

Oracle Fusion Cloud Financials

Implementing Joint Venture Management

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Contents

Get Help	i
1 Introduction to Joint Venture Management	1
Introduction to Oracle Joint Venture Management	1
How Oracle Joint Venture Management Works	3
2 Prepare to Implement Joint Venture Management	5
What You Need to Know About Oracle Fusion Cloud Financials	5
Prerequisites and Assumptions	6
About the Setup Tasks for Oracle Joint Venture Management	8
3 Enable Joint Venture Management	9
Enable Oracle Joint Venture Management	9
4 Set Up Joint Venture Management Users and Security	11
About Oracle Joint Venture Management Users and Security	11
Set Up Oracle Joint Venture Management Users	13
Set Up Data Security for Oracle Joint Venture Management	14
Configure Access to Source Journal Entries from Joint Venture Transactions, Distributions, and Invoices	15
Configure Access to Customer Information	18
Configure Access to Joint Venture Operational Reporting in Oracle Transactional Business Intelligence	20
Configure Access to BI Publisher Catalog for Oracle Joint Venture Management	21
5 Set Up Oracle Fusion Cloud Financials to Create Receivables Invoices for Joint Ventures	23
Overview of the Setup in Oracle Financials to Create Receivables Invoices for Joint Ventures	23
Set Up Receivable Accounts for Cost Recovery Invoices and Partner Contribution Invoices	24
Derive Partner Accounts for Cost Recovery Invoices	25
Derive Partner Contribution Accounts for Partner Contribution Invoices	31
Set Up Oracle Receivables for Joint Venture Credit Memos	31

Perform Basic Setup Tasks for Joint Venture Invoices	34
6 Set Up Oracle Fusion Cloud Financials to Create Payables Invoices for Joint Ventures	41
Overview of the Setup in Oracle Financials to Create Payables Invoices for Joint Ventures	41
Set Up Liability Accounts for Joint Venture Payables Invoices	41
Derive Partner Accounts for Joint Venture Payables Invoices	43
Set Up Oracle Payables for Joint Venture Debit Memos	45
Set Up Conversion Rates and Rate Types to Create Payables Invoices in Multiple Currencies	46
7 Identify a Transaction Date for Processing Joint Venture Transactions	47
About Identifying a Transaction Date for Processing Joint Venture Transactions	47
Identify a Transaction Date for Processing Subledger Accounting Transactions	48
Identify a Transaction Date for Processing General Ledger Journals	54
8 Setup to Display Joint Venture Transactions, Distributions, and Invoices	55
Setup to Display Joint Venture Transactions, Distributions, and Invoices	55
9 Set Up the Joint Venture Subledger	57
Overview of the Joint Ventures Subledger Setup	57
Tasks in Setup and Maintenance for Setting Up the Joint Ventures Subledger	57
Set Up the Joint Ventures Subledger for Internal Transfer Journals	58
Set Up the Joint Ventures Subledger for Partner Contribution Close and Transfer Transactions	67
Set Up the Joint Ventures Subledger for Statistical Journal Entries	68
Set Up the Joint Ventures Subledger for Carried Interest Journals	72
10 Configure Joint Venture System Options	81
About Joint Venture System Options	81
11 Set Up Invoicing Partners	83
About Invoicing Partners	83
Invoicing Partner Statuses	84
Before You Add Invoicing Partners	84
Add an Invoicing Partner	84

Activate an Invoicing Partner	86
12 Create Joint Venture Definitions	87
What Is a Joint Venture Definition?	87
Monitor Your Progress with Alerts and Dashboards	88
Before You Create Joint Venture Definitions	88
Enter Joint Venture Basic Properties	89
Enter Billing and Reporting Information	92
Enter Account Information	95
Identify Distributable Transactions by Project Information	102
Set Up Stakeholders	105
Set Up Ownership Definitions	112
Activate a Joint Venture	117
13 Create Joint Venture Definitions for Nonoperated Joint Ventures	119
About Nonoperated Joint Ventures	119
Example of the Setup and Processing of Nonoperated Joint Ventures	119
Set Up a Nonoperated Joint Venture Definition	120
14 Create Overhead Methods for Processing Joint Venture Overhead	123
About Overhead Methods	123
Create an Overhead Method to Calculate Overhead Using a Percentage of Joint Venture Cost Transactions	133
Create an Overhead Method to Calculate Overhead Using a Percentage of Costs from Indirect, General Operating Expenses	135
Create an Overhead Method to Calculate Overhead Based on a Rate Applied to Operational Measures	138
Create a Fixed Amount Overhead Method	140
Activate an Overhead Method	141
Set Up Periodic Adjustments to Overhead Calculations	142
15 Create and Manage Joint Venture Account Sets	147
Overview of Joint Venture Account Sets	147
Plan Your Account Sets	147
Account Set Statuses	148
Create an Account Set	149
Add Filter Sets and Filters to an Account Set	150
Example of Setting Up Filter Sets with the Include Primary Segment Values Option Enabled	152

Activate an Account Set	154
16 Create and Manage Project Sets	155
Overview of Project Sets	155
Filter Sets and Filters in a Project Set	155
Before You Can Create Project Sets	158
Project Set Statuses	158
Create a Project Set	158
Activate a Project Set	160
Delete a Project Set	160
17 Create Ownership Definition Assignment Rules	161
Overview of Ownership Definition Assignment Rules	161
How Ownership Definition Assignment Rules Are Applied to Joint Venture Transactions	162
Assignment Rule Sequencing	163
Example of Setting Up and Processing Assignment Rules	163
Before You Create Ownership Definition Assignment Rules	165
Create an Ownership Definition Assignment Rule	165
Activate an Ownership Definition Assignment Rule	167
Manage Ownership Definition Assignment Rules	167
18 Create Carried Interest Agreements	169
About Carried Interest Agreements, Penalties, and Payout	169
Example of Carried Interest Without Penalties or Payout	171
Example of Carried Interest with Penalty Calculations and Payout	173
Before You Can Set Up Carried Interest Agreements	176
Create a Carried Interest Agreement	176
Activate a Carried Interest Agreement	179
Assign a Carried Interest Ownership Definition to a Joint Venture	180
Delete a Carried Interest Agreement	180
Create Penalty Definitions	180
Manage Carried Interest Agreements	182
19 Set Up Joint Venture Management Integration with Project Costing	185
About the Oracle Joint Venture Management Integration with Oracle Project Costing Setup	185
Before You Configure the Integration with Oracle Project Costing	185

Set Up a Transaction Source for Identifying Cost Adjustments from Oracle Joint Venture Management	186
Set Up Supporting References to Capture Project Details in Subledger Accounting Journals	191
Set Up Project Overrides for Cost Adjustments	194
Exclude Project-Related Transactions that Aren't Distributable from Displaying in Oracle Joint Venture Management	196
20 Rapid Implementation of Joint Venture Management	197
About Joint Venture Rapid Implementation	197
Before You Begin	197
Configure Oracle Joint Venture Management Rapid Implementation	197
21 Configure Business Intelligence Publisher to Print Joint Venture Receivables Invoices	201
Configure Business Intelligence Publisher to Print Joint Venture Receivables Invoices	201
22 Set Up Joint Venture Reporting	207
About Joint Venture Reporting Setup	207
Joint Interest Billing Reports Setup	207
Financial Reporting by Joint Venture Stakeholder Setup	215
23 Schedule or Run Joint Venture Management Processes	227
About Scheduling and Running Oracle Joint Venture Management Processes	227
24 Migrate Joint Venture Setup Data to Production	231
Migrate Joint Venture Setup Data to Production	231
25 Enable Detailed Logging of Joint Venture Management Processes	233
Enable Detailed Logging of Oracle Joint Venture Management Processes	233
26 Audit Joint Ventures	235
Overview of Joint Venture Auditing	235
Enable Auditing	235
View Audit History	235
27 Manage Joint Venture Management Lookups	237
Manage Oracle Joint Venture Management Lookups	237

28	Integrate and Extend Joint Venture Management	241
	Integrate and Extend Oracle Joint Venture Management	241
	Use Oracle Visual Builder Studio to Extend Oracle Joint Venture Management	241
	Use Descriptive Flexfields to Add Additional Joint Venture Information	248
29	Frequently Asked Questions	253
	FAQs When Implementing Oracle Joint Venture Management	253

Get Help

There are a number of ways to learn more about your product and interact with Oracle and other users.

Get Help in the Applications

Some application pages have help icons  to give you access to contextual help. 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. If the page has contextual help, help icons will appear.

Get Training

Increase your knowledge of Oracle Cloud by taking courses at [Oracle University](#).

Join Our Community

Use [Cloud Customer Connect](#) to get information from industry experts at Oracle and in the partner community. You can join forums to connect with other customers, post questions, suggest [ideas](#) for product enhancements, and watch events.

Share Your Feedback

We welcome your feedback about Oracle Applications user assistance. If you need clarification, find an error, or just want to tell us what you found helpful, we'd like to hear from you.

You can email your feedback to oracle_fusion_applications_help_ww_grp@oracle.com.

Thanks for helping us improve our user assistance!

1 Introduction to Joint Venture Management

Introduction to Oracle Joint Venture Management

Joint Venture Management enables a managing partner of a single joint venture or thousands of joint ventures to manage the distribution of financial transactions among joint venture partners. It enables you to manage amounts to report and invoice to partners, both external partners to the managing partner's organization and any internal partners that operate as a separate business entity within the organization.

After the initial setup, you can schedule Joint Venture Management processes to automatically perform these tasks:

- Identify joint venture transactions in Oracle Fusion Cloud Financials.
- Split transactions based on each partner's percentage of ownership in the joint venture.
- Generate distribution records that contain each partner's share in the transaction.
- Create accounts receivable invoices, payables invoices, or internal transfer journal entries for each partner using the distribution records that are associated with costs and revenue.

Note: If you're a partner in a joint venture that you don't manage or operate, you can use Joint Venture Management to re-create and track your portion of costs and verify that you were billed the correct amounts by the managing partner. You can also create payables invoices or internal transfer journals to pay the managing partner for your share of costs.

Joint Venture Management gives you the flexibility to adjust for changes in a joint operating agreement (JOA) during the life cycle of a joint venture. You can add or remove partners and adjust for changes in their ownership percentages. Joint Venture Management also supports direct billing, which gives you the option to apply a full transaction amount to an individual partner.

For auditing and tracking purposes, Joint Venture Management retains important information about processed transactions to help you resolve any partner disputes over distributed amounts. It enables you to readily access important details, such as the following information:

- Original transaction information including the transaction date, amount, and the account in which the transaction was initially recorded.
- Partner information including all partners with distributions and each partner's percentage of ownership.
- The date the split was calculated and distribution amounts were generated.
- Invoice information including the invoice number and date that was assigned to the joint venture invoice when it was created.
- Details about internal transfer journals for internal stakeholders.

Joint Venture Management also provides these capabilities:

- Reporting on joint venture transactions and reports that provide joint venture partners with details about their share of expenses, revenue, assets, and liabilities.
- A Joint Venture Accounting Manager Dashboard that displays charts with metrics about your joint ventures and their associated transactions and distributions.
- Visual indicators to alert users if the setup of a joint venture isn't complete.

- The ability to set up partners once and add them to multiple joint ventures.
- Rounding support to handle the distribution of costs or revenue that remain to help ensure that the total of the split calculations equals the original transaction amount.
- Minimum amount threshold for creating invoices so that a partner is invoiced only when the accumulated distribution amount is significant enough to be invoiced.

Capabilities for Billing Adjustments and Managing Cash Advances

It's common for a managing partner in a joint venture to renegotiate the terms of a joint operating agreement, in particular the percentages of financial transactions shared among joint venture partners. If the new terms impact joint venture transactions that have already been distributed, Joint Venture Management enables you to redistribute transactions retroactively according to the retroactive dates in the joint operating agreement. The process automatically credits any partner invoices or internal transfer journal entries generated prior to the new percentages being put into place. The managing partner can also selectively reverse distributions for which invoices and journals were created and reassign them to different stakeholders.

Joint Venture Management also enables you to manage cash advances from joint venture partners to cover up-front and continuing costs related to a joint venture. You can associate cash advances, referred to as partner contributions, to the partners in a joint venture. You can then configure Joint Venture Management to automatically draw from the contributions to pay for each partner's share of costs. With automatic draw from partner contributions, you can help ensure that payments are requested from partners only after partner contribution amounts have been exhausted.

Integration with Oracle Project Costing

If you use Project Costing, you can set up an integration between Project Costing and Joint Venture Management to create cost adjustments from joint venture distributions that originate from project-related transactions. A project manager can then import the cost adjustments to Project Costing. When imported into Project Costing, cost adjustments are negative amounts that get subtracted from the gross amount, enabling the project manager to realize the accurate capitalized cost. In addition, project details are included in the invoices and journal entries generated from Joint Venture Management to recoup the partners' share of expenses. This provides traceability to a specific project and task for an individual joint venture partner's share of costs.

The integration between Project Costing and Joint Venture Management also gives you the option to perform these tasks:

- Identify transactions for distribution based on specific capital projects. See [Identify Distributable Transactions by Project Information](#) for more information.
- Override task and expenditure type in cost adjustments to give project accountants the ability to budget and forecast on net costs, gross costs, or both. See [Set Up Project Overrides for Cost Adjustments](#) for more information.

Management of Joint Venture Overhead Costs

In Joint Venture Management, you can set up different types of overhead methods to recoup overhead costs from joint venture partners. You can set up an overhead method to periodically bill joint venture partners a fixed overhead amount. Or, you can set up an overhead method to calculate overhead amounts based on any of these factors:

- Percentage of costs
- Percentage of costs with a sliding scale
- Rate
- Rate with a sliding scale

You can also set up a periodic adjustment for an overhead method to automatically adjust the fixed amount, percentage, or rate in an overhead method.

Management of Operational Measures and States

Joint Venture Management enables you to store and manage operational measures and states for your joint ventures. You can use this data for analysis of your joint ventures, as the basis for charging overhead to joint venture partners, or for allocating expenses to your joint ventures.

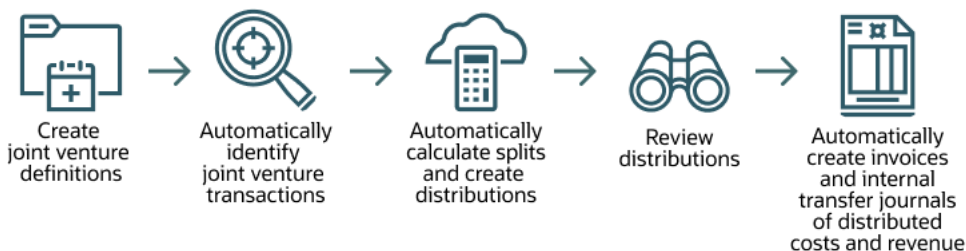
Carried Interest Configuration and Tracking

Joint Venture Management gives you the option to distribute joint venture transactions according to the terms and conditions of a carried interest agreement. Carried interest processing enables the tracking and reporting of amounts that consenting partners carry for nonconsenting partners in a carried interest agreement.

How Oracle Joint Venture Management Works

Joint Venture Management processes transactions from Oracle Fusion Cloud Financials. It also supports processing transactions from third-party financial systems, as long as those transactions are first imported into Oracle Financials through Oracle Accounting Hub.

This illustration and the details that follow describe each part of the process to identify and distribute joint venture transactions in Joint Venture Management:



Create Joint Venture Definitions

A joint venture accountant or accounting manager sets up a joint venture definition for each joint venture. A joint venture definition contains the information Joint Venture Management uses to identify joint venture financial transactions in Oracle Financials. It also includes an ownership definition for identifying the partners in a joint venture and each partner's percentage of ownership. Joint Venture Management uses the information in the ownership definition to calculate the split of transactions and create distributions with each partner's share of the transaction.

Automatically Identify Joint Venture Transactions

The Identify Joint Venture Transactions process is a scheduled process that uses the details in a joint venture definition to identify transactions for processing. You can schedule this process to identify transactions for one or all of your active joint ventures. This process helps to ensure that transactions previously identified and processed by Joint Venture Management aren't processed again.

The Joint Venture Transactions work area enables you to review transactions identified by the Identify Joint Venture Transactions process. You can review transaction details, such as the assigned ownership definition that will be applied to transactions to calculate the split. The Transactions work area gives you the option to associate a different ownership

definition to a transaction. Or you can associate a direct billed partner to a transaction to distribute an entire transaction amount to a single partner.

Automatically Calculate Splits and Create Distributions

The Create Joint Venture Distributions process is a scheduled process that calculates the split of transactions and generates distribution records. This process uses details in the joint venture definition, specifically stakeholder ownership percentages in the ownership definition, to calculate the split and create distributions.

An ownership definition has two requirements: the ownership percentages of all stakeholders must total 100 percent and it must have an effective date range. The effective date range enables you to set up multiple ownership definitions with successive date ranges to account for any changes in the joint operating agreement over the life cycle of a joint venture. When processing transactions, the Create Joint Venture Distributions process compares the transaction date in each transaction against the effective dates in the ownership definitions to determine which ownership definition to use to calculate the split.

Review Distributions

The Joint Venture Distributions work area displays distribution records generated from the Create Joint Venture Distributions process. Each record contains a partner's share of transactions to be processed. Distribution records also include partner information, the original transaction amount, and the transaction date that represents the date of service for which the transaction was originally created. It also includes other important details to help you troubleshoot any issues or resolve any disputes over distribution amounts.

Automatically Create Invoices and Internal Transfer Journals of Distributed Costs and Revenue

The Create Joint Venture Invoices and Journal Entries process is a scheduled process that creates receivable and payables invoices from distributions that contain each stakeholder's share of costs and revenue. It also creates journal entries from distributions that contain the share of costs and revenue for internal stakeholders. These journal entries are referred to as internal transfer journals because they're generated for a stakeholder that's part of the same enterprise as the managing partner. Processed distributions are associated with costs and revenue recorded in transactions in the primary ledger. The costs can be operating expenses, capital expenditures, overhead, or fees and other charges.

