should zero out balances in every entered currency.

7. Rerun the Correct Misclassified Account process in Preview mode.

Check whether any balances should be zeroed out. If so, repeat steps 5 and 6 until all balances are zeroed out. If the only balances listed are for secondary ledgers and reporting currencies, the journal entries should be created and posted in those ledgers directly.

8. Run the Correct Misclassified Accounts process in Reclassify Account Type mode.

The process first validates that the affected account combinations have zero actual balances if the misclassification affects multiple fiscal years. This validation ensures that the account type reclassification doesn’t cause errors in the calculation of retained earnings and beginning balances. The process then corrects the account type on the misclassified account combinations to match the account type of the selected segment value.

9. Review the report output for the list of reclassified account combinations for each chart of accounts.

10. Update the Account dimension by running the Publish Chart of Account Dimension Members and Hierarchies to Balances Cubes process:

    a. Select the value set for the Account dimension.
    b. Set the Publish Detail Values Only parameter to Yes.

11. Starting from the earliest fiscal year, reverse and post the journals that you created to zero out the balances in each ledger. The reversal journal must be in the same period as the journal being reversed.

    **Note:** The recommended reversal method for the journals is Change Sign.

12. If there are misclassified account corrections, and if a translation currency has balances, you must:

    a. Run the Delete Translated Balances process and after the process completes, rebuild the balances cube.
    b. Rerun the translation process after the misclassification has been addressed.

**Related Topics**

- How Translated Balances Are Deleted

**FAQs for Account Combinations**

**What happens when I run the Inherit Segment Value Attributes process?**

Running the process eases chart of accounts maintenance by automatically replicating changes to segment value attributes of the account combinations that contain that segment value.

For example, enable a particular cost center segment value that had been previously disabled. Navigate to the Scheduled Processes page and run the Inherit Segment Value Attributes process to automatically reenable all account combinations containing that cost center.
Use the Segment Value Inheritance Exception Report to view the account combinations that have been changed. You can prevent selected account combinations from being affected by selecting the **Preserve Attributes** option on the Manage Account Combinations page.

**Note:**
- Individual segment value attributes override account combination attributes.
- Conflicting settings for the **Enabled**, **Allow Posting**, **From Date**, or **To Date** options are resolved by using the most restrictive of the settings of the individual segment values.
- Disabling a segment value disables the combinations containing that value, even if the **Preserve Attributes** option is selected.

### Accounting Calendars

#### Accounting Calendar Options

Define an accounting calendar to create your accounting year and the periods it contains. Specify common calendar options that the application uses to automatically generate a calendar with its periods. Specifying all the options makes defining a correct calendar easier and more intuitive with fewer errors.

**Caution:** The choices you make when specifying the following options are critical, because it is difficult to change your accounting calendar after a period status is set to open or future enterable.

- Budgetary control only
- Start Date
- Period Frequency
- Adjusting Period Frequency
- Period Name Format

**Note:** To help create and maintain accounting calendars, the common calendar types of monthly, weekly, 4-4-5, 4-5-4, 5-4-4, 4-week, quarterly, and yearly, are automatically generated. By using the period frequency option, you no longer have to go through the tedious task of defining each period manually.

### Budgetary Control Only Check Box

Select the check box for Budgetary control only to use the calendar for budgetary control only. Budgetary Control refers to the group of system options and the validation process of determining which transactions are subject to validation against budgets and budget consumption to prevent overspending.

### Start Date

If you plan to run translation, specify a calendar start date that is a full year before the start date of the year of the first translation period for your ledger. Translation cannot be run in the first period of a calendar. Consider how many years of history you are going to load from your previous application and back up the start date for those years plus one more. You cannot add previous years once the first calendar period has been opened.
Period Frequency

Use the period frequency to set the interval for each subsequent period to occur, for example, monthly, quarterly, or yearly. If you select the period frequency of Other, by default, the application generates the period names, year, and quarter number. You specify the start and end dates. You must manually enter the period information. For example, select the period frequency of Other and enter 52 as the number of periods when you want to define a weekly calendar. For manually entered calendars, when you click the Add Year button, the application creates a blank year. Then, you must manually enter the periods for the new year. The online validation helps prevent erroneous entries.

If the year has been defined and validated, use the Add Year button to add the next year quickly. Accept or change the new rows as required. For example, with the Other frequency type calendar, dates may differ from what the application generates.

Note: A calendar can have only one period frequency and period type. Therefore, if you have an existing calendar with more than one period type associated with it, during the upgrade from Oracle E-Business Suite, separate calendars are created based on each calendar name and period type combination.

Adjusting Period Frequency

Use the adjusting period frequency to control when the application creates adjusting periods. For example, some of the frequencies you select add one adjusting period at year end, two at year end, or one at the end of each quarter. The default is None which adds no adjusting periods. If you select the frequency of Other, the Number of Adjusting Periods field is displayed. Enter the number of adjusting periods you want, and then manually define them.

Period Name Format Region

In the Period Name Format section, enter the following fields:

- **User-Defined Prefix**: An optional feature that allows you to enter your own prefix. For example, define a weekly calendar and then enter a prefix of Week, - as the separator, and the period name format of Period numberYY fiscal year. The application creates the names of Week1-11, Week2-11, through Week52-11.

- **Format**: A predefined list of values filtered on the selected separator, only displaying the options that match the selected separator.

- **Year**: The year displayed in the period names is based on the selected period name format and the dates the period covers or if the period crosses years, on the year of the start date of the period.
  
  - For example, April 10, 2016 to May 9, 2016 has the period name of Apr-16 and December 10, 2016 to January 9, 2017 has the name of Dec-16.
  
  - If period frequency is Other, then the period format section is hidden. The application generates a temporary period name for calendars with period frequency of Other, using a fixed format of Period numberYY. You can override this format with your own period names.

Note: For an accounting calendar that is associated with a ledger, changing period names or adding a year updates the accounting period dimension in the balances cubes.

How Accounting Calendars Are Validated

Calendar validation is automatic and prevents serious problems when you begin using a calendar. Once you set a calendar period status to open or future enterable, you can’t edit the period.
Settings That Affect Calendar Validation
Calendar validation runs automatically after you save the calendar.

How a Calendar Is Validated
The following table lists the validation checks that are performed when an accounting calendar is saved.

<table>
<thead>
<tr>
<th>Validation</th>
<th>Data Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unique period number</td>
<td>2 assigned for two periods</td>
</tr>
<tr>
<td>Unique period name</td>
<td>Jan-17 entered twice</td>
</tr>
<tr>
<td>Period number beyond the maximum number of periods per year</td>
<td>13 for a 12 period calendar with no adjusting periods</td>
</tr>
<tr>
<td>Entered period name contains spaces</td>
<td>Jan 17</td>
</tr>
<tr>
<td>Single or double quotes in the period name</td>
<td>Jan ’17</td>
</tr>
<tr>
<td>Nonadjusting periods with overlapping dates</td>
<td>01-Jan-2017 to 31-Jan-2017 and 30-Jan-2017 to 28-Feb-2017</td>
</tr>
<tr>
<td>Period date gaps</td>
<td>01-Jan-2017 to 28-Jan-2017 and 31-Jan-2017 to 28-Feb-2017</td>
</tr>
<tr>
<td>Missing period numbers</td>
<td>Periods 1 through 6 are defined for a calendar with 12 months</td>
</tr>
<tr>
<td>Period number gaps</td>
<td>1, 3, 5</td>
</tr>
<tr>
<td>Quarter number gaps</td>
<td>1, 3, 4</td>
</tr>
<tr>
<td>Quarters not in sequential order by period</td>
<td>1, 3, 2, 4</td>
</tr>
<tr>
<td>Period start or end dates more than one year before or after the fiscal year</td>
<td>July 1, 2015 in a 2017 calendar</td>
</tr>
</tbody>
</table>
FAQs for Accounting Calendars

How can I identify errors in my accounting calendar?
Oracle Fusion General Ledger identifies erroneous entries online as you enter a new calendar or change data on an existing calendar. The application also automatically validates the data when you save the calendar.

What’s the difference between calendar and fiscal period naming?
The period naming format determines the year that is appended to the prefix for each period in the calendar. For the example, your accounting year has a set of twelve accounting period with:

- Start date of September 1, 2014.
- End date is August 31, 2015.
- Period’s date range following the natural calendar month date range.

Calendar period naming format: Select the calendar period format to append the period’s start date’s year to the prefix. For the period covering September 1, 2014 to December 31, 2014, then 2014 or just 14, depending on the period format selected, is appended to each period’s name. For the remaining periods covering January 1, 2015 to August 31, 2015, then 2015 or 15, is appended to each period’s name.

Fiscal period naming format: Select the fiscal period format to always append the period’s year assignment to the prefix. If the accounting periods in the set of twelve are all assigned the year of 2015, then 2015 or just 15, depending on the period format selected, is appended to the period name of all 12 periods.

When do I update an existing calendar?
Update an existing calendar before the new periods are needed as future periods, based on the future period setting in your accounting configuration. If a complete year has been defined and validated, use the Add Year button to add the next year quickly. Accept or change the new rows as required. For example, with the Other frequency type calendar, dates may differ from what the application generates.

What happens if I upgrade my calendar from Oracle E-Business Suite Release 12?
The migration script assigns a period frequency that most closely matches your Oracle E-Business Suite Release 12 calendar. When you use the Oracle Fusion applications Add Year functionality for the first time, you have an opportunity to review and change the period frequency. The Calendar Options page opens only for calendars upgraded from Release 12 to allow one time modification.

Make your changes to the period frequency, adjusting period frequency, and period name format, including the prefix and separator, as needed. Changes cannot conflict with the existing upgraded calendar definition. Update the calendar name and description in the calendar header, as needed, for all calendars. Period details for a new year are generated automatically based on the latest calendar options. You can also manually update the calendar. The modified calendar options affect future years only.

Currencies
Considerations for Defining Currencies

When creating or editing currencies, consider these points relevant to entering the currency code, date range, or symbol for the currency.

**Currency Codes**
You can't change a currency code after you enable the currency, even if you later disable that currency.

**Date Ranges**
You can enter transactions denominated in the currency only for the dates within the specified range. If you don’t enter a start date, then the currency is valid immediately. If you don’t enter an end date, then the currency is valid indefinitely.

**Symbols**
Some applications support displaying currency symbols. You may enter the symbol associated with a currency so that it appears along with the amount.

**Euro Currency Derivation**
Use the Derivation Type, Derivation Factor, and Derivation Effective Date fields to define the relationship between the official currency (Euro) of the European Monetary Union (EMU) and the national currencies of EMU member states. For each EMU currency, you define its Euro-to-EMU fixed conversion rate and the effective starting date. If you have to use a different currency for Euro, you can disable the predefined currency and create a new one.

**Derivation Type**
The Euro currency derivation type is used only for the Euro, and the Euro derived derivation type identifies national currencies of EMU member states. All other currencies don’t have derivation types.

**Derivation Factor**
The derivation factor is the fixed conversion rate by which you multiply one Euro to derive the equivalent EMU currency amount. The Euro currency itself must not have a derivation factor.

**Derivation Effective Date**
The derivation effective date is the date on which the relationship between the EMU currency and the Euro begins.

**FAQs for Currencies**

**When do I create or enable currencies?**
Create or enable any currency for displaying monetary amounts, assigning currency to ledgers, entering transactions, recording balances, or for any reporting purpose. All currencies listed in the International Organization for Standardization (ISO) 4217 standard are supported.

The default currency is set to United States Dollar (USD).
What's the difference between precision, extended precision, and minimum accountable unit for a currency?

Precision refers to the number of digits placed after the decimal point used in regular currency transactions. For example, USD would have 2 as the precision value for transactional amounts, such as $1.00.

Extended precision is the number of digits placed after the decimal point and must be greater than or equal to the precision value. For calculations requiring greater precision, you can enter an extended precision value such as 3 or 4. That would result in the currency appearing as $1.279 or $1.2793.

Minimum accountable unit is the smallest denomination for the currency. For example, for USD that would be .01 for a cent. In Setup and Maintenance work area, search for the Manage Currencies task to set these values for a currency.

What's a statistical unit currency type?
The statistical unit currency type denotes the Statistical (STAT) currency used to record financial statistics in the financial reports, allocation formulas, and other calculations.

Conversion Rate Types

Guidelines for Creating Conversion Rate Types

Maintain different conversion rates between currencies for the same period using conversion rate types. The following conversion rate types are predefined:

- Spot
- Corporate
- User
- Fixed

You can use different rate types for different business needs. During journal entry, the conversion rate is provided automatically based on the selected conversion rate type and currency, unless the rate type is **User**. For **User** rate types, you must enter a conversion rate. You can define additional rate types as needed. Set your most frequently used rate type as the default. Conversion rate types can’t be deleted.

Assign conversion rate types to automatically populate the associated rate for your period average and period end rates for the ledger. For example, you can assign the conversion rate type of **Spot** to populate period average rates, and the conversion rate type of **Corporate** to populate period end rates. Period average and period end rates are used in translation of account balances.

Conversion rate types are used to automatically assign a rate when you perform the following accounting functions:

- Convert foreign currency journal amounts to ledger currency equivalents.
- Convert journal amounts from source ledgers to reporting currencies or secondary ledgers.
- Run revaluation or translation processes.

When creating conversion rates, decide whether to:

- Enforce inverse relationships
- Select pivot currencies
Enforce Inverse Relationships

The Enforce Inverse Relationship option indicates whether to enforce the automatic calculation of inverse conversion rates when defining daily rates. The following table describes the impact of selecting or not selecting the option.

<table>
<thead>
<tr>
<th>Action</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Selected</td>
<td>When you enter a daily rate to convert currency A to currency B, the inverse rate of currency B to currency A is automatically calculated and entered in the adjacent column. If either rate is changed, the application automatically recalculates the other rate. You can update the application calculated inverse rate, but once you do, the related rate is updated. The option enforces the inverse relationship is maintained but doesn't prevent you from updating the rates.</td>
</tr>
<tr>
<td>Not Selected</td>
<td>The inverse rate is calculated, but you can change the rate and update the daily rates table without the corresponding rate being updated.</td>
</tr>
</tbody>
</table>

Select Pivot Currencies

Select a pivot currency that is commonly used in your currency conversions. A pivot currency is the central currency that interacts with contra currencies. For example, you set up a daily rate between the US dollar (USD) and the Euro currency (EUR) and another between the USD and the Canadian dollar (CAD). USD is the pivot currency in creating a rate between EUR and CAD. EUR and CAD are the contra currencies. Select the pivot currency from the list of values which contains those currencies that are enabled, effective, and not a statistical (STAT) currency. The description of the pivot currency is populated automatically based on the currency definition.

If you want the application to create cross rates against a base currency, define the base currency as the pivot currency. Selected pivot currencies can be changed in the Rate Types page.

Select Contra Currencies

Select currencies available on the list of values as contra currencies. The available currencies are those currencies which are enabled, effective, not STAT currency, and not the pivot currency selected earlier. The description of the contra currency is populated automatically based on the currency definition. Add or delete contra currencies in the Contra Currencies region of the Rate Types page.

Enable Cross Rates and Allow Cross Rate Overrides

Check the Enable Cross Rates check box to calculate conversion rates based on defined currency rate relationships. General Ledger calculates cross rates based on your defined cross rate rules. Associate your cross rate rules with a conversion rate type, pivot currency, and contra currencies. Cross rates facilitate the creation of daily rates by automatically creating the rates between contra currencies based on their relationship to a pivot currency. If the Enable Cross Rates option is deselected after entering contra currencies, the application stops calculating cross rates going forward for that particular rate type. All the earlier calculated cross rates for that rate type remain in the database unless you manually delete them.
For example, if you have daily rates defined for the pivot currency, USD to the contra currency, EUR, and USD to another contra currency, CAD, the application automatically creates the rates between EUR to CAD and CAD to EUR. You don’t have to manually define the EUR to CAD and CAD to EUR rates.

Select the **Allow Cross Rates Override** check box to permit your users to override application generated cross rates. If you accept the default of not selected, the application generated cross rates cannot be overridden.

**Maintain Cross Rate Rules**
Define or update your cross rate rules at any time by adding or removing contra currency assignments. Add a contra currency to a cross rate rule and run the Daily Rates Import and Calculation process to generate the new rates. If you remove a cross rate rule or a contra currency from a rule, any cross rates generated previously for that contra currency remain unless you manually delete them. Changes to the rule aren’t retroactive and don’t affect previously stored cross rates. The Cross Rate process generates as many rates as possible and skips currencies where one component of the set is missing.

**Note:** With a defined web service that extracts daily currency conversion rates from external services, for example Reuters, currency conversion rates are automatically updated for the daily rates and all cross currency relationships.

**Examples of Using Conversion Rate Types in a Journal**
The four predefined conversion rate types are:

- Spot
- Corporate
- User
- Fixed

**Scenario**
You are the general ledger accountant for Vision US Inc. You are entering a journal entry to capture three transactions that were transacted in three different foreign currencies.

- Canadian Dollar CAD: A stable currency
- Mexican Peso MXP: A fluctuating currency
- Hong Kong Dollar HKD: An infrequently used currency

You enter two journal lines with accounts and amounts for each foreign currency transaction. Based on your company procedures, you select the rate type to populate the rate for **Corporate** and **Spot** rate types from your daily rates table. You manually enter the current rate for the **User** rate type.

The following table lists the currency, the rate type that you select, and the reasons for the rate type selection.

<table>
<thead>
<tr>
<th>Selected Currency</th>
<th>Selected Rate Type</th>
<th>Reason</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAD</td>
<td>Corporate</td>
<td>Entered a periodic type of transaction. Your company has established a daily rate to use for the entire month across divisions for all transactions in Canadian dollars, a stable currency that fluctuates only slightly over the month.</td>
</tr>
<tr>
<td>Selected Currency</td>
<td>Selected Rate Type</td>
<td>Reason</td>
</tr>
<tr>
<td>-------------------</td>
<td>-------------------</td>
<td>--------</td>
</tr>
<tr>
<td>MXP</td>
<td>Spot</td>
<td>Entered a periodic type of transaction. Your company enters daily rates each day for the Mexican peso because the currency is unstable and fluctuates.</td>
</tr>
<tr>
<td>HKD</td>
<td>User</td>
<td>Entered a one time transaction. Your company does not maintain daily rates for Hong Kong dollars.</td>
</tr>
</tbody>
</table>

Your company does not currently use the **Fixed** rate type. From January 1, 1999, the conversion rate of the French franc FRF against the Euro EUR was a fixed rate of 1 EUR to 6.55957 FRF. Your French operations were started in 2007, so you maintain all your French business records in the Euro.

**FAQs for Conversion Rate Types**

**What's the difference between spot, corporate, user, and fixed rate types?**
Spot, corporate, user, and fixed conversion rate types differ based on fluctuations of the entered foreign currency and your company procedures for maintaining daily rates.

- **Spot:** For currencies with fluctuating conversion rates, or when exact currency conversion is needed.
- **Corporate:** For setting a standard rate across your organization for a stable currency.
- **User:** For infrequent entries where daily rates for the entered foreign currency aren’t set up.
- **Fixed:** For rates where the conversion is constant between two currencies.

If you have infrequent foreign currency transactions, the User rate type can simplify currency maintenance. The User rate type can also provide an accurate conversion rate on the date of the transaction.

**Daily Rates**

**Overview of GL Currency Rates Upload**

Oracle Cloud ERP has various options to load currency rates. In Oracle Cloud ERP, daily currency conversion rates can be maintained between any two currencies. You can enter daily conversion rates for specific combinations of foreign currency, date, and conversion rate type. Oracle Cloud ERP automatically calculates inverse rates. You can override the inverse rates that are automatically calculated.

The three different methods of loading currency rates are:

3. Automatic load using web services.
Enter Daily Rates Using the Daily Rates Spreadsheet

You are required to enter the daily rates for currency conversion from Great Britain pounds sterling (GBP) to United States dollars (USD) for 5 days.

To load rates using the Create Daily Rates Spreadsheet, you must first install Oracle ADF Desktop Integration client software. Oracle ADF Desktop Integration is an Excel add-in that enables desktop integration with Microsoft Excel workbooks. You can download the installation files from the Tools work area by selecting Download Desktop Integration Installer.

Entering Daily Rates

1. From the General Accounting work area, select the Period Close link.
2. From the Tasks panel, click the Manage Currency Rates link.
   Use the Currency Rates Manager page to create, edit, and review currency rate types, daily rates, and historical rates.
3. Click the Daily Rates tab.
   Use the Daily Rates tab to review and enter currency rates.
4. Click the Create in Spreadsheet button.
   Use the Create Daily Rates spreadsheet to enter daily rates in a template that you can save and reuse.
5. Click in the From Currency field. Select the GBP - Pound Sterling list item.
6. Click in the To Currency field. Select the USD - US Dollar list item.
7. Click in the Conversion Rate field. Select the Spot list item.
8. Click in the From Conversion field. Enter a valid value: 10/2/2017.
9. Click in the To Conversion Date field. Enter a valid value: 10/6/2017.
10. Click in the Conversion Rate field. Enter a valid value: 1.6.
11. Click Submit and click OK twice.
12. Review the Record Status column to verify that all rows were inserted successfully.
13. Save the template to use to enter daily rates frequently. You can save the spreadsheet to a local drive or a shared network drive.
14. Optionally, edit the rates from the Daily Rates user interface or resubmit the spreadsheet.

Related Topics

- Guidelines for Using Desktop Integrated Excel Workbooks

How Daily Rate Import Data Is Processed

Use the Import and Calculate Daily Rate file-based data import to upload daily currency conversion rates into Oracle Fusion General Ledger. You can download a daily rates spreadsheet template to use to prepare your currency data. The template contains an instruction sheet to help guide you through the process of entering your daily rates information.

To access the template, complete the following steps:

1. Navigate to the File-Based Data Import for Oracle Financials Cloud guide.
2. In the Table of Contents, click File-Based Data Imports.
3. Click Import and Calculate Daily Rates.
4. In the File Links section, click the link to the Excel template.
Follow these guidelines when preparing your data in the worksheet:

- Enter the required information for each column. Refer to the tool tips on each column header for detailed instructions.
- Do not change the order of the columns in the template.
- You can hide or skip the columns you do not use, but do not delete them.

**Settings That Affect the Daily Rate Import Process**

The Import and Calculate Daily Rates template contains an instructions tab and a tab that represents the table where the data is loaded.

The Instructions and CSV Generation tab contains information about:

- Preparing and verifying the currency daily rates data.
- Understanding the format of the template.
- Entering daily rates.
- Loading the data into the interface table and the product.

The GL_DAILY_RATES_INTERFACE tab is where you enter information about the daily rates that you are adding, such as the currencies, conversion date range, and rate. After you add the data, you can validate the information and check for errors by clicking the **Validate Daily Rates** button. The validation checks for issues such as invalid date format and overlapping date ranges.

**How Daily Rates Import Data Is Processed**

To load the data into the interface table and into the product:

1. Click the **Generate Daily Rates** button on the GL_DAILY_RATES_INTERFACE tab to create a CSV file in a .zip file format.
2. Save the .zip file locally.
3. Navigate to the Scheduled Processes work area.
4. Select the **Load Interface File for Import** process.
5. For the **Import Process** parameter, select **Import and Calculate Daily Rates**.
6. For the **Data File** parameter, select the file that you saved in step 2.
7. If the process ends in error or warning, review the log and output files for details about the rows that caused the failure. Correct the data in the worksheet and import the data again.

The **Load Interface File for Import** process loads the data from the uploaded .zip file to the GL_DAILY_RATES_INTERFACE interface table and submits the **Import and Calculate Daily Rates** process. This process imports the currency conversion rates information from the interface table into General Ledger. You can review the rates on the Currency Rates Manager page, which you open using the Manage Daily Rates task.

**Related Topics**

- [File-Based Data Import for Oracle Financials Cloud](#)

**Load Daily Rates Automatically Using Web Services**

If you have a rate subscription source that provides daily rates, use a web service to fully automate the loading of the rates using the file-based data import. The external web service FinancialUtilService enables you to upload data files to Oracle Universal Content Management, and launch the processes to import the rates to Oracle Cloud ERP.
Scenario
You are setting up an automatic process to load your company’s daily rates.

Process Steps:

1. Get the rates file from the designated external source.

   If you have a rate subscription source that provides daily rates, then you can call a web service to collect the file and feed into Oracle Data Integrator, or alternatively, to temporary storage in Oracle Universal Content Management that in turn can be fed into Oracle Data Integrator for further processing.

2. Prepare and validate the data.

   You would perform data transformation to fit the format of the spreadsheet template. These data processing steps can be accomplished using Oracle Data Integrator.

   The .csv data file has to be provided and transformed in the specific format, in the exact column sequence as in the .xlsm file and data types as expected. For example, the .csv file provides columns such as from and to currency, dates in canonical format, conversion rate type, and the rate.

3. Call the web service uploadFileToUcm.

   Automatically upload the formatted, validated file from Oracle Data Integrator into Oracle Universal Content Management.

4. Call the web service submitESSJobRequest.

   Submit the Load Interface File for Import process to load data into the GL Daily Rates interface table.

5. Call the web service getESSJobStatus.

   Verify the status of the request submitted in previous step. If the process ended in errors, you may have to correct them and then resubmit the process.

6. The Load Interface File for Import process from step 4 automatically submits the process to import rates from the interface table to the GL Daily Rates table.

7. Once the Import and Calculate Daily Rates process completes successfully, you can verify and review the rates on the Currency Rates Manager page.

Required Security for Loading GL Currency Rates

The following tables lists the security privileges and duties that you must be assigned for tasks related to loading rates to Oracle Cloud ERP.

<table>
<thead>
<tr>
<th>Tasks</th>
<th>Privilege</th>
<th>Duties</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creating rate types</td>
<td>Define Conversion Rate Type</td>
<td>Daily Rates Administration, General Accounting Manager</td>
</tr>
<tr>
<td>Maintaining daily conversion rates</td>
<td>Maintain Daily Conversion Rate</td>
<td>Daily Rates Administration, General Accounting Manager</td>
</tr>
<tr>
<td>Importing rate to Cloud ERP</td>
<td>Run Daily Rates Import and Calculation Process</td>
<td>Daily Rates Administration, General Accounting Manager</td>
</tr>
</tbody>
</table>
Update Currency Rates

You are required to change today’s daily rates that were already entered. The rates you are changing are for currency conversion from Great Britain pounds sterling (GBP) to United States dollars (USD) for your company InFusion America.

Currency conversion rates were entered by an automatic load to the Daily Rates table. They can also be entered through a spreadsheet.

Updating Currency Rates

1. Navigate to the Period Close work area.
   Use the Period Close work area to link to close processes and currency process.
2. Click the Manage Currency Rates link.
   Use the Currency Rates Manager page to create, edit, and review currency rate types, daily rates, and historical rates.
3. Click the Daily Rates tab.
   Use the Daily Rates tab to review and enter currency rates.
4. Click the From Currency list. Select the GBP - Pound Sterling list item.
5. Click the To Currency list. Select the USD - US Dollar list item.
6. Enter the dates for the daily rates that you are changing. Enter today’s date.
7. Click the Rate Type list. Select the Spot list item.
8. Click the Search button.
9. Click in the Rate field. Enter the new rate of 1.7 in the Rate field.
10. Click in the Inverse Rate field. Enter the new inverse rate of 0.58822 in the Inverse Rate field.
11. Click the Save button.

Related Topics

- Guidelines for Using Desktop Integrated Excel Workbooks
7 Ledgers

Overview

Overview of Accounting Configuration Offerings

Use the Setup and Maintenance work area in Oracle Applications to manage the configuration of legal entities, ledgers, and reporting currencies. To create a legal entity or ledger, first create an implementation project. This implementation project can be populated by either adding a financial-related offering or one or more task lists.

Note: Setup tasks that are not related to the ledger or legal entity setup tasks are opened from either an implementation project or directly from the Setup and Maintenance work area.

The financial applications have two predefined implementations:

- The Oracle Accounting Hub Cloud offering is used to add the General Ledger and Subledger Accounting application features to an existing Enterprise Resource Planning (ERP) source system to enhance reporting and analysis.
- The Financials offering includes the General Ledger and Subledger Accounting application features and one or more subledger financial applications.

When adding an offering to an implementation project, update the tasks displayed by adding additional tasks.

Ledgers and Subledgers

Oracle Fusion Applications reflect the traditional segregation between the general ledger and associated subledgers. Detailed transactional information is captured in the subledgers and periodically imported and posted in summary or detail to the ledger.

A ledger determines the currency, chart of accounts, accounting calendar, ledger processing options, and accounting method for its associated subledgers. Each accounting setup requires a primary ledger and optionally, one or more secondary ledgers and reporting currencies. Reporting currencies are associated with either a primary or secondary ledger.

The number of ledgers and subledgers is unlimited and determined by your business structure and reporting requirements.

Single Ledger

If your subsidiaries all share the same ledger with the parent company or they share the same chart of accounts and calendar, and all reside on the same applications instance, you can consolidate financial results in Oracle Fusion General Ledger in a single ledger. Use Oracle Fusion Financial Reporting functionality to produce individual entity reports by balancing segments. General Ledger has three balancing segments that can be combined to provide detailed reporting for each legal entity and then rolled up to provide consolidated financial statements.
Multiple Ledgers
Accounting operations using multiple ledgers can include single or multiple applications instances. You need multiple ledgers if one of the following is true:

- You have companies that require different account structures to record information about transactions and balances. For example, one company may require a six-segment account, while another needs only a three-segment account structure.
- You have companies that use different accounting calendars. For example, although companies may share fiscal year calendars, your retail operations require a weekly calendar, and a monthly calendar is required for your corporate headquarters.
- You have companies that require different functional currencies. Consider the business activities and reporting requirements of each company. If you must present financial statements in another country and currency, consider the accounting principles to which you must adhere.

Subledgers
Oracle Fusion Subledgers capture detailed transactional information, such as supplier invoices, customer payments, and asset acquisitions. Oracle Fusion Subledger Accounting is an open and flexible application that defines the accounting rules, generates detailed journal entries for these subledger transactions, and posts these entries to the general ledger with flexible summarization options to provide a clear audit trail.

Primary Ledgers, Secondary Ledgers, and Reporting Currencies
Companies account for themselves in primary ledgers, and, if necessary, secondary ledgers and reporting currencies. Transactions from your subledgers are posted to your primary ledgers and possibly, secondary ledgers or reporting currencies based on balance, subledger, or journal level settings. Local and corporate compliance can be achieved through an optional secondary ledger. Provide an alternate accounting method, or in some cases, a different chart of accounts. Your subsidiary’s primary and secondary ledgers can both be maintained in your local currency. You can convert your local currency to your parent’s ledger currency to report your consolidated financial results using reporting currencies or translation.

Primary Ledgers
A primary ledger:

- Is the main record-keeping ledger.
- Records transactional balances by using a chart of accounts with a consistent calendar and currency, and accounting rules implemented in an accounting method..
- Is closely associated with the subledger transactions and provides context and accounting for them.

To determine the number of primary ledgers, your enterprise structure analysis must begin with your financial, legal, and management reporting requirements. For example, if your company has separate subsidiaries in several countries worldwide, enable reporting for each country’s legal authorities by creating multiple primary ledgers that represent each country with the local currency, chart of accounts, calendar, and accounting method. Use reporting currencies linked to your country-specific primary ledgers to report to your parent company from your foreign subsidiaries. Other considerations that affect the number of primary ledgers required are:

- Corporate year end
- Ownership percentages
- Local government regulations and taxation
Secondary ledgers

Secondary Ledgers

A secondary ledger:

- Is an optional ledger linked to a primary ledger for the purpose of tracking alternative accounting.
- Can differ from its primary ledger by using a different accounting method, chart of accounts, accounting calendar, currency, or processing options.

When you set up a secondary ledger using the Manage Secondary Ledger task, you select a data conversion level. The data conversion level determines what level of information is copied to the secondary ledger. You can select one of the following levels: Balance, Journal, Subledger, or Adjustment Only.

- **Balance**: When you run the Transfer Balances to Secondary Ledger process, balances are transferred from the primary ledger to the secondary ledger.

- **Journal**: When you post journals in the primary ledger, the posting process copies the journals to the secondary ledger for the sources and categories that you specify in the Journal Conversion Rules section on the Map Primary to Secondary Ledger page.

  In the Journal Conversion Rules section, you can do one of the following:

  - Accept the default setting of Yes for the journal source and category combination of Other, and then specify the source and category combinations to exclude from the conversion.
  - Set the journal source and category combination of Other to No, and then specify the source and category combinations to include in the conversion.

- **Subledger**: When you run the Create Accounting process in the primary ledger, the process creates subledger journals for both the primary and secondary ledgers. When you run the Post Journals process in the primary ledger for journals that are created through methods other than the Create Accounting process, the posting process copies the primary ledger journals to the secondary ledger. For any journals that you don't want copied by posting, you can change the settings in the Journal Conversion Rules section on the Map Primary to Secondary Ledger page. To prevent duplication, posting doesn't copy any journal that originated from subledgers, regardless of the settings in the Journal Conversion Rules section.

  **Caution**: You don't have to specify journal conversion rules for your subledgers because journal conversion rules are applicable only to postings from Oracle Fusion General Ledger. The Create Accounting process automatically produces accounting for both the primary and the secondary ledger, regardless of the journal conversion rule settings.

- **Adjustment Only**: This level is an incomplete accounting representation that holds only adjustments. The adjustments can be entered as manual journals in General Ledger. This type of secondary ledger must share the same chart of accounts, accounting calendar, period type, and currency as the associated primary ledger.

  **Tip**: To obtain a complete secondary accounting representation that includes both transactional data and adjustments, use ledger sets to combine the ledgers when running reports.

**Example**

Your primary ledger uses US Generally Accepted Accounting Principles (GAAP) and you maintain a secondary ledger for International Financial Reporting Standards (IFRS) accounting requirements. You first decide to use the subledger conversion level for the IFRS secondary ledger. However, since most of the accounting between US GAAP and IFRS is identical, the adjustment only level is the better solution for the secondary ledger. The subledger level requires duplication of most
subledger and general ledger journal entries and general ledger balances. The adjustment only level transfers only the adjustment journal entries and balances necessary to convert your US GAAP accounting to the IFRS accounting. Thus, requiring less processing resources.

**Tip:** To avoid difficult reconciliations, use the same currency for primary and secondary ledgers. Use reporting currencies or translations to generate the different currency views to comply with internal reporting needs and consolidations.

### Reporting Currencies

Reporting currencies maintain and report accounting transactions in additional currencies. Consider the following before deciding to use reporting currencies.

- Each primary and secondary ledger is defined with a ledger currency that is used to record your business transactions and accounting data for that ledger.
- Best practices recommend that you maintain the ledger in the currency in which the majority of its transactions are denominated. For example, create, record, and close a transaction in the same currency to save processing and reconciliation time.
- Compliance, such as paying local transaction taxes, is also easier using a local currency.
- Many countries require that your accounting records be kept in their national currency.

If you maintain and report accounting records in different currencies, you do this by defining one or more reporting currencies for the ledger. When you set up a reporting currency using the Manage Reporting Currency task, you select a currency conversion level. The currency conversion level determines what level of information is copied to the reporting currency. You can select one of the following levels: **Balance, Journal, Subledger.**

- **Balance:** When you run the Translate General Ledger Account Balances process, balances are transferred from the specified ledger to the reporting currency and converted.
- **Journal:** When you post journals, the posting process copies the journals to the reporting currency for the sources and categories that you specify in the Journal Conversion Rules section on the Create or Edit Reporting Currency pages.

  In the Journal Conversion Rules section, you can do one of the following:

  - Accept the default setting of **Yes** for the journal source and category combination of **Other**, and then specify the source and category combinations to exclude from the conversion.
  - Set the journal source and category combination of **Other** to **No**, and then specify the source and category combinations to include in the conversion.

- **Subledger:** When you run the Create Accounting process in the primary ledger, the process creates subledger journals for both the primary ledger and the reporting currency. When you run the Post Journals process in the primary ledger for journals that are created through methods other than the Create Accounting process, the posting process copies the primary ledger journals to the reporting currency. For any journals that you don’t want copied by posting, you can change the settings in the Journal Conversion Rules section on the Edit Reporting Currency page. To prevent duplication, posting doesn’t copy any journal that originated from subledgers, regardless of the settings in the Journal Conversion Rules section.

**Caution:** You don’t have to specify journal conversion rules for your subledgers because journal conversion rules are applicable only to postings from Oracle Fusion General Ledger. The Create Accounting process automatically produces accounting for both the primary ledger and the reporting currency, regardless of the journal conversion rule settings.
**Note:** A full accounting representation of your primary ledger is maintained in any subledger level reporting currency. Secondary ledgers cannot use subledger level reporting currencies.

Do not use journal or subledger level reporting currencies if your organization translates your financial statements to your parent company’s currency for consolidation purposes infrequently. Standard translation functionality meets this need. Consider using journal or subledger level reporting currencies when any of the following conditions exist.

- You operate in a country whose unstable currency makes it unsuitable for managing your business. As a consequence, you manage your business in a more stable currency while retaining the ability to report in the unstable local currency.
- You operate in a country that is part of the European Economic and Monetary Union (EMU), and you select to account and report in both the European Union currency and your National Currency Unit.

**Note:** The second option is rare since most companies have moved beyond the initial conversion to the EMU currency. However, future decisions could add other countries to the EMU, and then, this option would again be used during the conversion stage.

**Related Topics**

- What's the difference between mapping with segment rules and mapping with account rules
- When do account rules override segment rules in a chart of accounts mapping

**Ledgers, Legal Entities, Balancing Segments, and Business Units**

The process of designing an enterprise structure, including the accounting configuration, is the starting point for an implementation. This process often includes determining financial, legal, and management reporting requirements, setting up primary and secondary ledgers, making currency choices, and examining consolidation considerations.

Primary ledgers are connected to reporting currencies and secondary ledgers to provide complete reporting options. You map the chart of accounts for the primary ledger to the chart of accounts for the secondary ledger. Legal entities are assigned to ledgers, both primary and secondary, and balancing segments are assigned to legal entities. Business units must be connected to both a primary ledger and a default legal entity. Business units can record transactions across legal entities.
The following figure provides an example of an enterprise structure with primary ledgers, secondary ledgers, a reporting currency, legal entities, business units, and balancing segments, and shows their relationships to one another.

Primary Ledgers

A primary ledger is the main record-keeping ledger. Create a primary ledger by combining a chart of accounts, accounting calendar, ledger currency, and accounting method. To determine the number of primary ledgers, your enterprise structure analysis must begin with determining financial, legal, and management reporting requirements. For example, if your company has separate subsidiaries in several countries worldwide, create multiple primary ledgers representing each country with the local currency, chart of accounts, calendar, and accounting method to enable reporting to each country’s legal authorities.

If your company just has sales in different countries, with all results being managed by the corporate headquarters, create one primary ledger with multiple balancing segment values to represent each legal entity. Use secondary ledgers or reporting currencies to meet your local reporting requirements, as needed. Limiting the number of primary ledgers simplifies reporting because consolidation is not required. Other consideration such as corporate year end, ownership considerations, and local government regulations, also affect the number of primary ledgers required.
Secondary Ledgers

A secondary ledger is an optional ledger linked to a primary ledger. A secondary ledger can differ from its related primary ledger in chart of accounts, accounting calendar, currency, accounting method, or ledger processing options. Reporting requirements, for example, that require a different accounting representation to comply with international or country-specific regulations, create the need for a secondary ledger.

If the primary and secondary ledgers use different:

- Charts of accounts, a chart of accounts mapping is required to instruct the application on how to propagate journals from the source chart of accounts to the target chart of accounts.
- Accounting calendars, the accounting date, and the general ledger date mapping table are used to determine the corresponding nonadjusting period in the secondary ledger. The date mapping table also provides the correlation between dates and nonadjusting periods for each accounting calendar.
- Ledger currencies, currency conversion rules are required to instruct the application on how to convert the transactions, journals, or balances from the source representation to the secondary ledger.

**Note:** Journal conversion rules, based on the journal source and category, are required to provide instructions on how to propagate journals and types of journals from the source ledger to the secondary ledger.

Reporting Currencies

Reporting currencies are the currency you use for financial, legal, and management reporting. If your reporting currency is not the same as your ledger currency, you can use the foreign currency translation process or reporting currencies functionality to convert your ledger account balances in your reporting currency. Currency conversion rules are required to instruct the application on how to convert the transactions, journals, or balances from the source representation to the reporting currency.

Legal Entities

Legal entities are discrete business units characterized by the legal environment in which they operate. The legal environment dictates how the legal entity should perform its financial, legal, and management reporting. Legal entities generally have the right to own property and the obligation to comply with labor laws for their country. They also have the responsibility to account for themselves and present financial statements and reports to company regulators, taxation authorities, and other stakeholders according to rules specified in the relevant legislation and applicable accounting standards. During setup, legal entities are assigned to the accounting configuration, which includes all ledgers, primary and secondary.

Balancing Segments

You assign primary balancing segment values to all legal entities before assigning values to the ledger. Then, assign specific primary balancing segment values to the primary and secondary ledgers to represent nonlegal entity related transactions such as adjustments. You can assign any primary balancing segment value that has not already been assigned to a legal entity. You are allowed to assign the same primary balancing segment values to more than one ledger. The assignment of primary balancing segment values to legal entities and ledgers is performed within the context of a single accounting setup. The Balancing Segment Value Assignments report is available to show all primary balancing segment values assigned to legal entities and ledgers across accounting setups to ensure the completeness and accuracy of their assignments. This report allows you to quickly identify these errors and view any unassigned values.

Business Units

A business unit is a unit of an enterprise that performs one or many business functions that can be rolled up in a management hierarchy. When a business function produces financial transactions, a business unit must be assigned a primary ledger, and a default legal entity. Each business unit can post transactions to a single primary ledger, but it can process transactions for
many legal entities. Normally, it has a manager, strategic objectives, a level of autonomy, and responsibility for its profit and loss. You define business units as separate tasks generally done after the accounting setups steps.

The business unit model:

- Allows for flexible implementation
- Provides a consistent entity for controlling and reporting on transactions
- Enables sharing of sets of reference data across applications

For example, if your company requires business unit managers to be responsible for managing all aspects of their part of the business, then consider using two balancing segments, company and business unit to enable the production of business unit level balance sheets and income statements.

Transactions are exclusive to business units. In other words, you can use business unit as a securing mechanism for transactions. For example, if you have an export business that you run differently from your domestic business, use business units to secure members of the export business from seeing the transactions of the domestic business.

Create a Primary Ledger

Create a primary ledger as your main record-keeping ledger. A primary ledger records transactional balances by using a chart of accounts with a calendar, currency, and accounting rules implemented in an accounting method. The primary ledger is closely associated with the subledger transactions and provides context and accounting for them.

Scenario

You have been assigned the task of creating a primary ledger for your company Vision Corporation.

1. In the Setup and Maintenance work area, go to the following:
   - Offering: Financials
   - Functional Area: General Ledger
   - Task: Manage Primary Ledger

2. Click the Create icon.
3. Complete the fields, as shown in this table.

<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td>Vision Corporation</td>
</tr>
<tr>
<td>Description</td>
<td>Vision Corporation primary ledger for recording transactions.</td>
</tr>
<tr>
<td>Chart of Accounts</td>
<td>Vision Corporation Chart of Accounts</td>
</tr>
<tr>
<td>Accounting Calendar</td>
<td>Standard Monthly</td>
</tr>
<tr>
<td>Currency</td>
<td>USD</td>
</tr>
<tr>
<td>Accounting Method</td>
<td>Standard Accrual</td>
</tr>
</tbody>
</table>
4. Click **Save and Close**.

**Note:** You can't change the chart of accounts, accounting calendar, or currency for your ledger after you save the ledger.

**Related Topics**
- Update Existing Setup Data

---

**Ledger Options**

**Specify Ledger Options**

This example demonstrates specifying the ledger options for a primary ledger. Your company, InFusion Corporation, is a multinational conglomerate that operates in the United States (US) and the United Kingdom (UK). InFusion has purchased an Oracle Fusion Enterprise Resource Planning (ERP) solution including Oracle Fusion General Ledger and all of the Oracle Fusion subledgers.

After defining your InFusion America Primary Ledger, in the Setup and Maintenance work area, go to the following:

- Offering: Financials
- Functional Area: General Ledger
- Task: Specify Ledger Options, with the ledger scope set

**Note:** Both primary and secondary ledgers are created in the same way and use the same user interface to enable their specific ledger options.

**Reviewing General Options**

1. Accept the default name and description for the selected ledger.
2. Review the currency and chart of accounts for the specified ledger, which are automatically provided.

**Setting Accounting Calendar Options**

1. Review the accounting calendar that defaults from your ledger.
2. Select **Jan-2017** as the first open period for your ledger.
   
   Select a period after the first defined period in the ledger calendar to enable running translation. You can't run translation in the first defined period of a ledger calendar. In this example, your calendar began with Jan-2016.
3. Enter **3** in the **Number of Future Enterable Periods** field.
   
   Any value between 0 and 999 periods can be specified to permit entering journals, but not posting them in future periods. Minimize the number of open and future periods to prevent entries in the wrong period.

**Selecting Subledger Accounting Options**

1. Accept the default accounting method from your ledger.
2. Select **US American English** as your journal language.
Completing the Period Close Options

1. Enter your retained earnings account: 101-00-31330000-0000-0000-0000-0000.
   This account is required. General Ledger moves the revenue and expense account balances to this account at the end of the accounting year.

2. Enter your cumulative translation adjustment account: 101-00-31350000-0000-0000-0000-0000.
   The Cumulative Translation Adjustment (CTA) account is required for ledgers running translation.

3. Don’t enter a value for the Default Period End Rate Type or Default Period Average Rate Type fields.
   The values entered here are used as the default for balance level reporting currency processing. InFusion America Primary Ledger is using the subledger level reporting currency processing.

Specifying Journal Processing Options

1. Complete the fields, as shown in this table.

<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enable Suspense</td>
<td>General Ledger</td>
</tr>
<tr>
<td>Default Suspense Account</td>
<td>101-00-98199999-0000-0000-0000-0000</td>
</tr>
<tr>
<td>Rounding Account</td>
<td>101-10-98189999-0000-0000-0000-0000</td>
</tr>
<tr>
<td>Entered Currency Balancing Account</td>
<td>101-10-98179999-0000-0000-0000-0000</td>
</tr>
<tr>
<td>Balancing Threshold Percent</td>
<td>10</td>
</tr>
</tbody>
</table>

2. Enable the following entry and import options:
   - Enable journal approval: Enable the journal approval functionality.
   - Notify when prior period journal is entered: Notify the user when a prior period date is selected on a journal entry.
   - Allow mixed and statistical journals: Enter both monetary and statistical amounts on the same line in a journal entry.
   - Validate reference date: Require a reference date in an open or future enterable period.
   - Separate journals by accounting date during journal import: Create individual journal entries for each accounting date.

3. Select InFusion America Accrual Set from the list of values in the Journal Reversal Criteria Set field and click the Run AutoReverse after open period option to reverse accrual journal entries automatically when a new period is opened.

4. Click the Enable intercompany accounting option to enable automatic balancing for primary, second, and third balancing segments on intercompany journals and transactions.
   To complete the intercompany accounting functionality, you must define intercompany rules.
Note:

- This example describes setting options for a standard ledger. You can convert a standard ledger to an average daily balance ledger before the first period is opened by selecting the **Enable average balances** check box on the Specify Ledger Options page.
- You can also convert an average daily balance ledger to a standard ledger before submitting the Review and Submit Accounting Configuration task, provided the average daily balance ledger was not created through the rapid implementation process.

**Related Topics**

- How Single Currency Journals Are Balanced
- How MultiCurrency Journals Are Balanced

## Assign Legal Entities and Balancing Segments

Optionally, assign legal entities and balancing segments to your accounting configuration.

### Assign Legal Entities

Assign one or more legal entities to your accounting configuration by following these steps:

1. In the Setup and Maintenance work area, go to the following:
   - Offering: Financials
   - Functional Area: General Ledger
   - Task: Assign Legal Entities, with the ledger scope set
2. Click the **Select and Add** icon.
3. Enter your legal entity information.
4. Click **Apply**.
5. Click **Done**.
6. Click **Save and Close**.

### Assign Balancing Segments to Legal Entities

Assign balancing segment values to your legal entities by following these steps:

1. In the Setup and Maintenance work area, go to the following:
   - Offering: Financials
   - Functional Area: General Ledger
   - Task: Assign Balancing Segment Values to Legal Entities, with the ledger scope set
2. Click the **Create** icon.
3. Select the balancing segment value. Optionally, add a start date.
4. Click **Save and Close** to close the Assign Company Values window.
5. Click **Save and Close**.
Assign Balancing Segments to Ledgers

Assign balancing segment values directly to your ledger by following these steps:

1. In the Setup and Maintenance work area, go to the following:
   - Offering: Financials
   - Functional Area: General Ledger
   - Task: Assign Balancing Segment Value to Ledger, with the ledger scope set
2. Select the balancing segment value.
3. Optionally enter a start date.
4. Click **Save and Close**.

> **Note:** The balancing segment values that are assigned to the ledger represent nonlegal entity transactions, such as adjustments. If you use legal entities, you must assign balancing segment values to all legal entities before assigning values to the ledger. The only available balancing segment values that can be assigned to ledgers are those not assigned to legal entities.

**Related Topics**

- Overview of Balancing Segments
- Update Existing Setup Data

Legal Entity and Balancing Segment Assignment

Assign Legal Entities and Balancing Segments

Optionally, assign legal entities and balancing segments to your accounting configuration.

**Assign Legal Entities**

Assign one or more legal entities to your accounting configuration by following these steps:

1. In the Setup and Maintenance work area, go to the following:
   - Offering: Financials
   - Functional Area: General Ledger
   - Task: Assign Legal Entities, with the ledger scope set
2. Click the **Select and Add** icon.
3. Enter your legal entity information.
4. Click **Apply**.
5. Click **Done**.
6. Click **Save and Close**.
Assign Balancing Segments to Legal Entities

Assign balancing segment values to your legal entities by following these steps:

1. In the Setup and Maintenance work area, go to the following:
   - Offering: Financials
   - Functional Area: General Ledger
   - Task: Assign Balancing Segment Values to Legal Entities, with the ledger scope set
2. Click the Create icon.
3. Select the balancing segment value. Optionally, add a start date.
4. Click Save and Close to close the Assign Company Values window.
5. Click Save and Close.

Assign Balancing Segments to Ledgers

Assign balancing segment values directly to your ledger by following these steps:

1. In the Setup and Maintenance work area, go to the following:
   - Offering: Financials
   - Functional Area: General Ledger
   - Task: Assign Balancing Segment Value to Ledger, with the ledger scope set
2. Select the balancing segment value.
3. Optionally enter a start date.
4. Click Save and Close.

Note: The balancing segment values that are assigned to the ledger represent nonlegal entity transactions, such as adjustments. If you use legal entities, you must assign balancing segment values to all legal entities before assigning values to the ledger. The only available balancing segment values that can be assigned to ledgers are those not assigned to legal entities.

Related Topics

- Overview of Balancing Segments
- Update Existing Setup Data

Reporting Currency Balances

How Balances for Reporting Currencies Are Calculated

Reporting currency balances, set at the journal or subledger level, are updated when General Ledger journals are posted and converted to your reporting currencies. This process includes:

- General Ledger manual journals, periodic journals, and allocations.
- At the subledger level, journals from Oracle Fusion Subledger Accounting.
• Other journals imported from sources other than your Oracle Fusion subledgers.

When you post a journal in a ledger that has one or more reporting currencies defined, the posting process:
• Creates journals converted to each of your reporting currencies.
• Includes them in the same batch as the original journal with a status of Posted.

Settings That Affect Reporting Currency Balances
Reporting currencies share a majority of the ledger options with their source ledger. For example, the reporting currency uses the same suspense account and retained earnings accounts as its source ledger. However, there are certain options that must be set specifically for reporting currencies, such as the currency conversion level. The currency conversion levels are Balance, Journal, and Subledger.

⚠️ **Note:** Secondary ledgers can’t use subledger level reporting currencies.

Multiple dependencies exist between a reporting currency and its source ledger. Therefore, complete your period opening tasks, daily journal or subledger level reporting currencies accounting tasks, and period closing tasks in the correct order. The following table describes some of the tasks for each task type.

<table>
<thead>
<tr>
<th>Type</th>
<th>Tasks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Period Opening</td>
<td>Open the accounting period in both your ledger and reporting currencies before you create or import journals for the period. Converted journals are only generated in your reporting currency if the period is open or future enterable.</td>
</tr>
<tr>
<td>Daily</td>
<td>Enter daily conversion rates to convert journals to each of the reporting currencies.</td>
</tr>
</tbody>
</table>
| Period Closing  | • Finish entering all regular and adjusting journals for the period in your ledger.  
• Post all unposted journals in your ledger if not already done in the previous step.  
• Post all unposted journals in your reporting currencies if not already done in the previous step.  
• Run revaluation in both your ledger and reporting currencies. Post the resulting revaluation batches in each ledger.  
• As needed, translate balances in your ledger.  
• Generate needed reports from both your ledger and reporting currencies.  
• Close your accounting period in both your ledger and reporting currencies. |

How Reporting Currencies Are Calculated
If you use reporting currencies at the journal or subledger level, journals are posted in your reporting currency when you:
• Create accounting.  
• Post journal entries.  
• Translate balances.

General Ledger and Subledger Accounting automatically generate journals in your reporting currencies where the entered currency amounts are converted to the reporting currency amounts. Other factors used in the calculation of reporting currency balances are listed:
• Manual Journals: Enter a manual journal batch in your reporting currency at the journal or subledger level by using the Create Journals page. Select the journal or subledger level reporting currency from the ledger’s list of values. Continue in the same manner as entering any other manual journal.
• Conversion Rounding: Use the reporting currency functionality to round converted and accounted amounts using the same rounding rules used throughout your Oracle Fusion Applications. The reporting currency functionality considers several factors that are a part of the currencies predefined in your applications, including:
  
  o Currency Precision: Number of digits after the decimal point used in currency transactions.
  
  o Minimum Accountable Unit: Smallest denomination used in the currency. This might not correspond to the precision.

• Converted Journals: Generate and post automatically journals in your reporting currencies when you post the original journals in the source ledger for the following types of journals:
  
  o Manual journals
  
  o Periodic and allocation journals
  
  o Unposted journals from non-Oracle subledger applications
  
  o Unposted journals from any Oracle Fusion subledger that does not support reporting currency transfer and import
  
  o Optionally, revaluation journals

• Unconverted Journals: Rely on the subledger accounting functionality to convert and transfer Oracle Fusion subledger journals, for both the original journal and the reporting currency journal, to the General Ledger for import and posting. The reporting currency conversion for these journals is not performed by the General Ledger.

• Approving Journals: Use the journal approval feature to process reporting currency journals through your organization’s approval hierarchy. You can enable journal approval functionality separately in your source ledger and reporting currencies.

• Document Numbers: Accept the default document numbers assigned by the General Ledger application to your journal when you enter a journal in your ledger. The converted journal in the reporting currency is assigned the same document number. However, if you enter a journal in the reporting currency, the document number assigned to the journal is determined by the reporting currency.

• Sequential Numbering: Enable sequential numbering to maintain the same numbering in your reporting currency and source ledger for journals, other than those journals for Oracle Fusion subledgers. Do not create separate sequences for your reporting currencies. If you do, the sequence defined for the reporting currencies is used. The sequences can cause the document numbers not to be synchronized between the ledger and reporting currencies.

> **Note:** General Ledger enters a document number automatically when you save your journal if:

  o The Sequential Numbering profile option is set to **Always Used** or **Partially Used**.

  o Automatic document numbering sequence is defined.

  If you use manual numbering, you can enter a unique document number.

• Revaluation: Run periodically revaluation in your ledger and reporting currencies as necessary to satisfy the accounting regulations of the country in which your organization operates.

• Account Inquiries: Perform inquires in the reporting currency. You can:
  
  o Drill down to the journal detail for the reporting currency balance.
  
  o Drill down to see the source ledger currency journal amounts from any automatically converted journal that was created when the original journal posted.
Note: Be careful when changing amounts in a reporting currency, since the changes are not reflected in your source ledger. Making journal entry changes to a reporting currency makes it more difficult to reconcile your reporting currency to your source ledger. In general, enter or change your journals in your source ledger, and then allow posting to update the reporting currency.

Note: If you use journal or subledger level reporting currencies, statistical journals are generated for your reporting currencies, but the journals are not converted.

Accounting Configuration Review and Submission

Overview of Oracle General Ledger Balances Cubes

A balances cube stores financial balances in a multidimensional database for interactive reporting and analysis.

A ledger has a chart of accounts, calendar, currency, and accounting method. When the accounting configuration process is submitted for a primary or secondary ledger that uses a new unique combination of chart of accounts and calendar, a balances cube is created.
The following figure shows the components of a ledger and that the accounting configuration process creates the balances cube.

Balance cubes are named after the chart of accounts they contain.

A balances cube:

- Stores financial balances in a multidimensional cube for real time, interactive financial reporting and analysis.
- Preaggregates balances at every possible point of summarization, ensuring immediate access to financial data and eliminating the need for an external data warehouse for financial reporting.
- Is uniquely identified by a combination of the chart of accounts and accounting calendar. Average balances are tracked in a separate balances cube.
- Is automatically synchronized by the following general ledger processes: posting, open period, and translation.
- Consists of a set of defining business entities called dimensions. Dimensions in a cube determine how data is accumulated for reporting and analytical purposes.
- Are referred to as an application or database connection in the user interfaces for Financial Reports, Smart View, and Calculation Manager.
Dimensions for Standard Balance Cubes

A balances cube consists of a set of defining business entities called dimensions. These dimensions are available for creating financial reports, Smart View queries, and allocations using multidimensional cubes.

The following table describes the dimensions and provides example values.

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Description</th>
<th>Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounting Period</td>
<td>Based upon the calendar of the ledger or ledger set. Report on years, quarters, or periods.</td>
<td>• 2012&lt;br&gt;• Quarter-1&lt;br&gt;• Jan-12</td>
</tr>
<tr>
<td>Ledger or Ledger Set</td>
<td>Used to select a ledger for the reporting. Multiple ledgers may be in the same cube if they share a common chart of accounts.</td>
<td>• Vision North America Ledger Set&lt;br&gt;• Vision US Primary Ledger</td>
</tr>
<tr>
<td>Chart of Accounts Segments</td>
<td>Uses a separate dimension for each of the segments from the charts of accounts. Organized by hierarchy. A default hierarchy is provided that includes all detail segment values. Hierarchies published in the Publish Account Hierarchies user interface are included.</td>
<td>• Company: Vision America: 101&lt;br&gt;• Cost Center: Sales: 400&lt;br&gt;• Account: Cash: 1110</td>
</tr>
<tr>
<td>Scenario</td>
<td>Indicates if the balances represented are actual or budget amounts. Allocation-related dimensions are predefined members and required for allocation solutions. Allocation dimensions are not used directly by end users. Budget scenario dimension members are user-defined in the Oracle Fusion Applications value set called Accounting Scenario. The dimension members appear in the cube after running the Create Scenario Dimension Members process.</td>
<td>• Budget 2012&lt;br&gt;• Actual&lt;br&gt;• Forecast 2013</td>
</tr>
<tr>
<td>Balance Amount</td>
<td>Indicates if the value is the beginning balance, period activity, or ending balance. Debit, Credit, and Net amounts are available for reporting.</td>
<td>• Beginning Balance (DR, CR, or Net)&lt;br&gt;• Period Activity (DR, CR, or Net)&lt;br&gt;• Ending Balance (DR, CR, or Net)</td>
</tr>
<tr>
<td>Amount Type</td>
<td>Indicates whether the amounts represent Base, Period to Date, Quarter to Date, or Year to Date.</td>
<td>• Base&lt;br&gt;• PTD: Period to Date&lt;br&gt;• QTD: Quarter to Date&lt;br&gt;• YTD: Year to Date</td>
</tr>
<tr>
<td>Currency</td>
<td>Used to select the wanted currency for the balances.</td>
<td>• All ISO Currencies&lt;br&gt;• USD: US Dollar</td>
</tr>
</tbody>
</table>
### Examples of Standard and Average Balances Cubes

There are two types of Oracle Fusion General Ledger Balances cubes: Standard Balances cubes and Average Balances cubes.

#### Standard Balances Cubes

A new standard balances cube is created whenever an accounting configuration is submitted for a ledger, either primary or secondary, that uses a new unique combination of chart of accounts and accounting calendar. Cubes are named after the chart of accounts.

Two examples of standard balance cubes:

1. The chart of accounts, InFusion US Chart of Accounts has a related cube entitled, InFusion US Chart of Accounts. If a chart of accounts is used by multiple ledgers with different calendars, the cube names are distinguished by appending a number to their names.

2. The InFusion US Chart of Accounts is used by two different ledgers, each of which has a different accounting calendar, one with a standard calendar year ending December 31st and the other with a fiscal year ending May 31st. Two cubes are created. The cubes are named InFusion US Chart of Accounts and InFusion US Chart of Accounts 2.

#### Average Balances Cubes

Average balances cubes use different dimensions than the standard balances cubes therefore require their results be stored in separate cubes. If the average balances option is enabled for a ledger, a second average balances cube is automatically created based upon the same criteria of a unique combination of chart of accounts and accounting calendar. Average balances cubes are named with ADB (average daily balances) plus the name of the associated chart of accounts.

For example, for a chart of accounts, InFusion US Chart of Accounts, the average balances cube name is ADB InFusion US Chart of Accounts. Numbers are appended to the name when more than one calendar is used by the same chart of accounts. The numbering is determined and shared with the related standard balances cubes. The standard cube called InFusion US Chart of Accounts has a corresponding average balance cube entitled ADB InFusion US Chart of Accounts 3.

### Considerations for GL Balance Cube Dimension Values That Are Customer-Specific

In creating your cube, consider the dimensions that you, the customer define, and those that are partially or completely already predefined.
The Chart of Accounts and Scenario dimensions have customer-specific dimension values and require user procedures to populate the cube. The Accounting Period, Currency, and Ledger dimensions are customer-specific, but are automatically created in the cubes from the changes made in the applicable user interfaces. Other dimensions, such as Amount Type and Balance Amount have only predefined members.

Consider the following points when setting up and populating cubes for the Chart of Accounts and Scenario dimension members.

Create Account Hierarchies

Create account hierarchies for your chart of account dimensions on the Manage Account Hierarchies page or the Manage Trees and Trees Versions page after setting up your value sets, chart of accounts, and values. Create account hierarchies (trees) to identify managerial, legal, or geographical relationships between your value set values. Define date-effective tree versions to reflect organizational changes within each hierarchy over time.

Note: The tree version must be in an active or inactive status to be published. Draft versions can’t be published.

To create account hierarchies, in the Setup and Maintenance area, go to the following:

- Offering: Financials
- Functional Area: Financial Reporting Structures
- Task: Manage Account Hierarchies

Publish Account Hierarchies

After defining the tree versions, publish the account hierarchies (tree versions) to the cube. Before publishing, set the profile option called GL: Set Cube Alias to Segment Value Description. Consider the following points when setting the profile option:

- The member alias displayed in the GL balances cubes.
  - Yes: Displays only the segment value description, for example Cash.
  - No: Displays the segment value plus the segment value description, for example 1110 Cash.

- When you change the profile option setting, republish the hierarchy.

- The default value is No. No is necessary when there are duplicate segment value descriptions in the same value set. The descriptions are stored in the alias in the cube. Aliases must be unique in a dimension in the cube. For example, if the description West existed for more than two segment values in the Cost Center value set, the entire cube creation process fails.

Note: Essbase cubes display only the first 80 characters in the description, so the first 80 characters in the description must be unique.

- If duplicate segment value descriptions exist, the cube can be created with the profile set to No. At any time the value of the profile can be changed to Yes after the duplicates are removed. At that time, the account hierarchies (tree versions) must be published or republished to the cube.

- If you set the profile value to Yes, and then decide to rebuild a cube from a process run in Enterprise Scheduler, or create a cube by submitting an accounting configuration and duplicate descriptions exist, the cubes creation process errors. You have two options at that point:
  - Set the profile value to No and run the Create Cubes process. For a new ledger with a new chart of accounts and accounting calendar combination, submit the accounting configuration.
Remove the duplicates across all dimensions, not just a single segment. Then run the **Create Cubes** process or resubmit the accounting configuration.

In the Setup and Maintenance work area, go to the following:

- Offering: Financials
- Functional Area: Financial Reporting Structures
- Task: Publish Account Hierarchies

Use the Publish Account Hierarchies page to search for and publish account hierarchies.

- Select the **Publish** check box. This is the indicator of what to include in the balances cube by selecting the check box, or what you don’t want to include in balances cube by removing the check from the check box.
- Select the rows. Functionality allows for multiple rows to be selected.
- Select the **Publish** button to update the balances cubes. A process is generated.
- Monitor the process from the Scheduled Processes work area.

> **Note:** Use **Smart View** to verify that the account hierarchies were correctly published.

### Define Scenario Dimension Members

The customer-specific Scenario dimension members are defined on the Manage Value Sets and Manage Values pages in the value set called Accounting Scenario. Any customer-specific Scenario dimension is included in all balances cubes.

Best practice is to set up the customer-specific Scenario members in this value set before you create your first ledger and run the **Accounting Configuration** process, which generates your balances cubes. If the cubes already existed, you can run the **Create Scenario Dimension Members** process to update the balances cubes for the new members.

> **Note:** If you are on a release before the **Create Scenario Dimension Members** process is available, you have to rebuild the cubes with the **Create Cubes** process to add the Scenario dimension in the cube. Follow the guidelines for creating cubes before running the process.

### Related Topics

- Update Existing Setup Data

### Default Values for Standard Balance Cube Dimensions

For Standard Balances Cube dimensions, there are default values that if used in Smart View and on financial reports created in Financial Reporting Studio cause #MISSING to appear when balances are returned on a report output. If #MISSING appears, check that all dimensions are properly set. Particularly, check the Accounting Period, Ledger, Scenario, and Currency dimensions, which all must have a value selected other than the default highest level value called Gen1.

The following table lists dimensions, available and default dimension values, and provides guidance on selecting the correct dimension values.

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Possible Values</th>
<th>Default Value</th>
<th>Additional Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounting Period</td>
<td>Years, quarters, and period</td>
<td>Accounting Period = Accounting Period (Gen1)</td>
<td>You must always select an accounting period for each financial report including User Point of View, Smart View query,</td>
</tr>
<tr>
<td>Dimension</td>
<td>Possible Values</td>
<td>Default Value</td>
<td>Additional Information</td>
</tr>
<tr>
<td>----------------------------</td>
<td>--------------------------</td>
<td>----------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Ledger</td>
<td>Includes ledgers and ledger sets</td>
<td>Ledger = Ledger (Gen1)</td>
<td>If you do not specify a specific Ledger or Ledger Set, the financial reports, Smart View queries, and Account Inspector queries display #MISSING.</td>
</tr>
<tr>
<td>Chart of accounts dimensions</td>
<td>Not Applicable</td>
<td>Highest level (Gen1)</td>
<td>There is a separate dimension for each segment of the chart of accounts used by the cube. Each segment has a default account hierarchy that includes all the detail values for the segment but not parent values. Only account hierarchies (tree versions) published from the Publish Account Hierarchies user interface are available in the cube.</td>
</tr>
<tr>
<td>Scenario</td>
<td>Not Applicable</td>
<td>Scenario = Scenario represents the sum of all values: Actual + Allocated + Total for Allocations + Budget + Forecast. Select a value for this dimension.</td>
<td>Predefined values are Actual, Allocated, and Total for Allocated. Additional scenario values for Budget, Forecast Q1, and Forecast Q2 may be available if they have been added to the Accounting Scenario value set. These additional values are published to every cube.</td>
</tr>
<tr>
<td>Balance Amount</td>
<td>• Beginning Balance DR, CR, or Net</td>
<td>Balance Amount = Balance Amount (Gen1) which is the equivalent of Ending Balance.</td>
<td>Not Applicable</td>
</tr>
<tr>
<td></td>
<td>• Period Activity DR, CR, or Net</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Ending Balance DR, CR, or Net</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Balance Amount (same as Ending Balance)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amount Type</td>
<td>Base, PTD, QTD, YTD</td>
<td>Amount Type = Amount Type (Gen1) which is the equivalent of Base.</td>
<td>Base is necessary because this is the value used to store from posting all balances at the lowest level. PTD, QTD, and YTD are calculated values.</td>
</tr>
<tr>
<td>Currency</td>
<td>All ISO currencies (250+).</td>
<td>Highest level (Gen1)</td>
<td>Similar to Accounting Period and Ledger, there may not be an appropriate default for Currency since different Ledgers have different ledger currencies. If you don’t specify a valid currency in a financial report, Smart View</td>
</tr>
</tbody>
</table>
Average Balances Cubes Dimensions

The following dimensions are included in the average balances cube in this order. Most comments from standard cube are applicable unless stated.

- Accounting Period: Valid values are years, quarters, accounting period and day, which is equivalent to accounting date.
- Ledger
- Separate dimension for each Chart of accounts segment
- Scenario
- Amount Type valid values are: PATD, QATD, and YATD
- Currency
- Currency Type

Currency and Currency Type for Balances Cubes

A currency type is a GL balances cube dimension that you can use in reports and analyses, such as Financial Reports, Smart View queries, and also in the Period Close work area in Account Inspector, and on the Inquire on Detail Balances page.

**Total**

To view cumulative ledger balances, select the **Total** currency type.

To view summarized balances entered in the ledger currency along with any balances entered in a foreign currency that were converted to that ledger currency for a primary ledger, secondary ledger, journal-level reporting currency, or subledger-level reporting currency, set the following dimensions:

- Ledger: Select either the primary or secondary ledger, or the journal-level or subledger-level reporting currency.
- Currency: Select the ledger currency.
- Currency Type: Select Total.

To view the translated balances for a primary or secondary ledger in a balance-level reporting currency, set the following dimensions:

- Ledger: Because balance-level reporting currencies aren’t ledgers themselves, select the primary or secondary ledger for the reporting currency.
- Currency: Select the translation currency, which is the same as the currency of the balance-level reporting currency.
- Currency Type: Select Total.
Entered
To view balances that were entered in a specific currency, select the Entered currency type. You can select this currency type for any primary or secondary ledger, or any journal-level or subledger-level reporting currency.

For example, the ledger US Operations has a ledger currency of USD. To view balances that were entered in JPY, set the following dimensions:

- Ledger: US Operations
- Currency: JPY
- Currency Type: Entered

Converted From
To view balances that were converted from an entered currency to the ledger currency, select the currency type that begins with From followed by the currency whose balances you want to view.

For example, the ledger US Operations has a ledger currency of USD. To view balances that were entered in JPY and converted to USD, set the following dimensions:

- Ledger: US Operations
- Currency: USD
- Currency Type: From JPY

Levels and Generations in GL Balances Cubes
Levels and generations are cube terminology used to describe hierarchies in Oracle Fusion General Ledger balances cubes.

Levels
Levels are used to describe hierarchy levels. Levels are numbered from the lowest hierarchy level. For example, the detail chart of accounts segment values are Level 0. The immediate parent is Level 1; the next parent is Level 2.

Generations
Generations (Gen) describe hierarchy levels starting with the highest level of the hierarchy and moving down through the generations of the same.

An example for generations is as follows:

- Accounting Period = Accounting Period is Gen 0
  - Year is Gen 1
    - Quarter is Gen 2
      - Period is Gen 3
- Ledger = Ledger is Gen 1
  - All Ledgers is Gen 2
    - VF USA is Gen 3
      - Ledger Set (any ledger set) is Gen 2
• Company = Company is Gen 1
  ◦ All Company Values, for example detail values, is Gen 2
    • 11010 is Gen 3
  ◦ Tree 1 V1 is Gen 2
    • [Tree 1 V1].[10000] is Gen 3
      o [Tree 1 V1].[10000].[11000] is Gen 4
  ◦ Tree 2 V1 is Gen 2
    • [Tree 2 V1].[10000] is Gen 3
      o [Tree 1 V1].[10000].[11000] is Gen 4

**Note:** Similar levels and generations apply to the other dimension, including chart of accounts dimensions and those that are not chart of accounts dimensions.

### Examples of Using Dimension Values in Reporting

By using combinations of values for the Accounting Period, Balance Amount, and Amount Type dimensions, you can derive different amounts to meet financial reporting requirements. In some cases, more than one combination of query values can return the wanted information. Some duplication in the calculations for the balances cube exists to ensure complete reporting requirements.

Reporting needs can be completed using the Balance Amount dimension, Amount Type equal to Base, and the Accounting Period equal to Year, Quarter, or Month.

However, the Amount Type dimension is still required for the following reasons:

- To get the complete QTD (Quarter to Date) reporting requirements for the first and second month in a quarter. Complete QTD can only be achieved using QTD and Accounting Period = Month.
- PTD (Period to Date) and YTD (Year to Date) are also available to ensure more consistency reporting with the E-Business Suite Release 12.

### Obtaining Quarter Information

This example shows how to obtain quarter information.

- QTD for the first and second months of a quarter can only be achieved using Amount Type dimension equal to QTD.
- The end of quarter information can be derived from the Accounting Period dimension equal to Quarter or with the Amount Type equal QTD.

### Obtaining End of Year Information

This example shows how to obtain end of year information.

- Accounting Period equal to Year and Balance Amount equal to Ending Balance and Amount Type equal to Base or YTD.
- Accounting Period equal to a specific month and Balance Amount equal to Period Activity and Amount Type equal to YTD.
• When the Balance Amount equals the Balance Amount or the Balance Amount equals the Ending Balance, this results in an Ending Balance.

**Note:** Ending Balance is always the ending balance regardless of Amount Type member setting or Accounting Period member setting (period, quarter or year).

**Example of Standard Balances**

You have loaded your Oracle E-Business Suite Release 12 balances into your new Oracle Standard Balances Cube. Now you want to query the results to verify that the data was loaded correctly.

**Scenario**

The tables show the amounts loaded into the balances cube from your R12 balances and the calculated balances for:

- Ending balance
- Year to date (YTD)
- Quarter to date (QTD)

The first table is the balance sheet-based balances and the second table is for income statement-based balances.

**Oracle E-Business Suite R12 Balances**

The following table shows the beginning balance sheet balances, activity, ending balances, and YTD and QTD amounts, for each month.

<table>
<thead>
<tr>
<th>Month</th>
<th>Beginning Balance Loaded to Cube</th>
<th>Activity Loaded to Cube</th>
<th>Ending Balance</th>
<th>Calculated YTD</th>
<th>QTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan</td>
<td>200</td>
<td>20</td>
<td>220</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>Feb</td>
<td>220</td>
<td>30</td>
<td>250</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Mar</td>
<td>250</td>
<td>25</td>
<td>275</td>
<td>75</td>
<td>75</td>
</tr>
<tr>
<td>Apr</td>
<td>275</td>
<td>50</td>
<td>325</td>
<td>125</td>
<td>50</td>
</tr>
<tr>
<td>May</td>
<td>325</td>
<td>40</td>
<td>365</td>
<td>165</td>
<td>90</td>
</tr>
<tr>
<td>Jun</td>
<td>365</td>
<td>45</td>
<td>410</td>
<td>210</td>
<td>135</td>
</tr>
<tr>
<td>Jul</td>
<td>410</td>
<td>100</td>
<td>510</td>
<td>310</td>
<td>100</td>
</tr>
<tr>
<td>Aug</td>
<td>510</td>
<td>200</td>
<td>710</td>
<td>510</td>
<td>300</td>
</tr>
<tr>
<td>Sep</td>
<td>710</td>
<td>140</td>
<td>850</td>
<td>650</td>
<td>440</td>
</tr>
<tr>
<td>Oct</td>
<td>850</td>
<td>150</td>
<td>1000</td>
<td>800</td>
<td>150</td>
</tr>
</tbody>
</table>
The following table shows the beginning income statement balances, activity, ending balances, and YTD and QTD amounts, for each month.

<table>
<thead>
<tr>
<th>Month</th>
<th>Beginning Balance Loaded to Cube</th>
<th>Activity Loaded to Cube</th>
<th>Ending Balance</th>
<th>Calculated YTD</th>
<th>QTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nov</td>
<td>1000</td>
<td>100</td>
<td>1100</td>
<td>900</td>
<td>250</td>
</tr>
<tr>
<td>Dec</td>
<td>1100</td>
<td>400</td>
<td>1500</td>
<td>1300</td>
<td>650</td>
</tr>
</tbody>
</table>

**Analysis**

These two tables show the results available from Oracle General Ledger from your R12 loaded and aggregated balances in the balances cube.

**Oracle General Ledger Balances**

The following table shows the results for the balance sheet balances in the balances cube.
<table>
<thead>
<tr>
<th>Accounting Period</th>
<th>Balance Amount</th>
<th>Amount Type</th>
<th>Value</th>
<th>Comments</th>
<th>R12 Amount Type Equivalent</th>
</tr>
</thead>
<tbody>
<tr>
<td>May</td>
<td>Beginning Balance</td>
<td>YTD</td>
<td>200</td>
<td>Jan Beginning Balance</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>May</td>
<td>Period Activity</td>
<td>YTD</td>
<td>165</td>
<td>Jan to May Activity</td>
<td>YTD-Actual as of May</td>
</tr>
<tr>
<td>May</td>
<td>Ending Balance</td>
<td>YTD</td>
<td>365</td>
<td>May Ending Balance</td>
<td>YTD-Actual as of May</td>
</tr>
<tr>
<td>May</td>
<td>Beginning Balance</td>
<td>QTD</td>
<td>275</td>
<td>Apr Beginning Balance</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>May</td>
<td>Period Activity</td>
<td>QTD</td>
<td>90</td>
<td>Apr-May Activity</td>
<td>QTD-Actual as of May</td>
</tr>
<tr>
<td>May</td>
<td>Ending Balance</td>
<td>QTD</td>
<td>365</td>
<td>May Ending Balance</td>
<td>QTD-Actual as of May</td>
</tr>
<tr>
<td>May</td>
<td>Beginning Balance</td>
<td>PTD</td>
<td>325</td>
<td>May Beginning Balance</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>May</td>
<td>Period Activity</td>
<td>PTD</td>
<td>40</td>
<td>May Activity</td>
<td>PTD-Actual as of May</td>
</tr>
<tr>
<td>May</td>
<td>Ending Balance</td>
<td>PTD</td>
<td>365</td>
<td>May Ending Balance</td>
<td>PTD-Actual as of May</td>
</tr>
<tr>
<td>May</td>
<td>Beginning Balance</td>
<td>Base</td>
<td>325</td>
<td>May Beginning Balance</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>May</td>
<td>Period Activity</td>
<td>Base</td>
<td>40</td>
<td>May Activity</td>
<td>PTD-Actual as of May</td>
</tr>
<tr>
<td>May</td>
<td>Ending Balance</td>
<td>Base</td>
<td>365</td>
<td>May Ending Balance</td>
<td>YTD-Actual as of May</td>
</tr>
<tr>
<td>Q2</td>
<td>Beginning Balance</td>
<td>QTD</td>
<td>275</td>
<td>April Beginning Balance</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Q2</td>
<td>Period Activity</td>
<td>QTD</td>
<td>135</td>
<td>Always Apr-Jun</td>
<td>QTD-Actual as of Jun</td>
</tr>
<tr>
<td>Q2</td>
<td>Ending Balance</td>
<td>QTD</td>
<td>410</td>
<td>Ending Balance always as of Jun</td>
<td>QTD-Actual as of Jun</td>
</tr>
<tr>
<td>Q2</td>
<td>Ending Balance</td>
<td>YTD</td>
<td>410</td>
<td>Ending Balance always as of Jun</td>
<td>YTD-Actual as of Jun</td>
</tr>
</tbody>
</table>
The following table shows the results for the income statement balances.