Invoices and journal entries include information from the joint venture such as the business unit, joint venture name, stakeholder details, the distribution amount, currency, and account type of the distribution. These details enable you to identify the associated distribution when you're reviewing invoices and journal entries.

The Joint Venture Distributions work area also displays invoice and journal information in processed distributions. You can use these details to review the associated invoices and journals in Oracle Financials.

Related Topics

- [What You Need to Know About Oracle Fusion Cloud Financials](#)
- [Enable Oracle Joint Venture Management](#)

2 Prepare to Implement Joint Venture Management

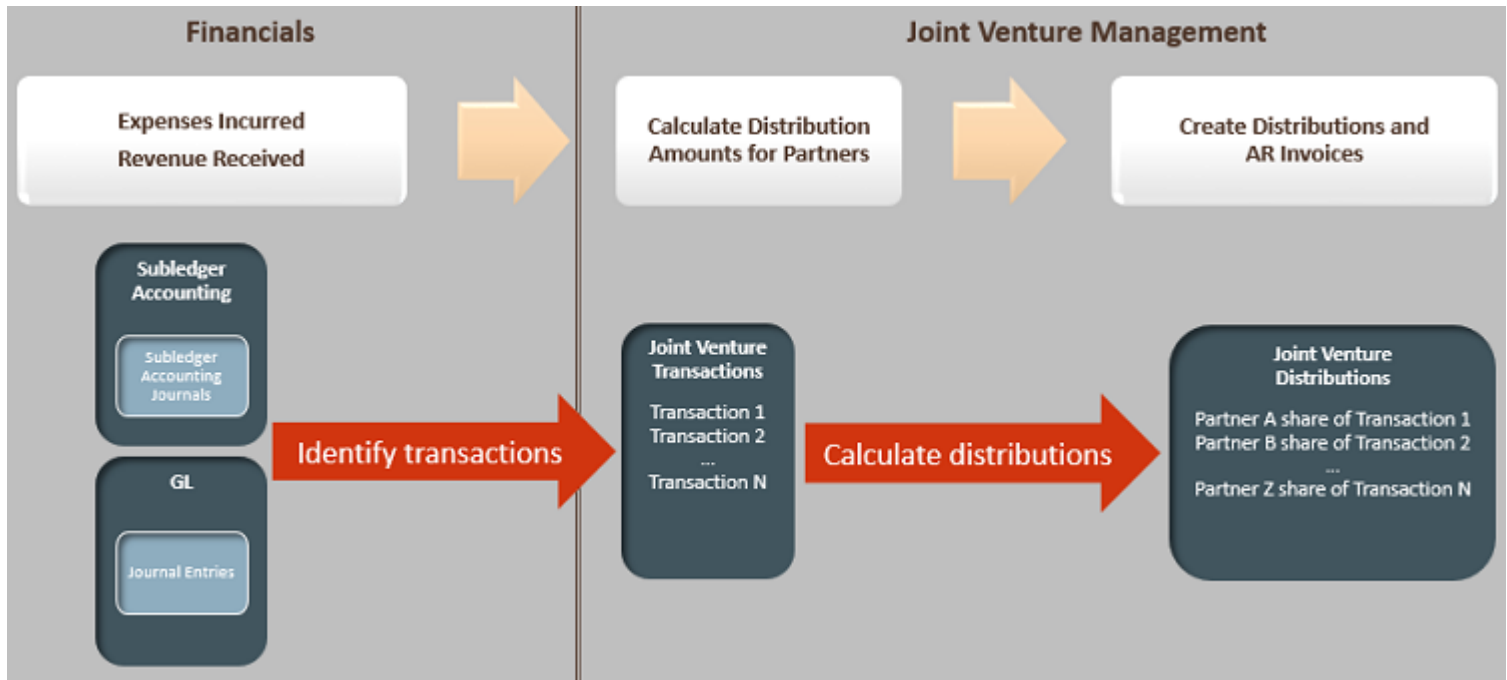
What You Need to Know About Oracle Fusion Cloud Financials

Understanding the business process model in Oracle Fusion Cloud Applications will help you understand how to set up Oracle Joint Venture Management to identify the accounts that contain your joint venture transactions.

The following table provides an overview of the parts of the business process model that pertain to the identification and processing of transactions through Joint Venture Management:

Business Process Model Components	Relationship to Joint Venture Management
Business unit	In Oracle Fusion Applications, business units define many business functions that can be rolled up in a management hierarchy. A business unit can process transactions on behalf of many legal entities and has the responsibility for its profit and loss. In Joint Venture Management, you specify the business unit in Oracle Fusion Cloud Financials in which your joint venture financials are managed. Selecting a business unit automatically identifies the chart of accounts (COA) in the primary ledger of the business unit.
Chart of accounts	The chart of accounts enables tracking of cost center, account, and other segment levels. In the Joint Venture System Options, you specify the segment label associated to the primary segment in the Oracle Financials chart of accounts where the financial transactions of all your joint ventures are managed. By default, Joint Venture Management uses the segment associated with the Cost Center Segment label. But you can specify a different segment label in the system options if your joint venture transactions are managed under a segment with a different segment label.
Ledgers	Oracle Fusion Applications reflect the traditional segregation between the general ledger and associated subledgers. Transactions are captured in the subledgers and periodically posted in detail to the primary ledger in subledger accounting. Transactions are posted in summary or in detail from the primary ledger in subledger accounting to the general ledger. As part of the day-to-day business of managing the operations of a joint venture, the managing partner pays expenses and receives revenue. These transactions are entered in the appropriate subledger such as Payable Invoices, Receivable Invoices, just to name a few. All transactions entered into these subledgers are eventually posted in detail to subledger accounting. Typically, these types of transactions are directly related to a specific joint venture. The second source of transactions for Joint Venture Management is the general ledger. Joint Venture Management only identifies transactions in the general ledger that did not originate from subledger accounting. These transactions typically are indirect charges or allocated amounts to a joint venture.

Joint Venture Management uses the details that you enter in joint venture definitions to identify the accounts in Oracle Financials that contain the transactions for your joint ventures. As shown in the following illustration, Joint Venture Management processes the transactions to create distributions with the calculated amount for each partner and create invoices for expense amounts.



Related information:

- *Enterprise Structure Business Process Model*
- *Cost Centers and Departments*
- *Ledgers and Subledgers*

Prerequisites and Assumptions

Oracle Joint Venture Management is a functional area of Oracle Fusion Cloud Financials. As such, you must be using Oracle Financials to manage the financial accounts for your joint venture transactions before implementing Joint Venture Management.

Each user of Joint Venture Management might require an additional subscription to Oracle Fusion Cloud ERP.

Note: If you use an accounting solution other than Oracle Financials, you can use Oracle Accounting Hub to import your joint venture transactions into Oracle Financials.

Related information:

- *Overview of Implementing Oracle Financials Cloud*
- *Overview of Oracle Accounting Hub Cloud*

Implementation Prerequisites

Certain implementation tasks in Joint Venture Management are dependent on the setup of other items in Oracle Fusion Cloud Applications. The following table lists the prerequisites for these implementation tasks and provides links to more information about the required setup.

Implementation Task	Prerequisites	More Information
Set up invoicing partners	Requires the setup of customers, customer sites, suppliers, and supplier sites. The business unit associated with an invoicing partner must have the Receiving option enabled.	Add an Invoicing Partner
Set up joint venture definitions	Requires the identification of the label of the segment in the Oracle Financials chart of accounts where transactions for all your joint ventures are managed. The business unit associated with a joint venture definition must have the Receiving option enabled. Customer payments and payables payment service providers must be activated for the business unit.	Before You Create a Joint Venture Definition Specify a Business Unit
Set up interested stakeholders (stakeholders that are not invoiced)	Verify that the contact information exists for interested stakeholders in Oracle Fusion Cloud Applications.	Add an Interested Stakeholder
Set up an integration with Oracle Project Costing (optional configuration)	Requires configurations in both Project Costing and Joint Venture Management.	About the Joint Venture Management Integration with Project Costing Setup
Set up a joint venture definition to identify distributable transactions by project values (optional configuration)	This capability is supported only with an integration between Project Costing and Joint Venture Management.	Before You Can Specify Project Information in a Joint Venture Definition
Set up task and expenditure type overrides (optional configuration with Project Costing integration)	In Project Costing, the overriding task must be defined in all relevant projects and project templates. The Work Breakdown Structure must be set up so that the roll-up for asset creation isn't impacted by the overrides.	Before You Set Up Task and Expenditure Type Overrides

Use of Auditing and Other Common Cloud Features

Because Joint Venture Management is part of Oracle Cloud ERP and Oracle Financials, you can use common features available with Oracle Cloud ERP with your Joint Venture Management implementation. This includes common features such as auditing, which you can enable to monitor user activity and all configuration, security, and data changes that have been made to Joint Venture Management. See [Overview of Joint Venture Auditing](#) for more information about setting up auditing for Joint Venture Management.

Related information:

- Oracle Applications Cloud Implementing Applications Guide - [About This Guide](#)
- Oracle Applications Cloud Using Common Features Guide - [About This Guide](#)

About the Setup Tasks for Oracle Joint Venture Management

The Functional Setup Manager (FSM) provides access to the tasks that you need to perform to set up Joint Venture Management. In FSM, the list of tasks is available under the Joint Venture Management functional area of the Financials offering.

The "All Tasks" list includes both required tasks and optional tasks. The optional tasks include tasks that are used by more than one product or functional area in Oracle Fusion Cloud Applications. These tasks are sometimes referred to as shared tasks. An example of one of these setup tasks is the Manage Supporting References task. You can use this task in many product applications as a means to capture additional data in subledger journal entries at the line level. In Joint Venture Management, you can use this task to set up supporting references to capture a transaction date and project details in joint venture transactions.

3 Enable Joint Venture Management

Enable Oracle Joint Venture Management

Before you can set up and use Joint Venture Management, an administrator must first enable Joint Venture Management in the Functional Setup Manager (FSM).

When enabled, users with the proper security can access the Joint Venture Management functional area in FSM and use the tasks for setting up and managing joint venture system options, invoicing partners, joint venture definitions, and so forth.

The All Tasks selection in the functional area includes tasks that you can use to complete other configurations for Joint Venture Management, such as setting up supporting references to capture a transaction date and additional project details in joint venture transactions. It also includes tasks for setting up mapping sets, account rules, and so forth for the Joint Venture subledger.

The All Tasks list also includes tasks to manage joint venture data in spreadsheets.

You must have the Application Implementation Consultant role (ORA_ASM_APPLICATION_IMPLEMENTATION_CONSULTANT_JOB) to perform this task. This role includes the Financial Application Administrator (ORA_FUN_FINANCIAL_APPLICATION_ADMINISTRATOR_JOB) role.

To enable Joint Venture Management in FSM:

1. Navigate to My Enterprise, Offerings.
2. Under Offerings, select Financials.
3. In the right pane, click Opt In Features.

Note: You can also click New Features to view a description of the new features for the release.

4. At the top of the page, make sure that Financials is selected and then scroll down and locate the Joint Venture Management row.
5. Click the Enable checkbox in the Joint Venture Management row.

After enabling Joint Venture Management, you can view the setup tasks for Joint Venture Management in FSM:

1. Navigate to Setup and Maintenance and access the Joint Venture Management functional area under the Financials offering.

The application displays the Joint Venture Management tasks.

2. Select All Tasks to display additional tasks that you can use to manage joint venture data in spreadsheets and other setup tasks.

Note: Date fields in Joint Venture Management applications display time in UTC (Coordinated Universal Time) only. The time doesn't reflect the time zone set in your user preferences.

Related information:

- [How You Use Functional Areas to Manage Setup](#)

4 Set Up Joint Venture Management Users and Security

About Oracle Joint Venture Management Users and Security

Set up security to provide users with access to Joint Venture Management features and data.

Joint Venture Management includes the following predefined roles, which are designed to reflect the users that you might need in your organization to manage the accounting of your joint ventures:

- Joint Venture Accountant
- Joint Venture Accounting Manager
- Joint Venture Application Administrator

Instead of assigning predefined roles to users, you're highly encouraged to create your own roles. You can add or remove duties, privileges, and data security in roles according to the job responsibilities of the users in your organization. You can add more than one role to a user, so you don't need to create a role that includes all privileges needed for a particular user. For more information about the recommendation to create your own roles to assign to users, see *Guidance for Assigning Predefined Roles* and *Advisory Note on Subscription Impact*.

In addition to setting up roles to assign to joint venture users, you must also perform the following security setup tasks:

- Set up data security for Joint Venture Management users.
Data security provides users with access to joint venture data by business unit.
- Configure access to source journal entries from joint venture transactions and their subsequent distributions and invoices.
This provides users with access to journal entries or transactions that are the source of joint venture transactions, distributions, and invoices.
- Configure access to customer data for Joint Venture Management users.
This enables users to access customer information in Oracle Fusion ERP when setting up invoicing partners for joint ventures.
- Configure access to joint venture operational reporting in Oracle Transactional Business Intelligence (OTBI).
- Configure access to Oracle Business Intelligence Publisher (BI Publisher) catalog for Joint Venture Management.
This enables users to create joint interest billing reports using BI Publisher.

The following list describes the tasks that the different types of Joint Venture Management users can perform when set up with the prescribed security:

Joint Venture User	Tasks
Joint venture accountant	• Create and manage joint venture definitions. • Create and manage overhead methods.

Joint Venture User	Tasks
	- Create and manage account sets. - Create and manage project sets. - Create and manage ownership definition assignment rules. - Run the Joint Venture Management processes in the Enterprise Scheduler Service application. For a list of the processes, see About Scheduling and Running Oracle Joint Venture Management Processes. - Review and manage joint venture transactions, distributions, and invoices. - Review and manage joint venture source transactions. - Create and manage partner contributions. - Add and manage operational measures and states for a joint venture. - Create and manage carried interest agreements. - Download, edit, and upload joint venture transactions and distributions data using Microsoft Excel spreadsheets that are integrated with Oracle Visual Builder Add-in for Excel. - View only access to invoicing partners and joint venture system options. - View only access to details of joint venture invoices in Oracle Receivables and Oracle Payables.
Joint venture accounting manager	- Monitor joint venture data in the Joint Venture Accounting Manager Dashboard. - View only access to invoicing partners, joint venture definitions, account sets, ownership definition assignment rules, overhead methods, carried interest agreements, and joint venture system options set up for joint ventures. - View only access to details of joint venture invoices in Receivables and Payables.
Joint venture application administrator	- Create and manage invoicing partners. - Create and manage joint venture definitions. - Create and manage ownership definition assignment rules. - Create and manage account sets. - Create and manage project sets. - Create and manage carried interest agreements. - Manage joint venture system options which include required and optional settings for your Joint Venture Management setup. - Create and manage measure types. - Set up the Joint Venture subledger.

With the prescribed roles, notice that both a joint venture application administrator and joint venture accountant can create and manage joint venture definitions. But only a joint venture application administrator can set up invoicing partners. This separation of duties provides a level of oversight and control to the joint venture application administrator. It helps to ensure that only partners identified in a joint operating agreement are set up as invoicing partners who will be invoiced for transactions associated with the joint venture.

Set Up Oracle Joint Venture Management Users

In addition to the setup described here, refer to these topics for general instructions on how to set up user accounts and provision roles for Oracle Fusion Cloud ERP users:

- [Manage Application Users](#)
- [Role Provisioning](#)
- [Assign Data Access to Users](#)

You can find details about the provided Joint Venture Management roles, privileges, and data security in the Security Reference for Financials Guide - [Financials Offering](#).

You must be an IT security manager (ORA_FND_IT_SECURITY_MANAGER_JOB) to set up users.

Note: Joint Venture Management tasks in Functional Setup Manager are visible to users who don't have privileges to use the tasks. However, the tasks aren't functional for users unless they have the proper role and privileges. If a user without the appropriate privileges tries to use them, they're returned to the home page.

Joint Venture Accountant

For joint venture accountant users, create a role that includes duties, privileges, and data security from the following predefined roles and then add the role to each user's profile:

- Joint Venture Accountant (ORA_JV_JOINT_VENTURE_ACCOUNTANT_JOB)
- Enterprise Resource Planning Self-Service User role (ORA_FUN_ERP_SELF_SERVICE_USER_ABSTRACT)

The privileges in the preceding role allow joint venture accountants to run Joint Venture Management processes.

Joint Venture Accounting Manager

For joint venture accounting manager users, create a role that includes duties, privileges, and data security from the following predefined role and then add the role to each user's profile:

Joint Venture Accounting Manager (ORA_JV_JOINT_VENTURE_ACCOUNTING_MANAGER_JOB)

Joint Venture Application Administrator

For a joint venture application administrator user, create a role that includes duties, privileges, and data security from the following roles and then add the role to the user's profile:

- Joint Venture Application Administrator (ORA_JV_JOINT_VENTURE_APPLICATION_ADMINISTRATOR_JOB)

- Enterprise Resource Planning Self-Service User role (ORA_FUN_ERP_SELF_SERVICE_USER_ABSTRACT)

Set Up Data Security for Oracle Joint Venture Management

You must use data security to associate business units to joint venture users and their roles. This setup enables users to perform the following tasks:

- As part of the setup of a joint venture, associate a business unit to the joint venture definition. This task is performed by a joint venture accountant or joint venture application administrator.
The user can only view and select a business unit for the joint venture if the business unit has been assigned to the user and their role through data security.
- View and manage joint venture transactions, distributions, and invoices in Joint Venture Management. A joint venture accountant can manage this data; a joint venture accounting manager has view only access to this data.
Users can view or work with records for joint ventures that are associated with business units they're authorized to manage through data security.
- Run the Joint Venture Management process to create invoices in Receivables for joint ventures. This task is performed by a joint venture accountant.
The user can only create Receivables invoices for joint ventures if the business unit associated with the joint ventures has been assigned to the user and their role through data security.

Set Up Business Unit Access to Users and Roles

An application implementation consultant (ORA_ASM_APPLICATION_IMPLEMENTATION_CONSULTANT_JOB) must provide access to joint venture business units for each user and role.

1. Navigate to Setup and Maintenance and select the Enterprise Profile functional area under the Financials offering.
2. In the task list in the adjacent area, click Manage Reference Data Set Data Access for Users.
3. Click the Users with Data Access option.
4. Click Create and enter the following values to configure business unit data access to a user, for example, a joint venture accountant:
 - User Name
 - Role
 - Security Context. Enter **Business unit**.
 - Security context value. Enter the name of the business unit that you want to grant access to this user, for example Vision Operations.
The results should look similar to the following example, which shows a record in the Manage Data Access for Users page with the following details:
 - User Name = jvacct
 - Role = Joint Venture Accountant

- Security Context = Business Unit
- Security Context Value = Vision Operations

The screenshot shows the 'Manage Data Access for Users' page in Oracle. The 'Users with Data Access' radio button is selected. The 'Security Context' dropdown is set to 'All'. The search results table shows one entry for user 'jvacct' with role 'Joint Venture Accountant', security context 'Business unit', and security context value 'Vision Operations'.

User Name	Role	Security Context	Security Context Value
jvacct	Joint Venture Accountant	Business unit	Vision Operations

With the setup in this example, the joint venture accountant user can view and manage data for joint ventures associated with the business unit Vision Operations.

5. Click Save and Close.

Configure Access to Source Journal Entries from Joint Venture Transactions, Distributions, and Invoices

In the work areas for viewing joint venture transactions and their subsequent distributions and invoices, users can use a link to drill down to a view only page to review source journal entries from which these items originated. However, the link is enabled only for users who are set up with access to view journal entries in Oracle Financials Subledger Accounting and General Ledger.

To set up this access, you must identify the data access sets of the source transactions and associate these data access sets to the joint venture user's profile and role.

CAUTION: This setup might result in the user having manage access to all subledgers.

1. Navigate to Setup and Maintenance and access the Users and Security functional area.
2. Click the Manage Job Roles task and click Create Role.

The Create Role setup wizard appears.

3. On Basic Information, add information to create a new role with role category as Financials-Job Roles, and click Next.
4. On Function Security Policy, click Add Function Security Policy.
5. Search for and add the following function security policies, and then click Next:
 - o Manage Journal Activities
 - o Review Subledger Journal Entry Rule Set
 - o Review Journal

Privileges Resources		
+ Add Function Security Policy X Delete Detach		
Privilege Name	Inherited from Role	Description
Manage Journal Activities		Allows access of journals work area.
Review Subledger Journal Entry Rule Set		Allows review of the subledger journal entry rule set.
Review Journal		Allows review of the journals.
Load Inherited Policies		

6. On Data Security Policies, click Create Data Security Policy.
7. Use the information in the following table to add the required data security policies:

Policy Name	Database	Policy Description	Data Set	Condition Name	Actions
Grant on Subledger Application	Subledger Source Transaction	Joint venture user can review subledger source transaction data for the general ledger data access sets for which they're authorized.	Select By Instance Set	Access All Subledger Source Transactions for a Ledger	Manage Subledger Source Transaction Data
Grant on Subledger Application	Subledger Application	Joint venture user can review subledger application data for the general ledger data access sets for which they're authorized.	Select By Instance Set	Subledger Application Instance Set	Manage Subledger Application Data
Grant on Ledger	Ledger for Table GL_LEDGERS	Joint venture user can report Oracle General Ledger for the ledgers derived from data access set for which they're authorized.	Select By Instance Set	Access the ledger for table GL_LEDGERS for the ledgers derived from data access sets for which they're authorized	Read; Report Oracle General Ledger;
Grant on General Ledger Access Sets	Data Access Set for Table GL_ACCESS_SETS	Joint venture user can review Oracle General Ledger data for the general	Select By Instance Set	Access the general ledger data access set for table GL_ACCESS_SETS for	Read; Inquire and Analyze Oracle Fusion General

Policy Name	Database	Policy Description	Data Set	Condition Name	Actions
		ledger data access sets for which they're authorized.		the general ledger data access sets for which they're authorized	Ledger Account Balance;

8. Review the Summary page and click Save and Close.

The application proceeds to the Roles page.

9. Add the new role to the joint venture user:
 - a. Click Users on the menu on the Roles page.
 - b. On User Accounts, search for and select your joint venture user.
 - c. Click Edit and add the new role to the user.

The user's profile should now have two roles associated with it, the role that you associated here and the joint venture role, for example the prescribed joint venture accounting manager or joint venture accountant role.

10. Configure access to this user and role for all the data access sets under which the subledger and general ledger transactions were created:
- a. Navigate to Setup and Maintenance and access the Enterprise Profile functional area.
 - b. Click the Manage Reference Data Set Data Access task.
 - c. On Manage Data Access for Users, select the Users with Data Access option.
 - d. Select Data access set for Security Context.
 - e. Enter your joint venture user in the User Name field.
 - f. Click Add and enter information to assign the required data access sets to the joint venture user and role, as shown in this example:

Manage Data Access for Users ②

Users without Data Access

☒ Users with Data Access

Security Context

Data access set

Search

** User Name

JVAccountingManager

** Role

Search Results

Actions

View

Detach

Authorize Additional Data Access

Manage Data Provisioning Rules

Export All Data Access

User Name	Role	Role Name	Security Context	Security Context Value	Security Context Value 2
JVAccountingManager	View_Journals	ORA_JV_JOINT_VE...	Data access set	HEPPLedger US	
JVAccountingManager	View_Journals	ORA_JV_JOINT_VE...	Ledger	HEPPLedger US	

The example shows two records added with the following details to enable data access for a joint venture user:

User Name	Role	Role Name	Security Context	Security Context Value
JVAccountingManager	View_Journals	ORA_JV_JOINT_VENTURE	Data access set	HEPPLedger US
JVAccountingManager	View_Journals	ORA_JV_JOINT_VENTURE	Ledger	HEPPLedger US

Configure Access to Customer Information

You must set up access to customer data before users can set up invoicing partners.

As part of setting up invoicing partners, a joint venture application administrator specifies a receivable (customer) entity related to a joint venture partner. To view and select from a list of available customers in the Invoicing Partners work area, the user's profile must have permissions to access this information in Oracle Fusion Cloud ERP. The joint venture accountant and joint venture accounting manager can view the customers in the Invoicing Partners work area only if this data access is configured.

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18

Perform these steps to configure customer data access for your joint venture users.

1. Navigate to Setup and Maintenance and select the Enterprise Profile functional area under the Financials offering.
2. In the task list in the adjacent area, click Manage Reference Data Set Data Access for Users.
3. Select the Users with Data Access option.
4. Click Create and enter the following values to configure the data access:
 - o User Name.
 - o Role. Enter the role assigned to the user that gives them privileges for either a joint venture accountant, joint venture accounting manager, or joint venture application administrator.
 - o Security Context. Enter **Reference data set**.
 - o Security context value. Enter the name of the data set that contains the customer data, for example **vision Operations Set**.

This value enables the display of valid values in the Customer drop-down list in the Invoicing Partners work area.

5. Click Save and Close.

The results should look similar to the following example, which shows two records with the same user name, role, security context, but different security context values as follows:

- o User Name = JVAdmin
- o Role = Joint Venture Application Administrator
- o Security Context = Reference data set
- o Security Context Value = HEPP and Vision Operations

Manage Data Access for Users ?

☐ Users without Data Access ☒ Users with Data Access

Security Context: Reference data set

Search

** User Name: JVAdmin

Search Results

Actions View + [Icons] Detach Authorize Additional Data Access Manage Data Provisioning Rules

User Name	Role	Role Name	Security Context	Security Context Value
JVAdmin	Joint Venture Application Administrator	ORA_JV_JOINT...	Reference data ...	HEPP
JVAdmin	Joint Venture Application Administrator	ORA_JV_JOINT...	Reference data ...	Vision Operations Set

Configure Access to Joint Venture Operational Reporting in Oracle Transactional Business Intelligence

Perform these tasks to set up joint venture users with access to joint venture operational reporting in Oracle Transactional Business Intelligence (OTBI).

- Create a role and add the BIAuthor role to it. Then, assign the role to each user.
- Make sure that the key flexfield segments are enabled for OTBI.
- Make sure that users have been set up with ledger access.

You must be a user with the IT Security Manager role to perform these tasks.

To create a role that includes the BIAuthor role:

1. Open the Security Console, select the Roles tab, and click Create Role.
2. On Basic Information, complete the following fields:
 - Role Name.
 - Role Code.
 - Role Category. Select Financials - Job Roles.
3. Click Next until you reach the Role Hierarchy page.
4. Click Add Role and then search for "BI Author Role".
5. Select the role and add membership.
6. Click Next until you can save and close the page.
7. Click the Users tab and search for the user that you want to assign the role to.
8. Click the user link to access the user details.
9. Click Edit and then click Add Role.
10. Search for the role you added and click Add Membership, Done.

To make sure that the key flexfield segments are enabled for OTBI:

1. In FSM, search for the "Manage Chart of Accounts Structure Instances" task.
2. On Manage Chart of Accounts Structure Instances, enter GL# for General Ledger in the Key Flexfield Code field and click Search.
3. In the results, select the row for the General Ledger application and click Manage Structure Instances.
4. On Manage Key Flexfield Structure Instances, in the Structure Instance Code field, enter the code for the structure instance in which your joint ventures are managed and click Search.
5. In the results, select the row with the structure instance and click Actions, Edit.
6. On Edit Key Flexfield Structure Instance: select the row with the appropriate segment code and click Actions, Edit.
7. In the dialog box, click the BI enabled checkbox and click OK.
8. Click Save and Close, and then click Done.

To make sure that users have been set up with ledger access:

1. In FSM, search for the Manage Reference Data Set Data Access for Users task for the Enterprise Profile functional area and open it.

2. On Manage Data Access for Users, select the Users with Data Access option.
3. In the Security Context list, select Ledger.
4. Enter the user name and click Search.

The results show the ledgers that the user has access to.

5. If the user doesn't have access to the appropriate ledger, then use the "Users without Data Access" option to set up user access to the ledger.

Configure Access to BI Publisher Catalog for Oracle Joint Venture Management

Perform the following tasks to provide joint venture accountants the access to view and work with the Oracle Business Intelligence Publisher (BI Publisher) catalog for Joint Venture Management:

You must be a user with the BI administrator role to perform these tasks.

- In the Catalog, click Shared folders, Financials, and then copy the Joint Venture Management folder to the Custom folder.
- Give the joint venture accountant user permissions to view and work with the copied folder:
 - a. Access the BI Publisher Catalog and navigate to this folder: Custom, Financials. On the right pane, click More under the Joint Venture Management folder and select Permissions. Alternatively, you can select the folder and click Permissions in the Tasks region.
 - b. On the Permissions dialog, click Create users/roles.
 - c. Search for and select the joint venture accountant user and provide the user with permissions to subfolders and items within the folder as illustrated in the following example:

Permissions

Location: /Custom/Financials/Joint Venture Management

Owner:

Permissions

Accounts	Permissions	Owner
BI Administrator Role	Full Control	Full Control
BI Author Role	Full Control	Full Control
BI Consumer Role	Open	Read, Traverse
Joint Venture Accountant	Full Control	Full Control

☒ Apply permissions to sub-folders.

☒ Apply permissions to items within folder.

Replace Options Replace All

OK Cancel

- d. To refresh metadata changes with the addition of new permissions, click My Profile and select Administration. Then, click Reload Files and Metadata.

5 Set Up Oracle Fusion Cloud Financials to Create Receivables Invoices for Joint Ventures

Overview of the Setup in Oracle Financials to Create Receivables Invoices for Joint Ventures

Joint venture accountants use Oracle Joint Venture Management to create the following invoices in Oracle Receivables:

- Cost recovery invoices to bill partners for their share of costs in a joint venture
- Partner contribution invoices to receive advance payments for costs

To enable accurate accounting of amounts in invoices, you must perform these setup tasks.

- Set up the following accounts in Receivables:
 - Receivable account. The account in your general ledger for posting receivable amounts, which are entered as a debit.
 - Partner account. The account in your general ledger for posting amounts billed to partners for their share of costs, which are entered as a credit. Partner accounts, referred to as cutback accounts in some industries, enable the managing partner of a joint venture to report on gross or net costs for a joint venture.
 - Partner contribution account. The account in your general ledger for posting amounts contributed by partners, to be used to cover their share of costs. In some industries these are called cash calls.

Partner contribution accounts are required only if you plan to use partner contributions in Joint Venture Management to cover amounts in cost distributions. See [About Joint Venture Partner Contributions](#) for more information about managing partner contributions in Joint Venture Management.

- Set up Receivables for credit memos.

If cost recovery invoices are generated with incorrect amounts, this setup enables you to create credit memos to adjust the amounts in Receivables. This also enables you to create credit memos to cancel a partner contribution that has been invoiced and is no longer needed.

- Perform basic setup tasks for tax exclusion, currency conversions, and logging.

Application implementation consultants can perform these setup tasks.

Set Up Receivable Accounts for Cost Recovery Invoices and Partner Contribution Invoices

Use one of the following methods to set up receivable accounts for posting invoice amounts.

- AutoAccounting rules

Use AutoAccounting rules to define a default receivable account for the business units of your joint ventures. See *Derive a Default Receivable Account Using AutoAccounting Rules* for more information.

- Joint venture definitions

A receivable account defined in a joint venture definition will override the default receivable account set up in AutoAccounting rules. See *Define Information to Create Receivables Invoices* for more information.

- Subledger accounting rules

Use this method if the other two methods don't meet your business needs. This setup acts as an override to both the preceding options. See *Define a Receivable Account Using Subledger Accounting Rules* for more information.

Derive a Default Receivable Account Using AutoAccounting Rules

You can use AutoAccounting rules to define a default receivable account for the receivable account class using the joint venture invoice transaction type JV Invoice. Oracle Receivables will create subledger accounting entries for all joint venture receivables invoices in the default receivable account.

See *AutoAccounting Account Types and Segment Values* for more information.

Define a Receivable Account Using Subledger Accounting Rules

You can use subledger accounting rules to define a receivable account if the other two methods don't meet your business needs.

Using subledger accounting rules, you set up a mapping set and an account rule, which you add to a journal entry rule set for the event "Invoice" and journal line "Invoice Default Receivable." You then assign the journal entry rule set to an accounting method.

In the mapping set, use the Transaction Cross Reference field on the invoice as the input source. This field records the joint venture name in the invoice header. You can then map the joint ventures to their respective receivable accounts.

The following example shows a mapping set to define a receivable account. In the mapping set, the input sources are Transaction Source Name and Transaction Cross Reference. The chart of accounts is HEPPLedger. Values have been identified for the input sources and the output source, with the Output dialog box displayed to show the segments that make up the account.

Input Sources

Number	Input Source
1	Transaction Source Name
2	Transaction Cross Reference

Chart of Accounts

HEPPLedger

HEPPLedger: Mappings

When entering input values, enter a value, an asterisk to represent any value, or leave blank for no value.

View | Export | Import | Detach

Default	Input	Output	Effective Start Date	Effective End Date
	Transaction Sour	Transaction Cros	HEPPLedger	
	Oracle Joint Ve...	11-1001-13005-11-0001		
	Oracle Joint Ven	TECHYFIGHTEI	11-1001-13016-11-0001	

Derive Partner Accounts for Cost Recovery Invoices

Partner accounts are accounts in your general ledger for posting amounts to be received from partners for their share of costs. They're sometimes referred to as cutback accounts, as they enable the managing partner of a joint venture to report on gross or net costs for a joint venture.

Cost recovery invoices generated for joint venture partners include lines with distribution amounts that can be from different transaction sources. For each invoice line, an invoice distribution is created in the Revenue accounting class using the original account of the source transaction. You can use this account for the partner account, or you can define a different partner account to use for each transaction source. The transaction sources can include:

- Cost transactions in subledger accounting and general ledger (distribution types E, A, or B)
- Manual cost joint venture source transactions created in Joint Venture Management (distribution type S)
- Overhead transactions generated by Joint Venture Management (distribution types H or F)
- Partner contributions created in Joint Venture Management used to cover amounts from cost, manual, and overhead transactions (distribution type P)

Determine the Partner Account for Transactions that Originate from Subledger Accounting, General Ledger, or Manual Joint Venture Source Transactions

Here are your options for the partner account for distributed costs that originate from general ledger, subledger accounting, or manual joint venture source transactions:

Partner Account Option	Business Purpose	Implementation Action
Use the account on the source transaction.	With this option, the balance of the accounts from the source transaction will contain the net amount for the managing partner.	This option is enabled by default. Note: If you use this option, when users set up joint venture definitions, they must enable the “Exclude joint venture transactions” option. This prevents these transactions from being identified and processed by Joint Venture Management. See <i>Exclude Joint Venture Invoices and Journals from Oracle Joint Venture Management Processing</i> for more information.
Use a different account than the account on the source transaction.	With this option, all balances of the accounts from the source transaction will contain the gross amount for the joint venture.	Set up subledger accounting rules to override the source transaction account with a different account. See <i>Use Subledger Accounting Rules to Derive the Partner Account</i> for more information. Note: If you use this option, when users set up joint venture definitions, they must perform either of the following actions: • Enable the “Exclude joint venture transactions” option in each joint venture. • When identifying distributable accounts for the joint venture, they must make sure the partner account isn’t included in the list of distributable accounts.