<table>
<thead>
<tr>
<th>Accounting Period</th>
<th>Balance Amount</th>
<th>Amount Type</th>
<th>Value</th>
<th>Comments</th>
<th>R12 Amount Type Equivalent</th>
</tr>
</thead>
<tbody>
<tr>
<td>May</td>
<td>Beginning Balance</td>
<td>YTD</td>
<td>0</td>
<td>Jan Beginning Balance</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>May</td>
<td>Period Activity</td>
<td>YTD</td>
<td>420</td>
<td>Jan to May Activity</td>
<td>YTD-Actual as of May</td>
</tr>
<tr>
<td>May</td>
<td>Ending Balance</td>
<td>YTD</td>
<td>420</td>
<td>May Ending Balance</td>
<td>YTD-Actual as of May</td>
</tr>
<tr>
<td>May</td>
<td>Beginning Balance</td>
<td>QTD</td>
<td>120</td>
<td>Apr Beginning Balance</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>May</td>
<td>Period Activity</td>
<td>QTD</td>
<td>300</td>
<td>Apr-May Activity</td>
<td>QTD-Actual as of May</td>
</tr>
<tr>
<td>Accounting Period</td>
<td>Balance Amount</td>
<td>Amount Type</td>
<td>Value</td>
<td>Comments</td>
<td>R12 Amount Type Equivalent</td>
</tr>
<tr>
<td>-------------------</td>
<td>------------------</td>
<td>-------------</td>
<td>-------</td>
<td>-----------------------------------------</td>
<td>----------------------------</td>
</tr>
<tr>
<td>May</td>
<td>Ending Balance</td>
<td>QTD</td>
<td>420</td>
<td>May Ending Balance</td>
<td>QTD-Actual as of May</td>
</tr>
<tr>
<td>May</td>
<td>Beginning Balance</td>
<td>PTD</td>
<td>220</td>
<td>May Beginning Balance</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>May</td>
<td>Period Activity</td>
<td>PTD</td>
<td>200</td>
<td>May Activity</td>
<td>PTD-Actual as of May</td>
</tr>
<tr>
<td>May</td>
<td>Ending Balance</td>
<td>PTD</td>
<td>420</td>
<td>May Ending Balance</td>
<td>PTD-Actual as of May</td>
</tr>
<tr>
<td>May</td>
<td>Beginning Balance</td>
<td>Base</td>
<td>220</td>
<td>May Beginning Balance</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>May</td>
<td>Period Activity</td>
<td>Base</td>
<td>200</td>
<td>May Activity</td>
<td>PTD-Actual as of May</td>
</tr>
<tr>
<td>May</td>
<td>Ending Balance</td>
<td>Base</td>
<td>420</td>
<td>May Ending Balance</td>
<td>YTD-Actual as of May</td>
</tr>
<tr>
<td>Q2</td>
<td>Beginning Balance</td>
<td>QTD</td>
<td>120</td>
<td>Apr Beginning Balance</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Q2</td>
<td>Period Activity</td>
<td>QTD</td>
<td>550</td>
<td>Period Activity Always Apr-Jun</td>
<td>QTD-Actual as of Jun</td>
</tr>
<tr>
<td>Q2</td>
<td>Ending Balance</td>
<td>QTD</td>
<td>670</td>
<td>Ending Balance always as of Jun</td>
<td>QTD-Actual as of Jun</td>
</tr>
<tr>
<td>Q2</td>
<td>Ending Balance</td>
<td>YTD</td>
<td>670</td>
<td>Ending Balance always as of Jun</td>
<td>YTD-Actual as of Jun</td>
</tr>
<tr>
<td>Q2</td>
<td>Beginning Balance</td>
<td>Base</td>
<td>120</td>
<td>Apr Beginning Balance</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Q2</td>
<td>Period Activity</td>
<td>Base</td>
<td>550</td>
<td>Period Activity always Apr-Jun</td>
<td>QTD-Actual as of Jun</td>
</tr>
<tr>
<td>Q2</td>
<td>Ending Balance</td>
<td>Base</td>
<td>670</td>
<td>Ending Balance always as of Jun</td>
<td>YTD-Actual as of Jun</td>
</tr>
<tr>
<td>Year</td>
<td>Beginning Balance</td>
<td>YTD</td>
<td>0</td>
<td>Jan Beginning Balance (always zero for Income Statement)</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Year</td>
<td>Period Activity</td>
<td>YTD</td>
<td>1960</td>
<td>Jan-Dec Activity</td>
<td>YTD-Actual as of Dec</td>
</tr>
</tbody>
</table>
Invalid Combinations of Balance Cube Dimensions

By using various combinations for the Accounting Period, Balance Amount, and Amount Type dimensions, you can derive different amounts to meet financial reporting requirements.

The following table shows the combinations of the accounting period, balance amount, and amount type dimensions that don’t return data.

<table>
<thead>
<tr>
<th>Accounting Period</th>
<th>Balance Amount</th>
<th>Amount Type</th>
<th>Value</th>
<th>Comments</th>
<th>R12 Amount Type Equivalent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year</td>
<td>Ending Balance</td>
<td>YTD</td>
<td>1960</td>
<td>Ending Balance always as of Dec</td>
<td>YTD-Actual as of Dec</td>
</tr>
<tr>
<td>Year</td>
<td>Beginning Balance</td>
<td>Base</td>
<td>0</td>
<td>Jan Beginning Balance (always zero for Income Statement)</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Year</td>
<td>Period Activity</td>
<td>Base</td>
<td>1960</td>
<td>Jan-Dec Activity</td>
<td>YTD-Actual as of Dec</td>
</tr>
<tr>
<td>Year</td>
<td>Ending Balance</td>
<td>Base</td>
<td>1960</td>
<td>Ending Balance always as of Dec</td>
<td>YTD-Actual as of Dec</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Accounting Period</th>
<th>Balance Amount</th>
<th>Amount Type</th>
<th>Value</th>
<th>Comments</th>
<th>R12 Amount Type Equivalent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year</td>
<td>Beginning Balance</td>
<td>QTD</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year</td>
<td>Period Activity</td>
<td>QTD</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year</td>
<td>Ending Balance</td>
<td>QTD</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year</td>
<td>Beginning Balance</td>
<td>PTD</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year</td>
<td>Period Activity</td>
<td>PTD</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year</td>
<td>Ending Balance</td>
<td>PTD</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q2</td>
<td>Beginning Balance</td>
<td>YTD</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q2</td>
<td>Period Activity</td>
<td>YTD</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q2</td>
<td>Beginning Balance</td>
<td>PTD</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q2</td>
<td>Period Activity</td>
<td>PTD</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
GL Balance Cube Processes Run from User Interface

On application pages, you can run processes that create, rebuild, publish, and maintain Oracle General Ledger balances cubes, including automatically run child processes.

The **Create Accounting Configuration** process updates the underlying table and permanently saves the settings after the accounting configuration has been completed. The process also runs the **Create Accounting Configuration: Create Cubes** child process, which creates the accounting configuration and a balances cube when setup is completed. Both standard and average daily balances (ADB) cubes, if enabled, are processed in the same request. To run the accounting configuration process, navigate to the Review and Submit Accounting Configuration task.

The **Publish Chart of Account Hierarchies** process creates the structural hierarchy for the chart of accounts. Both standard and average daily balances (ADB) cubes, if enabled, are processed in the same request. The process also runs the Publish Chart of Account Hierarchy Versions child process, one child process runs for each combination of value set and chart of accounts. To run the publication process, navigate to the Publish Account Hierarchies task.

The **Create Ledger Set** process updates the underlying tables and creates a ledger set. It affects both standard and ADB cube types, if enabled, in the same request. To run the ledger set process, navigate to the Manage Ledger Sets task.

The following table describes the child processes for the **Create Ledger Set** process and indicates the affected cube types.

<table>
<thead>
<tr>
<th>Child Process</th>
<th>Description</th>
<th>Cube Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Create Accounting Configuration: Process Accounting Configuration</td>
<td>Runs processes necessary to process accounting configuration and ledger set data.</td>
<td>Not applicable to the cube</td>
</tr>
<tr>
<td>Create Ledger Set Dimension Members</td>
<td>Creates and updates ledger set members in a balances cube.</td>
<td>Standard and ADB, if enabled, in same request</td>
</tr>
</tbody>
</table>

The following table describes other cube parent and child processes and their related cube types that can be submitted from other pages or processes.

<table>
<thead>
<tr>
<th>Parent Process</th>
<th>Child Process</th>
<th>Description</th>
<th>Cube Type</th>
<th>Additional Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Create Ledger Dimension Member for Reporting Currency</td>
<td>Not Applicable</td>
<td>Creates ledger dimension member for reporting currency.</td>
<td>Standard and ADB, if enabled, in same request</td>
<td>Navigate to the Manage Reporting Currencies task and the Create Reporting Currency page. Run for new reporting currencies added after accounting configuration has completed.</td>
</tr>
</tbody>
</table>
## GL Balance Cube Processes Run from Scheduled Processes Work Area

On the Scheduled Processes page, you can run the processes to create, rebuild, publish, and maintain Oracle General Ledger balances cubes.

The **Create Cube** process creates or rebuilds a balances cube based on a combination of chart of accounts and accounting calendar. The process automatically runs child processes for standard and average daily balance (ADB) cubes, if enabled.

The following table describes the child processes for creating a cube and also indicates the type of cube the process creates, whether standard or ADB.
The **Publish Chart of Accounts Dimension Members and Hierarchies** process publishes chart of accounts dimension member and hierarchy changes to balances cubes and updates dimension members for any new or changed segment values. The process affects both standard and ADB cubes in the same request, if ADB cubes are enabled. The process submits the child process **Update Chart of Accounts Dimension Members and Hierarchies**, which updates chart of accounts dimension member and hierarchy changes to Essbase.

The **Transfer General Ledger Balances to Essbase** process refreshes standard cube, and average balances cube if enabled, in the General Ledger balances cube.

The following table describes other cube processes that are run in the Enterprise Scheduler Service, and indicates the type of cube affected.
Parent Process | Description | Cube Type
--- | --- | ---
Create Rules XML File for BI Extender Automation | Creates rules XML file for a specific Essbase cube, used for BI extender automation. | Standard and ADB, if enabled, in same request

To run the cube process, use the following steps in the Scheduled Processes work area from the Navigator menu.

1. Click **Schedule New Process**.
2. Search the process name.
3. Enter the parameters.
4. Enter the process options and schedule.
5. Click **Submit**.

## First Period

### Overview of Opening First Period

For all ledgers, primary, secondary, and journal and subledger level reporting currencies, open the first period of the ledger when you are ready to transact in that period.

1. To open the first period of your ledgers, navigate to the **Open First Period** task in the primary ledger task list.
2. Click the **Go to Task** icon.
3. On the submission page, select the ledger and the period to open.
4. Click the **Submit** button to submit the open period process.

You can use other ways to open the first period or subsequent periods without going into the **Setup and Maintenance** work area. You can maintain the ledgers’ period statuses from the:

- **Close Status** region in the **General Accounting Dashboard**. The **Close Status** region provides real-time visibility into the period close process from your subledgers to your General Ledger across the entire enterprise.
- **Manage Accounting Periods** task in the **Period Close** work area.
- **Process Monitoring** work area, which provides a framework for submitting, monitoring and maintaining processes across Oracle Fusion Financials.

## Clearing Accounts Reconciliation

### Overview of Clearing Accounts Reconciliation

Clearing accounts reconciliation offers automatic and manual methods to group, match, and reconcile related in and out journal lines that no longer contribute to an account’s ending balance. You can analyze those unreconciled journal lines that are both relevant and responsible for the buildup of the ending balance in a clearing account.
The following figure shows the process flow for clearing accounts reconciliation. Reconciliation can be automatic or manual. You can run reconciliations reports and also reverse reconciliations.

The recommended approach for reconciling clearing accounts is to run automatic reconciliation to process the majority of the journal lines, based on your setup. Then use manual reconciliation to resolve the journal lines that weren’t reconciled automatically. You can also reverse incorrect reconciliations. Reports are available to help with this process.

**Related Topics**

- Reconcile Clearing Accounts
Set Up Clearing Accounts Reconciliation

Clearing accounts reconciliation offers automatic and manual methods to group, match, and reconcile related in and out journal lines that no longer contribute to an account ending balance.

Steps to Enable

To use clearing accounts reconciliation, perform these steps.

In the Setup and Maintenance work area:

1. Go to the following:
   - Offering: Financials
   - Functional Area: General Ledger
   - Task: Specify Ledger Options, with the ledger scope set

2. On the Specify Ledger Options page, Reconciliation section, enable primary and secondary ledgers for clearing accounts reconciliation as required, by selecting the **Enable reconciliation** option.

3. Go to the following:
   - Offering: Financials
   - Functional Area: Financial Reporting Structures
   - Task: Manage Chart of Accounts Value Set Values

4. On the Manage Values page, set the **Reconcile** attribute to **Yes** for each of the reconcilable clearing account values in the natural account segment.

In the Scheduled Processes work area:

1. Run the **Inherit Segment Value Attributes** process to update existing account combinations with the subsequent changes to the segment value.

In the Setup and Maintenance work area:

1. Go to the following:
   - Offering: Financials
   - Functional Area: General Ledger
   - Task: Manage Clearing Accounts Reconciliation

2. On the Manage Clearing Accounts Reconciliation page, configure and maintain clearing account reconciliation types and the associated reconciliation rules.

Related Topics

- Security Reference for Oracle Financials Cloud
- How Journal Lines Are Enabled for Clearing Accounts Reconciliation
Reconciliation Types

Reconciliation types consist of one or more reconcilable clearing accounts and their associated reconciliation rules. Use the Manage Clearing Accounts Reconciliation task to configure and maintain them.

Chart of Accounts Level or Ledger Level

You can define reconciliation types at a chart of accounts level or at a ledger level. Chart of accounts level reconciliation types apply to all associated primary and secondary ledgers that are enabled for reconciliation. For ease of maintenance, define reconciliation types at the chart of accounts level.

If a ledger requires reconciliation rules that vary from the associated chart of accounts’ rules, you can specify the ledger when creating the reconciliation type. You can select from among the primary and secondary ledgers enabled for clearing accounts reconciliation that use the chart of accounts you selected.

The Manage Clearing Accounts Reconciliation page automatically displays all reconciliation types, whether defined at a chart of accounts level or a ledger level.

Note: If you submit the automatic reconciliation process for all reconciliation types, the process reconciles ledger-specific reconciliation types first, followed by chart of accounts level types.

Reconciliation Type Names

Use unique names for reconciliation types. Maintaining a consistent naming convention is recommended. Consider appending the chart of accounts or ledger name as a suffix to distinguish between chart of accounts level and ledger level definitions. Following this convention helps you identify the appropriate definitions on the various reconciliation processing pages. This practice also helps to keep reconciliation type names unique within the application, and across ledgers and charts of accounts.

Account Matching Rules and Account Filters

When you create a reconciliation type, you must select an account matching rule. The account matching rule identifies the chart of account segments that are significant for finding matching journal lines during the reconciliation process. Conversely, the selection implies which segments are insignificant and irrelevant during the reconciliation process. Those irrelevant segments aren’t considered when grouping and matching eligible journal lines that are reconciled together.

The account matching rules are:

- By Primary Balancing Segment, Natural Account
- By Primary Balancing Segment, Natural Account, Cost Center
- By Account Combination

After you select the account matching rule, use the account filter to specify the segment values that belong to valid clearing account combinations. You would typically specify segment values only for those segments that are part of the account matching rule that you selected. At a minimum, you must specify a value for one of the segments. Most likely, you would provide a value for the natural account segment. If you don’t specify values for a segment, the reconciliation process considers all of the underlying child values for that segment as valid values in a clearing account combination, when matching and grouping together related journal lines.

If you specify values for a segment that’s not part of the account matching rule, journal lines across the specified values for that segment are reconciled together.
For example, a chart of accounts has the following segments and child values:

- Company: Primary balancing segment values of 01, 02, 03
- Cost Centers: 000, 100, 200
- Natural Accounts: Range of 00000 - 99999
- Products: 100, 200

The chart of accounts is used by the Vision Services (USA) ledger, which has been enabled for reconciliation. The reconciliation type has the following attributes:

- Name: Approved Claims
- Account Matching Rule: By Primary Balancing Segment, Natural Account
- Account Filter:
  - Cost Center: 100 to 200
  - Natural Accounts: 22100 to 22101

This table shows how the process groups the journal lines together for matching and reconciliation, for the Vision Services (USA) ledger and the Approved Claims reconciliation type.

<table>
<thead>
<tr>
<th>Set 1</th>
<th>Set 2</th>
<th>Set 3</th>
<th>Set 4</th>
<th>Set 5</th>
<th>Set 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>01-100-22100-100</td>
<td>01-100-22101-100</td>
<td>02-100-22100-100</td>
<td>02-100-22101-100</td>
<td>03-100-22100-100</td>
<td>03-100-22101-100</td>
</tr>
<tr>
<td>01-100-22100-200</td>
<td>01-100-22101-200</td>
<td>02-100-22100-200</td>
<td>02-100-22101-200</td>
<td>03-100-22100-200</td>
<td>03-100-22101-200</td>
</tr>
<tr>
<td>01-200-22100-100</td>
<td>01-200-22101-100</td>
<td>02-200-22100-100</td>
<td>02-200-22101-100</td>
<td>03-200-22100-100</td>
<td>03-200-22101-100</td>
</tr>
<tr>
<td>01-200-22100-200</td>
<td>01-200-22101-200</td>
<td>02-200-22100-200</td>
<td>02-200-22101-200</td>
<td>03-200-22100-200</td>
<td>03-200-22101-200</td>
</tr>
</tbody>
</table>

In this example, the journal lines are grouped together into six sets. Because the account matching rule is **By Primary Balancing Segment, Natural Account**, each primary balancing segment value (01, 02, 03) is combined with each natural account segment value that’s in the account filter (22100, 22101), into its own set.

Since the product segment isn’t part of the account matching rule or account filter, each set includes all of the product segment values (100, 200).

Lastly, the cost center segment isn’t part of the account matching rule, but it’s included in the account filter. The cost center segment values are 000, 100, and 200, but the account filter specifies only 100 and 200. This means that the journal lines eligible for reconciliation are limited to account combinations with cost centers 100 and 200. And, since the cost center isn’t part of the account matching rule, each set includes journal lines containing both cost centers 100 and 200.

In summary, even though the following account combinations include primary balancing segment values 01, 02, and 03, and natural account segment values 22100 and 22101, they’re excluded from the reconciliation because the cost center is 000.

- 01-000-22100-100
- 01-000-22100-200
- 01-000-22101-100
- 01-000-22101-200
Reconciliation Start Date and Last Automatic Reconciliation Run

Every reconciliation type has a reconciliation start date. The reconciliation start date, and the criteria you specify when reconciling automatically or manually, are used to retrieve the clearing account journal lines eligible for reconciliation. Only journal lines with an accounting date after the reconciliation start date are available for reconciliation.

The Manage Clearing Accounts Reconciliation page displays the date of the last successful automatic reconciliation run. You can use this date to track and monitor completed and pending reconciliations. Clearing accounts reconciliation, as an integral part of period close activities, can be planned accordingly.

Tolerances for Manual Reconciliation

You can set up amount and percentage tolerances for manual reconciliation. When the net accounted amount of the journal lines is within the tolerance, the lines can be reconciled together using manual reconciliation. If you:

- Leave both the amount and percentage tolerance fields blank, then there is no tolerance.
- Specify a value in one of the two tolerance fields, that amount or percentage becomes the applicable tolerance.
- Specify both an amount and a percentage, the stricter of the two tolerances is applied.

The percentage tolerance is calculated on the higher of the grouped journal lines total debit or credit amounts. The amount tolerance is based on the absolute amount in the ledger currency.

Changes to Reconciliation Types

You can change the reconciliation type name, description, tolerance percentage or amount, reconciliation start date, and whether the reconciliation type is active. The edited reconciliation type becomes the applicable definition for any future reconciliation processes subsequent to the edit. Existing journal line groups that were already reconciled aren’t affected by the changes. You can still reverse groups that were previously reconciled.

Inactive Reconciliation Types

Inactive reconciliation types are ineligible for automatic and manual clearing accounts reconciliation processing, starting from the moment they’re inactivated. Also, the submission page for the Unreconciled Transactions report doesn’t display inactive reconciliation types as a report parameter. You can however, use inactive reconciliation types when submitting the Reconciled Transactions report, as well as on the Reverse Reconciliation page.

Related Topics

- How Clearing Accounts Are Reconciled Automatically
- Reconcile Clearing Accounts Manually
How Tolerances Work with Manual Clearing Accounts Reconciliation

When you define reconciliation types for clearing accounts reconciliation, you can specify an amount tolerance, a percentage tolerance, or both. These tolerances apply only to the manual reconciliation process. The percentage tolerance is calculated on the higher of the grouped journal lines total debit or credit amounts. The amount tolerance is based on the absolute amount in the ledger currency. If you specify both an amount tolerance and a percentage tolerance, the stricter of the two is applied.

How Tolerances Are Applied

As an example, a reconciliation type has the following definition:

- Chart of accounts level
- Account Matching Rule: By Account Combination
- Account Filter: 01-000-22100
- Tolerance percentage: 1
- Tolerance amount: 5

This table shows the journal lines eligible for reconciliation that were retrieved on the Manual Reconciliation page.

<table>
<thead>
<tr>
<th>Journal Line</th>
<th>Account Combination</th>
<th>Accounted Amount (Debit)</th>
<th>Accounted Amount (Credit)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>01-000-22100</td>
<td>100.00</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>01-000-22100</td>
<td></td>
<td>98.00</td>
</tr>
</tbody>
</table>

Total debits are 100.00 and total credits are 98.00. The higher of the two is 100.00. The percentage tolerance of 1 is applied against 100.00. One percent of 100.00 is 1. The amount tolerance is 5. The stricter of the two is applied, so in this example, the tolerance of 1 is applied. The difference between total debits of 100.00 and total credits of 98.00 is 2. This difference is higher than the applicable tolerance of 1, so the two journal lines remain unreconciled.

FAQs for Ledgers

What happens if I change the cumulative translation adjustment account?

Changing the cumulative translation adjustment (CTA) account is a very significant revision to your accounting configuration and should be avoided if possible. To prevent data corruption, your CTA can only be changed if you delete translated balances.

Related Topics

- How Translated Balances Are Deleted
What happens if I change the retained earnings account?

Changing the retained earnings account is a very significant revision to your accounting configuration and should be avoided if possible. To prevent data corruption, your retained earnings account can only be changed if you first perform the following set of steps:

1. To reverse what was closed out to the incorrect retained earnings account, enter and post journals to bring the ending balances for your income statement accounts to zero at the end of each accounting year. Use a temporary account, such as a suspense account, for the offsetting amount.
2. Update the retained earnings account.
3. Reverse the journal entries used to bring the income statement accounts' ending account balances to zero to reinstate each accounting year’s profit and loss, and now close these out to the new retained earnings account in the following accounting year.

Note: The recommended reversal method for the journals is Change Sign.

4. If you have translated balances for the ledger, follow the process of deleting translated balances for a change in the retained earnings account.

Related Topics

- How Translated Balances Are Deleted

How can I inquire on translated balances?

You can query on Currency Type equal to Total and Currency equal to Translated Currency.

When do I rebuild the GL balances cubes?

Carefully consider requirements and work with Oracle Support before rebuilding a balances cube. Use the on-demand programs to rebuild dimension members for each dimension and to refresh balances to the cubes rather than rebuilding the cube. When you rebuild a cube, the process rebuilds both the standard and average balances cubes.

To rebuild cubes, run the Create Cubes process. Enter values for the following parameters:

- Chart of Accounts
- Accounting Calendar
- Starting Period

How can I refresh balances in the GL balances cubes?

Run the General Ledger Transfer Balances to Essbase process. Select your Ledger or Ledger Set and Starting Period as parameters.
8 Intercompany Setup

System Options

Intercompany System Options

Define intercompany system options to set up intercompany processing rules at the enterprise level, based on your specific business needs.

To maintain consistency throughout an enterprise, intercompany transaction processing rules should be defined at the enterprise level. By standardizing these rules, an enterprise can minimize disputes, decrease processing time, and cut administrative costs.

Before setting up intercompany system options, you must determine how to process your intercompany transactions. For example, to:

- Enforce an enterprise-wide currency or allow intercompany transactions in local currencies.
- Allow receivers to reject intercompany transactions.
- Determine the minimum transaction amount that is processed.

System Options

Changing and saving a system option has no effect on intercompany transactions already in progress. Intercompany system options only affect new intercompany transactions, and are not retroactive to any transactions previously entered.

The system options are:

- **Intercompany Batch Numbering**

  The intercompany batch numbering option defines whether to use system generated or manual transaction batch numbering. Choose one of the following options to create intercompany batch numbers:

  - System Generated: Generates intercompany batch numbers.
  - Manual: Lets you manually enter the batch number.

- **Intercompany Currency**

  Standardize transaction processing by selecting an intercompany currency. Intercompany transactions created in the Intercompany module are always entered in this currency. This simplifies transaction processing, and eliminates foreign conversion rate fluctuation risks. If you select an Intercompany currency, that currency is defaulted into the **Minimum Transaction Currency** field. It overwrites any other currency in that field and the field cannot be updated.

- **Minimum Transaction Amount**

  The minimum transaction amount represents a minimum threshold intercompany transaction amount. This amount prevents the submission of immaterial transactions for small amounts that do not add value. To implement this rule, you must first select an Intercompany currency. That currency is defaulted into the minimum transaction currency for processing intercompany transactions. These two system options ensure that when comparing a transaction
amount to the minimum transaction amount, the two numbers are entered in the same currency, allowing for an accurate comparison.

- **Conversion Rate Type**

Select a conversion rate type that is used when transferring foreign currency intercompany transactions to General Ledger, Receivables and Payables.

*Note:* The foreign currency intercompany transactions are not stored in the ledger currency in the Intercompany module.

- **Allow Receiver to Reject Transaction**

Use this system option to determine if receivers of intercompany transactions can reject transactions or not. For example, if your company policy requires intercompany transactions be approved, but does not allow receivers to reject the transactions, then you can set this system option to No.

- **Intercompany Calendar and Period Type**

You can have an intercompany calendar that is separate from the general ledger calendar. This ensures that the opening and closing of intercompany periods can be controlled separately from the general ledger calendar. You can limit the creation of intercompany transactions by using the intercompany calendar to close periods by transaction type. For example, you can prevent users from creating intercompany sales transactions beyond the 20th of each month by closing the period for that transaction type on the 20th, but keep the period open for the other transaction types until the 25th of the month.

Select a calendar from the available general ledger calendars in the list of values.

To update the intercompany calendar to use a different general ledger accounting calendar, the intercompany period status for all intercompany transaction types must either be Never Opened or Closed.

The Period Type value is predefined from the selected accounting calendar and cannot be updated. It indicates the type of period defined for that calendar.

- **Default Transaction Type**

Select a transaction type that will default when new intercompany batches are created.

- **Summarize Distributions for Receivables Invoicing**

Specify this option while setting up the Intercompany System Options by selecting a Yes or No. When you select Yes, the provider distribution lines are summarized to generate one receivables invoice line. Intercompany passes the Transaction description to the receivables invoice line. Note that the accounting of the receivables invoice still shows each provider line separately.

When you select No for the Summarize Distribution for Receivables Invoicing option, each provider distribution line is passed to Receivables to be generated as a separate receivables invoice line. In this case, Intercompany passes each Provider Line description to the receivables invoice line.

### Intercompany Transactions Types

Use intercompany transaction types to manage the processing of intercompany transactions. When you create an intercompany transaction you must select an intercompany transaction type.
The attributes of the transaction type determine how the intercompany transaction is processed. A transaction type helps you to specify if a transaction is transferred directly to General Ledger or if it requires invoicing in Receivables and Payables. The transaction type also determines if a transaction requires manual approval.

You can only change the transaction type if all existing transactions for that transaction type are either in the New or Complete status. So for all transactions that are in not in the New or Complete status, you must process them until they are in the Complete status. After the status is complete, you can change the transaction type.

Use the Manage Intercompany Transaction Types task from the Setup and Maintenance work area to set up and maintain intercompany transaction types.

**Intercompany Period Status**

If you chose to use an intercompany calendar on your Systems Options, you can open and close periods by transaction type on the Intercompany Period Status screen. Intercompany periods cannot be closed if there are transactions for that period that are in the Sent, Error, or Received status. These transactions must be swept to the next period before closing the period.

**Define Organizations**

**Manage Intercompany Organizations**

The Manage Intercompany Organizations task lets you define intercompany organizations and assign them to a legal entity. The intercompany organization can act either as a provider or a receiver in an intercompany transaction.

 Optionally assign a receivables and payables business unit to the organization if you require invoice generation. Invoices are generated in Oracle Fusion Receivables and Oracle Fusion Payables for the business units specified.

You can initiate an intercompany transaction only for those organizations that you have access to. If a new organization is added after the application is configured, the intercompany accountant or administrator should ensure that access is given to the appropriate users.

An organization can be disabled if there are no open transactions, and all transactions for that organization are either in a New or Complete status.

**Legal Entity**

Each intercompany organization must be associated with a legal entity, but you can associate more than one organization to a legal entity.

**Receivables and Payables Business Units**

The available business units are those associated with the ledger to which the selected legal entity belongs. This assignment is optional, but is needed when the organization is engaged in intercompany activity requiring intercompany invoices.

If you enter the wrong receivables or payables business units, you can still correct them as long as the organization is not yet used in an intercompany transaction, regardless of the transaction status.
Invoicing Options

Customer and Supplier Assignment

The intercompany customer and supplier assignments are used to derive the customers and suppliers for intercompany invoicing. You can associate a legal entity with either a customer account or supplier, or both. Each legal entity can only have one customer account and one supplier assigned to it.

Customer Account

Assign a unique customer account to the legal entity of the organization that receives and approves intercompany transactions. The customer account type must be Internal and it must have an active bill-to site with primary selected. Each customer account can have multiple sites each associated with a different receivables business unit. This allows invoicing for the customer in a variety of receivables business units.

Supplier

Assign a unique supplier to the legal entity of the organization that initiates intercompany transactions. The supplier must have an active primary pay site. Each supplier can have multiple sites, each associated to a different payables business unit.

Intercompany Receivables Assignments

Use Oracle Fusion Intercompany to generate invoices for intercompany transactions.

Defining Receivables Assignments

Set up your receivables assignments by mapping an intercompany transaction type and a receivables business unit to the receivables transaction type and receivables memo line. Oracle Fusion Receivables will use the receivables transaction type and the receivables memo line to process intercompany transactions transferred to the receivables application. You can configure specific receivables transaction types, and receivables memo lines, that you use for each intercompany transaction type for a receivables business unit.

Balancing Rules

Intercompany Balancing Rules

Intercompany balancing rules are used to generate the accounts needed to balance journals that are out of balance by legal entity or primary balancing segment values. You specify the intercompany receivables and intercompany payables accounts that you want to use as the template for building the intercompany receivables and intercompany payables accounts. The intercompany balancing feature then uses these rules to generate the accounts of the balancing lines it creates.

Journals lines are first summarized by the legal entity and are balanced by the legal entity. Since a legal entity can have many primary balancing segment values, it is possible that a journal could have multiple lines for a legal entity with different primary balancing segment values. In that case, when intercompany balancing is done, the lowest primary balancing segment value
within each legal entity in the journal is used. After this, balancing occurs across balancing segment values within each legal entity.

These same rules are also used to generate the intercompany receivables account and intercompany payables account of transactions entered in the Intercompany module.

The intercompany balancing rules are also used to generate the intercompany receivables account for the provider side of an intercompany transaction. The balancing rules also used to generate the intercompany payables account for the receiver side of an intercompany transaction.

⚠️ **Caution:** After you create an Intercompany balancing rule, you cannot modify it. However, you can end date an existing rule and create a new rule.

### Defining Intercompany Balancing Rules

You can define intercompany balancing rules at the following levels:

1. Primary balancing segment
2. Legal entity
3. Ledger
4. Chart of accounts

The rules are evaluated in the order shown. For example, you can define a Primary Balancing Segment rule and a Legal Entity level rule. If both rules can be used to balance a particular journal, the Primary Balancing Segment rule is used, as it has a higher precedence.

You have flexibility in defining your intercompany balancing rules. You can have a simple setup in which you define one rule for your chart of accounts. This rule is used for all intercompany balancing for all ledgers that use this chart of accounts. Alternatively, you can define a more granular set of rules. For example, you can define a different rule for each legal entity and one chart of accounts rule to cover any gaps in your rule definitions. You can gain even more granularity by defining rules for specific journal and category combinations or intercompany transaction types.

### Using Chart of Accounts Rules for Intercompany

Use chart of accounts rules for intercompany balancing. You have flexibility in defining your intercompany balancing rules with the setup of a single chart of accounts rule to use for all ledgers that use this chart of accounts. When you create a chart of accounts rule, you specify the chart of accounts, intercompany receivables, and intercompany payables accounts you want to use, as well as the source and category. It is recommended that the intercompany receivables account be an asset type account, and the intercompany payables account be a liability type account.

You can define rules that are applied to a specific source and category, such as Payables and Invoices, or a specific intercompany transaction type, such as Intercompany Sales. Alternatively, you can choose to create rules for all sources and categories by selecting the source of **Other** and the category of **Other**.

Intercompany Balancing will then evaluate the journal source and journal category combination in determining which rule to use for balancing. The order of precedence is as follows.

- Specific journal source and journal category
- Specific journal source and journal category of Other
- Journal source of Other and specific journal category
- Journal source of Other and journal category of Other
Additional Intercompany Balancing and Clearing Company Options

Additional Intercompany Balancing and Clearing options are used to balance the second balancing segment or the third balancing segment or both, when a transaction is unbalanced by one of these segments but is already balanced by the primary balancing segment. This option is defined for a ledger but you can create rules for various Source and Category combinations.

Additional Intercompany Balancing and Clearing options include the following settings:

- Intercompany Receivables and Intercompany Payables accounts: You can use as the accounts as the template to build balancing accounts for balancing segment 2 and balancing segment 3 when the journal is already balanced by primary balancing segment.
- Summarization options: You can choose to summarize lines within a legal entity before balancing lines are generated by choosing the Summary Net option. Alternatively choose the Detail options so lines are not summarized before balancing within a legal entity. Note that summarization always applies to balancing lines generated in a cross legal entity scenario.
- Clearing company options: Oracle recommends always setting clearing company options to handle many-to-many journals as this avoids balancing failing during General Ledger Posting or Subledger Accounting Create Accounting process.

Clearing Company Options

You can choose to set clearing company options to balance a many-to-many journal. Set the following options to manage your clearing company balancing.

- Clearing Company Condition: Choose when to use a clearing company.
  - Use clearing company only for intracompany journals.
  - Use clearing company for all many-to-many journals.
  - Error out if many-to-many journal. This is the default value for this option.
- Clearing Company Source: Choose how the clearing company value is derived for your balancing lines, from the following options:
  - Default clearing balancing segment value.
  - Manually entered clearing balancing segment value. Note that if you select Manually entered clearing balancing segment value, you will need to manually enter a value in the create journals screen. This option will not work for subledger accounting entries as they do not have a field on the user interface to enter this value.
- Clearing Company Value: If you selected Default clearing balancing segment value for Source, you must select a primary balancing segment value in this field. This is the value used to balance your intracompany or many-to-many journals.

Example of Intercompany Balancing Rules

This topic provides examples of intercompany balancing rules and the intercompany balancing lines generated. These rules are used to generate the accounts needed to balance journals that are out of balance by legal entity or primary balancing segment values.
Intercompany Balancing Rules Precedence

In this example the legal Entity InFusion Textiles intercompany manufacturing activities are tracked separately from its non-manufacturing activities. In order to achieve this legal entity level rules are defined specifically between the legal entity InFusion Textiles and the two manufacturing legal entities, InFusion Products (East) and InFusion Products (West). A chart of accounts rule is created to cover all other intercompany activities.

Setup

- InFusion USA Chart of Accounts as shown in the following table.

<table>
<thead>
<tr>
<th>Segment Name</th>
<th>Company (CO)</th>
<th>Cost Center (CC)</th>
<th>Division (DIV)</th>
<th>Account (ACCT)</th>
<th>Intercompany (IC)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Segment Qualifier</td>
<td>Primary Balancing Segment</td>
<td>Second Balancing Segment</td>
<td>Third Balancing Segment</td>
<td>Account</td>
<td>Intercompany Segment</td>
</tr>
</tbody>
</table>

- Ledger, Legal Entity, Primary Balancing Segment Value Assignments as shown in the following table.

<table>
<thead>
<tr>
<th>Ledger</th>
<th>Legal Entity</th>
<th>Primary Balancing Segment Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>InFusion USA</td>
<td>InFusion Farms</td>
<td>3100, 3200, 3300, 3400, 3500</td>
</tr>
<tr>
<td>InFusion USA</td>
<td>InFusion Textiles</td>
<td>4000</td>
</tr>
<tr>
<td>InFusion USA</td>
<td>InFusion Products (East)</td>
<td>5000</td>
</tr>
<tr>
<td>InFusion USA</td>
<td>InFusion Products (West)</td>
<td>6000</td>
</tr>
<tr>
<td>InFusion USA</td>
<td></td>
<td>1000, 9000</td>
</tr>
</tbody>
</table>

- Chart of Accounts Rule as shown in the following table.

<table>
<thead>
<tr>
<th>Rule Number</th>
<th>Chart of Accounts</th>
<th>AR Account</th>
<th>AP Account</th>
<th>Source</th>
<th>Category</th>
<th>Transaction Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>InFusion USA Chart of Accounts</td>
<td>1000 - 000 - 0000 - 13050 - 0000</td>
<td>1000 - 000 - 0000 - 21050 - 0000</td>
<td>Other</td>
<td>Other</td>
<td>None</td>
</tr>
</tbody>
</table>

- Legal Entity Level Rule as shown in the following table.

<table>
<thead>
<tr>
<th>Rule No.</th>
<th>From Legal Entity</th>
<th>To Legal Entity</th>
<th>AR Account</th>
<th>AP Account</th>
<th>Source</th>
<th>Category</th>
<th>Transaction Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>InFusion Textiles</td>
<td>InFusion Products (West)</td>
<td>1000 - 000 - 0000 - 13020 - 0000</td>
<td>1000 - 000 - 0000 - 21020 - 0000</td>
<td>Other</td>
<td>Other</td>
<td>None</td>
</tr>
</tbody>
</table>
### Rule No. 3

<table>
<thead>
<tr>
<th>From Legal Entity</th>
<th>To Legal Entity</th>
<th>AR Account</th>
<th>AP Account</th>
<th>Source</th>
<th>Category</th>
<th>Transaction Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>InFusion Textiles</td>
<td>InFusion Products (East)</td>
<td>1000 - 000 - 0000 - 13030 - 0000</td>
<td>1000 - 000 - 0000 - 21030 - 0000</td>
<td>Other</td>
<td>Other</td>
<td>None</td>
</tr>
</tbody>
</table>

**Journal Balancing**

- Journal before Balancing as shown in the following table.

<table>
<thead>
<tr>
<th>Line</th>
<th>Line Type</th>
<th>Legal Entity</th>
<th>CO</th>
<th>CC</th>
<th>DIV</th>
<th>ACCT</th>
<th>IC</th>
<th>Debit</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Expense</td>
<td>InFusion Farms</td>
<td>3100</td>
<td>100</td>
<td>1200</td>
<td>52330</td>
<td>0000</td>
<td>150</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Expense</td>
<td>InFusion Products (East)</td>
<td>5000</td>
<td>100</td>
<td>1200</td>
<td>52340</td>
<td>0000</td>
<td>200</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Expense</td>
<td>InFusion Products (West)</td>
<td>6000</td>
<td>200</td>
<td>1300</td>
<td>52345</td>
<td>0000</td>
<td>300</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Liability</td>
<td>InFusion Textiles</td>
<td>4000</td>
<td>500</td>
<td>1300</td>
<td>40118</td>
<td>0000</td>
<td>650</td>
<td></td>
</tr>
</tbody>
</table>

**Journal Balancing**

- Journal after Balancing as shown in the following table.

<table>
<thead>
<tr>
<th>Uses Rule</th>
<th>Line</th>
<th>Line Type</th>
<th>Legal Entity</th>
<th>CO</th>
<th>CC</th>
<th>DIV</th>
<th>ACCT</th>
<th>IC</th>
<th>Debit</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Expense</td>
<td>InFusion Farms</td>
<td>3100</td>
<td>100</td>
<td>1200</td>
<td>52330</td>
<td>0000</td>
<td>150</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Expense</td>
<td>InFusion Products (East)</td>
<td>5000</td>
<td>100</td>
<td>1200</td>
<td>52340</td>
<td>0000</td>
<td>200</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Expense</td>
<td>InFusion Products (West)</td>
<td>6000</td>
<td>200</td>
<td>1300</td>
<td>52345</td>
<td>0000</td>
<td>300</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Liability</td>
<td>InFusion Textiles</td>
<td>4000</td>
<td>500</td>
<td>1300</td>
<td>40118</td>
<td>0000</td>
<td>650</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>5</td>
<td>IC AR</td>
<td>InFusion Textiles</td>
<td>4000</td>
<td>500</td>
<td>1300</td>
<td>13050</td>
<td>3100</td>
<td>150</td>
<td></td>
</tr>
</tbody>
</table>
Examples of Using Chart of Accounts Rules for Intercompany Balancing

The following are some examples using chart of accounts rules for Intercompany balancing.

**One-to-One Balancing: Example**

In these scenarios, you choose to track intercompany balancing for companies with values 3000, and 4000 to separate intercompany accounts. You will set up specific rules at the primary balancing segment value level for this. A chart of accounts rule is created for all other intercompany activity.

Setup

InFusion USA Chart of Accounts as shown in the following table.

<table>
<thead>
<tr>
<th>Uses</th>
<th>Line</th>
<th>Line Type</th>
<th>Legal Entity</th>
<th>CO</th>
<th>CC</th>
<th>DIV</th>
<th>ACCT</th>
<th>IC</th>
<th>Debit</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>6</td>
<td>IC AP</td>
<td>InFusion Farms</td>
<td>3100</td>
<td>100</td>
<td>1200</td>
<td>21050</td>
<td>4000</td>
<td>150</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>7</td>
<td>IC AR</td>
<td>InFusion Textiles</td>
<td>4000</td>
<td>500</td>
<td>1300</td>
<td>13030</td>
<td>5000</td>
<td>200</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>8</td>
<td>IC AP</td>
<td>InFusion Products(Eas)</td>
<td>5000</td>
<td>100</td>
<td>1200</td>
<td>21050</td>
<td>4000</td>
<td>200</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>9</td>
<td>IC AR</td>
<td>InFusion Textiles</td>
<td>4000</td>
<td>500</td>
<td>1300</td>
<td>13020</td>
<td>6000</td>
<td>300</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>10</td>
<td>IC AP</td>
<td>InFusion Products (West)</td>
<td>6000</td>
<td>200</td>
<td>1300</td>
<td>21050</td>
<td>4000</td>
<td>300</td>
<td></td>
</tr>
</tbody>
</table>

Ledger, Legal Entity, and Primary Balancing Segment Value Assignments as shown in the following table.

<table>
<thead>
<tr>
<th>Ledger</th>
<th>Legal Entity</th>
<th>Primary Balancing Segment Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>InFusion USA</td>
<td>InFusion Farms</td>
<td>3000</td>
</tr>
<tr>
<td>InFusion USA</td>
<td>InFusion Textiles</td>
<td>4000</td>
</tr>
</tbody>
</table>
Rule No. 1: Chart of Accounts Rule as shown in the following table.

- Chart of Accounts: InFusion USA
- Source: Other
- Category: Other
- Transaction Type: None

<table>
<thead>
<tr>
<th>IC Account</th>
<th>CO</th>
<th>CC</th>
<th>PROD</th>
<th>ACCT</th>
<th>IC</th>
</tr>
</thead>
<tbody>
<tr>
<td>AR Account</td>
<td>1000</td>
<td>000</td>
<td>0000</td>
<td>13010</td>
<td>0000</td>
</tr>
<tr>
<td>AP Account</td>
<td>1000</td>
<td>000</td>
<td>0000</td>
<td>21010</td>
<td>0000</td>
</tr>
</tbody>
</table>

Rule No. 2: Primary Balancing Segment Rules as shown in the following table.

- From Ledger and To Ledger: InFusion USA
- From Primary Segment Value: 3000
- To Primary Segment Value: 4000
- Source: Other
- Category: Other
- Transaction Type: None

<table>
<thead>
<tr>
<th>IC Account</th>
<th>CO</th>
<th>CC</th>
<th>PROD</th>
<th>ACCT</th>
<th>IC</th>
</tr>
</thead>
<tbody>
<tr>
<td>AR Account</td>
<td>1000</td>
<td>000</td>
<td>0000</td>
<td>13011</td>
<td>0000</td>
</tr>
<tr>
<td>AP Account</td>
<td>1000</td>
<td>000</td>
<td>0000</td>
<td>21011</td>
<td>0000</td>
</tr>
</tbody>
</table>

Rule No. 3: Primary Balancing Segment Rule as shown in the following table.

- From Ledger and To Ledger: InFusion USA
- From Primary Segment Value: 3000
- To Primary Segment Value: 5000
- Source: Other
- Category: Other
- Transaction Type: None
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Rule No. 4: Primary Balancing Segment Rule as shown in the following table.
- From Ledger and To Ledger: InFusion USA
- From Primary Segment Value: 4000
- To Primary Segment Value: 3000
- Source: Other
- Category: Other
- Transaction Type: None

Rule No. 5: Primary Balancing Segment Rule as shown in the following table.
- From Ledger and To Ledger: InFusion USA
- From Primary Segment Value: 4000
- To Primary Segment Value: 5000
- Source: Other
- Category: Other
- Transaction Type: None

Journal No. 1: One-to-One Legal Entity Journal as shown in the following table.
- Source: Manual
- Category: Adjustment

<table>
<thead>
<tr>
<th>Line</th>
<th>Account</th>
<th>Debit</th>
<th>Credit</th>
<th>Description</th>
<th>Uses Rule No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>5000- 100- 1200- 52330- 0000</td>
<td>150</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Journal No. 2: One-to-Many Legal Entity with Multiple Primary Balancing Segment Values for a legal Entity as shown in the following table.

**Note:** Balancing summarizes across a legal entity and first performs intercompany balancing using the lowest primary balancing segment value within the legal entity. In the following example, 1000 and 9000 are assigned to the same legal entity so first 1000 is used to perform intercompany balancing. Then balancing is performed for 1000 and 9000, that is, the primary balancing segments within a legal entity.

- Source: Manual
- Category: Adjustment

<table>
<thead>
<tr>
<th>Line</th>
<th>Account</th>
<th>Debit</th>
<th>Credit</th>
<th>Description</th>
<th>Uses Rule No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>3000-100-1200-52330-0000</td>
<td>150</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>4000-110-1200-41111-0000</td>
<td></td>
<td>140</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>1000-120-1000-52345-0000</td>
<td></td>
<td>30</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>9000-130-2000-52330-0000</td>
<td></td>
<td>40</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>3000-100-0000-21011-4000</td>
<td></td>
<td>140</td>
<td>Intercompany Balancing Line</td>
<td>2</td>
</tr>
<tr>
<td>6</td>
<td>4000-110-0000-13013-3000</td>
<td></td>
<td>140</td>
<td>Intercompany Balancing Line</td>
<td>4</td>
</tr>
<tr>
<td>7</td>
<td>3000-100-0000-21010-1000</td>
<td></td>
<td>10</td>
<td>Intercompany Balancing Line</td>
<td>1</td>
</tr>
<tr>
<td>8</td>
<td>1000-120-0000-13010-3000</td>
<td></td>
<td>10</td>
<td>Intercompany Balancing Line</td>
<td>1</td>
</tr>
</tbody>
</table>
### Many-to-Many Balancing: Example

In this section, we look at many-to-many primary balancing segment value journals and many-to-many legal entity journals.

- For many-to-many primary balancing segment journals, a clearing company is used if it is available. If no clearing company is available, balancing is done using a default rule that matches the largest debit with largest credit and so on.
- For many-to-many legal entity journals, a clearing company is required to balance a journal.

#### Setup

InFusion USA Chart of Accounts as shown in the following table.

<table>
<thead>
<tr>
<th>Segment Qualifier</th>
<th>Primary Balancing Segment</th>
<th>Balancing Segment 2</th>
<th>Segment</th>
<th>Segment</th>
<th>Segment</th>
<th>Intercompany Segment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Segment Name</td>
<td>Company</td>
<td>Cost Center</td>
<td>Product</td>
<td>Account</td>
<td>(ACCT)</td>
<td>(IC)</td>
</tr>
<tr>
<td>(CO)</td>
<td>(CC)</td>
<td>(PROD)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Ledger, Legal Entity, and Primary Balancing Segment Value Assignments as shown in the following table.

<table>
<thead>
<tr>
<th>Ledger</th>
<th>Legal Entity</th>
<th>Primary Balancing Segment Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>InFusion USA</td>
<td>InFusion Farms</td>
<td>3111, 3121, 3199, 3899</td>
</tr>
<tr>
<td>InFusion USA</td>
<td>InFusion Textiles</td>
<td>3311</td>
</tr>
<tr>
<td>InFusion USA</td>
<td>InFusion Production</td>
<td>3211</td>
</tr>
<tr>
<td>InFusion USA</td>
<td>InFusion Sales</td>
<td>3251</td>
</tr>
</tbody>
</table>

### Many-to-Many Primary Balancing Segment Values Within One Legal Entity Balanced Using a Clearing Company: Example

Rule No. 1: Chart of Accounts as shown in the following table.

- Chart of Accounts: InFusion USA
- Source: Auto copy
• Category: Accrual
• Transaction Type: None

<table>
<thead>
<tr>
<th>IC Account</th>
<th>CO</th>
<th>CC</th>
<th>PROD</th>
<th>ACCT</th>
<th>IC</th>
</tr>
</thead>
<tbody>
<tr>
<td>AR Account</td>
<td>3111</td>
<td>000</td>
<td>0000</td>
<td>11020</td>
<td>0000</td>
</tr>
<tr>
<td>AP Account</td>
<td>3251</td>
<td>000</td>
<td>0000</td>
<td>21021</td>
<td>0000</td>
</tr>
</tbody>
</table>

Rule No. 2: Primary Balancing Segment Rule as shown in the following table.

• Chart of Accounts: InFusion USA
• From Primary Segment Value: 3111
• To Primary Segment Value: All other
• Source: Auto copy
• Category: Accrual
• Transaction Type: None

<table>
<thead>
<tr>
<th>IC Account</th>
<th>CO</th>
<th>CC</th>
<th>PROD</th>
<th>ACCT</th>
<th>IC</th>
</tr>
</thead>
<tbody>
<tr>
<td>AR Account</td>
<td>3111</td>
<td>000</td>
<td>0000</td>
<td>11018</td>
<td>0000</td>
</tr>
<tr>
<td>AP Account</td>
<td>3111</td>
<td>000</td>
<td>0000</td>
<td>21030</td>
<td>0000</td>
</tr>
</tbody>
</table>

Additional Intercompany Balancing and Clearing Options as shown in the following table.

• Source: Auto copy
• Category: Accrual

Journal Lines

<table>
<thead>
<tr>
<th>Line</th>
<th>Account</th>
<th>Debit</th>
<th>Credit</th>
<th>Description</th>
<th>Uses Rule No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>3111-000-000-52330-0000</td>
<td>10</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>3121-000-000-52330-0000</td>
<td>20</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>3199-000-000-52330-0000</td>
<td></td>
<td>14</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>3899-000-000-52330-0000</td>
<td></td>
<td>16</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>3199-000-000-11020-3371</td>
<td>14</td>
<td></td>
<td>Ledger Intercompany balancing line</td>
<td>1 and clearing company value 3371</td>
</tr>
</tbody>
</table>
### Many-to-Many Legal Entity with a Clearing Company: Example

**Rule No. 1: Chart of Accounts Rule as shown in the following table.**

- **Chart of Accounts:** InFusion USA
- **Source:** Other
- **Category:** Other
- **Transaction Type:** None

<table>
<thead>
<tr>
<th>IC Account</th>
<th>CO</th>
<th>CC</th>
<th>PROD</th>
<th>ACCT</th>
<th>IC</th>
</tr>
</thead>
<tbody>
<tr>
<td>AR Account</td>
<td>3111</td>
<td>000</td>
<td>0000</td>
<td>11020</td>
<td>0000</td>
</tr>
<tr>
<td>AP Account</td>
<td>3251</td>
<td>000</td>
<td>0000</td>
<td>21021</td>
<td>0000</td>
</tr>
</tbody>
</table>

---

<table>
<thead>
<tr>
<th>Line</th>
<th>Account</th>
<th>Debit</th>
<th>Credit</th>
<th>Description</th>
<th>Uses Rule No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>3371-000-000-21021-3199</td>
<td>14</td>
<td></td>
<td>Ledger Intercompany balancing line</td>
<td>1 and clearing company value 3371</td>
</tr>
<tr>
<td>7</td>
<td>3111-000-000-21030-3371</td>
<td>10</td>
<td></td>
<td>Ledger Intercompany balancing line</td>
<td>2 and clearing company value 3371</td>
</tr>
<tr>
<td>8</td>
<td>3371-000-000-11020-3111</td>
<td>10</td>
<td></td>
<td>Ledger Intercompany balancing line</td>
<td>1 and clearing company value 3371</td>
</tr>
<tr>
<td>9</td>
<td>3121-000-000-21021-3371</td>
<td>20</td>
<td></td>
<td>Ledger Intercompany balancing line</td>
<td>1 and clearing company value 3371</td>
</tr>
<tr>
<td>10</td>
<td>3371-000-000-11020-3121</td>
<td>20</td>
<td></td>
<td>Ledger Intercompany balancing line</td>
<td>1 and clearing company value 3371</td>
</tr>
<tr>
<td>11</td>
<td>3899-000-000-11020-3371</td>
<td>16</td>
<td></td>
<td>Ledger Intercompany balancing line</td>
<td>1 and clearing company value 3371</td>
</tr>
<tr>
<td>12</td>
<td>3371-000-000-21021-3899</td>
<td>16</td>
<td></td>
<td>Ledger Intercompany balancing line</td>
<td>1 and clearing company value 3371</td>
</tr>
<tr>
<td></td>
<td>90</td>
<td>90</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Additional Intercompany Balancing and Clearing Options as shown in the following table.

- **Source**: Auto copy
- **Category**: Accrual

<table>
<thead>
<tr>
<th>Condition</th>
<th>Source</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Use clearing company for all many-to-many journal</td>
<td>Default clearing balancing segment value</td>
<td>3899</td>
</tr>
</tbody>
</table>

### Journal Lines

<table>
<thead>
<tr>
<th>Line</th>
<th>Account</th>
<th>Debit</th>
<th>Credit</th>
<th>Description</th>
<th>Uses Rule No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>3111-000-000-52330-0000</td>
<td>10</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>3311-000-000-52330-0000</td>
<td>20</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>3211-000-000-52330-0000</td>
<td>14</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>3251-000-000-52330-0000</td>
<td>16</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>3111-000-000-21021-3899</td>
<td>10</td>
<td></td>
<td>Ledger Intercompany balancing line</td>
<td>1 and clearing company 3899</td>
</tr>
<tr>
<td>6</td>
<td>3211-000-000-11020-3899</td>
<td>14</td>
<td></td>
<td>Ledger Intercompany balancing line</td>
<td>1 and clearing company 3899</td>
</tr>
<tr>
<td>7</td>
<td>3251-000-000-11020-3899</td>
<td>16</td>
<td></td>
<td>Ledger Intercompany balancing line</td>
<td>1 and clearing company 3899</td>
</tr>
<tr>
<td>8</td>
<td>3311-000-000-21021-3899</td>
<td>20</td>
<td></td>
<td>Ledger Intercompany balancing line</td>
<td>1 and clearing company 3899</td>
</tr>
<tr>
<td>9</td>
<td>3899-000-000-11020-3111</td>
<td>10</td>
<td></td>
<td>Ledger Intercompany balancing line</td>
<td>1 and clearing company 3899</td>
</tr>
<tr>
<td>10</td>
<td>3899-000-000-21021-3211</td>
<td>14</td>
<td></td>
<td>Ledger Intercompany balancing line</td>
<td>1 and clearing company 3899</td>
</tr>
</tbody>
</table>
Many-to-Many Primary Balancing Segment within a Legal Entity and No Clearing Company Specified: Example

The default rule is used which applies largest debit to largest credit and so on.

Note: The default rule is only used for Many-to-Many Primary Balancing Segment and is not used for Many-to-Many legal entity.

Rule No. 1: Chart of Accounts Rule as shown in the following table.

- Chart of Accounts: InFusion USA
- Source: Other
- Category: Other
- Transaction Type: None

<table>
<thead>
<tr>
<th>IC Account</th>
<th>CO</th>
<th>CC</th>
<th>PROD</th>
<th>ACCT</th>
<th>IC</th>
</tr>
</thead>
<tbody>
<tr>
<td>AR Account</td>
<td>3111</td>
<td>000</td>
<td>0000</td>
<td>13011</td>
<td>0000</td>
</tr>
<tr>
<td>AP Account</td>
<td>3111</td>
<td>110</td>
<td>0000</td>
<td>21081</td>
<td>0000</td>
</tr>
</tbody>
</table>

Balancing will take the line with the largest debit which is line number 2 and balance it against the largest credit which is line 4. Then it takes the balance of line 2 and balance this against line 3 and so on.

Journal Lines as shown in the following table.

<table>
<thead>
<tr>
<th>Line</th>
<th>Account</th>
<th>Debit</th>
<th>Credit</th>
<th>Description</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>3111-000-000-52330-0000</td>
<td>10</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>3121-000-0000-52330-0000</td>
<td>20</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>3199-000-0000-52330-0000</td>
<td>14</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Example of Additional Intercompany Balancing and Clearing Options

This topic provides examples of additional intercompany balancing and clearing options, the setup required, and the journal before and after balancing.

Additional Intercompany Balancing Segment Options

In this scenario the enterprise has the second balancing segment and the third balancing segment enabled for its chart of accounts. The journal is balanced by primary balancing segment but is out of balance by the second balancing segment and the third balancing segment.
Setup

- **InFusion USA Chart of Accounts**

The following table describes the structure of the InFusion USA chart of accounts.

<table>
<thead>
<tr>
<th>Segment Qualifier</th>
<th>Primary Balancing Segment</th>
<th>Second Balancing Segment</th>
<th>Third Balancing Segment</th>
<th>Product</th>
<th>Account</th>
<th>Intercompany Segment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Segment Name</td>
<td>Company</td>
<td>Cost Center</td>
<td>Division</td>
<td>Product</td>
<td>Account</td>
<td>Intercompany</td>
</tr>
<tr>
<td>(CO)</td>
<td>(CC)</td>
<td>(DIV)</td>
<td>(PROD)</td>
<td>(ACCT)</td>
<td>(IC)</td>
<td></td>
</tr>
</tbody>
</table>

- **Ledger, Legal Entity, Primary Balancing Segment Value Assignments**

The following table describes the defined ledger, legal entity, and primary balancing segment values.

<table>
<thead>
<tr>
<th>Ledger</th>
<th>Legal Entity</th>
<th>Primary Balancing Segment Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>InFusion USA</td>
<td>InFusion Farms</td>
<td>3100, 3200, 3300, 3400, 3500</td>
</tr>
<tr>
<td>InFusion USA</td>
<td>InFusion Textiles</td>
<td>4000</td>
</tr>
<tr>
<td>InFusion USA</td>
<td>InFusion Products (East)</td>
<td>5000</td>
</tr>
<tr>
<td>InFusion USA</td>
<td>InFusion Products (West)</td>
<td>6000</td>
</tr>
<tr>
<td>InFusion USA</td>
<td></td>
<td>1000, 9000</td>
</tr>
</tbody>
</table>

- **Additional Intercompany Balancing and Clearing Options as shown in the following table.**

<table>
<thead>
<tr>
<th>Rule Number</th>
<th>Ledger</th>
<th>Source</th>
<th>Category</th>
<th>Transaction Type</th>
<th>AR Account</th>
<th>AP Account</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>InFusion USA</td>
<td>Other</td>
<td>Other</td>
<td>None</td>
<td>1000 - 000 - 0000 - 13010 - 0000</td>
<td>1000 - 000 - 100000 - 21010 - 0000</td>
</tr>
</tbody>
</table>

- **Journal Balancing**
  
  - **Journal Before Balancing as shown in the following table.**

<table>
<thead>
<tr>
<th>Line</th>
<th>Line Type</th>
<th>Legal Entity</th>
<th>CO</th>
<th>CC</th>
<th>DIV</th>
<th>PROD</th>
<th>ACCT</th>
<th>IC</th>
<th>Debit</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Expense</td>
<td>InFusion Farms</td>
<td>3100</td>
<td>100</td>
<td>110</td>
<td>1200</td>
<td>52330</td>
<td>0000</td>
<td>150</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Liability</td>
<td>InFusion Farms</td>
<td>3100</td>
<td>500</td>
<td>330</td>
<td>1300</td>
<td>40118</td>
<td>0000</td>
<td>150</td>
<td></td>
</tr>
</tbody>
</table>
• Journal Balancing
  
  o Journal after Balancing as shown in the following table.

<table>
<thead>
<tr>
<th>Line</th>
<th>Legal Entity</th>
<th>CO</th>
<th>CC</th>
<th>DIV</th>
<th>PROD</th>
<th>ACCT</th>
<th>IC</th>
<th>Debit</th>
<th>Credit</th>
<th>Uses Rule</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>InFusion Farms</td>
<td>3100</td>
<td>100</td>
<td>110</td>
<td>1200</td>
<td>52330</td>
<td>0000</td>
<td>150</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>InFusion Farms</td>
<td>3100</td>
<td>500</td>
<td>330</td>
<td>1300</td>
<td>40118</td>
<td>0000</td>
<td></td>
<td>150</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>InFusion Farms</td>
<td>3100</td>
<td>100</td>
<td>110</td>
<td>0000</td>
<td>21010</td>
<td>0000</td>
<td>150</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>InFusion Farms</td>
<td>3100</td>
<td>500</td>
<td>330</td>
<td>0000</td>
<td>13010</td>
<td>0000</td>
<td>150</td>
<td>1</td>
<td></td>
</tr>
</tbody>
</table>

**Related Topics**

- Additional Intercompany Balancing and Clearing Options

## Allocations

### How Intercompany Allocations Are Generated

The two processes you can use for intercompany allocation generation are Generate Intercompany Allocations and Generate General Ledger Allocations. You can use both processes for single-ledger allocations or cross-ledger allocations. The Generate Intercompany Allocations process updates Oracle Fusion Intercompany tables. The Generate General Ledger Allocations process updates Oracle Fusion General Ledger tables.

### Settings That Affect Intercompany Allocations

The following table describes the parameters for the Generate Intercompany Allocations and Generate General Ledger Allocations processes.

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Generate Intercompany Allocation Process</th>
<th>Generate General Ledger Allocations Process</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rule or Rule Set</td>
<td>Select the rule or rule set to create allocation calculations.</td>
<td>Select the rule or rule set to create allocation calculations.</td>
</tr>
<tr>
<td>Parameter</td>
<td>Generate Intercompany Allocation Process</td>
<td>Generate General Ledger Allocations Process</td>
</tr>
<tr>
<td>---------------------------------</td>
<td>-----------------------------------------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Intercompany Transaction Type</td>
<td>Select the type of transactions that are grouped together and are identified by the type of intercompany transaction.</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Post Allocations</td>
<td>Not Applicable</td>
<td>Select to book amounts spread from one account to another.</td>
</tr>
<tr>
<td>Process Cross-Ledger Allocations</td>
<td>Not Applicable</td>
<td>Process allocations that run across more than one ledger.</td>
</tr>
<tr>
<td>Use Intercompany Accounts</td>
<td>Not Applicable</td>
<td>Post allocation transactions to the intercompany accounts determined by the FUN application programming interface (API).</td>
</tr>
<tr>
<td></td>
<td></td>
<td>This option appears only for cross-ledger allocations.</td>
</tr>
<tr>
<td>Use Suspense Account</td>
<td>Not Applicable</td>
<td>Post allocation transactions to the suspense account, if one exists. Cross-ledger allocations are processed using Journal Import.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>This option appears only for cross-ledger allocations.</td>
</tr>
</tbody>
</table>

How Intercompany Allocations are Processed Using the Generate Intercompany Allocations Process

The Generate Intercompany Allocations process:

1. Calls the FUN API to create intercompany transactions and process the allocation lines.
2. Extracts the allocation lines from the General Ledger interface table and populates the Intercompany interface tables.
3. Removes the allocation lines from the General Ledger interface table upon successfully populating the Intercompany interface tables.
4. Generates a batch by provider legal entity and groups lines by receiver legal entity so that there is one transaction per legal entity.
5. Uses the entered currency amounts for populating the Intercompany interface tables.

How Intercompany Allocations are Processed Using the Generate General Ledger Allocations Process

The Generate General Ledger Allocations process:

1. Uses Journal Import to process the intercompany allocations if you select to post allocations for single ledger journals.
2. Calls the FUN API to generate the intercompany accounts if the rule or rule set contains cross-ledger lines. You select to process cross-ledger allocations using the intercompany accounts.

**Note:** If you select to process cross-ledger allocations using the suspense account, Journal Import processes the allocation lines.
3. Provides the intercompany receivables or intercompany payables account lines for cross-ledger allocations going to General Ledger.
4. Populates the General Ledger interface table with the appropriate line for each ledger of the cross-ledger allocation.

Example of Generating Intercompany Receivables and Intercompany Payables Accounts for Manual Transactions

The receivables (AR) and payables (AP) accounts for manual intercompany transactions are generated automatically by Oracle Fusion Intercompany. Enter distributions for the transaction and intercompany generates the receivables and payables accounts, based on the intercompany balancing rules setup.

Intercompany uses the transaction type, provider legal entity, receiver legal entity, primary balancing segment value of the first provider distribution and the primary balancing segment value of the first receiver distribution to ascertain which rule to apply. Intercompany then uses the rule, and the balancing segment values of the first provider distribution to build the intercompany receivable account combination for the provider side of the transaction. Similarly, intercompany builds the intercompany payables account for the receiver side of the transaction, based on the first receiver distribution account.

Intercompany will evaluate the rules in the following order.

1. Primary balancing segment rules
2. Legal entity level rules
3. Ledger level rules
4. Chart of accounts rules

If there is no matching rule at the lower levels, then intercompany will use the chart of accounts rule. It is therefore recommended that you set up a chart of accounts rule for every chart of accounts structure you have. This will ensure that intercompany will always find a rule to use to generate the intercompany receivables and intercompany payables accounts for transactions.

Intercompany will then evaluate the transaction type in determining which rule to use to generate the receivables or payables account. A rule with a specific transaction type takes precedence over a rule defined for the All Other transaction type.

Example

In this scenario you choose to track your intercompany sales for the farming and textile companies separately from other intercompany activities. Separate intercompany accounts are used for these two companies. A chart of accounts rule is created for all other intercompany activity.

Setup

InFusion USA Chart of Accounts as shown in the following table.

<table>
<thead>
<tr>
<th>Segment Qualifier</th>
<th>Primary Balancing Segment</th>
<th>Balancing Segment 2</th>
<th>Segment</th>
<th>Segment</th>
<th>Intercompany Segment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Segment Name</td>
<td>Company</td>
<td>Cost Center</td>
<td>Product</td>
<td>Account</td>
<td>Intercompany</td>
</tr>
<tr>
<td></td>
<td>(CO)</td>
<td>(CC)</td>
<td>(PROD)</td>
<td>(ACCT)</td>
<td>(IC)</td>
</tr>
</tbody>
</table>

Ledger, Legal Entity, and Primary Balancing Segment Value Assignments as shown in the following table.
Implementing Enterprise Structures and General Ledger

Chapter 8

Intercompany Setup

<table>
<thead>
<tr>
<th>Ledger</th>
<th>Legal Entity</th>
<th>Primary Balancing Segment Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>InFusion USA</td>
<td>InFusion Farms</td>
<td>3100, 3200, 3300, 3400, 3500</td>
</tr>
<tr>
<td>InFusion USA</td>
<td>InFusion Textiles</td>
<td>4000</td>
</tr>
<tr>
<td>InFusion USA</td>
<td>InFusion Production</td>
<td>5000</td>
</tr>
<tr>
<td>InFusion USA</td>
<td></td>
<td>1000, 9000</td>
</tr>
</tbody>
</table>

Chart of Accounts Rule

Rule No. 1 as shown in the following table.

- Chart of Accounts: InFusion USA
- Source: None
- Category: None
- Transaction Type: All Other

<table>
<thead>
<tr>
<th>IC Account</th>
<th>CO</th>
<th>CC</th>
<th>PROD</th>
<th>ACCT</th>
<th>IC</th>
</tr>
</thead>
<tbody>
<tr>
<td>AR Account</td>
<td>1000</td>
<td>000</td>
<td>0000</td>
<td>13020</td>
<td>000</td>
</tr>
<tr>
<td>AP Account</td>
<td>1000</td>
<td>000</td>
<td>000</td>
<td>21020</td>
<td>000</td>
</tr>
</tbody>
</table>

Legal Entity Rules.

Rule No. 2 as shown in the following table.

- From Ledger and To Ledger: InFusion USA
- From Legal Entity: InFusion Farms
- To Legal Entity: InFusion Textiles
- Source: None
- Category: None
- Transaction Type: Intercompany (IC) Sales

<table>
<thead>
<tr>
<th>IC Account</th>
<th>CO</th>
<th>CC</th>
<th>PROD</th>
<th>ACCT</th>
<th>IC</th>
</tr>
</thead>
<tbody>
<tr>
<td>AR Account</td>
<td>1000</td>
<td>000</td>
<td>0000</td>
<td>13011</td>
<td>000</td>
</tr>
<tr>
<td>AP Account</td>
<td>1000</td>
<td>000</td>
<td>0000</td>
<td>21011</td>
<td>000</td>
</tr>
</tbody>
</table>

Rule No. 3 as shown in the following table.

- From Ledger and To Ledger: InFusion USA
- From Legal Entity: InFusion Farms
• To Legal Entity: InFusion Production
• Source: None
• Category: None
• Transaction Type: Intercompany (IC) Sales

<table>
<thead>
<tr>
<th>IC Account</th>
<th>CO</th>
<th>CC</th>
<th>PROD</th>
<th>ACCT</th>
<th>IC</th>
</tr>
</thead>
<tbody>
<tr>
<td>AR Account</td>
<td>1000</td>
<td>000</td>
<td>0000</td>
<td>13012</td>
<td>0000</td>
</tr>
<tr>
<td>AP Account</td>
<td>1000</td>
<td>000</td>
<td>0000</td>
<td>21012</td>
<td>0000</td>
</tr>
</tbody>
</table>

Rule No. 4 as shown in the following table.
• From Ledger and To Ledger: InFusion USA
• From Legal Entity: InFusion Textiles
• To Legal Entity: InFusion Farms
• Source: None
• Category: None
• Transaction Type: Intercompany (IC) Sales

<table>
<thead>
<tr>
<th>IC Account</th>
<th>CO</th>
<th>CC</th>
<th>PROD</th>
<th>ACCT</th>
<th>IC</th>
</tr>
</thead>
<tbody>
<tr>
<td>AR Account</td>
<td>1000</td>
<td>000</td>
<td>0000</td>
<td>13013</td>
<td>0000</td>
</tr>
<tr>
<td>AP Account</td>
<td>1000</td>
<td>000</td>
<td>0000</td>
<td>21013</td>
<td>0000</td>
</tr>
</tbody>
</table>

Rule No. 5 as shown in the following table.
• From Ledger and To Ledger: InFusion USA
• From Legal Entity: InFusion Textiles
• To Legal Entity: InFusion Production
• Source: None
• Category: None
• Transaction Type: Intercompany (IC) Sales

<table>
<thead>
<tr>
<th>IC Account</th>
<th>CO</th>
<th>CC</th>
<th>PROD</th>
<th>ACCT</th>
<th>IC</th>
</tr>
</thead>
<tbody>
<tr>
<td>AR Account</td>
<td>1000</td>
<td>000</td>
<td>0000</td>
<td>13014</td>
<td>0000</td>
</tr>
<tr>
<td>AP Account</td>
<td>1000</td>
<td>000</td>
<td>0000</td>
<td>21014</td>
<td>0000</td>
</tr>
</tbody>
</table>

Intercompany Accounts Generated for Intercompany Debit Transactions

Provider Distribution and Intercompany Receivable Account
This table displays the Provider side of the transaction.

<table>
<thead>
<tr>
<th>Transaction</th>
<th>Transaction Type</th>
<th>Provider LE</th>
<th>Receiver LE</th>
<th>Provider Distribution</th>
<th>Provider AR Account Generated</th>
<th>Uses Rule No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>IC Sales</td>
<td>InFusion Farms</td>
<td>InFusion Textiles</td>
<td>3100-100-1200-52330-0000</td>
<td>3100-100-0000-13011-4000</td>
<td>2</td>
</tr>
<tr>
<td>2</td>
<td>IC Adjustments</td>
<td>InFusion Farms</td>
<td>InFusion Textiles</td>
<td>3100-100-1200-52330-0000</td>
<td>3100-100-0000-13020-4000</td>
<td>1</td>
</tr>
<tr>
<td>3</td>
<td>IC Sales</td>
<td>InFusion Production</td>
<td>InFusion Farms</td>
<td>5000-120-1200-52345-0000</td>
<td>5000-120-0000-13020-3200</td>
<td>1</td>
</tr>
</tbody>
</table>

**Receiver Distribution and Intercompany Payable Account**

This table displays the Receiver side of the transaction.

<table>
<thead>
<tr>
<th>Transaction</th>
<th>Transaction Type</th>
<th>Receiver LE</th>
<th>Provider LE</th>
<th>Receiver Distribution</th>
<th>Receiver AR Account Generated</th>
<th>Uses</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>IC Sales</td>
<td>InFusion Textiles</td>
<td>InFusion Farms</td>
<td>4000-110-1200-41111-0000</td>
<td>4000-110-0000-21013-3100</td>
<td>4</td>
</tr>
<tr>
<td>2</td>
<td>IC Adjustments</td>
<td>InFusion Textiles</td>
<td>InFusion Farms</td>
<td>4000-110-1200-41111-0000</td>
<td>4000-110-0000-21020-3100</td>
<td>1</td>
</tr>
<tr>
<td>3</td>
<td>IC Sales</td>
<td>InFusion Farms</td>
<td>InFusion Production</td>
<td>3200-130-1200-41112-0000</td>
<td>3200-130-0000-21012-5000</td>
<td>3</td>
</tr>
</tbody>
</table>

**Intercompany Accounts Generated for Intercompany Credit Transactions as shown in the following table.**

**Provider Distribution and Intercompany Receivable Account**

<table>
<thead>
<tr>
<th>Transaction</th>
<th>Transaction Type</th>
<th>Provider LE</th>
<th>Receiver LE</th>
<th>Provider Distribution</th>
<th>Provider AR Account Generated</th>
<th>Uses Rule No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>IC Sales</td>
<td>InFusion Farms</td>
<td>InFusion Textiles</td>
<td>3100-100-1200-52330-0000</td>
<td>3100-100-0000-13011-4000</td>
<td>2</td>
</tr>
<tr>
<td>5</td>
<td>IC Adjustments</td>
<td>InFusion Farms</td>
<td>InFusion Textiles</td>
<td>3100-100-1200-52330-0000</td>
<td>3100-100-0000-13020-4000</td>
<td>1</td>
</tr>
</tbody>
</table>
### Transaction Table

<table>
<thead>
<tr>
<th>Transaction</th>
<th>Transaction Type</th>
<th>Provider LE</th>
<th>Receiver LE</th>
<th>Provider Distribution</th>
<th>Receiver AP Account Generated</th>
<th>Uses Rule No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>IC Sales</td>
<td>InFusion Production</td>
<td>InFusion Farms</td>
<td>5000- 120-1300-52345-0000</td>
<td>5000- 120-0000-13020-3200</td>
<td>1</td>
</tr>
</tbody>
</table>

### Receiver Distribution and Intercompany Payable Account

This table displays the Receiver side of the transaction.

<table>
<thead>
<tr>
<th>Transaction</th>
<th>Transaction Type</th>
<th>Receiver LE</th>
<th>Provider LE</th>
<th>Receiver Distribution</th>
<th>Receiver AP Account Generated</th>
<th>Uses Rule No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>IC Sales</td>
<td>InFusion Textiles</td>
<td>InFusion Farms</td>
<td>4000- 100-1200-41111-0000</td>
<td>4000- 100-0000-21013-3100</td>
<td>4</td>
</tr>
<tr>
<td>5</td>
<td>IC Adjustments</td>
<td>InFusion Textiles</td>
<td>InFusion Farms</td>
<td>4000- 100-1200-41111-0000</td>
<td>4000- 100-0000-21020-3100</td>
<td>1</td>
</tr>
<tr>
<td>6</td>
<td>IC Sales</td>
<td>InFusion Farms</td>
<td>InFusion Production</td>
<td>3200- 130-1200-41112-0000</td>
<td>3200- 130-0000-21012-5000</td>
<td>3</td>
</tr>
</tbody>
</table>

### Cross-Ledger Allocations

Journals can be for a single ledger or multiple ledgers within a ledger set. When you create cross-ledger allocations, they must have only one debit or one credit line. The other side of the journal can have as many lines as you need. The process adds an intercompany receivables or intercompany payables line to each ledger’s journal so it can be posted. The intercompany receivables and payables accounts are generated based on the intercompany balancing rules.

### Settings That Affect Allocations

#### General Ledger Allocations

For the Generate General Ledger Allocations process, set the parameters listed in the following table to create allocation journals:

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rule or Rule set</td>
<td>Select the rule or rule set to create allocation lines.</td>
</tr>
<tr>
<td>Post Allocations</td>
<td>Select to automatically post allocation journals after they have been imported.</td>
</tr>
</tbody>
</table>
Intercompany Allocations

For the Generate Intercompany Allocations process, set the parameters listed in the following table to create intercompany allocations:

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rule or Rule set</td>
<td>Select the rule or rule set to create allocation calculations.</td>
</tr>
<tr>
<td>Intercompany Transaction Type</td>
<td>Select the transaction type to be used to create the intercompany transactions.</td>
</tr>
</tbody>
</table>

How Allocations are Processed Using the Generate General Ledger Allocations Process

The Generate General Ledger Allocations process creates journals from the allocation lines generated by the rule or rule set. Journals can be for a single ledger or multiple ledgers. If the allocation lines span multiple ledgers each journal is balanced using the intercompany balancing rules. When you create cross-ledger allocation rules each rule must only result in either one debit line or one credit line with as many lines on the other side as you need. The process then adds intercompany receivables or intercompany payables lines to cross-ledger journals so they can be imported into the relevant ledger.