Determine the Partner Account for Transactions that Originate from Overhead Transactions Generated by Oracle Joint Venture Management

Partner Account Option	Business Purpose	Implementation Action
Use the account on the overhead transaction.	You want to use the cost recovery or revenue account defined on the overhead method. You don’t need to specify a different account.	When setting up an overhead method for calculating overhead costs for a joint venture, a joint venture accountant specifies a partner account in the overhead method. This partner account can represent either a cost recovery account or a revenue account to account for the overhead amounts for the managing partner.

Partner Account Option	Business Purpose	Implementation Action
		Note: If you use this option, the cost recovery or revenue account specified on the overhead method should not be a cost account for the joint venture.
Use a different account than the account on the overhead transaction.	This option provides the flexibility to use subledger accounting rules to determine the partner account.	Set up subledger accounting rules to override the account from the overhead transaction with a different account. See Use Subledger Accounting Rules to Derive the Partner Account for more information. Note: If you use this option, the cost recovery or revenue account specified on the overhead method should not be a cost account for the joint venture.

Determine the Partner Account for Partner Contribution Lines on the Invoice

If you're managing partner contributions in Joint Venture Management to cover joint venture costs, your invoices will include a separate invoice line for the summarized partner contribution amount. The partner account to be used for the partner contribution line is included on the invoice line. This account is the partner contribution account that users identify when they create partner contributions.

Here are your options for the partner account for partner contributions.

Partner Account Option	Business Purpose	Implementation Action
Use the account on partner contribution line.	Use this option if you want to maintain the balance of the partner contribution in the partner contribution account.	Joint venture accountants specify the partner contribution account when they set up partner contributions. This account contains amounts that have been prepaid by one or more partners. The balance of this account represents the amount that can be drawn against for costs incurred by the joint venture. See About Joint Venture Partner Contributions for more information.
Use a different account than the account on the partner contribution line.	This option provides the flexibility to use subledger accounting rules to determine the account.	Set up subledger accounting rules to override the account from the partner contribution line with a different account. See Use Subledger Accounting Rules to Derive the Partner Account for more information.

Requirements for Partner Accounts in an Integration with Oracle Project Costing

If your Oracle Joint Venture Management implementation includes an integration with Project Costing, you must make sure that partner accounts are:

- Posting accounts
- Child accounts—not summary or parent accounts
- Non control accounts
- Restricting manual GL journals and provide no validation of third-party customers or suppliers

For more information about configuring the integration with Project Costing, see [About the Oracle Joint Venture Management Integration with Oracle Project Costing Setup](#).

Use Subledger Accounting Rules to Derive the Partner Account

You can use subledger accounting rules to override the following accounts with a different account:

- The account from the source transaction in distributions originating from subledger accounting, the general ledger, joint venture overhead transactions, and manual joint venture source transactions.
- The account from the partner contribution line in joint venture receivables invoices.

The process to create cost recovery invoices from joint venture distributions uses predefined flexfields to capture additional joint venture information in the invoices. You can use these flexfields to set up mapping sets to override the partner account. You can override any segment in the account such as the natural account segment or the cost center segment. After creating the mapping set, you assign it to an account rule and then add the account rule to a journal entry rule set for the event "Invoice" and journal line "Invoice Revenue." You then assign the journal entry rule set to an accounting method.

This table describes the flexfields that you can use as input sources to derive the segment values for the partner account.

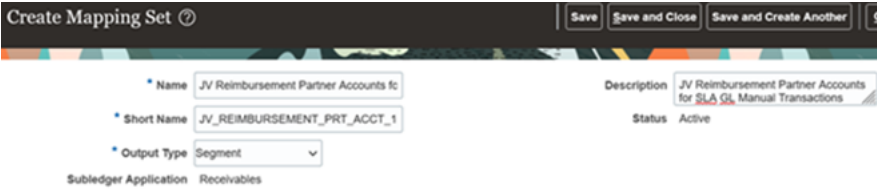
Flexfield	Attribute	Description
Transaction Line Flexfield Attribute 1	Joint Venture Name	The short name of the joint venture.
Transaction Line Flexfield Attribute 2	Primary Segment Value	The primary segment value within the account code combination.
Transaction Line Flexfield Attribute 4	Joint Venture Distribution Type	Valid values include: E (Expense), A (Assets), B (Billable Assets), H (Overhead), F (Fees and other charges), S (Manual Cost), or P (Partner contribution).
Transaction Line Flexfield Attribute 5	Joint Venture Distribution ID	The distribution ID for cost distributions or partner contribution ID for partner contribution lines.
Transaction Line Flexfield Attribute 6	Account Code Combination ID	Although this flexfield is available, it's not used to provide the account. Instead, the Transaction

Flexfield	Attribute	Description
		Distribution GL Account field provides either the source transaction account or the partner contribution account, depending on the distribution type in the invoice.

Example of a Mapping Set to Override the Account from Subledger Accounting, General Ledger, and Manual Joint Venture Source Transactions

This is an example of a mapping set for overriding the account from subledger accounting, general ledger, and manual transactions. The purpose of the mapping set is to replace the natural account segment in the account from the transaction.

The following image shows the Create Mapping Set page with a Receivables mapping set named "JV Reimbursement Partner Accounts for SLA GL Manual Transactions" and its short name and description. The output type is "Segment" and the subledger application is automatically set to "Receivables."



The next image shows the Input Sources, Chart of Accounts, and HEPPLedger: Mappings sections. The Input Sources section includes these inputs: Transaction Source Name, Transaction Line Flexfield Attribute 2, and Transaction Line Flexfield Attribute 4. In the Chart of Accounts section, HEPPLedger is selected for the chart of accounts and HEPPAccount is selected for the segment. The Mappings section includes three columns in this order for the inputs: Transaction Source Name, Transaction Line Flexfield Attribute 2, and Transaction Line Flexfield Attribute 4. The next column is an Output column named HEPPAccount which is followed by the Effective Start Date column. There are three rows for mapping inputs to the output. Row 1 inputs are Oracle Joint Ventures, 1001, and E in the respective input columns, with 49001 in the output column. Row 2 inputs are Oracle Joint Ventures, 1001, and A in the respective input columns, with 49002 in the output column. Row 3 inputs are Oracle Joint Ventures, 1001, and S, with 49006 in the output column.

Input Sources

Actions View + X

Number	Input Source	Value Set	Lookup Type	Segment
1	Transaction Source Name			
2	Transaction Line Flexfield Attribute 2			
3	Transaction Line Flexfield Attribute 4			

Chart of Accounts

View + X

Chart of Accounts	Segment
HEPPLedger	HEPPAccount

HEPPLedger: Mappings

When entering input values, enter a value, an asterisk to represent any value, or leave blank for no value.

View

+

✕

Export

Import

Set Default

Detach

m/d/yyyy

Default	Input			Output	Effective Start Date
	Transaction Source Name	Transaction Line Flexfield Attribute 2	Transaction Line Flexfield Attribute 4	HEPPAccount	
	Oracle Joint Ventures	1001	E	49001	
	Oracle Joint Ventures	1001	A	49002	
	Oracle Joint Ventures	1001	S	49006	m/d/yy

Example of a Mapping Set to Override the Account from Joint Venture Overhead Transactions

This is an example of a mapping set for overriding the account from joint venture overhead transactions. It's configured to override the cost center segment value of the account so that overhead distribution amounts will be recorded in the managing partner's cost center.

The following image shows the Mappings section for the HEPPLedger chart of accounts, which includes two columns for input sources named Transaction Source Name and Transaction Line Flexfield Attribute 4. The next column is for the output source and it's named HEPPCostcenter. There's one row with "Oracle Joint Ventures" in the Transaction Source Name column, "H" in the Transaction Line Flexfield Attribute 4 column, and "1006" in the HEPPCostcenter column.

HEPPLedger: Mappings

When entering Input values, enter a value, an asterisk to represent any value, or leave blank for no value.

View    Export  Import Set Default   Detach

				m/d/yyyy	m/d/yyyy
Default	Input	Output	Effective Start Date	Effective End Date	
	Transaction Source Name	Transaction Line Flexfield Attribute 4	HEPPCostcenter		
	Oracle Joint Ventures	H	1006	m/d/yy	m/d/yy

Example of a Mapping Set to Override the Account from the Partner Contribution Line

This is an example of a mapping set for overriding the account from the partner contribution line.

The following image shows the Mappings section for the HEPPLedger chart of accounts, which includes three columns for input sources: Transaction Source Name, Transaction Line Flexfield Attribute 1, and Transaction Line Flexfield Attribute 4. The next column is the output and is named HEPPLedger. There's one row with "Oracle Joint Ventures"

in the Transaction Source Name column, “ALBERTA” in the Transaction Line Flexfield Attribute 1 column, "P" in the Transaction Line Flexfield Attribute 4 column, and “11-1001-49003-11-0001” in the HEPPLedger column.

HEPPLedger: Mappings

When entering input values, enter a value, an asterisk to represent any value, or leave blank for no value.

View Export Import Detach

Default

Input

Output

Transaction Source Name	Transaction Line Flexfield Attribute 1	Transaction Line Flexfield Attribute 4	HEPPLedger	Effective Start Date	Effective End Date
Oracle Joint Ventures	ALBERTA	P	11-1001-49003-11-0001	midyyy	midyyy

Derive Partner Contribution Accounts for Partner Contribution Invoices

If you’re managing partner contributions in Joint Venture Management, here are your options for defining partner contribution accounts for partner contribution invoices.

Partner Contribution Account Option	Business Purpose	Implementation Action
Use the account on partner contribution.	Use this option if you want to maintain the balance of the partner contribution in the partner contribution account.	Joint venture accountants specify the partner contribution account when they set up partner contributions. The account contains amounts that will be or have been prepaid by one or more partners. The balance of this account represents the amount that can be drawn against for costs incurred by the joint venture. See <i>About Joint Venture Partner Contributions</i> for more information.
Use a different account than the account on the partner contribution.	This option provides the flexibility to use subledger accounting rules to determine the account.	Set up subledger accounting rules to override the account with a different account.

Set Up Oracle Receivables for Joint Venture Credit Memos

When joint venture accountants need to make adjustments to an invoice, they create a credit memo to reverse the invoice transaction.

Perform these setup tasks to ensure that credit memos from Oracle Joint Venture Management are processed correctly:

- Determine Whether You Need to Derive Accounts for Credit Memos
- Set Up the Oracle Joint Ventures Transaction Source to Populate the Joint Venture Name in Credit Memos

- Configure the Joint Venture Transaction Type to Create Credit Memos That Increase the Invoice Balance
- Configure the Joint Venture Transaction Type to Create Credit Memos That Exceed the Invoice Balance

Determine Whether You Need to Derive Accounts for Credit Memos

The AutoInvoices process uses the AR_USE_INV_ACCT_FOR_CM_FLAG to determine the accounts for credit memo amounts.

This profile option can be defined with two values, Yes or No:

- If set to No, the accounts on the accounted invoice will be used on the credit memo.
- If set to Yes, the accounts on the invoice before it was accounted will be used on the credit memo.

If desired, you can set up subledger accounting rules to override this account.

Set Up the Oracle Joint Venture Transactions Source to Populate the Joint Venture Name in Credit Memos

The process to create receivables invoices to recoup joint venture costs populates the Cross Reference field in the invoice header with the name of the joint venture.

The system doesn't automatically populate the joint venture name on credit memos associated with the invoices. You must configure the Oracle Joint Ventures transaction source to facilitate passing this information to credit memos.

Note: If needed, you can use the Cross Reference field as an input source when you set up subledger accounting rules to create accurate accounting entries. See *Define a Receivable Account Using Subledger Accounting Rules* on how to use the Cross Reference field as an input source to derive the receivable account for joint venture receivables invoices.

1. Navigate to Setup and Maintenance.
2. On the Setup page, open the Tasks panel on the side of the page and search for Manage Transaction Source.
3. On Manage Transaction Sources, in the Name field, enter Oracle Joint Ventures and click Search.
4. On the Search section, click the record for Oracle Joint Ventures.

- On Edit Transaction Source, click the drop-down list for Reference Field Default Value and select "interface_header_attribute_1" as shown in the following image.

You select this value to populate the cross reference value on joint venture invoices to the associated credit memos.

Configure the Joint Venture Transaction Type to Create Credit Memos That Increase the Invoice Balance

Joint venture invoices can have both debit and credit invoice lines. When you reverse an invoice line to create a partial credit memo, the credit amount might increase the invoice balance in certain cases.

See [Example of When a Credit Memo Increases the Invoice Balance](#).

To create such a credit memo in Receivables, you must deselect the "Natural application only" checkbox for the joint venture credit memo transaction type before you run the Import AutoInvoice process. This checkbox is selected by default. With this default setting, the system only applies payment to a transaction that brings the balance close to or equal to zero.

- Navigate to Setup and Maintenance.
- On the Setup page, open the Tasks panel on the side of the page and search for Manage Transaction Type.
- On Manage Transaction Types, in the Name field, enter JV Credit Memo and click Search.
- On the Search section, click the record for JV Credit Memo.
- On Edit Transaction Type, deselect the "Natural application only" checkbox, if it was selected.
- Click Save and Close.

Configure the Joint Venture Transaction Type to Create Credit Memos That Exceed the Invoice Balance

You might have joint venture invoices with both debit and credit invoice lines. When you reverse an invoice line to create a partial credit memo, the amount in the credit memo might be more than the invoice balance in certain cases.

See [Example of When a Credit Memo is More than the Invoice Amount](#) for more information.

To create such a credit memo in Receivables, you must select the “Allow overapplication” checkbox for the joint venture invoice transaction type before you run the Import AutoInvoice process.

1. Navigate to Setup and Maintenance.
2. On the Setup page, open the Tasks panel on the side of the page and search for Manage Transaction Type.
3. On Manage Transaction Types, in the Name field, enter JV Invoice and click Search.
4. On the Search section, click the record for JV Invoice.
5. On Edit Transaction Type, select the “Allow overapplication” checkbox.
6. Click Save and Close.

Perform Basic Setup Tasks for Joint Venture Invoices

Perform these tasks to help ensure the proper processing of cost recovery invoices:

- Configure the Joint Venture Transaction Types to Exclude Tax from Cost Recovery Invoices
- Set Up Conversion Rates and Rate Types to Create Invoices in Multiple Currencies
- Create Accounting Entries for Invoices with a Zero Amount
- Set Up the Logging Level of Detail for Joint Venture Invoices

Configure the Joint Venture Transaction Types to Exclude Tax from Receivables Invoices

To exclude tax calculation for joint venture invoices and credit memos, perform these tasks:

- Create a tax condition set for the joint venture transaction types “JV Invoice” and “JV Credit Memo.”
- Create a tax rule and assign the tax condition set to the tax rule. This applies the tax rule to the joint venture transaction types.

Create a Tax Condition Set

1. Navigate to Setup and Maintenance.
2. On the Setup page, open the Tasks panel on the side of the page and search for Manage Tax Condition Sets.
3. Click Manage Tax Condition Sets from the search result.
4. On Manage Tax Condition Sets, click Add (+) in the Search Results: Transaction Tax Condition Sets section.
5. On Create Tax Condition Set, enter values in the following fields:
 - Tax Condition Set Code. Remember this code because you will need to select it later in a tax rule.
 - Tax Condition Set Name.
6. Click the drop-down list for the Tax Determining Factor Set Code field and click Create to create a rule.
7. On Create Determining Factor Set, enter values in the following fields:
 - Tax Determining Factor Set Code. Remember this code because you will need to select it later in a tax rule.
 - Tax Determining Factor Set Name.
8. Under Associate Tax Determining Factors, complete the following fields and click OK:

- Determining Factor Class. Select Transaction generic classification.
- Determining Factor Name. Select Transaction Type.
- Required. Select this checkbox.

The following image shows the Create Determining Factor Set page with example information entered in the required fields to create a determining factor set. "Tax - Joint Ventures" is the name and code that identifies the set, and "Tax rules" is entered for the set usage. The set is associated with a tax determining factor of class "Transaction generic classification" and name "Transaction Type."

Create Determining Factor Set

* Tax Determining Factor Set Code Tax Regime Code

* Tax Determining Factor Set Name Ledger

* Set Usage

Associate Tax Determining Factors

View ▼ Format ▼ + >> Detach

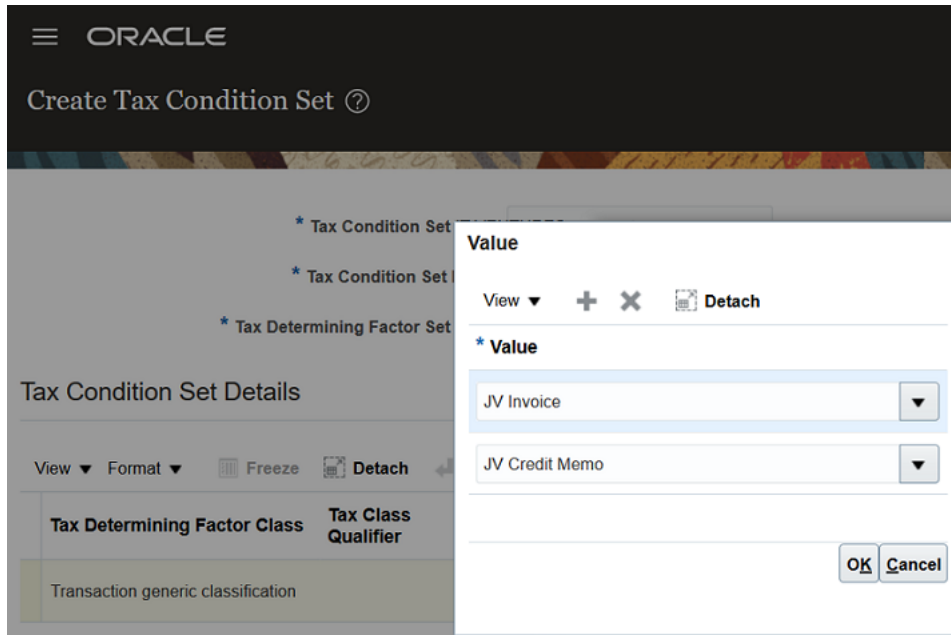
* Determining Factor Class	Tax Class Qualifier	* Determining Factor Name	Required
Transaction generic classification ▼		Transaction Type ▼	☒
			☐
			☐

9. On Create Tax Condition Set, under Tax Condition Set Details, review the record you created.
10. Click the Operator drop-down list and select In.
11. In the Value or Start from Range column, click the Select and Add button.
12. On Value, click the drop-down list of the first row and click Search.
13. On Search and Select: Value or Start from Range, enter "JV_" in the Transaction Type field and click Search.