How Allocations are Processed Using the Generate Intercompany Allocations Process

The Generate Intercompany Allocations process creates an intercompany batch, transactions, provider distributions and receiver distributions from the allocation lines generated by the rule or rule set. The process creates intercompany transactions in the entered currency of the allocation lines.

The Intercompany uses the primary balancing segment values, the balancing segment to legal entity assignments and the intercompany organizations set up to create transactions from your allocation.

You can create intercompany transactions from either single ledger or cross-ledger allocation lines. To successfully process cross-ledger allocations you must have either one debit line or one credit line per allocation but as many lines as required for the other side. The single debit or single credit line forms the provider side of the transaction and the lines on the other side form the receiver side of the transaction.

Examples of Cross-Ledger Allocations

You can process cross-ledger allocations by choosing to create them as general ledger journals or intercompany transactions. Choose to generate journals from an allocation rule or rule set by submitting the Generate General Ledger Allocations process. This process provides options to balance any cross-ledger journal with a receivables or payables line.

You can also choose to create intercompany transactions from an allocation rule or rule set by submitting the Generate Intercompany Allocations process. This creates intercompany transactions that optionally can be routed to Receivables for invoice generation.

The following scenario illustrates generating balancing journal entries as well as intercompany transactions for cross-ledger allocations.

Intercompany Allocation Entries

At month end the accountant allocates a portion of any centrally incurred expenses across all organization units that contribute to, or benefit from, that expenditure, based upon a calculation that represents a reasonable allocation of how
that expense should be split. By doing this allocation, the Income Statement or Profit and Loss statement for each of those organization units shows a fair representation of its share of operational costs.

In many cases, allocations only take place between departments within one subsidiary, but there may be other costs that are shared between subsidiaries on a regular basis.

For example, marketing expense is incurred within a central corporate ledger, and is allocated to the United States (US), Canadian (CA), and United Kingdom (UK) organizations based on sales volume. These organizations are separate legal entities with their own separate ledgers. The US organization bears 50% of the cost and the CA and UK organizations each bear 25% of the cost.

The Marketing Costs allocation rule is set up to generate the allocation lines listed in the following table.

<table>
<thead>
<tr>
<th>Ledger</th>
<th>Account</th>
<th>Debit</th>
<th>Credit</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>InFusion USA</td>
<td>3111-110-0000-41110-0000</td>
<td>USD 500</td>
<td>Allocation Line</td>
<td></td>
</tr>
<tr>
<td>InFusion UK</td>
<td>3411-000-0000-52330-0000</td>
<td>USD 250</td>
<td>Allocation Line</td>
<td></td>
</tr>
<tr>
<td>InFusion Canada</td>
<td>3511-120-0000-52330-0000</td>
<td>USD 250</td>
<td>Allocation Line</td>
<td></td>
</tr>
</tbody>
</table>

The intercompany balancing rules are set up to use the following accounts.

- Receivables Account: 3000-000-0000-13011-0000
- Payables Account: 3000-000-0000-21081-0000

**Generate General Ledger Allocations Using Intercompany Accounts**

Submit the Generate General Ledger Allocations process and choose your Rule or Rule Set. Select Process Cross-Ledger Allocations and Use Intercompany Accounts options to use intercompany balancing rules to generate the receivables and payables accounts required to balance cross-ledger allocation journal lines.

The following journals are created for the Marketing Costs allocation rule.

**The following table described the InFusion USA journal after cross-ledger balancing:**

<table>
<thead>
<tr>
<th>Ledger</th>
<th>Account</th>
<th>Debit</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>InFusion USA</td>
<td>3111-110-0000-41110-0000</td>
<td>USD 500</td>
<td>Allocation Line</td>
</tr>
<tr>
<td>InFusion USA</td>
<td>3111-110-0000-13011-3411</td>
<td>USD 250</td>
<td>Cross-Ledger Intercompany Allocation with Ledger InFusion UK</td>
</tr>
<tr>
<td>InFusion USA</td>
<td>3111-110-0000-13011-3511</td>
<td>USD 250</td>
<td>Cross-Ledger Intercompany Allocation with Ledger InFusion Canada</td>
</tr>
</tbody>
</table>

**The following table described the InFusion UK journal after cross-ledger balancing:**
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### Ledger, Account, Debit, Credit, Description

<table>
<thead>
<tr>
<th>Ledger</th>
<th>Account</th>
<th>Debit</th>
<th>Credit</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>InFusion UK</td>
<td>3411-000-0000-52330-0000</td>
<td>USD 250</td>
<td></td>
<td>Allocation Line</td>
</tr>
<tr>
<td>InFusion UK</td>
<td>3411-000-0000-21081-3111</td>
<td>USD 250</td>
<td></td>
<td>Cross-Ledger Intercompany Allocation</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>with Ledger InFusion USA</td>
</tr>
</tbody>
</table>

The following table described the InFusion Canada journal after cross-ledger balancing:

<table>
<thead>
<tr>
<th>Ledger</th>
<th>Account</th>
<th>Debit</th>
<th>Credit</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>InFusion Canada</td>
<td>3511-120-0000-52330-0000</td>
<td>USD 250</td>
<td></td>
<td>Allocation Line</td>
</tr>
<tr>
<td>InFusion Canada</td>
<td>3511-120-0000-21081-3111</td>
<td>USD 250</td>
<td></td>
<td>Cross-Ledger Intercompany Allocation</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>with Ledger InFusion USA</td>
</tr>
</tbody>
</table>

### Generate Intercompany Allocations

Submit the Generate Intercompany Allocations process to create intercompany transactions. If you need invoices for your allocations choose an intercompany transaction type that requires invoicing so the intercompany transactions get routed to Receivables for invoice generation.

Ledger, Legal Entity, and Primary Balancing Segment assignments are set up as shown in the following table:

<table>
<thead>
<tr>
<th>Ledger</th>
<th>Legal Entity</th>
<th>Primary Balancing Segment</th>
</tr>
</thead>
<tbody>
<tr>
<td>InFusion USA</td>
<td>USA Corp</td>
<td>3111</td>
</tr>
<tr>
<td>InFusion UK</td>
<td>UK Corp</td>
<td>3411</td>
</tr>
<tr>
<td>InFusion Canada</td>
<td>Canada Corp</td>
<td>3511</td>
</tr>
</tbody>
</table>

Intercompany organizations are set up as listed in the following table.

<table>
<thead>
<tr>
<th>Intercompany Organization</th>
<th>Legal Entity</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA Sales</td>
<td>USA Corp</td>
</tr>
<tr>
<td>UK Sales</td>
<td>UK Corp</td>
</tr>
<tr>
<td>Canada Sales</td>
<td>Canada Corp</td>
</tr>
</tbody>
</table>

The following table lists the provider intercompany transactions that are created for the Marketing Costs allocation rule.
Batch 101:

<table>
<thead>
<tr>
<th>Provider</th>
<th>Transaction Number</th>
<th>Distribution Number</th>
<th>Distribution account</th>
<th>Debit</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA Sales</td>
<td>1</td>
<td>1</td>
<td>3111-110-0000-41110-1</td>
<td>USD 250</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2</td>
<td></td>
<td>3111-110-0000-13011-3</td>
<td>USD 250</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>1</td>
<td>3111-110-0000-41110-1</td>
<td>USD 250</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2</td>
<td></td>
<td>3111-110-0000-13011-3</td>
<td>USD 250</td>
<td></td>
</tr>
</tbody>
</table>

The following table lists the receiver intercompany transactions that are created for the Marketing Costs allocation rule.

<table>
<thead>
<tr>
<th>Receiver</th>
<th>Transaction Number</th>
<th>Distribution Number</th>
<th>Distribution account</th>
<th>Debit</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK Sales</td>
<td>1</td>
<td>1</td>
<td>3411-000-0000-52330-1</td>
<td>USD 250</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2</td>
<td></td>
<td>3411-000-0000-21081-2</td>
<td>USD 250</td>
<td></td>
</tr>
<tr>
<td>Canada Sales</td>
<td>2</td>
<td>1</td>
<td>3511-120-0000-52330-1</td>
<td>USD 250</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2</td>
<td></td>
<td>3511-120-0000-21081-2</td>
<td>USD 250</td>
<td></td>
</tr>
</tbody>
</table>

FAQs for Manage Intercompany Allocations

How can I use social networking to discuss intercompany allocation adjustments with cost center owners?

Use the Social link on the Intercompany Transactions work area to invite others to a conversation to address the adjustments. For example, the monthly intercompany allocation of administration costs changed substantially to more accurately reflect resource usage. You need the cost center owners to validate their intercompany allocation.

From the Intercompany Transactions work area:

1. Search for the intercompany transaction.
2. Click Social to open Oracle Social Network. Click the Share button, or click Join if collaboration has already been initiated.
3. Create a new related conversation.
4. Invite all of the cost center owners to join the conversation.
5. Upload the allocation spreadsheet for the cost center owners’ review.

The cost center owners can post questions and because the other cost center owners are members, they can see your responses to the questions. Each cost center owner validates their intercompany allocation in the conversation itself, which creates a lasting record.
Related Topics

- What does social networking have to do with my job

Examples to Configure Intercompany Organizations

Example of Intercompany Organization Configuration

This topic provides examples of intercompany organizations with various options.

The intercompany module lets you create intercompany transactions that have an invoice associated with them. If you require invoices for your intercompany transactions, you must complete the following additional intercompany setup.

- Associate your provider intercompany organization to a receivables business unit and your receiver intercompany organization to a payables business unit. The invoice for your intercompany transaction will be raised in the receivables business unit and it will be recorded in the payables business unit.
- Associate a supplier to your provider legal entity and a customer account to your receiver legal entity.

Note: The Intercompany module leverages the Invoicing and Customer features in Receivables to generate invoices for intercompany transactions. The Supplier feature in Procurement and the Payables Invoicing feature are leveraged to record the invoice in Payables.

Intercompany Organization Configuration: Example

In this example, Vision Corporation has two legal entities, Vision Operations legal entity and Vision Services legal entity which provide goods and services to each other. The company has a requirement to record intercompany activity between these legal entities. In some circumstances, Vision Operations legal entity provides goods to Vision Services legal entity and in other circumstances Vision Services legal entity provides services to Vision Operations legal entity. Therefore it is necessary for each of these legal entities to be able to invoice the other legal entity as well as record a payables invoice received from the other legal entity.

The following figure illustrates the Intercompany Organization Setup. Vision Operations is an Intercompany organization that has a legal entity called Vision Operations Legal Entity. Vision Operations Legal Entity has a Receivables Business Unit, Operations AR and a Payables Business Unit, Operations AR. Vision Services is the other Intercompany organization that has
a legal entity called Vision Operations Legal Entity. Vision Operations Legal Entity has a Receivables Business Unit, Services AR and a Payables Business Unit, Services AP.

The following figure illustrates the Customer And Supplier assignments.

The figure shows that Vision Operations Legal Entity is assigned to Customer Account 123 and Supplier 123. Vision Services Legal Entity is assigned to Customer Account 456 and Supplier 456.
The following table describes Vision Operations Intercompany Organization as a Provider.

<table>
<thead>
<tr>
<th>Type</th>
<th>Intercompany Organization</th>
<th>Legal Entity</th>
<th>Receivables Business Unit</th>
<th>Payables Business Unit</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provider</td>
<td>Vision Operations</td>
<td>Vision Operations Legal Entity</td>
<td>Operations AR</td>
<td>Operations AP</td>
<td>AR invoice will be created in Operations AR business unit which is the receivables business unit of the Provider. Customer will be the one assigned to Vision Services Legal Entity.</td>
</tr>
<tr>
<td>Receiver</td>
<td>Vision Services</td>
<td>Vision Services Legal Entity</td>
<td>Services AR</td>
<td>Services AP</td>
<td>AP Invoice will be created in Services AP business unit which is the Payables business unit of the Receiver. Supplier will be the one assigned to Vision Operations Legal Entity.</td>
</tr>
</tbody>
</table>

The following table describes the required Customer Supplier Assignments setup.
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<table>
<thead>
<tr>
<th>Type</th>
<th>Legal Entity</th>
<th>Customer Account</th>
<th>Supplier</th>
<th>Supplier Site</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provider</td>
<td>Vision Operations Legal Entity</td>
<td></td>
<td>Supplier 123</td>
<td>Supplier 123 must have a site with Primary Pay site purpose enabled in Services AP business unit</td>
</tr>
<tr>
<td>Receiver</td>
<td>Vision Services Legal Entity</td>
<td>Customer Account 456</td>
<td>Customer Account 456 must have a Bill To site in Operations AR business unit.</td>
<td></td>
</tr>
</tbody>
</table>

The table describes the Invoices created.

<table>
<thead>
<tr>
<th>Type</th>
<th>Legal Entity</th>
<th>Invoices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receiver</td>
<td>Vision Services Legal Entity</td>
<td>AP Invoice 101 recorded for Supplier 123 in Services AP business unit.</td>
</tr>
</tbody>
</table>

Scenario
The following table describes the Vision Operations Intercompany Organization as a Receiver.

<table>
<thead>
<tr>
<th>Type</th>
<th>Intercompany Organization</th>
<th>Legal Entity</th>
<th>Receivables Business Unit</th>
<th>Payables Business Unit</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receiver</td>
<td>Vision Operations</td>
<td>Vision Operations Legal Entity</td>
<td>Operations AR</td>
<td>Operations AP</td>
<td>AP Invoice will be created in Operations AP business unit which is the payables business unit of the Receiver. Supplier will be the one assigned to Vision Services Legal Entity</td>
</tr>
<tr>
<td>Provider</td>
<td>Vision Services</td>
<td>Vision Services Legal Entity</td>
<td>Services AR</td>
<td>Services AP</td>
<td>AR Invoice will be created in Services AR business unit which is the receivables business unit of the Provider. Customer will be the one assigned to Vision Operations Legal Entity</td>
</tr>
</tbody>
</table>
The following table describes the required Customer Supplier Assignments setup.

<table>
<thead>
<tr>
<th>Type</th>
<th>Legal Entity</th>
<th>Customer Account</th>
<th>Customer Site</th>
<th>Supplier</th>
<th>Supplier Site</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receiver</td>
<td>Vision Operations Legal Entity</td>
<td>Customer Account 123</td>
<td>Customer Account 123 must have a Bill To site in Services AR business unit.</td>
<td>Supplier 456</td>
<td>Supplier 456 must have a site with Primary Pay site purpose enabled in Operations AP business unit</td>
</tr>
<tr>
<td>Provider</td>
<td>Vision Services Legal Entity</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The table describes the Invoices created.

<table>
<thead>
<tr>
<th>Type</th>
<th>Legal Entity</th>
<th>Invoices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receiver</td>
<td>Vision Operations Legal Entity</td>
<td>AP Invoice 102 recorded for Supplier 456 in Operations AP business unit</td>
</tr>
<tr>
<td>Provider</td>
<td>Vision Services Legal Entity</td>
<td>AR Invoice 102 raised for Customer Account 123 in Services AR business unit</td>
</tr>
</tbody>
</table>

Example of Intracompany Organization Configuration

The following example explains Intracompany Invoices.

In this example, Vision Corporation has one legal entity, Vision Operations Legal Entity which is associated with multiple intercompany organizations within the corporate structure. In the following configuration, the Vision Operations intercompany organization provides goods to Vision Administration intercompany organization and in other circumstances Vision Administration provides services to Vision Operations. The business has a requirement for each of these intercompany organizations to be able to invoice the other as well as record a payables invoice received from the other intercompany organization.

Intercompany Organizations Setup

The following figure illustrates the Intercompany Organizations Setup.

The following figure shows how intercompany organizations, Vision Operations and Vision Administration generate invoices and record Payables invoice from the intercompany organization. Vision Operations is an Intercompany organization that has a legal entity called Vision Operations Legal Entity. Vision Operations Legal Entity has Payables Business Unit and Receivables
Business Unit. Vision Administration is the other Intercompany organization that has a legal entity called Vision Operations Legal Entity. Vision Operations Legal Entity has a Payables Business Unit and Receivables Business Unit.

The following figure illustrates the Customer And Supplier assignments.

The following image shows that Vision Operations Legal Entity is assigned to Customer Account 456 and Supplier 123.
The following table describes the Intracompany Organization as a Provider:

<table>
<thead>
<tr>
<th>Type</th>
<th>Intercompany Organization</th>
<th>Legal Entity</th>
<th>Receivables Business Unit</th>
<th>Payables Business Unit</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Legal Entity</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receiver</td>
<td>Vision Administration</td>
<td>Vision Operations</td>
<td>Operations AR</td>
<td>Administration AP</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Legal Entity</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

AR invoice is created in Operations AR business unit which is the receivables business unit of the Provider. Customer is the one assigned to Vision Operations Legal Entity.

AP Invoice is created in Administration AP business unit which is the payables business unit of the Receiver. Supplier is the one also assigned to Vision Operations Legal Entity.

The following table describes the required Customer Supplier Assignments Setup.
Vendor | Vision Operations Legal Entity | Customer Account 456 | Supplier 123 | Supplier Site 123 must have a site with Primary Pay site purpose enabled in Administration AP business unit
---|---|---|---|---
Receiver | Vision Administration | Vision Operations Legal Entity | AR Invoice 101 raised for Customer Account 456 in Operations AR business unit
---|---|---|---|---
Receiver | Vision Administration | Vision Operations Legal Entity | AP Invoice 101 recorded for Supplier 123 in Administration AP business unit
---|---|---|---|---
9 General Ledger Options

Ledger Sets

Examples of Ledger Sets

When you use multiple ledgers, you can group all types of ledgers in a ledger set. For example, group primary ledger, secondary ledgers, and reporting currencies (journal and subledger levels) as long as they share the same chart of accounts, calendar and period type.

Ledger sets are used to manage ledgers, including:

- Opening and closing of periods.
- Running reports and processes for multiple ledgers simultaneously.
- Supporting adjustments and allocations.

Regulation Requirements Example

You have 26 registered companies in Vision Corporation. The regulations require that each company is to maintain a separate ledger. All companies share the same chart of accounts and calendar.

You set up a ledger for each company and group them into a ledger set. You can then use the ledger set to perform all accounting activities, while the data remains partition for reporting purpose for each company.

Multiple Countries Example

You have a parent company in one country. You operations in five other countries. Each country has its own legal entity and must report to both the parent company and the local government. All legal entities use the same chart of accounts and calendar. Currency is different and Reporting Currency ledgers have been created. You can group all of the primary and reporting currencies ledgers into one Ledger Set. You can then perform all accounting activities as though you had one worldwide ledger.

Data Access Sets

Overview of Data Access Set Security

Data Access Sets secure access to ledgers, ledger sets, and portions of ledgers using primary balancing segment values. If you have primary balancing segment values assigned to a legal entity, then you can use this feature to secure access to specific legal entities.

You can combine ledger and ledger set assignments in single data access sets if the ledgers share a common chart of accounts and calendar. If you have primary balancing segment values assigned to a legal entity within the ledger, then you can use data access sets to secure access to specific legal entities. You can also secure access to primary balancing segments assigned directly to the ledger.
When a ledger or ledger set is created, a data access set for that ledger or ledger set is automatically created, giving full read and write access to those ledgers. You can also manually create data access sets to give read and write access, or read-only access to entire ledgers or portions of the ledger represented as primary balancing segment values.

The following figure shows that a data access set consists of an access set type and an access level. The access set type can be set to full ledger or primary balancing segment value. The access level can be read only or read and write.

The **Full Ledger** access set type provides access to the entire ledger or ledger set. This could be for read-only access or both read and write access to the entire ledger.

The **Primary Balancing Segment Value** access set type provides access to one or more primary balancing segment values for that ledger. This access set type security can be specified by parent or detail primary balancing segment values. The specified parent value and all its descendants, including middle level parents and detail values are secured. You can specify read only, read and write access, or combination of both, for different primary balancing segment values for different ledgers and ledger sets.

For more information about security assignments and managing data access for users, see the Securing Oracle ERP Cloud guide.

**Examples of Data Access Set Security**

This example shows a data access set that secures access by using primary balancing segment values that correspond to legal entities.

**Scenario**

The following figure shows a data access set for the US Financial Services Ledger. The access set type is Primary Balancing Segment Value, with each primary balancing segment value representing different legal entities. Read-only access has been
assigned to primary balancing segment value 131, which represents the Insurance legal entity. Read and write access has been assigned to primary balancing segment values 101 and 102, which represent the Banks and Capital legal entities.

For this data access set, the user can:

- View the journals, balances, and reports for primary balancing segment value 131 for the Insurance legal entity.
- Create journals and update balances, as well as view journals, balances and reports for primary balancing segment value 101 and 102 for legal entities Banks and Capital.

**Note:** In financial reporting, the list of ledgers isn’t secured by data access sets when viewing a report in Preview mode. Users can view the names of ledgers they don’t have privileges to view. However, the data from a secured ledger doesn’t appear on the report.

For more information about security assignments and managing data access for users, see the Securing Oracle ERP Cloud guide.

### Accounting Automation

**Accounting Automation**

Accounting automation streamlines and automates end-to-end accounting and transaction processes, including daily rates import, accounting creation, journal import, and journal posting. Data flows through all of the required processing steps.
without user intervention. Users are notified of exceptions and provided with the information to help resolve them. Additional users can optionally be notified of errors generated during the transaction accounting process.

**Setup and Considerations**

Use this navigation in the Setup and Maintenance work area.

- **Offering:** Financials
- **Functional Area:** General Ledger
- **Task:** Manage Accounting Automation

> **Note:** If you use, or plan to use, any form of coexistence solution, such as Oracle Fusion Accounting Hub Reporting Cloud, you should not enable accounting automation.

Here are the general settings on the Manage Accounting Automation page.

<table>
<thead>
<tr>
<th>Setting</th>
<th>What It Is</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enable Automation</td>
<td>Indicator for whether accounting automation is enabled for all ledgers (primary, secondary, and reporting currencies with currency conversion levels of Journal or Subledger).</td>
</tr>
<tr>
<td>Scheduled Submission Time</td>
<td>Time when accounting automation is submitted and when daily email notifications are sent. The process can run an additional three times a day (every six hours), if transactions are pending. If no transactions are pending, accounting automation runs only at the time you specify here.</td>
</tr>
<tr>
<td>Notification Preference</td>
<td>Setting that determines whether to send email notifications to users or roles.</td>
</tr>
<tr>
<td>Default User to Notify or Default Role to Notify</td>
<td>User or role that receives an email notification for each accounting automation run. The notification provides a summary of the processed data and a detail listing of all errors.</td>
</tr>
</tbody>
</table>

Optionally use the Error Notifications section to send certain users or roles notifications for errors generated while processing transactions for specific combinations of attribute values. The values you can specify depend on your **Notification Preference** setting.

<table>
<thead>
<tr>
<th>Notification Preference</th>
<th>What You Can Set</th>
</tr>
</thead>
<tbody>
<tr>
<td>User</td>
<td>One or more users can receive notifications based on a specific combination of ledger (or ledger set), error category, and journal source. Use a ledger value of <strong>Any or No Ledger</strong> to notify users of transactions that don’t have a ledger associated with them, such as daily rates import, and for all ledgers.</td>
</tr>
<tr>
<td>Role</td>
<td>One or more roles can receive notifications based on a specific combination of error category and journal source.</td>
</tr>
</tbody>
</table>

Here’s how it works with ledgers. Let’s say a GL role has three users: User 1, User 2, and User 3. User 1 has access to Ledger 1 and Users 2 and 3 have access to both Ledger 1 and Ledger 2. When you set the error category to **All** and the source to **All** for that role, User 1 sees the data and errors only for Ledger 1. Users 2 and 3 see the data and errors for both ledgers.

Here are the error categories.
### General Ledger Options

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Account Mapping</td>
<td>Issues with chart of account mappings and subledger accounting mapping sets.</td>
</tr>
<tr>
<td>Account Status</td>
<td>Issues related to account statuses such as invalid accounts, or issues related to generation of balancing accounts.</td>
</tr>
<tr>
<td>Approval</td>
<td>Rejected journal batches, journal batches that require approval, and journal batches that are in the process of being approved.</td>
</tr>
<tr>
<td>Balancing</td>
<td>Issues related to balancing, such as intercompany, suspense, entered currency, and rounding.</td>
</tr>
<tr>
<td>Budgetary Control</td>
<td>Errors related to funds reservation.</td>
</tr>
<tr>
<td>Critical Error</td>
<td>Critical issues, such as wrong batch statuses.</td>
</tr>
<tr>
<td>Currency Conversion</td>
<td>Issues related to currencies, such as missing conversion rates and invalid currencies.</td>
</tr>
<tr>
<td>Journal Interface</td>
<td>Issues with importing journal data.</td>
</tr>
<tr>
<td>Period Status</td>
<td>Errors related to period statuses, such as a closed period and unopened encumbrance year.</td>
</tr>
<tr>
<td>Subledger Transaction Data</td>
<td>Issues with transaction data from subledgers, such as Oracle Fusion Payables, Oracle Fusion Project Costing, Oracle Fusion Receivables, and Oracle Fusion Assets.</td>
</tr>
<tr>
<td>System Error</td>
<td>System-related issues.</td>
</tr>
<tr>
<td>Warning</td>
<td>Warnings generated by processes.</td>
</tr>
<tr>
<td>Other</td>
<td>Errors outside of the predefined error categories. For example, errors related to assignment of balancing segment values to a ledger or legal entity, document sequencing, reversals, no data, and average daily balancing.</td>
</tr>
</tbody>
</table>

The last section on the Manage Accounting Automation page is the Accounting Automation Exclusions section. That’s where you can optionally select journal sources to exclude from accounting automation.

Some additional considerations:

- Accounting automation doesn’t process transactions that were created before the automation was enabled, unless the accounting date on the transaction is the same as, or later than, the date automation was enabled.
- Accounting automation doesn’t process incomplete batches for posting.
- If you use Receivables and plan to enable accounting automation, you must schedule the Create Receivables Accounting process to run daily, before the Accounting Automation process scheduled time.

### Users and Email Notifications

The accounting automation process produces two types of email notifications. One type is for the user or role specified in the Default User to Notify or Default Role to Notify fields, and the other is for the users or roles specified in the Error
Notifications section. The email subject for both types of notifications includes the date and time of the accounting automation run.

The default user or role receives a notification daily with information about the processed data and errors. Here’s an example of the email subject for that notification: Accounting Automation Results from 6/1/19 8:00 AM for Your Review.

If errors occur, the other users receive a notification as designated in the Error Notifications section. Here’s an example of the email subject for that notification: Accounting Automation on 6/1/19 8:00 AM Resulted in Issues Requiring Your Attention.

Notifications can include the following sections:

- Posted Transactions Summary
- Automation Errors Summary
- Pending Approvals Summary
- Automation Errors Details
- Pending Approvals Details

**Posted Transactions Summary**

This section shows a summary of the posted balances by ledger. Only the default user or role receives this summary. If no accounting transactions were successfully posted for any ledger after an accounting automation run, a message appears in place of this section.

Here’s an example of a posting summary. A total of 288 US dollars was posted to the Vision Corporation ledger and 712,566 US dollars was posted to the Seven Corporation ledger.

<table>
<thead>
<tr>
<th>Ledger</th>
<th>Total Amount</th>
<th>Currency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vision Corporation</td>
<td>288</td>
<td>USD</td>
</tr>
<tr>
<td>Seven Corporation</td>
<td>712,566</td>
<td>USD</td>
</tr>
</tbody>
</table>

Here’s more information about each column shown in the example.

<table>
<thead>
<tr>
<th>Column</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ledger</td>
<td>Names of the ledgers (primary, secondary, and reporting currency) that journal batches were posted to.</td>
</tr>
<tr>
<td>Total Amount</td>
<td>Sum of the accounted debits for the journal batches that were posted to the ledger.</td>
</tr>
<tr>
<td>Currency</td>
<td>Ledger currency.</td>
</tr>
</tbody>
</table>
Automation Errors Summary

This section shows a summary of errors by ledger, source, and error category. The default user and users (or roles) assigned to the error category with the errors, receive this summary.

Here’s an example. The Vision Corporation ledger has 3 transactions totaling 165 US dollars with balancing errors. All of the errors were new for the latest accounting automation run, so the error count of 3 appears in the New column. The errors occurred in both the AutoCopy and Manual journal sources. Maria Smith was notified of the error in the AutoCopy source and Michael Taylor was notified of the error in the Manual source.

<table>
<thead>
<tr>
<th>Ledger</th>
<th>Error Category</th>
<th>Total Amount</th>
<th>Currency</th>
<th>Number of Errors</th>
<th>Source</th>
<th>Users Notified</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vision Corporation</td>
<td>Balancing</td>
<td>165 USD</td>
<td>USD</td>
<td>3</td>
<td>AutoCopy</td>
<td>Maria Smith</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3</td>
<td>Manual</td>
<td>Michael Taylor</td>
</tr>
</tbody>
</table>

Here’s more information about each column shown in the example.

<table>
<thead>
<tr>
<th>Column</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ledger</td>
<td>Ledger (primary, secondary, or reporting currency) of the transaction. Is blank if no ledger is associated with the transaction, such as daily rates import errors.</td>
</tr>
<tr>
<td>Error Category</td>
<td>Error category associated with the error.</td>
</tr>
<tr>
<td>Total Amount</td>
<td>Sum of the accounted amounts that could not be processed due to the error category for the ledger.</td>
</tr>
<tr>
<td>Currency</td>
<td>Ledger currency.</td>
</tr>
<tr>
<td>Number of Errors - Total</td>
<td>Count of the transactions that have errors. Links to the error details section of the email notification.</td>
</tr>
<tr>
<td>Number of Errors - New</td>
<td>Count of the transactions that have errors appearing for the first time in the latest accounting automation run. Links to the error details section of the email notification.</td>
</tr>
<tr>
<td>Users Notified</td>
<td>Users who were notified of the errors, excluding the default user who’s always notified. Is blank if no users were set up to receive email notifications for the respective ledger, source, and error category.</td>
</tr>
</tbody>
</table>

Pending Approvals Summary

This section shows a summary of the journal batches, by aging bucket, that require approval, are in the process of being approved, or were rejected. The default user and the users (or roles) assigned the Approval error category, receive this summary.
Here's an example. The Vision Corporation ledger has one journal batch totaling 7 US dollars that's been pending approval within the last 3 days.

### Pending Approvals Summary

<table>
<thead>
<tr>
<th>Ledger</th>
<th>Amount</th>
<th>Currency</th>
<th>0-3 days</th>
<th>4-7 days</th>
<th>8-11 days</th>
<th>12+ days</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vision Corporation</td>
<td>7</td>
<td>USD</td>
<td>7</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Here's more information about each column shown in the example.

<table>
<thead>
<tr>
<th>Column</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ledger</td>
<td>Ledger (primary, secondary, or reporting currency) of the journal batch.</td>
</tr>
<tr>
<td>Amount</td>
<td>Sum of the journal batches that are in the approval flow.</td>
</tr>
<tr>
<td>Currency</td>
<td>Ledger currency.</td>
</tr>
<tr>
<td>Pending Approval Batches: Amount</td>
<td>Total amount of journal batches pending approval broken down into the following aging buckets: 0 - 3 days, 4 - 7 days, 8 - 11 days, more than 12 days.</td>
</tr>
<tr>
<td>Pending Approval Batches: Count</td>
<td>Number of journal batches pending approval broken down into the following aging buckets since the last approval action: 0 - 3 days, 4 - 7 days, 8 - 11 days, more than 12 days. Links to the Pending Approvals Details section of the email notification.</td>
</tr>
</tbody>
</table>

### Automation Errors Details

This section shows the detailed transactions or journals for the errors reported in the Automation Errors Summary section.

Here's an example of the transactions for the balancing errors reported in the Automation Errors Summary section. All three errors come from General Ledger journals. Possible corrective actions to resolve the issue are listed in the Error column after the errors. The sum of the accounted amounts is 165 US dollars, which is the same amount reported in the Automation Errors Summary section.

> **Note:** The information that appears in the **Transaction** column is related to the type of transaction. For example, for posting errors, the transaction information includes the journal batch name, the period name, and potentially a journal name and line number. For subledger transactions, the **Transaction** column provides the name of the subledger application and includes detail information such as the invoice number and amount.
Here's more information about each column shown in the example.

<table>
<thead>
<tr>
<th>Column</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transaction Type</td>
<td>Identifies the source of the error, which includes:</td>
</tr>
<tr>
<td></td>
<td>• Subledger Transaction: Transactions from subledger applications, such Payables and Receivables</td>
</tr>
<tr>
<td></td>
<td>• Accounting Entry: Accounting entries created in the Oracle Fusion Subledger Accounting application</td>
</tr>
<tr>
<td></td>
<td>• Journal Interface: Oracle Fusion General Ledger journal import transactions</td>
</tr>
<tr>
<td></td>
<td>• General Ledger Journal</td>
</tr>
<tr>
<td></td>
<td>• Daily Rates Import</td>
</tr>
<tr>
<td>Source</td>
<td>Journal source of the transaction.</td>
</tr>
<tr>
<td>Transaction</td>
<td>Object of the transaction and identifying information. For example, the Subledger Transaction type for a Payables transaction displays the application, party name, party site name, invoice number, date, and amount.</td>
</tr>
<tr>
<td>Error</td>
<td>Information about the error that occurred, including suggested corrective actions in some cases. Errors appearing for the first time in the latest automation run are prefixed with a dot icon.</td>
</tr>
<tr>
<td>Amount (Currency)</td>
<td>Total of the accounted debits for the transaction.</td>
</tr>
</tbody>
</table>

Pending Approvals Details
This section shows details for the Pending Approvals Summary section.
Here's an example of a journal batch in the process of being approved. Mary Johnson initiated the approval and it’s been less than a day since the last approval action.

<table>
<thead>
<tr>
<th>Column</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Journal Batch</td>
<td>Name of the journal batch.</td>
</tr>
<tr>
<td>Source</td>
<td>Source of the journal batch.</td>
</tr>
<tr>
<td>Initiator</td>
<td>User who requested the approval.</td>
</tr>
<tr>
<td>Status</td>
<td>Approval status of the batch.</td>
</tr>
<tr>
<td>Amount (Currency)</td>
<td>Journal batch amount in the ledger currency.</td>
</tr>
<tr>
<td>Days Outstanding</td>
<td>Number of days since the last approval action.</td>
</tr>
</tbody>
</table>

**Related Topics**

- Configuring Offerings: Procedure
- Update Existing Setup Data
- Opting in to New Features After Upgrade: Procedure

**FAQs for Accounting Automation**

**How can I provide users access to the log and output files for the accounting automation child processes?**

Sign in to the Security Console as security manager and perform the following steps:

1. Create a job role for the users who require access.
2. Create a data security policy for the ESS_REQUEST_HISTORY object.
The following figure shows an example of the Policy page for a policy called Accounting Automation Read. The Policy page has these tabs: General Information, Role, Rule, and Action.

![Accounting Automation Read Policy: Details](image)

a. Assign the new job role to the policy.
b. Create a rule and select this value for the condition: ESS requests submitted by Accounting Automation process.
c. To allow users to view the log and output files, select these actions: ESS_REQUEST_READ, ESS_REQUEST_OUTPUTREAD.
d. To allow users to cancel the Accounting Automation job, select the ESS_REQUEST_CANCEL action.

### Accounting and Reporting Sequences

#### Overview of Accounting and Reporting Sequences

When you record your journals, you can assign unique sequence numbers. Sequence numbering the journals simplifies the task of tracing the journal entries and is a legal requirement in some countries, especially those in Europe, Asia, and Latin America. Sequencing enables the fiscal authorities to easily verify the completeness of a company’s accounting record.

Sequential numbering of journals enables you to:

- Maintain gapless sequence numbers.
- Sequentially number subledger journal entries. Generate a sequence number for journal entries created by subledger accounting before transferring them to general ledger.
- Sequentially number general ledger journal entries.
- Assign sequences within a ledger or legal entity.
- Generate reports based on the sequence numbers.

The two different types of journal sequences used with Subledger Accounting and General Ledger journals are:

- **Accounting Sequences**: Gapless sequence numbering for journals which is assigned when the journals are posted or subledger accounting runs.
- **Reporting Sequences**: Gapless and chronological sequence numbering which is assigned to journals when the General Ledger period is closed.
Note: You can sequence journals for ledgers (primary and secondary ledgers) and journal level and subledger level reporting currencies as well as legal entities. If you use journal or subledger level reporting currencies, first define sequences for the source ledger. The sequence number generated for the source ledger is not automatically assigned to the reporting currency journal. You must then set up accounting and reporting sequences separately for the reporting currencies.

Related Topics
- Create Chart of Accounts, Ledger, Legal Entities, and Business Units in Spreadsheets

How to Define Journal Sequences Manually

You can manually define sequences to generate numbers for journal entries. Use the Manage Accounting and Reporting Sequences task to search, create, and update sequences, sequence versions, and sequencing assignments. You can also create journal sequences using the Rapid Implementation process. The process creates and assigns the sequences.

Sequences

Create, update, and search for sequences from the Sequences tab on the Manage Accounting and Reporting Sequences page. To define a sequence, enter a unique sequence name and description. Create at least one sequence version to complete the sequence. The sequence version indicates the series of sequence numbers to be used and the effective date range of the series.

When you create a sequence version, you specify the:

- Effective Start Date: The default date is the current date. The date can be set to any date in the past or future.
- Effective End Date: The date when the sequence should be disabled.
- Initial Number: A positive integer that is the starting number of the sequence. The number increments by one for each accounting entry.

Note: The Edit Sequences page displays the last sequence number used for each sequence version.

Sequencing Assignments

After creating your sequences, assign them various criteria to specify when the sequences are generated. Use the Sequencing Assignments tab on the Manage Accounting and Reporting page to search, update, or create sequencing assignments.

The following table describes the fields on the Sequencing Assignments tab.

<table>
<thead>
<tr>
<th>Field</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ledger</td>
<td>The ledger for which the journal entries must be sequentially numbered or that contains the legal entity.</td>
</tr>
<tr>
<td>Legal Entity</td>
<td>The legal entity for which the journal entries must be sequentially numbered. The Legal Entity field appears when you set your Sequence By ledger option to Legal Entity.</td>
</tr>
<tr>
<td>Journal Entry Type</td>
<td>Select whether general ledger or subledger entries are being sequentially numbered.</td>
</tr>
</tbody>
</table>
Implementing Enterprise Structures and General Ledger

Chapter 9

General Ledger Options

The following table outlines some of the different combinations of journal entry type, sequencing event, sequence validation date, journal sorting date. For each combination, the table also indicates whether the sequence is an accounting or reporting sequence.

<table>
<thead>
<tr>
<th>Journal Entry Type</th>
<th>Sequencing Event</th>
<th>Sequence Validation Date</th>
<th>Journal Sorting Date</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Ledger</td>
<td>Posting</td>
<td>Accounting Date</td>
<td>Accounting Date</td>
<td>Accounting Sequence</td>
</tr>
<tr>
<td>Subledger Accounting</td>
<td>Subledger Accounting</td>
<td>Accounting Date</td>
<td>Completion or Posting Date or Accounting Date</td>
<td>Accounting Sequence</td>
</tr>
<tr>
<td>General Ledger</td>
<td>Period Close</td>
<td>Accounting Date</td>
<td>Accounting Date</td>
<td>Reporting Sequence</td>
</tr>
<tr>
<td>General Ledger</td>
<td>Period Close</td>
<td>Reference Date</td>
<td>Reference Date</td>
<td>Reporting Sequence</td>
</tr>
<tr>
<td>Subledger Accounting</td>
<td>Period Close</td>
<td>Accounting Date of Reference Date</td>
<td>Reference Date</td>
<td>Reporting Sequence</td>
</tr>
</tbody>
</table>

**Tip:** For reporting sequences, you can specify fiscal balancing segment values to specify what balancing segment values to use with reporting sequences for period close. You can deselect the option to exclude balancing segments with management type journals or nonfinancial journals such as, statistical journals.

The following figure shows the Fiscal Balancing Segment Values section from the Sequencing Assignment page. The section includes the segment value, description, and an indicator for whether the segment value is selected for use with the reporting sequence.
Sequencing Assignment Details

The following table lists and describes the fields in the Sequences section on the Create Sequencing Assignment page.

<table>
<thead>
<tr>
<th>Field</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Status</td>
<td>Status of the assignment such as New or Used.</td>
</tr>
<tr>
<td>Priority</td>
<td>Priority of the exception. This option is inactive unless you define an exception.</td>
</tr>
<tr>
<td>Sequence Name</td>
<td>Name of the sequence to be assigned. A blank indicates the entries must not be sequenced.</td>
</tr>
<tr>
<td>Start Date</td>
<td>Define the effective start date for the sequence assignment.</td>
</tr>
<tr>
<td>End Date</td>
<td>Define the effective end date for the sequence assignment.</td>
</tr>
<tr>
<td>Journal Source</td>
<td>Select the journal sources from the list to be sequentially numbered for a sequence event.</td>
</tr>
<tr>
<td>Journal Category</td>
<td>Select the journal categories from the list to be sequentially numbered for a sequence event.</td>
</tr>
<tr>
<td>Accounting Event Type</td>
<td>Select the accounting event types to be sequentially numbered (only for subledger entries).</td>
</tr>
<tr>
<td>Accounting Entry Type</td>
<td>Select the accounting entry types to be sequentially numbered (only for subledger entries).</td>
</tr>
<tr>
<td>Document Category</td>
<td>Select to group transactions assigned to the sequence.</td>
</tr>
</tbody>
</table>

The following figure shows the Add Exception and Add Exclusion buttons on the Create Sequencing Assignment page.

Use the following buttons to add a row:

- **Add Exception**: When you create an exception, the priority value is always one more than the highest number in the Priority field. Use exceptions to assign different sequences to certain journal sources, journal categories, accounting event types, or accounting entity types. For example, you want to include all journal sources, but assign a different sequence for your Expense journals.
• **Add Exclusion**: Create exclusions to exclude specific journal sources, journal categories, accounting event types, or accounting entity types. For example, you want to exclude journal sources and categories containing management or statistical accounts that do not impact financial results.

**Document Sequences**

You can assign a document sequence number to each business document or business event to uniquely identify it. For example, you can assign a document sequence number to an invoice that gets generated in response to a purchase order. However, you must enable the document sequencing option for that business document or event to start assigning the number. A document sequence number is useful in tracking completed or failed transactions.

You can set up document sequencing in three different modes:

- Automatic
- Manual
- Gapless

**Note**: Plan your document sequencing carefully before you start applying sequence numbers. Avoid switching to a different mode after you saved your work on the Manage Document Sequences and Manage Document Sequence Categories pages.

**Automatic Sequencing**

Automatic document sequencing assigns a unique number to each document automatically when the document is generated. That unique number is stored in the database. You can set an initial value for the numbering sequence. Thereafter, the numbering is sequential by date and time of creation. If you don’t provide an initial value, the application sets the default initial value as 1.

**Manual Sequencing**

Use the manual sequencing mode to assign a unique number to each document before the document is generated. In manual sequencing, the numeric ordering and completeness of a transaction isn’t automatically enforced. As a result, users can skip or omit numbers when entering the sequence value. However, each time a user assigns a number, the application validates its uniqueness.

**Gapless Sequencing**

Gapless sequencing is similar to automatic sequencing. It automatically generates a unique number for each document, but does that only for successfully generated documents. Sequence numbers aren’t assigned to incomplete or failed documents. As a result, the sequence is maintained for all the successfully generated documents.

Additionally, you can control the gapless document sequencing by enforcing the Transaction Date Validation option. When enabled, this option checks for the transaction date of a particular document and assigns the sequence number accordingly, to chronologically maintain the documents. The sequence numbers and the transaction dates are chronologically correlated to prevent any mismatch of a new document sequence assigned to an older document or an older document sequence assigned to a new document.

**Note**: Use this type of sequencing only if necessary because it may affect the performance of the application and slow down transaction processing.
Related Topics

- Modules in Application Taxonomy

Document Sequence Categories

A document sequence category is a set of documents that share similar characteristics and that are formed into a logical group. Document sequence categories simplify the task of assigning number sequences to specific documents. Instead of assigning a number to each document, you assign a document sequence to one or more document sequence categories. The document sequence category automatically takes care of numbering the documents.

A document sequence category identifies the database table that stores documents resulting from transactions that your users enter. When you assign a sequence to a category, the sequence numbers the documents that are stored in a particular table. You must create document sequence categories to be able to manage the task of assigning document sequences.

Note: Once a document sequence category is created, you can’t change the application, the category code, or the table name. Therefore, carefully consider these details and plan your document sequencing requirement before you begin working with the application.

Once you create a document sequence category, it’s available for use in the Document Sequences: Assignments section on the Manage Document Sequences page. The Category field contains the name of the document sequence category. After you create a document sequence, you can assign it to a document sequence category.

Guidelines for Managing Document Sequences

Sequencing documents is an important business and legal requirement. Therefore, you must first decide the appropriate document sequence to use for a set of documents. Before you begin, here are a few prerequisites:

- Determine beforehand the mode of document sequencing, because you can’t switch to other types once a sequence is in use.
- Note details such as the document sequence and document sequence category, for later reference.
- Identify if there are any restrictions or configuration prerequisites.

Note: Products that implement document sequencing have specifications about its usage. Refer to the corresponding product documentation for specific details and also to determine if there are any restrictions or configuration prerequisites.

Creating and Editing Document Sequences

You can create document sequences that are automatic, manual, or gapless, depending on the business or legal requirement. By default, the current date is considered as the start date. The sequence definition never expires if you don’t provide an end date. Among the several options used in creating and editing document sequences, the following options are functionally more important and therefore must be carefully determined:

- Determinant Type: Select to limit the document sequencing activity to certain documents that belong to a specific business entity, such as Ledger, Tax Registration, and so on.
- Initial Value: Enter a value for the first document in your sequence. This field applies only to sequences with automatic or gapless numbering types. Sequence numbers must not be greater than eight digits. If you leave this
field blank, the first document is automatically assigned a value of 1. Once a document sequence is defined, you can’t change this initial value.

Creating and Editing Document Sequence Categories

Document sequence categories are defined to make it easy to assign document sequence definitions to a group of documents instead of to individual documents. Each document sequence category is mapped to a specific table, where the documents belonging to that category are stored. When specifying the table, you must consider the following points:

- When the sequential numbering feature checks for completeness or generates a report, it locates the category’s documents in the table.
- Select only those tables that belong to the application associated with the category.
- Once a category is defined, you can’t switch to another table.

Assigning Document Sequences

Identify the documents to be numbered before assigning them a document sequence. For each document sequence, there can be only one active assignment to a document sequence category, and a determinant value (if applicable). As part of the assignment, specify whether the document is created automatically (for example, due to a batch process, or manually through a form). If you don’t specify an end date, the assignment continues to remain active throughout the process cycle. If a determinant type was specified for the document sequence, then enter a specific determinant value related to the determinant type.

At run time, when users create documents, the document sequence to be assigned is determined based on the following:

- An active assignment that matches the correct combination of category
- The numbering method
- The date range containing the transaction date

Auditing Document Sequences

You can audit document sequences, if required, to provide an audit trail of the document sequences used in a specific product. However, before enabling the audit functionality for a document sequence, you must have created an audit table for the specific document sequence, using appropriate details. Enabling the audit functionality is permitted only for newly created document sequences. You can’t audit document sequences that are already in use by a specific product.

For more information about defining a document sequence audit table, see the Oracle Fusion Applications Developer's Guide.

Related Topics
- Guidelines for Managing Modules in Application Taxonomy

FAQs for Accounting and Reporting Sequences

What happens when I enable sequencing in the rapid implementation spreadsheet?

Two sets of defaults are generated: general and country specific. The process applies the general defaults first and the country specific defaults override general defaults. For example, using the predefined defaults, sequencing is enabled at the ledger level. For some countries like Spain and Italy, the general defaults are overridden by country defaults and sequences are set at the legal entity level.

Accounting and reporting sequences are generated based on the predefined country defaults. For example, for a France ledger, accounting sequences are generated for each legal entity of the ledger. For an Italian ledger, both accounting and reporting sequences are generated for each legal entity of the ledger.
Journal Approval Rules

Overview of Approval Management

Use approval management to define policies that apply to approval workflows. For example, to reflect your own corporate policies, you can specify levels of approval for transactions over a particular amount and determine how the approvals are routed.

Approval management:

- Controls workflows for business objects such as expense reports.
- Enables you to define complex, multistage task routing rules.
- Integrates with the setup in Human Capital Management (HCM) to derive approvers based on the supervisory hierarchy.

To define approval management:

- In the Offerings work area, enable the Approval Routing Administration feature at the offering level so that relevant setup tasks are available.
- In the Setup and Maintenance work area, use the following setup tasks in the Application Extensions or another functional area.
  - Manage Task Configurations
  - Manage Approval Groups

Task Configuration

Manage rule sets and rules that control approval flows.

- To configure a predefined approval policy, select the predefined rule set and click the Edit Task icon.
- To disable a predefined rule set, select the Ignore participant check box for that rule set.
- To edit the rules within a predefined rule set, you can insert, update, or delete while in edit mode.
- You can configure a specific rule to automatically approve a task without sending it to any approver.
  - Modify the routing for that rule so that it is sent to the initiator (which means the requestor is the approver).
  - Set the Auto Action Enabled option to True.
  - Enter APPROVE in the Auto Action field.

Approval Groups

Each approval group includes a set of users that you configure to act on tasks in a certain pattern. Tasks can be defined to get routed to an approval group instead of an individual user.

- You can nest approval groups within approval groups.
- You have two options for defining the group:
  - Static: Select the specific users to include in the group.
Dynamic: Provide the logic to use to determine the users in the group.

**Related Topics**
- Configuring Offerings: Procedure
- Update Existing Setup Data

### Considerations for Defining Journal Approval Rules

Use approval management to define policies that apply to the journal approval workflow.

**Rule Definition Consideration**

One predefined approval rule exists for journal approval. If a journal's ledger and source are enabled for approval, then that journal is sent for one level of approval to the supervisor of the person who submitted the journal for approval. You can configure journal approval rules in the Business Process Management Worklist application. Open the application by selecting the **Notifications** icon on the home page and clicking **More Details** or, by using the following in the Setup and Maintenance work area:

- Offering: Financials
- Functional Area: Application Extensions
- Task: Manage Task Configurations for Financials

For a simple approval scenario, start by defining one or all of the following journal approval rules based on:

- The highest journal line amount per ledger per batch.
- The highest journal amount per ledger per batch.
- Where you are in the period close process. For example, are you in the beginning, middle, or end of the month, or in preclose, close, post close, or quarter close process?

The following table provides an example of rule conditions and approval actions that route a journal approval based on maximum journal line amounts.

<table>
<thead>
<tr>
<th>Condition</th>
<th>Approval Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 50,000 USD</td>
<td>No approval required</td>
</tr>
<tr>
<td>Between 50,000 and 100,000 USD</td>
<td>One level of approval required</td>
</tr>
<tr>
<td>Greater than 100,000 USD</td>
<td>Two levels of approval required</td>
</tr>
</tbody>
</table>

You can build your rules for combinations of ledger, entered amount, approval level, or other scenarios. In addition, you can define rules based on attributes from different parts of your journal, including the ledger, batch, header, or line level. For example, you can use category, source, account, or descriptive flexfield information as selection criteria for journal approval.

**Note:** To prevent a submitter from approving their own journal batch, select the **Skip creator for Approval List** check box on the Configuration page in the Worklist application. The approval task is then assigned to other approvers or automatically routed to the manager of the submitter.
Approvals List Builder Considerations

List builders are the way approvals management builds the list of approvers required for a transaction based on the rule condition. Each approval rule is associated with a list builder for generating the list of approvers.

The following table describes the list builders you can use to build a journal approval list.

<table>
<thead>
<tr>
<th>List Builder</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supervisory</td>
<td>Based on the employee supervisory hierarchy, which is defined in HCM. Employees must be set up with appropriate jobs and supervisors. For example, a clerk reports to a manager, who reports to the director.</td>
</tr>
<tr>
<td>Job Level</td>
<td>Based on the job level, which is defined in HCM. Employees must be set up with the appropriate job levels and supervisors. For example, a job level 1 employee, a clerk, reports to a job level 2 employee, a manager, who reports to a job level 4 employee, a director. The approval list is generated based on the starting position specified in the rule and continues until an approver with a sufficient job level is found. The supervisory hierarchy must be defined along with the corresponding job levels.</td>
</tr>
<tr>
<td>Position</td>
<td>Based on the position hierarchy, which is defined in HCM. The position hierarchy must be defined and employees must be assigned the corresponding positions. Use this hierarchy if you need a hierarchy that’s different from the supervisory hierarchy, or multiple hierarchies selected based on different attributes.</td>
</tr>
<tr>
<td>Approval Group</td>
<td>Consists of a static predefined set of users configured to act on a task. For example, you can create an approval group called Finance Group, consisting of users from the finance department who must participate in the task approval.</td>
</tr>
<tr>
<td>Resource</td>
<td>Builds the approvers list by using a specific user, enterprise group or application role.</td>
</tr>
</tbody>
</table>

Other Considerations

Other functionality to consider before defining approval rules.

- Both the ledger and journal source must be enabled for the approval process.

⚠️ Caution: You should not enable journal approval for journals that come from subledgers (with subledger journal sources). Otherwise, if a journal from a subledger isn’t approved, the journal can get stuck in the approval process. For any subledger journal sources, approvals for subledger transactions should be done in the subledgers themselves.

- Approval is for the entire journal batch, regardless of the attributes used in the approval rules.
- If a journal requires approval, submitting a journal for posting automatically routes the journal for approval before posting.
- A journal can be escalated to an approver by the administrator.
- The task initiator can select **Withdraw Approval** on the Journals page at any time in the approval process to withdraw journals from the process. Clicking this button enables editing of the journal. After your changes are made, submit the entry for approval again. When a journal is withdrawn, the completion status is set to Incomplete.
- Approval notifications display a table of key journal attributes for each journal and a list of past, current, and future approvers.
- The Journals work area displays journals requiring your approval and journals pending approval from others.
- If you are the current approver, the Journals page shows the journals to be approved or rejected.
- Allocation journals aren’t routed through the approval process.
- You can review the details of the journals and journal lines included in a journal batch on the online and email journal batch approval notifications.

**Related Topics**

- Update Existing Setup Data

### Create Journal Approval Rules Using a Spreadsheet

#### Create Workflow Rules Using a Spreadsheet

The Simplified Workflow Rules Configuration feature is a spreadsheet based alternative to creating rules in Oracle Business Process Management (BPM). You can use spreadsheet templates available on the Manage Workflow Rules in Spreadsheet page to manage rules for Financials application workflows.

⚠️ **Note:** Currently, only Payables Invoice Approval and General Ledger Journal Approval workflows use this feature.

To create workflow rules in a spreadsheet, perform the following steps:

1. Sign in and navigate to the Manage Workflow Rules in Spreadsheet task.
2. Download the rule template from the Rule Templates section of the Manage Workflow Rules in Spreadsheet page.
3. Define the workflow rules in the spreadsheet.
4. Generate the rule file.
5. Upload the rule file to create rules.
6. Verify the spreadsheet upload.

⚠️ **Caution:** You must use MS Excel version 2016 to create workflow rules. Also, every successful rule upload using a spreadsheet template overrides the existing rules for the workflow.

💡 **Tip:** Once you create rules using the rule templates, we recommend you use the spreadsheet method only for any future maintenance of rules.

## Manage Workflow Rules Using a Spreadsheet

Before creating and managing workflow rules, perform the following steps:

1. Sign in to the application as a Financial Application Administrator.
2. Verify if the Approval Routing Administration feature is enabled. If it is not enabled, navigate to the Offerings work area and enable the Approval Routing Administration feature as follows:
   - Offering: Financials
   - Functional Area: Financials
   - Feature: Approval Routing Administration
3. In the Setup and Maintenance work area, use the following:
   - Offering: Financials
   - Functional Area: Application Extensions
   - Task: Manage Workflow Rules in Spreadsheet

### Download the Rules Template

To download the rule template, perform the following steps:

1. In the Rule Templates section of the Manage Workflow Rules in Spreadsheet page, select the required workflow.
2. Click **Download**. The Download Templates dialog box appears.
3. From the dialog box, select the required template. Save the template to your local computer.

⚠️ **Caution:** You must use MS Excel version 2016 to create workflow rules.

🔍 **Note:** Each rule template contains an example of an approval business case to demonstrate how to manage workflow rules using the rule template.

### Define the Rules in the Spreadsheet

After downloading the rule template, you must define the workflow rules using the sheets provided in the rule template. The rule template spreadsheet has the following sheets:

1. **Instructions**: This sheet contains details of the help topics present on Oracle Help Center for this feature and the **Generate Rule File** button. You can also update your rule template version from the Instructions sheet.
2. **Workflow Rules**: Provides a template for configuring transaction approval rules.
Note: The name of this sheet varies for each product. For example, for Payables, the sheet is labeled as Invoice Approval Rules.

3. Data Set: This sheet provides a template to map the varying attributes to the data.

Note: Currently, data sets are only available for Payables workflows. For more information on data sets, refer to the Data Sets section.

A business rule is an approval requirement within your approval policy. Before defining rules in the rule template, you must analyze approval policy. Consider the following points before defining a business rule:

• Which transactions require approval?
• Who approves transactions in your organization?
• Do the approvers vary based on the transaction attributes? If so, use a data set.
• What are approval conditions?
• How do you want to route the approval notifications?
• Which approvals require FYI notifications?
• Which transactions are exempted from the approval rule?

For example, for Payables, if your organization’s approval policy mandates that:

• All invoices that are not matched to a purchase order must be approved by two levels of the supervisory hierarchy starting from the manager of the user who is creating the invoice.
• All invoices that have an invoice amount of more than 5000 USD must be approved by a group of personnel from the Finance department.

For this example, you need two business rules.

To define approval rules, use the Workflow Rules sheet. Enter the details in the following sections:

1. Rule Description

   Enter the description for each approval business rule that you define.

2. Approvers

   In this section, designate approvers and specify approval routing. The template supports a variety of approval routing options. The following table provides details on approval routing and how it works.

<table>
<thead>
<tr>
<th>Approval Routing</th>
<th>How Approval Routing Works</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supervisory Hierarchy</td>
<td>Members of the supervisory hierarchy beginning from the first applicable approver receive approval notifications.</td>
</tr>
<tr>
<td>Group in Parallel</td>
<td>Members of an approval group receive approval notifications. All members receive notifications at the same time. All members must take an action on the approval notification.</td>
</tr>
<tr>
<td>Group in Serial</td>
<td>Members of an approval group receive approval notifications. Only when a member takes an action on the approval notification does the next member of the series receive the approval notification.</td>
</tr>
</tbody>
</table>
Approval Routing | How Approval Routing Works
---|---
Group First Responder | Members of an approval group receive approval notifications. All members receive notifications at the same time. Only one member needs to take action on the approval notification.
Job Level Hierarchy | Members of the job hierarchy beginning from the first applicable approver receive approval notifications.
User | The specified application user receives the approval notification.
Role | The users with the specified application role receive the approval notification.
Auto Approve | Transactions that are automatically approved. No notifications are sent.
Auto Reject | Transactions that are automatically rejected. No notifications are sent.
FYI | Information only notifications. No action is required from the approver.
Skip Approval | Transactions for which the rule is not applicable. No notifications are sent.

**Note:** You can only use an approval group that exists in the BPM.

For detailed instructions on the other columns in the Approvers section, refer to the tool tip on each column header.

3. **Approval Conditions**

In the Approval Conditions section you can select the attributes based on which the transaction should be evaluated for the workflow rules. You can also add attribute categories.

To add an attribute category:

a. Open the list of values associated with the last column in the Approval Conditions section.

b. Select the required attribute category.

To add an attribute:

a. Open the list of values associated with the attribute category.

b. Select the required attribute.

For example, for Payables, in the Invoice Approval template, you can select attributes such as Business Unit and Invoice Amount from the list of values associated with attribute category Invoice Header. Similarly, you can select attributes for categories, such as Invoice Line, Invoice Distributions, and more.

While defining approval conditions, you can use a variety of operators. The following table lists the supported operators.

<table>
<thead>
<tr>
<th>Condition</th>
<th>Value Type</th>
<th>Format</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attribute is a specific value</td>
<td>Text, number, or date</td>
<td>value</td>
<td>If the Invoice Type is Standard, then enter the value as:</td>
</tr>
<tr>
<td>Condition</td>
<td>Value Type</td>
<td>Format</td>
<td>Example</td>
</tr>
<tr>
<td>-----------------------------------------------</td>
<td>---------------------</td>
<td>-----------------------------</td>
<td>-------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Attribute value is one of multiple specific</td>
<td>Text or number</td>
<td>in (value 1, value 2, ...)</td>
<td>If the BU name is Vision Operations, Vision Services, or Vision Foods then enter the value as:</td>
</tr>
<tr>
<td>values</td>
<td></td>
<td></td>
<td>In (Vision Operations, Vision Services, Vision Foods)</td>
</tr>
</tbody>
</table>

**Note:** There is no specific format. You can just enter the value as it is.

| Attribute value should be within a range of   | Number or date      | between value 1 and value 2  | If the Invoice Date is between 01 August 2018 to 01 August 2019, then enter the value as: |
| values                                        |                     | OR value 1 to value 2         | Between 01/08/2018 and 31/08/2019 OR 01/08/2018 to 31/08/2018            |

| Attribute value starts with a specific value   | Text                | Starts with value            | If the BU name starts with Vision then enter the value as: Starts with Vision |
| Attribute value ends with a specific value     | Text                | Ends with value              | If the BU name ends with Operations then enter the value as: Ends with Operations |
| Attribute value contains a specific value      | Text                | Contains value               | If the Pay Group contains Standard then enter the value as: Contains Standard |

| Attribute value matches a specific value       | Text                | Matches value                | If the Description matches manual invoice then enter the value as: Matches manual\s(\*\s) invoice |

In this example, the Matches operator begins with Manual and ends with Invoice. Between the two words, there can be one space and any character.

Other options that can be used with the Matches operator are:

- `\*` - Denotes zero or more characters.
### Condition

<table>
<thead>
<tr>
<th>Condition</th>
<th>Value Type</th>
<th>Format</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attribute value is more than or equal to a specific number</td>
<td>Number</td>
<td>More than equal to number OR &gt;= number</td>
<td>If the Invoice amount is more than or equal to 500, then enter the value as: More than equal to 500 OR &gt;= 500</td>
</tr>
<tr>
<td>Attribute value is less than or equal to a specific number</td>
<td>Number</td>
<td>Less than equal to number OR &lt;= number</td>
<td>If the Invoice amount is less than or equal to 500, then enter the value as: Less than equal to 500 OR &lt;= 500</td>
</tr>
<tr>
<td>Attribute value is more than a specific number</td>
<td>Number</td>
<td>More than number OR &gt;number</td>
<td>If the Invoice amount is more than 500, then enter the value as: More than 500 OR &gt;500</td>
</tr>
<tr>
<td>Attribute value is less than a specific number</td>
<td>Number</td>
<td>Less than number OR &lt;number</td>
<td>If the Invoice amount is less than 500, then enter the value as: Less than 500 OR &lt;500</td>
</tr>
<tr>
<td>Attribute value is on or before a specific date</td>
<td>Date</td>
<td>On or before date</td>
<td>If the Invoice date is on or before 01/10/2018, then enter the value as:</td>
</tr>
</tbody>
</table>

- `(+)` - Denotes one or more characters.
- `\s` - Denotes space.
- `\d` - Denotes numbers from 0-9.
- `?` - Makes a character optional. For example: `\d?`
- `[]` - Specifies range such as A-Z, 0-9
## General Ledger Options

<table>
<thead>
<tr>
<th>Condition</th>
<th>Value Type</th>
<th>Format</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attribute value is on or after a specific date</td>
<td>Date</td>
<td>On or after date</td>
<td>If the Invoice date is on or after 01/10/2018, then enter the value as: On or after 01/10/2018</td>
</tr>
<tr>
<td>Attribute value is before a specific date</td>
<td>Date</td>
<td>Before date</td>
<td>If the Invoice date is before 01/10/2018, then enter the value as: Before 01/10/2018</td>
</tr>
<tr>
<td>Attribute value is after a specific date</td>
<td>Date</td>
<td>After date</td>
<td>If the Invoice date is after 01/10/2018, then enter the value as: After 01/10/2018</td>
</tr>
<tr>
<td>Attribute value is a specific value and the condition must be evaluated as case insensitive</td>
<td>Text</td>
<td>Equals ignore case value</td>
<td>If the Invoice Source is equal to Manual, then enter the value as: Equals ignore case manual</td>
</tr>
</tbody>
</table>

**Note:** The operators are not case sensitive. However, you must enter the date in the DD/MM/YYYY format only.

If you have a negative approval condition, add Not as a prefix to any of the supported operators. For example, your approval condition states that BU name is not Vision Operations, Vision Services, or Vision Foods then enter the value as: Not In (Vision Operations, Vision Services, Vision Foods).

If you have two distinct rule conditions that require the same approval routing, then you must enter the rule conditions in two separate rows. Ensure that the information in the Approvers section is identical for both the rows.

### Rule Blocks

A rule block is a group of rows in the workflow rules spreadsheet where you define a business rule and all aspects of the business rule. Use a separate block for each business rule.

While all rule aspects defined within a rule block are processed simultaneously, rule blocks are processed in sequence. Therefore, before defining the rules, you must consider the sequence in which the rules should be processed.

You can create additional rows in a block and additional blocks in a sheet as needed.

To insert more blocks in a rule block:

1. Select a row.
2. Right-click and select Add Block.

To add a rule block after the existing rule blocks, click Add Block in the sheet.

To insert more rows in a rule block:

1. Select a row and right-click.
2. From the menu, select **Insert**.

To delete a rule block:

1. Select all the rows in a rule block.
2. Right-click and select **Delete Block**.

### Data Sets

In your approval policy, if the approver of a transaction varies based on the transaction attributes, then you should use a data set. A data set lets you define a mapping between your data and the variation in approvers based on such data.

For example, a transaction with an amount greater than 5000 USD needs to be approved by an approval group. However, the approval group varies depending on the cost center. In this case, you can use a data set to define a mapping between the cost center and the approval group.

> **Note:** Currently, data sets are only available for templates for Payables Invoice Approval Workflow.

To define a data set, perform the following steps:

1. Open the Data Set sheet of the rule template.
2. In the **Set Name** column, enter a unique name.
3. Depending on the approval routing of the rule for which you are using the data set, enter the value in the **Approval Group/Supervisory Level/Job Level Range/User/Role**

   For the given example, specify the approval group name in the **Approval Group/Supervisory Level/Job Level Range/User/Role** column.

> **Note:** You can only use an approval group that already exists in the BPM.

4. In the **Varying Attribute** section, select the attributes based on which the approver varies for the transaction.

   For the given example, select **Distribution Cost Center Segment** from the list of values and specify the cost center values for each approval group.

5. Enter values for each varying attribute. You can also use the supported operators with the values.
6. Click **Add New Column** to create additional columns for varying attributes.
7. Click **Add Data Set** to create additional data sets.

After you create a data set, you must enter a data set reference in your rule in the Workflow Rules sheet by prefixing the data set name with **$**. For example, if you want to reference a data set named Supervisory, then in the workflow Rules sheet, enter the value as **$Supervisory Set**.

You can enter the data set references in the Approvers section of the Workflow Rules sheet. Based on the approval routing used for the rule, you can enter data set references in the following columns:

- Job Level Range
- Approval Level
- Group/User/Role Name

### Generate Rule File

After entering the data in the Workflow Rules sheet, click the **Generate Rule File** button located in the Instructions sheet to generate the rule file. A compressed file is generated. Save the file in your local computer.
Upload the Rule File
To upload the rule file, perform the following steps:

1. Navigate to the Manage Workflow Rules in Spreadsheet page.
2. In the Rule Templates section, select the required workflow.
3. Click Upload. The Upload File dialog box appears.
4. In the File field, click Choose File.
5. From your local directory, select the compressed rule file that was generated from the workflow rules template.
6. Click Submit. A confirmation message stating the process ID appears.

⚠️ **Caution:** Every successful rule upload using a spreadsheet template overrides the existing rules for the workflow.

7. Click OK.
8. Check the status of the upload in the Upload History section.

**Update the Rule Template Version**
While uploading your rule template, if you are asked to update the file version, perform the following steps:

1. Download the latest version of the rule template from the Manage Workflow Rules in Spreadsheet page. You can select any of the available templates for the workflow.
2. In the Instructions sheet of the rule template, click Update Spreadsheet.
3. Select the older version of the rule template and click OK.
   This copies rules from the older version of your rule template to the latest version.
4. Review the copied rules and proceed as usual to create rules using the latest version of the rule template.

**Verify the Spreadsheet Upload**
The Upload History section displays details of the spreadsheet uploads such as the date, user, rule template used, and the status.

If the rule upload process fails, the status is displayed as Error. Click Error to download the Error CSV file. Review the error details, resolve the errors in the spreadsheet, and generate the rule file again.

**Related Topics**
- Configuring Offerings: Procedure
- Update Existing Setup Data

**Modify Workflow Rules Using a Spreadsheet**
After creating the rules using a spreadsheet template, you can modify them using a spreadsheet.

✏️ **Note:** Each time you make modifications, a new set of rules are created. The new rules overwrite the existing rules.

To modify workflow rules using a spreadsheet, perform the following steps:

1. Navigate to the Manage Rules in Spreadsheet page.
2. In the Rule templates section, select the required workflow.
3. For the workflow, select the link in the Last Successful Upload column. Save the copy of the last successfully uploaded rule template to your local computer.
4. Make the necessary changes in the spreadsheet and click **Generate Rule File**. A compressed file is generated. Save the generated rule file in your local directory.

5. On the Manage Rules in Spreadsheet page, select the required workflow in the Rule Templates section.

6. Click **Upload**. The Upload File dialog box appears.

7. In the **File** field, click **Choose File**.

8. From your local directory, select the compressed rule file to be uploaded for the rule creation that was generated from the workflow rules template.

9. Click **Submit**. A confirmation message stating the process ID appears.

10. Click **OK**.

11. Check the status of the upload in the Upload History section.

> **Note:** If the upload fails, the status is displayed as **Error**. Click **Error** to download the **Error CSV file**. Review the error details, resolve the errors, and generate the rule file again.

**Workflow Rule Templates for Journal Approval**

The Simplified Workflow Rules Configuration feature enables you to create rules for the General Ledger Approval workflow using a spreadsheet. You can select from among the available sample templates in the **Download** column on the Manage Workflow Rules in Spreadsheet page:

- Journal Approval Basic Template
- Journal Approval Sample Template 1
- Journal Approval Sample Template 2

Each template contains two worksheets: Instructions and Journal Approval Rules. The Journal Approval Rules worksheet contains sample rules. You can modify them or define your own rules.

You use the templates to create approval rules in accordance with your approval policy. Each sample template contains use cases that you can refer to. You can define your specific rules using any of the templates.

**Journal Approval Basic Template: Supervisory Hierarchy-Based Approval**

The rule in this template demonstrates the following approval policy requirement:

- All journal batches require approval from the direct supervisor of the user submitting the batch for approval.

You don't have to make any changes to this rule to use it.

> **Note:** The General Ledger Journal workflow implementation comes with a predefined rule. That rule is represented in the Journal Approval Basic Template.

> **Tip:** You can upload this sample rule to reset the journal approval rule back to its predefined state.

**Journal Approval Sample Template 1: Group-Based Approval**

The rules in this template demonstrate the following approval policy requirement:

- All journal batches from a specific ledger and from the specific journal sources require approval from one user of the nominated approval groups. The approval group is different when the journal batch has been created by some nominated users and has some specific description.

- Journal batches from sources other than these sources are automatically rejected.
The business rule from the approval policy is represented in one block in this template with four listed rules.

To use these rules, ensure:

- The approval groups that you enter in the spreadsheet are defined in the approval management application.
- The specified users are valid.
- The specified ledger ID is valid.

**Note:** When a journal batch satisfies more than one rule within a block, the notification flow and approval process completion can vary depending on the approval routings specified for those rules within that block. For this template, if a journal batch satisfies more than one rule, all of the users of the nominated groups are notified, and only one user must take an action to complete the approval process.

Journal Approval Sample Template 2: Supervisory Hierarchy and Group-Based Approval

The rules in this template demonstrate the following approval policy requirement. The business rules are represented in multiple blocks depending on the business requirement and the approval routing.

- **First block:** All journal batches for journal sources Manual, AutoCopy, and Spreadsheet, and with a total batch amount greater than 250000, require supervisory approval. Any batch from those same sources with a total batch amount up to 250000 is automatically approved. Journal batches from sources other than these sources don’t require this type of approval.

- **Second block:** All journal batches with a total batch amount up to 250000 for journal sources Allocations, Revaluation, and Balance Transfer, require approval from any one member of the designated approval group. All journal batches with a total batch amount up to 250000 for journal sources other than these sources don’t require this type of approval. All journal batches with a total batch amount greater than 250000 don’t require this type of approval.

- **Third block:** All journal batches with a total batch amount greater than 250000 for the journal sources Allocations, Revaluation, and Balance Transfer, require approval from all members of the designated approval group. All journal batches with a total batch amount greater than 250000 for journal sources other than these sources don’t require this type of approval. All journal batches with a total batch amount up to 250000 don’t require this type of approval.

To create rules for these business rules, you must first analyze and separate the requirements into distinct rules. All the rules that are included in a block must be collectively exhaustive. It’s important that all approval scenarios are defined. If not, errors might occur.

The following table displays the details of the rules that are created to enforce the business requirement presented in the first block in this sample template.

<table>
<thead>
<tr>
<th>Rule Name</th>
<th>Approval Routing</th>
<th>Approval Condition Attribute</th>
<th>Approval Condition Operator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Source_amount up to 250000</td>
<td>Auto Approve</td>
<td>Journal Batch Total Accounted Credit</td>
<td>&lt;=250000</td>
</tr>
<tr>
<td>Source_amount up to 250000_other source</td>
<td>Skip Approval</td>
<td>Journal Batch Total Accounted Credit</td>
<td>&lt;=250000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Journal Source Name</th>
<th>in (Manual, AutoCopy, Spreadsheet)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Journal Source Name</td>
<td>not in (Manual, AutoCopy, Spreadsheet)</td>
</tr>
<tr>
<td>Rule Name</td>
<td>Approval Routing</td>
</tr>
<tr>
<td>-----------</td>
<td>------------------</td>
</tr>
<tr>
<td>Source_amount greater than 250000</td>
<td>Supervisory</td>
</tr>
<tr>
<td>Source_amount greater than 250000_other source</td>
<td>Skip Approval</td>
</tr>
</tbody>
</table>

The same logical process is followed to define rules for the remaining approval policy requirements.

To use this rule, ensure the approval groups that you enter in the spreadsheet are defined in the approval management application.

**Approval Conditions in Journal Approval Rule Templates**

For the journal approval workflow, approval conditions define the criteria that a journal batch is evaluated against. The approval conditions are defined using the attributes available in the drop-down list of each attribute category. There are three default attribute categories: Journal Batch, Journal Header, Journal Line.

You can use the predefined approval conditions in the sample rule templates, or you can modify the conditions to meet your company approval policy requirements.

In addition to the attribute categories displayed in the rule templates, you can add more attribute categories by selecting the drop-down list after the last displayed attribute category.

Here’s the list of attribute categories that you can use to define your approval conditions:

- Journal Batch Approval Requester
- Journal Batch Creator
- Journal Batch Ledger
- Journal Batch Source
- Journal Category
- Journal Calendar
- Journal Header
- Journal Line
- Maximum Amount Journal
- Maximum Amount Journal Line
- Period
- Submitted Period

Each attribute category has its own set of attributes that you can select from.
Rule Evaluation Currency Attribute

To create workflow rules that should be evaluated in a specific currency, enter the currency using the attribute Rule Evaluation Currency. The attribute is available for these attribute categories:

- Journal Header
- Journal Line
- Maximum Amount Journal
- Maximum Amount Journal Line

Specify the currency value following the ISO 4217 standard. The resulting rules that are created apply Corporate as the rate type and the Accounting Date as the rate date for evaluating transactions that satisfy rule conditions.

Create Journal Approval Rules Using Oracle Business Process Management

Video

Watch: This video tutorial shows you how to create journal approval rules that either automatically approve a journal batch, or that route the batch for supervisory approvals based on the ledger and journal amounts. The content of this video is also covered in text topics.

Procedure

You can use the Business Process Management Worklist application to configure journal approval rules. For example, you can create journal approval rules that automatically approve a journal batch, or that route the batch for approval based on the ledger and journal amounts.

This procedure creates the following approval rules:

- When the largest journal amount in a batch is more than 500, and less than 10,000, the batch requires one level of supervisory approval.
- When the largest journal amount is 10,000 or more, two levels of supervisory approval are required.
- If the largest journal amount in a batch is 500 or less, the batch doesn’t require approval or it’s automatically approved.

Create a Rule That Requires One Level of Supervisory Approval

1. In the Global menu, click the Notifications icon and from the list, select More Details.
3. Click your user name and select Administration. You can manage the journal approval rules only if you have administrator access.
4. Click the Task Configuration tab.
5. From the Tasks to be configured pane, select the FinGLJournalApproval Journal Approvals task.
6. Click Edit task to create the rules.
7. Click the Assignees tab. The Assignees page shows the participant tree. A participant is a user or set of users in the approval assignment and routing definition. The journal approval task has 17 predefined participants. Typically you use only one or two participants, but you have the flexibility to meet more complex approval requirements. Each participant is associated with one rule set, and a rule set can have one or more approval rules.
8. On the **Supervisory Journal Approver** participant, click **Go to rule**.
9. Click the **Add Rule** icon.
10. In the **Name** field, enter the name of the rule: Between 500 and 10000.
11. Click **Expand**. Each rule defines the conditions for when the journal batch should be approved and by whom.

**Note:** The IF component evaluates the journal based on batch, journal, or journal line-level attributes. The THEN component determines who the approval should be routed to.

12. In the IF section, click the **Left Value** icon. The Condition Browser window opens.
13. Click the **Expand** icon on the Maximum Amount Journal folder.
14. Click the **Name** attribute, which represents the ledger name.
15. Click **OK**. The Condition Browser window closes and the attribute name is populated in the **Left Value** field.
16. In the **Right Value** field, enter the name of the ledger in quotation marks, for example, enter "Vision Operations (USA)".

**Note:** The first condition uses the operator named **is**. This operator compares the two values.

17. Click the **Add simple test** icon from the list to add another condition.
18. Click the **Left Value** icon. The Condition Browser window opens.
19. Expand the Maximum Journal Amount folder and select the **Maximum Accounted Amount Credit** attribute. This attribute stores the maximum accounted credit amount across all journals in the batch.
20. Click **OK**. The Condition Browser window closes.
21. In the second condition, click in the **Operator** field and select the operator named **between**.
22. Click the **Right Value** icon. The Right Operand window opens.
23. In the **Operand 1** field, enter the lower limit as 500.
24. In the **Operand 2** field, enter the upper limit as 10000.
25. Click **OK**. The Right Operand window closes.
26. To configure the action to send the journal batch for one level of supervisory approval, click the **Add Action** icon in the THEN section.
27. Select **Add Approver** and select **Supervisory**.

**Note:** The Supervisory list builder generates the list of approvers by moving up the supervisory hierarchy that’s set up in the Human Resources application. Specify the number of approvers, the first approver, and the highest possible approver.

28. To route the journal batch for one level of supervisory approval, in the **Number of levels** field, enter 1.
29. In the **Starting Participant** field, click **Search**. The Add Hierarchy Participant window opens and the **Get Manager** option is selected by default.
30. For this rule, the starting participant or first approver, is going to be the manager of the person who submits the journal batch for approval. In the **Reference User** field, enter Task.creator.
31. Click **OK**. The Add Hierarchy Participant window closes.
32. In the **Top Participant** field, click **Search**. The Add Hierarchy Participant window opens.

**Note:** The top participant is the last user in the approval hierarchy. The list builder continues to add users to the approvers list from the supervisory hierarchy of the first approver, until the number of levels is met, or the top participant is reached.

33. Click the **Get User** button.
34. In the **Reference User** field, enter the sign in name of the top participant within quotation marks.
35. Click **OK**. The Add Hierarchy Participant window closes.
36. From the Tasks to be configured pane, click **Save**. The Enter Comments window opens.
37. Click **OK**. The Enter Comments window closes and a message appears stating that the rule has been saved.
38. Click **OK**.

Create a Rule That Requires Two Levels of Supervisory Approval
Create a rule for the same ledger requiring two levels of supervisory approval if the largest journal amount is 10,000 or more. Copy the first rule and make changes for this second rule.

1. Click the Assignees tab.
2. Select the first rule.
3. Click the list on the **Cut** icon and select **Copy**.
4. Click the list on the **Cut** icon and select **Paste**. The second rule appears after the first rule.
5. In the **Name** field for the second rule, enter Greater than 10000.
6. Click **Expand**.
7. The first condition in the IF section that checks for the ledger, stays the same. Change the operator of the second condition to **same or more than**.
8. In the **Right Value** field, enter 10000.
9. In the THEN section, in the **Number of levels** field, enter 2.
10. Click **Collapse**. The second approval rule is complete.

Create a Rule That Automatically Approves Journals
Create the rule that automatically approves journals that are 500 or less for a specific ledger. The rule must also ensure that journal batches for all other ledgers are automatically approved as well.

⚠️ **Caution:** It’s very important that the rules in a rule set cover all conditions and are collectively exhaustive. If not, errors might occur.

1. Select the first rule.
2. Click the list on the **Cut** icon and select **Copy**.
3. Click the list on the **Cut** icon and select **Paste**. The third rule appears after the first rule.
4. Click in the **Rule Name** field and rename the third rule to Less than 500.
5. Click the **Expand** icon to open the new rule.
6. Create a condition for journals 500 or less in the specified ledger by first grouping the two existing conditions together. In the IF section, click both conditions to select them.
7. Click the **Surround selected tests with parenthesis** icon. Both conditions are now enclosed within a set of parentheses.
8. Click in the **Operator** field of the second condition and select same or less than from the list. The amount automatically changes to 500.
9. Now add another condition to cover all of the other batches that don’t have journals for the specified ledger. Click the **Add simple test** icon. A third condition row is added after the two grouped conditions.
10. Since this new condition is mutually exclusive to the grouped conditions, click the connector to change it from **and** to **or**.
11. Click the **Left Value** icon. The Condition Browser window opens.
12. Expand the Maximum Journal Amount folder and select **Name**.
13. Click **OK**. The Condition Browser window closes.
14. Click in the **Operator** field and select the operator named isn’t.
15. In the **Right Value** field, enter the name of the ledger in quotation marks.
16. Now set up the automatic approval. The Supervisory list builder has two parameters that override the supervisory approval and return a preconfigured approval action. In the THEN section, click in the **Auto Action Enabled** field, and select **True**.
17. In the **Auto Action** field, enter “APPROVE”. Include the quotation marks.
18. Collapse the rule.

You have now defined three rules that meet the business requirements and are collectively exhaustive. All journal batches satisfy the conditions in at least one of the three rules and are routed for approval accordingly. If a journal batch doesn’t satisfy the conditions in at least one rule within a rule set, the rule evaluation process would fail with errors.

19. Deploy the rules so that they can be used. On the Tasks to be configured toolbar, click the Commit Task icon. The Enter Comments window opens.

20. Click OK. The Enter Comments window closes and a message appears stating that the data rule has been saved and committed.

21. Click OK.

After journal approval is enabled, journal batches being posted are submitted for approval based on these rules.

Predefined Journal Approval Participants and Attributes

You can configure journal approval rules in the Business Process Management Worklist application. Open the Worklist application by selecting the Notifications icon on the home page and clicking More Details or, by using the following in the Setup and Maintenance work area:

- Offering: Financials
- Functional Area: Application Extensions
- Task: Manage Task Configurations for Financials

The name of the journal approval workflow task is FinGlJournalApproval.

Assignees

Assignees, also called participants, are users or a set of users that an approval request is routed to. There are four types of assignees.

- **Single**: Maps to a user, group, or role. Select this type if the approval request requires only a single user to approve. When the request is sent to a group or to an application role, all of the users within that group or that carry that application role receive the notification, but only one user's approval is required.

- **Parallel**: Indicates that a set of people work in parallel and that everyone’s approval is required. For example, a journal batch affects multiple lines of business and requires approval from the controllers for each line of business. The controllers can approve the journal batch in parallel.

- **Serial**: Indicates that a set of users must work in sequence. The most common scenario is supervisory chain approval, which is done by specifying that the list is based on a supervisory chain.

- **FYI**: Maps to a single user, group, or role, just as the Single assignee type. However, this type of assignee just receives a notification, and the business process doesn’t wait for the assignee’s response. FYI assignees can’t directly impact the outcome of a task, but in some cases can provide comments or add attachments.

The journal approval workflow task contains three assignees (participants) with a type of Single, Serial, and Parallel, each. These three predefined assignees are arranged in the parallel mode. Assignees can be arranged in parallel or sequential mode. For assignees in parallel mode, a task is assigned and notifications are sent to all of the assignees at once in parallel. For assignees in sequential mode, a task is assigned and notifications are sent in a sequential manner, meaning one after another, to each assignee.

You can select to use any one, or combination of, the three assignees. You can delete them, or add new ones as needed. The Serial type assignee has a predefined journal approval rule based on the requester’s supervisory hierarchy. If a ledger
and journal source are enabled for approval, the predefined journal approval rule sends a journal belonging to that ledger and source to the requester’s manager for approval.

Attributes

The tables in this section list the objects and attributes that appear in the Condition Browser window in the Worklist application.

The following table describes the attributes for the **Journal Batch** object.

<table>
<thead>
<tr>
<th>Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounting Period Type</td>
<td>Name of the accounting calendar.</td>
</tr>
<tr>
<td>Batch Type Indicator</td>
<td>Indicator for the type of amounts that the batch contains. Valid values are A or E, representing the following respective types: Actual and Encumbrance.</td>
</tr>
<tr>
<td>Approval Status</td>
<td>Approval status of the journal batch. Valid values are A, I, J, V, R, or Z, representing the following respective statuses: Approved In Process, Rejected, Validation Error, Required, and Not Required. For Oracle internal use only.</td>
</tr>
<tr>
<td>Approver Employee ID</td>
<td>Internal identifier of the employee who submitted the batch for approval. For Oracle internal use only.</td>
</tr>
<tr>
<td>Average Balance Journal Indicator</td>
<td>Indicator for whether the journal is an average balance journal. Valid values are Y or N, representing Yes and No.</td>
</tr>
<tr>
<td>Batch Amount</td>
<td>Amount of the journal batch.</td>
</tr>
<tr>
<td>Budgetary Control Status</td>
<td>Not currently used.</td>
</tr>
<tr>
<td>Calendar</td>
<td>Reference to the Calendar object. For Oracle internal use only.</td>
</tr>
<tr>
<td>Chart of Accounts ID</td>
<td>Internal identifier of the chart of accounts.</td>
</tr>
<tr>
<td>Control Total</td>
<td>Control total of the journal batch.</td>
</tr>
<tr>
<td>Created By</td>
<td>Sign in name of the user who created the journal batch.</td>
</tr>
<tr>
<td>Creation Date and Time</td>
<td>Date and time when the journal batch was created.</td>
</tr>
<tr>
<td>Creation Date</td>
<td>Date when the journal batch was created. For Oracle internal use only.</td>
</tr>
<tr>
<td>Default Accounting Date</td>
<td>Internal default accounting date. For Oracle internal use only.</td>
</tr>
<tr>
<td>Accounting Period Name</td>
<td>Accounting period of the journal batch.</td>
</tr>
<tr>
<td>Description</td>
<td>Description of the journal batch.</td>
</tr>
<tr>
<td>Name</td>
<td>Description</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>-----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Earliest Postable Date</td>
<td>For Oracle internal use only.</td>
</tr>
<tr>
<td>Group ID</td>
<td>Internal identifier of the interface group. For Oracle internal use only.</td>
</tr>
<tr>
<td>Batch ID</td>
<td>Internal identifier of the journal batch. For Oracle internal use only.</td>
</tr>
<tr>
<td>Source</td>
<td>Internal identifier of the journal source. For Oracle internal use only.</td>
</tr>
<tr>
<td>Journal Batch Ledger</td>
<td>Reference to the Journal Batch Ledger object. For Oracle internal use only.</td>
</tr>
<tr>
<td>Journal Batch Source</td>
<td>Reference to the Journal Batch Source object. For Oracle internal use only.</td>
</tr>
<tr>
<td>Journal Header</td>
<td>Reference to the Journal Header object. For Oracle internal use only.</td>
</tr>
<tr>
<td>Last Updated Date</td>
<td>Date when the journal batch was last updated.</td>
</tr>
<tr>
<td>Last Updated Login</td>
<td>For Oracle internal use only.</td>
</tr>
<tr>
<td>Last Updated By</td>
<td>Sign in name of the user who last updated the batch.</td>
</tr>
<tr>
<td>Lookup Code</td>
<td>For Oracle internal use only.</td>
</tr>
<tr>
<td>Lookup Type</td>
<td>For Oracle internal use only.</td>
</tr>
<tr>
<td>Maximum Amount Journal</td>
<td>Reference to the Maximum Amount Journal object. For Oracle internal use only.</td>
</tr>
<tr>
<td>Maximum Journal Line Amount</td>
<td>Reference to the Maximum Journal Line Amount object. For Oracle internal use only.</td>
</tr>
<tr>
<td>Batch Type</td>
<td>Full text value for the Batch Type Indicator attribute. Valid values are Actual or Encumbrance.</td>
</tr>
<tr>
<td>Name</td>
<td>Name of the journal batch.</td>
</tr>
<tr>
<td>Object Version Number</td>
<td>For Oracle internal use only.</td>
</tr>
<tr>
<td>Packet ID</td>
<td>For Oracle internal use only.</td>
</tr>
<tr>
<td>Parent Batch ID</td>
<td>For Oracle internal use only.</td>
</tr>
<tr>
<td>Period</td>
<td>Reference to the Period object. For Oracle internal use only.</td>
</tr>
<tr>
<td>Accounting Period Set Name</td>
<td>Accounting calendar name for the accounting period.</td>
</tr>
<tr>
<td>Posted Date</td>
<td>For Oracle internal use only.</td>
</tr>
<tr>
<td>Name</td>
<td>Description</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Posting Run ID</td>
<td>Internal identifier. For Oracle internal use only.</td>
</tr>
<tr>
<td>Request ID</td>
<td>Internal identifier. For Oracle internal use only.</td>
</tr>
<tr>
<td>Accounted Running Total Credit</td>
<td>Total accounted credit amount of the journal batch.</td>
</tr>
<tr>
<td>Accounting Running Total Debit</td>
<td>Total accounted debit amount of the journal batch.</td>
</tr>
<tr>
<td>Entered Running Total Credit</td>
<td>Total entered credit amount of the journal batch.</td>
</tr>
<tr>
<td>Entered Running Total Debit</td>
<td>Total entered debit amount of the journal batch.</td>
</tr>
<tr>
<td>Status</td>
<td>Status of the journal batch. Valid values are u, U, S, I, or P, representing the following respective statuses: Incomplete, Unposted, Selected for Posting, Processing, and Posted.</td>
</tr>
<tr>
<td>Status Verified by Posting Indicator</td>
<td>Indicator for whether the status of the journal batch has been verified. Valid values are Y and N, representing Yes and No. For Oracle internal use only.</td>
</tr>
<tr>
<td>Submitted Period</td>
<td>Reference to the Submitted Period object. For Oracle internal use only.</td>
</tr>
<tr>
<td>Not Reserved Packet ID</td>
<td>For Oracle internal use only.</td>
</tr>
<tr>
<td>Journal Batch Creator</td>
<td>Reference to the Journal Batch Creator object. For Oracle internal use only.</td>
</tr>
<tr>
<td>Journal Batch Approval Requester</td>
<td>Reference to the Journal Batch Approval Requester object. For Oracle internal use only.</td>
</tr>
<tr>
<td>Descriptive Flexfield Structure Definition 1</td>
<td>Structure definition of the Journal Batches descriptive flexfield.</td>
</tr>
<tr>
<td>Descriptive Flexfield Attributes 1 through 10</td>
<td>Segments of the Journal Batches descriptive flexfield.</td>
</tr>
<tr>
<td>Funds Status</td>
<td>Budgetary control status for the batch. A list of valid values can be found in the lookup type XCC_BC_FUNDS_STATUSES. For example, RESERVED_PARTIAL or RESERVED_PASSED representing Partially reserved and Reserved.</td>
</tr>
</tbody>
</table>

The following table describes the attributes for the **Journal Batch Ledger** object.

<table>
<thead>
<tr>
<th>Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Batch ID</td>
<td>Internal identifier of the journal batch. For Oracle internal use only.</td>
</tr>
<tr>
<td>Currency</td>
<td>Currency of the ledger. For example USD or EUR.</td>
</tr>
<tr>
<td>Ledger Category Code</td>
<td>Category of the ledger. Valid values are SECONDARY, PRIMARY, NONE, and ALC, representing the following respective categories: Secondary Ledger, Primary Ledger, None, and Reporting Currency.</td>
</tr>
<tr>
<td>Name</td>
<td>Description</td>
</tr>
<tr>
<td>-----------------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Ledger Enabled for Journal Approvals Indicator</td>
<td>Indicator for whether approval is enabled for the ledger. Valid values are Y or N, representing Yes and No.</td>
</tr>
<tr>
<td>Ledger ID</td>
<td>Internal identifier of the ledger.</td>
</tr>
<tr>
<td>Ledger Name</td>
<td>Name of the ledger.</td>
</tr>
<tr>
<td>Meaning</td>
<td>For Oracle internal use only.</td>
</tr>
<tr>
<td>Period Set Name</td>
<td>Internal name for the accounting calendar, which is the original calendar name that a user entered. For Oracle internal use only.</td>
</tr>
<tr>
<td>Primary Ledger Currency</td>
<td>Ledger currency defined for the primary ledger. For example, USD or EUR.</td>
</tr>
<tr>
<td>Descriptive Flexfield Structure Definition</td>
<td>Structure definition of the Ledgers descriptive flexfield.</td>
</tr>
<tr>
<td>Descriptive Flexfield Attributes 1 through 15</td>
<td>Segments 1 through 15 of the Ledgers descriptive flexfield.</td>
</tr>
</tbody>
</table>

The following table describes the attributes for the **Journal Batch Source** object.

<table>
<thead>
<tr>
<th>Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Journal Source ID</td>
<td>Internal identifier of the journal source. For Oracle internal use only.</td>
</tr>
<tr>
<td>Journal Reference Indicator</td>
<td>Indicates whether journal import saves the references to the subledger transactions. Saved references let you drill from a general ledger journal to the subledger transaction. Valid values are Y or N, representing Yes and No.</td>
</tr>
<tr>
<td>Override Edits Indicator</td>
<td>Indicator for whether a user can update the journal that has the journal source. Valid values are Y, N, or P, representing Yes, No, and Partial, respectively.</td>
</tr>
<tr>
<td>Type</td>
<td>Identifies whether the source for the batch is a subledger application. Valid values are SLA or Non-SLA, representing subledger accounting and nonsubledger accounting, respectively.</td>
</tr>
<tr>
<td>Journal Source Name</td>
<td>User-defined name for the journal source.</td>
</tr>
<tr>
<td>Source Key</td>
<td>Unique identifier for a journal source.</td>
</tr>
<tr>
<td>Descriptive Flexfield Attributes 1 through 5</td>
<td>Segments 1 through 5 of the Journal Sources descriptive flexfield.</td>
</tr>
</tbody>
</table>

The following table describes the attributes for the **Journal Calendar** object.
## Oracle Financials Cloud
### Implementing Enterprise Structures and General Ledger

#### Chapter 9

#### General Ledger Options

<table>
<thead>
<tr>
<th>Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calendar ID</td>
<td>Internal identifier of the accounting calendar. For Oracle internal use only.</td>
</tr>
<tr>
<td>Period Set ID</td>
<td>Internal identifier. For Oracle internal use only.</td>
</tr>
<tr>
<td>Period Set Name</td>
<td>Name of the accounting calendar when first created. If the calendar name is</td>
</tr>
<tr>
<td></td>
<td>later changed in the user interface, this original name remains stored</td>
</tr>
<tr>
<td></td>
<td>internally as a unique identifier. For Oracle internal use only.</td>
</tr>
<tr>
<td>Period Type</td>
<td>Internally generated value based on period frequency of the accounting</td>
</tr>
<tr>
<td></td>
<td>calendar. For Oracle internal use only.</td>
</tr>
<tr>
<td>Period Type ID</td>
<td>Internal identifier of the period type. For Oracle internal use only.</td>
</tr>
<tr>
<td>User Period Set Name</td>
<td>Current name of the accounting calendar.</td>
</tr>
<tr>
<td>Descriptive Flexfield Structure</td>
<td>Structure definition of the Calendars descriptive flexfield.</td>
</tr>
<tr>
<td>Attributes 1 through 5</td>
<td>Segments 1 through 5 of the Calendars descriptive flexfield.</td>
</tr>
</tbody>
</table>

The following table describes the attributes for the **Journal Category** object.

<table>
<thead>
<tr>
<th>Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category ID</td>
<td>Internal identifier of the journal category. For Oracle internal use only.</td>
</tr>
<tr>
<td>Journal Category Name</td>
<td>Translated name of the journal category. Might not uniquely identify a</td>
</tr>
<tr>
<td></td>
<td>category in an approval rule. Varies depending on a user’s language setting.</td>
</tr>
<tr>
<td>Category Key</td>
<td>User-defined category key that uniquely identifies the category.</td>
</tr>
<tr>
<td>Descriptive Flexfield Structure</td>
<td>Structure definition of the Journal Categories descriptive flexfield.</td>
</tr>
<tr>
<td>Attributes 1 through 5</td>
<td>Segments 1 through 5 of the Journal Categories descriptive flexfield.</td>
</tr>
</tbody>
</table>

The following table describes the attributes for the **Journal Header** object.

<table>
<thead>
<tr>
<th>Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reversed Journal Indicator</td>
<td>Indicator for whether the journal was reversed. Valid values are Y or N,</td>
</tr>
<tr>
<td></td>
<td>representing Yes and No.</td>
</tr>
<tr>
<td>Accounted Currency</td>
<td>Currency of the ledger. For example, USD or EUR.</td>
</tr>
<tr>
<td>Accounting Date</td>
<td>Accounting date of the journal.</td>
</tr>
</tbody>
</table>

---

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<table>
<thead>
<tr>
<th>Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Batch ID</td>
<td>Internal identifier of the journal batch. For Oracle internal use only.</td>
</tr>
<tr>
<td>Category</td>
<td>Internal identifier of the journal category. For Oracle internal use only.</td>
</tr>
<tr>
<td>Journal from Subledger Indicator</td>
<td>Indicator for whether the journal was created through subledger accounting. Valid values are Y or N, representing Yes and No.</td>
</tr>
<tr>
<td>Header ID</td>
<td>Internal identifier of the journal. For Oracle internal use only.</td>
</tr>
<tr>
<td>Journal Header Category</td>
<td>Reference to the Journal Header Category object. For Oracle internal use only.</td>
</tr>
<tr>
<td>Journal Line</td>
<td>Reference to the Journal Line object. For Oracle internal use only.</td>
</tr>
<tr>
<td>Ledger ID</td>
<td>Identifier for the ledger.</td>
</tr>
<tr>
<td>Ledger Name</td>
<td>Name of the ledger.</td>
</tr>
<tr>
<td>Reference Date</td>
<td>Reference date entered for the journal.</td>
</tr>
<tr>
<td>Running Total Accounted Credit</td>
<td>Total accounted credit amount of the journal.</td>
</tr>
<tr>
<td>Running Total Accounted Debit</td>
<td>Total accounted debit amount of the journal.</td>
</tr>
<tr>
<td>Attachment Exists Indicator</td>
<td>Indicator for whether the journal has attachments. Valid values are Y or N, representing Yes and No.</td>
</tr>
<tr>
<td>Entered Currency</td>
<td>Entered currency of the journal. For example, USD or EUR.</td>
</tr>
<tr>
<td>Journal Description</td>
<td>Description of the journal.</td>
</tr>
<tr>
<td>Journal Name</td>
<td>Name of the journal.</td>
</tr>
<tr>
<td>Reversing Journal Indicator</td>
<td>Indicator for whether the journal resulted from a reversal. Values are Y or N, representing Yes and No.</td>
</tr>
<tr>
<td>Descriptive Flexfield Structure Definition 1</td>
<td>Structure definition of the Journals descriptive flexfield.</td>
</tr>
<tr>
<td>Descriptive Flexfield Attributes 1 through 10</td>
<td>Segments 1 through 10 of the Journals descriptive flexfield.</td>
</tr>
</tbody>
</table>

The following table describes the attributes for the **Journal Line** object.
<table>
<thead>
<tr>
<th>Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounted Credit</td>
<td>Accounted credit amount of the journal line.</td>
</tr>
<tr>
<td>Accounted Debit</td>
<td>Accounted debit amount of the journal line.</td>
</tr>
<tr>
<td>Entered Currency</td>
<td>Entered currency of the journal line. For example, USD or EUR.</td>
</tr>
<tr>
<td>Accounted Currency</td>
<td>Ledger currency of the journal line. For example, USD or EUR</td>
</tr>
<tr>
<td>Entered Credit</td>
<td>Entered credit amount of the journal line.</td>
</tr>
<tr>
<td>Entered Debit</td>
<td>Entered debit amount of the journal line.</td>
</tr>
<tr>
<td>Header ID</td>
<td>Internal identifier of the journal. For Oracle internal use only.</td>
</tr>
<tr>
<td>Line Number</td>
<td>Number of the journal line.</td>
</tr>
<tr>
<td>Ledger ID</td>
<td>Internal identifier of the ledger. For Oracle internal use only.</td>
</tr>
<tr>
<td>Ledger ID 1</td>
<td>For Oracle internal use only.</td>
</tr>
<tr>
<td>Account</td>
<td>Reference to the Account object. For Oracle internal use only.</td>
</tr>
<tr>
<td>Chart of Accounts ID</td>
<td>Internal identifier of the chart of accounts.</td>
</tr>
<tr>
<td>Account Combination ID</td>
<td>Internal identifier of the account combination.</td>
</tr>
<tr>
<td>Concatenated Segment</td>
<td>For Oracle internal use only.</td>
</tr>
<tr>
<td>Account Combination</td>
<td>Concatenated segments separated by the key flexfield delimiter. For example,</td>
</tr>
<tr>
<td></td>
<td>101-10-110-11010-0000.</td>
</tr>
<tr>
<td>Account Type</td>
<td>Valid values are A, L, E, R, or O, representing the following respective</td>
</tr>
<tr>
<td></td>
<td>account types: Asset, Liability, Expense, Revenue, and Owner Equity.</td>
</tr>
<tr>
<td>Descriptive Flexfield Structure Definition 1</td>
<td>Structure definition of the Journal Lines descriptive flexfield.</td>
</tr>
<tr>
<td>Descriptive Flexfield Attributes 1 through 10</td>
<td>Segments 1 through 10 of the Journal Lines descriptive flexfield.</td>
</tr>
<tr>
<td>Descriptive Flexfield Structure Definition 3</td>
<td>Structure definition of the Journals Captured Information descriptive flexfield.</td>
</tr>
<tr>
<td>Descriptive Flexfield Attributes 11 through 20</td>
<td>Segments 11 - 20 of the Journals Captured Information descriptive flexfield.</td>
</tr>
</tbody>
</table>
The following table describes the attributes for the **Maximum Amount Journal** object.

<table>
<thead>
<tr>
<th>Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Batch ID</td>
<td>Internal identifier of the batch. For Oracle internal use only.</td>
</tr>
<tr>
<td>Journal Ledger Category Code</td>
<td>Category of the ledger. Valid values are SECONDARY, PRIMARY, NONE, and ALC, representing the following respective categories: Secondary Ledger, Primary Ledger, None, and Reporting Currency.</td>
</tr>
<tr>
<td>Ledger Enabled for Journal Approval Indicator</td>
<td>Indicator for whether approval is enabled for the ledger. Valid values are Y or N, representing Yes and No.</td>
</tr>
<tr>
<td>Ledger ID</td>
<td>Internal identifier for the ledger. For Oracle internal use only.</td>
</tr>
<tr>
<td>Name</td>
<td>Name of the ledger.</td>
</tr>
<tr>
<td>Maximum Accounted Amount Credit</td>
<td>Maximum accounted credit journal amount of the journal batch.</td>
</tr>
<tr>
<td>Maximum Accounted Amount Debit</td>
<td>Maximum accounted debit journal amount of the journal batch.</td>
</tr>
<tr>
<td>Maximum Net Accounted Amount</td>
<td>Maximum accounted net journal amount of the journal batch.</td>
</tr>
<tr>
<td>Accounted Currency</td>
<td>Currency of the ledger. For example, USD or EUR.</td>
</tr>
</tbody>
</table>

The following table describes the attributes for the **Maximum Amount Journal Line** object.

<table>
<thead>
<tr>
<th>Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Batch ID</td>
<td>Internal identifier of the journal batch. For Oracle internal use only.</td>
</tr>
<tr>
<td>Journal Ledger Category Code</td>
<td>Category of the ledger. Valid values are SECONDARY, PRIMARY, NONE, and ALC, representing the following respective categories: Secondary Ledger, Primary Ledger, None, and Reporting Currency.</td>
</tr>
<tr>
<td>Ledger Enabled for Journal Approval Indicator</td>
<td>Indicator for whether approval is enabled for the ledger. Valid values are Y or N, representing Yes and No.</td>
</tr>
<tr>
<td>Ledger ID</td>
<td>Identifier of the ledger. For Oracle internal use only.</td>
</tr>
<tr>
<td>Ledger Name</td>
<td>Name of the ledger.</td>
</tr>
<tr>
<td>Maximum Accounted Line Amount Credit</td>
<td>Maximum accounted credit amount of a journal line in the journal batch for the ledger. For example, if a journal batch has five credit lines, this attribute holds the largest value of those five credit lines.</td>
</tr>
<tr>
<td>Maximum Accounted Line Amount Debit</td>
<td>Maximum accounted debit amount of a journal line in the journal batch for the ledger. For example, if a journal batch has five debit lines, this attribute holds the largest value of those five debit lines.</td>
</tr>
<tr>
<td>Maximum Net Accounted Line Amount</td>
<td>Maximum accounted net amount of a journal line in the journal batch for the ledger.</td>
</tr>
</tbody>
</table>
The following table describes the attributes for the **Period** object, which has details for the period that the journal belongs to.

<table>
<thead>
<tr>
<th>Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounted Currency</td>
<td>Currency of the ledger. For example, USD or EUR.</td>
</tr>
<tr>
<td>Description</td>
<td>Description of the accounting period.</td>
</tr>
<tr>
<td>End Date</td>
<td>End date of the accounting period.</td>
</tr>
<tr>
<td>Name</td>
<td>Name of the accounting period.</td>
</tr>
<tr>
<td>Number</td>
<td>Number of the accounting period in the fiscal year.</td>
</tr>
<tr>
<td>Set Name</td>
<td>Name of the accounting calendar when first created. If the calendar name is later changed in the user interface, this original name remains stored internally as a unique identifier.</td>
</tr>
<tr>
<td>Type</td>
<td>Internally generated value based on the period frequency of the accounting calendar. For Oracle internal use only.</td>
</tr>
<tr>
<td>Year</td>
<td>Year for the accounting period.</td>
</tr>
<tr>
<td>Quarter Number</td>
<td>Quarter number of the accounting period.</td>
</tr>
<tr>
<td>Start Date</td>
<td>Start date of the accounting period.</td>
</tr>
<tr>
<td>Adjustment Period Indicator</td>
<td>Indicator for whether the period is an adjustment period. Valid values are Y or N, representing Yes and No.</td>
</tr>
<tr>
<td>Descriptive Flexfield Structure Definition</td>
<td>Structure definition of the Accounting Calendar Periods descriptive flexfield.</td>
</tr>
<tr>
<td>Descriptive Flexfield Attributes 1 through 8</td>
<td>Segments 1 through 8 of the Accounting Calendar Periods descriptive flexfield.</td>
</tr>
<tr>
<td>Descriptive Flexfield Dates 1 through 5</td>
<td>Date segments 1 through 5 of the Accounting Calendar Periods descriptive flexfield.</td>
</tr>
<tr>
<td>Descriptive Flexfield Numbers 1 through 5</td>
<td>Number segments 1 through 5 of the Accounting Calendar Periods descriptive flexfield.</td>
</tr>
</tbody>
</table>

The following table describes the attributes for the **Submitted Period** object, which has details for the period in which a journal was submitted for approval.
### Name | Description
--- | ---
Adjustment Period Indicator | Indicator for whether the period is an adjustment period. Valid values are Y or N, representing Yes and No.

End Date | End date of the accounting period.

Most Recent Period End Date | End date of the accounting period that's two months before the current accounting period. For example, if a journal is submitted for approval in February 2018, this attribute would contain December 31, 2017.

Name | Name of the accounting period for the journal.

Number | Number of the accounting period in the fiscal year.

Set Name | Name of the accounting calendar when first created. If the calendar name is later changed in the user interface, this original name remains stored internally as a unique identifier.

Type | Internally generated value based on the period frequency of the accounting calendar. For Oracle internal use only.

Year | Accounting period year.

Previous Period End Date | End date of the previous accounting period. For example, if a journal is submitted for approval in February 2018, this attribute would contain January 31, 2018.

Start Date | Start date of the accounting period.

Descriptive Flexfield Structure Definition | Structure definition of the Accounting Calendar Periods descriptive flexfield.

Descriptive Flexfield Attributes 1 through 8 | Segments 1 through 8 of the Accounting Calendar Periods descriptive flexfield.

Descriptive Flexfield Dates 1 through 5 | Date segments 1 through 5 of the Accounting Calendar Periods descriptive flexfield.

Descriptive Flexfield Numbers 1 through 5 | Number segments 1 through 5 of the Accounting Calendar Periods descriptive flexfield.

### Related Topics
- Update Existing Setup Data
Examples of Maximum Amount Journal and Maximum Amount Journal Line Objects in Journal Approval Rules

You can configure journal approval rules in the Business Process Management Worklist application. Open the Worklist application by selecting the Notifications icon on the home page and clicking More Details or, by using the following in the Setup and Maintenance work area:

- Offering: Financials
- Functional Area: Application Extensions
- Task: Manage Task Configurations for Financials

The name of the journal approval workflow task is FinGlJournalApproval.

To configure journal approval rules that route journals for approval based on amounts, you can use the Maximum Amount Journal and Maximum Amount Journal Line objects in your approval rule definitions.

**Maximum Amount Journal**

To route journal batches for approval based on the largest journal amount within a batch, you can use the Maximum Amount Journal object in your approval rule definition. For a journal batch, this object contains the maximum accounted debit and credit amounts at the journal level, per ledger.

The following table shows an example of a journal batch that has four journals for two ledgers with different ledger currencies.

<table>
<thead>
<tr>
<th>Journal</th>
<th>Ledger</th>
<th>Ledger Currency</th>
<th>Accounted Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>USA</td>
<td>USD</td>
<td>500</td>
</tr>
<tr>
<td>2</td>
<td>USA</td>
<td>USD</td>
<td>700</td>
</tr>
<tr>
<td>3</td>
<td>France</td>
<td>EUR</td>
<td>500</td>
</tr>
<tr>
<td>4</td>
<td>France</td>
<td>EUR</td>
<td>900</td>
</tr>
</tbody>
</table>

**Note:** Since each journal balances, the value in the Accounted Amount column represents the sum of all of the debits, as well as the sum of all of the credits for each journal.

For the USA ledger, journal 2 has the largest accounted amount of 700. For the France ledger, journal 4 has the largest accounted amount of 900. This journal batch is represented in the Maximum Amount Journal object by two rows of information, one row for each ledger.

The following table shows the relevant attributes in the Maximum Amount Journal object and the values that these attributes contain.

<table>
<thead>
<tr>
<th>Name (Ledger)</th>
<th>Maximum Accounted Amount Debit</th>
<th>Maximum Accounted Amount Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA</td>
<td>700</td>
<td>700</td>
</tr>
</tbody>
</table>
The values for the debit and credit amount attributes for the USA ledger row are 700, and the values for the debit and credit amount attributes for the France ledger row are 900.

### Maximum Amount Journal Line

To route journal batches for approval based on the largest journal line amounts, you can use the Maximum Amount Journal Line object in your approval rule definition. For a journal batch, this object contains the maximum accounted debit and credit amounts at the journal line level, per ledger.

The following table shows an example of a journal batch that has two journals for two ledgers with different ledger currencies. Each journal has four lines.

<table>
<thead>
<tr>
<th>Journal</th>
<th>Ledger</th>
<th>Ledger Currency</th>
<th>Journal Line Number</th>
<th>Accounted Debit</th>
<th>Accounted Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>USA</td>
<td>USD</td>
<td>1</td>
<td>400</td>
<td>400</td>
</tr>
<tr>
<td>1</td>
<td>USA</td>
<td>USD</td>
<td>2</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>USA</td>
<td>USD</td>
<td>3</td>
<td>400</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>USA</td>
<td>USD</td>
<td>4</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>France</td>
<td>EUR</td>
<td>1</td>
<td>200</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>France</td>
<td>EUR</td>
<td>2</td>
<td>300</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>France</td>
<td>EUR</td>
<td>3</td>
<td>200</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>France</td>
<td>EUR</td>
<td>4</td>
<td>300</td>
<td></td>
</tr>
</tbody>
</table>

For the USA ledger, the journal line with the largest accounted debit is number 1 with 400. The journal line with the largest accounted credit is number 3, also with 400. For the France ledger, the journal line with the largest accounted debit is number 2 with 300. The journal line with the largest accounted credit is number 4, also with 300. This journal batch is represented in the Maximum Amount Journal Line object by two rows of information, one row for each ledger.

The following table shows the relevant attributes in the Maximum Amount Journal Line object and the values that the attributes contain.

<table>
<thead>
<tr>
<th>Ledger Name</th>
<th>Maximum Accounted Line Amount Debit</th>
<th>Maximum Accounted Line Amount Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA</td>
<td>400</td>
<td>400</td>
</tr>
<tr>
<td>France</td>
<td>300</td>
<td>300</td>
</tr>
</tbody>
</table>
The values for the debit and credit amount attributes for the USA ledger row are 400, and the values for the debit and credit amount attributes for the France ledger row are 300.

Related Topics
- Update Existing Setup Data

Journal Approval Email Notifications

Overview of Financials Configurable Workflow Notifications

The Financial applications, as part of certain business flows, automatically send notifications for review or approval. For example, when a user submits an expense report, the approvers receive an email containing the approval request. Oracle Business Intelligence (BI) Publisher reports are used for some flows to generate the content and format. You can enable BI Publisher-based notifications, which are ready to use as delivered. The notification templates can be easily configured to meet other specific requirements. If required, you can change the delivered template layouts and content, to add images, change colors and styling, add or remove attributes or modify text.

The following table shows the financial products that use configurable notifications, along with their associated features, and workflow task names:

<table>
<thead>
<tr>
<th>Product</th>
<th>Feature Name</th>
<th>Report or Notification Name</th>
<th>Workflow Task Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Ledger</td>
<td>Journal Approval Notifications</td>
<td>Journal Approval Report</td>
<td>FinGlJournalApproval</td>
</tr>
<tr>
<td>Payables</td>
<td>Invoice Approval Notifications</td>
<td>Invoice Approval Report</td>
<td>FinApInvoiceApproval</td>
</tr>
<tr>
<td>Payables</td>
<td>Hold Resolution Notifications</td>
<td>Hold Resolution Notification</td>
<td>FinApHoldApproval</td>
</tr>
<tr>
<td>Payables</td>
<td>Payment Approval Notifications</td>
<td>Payment Approval Notification</td>
<td>PaymentApproval</td>
</tr>
<tr>
<td>Payables</td>
<td>Invoice Account Coding</td>
<td>Invoice Account Coding Email</td>
<td>FinApInvoiceAccountCoding</td>
</tr>
<tr>
<td>Expenses</td>
<td>Expense Report Approval</td>
<td>Expense Report Approval</td>
<td>FinExmWorkflowExpenseApproval</td>
</tr>
<tr>
<td>Expenses</td>
<td>Expense Reimbursement</td>
<td>Reimbursement Paid to Card</td>
<td>FinExmReimToCardIssuerFyi</td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td>Issuer Notification</td>
<td>FinExmReimToEmpByCheckFyi</td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td>Reimbursement Paid by Check</td>
<td>FinExmReimToEmpByDepositFyi</td>
</tr>
<tr>
<td>Expenses</td>
<td>Expense Audit and Receipt</td>
<td>Expense Report Adjusted by</td>
<td>FinExmExpenseAuditFyi</td>
</tr>
<tr>
<td>Management</td>
<td>Management Notifications</td>
<td>Auditor Notification</td>
<td></td>
</tr>
<tr>
<td>Product</td>
<td>Feature Name</td>
<td>Report or Notification Name</td>
<td>Workflow Task Name</td>
</tr>
<tr>
<td>------------------</td>
<td>---------------------------------------</td>
<td>------------------------------------------------------------------</td>
<td>------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Expenses</td>
<td>Cash Advance Notifications</td>
<td>Cash Advances Approval Notification</td>
<td>FinExmWorkflowCashAdvanceApproval</td>
</tr>
<tr>
<td>Expenses</td>
<td>Expense Audit and Receipt Management Notifications</td>
<td>Payment is Held Notification</td>
<td>FinExmReceiptManagementFyi</td>
</tr>
<tr>
<td>Expenses</td>
<td>Expense Audit and Receipt Management Notifications</td>
<td>Payment is Released Notification</td>
<td>FinExmReceiptManagementFyi</td>
</tr>
<tr>
<td>Expenses</td>
<td>Expense Reimbursement Notifications</td>
<td>Reimbursement Has Been Paid to Employer Notification</td>
<td>FinExmReimToEmpByCheckFyi</td>
</tr>
<tr>
<td>Expenses</td>
<td>Expense Audit and Receipt Management Notifications</td>
<td>Mileage Adjustment Notification</td>
<td>ExpenseAuditMileageAdjustmentFyi</td>
</tr>
<tr>
<td>Expenses</td>
<td>Expense Audit and Receipt Management Notifications</td>
<td>Missing Receipt Declaration is Required Notification</td>
<td>FinExmReceiptManagementFyi</td>
</tr>
<tr>
<td>Expenses</td>
<td>Cash Advances Notifications</td>
<td>Overdue Cash Advance Notification</td>
<td>FinExmWorkflowOverdueNotification</td>
</tr>
<tr>
<td>Expenses</td>
<td>Cash Advances Notifications</td>
<td>Cash Advances Automatically Applied Notification</td>
<td>FinExmWorkflowCashAdvanceAutoAppliedFyi</td>
</tr>
<tr>
<td>Expenses</td>
<td>Expense Audit and Receipt Management Notifications</td>
<td>Inactive Employee's Outstanding Transactions Notification</td>
<td>FinExmInactiveEmployeeSubmitExpenseFyi</td>
</tr>
<tr>
<td>Expenses</td>
<td>Expense Audit and Receipt Management Notifications</td>
<td>Inactive Employee-Accept Responsibility Notification</td>
<td>FinExmInactiveEmployeeAcceptResp</td>
</tr>
<tr>
<td>Intercompany</td>
<td>Intercompany Email Notifications</td>
<td>Intercompany Transaction Approval Notification</td>
<td>FinFunTransactionApproval for Intercompany Transaction Approval Notification</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Intercompany Enter Receiver Distribution Notification</td>
<td>FinFunEnterDistRequestForAction for Intercompany Enter Receiver Distribution Notification</td>
</tr>
<tr>
<td>Product</td>
<td>Feature Name</td>
<td>Report or Notification Name</td>
<td>Workflow Task Name</td>
</tr>
<tr>
<td>--------------------</td>
<td>-------------------------------</td>
<td>---------------------------------------------------</td>
<td>---------------------------</td>
</tr>
<tr>
<td>Bill Management</td>
<td>User Registrations Notifications</td>
<td>Registration Confirmation.</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td></td>
<td>New Account Registration Confirmation.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Account Access Revocation Notification.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Access Revocation Notification.</td>
<td></td>
</tr>
<tr>
<td>Budgetary Control</td>
<td>Budgetary Control Override</td>
<td>Budget Override Request Notification Budget</td>
<td>OverrideNotificationFyi</td>
</tr>
<tr>
<td></td>
<td>Email Notifications</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Budgetary Control</td>
<td>Budgetary Control Override</td>
<td>Override Taken Notification</td>
<td>OverrideNotificationFyi</td>
</tr>
<tr>
<td></td>
<td>Email Notifications</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receivables</td>
<td>Manual Credit Memo Request</td>
<td>Manual Credit Memo Request Notification</td>
<td>FinArTrxnsCreditMemosCreationPostProcessing</td>
</tr>
<tr>
<td></td>
<td>Notification</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Note:** The in-app notification is also configurable.

**Note:** When you receive a workflow email notification, you can alternatively find the same notification by clicking the Notifications icon in the global header or opening the Worklist: Notifications and Approvals work area. Your report edits don’t affect the other notification methods.

### Process Overview

Generating configurable notifications through BI Publisher involves various types of objects in the BI catalog, including data models, subtemplates, style templates, and reports. Reports pull data from data models and generate notifications in an HTML format. The report layout templates use common table and paragraph styles and refer to a central subtemplate that
contains reusable notification components. This figure shows how these BI objects work together to generate the notification content.

- **Data Sources**: Store the attributes and attribute values for business objects and transactions in the application (example of data sources being transaction tables)
- **Data Model**: Determines which attributes from data sources are available to be included in the notification and how that data is retrieved
- **Subtemplate**: Provides common components, such as a branding logo and buttons, that can be reused in multiple reports.
- **Style Template**: Provides styles such as the type of lines and fonts to use in tables, or the font type, size, and color to use for headings
- **Report**: Contains a layout template that determines:
  - Which attributes appear in the notification, from the data model used for the report
  - What the notification looks like, leveraging components from the subtemplate and styles from the style template used for the report
- **HTML**: Format of the output generated by the report
- **Email**: What the notification looks like, leveraging components from the subtemplate and styles from the style template used for the report
- **In-App Notification**: Has the HTML output embedded in the application UI

Each workflow task with configurable notifications has a corresponding predefined report in the BI catalog. For example, the Invoice Approval report contains the Invoice Approval Notifications report layout template and uses the Invoice Approval Data Model.

### Notification Modifications

When you enable configurable email notifications, the predefined reports and related objects in the BI catalog will be used to generate the email notifications. The report-based notifications provide the same information as the standard notifications. In
addition, the format of report-based notifications is optimized for mobile devices. To modify the email notifications, you can edit copies of the predefined reports, data models, and subtemplate. However, you can’t change the style template. You proceed as you would to edit any report, data model, or subtemplate in the catalog, for example:

1. Find a predefined report for expense approval in the BI catalog.
2. Use the Customize option to create a copy, or copy the report and paste it within the Custom folder.
3. Edit the copied report layout template.

Before modifying workflow email notifications, it’s recommended that you familiarize yourself with BI Publisher in general. This will improve your ability to change your notifications by formatting emails to meet your business requirements.

With BI Publisher-based email notifications you:

- Use only the Template Builder for Word add-in to edit the .rtf template in Microsoft Word, rather than the layout editor or other tools available for creating and editing report layout.
- Edit a copy of predefined layout templates, rather than creating reports or layout templates.

**Note:** Review the My Oracle Support (MOS) note: Configurable Workflow Notifications: Implementation Considerations (Doc ID 2215570.1).

### Steps to Enable

In the Offerings work area, enable the Configurable Email Notifications feature as follows:

1. Offering: Financials
2. Functional Area: Budgetary Control, Expenses, Intercompany, General Ledger, or Payables
3. Feature: Configurable Email Notifications
4. Choices: The specific notifications you want to enable
5. Click **Done**.

**Related Topics**

- Best Practices for Layouts in Workflow Notifications
- Preview Changes to Layout Templates for Workflow Notifications
- Example of Modifying Expenses Email Notifications Using Oracle Business Intelligence Publisher
- Modifying Invoice Approval Email Notifications Using Oracle Business Intelligence (BI) Publisher: Worked Example

### Modify Journal Approval Email Notifications Using Oracle Business Intelligence (BI) Publisher

This example shows how to modify email notifications for the journal approval workflow using BI Publisher reports. The following table summarizes the key decisions for this scenario.

<table>
<thead>
<tr>
<th>Decisions to Consider</th>
<th>In This Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>What text changes are needed in the email notification header?</td>
<td>Append the fiscal year.</td>
</tr>
<tr>
<td>What additional field should the email notification header include?</td>
<td>The name of the user who created the journal batch.</td>
</tr>
</tbody>
</table>
Decisions to Consider | In This Example
--- | ---
What changes are needed in the details section of the email notification? | Replace the values of the cost center and account segments with the descriptions for those segments. The chart of accounts has the following segments: Company, Cost Center, Account, Product.

Modify the journal approval email notification by:

1. Downloading the report layout template.
2. Copying and modifying the data model. This step is only needed if the attributes to be added to the email notification aren’t already present in the data model.
3. Exporting the data model. You must perform this step even if you didn’t make changes to the data model. This step is needed for previewing.
4. Editing the report layout template.
5. Previewing the modified email notification.
6. Uploading the modified report layout template.

For more information about configuring BI Publisher email notifications, see the Reports chapter in the Creating Analytics and Reports for Financials Cloud guide.

Prerequisites

1. To edit the report layout template, download and install Template Builder for Word, which is an extension to Microsoft Word.
   a. Sign in to the application with the application consultant job role.
   b. In the Reports and Analytics work area, click the **Browse Catalog** button.
   c. Click the **Home** link.
   d. In the Get Started section, click the **Download BI Desktop Tools** link.
   e. Select Template Builder for Word from the list.
   f. Save the file and run the installer.
2. To preview the notification output for your modified report layout template, you must first download a copy of the Workflow Notification Subtemplate.
   a. Click the **Catalog** link on the Oracle Business Intelligence home page and expand the **Shared Folders > Common Content > Templates** folder.
   b. Click the **Edit** link for the Workflow Notification Subtemplate. The subtemplate page opens.
   c. In the Templates section, click the language name link in the **Locale** column.
   d. Save the subtemplate .rtf file to your computer.
3. The predefined data model displays the account combination, which is based on segment values, on the journal approval email notification. To display a combination of segment values and descriptions on the email notification, identify the segment codes for all of the chart of account segments. The segment codes are used in the task **Copying and Modifying the Data Model**.
   a. In the Setup and Maintenance work area, go to the following:
      - Offering: Financials
      - Functional Area: Financial Reporting Structures
      - Task: Manage Chart of Accounts Structure
   b. Search for the Accounting Flexfield and click **Manage Structures** to open the Manage Key Flexfield Structures page.
   c. Search for your chart of accounts and click **Edit** in the Search Results section.
   d. Find the segment code values for all of the segments in the **Segment Code** column. In this example, the segment codes are VF_Company, VF_Cost_Center, VF_Account, and VF_Product.
4. Find an existing journal approval email notification and note the values for the following attributes: accounting period, journal batch name, and ledger name. This information is used to produce sample report data for the task Exporting the Data Model.

Note: The exact steps can vary depending on your version of Microsoft Word.

Download the Report Layout Template

The report layout template contains the structure of the email notification. To download a copy of the journal approval report layout template to your local drive for modification:

1. Sign in to the BI server (for example, http://hostname.com:7001/xmlpserver) with the application consultant job role to open the Oracle Business Intelligence home page.
2. Click the Catalog link to open the Catalog page.
3. In the Folders pane, expand the Shared Folders > Financials > Workflow Notifications > General Ledger folder.
4. Click the Journals folder to display the Data Models subfolder and the Journal Approval Report.
5. Click the More link for the Journal Approval Report, and then select Customize from the menu. The Journal Approval Report folder, containing the predefined report layout template, is automatically copied to the Custom folder and the Journal Approval Report page opens from within that folder.

Note: If the Customize option isn't available from the menu, check that you signed in to the BI server as mentioned in step 1.

6. Click the Edit link on the copy of the Journal Approval Email Notification report layout template.
7. Save the copy of the .rtf file to your local drive and change the file name to distinguish it from the predefined report layout template. For example, save the file as UpdatedJournalApprovalNotificationReport.rtf.

Caution: Be sure to change the name of the .rtf file, otherwise you could overwrite the predefined report layout template.

Copying and Modifying the Data Model

Always make a copy of the data model to preserve the predefined data model from errors and to have a data model to which you can revert. Modify the copy to add or remove attributes from the data model. In this example, you modify the data model to include either a segment value or a segment description for each segment in the chart of accounts.

1. To copy the data model:
   a. Click the Catalog link on the Oracle Business Intelligence home page to open the Catalog page.
   b. In the Folders pane, expand the Shared Folders > Financials > Workflow Notifications > General Ledger folder.
   c. Click the Journals folder to display the Data Models subfolder and the Journal Approval Report.
   d. In the Folders pane, click the Data Models subfolder to select it.
   e. In the toolbar, click the Copy Resource button.
   f. In the Folders pane, expand the Shared Folders > Custom > Financials > Workflow Notifications > General Ledger folder.
   g. Click the Journals folder to select it.
   h. In the toolbar click the Paste Resource button to create a copy of the Data Models folder.

Note: The Journal Approval Report is automatically redirected to use the copy of the data model in the Custom folder.
2. Use a text editor to construct the SQL statement for each segment in the chart of accounts to display either a value or a description.

   a. Use this statement as a template for displaying a segment value:

```
FUN_BIP_UTIL_PKG.get_seg_value_from_code(lines.CODE_COMBINATION_ID,'Segment_code') as Segment_Val.
```

   Use this statement as a template for displaying a segment description:

```
FUN_BIP_UTIL_PKG.get_seg_description_from_code(lines.CODE_COMBINATION_ID,'Segment_Code') as Segment_Desc.
```

   b. Replace the `Segment_code` value in each statement with the segment codes from your chart of accounts.
   c. Replace the `Segment_Val` or `Segment_Desc` values at the end of each statement with a user-defined term for that segment.

   ![Note:](image)

   The user-defined terms are added to the report layout template as part of the task **Editing the Report Layout Template**.

The following table shows the segment names, segment codes, and prepared SQL statements for each segment in the chart of accounts. Each SQL statement includes the segment code and ends with the user-defined term representing the segment and indicating whether it's a value or a description. For example, the SQL statement for the cost center ends with `CostC_Desc`. Each statement ends with a comma.

<table>
<thead>
<tr>
<th>Segment Name</th>
<th>Segment Code</th>
<th>SQL Statement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company</td>
<td>VF_Company</td>
<td><code>FUN_BIP_UTIL_PKG.get_seg_value_from_code(lines.CODE_COMBINATION_ID,'VF_Company') as Company_Value,</code></td>
</tr>
<tr>
<td>Cost Center</td>
<td>VF_Cost_Center</td>
<td><code>FUN_BIP_UTIL_PKG.get_seg_description_from_code(lines.CODECOMBINATION_ID,'VF_Cost_Center') as CostC_Desc,</code></td>
</tr>
<tr>
<td>Account</td>
<td>VF_Account</td>
<td><code>FUN_BIP_UTIL_PKG.get_seg_description_from_code(lines.CODECOMBINATION_ID,'VF_Account') as Account_Desc,</code></td>
</tr>
<tr>
<td>Product</td>
<td>VF_Product</td>
<td><code>FUN_BIP_UTIL_PKG.get_seg_value_from_code(lines.CODECOMBINATION_ID,'VF_Product') as Product_Value,</code></td>
</tr>
</tbody>
</table>

3. To edit the copy of the data model:

   a. Find your copy of the data model by expanding the **Shared Folders > Custom > Financials > Workflow Notifications > General Ledger > Journals > Data Models** folder.
   b. Click the **Edit** button for the Journal Approval Data Model copy. The Journal Approval Data Model page opens.
   c. In the Data Model pane, in the **Data Sets** folder, click the **Journal Lines** data set.
   d. On the Diagram tab, click the **Edit Selected Data Set** button. The Edit Data Set - Journal Lines dialog box opens with the SQL query for the Journal Lines data set.
The following figure shows the Edit Data Set - Journal Lines dialog box with the predefined SQL query.

![Edit Data Set - Journal Lines dialog box](image)

**e.** In the SQL Query field, place your cursor after `SELECT` and insert rows for the new SQL statements.

**f.** Copy the SQL statements that you prepared in step 2 into the SQL query field after the word `SELECT` and before the `lines.JE_HEADER_ID HDR_ID`. 
The following figure shows the Edit Data Set - Journal Lines dialog box with the new SQL statements.

![Edit Data Set - Journal Lines dialog box](image-url)

**g.** Click **OK** to close the Edit Data Set - Journal Lines dialog box.

**h.** Click the **Save** button to save the modified copy of the data model.

### Exporting the Data Model

To add fields from the data model to your copy of the report layout template, you must first export the modified data model .xml file.

1. Click the **Catalog** link on the Oracle Business Intelligence page to open the Catalog page.
2. In the **Folders** pane, expand the **Shared Folders > Custom > Financials > Workflow Notifications > General Ledger > Journals** folder.
3. Click the Data Models folder to display the modified Journal Approval Data Model.
4. Click the **Edit** link for the data model. The data model page opens on the Diagram tab.
5. Click the Data tab.
6. To export the full data model .xml file, click in each of these fields and enter values from an existing journal approval email notification: **Accounting Period**, **Journal Batch Name**, and **Ledger Name**.
7. To include empty fields in the data model export, click the **Properties** link in the Data Model pane.
8. On the Properties page, select the **Include Empty Tags for Null Elements** option.
9. Click **Save**.
10. In the Data Model pane, click the **Data Sets** link to return to the Data tab.
11. Click the **View** button to view the sample data.
12. Click the **Export** button and save the Journal Approval Data Model .xml file to a local drive.
13. Repeat step 7 to return to the Properties page and deselect the **Include Empty Tags for Null Elements** option.

**Note:** If you leave this option selected, performance issues could result.
14. Click Save.

Editing the Report Layout Template

Edit the copy of the report layout that you downloaded earlier in the task Downloading the Report Layout Template.

1. To append the fiscal year to the email notification header:
   a. Open your local copy of the report layout template using Microsoft Word.
   b. Place your cursor at the end of the default header text, which is Journal Batch Approval.
   c. Add a space and enter the text Fiscal Year 2017 - 2018. The header now says Journal Batch Approval Fiscal Year 2017 - 2018.

   The following figure shows the modified email notification header.

   ![Modified Email Notification Header](image.png)

2. To add the name of the user who created the journal batch to the email notification:
   a. Select the BI Publisher tab to open the BI Publisher ribbon.
   b. In the Load Data group on the ribbon, click Sample XML.
   c. On the XML data selection dialog box, select the .xml file that you saved in step 11 of the task Exporting the Data Model. Click Open.
   d. Click OK on the message that appears indicating that the data was successfully loaded.
   e. In the header section of the report layout template, place your cursor at the end of the BATCH_SOURCE field, and insert a new line.
   f. Enter the text label for the new field, such as Batch Created By, and then add a space.
   g. In the Insert group on the BI Publisher ribbon, click the Field button. The Field dialog box opens with a list of the data model fields.
   h. In the JOURNAL_BATCH folder, select the BATCH_CREATOR field and click Insert. The field is automatically added to the header section after the new text label.
   i. On the Field dialog box, click Close.
The following figure shows the modified email notification header.

3. To replace the account combination ID fields on the report layout template with the segment values and descriptions that were added to the data model:
   a. Place your cursor after the label called StrtLineLINEACCOUNTEC and insert a new line.
   b. In the Insert group on the BI Publisher ribbon, click the Field button. The Field dialog box opens with a list of the data model fields.
   c. In the Journal Lines folder, select the COMPANY_VALUE field. The name for this field is the user-defined name for the company segment from the task Copying and Modifying Data Model.
   d. Click Insert to add the field to the report layout template.
   e. In the report layout template, add a character such as a hyphen, to separate the segments.
   f. Select the rest of the segments from the Field dialog box and insert them into the report layout template with a separator between each segment.

The following figure shows the modified notification with the account segments.

   g. Format the segments that were added by copying the format from the CLINEACCOUNTEC field in the report layout template. Click the CLINEACCOUNTEC field.
h. Click the Home ribbon, select the **Format Painter** button, and select the segments that were added. For example, select COMPANY_VALUE-COSTC_DESC-ACCOUNT_DESC-PRODUCT_VALUE.

i. Place your cursor after the CLINE_ACCOUNTTEC field and insert a new line.

j. Copy the account line that you created in the previous steps of this section and paste it into the new line.

The following figure shows the modified notification with the account segments appearing after both the StrtLine_LINE_ACCOUNTTEC and the CLINE_ACCOUNTTEC fields.

```
StrtLine_LINE_ACCOUNTTEC
COMPANY_VALUE COSTC_DESC ACCOUNT_DESC PRODUCT_VALUE
StrtNull ENTERED_LINE_AMOUNT
EndNull EndNull LINE_CURR_CODE EndNull StartMulti
RateTExt RATE DATE EndMulti
LINE_DESC
CLINE_ACCOUNTTEC
COMPANY_VALUE COSTC_DESC ACCOUNT_DESC PRODUCT_VALUE
LINE_DESC
```

k. Delete the fields StrtLine_LINE_ACCOUNTTEC and CLINE_ACCOUNTTEC from the report layout template.

l. Click **Close** on the Field dialog box.

4. Save your local copy of the report layout template.

**Previewing the Modified Email Notification**

Before uploading your modified report layout template to the BI catalog, you should preview the output with the changes that you made. You can avoid uploading a broken report that displays an error in emails sent to users.

1. Replace the path at the beginning of the modified .rtf template with the location of the subtemplate that you downloaded as a prerequisite. For example, change `<?import:xdoxsl:///Common Content/Templates/Workflow Notification Subtemplate.xsb?>` to `<?import:file:///C:/Template_Directory/FinFunWorkflowNotificationSub.rtf?>`.

   **Note:** Save the original path information so you can copy it back after previewing.

2. In the Preview group on the BI Publisher ribbon, click **HTML**.
The following figure shows an example of how the account combination appears in the preview. The value for the company segment is 31111. The segment description for cost center is R&D US. The description for the account segment is White Wine Revenue, and the value for the product segment is 0000.

3. If the preview reflects your changes as expected, then change the subtemplate path in the .rtf file back to the original location.
4. In the Tools group on the BI Publisher ribbon, click Validate Template.
5. Save the modified report layout template.

### Uploading the Modified Report Layout Template

To use the modified report layout template for future journal approval email notifications:

1. Click the Catalog link on the Oracle Business Intelligence home page to open the Catalog page.
2. In the Folders pane, expand the Shared Folders > Custom > Financials > Workflow Notifications > General Ledger folder.
5. Click the View a list link to open the Layout page.

Tip: The Layout page displays the copy of the predefined report layout template that was automatically created in step 5 of the task Downloading the Report Layout Template. If you’re not satisfied with your changes, you can revert back to this copy by making it the default layout. (Refer to step 11.) Alternatively, you can revert back to the predefined report layout template by deleting the Journal Approval Report folder from the directory Shared Folders > Custom > Financials Workflow Notifications > General Ledger.

6. Click the Create button. A page opens with a Create Layout section and an Upload or Generate Layout section.
7. In the Upload or Generate Layout section, click the Upload button. The Upload Template File dialog box opens.
8. Complete the fields, as shown in this table.

<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Layout Name</td>
<td>Enter a name for the modified report layout template. For example, enter Modified Journal Approval Template.</td>
</tr>
<tr>
<td>Template File</td>
<td>Click Browse. Locate and select the modified report layout template that’s on your local drive. Click Open to return to the Upload Template File dialog box.</td>
</tr>
<tr>
<td>Type</td>
<td>RTF Template</td>
</tr>
<tr>
<td>Locale</td>
<td>English</td>
</tr>
</tbody>
</table>
9. Click **Upload**. The Journal Approval Report page returns to the thumbnail view and displays the report layout template that you just uploaded, along with the original copy.

10. Click the **View a list** link to return to the Layout page with the list of the report layout templates.

11. In the row for the report layout template that you just uploaded, click the **Default Layout** option. This step enables the modified report layout template for future journal approval email notifications.

12. Click the **Save** button to save the change to the default layout.

**Related Topics**

- Set Up for RTF and Excel Report Layout Templates
- Add a Branding Logo and Change Other Shared Components in Workflow Notifications
- Best Practices for Layouts in Workflow Notifications
- Creating Analytics and Reports for Financials Cloud

### AutoPost

#### Create an AutoPost Criteria Set

In this example, you’re creating an AutoPost criteria set to post the general ledger journal entries created by journal import for your subledger transactions.

Here’s the relevant setup for your Vision Corporation ledger.

- You implemented Oracle Fusion General Ledger and the subledgers Oracle Fusion Payables and Oracle Fusion Receivables.
- You use a non-Oracle subledger called Fast Assets for fixed asset tracking and depreciation.
- You plan to automate posting of general ledger journal batches created by journal import. The automation is to protect the subledger-sourced journal entries from edits or deletion that could cause an out-of-balance situation between the subledgers and general ledger.

Consider these points when creating a criteria set:

- Use the **All** option for category and accounting period to reduce maintenance and ensure that all journal imports are included in the posting process.
- Create a criteria set that includes all your subledger sources. Create multiple criteria sets by source only if you must schedule different posting times to balance close activities or reduce processing time.

#### Create the Set

1. Go to the following:
   - Offering: Financials
   - Functional Area: General Ledger
   - Task: Manage AutoPost Criteria Sets

2. Click **Create**.

3. Enter this name: All Journal Imported Entries.

4. Enter this description: Posting journals imported from the subledgers.

5. Select **Enabled**.
6. Select the **Use Batch Creator as Approval Submitter** check box if you require keeping the creator of the journal batch as the user who submitted the batch for approval when the **AutoPost Journals** process runs. If you don’t select this check box, the user running the AutoPost journals process is the submitter for approval.

7. Enter these values and click **Add Row** to add each new line.

<table>
<thead>
<tr>
<th>Priority</th>
<th>Ledger or Ledger Set</th>
<th>Source</th>
<th>Category</th>
<th>Accounting Period</th>
<th>Balance Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Vision Corporation</td>
<td>Payables</td>
<td>All</td>
<td>All</td>
<td>All</td>
</tr>
<tr>
<td>2</td>
<td>Vision Corporation</td>
<td>Receivables</td>
<td>All</td>
<td>All</td>
<td>All</td>
</tr>
<tr>
<td>3</td>
<td>Vision Corporation</td>
<td>Fast Assets</td>
<td>All</td>
<td>All</td>
<td>All</td>
</tr>
</tbody>
</table>

8. Select **Yes** for the **Process All Criteria** check box, and enter 30 as the number of days before and after the submission date. The process runs less often when you specify a wide range.

9. Click **Save and Close**.

**Tip**: Schedule the process to run immediately after the **Import Journals** process to prevent changes to the journals. Run the process during nonpeak times to save resources.

**Related Topics**
- Submit Scheduled Processes and Process Sets

### Examples of Manually Running the AutoPost Process

Create an AutoPost criteria set and schedule the AutoPost Journals process to run on a regular basis following your scheduled journal imports from your subledgers. When errors occur that prevent posting of the journal imports, you must correct the errors and manually run the AutoPost process. The following scenarios illustrate the kinds of errors that could occur and how you can resolve these errors.

**Scenario**

The following table lists the errors that prevented journal batches from posting when the scheduled AutoPost Journals process ran.

<table>
<thead>
<tr>
<th>Error</th>
<th>Cause</th>
<th>Solution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unopened accounting period</td>
<td>The journal import was imported into a future period. An error arises when the AutoPost Journals process runs on a schedule because journals can’t be posted in a future period.</td>
<td>Open the period.</td>
</tr>
<tr>
<td>Invalid or no journals</td>
<td>Journal import fails to import transactions from the general ledger interface table. The AutoPost Journals process runs on schedule but finds no batches to post. The posting process doesn’t run and the AutoPost Execution report shows that no batches matched the criteria.</td>
<td>Correct the error that caused the journal import to fail.</td>
</tr>
<tr>
<td>Error</td>
<td>Cause</td>
<td>Solution</td>
</tr>
<tr>
<td>-----------------------</td>
<td>------------------------------------------------------------------------</td>
<td>---------------------------------------------</td>
</tr>
<tr>
<td>Invalid or no journals</td>
<td>No journals were selected based on the posting criteria. Journal batches are available for posting. The posting process doesn’t run and the AutoPost Execution report shows that no batches matched the criteria.</td>
<td>Revise the criteria set.</td>
</tr>
</tbody>
</table>

After you correct the errors:

- Manually run the AutoPost Journals process by selecting the **Run AutoPost** option from the Tasks panel on the journal pages.
- Click **Generate** on the AutoPost criteria set pages.
- Verify that the process ran successfully by reviewing the AutoPost Execution report.

### FAQs for AutoPost

**How can I run the AutoPost process?**

After you define an automatic posting criteria set, run the AutoPost process by clicking the **Generate** button on the **Manage AutoPost Criteria Sets** page or the **Launch AutoPost** link from the **Journals** task pane. The AutoPost process posts the journal batches that meet the criteria defined. Optionally, schedule the AutoPost process for specific automatic posting criteria sets through the Schedule tab in the Schedule Process: Advanced region to run at specific times and submission intervals.

**How can I identify errors that occurred during my AutoPost process?**

Review the AutoPost process results on the AutoPost Execution report. This report is automatically created when the process completes successfully. The report contains the batch name, accounting period, and balance type for each posted journal batch, and lists error statuses for batches that fail to post. The unposted journals with their error status are also displayed on the Requiring Attention tab of the Journals work area and the General Accounting Dashboard.

**Why didn’t the AutoPost process post journal batches as expected?**

Verify that the posting criteria set specifies the precise criteria required to post the wanted journals. If the criteria is correct, then verify the following:

- Journal imports completed successfully.
- Journal batches are error free and ready to post.
- Specified accounting period is open.

### Manage Journal Reversals
Journal Reversals

You can reverse journals manually by selecting a reversal action in the user interface, or you can reverse journals automatically by running a process. Decide which approach is best for journals such as accruals, estimates, errors, temporary adjustments, or reclassifications that require reversal. Reversing journals saves you time and helps prevent data entry errors.

Here are the key areas to understand when reversing journals:

- **Reversal Settings on Journals**
- **Manual Journal Reversal**
- **Journal Reversal Criteria Sets**
- **Automatic Journal Reversal**
- **Reversal Synchronization Between a Primary Ledger and Its Secondary Ledgers**

**Reversal Settings on Journals**

You can enter and view a journal's reversal settings in the Reversal tab on the Create and Edit Journal pages:

- **Reversal Period**: Accounting period for the resulting reversal journal. Required for reversal.
- **Reversal Date**: Applicable only to average daily balance ledgers. Accounting date to be applied to the reversed journal, since that’s needed for calculating average balances. For ledgers that aren’t average daily balance ledgers, default logic is applied to determine the accounting date for the generated reversal.
- **Reversal Method**: Method for reversing amounts in the reversal journal. Select from **Change Sign** or **Switch Debit or Credit**. The default setting is **Switch Debit or Credit**. The **Change Sign** setting means the reversal puts the original journal amount in the same Debit or Credit column, but with the opposite (negative or positive) sign. The **Switch Debit or Credit** setting means the amount is moved to the other column. Required for reversal.
- **Reversal Status**: View-only state of the journal reversal. For example, Not reversed or Reversed.

You can enter a reversal period and method at any time, even after the journal is posted. If applicable, the following values also display in the Reversal tab:

- **Reversal Journal**: If you’re reviewing a journal that was reversed, this setting displays the name and link to the reversal journal.
- **Originating Journal**: If you’re reviewing a reversal journal, this setting displays the name and link for the journal that was reversed.

**Manual Journal Reversal**

You can manually reverse posted journals that are eligible for reversal on both the Manage Journals and Edit Journal pages. Both pages provide an action to reverse a journal and an action to reverse a batch.

On the Edit Journal page, you can select **Reverse** from the **Batch Actions** menu to reverse a journal batch, or you can select **Reverse** from the **Journal Actions** menu to reverse a specific journal. On the Manage Journals page, you can select rows in the Search Results section and then select the **Reverse Batch** or **Reverse Journal** buttons. To select multiple rows at once, use the Shift or Control key. You can reverse multiple journals of the same batch, or of different batches, or reverse entire journal batches that are eligible for reversal, based on the rows you selected.

Each reversal journal is created in its own reversal batch and the batch name starts with the word Reverses. When you reverse a batch, a single reversal request is submitted. However, the reversal journal for each journal in the reversed batch is still generated in its own journal batch. Reversal journals for journal-level reporting currencies are grouped into the same reversal batch as the corresponding reversal journal of their associated primary or secondary ledger. Reversal journals for subledger-level reporting currencies are grouped into the same reversal batch as their corresponding primary ledger.
Here are some examples of when you might want to use batch reversal.

<table>
<thead>
<tr>
<th>Scenario</th>
<th>How It Works</th>
</tr>
</thead>
<tbody>
<tr>
<td>You want to reverse all of the journals in a batch that aren’t yet reversed, using the same reversal settings. For example, using the same reversal period for ledgers that aren’t enabled for average balances, or the same reversal period and date for ledgers that are enabled for average balances. Or, you want to use the same reversal method.</td>
<td>When you select the reverse batch action, the Reverse Journal Batch window opens. You provide the reversal period, date, or method. The information you enter overrides any reversal settings at the journal level of journals that aren’t yet reversed. All journals eligible for reversal are reversed according to what you specified on the Reverse Journal Batch window.</td>
</tr>
<tr>
<td>You specified reversal settings for every journal that’s not yet reversed in a batch, and you want to process reversals more efficiently using batch reversal.</td>
<td>Leave the fields blank on the Reverse Journal Batch window. Each of these journals is reversed according to the journal’s reversal settings.</td>
</tr>
<tr>
<td>You specified reversal settings for some, but not all, of the journals that aren’t yet reversed in a batch, and you want to process reversals more efficiently using batch reversal.</td>
<td>Use the Manage Journals page to reverse the batch. Leave the fields blank on the Reverse Journal Batch window. Each of these journals is reversed according to the journal’s reversal settings.</td>
</tr>
<tr>
<td>You want to reverse multiple journals from different batches using the reversal settings specified on each journal in these batches.</td>
<td>Use the Manage Journals page to select the rows for the batches and then select the reverse batch action. Each journal that is eligible for reversal in these batches is reversed according to the journal’s reversal settings.</td>
</tr>
</tbody>
</table>

**Journal Reversal Criteria Sets**

To provide default reversal settings to a newly-created journal based on the journal’s category, or to also proceed with automatically reversing a posted journal, create a journal reversal criteria set and assign it to a ledger. A journal reversal criteria set contains all journal categories with their corresponding reversal settings and can be shared with any number of ledgers.

Here’s how to navigate to the journal reversal criteria set page from the Setup and Maintenance work area:

- Offering: Financials
- Functional Area: General Ledger
- Task: Manage Journal Reversal Criteria Sets

The Create Journal Reversal Criteria Set page lists all of the journal categories with default reversal settings. Find the journal categories that you want to specify reversal criteria for and set the values accordingly. This table describes each reversal setting.

<table>
<thead>
<tr>
<th>Setting</th>
<th>Values</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reversal Period</td>
<td>No Default, Same Period, Next Period, Next Nonadjusting Period, Next Day, Same Day</td>
<td>Accounting period for the resulting reversal journal. The following values apply only to average balance ledgers: Next Day, Same Day. Selecting those values for a ledger that</td>
</tr>
</tbody>
</table>
### Setting | Values | Description
--- | --- | ---
Reversal Date | First Day, Next Day, Last Day | Day of the accounting period when the journal is to be reversed. A reversal date only applies to average balance ledgers. You must specify a reversal date if you select the following values for the reversal period: **Next Nonadjusting Period, Next Period, Same Period**.
Reversal Method | Change Sign, Switch Debit or Credit | Method for reversing amounts in the reversal journal.
Automatic Reversal Option | None, Reverse Automatically, Reverse and Post Automatically | Setting that determines whether a journal is selected for automatic reversal, and whether the reversal journal is posted after it’s reversed. Unlike the previous settings in this table, which are propagated directly as attributes in the journal, this setting is used to determine the reversal action that’s applied when the automatic reversal process is run.

After you create the journal reversal criteria set, assign it to one or more of your ledgers. Here’s how to navigate to the ledger page in the Setup and Maintenance work area where you can assign the journal reversal criteria set:

- Offering: Financials
- Functional Area: General Ledger
- Task: Specify Ledger Options, with the ledger scope set

When you create a journal for a ledger with an assigned criteria set, the journal’s reversal period and method are populated according to the criteria setting for that journal’s category. This applies to journals entered through the user interface and the Create Journal spreadsheet. You can accept the defaulted reversal values or change them at any time, even after the journal is posted.

### Automatic Journal Reversal

The automatic reversal process only selects reversible journals whose categories are enabled for automatic reversal in the journal reversal criteria set that’s assigned to the ledger. The automatic reversal option for those categories must be set to either **Reverse Automatically** or **Reverse and Post Automatically**.

Here’s how you can run the automatic reversal process:

- Select the **Run AutoReverse** task from the tasks pane in the Journals work area. The task opens the Scheduled Process page for the **AutoReverse Journals** process. You might want to run automatic reversals this way for one-time accruals entered in the current period, but tagged to reverse in a later period.
- Submit or schedule the **AutoReverse Journals** process on the Scheduled Processes page.
- Enable the ledger option **Run AutoReverse After Open Period** on the Specify Ledger Options page. When enabled, the automatic reversal process is submitted with the reversal period choice of All.

**Note:** If you usually reverse journals on the last day of every month, don’t enable this option. Instead, schedule the automatic reversal process to run on the last day of the month. The accounting period parameter automatically increments for each subsequent run.
The automatic journal reversal process creates one journal batch for each journal that’s reversed. The names for the reversal batch and reversal journal begin with the word Reverses. The process also produces the AutoReverse Execution report, which prints the name of the journal batch that was submitted for reversal, along with the journal batch accounting period. If the automatic reversal option is set to Reverse and Post Automatically, then the report also provides information about the reversal batch.

Note: The AutoPost Journals process that’s automatically submitted by the reversal process posts only the reversal journals that it generated, not other journals that are pending posting.

If reversal synchronization is enabled (refer to the next section for details), the process generates a journal reversal in the corresponding secondary ledger and the AutoReverse Execution report includes information about the journal reversal batch that’s generated in the secondary ledger.

After the process completes, you can review the reports for any problems and verify that all journals were processed properly.

Here are some points to consider if you decide to run the automatic reversal process:

- If the automatic reversal option on the applicable journal reversal criteria set is set to:
  - Reverse and Post Automatically and journal approval is enabled, journals posted by the process bypass approval.
  - Reverse Automatically, you must manually post the reversal journals.

- If you have an average balance ledger, the automatic reversal process doesn’t check that the reversal date is a valid business day. However, the journal validation in the journal pages and the import process perform this check and, if necessary, roll the date to the next business day.

Reversal Synchronization Between a Primary Ledger and Its Secondary Ledgers

If you have secondary ledgers, it’s recommended that you enable the primary ledger option Synchronize Reversals Between Primary and Secondary Ledgers. Reversal synchronization helps to ensure that the secondary ledger remains as an accurate alternate representation of its corresponding primary ledger. If you enable this option, a journal reversal (manual or automatic) in the primary ledger triggers the reversal of the corresponding journal in the associated secondary ledger. If you didn’t enable this option, you would have to actively manage the reversal of journals in the secondary ledger, whether they were replicated from its primary ledger or created directly in the secondary ledger. To set this option for a primary ledger, use the same navigation as you did for assigning the journal reversal criteria set to the ledger.

Note: Reversal synchronization is relevant only for secondary ledgers with a data conversion level of Journal or Subledger because primary ledger journal replication is applicable only to secondary ledgers at those conversion levels. Reversals for reporting currencies at a Journal level of conversion for a primary or secondary ledger, and also at a Subledger level for a primary ledger, are automatically synchronized with their source ledger, regardless of the synchronization option setting.

Here’s how reversal synchronization works with journal approval when you have this setup:

- You enabled journal approval in both the primary and secondary ledger.
- You enabled reversal synchronization between the two ledgers.
- Your implementation scenario is one of the following:
  - New implementation
  - An upgrade of existing applications and you opt in to the Synchronize Journal Reversal Approvals Between Primary and Secondary Ledgers feature
The reversal journal generated in the secondary ledger (for the primary ledger reversal) won’t require a separate approval.

This table shows how journals are reversed in a secondary ledger when synchronization is enabled. Journal reversal depends on how the journals were created in the secondary ledger and on whether a reversal criteria set is assigned to the secondary ledger.

<table>
<thead>
<tr>
<th>How was the journal that’s going to be reversed created in the secondary ledger?</th>
<th>Did you assign a journal reversal criteria set to the secondary ledger?</th>
<th>How is the journal reversed in the secondary ledger?</th>
</tr>
</thead>
<tbody>
<tr>
<td>The journal was replicated from the primary ledger.</td>
<td>Yes</td>
<td>The journal is reversed automatically when the journal in the primary ledger is reversed. The reversal settings in the primary ledger source journal override any reversal settings on the journal in the secondary ledger that’s being reversed.</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Note:</strong> Because the journal was replicated from the primary ledger, the journal reversal criteria set has no impact on the reversal.</td>
</tr>
<tr>
<td>The journal was created directly in the secondary ledger.</td>
<td>Yes</td>
<td>If the journal category is set for automatic reversal in the secondary ledger’s assigned criteria set, you can run the automatic reversal process in the secondary ledger. Otherwise, you must reverse the journal manually.</td>
</tr>
<tr>
<td>The journal was replicated from the primary ledger.</td>
<td>No</td>
<td>The journal is reversed automatically when the journal in the primary ledger is reversed.</td>
</tr>
<tr>
<td>The journal was created directly in the secondary ledger.</td>
<td>No</td>
<td>You must specify reversal information in the journal and manually reverse the journal in the secondary ledger.</td>
</tr>
</tbody>
</table>

Once set, the primary ledger option **Synchronize Reversals Between Primary and Secondary Ledgers** applies to any secondary ledger of the primary ledger. The option **Post Journals Automatically from Source Ledger** is set by the individual secondary ledgers of the primary ledger and controls automatic posting of secondary ledger journals (reversals and otherwise), when the corresponding primary ledger journal is posted. To set this option, use this navigation in the Setup and Maintenance work area:

- Offering: Financials
- Functional Area: General Ledger
- Task: Complete Primary to Secondary Ledger Mapping, with the primary ledger and secondary ledger scope set

**Related Topics**

- New Feature Opt-In
FAQs for Manage Journal Reversals

When does a journal become reversible?