The search results will display the joint venture transaction types for both invoice and credit memo.

14. Select the record for JV Invoice from search results and click OK.
15. On Value, click the drop-down list of the second row and click Search.
16. On Search and Select: Value or Start from Range, enter "JV_" in the Transaction Type field and click Search.

17. Select the record for JV Credit Memo from search results and click OK.
The following image shows that the Value dialog box opened on the Create Tax Condition Set page. The joint venture transaction types for invoice and credit memo are selected as the transaction types to associate with the tax condition set.



18. Click Save and Close.

Create a Tax Rule and Assign Your Tax Condition Set

Note: The following steps show how to perform this task for a particular tax in a tax regime. Use the steps as a guide to associate your tax condition set to every tax included in all the tax regimes that apply to the business unit of your joint venture.

1. Navigate to Setup and Maintenance.
2. On the Setup page, open the Tasks panel on the side of the page and search for Manage Tax Rules.
3. Click Manage Tax Rules from the search result.
4. On Manage Tax Rules, click Add (+) in the section Search Results: Transaction Tax Applicability Rules. The application displays the Create Determine Tax Applicability Rule: Tax Determining Factors page. You complete the three-step process shown on this page to create a tax rule.
5. On Tax Determining Factors step, enter information for the following sections:

Rule Details

- Configuration Owner. Select Global Configuration Owner or your joint venture business unit from the drop-down list.
- Rule Code. Enter a value that identifies the tax rule.
- Rule Name. Enter a name for the tax rule.
- Tax Regime Code. Select a tax regime code from the drop-down list.
- Tax. Select a tax for the selected regime from the drop-down list.
- Start Date. Make sure that this date is not before the date on the tax regime.

Event Class

- Event Class. Select Invoice from the drop-down list.

Tax Determining Factor Set

- Code. Enter the tax determining factor code that you created in the preceding task.

You can use the drop-down list to search for and select your code.

The following image shows the first page of Create Determining Tax Applicability Rule with example information entered in the required fields. The rule name and code entered to identify the rule is "Tax - Joint Ventures"; the tax regime code associated with the rule is EXEMP_REGIME_1; and the tax selected for this regime is EXEMP_REGIME_1_TAX_2. This rule applies to the event class "Invoice" and uses the tax determining factor set code "Tax - Joint Ventures."

ORACLE

1 Tax Determining Factors 2 Tax Condition Set 3 Rule Status and Order

Create Determine Tax Applicability Rule: Tax Determining Factors Back Next

Rule Details

* Configuration Owner Global configuration owner * Tax Regime Code EXEMP_REGIME_1 * Tax EXEMP_REGIME_1_TAX_2

* Rule Code TAX - JOINT VENTURES * Start Date 9/6/20 Tax Law Reference

* Rule Name Tax - Joint Ventures End Date m/d/yy Description

Event Class

Event Class Invoice

Geography

☐ Set as geography specific rule Parent Geography Type Geography Type

Location Type Parent Geography Name Geography Name

Tax Determining Factor Set

* Code	Name	Ledger
TAX - JOINT VENTURES	Tax - Joint Ventures	

6. Click Next to get to the Tax Condition Set step.

7. On Tax Condition Set, enter values in the following fields:

- Tax Condition Set Code. Enter the code for the tax condition set you created. You can click the drop-down list to search for and select your tax condition set code.
- Applicable. Select Not Applicable from the drop-down list.

This setup excludes tax calculation for the joint venture transaction types.

- Enabled. Select this checkbox.

This setup enables the tax condition set.

8. Click Save and Next to get to the Rule Status and Order step.

9. Under Rule Status and Order, review your rule and select the Enabled checkbox.
This setup enables the rule.
10. Click Submit.

Set Up Conversion Rates and Rate Types to Create Invoices in Multiple Currencies

Set up currency conversion rates and rate types to use when creating receivables invoices in a currency that's different than the primary ledger currency of the managing business unit.

This setup is also used in partner contributions to:

- Convert a foreign contribution amount in a preferred currency to a contribution amount in the primary ledger currency of the managing business unit.
- Calculate the refund amount when you close a partner contribution that has the gross contribution amount in a preferred currency.

Set Up Conversion Rates

See the instructions provided in *Daily Rates* to set up currency conversion rates in the Currency Rates Manager work area. To access this work area, navigate to Setup and Maintenance, select the Financial Reporting Structures functional area, and click the Manage Daily Rates task.

Set Up a Conversion Rate Type

To set up a conversion rate type:

1. Navigate to Setup and Maintenance.
2. On the Setup page, open the Tasks panel and search for Manage Receivables Profile Options.
3. On Manage Receivables Profile Options, enter AR_DEFAULT_EXCHANGE_RATE in the Profile Option Code field.
4. Scroll down to the AR_DEFAULT_EXCHANGE_RATE_TYPE: Profile Values section.
5. In the record that has the Profile Level "Site", select a value from the Profile Value drop-down list as needed.

Create Accounting Entries for Zero Amount Invoice

When a joint venture distribution is fully covered by a partner contribution, the invoice amounts to zero. The zero amount invoice that's sent to the stakeholder includes the partner contribution amount paid by the stakeholder.

For such an invoice, accounting entries aren't created if you use the default profile setup for subledger accounting.

To create accounting entries, complete the following steps.

1. Navigate to Setup and Maintenance.
2. On the Setup page, open the Tasks panel on the side of the page and search for Manage Administrator Profile Values.
3. On Manage Administrator Profile Values, enter XLA_SHOW_ZERO_AMT_JRN in the Profile Option Code field.
4. Scroll down to the XLA_SHOW_ZERO_AMT_JRNL: Profile Values section.
5. In the record that has the Profile Level "Site", select Yes in the Profile Value drop-down list.

By default, this field is set to No.

Set Up the Logging Level of Detail for Joint Venture Invoices

Set up the AFLOG_LEVEL profile option with the level of detail you want in logs generated for the Create Joint Venture Invoices and Journal Entries process.

By default, joint venture invoices are logged at the “Info” level, which provides a summary at job level. Typically, you don't need to change this default setup. You might want to change the setting only for troubleshooting purposes to generate logs at the “Finer” level, which is the invoice summary information at joint venture level, and so on.

1. Navigate to Setup and Maintenance.
2. On the Setup page, open the Tasks panel and search for Manage Administrator Profile Values task.
3. On Manage Administrator Profile Values, enter AFLOG_LEVEL in the Profile Option Code field and click Search.
4. On the AFLOG_LEVEL: Profile Values section, click the Profile Value drop-down list and select the level of detail you want to create logs.
5. Click Save and Close.

6 Set Up Oracle Fusion Cloud Financials to Create Payables Invoices for Joint Ventures

Overview of the Setup in Oracle Financials to Create Payables Invoices for Joint Ventures

Joint venture accountants use Oracle Joint Venture Management to create payables invoices for joint venture revenue distributions.

To enable accurate accounting of amounts in payables invoices, you must perform these setup tasks:

- Set up the following accounts in Oracle Payables:
 - Liability account. The account in your general ledger for posting distributed revenue amounts in payables invoices, which are entered as a credit.
 - Partner account. The account in your general ledger for posting the offset accounting entries for distributed revenue amounts, which are entered as a debit. These entries are written in the Item Expense accounting class.
- Set up Payables for debit memos.

If payables invoices for distributed revenue are generated with incorrect amounts, this setup enables you to create debit memos to adjust the amounts in Payables.
- Set up currency conversion rates and rate types to create payables invoices in multiple currencies.

Note: Except for debit memos, these instructions are applicable to payables invoices created for both operated and nonoperated joint ventures.

Also, if you haven't already set up the logging level for joint venture invoices during the setup for receivables invoices, see *Set Up the Logging Level of Detail for Joint Venture Invoices*.

Application implementation consultants can perform these tasks.

Set Up Liability Accounts for Joint Venture Payables Invoices

Use one of the following methods to set up liability accounts for posting amounts in payables invoices:

- Define a liability account for each supplier at the site level.

See *Creating a Site Assignment* for more information.

- Define a liability account for each joint venture.

Joint venture accountants can define the liability account in the setup of each joint venture definition. See *Specify a Liability Account for Joint Venture Payables Invoices* for more information.
- Define a liability account using subledger accounting rules.

CAUTION: If there’s a liability account specified in both the supplier site and joint venture definition, the account in the joint venture definition will be used. If you use subledger accounting rules to define the liability account, the account in the subledger accounting rules will override accounts specified elsewhere.

Define a Liability Account Using Subledger Accounting Rules

You can use subledger accounting rules to define a liability account if specifying a liability account in each joint venture definition doesn’t meet your business needs.

You create a mapping set, assign it to an account rule, and then add the account rule to a journal entry rule set. You then assign the journal entry rule set to an accounting method.

In the mapping set, you map a combination of input values to specific output values. You can use the predefined reference keys for joint ventures as the input source in your mapping set. See *Reference Keys for Joint Venture Payables Invoices* for more information. For example, you can use Reference key 4 for mapping the joint venture name so that it appears on each invoice line.

The following example shows a mapping set to define a liability account with the following values selected for the input sources:

- Subledger Application = Payables
- Event Class = Invoice
- Source = AIL_REFERENCE_KEY4

The source is one of the predefined reference keys, which you can select one or more for the input source.

The following image shows the Mappings section with values entered for the input and output sources. The two input columns named Invoice Source and AIL_REFERENCE_KEY4 are mapped to the values ORA_AP_JV and EAGLEFORD respectively. The output column named HEPPAccount is mapped to account 21104. This means all payables invoices created for joint venture EAGLEFORD will use natural account 21104 for the liability account.

HEPPLedger: Mappings

When entering Input values, enter a value, an asterisk to represent any value, or leave blank for no value.

View + - Export Import Set Default Detach

Default	Input	Output	Effective Start Date	Effective End Date
	Invoice Source	AIL_REFERENCE_KEY4	HEPPAccount	
	ORA_AP_JV	EAGLEFORD	21104	

Derive Partner Accounts for Joint Venture Payables Invoices

Partner accounts are accounts in your general ledger for posting amounts in payables invoices generated to pay joint venture partners their share of revenue.

Payables invoices include lines with distributed revenue amounts. For each invoice line, an invoice distribution is written to the original account of the source transaction. You can use this account for the partner account or you can specify a different account to use.

Note: The partner account setup described here also applies to payables invoices created for nonoperated joint ventures using the “Create Joint Venture Invoices and Journal Entries” process. The nonoperator of a joint venture can create payables invoices to pay the managing partner for their share of the joint venture costs.

Here are your options for determining the partner account for distributed revenue amounts.

Partner Account Option	Business Purpose	Implementation Action
Use the account on the source transaction.	With this option, the balance of the accounts from the source transaction will contain the net amount for the managing partner.	This is the default behavior. If you use this option, when users set up joint venture definitions, they must enable the “Exclude joint venture transactions” option. This prevents these transactions from being identified and processed by Joint Venture Management. See Exclude Joint Venture Invoices and Journals from Oracle Joint Venture Management Processing for more information.
Use a different account than the account on the source transaction.	With this option, all balances of the accounts from the source transaction will contain the gross amount for the joint venture.	Set up subledger accounting rules to override the source transaction account with a different account. See Use Subledger Accounting Rules to Derive the Partner Accounts for Payables Invoice Amounts for more information. If you use this option, when users set up joint venture definitions, they must perform either of the following actions: • Enable the “Exclude joint venture transactions” option in each joint venture. • When identifying distributable accounts for the joint venture, they must make sure the partner account isn't included in the list of distributable accounts.

Use Subledger Accounting Rules to Derive the Partner Accounts for Payables Invoice Amounts

Set up subledger accounting rules to override the source transaction account with a different account.

You create a mapping set, assign it to an account rule, and then add the account rule to a journal entry rule set for the event "Invoice" and journal line "Item Expense." You add the journal entry rule set to an accounting method with the primary ledger of the joint venture business unit.

To create a mapping set, you use preconfigured reference keys in Oracle Payables to derive the partner accounts for payables invoices. This topic describes the preconfigured Payables reference keys that you use to set up a mapping set and an example of a mapping set to override the source transaction account.

Reference Keys for Joint Venture Payables Invoices

Oracle Financials uses reference keys to capture and store joint venture information in Payables Invoice tables.

The following Payables reference keys are preconfigured with attributes from the Joint Venture Distributions table. Use these reference keys in your setup to derive the partner accounts for payables invoices.

Reference Key	Attribute
Reference key 1 (Payables invoice header)	Joint Venture Name
Reference key 1 (Payables invoice line)	Distribution ID
Reference key 2 (Payables invoice line)	Joint Venture Distribution Type Code
Reference key 3 (Payables invoice line)	Primary Segment Value
Reference key 4 (Payables invoice line)	Joint Venture Name

For operated joint ventures, the applicable distribution type code that you can use is R (Revenue). For nonoperated joint ventures, the applicable distribution type codes that you can use are E (Expense), A (Assets), B (Billable Assets), H (Overhead), F (Fees and other charges), and P (Partner Contributions).

Example of a Mapping Set to Override the Source Transaction Account

This is an example of a mapping set that replaces the natural account segment value in joint venture payables invoices that are associated with the payment of revenue. You can use this as an example to override any segment of the account.

Mapping sets map a combination of input source values to specific output values. You specify which input values to use through reference keys that are preconfigured with joint venture attributes for payables invoices. You can also use the Payables Invoice Transaction Source "ORA_AP_JV" as an input value to restrict the mapping to only joint venture payables invoices.

In this example, "Invoices" is selected for the event class.

The following example shows the Edit Mapping Set page for a mapping set named "Joint Venture Payables Expense Account - Invoice" with "Segment" for the Output Type. The input sources selected for the mapping set are Invoice Source and AIL_REFERENCE_KEY4. HEPPLedger is specified as the chart of accounts that includes the natural account that will override the original natural account.

Edit Mapping Set

Name: Joint Venture Payables Expense
Short Name: JV_AP_EXP
Description:
Output Type: Segment
Subledger Application: Payables

Status: Active
Created By:
Creation Date: 07/15/2022 9:20 AM
Last Updated By:
Last Update Date: 07/15/2022 9:25 AM

Input Sources

Number	Input Source	Value Set	Lookup Type	Segment
1	Invoice Source			
2	AIL_REFERENCE_KEY4			

Chart of Accounts

Chart of Accounts	Segment
HEPPLedger	HEPPAccount

The following image shows the Mappings section with values entered for the input and output sources. The two input columns named Invoice Source and AIL_REFERENCE_KEY4 are mapped to the values ORA_AP_JV and EAGLEFORD respectively. The output column named HEPPAccount is mapped to the account 56666. This means that all payables invoices created for the joint venture EAGLEFORD will be recorded in the natural account 56666.

HEPPLedger: Mappings

When entering Input values, enter a value, an asterisk to represent any value, or leave blank for no value.

View

Default	Input	Output	Effective Start Date	Effective End Date
	Invoice Source	AIL_REFERENCE_KEY4	HEPPAccount	
	ORA_AP_JV	EAGLEFORD	56666	

Set Up Oracle Payables for Joint Venture Debit Memos

When joint venture accountants need to make adjustments to a payables invoice, they create a debit memo to back out the amount in the invoice.

The process to create debit memos carries over the partner account from the invoice to the debit memo. If you're using the source account for the partner account, then no additional setup is needed for debit memos. However, if you're using subledger accounting rules to override the partner account with a different account, you must use subledger accounting rules to apply the same override for debit memos.

Note: This setup for debit memos isn't applicable to nonoperated joint ventures.

If you need to use subledger accounting rules to define the partner account for debit memos, the only difference is that in the mapping set for debit memos, you select Debit Memo for the event class. And then you map the same values that you mapped in the mapping set for payables invoices.

When you set up a mapping set for debit memos, make sure to give it a name that's distinct from the mapping set that you set up for defining the partner account for payables invoices. This will help you identify the mapping set when you assign it to an account rule. Also, give the account rule a distinct name to help you identify it when you add it to the journal entry rule set.

Set Up Conversion Rates and Rate Types to Create Payables Invoices in Multiple Currencies

Set up currency conversion rates and rate types to use when creating payables invoices in a currency that's different than the primary ledger currency of the managing business unit.

Set Up Conversion Rates

See the instructions in the *Daily Rates* topic to set up currency conversion rates in the Currency Rates Manager work area. To access this work area, navigate to Setup and Maintenance, select the Financial Reporting Structures functional area, and click the Manage Daily Rates task.

Set Up a Conversion Rate Type

1. Navigate to Setup and Maintenance.
2. On the Setup page, open the Tasks panel and search for Manage Common Options for Payables and Procurement.
3. Select a business unit from the Business Unit drop-down list.
4. In the Currency Conversion section, complete the fields to set up a default conversion rate type for the business unit.