You can reverse journals manually by selecting a reversal action in the user interface, or you can reverse journals automatically by running a process.

This table describes the criteria that must be met before you can reverse a journal, and indicates whether that criteria applies to manual or automatic journal reversal.

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Eligible for Manual Reversal?</th>
<th>Eligible for Automatic Reversal?</th>
</tr>
</thead>
<tbody>
<tr>
<td>The journal has a balance type of Actual.</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>The journal has a balance type of Encumbrance.</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>The journal is posted and not yet reversed.</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>The reversal period is open or future enterable.</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>The journal isn’t a reversal journal.</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

*Note:* Reversal journals can’t be reversed.

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Eligible for Manual Reversal?</th>
<th>Eligible for Automatic Reversal?</th>
</tr>
</thead>
<tbody>
<tr>
<td>The journal category is enabled for automatic reversal.</td>
<td>N/A</td>
<td>Yes</td>
</tr>
<tr>
<td>The journal source for the posted journal isn’t frozen.</td>
<td>Yes</td>
<td>Yes, however, this only applies to posted journals that originate from Oracle Fusion Subledger Accounting whose journal source isn’t frozen. Posted journals that originate from a source other than Oracle Fusion Subledger Accounting are eligible for automatic reversal, regardless of the Freeze Journals setting.</td>
</tr>
<tr>
<td>The journal isn’t a posted journal for a reporting currency that was replicated from its source ledger.</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

*Note:* Reporting currency journals that were replicated from a source ledger are reversed when the source journal is reversed.
Oracle Financials Cloud
Implementing Enterprise Structures and General Ledger

Chapter 9
General Ledger Options

Criteria | Eligible for Manual Reversal? | Eligible for Automatic Reversal?
--- | --- | ---
Where a secondary ledger is involved, the corresponding journals for the primary and secondary journals are both posted. | Yes | Yes
If using the Clearing Accounts Reconciliation feature, the posted journal doesn’t include reconciliation lines for clearing accounts. | Yes | Yes

Tip: Use the Reversible Detail column in the Search Results section on the Manage Journal page for details on whether a journal is reversible.

Lookups

Overview of Lookups

Lookups are lists of values in applications. You define a list of values as a lookup type consisting of a set of lookup codes, each code’s translated meaning, and optionally a tag. End users see the list of translated meanings as the available values for an object.

Lookups provide a means of validation and lists of values where valid values appear on a list with no duplicate values. For example, an application might store the values Y and N in a column in a table, but when displaying those values in the user interface, Yes or No (or their translated equivalents) should be available for end users to select. For example, the two lookup codes Y and N are defined in the REQUIRED_INDICATOR lookup type.

The following table contains an example of a lookup type for marital status (MAR_STATUS) that has lookup codes for users to specify married, single, or available legal partnerships.

<table>
<thead>
<tr>
<th>Lookup Code</th>
<th>Meaning</th>
<th>Tag</th>
</tr>
</thead>
<tbody>
<tr>
<td>M</td>
<td>Married</td>
<td>Not applicable</td>
</tr>
<tr>
<td>S</td>
<td>Single</td>
<td>Not applicable</td>
</tr>
<tr>
<td>R</td>
<td>Registered Partner</td>
<td>+NL</td>
</tr>
<tr>
<td>DP</td>
<td>Domestic Partner</td>
<td>-FR, AU</td>
</tr>
</tbody>
</table>

In this case, tags are used for localizing the codes. All legislations list Married and Single. Only the Dutch legislation lists Registered Partner. And all legislations except France and Australia also list Domestic Partner.

When managing lookups, you need to understand the following.

- Using lookups in applications
- Configuration levels
• Accessing lookups
• Enabling lookups
• The three kinds of lookups: standard, common, and set-enabled

Using Lookups in Applications
Use lookups to provide validation or a list of values for a user input field in a user interface.

An example of a lookup used for validation is a flexfield segment using a table-validated value set with values from a lookup type. An example of a lookup in a list of values is a profile option’s available values from which users select one to set the profile option. Invoice Approval Status gives the option of including payables invoices of different approval statuses in a report. The lookup code values include All, so that users can report by all statuses: Approved, Resubmitted for approval, Pending or rejected, and Rejected.

Configuration Level
The configuration level of a lookup type determines whether the lookups in that lookup type can be edited. This applies data security to lookups.

Some lookup types are locked so no new codes and other changes can be added during implementation or later, as needed. Depending on the configuration level of a lookup type, you may be able to change the codes or their meanings. Some lookups are designated as extensible, so new lookup codes can be created during implementation, but the predefined lookup codes can’t be modified. Some predefined lookup codes can be changed during implementation or later, as needed.

The configuration levels are user, extensible, and system. The following table shows the lookup management tasks permitted at each configuration level.

<table>
<thead>
<tr>
<th>Permitted Task</th>
<th>User</th>
<th>Extensible</th>
<th>System</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deleting a lookup type</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Inserting new codes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Updating start date, end date, and enabling the lookup code</td>
<td>Yes</td>
<td>Yes, only if the code isn’t predefined data</td>
<td>No</td>
</tr>
<tr>
<td>Deleting codes</td>
<td>Yes</td>
<td>Yes, only if the code isn’t predefined data</td>
<td>No</td>
</tr>
<tr>
<td>Updating tags</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Updating module</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
</tbody>
</table>

Predefined data means LAST_UPDATED_BY = SEED_DATA_FROM_APPLICATION.

If a product depends on a lookup, the configuration level must be system or extensible to prevent deletion.

Once the configuration level is set for a lookup type, it can’t be modified. The configuration level for newly created lookup types is by default set at the User level.
Standard, Common, and Set-Enabled Lookups

The following table shows the available types of lookups.

<table>
<thead>
<tr>
<th>Lookup Type</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard</td>
<td>Lists the available codes and translated meanings.</td>
</tr>
<tr>
<td>Set-enabled</td>
<td>Associates a reference data set with the lookup codes.</td>
</tr>
<tr>
<td>Common</td>
<td>Legacy lookups or lookups that have attributes.</td>
</tr>
</tbody>
</table>

Standard lookups are the simplest form of lookup types consisting only of codes and their translated meaning. They differ from common lookups only in being defined in the standard lookup view. Common lookups exist for reasons of backward compatibility and differ from standard lookups only in being defined in the common lookup view. These can also be lookups having attribute columns. Set-enabled lookup types store lookup codes that are enabled for reference data sharing. At runtime, a set-enabled lookup code is visible because the value of the determinant identifies a reference data set in which the lookup code is present.

Accessing Lookups

Standard, set-enabled, and common lookups are defined in the Standard, Set-enabled, and Common views, respectively. Applications development may define lookups in an application view to restrict the UI pages where they may appear.

In lookups management tasks, lookups may be associated with a module in the application taxonomy to provide criteria for narrowing a search or limiting the number of lookups accessed by a product specific task such as Manage Purchasing Lookups.

Enabling Lookups

A lookup type is reusable for attributes stored in multiple tables.

Enable lookups based on the following.

- Selecting an Enabled check box
- Specifying an enabled start date, end date, or both
- Specifying a reference data set determinant

If you make changes to a lookup, users must sign out and back in before the changes take effect. When defining a list of values for display rather than validation, limit the number of enabled lookup codes to a usable length.

To view the predefined lookups and their lookup codes, use the following tasks in the Setup and Maintenance work area:

- Manage Standard Lookups
- Manage Common Lookups
- Manage Set-Enabled Lookups

Translating Lookups

You can translate the lookups that you defined to the preferred language(s) without changing the language session of the application. Use the translation option available on the lookup code table. By default, for each lookup, all the permitted language rows in the translator dialog box appear in the source language (the current session language). When you edit a
particular language entry, you can modify the translated meaning and description to the language in which you want the lookup to appear. Once the updates are made, the end-users can view the lookup in the translated text.

Note: You can add the translation for only as many languages as are permitted by the administrator. The functionality to limit the number of languages displayed on the dialog box is controlled through the Translation Editor Languages profile option. It can be set at the SITE or USER level. If nothing is specified, all active languages are displayed.

Related Topics
- How can I access predefined lookups
- Enter or Edit Translated Text

Example of a Standard Lookup

Creating a new standard lookup involves creating or selecting a lookup type containing the lookup code. The task also involves determining appropriate values for the lookup codes and their meanings. You can only create or edit lookup codes for a particular lookup type if its configuration level supports it.

Creating a Lookup Type Called COLORS

Your enterprise needs a list of values to be used as different statuses on a process. Each status is indicated using a color. Therefore, you create a lookup type called COLORS. The following table lists a mapping between the lookup type parameters and the actual values assigned to those parameters to create the required list of values.

<table>
<thead>
<tr>
<th>Lookup type parameters</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lookup type name</td>
<td>COLORS</td>
</tr>
<tr>
<td>Meaning</td>
<td>Status</td>
</tr>
<tr>
<td>Description</td>
<td>Status by color</td>
</tr>
<tr>
<td>Module</td>
<td>Oracle Fusion Middleware Extensions for Oracle Application</td>
</tr>
</tbody>
</table>

After you define the lookup type, you need to define the lookup codes and their related details. The following table lists the lookup codes you define for the COLORS lookup type.

<table>
<thead>
<tr>
<th>Lookup Code</th>
<th>Meaning</th>
<th>Enabled</th>
<th>Display Sequence</th>
</tr>
</thead>
<tbody>
<tr>
<td>BLUE</td>
<td>Urgent</td>
<td>No</td>
<td>4</td>
</tr>
<tr>
<td>RED</td>
<td>Stop</td>
<td>Yes</td>
<td>1</td>
</tr>
<tr>
<td>GREEN</td>
<td>Proceed</td>
<td>Yes</td>
<td>3</td>
</tr>
<tr>
<td>YELLOW</td>
<td>Check</td>
<td>Yes</td>
<td>2</td>
</tr>
</tbody>
</table>
The Resulting Data Entry List of Values

Only the enabled lookup codes appear in the list of values for the COLORS lookup type. You must select one of them to complete the activity.

The following table lists the meanings and the codes that were enabled. They appear in the order of the defined display sequence.

<table>
<thead>
<tr>
<th>Meaning</th>
<th>Lookup Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stop</td>
<td>RED</td>
</tr>
<tr>
<td>Check</td>
<td>YELLOW</td>
</tr>
<tr>
<td>Proceed</td>
<td>GREEN</td>
</tr>
</tbody>
</table>

Analysis

The BLUE lookup code wasn’t enabled and doesn’t appear in the list of values. The display sequence of values in the list of values is alphabetic, unless you enter a number manually to determine the order of appearance. Number 1 indicates the first value that appears in the list. Only lookups that are enabled and active between start and end dates are visible.

The Transaction Table

When users enter one of the values from the list of values for the lookup type COLORS, the transaction table records the lookup code. The following table contains an example, where the lookup code is stored in the Status column of the transaction table.

<table>
<thead>
<tr>
<th>Transaction number</th>
<th>User name</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Jane</td>
<td>RED</td>
</tr>
<tr>
<td>2</td>
<td>Bob</td>
<td>YELLOW</td>
</tr>
<tr>
<td>3</td>
<td>Alice</td>
<td>BLUE</td>
</tr>
</tbody>
</table>

The status for one user is BLUE because at the time they entered a value, BLUE was enabled. Disabling a lookup code doesn’t affect transaction records in which that code is stored. Data querying and reporting have access to disabled lookup codes in transaction tables.
Example of a Set-Enabled Lookup

Creating a new set-enabled lookup is similar to creating a standard lookup with the addition of specifying a reference data set determinant for the lookup codes. You can only create or edit lookup codes for a particular lookup type if its configuration level supports it.

The reference data set for a set-enabled lookup code is part of its foreign key. This is unlike other set-enabled entities. Use the Manage Set Assignments task to define and manage reference data set assignments.

Selecting a Reference Group for a Set-Enabled Lookup Type

Specify a reference group for a set-enabled lookup type to indicate which reference data set assignments are available for its lookup codes. For example a COLORS lookup type might be set-enabled for a Countries reference group that includes the US and EU reference data set assignments.

Selecting a Reference Data Set for a Set-Enabled Lookup

The reference data set determines which lookup code is included in the list of values. For example, there are two references data sets - one for the US and the other for EU. If a COLORS lookup type contains RED, YELLOW, ORANGE, and GREEN lookup codes, you can enable one RED lookup code from the US reference data set and another RED lookup from the EU reference data, each lookup code having different meanings.

The following table elaborates the example, how these two reference data sets (US and EU) contain one lookup code that is common, but each differing in its lookup meaning.

<table>
<thead>
<tr>
<th>Reference Data Set</th>
<th>Lookup Code</th>
<th>Lookup Meaning</th>
</tr>
</thead>
<tbody>
<tr>
<td>US</td>
<td>RED</td>
<td>Red</td>
</tr>
<tr>
<td>US</td>
<td>YELLOW</td>
<td>Yellow</td>
</tr>
<tr>
<td>US</td>
<td>GREEN</td>
<td>Green</td>
</tr>
<tr>
<td>EU</td>
<td>RED</td>
<td>Rouge</td>
</tr>
<tr>
<td>EU</td>
<td>ORANGE</td>
<td>Orange</td>
</tr>
</tbody>
</table>

Some lookup codes may be unique to one or another reference data set as the ORANGE lookup is to the EU reference data set in the example.

In another example in the following table, a lookup type called HOLD_REASON provides a list of reasons for putting a contract renewal on hold. Reference data sets determine which codes are included in the Hold Reason list of values.

<table>
<thead>
<tr>
<th>Reference Data Set</th>
<th>Lookup Code</th>
<th>Lookup Meaning</th>
</tr>
</thead>
<tbody>
<tr>
<td>US</td>
<td>SEC</td>
<td>SEC Compliance Review</td>
</tr>
<tr>
<td>US</td>
<td>DIR</td>
<td>Needs Director's Approval</td>
</tr>
</tbody>
</table>
Referring to the example in the table, when end-users place a contract on hold in the US business unit, the three reason codes in the US set are available. When placing a contract on hold in the China business unit, the two codes in the China set are available.

FAQs for Lookups

**How can I edit lookups?**
On any of the Manage Lookups pages, you can edit the existing lookup codes of a lookup type or add new lookup codes. You can edit lookups using the following tasks in the Setup and Maintenance work area:

- Manage Standard Lookups
- Manage Common Lookups
- Manage Set-enabled Lookups

Each task contains a predefined set of lookup types that are classified and stored. Open a task to search and edit the required lookup. However, you may not be able to edit a lookup if its configuration level doesn’t support editing.

**Why can’t I see my lookup types?**
Lookup types are classified using tasks that involve a group of related lookups, such as Manage Geography Lookups. Each task gives you access only to certain lookup types. However, the generic tasks provide access to all lookups types of a kind, such as common lookups associated with the Manage Common Lookups task.

If the lookup types in an application are available in the standard, common, or set-enabled lookups view, they’re are central to an application. However, lookup types defined for a specific application are managed using the task or task list for that application.

**What’s the difference between a lookup type and a value set?**
A lookup type consists of lookups that are static values in a list of values. Lookup code validation is a one to one match. A table-validated value set may consist of values that are validated through a SQL statement, which allows the list of values to be dynamic. The following table brings out the differences between a lookup type and a value set.

<table>
<thead>
<tr>
<th>Reference Data Set</th>
<th>Lookup Code</th>
<th>Lookup Meaning</th>
</tr>
</thead>
<tbody>
<tr>
<td>US</td>
<td>VP</td>
<td>Needs Vice President’s Approval</td>
</tr>
<tr>
<td>CHINA</td>
<td>CSRC</td>
<td>Pending China Securities Regulatory Commission Review</td>
</tr>
<tr>
<td>CHINA</td>
<td>PR</td>
<td>Needs President’s Approval</td>
</tr>
<tr>
<td>COMMON</td>
<td>REQUESTED</td>
<td>Customer Request</td>
</tr>
</tbody>
</table>

Tip: You can define a table-validated value set on any table, including the lookups table. Thus, you can change a lookup type into a table-validated value set that can be used in flexfields.
### Area of Difference | Lookup Type | Value Set |
--- | --- | --- |
List of values | Static | Dynamic if the list is table-validated |
Validation of values | One to one match of meaning to code included in a lookup view, or through the determinant of a reference data set | Validation by format or inclusion in a table |
Format type of values | char | varchar2, number, and so on |
Length of value | Text string up to 30 characters | Any type of variable length from 1 to 4000 |
Duplication of values | Never. Values are unique. | Duplicate values allowed |
Management | Both administrators and end-users manage these, except system lookups or predefined lookups at the system configuration level, which can’t be modified. | Usually administrators maintain these, except some product flexfield codes, such as GL for Oracle Fusion General Ledger that the end-users maintain. |

Both lookup types and value sets are used to create lists of values from which users select values.

A lookup type can’t use a value from a value set. However, value sets can use standard, common, or set-enabled lookups.

**What’s a lookup tag used for?**

A tag is an additional label attached to the lookup. Tags are user defined and can be grouped depending on the user's requirement to make search convenient and effective.

The same tag may be used across lookup categories. In such cases, tags are used as a refined search criterion to filter information across several groups and get the search result.

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### Descriptive Flexfields

#### Overview of Descriptive Flexfields

Use descriptive flexfields to add attributes to business object entities, and define validation for them.

All the business object entities that you can use in the application are enabled for descriptive flexfields. However, configuring descriptive flexfields is an optional task.

**Context**

A descriptive flexfield can have only one context segment to provide context sensitivity. The same underlying database column can be used by different segments in different contexts.

For example, you can define a Dimensions context that uses the following attributes:

- ATTRIBUTE1 column for height
- ATTRIBUTE2 column for width
•ATTRIBUTE3 column for depth

You can also define a Measurements context that uses the same columns for other attributes:

•ATTRIBUTE1 column for weight
•ATTRIBUTE2 column for volume
•ATTRIBUTE3 column for density

Segments and Contexts
The following table lists the different types of descriptive flexfield segments.

<table>
<thead>
<tr>
<th>Segment Type</th>
<th>Run Time Appearance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global segment</td>
<td>Always available</td>
</tr>
<tr>
<td>Context segment</td>
<td>Determines which context-sensitive segments are displayed</td>
</tr>
<tr>
<td>Context-sensitive segment</td>
<td>Displayed depending on the value of the context segment</td>
</tr>
</tbody>
</table>
The following figure displays a descriptive flexfield having one context segment called Category for which there are three values: Resistor, Battery, and Capacitor. Additionally, the descriptive flexfield comprises two global segments that appear in each context, and three context-sensitive segments that only appear in the specific context.

Application development determines the number of segments available for configuring. During implementation, configure the flexfield by determining the following:

- Attributes to add using the available segments
- Context values
- The combination of attributes in each context

Value Sets
For each global and context-sensitive segment, you configure the values permitted for the segment. Based on it, the values that end users enter are validated, including interdependent validation among the segments.

Protected Descriptive Flexfield Data
Application developers may mark some data configurations in a descriptive flexfield as protected, indicating that you can’t edit them.
Considerations for Planning Descriptive Flexfields

Once you have identified a flexfield to configure, plan the configuration in advance. Compile a list of the UI pages and other artifacts in your deployment that are affected by the configuration. Verify that you are provisioned with the roles needed to view and configure the flexfield. View the flexfield using the Highlight Flexfields command in the Administration menu while viewing the run time page where the flexfield appears. Plan how you will deploy the flexfield for test and production users. Review the tools and tasks available for managing flexfields for adding and editing flexfield segments.

Planning a descriptive flexfield can involve the following tasks:

1. Identify existing parameters.
2. Identify existing context values and whether the context value is derived.
3. Identify user-defined attributes and plan the descriptive flexfield segments, segment properties, and structure.
5. Plan initial values.
6. Plan attribute mapping to Oracle Business Intelligence objects.

Identify Existing Descriptive Flexfield Parameters

Some descriptive flexfields provide parameters that can be used to specify the initial value of a descriptive flexfield segment. The parameter is external reference data, such as a column value or a session variable. For example, if a flexfield has a user email parameter, you can configure the initial value for a customer email attribute to be derived from that parameter.

Review the list of available parameters in the Derivation Value field in the Create Segment page for a descriptive flexfield. If you decide to use one of the parameters to set an initial value, select that parameter from the Derivation Value drop-down list when you add the descriptive flexfield segment.

Evaluate Whether the Context Value Is Derived

The context value for a descriptive flexfield might have been preconfigured to be derived from an external reference. For example, if the context is Marriage Status, then the value might be derived from an attribute in the employee business object. When the context value is derived, you might need to take the derived values and their source into consideration in your plan.

To determine whether the context value is derived, access the Edit Descriptive Flexfield task to view the list of configured context values for the flexfield. The Derivation Value field in the Context Segment region displays a list of available parameters. If context values have been preconfigured, see Oracle Applications Cloud Help for product-specific information about the use of those values.

Plan the Segments, Segment Properties, and Structure

Identify the user-defined attributes you need for a business object to determine the segments of the descriptive flexfield. Determine the segment properties such as the prompt, display type, or initial value.

The structure of the descriptive flexfield is determined by its global, context, and context-sensitive segments. Plan a global segment that captures an attribute for every instance of the business object. Plan a context for segments that depend on...
a condition of situation applying to a particular instance of the business object. Plan context-sensitive segments to capture attributes that are relevant in the context.

There is only one context segment available for descriptive flexfields. If you have more than one group of user-defined attributes where you could use the context segment, you will have to pick one group over the others, based on your company’s needs and priorities, and add the other user-defined attributes as global segments.

**Plan Validation Rules**

Define each segment’s validation rules and check if value sets exist for those rules or you must create new ones. If you must create a value set, you can create it either before configuring the flexfield or while creating or editing a segment.

When determining a segment’s validation rules, consider the following questions:

- What is the data type - character, date, date and time, or number?
- Does the segment require any validation beyond data type and maximum length?
- Should a character type value be restricted to digits, or are alphabetic characters allowed?
- Should alphabetic characters automatically be changed to uppercase?
- Should numeric values be zero-filled?
- How many digits can follow the radix separator of a numeric value? In base ten numeric systems, the radix separator is decimal point.
- Does the value need to fall within a range?
- Should the value be selected from a list of valid values? If so, consider the following questions:
  - Can you use an existing application table from which to obtain the list of valid values, or do you need to create a list?
  - If you are using an existing table, do you need to limit the list of values using a WHERE clause?
  - Does the list of valid values depend on the value in another flexfield segment?
  - Is the list of valid values a subset of another flexfield segment's list of values?

**Plan Initial Values**

For every segment, list the constant value or SQL statement, if any, to use for the initial value of the user-defined attribute.

**Plan How Segments Map to Oracle Business Intelligence Objects**

You can extend descriptive flexfields into Oracle Transactional Business Intelligence (OTBI) for ad hoc reporting purposes. Determine the descriptive flexfield segments to be made available for reporting, and select the **BI Enabled** check box accordingly on the Manage Descriptive Flexfields page. You must run a process to extend the BI enabled segments into OTBI. For more information about extending the BI enabled segments into OTBI, see the Flexfields chapter in the Oracle Applications Cloud Creating and Administering Analytics and Reports guide.

Depending on the reporting needs, you may map similar context-sensitive attributes from different contexts to the same attribute in OTBI. For example, there may be a segment tracking the Product Color attribute in different contexts of a context sensitive descriptive flexfield. You can use segment labels to map these context-sensitive attributes together by defining a segment label and updating the BI Label list accordingly.

**Related Topics**

- Flexfield Segment Properties
- Overview of Value Sets
Considerations for Managing Descriptive Flexfields

Configuring descriptive flexfields involves managing the available flexfields registered with your Oracle Applications Cloud database and configuring their flexfield-level properties, defining and managing descriptive flexfield contexts, and configuring global and context-sensitive segments.

Every descriptive flexfield is registered to include a context segment, which you may choose to use or not.

In general, configuring descriptive flexfields involves:

1. Creating segment labels for business intelligence enabled flexfields.
2. Configuring global segments by providing identity information, the initial default value, and the display properties.
3. Configuring the context segment by specifying the prompt, whether the context segment should be displayed, and whether a value is required.
4. Configuring contexts by specifying a context code, description, and name for each context value, and adding its context-sensitive segments, each of which is configured to include identifying information, the column assignment, the initial default value, and the display properties.

The following aspects are important in understanding descriptive flexfield management:

- Segments
- Adding segments to highlighted descriptive flexfields
- Usages
- Parameters
- Delimiters
- Initial Values
- Business Intelligence

Segments

You can assign sequence order numbers to global segments and to context-sensitive segments in each context. Segment display is always in a fixed order. You can’t enter a number for a segment if that number is already in use for a different segment.

Value sets are optional for context segments and follow specific guidelines:

- The value set that you specify for a context segment consists of a set of context codes.
- Each context code corresponds to a context that’s appropriate for the descriptive flexfield.
- The value set must be independent or table-validated.
- If table-validated, the WHERE clause must not use the VALUESET.value_set_code or SEGMENT.segment_code bind variables.
- The value set must be of data type Character with the maximum length of values being stored no larger than the context’s column length.
- If you don’t specify a value set for a context segment, the valid values for that context segment are derived from the context codes. The definition of each context segment specifies the set of context-sensitive segments that can be presented when that context code is selected by the end user.
For reasons of data integrity, you can’t delete an existing context. Instead, you can disable the associated context value in its own value set by setting its end date to a date in the past.

You can configure the individual global segments and context-sensitive segments in a descriptive flexfield. These segment types are differentiated by their usage, but they’re configured on application pages that use most of the same properties.

### Adding Segments to Highlighted Descriptive Flexfields

When you highlight flexfields on a run time page and use an Add Segment icon button to create a segment, the segment code, name, description, table column, and sequence number are set automatically. If you use an Add Segment icon button to configure descriptive flexfield segments, you can’t use an existing value set. Value sets are created automatically when you add the segments. You can enter the valid values, their descriptions, and the default value or specify the formatting constraints for the value set, such as minimum and maximum values.

Depending on display type, the value set you create using the Add Segment icon button is either an independent value set or a format-only value set. The following table shows which type of value set is created depending on the segment display component you select.

<table>
<thead>
<tr>
<th>Display Component</th>
<th>Value Set Created Using Add Segment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Check Box</td>
<td>Independent</td>
</tr>
<tr>
<td>Drop-down List</td>
<td>Independent</td>
</tr>
<tr>
<td>List of Values</td>
<td>Independent</td>
</tr>
<tr>
<td>Radio Button Group</td>
<td>Independent</td>
</tr>
<tr>
<td>Text Field With Search</td>
<td>Independent</td>
</tr>
<tr>
<td>Text box</td>
<td>Format Only</td>
</tr>
<tr>
<td>Text area</td>
<td>Format Only</td>
</tr>
<tr>
<td>Date/Time</td>
<td>Format Only</td>
</tr>
</tbody>
</table>

**Tip:** After you add a context value, refresh the page to see the new value.

### Usages

Descriptive flexfield usages allow for the same definition to be applied to multiple entities or application tables, such as a USER table and a USER_HISTORY table. Descriptive flexfield tables define the placeholder entity where the flexfield segment values are stored once you have configured the descriptive flexfield. When you configure a flexfield, the configuration applies to all its usages.

### Parameters

Some descriptive flexfields provide parameters, which are attributes of the same or related entity objects. Parameters are public arguments to a descriptive flexfield. Parameters provide outside values in descriptive flexfield validation. You use parameters to set the initial value or derivation value of an attribute from external reference data, such as a column value or
a session variable, rather than from user input. Parameters can be referenced by the logic that derives the default segment value, and by table-validated value set WHERE clauses.

**Delimiters**
A segment delimiter or separator visually separates segment values when the flexfield is displayed as a string of concatenated segments.

**Initial Values**
The SQL statement defining an initial value must be a valid statement that returns only one row and a value of the correct type.

You can use two types of SQL statements:

- SQL statement with no binding. For example, select MIN(SALARY) from EMPLOYEES.
- SQL statement with bind variables. You can use the following bind variables in the WHERE clause of the SQL statement.
  - `{SEGMENT.<segment_code>`: Identifies a segment in the same context.
  - `{CONTEXT.<context_code>;SEGMENT.<segment_code>`: Identifies a segment in a different context. The context must be in the same category or in an ancestor category, and it can't be a multiple-row context.
  - `{VALUESET.<value_set_code>`: Identifies the closest prior segment in the same context that's assigned to the specified value set.
  - `{FLEXFIELD.<internal_code>`: Identifies a flexfield.

For more information about using bind variables, see the help for value sets.

**Business Intelligence**
Selecting a global, context, or context-sensitive segment's BI Enabled check box specifies that the segment is available for use in Oracle Business Intelligence.

When the flexfield is imported into Oracle Business Intelligence, the label you selected from the BI Label drop-down list equalizes the segment with segments in other contexts, and maps the segment to the logical object represented by the label.

**Related Topics**
- Validation Type Options for Value Sets
- Default Segment Values
- Flexfield Segment Properties
- Why can’t I edit my flexfield or value set configuration

**Considerations for Enabling Descriptive Flexfield Segments for Business Intelligence**
A descriptive flexfield that is registered in the database as enabled for Oracle Business Intelligence (BI) includes a BI Enabled setting for each of its segments. When a global, context, or context-sensitive segment is BI-enabled, it is available for use in Oracle Business Intelligence.
The following aspects are important in understanding BI-enabled flexfield segments:

- Flattening business components to use BI-enabled segments in Oracle BI
- Equalizing segments to prevent duplication and complexity in the flattened component
- Mapping attributes of flattened business components to logical objects in Oracle BI
- Managing the labels that map segments to logical objects in Oracle BI

After you deploy a business intelligence-enabled flexfield, use the Import Oracle Fusion Data Extensions for Transactional Business Intelligence process to import the flexfield changes into the Oracle Business Intelligence repository. Users can make use of the newly-generated attributes in business intelligence applications. For example, a user can generate a report that includes attributes added by the descriptive flexfield. For additional information about logical objects and import, refer to the Oracle Transactional Business Intelligence Administrator's Guide.

**Flattening**

When you deploy a business intelligence-enabled descriptive flexfield, the deployment process generates an additional set of flattened Application Development Framework (ADF) business components in addition to the usual ADF business components and ADF faces run time artifacts that are generated during deployment. The flattened business components include attributes for business intelligence-enabled segments only. Flattening means each user-defined column in each context shows up as an attribute in an Oracle Business Intelligence folder.

Flattened components include one attribute for the BI-enabled context-segment, and one attribute for each business intelligence-enabled global segment. For BI-enabled context-sensitive segments, consider the following:

- If you assigned a label to the segment, the flattened components include an additional single attribute representing segments with that label.
- If you didn’t assign a label, the flattened components include a discrete attribute for each BI-enabled context-sensitive segment in each context.

**Mapping to Logical Objects in Business Intelligence**

You can simplify reporting by representing similar segments as a single logical object in Business Intelligence.

If you assign a label to any set of context-sensitive segments that serve the same purpose in different contexts, you can consolidate or equalize the segments into a single attribute. This prevents duplication and the extra workload and complexity that result from the flattening process. For example, a United States context might have a Passport segment and a Canada context might have Visa segment. If you assign the NationalID segment label to both the Passport and Visa segments, they are equalized into the same NationalID attribute in the flattened business component.

Non-labeled context-sensitive segments aren’t equalized across context values, so the flattened components include a separate attribute for each context-sensitive segment for each context value. It may not be possible to equalize similarly labeled segments if they have incompatible data types or value set types.

Assign a label to a global segment, context segment, or context-sensitive segment to map the corresponding attribute in the flattened components to a logical object in Oracle Business Intelligence. Using labels to map segments to BI logical objects minimizes the steps for importing the flexfield into Oracle Business Intelligence.

> **Note:** Assigning a label to a context-sensitive segment serves to equalize the attribute across contexts, as well as map the equalized attribute to business intelligence.

**Managing Labels**

You may assign a predefined label (if available) to segments or create new labels for assignment, as needed. Specify a code, name, and description to identify each label. In the BI Object Name field, enter the name of the logical object in Oracle
Business Intelligence to which the segment label should map during import. Specifying the BI logical object minimizes the steps for importing the flexfield into Oracle Business Intelligence and helps to equalize context-sensitive segments across contexts.

If no labels are assigned to a BI-enabled segment, or the BI Object Name on the assigned label doesn’t exist in business intelligence, you must manually map the segment to the desired logical object when importing into Oracle Business Intelligence.

In addition, context-sensitive segments without labels cannot be equalized across context values. The flattened components include a separate attribute for each non-labeled context-sensitive segment in each context.

**Importing to Oracle Business Intelligence Repository**

After you deploy a business intelligence-enabled flexfield, import the flexfield changes into the Oracle Business Intelligence repository to make use of the newly flattened business components in business intelligence and then propagate the flexfield object changes. When you import the metadata into the Oracle Business Intelligence repository, you must do so as the FUSION_APPS_BI_APPID user.

To import flexfield changes into the Oracle Business Intelligence repository in Oracle Cloud implementations, run the Import Oracle Fusion Data Extensions for Transactional Business Intelligence process. For additional information about import, refer to the Oracle Transactional Business Intelligence Administrator’s Guide.

> **Note:** When you import a flexfield into the Oracle Business Intelligence repository, you see both `<name>` and `<name>_c` attributes for each segment, along with some other optional attributes. The `<name>` attribute contains the value. The `<name>_c` attribute contains the code of the value set that the value comes from, and is used for linking to the value dimension. You must import both attributes.

**Related Topics**

- Considerations for Enabling Key Flexfield Segments for Business Intelligence

**Financial Descriptive Flexfields**

In Oracle Fusion Financial Applications, the descriptive flexfields are available from either the Basic or Advanced Search sections for all transaction objects that have Secure Enterprise Search (SES) enabled.

Examples of the descriptive flexfields available are:

- Oracle Fusion Payables: Invoices
- Oracle Fusion Receivables: Adjustments
- Oracle Fusion Expenses: Expense
- Oracle Fusion Assets: Assets Invoices
- Intercompany: Intercompany Transaction Headers (Inbound Transaction)
- Intercompany: Intercompany Transaction Batches (Outbound Transaction)
- Oracle Fusion General Ledger: Journal Batches
- Oracle Fusion General Ledger: Journals
- Oracle Fusion Subledger Accounting: Subledger Journal Entry Header

Descriptive flexfields consists of segments.

The following table lists the descriptive flexfield segments.
<table>
<thead>
<tr>
<th>Segment</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Segment</td>
<td>Are always displayed, if enabled.</td>
</tr>
<tr>
<td>Context Segment</td>
<td>Used to determine which context sensitive segments are displayed.</td>
</tr>
<tr>
<td>Context Sensitive Segment</td>
<td>Displayed values based on the defined value in the context segment.</td>
</tr>
</tbody>
</table>

In some products, the descriptive flexfields are displayed by default in the **Search** section, while others are available in the **Add Fields** menu.

- **Global Segments**: Generally available in the **Add Fields** menu if they are not displayed by default. When a Global Segment is added to a **Search Panel**, it is displayed before the context segments.
- **Context Segments**: Generally available in the **Advanced Search** section by default.
- **Context Sensitive Segments**: Available in the **Add Fields** menu after you select a context segment value.
- The segments are displayed in the Search Panel in the following order:
  a. Global Segments
  b. Context Segments
  c. Context Sensitive Segments, after their Context Segment

**Note:**
- The list of values on the **Add Fields** menu lists all descriptive flexfields alphabetically, followed by all other fields alphabetically.
- If more than one global segment is defined, then all global segments are displayed in the **Search** panel in the sequence defined by you, the user, followed by context segments.
- Similarly for context segments, all context segments are displayed in the **Search** panel in your defined sequence defined order.
- When context sensitive segments are added to a **Search** panel, they are also displayed in your defined sequence order.

**Related Topics**
- Intercompany Descriptive Flexfields

**How You Search for Journal Descriptive Flexfields**

Use descriptive flexfields to define and store additional information for journals. You have the capability to retrieve the information from descriptive flexfields by using the **Advanced Search** in the **Manage Journals Search** panel.

The two descriptive flexfields available for search on the journal pages are in the following regions:

- **Journal Batches**
- **Journals**

You can search using global and context segments, and both are available from the **Advanced Search** panel. After adding the context segment, a value is selected and a list of context-sensitive segments become available in the **Add Fields**.
Example of Additional Journal Information with Descriptive Flexfields Based on Ledger or Account Value

This example shows how to capture additional journal line information in the context of a specific ledger or natural account segment value, during journal entry.

Scenario

Your company has multiple ledgers. When entering journal lines for the Vision Corporation ledger, users must enter a source voucher number as additional information. For the Spruce Street Foods ledger, users must enter both a source voucher number and a source voucher date. The remaining ledgers don’t have to track this information.

In addition, when entering journals, if the natural account segment in an account combination has a value of 7620, which represents legal expenses, users must provide a litigation file number. If the segment value is 52310, which represents insurance expenses, users must provide the name of the insurer and the policy number.

Configuring General Ledger Descriptive Flexfields

Before configuring the descriptive flexfield for source voucher information, you must find the ledger ID for each ledger. Use the Manage Primary Ledgers task in the Setup and Maintenance work area. If the Ledger ID column isn’t displayed, click Columns, Ledger ID, from the View menu. In this example, the ledger ID for Vision Corporation is 1000, and the ledger ID for Spruce Street Foods is 1225.

Analysis

To capture the source voucher information, use the Manage General Ledger Descriptive Flexfields task in the Setup and Maintenance work area. Create a context segment for the Journal Lines descriptive flexfield with ledger ID as the context segment value. Set up the value to automatically default from the Ledger ID parameter.
The following image shows the Context Segment section on the Edit Descriptive Flexfield page for the Journal Lines flexfield, which has the flexfield code GL_JE_LINES. The context segment has a prompt of Ledger Details, a default type of Parameter, a default value of Ledger ID, a derivation value of Ledger ID, and a display type of List of Values.

Next, define a context-sensitive segment for the source voucher number, within the context of the Vision Corporation ledger. Set the context code to 1000, and set the segment to required. Then, define context-sensitive segments for the source voucher number and source voucher dates, within the context of the Spruce Street Foods ledger. Set the context code to 1225 and set both segments to required.

The following image shows part of the Edit Context page for the Spruce Street Foods ledger context with the two context-sensitive segments.
Similarly, to capture information that’s based on natural account segment values, create a context segment for the Journals Captured Information descriptive flexfield (flexfield code GL_CAPTURED_INFO) with natural account as the context segment value. Set up the value to automatically default from the Natural Account parameter.

Next, define a context-sensitive segment for the litigation file number, within the context of the legal expenses account. Set the context code to 7620 and set the segment to required. Then, define context-sensitive segments for the insurer and policy number, within the context of the insurance expenses account. Set the context code to 52310 and set both segments to required.

Deploy each descriptive flexfield after the setup is complete.

**Resulting Prompts During Journal Line Entry**

The prompts for providing the additional information appear on both the Create Journal page and the Create Journal spreadsheet, which you open using the Create Journal in Spreadsheet task. If prompted, you must provide the information to save the journal.

The following image shows part of the Journal Lines section on the Create Journal page. The ledger for the journal is Vision Corporation, and the natural account segment value on the journal line is 7620. The Source Voucher Number and Litigation File Number fields are required. The values for the context segment prompts of Ledger Details and Account Number are automatically defaulted.

When entering journal lines for the Spruce Street Foods ledger and the insurance expenses account, users must provide a source voucher number, source voucher date, name of the insurer, and policy number. Journal lines with natural account segment values other than 52310 only require a source voucher number and date.

The following image shows part of the Journal Lines section on the Create Journal page. The ledger for the journal is Spruce Street Foods, and the natural account segment value on the journal line is 52310. The Source Voucher Number, Source Voucher Date, Insurer’s Name, and Policy Number fields are required. The values for the context segment prompts of Ledger Details and Account Number are automatically defaulted.
Profile Options

Overview of Profile Options

Profile options are a set of preferences that you use to centrally manage the user interface settings and application behavior.

You can use the profile options to manage, for example:

- User preferences to specify language or currency.
- Configuration choices to change the user interface skin or appearance of fonts.
- Processing options to determine how much of an activity needs to be logged and at which level.

In the Setup and Maintenance work area, use any of the following tasks:

- Manage Profile Options
- Manage Profile Categories
- Manage Administrator Profile Values

The following table contains a functional description of each task.

<table>
<thead>
<tr>
<th>Task Name</th>
<th>Function</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manage Profile Options</td>
<td>Create new profile options or modify existing profile options, except some which are predefined and restricted to prevent any modifications.</td>
</tr>
<tr>
<td>Task Name</td>
<td>Function</td>
</tr>
<tr>
<td>-----------------------------------</td>
<td>--------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Manage Profile Categories</td>
<td>Group the profile options based on their functional similarities.</td>
</tr>
<tr>
<td>Manage Administrator Profile Values</td>
<td>Set the profile values for the enabled profile options to control application behavior.</td>
</tr>
</tbody>
</table>

**Hierarchy in Profile Levels**

The hierarchy in profile levels determines the context for making a profile option effective.

You can enable a profile option at the following levels:

- Site level (lowest): The entire site of deployment
- User level (highest): A specific user

After you create or edit a profile option on the Manage Profile Options page, you must enable it. You can enable it at multiple levels. The setting at the highest enabled level takes precedence over the lower levels. User level is the highest in the hierarchy and always takes precedence over the settings at the site level.

On the Manage Administrative Profile Values page, set the profile value at any of the enabled levels of the profile option.

**Example of Profile Option Hierarchy**

The following table shows an example of setting the currency profile option at different levels.

<table>
<thead>
<tr>
<th>Profile Level</th>
<th>Hierarchy</th>
<th>Currency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Site</td>
<td>Lowest</td>
<td>Euro</td>
</tr>
<tr>
<td>User</td>
<td>Highest</td>
<td>US Dollar</td>
</tr>
</tbody>
</table>

For this example, there are two users, John and Lisa. For John, the user-level profile value currency is set to US Dollar. If the Currency profile option is enabled only at the site level, both John and Lisa would see Euro as the default currency. If the profile option is enabled at the user level, users having a different currency set as their currency profile value would see only that currency. In this case, John would see US Dollar as the default currency. If the Currency profile option is enabled at the user level and there is no user level currency defined, the site level setting takes effect. When both site and user levels are enabled, the value for the user level takes precedence over the site level value.

**Set Profile Option Values**

Each profile option contains specific values that determine how it affects the application. You can add or modify the values for each profile option. Select or enter the value for one or more of the available levels (site, product, and user) so that each setting takes effect at the intended level.

**Setting the Profile Value**

1. In the Setup and Maintenance work area, go to the Manage Administrator Profile Values task.
2. On the Manage Administrator Profile Values page, search for and select the profile option.

3. In the Profile Values section, click Add. A new row is added for you to specify the following conditions:
   - Profile Level: Specify the level at which the profile value is to be set. If the profile value applies to the entire site, select Site.
   - Product Name: If you select Product as the profile level, select a product and specify the associated profile value.
   - User Name: If you select User as the profile level, select the user name and specify the associated profile value.
   - Profile Value: Select or enter the value corresponding to the selected profile level.

   Note: For an existing entry, you can modify only the profile value.

4. Repeat step 3 to add more rows and set the profile values.

5. Click Save and Close.

   Note: Changes in the profile values take effect for a user on the next sign in.

Create and Edit Profile Options

Use profile options to manage user preferences and control the general function of applications. For example, you can control user preferences involving language, date, time, currency, and other similar general settings.

You can create a profile option and also determine the level at which that profile option takes effect. You can also define the profile values for the profile option. The profile values appear on the Manage Administrator Profile Values page when you select the profile option.

Creating a Profile Option

1. In the Setup and Maintenance work area, go to the Manage Profile Options task.
2. On the page, click Actions > New.
3. On the Create Profile Option page, fill all the fields with relevant details with specific attention to the following:
   - Use the SQL Validation field to provide an SQL statement that displays the permissible profile values to be used. Using an SQL statement, you can select the values from another table and display them as a list of values.
     For example, to display the values Yes and No from a lookup table, you can use the following SQL statement:
     ```sql
     select MEANING, LOOKUP_CODE from FND_LOOKUPS where LOOKUP_TYPE='YES_NO'
     ```
     As a result, on the Manage Administrator Profile Values page, the profile values Yes and No are available for selection for that profile option.
   - You can specify a date range to keep the profile option active during that period. Beyond the specified duration, the profile option automatically becomes inactive. If you no longer require the profile option, you must manually delete it from the Manage Profile Options page.
4. Click Save and Close.
5. On the Manage Profile Options page, search for the newly created profile option and from the results, select it.
6. In the Profile Option Levels section, do the following:
   a. In Enabled, select the levels at which you want to enable the profile option.
Note: You can enable a profile option at multiple levels, but a higher-level profile value overrides a lower-level value. Therefore, enable them only at the required levels.

b. In **Updatable**, select the profile level at which you want implementors to have update privileges. Leave the check box deselected if you don’t want the implementors to modify the profile values (they appear in read-only mode).

7. Click **Save and Close**.

To edit a profile option that you created, search for it and edit the necessary details.

Note: While creating and editing profile options and profile categories, you can translate the details to the preferred languages without changing the language session of the application. To specify the translations in all the enabled language rows, use the Translation Editor option. Once the updates are made, users can view the translated text for the specific details.

**Related Topics**
- Enter or Edit Translated Text

## Profile Categories

You can create profile categories to group profile options based on their functional similarities and their use. In the Setup and Maintenance work area, use the **Manage Profile Categories** task.

Profile categories help administrators or implementors in retrieving profile options using a search criterion on the Manage Administrator Profile Values page.

### Managing Profile Categories

Consider the following options while managing profile categories:

- Create profile categories and add existing profile options to them
- Add newly created profile options to existing user-defined profile categories

Note: While you can add a profile option to more than one category, some profile categories are predefined and restricted from any modifications. So, you can’t edit them or add profile options to them.

### Setting Display Sequence for the Profile Options

You must set the display sequence for each profile option that you add to a profile category. Display sequence determines the order in which the profile options appear in a search result, based on the profile category. You can set the sequence beginning with zero or one for the first profile option to display, and proceed sequentially to assign the values to the remaining profile options.

The following table demonstrates the effect of the display sequence on the profile options when they’re retrieved as search results.

<table>
<thead>
<tr>
<th>Profile Category</th>
<th>Included Profile Option - Assigned Display Sequence</th>
<th>Display Sequence of Profile Options in the Search Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attachments</td>
<td>• Attachment File Directory - 2</td>
<td>1. Indicate Attachments</td>
</tr>
</tbody>
</table>
FAQs for Profile Options

How can I access predefined profile options?

Search for predefined profile options using the Manage Profile Options task.

1. In the Setup and Maintenance work area, go to the Manage Profile Options task.
2. On the page, enter any of the search parameters and click Search.

Tip: If you don’t know the profile option code or the display name, use the Application or Module fields to filter search results.

3. Click a profile option to view its details.
10 Period Close

Overview

Overview of Close Monitor

The Close Monitor:

- Provides information about the period close status for a given accounting period across multiple products for related ledgers in a hierarchical ledger set based display.
- Uses the hierarchical ledger set to mirror the consolidation relationships and roll ups of entities across the enterprise.
- Summarizes period close status information for each ledger across multiple applications and for each consolidation node across multiple ledgers.
- Provides the contact information of the manager for a given node on the ledger set hierarchy.
- Summarizes high-level income statement results for each entity and aggregates this financial information at each consolidation node.
- Displays each of these elements of information, period status, manager information, and financial data, in separate tags that are navigated to for each node of the interactive hierarchical display.
- Provides views for a given ledger set, for a particular accounting period, and currency.

The period status information that is displayed is broken down by application module including General Ledger, Payables, Receivables, Asset, Projects, and Costing. Some modules track their entity at a more granular level, such as:

- Business units for Payables, Receivables, and Projects
- Asset Books for Assets
- Cost Organization Books for Costing

The Close Monitor indicates the number of the subunits by module for the ledgers. It also displays the fractional indicator, where applicable, of how many of the subunits are at the closed status.

Secondary ledgers, journal level, or transaction level reporting currencies cannot be associated with subledger business units for Payables, Receivables, and Projects. As such, if the ledger set displayed in the hierarchy includes members that are secondary ledgers, journal, or subledger level reporting currencies, the period status indicated in the Close Monitor for such subledger modules is based on its related primary ledger. Asset books and cost organization books can be associated with all types of ledgers. Therefore in the case of the Assets and Costing modules, their period status for secondary ledger or reporting currencies is shown accordingly for the books directly associated with them. Otherwise, their period statuses are derived from the books associated with their primary ledgers.

Setting Up the Close Monitor

The Close Monitor setup consists of a ledger set hierarchy definition whereby a predefined ledger set is addressed, with each ledger and ledger set assigned a manager who is responsible for its financial close, and a logo to represent the entity in the display.
Note: The list of managers available for assignment contains the persons defined in the Human Capital Management (HCM) module of Oracle Fusion Applications. The attributes defined in HCM, such as the picture of the person and contact details, are shown in the Close Monitor.

The ledger set serves as the foundation of this setup.

- The members of the Close Monitor hierarchy must share a common chart of accounts and calendar. In addition, the ledgers assigned to the ledger set must share a common currency, or the common currency representation must be available from an associated balance level reporting currency for the ledger.
- The financial data displayed in the Close Monitor is derived from the account group assigned to the ledger set, therefore, an assignment is required. The account group:
  - Must include two line items whose account designations respectively query the total revenues and total expenses of the organization.
  - Reflects a summarized income statement in the financial data tab of the Close Monitor.

The Rapid Implementation process automatically generates an account group called Close Monitor Summary Income Statement, which you can display in the Close Monitor using the Manage Close Monitor Setup task. You can also submit the Generate Financial Reports and Account Groups process to automatically create the Close Monitor Summary Income Statement account group.

- All ledgers in the ledger set share a common chart of accounts and the selection of accounts are equally applicable throughout the nodes in the ledger set hierarchy.
- When working with ledger sets that include members that are also ledger sets, you can choose any of the ledger sets in the selector to indicate the starting ledger set to display in the Close Monitor.
- If different account groups are assigned to each ledger set member in such a ledger set, the account group used to display the financial data is the one assigned to the ledger set specified in the selector in the Close Monitor.
- To have meaningful comparison and summation along the ledger set hierarchy:
  - Assign ledgers to the ledger set that have a relevant currency representation that matches the intended group currency that the Close Monitor displays the financial data in.
  - Select the appropriate primary, secondary, or reporting currency ledger for assignment to the ledger set.
  - Alternately, use translated balances (balance level reporting currency) in the ledger set selection to satisfy the common group currency requirement if needed.

Viewing the Close Monitor

Navigate to the Close Monitor by clicking the Open Subledgers infolet on the General Accounting Infolets page, or by selecting the Close Monitor task from the Period Close work area. You choose a ledger set, accounting period, and currency as the view criteria for the Close Monitor display. You can alter this selection at any time.

For example, change the currency displayed by:

- Working with a global ledger set.
- Shifting the focus to a lower-level ledger set that aggregates at the continental level, such as North America, that uses a different group currency.
- Including the ledger with the relevant currency representation that matches the selected group currency that the Close Monitor financial data is displayed in.

The Close Monitor supports different zoom levels to enable you to:

- Accommodate viewing a larger ledger set hierarchy in its entirety, given the limited display area of the user interface.
• Show detail information for each node, which can vary, decreasing and simplifying in content as you zoom out further to accommodate showing more nodes in a single view.
• Hover over the more summarized node to view the complete set of information for that node at the 100% zoom level.
• Leave the zoom level at 100% and move around the display to other ledger sets or ledgers currently not in view.

Note: The Close Monitor has a control panel that you can use to:
• Adjust the zoom level.
• Flip all of the nodes to the same display of Close Monitor, Manager, or Profit and Loss.
• Change the displayed layout of the hierarchy.

Period Close Components
While implementing your accounting configuration, optionally define and maintain period close components, including allocations and periodic entries, revaluations, and historical rates.

In the Setup and Maintenance work area, use the following:
• Offering: Financials
• Functional Area: General Ledger
• Tasks:
  ◦ Manage Allocations and Periodic Entries
  ◦ Manage Revaluations
  ◦ Manage Historical Rates

Manage Allocations and Periodic Entries
The Manage Allocations and Periodic Entries task opens the Enterprise Performance Management workspace. From there you can navigate to Calculation Manager to create allocations and other formula journal templates for generating periodic journal entries automatically. Calculation Manager is a framework for defining allocation rules and formulas using a graphical interface and intuitive step-by-step wizards. You can base formulas on multiple criteria.

You can also open Calculation Manager from within the Journals work area by clicking the Create Allocations Rules task from the Tasks pane.

Manage Revaluations
Revaluation is done to adjust foreign entered amounts due to currency fluctuations. Use the Manage Revaluations task to define currency revaluation options, such as the range of accounts to revalue and the gain or loss accounts. On the Manage Revaluations page, define and generate your revaluation definitions.

Manage Historical Rates
Historical rates are the weighted average rate for transactions that occur at different points in time. The application uses historical rates to calculate the conversion rate on equity account balances during foreign currency translation of the balance sheet.
On the Currency Rates Manager page, define and maintain your historical rates. You can define historical rates using a Desktop Integrated Excel workbook.

To create historical rates, specify the required ledger and other optional fields, as needed. Click the **Create in Spreadsheet** button to open the spreadsheet for uploading. To update existing historical rates for your ledgers, click the **Edit in Spreadsheet** button. The spreadsheet is prepopulated with the existing historical rates.

> **Note:** Before using the historical rates spreadsheet, install the ADF Desktop Integration Add-In for Excel.

**Related Topics**

- [Update Existing Setup Data](#)

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## Revaluation

### Revaluation Process

The revaluation process is used to adjust account balances denominated in a foreign currency. Revaluation adjustments represent the difference in account balances due to changes in conversion rates between the date of the original journal and the revaluation date. These adjustments are posted through journal entries to the underlying account with the offset posted to an unrealized gain or loss account. All debit adjustments are offset against the unrealized gain account and all credit adjustments are offset against the unrealized loss account. If the same account is specified in the **Unrealized Gain Account** and **Unrealized Loss Account** fields, the net of the adjustments is derived and posted.

For balance sheet accounts, the revaluation journal entries are reversed in the next period. AutoReverse can be used to automate the reversals. For income statement accounts that use the PTD method of revaluation, the revaluation journals aren't reversed since each period's revaluation adjustment is for that period.

In Oracle Fusion General Ledger, the revaluation functionality provides the following advantages:

- Full multicurrency functionality to eliminate currency barriers across a global business.
- Predefined revaluation rules to ensure consistency in generation of revaluation entries each period.
- Usage of prevailing currency normalization accounting standards including:
- Support for multiple balancing segments to provide clarity in tracking the profitability and performance for more distinct segments of your enterprise in any currency

### Definition

When defining your revaluations, perform the following:

- Include accounts for tracking gains and losses, currency conversion rates, and the number of entered currencies to revalue.
- Define separate revaluation definitions for each class of accounts, using a different rate type for each class.
• Select various conversion types and methodologies for different account ranges, such as:
  ◦ Current rates and year-to-date (YTD) method for balance sheet accounts.
  ◦ Average rates and period-to-date (PTD) method for income statement accounts.

> **Note:** Income statement accounts can also be revalued using the YTD method.

Hierarchies and flexible account selection criteria, such as usage of parent values from your account hierarchy, streamlines maintenance of revaluation definitions. The parent values can be selected for the primary balancing and the natural account segments using the operator **Is a last descendant of**. Leverage hierarchy versions to include organizational changes in your revaluation definitions. Adjust account selection criteria monthly to retrieve the accounts that must be revalued for the current accounting period.

Share revaluation definitions across ledgers that have the same chart of accounts to reduce maintenance.

**Generation**
Generating revaluations include:

• Using defined revaluation criteria and automatically generating entries to shorten your close process.
• Selecting automatic posting as part of the generate revaluation criteria to help you to achieve processing efficiency.
• Scheduling revaluations to run during off peak hours to save your processing resources.
• Using date effective account hierarchies to generate revaluations to keep results in line with your current organization hierarchies.

Always run revaluation to bring monetary balances to current rates before performing currency translation or remeasurement.

> **Note:** When the revaluation process is scheduled to run automatically, the accounting period increments on each subsequent run.

**Revaluation Execution Report**
The Revalue Balances process automatically generates the Revaluation Execution report when you run revaluation. This report shows the details of your account balance revaluation and the journal batches created after running revaluation. The report includes:

• Currencies and revaluation rates used to revalue your accounts.
• Unrealized gain or loss account in which you recorded net gains and losses.
• Range of accounts revalued.
• Names of your batch and journals that the revaluation process created for each foreign currency.
• Total debits and credits of the created entries.

If the Revaluation process cannot locate rates for one or more currencies, balances are not revalued for those currencies. In this case, the Revaluation process completes with a warning and the execution report lists which currencies are missing rates.
Overview of Revaluation Unrealized Gains or Losses

Revaluation launches a process that revalues the ledger currency equivalent balances for the accounts and currencies you select, using the appropriate current rate for each currency. Resulting unrealized gain or loss amounts are posted to the unrealized gain or loss accounts or to the cumulative translation adjustment account. The revaluation journal is created, balanced, and posted automatically by balancing segment values.

Revaluation journal entries are created to adjust the ledger currency balances for conversion rate fluctuations, in accordance with:

- Statement of Financial Accounting Standards No. 52, Foreign Currency Translation
- International Accounting Standard (IAS) 21, The Effects of Changes in Foreign Exchange Rates

The revaluation journal entries generated and posted in the primary ledger are automatically generated, converted, and posted to each of their reporting currencies. Define the cumulative translation adjustment account in the reporting currency prior to running revaluation.

How Income Statement Accounts Are Revalued

Revaluation is the process which adjusts asset or liability accounts that may be materially understated or overstated. The fluctuation in the conversion rate occurs between the time the transaction was entered and the time revaluation takes place. You may want to revalue income statement accounts as well. The Income Statement Accounts Rule indicates whether period-to-date (PTD) or year-to-date (YTD) method is to be used when revaluing income statement accounts.

Click the Income Statement radio buttons on the Create Revaluation page to revalue income statement accounts using PTD or YTD balances.

If you select to revalue PTD balances for income statement accounts, the process continues to appropriately revalue YTD balances for balance sheet accounts. If the range of accounts consists of both income statement and balance sheet accounts and you select PTD as an option for income statement account revaluation rule, the revaluation:

- Creates separate revaluation journal for the income statement accounts
- Creates weighted average YTD balances using period rates from each corresponding period against the PTD account balance.

When you run revaluation on your income statement accounts, the process produces two separate journal entries; one that revalues your balance sheet accounts and another for your income statement accounts. You do not reverse the PTD revaluation journal for your income statement accounts in the subsequent period. The revaluation only applies to last period’s activity.

> Note: This functionality only applies when the range of accounts in the revaluation definition consist of income statement and balance sheet accounts. Normally only balance sheets accounts are revalued.

Revalue Across Multiple Balancing Segments

This example demonstrates how to revalue foreign currency balances across multiple balancing segments. Your company, Vision Corporation, has three lines of business. You revalue foreign currency account balances for two divisions, Air
Components and Repair Parts. The Installation Services line of business doesn’t have foreign currency transactions. Your company is the primary balancing segment and your lines of business are represented in the secondary balancing segment.

Consider the following points when running the revaluation process:

- The revaluation process posts the resulting gain or loss amounts against the unrealized gain or loss accounts, substituting the balancing segment values appropriately for all balancing segments.
- Gain or loss accounts and revaluation account ranges aren’t validated against your data access set security when the revaluation definition is created because the ledger context isn’t known at the time of definition.
- Data access set security is enforced when the Revalue Balances process is run. Limited write access to the gain or loss accounts due to inadequate access results in an error.
- Segment value security rules are enforced when you enter account ranges and the unrealized gain and loss accounts. Only segment values that you have access to are available in the list of values.
- Account ranges that you have read and write access to are revalued. Account combinations that you don’t have access to are ignored.
- The revaluation process expands the parent primary balancing segment to the child values. Data access set security applies to the child values only, not the parent value.
- The posting process supports multiple balancing segments for calculating the entry to the Cumulative Translation Adjustment accounts when replicating revaluation journals to reporting currencies.

**Defining Revaluations**

1. In the Setup and Maintenance work area, go to the following:
   - Offering: Financials
   - Functional Area: General Ledger
   - Task: Manage Revaluations

2. On the Manage Revaluations page, click the **Create** icon.

3. Complete the fields, as shown in this table.

<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td>Vision Corporation Revaluation</td>
</tr>
<tr>
<td>Description</td>
<td>Revaluation for all foreign currency balances.</td>
</tr>
<tr>
<td>Chart of Accounts</td>
<td>Vision Corporation Chart of Accounts</td>
</tr>
<tr>
<td>Currency</td>
<td>Leave blank.</td>
</tr>
</tbody>
</table>

*Note:* If blank, all currencies are revalued and after saving, the field automatically displays: All currencies.

<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conversion Rate Type</td>
<td>Daily</td>
</tr>
<tr>
<td>Days to Roll Forward</td>
<td>5</td>
</tr>
<tr>
<td>Unrealized Gain Account</td>
<td>011-00-966000000-0000-0000-000-000-000</td>
</tr>
</tbody>
</table>
Field | Value
--- | ---
Unrealized Loss Account | 011-00-96700000-0000-000-000
Income Statement Accounts Basis | PTD
Post Automatically | Yes

4. In the **Revaluation Accounts** section, click the Add Row icon.
5. Click the **Change filter conditions** icon to enter the filter used to select the accounts to revalue.
6. Click **Add Fields** and select **Company**.
7. Accept the default operator of **Equals** and select **11** from the list of Company segment values.
8. Click **Add Fields** and select **Lines of Business**.
9. Change the operator to **Between** and select **30** for Air Components and **40** for Repair Parts.
10. Click **Add Fields** and select **Account** from the list.
11. Change the operator to **Between** and enter values **10000000** and **29999999**.
12. Click **OK** to accept the filters.
13. Click **Save and Close**.

Optionally, click **Save** and then click **Generate** to save and run the revaluation immediately.

**Related Topics**
- Update Existing Setup Data

---

**Revaluation Tracking by Multiple Segments**

**Overview of Revaluation Tracking by Multiple Segments**

The revaluation process adjusts account balances expressed in a foreign currency, based on conversion rate changes between a transaction’s accounting and revaluation dates.

Here’s more information about what the process does:

- Posts revaluation amounts to the accounts with foreign currency balances that are eligible for revaluation.
- Posts the offset to the unrealized gain or loss accounts from the revaluation template tracked by the balancing and revaluation tracking segments.

If you decide to set up segments for revaluation tracking, here’s what you need to know:

- You can track revaluation gains or losses by up to five distinct segments, including the segments you assigned balancing segment labels to. Let’s say your chart of accounts has these segments and these segment label assignments.

<table>
<thead>
<tr>
<th>Segment</th>
<th>Segment Label</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company</td>
<td>Primary Balancing Segment</td>
</tr>
<tr>
<td>Department</td>
<td></td>
</tr>
<tr>
<td>Account</td>
<td>Natural Account Segment</td>
</tr>
</tbody>
</table>
Because the revaluation process automatically balances gains or losses by balancing segments, you can track up to four additional segments. Here’s the list of eligible segments:

- Department
- Subaccount
- Division
- Product
- Project

- Don’t assign the revaluation tracking segment label to segments that you already assigned the Natural Account or Intercompany segment labels to.
- Remember that tracking by multiple segments applies only to the revaluation process.

Set Up Revaluation Tracking by Multiple Segments

Before you can track revaluation by multiple segments, you have to do these steps:

1. Opt in to the feature.
2. Assign the revaluation tracking segment label to the segments in your chart of accounts that you want to track.
3. Enable revaluation tracking for your ledgers.

Let’s take a closer look at each step.

Opt In to the Feature

Use this navigation in the Setup and Maintenance work area to opt in to the Multiple Segment Tracking for Revaluation Gain/Loss feature:

- Offering: Financials
- Functional Area: General Ledger
- Feature: Multiple Segment Tracking for Revaluation Gain/Loss

Assign the Revaluation Tracking Segment Label

Now follow this navigation:

- Offering: Financials
- Functional Area: Financial Reporting Structures
Task: Manage Chart of Accounts Structures

1. Search for your Key Flexfield Structure and click **Edit**.
2. Select the segment you want to track and click **Edit**.
3. Select **Revaluation Gain/Loss Tracking Segment** from the list of segment labels and click the **Move Selected Item** icon.
4. Save your changes.
5. On the Manage Chart of Accounts Structure page, click **Deploy Flexfield** for the General Ledger Accounting Flexfield.

Enable Revaluation Tracking on the Ledger

Here’s the last step:

In the Setup and Maintenance work area, go to:

- Offering: Financials
- Functional Area: General Ledger
- Task: Specify Ledger Options, with the ledger scope set

1. Select the option **Track Revaluation Gain or Loss by Multiple Segments**.
2. Save the change.

Keep this setting the same throughout the life of the ledger. This helps ensure consistency in processing and accurate revaluation gain and loss account balances and reports.

**Examples of Revaluation Journals When Tracking by Multiple Segments**

Use these examples to understand how the application generates revaluation journals in primary ledgers and reporting currencies when you track revaluation by multiple segments. These examples assume the accounts being revalued at month end have only one foreign currency journal for the month.

Here’s the important information from the primary ledger setup.

- Ledger Currency: AUD
- Chart of Accounts Segments and Segment Labels

<table>
<thead>
<tr>
<th>Segment</th>
<th>Segment Label</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company</td>
<td>Primary Balancing Segment</td>
</tr>
<tr>
<td>Department</td>
<td>Revaluation Gain/Loss Tracking Segment</td>
</tr>
<tr>
<td>Account</td>
<td>Natural Account Segment</td>
</tr>
<tr>
<td>Subaccount</td>
<td></td>
</tr>
<tr>
<td>Division</td>
<td>Revaluation Gain/Loss Tracking Segment</td>
</tr>
<tr>
<td>Product</td>
<td>Revaluation Gain/Loss Tracking Segment</td>
</tr>
<tr>
<td>Project</td>
<td>Revaluation Gain/Loss Tracking Segment</td>
</tr>
</tbody>
</table>
Note: The primary balancing segment (Company) is also a revaluation gain or loss tracking segment.

- Cumulative Translation Adjustment (CTA) Account: 01-000-3500-0000-0000-0000-0000
- Revaluation Template:
  - Unrealized Gain Account: 01-000-7842-0000-0000-0000-0000
  - Unrealized Loss Account: 01-000-7844-0000-0000-0000-0000
  - Account Filter: Account = 1110, which is a cash account

And here’s the important information from the reporting currency setup.

- Currency: USD
- Currency Conversion Level: Journal
- Revaluation Basis: Entered Currency

Example 1: Revaluation Journal Source Enabled for Reporting Currency

In this example, you don’t change the default journal conversion rules for the reporting currency, which means the Revaluation journal source is enabled. Here’s how you define the revaluation template for the reporting currency:

- Unrealized Gain Account: 01-000-3500-0000-0000-0000-0000
- Unrealized Loss Account: 01-000-3500-0000-0000-0000-0000

Note: Both accounts are the CTA account for the primary ledger.

- Account Filter: Account = 1110, which is the same cash account that’s in the primary ledger revaluation template
Here's a high-level view of the five journals that are going to be created in the primary ledger and reporting currency.

Now let's look at the details.

You create a foreign currency journal in the primary ledger with an accounting date of January 1, 2019. The conversion rate in effect for that date is 1 EUR = 1.642883 AUD. Here's the foreign currency journal in the primary ledger.

<table>
<thead>
<tr>
<th>Line</th>
<th>Account</th>
<th>Entered Debit (EUR)</th>
<th>Entered Credit (EUR)</th>
<th>Accounted Debit (AUD)</th>
<th>Accounted Credit (AUD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>01-100-1110-1001-001</td>
<td>1000.00</td>
<td>1000.00</td>
<td>1642.88</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>01-200-1110-1002-002</td>
<td>1200.00</td>
<td></td>
<td>1971.46</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>01-000-1210-0000-000</td>
<td></td>
<td>2200.00</td>
<td>3614.34</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>2200.00</td>
<td>2200.00</td>
<td>3614.34</td>
<td>3614.34</td>
</tr>
</tbody>
</table>

The foreign currency journal is automatically converted in the reporting currency. The conversion rate in effect for January 1, 2019 is 1 EUR = 1.155463 USD. Here's the converted journal in the reporting currency.
Oracle Financials Cloud
Implementing Enterprise Structures and General Ledger

Chapter 10
Period Close

<table>
<thead>
<tr>
<th>Line</th>
<th>Account</th>
<th>Entered Debit (EUR)</th>
<th>Entered Credit (EUR)</th>
<th>Accounted Debit (USD)</th>
<th>Accounted Credit (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>01-100-1110-1001-001</td>
<td>1000.00</td>
<td></td>
<td>1155.46</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>01-200-1110-1002-002</td>
<td>1200.00</td>
<td></td>
<td>1386.56</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>01-000-1210-0000-000</td>
<td></td>
<td>2200.00</td>
<td></td>
<td>2542.02</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>2200.00</td>
<td>2200.00</td>
<td>2542.02</td>
<td>2542.02</td>
</tr>
</tbody>
</table>

Now you run the Revalue Balances process for the primary ledger for January 31, 2019. The conversion rate in effect for that date is 1 EUR = 1.57286 AUD.

The process generates the unrealized loss accounts based on the account definition in the revaluation template and the balance sheet and revaluation tracking segments. In this example, the revaluation journal records the unrealized loss for the cash accounts tracked by the Company, Department, Division, Product, and Project segment values from the original foreign currency journal.

Here’s the revaluation journal in the primary ledger.

<table>
<thead>
<tr>
<th>Line</th>
<th>Account</th>
<th>Entered Debit (EUR)</th>
<th>Entered Credit (EUR)</th>
<th>Accounted Debit (AUD)</th>
<th>Accounted Credit (AUD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>01-100-1110-1001-001</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>70.02</td>
</tr>
<tr>
<td>2</td>
<td>01-200-1110-1002-002</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>84.03</td>
</tr>
<tr>
<td>3</td>
<td>01-000-1210-0000-000</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>154.05</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>0.00</td>
<td>0.00</td>
<td>154.05</td>
<td>154.05</td>
</tr>
</tbody>
</table>

Remember that the Revaluation journal source is enabled for the reporting currency's journal conversion rules. As a result, the revaluation journal for the primary ledger is automatically converted in the reporting currency. The conversion rate in effect for January 31, 2019 is 1 AUD = 0.728134 USD. The offset is posted to the CTA account from the primary ledger because the reporting currency is a form of translation of the primary ledger. At this stage, this journal is just accomplishing part of the adjustments to CTA for the reporting currency.

Here’s the converted journal in the reporting currency.

<table>
<thead>
<tr>
<th>Line</th>
<th>Account</th>
<th>Entered Debit (EUR)</th>
<th>Entered Credit (EUR)</th>
<th>Accounted Debit (USD)</th>
<th>Accounted Credit (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>01-100-7844-0000-001</td>
<td>0.00</td>
<td>0.00</td>
<td>50.98</td>
<td>0.00</td>
</tr>
<tr>
<td>2</td>
<td>01-200-7844-0000-002</td>
<td>0.00</td>
<td>0.00</td>
<td>61.19</td>
<td>0.00</td>
</tr>
</tbody>
</table>
Next, you run the Revalue Balances process in the reporting currency for January 31, 2019 to revalue the foreign currency journal that was converted from the primary ledger. The EUR to USD rates may have changed since January 1, 2019. The conversion rate in effect for January 31, 2019 is 1 EUR = 1.145253 USD.

The process records the revaluation adjustment to the CTA account (from the reporting currency revaluation template) and the balance sheet and revaluation tracking segments. The offset isn’t considered a gain or loss for the reporting currency, which was already accounted for in the previous journal. Rather, the offset is adjusted against the CTA that was booked during the previous entry, to net to the final CTA amount that should be booked for the reporting currency.

Here’s the revaluation journal in the reporting currency.

<table>
<thead>
<tr>
<th>Line</th>
<th>Account</th>
<th>Entered Debit (EUR)</th>
<th>Entered Credit (EUR)</th>
<th>Accounted Debit (USD)</th>
<th>Accounted Credit (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>01-100-3500-0000-001</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>50.98</td>
</tr>
<tr>
<td>4</td>
<td>01-200-3500-0000-002</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>61.19</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>112.17</td>
</tr>
</tbody>
</table>

Example 2: Revaluation Journal Source Not Enabled for Reporting Currency

In this example, you disable the Revaluation journal source in the reporting currency’s journal conversion rules. You set up the revaluation template for the reporting currency with these accounts:

- Unrealized Gain Account: 01-000-7842-0000-000-0000-000
- Unrealized Loss Account: 01-000-7844-0000-000-0000-000
- Account Filter: Account = 1110, which is the same cash account that’s in the primary ledger revaluation template.
Here’s a high-level view of the four journals that are going to be created in the primary ledger and reporting currency.

Now let’s look at the details.

Just like example 1, you create a foreign currency journal in the primary ledger with an accounting date of January 1, 2019. The conversion rate in effect for that date is 1 EUR = 1.642883 AUD. Here’s the foreign currency in the primary ledger. It’s the same as the first example.

<table>
<thead>
<tr>
<th>Line</th>
<th>Account</th>
<th>Entered Debit (EUR)</th>
<th>Entered Credit (EUR)</th>
<th>Accounted Debit (AUD)</th>
<th>Accounted Credit (AUD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>01-100-1110-1001-001</td>
<td>1000.00</td>
<td></td>
<td>1642.88</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>01-200-1110-1002-002</td>
<td>1200.00</td>
<td></td>
<td>1971.46</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>01-000-1210-0000-000</td>
<td>2200.00</td>
<td></td>
<td>3614.34</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>2200.00</td>
<td>2200.00</td>
<td>3614.34</td>
<td>3614.34</td>
</tr>
</tbody>
</table>

Just like example 1, the foreign currency journal is automatically converted in the reporting currency. The conversion rate in effect for January 1, 2019 is 1 EUR = 1.155463 USD. Here’s the converted journal in the reporting currency. It’s the same as the first example.

<table>
<thead>
<tr>
<th>Line</th>
<th>Account</th>
<th>Entered Debit (EUR)</th>
<th>Entered Credit (EUR)</th>
<th>Accounted Debit (USD)</th>
<th>Accounted Credit (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>01-100-1110-1001-001</td>
<td>1000.00</td>
<td></td>
<td>1155.46</td>
<td></td>
</tr>
</tbody>
</table>
Again, just like the first example, you run the Revalue Balances process in the primary ledger for January 31, 2019. The conversion rate in effect for that date is 1 EUR = 1.57286 AUD.

The process generates the unrealized losses accounts based on the account definition in the revaluation template and the balance sheet and revaluation tracking segments. In this example, the revaluation journal records the unrealized loss for the cash accounts tracked by the Company, Department, Division, Product, and Project segment values from the original foreign currency journal.

Here’s the revaluation journal in the primary ledger. It’s the same as the first example.

<table>
<thead>
<tr>
<th>Line</th>
<th>Account</th>
<th>Entered Debit (EUR)</th>
<th>Entered Credit (EUR)</th>
<th>Accounted Debit (AUD)</th>
<th>Accounted Credit (AUD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>01-100-1110-1001-001</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>70.02</td>
</tr>
<tr>
<td>2</td>
<td>01-100-7844-0000-001</td>
<td>0.00</td>
<td>0.00</td>
<td>70.02</td>
<td>0.00</td>
</tr>
<tr>
<td>3</td>
<td>01-200-1110-1002-002</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>84.03</td>
</tr>
<tr>
<td>4</td>
<td>01-200-7844-0000-002</td>
<td>0.00</td>
<td>0.00</td>
<td>84.03</td>
<td>0.00</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>0.00</td>
<td>0.00</td>
<td>154.05</td>
<td>154.05</td>
</tr>
</tbody>
</table>

Now you run the Revalue Balances process in the reporting currency for January 31, 2019 to revalue the foreign currency journal that was converted from the primary ledger. The conversion rate for January 31, 2019 is 1 EUR = 1.145253 USD.

The process generates the revaluation journal using the accounts from the revaluation template in the reporting currency and the balance sheet and revaluation tracking segments. In this example, the revaluation journal records the unrealized loss for the cash accounts tracked by the Company, Department, Division, Product, and Project segment values from the original foreign currency journal.

<table>
<thead>
<tr>
<th>Line</th>
<th>Account</th>
<th>Entered Debit (EUR)</th>
<th>Entered Credit (EUR)</th>
<th>Accounted Debit (USD)</th>
<th>Accounted Credit (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>01-100-1110-1001-001</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>10.21</td>
</tr>
<tr>
<td>2</td>
<td>01-100-7844-0000-001</td>
<td>0.00</td>
<td>0.00</td>
<td>10.21</td>
<td>0.00</td>
</tr>
<tr>
<td>3</td>
<td>01-200-1110-1002-002</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>12.26</td>
</tr>
<tr>
<td>Line</td>
<td>Account</td>
<td>Entered Debit (EUR)</td>
<td>Entered Credit (EUR)</td>
<td>Accounted Debit (USD)</td>
<td>Accounted Credit (USD)</td>
</tr>
<tr>
<td>------</td>
<td>---------</td>
<td>---------------------</td>
<td>----------------------</td>
<td>----------------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>4</td>
<td>01 200-7844-0000-002</td>
<td>0.00</td>
<td>0.00</td>
<td>12.26</td>
<td>0.00</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>0.00</td>
<td>0.00</td>
<td>22.47</td>
<td>22.47</td>
</tr>
</tbody>
</table>

**Related Topics**

- Primary Ledgers, Secondary Ledgers, and Reporting Currencies

**Translation**

**Translation and Reporting Currencies**

Reporting currencies are representations of a primary or secondary ledger in another currency. Reporting currencies share the same chart of accounts, accounting calendar, and accounting method as their related ledger. You can use reporting currencies for online inquiries, reporting, and consolidation.

When you create a reporting currency, you select a currency conversion level (Balance, Journal, or Subledger), which determines the level of information that’s copied from the ledger to the reporting currency. If you set the currency conversion level to Balance, the Translate General Ledger Account Balances process restates the actual account balances from the ledger currency to the reporting currency.

The setup for translation includes creating daily rates and optionally, historical rates or amounts. In addition, the translation process is affected by:

- Reporting currency translation options
- Ledger options
- Accounting calendar setup

**Reporting Currency Translation Options**

When you create a reporting currency, you specify currency translation options. Currency translation options include translation rate types and translation rules.

Translation rate types identify the type of rate used to translate income statement and balance sheet accounts. You can set default values for these rate types on the Specify Ledger Options page to ensure new reporting currencies have the same default value.

- **Period Average Rate Type**: Type of rate used for the Period to Date method of translation, typically with income statement and equity accounts.
- **Period End Rate Type**: Type of rate used for the Year to Date method of translation, typically with asset and liability accounts.

**Note**: Historical rates and amounts that are assigned to a specific account combination override period average and period end rates.
Translation rules determine how period amounts are translated. Asset and Liability accounts are always translated using the Year to Date translation rule.

- **Revenue and Expense Translation Rule**: The default setting is Period to Date, but you can change it to Year to Date before running translation for the first time.
- **Owner’s Equity Translation Rule**: The default setting is Period to Date, but you can change it to Year to Date before running translation for the first time.

⚠️ **Caution**: Set translation rate types and translation rules carefully before running translation for the first time. If changes are required after translation has already run, you must delete the translated balances, rebuild the balances cube, and rerun the translation process.

**Ledger Options**

The translation process also uses the Retained Earnings Account and the Cumulative Translation Adjustment Account from the related ledger. You specify these accounts in the Period Close section on the Specify Ledger Options page.

⚠️ **Caution**: Set these accounts carefully before running translation for the first time. If changes are required after translation has already run, you must delete the translated balances, rebuild the balances cube, and rerun the translation process.

**Accounting Calendar Setup**

When defining the start date for an accounting calendar, select a period before the first period in which you plan to load history or perform translations. You can’t run translation in the first defined period of a ledger calendar.

**Making Setup Changes After Running the Translation Process**

You can rerun the translation process if you post additional journal entries or change rates. However, if the following setup requires changes after translation has already run, you must delete the translated balances, rebuild the balances cube, and rerun the translation process after changing the setup.

- Translation rules
- Translation rate types
- Retained earnings account
- Cumulative translation adjustment account
- Initial translation period
- Account type classification for natural account segment values

**Related Topics**

- Primary Ledgers, Secondary Ledgers, and Reporting Currencies

**How General Ledger Account Balances Are Translated**

The Translate General Ledger Account Balances process restates actual account balances from a ledger currency to a reporting currency. Submit the process after you have completed all journal activity for an accounting period and after finalizing translation rates. You can rerun the process if you post additional journal entries or change translation rates.
Settings That Affect The Translation Process

Caution: Carefully check the following settings before you run the translation process for the first time. If changes are required after translation has already run, you must delete the translated balances, rebuild the balances cube, and rerun the translation process.

- Translation rules
- Translation rate types
- Retained earnings account
- Cumulative Translation Adjustment (CTA) account
- Account type classification for natural account segment values

When you submit the translation process, you specify values for the following parameters:

- Data Access Set: Select the applicable data access set.
- Ledger or Ledger Set: Select the ledger or ledger set for the balance-level reporting currency.
- Target Currency: Select the reporting currency to translate.
- Accounting Period: Select the accounting period to translate. The first accounting period translated becomes the initial translation period for the specified balancing segment values. The next time the process is submitted, translation is processed from the initial translation period up to the Accounting Period parameter that you specify.

Caution: If you’re submitting the translation process for the first time, select the Accounting Period carefully. After the initial translation period is set, you can’t run the translation process for any earlier period.

- Balancing Segment Value: Leave the parameter blank to translate all balancing segment values, or select a specific balancing segment value.

If you leave this parameter blank and a new balancing segment value has been added since the last translation, the process doesn’t automatically translate the new balancing segment value. You must run translation for the specific new balancing segment value to establish the intended initial translation period. The next time you run translation for all balancing segment values, the new balancing segment value is automatically included.

How Account Balances Are Translated

The translation process uses translation rate types and translation rules to restate actual balances from the ledger currency to the reporting currency for the specified balancing segment values. In addition, the translation process updates the balances cube.

Translated period amounts are calculated as follows:

- For Period to Date translation rules, the translated period amount = Period Average Rate * Period to Date Ledger Currency Balance.
- For Year to Date translation rules, the translated period amount = Period End Rate * Ledger Currency Balance - Beginning Translated Balance.

The daily rates that are defined for the last day of the period for the corresponding period average and period end rate types are used as the translation rates. If the rate for the last day of the period doesn’t exist, the translation process searches back within the period until a rate is found. If no rate exists for the period, the translation process ends in error.
Note: Historical rates and amounts that are assigned to a specific account combination override period average and period end rates.

The translation process totals the translated debits and credits for all account combinations sharing the same primary, second, and third balancing segment values. The net difference is recorded to a corresponding CTA account.

An additional step is performed when the first period of a new accounting year is translated. The translation process first identifies the income statement account combinations that share the same primary, second, and third balancing segment values. The prior year translated balances for those account combinations are then closed out to a corresponding retained earnings account.

Example: Translation Using Period End and Historical Rates

In this example, a Canadian company has a Mexican subsidiary. The translation process is run on the subsidiary ledger to convert balances from the Mexican peso (MXP) to the Canadian dollar (CAD).

The following figure shows an example of translation. In this example:

- The period end rate of 0.75 translates 100,000 MXP in assets to 75,000 CAD, and translates 60,000 MXP in liabilities to 45,000 CAD.
- The historical rate of 0.70 translates 40,000 MXP in Owner’s Equity to 28,000 CAD.

As a result, an offset of 2,000 CAD in the translation currency, created by the different rates, is recorded in the CTA account.
How Translated Balances Are Deleted

You can rerun the translation process if you change rates or post additional journal entries. However, some accounting configuration changes require that you delete all previously translated balances, rebuild the balances cube, and rerun the translation process after making the accounting configuration change.

If the changes listed in the following table are required after already translating, you must run the Delete Translated Balances process. The following table lists the type of change and whether all translated periods, balancing segment values, and related balance level reporting currencies are affected.

<table>
<thead>
<tr>
<th>Type of Change</th>
<th>Affects All Translated Periods?</th>
<th>Affects All Translated Balancing Segment Values?</th>
<th>Affects All Related Balance Level Reporting Currencies of the Ledger?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Translation rules</td>
<td>Yes</td>
<td>Yes</td>
<td>No, can be specified for each balance level reporting currency.</td>
</tr>
<tr>
<td>Translation rate types</td>
<td>Yes</td>
<td>Yes</td>
<td>No, can be specified for each balance level reporting currency.</td>
</tr>
<tr>
<td>Cumulative translation adjustment (CTA) account</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Retained earnings account</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Initial translation period</td>
<td>Yes</td>
<td>Yes</td>
<td>No, can be specified for each balance level reporting currency.</td>
</tr>
<tr>
<td>Account type classification for natural account segment values</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

When making any of these changes, consider whether other areas are impacted. For example:

- Reports may have been based on translated balances.
- Translated balances could have been used as a source in previous balance transfers.
- A primary ledger may have journal or subledger level reporting currencies associated with it.
- A related secondary ledger may have balance level reporting currencies.

How Translated Balances Are Deleted

When you submit the process from the Scheduled Processes page, you must provide values for the following parameters:

- **Ledger**: Select the ledger for the reporting currency.
- **Target Currency**: Select the currency.
- **From Accounting Period**: Select the earliest period for which balances must be deleted

**Note**: The **To Accounting Period** parameter is display-only and represents the last translated period for the selected ledger and target currency.
The process deletes translated balances for all translated balancing segment values from the specified period to the last translated period. You can view the log file for the list of periods processed. After the process completes, you must run the **Create General Ledger Balances Cube** process to ensure that the balances cube maintains translated balances that are consistent with future translations.

⚠️ **Caution:** Contact your Oracle Support team for assistance before initiating the **Create General Ledger Balances Cube** process.

Running the **Delete Translated Balances** process is only one aspect of making the changes listed in the previous table. The following table describes the required steps for each type of change.

<table>
<thead>
<tr>
<th>Type of Change</th>
<th>Steps</th>
</tr>
</thead>
<tbody>
<tr>
<td>Translation rule</td>
<td>1. Run the <strong>Delete Translated Balances</strong> process and after the process completes, rebuild the balances cube.&lt;br&gt;2. On the Edit Balance Level Reporting Currency page, select the correct translation rule.&lt;br&gt;3. Rerun the translation process.</td>
</tr>
<tr>
<td>Translation rate type</td>
<td>1. Run the <strong>Delete Translated Balances</strong> process and after the process completes, rebuild the balances cube.&lt;br&gt;2. On the Edit Balance Level Reporting Currency page, select the correct rate types.&lt;br&gt;3. Rerun the translation process.</td>
</tr>
<tr>
<td>CTA account</td>
<td>1. Run the <strong>Delete Translated Balances</strong> process and after the process completes, rebuild the balances cube.&lt;br&gt;2. On the Specify Ledger Options page, edit the <strong>Cumulative Translation Adjustment Account</strong> value.&lt;br&gt;3. Rerun the translation process.</td>
</tr>
<tr>
<td>Retained earnings account</td>
<td>Before deleting translated balances, follow the steps documented in the FAQ on changing retained earnings accounts.&lt;br&gt;1. Run the <strong>Delete Translated Balances</strong> process and after the process completes, rebuild the balances cube.&lt;br&gt;2. Rerun the translation process.</td>
</tr>
<tr>
<td>Initial translation period</td>
<td>1. Run the <strong>Delete Translated Balances</strong> process and after the process completes, rebuild the balances cube.&lt;br&gt;2. Rerun the translation process using the new initial translation period.</td>
</tr>
<tr>
<td>Account type classification for natural account segment values</td>
<td>Before deleting translated balances, follow the steps documented in the topic Correcting Misclassified Accounts: Explained.&lt;br&gt;1. Run the <strong>Delete Translated Balances</strong> process and after the process completes, rebuild the balances cube.&lt;br&gt;2. Rerun the translation process.</td>
</tr>
</tbody>
</table>

**Related Topics**
- Correct Misclassified Accounts
- Primary Ledgers, Secondary Ledgers, and Reporting Currencies
- What happens if I change the retained earnings account
FAQs for Period Close

How can I use social networking to effectively close the period?

Use the Social link on the Period Close work area to collaborate with members of your team or others within your company to effectively close the period.

For example, as a controller, you keep Oracle Social Network open from the Period Close Overview page during the period close so you can be aware of any transactions that must be posted for the period.

On the All tab:

- You see a conversation that needs your attention.
- Your boss, the chief financial officer, started a private conversation with you to announce the close of a deal worth 15,000,000 USD and wants it booked for this period.
- You download and listen to a voice message file that the chief financial officer posted sharing details about the delivery of the goods to help you confirm that the revenue can be posted to this period.
- You create a new conversation and invite your accounting manager to join, marking it so she knows to reply quickly.
- Your accounting manager added you to a conversation for the revenue adjustment journal.
- Your accounting manager adds a post to the conversation confirming that the revenue is posted.

You navigate to the Close Monitor page to view the latest financial balances and confirm that the revenue is posted.

Depending on your job role and permissions, you can access social networking features for the following Oracle Fusion General Ledger business activities:

- Period status
- Journal

Related Topics

- What does social networking have to do with my job
Overview of Allocations and Periodic Entries

In Oracle Fusion General Ledger, use the Calculation Manager to create allocations and other formula journal templates for generating periodic journal entries automatically. Allocations are defined and generated from preaggregated balances in the GL Balances cubes, which provide the following benefits:

- Immediate real-time access to financial balances for allocations and periodic entries.
- Accelerated performance for complex allocations.

You can base formulas on multiple criteria. For example:

- Use account balances or statistical amounts to allocate shared revenue or costs across multiple organizational units and ledgers.
- Define complex computations based on variables from different charts of accounts.
- Group journal formulas together and execute sequentially to update account balances in a step-by-step process.

The Calculation Manager provides flexibility, automation, intelligence, and control in distributing costs and revenues across the enterprise. In addition, the Calculation Manager:

- Includes runtime variables, rules, formulas, and rule sets stored in Oracle Essbase.
- Distributes revenues or costs with recursive allocation rules.
- Creates complex formula rules using formula components.
- Contains an Allocation Wizard to define allocation and formula rules.
- Uses real-time checking of rule definitions to validate correctness of rules.
- Minimizes setup and maintenance time with reusable components.
- Simplifies allocation generation mechanism by integrating with enterprise schedule.
- Groups rules together in rule sets and cascading allocations for efficient processing.
- Creates primary, statistical, or foreign currency allocation and formula rules.

Access the Calculation Manager from the Tasks pane of the General Accounting dashboard or Journals work area by clicking the:

- Define Allocation Rules link to define or modify allocation definitions
- Generate Allocations link to run the allocation process

**Note:** Adobe Flash Player 10 or higher is a required component for the Calculation Manager. Upgrade your Adobe Flash Player if the Calculation Manager’s performance slows down after upgrading your browser. For more information, see the Oracle Hyperion Calculation Manager Designer’s guide.
Overview of Calculation Manager

The Calculation Manager creates, validates, deploys, and administers sophisticated allocation rules. In the Calculation Manager:

- Base formulas on multiple criteria, such as account balances or statistical amounts, to allocate shared revenue or costs across multiple organizational units.
- Use complex computations based on different variables to automatically calculate allocated amounts.
- Group journal formulas together and executed sequentially to update account balances step-by-step.

There are three types of objects that can be created in Calculation Manager:

- Components: Contain formulas, points of view, or allocation objects.
- Rules: Contain components such as points of view, formulas, and templates, which are used to create allocation calculations.
- Rule Sets: Contain sets of rules that can be calculated sequentially

Note: The following are limitation in Oracle Fusion General Ledger.

- Allocation rules cannot be shared across rule sets in Calculation Manager.
- Within a rule or rule set, the same target or offset cannot be written to by multiple rule components.
- When generating allocation rules with run time prompts other than the User Point of View in an allocation rule component, an error occurs.

Overview of Oracle Essbase Balances Cubes

Oracle Essbase is embedded within Oracle General Ledger and provides multidimensional balances cubes. Every time a transaction or journal is posted in General Ledger, the balances cubes are updated at the same time.

The following table lists and describes Essbase Dimensions and provides examples of dimension members.

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Description</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounting Period</td>
<td>Based upon the calendar of the ledger or ledger set. Report on years, quarters, or periods.</td>
<td>• 2012</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• QTR-1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• JAN-12</td>
</tr>
<tr>
<td>Ledger or Ledger Set</td>
<td>Used to select a ledger for the reporting. Multiple ledgers may be in the same cube if they share a common chart of accounts.</td>
<td>• InFusion North America Ledger Set</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• InFusion US Primary Ledger</td>
</tr>
<tr>
<td>Chart of Accounts Segments</td>
<td>Uses a separate dimension for each of the segments from the charts of accounts. Organized by hierarchy. A default hierarchy is provided that includes all detail segment values. Hierarchies published in the Publish Account Hierarchies user interface are included.</td>
<td>• Company: InFusion America: 101</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Cost Center: Sales: 400</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Account: Cash: 1110</td>
</tr>
</tbody>
</table>
### Dimension

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Description</th>
<th>Example</th>
</tr>
</thead>
</table>
|          | Indicates if the balances represented are actual or budget amounts. Allocation-related dimensions are predefined members and required for allocation solutions. Allocation dimensions are not used directly by end users. Budget scenario dimension members are user-defined in the Accounting Scenario value set and appear in the cube after running **Create Scenario Dimension Members** process. | • Budget 2012  
• Actual  
• Forecast 2013 |

| Balance Amount | Indicates if the value is the beginning balance, period activity, or ending balance. Debit, Credit, and Net amounts are available for reporting. | • Beginning Balance (DR, CR, or Net)  
• Period Activity (DR, CR, or Net)  
• Ending Balance (DR, CR, or Net) |

| Amount Type | Indicates whether the amounts represent Base, Period to Date, Quarter to Date, or Year to Date. | • Base  
• PTD: Period to Date  
• QTD: Quarter to Date  
• YTD: Year to Date |

| Currency | Used to select the wanted currency for the balances. | • All ISO Currencies  
• USD: US Dollar  
• JPY: Japanese yen |

| Currency Type | Used to select the currency type of the balances. | • Total  
• Entered  
• Converted From (for each ISO currency) |

### Allocation Security

To access the Calculation Manager, you must be assigned one or more of the four privileges and permissions.

The following privileges and permissions are associated with the Calculation Manager:

- **Generate General Ledger Allocation Formula - Generate Allocation and Periodic Entries:** Permits generation of allocation and periodic entries.
- **Define General Ledger Allocation Formula - Manage Allocation Rules or Rulesets through Calculation Manager:** Grants the ability to update allocation rules or rule sets owned by the user with view access to all allocation rules or rule sets regardless of their ownership.
- **Define Self Managed General Ledger Allocation Formula - Manage Allocation Rules or RuleSets through Calculation Manager:** Grants the ability to update allocation rules or rule sets, but limited to the ones owned by the user.
- **Administer General Ledger Allocation Formula - Administer Allocation Rules or RuleSets through Calculation Manager:** Grants the ability to update all aspect of allocation rules or rule sets including the ownership attribute, regardless of the original definition’s ownership.
Recurring Journals

Overview of Recurring Journals

Define recurring journal formulas for transactions that you repeat every accounting period, such as accruals, depreciation charges, and allocations. Your formulas can be simple or complex. Each formula can use:

- Fixed amounts and account balances, including standard, actual amounts, statistics, and period-to-date or year-to-date balances.
- Amounts from the current period, prior period, or same period last year.
- Amounts in your formulas, including total balances, entered currency balances, or statistical balances.

You can quickly create recurring formulas by copying and modifying existing formulas. You can:

- Define single ledger or multiple ledger recurring journal formula batches.
- Create a recurring journal formula batch that contains recurring journal entries for different ledgers.
- Define recurring journal formulas for your ledger currencies, entered currencies, and statistical currency.

Types of Recurring Journals

You can use the following types of recurring journal entries to reduce data entry time and increase accuracy for journal entries that repeat each period.

- Skeleton: With no amounts
- Standard: With set amounts
- Formula: With variable amounts

Skeleton Journal Entries

Skeleton journal entries contain the same accounts each period, but have different amounts. After you generate skeleton journal entries, edit the unposted journal batch by entering the journal line amounts on the Edit Journals page.

Use skeleton journal entries to record statistical journals, such as headcount, units sold, barrels of oil, or other statistical factors. For example, to enter headcount for your cost centers each period:

1. Define a skeleton entry with your headcount accounts.
2. Generate the skeleton entries.
3. Enter the actual headcount amounts before posting the batch.

>Note: Set the journal entry to reverse automatically at the beginning of the next period if you enter the total headcount each period. Otherwise, if you only enter the change in the headcount each period, a reversing journal is not required.

Best practices recommend that you create skeleton recurring journal entries in spreadsheets or copy existing journals.

To create journals in spreadsheets:

1. Navigator > Journals.
2. Select the Create Journal in Spreadsheet link to download the workbook template once.
3. Create and save the skeleton journal entry.
4. For each period open the template and enter the amount for the journal lines already in the template.
5. Upload the batch.
6. Open the journal on the Edit Journal page and add the amounts.
7. Once the updates are made, save, complete, and post the journal batch.

To copy journals:
1. Navigator > Journals > Manage Journals.
2. Search for the journal to copy.
3. Open the journal.
4. Click the Batch Actions Menu > Copy.
5. Make the wanted changes to the new journal.
6. Save, complete, and post the journal batch.

Standard Recurring Journal Entries
Standard recurring journal entries contain the same accounts and amounts each period. Just as with skeleton recurring journal entries, best practices recommend that you create standard recurring journals in spreadsheets.

1. Navigator > Journals.
2. Select the Create Journal in Spreadsheet link to download the workbook template once.
3. Create and save the standard journal entry.
4. For each period, upload, and submit the batch with posting selected. The recurring journal batch is created and posted.

Formula Recurring Journal Entries
Formula recurring journal entries contain formulas created using the formula component and allocation wizard in the Calculation Manager. These formulas calculate journal amounts that vary from period to period and are based on existing account balances or other criteria.

Use recurring journal entries to perform simple or complex allocations or eliminations. For example, you can allocate:
- A portion of your rent expense to another division.
- A pool of marketing costs to several departments based on the ratio of department revenues to total revenues.

Create Recurring Journals
This example shows how to define and generate formula recurring journals that are automatically generated every period.

You must have:
- A role that can access the Journals work area in Oracle General Ledger.
- A duty that can access the Create Allocation Rules task.

The following assumptions apply:
- The chart of accounts includes segments for company, department, account, subaccount, and product.
- Account 1210 is the trade receivables account.
- The period-to-date activity in account 1210 is 100,000 USD.
Here are the goals for this example.

- Create a journal that populates a monthly allowance for bad debt based on 5% period-to-date activity in the trade receivables account.
- Account 7730 is the bad debt expense account and account 1260 is the allowance for bad debt account.
- A formula rule must be defined to generate the following journal entry for the period Apr-17 and thereafter.
  
  - DR 01.000.7730.0000.000 5,000 USD
  - CR 01.000.1260.0000.000 5,000 USD

This worked example includes details for the following tasks:

1. Configuring the Formula Rule
2. Creating the Runtime Prompt Variable
3. Creating the Rule Set
4. Generating the Allocation Journal

Configuring the Formula Rule

Create a formula rule.

1. Navigate to the Journals work area.
2. From the Tasks pane, click Create Allocation Rules.
3. Navigate to the Administer menu option and then select Calculation Manager. Calculation Manager opens in a new browser window and a cube is highlighted based on the data access set selected in the Journals work area.
4. Expand Essbase.
5. Expand VF_USA_Accounting_Flexfield (your cube).
6. Expand db.
7. Highlight the Rules row, right-click, and select New from the menu.
8. Enter the Rule Name: Special Bad Debt Allocation, accept the other defaults, and click OK.
9. The Rule Designer opens in a new tab. From the New Objects list, click, hold, and drag the Point of View object. Place it between the Begin and End nodes in the Rule Designer.
10. Enter a Caption: Point of View.
11. Perform the following steps to enter a Variable Dimension Value:
   - Click the Value field for Accounting Period.
   - Click the Actions icon and select Variable from the drop-down list. A new window opens.
   - For the Category, select Database from the drop-down list.
   - Click Accounting_Period.
   - Click OK.
12. Perform the following steps to enter other member dimension values:
   - Click the Value field for another dimension.
   - Click the Actions icon and select Member from the drop-down list.
   - Select a member and click the Add icon to move the member to the Selections panel.
   - Click OK. Repeat for all dimensions to include in the Point of View.

In this scenario, the following are fixed dimension values:

- Company: 01
- Department: 000
• Subaccount: 0000
• Product: 000
• Currency: USD
• Currency Type: Total
  
> From the New Objects list, click, hold, and drag the Formula component and place it between the Point of View nodes in the Rule Designer.
> Enter a Caption: Bad Debts Calculation.
> Enter the offset member.
> Click Next.

In this scenario, the offset is defined as account 1260, the allowance for bad debt. The offset is child combination 01.000.1260.0000.000 when combined with the fixed member dimension values in the Point of View.

13. Perform the following steps to enter the Formula member dimension value:

In this scenario, the formula member dimension value is defined as account 7730. The bad debt expense is charged to child combination 01.000.7730.0000.000 and combined with the fixed member dimension values in the Point of View.

> Click the icon for the formula field and select Member from the drop-down list.
> Select the Account dimension value, highlight the row, and click the Select icon to move the value to the Selections panel.

In this scenario, the goal is to calculate an allowance for bad debt based on the period-to-date activity in trade receivables account 1210. Trade receivable is child combination 01.000.1210.0000.000 when combined with the fixed member dimension values in the Point of View.

> Repeat for the other formula member values and click OK when all formula members are selected.

In this scenario, the following dimension values are selected. Selection of members for the following dimensions is required for the source in a formula component.

• Scenario: Actual
• Balance Amount: Period Activity
• Amount Type: PTD

> Multiply the formula expression by .05.
> Click the Save icon.
> Click the Validate and Deploy icon.

### Creating the Runtime Prompt Variable

Create a runtime prompt variable as an optional component of a rule. When you generate an allocation based on a rule with a defined runtime prompt variable, you are prompted to specify a dimension member for the variable. The variable is used in the allocation calculation.

For example, use a runtime prompt variable of Accounting Period, which prompts you to specify the period to use in the allocation calculation. A runtime prompt variable can be created once and used in multiple rules.

1. Navigate to the Journals work area.
2. From the Tasks pane, click Create Allocation Rules.
3. Once the Calculation Manager opens in a new browser window, a cube is highlighted based on the data access set selected in Journals work area. To define the runtime prompt, select Variables from the Tools menu.
4. Expand to the db for the cube, highlight the row, right-click the row, and select New from the menu.
5. The Variable Designer opens in a new tab. A default value must be entered and the variable name can’t contain any spaces. Complete the fields, as shown in this table.

<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td>AccountingPeriod</td>
</tr>
<tr>
<td>Type</td>
<td>Member</td>
</tr>
<tr>
<td>Dimension</td>
<td>AccountingPeriod</td>
</tr>
<tr>
<td>Default Value</td>
<td>Apr-17</td>
</tr>
<tr>
<td>RTP</td>
<td>Selected</td>
</tr>
<tr>
<td>RTP Text</td>
<td>Enter Accounting Period</td>
</tr>
</tbody>
</table>

6. Click the Save icon. The runtime prompt variable is ready for use.

**Creating the Rule Set**

Rule sets are created by combining two or more related rules together to enable sequential allocating of balances.

1. Navigate to the Journals work area.
2. From the Tasks pane, click Create Allocation Rules.
3. After the Calculation Manager opens in a new browser window, expand to Rule Sets for the selected cube. Highlight the row, right-click the row, and select New from the menu.
4. Enter the rule set name and click OK.
5. The Ruleset Designer opens in a new tab. Expand to the db for the cube for which the rule set is created, expand the rules, and drag the rules for the rule set.
6. Click the row for the rule set, click the Variables tab, and select Merge Variables.

Merge variables means that common variables among all of the rules in the rule set are merged. You only have to select the runtime prompt value once when submitting the Generate General Ledger Allocations process.

7. Click the Save icon.
8. Click the Validate and Deploy icon.

**Generating the Allocation Journal**

Start the allocation process to create the journal entries that populate the account balances.

1. Navigate to the Journals work area.
2. From the Tasks pane, click Generate General Ledger Allocations.
3. Select a rule or rule set and enter any runtime prompt values.
4. Click Submit.
5. The Generate General Ledger Allocations task submits four processes consecutively (three, if the Post Allocations option isn’t is selected). The processes calculate the allocation, write the results to the GL_INTERFACE table, import the journal batches, and post the journal batches to the General Ledger.
Schedule Recurring Journals

You can create processing schedules for recurring journal entries that have been defined in the Calculation Manager. Scheduling automates the monthly generation of the entries and speeds up the close process.

You can define multiple schedules for each calendar in General Ledger. These schedules can increment by accounting period, based on any calendar defined. Schedules are shared across ledgers.

Scenario

In this example, you have created a reserve for bad debt recurring journal entry in the Calculation Manager. Now, add a recurring schedule to the entry to generate the entry once a month on the last day.

1. From the Journals work area, select the Generate General Ledger Allocations task. The Generate General Ledger Allocations page opens.
2. Select the rule: Reserve for Bad Debt.
3. Specify **Accounting Period**: Blank

**Note:** The **Accounting Period** field appears if you use a runtime prompt in your rule and select **Accounting Period** as the runtime variable.

4. Select the **Post Allocations** option.
5. Click **Advanced**.
6. Click the **Schedule** tab.
7. Select the **Using a schedule** option.
8. Select a frequency of Monthly.
9. Select **Repeat**: By date.
10. Enter start and end dates.
11. Click **Submit**.
The following figure shows the Schedule tab on the Generate General Ledger Allocations process page. The options on the page are set to the values as directed in steps 7 through 10.

12. The generation process runs at the scheduled time.

Calculation Manager

Calculation Manager Toolbar

In addition to the Enterprise Performance Management Workspace buttons, the Calculation Manager toolbar displays buttons that are specific to the Calculation Manager. Not all buttons display in all the views and designers within the Calculation Manager.
The Calculation Manager toolbar consists of the following buttons:

- **Home**: Displays the default start-up option for the content area.
- **System View**: Displays the main view within the Calculation Manager. (This is the default view).
- **List View**: Displays a list of objects that you can filter by application type, application, object or database type, deployment status, and validation status.
- **Custom View**: Displays a view you can change with folders that you create.
- **Filter Options**: Opens the Filter dialog that you can use to filter objects in the List View.
- **Refresh**: Refreshes the view with your latest changes.

The Calculation Manager toolbar adds the following buttons when you open a rule:

- **Save**: Saves the object with which you are working.
- **Validate**: Validates the object with which you are working.
- **Validate and Deploy**: Validates and deploys the object with which you are working.

### Calculation Manager Menus

Calculation Manager menus and menu options display in addition to Enterprise Performance Management Workspace menus and menu options. The menus and options vary depending on the view you are using and the object with which you are working. The default view of the Calculation Manager displays the following menus when you launch Calculation Manager, System View.

> Note: This topic describes the Calculation Manager menu options only.

**File Menu**

Enables you to create objects, open and close objects, import and export objects, print rules, and log off.

> Note: Not all of these file menu options are available for the products that use Calculation Manager.

- **New, Rule**: Creates a rule
- **New, RuleSet**: Creates a rule set

**Edit Menu**

Enables you to edit objects you select. The Edit menu is available from most of the views and from within the Rule and Component definition pages.

- **Edit, Delete**: Deletes an object selected in the System, List, or Custom View
- **Edit, Copy**: Copies selected text
- **Edit, Paste**: Pastes text from the clipboard
- **Edit, Copy Group**: Copies a component group

> Note: The Edit menu is not available within the Deployment View.
View Menu
Enables you to open different views.

- View, View Pane: Displays or hides a list of existing and new objects that you can add to rules, rule sets, components, and templates.

  Note: View Pan is the only View menu option available from within the Rule Designer and Rule Set Designer.

- View, List View: Displays a list of the objects you select on the Filter dialog. The filter dialog enables you to create a filtered list, by application type of applications, databases, and objects.

- View, System View: Displays a list of the Essbase applications, databases, and objects to which you have access. The System View is the default view.

- View, Custom View: Displays a view that you can change with folders that you create. This view enables you to organize objects in a way that is meaningful to you.

- View, Deployment View: Displays a list, by application type and application, of the rules and rule sets that are deployed and not deployed with their deployment and validation status.

Tools Menu
Enables you to install other products, search for objects, create a filtered list of objects for the List View, edit the caption of an object, and access the Variable Navigator and Variable Designer.

- Tools, Filter: Opens the Filter dialog from which you can filter by application type, application, object type (rule, rule set, formula or script component, or template), calculation type, plan type, database, deployment status, and validation status. You can also select All to display all application types, applications, objects, and databases, regardless of their deployment and validation status.

- Tools, Variables: Opens the Variable Navigator in which you can navigate to a location for which you want to create, edit, copy, or delete a variable. From the location you select in the Variable Navigator, you can display the Variable Designer in which you can create, edit, copy, and delete variables for components.

  Note: The two menu options listed aren’t available within the Deployment view.

Actions Menu
Enables you to validate and deploy objects that you select in the views and from within the Rule and Rule Set Designers. Not all of the Actions menu options are available from within the views and designers.

- Actions, Validate: Validates the rule, rule set, and formula component you selected

  Note: This is the only Actions menu option available from within the Deployment View.

- Actions, Deploy: Deploys the rules or rule sets you selected.

- Actions, Quick Deploy: Deploys the rule in fewer steps than regular deployment by using a shortcut to one or more applications.

  Note: This feature is available only from within the Rule Designer for Essbase business rules.
How You Use Flow Charts in Rule Designer

View rules and templates, and the components they include, in a flow chart within the Rule Designer. When you open a rule, move among the components, for example, formulas, ranges, and loops, by selecting them in the flow chart. Increase or decrease the size of the flow chart to view or hide details of the components.

When you select a component in the flow chart, its properties, usages, and other information are displayed in tabs. As you move among the components, the tabs change. For example, if you open an allocation rule and select the formula component in the flow chart the following properties are displayed:

- Properties of the formula, such as name, description, application, and application type to which the formula belongs
- Usages of the formula, such as which rules and templates the formula is used in.
- Text of the formula, such as the variables, members, and functions, that are displayed in the tabs.

Calculation Manager Views

Views enable you to see Calculation Manager objects in different contexts. For example, the Deployment View displays objects according to whether they are deployed or not deployed. The Custom View displays objects according to filters and criteria that you select.

The Calculation Manager contains the following views:

- List View
- System View
- Custom View
- Deployment View
- View Pane

List View

The List View contains a filtered list of Essbase applications or databases, and objects, rule sets, rules, or formula components, filter according to your criteria.

System View

The System View is the default view that is displayed when you start the Calculation Manager. It contains a list of all of the applications and objects to which you have access. Your privileges are determined by the role you are assigned in Shared Services. For each object, the owner, the user who made the last change, and the date the changes were last made are listed.

Custom View

The Custom View enables you to create folders and move objects into them to create a view that contains only your objects. This view enables you to organize objects in a way that is meaningful to you.
Deployment View

The Deployment View contains a list of the rules and rule sets that are deployable with their deployment and validation status. From this view, select rules and rules sets in an application to make them deployable. Deploy one or more rules or rule sets (partial deployment), or deploy all rules and rule sets in an application (full deployment).

View Pane

The View Pane enables you to create or open an object. Depending on whether you are working in a rule or a rule set, the Rule or Ruleset Palette, is displayed in the View Pane. In the palette, move new and existing objects into the rule, rule set, or flow chart.

When working with views display or hide the View Pane using the View menu. In the Custom View, move new and existing objects from the View Pane into the folders you create. In the System and List views, the View Pane is hidden by default. In the Deployment View, the View Pane is not available.

Note: The View Pane content varies depending on which view you are in and whether you are working with a rule set, rule, template, or component.

The following table lists the tasks that can be performed from the various views in the Calculation Manager.

<table>
<thead>
<tr>
<th>Tasks</th>
<th>List View</th>
<th>System View</th>
<th>Custom View</th>
<th>Deployment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Create, open, rename, delete, refresh, and close objects</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Set preferences</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Import and export objects</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Show the usages of objects</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Create a copy of objects</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Print a business rule</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Select views</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Sign out Workspace</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Work with favorites</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Perform an advanced search</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Start help</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>
### Filter Objects in the List View

You can use filters in the List View to filter objects according to:

- Application Type that is populated by default with the application type, such as Essbase, your application or database, in which you are creating the new rule.
- Object type, such as allocation rules, allocation rule sets, and formula components
- Deployment or validation status

#### Scenario

To create a filtered list of objects in the List View:

1. From the System View, select View, List View.
   The Filter dialog is displayed the first time you open the List View. If you select filtering options, then close the List View to work in the System or Custom View. When you reopen the List View, the filter dialog is not displayed. To change the filtering options when you reopen the List View, select Tools, Filter to open the Filter dialog.

2. In the Filter dialog, on Filter Options, for Application Type, select Essbase.

3. Do one of these tasks:
   - For Essbase: In the Application and Object Type fields, select the applications and object types you want to display in the List View. The default is All.
   - For Deployed Status and Validated Status, clear any check boxes of selections you do not want to display. All check boxes are selected by default.

<table>
<thead>
<tr>
<th>Tasks</th>
<th>List View</th>
<th>System View</th>
<th>Custom View</th>
<th>Deployment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Filter objects in the view according to criteria you specify</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Work with variables</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Validate objects</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Create a shortcut to a business rule</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Import and export business rules and other objects</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Validate and migrate objects</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Change the owner of an object</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Deploy objects</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
</tr>
</tbody>
</table>
Tip: Click Reset to reset the dialog with default values.

- On Advanced Options, for Object Label, select one of these options to display only objects whose names match the criteria:
  - Starts With, to display only objects whose names start with characters you specify.
  - Ends With, to display only objects whose names end with characters you specify.
  - Contains, to display only objects whose names contain characters you specify.
  - Matches, to display only objects whose names match characters you specify.
- Enter the characters that are common to the names of the objects you want to display.
- Select Ignore case to display objects whose names contain characters in either upper or lower case, even if the case does not match the case of the text you entered in step 6.
- In Created By, enter the name of the user who created objects you want to display.
- In Modified By, enter the name of the user who modified objects you want to display.
- For Created Date, select After, Before, or Between to display only objects that were created after, before, or between dates you specify. Between is the default. Click the list of values to display calendars from which you can select dates.
- For Modified Date, select After, Before, or Between to display only objects that were modified after, before, or between dates you specify. (Between is the default.) Click the list of values to display calendars from which you can select dates.
- For Any Text, select an option to display only objects containing text that starts with, ends with, contains, or matches text that you enter. To display objects that include this text regardless of its case, select Ignore case.

4. Click OK.

Allocation Rules

Overview of Allocation Rules

The Calculation Manager enables you to create, validate, deploy, and administer sophisticated multidimensional allocation rules. An allocation rule is logical expressions or formulas that are created within an application to produce a set of resulting values. Create an allocation rule set of two or more related rules to launch the rules sequentially.

Before you create a rule or rule set, you must understand the database outline and the application with which you are working. This information helps you create your allocation rules more efficiently. Learn the following about your data:

- How the data is stored and aggregated.
- What level the data gets loaded into the database.
- What order the calculations are performed.
- What key assumptions drive the calculations.

Create allocation rules using components like formulas, member ranges, and variables, including run time prompt variables.
Create an Allocation Rule

You can create one or more allocation rules to use to allocate balances, as needed for financial reporting from the System View. You can also create an allocation rule from the List, Custom, and Deployment Views.

Scenario

To create a new rule:

2. Navigate menu > Administration > Calculation Manager.
4. In New Rule, enter the rule’s name.
5. Enter the Application Type: Essbase.

Note: The application type is populated by default with the application type in which you are creating the new rule.

6. Select an Application Name. The application name must be a valid Essbase application such as your chart of accounts name.
7. Select the Database.

Note: If you expand the following options in the System View: Essbase > your Application > Database name, then right-click Rules and select New to create a new rule, the New Rule dialog is populated with the Application Type, the Application, and the Database you are working in within the System View.

8. Click OK. The new rule is displayed in the Rule Designer.

Design an Allocation Rule

An allocation rule is a Calculation Manager object that consists of calculations. The calculations are grouped into components. A rule can contain one or more components.

You create an allocation rule for an Essbase application. The rule is represented graphically in a flow chart into which you can drag and drop components to design the rule.

Scenario

To design an allocation rule:

1. Navigate to the Journals work area and click the Create Allocations Rules task from the Tasks pane.
2. Click Navigate > Administration > Calculation Manager.
3. In the System View, perform one of these tasks:
   o Click File > New > Rule. Expand the Essbase Application Type, the Application, and the Calculation Type, Plan Type, or Database.
   o Right-click Rules and select New.
4. In New Rule, enter the rule’s name, the Application Type Essbase, and the Application Name. The application name must be a valid Essbase application.
5. Select the Database.
6. OK.

**Note:** If you right-click Rules and select New to create a new allocation rule, the New Rule dialog is populated with the Application Type, the Application, and the Calculation, Plan Type, or Database you are working in within the System View.

7. To design the allocation rule, from the Rule Palette, drag new and existing objects, and drop them into the flow chart within the Rule Designer.

**Note:** You can also create objects such as formulas and scripts independently of the rule, and add them to the rule later.

8. From New Objects, drag and drop these components to insert a new component into the rule’s flow chart:
   - Point of Views:
   - Allocations:
   - Formulas:


**Note:** The number and contents of the tabs change as you add components to the rule and move along the rule’s components in the flow chart. To enter properties and other information for the rule’s components, select the component in the flow chart. You can optionally:
   - Edit the name by entering a new one of up to 50 characters. The name defaults from the New Rule dialog.
   - Enter a description of up to 255 characters for the rule.
   - Enter a caption for the rule. The caption displays in the flow chart.
   - Enter comments for the rule. For example, you may want to tell the users how to use the rule.

10. For Essbase: On Global Range, specify what dimensions are common to all of the components in the rule by selecting values, for example, members, variables, and functions for each dimension. The values you select for the dimensions are the values that are calculated when the rule is launched.
    a. Select values for a dimension by clicking its row in the Select Value column.
    b. When the Actions icon is displayed, click the icon, and select one of these:
       - Variable
       - Member
       - Function

11. For Essbase: On Variables, select Merge Variables to merge all instances of the same variable used in the allocation rule so only the first instance of each variable is displayed when the rule is launched. If you do not select this check box, all instances of each variable are displayed.

**Note:** If you select Merge Variables, the first value that the user enters for the runtime prompt is used for all subsequent occurrences of that runtime prompt during validation and launch.
12. On the **Usages** tab, you view which allocation rules and rule sets use the rule, if any. You cannot edit any of the information about this tab. The following information is displayed for the allocation rules and rule sets using the allocation rule:

- Names
- Application Name
- Deployment Status
- Validation Status
- Description

**Note:** By default, an allocation rule is not used by any allocation rules or rule sets when create.

13. Repeat these steps for each component you want to add to the allocation rule.

**Note:** As you add components to an allocation rule, you can increase or decrease the size of the component icons and the amount of detail that is displayed in the flow chart. You can use the zoom bar to zoom in and out within the flow chart. You can select a component to view its properties and edit a component on the Properties tab.

14. Select **File, Save.**

15. After you design and save the rule, you can do any of these tasks:

- Print it.
- Validate it.
- Deploy it.
- Generate it from within Oracle General Ledger by navigating to the Journals work area and clicking Generate General Ledger Allocations from the Tasks pane.

## Date Effective Allocation Rules and Rule Sets

Use the Date Effectivity for Allocation Rules and Rule Sets feature to generate allocations based on an allocation rule or rule set’s start and end dates. With this feature, you can prevent recurring journals from being created on the wrong dates. The **Generate Allocations** and **Generate Intercompany Allocations** processes enforce the start and end dates that you enter based on accounting period. If you don’t opt in to this feature, the generation process ignores the entered start and end dates.

### Where You Enter Dates

You set up allocation rules and rule sets using Calculation Manager. The date fields are in the Properties tab in the Rule Designer and Rule Set Designer.
Here’s a screenshot of the Properties tab on the Rule Designer.

![Properties tab on Rule Designer](image1)

Here’s a screenshot of the Properties tab in the Rule Set Designer.

![Properties tab in Rule Set Designer](image2)

**How Dates Are Used**

Recurring journals are generated only if the accounting dates for the resulting journals fall between the allocation rule (or rule set) start and end dates.
Note: The generate allocations process works the same way, regardless of whether you submit it manually or through a schedule.

Let’s say you have an allocation rule with a start date of March 31, 2019, and an end date of May 31, 2019. You submit the allocation process on June 6, 2019. Here’s what happens depending on the accounting period.

<table>
<thead>
<tr>
<th>Accounting Period</th>
<th>Are Recurring Journals Generated?</th>
</tr>
</thead>
<tbody>
<tr>
<td>May-19</td>
<td>Yes. The accounting date for the journals is the last day of the accounting period, which is May 31, 2019. That date falls within the rule’s start and end dates.</td>
</tr>
<tr>
<td>Jun-19</td>
<td>No. The accounting date for the journals is the last day of the accounting period, which is June 30, 2019. That date falls outside of the rule’s end date of May 31, 2019.</td>
</tr>
</tbody>
</table>

How Start and End Dates Work with Rule Sets

If a rule set doesn’t have a start and end date, this is what happens.

The generate allocations process checks the accounting dates for each rule’s journals against that rule’s start and end date. If the accounting date for any rule falls outside of its start and end date, none of the recurring journals are generated. Either all the journals for every rule in the rule set are generated, or none are generated.

If a rule set has a start and end date, a check is performed against the rule set’s dates. The generate allocations process checks the accounting dates for each rule’s journals against the rule set’s start and end date. If the accounting date for any rule falls outside of the rule set’s start and end date, none of the recurring journals are generated. Either all the journals for every rule in the rule set are generated, or none are generated.

Start Calculation Manager

This example demonstrates how to begin to create allocations and other journal templates with formulas, to generate periodic journal entries automatically.

Starting Calculation Manager

1. Navigate to the General Accounting, Journals work area.
2. In the General Accounting, Journals work area, click the Create Allocation Rules link.
3. In the Enterprise Performance Management System Workspace, select Administer, then Calculation Manager from the Navigate menu.
4. In Allocation Manager, select Variables from the Tools menu.
5. Expand the Essbase tree.
6. Expand the database to which you want to add a rule set. For this example, expand VF_USA_Accounting_Flexfield.
7. Right-click the db icon and select New from the list.

Note: If the database already has a rule set, you can add a rule by right-clicking the rule set and selecting New.

8. On the Properties tab, complete the fields, as shown in this table.
Create an Allocation Rule with an Allocation Component

This example demonstrates how to create an allocation rule with allocation components.

You are the General Accountant for InFusion America Inc. You are creating an allocation rule with allocation components.

A rule consists of calculations that are grouped into components. When you design allocation rules, you add variables to components. Variables assume the values that you define for them. Replacement variables provide a substitution value when you design or generate an allocation rule.

Creating an Allocation Rule with an Allocation Component

1. Click the Navigator.
2. Click the Journals link for the General Accounting work area to access the Journals work area.
3. Click the Create Allocation Rules link.
4. In the Enterprise Performance Management System Workspace, click the Navigate menu.
5. Select Administer and then Calculation Manager.
6. On the System View tab of Calculation Manager, expand the Essbase tree.
7. Expand the VF_USA_Accounting_Flexfield tree node.
8. Expand the db tree item.
9. Right-click the Rules tree item.
10. Select New.
11. In the New Rule dialog box, enter EMEA Overhead Distribution in the Name field.
12. Click OK.

You design a rule by dragging components from the Rule Palette to the Rule Designer flow chart. Each component performs a separate task. You can add Point of View, Allocation, or Formula components to your rule.

You enter additional rule details on the Properties tab.

13. In the Rule Palette area, drag the Point of View object to the Rule Designer area.

The begin and end components of the rule appear in the Rule Designer work area.

14. On the Point of View tab, click in the Ledger field of the Dimension value table.
15. Click the Actions button for the Ledger field.
16. Select Member.
17. In the Member Selector dialog box, expand the Ledger tree, and expand the All Ledgers tree node.
18. Click the Vision Operations (USA) tree item and click **Select** to move it to the Selections panel.
19. Click **OK**.
20. Repeat the preceding steps and complete the following dimension fields, as shown in this table.

<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company</td>
<td>“All Company Values”, “00”</td>
</tr>
<tr>
<td>Sub-Account</td>
<td>“All Sub-Account Values”, “0000”</td>
</tr>
<tr>
<td>Product</td>
<td>“All Product Values”, “[Product]@[000]”</td>
</tr>
<tr>
<td>Currency</td>
<td>“USD”</td>
</tr>
</tbody>
</table>

21. From the Rule Palette, drag Allocation to the Rule Designer panel.
22. In the Allocate Wizard, click in the Value column of the **AccountingPeriod** field.
23. Click the **Actions** button.
24. Select Variable.
25. In the Select Variable dialog box, select Database in the **Category** field.
26. Click the **Balancing_Segment_Value** field, and click **OK**.
27. Click **Next**.
28. Click in the Select Value column of the **Company** field.
29. Click the **Actions** button.
30. Select Member.
31. In the Member Selector dialog box, expand the Company tree.
32. Expand the All Company Values tree item.
33. Click the 00 tree item.
34. Click **Select** to move it to the Selections panel.
35. Click **Next**.
36. Use the preceding procedure and complete the dimension fields, as shown in this table.

<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department</td>
<td>“[Department]@[000]”</td>
<td>Member</td>
</tr>
<tr>
<td>Account</td>
<td>an account</td>
<td>Member</td>
</tr>
</tbody>
</table>

37. Click **Save** and then **OK**.

**Create an Allocation Rule with a Formula Component**

This example demonstrates how to create an allocation rule with a formula component.

You are the General Accountant for InFusion America Inc. You are tasked with creating an allocation rule with a formula component.
Rules are based on formulas. The formulas use multiple criteria. For example, you can use account balances or statistical amounts to allocate shared revenue or costs across multiple organizational units. You can define complex computations based on variables from various charts of accounts. You can group journal formulas together and execute them sequentially to update account balances in a step-by-step process.

Creating an Allocation Rule with a Formula Component

1. Click the Navigator.
2. Click the Journals link from the General Accounting work area to access the Journals work area.
3. Click the Create Allocation Rules link.
4. In the Enterprise Performance Management System Workspace, click the Navigate menu.
5. Select Administer and then Calculation Manager.
6. On the System View tab of Calculation Manager, expand the Essbase tree.
7. Expand the VF_USA_Accounting_Flexfield tree item.
8. Expand the db tree node.
9. Right-click the Rules tree item and select New.
10. In the New Rule dialog box, enter EMEA Overhead Distribution in the Name field and click OK.

You design a rule by dragging components from the Rule Palette to the Rule Designer flow chart. Each component performs a separate task. You can add Point of View, Allocation, or Formula components to your rule.

You enter additional rule details on the Properties tab.

11. On the Properties tab, complete the fields, as shown in this table.

<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td>Reserve for bad debts.</td>
</tr>
<tr>
<td>Description</td>
<td>This formula rule calculates the reserve needed for bad debts.</td>
</tr>
</tbody>
</table>

12. In the Rule Palette area, drag the Point of View object to the Rule Designer area.
13. In the Point of View area, enter POV in the Caption field.
14. Click in the Ledger field.
15. Click the Actions button for the Ledger field.
16. Select Member.
17. In the Member Selector dialog box, expand the Ledger tree.
18. Expand the All Ledgers tree item.
19. Click the EMEA_PC_PL tree item.
20. Click the Select button to move the ledger to the selected panel.
21. Click OK.
22. Repeat the preceding steps to complete the fields, as shown in this table.

<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company</td>
<td>&quot;[All Company Values]. [3888]&quot;</td>
</tr>
<tr>
<td>Cost_Center</td>
<td>&quot;000&quot;</td>
</tr>
<tr>
<td>Program</td>
<td>&quot;[All Program Values]. [0000]&quot;</td>
</tr>
</tbody>
</table>
Field | Value
--- | ---
Location | “[Location]@[0000]”
Division | “[All Division Values], [0000]”
Product | “[All Product Values], [0000]”
Intercompany | “[All Intercompany Values], [0000]”
Currency | “USD”
Currency Type | “Total”

23. Click the **Actions** button for the **AccountingPeriod** field.
24. Select Variable.
25. In the Select Variable dialog box, select Database in the **Category** field.
26. Select the Accounting_Period variable and click **OK**.
27. To define the formula, drag the Formula object from the Rule Palette to the POV loop in the Rule Designer.
28. On the Formula tab, enter Bad Debts Calculation in the **Caption** field.
29. Click in the **Enter formula** field.
30. Click the **Actions** button for the **Enter formula** field.
31. Select Member.
32. In the Member Selector dialog box, select Scenario in the **Dimensions** field.
33. Expand the Scenario tree and click the Actual tree node.
34. Click the **Select** button to move Actual to the Selections panel.
35. Repeat the preceding steps to select the remaining dimensions and members for the formula and complete the fields, as shown in this table.

<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance Amount</td>
<td>Ending Balance</td>
</tr>
<tr>
<td>Amount Type</td>
<td>YTD</td>
</tr>
<tr>
<td>Account</td>
<td>1399</td>
</tr>
</tbody>
</table>

36. Click **OK**.
37. To enter a formula to create 5 percent of total accounts receivable as reserve for bad debts, in the **Enter formula** field, at the end of the formula you just created, enter “*.05*-1”.
38. To specify the target members, click in the **Enter member name** field.
39. Click the **Actions** button.
40. Select Member.
41. In the Member Selector dialog box, expand the Account tree until the account 75555 appears.
42. Click account 75555.
43. Click the **Select** button to move the account to the Selections panel.
44. Click **OK**.
45. To specify offset members, on the Formula tab, enter "13005" in the Offset Member field.
46. Click Save.
47. Click OK.
48. Click the Validate button and then the OK button to acknowledge validation of the rule.
49. To deploy the rule, click the Quick Deploy button in the toolbar.
50. On the Deployment Status dialog box, click OK to acknowledge successful deployment.

Edit an Allocation Rule

You can edit the structure of an allocation rule by adding to, removing, or changing its components. You can also edit the properties of the allocation rule’s components and the properties of the allocation rule itself. You can edit these properties of an allocation rule:

- Name and caption
- Description and comments
- Range of dimensions and members
- Variables, you include in the allocation rule

Scenario

To edit an allocation rule:

2. Navigate menu > Administration > Calculation Manager.
3. In the System View, expand the Essbase Application Type, the Application, or Database, and Rules. Do one of these tasks:
   a. Right-click the rule you want to edit, and select Open.
   b. Select the rule you want to edit, and select File, Open.
4. To edit the rule, in the Rule Designer, add new components, and copy and delete existing components, from the rule’s flow chart.

   Note: As you edit components in an allocation rule, you can increase or decrease the size of the component icons and the amount of detail that is displayed in the flow chart. To edit, you use the zoom bar to zoom in and out within the flow chart. When the flow chart is displayed in small or very small sizes, the component captions do not display, but you can place your mouse pointer over any icon to read its caption. Regardless of the size of the components in the flow chart, you can select a component to view its properties on the Properties tab.
5. To delete a component from the flow chart, select the component, right-click it, and select Remove.
6. To copy and paste a component, select the component, right-click it, and select Copy. Then paste it into the flow chart.
7. To add a new component:
8. From New Objects, drag and drop components to insert a new component into the rule’s flow chart:
9. From **Existing Objects**, drag existing objects from Essbase applications and drop them into the rule’s flow chart.
10. For Essbase: On **Global Range**, you can edit the values that is, members, variables, and functions that define the range of values to be calculated when the rule is launched.
11. Select values for a dimension by clicking its row in the **Select Value** column.
12. When the Actions icon is displayed, click it, and select one of these:
   - Variable
   - Member
   - Member
13. For Essbase: **On Variables**, you can create variables for the rule.
14. On **Usages** tab, you can view which rules and rule sets use the rule, if any. This is the information you can view about the rules and rule sets that use the rule:

   ![Note:](image)
   On the **Usages** tab, you view which allocation rules and rule sets use the rule, if any. You cannot edit any of the information on this tab. The following information is displayed for the allocation rules and rule sets using the allocation rule:
   - Names
   - Database
   - Application Name
   - Deployment Status
   - Validation Status
   - Description
15. Select **File, Save**.

---

**Print an Allocation Rule**

You can print an allocation rule’s properties, its flow chart, and the details of its components. For example, if you print an allocation rule that contains a formula component for allocation expenses and shows:

- The formula syntax.
- The functions and variables that comprise the formula.
- A summary of the steps in the rule’s flow chart but not in graphical form.
- The rule’s properties.

![Note:](image)
You cannot print allocation rule sets.

---

**Scenario**

To print an allocation rule:

1. **Navigator > General Accounting > Journals > Create Allocation Rules** link.
2. **Navigate menu > Administration > Calculation Manager.**
3. In the **System View**, expand the **Essbase Application Type**, the **Application**, or **Database**, and **Rules**. Select the rule you want to print.
4. Select **File, Print**.

*Note:* You can also select **File, Print** from within the **Rule Designer** to print a rule.

5. In **Print Preview**, do these tasks:

6. Select the **Print** options:
   - Paper size
   - Print orientation: **portrait** or **landscape**.

7. Select **General Rule Information** to print the rule's description and other details from the **Properties** tab. The details include the rule's name, the application, its owner, the date the rule was created, and the date the rule was last modified.

8. Select **Flow Chart** and **Expanded** or **Collapsed**, to print the flow chart, and you want to print it with the component details expanded or collapse.

9. Select the **Page Order options**:
   - **Down, then across:** The components in the flow chart print down (vertically, as rows do) on the number of pages you specified in the previous step. Then the components print across (horizontally, as columns do) on the number of pages you specified in the previous step.
   - **Across, then down:** The components in the flow chart print across (horizontally, as columns do) on the number of pages you specified in the previous step. Then the components print down (vertically, as rows do) on the number of pages you specified in the previous step.

10. Select the **Rule Information** options:
    - Select **Summary**, to print a summary of the components in the flow chart.
    - Select **Variable Section** to print information about any variables used in the rule.
    - Select **Detail Section** to print detailed information about the components in the rule.
    - Select **Page break before sections** to create a page break between summary, variable, and detail sections. This option is selected by default.
    - Select **Nested Rules** to print rules contained in other rules.

11. Select **Generate PDF**.

12. A PDF file of the rule is opened in Adobe Acrobat.

13. Click the **Print** icon in Adobe Acrobat.

14. In the Print dialog, select the print options specific to the printer you are using, and click **Print**.

**Generate Allocations and Periodic Entries Manually**

This example demonstrates how to generate an allocation or periodic entry manually from the Oracle Fusion General Ledger.

You are the General Accountant for InFusion America Inc. You have created allocation and periodic journal entry definitions for several monthly entries. You now generate these entries.

*Note:* Schedule allocations and periodic entries in the Journals work area for automatic generation. The accounting period automatically increments for each subsequent run if defined as a Run Time Prompt for the Allocation Rule selected.
Prior to generating the allocation and periodic entries, the following tasks must be completed:

- The period is set to **Open or Future Enterable**. You post in open periods, but generation can take place in either an open or future enterable period.
- The rules or rules sets have been defined, validated, and deployed successfully from the Calculation Manager.
- The journal balances, which are inputs for the allocation or periodic rules, are entered and posted in the proper period.

### Generating Allocations and Periodic Entries Manually

1. From the Navigator, click the **Journals** link to open the Journals work area.
2. In the task pane of the Journals page, click the **Generate Allocations** link to open the Submission page.
3. Optionally select one or all of the following options:
   - **Print Output**
   - **E-mail me the output**
   - **Notify me when this process ends**
4. Select a rule or rule set from the list of values.
5. Enter the submission parameters, including **Ledger**, **Balancing Segment Value**, and **Period**. The application automatically sets the last day of the submission period as the Accounting Date and Calculation Effective Date.
6. Accept the selected check box for the **Post Allocations** option to enable the process to post the journal entries. If you deselect the check box for the Post Allocations option, you must either manually post or define an AutoPost Criteria Set to post automatically.
7. Click **Submit**.

After the generation process is complete, the journal entries created by the process are available for inquiry on the Journals page.

### Create an Allocation Rule and Generate Allocations

**Video**

**Watch:** This video tutorial shows you how to create an allocation rule and generate allocation journals. The content of this video is also covered in text topics.

**Procedure**

This example distributes a cost that’s recorded in one account to different cost centers, based on the headcount in each cost center. The headcount is recorded using the statistical currency, and the cost centers receiving the cost are in a parent cost center. The chart of account consists of the following segments:

- Company
- Line of Business
- Account
- Cost Center
- Product
- Intercompany
Create the Rule

Navigate to the Calculation Manager, which is the tool for managing allocations.

1. Navigate to the Journals work area.
2. Click the Tasks icon and select the Create Allocation Rules task. The task opens the Enterprise Performance Management workspace.
3. From the Navigate menu, select Administer, Calculation Manager.
4. Expand the Essbase application.
5. Find the balances cube for the chart of accounts that’s associated with the relevant ledger and expand it.

Tip: Since the rule is going to allocate cost based on headcount, consider including headcount in the rule name.

7. Accept the default values for the rest of the fields and click OK. The New Rule window closes and the Rule Designer opens in a new tab with the name of the rule you just entered.

Define the Point of View

Set the Point of View to default values that are fixed throughout the allocation rule. For example, if a chart of accounts has a future-use segment that’s currently not used, you can use the Point of View to set a default value such as 000. Then you don’t have to select a value for this segment when defining the rule.

1. In the Rule Palette, select the Point of View object and place it between the beginning and ending components in the flow chart on the Designer area.
2. To have users supply the accounting period when the allocation is run, use a variable. Runtime prompt variables make rules dynamic and reusable. Click in the Value field for the Accounting Period row.
3. Click the Actions icon and select Variable. The Select Variable window opens.
4. Select the Database category, which is the category for the specific cube. The Application category applies to all cubes.
5. In this example, the accounting period is already defined as a variable, so select it and click OK.
6. Click the Member Selector button. The Member Selector window opens. You can set the fixed dimensions namely, Ledger, Company, Line of Business, Product, and Intercompany segments from the Member Selector. You can also set the Currency and Currency type. You can expand the dimensions to find the values or you can search for them. Alternatively, instead of using the Member Selector, you can enter the values manually.
7. Select Ledger from the Dimensions drop down value.
8. Expand All Ledgers.
9. Select the appropriate ledger.
10. Click the Select icon to move the ledger to the Selections panel.
11. From the Dimensions list, select the Company, the Line of Business, the Product, the Intercompany, and the Currency dimensions, and set them.
12. Select Currency Type from the Dimensions list.
13. Expand the Currency Type node and select Total. This selection indicates that the allocation is going to use balances in the ledger currency, including the equivalent ledger currency balances of foreign currency journals.

Note: If you select Entered, the allocation would only use amounts where the entered currency is the currency that was selected for the Currency dimension.
14. Click OK. The Member Selector window closes.

Fixed values have now been set for all of the segments, except the Account and Cost Center segments.
Define the Allocation Component

1. From the Rule Palette, select the Allocation object and place it between the point of view member components in the flow chart on the Designer Area. The Allocate Wizard window opens and the Point of View tab opens.

   This Point of View is specific to the Allocation component, so if you have a rule with multiple Allocation components, you can specify a Point of View for each of them. Since this rule has only one Allocation component, and you have already defined a Point of View, skip this step.

2. Click Next. The Source tab opens.

   The source is the revenue pool to be distributed or allocated. A source can be a referenced account balance or a user-defined amount. For this rule, the source is the communication cost. To retrieve the cost, you must provide the account combination. You already specified values for the Company, Line of Business, Product, and Intercompany segments in the Point of View, so the only source segments to specify here are Account and Cost Center.

3. Click the Member Selector button. The Member Selector window opens.
   a. On the Dimensions list, select Account.
   b. Click the Search tab and search for the communications cost account.
   c. Select the account and click the Select icon to move the account to the Selections section.
   d. On the Dimensions list, select Cost Center.
   e. Click the Search tab and search for the cost center.
   f. Select the cost center and click the Select icon to move the cost center to the Selections section.
   g. Click OK. The Member Selector window closes.

4. The remaining dimensions, Scenario, Balance Amount, and Amount Type, specify what balance to retrieve from the source account. On the Allocate Wizard window, the default value for the Scenario dimension is Total for Allocations, which is the sum of the actual and allocated amounts. Since the source for this rule only involves actual balances, you must change the value. Click the Member Selector button. The Member Selector window opens.
   a. On the Dimensions list, select Scenario.
   b. Expand Scenario in the Members tab.
   c. Select Actual and click the Select button to move it to the Selections section.
   
   Note: If you have two rules with the second rule using the allocations resulting from the first rule, use the Allocated scenario for the second rule.
   d. On the Dimensions list, select Balance Amount.
   e. Expand Balance Amount in the Members tab.
   f. Since the rule is going to allocate communications cost for the period, select Period Activity. Click the Select icon to move it to the Selections section.
   g. Click OK. The Member Selector window closes.

5. Accept the default value for the Amount Type dimension as Period to Date.

6. Click Next. The Allocation Range tab opens. The range is the spread of values that the source is distributed against. In this rule, the cost is allocated across cost centers.

7. Click in the Select Value field in the Cost Center row.

8. Click the Actions icon and select Member. The Select Member window opens.
   a. Select the appropriate parent value and click the Select icon to move it to the Selections section.

   Note: Always select a parent value because you have to allocate across a range of values.
b. Click OK. The Member Selector window closes.

9. Click Next. The Target tab opens.
10. The target receives the allocated amount. Enter the account number within quotation marks in the Account row.
11. Click Next. The Offset tab opens.

   The offset receives the offsetting debit or credit to balance the allocation that was generated. On the Offset tab, enter the account number in the Account row and the cost center in the Cost Center row, within quotation marks.

⚠️ Caution: The offset must be a child value. If you select a parent value, the allocation rule fails validation.

12. Click Next. The Exclude tab opens.

⚠️ Note: Use the Exclude tab for partial allocations. Specifically where you want to allocate a percentage of the total source and the percentage itself can’t be entered. Instead, the percentage has to be calculated based on all the members in the basis and then some members have to be excluded from the allocation target range. For example, a basis contains cost centers 100, 200, 300, and 400. You want to distribute the source evenly across each cost center, so each cost center should be allocated 25% of the source. But you have to exclude cost center 300 from the allocation range. In this example, you would specify cost center 300 in the Exclude tab. When the allocations are generated, 75% of the source is allocated, 25% each to cost centers 100, 200, and 400. The 25% for cost center 300 remains unallocated because cost center 300 is excluded.

13. This particular allocation isn’t excluding any values, so click Next. The Basis tab opens.
14. On the Basis tab, for the Account dimension, enter the account number that has the headcount values.

⚠️ Note: The basis determines the ratio in which the source must be allocated to each member of the allocation range. The basis could be distributing the source evenly. Or you can select specific statistical or account balances for a particular period as the basis.

   For this allocation, the ratio is going to be calculated by dividing a cost center’s headcount by the total headcount.
15. Enter Period Activity in quotation marks for the Balance Account dimension because the total headcount for each cost center is included in one journal recorded in one period.
16. Enter STAT in quotation marks in the Currency dimension. The values for the other dimensions are derived automatically based on the Point of View and range specified previously.
17. Click Next. The Basis-Options tab opens.
18. Accept the default settings and click Next. The Rounding tab opens.
19. Specify the rounding options in case of rounding differences when the allocation is generated. Since the allocation is in US dollars, on the Rounding tab, enter 2 as the number of decimal places to use. Click Finish. The Allocate Wizard window closes.

Validate the Rule

Validation is an important and required step. Validation checks for consistency against the outline of the balances cube that it references. For example, validation checks that the offset is a child, not a parent value, and checks that entered values exist.

1. Click the Validate icon on the toolbar. After the validation is completed, a message appears stating whether the validation was successful.
2. Click OK.
3. Click the Validate and Deploy icon to deploy the rule and make it available for generation in the general ledger.
4. Click Yes to first save the rule.
5. After the deployment is completed, a message appears stating whether the deployment was successful.
6. Click OK.

Generate the Allocation Journal

Generate the allocation journal using the following steps:

1. Navigate to the Journals work area.
2. Click the Tasks icon.
3. Select the Generate General Ledger Allocations task.
4. In the Rule or Rule Set field, enter the name of the allocation rule. The Accounting Period prompt should appear.
5. Select the accounting period.
6. The Post Allocations option is selected by default.
7. Click Submit. A confirmation message appears stating that the process was submitted.
8. Click OK.

Review the Journal

1. Navigate to the Journals work area
2. Click the Tasks icon.
3. Select the Manage Journals task.
4. Enter the first part of the allocation rule name in the Journal field.
5. Enter a value in the Accounting Period field.
6. Select Allocations in the Source field.
7. Click Search.
8. Click the Journal link to open the journal. The cost that was allocated has a credit and the debits to the different cost centers are based on their headcount.

Now that the rule is defined, all that’s needed for future accounting periods is to generate the journals.

Allocation Rule Sets

Overview of Allocation Rule Sets

You create an allocation rule set by combining allocation rules or allocation rule sets that can be generated sequentially. You add rules and rule sets to a rule set by dragging and dropping them into it.

After you create and save the rule set, you can validate and deploy it. Then you can generate it in Oracle General Ledger.

Note: Rule sets are supported in Essbase aggregate storage applications used in Oracle General Ledger in sequential mode only.

Create an Allocation Rule Set

You can create an allocation rule set from the System View. You can also create an allocation rule from the List, Custom, and Deployment views, and from within the Ruleset Designer.
Scenario
To create an allocation rule set:

1. **Navigator** > **General Accounting: Journals** > **Create Allocation Rules** link.
2. Navigate menu > **Administer** > **Calculation Manager**.
3. Enter the rule set’s name.
4. Enter the application type: **Essbase**.
5. Select an application name.
6. Select a database.

> **Note:** From the System View, if you right-click **RuleSets** and select **New**, the **New Ruleset** dialog is populated with the application type, application, and database that you’re working in.

7. Click **OK**. The new rule set is displayed in the Ruleset Designer.

For information about using start and dates in rule sets, see the Data Effective Allocation Rules and Rule Sets topic in the Allocation Rules section.

Design an Allocation Rule Set
After you create a rule set in the **New RuleSet** dialog, the rule set is displayed in the **Ruleset Designer**.

Scenario
To create an allocation rule set:

1. Navigate to the Journals work area and select Create Allocation Rules from the Tasks pane.
2. From the **Navigate** menu, select **Administration**, then **Calculation Manager**.
3. In the **System View**, expand the Essbase application type and the application.
4. For **Essbase**: Right-click **RuleSets** and select **New**.

> **Note:** For Essbase applications, only one rule sets node for each application at the same level as the databases.

5. In **New RuleSet**, do these tasks:
   a. Enter the rule set’s name
   b. Select the Application Type as **Essbase**
   c. Select the **Application Name**.
   d. As you selected Essbase as the application type, select the **Database**.
   e. **OK**.
6. In the **Ruleset Designer**, to create the rule set, from **Ruleset Palette**, drag existing rules and rule sets and drop them into the flow chart.

> **Note:** You can use the Move Up and Move Down icons on the Ruleset Designer pane to reorder the rules in the rule set. Rules in General Ledger applications are launched sequentially within a rule set, so the order of the rules is important.
7. **On Properties**, enter properties for the rule set. In the **Ruleset Designer**, if you select a rule or rule set within the rule set you are creating; its properties are displayed on Properties instead of the new rule set’s properties.

Optionally, enter the following:

a. The name by entering a new one of up to 50 characters. The name defaults from the **New RuleSet** dialog.

b. A description of up to 255 characters for the rule set.

c. Comments for the rule set. For example, you may want to enter a comment that describes what the allocation rule set does.

8. **On Usages** tab, you view which allocation rules and rule sets use the rule, if any. You cannot edit any of the information about this tab. The following information is displayed for the allocation rules and rule sets using the allocation rule:

a. Names
b. Database
c. Application Name
d. Deployment Status
e. Validation Status
f. Description

**Note:** By default, a rule set is used by no other rule sets when you create it.

9. **On Variables**, select **Merge Variables** to merge all instances of the same variable used in the rules within this rule set so only the first instance of each variable is displayed when the rule is launched. If you do not select this check box, all instances of each variable are displayed.

**Note:** If you select **Merge Variables**, the first value that the user enters for the runtime prompt is used for all subsequent occurrences of that runtime prompt during validation and launch.

10. Select **File, Save**.

## Create and Deploy an Allocation Rule Set

This example demonstrates how to create an allocation rule set.

You are the General Accountant for InFusion America Inc. You are tasked with creating an allocation rule set.

You create rule sets by combining two or more related rules (or rule sets) so you can launch the rules or rule sets sequentially.

### Creating an Allocation Rule Set

1. Click the **Navigator**.
2. Click the **Journals** link for the General Accounting work area to access the Journals work area.
3. Click the **Create Allocation Rules** link.
4. In the Enterprise Performance Management System Workspace, click the Navigate menu.
5. Select Administer and then Calculation Manager.
6. On the System View tab of Calculation Manager, expand the Essbase tree.
7. Expand the **VF_USA_Accounting_Flexfield** tree item.
8. Right-click the Rules tree node and select New.
9. In the New Rule Set dialog box, enter EMEA Overhead Distribution, and click **OK**.
10. Expand the VF_USA_Accounting_Flexfie tree in the Rule Set Palette, then expand the db tree node and then the Rules tree node.
11. Drag EMEA Overhead Distribution from the Rule Set Palette to the Ruleset Designer panel.
12. Drag EMEA - Allocation of Indirect Costs from the Rule Set Palette to the Ruleset Designer panel.
13. Click EMEA Overhead Distribution Rule Set in the Ruleset Designer.
14. Click the Variables tab in the lower panel of the work area.
15. Select Merge Variables.

If a rule set has the same variable used across rules in a rule set, you can merge the rules. Then at generation time, the input is taken from that variable as the runtime prompt.
16. Click Save and then OK.

Before you deploy rule sets, you validate them to ensure that there are no syntax errors. Validation ensures that all of the following criteria are met:

- All members of all dimensions in the application are valid.
- All functions exist, have the correct number of parameters, and are valid for the application type.
- All variable references that are used in rules are valid. Replacement variables are replaced with the correct strings and then validated.
- The generated script contains no syntax errors.

You can deploy rules and rule sets to Oracle Fusion General Ledger. You execute a partial deployment by deploying one or more (but not all) rules and rule sets. You execute a full deployment by deploying all rules and rule sets in the current application.

Rules and rule sets that are deployed can be generated from the Allocation Generation page.

- To deploy multiple rules and rule sets but not all, in the Deployment View, select the rules and rule sets that you want to deploy.
- To deploy only one rule or rule set in the current application, in the Deployment View, select the one rule or rule set option.

Add an Allocation Rule to an Allocation Rule Set

You can add an allocation rule to an allocation rule set that belongs to the same application type. The rules in the rule set can be launched sequentially or simultaneously.

Scenario

To add an allocation rule to an allocation rule set:

1. In the System View, expand the Essbase Application Type and the Application.
2. Expand RuleSets, right-click the rule set you want to open, and select Open.

📌 Note: Only one rule set node exists for each application at the same level as the plan types and databases.

3. In the Ruleset Designer, in Existing Objects, expand the application and the plan type or calculation type that contains the rule you want to add.
4. To add the rule, drag and drop it into the Ruleset Designer.
5. Repeat step 4 for each rule you want to add to the rule set.
6. Select **File, Save**.

**Edit an Allocation Rule Set**

You can edit the following properties of an allocation rule set:

- Allocation rule components
- Allocation rule name
- Allocation rule description
- Allocation rule comments

**Scenario**

To edit an allocation rule set:

1. **Navigator > General Accounting > Journals > Create Allocation Rules** link.
2. **Navigate** menu > **Administration > Calculation Manager**.
3. In the **System View**, expand **Essbase Application Type** and the **Application**.
4. Expand your rule set by right-clicking the rule set you want to edit, and selecting **Open**.

> **Note:** Only one rule set node exists for each application at the same level as the plan types and databases.

5. In the **Ruleset Designer**, add, copy, delete and change the order of new rules and rule sets:
   a. To delete a rule or rule set from the rule set, select the rule or rule set, right-click it, and select **Remove**.
   b. To add a rule or rule set to the rule set, from **Existing Objects**, drag existing rules and rule sets from Essbase applications, and drop them into the **Ruleset Designer**.

> **Note:** The rules and rule sets you add to the rule set must belong to the same application type as the rule set you are editing.

   c. To open a rule or rule set in the rule set, right-click the rule or rule set, and select **Open**.
   d. To reorder the rules and rule sets within the rule set, you can use the Move Up and Move Down icons on the Ruleset Designer pane.

6. On **Properties**, edit properties of the rule set. (In the **Ruleset Designer**, if you select a rule that you added to this rule set, the properties are displayed on the Properties tab.)
7. Optional: Edit the name by entering a new one of up to 50 characters. (The name defaults from the New RuleSet dialog.)
8. Optional: Edit the description by entering a new one of up to 255 characters.
9. Edit the **Enable Parallel Execution** selection. If you want the rules and rule sets in the rule set to run simultaneously, select this option, to run sequentially, clear this option. By default, the rules and rule sets in a rule set run sequentially: each rule or rule set in the rule set must run without errors before the next rule or rule set is run.
10. If the rule set contains nested rule sets which have a different Enable Parallel Execution setting than the parent rule set, the setting of the nested rule set applies. For example, if you have rule set1 that is marked for parallel processing and it contains rule1, rule2, and rule set2 that is marked for sequential processing, the rules and rule sets in rule set2 are processed sequentially, even though rule set1 is marked for parallel processing.
11. Edit the comments.
12. On the Usages tab, you view which allocation rules and rule sets use the rule, if any. You cannot edit any of the information that appears on this tab. The following information is displayed for the allocation rules and rule sets using the allocation rule:

   a. Names
   b. Calculation or Plan Type
   c. Application Name
   d. Deployment Status
   e. Validation Status
   f. Description

13. Select File, Save.

Copy an Allocation Rule Set to Another Application

From the System View, you can copy an allocation rule set to another application of the same application type (Essbase) or database.

⚠ Note: Allocation rule sets are not supported in Essbase Aggregate Storage or Block Storage applications, other than Aggregate Storage applications used in Oracle General Ledger.

Scenario

Use the following steps to copy a rule set to another application:

1. In the System View, expand the Essbase Application Type and the Application.
2. Expand RuleSets.

   ⚠ Note: Only one rule set node exists for each application at the same level as the plan types and databases.

3. Right-click the allocation rule set you want to copy, and select Copy To.

   ⚠ Note: You can also copy an allocation rule set when you are working with it in the Ruleset Designer, and paste it into another allocation rule set or allocation rule.

4. Select the rule set name, select Edit, Copy, open the rule or rule set into which you want to copy it, and select Edit, Paste.
5. In Save As, enter a new name for the allocation rule set, or accept the default name, and select an application and calculation or plan type. Click OK.

   ⚠ Note: You cannot copy the allocation rule set to more than one application and calculation or plan type.

The new allocation rule set is added to the application and calculation or plan type you selected. To see it in the System View, you must refresh the application list. To refresh the application list, click the Refresh icon on the toolbar.
Save an Allocation Rule Set

You must save an allocation rule set after you create or edit it. When you save the allocation rule set, it is saved to the application and application type for which you created it. After you save it, you can deploy, validate, and generate it. You can deploy and validate it in Calculation Manager; you can generate it from Oracle General Ledger.

Scenario
To save an allocation rule set after you create or edit it, select **File, Save**, or click the **Save** icon.

> **Note:** To see the allocation rule set within the **System View** after you save it, you must refresh the application list. To do this, right-click the application type, the application, the database (Essbase), and select **Refresh**. You can also click the **Refresh** icon on the toolbar to refresh the application list in the **System View**.

Save an Allocation Rule Set with a Different Name

You can save an allocation rule set with a different name using **Save As**. Saving it with a different name creates a copy of the rule set.

Scenario

1. In the **System View**, expand the **Essbase Application Type** and the **Application**.
2. Expand **RuleSets**.
   
   > **Note:** For Essbase applications, only one rule set node exists for each application at the same level as the plan types and databases.

3. Right-click the rule set you want to save with a different name, and select **Open**.
4. In the **Ruleset Designer**, select **File, Save As**.
5. In **Save As**, enter the rule set’s new name, and select an application. Click **OK**.

   > **Note:** You cannot change the application type of a rule set you save with a different name. The new rule set must have the same application type as the rule set from which the rule set is created.

   The new rule set is added to the application list in the **System View**.

Delete an Allocation Rule Set

You delete an allocation rule set from the **System View**. You can delete an allocation rule set only if it is not being used by other allocation rule sets. To see if it is being used by other rule sets, you can show its usages. If it is being used, you must remove it from the allocation rule sets that are using it, or make copies of it for the allocation rule sets that are using it, before you delete it.
Scenario

1. In the **System View**, expand the **Essbase Application Type** and the **Application**.
2. Expand **RuleSets**.
3. To make sure the rule set is not being used by another rule set, right-click it, and select **Show Usages**.
4. Right-click the rule set you want to delete, and select **Delete**.
5. Click **OK** to confirm deletion of the rule set.