7 Identify a Transaction Date for Processing Joint Venture Transactions

About Identifying a Transaction Date for Processing Joint Venture Transactions

Configure the transaction date to use for processing transactions in Oracle Joint Venture Management.

To process joint venture transactions, Joint Venture Management uses the transaction date in each transaction to determine which date effective ownership definition to use to calculate the split. For the transaction date, it uses the accounting date in transactions originating from subledger accounting; it uses the effective date for transactions originating from the general ledger. However, these dates might not capture the date the transaction took place or the date the service was performed, what some companies refer to as the service date or activity date.

Instead of using the effective date and accounting date, you can set up Joint Venture Management to use another date for the transaction date.

First you need to determine another source to use for the transaction date. For subledger accounting transactions, you must create a supporting reference to identify a date to use for the transaction date. For general ledger transactions, you can use the reference date. There are also header and line level attributes that can be used by descriptive flexfields to enter a transaction date for general ledger journals.

After determining the sources for the transaction dates, you set up transaction date references in the Joint Venture System Options to reference the sources.

Even after the sources for the transaction date have been determined, it's possible that this date could be missing from transactions identified for processing by Joint Venture Management. For example, the user entering the transaction might have entered the transaction date in the wrong field. In the Joint Venture System Options, you can determine how Joint Venture Management handles the processing of transactions without a transaction date. You can configure the system options to:

- Use the accounting date for transactions from subledger accounting and the effective date for transactions from the general ledger.
- Use the system date for the transaction date.
- Leave the transaction date blank, which sets the transaction to an error status in the Joint Venture Transactions work area. This enables you to locate the transactions in error for troubleshooting purposes.

This configuration is typically a one-time setup. However, you can modify the setup if a change in the business process or joint operating agreement requires using a different date to process joint venture transactions. Once configured, the setup applies to transactions for all your joint ventures.

Considerations When the Transaction Date is a Free-Form Text Field

If the source of the transaction date is a free-form text field, users must enter the transaction date in this format: YYYY/MM/DD. If this format isn't used, unpredictable results will occur when running the Identify Joint Venture Transactions process.

Identify a Transaction Date for Processing Subledger Accounting Transactions

Oracle Fusion Cloud Financials uses supporting references to capture additional data in subledger journal entries at the line level. You can set up a supporting reference to capture a transaction date in journal entries for each subledger that contains your joint venture financials.

Make sure to set up a supporting reference to capture the transaction date in all event classes in subledger accounting that contain transactions for your joint ventures. For example, in the same supporting reference, you can define a transaction date for journal entries entered into various subledgers, such as Payables, Receivables, Expenses, Payroll, and so forth.

Supporting references are part of accounting methods in Oracle Financials. Accounting methods contain “journal entry rule sets” that determine how subledger journal entries are entered into each subledger account. You associate supporting references to journal entry rule sets to capture additional data in journal entries.

As you work through the tasks described here, refer to *Manage Accounting Rules* for more information about accounting methods, journal entry rule sets, and supporting references.

Create a Supporting Reference to Capture a Transaction Date

You must be a user with the Financial Application Administrator role to create supporting references. This role includes the Joint Venture Administrator role, so you can use it to create supporting references and perform other joint venture application administrator tasks.

1. Navigate to Setup and Maintenance and select the Joint Venture Management functional area under the Financials offering.
2. Click Show - All Tasks and select Manage Supporting References in the list of tasks.

Note: This is a shared task that is used by multiple products. It's not specific to Joint Venture Management.

3. On the Manage Supporting Reference page, click the Without Balances tab.

You can set up supporting references with balances or without balances. Because this supporting reference is for a date, use Without Balances.

4. Click Add Row (+ icon), and in the new row, complete these fields:
 - o Name
 - o Short Name

Remember this name because you will need to select this supporting reference later in the Joint Venture System Options.

- o Description

The following example shows a row for a supporting reference added for a transaction date:

TRANSACTION_DATE	TRANSACTION_DATE	Joint venture transaction date	Active
------------------	------------------	--------------------------------	--------

5. With the new supporting reference row selected, scroll down to the Sources area and identify the source of the transaction date for each subledger:
 - a. In the Sources area, click Select and Add (+ icon).
 - b. On Select and Add: Sources, search for the source by Subledger Application and Event Class. In addition, you can search by Source if you know the name of the source.

The following example shows the results of searching for a transaction date source in Payables accounts:

Select and Add: Sources

Supporting Reference TRANSACTION_DATE

Search Advanced Saved Search ▼

* Subledger Application Payables ▼ Event Class Invoices ▼

Source Type ▼ Source Invoice Date

Search Reset Save...

Search Results

View ▼ Format ▼ Wrap

Source	Event Class	Description
Invoice Date	Invoices	Date on the invoice.

Apply OK Cancel

- c. Select the source row, which is “Invoice Date” in the preceding example, and click OK.
- d. Continue to add additional sources and related event classes where a transaction date is used.

The following example shows sources for the transaction date in Oracle Payables and Receivables for various event classes:

Supporting References				
Actions ▼ View ▼ + × Detach				
Numbe	* Name	* Short Name	Description	Status
12	Joint Venture Transaction Date	TRANSACTION_DATE	Joint Venture Transaction Date	Active
13	Project Number	PROJECT_NUMBER	Project Number for China	Active
14	Revenue ID	REVENUE_ID	Endowment Revenue ID	Active

Joint Venture Transaction Date: Sources		
View ▼ Detach		
Subledger Application	Event Class	Source
Payables	Credit Memos	Invoice Date
Payables	Debit Memos	Invoice Date
Payables	Invoices	Invoice Date
Receivables	Credit Memo	Transaction Date

Next, associate this supporting reference to journal entry rule sets in the Oracle Financials accounting methods as described in the next topic.

Associate the Supporting Reference to Accounting Methods

Associate the supporting reference you created in the preceding task to an accounting method.

Note: Businesses can use many accounting methods, one for each chart of accounts. Each accounting method can have many journal entry rule sets for a subledger application. Each journal entry rule set can have many journal lines. You associate the supporting reference at the journal line level. It's important that you associate this supporting reference to the applicable journal lines in the active rule sets for all the subledgers from where you identify transactions for joint ventures. For example, if you identify invoices and credit memos from Oracle Receivables to be distributed and processed in Oracle Joint Venture Management, you must associate the supporting reference to all the applicable journal lines (revenue, tax, freight, and so on) for the event classes, invoice and credit memo in all the active journal entry rule sets for Receivables. For Oracle Payables, your journal lines that you associate with the supporting reference can be miscellaneous expense, item expense, and so on. This will help to ensure the creation of accurate accounting entries because the transactions you bring into Joint Venture Management will be recorded with the correct transaction dates.

The following steps use the Payables subledger as an example. Use the steps as a guide to associate the supporting reference to other subledgers within the same or different accounting methods.

1. Navigate to Setup and Maintenance and select the Payables functional area under the Financials offering.
2. Click Show - All Tasks and select Manage Accounting Methods in the list of tasks.
3. In the Search area, search on the accounting method that contains journal entry rule sets for the subledgers for a specific chart of accounts
4. Click the link to the accounting method to edit it.

The following example shows an accounting method for a chart of accounts named HEPPLedger. The Payables subledger contains a rule set for each event class: Credit Memos, Debit Memos, Invoices, Payments, and so forth. The rule set establishes the data required for a journal entry line for an event class.

Edit Accounting Method ⓘ

Actions ▾ Save Save and Create Another Save and Close Cancel

Last Saved 4/27/20 4:44 PM

Name HEPPLedger
Short Name HEPPL_ACCOUNTING
Description
Chart of Accounts HEPPLedger

Status Active
Created By APP_IMPL_CONSULTANT
Creation Date 6/26/11 12:30 AM
Last Updated By APP_IMPL_CONSULTANT
Last Update Date 4/27/20 4:44 PM

Journal Entry Rule Set Assignments

< Payables Cost Management Assets Receivables Cash Management Payroll Receipt Accounting Project Costing Commercial Banking Revenue >

Status Active

View ▾ + × Freeze Detach

* Event Class	* Event Type	* Rule Set	Status	Effective Start Date	Effective End Date
Credit Memos	All	Credit Memo Accrual Basis	Active	1/1/51	nv/d/yy
Debit Memos	All	Debit Memo Accrual Basis	Active	1/1/51	
Invoices	All	Invoice Accrual Basis	Active	1/1/51	
Payments	All	Payments Accrual Basis	Active	1/1/51	

5. In the event class row, click the rule set to edit it.

This is where you associate the supporting reference to a journal line for Payables.

6. In the Journal Lines area, review if the journal lines that you want to associate with the supporting reference already exist. If you need to create a new journal line, click Add Row (+ icon) and select the following values to add a journal line rule for invoicing:
 - Line Type
 - Journal Line Rule
 - Account Combination Rule

Note: If you have two journal line rules for invoicing, there can't be an overlap or a gap in the effective dates. They must be successive.

7. To associate the supporting reference to a journal line:

- a. Highlight the journal line.
- b. Scroll to the Supporting References area below the Journal Lines area and click Add.
- c. Select the supporting reference and then save your changes.

Note: The event class in the supporting reference must be the same as the event class in the journal rule set. For example, if one of the sources in the supporting reference is for the Invoicing event class, then the journal rule set must also be for the Invoicing event class.

8. Continue to associate the supporting reference to all applicable journal lines as appropriate.
9. Click Save and Close.

The system returns you to the Edit Accounting Method page.

10. To associate the supporting reference to the journal lines of another rule set, click the rule set to edit it, and then follow the appropriate steps.
11. Change the status to Active.
12. Click Save and Close.

This returns you to the Accounting Method page.

13. Make sure the status of the accounting method is Active and then save it.
14. Continue to add the supporting reference to journal line rules in other accounting methods as appropriate.

Configure the Joint Venture System Options to Reference the Supporting Reference

After setting up Oracle Fusion Cloud Financials to capture the transaction date in subledger accounting, you need to specify the source of the transaction date in the Joint Venture System Options.

1. Navigate to Setup and Maintenance and select the Joint Venture Management functional area under the Financials offering.
2. Click the Manage Joint Venture System Options task.
3. On Joint Venture System Options, click Start.
4. In the "Transaction date references" section, click SLA Transaction Date and select the source for the transaction date.
5. In the "Transaction date default" section, click Default SLA Transaction Date to determine how to handle the processing of transactions with a missing date:
 - o Select to use the accounting date or system date for the transaction date.
 - o Select "No date" to leave the transaction date blank. This will set the status of transactions without a transaction date to "Missing Transaction Date." This enables you to locate the transactions in error for troubleshooting purposes.
6. Click Save and then click Cancel to exit.

Identify a Transaction Date for Processing General Ledger Journals

Determine the field or attribute that you want to use to capture the transaction date for general ledger journals. You can then specify this field or attribute in the Joint Venture System Options for the general ledger transaction date.

For general ledger journal entries, you can use the effective date or reference date as the transaction date for a journal. There are also header and line level attributes that can be used by descriptive flexfields to enter a transaction date. After identifying the source to use for the transaction date in the general ledger, perform the following steps to specify this source in the Joint Venture System Options.

1. In the Functional Setup Manager, select the Joint Venture Management functional area under the Financials offering.
2. Click the Manage Joint Venture System Options task.
3. Under Transaction Date References, click the GL Selection Date list and select the source for the journal date:
 - o General ledger reference date. This is a field in the header of general ledger journals that can be used to capture the transaction date.
 - o A general ledger attribute. If a descriptive flexfield was set up to capture the transaction date, select the attribute defined in the flexfield to capture the date.
 - o Or select one of the date or text attributes, which can be used with a flexfield.

CAUTION: A flexfield defined with a general ledger line text attribute to capture the transaction date requires users to manually enter a date in a journal entry. For Oracle Joint Venture Management to process these transactions correctly, users must enter the date in this format if the source of transaction date is a free-form text field: YYYY/MM/DD. If this format isn't used, unpredictable results will occur when running the Identify Joint Venture Transactions process.

4. Configure the Default GL Transaction Date system option to determine how to handle the processing of transactions with a missing date:
 - o Select to use the general ledger effective date or system date for the transaction date
 - o Or select "No date" to leave the transaction date blank. This sets the transaction to an error status in the Joint Venture Transactions work area. This enables you to locate the transactions in error for troubleshooting purposes.
5. Click Save.

8 Setup to Display Joint Venture Transactions, Distributions, and Invoices

Setup to Display Joint Venture Transactions, Distributions, and Invoices

Before Oracle Joint Venture Management users can view and work with joint venture transactions, distributions, and invoices, an application implementation consultant must complete the following tasks:

- Verify that Oracle search extension framework is enabled (one-time task).
- Run a process to ingest joint venture data.

Without this setup, Joint Venture Management cannot display data in the following work areas and instead will show a blank page with or without the message “No data to display:”

- Joint Venture Transactions
- Joint Venture Distributions
- Joint Venture Invoices

Also, you must run the data ingest process after a user changes the name of an active invoicing partner or stakeholder in Oracle Joint Venture Management. The changed name isn't reflected in the joint ventures and joint venture data until the data ingest process is run.

The data ingest process works with the following components:

- Oracle Search Cloud Service (OSCS), a search engine that supports smart filtering capabilities.
- Oracle search extension framework, an integration layer between the search engine and Joint Venture Management applications.

Verify that Oracle Search Extension Framework is Enabled

Although Oracle search extension framework is enabled by default, you should verify that it's enabled before performing the data ingest process. You use this framework to create indices, load joint venture data, and manage search capabilities.

To verify that it's enabled:

1. Navigate to Setup and Maintenance.
2. On the Setup page, open the Tasks panel on the right and search for Manage Administrator Profile Values.
3. On Manage Administrator Profile Values, in the Profile Option Code field, enter `ORA_FND_SEARCH_EXT_ENABLED` and click Search.
The system displays this profile option in the Search Results: Profile Options section.
4. In the Profile Values section, verify that you have an entry with Profile Level as "Site" and Profile Value as "Yes."
If you do not see this entry, perform these steps to set it up:
 - a. Click Add.

- b. Select "Site" for the Profile Level, and "Yes" for the Profile Value.
- c. Click Save.

Ingest Joint Venture Data

The data ingest process is index-based. To perform the ingest of the data, you must run the process over each of the following predefined joint venture indexes:

- fa-fin-jv-transactions
- fa-fin-jv-distributions
- fa-fin-jv-invoices

The process creates the index definition in the Oracle Search Cloud Service (OSCS) database and simultaneously loads joint venture data from specific columns of various tables.

Subsequent data ingest occurs when users run Oracle Joint Venture Management processes to identify joint venture transactions and create distributions and invoices. When the processes create records and update existing records, they also use the attributes defined in the index to collect, load, and classify new records and update existing records in the work areas.

You must run the process for each index in the following cases:

- To perform an initial ingest and load of data in the work areas.
- To reingest data after a release update or upgrade if there are changes to an index. Refer to [Oracle Cloud Application Update Readiness](#) for Joint Venture Management updates that require you to run the data ingest process again.
- To reingest data after performing a "Production-to-Test" data movement. "Production-to-test" is the movement of application data from a source to a target Oracle Fusion Cloud applications installation. For example, you would reingest data after refreshing a test database with production data.

To run the ingest process for each of the predefined joint venture indexes:

1. Navigate to Tools, Scheduled Processes.
2. Click Schedule New Process.
3. On the Schedule New Process dialog box, select Job as the Type.
4. In the Name field, enter "ESS job to create index definition and perform initial ingest to OSCS", click Enter, and then click OK.
5. In the Basic Options section, complete the Index Name to Reingest field:
 - Enter fa-fin-jv-transactions for the Joint Venture Transactions work area.
 - Enter fa-fin-jv-distributions for the Joint Venture Distributions and Joint Venture Invoices work areas.
 - Enter fa-fin-jv-invoices for the Joint Venture Invoices work area.

CAUTION: If you leave this field blank, the process creates index definition and ingests data for all predefined indexes for all products that use Oracle search extension framework.

6. Click Submit.

Related Topics

- [Review Joint Venture Invoices](#)

9 Set Up the Joint Venture Subledger

Overview of the Joint Ventures Subledger Setup

Set up the Joint Ventures subledger to enable Oracle Joint Venture Management users to generate the following journal entries:

- Internal transfer journals for stakeholder distributions.
This enables the creation of journal entries in the Joint Ventures subledger for stakeholders set up with the "Create journals" option in the joint venture definition.
- Journal entries to close or transfer partner contributions.
- Statistical journal entries for operational measures which can be used as the basis for determining allocations for a joint venture.
- Carried interest journals to track the costs and revenue consenting stakeholders are carrying for nonconsenting stakeholders in a carried interest agreement.
- Stakeholder reporting journals for financial reporting by joint venture stakeholder.

The Joint Ventures subledger for stakeholder reporting journals isn't described here. Instead, see *Financial Reporting by Joint Venture Stakeholder Setup* for more information.

There's a separate setup required for each of the preceding journal entry types. You only need to perform the setup for the journal entries that you plan to create using Joint Venture Management.

Related Topics

- [Create Internal Transfer Journals](#)
- [About Joint Venture Partner Contributions](#)
- [Create Statistical Journal Entries for Operational Measures](#)
- [Create Carried Interest Journals](#)

Tasks in Setup and Maintenance for Setting Up the Joint Ventures Subledger

This implementation involves configuring subledger accounting rules in the Joint Ventures subledger. You must access the tasks for setting up subledger accounting rules from the Joint Venture Management functional area under the Financials offering in Setup and Maintenance.

The tasks are the same tasks for setting up any subledger in Subledger Accounting, but they're scoped with setups that pertain only to the Joint Ventures subledger. Some tasks include setups that you must copy before you can configure them for your enterprise.