Refresh Allocation Rules or Rule Sets

In the **System View**, you can refresh any level of the application list. You can refresh:

- Application Type
- Application
- Database
- One or Multiple Rule Sets or Rules

By default, when you refresh an application, application type, or database, all of the rules, rule sets, components, and templates belonging to it are refreshed.

However, refreshing the rule sets or rules within an application does not refresh higher levels in the application list or rule sets or rules that belong to other applications.

**Note:** You can also click the **Refresh** icon on the toolbar to refresh the entire application list in the **System View**.

Scenario

1. In the **System View**, expand the **Essbase Application Type** and the **Application**.
2. To refresh rule sets, right-click **RuleSets**, and select **Refresh** or to refresh rules, expand the database, right-click **Rules**, and select **Refresh**.

**Note:** You can also right-click the application type, the application, or database that contains the allocation rules you want to refresh, and select **Refresh**.

Show Usage of an Allocation Rule or Rule Set

You can display the allocation rules and rule sets that are using a rule or allocation rule set. Viewing the usages of rules or rule sets is useful when deleting rules or rule sets and you must know what objects are using it.

Scenario

1. In the **System View**, expand the **Essbase Application Type** and the **Application**.
2. To show the usages of a rule set, expand **RuleSets**.
3. Right-click the rule set whose usages you want to see.
4. Select **Show Usages** or to show the usages of a rule, expand the database, and **Rules**.
5. Right-click the rule whose usages you want to see, and select **Show Usages**.
6. You can view this information about the rule or allocation rule set:
   - Names
   - Database
   - Application Name
   - Deployment Status
   - Validation Status
   - Description

   ✨ Note: You can also view a rule or rule set’s usages from within the **Rule** or **Ruleset Designer** on the **Usages** tab.

7. After you review the information, click **OK**.

Change Owner of an Allocation Rule or Rule Set

You can change the owner of an object such as a rule, rule set, or formula in the **System View**. The application to which it belongs must be deployed. By default, an object’s owner is the user that creates it, unless the user changes the ownership. Users can edit only objects they own, with the exception of administrators who can edit any objects.

**Scenario**

1. In the **System View**, expand the **Essbase Application Type** and the **Application**.
2. To change the ownership of a rule set, expand **RuleSets** or to change the ownership of a rule, expand the database, and then expand **Rules**.
3. Right-click the object, and select **Change Ownership**.
4. In **Change Owner**, select the owner to whom you want to transfer ownership of the object.
5. Click **OK**.

   ✨ Note: The user you assigned ownership to can edit the object.

Allocation Components

**Overview of Point of View Components**

Every data value in a report is derived from the intersection of a member from each dimension in the Essbase database connection. Financial Reporting enables a designer to place these dimensions on the report grid or user point of view. Report viewers can change the member selected for dimensions on the user point of view. This enables report viewers to configure the reports to fit their needs. The user point of view can also be used in books.

You create and edit point of view components from within a rule to set members, variables, and functions that contain the global range of the point of view component. You can nest a point of view component within another point of view component.
Allocation components contain calculations for distributing data from members at one level in the database outline to other members in the outline. Formula components contain calculation statements that you design using members, functions, and variables.

Create a Point of View Component

You create a Point of View component from within a rule to set members, variables, and functions that contain the global range of that Point of View component.

You can also define or edit the caption that displays in the flow chart and the comments that are entered for the values selected for each of the dimensions in the Point of View.

Scenario

To create a Point of View component:

2. Navigate menu > Administration > Calculation Manager.
3. In the System View, select File menu, New, Rule. Expand the Essbase Application Type, the Application, and the Calculation Type, Plan Type, or Database and Rules.
4. Right-click rules you want to open, and select Open. The rule is displayed in the Rule Designer.
5. After you determine where in the rule's flow chart you want to create the Point of View component, from the New Objects Palette, drag the Point of View component and drop it into that location in the flow chart.
6. On the Point of View tab, enter a caption to identify the Point of View component. The caption is displayed in the flow chart of any rule that uses it.
7. Optional: Perform one of these tasks to define the Point of View global range:
   a. Click Variable Selector to select or create variables to define the Point of View. If you select a variable, you can select Link Variable Dynamically to ensure the variable is updated dynamically when changes are made to it.
   b. Click Member Selector to select members to define the Point of View.
   c. Click in the row of a dimension in the Value column to type the names of members that define the Point of View.
   d. Click in the row of a dimension, click the Actions icon, and select one of these options to enter members:
      - Members
      - Variables: You can use a variable to fill the Point of View component. The variable must be defined at the database level and must be of the Member Range type.
      - Functions: The functions you enter should return level 0 members only and should include the at sign @ before the function name. You can enter these functions:
         - @Level0Descendant
         - @Sibling
         - @UDA
         - @Attribute

   \[\text{Note:} \] The Level0Descendant and Sibling functions require a member name as a parameter.
Note: If a global range is defined for the rule for which you are creating the Point of View component, the
Point of View tab displays the rule's member selections by default. To see if a global range is defined
for the rule, select the Begin or End tab in the flow chart. Then click the Global Range tab to see if any
members, functions, or variables are defined.

8. To enter a comment for the members you select for a dimension, click Comment.
9. Click Reset Grid to clear any entries you made to the grid.
10. Select File, Save.

Edit a Point of View Component

You can edit the members, variables, and functions that contain the global range of the Point of View component. You can
also edit the caption that displays in a flow chart and the comments that are entered for the values selected for each of the
dimensions in the Point of View.

Scenario

To edit a Point of View component:

2. Navigate menu > Administration > Calculation Manager.
3. In the System View, select File menu, New, Rule. Expand the Essbase Application Type, the Application, and the
   Calculation Type, Plan Type, or Database.
4. Right-click the rule, and select Open.
5. In the Rule Designer, select the Point of View component you want to edit in the flow chart to display its properties.
   You can edit any of these properties of a Point of View component.
   a. The caption displays in the rule’s flow chart.
   b. The members, variables, and functions that define the Point of View.
   c. Whether any variables used in the Point of View component are updated dynamically when changes are made
to the variables.
   d. Whether comments are entered for the dimensions and members that define the global range of the Point of
      View.
   e. Whether the values of the members in the Point of View component are calculated when the rule to which it
      belongs is validated or launched.
6. Select File, Save.

Create an Allocation Component

You create an allocation component from within a rule; it exists only in that rule and can’t be shared among allocation rules.

Scenario

To create an allocation component:

2. Navigate menu > Administration > Calculation Manager.
3. In the System View, select File menu, New, Rule. Expand the Essbase Application Type, the Application, and the
   Calculation Type, Plan Type, or Database.
4. Right-click the rule you want to open, and select Open. The rule is displayed in the Rule Designer.
5. After you determine where in the rule’s flow chart you want to create the allocation component, from the New Objects Palette, drag the Allocation component and drop it into that location in the flow chart.

6. In the Calculation Manager, on the Point of View tab, for each dimension listed that you don’t want to vary during the allocation, do one of these tasks, and then click Next.
   a. Select a predefined selection from Use Predefined Selection to populate the dimensions listed with values.
   b. Click the Member Selector icon to select members and variables for each of the dimensions listed. Make sure that all members you select are valid level 0 members.
   c. Select a dimension in the list, and click Actions to select a member or variable.

   Note: If you drop a Point of View component within another Point of View component, the second Point of View inherits the members, variables, and functions from the first Point of View. In the Member Selector, the dimensions listed in the current step are available for selection from Dimension. This enables you to select members and functions for any of the dimensions listed in the current step.

7. In the Calculation Manager, on the Source for each dimension listed, select a member whose data you want to allocate by doing one of these tasks. You must select a member for each dimension listed. The source members can be members that aren’t level 0.
   a. Select a predefined selection from Use Predefined Selection to populate the dimensions listed with values. If the predefined selection doesn’t enter a value for each dimension listed, you must enter a value for any dimensions that are empty.
   b. Click the Member Selector icon to select a member for each of the dimensions listed.
   c. Select a dimension in the list, and click Actions to select a member or variable. You can’t use functions in this step of the Allocation component.
   d. Optional, to allocate a specific value, enter an amount to be allocated instead of the selecting members.

8. If the source amount you want to allocate is zero, select one of these options from the drop-down list.
   a. Select the next pool record.
   b. Stop processing the allocation.

9. Click Next.

10. On Allocation Range, enter the parent member for the dimensions you want to use for the allocation. To enter the parent member, do one of these tasks, and then click Next.
   a. Select a predefined selection from Use Predefined Selection to populate the dimensions listed with values.
   b. Click the Member Selector icon to select the parent member for the dimension to which to allocate the data.
   c. Enter a parent member, or select a dimension in the list. Click the Actions icon to select the parent member (of the main dimension) to which to allocate the data. The data is allocated to the level 0 member (the lowest member in the outline).

11. On Target, for the remaining dimensions, select a level 0 member to which to allocate the data. Perform one of these tasks and click Next.
   a. Select a predefined selection from Use Predefined Selection to populate the dimensions listed with values.
   b. Click the Member Selector icon to select members for each of the dimensions listed.
   c. Select a dimension in the list, and click the Actions icon to select a member or variable.

12. On Offset, perform one of these tasks and click Next:
   a. Select a predefined selection from Use Predefined Selection to populate the dimensions listed with values.
   b. Click the Member Selector icon to select members for each of the dimensions listed.
   c. Select a dimension in the list, and click the Actions icon to select a member or variable.
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Note: You must specify members for the offset; you can’t leave it empty.

13. Optional: On **Exclude**, select any members you want to exclude from the allocation. Perform one of these tasks and click **Next**.

Note: Use the Exclude tab for partial allocations. Specifically where you want to allocate a percentage of the total source and the percentage itself can’t be entered. Instead, the percentage has to be calculated based on all the members in the basis and then some members have to be excluded from the allocation target range. For example, a basis contains cost centers 100, 200, 300, and 400. You want to distribute the source evenly across each cost center, so each cost center should be allocated 25% of the source. But you have to exclude cost center 300 from the allocation range. In this example, you would specify cost center 300 in the Exclude tab. When the allocations are generated, 75% of the source is allocated, 25% each to cost centers 100, 200, and 400. The 25% for cost center 300 remains unallocated because cost center 300 is excluded.

a. Select a predefined selection from **Use Predefined Selection** to populate the dimensions listed with values.

b. Click the **Member Selector** icon to select members for each of the dimensions listed.

c. Select a dimension in the list, and click the **Actions** icon to select a member or variable.

14. On **Basis** perform these tasks:

a. Select an allocation method to specify how the data should be allocated.
   
i. Select **Allocate evenly** to allocate data values in the allocation range evenly. Then on **Basis Options for evenly method**, specify what you want to be done if the basis is negative, zero, has missing values, or if all members are excluded.
   
ii. Select **Allocate using a basis** to calculate a percentage to be applied to each member in the allocation range. Then on **Basis Options**, specify what you want to be done if the basis is negative or equal to zero.

b. Any dimension members you don’t specify are inherited from the Point of View you defined previously, but you can override those Point of View selections by doing one of these tasks:
   
i. Select a predefined selection from **Use Predefined Selection** to populate the dimensions listed with values.
   
ii. Click the **Member Selector** icon to select a member for each of the dimensions listed.
   
iii. Select a dimension in the list, and click the **Actions** icon to select a member or variable.

15. Click **Next**.

16. On **Rounding**, complete these steps. The members you select in this step must be a part of the allocation range.

a. Enter the number of decimal places to use for this allocation, or click the **Actions** icon to select a member or variable that represents this value.

b. Select where to place the rounding difference.
   
i. Select **Define location** to specify a member or members on which to place the rounding difference. Perform the following steps.
      
a. Select a predefined selection from **Use Predefined Selection** to populate the dimensions listed with values.
      
b. Click the **Member Selector** icon to select a member for each of the dimensions listed.
      
c. Select a dimension in the list, and click the **Actions** icon to select a member or variable.
   
ii. Select **Use biggest value** to round data values to their largest values.
iii. Select **Use smallest value** to round data values to their smallest values.
iv. Select **Discard rounding error** to use allocated data values as is.

17. Click **Finish**.

Edit an Allocation Component

You can edit an allocation component by opening the rule to which it belongs. When the rule is displayed in the Rule Designer, you can view the allocation component’s properties by selecting it in the rule’s flow chart.

**Scenario**

To edit an allocation component:

1. **Navigator** > **General Accounting: Journals** > **Create Allocation Rules** link.
2. Navigate menu > **Administration** > **Calculation Manager**.
3. In the **System View**, select **File** menu, **New, Rule**. Expand the Essbase Application Type, the Application, and the Calculation Type, Plan Type, or Database and Rules.
4. Select the rule that contains the allocation component you want to edit.
5. Right-click the rule, and select **Open**.
6. In the **Rule Designer**, select the allocation component you want to edit in the flow chart to display its properties. You can edit any of these properties of an allocation component:
   a. The member whose data you want to allocate.
   b. The level 0 members to which you want to allocate data.
   c. The data and the amount of the data you want to allocate.
   d. How you want the data processed:
      - The total amount of the data allocated written to an offset member.
      - The data allocated evenly or in different amounts using a driver.
      - The allocated data rounded, and if so, how it should be rounded.
7. Select **File, Save**.

Remove Members and Functions from an Allocation Component

You can remove members from formula, script, condition, and member and data range components. Similarly, you can remove functions from formula, script, and condition components.

When you remove members and functions from a component, they are not deleted from the database. To remove members and functions from a shared component, you must first ensure that the component is not shared.

Remove Members or Functions from a Component

To remove members or functions from a component:

1. In the **System View**, expand the application type, the application, the calculation type or the database (Essbase).
2. Expand **Rules** or **Templates**, depending on whether the component is in a rule or template.
3. Right-click the rule or template that contains the component you want to add a member to, and select **Open**.
4. When the rule or template opens, in its flow chart, select the component that contains the member or function you want to remove.
5. Click the **Actions** icon, and select **Member**.
6. From **Dimensions > Member Selector**, select the dimension that contains the member or function you want to remove.

7. Click the Deselect icon to move the member or function from the **Selections** panel to the **Members** or **Functions** panel.

8. To remove members from multiple dimensions, click **Next**, and repeat steps 5 and 6.

9. Click **OK**.

10. Select **File > Save**.

### Create a Formula Component

You can create a formula component from the **System View** or from within the **Rule Designer**. A formula component exists as an independent object in the database and can be shared among the allocation rules.

### Scenario

To create a formula component for an Essbase application:

1. In the **System View**, expand the **Essbase Application Type**, the **Application**, and **Database**.

2. Right-click **Formulas**, and select **New**.

3. Enter the formula name.

4. Enter the **Application Type (Essbase)**.

5. Select an **Application Name**. The application name must be a valid Essbase application.

6. Select the **Essbase Database**.

7. Click **OK**. The formula is displayed in the **Component Designer**.

8. In the **Component Designer**, select **Properties**, and complete the following steps:
   - **Optional**: By default a formula is shared when you create it, you cannot select or clear the **Shared** check box.
   
   ➤ **Note**: To create a formula that is not shared, open an allocation rule, and then drag a new formula component into the allocation rules flow chart. The shared check box is not selected. If you want to make the formula shared, select the **Shared** check box.

   - **Optional**: Edit the formula’s name by entering a new one of up to 50 characters. (The name defaults from the New Formula dialog).

   ➤ **Note**: Names of members in Essbase aggregate storage applications need not be unique. If there is a name that is not unique, it is flagged when the object in which the member is used is validated. If this occurs, you must enter the full path for the member. The full path syntax is [Dimension name]. [Parent name]. [Member name.]

   - **Optional**: Enter a description of up to 255 characters for the formula.

   - **Optional**: Enter a caption for the formula. The caption is displayed in the Rule Designer flow chart.

   ➤ **Note**: If you do not enter a caption, the component’s name is displayed in the flow chart.

   - **Optional**: Enter comments for the formula. For example, you may want to tell users how the formula component should be used.

9. On **Formula**, enter a caption for the formula.
10. **Optional**: From **Offset Member**, if you want the total amount of all of the formulas in the formula component to be written to an offset member, or a cross dimension member, click the **Ellipsis** icon to select a member.

   **Note**: You can define an offset member manually within the formulas you create. The offset defined in the formula component is calculated as the sum of all calculated amounts.

11. To create a formula statement, click in the first formula statement row before the equal sign. Then enter a member or cross dimension member selection, or click **Actions** to select a:

   - Variable
   - Member

12. To complete the formula statement, click in the row after the equal sign. Then enter a member or cross dimension member selection, or click **Actions** to select a:

   - Variable
   - Member

13. **Optional**: For each formula statement row, click the **Comments** icon to enter comments about the formula statement. Click **OK**.

14. On the **Usages** tab, you can view the rules that use the formula component.

   **Note**: The formation on this tab cannot be edited.

15. Select **File** and **Save**.

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**Open a Formula Component**

You can open a formula component from **System View** or from within the **Rule Designer** flow chart of a rule that uses the formula component.

**Scenario**

To open a formula component:

1. In the **System View**, expand the Essbase Application Type, the Essbase Application, and Database.
2. Expand **Formulas** and do one of the following tasks:
   - Right-click the formula you want to open, and select **Open**.
   - Double-click the formula you want to open.

   **Note**: Open a rule with formula component from within the rule’s flow chart by right-clicking the formula component and selecting **Open**, or by double-clicking the component.
Copy and Paste a Formula Component

You can copy a formula component from a rule and paste it into the same or a different rule. You can also copy the contents of the grid within a formula component and paste the contents into the same or a different formula component. You cannot copy a formula component and paste it into another formula component or another component type.

**Scenario**

To copy and paste a formula component:

1. In the **System View**, expand the **Essbase Application Type**, the **Essbase Application**, **Database**, and **Rules**.
2. Right-click the rule that contains the formula component you want to copy, and select **Open**.
3. In the **Rule Designer** flow chart, right-click the formula component you want to copy, and select **Copy**.

   **Note:** If the component you want to copy is shared, you can use **Edit** and **Copy Reference** to copy the reference to the shared component instead of copying the component itself. (See “Copying and Pasting the Reference to a rule Formula or Script Component”).

4. Do one of the following tasks:
   - If you want to paste the formula component into the same rule flow chart, right-click in the location of the flow chart, and select **Paste**.
   - If you want to paste the formula component into a different rule flow chart, open the rule into which you want to paste the component, right-click in the location, and select **Paste**.
5. Select **File** and **Save**.

Delete a Formula Component

You can delete a formula component only if it is not used in any allocation rules. Use the show the formula component’s usages to see if any allocation rules are using the formula component.

**Scenario**

Select one of the following:

- If a formula component is used by a rule and you no longer need the formula component in that rule, then:
  - Remove it from the rule.
  - Delete the formula component.
- If the formula component is used in a rule, and you no longer need the rule, then you can delete the rule.
- If no allocation rules use the formula component, you can delete the component.

To delete a formula component:

1. In the **System View**, expand the **Essbase Application Type**, the **Essbase Application**, **Database**, and **Formulas**.
2. Right-click the formula you want to delete, and select **Show Usages** to make sure no allocation rules are using the formula component.
3. Remove the formula component from any allocation rules that are using it.
4. In the System View, right-click the formula you want to delete, and select Delete.
5. Confirm to delete the formula.

Edit a Formula Component

You can edit the formula statements that contain a formula component and the formula component's comments, caption, name, and description.

Scenario

To edit a formula component:

1. In the System View, expand the Essbase Application Type, the Essbase Application, Database, and Formulas.
2. Select the formula component you want to edit.
3. Right-click the formula component, and select Open.
4. In the Component Designer, you can edit any of the following properties of a formula component:
   - The caption
   - The formula statements
   - The name
   - The description
   - The comments
5. Select File and Save.

Searching for Members

You can search for members within the Member Selector.

Searching for Members

To search for members:

1. In the System View tab, expand the Essbase application type.
2. Expand the application, the calculation type (Financial Management), the plan type (Planning), or the database (Essbase).
3. Expand Rules or Templates, depending on whether the component is in a rule or template.
4. Right-click the rule or template that contains the component for which you want to search for members, and select Open.
5. When the rule or template opens, in its flow chart, select the component for which you want to search for members.
6. Click the Actions icon, and select Member
7. In Member Selector window, select the dimension that contains the member for which you want to search.
8. Optional: From the Menu icon you can change the display of members in the Member Selector window by performing these tasks:
   - Select or clear the options in Show to display or hide the member's name, alias, description, and count. (By default, the name and alias of the member is displayed.)
   - Select Collapse All to hide the members in the dimension you selected. (By default, the outline is collapsed when you select a dimension.)
9. Select the **Search** tab.
   a. From the **Find** field, select a type of member to search for, a member name or its description.
   b. Enter the name of the member, or its description, to search for, or to display all members in the dimension, accept the default wildcard.
   c. Click **Search**.

   If the member is found, the member is selected in the Results section. If more than one member matches your search criteria, locate the appropriate members from the list.
   d. **Optional**: Click **Advanced Search** to search for the member by name, alias, or one of its properties.
   e. Select the member or members, and click the **Select** icon to move them to the **Selections** panel.

10. Click **OK**.

### Search for Members by Name, Alias, or Property

You can use Advanced Search within the Member Selector to search for a member by name, alias, or one of its properties.

#### Searching for Members by Name, Alias, or Property

To search for a member by name, alias, or property:

1. From the **Member Selector**, select the **Search** tab, and click **Advanced Search**.
2. In **Find Members > Search By**, select one of these options:
   - **Name**: To search for the member by its name. Then move to step 4.
   - **Alias**: To search for the member by its alias. Then move to step 4.
   - **Property**: To search for the member by one of its properties. Then move to step 3.
3. If you selected **Property**, enter or select a **Property Name**.
4. Enter a value for the name, alias, or property.
5. Click **OK**. If the alias, name or property is found, the field is selected in the outline on Members.

When you search for members by alias, all members that have aliases matching the search criteria are highlighted in the outline, even members with aliases in other languages are highlighted. However, only aliases for members in the language being used are displayed in the Member Selector.

6. **Optional**: If more than one member matches your search criteria, locate the appropriate members from the list.

### Work with Allocation Formula Components

An allocation formula component is composed of formula calculation statements. These examples show performing the following actions on formula components:

- Creating
- Opening
- Editing
- Deleting
- Copying and pasting
- Showing usages
Creating Formula Components

To create the calculation statements of a formula, you enter or select members and variables. As you create the formula, each of its calculation statements is listed in a row within a grid in the Component Designer. You can create a formula component from the System View or from within the Rule Designer. A formula component exists as an independent object in the database, so it can be shared among allocation rules.

1. From the System View, expand the Essbase Application Type, the Aggregate Storage Application, and the Database.
2. Right-click Formulas, and select New.
3. Enter the formula's Name.
4. Enter the Application Type (Essbase).
5. Select an Application Name such as Vision Chart of Accounts. The application name must be a valid Essbase aggregate storage application.
6. Select the Essbase Database.

Note: Right-click Formulas, and select New to create a new formula, the New Formula dialog. The dialog is populated with the application type, the application, and the database you are working in within the System View.

7. Click OK. The formula is displayed in the Component Designer.
8. In the Component Designer, on Properties tab, optionally complete these steps:
   a. Verify that the Shared check box is selected by default.

   Note: You cannot select or clear the Shared check box. To create a formula that is not shared, open an allocation rule, and then drag a new formula component into the allocation rule's flow chart. The shared check box is not selected. If you decide to make the formula shared, select the Shared check box.

   b. Edit the formula’s name by entering a new one of up to 50 characters. The name defaults from the New Formula dialog.

   Note: Names of members in Essbase aggregate storage applications can be the same. If there is a name that is not unique, the name is marked when the object is validated. If this occurs, you must enter the full path for the member. The full path syntax is [Dimension name]. [Parent name]. [Member name.]”

   c. Enter a description of up to 255 characters for the formula.
   d. Enter a caption for the formula. The caption is displayed in the Rule Designer flow chart. If you do not enter a caption, the component’s name is displayed in the flow chart.
   e. Enter comments for the formula. For example, you may want to tell users how the formula component should be used.
9. On Formula, enter a caption for the formula.
10. The Offset Member is the total amount of all of the formulas in the formula component. Click the Ellipsis icon to select a member.

Note: You can define an offset member manually within the formulas that you create. The offset defined in the formula component is calculated as the sum of all calculated amounts.
11. To create a formula statement, click in the first formula statement row before the equal sign. Then enter a member or cross dimension member selection, or click Actions to select:
   - A variable
   - One or more members

12. To complete the formula statement, click in the row after the equal sign. Then enter a member or cross dimension member selection, or click Actions to select a variable or member.

13. For each formula statement row, click the Comments icon to enter optional comments about the formula statement.

14. On Usages, you can view the rules that use the formula component.

15. Select File > Save.

Opening Formula Components

You can open a formula component from the System View or within the Rule Designer flow chart of a rule that uses the formula component.

1. From the System View, expand the Essbase Application Type, the Aggregate Storage Application, and the Database.
2. Expand Formulas.
   - Right-click the formula you want to open, and select Open.
   - Double-click the formula you want to open.

*Note:* The formula component opens in the Component Designer. To open a formula component within a rule, open it from within the rule’s flow chart by right-clicking the formula component. Select Open or double-click the component.

Editing Formula Components

You can edit the formula statements that contain a formula component and the formula component’s comments, caption, name, and description.

1. From the System View, expand the Essbase Application Type, the Aggregate Storage Application, and the Database and the Formulas.
2. Select the formula component you want to edit.
3. Right-click the formula component, and select Open.
4. In the Component Designer, you can edit any of these properties of a formula component:
   - Caption
   - Formula statements
   - Name
   - Description
   - Comments
5. Select File, Save.

Deleting Formula Components

You can delete a formula component only if the component is not being used in any allocation rules. To see if any allocation rules are using the formula component, you can show the formula component’s usages.
If the formula component is being used by a rule, and you don't want the formula component, remove it from the rule, then delete it. If the formula component is being used in a rule, and you no longer need the rule, you can delete the rule. If no allocation rules use the formula component, you can delete the component.

To delete a formula component:

1. In the System View, expand the Essbase application type, the Essbase aggregate storage application, the database, and Formulas.
2. Right-click the formula you want to delete, and select Show Usages to make sure no allocation rules are using the formula component.
3. Remove the formula component from any allocation rules that are using it.
4. In the System View, right-click the formula you want to delete, and select Delete.
5. Confirm deletion of the formula.

Copying and Pasting Formula Components

You can copy a formula component from a rule and paste it into the same, or a different, rule. You can also copy the contents of the grid within a formula component and paste the contents into the same, or a different, formula component. You cannot copy a formula component and paste it into another formula component or another component type.

To copy and paste a formula component:

1. In the System View, expand the Essbase application type, the Essbase aggregate storage application, the database, and Rules.
2. Right-click the rule that contains the formula component you want to copy, and select Open.
3. In the Rule Designer flow chart, right-click the formula component you want to copy, and select Copy.
4. Do one of these tasks:
   - To paste the formula component into the same rule flow chart, right-click in the location of the flow chart, and select Paste.
   - To paste the formula component into a different rule flow chart, open the rule where you want to paste the component. Then right-click in the location, and select Paste.
5. Select File, Save.

Showing a Formula Component’s Usages

You can see which allocation rules are using a formula component, and other information, by displaying the formula component’s usages from the System View.

To show a formula component’s usages:

1. In the System View, expand the Essbase application type, the Essbase aggregate storage application, the database, and Formulas.
2. Right-click the formula whose usages you want to see, and select Show Usages.
3. You can view this information about the formula component:
   - The names of the allocation rules that are using the formula component.
   - The application names of the allocation rules that are using the formula component.
   - The database names of the allocation rules that are using the formula component.
   - The owner of the formula component.
   - Whether the allocation rules that are using the formula component are deployed.
   - Whether the allocation rules that are using the formula component are validated.
   - A description of the allocation rules that are using the formula component.
 Allocation Variables

Overview of Allocation Variables

Variables assume values that you define for them. You can use them in components while designing allocation rules and templates.

You can create variables from the System View and from within the Component Designer by starting the Variable Designer. When you create a variable within the Component Designer, the variable is associated with the rule that contains the component. You can also create variables from the System View, and associate them with allocation rules, calculation or plan types, databases, or applications that you select.

Two types of variables exist.

- **Execution**: When the rule is started, the calculation defined for the variable is performed. You can use execution variables in formula, condition, or loop components.

  **Note**: Execution variables are not supported in Essbase aggregate storage applications, including those used in Oracle General Ledger.

- **Replacement**: When you are designing or creating the rule, the variable is substituted with a calculation. You can use replacement variables in formula components.

You can create several types of execution and replacement variables.

  **Note**: The variables you can create differ depending on what application type you are working in and whether you are creating an execution or replacement variable.

You can create variables that prompt users to enter information when they start a rule. These runtime prompt variables prompt users for information regarding members, text, dates, or numbers. The prompts indicate the type of data that is expected.

Up to four database objects with which you can associate a variable exist, depending on which application type you are creating a variable for. A variable can exist in multiple objects simultaneously and can have the same name in each object.

- For all user use Application. If you select application, the variable can be used within the application with which you are working when you create the variable.

- For Essbase users use Database. If you select database, the variable can be used within the database you are working when you create the variable.

- For Essbase users use Rule: If you select rule, the variable can be used within the rule with which you are working when you create the variable.
Create a Variable from the System View

You can create a variable from the System View or from within the Component Designer by running the Variable Designer.

Creating a Variable from the System View

You can create a variable from the **System View** or from within the **Component Designer** by running the **Variable Designer**.

To create a variable from the **System View**:

1. In the **System View**, select **Tools > Variables**.
2. In the **Variable Navigator**, expand the Essbase application type.
3. **Essbase users**: Right-click an application, and select **New** to create a variable that can be used in that application only.
4. Enter a description for the variable.
5. If you include this variable in a group, enter the group name.
6. If the variable is a runtime prompt variable, select **Use Last Entered Value**. The prompt the user last entered is displayed as the default value the next time the prompt occurs.

   This option can be selected only if the variable has runtime prompts.
7. In the **Value** table, enter values for the variable. The values you enter change depending on the selected variable type.

   Repeat these steps for each variable you want to create.
8. Select **File, Save**.

Enter Variable Values for a Numeric Variable

A numeric variable can be Essbase replacement variable.

Entering Values for a Planning or Essbase Numeric Variable

To enter values for an Essbase numeric variable:

1. In the **System View**, select **Tools, Variables**.
2. In the **Variable Navigator**, expand the Essbase application type.
3. Do one of these tasks:
   - Right-click an application, and select New to create a variable that can be used in that application only.
   - Right-click a database, and select New to create a variable that can be used in that database only.
   - Right-click a rule, and select New to create a variable that can be used in that rule only.
4. From **Type**, select **Numeric**.
5. Enter a default value for the variable.
6. Select **File, Save**.
Enter Variable Values for a String Variable

A string variable can be an Essbase replacement variable. A string variable must be alphanumeric and not more than 255 characters. It can contain a null value, but cannot contain a leading ampersand character in the value.

Enter Values for a Planning or Essbase Replacement String Variable

To enter values for an Essbase replacement string variable:

1. In the System View, select Tools, Variables.
2. In the Variable Navigator, expand the Essbase application type.
3. Do one of these tasks:
   - Right-click an application, and select New to create a variable that can be used in that application only.
   - Right-click a database, and select New to create a variable that can be used in that database only.
   - Right-click a rule, and select New to create a variable that can be used in that rule only.
4. From Type, select String.
5. In the Value table, enter a value for the variable.
6. By default, RTP is selected. If you do not want to create a run time prompt for this variable, clear RTP.
   - If you do not select RTP, you must enter a value for the variable.
7. If you selected RTP, enter the run time prompt text you want to display for users.
8. Select File, Save.

Enter Values for an Array Variable

An array variable can be an Essbase execution variable. Arrays contain a list of values that can be multidimensional.

Typically, arrays are used to store variables as part of a member formula. The size of the array variable is determined by the number of members in the corresponding dimension. For example, if the Scenario dimension has four members, the following command creates an array called Discount with four entries. You can use more than one array at a time.

Array Discount

To enter values for an array variable:

1. In the System View, select Tools, Variables.
2. In the Variable Navigator, expand the Essbase application type.
3. Do one of these tasks:
   - Right-click an application, and select New to create a variable that can be used in that application only.
   - Right-click a database, and select New to create a variable that can be used in that database only.
   - Right-click a rule, and select New to create a variable that can be used in that rule only.
4. From Type, select Array.
5. In the Value field, enter a value for the variable.
6. Select File, Save.
Enter Values for a Member Range Variable

A member range variable can be an Essbase replacement variable. The member range variable should contain a range of members inclusive of, and between, two specified members.

Entering Values for a Member Range Variable

To enter values for a member range variable:

1. In the **System View**, select **Tools, Variables**.
2. In the **Variable Navigator**, expand the Essbase application type.
3. Do one of these tasks:
   - Right-click an application, and select New to create a variable that can be used in that application only.
   - Right-click a database, and select New to create a variable that can be used in that database only.
   - Right-click a rule, and select New to create a variable that can be used in that rule only.
4. In the **Variable Navigator**, expand the Essbase application type.
5. From **Type**, select **Member Range**.
6. In the **Value** table, do the following: is you are creating a member range for Essbase.
   a. If you are creating a member range variable for Essbase:
      i. For each dimension for which you want to define a member range, enter or use the **Member Selector** to select limits for the member range. (The dimensions that display are the dimensions that belong to the application for which you are creating the variable.)

   ![Note:]

   ii. Enter or use the Member Selector to select values for the member range. You can select multiple members and functions for each dimension listed.

8. Select **File, Save**.

Enter Variable Values for a Cross Dimension Variable

A cross dimension variable is an Essbase replacement variable. It contains a range of members from multiple dimensions that enable you to run allocation rules across dimensions.

Entering Values for a Cross Dimension Variable

To enter values for a cross dimension variable:

1. In the **System View**, select **Tools, Variables**.
2. In the **Variable Navigator**, expand the Essbase application type.
3. Do one of these tasks:
   - Right-click an application, and select New to create a variable that can be used in that application only.
   - Right-click a database, and select New to create a variable that can be used in that database only.
   - Right-click a rule, and select New to create a variable that can be used in that rule only.
4. From **Type**, select **Cross Dimension**.
5. For each dimension listed, in the **Value** table, enter or use the **Member Selector** to select limits for the variable.
   - You must select RTP before you enter text in the Limits field.
6. Enter or use the **Member Selector** to select a value for the variable. You can select a member or a function.
7. Repeat step 5 through step 6 to select values for all of the dimensions.
8. Select **File, Save**.

**Enter Variable Values for a Dimension Variable**

A dimension variable is an Essbase replacement variable. This variable contains a dimension that you select.

**Enter Values for a Dimension Variable**

To enter values for a dimension variable:

1. In the **System View**, select **Tools, Variables**.
2. In the **Variable Navigator**, expand the Essbase application type.
3. Do one of these tasks:
   - Right-click an application, and select New to create a variable that can be used in that application only.
   - Right-click a database, and select New to create a variable that can be used in that database only.
   - Right-click a rule, and select New to create a variable that can be used in that rule only.
4. From **Type**, select **Dimension**.
5. In the **Value** table, select a dimension. The dimensions displayed belong to the application for which you are creating the variable.
6. Select **File, Save**.

**Enter Variable Values for Members Variable**

The member and member variables are Essbase replacement variables. These variables contain a member or multiple members from a dimension that you select.

**Enter Values for a Member or Member Variable**

To enter values for a member or members variable:

1. In the **System View**, select **Tools, Variables**.
2. In the **Variable Navigator**, expand the Essbase application type.
3. Do one of these tasks:
   - Right-click an application, and select New to create a variable that can be used in that application only.
   - Right-click a database, and select New to create a variable that can be used in that database only.
   - Right-click a rule, and select New to create a variable that can be used in that rule only.
4. From **Type**, select **Member** or **Members**.
5. In the **Value** table, select a dimension. The dimensions that display are the dimensions that belong to the application for which you are creating the variable.
6. Enter or use the **Member Selector** to select limits for the variable. You can select members only from the dimension you select in step 3. You can also select functions.
Enter Variable Values for Percent Variables

The percent variable is an Essbase replacement or execution variable. This variable contains a percentage that you specify.

Entering Values for a Percent Variable

To enter values for a percent variable:

1. In the System View, select Tools, Variables.
2. In the Variable Navigator, expand the Essbase application type.
3. Do one of these tasks:
   - Right-click an application, and select New to create a variable that can be used in that application only.
   - Right-click a database, and select New to create a variable that can be used in that database only.
   - Right-click a rule, and select New to create a variable that can be used in that rule only.
4. From Type, select Percent.
5. In the Value table, click in Limits to define minimum and maximum values for the variable.
6. Enter a numeric value for the variable.
7. Select whether missing data values can be allowed.
8. Select File, Save.

Display the Uses of a Variable

You can display the allocation rules and templates that use variables. When you show the uses of a variable, the following information is displayed:

- Names of the allocation rules and templates that are using the variable.
- Application names of the allocation rules and templates that are using the variable.
- Calculation types, plan types, or databases of the allocation rules and templates that are using the variable.
- Owners of the allocation rules and templates that are using the variable.
- Whether the allocation rules and templates that are using the variable are deployed.
- Whether the allocation rules and templates that are using the variable are validated.
- Description of the allocation rules and templates that are using the variable.

Displaying the Uses of a Variable

To display the use of a variable:

1. In the System View, select Tools, Variables.
2. In the Variable Navigator, select the database object that contains the variable whose usages you want to view. The variables defined for that object are displayed on the tabs in the Variable Designer.
3. Right-click the variable whose usages you want to view, and select Show Usages.
4. After you review the information, click OK.

Copy a Variable

You can copy a variable with the same name into the same or a different application using the copy and paste option. You can also copy a variable with a different name into the same or a different application using the Save As option.

Copy a Variable with a Different Name using the Save As Option

To copy a variable with a different name using the Save As option:

1. In the System View, select Tools, Variables
2. In the Variable Navigator, do one of the following tasks:
   - Expand Essbase, and select the application, database, or rule associated with the variable you want to copy.
     The variables associated with the object you select are displayed on the Replacement, or Execution tab, or both.
3. Right-click the variable you want to copy, and select Save As.
4. Enter a new name for the variable, then select the application, and the calculation type, plan type, or database, or accept the defaults.
   By default, the variable is copied to the same application and calculation type, or database in which the variable is created.

Refresh Variables

You can refresh the list of variables in the Variable Navigator to see the updated list after you add, delete, or make changes to variables.

Refreshing Variables

To refresh the list of variables in the Variable Navigator:

1. In the System View, select Tools, Variables
2. In the Variable Navigator, create, edit, or delete a variable.
3. On the Replacement or Execution tab, right-click, and select Refresh.

Overview of Editing a Variable

You can edit any property of a variable from the Variable Designer. When you update a variable that was previously validated, any component that uses the variable is no longer validated. You must validate each component again.

Delete a Variable

You can delete a variable or variables from the Variable Designer if they are not used in any components or member formulas. If a variable is used in a component, you must remove the variable from the component before you delete it.
Deleting a Variable

To delete a variable:

1. In the System View, select **Tools, Variables**.
2. In the **Variable Navigator**, expand the Essbase application type and the application.
3. Do one of the following tasks:
   - If the variable is a database variable, select the database with which the variable is associated.
   - If the variable is a rule variable, select the rule with which the variable is associated.
   - If the variable is an application variable, select the application with which the variable is associated.

   Any variables associated with the application type, the application, the calculation type, or database, and the rule are displayed on the **Replacement** or **Execution** tab.
4. On the **Replacement** or **Execution** tab, right-click the variable you want to delete, and click **Delete**.
5. In the **Delete Confirmation** dialog box, click **Yes** to confirm deletion of the variable.

Select a Variable

You can select a variable from various locations. You can select variables:

- When you create components from within the Component Designer
- When you create design time prompts from within the Template Designer
- From other locations

Selecting a Variable

To select a variable:

1. In the **System View**, expand Essbase application type.
2. Expand the application, the calculation type, or the database (Essbase).
3. Expand **Rules** or **Templates**, depending on whether the component is in a rule or template.
4. Right-click the template or rule that contains the component you want to add a variable to, and select **Open**.
5. When the rule or template opens, in its flow chart, select the component for which you want to insert a variable.
6. In the tabs, do one of the following tasks:
   - For member range, data range, and fixed loop components, in the **Variable** field, select the **Variable** icon.
   - For formula components, click the **Actions** icon, and select **Variable**.
   - For script components, click the **Insert a Variable** icon.
   - For condition components, start the **Condition Builder**, select **Actions** > **Variable**.
7. In **Select Variable** then, do one of these tasks:
   - Click Create to access the Variable Designer to create a new variable.
   - Select an existing variable from Category and select the object to associate with the variable. By default, the variable is associated with the application for which you create it.
8. On Replacement or Execution, select one or more variables to insert into the component. Use Ctrl + Click or Shift + Click to select multiple variables.
9. Click **OK**. The variables are inserted into the component.
FAQs for Allocations and Periodic Entries

How can I access the Calculation Manager?

Login into the Oracle Fusion General Ledger application and navigate to the Journals work area. From the Journals work area select the Create Allocation Rules link and automatically log into the Calculation Manager in Workspace to create new allocation rules or rule sets.

Note: The application or the balances cube that is currently selected in the General Ledger Data Access Set is automatically selected in the Calculation Manager.

How can I create a folder in the Custom View?

In the Custom View, create folders that contain only the allocation rules, allocation rule sets, and formulas you want to view and work with.

To create a folder in the Custom View:

1. In the System View, select View, Custom View.
2. In the Custom View, right-click the Essbase application type, and select New Folder.
3. In New Folder, enter a name for the folder.
4. Click OK.

Tip: You can create nested folders by right-clicking the folder you want to create a folder in and selecting New Folder.

How can I rename a folder in the Custom View?

Rename the folders you create in the Custom View.

To rename a folder in the Custom View:

1. In the System View, select View, Custom View.
2. In the Custom View, expand the Essbase application type.
3. Right-click the folder you want to rename, and select Rename.
4. In the Rename Folder, enter a new name for the folder.
5. Click OK.

How can I open an allocation rule?

You open an allocation rule from the System View that is displayed by default when you open Calculation Manager. You can also open a rule using File, Open from within the tab of another rule, rule set, component, or template.
To open an allocation rule:

1. **Navigator > General Accounting: Journals > Create Allocation Rules** link.
2. **Navigate menu > Administration > Calculation Manager.**
3. In the **System View**, expand the **Essbase Application Type**, the **Application**, or **Database**, and **Rules**.
4. Do one of these tasks:
   - Right-click the rule you want to open, and select **Open**.
   - Select the rule you want to open, and select **File, Open**.

How can I save an allocation rule?

You must save an allocation rule after you create or edit it. When you save the allocation rule, it is saved to the application and application type for which you created it. After you save it, you can validate and deploy it in Calculation Manager. You can generate it in Oracle Fusion General Ledger.

To save an allocation rule after you create or edit it, select **File, Save**.

> **Note:** To see the allocation rule in the **System View** after you save it, you may refresh the application list. To do this, right-click the application type, the application, or the database (for Essbase), and select **Refresh**.

How can I save an allocation rule with a different name?

You can save an allocation rule with a different name using **Save As**. You can also copy a rule from one rule set to another within the same rule set type using **Save As**. **Save As** creates a copy of the original rule with a different name to distinguish it from the original.

To save an allocation rule with a different name:

1. In the **System View**, expand the **Essbase Application Type**, the **Application**, or **Database**, and **Rules**.
2. Right-click the rule you want to save with a different name, and select **Open**.
3. In the **Rule Designer**, select **File, Save As**.
4. In **Save As**, enter the rule’s new name, and select the **Application Name**.
5. Select the **Database**.

> **Note:** You cannot change the database of a rule you save with a different name.

6. Click **OK**. The new rule is added to the application list in the System View.

How can I delete an allocation rule?

You delete an allocation rule from the **System View**. You can delete an allocation rule only if it is not used by other rules or rule sets. If the rule is being used, you must remove the allocation rule from the rules and rule sets using it, or make copies of it for the rules and rule sets using it, before you delete it. To see if a rule is used by other rules and rule sets, you can show the usages of the rule.

To delete an allocation rule:

1. In the **System View**, expand the **Essbase Application Type**, the **Application**, or **Database**, and **Rules**.
2. Make sure the rule you want to delete is not being used by another rule set or rule.
3. Right-click the rule you want to delete, and select **Delete**.
4. Click **OK** to confirm deletion of the rule.

### How can I open an allocation rule set?

You open an allocation rule set from within the **System View**. You can also open a rule set from within the **Ruleset Designer**, by selecting **File**, then **Open**.

To open an allocation rule set:

1. In the **System View**, expand the Essbase application type and the application.
2. For Essbase: Expand **RuleSets**, right-click the rule set you want to open, and select **Open**.

> **Note:** For Essbase applications, there is only one rule set node for each application at the same level as the databases.

### How can I open an allocation rule within an allocation rule set?

You can open an allocation rule from within an allocation rule set from the **System View** or from the **Ruleset Designer**.

To open an allocation rule within an allocation rule set:

1. In the **System View**, expand the Essbase Application Type and the Application.
2. Expand your rule set that contains the rule you want to open.

> **Note:** For Essbase applications, only one rule set node exists for each application at the same level as the databases.

3. Right-click the rule you want to open, and select **Open**.

> **Note:** You can also open a rule that belongs to an allocation rule set from within the **Ruleset Designer**. To do this, in the **Ruleset Designer**, right-click the rule, and select Open.

### How can I remove an allocation rule from an allocation rule set?

When you remove a rule from an allocation rule set, the rule is not deleted. The rule exists independently of the rule set in the database.

To remove an allocation rule from an allocation rule set:

1. In the **System View**, expand the Essbase Application Type and the Application.
2. Expand **RuleSets**, right-click the rule set you want to open, and select **Open**.

> **Note:** Only one **rule sets** node exists for each application at the same level as the plan types and databases.
3. In Ruleset Designer, right-click the rule you want to remove, and select Remove.
Select File, Save.

How can I open a point of view or allocation component?

You open a point of view or allocation component from within the flow chart of the rule to which it belongs.

Note: You cannot open the allocation component from the System View.

To open a point of view or an allocation component:

1. In the System View, expand the Essbase Application Type, the Application, Database, and Rules.
2. Right-click the rule that contains the component you want to open, and select Open. The rule is displayed in the Rule Designer.
3. When the rule opens, click the point of view component or double-click the allocation component in the rules flow chart to open the component.

How can I save a point of view or allocation component?

You save a point of view or an allocation component when you save the rule to which it belongs in the Rule Designer. Unlike the formula components, point of view and allocation components cannot exist independently for the rule to which they belong.

To save a point of view or allocation component:

- Select File and Save, or click the Save icon, once you finish designing a point of view or an allocation component.

How can I copy and paste a point of view or allocation component?

You can copy a point of view or allocation component from within the rule in which it is used, and you can paste the component into the same or a different rule.

To copy and paste a point of view or allocation component in a rule flow chart:

1. In the System View, expand the Essbase Application Type, the Application, Database, and Rules.
2. Right-click the rule that contains the point of view or allocation component you want to copy and paste, and select Open. The rule is displayed in the Rule Designer.
3. In the Rule Designer, right-click the point of view or allocation component you want to copy in the rules flow chart, and select Copy to copy only the component or Copy Group to copy the component and the associated components within it.
4. Do one of the following tasks:
   - To paste the component into the same rule, right-click the location in the flow chart where you want to paste the component, and select Paste.
   - To paste the component into a different rule, open the rule, right-click the location in the flow chart where you want to paste the component, and select Paste.

Note: You can also select Edit and Paste.
5. Select **File** and **Save**.

How can I delete a point of view or allocation component?

You delete a point of view or an allocation component from the **System View**. Since point of view or allocation components can be used in only one rule, you can delete these components by removing them from the rule to which they belong.

To delete a point of view or an allocation component:

1. In the **System View**, expand the **Essbase Application Type**, the **Application**, or **Database**, and **Rules**.
2. Right-click the rule that contains the point of view or allocation component you want to delete, and select **Open**. The rule is displayed in the **Rule Designer**.
3. In the **Rule Designer**, select the point of view or allocation component you want to delete in the flow chart.
4. Right-click the point of view or allocation component.
5. Select **Remove** to confirm the removal of the component.

**Note:** If the allocation component is within the point of view component, then removing the point of view component removes the allocation component.

6. Select **File** and **Save**.

How can I migrate allocation rules from one environment to another?

You can export your allocation rules from a source environment and import them to a target environment using a implementation projects. In the Setup and Maintenance work area, create an implementation project that includes only the **Manage Allocations and Periodic Entries** task. Then use the **Manage Configuration Packages** task to export and import the allocation rules.

**Related Topics**

- How You Use Implementation Projects to Manage Setup
- Setup Data Export and Import Using Implementation Project
- Exporting Setup Data Using Implementation Project: Procedure
- Importing Setup Data Using Implementation Project: Procedure
12 Business Units

Business Units

A business unit is a unit of an enterprise that performs one or many business functions that can be rolled up in a management hierarchy. A business unit can process transactions on behalf of many legal entities. Normally, it has a manager, strategic objectives, a level of autonomy, and responsibility for its profit and loss. Roll business units up into divisions if you structure your chart of accounts with this type of hierarchy.

In Oracle Fusion Applications you do the following:

- Assign your business units to one primary ledger. For example, if a business unit is processing payables invoices, then it must post to a particular ledger. This assignment is required for your business units with business functions that produce financial transactions.
- Use a business unit as a securing mechanism for transactions. For example, if you run your export business separately from your domestic sales business, then secure the export business data to prevent access by the domestic sales employees. To accomplish this security, set up the export business and domestic sales business as two separate business units.

The Oracle Fusion Applications business unit model provides the following advantages:

- Enables flexible implementation
- Provides consistent entity that controls and reports on transactions
- Shares sets of reference data across applications

Business units process transactions using reference data sets that reflect your business rules and policies and can differ from country to country. With Oracle Fusion Application functionality, you can share reference data, such as payment terms and transaction types, across business units, or you can have each business unit manage its own set depending on the level at which you want to enforce common policies.

In summary, use business units for:

- Management reporting
- Transaction processing
- Transactional data security
- Reference data sharing and definition

Brief Overview of Business Unit Security

A number of Oracle Fusion Applications use business units to implement data security. You assign roles like Accounts Payable Manager to users to permit them to perform specific functions, and you assign business units for each role to users to give them access to data in those business units. For example, users who have been assigned a Payables role for a particular business unit, can perform the function of payables invoicing on the data in that business unit. Roles can be assigned to users manually using the Security Console, or automatically using provisioning rules. Business Units can be assigned to users using the Manage Data Access for Users task found in Setup and Maintenance.

Related Topics

- Reference Data Sets and Sharing Methods
Business Functions

A business unit can perform many business functions in Oracle Fusion Applications.

Business Functions

A business function represents a business process, or an activity that can be performed by people working within a business unit and describes how a business unit is used. The following business functions exist in Oracle Fusion applications:

- Billing and revenue management
- Collections management
- Customer contract management
- Customer payments
- Expense management
- Incentive compensation
- Marketing
- Materials management
- Order fulfillment orchestration
- Payables invoicing
- Payables payments
- Procurement
- Procurement contract management
- Project accounting
- Receiving
- Requisitioning
- Sales

Although there is no relationship implemented in Oracle Fusion Applications, a business function logically indicates a presence of a department in the business unit with people performing tasks associated with these business functions. A business unit can have many departments performing various business functions. Optionally, you can define a hierarchy of divisions, business units, and departments as a tree over HCM organization units to represent your enterprise structure.

>Note: This hierarchy definition isn’t required in the setup of your applications, but is a recommended best practice.

Your enterprise procedures can require a manager of a business unit to have responsibility for their profit and loss statement. In such cases, any segment that allows the identification of associated revenue and costs can be used as a profit center identification. The segment can be qualified as the **Cost Center Segment**.

However, there are cases where a business unit is performing only general and administrative functions, in which case your manager’s financial goals are limited to cost containment or recovering of service costs. For example, if a shared service center at the corporate office provides services for more commercially-oriented business units, it doesn’t show a profit and therefore, only tracks its costs.
In other cases, where your managers have a responsibility for the assets of the business unit, a balance sheet can be produced. The recommended best practice to produce a balance sheet is to setup the business unit as a balancing segment in the chart of accounts. The business unit balancing segment can roll up to divisions or other entities to represent your enterprise structure.

When a business function produces financial transactions, a business unit must be assigned to a primary ledger, and a default legal entity. Each business unit can post transactions to a single primary ledger, but it can process transactions for many legal entities.

The following business functions generate financial transactions and will require a primary ledger and a default legal entity:

- Billing and revenue management
- Collections management
- Customer payments
- Expense management
- Materials management
- Payables invoicing
- Project accounting
- Receiving
- Requisitioning

Business Unit Hierarchy: Example

For example, your InFusion America Company provides:

- Air quality monitoring systems through your division InFusion Air Systems
- Customer financing through your division InFusion Financial Services

The InFusion Air Systems division further segments your business into the System Components and Installation Services subdivisions. Your subdivisions are divided by business units:

- System Components by products: Air Compressors and Air Transmission
- Installation Services by services: Electrical and Mechanical
Oracle Fusion applications facilitates independent balance sheet rollups for legal and management reporting by offering up to three balancing segments. Hierarchies created using a second or third balancing segment can provide the divisional results. For example, it’s possible to define second or third balancing segment values to correspond to business units, and arrange them in a hierarchy where the higher nodes correspond to divisions and subdivisions, as in the InFusion US Division example.

Considerations for Creating Business Units in the Enterprise Structures Configurator

Business units are used within Oracle Fusion applications for management reporting, processing of transactions, and security of transactional data. Using the Enterprise Structures Configurator, you create business units for your enterprise either automatically or manually.

Automatically Creating Business Units

To create business units automatically, you must specify the level at which to create business units. Business units within your enterprise may be represented at one of two levels:

- Business function level, such as Sales, Consulting, Product Development, and so on.
A more detailed level, where a business unit exists for each combination of countries in which you operate and the functions in those countries.

You can automatically create business units at the following levels:

- Country
- Country and Division
- Country and business function
- Division
- Division and legal entity
- Division and business function
- Business function
- Legal entity
- Business function and legal entity

Select the option that best meets your business requirements, but consider the following:

- If you use Oracle Fusion Financials, the legal entity option is recommended because of the manner in which financial transactions are processed.
- The business unit level that you select determines how the application automatically creates reference data sets.

After you select a business unit level, the application generates a list of business units, and you select the ones you want the application to create. If you select a level that has two components, such as country and division, then the application displays a table listing both components. You select the check boxes at the intersections of the two components.

The business units listed by the application are suggestions only, and are meant to simplify the process to create business units. You aren’t required to select all of the business units suggested. When you navigate to the next page in the ESC guided flow, the Manage Business Units page, you can’t delete any of the business units created automatically. You must return to the Create Business Units page and deselect any business units that you no longer want.

**Example: Selecting Business Unit Levels**

InFusion Corporation is using the Enterprise Structures Configurator to set up its enterprise structure. InFusion has identified two divisions, one for Lighting, and one for Security. They operate in four countries: US, UK, Japan, and India, and they have created a legal entity for each of the countries. The sales and marketing functions are based in both India and Japan, while the US and the UK have only the sales function.
This figure illustrates InFusion Corporation’s enterprise structure.

![Enterprise Structure Diagram]

The following table lists the options for business unit levels and the resulting business units that the application suggests for InFusion Corporation.

<table>
<thead>
<tr>
<th>Business Unit Level</th>
<th>Suggested Business Units</th>
</tr>
</thead>
</table>
| Country                          | • US  
  • UK  
  • Japan  
  • India                                                  |
| Country and Division             | • InFusion Lighting: Japan  
  • InFusion Lighting: US  
  • Infusion Security: UK  
  • Infusion Security: India                                  |
| Country and business function    | • Sales: Japan  
  • Marketing: Japan  
  • Sales: US  
  • Sales: UK  
  • Marketing: India  
  • Sales: India                                               |
| Division                         | • InFusion Lighting  
  • InFusion Security                                         |
| Division and Legal Entity        | • InFusion Lighting: Japan  
  • InFusion Lighting: US  
  • Infusion Security: UK                                      |
## Business Units

### Business Unit Level

<table>
<thead>
<tr>
<th>Suggested Business Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Infusion Security: India</td>
</tr>
</tbody>
</table>

### Division and Business Function

<table>
<thead>
<tr>
<th>Suggested Business Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>• InFusion Lighting, Sales</td>
</tr>
<tr>
<td>• InFusion Lighting, Marketing</td>
</tr>
<tr>
<td>• InFusion Security, Sales</td>
</tr>
<tr>
<td>• InFusion Security, Marketing</td>
</tr>
</tbody>
</table>

### Business Function

<table>
<thead>
<tr>
<th>Suggested Business Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Sales</td>
</tr>
<tr>
<td>• Marketing</td>
</tr>
</tbody>
</table>

### Legal Entity

<table>
<thead>
<tr>
<th>Suggested Business Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Legal Entity: Japan</td>
</tr>
<tr>
<td>• Legal Entity: US</td>
</tr>
<tr>
<td>• Legal Entity: UK</td>
</tr>
<tr>
<td>• Legal Entity India</td>
</tr>
</tbody>
</table>

### Legal Entity and Business Function

<table>
<thead>
<tr>
<th>Suggested Business Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Legal Entity: Japan, Sales</td>
</tr>
<tr>
<td>• Legal Entity: Japan, Marketing</td>
</tr>
<tr>
<td>• Legal Entity: US, Sales</td>
</tr>
<tr>
<td>• Legal Entity: UK, Sales</td>
</tr>
<tr>
<td>• Legal Entity India, Marketing</td>
</tr>
<tr>
<td>• Legal Entity India, Sales</td>
</tr>
</tbody>
</table>

## Manually Creating Business Units

If none of the levels for creating business units meets your business needs, you can create business units manually, and you create them on the Manage Business Units page. If you create business units manually, then no reference data sets are created automatically. You must create them manually as well.

### Related Topics

- Reference Data Sets and Sharing Methods
- What reference data objects can be shared across asset books

## Copy Business Unit Configurations

Use the Copy Configuration feature to create new business units by copying existing business units. For example, if you have business units that share similar configurations, you can create copies of the first business unit and make adjustments for the setup differences.
The following figure illustrates the steps in the copy configuration process. The steps are create copy configuration request, edit staged configuration, import staged configuration, fix errors (if applicable), review copied configuration.

Creating a Copy Configuration Request
Create a copy request by identifying the business unit you want to copy, and assigning a name to the request. You can review the business objects that will be copied to the new business unit.

1. Navigate to the Create Copy Configuration Request page.
2. In the Copy Configuration field, select Copy Business Unit Configuration for Financials.
3. Select the business unit to copy.
4. Enter the name for the copy request.
5. Click Submit.

Editing a Staged Configuration
Edit the business unit copy by selecting specific account segment values to override, or accepting the source values.

1. Click the Ready to edit link for your request name.
2. In the Override Business Unit Account Segment Values page, enter a name for the new business unit.
3. Enter an organization code.
4. For each account segment value, specify whether to use the same values as the original business unit, or select a new value.
5. Click Save and Close.

Importing a Staged Configuration
Start the process to import a staged configuration, or return to the Override Business Unit Account Segment Values page to make changes.

1. Click the Ready to import link for your request name.
2. In the Review and Import Staged Configuration page, take one of the following actions:
   - Click Import to import the staged configuration.
   - Click Edit to return to the Override Business Unit Account Segment Values page to make changes.
Fixing Errors
If you encounter any errors during the staging configuration process, click the Ready to fix errors link to review the new business unit configuration data. Click the Download icon to view the process status details of each copied business object.

Reviewing the Copied Configuration
Use the task list to review the business objects for your new business unit and make changes as needed.

1. Click the Ready to review link for your request name.
2. In the Copy Business Unit Configuration for Financials page, use the task list to navigate to each task. Review the newly copied data and make adjustments for your new business unit.

Examples of Override Business Unit Account Segment Values
Use override business unit account segment values to specify the account segment values for a new business unit created by the copy business unit configuration process. Determine the source and target values for your business units and use these two values for the same chart of accounts or for the same primary ledger.

The following scenarios illustrate the impact of using this option to:

- Use the same values as the original business unit.
- Select new values that are different from the original business unit.

The following table lists selected account values of the original business unit for both scenarios:

<table>
<thead>
<tr>
<th>Account Name</th>
<th>Account Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax Account</td>
<td>01-000-2520-0000-000</td>
</tr>
<tr>
<td>Cross Currency Rounding Account</td>
<td>01-740-7826-0000-000</td>
</tr>
<tr>
<td>Realized Gains Account</td>
<td>01-740-7830-0000-000</td>
</tr>
<tr>
<td>Realized Losses Account</td>
<td>01-740-7840-0000-000</td>
</tr>
<tr>
<td>Header Rounding Account</td>
<td>01-740-7827-0000-000</td>
</tr>
</tbody>
</table>

Using Identical Account Segment Values
In this scenario, you are creating the new business unit with account segment values that are identical to the original business unit. The following table illustrates the settings on the Override Business Unit Account Segment Values page.
**Chapter 12**

**Business Units**

<table>
<thead>
<tr>
<th>Business Unit</th>
<th>Organization Code</th>
<th>Primary Ledger</th>
<th>Default Legal Entity</th>
</tr>
</thead>
</table>

**Procure-to-Pay Default Account Segment Values**

<table>
<thead>
<tr>
<th></th>
<th>Order-to-Cash Default Account Segment Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company: Use source</td>
<td>Company: Use source</td>
</tr>
<tr>
<td>Department: Use source</td>
<td>Department: Use source</td>
</tr>
<tr>
<td>Sub-Account: Use source</td>
<td>Sub-Account: Use source</td>
</tr>
<tr>
<td>Product: Use source</td>
<td>Product: Use source</td>
</tr>
</tbody>
</table>

The following table lists the resulting account segment values:

<table>
<thead>
<tr>
<th>Account Name</th>
<th>Account Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax Account</td>
<td>01-000-2520-0000-000</td>
</tr>
<tr>
<td>Cross Currency Rounding Account</td>
<td>01-740-7826-0000-000</td>
</tr>
<tr>
<td>Realized Gains Account</td>
<td>01-740-7830-0000-000</td>
</tr>
<tr>
<td>Realized Losses Account</td>
<td>01-740-7840-0000-000</td>
</tr>
<tr>
<td>Header Rounding Account</td>
<td>01-740-7827-0000-000</td>
</tr>
</tbody>
</table>

**Overriding Account Segment Values**

In this scenario, you are creating a new business unit named Vision Operations JP for a different company, and the company segment value should represent the company value of 05. The following table illustrates the settings on the Override Business Unit Account Segment Values page.

<table>
<thead>
<tr>
<th>Business Unit</th>
<th>Organization Code</th>
<th>Primary Ledger</th>
<th>Default Legal Entity</th>
</tr>
</thead>
</table>

The following table illustrates the settings on the Override Business Unit Account Segment Values page.
Procure-to-Pay Default Account Segment Values | Order-to-Cash Default Account Segment Values
---|---
Company: 05 | Company: 05
Department: Use source | Department: Use source
Sub-Account: Use source | Sub-Account: Use source
Product: Use source | Product: Use source

The following table lists the resulting account segment values:

<table>
<thead>
<tr>
<th>Account Name</th>
<th>Account Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax Account</td>
<td>05-000-2520-0000-000</td>
</tr>
<tr>
<td>Cross Currency Rounding Account</td>
<td>05-740-7826-0000-000</td>
</tr>
<tr>
<td>Realized Gains Account</td>
<td>05-740-7830-0000-000</td>
</tr>
<tr>
<td>Realized Losses Account</td>
<td>05-740-7840-0000-000</td>
</tr>
<tr>
<td>Header Rounding Account</td>
<td>05-740-7827-0000-000</td>
</tr>
</tbody>
</table>

Service Provider Models

In Oracle Fusion applications, the service provider model defines relationships between business units for a specific business function, identifying one business in the relationship as a service provider of the business function, and the other business unit as its client.

Procurement Example

The Oracle Fusion Procurement product family has taken advantage of the service provider model by defining outsourcing of the procurement business function. Define your business units with requisitioning and payables invoicing business functions as clients of your business unit with the procurement business function. Your business unit responsible for the procurement business function takes care of supplier negotiations, supplier site maintenance, and purchase order processing on behalf of your client business units. Subscribe your client business units to the supplier sites maintained by the service providers, using a new procurement feature for supplier site assignment.
In the InFusion example, business unit four (BU4) serves as a service provider to the other three business units (BU1, BU2, and BU3.) BU4 provides the corporate administration, procurement, and human resources (HR) business functions, thus providing cost savings and other benefits to the entire InFusion enterprise.

Shared Service Centers

Oracle Fusion Applications enables defining relationships between business units to outline which business unit provides services to the other business units.

Service Provider Model

The service provider model centralizes the following business functions:

- Procurement
  - Services business units that enable the Requisitioning business function.
  - Processes requisitions and negotiates supplier terms for client business units.

- Payables Payment
  - Services business units that enable the Payables Invoicing business function.
  - Processes payments for client business units.
Customer Payments

- Services business units that enable the Billing and Revenue Management business function.
- Processes payments for the transactions of client business units assigned the Billing and Revenue Management business function.

This functionality is used to frame service level agreements and drive security. The service provider relationships provides you with a clear record of how your business operations are centralized. For other centralized processing, business unit security is used (known in Oracle E-Business Suite as Multi-Org Access Control). This means that users who work in a shared service center have the ability to get access and process transactions for many business units.

Guidelines for Shared Service Centers

Oracle Fusion Applications supports shared service centers in two ways. First, with business unit security, which allows your shared service centers personnel to process transactions for other business units called clients.

Second, the service provider model expands on this capability to allow a business unit and its personnel in a shared service center to work on transactions of the client business units. It is possible to view the clients of a service provider business unit, and to view service providers of a client business unit.

Your shared service centers provide services to your client business units that can be part of other legal entities. In such cases, your cross charges and recoveries are in the form of receivables invoices, and not merely allocations within your general ledger, thereby providing internal controls and preventing inappropriate processing.

For example, in traditional local operations, an invoice of one business unit can’t be paid by a payment from another business unit. In contrast, in your shared service center environment, processes allowing one business unit to perform services for others, such as paying an invoice, are allowed and completed with the appropriate intercompany accounting. Shared service centers provide your users with access to the data of different business units and can comply with different local requirements.

Security

The setup of business units provides you with a powerful security construct by creating relationships between the functions your users can perform and the data they can process. This security model is appropriate in a business environment where local business units are solely responsible for managing all aspects of the finance and administration functions.

In Oracle Fusion applications, the business functions your business unit performs are evident in the user interface for setting up business units. To accommodate shared services, use business unit security to expand the relationship between functions and data. A user can have access to many business units. This is the core of your shared service architecture.

For example, you take orders in many businesses. Your orders are segregated by business unit. However, all of these orders are managed from a shared service order desk in an outsourcing environment by your users who have access to multiple business units.

Benefits

In summary, large, medium, and small enterprises benefit from implementing share service centers. Examples of functional areas where shared service centers are generally implemented include procurement, disbursement, collections, order management, and human resources. The advantages of deploying these shared service centers are the following:

- Reduce and consolidate the number of control points and variations in processes, mitigating the risk of error.
• Increase corporate compliance to local and international requirements, providing more efficient reporting.
• Implement standard business practices, ensuring consistency across the entire enterprise and conformity to corporate objectives.
• Establish global processes and accessibility to data, improving managerial reporting and analysis.
• Provide quick and efficient incorporation of new business units, decreasing start-up costs.
• Establish the correct balance of centralized and decentralized functions, improving decision making.
• Automate self-service processes, reducing administrative costs.
• Permit business units to concentrate on their core competencies, improving overall corporate profits.
13 Workforce Structures and Facilities

Divisions and Departments

Divisions

Managing multiple businesses requires that you segregate them by their strategic objectives and measure their results. Responsibility to reach objectives can be delegated along the management structure. Although related to your legal structure, the business organizational hierarchies don't reflect directly the legal structure of the enterprise. The management entities and structure can include:

- Divisions and subdivisions
- Lines of business
- Other strategic business units
- Their own revenue and cost centers

These organizations can be included in many alternative hierarchies and used for reporting, as long as they have representation in the chart of accounts.

Divisions

A division refers to a business-oriented subdivision within an enterprise, in which each division organizes itself differently to deliver products and services or address different markets. A division can operate in one or more countries, and can be many companies or parts of different companies that are represented by business units.

A division is a profit center or grouping of profit and cost centers, where the division manager is responsible for achieving business goals including profits. A division can be responsible for a share of the company’s existing product lines or for a separate business. Managers of divisions may also have return on investment goals requiring tracking of the assets and liabilities of the division. The division manager generally reports to a corporate executive.

By definition a division can be represented in the chart of accounts. Companies can use product lines, brands, or geographies as their divisions: their choice represents the primary organizing principle of the enterprise.

Historically, divisions were implemented as a node in a hierarchy of segment values. For example, Oracle E-Business Suite has only one balancing segment, and often the division and legal entity are combined into a single segment where each value stands for both division and legal entity.

Use of Divisions in Oracle Fusion Human Capital Management (HCM)

Divisions are used in HCM to define the management organization hierarchy, using the generic organization hierarchy. This hierarchy can be used to create organization-based security profiles.
Example of Adding a New Division After Acquiring a Company

This example describes how you can restructure your enterprise after acquiring a new division.

Scenario

You are part of a senior management team at InFusion Corporation. InFusion is a global company with organizations in the following countries:

- United States (US)
- United Kingdom (UK)
- France
- China
- Saudi Arabia
- United Arab Emirates (UAE)

The company’s main area of business is in the high tech industry, and it recently acquired a new company. You must analyze the company’s current enterprise structure and determine the new organizations to create in the new company.

Details of the Acquired Company

The acquired company is a Financial Services business based in Germany. The Financial Services business differs significantly from the high tech business. Therefore, you want to keep the Financial Services company as a separate line of business with all the costs and reporting managed by the Financial Services division.

Analysis

The following table summarizes the key decisions that you must consider when determining what new organizations to set up and how to structure the enterprise.

<table>
<thead>
<tr>
<th>Decision to Consider</th>
<th>In This Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Create location?</td>
<td>The Financial Services company and its departments are based in Frankfurt. Therefore, you only have to create one location.</td>
</tr>
<tr>
<td>Create separate division?</td>
<td>Yes. Although the new division will exist in the current enterprise structure, you want to keep the Financial Services company as a separate line of business. By creating a separate division, you can manage the costs and reporting separately from the InFusion Corporation. Additionally you don’t have to modify any organizations in the enterprise setup.</td>
</tr>
<tr>
<td>Create business unit?</td>
<td>Yes. The Financial Services business requires you to create several jobs that don’t exist in your high tech business. You can segregate the jobs that are specific to financial services in a new business unit.</td>
</tr>
<tr>
<td>How many departments?</td>
<td>The Financial Services company currently has departments for sales, accounting, and marketing. As you have no plans to downsize or change the company, you can create three departments to retain the structure.</td>
</tr>
<tr>
<td>How many cost centers?</td>
<td>Although you can have multiple cost centers to track the department costs, you decide to create one cost center for each department.</td>
</tr>
</tbody>
</table>
Oracle Financials Cloud
Implementing Enterprise Structures and General Ledger

Chapter 13
Workforce Structures and Facilities

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**Decision to Consider** | **In This Example**
--- | ---
How many legal entities? | Define a legal entity for each registered company or some other entity recognized by law. Using the legal entity, you can:

- Record assets
- Record liabilities
- Record income
- Pay transaction taxes
- Perform intercompany trading

In this case, you only need one legal entity.

You must define the legal entity as a legal employer and payroll statutory unit. As the new division operates only from Germany, you can configure the legal entity to suit Germany’s legal and statutory requirements.

**Note:** You can identify the legal entity as a payroll statutory unit. When you do so, the application transfers the legal reporting unit associated with the legal entity to Oracle Fusion HCM as a tax reporting unit.

Create legislative data group? | Yes. Because you currently don’t employ or pay people in Germany, you must create one legislative data group to run payroll for the workers in Germany.

---

**Resulting InFusion Enterprise Structure**

Based on the analysis, you must create the following:

- One new division
- One new location
- Three new departments
- Three new cost centers
- One new legal entity
- One new legislative data group
The following figure illustrates the structure of InFusion Corporation after adding the new division and the other organizations.

Cost Centers and Departments

The two important components to be considered in designing your enterprise structure are cost centers and departments.

A cost center represents the smallest segment of an organization for which you collect and report costs. A department is an organization with one or more operational objectives or responsibilities that exist independently of its manager and has one or more workers assigned to it.

Cost Centers

A cost center represents the destination or function of an expense rather than the nature of the expense which is represented by the natural account. For example, a sales cost center indicates that the expense goes to the sales department.
A cost center is generally attached to a single legal entity. To identify the cost centers within a chart of accounts structure use one of these two methods:

- Assign a cost center value in the value set for each cost center. For example, assign cost center values of PL04 and G3J1 to your manufacturing teams in the US and India. These unique cost center values allow easy aggregation of cost centers in hierarchies (trees) even if the cost centers are in different ledgers. However, this approach requires defining more cost center values.

- Assign a balancing segment value with a standardized cost center value to create a combination of segment values to represent the cost center. For example, assign the balancing segment values of 001 and 013 with cost center PL04 to represent your manufacturing teams in the US and India. This creates 001-PL04 and 013-PL04 as the cost center reporting values. The cost center value of PL04 has a consistent meaning. This method requires fewer cost center values to be defined. However, it prevents construction of cost center hierarchies using trees where only cost center values are used to report results for a single legal entity. You must specify a balancing segment value in combination with the cost center values to report on a single legal entity.

Departments

A department is an organization with one or more operational objectives or responsibilities that exist independently of its manager. For example, although the manager may change, the objectives don’t change. Departments have one or more workers assigned to them.

A manager of a department is typically responsible for:

- Controlling costs within their budget
- Tracking assets used by their department
- Managing employees, their assignments, and compensation

The manager of a sales department may also be responsible for meeting the revenue targets.

The financial performance of departments is generally tracked through one or more cost centers. In Oracle Fusion Applications, departments are defined and classified as Department organizations. Oracle Fusion Human Capital Management (HCM) assigns workers to departments, and tracks the headcount at the departmental level.

The granularity of cost centers and their relationship to departments varies across implementations. Cost center and department configuration may be unrelated, identical, or consist of many cost centers tracking the costs of one department.

Department Classifications

A department can be classified as a project organization, sales and marketing organization, or cost organization.

Oracle Fusion Human Capital Management (HCM) uses trees to model organization hierarchies. It provides predefined tree structures for department and other organizational hierarchies that can include organizations with any classification.

Project Organization

Classify departments as a project owning organization to enable associating them with projects or tasks. The project association is one of the key drivers for project access security.

In addition, you must classify departments as project expenditure organizations to enable associating them to project expenditure items. Both project owning organizations and project expenditure organizations can be used by Oracle Fusion Subledger Accounting to derive accounts for posting Oracle Fusion Projects accounting entries to Oracle Fusion General Ledger.
Sales and Marketing Organization

In sales applications, you can define sales and marketing organizations. Sales organization hierarchies are used to report and forecast sales results. Salespeople are defined as resources assigned to these organizations.

In some enterprises, the HCM departments and hierarchies correspond to sales organizations and hierarchies. Examining the decision on how to model sales hierarchies in relationship to department hierarchies when implementing Customer Relationship Management to eliminate any possible redundancy in the definition of the organizations is important.

The following figure illustrates a management hierarchy, in which the System Components Division tracks its expenses in two cost centers, Air Compressors and Air Transmission. At the department level, two organizations with a classification of Department are defined, the Marketing Department and Sales Department. These two departments can be also identified as a Resource Organizations, which enable assigning resources, such as salespeople, and other sales specific information to them. Each department is represented in the chart of accounts by more than one cost center, enabling granular as well as hierarchical reporting.

Cost Organization

Oracle Fusion Costing uses a cost organization to represent a single physical inventory facility or group of inventory storage centers, for example, inventory organizations. This cost organization can roll up to a manager with responsibility for the cost center in the financial reports.

A cost organization can represent a costing department. Consider this relationship when determining the setup of departments in HCM. No system dependencies are required for these two entities, cost organization and costing department, to be set up in the same way.
Jobs and Positions

Jobs

Jobs are typically used without positions by service industries where flexibility and organizational change are key features. As part of your initial implementation, you specify whether to use jobs and positions, or only jobs.

Basic Details

Basic details for a job include an effective start date, a job set, a name, and a code.

A job code must be unique within a set. Therefore, you can create a job with the code DEV01 in the US set and another job with the same code in the UK set. However, if you create a job with the code DEV01 in the Common set, then you can’t create a job with the same code in any other set.

Benchmark Information

You can identify a job as being a benchmark job. A benchmark job represents other jobs in reports and salary surveys. You can also select the benchmark for jobs. Benchmark details are for informational purposes only.

Progression Information

A progression job is the next job in a career ladder. Progression jobs enable you to create a hierarchy of jobs and are used to provide the list of values for the Job field in the Promote Worker and Transfer Worker tasks.

The list of values includes the next three jobs in the progression job hierarchy. For example, assume that you create a job called Junior Developer and select Developer as the progression job. In the Developer job, you select Senior Developer as the progression job. When you promote a junior developer, the list of values for the new job will include Developer and Senior Developer. You can select one of these values, or select another one.

Jobs and Grades

You can assign grades that are valid for each job. If you’re using positions, then the grades that you specify for the job become the default grades for the position.

Evaluation Criteria

You can define evaluation criteria for a job, including the evaluation system, a date, and the unit of measure for the evaluation system. The Hay system is the predefined evaluation system that’s available. An additional value of Custom is included in the list of values for the Evaluation System field, but you must add your own criteria and values for this system.

Uploading Jobs Using a Spreadsheet

If you have a list of jobs already defined for your enterprise, you can upload them from a spreadsheet.

To use this option:

1. Download a spreadsheet template.
2. Add your job information to the spreadsheet.
3. Upload directly to your enterprise configuration.
You can upload the spreadsheet multiple times to accommodate revisions.

Related Topics
- Job and Position Lookups
- Guidelines for Using Desktop Integrated Excel Workbooks
- Considerations for Enforcing Grades at Assignment Level

Job and Position Structures

Job and position structures identify the descriptive flexfield structure that enables you to specify additional attributes that you want to capture when you define jobs and positions. Job and position attributes provide further detail to make jobs and positions more specific. You also use attributes to define the structure of your jobs and positions. You can specify attributes at the enterprise level for jobs and positions, at the business unit level for positions, and at the reference data set level for jobs. Job and position structures are optional.

Enterprise-Level Job Attributes

When you define a job, you enter a value for the name of the job. To make job names more specific, set up attributes to identify additional details about the job, such as the nature of the work that is performed or the relative skill level required. If these attributes apply to all jobs within your enterprise, set up enterprise-level job attributes. Standard capabilities mean that you can use the different segments of the name to identify common jobs or job holders for analysis or compensation, or for grouping records in reports, for example, to find all jobs of a specific job type. You should not use attributes with values that change regularly, for example, salary ranges or expense approval levels that change every year.

This figure illustrates how job type and job level provide further details for the HR Application Specialist job.
Enterprise-Level Position Attributes

Position attributes at the enterprise level are similar to those for jobs. Each position that you define identifies a specific role in the enterprise, which you can manage independently of the person in the position. A position belongs to one specific department or organization. The name of each position must be unique. To simplify the process of managing unique names for positions, set up enterprise-level attributes to identify separate components of the position name. For example, you can set up an attribute for position title and one for position number. When defining the attributes that make up the structure of a position name, consider whether any of your attributes are part of the definition of a common job type. Using job types for a position can help you manage common information that applies to many different positions. For example you can define a job type of Manager.Level 1 and use this for comparison of positions across departments or lines or business, or for setting common job requirements. You can then define multiple manager type positions in your HR department, each of which has responsibility for a different management function or group.

This figure illustrates how title and position number provide further details for the manager position.

Business Unit-Level Attributes for Positions

If you have information that you want to capture for positions that is specific to each business unit, then you can define attributes at the business unit level for positions. When you create positions, these attributes appear in addition to any enterprise-level attributes. For example, you may want to identify the sales region for all positions in the sales business unit. You can set up a text attribute called Sales Region and use it to enter the necessary information when creating positions for the sales business unit.

Reference Data Set-Level Attributes for Jobs

If you have information for jobs that applies to specific reference data sets, set up attributes for jobs at the reference data set level. When you create jobs, these attributes appear in addition to any enterprise-level attributes. For example, you may want to identify all information technology (IT) jobs within a specific set. You can set up a text attribute called Function and use it to enter IT in jobs that you create that perform an IT function within a specific set.
Examples of Jobs

Jobs are typically used without positions by service industries where flexibility and organizational change are key features.

Software Industry

For example, XYZ Corporation has a director over the departments for developers, quality assurance, and technical writers.

- Recently, three developers have resigned from the company.
- The director decides to redirect the headcount to other areas.
- Instead of hiring all three back into development, one person is hired to each department, quality assurance, and technical writing.

In software industries, the organization is fluid. Using jobs gives an enterprise the flexibility to determine where to use headcount, because the job only exists through the person performing it. In this example, when the three developers leave XYZ Corporation, their jobs no longer exist, therefore the corporation has the flexibility to move the headcount to other areas.

This figure illustrates the software industry job setup.

Examples of Positions

Positions are typically used by industries that use detailed approval rules, which perform detailed budgeting and maintain headcounts, or have high turnover rates.

Retail Industry

ABC Corporation has high turnovers. It loses approximately 5% of its cashiers monthly. The job of the cashier includes three positions: front line cashier, service desk cashier, and layaway cashier. Each job is cross-trained to take over another cashier’s position. When one cashier leaves from any of the positions, another existing cashier from the front line, service
desk or layaway can assist where needed. But to ensure short lines and customer satisfaction, ABC Corporation must replace each cashier lost to turnover. Since turnover is high in retail it’s better for this industry to use positions.

Note the following:

- An automatic vacancy is created when an employee terminates employment.
- The position exists even when there are no holders. Having the position continue to exist is important if the person who leaves the company is a manager or supervisor with direct reports.
- All direct reports continue reporting to the position even if the position is empty.
- You don’t have to reassign these employees to another manager or supervisor. The replacement manager is assigned to the existing position.

Also, an added advantage to using Positions is when you hire somebody new, many of the attributes are inherited from the position. This speeds up the hiring process.

This figure illustrates the retail position setup.

Health Care Industry

Health care is an industry that must regulate employment, roles, and compensation according to strict policies and procedures. Fixed roles tend to endure over time, surviving multiple incumbents. Industries that manage roles rather than individuals, where roles continue to exist after individuals leave, typically model the workforce using positions.

The hospital has a structured headcount and detailed budgeting. For example, a specific number of surgeons, nurses, and interns of various types are needed. These positions must be filled in order for the hospital to run smoothly. Use jobs and positions when you apply detailed headcount rules.
This figure illustrates the hospital position setup.

Facility Shifts, Workday Patterns, and Schedules

Schedule Components: How They Fit Together

Schedules are comprised of workday patterns and exceptions. Workday patterns are comprised of shifts. You can also create exceptions, nonworking days, to the schedules.
Begin by creating shifts and then assigning those shifts to workday patterns. Next, create a schedule that is a collection of workday patterns and any exception dates.

**Shift**

A shift is a period of time, typically expressed in hours, and it can be defined by a start time and an end time, or a duration. A shift can be for a work period or an off period. You can create time, duration, and elapsed shifts.
Workday Pattern
A workday pattern is a collection of shifts for a specific number of days. You can create time, duration, and elapsed workday patterns.

Exception
An exception is a record of a date that overrides the availability of a resource to which a schedule has been assigned. For example, a resource is assigned a schedule that includes December 25 as a working day. An exception can be created for December 25 and applied to that schedule to override resource availability for that date. Exceptions can also be for a date time period such as 9 a.m. to 11 a.m. on December 25th.

Schedule
A schedule is defined by a start date, an end date, and a sequence of workday patterns to be followed between those dates. A schedule can also contain exception dates that override the availability of resources to which the schedule is assigned. Quarter types such as 4-4-5, 4-5-4 are supported.

Managing Shifts: Examples
A shift is a period of time, typically expressed in hours, that is used to build workday patterns. Workday patterns are used to build schedules. You should model only the dates you need because you can always extend the end date. This allows for smaller volumes of initial data and improved performance. There are multiple types of shifts you can create. The following scenarios illustrate each type.

Managing Time Shifts
Next month you are adding a second shift for your manufacturing operations. This new shift will start just after your regular first shift. You can create a time shift that starts at 4:00 p.m. and ends at 12:00 a.m. There are restrictions in updating existing shifts and patterns. Shifts and patterns cannot be updated if the change affects a schedule, that is they are associated to a schedule. If a shift is created but not assigned to a pattern (or assigned to a pattern but the pattern is not assigned to a schedule) it can be updated. If a pattern is created and not assigned to a schedule it can be updated.

Managing Time Shifts with Punch Details
Your division has decided that the employees in the office must clock in and out for lunch starting next week. All employees will take the same lunch hour. Add punch shift details to the existing shift so that employees punch in at 8:00 a.m.; they punch out for lunch from 11:30 a.m. to 12:30 p.m.; they punch back in at 12:30 p.m.; and they punch out for the day at 5:00 p.m.

Managing Time Shifts with Flexible Details
Jorge Sanchez is a contractor who is starting work in your department next week. His hours will be flexible, so you need to create a new time shift with flexible details that he can use to record his time. He will have a flexible start time from 7:00 a.m. to 9:00 a.m. and a flexible end time from 4:00 p.m. to 6:00 p.m. His core work hours will be from 9:00 a.m. to 4:00 p.m.

Managing Duration Shifts
One of the divisions in your organization does not use fixed start and end times for its daily shifts; the division only records the total duration of the shift and indicates if resources are available or not during that time. All of the employees in the division are available for 24 hours straight, and then they are not available for the next 24 hours. You should create a duration shift that
indicates that resources are available for 24 hours, and create a second duration shift that indicates that resources are not available for 24 hours.

Managing Elapsed Shifts

The employees in the Human Resources department all work 8 hours a day, but the start and end times vary by employee. Some employees start at early as 6:00 a.m., while others don’t start until 9:00 a.m. Create an elapsed shift with a duration of 8 hours, where all employees are assumed to be available for the number of hours in the shift at any time during the day.

Managing Workday Patterns: Examples

A workday pattern is a collection of shifts for a specific number of days. There are multiple types of workday patterns you can create. The following scenarios illustrate each type.

Managing Time Workday Patterns

Your department works a Monday through Friday workweek with 8 hour shifts each day. Time patterns always have time shifts. That is, the shift will have start time and end time. You can create a time workday pattern with a length of 7 days and details of an 8 hour time shift for days 1 through 5. Days 6 and 7 are considered nonworking days.

Managing Duration Workday Patterns

A new group of employees starts next month, and each employee will work a schedule where he or she is available for 10 hours, and then not available for the next 16 hours, and then available for 10 hours again, and so on. This pattern starts on midnight of the first day of the next month. Create a duration workday pattern with a 10-hour available duration shift, followed by a 16-hour not available duration shift. Do not specify the pattern length or start and end days, and the pattern will repeat for the length of the schedule to which it is associated.

Managing Elapsed Workday Patterns

In the summer, several divisions in your organization work only 4 hours on Fridays. They work extended hours on Wednesdays and Thursdays to cover the 4 hours they will not work on Fridays. Create an elapsed workday pattern with a length of 7 days. Days 1 and 2 will have an 8-hour shift assigned, while days 3 and 4 will have a 10-hour shift assigned. Finally, day 5 will have a 4-hour shift assigned. As in the time workday pattern, days 6 and 7 are considered nonworking days.

Inventory Organizations and Item Organizations

Inventory Organizations

An inventory organization is a logical or physical entity in the enterprise that is used to store definitions of items or store and transact items.

You can select these usages in the inventory organization’s properties:

- Item management
- Item and inventory management
Item Management

Inventory organizations used for item management, which are the same as item organizations, store only definitions of items. Use inventory organizations for item management when the storage or movement of inventory does not need to be physically or financially tracked. For example, in a retail implementation you can create an inventory organization for item management to store the names of items that are listed by and sold through each retail outlet, while a different system tracks physical inventory and transactions. If it is necessary in the future, you can change an inventory organization’s usage from item management to item and inventory management in the inventory organization’s properties.

Item and Inventory Management

Inventory organizations used for item and inventory management store and transact items, in addition to item definitions. An inventory organization used for item and inventory management is associated with one business unit, one legal entity, and one primary ledger. Use inventory organizations for item and inventory management when the storage or movement of inventory needs to be physically and financially tracked. Inventory organizations used for item and inventory management can represent facilities such as manufacturing centers, warehouses, or distribution centers. You cannot change an inventory organization’s use from item and inventory management to item management.

Guidelines for Using Inventory Organization

In Oracle Fusion, storage facilities, warehouses, and distribution centers are implemented as inventory organizations.

Inventory organizations are:

- Managed by a business unit, with the materials management business function enabled.
- Mapped to a legal entity and a primary ledger.

Two types of inventory organizations exist.

- Manufacturing facilities
- Storage facilities

Storage and manufacturing facilities are related to other organizational entities through a business unit that stores, manufactures, and distributes goods through many factories, warehouses, and distribution centers. The material parameters are set for both the facilities, enabling movement of material in the organization. This business unit has the business function of Materials Management enabled. Oracle Fusion Applications permit many inventory organizations to be assigned to one business unit.

Distribution Center as an Inventory Organization

A distribution center can store inventory that is the responsibility of different business units. In this situation, assign an inventory organization to each business unit as a representation of the inventory in the distribution center. The multiple inventory organizations representing the inventory are defined with the same location to show that they’re a part of the same distribution center.
In the following figure the two business units, Air Compressors and Air Transmission, share one distribution center in Atlanta. The two inventory organizations, Air Compressors and Air Transmission represent the inventory for each business unit in the Atlanta distribution center and are both assigned the Atlanta location.

Legal Entities Own Inventory Organizations

A legal entity owns the inventory located in a storage or manufacturing facility. This ownership is assigned through the relationship of the inventory organization representing the inventory and the legal entity assigned to the inventory organization. The legal entity assigned to the inventory organization shares the same primary ledger as the inventory organization’s business unit.

The inventory is tracked in the inventory organization owned by the legal entity of which the business unit is part. All transactions are accounted for in the primary ledger of the legal entity that owns the inventory.
This figure illustrates the inventory owned by InFusion Air Quality legal entity. The InFusion Air Quality legal entity is associated with the Air Compressors business unit, which is associated with the two Air Compressors inventory organizations. Therefore, InFusion Air Quality legal entity owns the entire inventory in both the Dallas and Atlanta locations.

Facility Schedules Are Associated with Inventory Organizations
A prerequisite to defining an inventory organization is to define a facility schedule. Oracle Fusion Applications permit you to associate an inventory organization with a schedule.

Facility schedules permit creating workday calendars for inventory organizations that are used in the Oracle Fusion Supply Chain Management product family. For example, use workday calendars in the scheduling of cycle counts and calculating transit time.

Considerations for Inventory Organization Prerequisites
You can create a new inventory organization, or select an existing organization to define as an inventory organization.

Before creating inventory organizations:
- Set up inventory organization dependencies
- Plan inventory organization parameters

Setting Up Inventory Organization Dependencies
When you create an inventory organization, you must associate it to dependencies, such as business units and legal entities. For this reason, create these dependencies before creating an inventory organization.

Planning Inventory Organization Parameters
Before creating an inventory organization, plan the inventory organization’s parameters

Consider the following when planning to configure an inventory organization’s parameters
- Which schedule to use
• Which inventory organization to serve as the item master organization
• Whether to configure locator control and if so, the level at which to enforce the locator control
• How you want to configure movement request settings such as pick slip batch size and replenishment movement request grouping

Consider the size of your operation, your usage of subinventories, and the type of labor or equipment required when considering whether you want to use organization- or subinventory-level replenishment movement request grouping.

• How you want to configure lot, serial, and packing unit generation settings

To make appropriate choices for these settings, you should be familiar with:
  o Your company's guidelines for creating lot names, serial numbers, and packing unit numbers
  o Whether your company requires you to assign the same lot number to multiple items in the same organization, or a specific lot number to only one item in the same organization
  o Whether your company requires you to place purchase order or shipping order material under lot control

• How you want to configure item sourcing details, such as the picking rule to use, and whether to specify the inventory organization as a logistics services organization

How Rounding the Reorder Quantity Affects Min-Max Planning Reorder Calculations

When you specify to round reorder quantities, min-max planning reorders for item subinventories are automatically rounded up or down.

Settings That Affect Rounding the Reorder Quantity

Reorder quantities for an item subinventory are calculated based on:

• The setting that you select for the Round Order Quantity parameter on the Manage Inventory Organization Parameters page, General tab, of the inventory organization containing the item subinventory
• The value that you specify for the Fixed Lot Multiple text box on the Add Item to Subinventory window

How Rounding the Reorder Quantity Affects Min-Max Planning Reorder Quantity Calculations

If you enable rounding the reorder quantity for the inventory organization, and specify the fixed lot multiple for the item subinventory, the reorder quantity is rounded up. If you disable rounding the reorder quantity for the inventory organization, and specify the fixed lot multiple for the item subinventory, the reorder quantity is rounded down.

Note: To round reorder quantities, you must specify a fixed lot multiple.

Example: Rounding the Reorder Quantity

Assume that the reorder quantity is 24. If you enable rounding the reorder quantity and specify 10 for the fixed lot multiple, the reorder quantity is rounded up to 30. If you disable rounding the reorder quantity and keep the fixed lot multiple at 10, the reorder quantity is rounded down to 20.
Considerations for Selecting Lot Number Uniqueness Control

Use the Inventory Organization Parameters page to specify if lot numbers should be unique for an item.

Select one of these lot number uniqueness control options to apply to the items in your inventory organization:

- No uniqueness control
- Across items

When you perform transactions, Oracle Fusion Inventory Management checks the lot number uniqueness control to generate lot numbers.

**No Uniqueness Control**

Choose this option if you don’t want to establish lot number uniqueness. When selected, you can assign the same lot number to multiple items in the same organization and across organizations. Organizations that choose No uniqueness control can enter any lot as long as the lot doesn’t exist in any organization that’s set to Across items.

**Across Items**

Choose this option to control lot number uniqueness across items. With this option, you can assign a specific lot number to only one item in the same organization and across organizations. The application verifies that the lot number doesn’t exist for any other item in any other organization.

This table shows what’s allowed:

<table>
<thead>
<tr>
<th>Organization</th>
<th>Uniqueness Setting</th>
<th>Item</th>
<th>Lot Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>M3</td>
<td>No control</td>
<td>INV-101</td>
<td>LOT2</td>
</tr>
<tr>
<td>M3</td>
<td>No control</td>
<td>INV-102</td>
<td>LOT2</td>
</tr>
<tr>
<td>M4</td>
<td>No control</td>
<td>INV-103</td>
<td>LOT2</td>
</tr>
<tr>
<td>M5</td>
<td>No control</td>
<td>INV-104</td>
<td>LOT2</td>
</tr>
</tbody>
</table>

This table shows what’s not allowed:

<table>
<thead>
<tr>
<th>Organization</th>
<th>Uniqueness Setting</th>
<th>Item</th>
<th>Lot Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>M3</td>
<td>No control</td>
<td>INV-101</td>
<td>LOT1</td>
</tr>
<tr>
<td>M3</td>
<td>No control</td>
<td>INV-102</td>
<td>LOT1</td>
</tr>
<tr>
<td>M4</td>
<td>No control</td>
<td>INV-103</td>
<td>LOT1</td>
</tr>
<tr>
<td>M5</td>
<td>No control</td>
<td>INV-104</td>
<td>LOT1</td>
</tr>
</tbody>
</table>
It is important to understand that when you use this setting for an organization, the same lot number can't exist for any other item in any other organization. However, it's possible to have the same item with the same lot number in multiple organizations.

**Item Organizations**

An item organization defines an item when inventory balances aren't stored and inventory storage or inventory movement isn't reflected in the Oracle Fusion Applications. For example, you would use an item organization in a retail scenario, if you need to know the items that are listed by and sold through each retail outlet even though inventory and transactions are recorded in another system. In sales applications, item organizations are used to define sales catalogs.

*Note:*

- Items belong to an item organization.
- Item attributes that are associated with financial and accounting information are hidden from the item if it exists within the item organization.
- Item organizations can be changed by administrators to an inventory organization by updating the necessary attributes. There’s no difference in the way items are treated in these two types of organizations except that there can’t be any financial transactions in the downstream applications for items that are assigned to an item organization.

**Item Master Organizations**

An item master organization lists and describes items that are shared across several inventory organizations or item organizations.
The following example shows the choice between inventory organizations that track inventory transactions, stored in two warehouses, and item organizations that just track items, listed in two sales catalogs.

For the most efficient processing, you should:

- Have a single item master.
- Include an item and its definition of form, fit, and function only once in the item master.
- Separate the item master organization from organizations that store and transact items.

**Note:** Oracle Fusion permits multiple item masters, however, use this capability cautiously. If you acquire a company, there may be value in keeping the old item master for a transition period. If you manage your subsidiaries as separate businesses, there may be reduced value in a single item master.
FAQs for Inventory Organizations and Item Organizations

What happens if I create an inventory organization as a logistics services organization?
The inventory organization is not costed, and shipment lines from different logistics service provider customers cannot be packed in the same packing unit.

What happens if I select the supplier item sourcing type for replenishment?
Items are replenished from an external supplier.
Overview of Budget Uploads

In Oracle General Ledger, you can load budget data to perform variance reporting.

If you use a third-party budgeting application or don’t use a budgeting application, there are two ways to load budgets into the GL Balances Cube.

- **Importing Budget Data from a Flat File:** Export budget data from your budgeting application to a comma separated values .csv file. Use the Import General Ledger Budget Balances file-based data import to prepare and generate flat files in a .csv format. You can use Oracle Application Development Framework Desktop Integrator correction worksheets to correct validation errors, delete rows with errors, and resubmit the corrected error rows.

  ![Note](Note) For more information about file-based data import, see the File-Based Data Import for Oracle Financials Cloud guide.

- **Importing Budget Data from a Spreadsheet:** You can access the budget load spreadsheet from the General Accounting Dashboard. Enter, load, and correct budget data in the ADF Desktop Integrator spreadsheet tool. Use this tool to prepare and load budget data for multiple ledgers and periods with a common chart of accounts instance. The list of values and the web picker help you select valid values. This simplified data entry reduces errors and alerts you to errors as you enter the data in the spreadsheet. Error correction is done in the same spreadsheet.
The following figure shows the process flow for budget upload. Prepare your budget data, upload it using a spreadsheet or flat file, and report on the budget data.

⚠️ **Caution:** When the GL Balances Cube is rebuilt, the process retains the budget balances as well as the actual balances. Only the budget balances loaded using the spreadsheet or flat file through the GL Budget Balances interface table are retained. Create reports in **Smart View** or **Financial Reporting** to verify that the budget data was loaded correctly.
How General Ledger Budget Balance Import Data Is Processed

Use the Import General Ledger Budget Balances file-based data import to load budget data from external sources for upload to the GL balances cube. You can download a budget spreadsheet template to use to prepare your budget data. The template contains an instruction sheet to help guide you through the process of entering your budget information.

To access the template, complete the following steps:

1. Navigate to the File-Based Data Import for Oracle Financials Cloud guide.
2. In the Table of Contents, click File-Based Data Imports.
3. Click Import General Ledger Budget Balances.
4. In the File Links section, click the link to the Excel template.

Follow these guidelines when preparing your data in the worksheet:

- Enter the required information for each column. Refer to the tool tips on each column header for detailed instructions.
- Do not change the order of the columns in the template.
- You can hide or skip the columns you do not use, but do not delete them.

Settings That Affect the General Ledger Budget Balances Import Process

The Import General Ledger Budget Balances template contains an instructions tab and a tab that represents the table where the data is loaded.

The Instructions and CSV Generation tab contains information about:

- Preparing the budget data.
- Understanding the format of the template.
- Entering budget data.
- Loading the data into the interface table and the GL balances cube.

The GL_BUDGET_INTERFACE tab is where you enter information about the budget data that you adding, such as the ledger, budget name, periods, segment values, and amounts.

How General Ledger Budget Balance Import Data Is Processed

To load the data into the interface table:

1. Click the Generate CSV File button on the instructions tab to create a CSV file in a .zip file format.
2. Save the .zip file locally.
3. Navigate to the Scheduled Processes work area.
4. Select the **Load Interface File for Import** process.
5. For the **Import Process** parameter, select **Validate and Upload Budgets**.
6. For the **Data File** parameter, select the file that you saved in step 2.

To load the data from the interface table to the balances cube:

1. Navigate to the Scheduled Processes work area.
2. Select the **Validate and Upload Budgets** process.
3. Enter values for the **Run Name** parameter.
4. If the process ends in error or warning:
   a. Review the log and output files for details about the rows that caused the failure.
   b. Navigate to the General Accounting Dashboard work area.
   c. Select the **Correct Budget Import Errors** task to download the budget corrections worksheet.
   d. Correct the entries in the worksheet and resubmit the Validate and Upload Budgets process.

**Related Topics**
- File-Based Data Import for Oracle Financials Cloud

## Import Budget Data from a Flat File

Use the upload budgets processes to integrate budget information from other budgeting applications such as Oracle Hyperion Planning. Use the Import General Ledger Budget Balances file-based data import to load budget data from external sources for upload to the GL balances cube. You can load your budget amounts to the General Ledger balances cube by populating the GL_BUDGET_INTERFACE table and running the Validate and Upload Budgets process. You can load budgets for multiple periods and for multiple ledgers with the same chart of accounts in a single load process.

**Note:** Budget data isn’t loaded to the GL_BALANCES table and only loaded to the balances cube for variance reporting purposes.

## Assigning Values for Columns in the GL_BUDGET_INTERFACE Table

For budget import to be successful, you must enter values in the columns of the interface table that require values.

The following table describes the columns that require values.

<table>
<thead>
<tr>
<th>Name</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>RUN_NAME</td>
<td>Enter a name to identify the budget data set being imported.</td>
</tr>
<tr>
<td>STATUS</td>
<td>Enter the value NEW to indicate that you are loading new budget data.</td>
</tr>
<tr>
<td>LEDGER_ID</td>
<td>Enter the appropriate ledger ID value for the budget amount. You can view the ledger ID for your ledgers on the Manage Primary Ledgers page. The ledger ID column is hidden by default, but you can display it from the View Columns menu. If you enter multiple ledgers for the same run name, all of the ledgers must share the same chart of accounts.</td>
</tr>
<tr>
<td>BUDGET_NAME</td>
<td>Enter the appropriate budget name value for the budget line. You define the budget names in the Accounting Scenario value set.</td>
</tr>
</tbody>
</table>
### PERIOD_NAME
Enter the period name that you are loading the budget data for. You can load budget data to Never Opened, Future Enterable, and Open periods only.

### CURRENCY_CODE
Enter the currency for the budget.

### SEGMENT1 to SEGMENT30
Enter valid and enabled account values for each segment in the chart of accounts.

### BUDGET_AMOUNT
Enter the amount in the ledger currency for account types, expense and assets.

### OBJECT_VERSION_NUMBER
For Oracle Cloud implementations, leave this field blank as the application automatically populates this when you load the data from the secure FTP server. For other implementations, you can set the column to a value of 1.

These columns remain blank because the budget import process either uses these columns for internal processing, or doesn’t currently use them.

- CHART_OF_ACCOUNTS_ID
- CODE_COMBINATION_ID
- ERROR_MESSAGE
- CREATION_DATE
- CREATED_BY
- LAST_UPDATE_DATE
- LAST_UPDATE_LOGIN
- LAST_UPDATED_BY
- REQUEST_ID
- LOAD_REQUEST_ID

### Related Topics
- File-Based Data Import for Oracle Financials Cloud
- Overview of External Data Integration Services for Oracle Cloud

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### Import Budget Data from a Spreadsheet

You can use the Create Budgets spreadsheet to enter, load, and correct budget data. To open the spreadsheet, navigate to the General Accounting Dashboard and select the Create Budgets in Spreadsheet task.

### Budget Import

The spreadsheet uses the Oracle ADF desktop integration add-in for Excel, which is the same add-in used by the Create Journals spreadsheet. The spreadsheet uses an interface table called GL_BUDGET_INTERFACE and requires the Budget
Entry role. The budget import uses the Accounting Scenario value set for the budget being loaded. The Run Name is used as an identifier for the imported data set.

The spreadsheet budget import:

- Supports multiple ledgers but a single chart of accounts instance
- Allows multiple calendars and periods
- Supports entered currencies in addition to the ledger currency
- Contains user-friendly lists of values
- Performs most validations on the worksheet
- Secures values by data access sets

Note: The spreadsheet includes a Row Status column that shows if the rows upload successfully or with errors. Use the spreadsheet where the data was entered to enter the corrections.

Correct Budget Import Errors Using a Spreadsheet

The Oracle ADF Desktop Integrator budget correction functionality is similar to the journal correction sheet. You use this tool to correct the flat file import errors.

The correction spreadsheet functionality:

- Uses segment labels based on the data access set.
- Contains user-friendly lists of values.
- Performs most validations on the worksheet.
- Allows updating or marking the row for deletion.

Correcting Data

To use the correction spreadsheet functionality:

1. From the General Accounting Dashboard page, set the data access set and download the correction worksheet using the Correct Budget Import Errors task.
2. After the correction worksheet is downloaded, query for the rows in error. Select the run name for which there are validation errors and click Search. This populates the budget rows in error.
3. Correct the rows in error or mark them for deletion and submit the budget correction spreadsheet. Any errors are reported on the worksheet.
4. If the row status indicates an error, double-click it to see the error details and take necessary action. You can use the list of values to quickly correct data that is in error.

Overview of Oracle Hyperion Planning

Oracle Hyperion Planning is a comprehensive, web based, budgeting and planning application. Planning can be licensed and integrated with the Oracle Fusion Accounting Hub to provide expanded budgeting and planning functionality.
Oracle Financials Cloud
Implementing Enterprise Structures and General Ledger

Chapter 14
Budgets

Oracle Hyperion Planning:

- Delivers global collection of data and financial consolidation
- Enables data entry, analysis, and reporting, including personalizing data entry forms
- Facilitates budgeting collaboration, communication, and control across multidivisional global enterprises
- Drives the planning process
- Provides a framework for perpetual planning, with attention to managing volatility and frequent planning cycles
- Promotes modeling using complex business rules and allocations
- Integrates with Smart View so you can design worksheets in Microsoft Excel to enter, format, analyze, and report on data

The following table provides installation and configuration activities and documentation references.

<table>
<thead>
<tr>
<th>Activities</th>
<th>Documentation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Configuration of Planning</td>
<td>Oracle Hyperion Planning</td>
</tr>
<tr>
<td>Integration of Planning</td>
<td>Oracle Hyperion Financial Data Quality Management ERP Integration Adapter for Oracle Applications Administrator’s Guide</td>
</tr>
</tbody>
</table>

Overview of Integration with Oracle Enterprise Planning and Budgeting Cloud Service

Integrate with Oracle Enterprise Planning and Budgeting Cloud Service to synchronize your budget and actual amounts for financial reporting and analysis.

The integration between Oracle Enterprise Planning and Budgeting Cloud Service enables you to:

- Integrate Oracle Fusion General Ledger data with the Oracle Enterprise Performance Management Cloud.
- Automate the import of data into the Oracle EPM Cloud applications.
- Schedule or manually run the integration process after selecting the source ledger from Oracle Fusion General Ledger and setting up the mappings.

For more information on completing the setup for integration with Oracle Enterprise Planning and Budgeting, Financials Cloud Service, see the Integrating Financials Cloud with EPM Cloud section in the Administering Data Management for Oracle Enterprise Performance Management Cloud guide in the Oracle Help Center (http://docs.oracle.com).
15 Financial Reporting

Overview of Financial Reporting Center

The Financial Reporting Center is intended to be the primary user interface for financials end users to access all seven report types.

Financial Reporting Center

The Financial Reporting Center includes these report types: Financial Reporting Studio Reports, Account Groups and Sunburst, Smart View Reports, Oracle Transactional Business Intelligence Analyses, Oracle Transactional Business Intelligence Dashboards, Oracle Business Intelligence Publisher Reports, and Business Intelligence Mobile Apps. Other reporting tools are also available to run the same seven report types.

The following figure illustrates the report types that are available in the Financial Reporting Center.

Reports can be accessed through various methods. However, the Financial Reporting Center provides access to every type of report, is intended to be the primary user interface for financials end users, and is tablet and smartphone friendly. In addition to accessing reports, you can add favorites, define tags, and view report details, such as type and last updated date.
Financial Reports are read from the **Shared > Custom > Financials** and **My Folders** directories. All other report types can be saved anywhere in the BI Catalog however, any user-defined content should be in the **Shared > Custom** folder. Subfolders can be created within the **Shared > Custom** folder.

Seven types of reports can be run from the Financial Reporting Center and from the other reporting tools.

- **Financial Reports**: These reports are built off of the Oracle Financial Reporting Studio using data in the Oracle Fusion General Ledger balances cube. For example, company income statements and balance sheets. These reports are mainly run by users in General Ledger.

- **Account Groups and Sunburst**: Account groups are used to monitor key accounts in General Ledger. When a user creates an account group, it becomes visible in the Financial Reporting Center with the Sunburst visualization tool. The Sunburst visualization tool lets you interact with your account balances across various business dimensions to view balances from different perspectives. Account groups are used only in General Ledger.

- **Smart View Reports**: Smart View is a multidimensional pivot analysis tool combined with full Excel functionality. Smart View enables you to interactively analyze your balances and define reports using a familiar spreadsheet environment. These queries are mainly for users in General Ledger. To share Smart View queries, users can email them to other users, or they can upload the queries to the Financial Reporting Center where users can download them to a local drive for use. The Financial Reporting Center is only a place for users to upload and download Smart View queries.

  **Note:** To upload a Smart View report to the Financial Reporting Center: select the Open Workspace for Financial Reports task, navigate to the BI Catalog, and select **Upload** from the Tasks section. Be sure to upload the Excel file to one of the folder locations mentioned previously.

- **Oracle Transactional Business Intelligence Analyses**: These analyses and reports are built off of transactional tables using subject areas. These reports can be run by users in General Ledger, Payables, Receivables, Cash Management, Intercompany, and so on.

- **Oracle Transactional Business Intelligence Dashboards**: Dashboards put all the information, functions, and actions that a business user must have to do their job in one place. Dashboards are built off of Oracle Transactional Business Intelligence objects like analyses and reports. These reports can be run by users in General Ledger, Payables, Receivables, Cash Management, Intercompany, and so on.

- **Oracle Business Intelligence Publisher Reports**: Most of these reports are predefined and must first be submitted and resubmitted to see the latest data by the Oracle Enterprise Scheduler through the Scheduled Processes navigation. These reports can be run by users in General Ledger, Payables, Receivables, Cash Management, Intercompany, and so on.

- **BI Mobile Apps**: Oracle Business Intelligence Mobile App Designer is an application that enables you to create multitouch information-driven applications with rich interaction, rich visualization, and rich media, for mobile devices such as iPhone, iPad, Android phone, tablet, and more. These reports can be run by users in General Ledger, Payables, Receivables, Cash Management, Intercompany, and so on.

**Other Reporting Tools**

Six other tools are available for reporting in Financials.

The following table lists the other reporting tools and the types of reports they support.

<table>
<thead>
<tr>
<th>Other Reporting Tools</th>
<th>Report Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Accounting Dashboard and Account Inspector</td>
<td>Account Groups</td>
</tr>
</tbody>
</table>
Other Reporting Tools | Report Type
---|---
Reports and Analytics | Oracle Transactional Business Intelligence Objects
BI Catalog | All Report Types, Except Oracle Business Intelligence Publisher Reports
Enterprise Scheduler System | Oracle Business Intelligence Publisher Reports

Even though the Financial Reporting Center is designed to be the main user interface for a financial end user’s reporting needs, some users may choose to use any of the six other tools for reporting in financials, such as:

- General Accounting Dashboard, which provides access to Account Groups: Uses the Account Monitor to efficiently monitor and track key account balances in real time.
- Account Inspector: Perform ad hoc queries from account groups and financial reports through drill down to underlying journals and subledger transactions.
- Reports and Analytics: This reporting tool has a panel that reflects the folder structure of the BI Catalog. Users can access and run any Oracle Transactional Business Intelligence analysis, report or dashboard. Users can’t run Financial Reports or Oracle Business Intelligence Publisher reports from this interface. This interface can be used by all financials users.
- BI Catalog: A component of the Enterprise Performance Management Workspace where you can run all report types, except for Oracle Business Intelligence Publisher reports.
- Enterprise Performance Management Workspace: Create reports, books, snapshot reports, snapshot books, Financial Reporting batches, and batch scheduler, and schedule batches to automatically run and burst to email.
- Enterprise Scheduler System: Only Oracle Business Intelligence Publisher reports can be submitted from this interface. Users access this interface by navigating to Tools > Scheduled Processes. Most financial users have access to this interface to run standard reports for General Ledger, Payables, Receivables, and so on.

Set Up Financial Reporting Center and Smart View

Oracle Fusion Financial Reporting Center is a powerful tool for reviewing, designing, and presenting financial reports and analytic data. The critical choices required to configure and install the components in Financial Reporting Center consist of:

- Configuring the Financial Reporting Center
- Installing and configuring Financial Reporting Studio, performed by your end users
- Installing Smart View, performed by your end users
- Configuring Workspace Database Connection, performed by your administrator

Configuring Financial Reporting Center

You have access to the reports in the Financial Reporting Center and Workspace installed with Oracle Fusion Financial Applications. Your Oracle Fusion Business Intelligence (BI) administrator defines the folder structure in Workspace. The
Security can be set on folders and reports from Workspace.

You are granted access to the folders and reports you want to view by your BI administrator.

Installing and Configuring Financial Reporting Studio


2. Edit the Workspace URL and remove workspace/index.jsp.
3. Following are two examples of Server URLs:
4. Copy the modified URL to the Server URL field.

Note: For end users installing the Oracle Fusion Financials Reporting Studio, the installer starts a separate console window. The installer continues to run for a brief time after the installation completes the setup tasks. The process is normal, expected, and applies to Oracle Reporting Studio installations in both the Oracle Fusion Applications and Enterprise Performance Manager modes. Wait for the console window to close, which happens automatically, before clicking the Finish button on the Financial Reporting Studio Installation dialog box. If you click the Finish button before the console window closes, the Financial Reporting Studio installation may not complete.

Note: You must save a new report before attempting to preview it with Web Preview.

Prerequisites needed for installing the Financial Reporting Studio are:

2. Microsoft Office installed on your users’ computers.

Installing Smart View

Smart View is an Excel add-in that must be loaded on each client. To download Smart View, click Navigator > Financial Reporting Center > Tasks panel drawer > Open Workspace for Financial Reports. Once the workspace is started, click Tools > Install > Smart View.

Note: Since Smart View is an add-in to Microsoft Office products, you can install Smart View only on a Windows operating system.
Once Smart View is installed, you must configure the connection using the Smart View Shared Connections URL. You can derive the Shared Connections URL by following these steps:

1. From the Financial Reporting Center task panel, select **Open Workspace for Financial Reporting**.
2. Edit the workspace URL by removing **index.jsp** and adding **SmartViewProviders** at the end.

> Note: The following URL is an example for a Cloud-based environment. If the workspace URL is https://efops-rel5st4-cdrm-external-bi.visioncorporation.com:10622/workspace/index.jsp, the Shared Connections URL is https://efops-rel5st4-cdrm-external-bi.visioncorporation.com:10622/workspace/SmartViewProviders.

3. Copy the URL.
4. Open Excel.
5. From the Smart View menu, click **Options > Advanced**.
6. Paste the URL in the **Shared Connections URL** field.
7. Click **OK**.

To connect Oracle Fusion General Ledger Balances cubes in Smart View:

1. Open Smart View from your **Start menu > Programs > Microsoft Office > Microsoft Excel 2007**.
2. Navigate to the **Smart View** menu > **Open**. On the **Start** on the ribbon, click **Smart View Panel** that appears in the list of values from the ribbon. The task pane opens.
3. Click **Shared Connections** on the task pane.
4. Sign in with your user name and password.
5. Click the **Select Server to proceed** list of values.

> Note: If the Essbase Server is not there, then it has to be added. Use the following steps:
   a. Click the Add Essbase Server link.
   b. Specify the Essbase Server login and password.
   c. Expand the Essbase server and locate the cube in it.

6. Select **Oracle Essbase** from the list of shared connections.
7. Click the **Expand** to expand the list of cubes.
8. Expand your cube (name of your chart of accounts).
9. Click **db**.
10. Click the analysis link.

> Note: You must perform these steps only once for a new server and database.

To set how the name and alias of the Essbase database appears:

1. Click **Options** on the ribbon > select the **Member Options** > select **Member Name Display**.
2. Set one of these three options:
   - **Distinct Member Name**: Only shows the full Essbase distinct path.
   - **Member Name and Alias**: Shows both the member name and the alias.
   - **Member Name Only**: Shows only the member name.

> Note: The Smart Slice feature is not supported in Oracle Fusion General Ledger. For all other documentation, refer to the Oracle Smart View for Office User’s Guide.
Configuring Workspace Database Connections

Administrators must create database connections from Workspace so users can access the cubes from Workspace and Financial Reporting Studio.

Note: Ledger setup has to be completed before the database connection can be created. Oracle Fusion General Ledger balances cubes are created as part of ledger setup. A separate cube is created for each combination of chart of accounts and accounting calendar. A database connection is needed for each cube.

Steps to define a database connection are:

1. Start at the Navigator by selecting Financial Reporting Center.
2. From the Financial Reporting Center task panel, select Open Workspace for Financial Reporting.
3. From within Workspace select the Navigator menu > Applications > BI Catalog.
4. Select Tools menu > Database Connection Manager.
5. Select New button.
6. Enter a user-friendly name for the Database Connection Name.
7. Enter Essbase as the Type, your server, user name, and password.
8. Select Application (cube) and Database from the list of values. Expand the Application name to see the related Database.
9. Click the OK button twice to save your selections.
10. Click Close button in the Database Connection Manager window to save your connection.

Note: The database connection is available in both Workspace and Financial Reporting Studio. Optionally, it can be set up in Financial Reporting Studio when putting grids on a report. This should only be done by an administrator.

For more detailed information about Smart View and Financial Reporting Studio, refer to the Using EPM with Oracle Financials Cloud link on the Books for Oracle Financials Cloud page of the Oracle Help Center at https://docs.oracle.com.

Considerations for Implementing Financial Reporting Center

The Financial Reporting Center adds self-service functionality for the Oracle Fusion Applications and the Oracle Fusion Accounting Hub. The financial reports are available immediately on both computers and mobile devices, which leads to quicker decision making.

Note: To access the reports in Financial Reporting Center, store the reports in the My Folder or Shared Custom directories.

Job Roles and Duty Roles

The following table shows the predefined job roles and their associated duty roles.

<table>
<thead>
<tr>
<th>Predefined Job Role</th>
<th>Duty Roles</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Accountant</td>
<td>• Financial Reporting Management</td>
</tr>
<tr>
<td></td>
<td>• Account Balances Review</td>
</tr>
<tr>
<td>General Accounting Manager</td>
<td>• Financial Reporting Management</td>
</tr>
</tbody>
</table>
Business Process Model Information
The features are part of the Manage Financial Reporting and Analysis detailed business process.
The following table shows the activities and tasks for that business process.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Task</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepare Financial Reports</td>
<td>Generate Financial Statements</td>
</tr>
<tr>
<td>Analyze Financial Performance</td>
<td>Inquire and Analyze Balances</td>
</tr>
</tbody>
</table>

How to Manage Financial Reporting Studio Versions
You could run into issues with Financial Reporting Studio reports if the Financial Reporting Studio version on your client is different from the Financial Reporting server version in the application. You must therefore manage the Financial Reporting Studio client version during the course of the regular Oracle Fusion Applications Cloud updates.

Using Financial Reporting Studio Between Test and Production Updates
Your test environment is always updated before your production environment.

During this period, the version of the Financial Reporting server on your test environment may be different than the version on your production environment. When this happens, the existing Financial Reporting Studio client currently installed on your computer may not work with your test environment due to the version mismatch between its server and client. Thus, during this period, you must uninstall and reinstall the Financial Reporting Studio client from the test or production environment accordingly, depending on which environment you work on, to ensure the client version matches the server version.

Using Financial Reporting Studio After the Production Update
After the production environment is updated, the Financial Reporting Studio versions for the test and production environments will be the same.

If you already installed Financial Reporting Studio from the test environment, you won’t have to make any changes. Otherwise, you should immediately uninstall, download, and reinstall Financial Reporting Studio from the financial reporting workspace in the production environment.
Comparing the Client and Server Versions

To compare the Financial Reporting Studio client version with the Financial Reporting server version, perform the following steps:

2. From the Help menu, select About Reporting Studio.

The following figure shows an example of the Financial Reporting Studio window with matching client and server versions. The Oracle Hyperion Financial Reporting version is 11.1.2.4.505 and the Report Server Version is 11.1.2.4.560.0505.

You can also check the server version from the Help menu of the financial reporting workspace.

1. From the Financial Reporting Center, select the Open Workspace for Financial Reports task.
2. From the Help menu, select About Oracle Enterprise Performance Management System Workspace.
3. Click Show Details.

The following figure shows an example of the Enterprise Performance Management System Workspace window with the report server version.
Installing Financial Reporting Studio

Perform the following prerequisite steps:

1. Uninstall the previous version, if any, using the Windows Control Panel.
2. Delete the existing directory structure. For example, C:\Oracle\Middleware\EPMSYSTEM11R1\products\FinancialReportingStudio.
3. Restart your computer.

Download the version of the Financial Reporting Studio from that environment’s workspace:

1. Navigate to the Financial Reporting Center and select the **Open the Financial Reporting Workspace** task.
2. From the menu, select **Tools > Install > Financial Reporting Studio** and save the file.
3. Right-click the executable file and select **Run as administrator**.

⚠️ **Caution:** Don’t close the command window that appears near completion. It will automatically close itself.
The following figure shows an example of the command window that appears while the executable file is running.

4. Click **Finish** on the install window after the command window closes.

Lastly, when designing reports, you can't design a Financial Reporting Studio report using a client version that's higher than the report server version, and then export or import the report to a lower client version level. The report may not work.

**How Financial Reporting Reports and Account Groups Are Generated**

Use the Generate Financial Reports and Account Groups process to create Financial Reporting reports and account groups for each general ledger balances cube for a specified chart of accounts and accounting calendar. You can submit the process at any time.

**How the Reports and Account Groups Are Generated**

Submit the Generate Financial Reports and Account Groups process from the Scheduled Processes work area. Select the chart of accounts and accounting calendar, which identify the balances cube and ledgers for which to generate the Financial Reporting reports and account groups.

Specify values for the top parent revenue and expenses account:

- Top Revenue Account
- Top Operating Expenses Account
- Top Cost of Sales Account (optional)
The top parent accounts are used as the basis for deriving the accounts referenced in the reports. The immediate
descendants of the top parent accounts are used to define the rows on the Financial Reporting income statement reports.
Depending on whether both the top operating expenses and top cost of sales accounts are selected, different variations of
the Financial Reporting income statements are generated. If the optional top cost of sales account is provided, the income
statements Financial Reporting income statement reports also include a gross margin section.

**Tip:** You can pick a specific tree and tree version for each parent. All three parent account values can be from
different trees and tree versions. Ideally, you would choose a common tree and tree version for all of the parent
accounts. The hierarchy basis for all of the rows in the generated reports is then consistent.

For the balances cube identified by the chart of accounts and calendar in the request submission, the process creates an
individual set of the following Financial Reporting reports:

1. Income Statement
2. Consolidated Income Statement
3. Rolling Quarterly Income Statement
4. Rolling Monthly Income Statement
5. Trial Balances by Ledger Currency
6. Trial Balances by Entered Currency

**Note:** To prevent the unnecessary proliferation of such Financial Reporting reports, unless the original reports
created were renamed or deleted, resubmitting the process doesn’t generate new Financial Reporting reports.

The process also generates the following three account groups for the balances cube, to be shared among all of the ledgers
that are part of that balances cube:

- Revenues: Defined to display in the Revenues infolet. Automatically set as the default for the General Accounting
  Infolets home page unless an existing account group is already set as the default.
- Expenses: Defined to display in the Expenses infolet. Automatically set as the default for the General Accounting
  Infolets home page unless an existing account group is already set as the default.
- Close Monitor Summary Income Statement: Defined to display in the Close Monitor. Can be assigned to your ledger
  sets when you complete the Close Monitor setup.

**Note:** A new set of account groups is generated for a balances cube with each submission of the process.

Create a Financial Report

Video: Defining a Report

**Watch:** This video tutorial shows you how to create a financial report to analyze and report results of business transactions. The
content of this video is also covered in text topics.
Video: Adding a Formula

**Watch:** This video tutorial shows you how to add formulas to a financial report to calculate balances from business transactions. The content of this video is also covered in text topics.

Video: Defining a Range Function

**Watch:** This video tutorial shows you how to create range functions in a financial report to span several accounting periods. The content of this video is also covered in text topics.

Video: Defining the Grid Point of View

**Watch:** This video tutorial shows you how to define grid points of view in a financial report to reduce user input at report run time. The content of this video is also covered in text topics.

Video: Setting Page and Grid Properties

**Watch:** This video tutorial shows you how to define the page, row, and column attributes in a financial report. The content of this video is also covered in text topics.

Video: Formatting and Adding a Graph

**Watch:** This video tutorial shows you how to format and add graphs to a financial report to improve analysis of the data. The content of this video is also covered in text topics.

Procedure

In Oracle Hyperion Financial Reporting Studio, you can design traditional financial report formats such as balance sheets, profit and loss statements, and cash flow reports. You can also design nontraditional reports for financial or analytic data that include text and graphics. Use Financial Reporting Studio, a client-based application launched from your desktop, to create your reports.

Perform the following tasks to define a basic income statement.

1. Open Financial Reporting Studio on your desktop and sign in with your user name, password, and server URL.
Tip: The first time you sign in, copy the Financial Reports Workspace URL into the Server URL field and remove workspace/index.jsp from the end of the URL.

The following figure shows an example of the Financial Reporting Studio sign-in window, with the user name, password, and server URL fields populated.

3. On the Designer toolbar, click the Insert Grid icon. Grids are tables that contain data from external database connections.
4. Drag to select the area for the grid. The Select a Database Connection window opens.

Tip: When creating a grid, best practice is to leave space in the designer area for other objects, such as a company logo and report title.

5. On the Select a Database Connection window, click the Database Connection list and select your database. A unique cube exists for each combination of chart of accounts and accounting calendar.
The following figure shows an example of the Select a Database Connection window, with the connection, user name, and password fields populated.

![Select a Database Connection window](image)

**Tip:** Best practice is to always turn on suppression in financial reports. This should be done at the Database Connection Server level. You can verify the setting by doing the following: highlight the grid, and from the menu, select **Task > Data Query Optimization Settings**. The normal best practice for most reports is to turn suppression on for the entire grid, and then turn suppression off for certain columns and rows that must always display. For more information about suppression settings, refer to the Using the Basic Option in Conditional Suppression section in the Designing with Financial Reporting Studio for Oracle Planning and Budgeting Cloud guide at [http://docs.oracle.com/cloud/latest/epm-common/CSFSU/ch09s04s02.html#BEGIN](http://docs.oracle.com/cloud/latest/epm-common/CSFSU/ch09s04s02.html#BEGIN).

6. Click **OK**. The Dimension Layout window opens.

### Arrange Dimensions and Define Rows

Use the Dimension Layout window to arrange the dimensions on the report. Use the Select Members window to select the revenue and expense accounts to include on the report.

1. On the Dimension Layout window, drag the dimensions from the Point of View frame as follows:
   a. **Accounting Period** dimension to the Columns frame.
   b. **Account** dimension to the Rows frame.
   c. **Company** dimension to the Pages frame.
The following figure shows the Dimension Layout window. The **Company** dimension is in the Pages frame, the **Accounting Period** dimension is in the Columns frame, and the **Account** dimension is in the Rows frame.

2. Click **OK**. The Dimension Layout window closes. The grid is inserted with the specified layout.

3. Select the revenues account.
   a. Double-click the **Account** cell on the grid. The Select Members window opens.
   b. Click the **Remove All** icon to deselect the default account member.
   c. In the Available area, expand the Account member, and continue expanding until you reach the revenue account for the report. You can also use the search to find your account.
   d. Select the account and click the **Add** icon to move the account to the Selected area.
The following figure shows the Select Members window for the **Account** dimension. The **Account** member is expanded and the revenues account for the report, which is 40000, appears in the Selected area of the window.

4. Click **OK**. The Select Members window closes.
5. Save the report.
   a. From the **File** menu, select **Save As**.
   b. Select the **My Folders** directory and enter a report name.
   c. Click **Save**.
6. Insert a blank row to add space between the revenue and expense accounts.
   a. Select the row after the revenues account and right-click the row header.
   b. From the **Insert Row** menu, select **Text**.
7. Insert a row for the expense accounts.
   a. Select the row after the new blank row and right-click the row header.
   b. From the **Insert Row** menu, select **Data**. The default value for the new row contains the revenue account.
8. Select the expense accounts.
   a. Double-click the new expense account cell in row 3. The Select Members window opens.
   b. Click the **Remove All** icon to deselect the default revenues account.
   c. In the Available area, expand the Account member, and continue expanding until you reach the expense accounts.
   d. Select the accounts and click the **Add** icon to move the accounts to the Selected area.
   e. Select the **Place selections into separate rows** option to create a separate row in the grid for each account.
The following figure shows the Select Members window for the Account dimension. The Account member is expanded and the expense accounts for the report appear in the Selected area of the window. The selected accounts are 50000, 60000, and 70000. The option called Place selections into separate rows is selected.

9. Click OK. The grid now includes the expense accounts.
10. Save the report and leave it open for the next activity.
11. You can preview the report in HTML or PDF format using the File menu or toolbar.

Add a Formula

Define a formula to summarize the expense account balances.

1. Select the row after the last expense account row and right-click the row header.
2. From the Insert Row menu, select Formula.
3. Click in the empty cell in the new row. The cell properties sheet opens.
4. On the cell properties sheet, select the Custom Heading option and enter Total Expenses.
5. Select the row header for the formula row, which in this example is row 6.
6. In the Formula bar, click the Sum(0) button to enter the formula into the formula text box.
7. Enter the cell references for the expense accounts into the formula, between the parentheses. In this example, the completed formula is Sum([3], [4], [5]).
The following figure shows the Financial Reporting Studio window with the formula entered in the formula text box.

8. Validate the formula syntax by clicking the check mark icon in the toolbar. Validation checks the validity of the formula, not if data is available.

The following figure shows an example of the grid with the revenue account in row 1, expense accounts in rows 3 through 5, and total expenses in row 6.

9. Save the report and leave it open for the next activity. Optionally preview the report.

Define a Range Function

Use the range function to report across periods and create rolling period columns on the report.

1. Double-click the Accounting Period cell. The Select Members window opens.
2. Click the Remove All icon to deselect the default accounting period member.
3. Click the Functions tab.
4. Click the Range list item.
5. Click the **Add** icon to move the **Range** list item to the Selected area. The Edit Range Function window opens.

   a. Click in the **Value** field on the **Start Member** row.
   b. Click the **Lookup** icon. The Edit Start Member Parameter Value window opens.
   c. Click the **Functions** tab.
   d. Click the **Relative Member** list item. With the relative member parameter, you can define the periods that display on the report relative to the period you specify at runtime.
   e. Click the **Add** icon to move the **Relative Member** list item to the Selected area. The Edit Relative Member Function Window opens.
   f. Click in the **Value** field on the **Member** row.
   g. Click the **Lookup** icon. The Edit Parameter Value window opens.
   h. Click the **Current Point of View** list item, so you can enter the starting period for the report.

The following figure shows the Edit Member Parameter Value window for the Accounting Period member. The Current Point of View row is selected.

![Edit Member Parameter Value Window](image)

i. Click the **Add** icon to move the selected value to the Selected area.
j. Click **OK**. The Edit Member Parameter Value window closes.

k. On the Edit Relative Member Function window, select the **Offset** parameter, and enter -11 in the **Value** field. The offset value determines the number of periods to include from the current point of view.
The following figure shows the Edit Relative Member Function window. The *Offset* parameter is selected and the value entered is -11.

1. Click **OK**. The Edit Relative Member Function window closes.
2. Click **OK**. The Edit Start Member Parameter Value window closes.
3. On the Edit Range Function window, click the **End Member** list item.
4. Click in the **Value** field and click the **Lookup** icon. The Edit End Member Parameter Value window opens.
   a. Click the **Current Point of View** list item.
   b. Click the **Add** icon to move the value to the Selected area.
   c. Click **OK**. The Edit End Member Parameter Value window closes.
5. Click **OK**. The Edit Range Function window closes.
6. Click **OK**. The Select Members window closes.
7. Save the report and leave it open for the next activity. Optionally preview the report.

**Define the Grid Point of View**

Define dimensions for the grid point of view. The grid point of view ensures the same initial default value every time for every user.

1. Select the grid.
2. Right-click and select **Grid Point of View** from the list.
3. On the grid, click the Ledger: User Point of View for Ledger tab. The Select Members window opens.
   a. Expand the Ledger member and continue to expand until you find the ledger to include on the report. Select the ledger.
   b. Click the Scenario tab to select the type of balance to use on the report.
   c. Expand the Scenario member and select the Actual list item.
   d. Click the Balance Amount tab.
   e. Expand the Balance Amount member and select the Period Activity list item as the balance amount to include on the report.
   f. Click the Currency tab.
   g. Expand the Currency member and select USD from the list.
   h. Click the Currency Type tab.
   i. Expand the Currency Type member and select the Entered list item.
   j. Click OK. The Select Members window closes.

The following figure shows the grid after defining the grid point of view. The grid is selected and the Ledger dimension is set to the US Primary Ledger. The Accounting Period dimension is set to User Point of View. Column A is defined as a range, row 1 represents revenue, rows 3 through 5 represent expense accounts, and row 6 represents total expenses.

4. Save the report and leave it open for the next activity.

Set Page and Grid Properties

1. Select the grid.
2. Right-click and select Grid Point of View Setup. The Setup Grid Point of View window opens.
   a. For the Balance Amount dimension, set the Report Viewers May Select option to Nothing. Lock Member Selection. This step prevents the Balance Amount type from being changed at runtime.
   b. Click OK. The Setup Grid Point of View window closes.
3. Set a runtime prompt for the Company dimension to provide the flexibility of selecting any company or combination of companies at runtime.

   a. On the grid, double-click the Pages label. The Select Members window opens.
   b. Click the Remove All icon to deselect the default Company member.
   c. Select the Prompt for Company list item.
   d. Click the Add icon to move the selection to the Selected area.
   e. Click OK. The Define Prompt window opens.
   f. Click the Lookup icon in the Default Member field. The Select Members window opens.
   g. Click the Remove All icon to deselect the default Company member.
   h. Expand the Company member, and continue expanding until you find and select the default companies to display in the prompt.
   i. Click the Add icon to move the companies to the Selected area.
   j. Click OK. The Select Members window closes.
   k. Click the Member Labels in Prompt Selection Dialog list and select the Alias list item. The actual company label displays in the prompt list of values instead of a numeric company value, making the prompt more user-friendly.

   The following figure shows the Define Prompts window for the Company dimension. The default members are companies 101 and 102, and the prompt for member labels is set to Alias.

   ![Define Prompts window](image)

   l. Click OK. The Define Prompts window closes.

4. On the Grid Properties sheet:

   a. Click the Drill Through option to enable drill through from the report to the detail balances represented on the report.
   b. Click the Suppression list item to view the suppression settings.
   c. Enter 0 in the Zero Values field to suppress the display of zero dollar rows on the report.
The following figure shows the Grid Properties sheet with the **Zero Values** text option set to 0.

![Grid Properties Sheet](image)

5. Click the Pages label on the grid. If the Page Properties sheet doesn’t open, select **Property Sheet** from the **View** menu.
   
   a. On the Page Properties sheet, click the **Alias**: **Default** option.

6. Click the first cell in row 1. The Heading Row Properties sheet opens.
   
   a. Click the **Alias**: **Default** option to show the name of the account rather than the account value.
   b. Click the **Allow Expansion** option to enable the expand functionality on the report.
   c. Select the cells for the expense accounts on the grid, and on the Heading Row Properties sheet, select the **Alias**: **Default** and **Allow Expansion** options.

7. Save the report and leave it open for the next activity. Optionally, preview the report.

### Format and Add a Graph

Insert your company logo, add a report title, and add a chart to the report.

1. On the Designer toolbar, click the **Insert Image** icon.
   
   a. Drag and drop the cursor over the report to determine the length and width of the image. You can adjust the header height setting on the Report Properties sheet and the grid object, as needed. Keeping the report header narrow improves the PDF output.
   b. Find your company logo in your file system and select it.
2. On the Designer toolbar, click the **Insert Text** icon.
   
   a. Drag the cursor over the report to determine the length and width of the report title.
   
   b. Enter a report title.
   
   c. Select the text, and from the **Format** menu, select **Cell**. The Format window opens.
   
   d. Set the font style to **Bold** and the size to **14**.
   
   e. Click **OK**.
   
   f. On the Designer toolbar, select the **Center Justify** icon to center the text.

3. From the **File** menu, select **Page Setup**. Click the **Page** tab and set the orientation to **Landscape**.

4. Click **OK**.

The following figure shows the Financial Reporting Studio designer window with a company logo, a report title of Income Statement by Period, and a grid with account rows and an accounting period column.

5. On the Designer toolbar, click the **Insert Chart** icon.

   a. Drag and drop the cursor over the area to determine the length and width of the chart.
   
   b. On the Chart Properties sheet, select the **Line** chart type and select the expense account rows in the Data Range section.
   
   c. Click the **Format Chart** button. The Format Chart window opens.
   
   d. On the Appearance tab, enter a title for the chart.
   
   e. Click the Legend tab and enter a title for the legend.
   
   f. Click the Axes tab and enter a title for the primary axis.
   
   g. Click the Element Style tab and set the attributes for the data sets, as needed.
   
   h. Click the **Refresh** icon to preview the chart on the Format Chart window.
The following figure shows the Element Style tab on the Format Chart window. The title of the chart is Expenses by Month. The legend is titled Type of Expense. The primary axis is titled Dollars.

1. Click OK. The Format Chart window closes.

6. Save the report.

Run the Report

You can preview the report in Financial Reporting Studio using the File menu or toolbar, and you can run your report from the Financial Reporting Center.

The following figure shows an example of an income statement report run from the Financial Reporting Center. The report has a logo and title. The grid point of view includes the ledger, scenario, balance amount, currency, and currency type.
dimensions. The company dimension is at the page level. Twelve accounting periods appear as columns and the revenue and expense accounts appear as rows. The chart displays expenses by month.


**Configure an Account Group**

Configuration of an account group enables you to create self-monitoring accounts that help you eliminate the surprise of account anomalies during your close process.

**Scenario**

You have been given the task to set up account groups. Follow these steps to define account groups that track key account balances by purpose, category, and comparison criteria.

1. Navigate to the General Accounting Dashboard page.
2. In the Account Monitor section, select **View > Account Group > Create**. Other Account Group options include:
   - **Manage** to create, edit, or delete account groups. You can also enable sharing of account groups with other users.
Helpful assistant.

Edit to change an existing account group or to make a copy of an existing account group to which you have access, whether it’s an account group that you own, that’s shared with you, or that’s public. You’re marked as the owner of the copied account group, which is automatically set to private access, but can be changed to the access setting that you like.

3. Enter the account group name and description. The name is used by default on the infolet that the account group displays in, but can be changed using the infolet Actions menu.

4. Select a value for the Display In option to determine if the account group appears in one of the infolets (Allocations, Expenses, Revenues), the Account Monitor, or the Close Monitor. The display option that you select can affect the other account group settings. For example, account groups that display in the Close Monitor must have public access, and account groups that display in infolets must have the option to dynamically derive the ledger enabled.

Note: Regardless of its display setting, any account group can be viewed from within the Account Monitor and Financial Reporting Center.

5. For each infolet and Account Monitor display setting, you can specify a default account group by selecting the Set as default option. The default account group setting is user-specific, determining which account groups appear to you when you view the infolets and the Account Monitor.

Note: The default setting doesn’t affect account groups that are set to display in the Close Monitor. The account group that displays in the Close Monitor is determined by the ledger set definition.

6. Select the Dynamically derive ledger option to apply the account group to any ledger in the same balances cube. The ledger derived is based on your given data access set selection. You must enable this option for account groups that display in the Revenues, Expenses, and Allocations infolets.

Note: If you don’t select this option, enter a ledger on each account row.

7. Select a Time Option and Comparison Option as shown in the following table.

<table>
<thead>
<tr>
<th>Time Option</th>
<th>Comparison Option</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounting Period</td>
<td>o Budget PTD</td>
</tr>
<tr>
<td></td>
<td>o Budget QTD</td>
</tr>
<tr>
<td></td>
<td>o Budget YTD</td>
</tr>
<tr>
<td></td>
<td>o Prior period PTD</td>
</tr>
<tr>
<td></td>
<td>o Prior year PTD</td>
</tr>
<tr>
<td></td>
<td>o Prior year QTD</td>
</tr>
<tr>
<td></td>
<td>o Prior year YTD</td>
</tr>
<tr>
<td>Quarter</td>
<td>o Budget QTD</td>
</tr>
<tr>
<td></td>
<td>o Budget YTD</td>
</tr>
<tr>
<td></td>
<td>o Prior quarter QTD</td>
</tr>
<tr>
<td></td>
<td>o Prior year QTD</td>
</tr>
<tr>
<td></td>
<td>o Prior year YTD</td>
</tr>
<tr>
<td>Year</td>
<td>o Budget YTD</td>
</tr>
</tbody>
</table>
Oracle Financials Cloud
Implementing Enterprise Structures and General Ledger

Chapter 15
Financial Reporting

<table>
<thead>
<tr>
<th>Time Option</th>
<th>Comparison Option</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Prior year YTD</td>
</tr>
</tbody>
</table>

**Tip:** If you’re using a budget comparison option, select the budget name in the **Scenario** field.

**8.** Set the access.

**Note:** Regardless of the access setting, only the person who owns the account group can modify it. However, for account groups that you have access to, you can share with others even if you’re not the owner.

- **Private:** For your use only.
- **Public:** For use by all users who have access to the same balance cube of that account group. Account groups that display in the Close Monitor must be set to **Public**.
- **Shared:** For use by users you specify and who have access to the same balance cube of that account group.

**Note:** To set shared access, navigate to the **Manage Account Group** page.

**9.** In the Accounts section, enter the accounts to monitor. The accounts must be defined to be consistent with the particular infolets targeted to track revenues, expenses, or allocations pools.

- Accounts included in an account group for display in the Expenses infolet must be of the account type Expense.
- Accounts included in an account group for display in the Revenues infolet must be of the account type Revenue.
- Close Monitor account groups must only have two account rows. The first row must represent total revenues and the second row must represent total expenses.

  **a.** Give each account a short name that is easily recognizable. The name displays in infolets and in the **Name** column of the Account Monitor. For account groups that display in infolets, you must provide a name for each account.

  **b.** If the **Dynamically Derive Ledger** option isn’t enabled, you must enter a ledger.

  **c.** Enter either parent or child values for each segment of the account.

  **d.** Select when to display the account in the **Change** field.

  - Always Display
  - Decrease by Less than Amount
  - Decrease by Less than Percentage
  - Decrease by More than Amount
  - Increase by More than Amount
  - Increase by Less than Amount
  - Increase by Less than Percentage
  - Increase by More than Percentage
  - Decrease by More than Percentage
  - Not Equal
  - Equal

  **e.** Enter a value in the **Threshold** field, which is the criteria that’s being measured against. The threshold is used in conjunction with the **Change** field selection.
10. Click **Save and Close** or **Save and Create Another**.

**Related Topics**
- Account Groups

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**General Ledger Subject Areas, Folders, and Attributes**

To create real-time analyses for General Ledger, you should be familiar with subject areas, folders, and attributes.

**Subject Areas**

To create an analysis, you begin by selecting a subject area from which you select columns of information to include in the analysis. For example, to create an analysis of journal information, you begin by selecting a **General Ledger - Journals Real Time** subject area. Subject areas are based around a business object or fact. In this example, the subject area is based on the columns in the journal tables.

General Ledger has four general ledger-specific subject areas:

- **General Ledger - Balances Real Time**
- **General Ledger - Journals Real Time**
- **General Ledger - Period Status Real Time**
- **General Ledger - Transactional Balances Real Time**

**Tip:** To create a report that queries balances and allows drill down to journals, use the **General Ledger - Transactional Balances Real Time** and the **General Ledger - Journals Real Time** subject areas. Other than that, it is advised that you do not create reports that cross subject areas. Such reports may result in less than optimal performance and are hard to maintain.

**Folders**

Each subject area has one fact folder and a number of dimension folders. Fact folders contain attributes that can be measured, meaning that they are numeric values like journal debit and credit amounts. Fact folders are usually listed after dimension folders and are usually named after the subject area. Dimension folders contain attribute and hierarchical columns like journal name and accounting period.

Some folders appear in more than one subject area, such as **Time**. These are referred to as common folders or common dimensions.

Each folder within a subject area may have a different level of granularity. For example:

- Journal Approval has approval attributes.
- Journal Batches has subfolders with attributes.

**Attributes**

Finally, each dimension folder contains attributes (columns), such as balance type and posting date. This figure illustrates the structure of subject areas, folders, and attributes.
The following figure shows the General Ledger - Journals Real Time subject area. The subject area contains these folders: Approval Status, Journal Batches, Journal Headers, Journal Lines, Posting Status, Time.

The Approval Status folder is a Dimension - Presentation folder and contains these dimension attributes: Approval Status Code, Approval Status Description, Approval Status Meaning. The Lines folder is a Fact - Presentation folder and contains these measures: Accounted Credit, Accounted Debit, Entered Credit, Entered Debit, Statistical Quantity.

Related Topics

- How Data Is Structured for Analytics
- Drill from Oracle Transactional Business Intelligence Reports to Transaction Details

FAQs for Financial Reporting
How can I apply permissions to objects from Financial Reporting in Workspace?

Open the Permission dialog box from the Tasks list to set permissions for a catalog object. Permissions determine which user, group, or role can view, open, or modify the object. If you display this dialog box while working in the catalog in Workspace, any permission changes that you specify are applied immediately. If you display this dialog box as part of the Batch Scheduler wizard, then the permission changes are not applied until you run the batch.

How can I store and edit Financial Reporting objects?

First installed Oracle BI EE as part of Oracle Fusion Applications. Then store and edit new objects that you create for Oracle Hyperion Financial Reporting in Workspace in the Oracle BI Presentation Catalog. Perform operations on those objects in the catalog similarly to how you work with other objects, such as copying and modifying properties. See the documentation for Hyperion Financial Reporting for complete information on working with objects. Financial Reporting report designers can also access the Financial Reporting objects in the Financial Reporting Studio.

How can I migrate Financial Reports from one environment to another?

You can export your financial reports from a source environment and import them to a target environment using implementation projects.

Only the financial reports in the /shared/Custom/Financials folder are exported, so make sure to copy all the financial reports, or the folders containing them, to this folder. In the Setup and Maintenance work area, create an implementation project that includes only the Create Financial Statements task. Then use the Manage Configuration Packages task to export and import the reports.

Note: For the Financial Reporting report definition migration service, from a source to a target environment, references to version IDs of dimension members hierarchies are synchronized to their version IDs in the target environment.

Related Topics

- How You Use Implementation Projects to Manage Setup
- Setup Data Export and Import Using Implementation Project
- Exporting Setup Data Using Implementation Project: Procedure
- Importing Setup Data Using Implementation Project: Procedure
Glossary

**accounting flexfield**
The structure that determines the chart of accounts, including the number and order of the individual segments, as well as assigning the value sets to the segments.

**accounting method**
A set of journal entry rules which determine how a subledger journal entry is created for each event class or event type.

**accounting period**
The fiscal period used to report financial results, such as a calendar month or fiscal period.

**application feature**
A standardized functionality that is available to implemented.

**assignment**
A set of information, including job, position, pay, compensation, managers, working hours, and work location, that defines a worker’s or nonworker’s role in a legal employer.

**AutoPost criteria sets**
A grouping of options and submission frequencies used to select journal entries for automatic posting.

**balances cube**
A multidimensional database that holds accounting financial data. The cube allows different views of the balances to be quickly displayed.

**balancing segment**
A chart of accounts segment used to automatically balance all journal entries for each value of this segment.

**business function**
A business process or an activity that can be performed by people working within a business unit. Describes how a business unit is used.

**business unit**
A unit of an enterprise that performs one or many business functions that can be rolled up in a management hierarchy.

**calendar event**
A period that signifies an event, such as a public holiday or a training course, that impacts worker availability.
**chart of accounts**
The account structure your organization uses to record transactions and maintain account balances.

**clearing company**
The intercompany clearing entity used to balance the journal.

**condition**
The part of a data security policy that specifies what portions of a database resource are secured.

**context**
A grouping of flexfield segments to store related information.

**context segment**
The flexfield segment used to store the context value. Each context value can be associated with a different set of context-sensitive segments.

**context-sensitive segment**
A flexfield segment that may or may not appear depending upon a context. Context-sensitive segments are attributes that apply to certain entity rows based on the value of the context segment.

**corporate rate type**
Rate you define to standardize rates used in conversion of one currency to another over a period of time. This rate is generally a standard market rate determined by senior financial management for use throughout the organization.

**cost center**
A unit of activity or a group of employees used to assign costs for accounting purposes.

**cost organization**
A grouping of inventory organizations that indicates legal and financial ownership of inventory, and which establishes common costing and accounting policies.

**country holding company**
A legal entity that acts on behalf of several divisions within an enterprise, and is the legal employer in a country.
**cube**
A block of data that contains three or more dimensions. An Essbase database is a cube.

**data security policy**
A grant of entitlement to a role on an object or attribute group for a given condition.

**database resource**
An applications data object at the instance, instance set, or global level, which is secured by data security policies.

**department**
A division of a business enterprise dealing with a particular area of activity.

**descriptive flexfield**
A configurable field that captures additional information.

**descriptive flexfield**
Expandable fields used for capturing additional descriptive information or attributes about an entity, such as a customer case. You may configure information collection and storage based on the context.

**determinant**
A value that specifies the use of a reference data set in a particular business context.

**determinant type**
The value that affects sharing of reference data in a transaction across organizations, such as a business unit or a cost organization.

**determinant type**
An optional value that affects document sequencing in a transaction. The available determinant types are Business Unit, Ledger, Legal Entity, and Tax Registration.

**determinant value**
A value specific to the selected determinant type of a document sequence. If Ledger is the determinant type for a document sequence, the determinant value is the specific ledger number whose documents are numbered by the document sequence. It is relevant in a document sequence assignment only if the document sequence has a determinant type.

**division**
A business-oriented subdivision within an enterprise. Each division is organized to deliver products and services or address different markets.
document sequence
A unique number that is automatically or manually assigned to a created and saved document.

enterprise
An organization having common control over one or more legal entities.

entitlement
Grant of access to functions and data. Oracle Fusion Middleware term for privilege.

feature
Business practices or methods applicable to the functional areas that enable the fine-tuning of business functionality.

fixed rate type
Rate you set between two currencies that remains constant. For example, a rate set between the euro currency and each Economic and Monetary Union (EMU) currency during the conversion to the euro currency.

flexfield
A flexible data field that you can configure such that it contains one or more segments or stores additional information. Each segment has a value and a meaning.

flexfield segment
An extensible data field that represents an attribute and captures a value corresponding to a predefined, single extension column in the database. A segment appears globally or based on a context of other captured information.

grade
A component of the employment model that defines the level of compensation for a worker.

infolet
A small, interactive widget on the home page that provides key information and actions for a specific area, for example social networking or your personal profile. Each infolet can have multiple views.

inventory organization
A logical or physical entity in the enterprise that tracks inventory transactions and balances, stores definitions of items, and manufactures or distributes products.

item master
A collection of data that describes items and their attributes recorded in a database file.

item organization
Item definition where inventory balances are not stored and movement of inventory is not tracked in the applications. Item attributes that carry financial and accounting information are hidden.
item subinventory
An association of an item with a subinventory that is created when you add an item to a subinventory.

job
A generic role that is independent of any single department or location. For example, the jobs Manager and Consultant can occur in many departments.

job role
A role, such as an accounts payable manager or application implementation consultant, that usually identifies and aggregates the duties or responsibilities that make up the job.

journal
An element of a journal entry consisting of the name, accounting date, category, ledger, and currency for single currency journal entries. Used to group journal lines.

journal batch
An element of a journal entry consisting of the name, source, and accounting period. Used to group journals for processing and easier querying.

journal category
A name used to group journal entries with similar characteristics, such as adjustments, accruals, or reclassifications.

key flexfield
Configurable flexfield comprising multiple parts or segments, each of which has a meaning either individually or in combination with other segments. Examples of key flexfields are part numbers, asset category, and accounts in the chart of accounts.

key flexfield segment instance
A single occurrence of a key flexfield segment in a key flexfield structure instance.

key flexfield structure
The arrangement of segments in a key flexfield. In some cases, you can define multiple structures for a single key flexfield.

key flexfield structure instance
An occurrence of a key flexfield structure that shares the same order of segments as other instances of the key flexfield structure. However, each instance uses different value sets to validate the segments.

legal authority
A government or legal body that is charged with powers such as the power to make laws, levy and collect fees and taxes, and remit financial appropriations for a given jurisdiction.
**legal employer**
A legal entity that employs people.

**legal entity**
An entity identified and given rights and responsibilities by commercial law through the registration with country’s appropriate authority.

**legal jurisdiction**
A physical territory, such as a group of countries, single country, state, county, parish, or city, which comes in the purview of a legal authority.

**legal reporting unit**
The lowest level component of a legal structure that requires registrations. Used to group workers for the purpose of tax and social insurance reporting or represent a part of your enterprise with a specific statutory or tax reporting obligation.

**legislative data group**
A means of partitioning payroll and related data. At least one legislative data group is required for each country where the enterprise operates. Each legislative data group is associated with one or more payroll statutory units.

**line of business**
Set of one or more highly related products which service a particular customer transaction or business need. Refers to an internal corporate business unit.

**lookup code**
An option available within a lookup type, such as the lookup code BLUE within the lookup type COLORS.

**lookup type**
The label for a static list that has lookup codes as its values.

**mainline metadata**
The primary branch of metadata that a sandbox is published to. Once published, changes made in the sandbox become available to all users.

**manufacturing facilities**
Employed in the making of goods for sale such as a factory or plant.

**natural account**
Categorizes account segment values by account type, asset, liability, expense, revenue, or equity, and sets posting, budgeting, and other options.
natural account segment
A chart of accounts segment used to categorize your accounting transactions by account type: asset, liability, owner’s equity, revenue, or expense.

offering
A comprehensive grouping of business functions, such as Sales or Product Management, that is delivered as a unit to support one or more business processes.

party fiscal classification
A classification used by a tax authority to categorize a party for a tax.

payroll statutory unit
A legal entity registered to report payroll tax and social insurance. A legal employer can also be a payroll statutory unit, but a payroll statutory unit can represent multiple legal employers.

position
A specific occurrence of one job that is fixed within one department. It is also often restricted to one location. For example, the position Finance Manager is an instance of the job Manager in the Finance Department.

primary balancing segment value
A segment value used to represent a legal entity in the chart of accounts and automatically balance all intercompany and intracompany transactions and journal entries.

primary ledger
Main record-keeping ledger.

profile option
User preferences and system configuration options that users can configure to control application behavior at different levels of an enterprise.

profile option level
The category or layer that defines a profile option. Site, Product, and User are the predefined levels.

profile option value
The setting mapped to the level of a profile option. A profile option may have multiple values set at different levels, such as Site or User.
**project expenditure organization**
An organization that can incur expenditures and hold financial plans for projects.

**reference data**
Data in application tables that is not transactional or high-volume, which an enterprise can share across multiple organizations. For example, sales methods, transaction types, or payment terms.

**reference data set**
Contains reference data that can be shared across a number of business units or other determinant types. A set supports common administration of that reference data.

**reference group**
A logical collection of reference data sets that correspond to logical entities, such as payment terms defined across multiple tables or views. Based on the common partitioning requirements across entities, the reference data sets are grouped to facilitate data sharing among them.

**registration**
The record of a party’s identity related details with the appropriate government or legal authorities for the purpose of claiming and ensuring legal and or commercial rights and responsibilities.

**role**
Controls access to application functions and data.

**sandbox**
A testing environment that isolates untested code changes from the mainline environment so that these changes don’t affect the mainline metadata or other sandboxes.

**service provider model**
A business unit that provides specific business functions for another business unit.

**set**
Classified and grouped reference data that organizational entities share.

**set enabled**
A property that describes entities that an organization shares as reference data. For example, you can indicate a lookup, customer, location, or document attachment as set enabled.

**spot rate type**
Rate you enter to perform conversion based on this rate as of a specific date. This rate applies to the immediate delivery of a currency.
storage facilities
Commercial building for storage of goods such as a warehouse.

subject area
A set of columns, or pieces of data, related to a specific business object or area.

tax registration
The registration of a party with a tax authority that confers tax rights and imposes certain tax obligations.

territory
A legally distinct region used in the country field of an address.

tree
Information or data organized into a hierarchy with one or more root nodes connected to branches of nodes. A tree must have a structure where each node corresponds to data from one or more data sources.

tree structure
A set of guidelines or a framework applied to create a tree, include data, version a tree, or access a tree.

tree version
An instance of a tree that includes life cycle elements such as start and end dates, and indicates whether the tree is active. If a tree is associated with a reference data set, all tree versions belong to one set.

user rate type
Rate you enter at journal entry time to convert foreign currency transactions to your ledger currency.

value set
A predefined set to validate the values that a user enters in the application. The set may be hierarchical.

work relationship
An association between a person and a legal employer, where the worker type determines whether the relationship is a nonworker, contingent worker, or employee work relationship.

workflow
An automated process that passes a task from one user (or group of users) to another to view or act on. The task is routed in a logical sequence to achieve an end result.