CAUTION: You can't use the provided setups as delivered because they don't contain your specific ledger information. You must copy and rename them before using them for your configuration.

Joint venture application administrators can perform these tasks.

Refer to "Manage Accounting Rules" in the *Implementing Subledger Accounting* guide if you need more information about the tasks mentioned here.

Set Up the Joint Ventures Subledger for Internal Transfer Journals

Set up the Joint Ventures subledger to support the creation of the following journal entries:

- Internal transfer journals for stakeholder cost distributions
- Internal transfer journals for stakeholder revenue distributions

This setup enables the creation of internal transfer journals for stakeholders set up with the "Create journals" option.

Note: You can skip this configuration if you don't plan on creating internal transfer journals for stakeholders. See *Set Up Stakeholders* for more information.

Setup for Internal Transfer Journals Related to Costs

The accounting of internal transfer journals for costs requires the following accounts:

- Stakeholder accounts

Cost amounts from internal transfer journals are entered as a debit to these accounts. These accounts are cost accounts for the stakeholder that mirror the accounts in the joint venture.

- Cutback accounts

Cost amounts from internal transfer journals are entered as a credit to cutback accounts for the joint venture. Capturing these amounts in cutback accounts enables a managing partner of a joint venture to report on its net costs for the joint venture.

Note: In the instructions in this guide for the setup for Receivables invoices, cutback accounts are referred to as partner accounts. Although referred to as cutback accounts here, they're both used for the same purpose.

- Accounts for overhead charges

For internal transfer journals with overhead charges, instead of a cutback account, you need to account for overhead amounts in a separate cost recovery or revenue account, depending upon your business needs.

- Partner contribution accounts for the joint venture and stakeholder

If you plan to use partner contributions to cover a stakeholder's share of costs, then internal transfer journals will include additional lines to record partner contribution amounts in these accounts. These accounts are the same accounts assigned to partner contributions when they're created.

Derive Stakeholder Accounts for Cost Amounts

When a joint venture accountant sets up a stakeholder with the “Create journals” option, they must enter a cost center for the stakeholder. This cost center is used to derive stakeholder accounts in Subledger Accounting for internal transfer journals, with journal lines debited to these accounts.

Stakeholder accounts reside in the primary ledger of the business unit associated with a joint venture and should mirror the joint venture’s accounts, such as accounts for assets, maintenance, and so on. However, stakeholder accounts use a unique cost center so that they’re excluded from the distributable accounts for the joint venture.

This functionality relies on the provided Cost Transfer journal entry rule set, which you must copy and rename for your configuration. The rule set includes the Stakeholder Cost Center account rule that retrieves the stakeholder’s cost center. The account rule requires no additional configuration. Use a copy of the rule set to derive both stakeholder and cutback accounts.

To copy and rename the provided journal entry rule set:

1. In the Joint Venture Management functional area in Setup and Maintenance, select Show – All Tasks and then click the Manage Journal Entry Rule Sets task.
2. Select the Cost Transfer journal entry rule set and then click Duplicate to create your own copy.

Derive Cutback Accounts for Cost Amounts

Cutback accounts are accounts in your general ledger for posting amounts to be received from partners for their share of costs. They enable the managing partner of a joint venture to report on gross or net costs for a joint venture.

Internal transfer journals for costs include lines with distribution amounts that can be from different transaction sources. Each distribution line contains the original account of the source transaction. You can use this account for the cutback account, or you can define a different cutback account to use for each transaction source. The transaction sources can include:

- Cost transactions in subledger accounting and general ledger (distribution types E, A, or B)
- Manual cost joint venture source transactions created in Joint Venture Management (distribution type S)
- Overhead transactions generated by Joint Venture Management (distribution types H or F)
- Partner contributions created in Joint Venture Management used to cover amounts from cost, manual, and overhead transactions (distribution type P)

Determine the Cutback Account for Transactions that Originate from Subledger Accounting, General Ledger, or Manual Joint Venture Source Transactions

Here are your options for the cutback account for distributed costs that originate from general ledger, subledger accounting, or manual joint venture source transactions.

Cutback Account Option	Business Purpose	Implementation Action
Use the account on the source transaction.	With this option, the balance of the accounts from the source transaction will contain the net amount for the managing partner.	This option is enabled by default. Caution: If you use this option, when users set up joint venture transactions” option. This prevents th Joint Venture Management. See <i>Exclude Join Management Processing</i> for more information

Cutback Account Option	Business Purpose	Implementation Action
Use a different account than the account on the source transaction.	With this option, all balances of the accounts from the source transaction will contain the gross amount for the joint venture.	Set up subledger accounting rules to override. See Use Subledger Accounting Rules to Derive. Caution: If you use this option, when users set up joint venture overhead transactions, they must take the following actions: • Enable the "Exclude joint venture transactions" option. • When identifying distributable accounts, the overhead account isn't included in the list of distributable accounts.

Determine the Cutback Account for Transactions that Originate from Joint Venture Overhead Transactions

Here are your options for the cutback account for costs originating from overhead transactions generated by Joint Venture Management.

Cutback Account Option	Business Purpose	Implementation Action
Use the account on the overhead transaction.	With this option, you can use the cost recovery or revenue account defined on the overhead method. You don't need to specify a different account.	When setting up an overhead method, the joint venture accountant specifies a part of the overhead transaction as the cutback, to account for the overhead transaction. It can be either a cost recovery account or a revenue account. Caution: If you use this option, the cost recovery account should not be a cost account for the overhead transaction.
Use a different account than the account on the overhead transaction.	With this option, you use subledger accounting rules to determine the cutback account.	Set up subledger accounting rules to override the overhead transaction to a different account. See Use Subledger Accounting Rules to Derive for more information. Caution: If you use this option, the cost recovery account should not be a cost account for the overhead transaction.

Determine the Cutback Account for Partner Contribution Lines on Internal Transfer Journals

If you're managing partner contributions in Joint Venture Management to cover joint venture costs, your internal transfer journals include a separate line for the summarized partner contribution amount. The cutback account to be used for the partner contribution line is included on the internal transfer journal line. This account is the partner contribution account that users identify when they create partner contributions.

Here are your options for the cutback account for partner contributions.

Cutback Account Option	Business Purpose	Implementation Action
Use the account on partner contribution line.	Use this option to maintain the balance of the partner contribution in the partner contribution account.	Joint venture accountants specify the account for partner contributions. This account contains the balance of this account and the balance of costs incurred by the joint venture. See Use Subledger Accounting for more information.
Use a different account than the account on the partner contribution line.	This option provides the flexibility to use subledger accounting rules to determine the account.	Set up subledger accounting rules with a different account. See Use Subledger Accounting for more information.

Use Subledger Accounting Rules to Derive the Cutback Account

This topic provides examples of how to use subledger accounting rules to override the following accounts with a different account:

- The account from the source transaction in distributions originating from subledger accounting, the general ledger, and manual joint venture source transactions
- The account from joint venture overhead transactions
- The account from the partner contribution line on internal transfer journals

Example of Subledger Accounting Rules to Override the Account from Subledger Accounting, General Ledger, and Manual Joint Venture Source Transactions

For this setup, use your copy of the provided Cost Transfer journal entry rule set to set up subledger accounting rules to override the account from the source transaction. You can override any segment in the account such as the natural account segment or the cost center segment.

Here are the tasks that you need to perform, followed by an example of a mapping set for mapping costs in internal transfer journals to cost cutback accounts:

1. Identify cost cutback accounts.
2. Create a mapping set to map the following distribution types from internal transfer journals to the cutback accounts:
 - A - Assets
 - B - Billable Assets
 - E - Expenses
 - S - Manual cost joint venture source transactions created in Joint Venture Management
3. Create an account rule for the mapping set.
4. Add the account rule to your copy of the provided Cost Transfer journal entry rule set.
5. Assign the journal entry rule set to the accounting method in the primary ledger of the joint venture.
6. To complete the setup, you must run the Update Subledger Application Options program before creating any events for the primary ledger and Joint Ventures application.

The following image shows an example of a mapping set for overriding the account from subledger accounting, general ledger, and manual transactions. The purpose of the mapping set is to replace the natural account segment in the account from the transaction.

Output Type Segment
Subledger Application Joint Ventures
Last Update Date 7/17/25 2:38 PM

Input Sources

View ▾

Number	Input Source	Value Set	Lookup Type	Segment
1	Distribution Type			

Chart of Accounts

View ▾ + ×

Chart of Accounts	Segment
HEPPLedger	HEPPAccount

HEPPLedger: Mappings

When entering Input values, enter a value, an asterisk to represent any value, or leave blank for no value.

View ▾ + × Export ▾ Import Set Default Detach

Default	Input	Output	Effective Start Date	Effective End Date
	Distribution Type	HEPPAccount		
	A	17999		
	B	17999		
	E	59999		

As shown in the example, make sure to specify these values in your mapping set:

- Output Type. Select Segment.

Note: When you access Create Mapping Sets from the Joint Venture Management functional area, Joint Ventures is selected by default for the subledger application. You can't change this value.

- Input Source. Search for and select Distribution Type, the one that's associated with the Cost Transfer event class.
- Chart of Accounts. Select the chart of accounts associated with the primary ledger of the joint venture, which is HEPPLedger in this example.
- Mappings. Add mappings for each distribution type. The example shows the mapping for each type of distribution:
 - Distribution type A (Asset) to cutback account 17999 (JV Capital Cutback)
 - Distribution type B (Billable Asset) to cutback account 17999 (JV Capital Cutback)
 - Distribution type E (Expense) to cutback account 59999 (JV Expense Cutback)

In this example, distributions with a value of A will output a value of 17999 for the HEPPAccount segment. Likewise, distributions with a value of B will output 17999 and distributions with a value of E will output 59999.

Also, if you’re using manual costs, you’ll need to add a row for the cutback account for manual costs, which is distribution type S.

Example of Subledger Accounting Rules to Override the Account from Joint Venture Overhead Transactions

For internal transfer journals with overhead charges, instead of a cutback account, you need to account for overhead amounts in a separate cost recovery or revenue account, depending upon your business needs.

To derive the accounts, perform the same tasks that you would to derive a cutback account. When you set up a mapping set, map the following distribution types from internal transfer journals to the cost recovery or revenue account:

- Distribution type F (Fees and other charges)
- Distribution type H (Overhead)

Example of Subledger Accounting Rules to Override the Account from the Partner Contribution Line

If distributed costs for stakeholders are covered by partner contributions, internal transfer journals include the following additional journal lines to account for the partner contribution amount:

- A credit to the stakeholder’s partner contribution accounts
- A debit to the joint venture’s partner contribution accounts

To enable the accounting of these entries, in your copy of the Cost Transfer journal entry rule set, you must modify both of the following predefined journal line rules:

- Cost Transfer - Internal Stakeholder Partner Contributions

Click in the column representing the cost center segment and select Stakeholder Cost Center, which is a predefined account rule used to retrieve the stakeholder’s cost center. The cost center value is used in deriving the account for the credit entry.

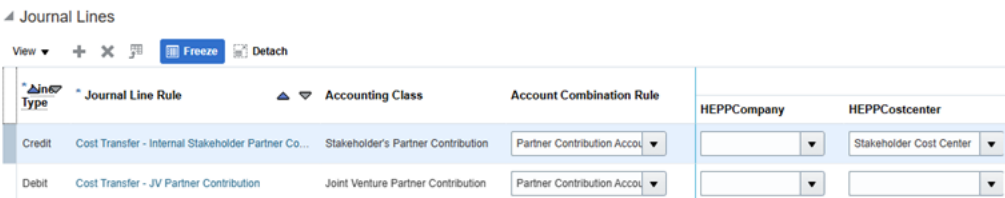
Note: Although the default name refers to internal stakeholders, this rule can apply to both internal and external stakeholders. If you prefer, you can rename this rule to avoid confusion.

- Cost Transfer - JV Partner Contribution, which is for the debit entry

Click in the column representing the cost center segment and select the blank value. Make sure there’s no value selected for the cost center segment.

For this journal line rule, there’s an account rule named Partner Contribution Account assigned by default to the Account Combination Rule. This account rule is used to retrieve the partner contribution account for the debit entry. The partner contribution account is specified by joint venture accountants when they create partner contributions for stakeholders.

This image shows an example of the predefined journal line rules modified as described:



<insert image jv-subledger-pc-journal-lines.png>

Setup for Internal Transfer Journals Related to Revenue

The accounting of internal transfer journals for revenue requires the following accounts:

- Stakeholder accounts
Revenue amounts from internal transfer journals are entered as a credit to stakeholder accounts. These accounts should mirror the accounts in the joint venture, such as accounts for assets, maintenance, revenue, and so on.
- Revenue cutback accounts
Revenue amounts are entered as a debit to cutback accounts for the joint venture, which enables a managing partner to report on its actual revenue.

Derive Stakeholder Accounts for Revenue Amounts

Similar to how you derive stakeholder accounts for recording cost amounts in internal transfer journals, you must derive stakeholder accounts for recording revenue amounts. Lines within internal transfer journals for revenue are entered as a credit to these accounts.

For this configuration, you must copy and rename the provided Revenue Transfer journal entry rule set. This rule set includes the Stakeholder Cost Center account rule to retrieve the stakeholder’s cost center from the stakeholder. The account rule requires no additional configuration.

To copy and rename the provided Revenue Transfer journal entry rule set:

- In the Joint Venture Management functional area in Setup and Maintenance, select Show – All Tasks and then click the Manage Journal Entry Rule Sets task.
- Select the Revenue Transfer journal entry rule set and then click Duplicate to create your own copy.

Derive Cutback Accounts for Revenue Amounts

Cutback accounts are accounts in your general ledger for posting amounts from internal transfer journals for revenue.

Internal transfer journals for revenue include lines with distributed revenue amounts that can be from different transaction sources. Each distribution line contains the original account of the source transaction. You can use this account for the cutback account, or you can define a different account to use for each transaction source. The transaction sources for revenue can include:

- Revenue transactions in subledger accounting and general ledger (distribution type R)
- Manual revenue joint venture source transactions created in Joint Venture Management (distribution type V)

Here are your options for determining the cutback account for distributed revenue amounts.

Cutback Account Option	Business Purpose	Implementation Action
Use the account on the source transaction.	With this option, the balance of the accounts from the source transaction will contain the net amount for the managing partner.	This is the default behavior. If you use this option, when users set up joint venture definition “Exclude joint venture transactions” option. This prevents these identified and processed by Joint Venture Management. See <i>Ex and Journals from Oracle Joint Venture Management Processing</i>

Cutback Account Option	Business Purpose	Implementation Action
Use a different account than the account on the source transaction.	With this option, all balances of the accounts from the source transaction will contain the gross amount for the joint venture.	Set up subledger accounting rules to override the source transaction account. See <i>Use Subledger Accounting Rules to Derive the Partner Invoice Amounts</i> for more information. If you use this option, when users set up joint venture definitions, they must perform the following actions: • Enable the “Exclude joint venture transactions” option in the subledger accounting rules. • When identifying distributable accounts for the joint venture, the partner account isn’t included in the list of distributable accounts.

Use Subledger Accounting Rules to Derive the Cutback Accounts for Revenue Amounts

This topic provides an example of how to use subledger accounting rules to override the source transaction account with a different account.

For this setup, use your copy of the Revenue Transfer journal entry rule set to set up subledger accounting rules to override the account from the source transaction. Here are the tasks that you need to perform, followed by an example mapping set for mapping revenue in internal transfer journals to revenue cutback accounts:

1. Identify revenue cutback accounts.
2. Create a mapping set to map the following distribution types from internal transfer journals to the cutback accounts:
 - R – Revenue
 - V – Manual revenue joint venture source transactions created in Joint Venture Management
3. Create an account rule for the mapping set.
4. Add the account rule to your copy of the provided Revenue Transfer journal entry rule set.
5. Assign the journal entry rule set to the accounting method in the primary ledger of the joint venture.
6. To complete the setup, run the Update Subledger Application Options application before creating any events for the primary ledger and Joint Ventures application.

The following image shows an example of a mapping set for overriding the account from the source transactions for the revenue distribution types. The purpose of the mapping set is to replace the natural account segment on the transaction with the cutback account.

Output Type Segment
Subledger Application Joint Ventures
Last Update Date 9/11/25 6:22 PM

Input Sources

View ▼

Number	Input Source	Value Set	Lookup Type	Segment
1	Distribution Type			

Chart of Accounts

View ▼ + ×

Chart of Accounts	Segment
HEPPLedger	HEPPAccount

HEPPLedger: Mappings

When entering Input values, enter a value, an asterisk to represent any value, or leave blank for no value.

View ▼ + × Export Import Set Default Detach

Default	Input	Output	Effective Start Date	Effective End Date
	Distribution Type	HEPPAccount		
	R	49999		
	V	49999		

As shown in the example, specify these values in your mapping set:

- Output Type. Select Segment.

Note: When you access Create Mapping Sets from the Joint Venture Management functional area, Joint Ventures is selected by default for the subledger application. It can't be changed.

- Input Source. Search for and select Distribution Type, the one that's associated with the Revenue Transfer event class.
- Chart of Accounts. Select the chart of accounts associated with the primary ledger of the joint venture, which is HEPPLedger in this example.
- Mappings. Add a row to map the revenue distribution type R to the cutback account, which is 49999 in the example. Also, if you're using manual revenue joint venture source transactions, you'll need to add a row to map distribution type V to a cutback account.

In the setup shown in this example, distributions with a value of R will output a value of 49999 for the HEPPAccount segment.

Set Up the Joint Ventures Subledger for Partner Contribution Close and Transfer Transactions

Set up the Joint Ventures Subledger to manage partner contribution close and transfer transactions.

Derive Partner Contribution Accounts for Journal Entries Created to Close Partner Contributions

Journal entries created to close partner contributions include three journal lines:

- A credit to the agreement default charge account if an agreement default charge applies
- A credit to the account to which you want to hold the balance to be refunded
- A debit to the joint venture's partner contribution account for the open amount in the partner contribution

To derive the accounts for these journal lines, create a copy of the Partner Contribution Close journal entry rule set. This journal entry rule set includes these predefined journal lines as shown in the following image:

- The credit journal line for recording the agreement default charge, which is assigned the Agreement Default Charge Acct account rule
- The credit journal line for recording the refund amount, which is assigned two account rules: From Partner Contribution Account and From Stakeholder Cost Center
- The debit journal line for recording the open amount, which is assigned the From Partner Contribution Account account rule

Journal Lines

View Freeze Detach

* Line Type	Accounting Class	Account Combination Rule	* Journal Line Rule	Primary Balancing Segment	Cost Center Segment
Credit	Joint Venture Agreement Default Charge	Agreement Default Charge Acct	Close Partner Contribution Agreement Default Ch...		
Credit	Joint Venture Partner Contribution Refund	From Partner Contribution Account	Close Partner Contribution Refund		From Stakeholder Cost Center
Debit	Joint Venture Partner Contribution Balance	From Partner Contribution Account	Close Partner Contribution Balance		

Subledger accounting uses the “From Partner Contribution Account” and “Agreement Default Charge Acct” account rules to retrieve the joint venture partner contribution account and the agreement default charge account, respectively, from partner contributions. It uses the “From Stakeholder Cost Center” account rule to retrieve the stakeholder's cost center to which the balance will be refunded.

You can use your copy of this journal entry rule set as is, or you can modify it to meet your needs. For example, to record the refund amount to a different segment, you can create an account rule to override that segment.

Derive Partner Contribution Accounts for Journal Entries Created to Transfer Partner Contributions

Journal entries created to transfer partner contributions include the following journal lines:

- A credit to the account of the partner contribution to which the open amount is transferred
- A debit to the account of the partner contribution from which the open amount is transferred

To derive the accounts for these journal lines, create a copy of the Partner Contribution Transfer journal entry rule set to use for your configuration. Or you can modify your copy to meet your business needs.

This journal entry rule set includes these predefined journal lines as shown in the following image:

- The credit journal line for recording the open amount transfer to the receiving partner contribution, which is assigned the Receiving Partner Contribution Account account rule.
- The debit line for recording the open amount transfer from the source partner contribution, which is assigned the From Partner Contribution Account account rule.

Journal Lines

View + × 🔍 Freeze Detach				Segment Rules					Line Description Rule
* Line Type	* Journal Line Rule	Accounting Class	Account Combination Rule	HEPPC	HEPPCostcenter	HEPPAccount	HEPPInter	Future01	
Credit	Transfer To Partner Contribution	Joint Venture R...	Receiving Partner Contribu	▼	▼	▼	▼	▼	Partner Contribution Trans
Debit	Transfer From Partner Contribution	Joint Venture Fr...	From Partner Contribution	▼	▼	▼	▼	▼	Partner Contribution Trans

Notice that the Line Description Rule column is assigned a rule in both the lines. This description rule will retrieve and display the following information in the debit and credit lines of each transfer journal entry: joint venture name, stakeholder name, and partner contribution start date of the source and receiving partner contributions.

Set Up the Joint Ventures Subledger for Statistical Journal Entries

Set up the Joint Ventures subledger to enable the accounting of statistical journal entries for operational measures recorded in Oracle Joint Venture Management.

This setup involves creating a copy of the following provided setups and configuring them for your implementation. The provided setups include predefined values to help derive the accounts for statistical journal entries in Subledger Accounting.

- Operational Measure Account mapping set.

Use a copy of this mapping set to map statistical journal entries for operational measures to one or more accounts in Subledger Accounting and the General Ledger. You must determine which accounts to use before you can set up the mappings. See “Identify Accounts for Statistical Journal Entries” below for more information.

- Operational Measure Account account rule.
Use a copy of this account rule and configure it to point to the mapping set.
- Operational Measure journal entry rule set
Use a copy of this journal entry rule set and configure it to point to the account rule.

To complete this setup, identify the accounting method of the ledger for recording statistical journal entries and configure it with the copy of the operational measure journal entry rule set. You can record statistical journal entries for operational measures in the same ledger used for your joint venture or in a different ledger.

Identify Accounts for Statistical Journal Entries

When deciding which statistical accounts you will use for your measure types, you need to consider these factors:

- How operational measures are configured in Joint Venture Management
- How the statistical journal entries will be used.

Joint Venture Management stores operational measures by measure type, which defines the unit of measure for each recorded operational measure. To map statistical journal entries for operational measures to accounts in Subledger Accounting, you set up mappings by measure type in the Joint Ventures subledger.

The following table shows an example of mappings for four different measure types. Notice that each measure type is mapped to a unique account.

Input - Measure Type	Output - Account
WATERUSAGE	11-1001-52210-11-0001
ELECTRICITYUSAGE	11-1001-52211-11-0001
EQUIPMENTUSAGE	11-1001-52212-11-0001
EMPLOYEEHOURS	11-1001-52213-11-0001

Notice that these mappings are irrespective of the joint venture that the statistical journal entries are associated with. But you also have the option to set up mappings by measure type and joint venture, as shown in this example:

Input - Measure Type	Input - Joint Venture
WATERUSAGE	JVPERMIANBASIN
ELECTRICITYUSAGE	JVPERMIANBASIN
EQUIPMENTUSAGE	JVPERMIANBASIN
EMPLOYEEHOURS	JVPERMIANBASIN
WATERUSAGE	JVNORTHWESTTERRITORY
ELECTRICITYUSAGE	JVNORTHWESTTERRITORY
EQUIPMENTUSAGE	JVNORTHWESTTERRITORY
EMPLOYEEHOURS	JVNORTHWESTTERRITORY

A further consideration for deriving the accounts is based on the setup of measure types in Joint Venture Management. A measure type can be set up to require a primary segment value for all operational measures added for the measure type. A primary segment value can denote transactions for a specific entity, activity, or project in a joint venture.

You can see how these options can factor into your decision making for deriving accounts to store statistical journal entries according to your business needs. For example, you might need only a single account to store statistical journal entries for all your joint ventures. Or you might need multiple accounts to store statistical journal entries by joint venture or by a particular entity, activity, or project.

Configure a Mapping Set

Copy and rename the provided Operational Measure Account mapping set, which is used by the account rule to derive the account for statistical journal entries.

1. In the Joint Venture Management functional area in Setup and Maintenance, select Show – All Tasks and then click the Manage Mapping Sets task.
2. Select the Operational Measure Account row and then click Duplicate to create your own copy.

The mapping set contains the Measure Type Short Name input source. Use this input source to map each measure type that you set up for operational measures to the account or accounts set up for statistical journal entries for operational measures. You can also create an additional input source if you want to store statistical journal entries by joint venture and measure type, instead of by measure type only.

The following image shows an example of a mapping set configured for this purpose:

<insert statistical-journal-entry-mapping-set image here>

3. Specify these values in your mapping set:
 - Input Source. The Measure Type Short Name input source is provided to create mappings by measure type. If desired, you can set up another input source to create mappings by measure type and joint venture. For example, you could add an input source named “Joint Venture Short Name” for this purpose.
 - Chart of Accounts. Select the chart of accounts associated with the ledger that contains the account or accounts that were set up for statistical journal entries, which is HEPPLedger in this example.
 - Mappings.

If you’re using the Measure Type Short Name input source only, map each measure type to an account:

- For the input, enter the measure type.
- For the output, enter the account combination to identify the account.

The preceding image shows an example of account mappings for HOURS and MILES measure types.

If you’re mapping accounts by measure type and joint venture, add rows to map each account:

- For the input, enter the measure type and joint venture.
- For the output, enter the account combination to identify the account.

Configure an Account Rule for the Mapping Set

Copy and rename the provided Operational Measure Account account rule and then configure it to point to the mapping set that you configured in the preceding task.

1. In the Joint Venture Management functional area in Setup and Maintenance, select Show – All Tasks and then click the Manage Account Rules task.
2. Select the Operational Measure Account row and click Duplicate to create your own copy, specifying the same chart of accounts that you selected for the mapping set.
The following image shows an example of an account rule named HEPPOperationalMeasureAccountRule. Notice that the Rule Type is automatically set to Account combination. This value can't be changed.
<insert statistical-journal-entry-account-rule image here>
3. As shown in the example, add a row to specify the mapping set that you created in the preceding task:
 - o Value Type. Select Mapping Set.
 - o Value. Select the mapping set that you created in the preceding task.

CAUTION: Make sure to select the new mapping set that you created from a copy of the provided mapping set. Do not select the provided mapping set.

Add the Account Rule to a Copy of the Provided Operational Measure Journal Entry Rule Set

Copy and rename the provided Operational Measure journal entry rule set, and then configure it with the account rule that you set up in the preceding task.

If measure types are set up in Joint Venture Management to require the identification of a primary segment value for operational measures, you can configure the subledger journal entry rule set to use the primary segment value to derive the accounts for statistical journal entries. The primary segment value in an operational measure can be used to record statistical journal entries by joint venture or by a particular entity, activity, or project with a joint venture.

1. In the Joint Venture Management functional area in Setup and Maintenance, select Show – All Tasks and then click the Manage Subledger Journal Entry Rule Sets task.
2. Select the Operational Measure row and click Duplicate to create your own copy, specifying the same chart of accounts that you selected for the mapping set.
You must save and close it and then return to the edit page to configure it.
3. Reassign the Operational Measure journal line rule to the account rule you created in the preceding task.
The provided subledger journal entry rule set includes a predefined journal line rule named Operational Measure, which by default is mapped to the provided Operational Measure Account account rule. You must reassign the journal line rule to the account rule you created in the preceding task.
4. If measure types in Joint Venture Management are set up to require a primary segment value in operational measures, you can configure segment rules to overwrite a segment value in the account with the primary segment value from operational measures.
 - a. In the Segment Rules columns, determine the column that represents the primary segment for all your joint ventures.
 - b. In the column, select Measure Primary Segment Value.
5. Save the journal entry rule set and then return to the “Manage Subledger Journal Entry Rule Sets: Joint Ventures” page and activate it.

Configure the Accounting Method

Identify the accounting method of the ledger to be used for the statistical journal entries and configure it with the journal entry rule set.

1. In the Joint Venture Management functional area in Setup and Maintenance, select Show – All Tasks and then click the Manage Accounting Methods task.
2. Select the accounting method for the primary ledger of your joint ventures and click Edit.
3. On the Joint Ventures tab under Journal Entry Rule Set Assignments, click Add Row and complete these fields:
 - o Event Class. Select Operational Measure.
 - o Event Type. Select All.
 - o Rule Set. Select the journal entry rule set that you created in the preceding task.
4. Click Save and Close.

The following image shows an example of an account method named HEPP_Accounting with the HEPP - Operational Measure journal entry rule set assigned to the Operational Measure event class.

*** Name** HEPP_ACCOUNTING **Status** Active

Short Name HEPP_ACCOUNTING **Created By**

Description Accounting Method For Joint Venture **Creation Date** 06/26/2020 7:32 AM

Chart of Accounts HEPPLedger **Last Updated By**

Last Update Date 01/18/2022 9:35 PM

Journal Entry Rule Set Assignments

Status Active

View **Freeze** **Detach**

* Event Class	* Event Type	* Rule Set	Status	Effective Start Date	Effective End
Operational Measure	All	HEPP - Operational Measure	Active	mm/dd/yyyy	mm/dd/yyyy
Cost Transfer	All	JV Cost Transfer	Active		
Revenue Transfer	All	JV Revenue Transfer	Active		

5. To complete the setup, run the Update Subledger Application Options program. You must run this program before you can create any events for operational measure statistical journal entries.

Set Up the Joint Ventures Subledger for Carried Interest Journals

Set up the Joint Ventures subledger to support the creation of the following journal entries:

- Carried interest journals for costs
- Carried interest journals for revenue

This setup enables the creation of carried interest journals for consenting stakeholders that are carrying costs and revenue for nonconsenting stakeholders in a carried interest agreement. The creation of carried interest journals for consenting stakeholders is an optional configuration that joint venture accountants can choose to enable for a

consenting stakeholder when setting up a carried interest agreement in Oracle Joint Venture Management. For more information about setting up a carried interest agreement, see [About Carried Interest Agreements, Penalties, and Payout](#).

Setup for Carried Interest Journals Related to Costs

The accounting of carried interest journals for costs requires the following accounts:

- **Carried interest accounts**
Cost amounts from carried interest journals are entered as a debit to these accounts. These accounts are the accounts used by the managing partner to account for the costs being carried for nonconsenting stakeholders.
- **Cutback accounts**
Cost amounts from carried interest journals are entered as a credit to cutback accounts for the joint venture. Capturing these amounts in cutback accounts enables a managing partner of a joint venture to report on its actual costs excluding costs being carried for nonconsenting stakeholders.
- **Accounts for overhead charges**
For overhead charge amounts, instead of a cutback account, you need to account the carried amount against either a cost recovery or revenue account. This depends on how you've set up overhead accounts on either receivables invoices or internal transfer journals.

Derive Carried Interest Accounts for Cost Amounts

When creating a carried interest agreement, a joint venture accountant has the option to set up a consenting stakeholder with the "Create carried interest journals" option. When this option is enabled, a field appears to specify a carried interest account for the carried interest journals. See [Add a Stakeholder Group](#) for more information.

Carried interest accounts reside in the primary ledger of the business unit associated with a joint venture.

This functionality relies on the provided Carried Interest Cost journal entry rule set, which you must copy and rename for your configuration. The rule set includes the Carried Interest Cost account rule which retrieves the carried interest account specified for the consenting stakeholder in the carried interest agreement. The account rule requires no additional configuration. Use a copy of the rule set to derive both carried interest accounts and cutback accounts.

To copy and rename the provided journal entry rule set:

1. In the Joint Venture Management functional area in Setup and Maintenance, select Show – All Tasks and then click the Manage Journal Entry Rule Sets task.
2. Select the Carried Interest Cost journal entry rule set and then click Duplicate to create your own copy.

Derive Cutback Accounts for Carried Interest Cost Amounts

Carried interest journals for costs include lines with distribution amounts that can be from different transaction sources. For each line, an invoice distribution is created in the Revenue accounting class using the original account of the source transaction. You can use this account for the cutback account, or you can define a different cutback account to use for each transaction source. The transaction sources can include:

- Cost transactions in subledger accounting and general ledger (distribution types E, A, or B)
- Manual cost joint venture source transactions created in Oracle Joint Venture Management (distribution type S)
- Overhead transactions generated by Joint Venture Management (distribution types H or F)

Determine the Cutback Account for Carried Interest Costs that Originate from Subledger Accounting, General Ledger, or Manual Joint Venture Source Transactions

Here are your options for the cutback account for distributed carried interest costs that originate from general ledger, subledger accounting, or manual joint venture source transactions:

Cutback Account Option	Business Purpose	Implementation Action
Use the account on the source transaction.	With this option, the balance of the accounts from the source transaction will contain the net amount for the managing partner.	This option is enabled by default. Caution: If you use this option, when users set up joint venture definitions, they must enable the “Exclude joint venture transactions” option. This prevents these transactions from being identified and processed by Oracle Joint Venture Management. See <i>Exclude Joint Venture Invoices and Journals from Oracle Joint Venture Management</i> for more information.
Use a different account than the account on the source transaction.	With this option, all balances of the accounts from the source transaction will contain the gross amount for the joint venture.	Set up subledger accounting rules to override the source transaction account with <i>Subledger Accounting Rules to Derive the Cutback Account for Carried Interest Costs</i>. Caution: If you use this option, when users set up joint venture definitions, they must perform the following actions: • Enable the “Exclude joint venture transactions” option in each joint venture. • When identifying distributable accounts for the joint venture, they must make sure the accounts are included in the list of distributable accounts.

Determine the Cutback Account for Carried Interest Costs that Originate from Overhead Transactions Generated by Oracle Joint Venture Management

Cutback Account Option	Business Purpose	Implementation Action
Use the account on the overhead transaction.	You want to use the cost recovery or revenue account defined on the overhead method. You don’t need to specify a different account.	When setting up an overhead method for a joint venture, a joint venture accountant specifies the account for the cutback account. This is the account for the cutback amounts for the managing partner. This account can be a cost account or a revenue account. Caution: If you use this option, the cost recovery or revenue account on the overhead method should not be a cost account or a revenue account.
Use a different account than the account on the overhead transaction.	This option provides the flexibility to use subledger accounting rules to determine the cutback account.	Set up subledger accounting rules to override the source transaction with a different account. See <i>Subledger Accounting Rules to Derive the Cutback Account for Carried Interest Costs</i> for more information. Caution: If you use this option, the cost recovery or revenue account on the overhead method should not be a cost account or a revenue account.

Cutback Account Option	Business Purpose	Implementation Action

Use Subledger Accounting Rules to Derive the Cutback Account for Carried Interest Cost Amounts

This topic provides examples of how to use subledger accounting rules to override the following accounts with a different account:

- The account on the source transaction originating from subledger accounting, the general ledger, and manual joint venture source transactions
- The account on joint venture overhead transactions

Example of Subledger Accounting Rules to Override the Account from Subledger Accounting, General Ledger, and Manual Joint Venture Source Transactions

For this setup, use your copy of the provided Carried Interest Cost journal entry rule set to set up subledger accounting rules to override the account from the source transaction. You can override any segment in the account such as the natural account segment or the cost center segment.

Here are the tasks that you need to perform, followed by an example of a mapping set for mapping costs in carried interest journals to cost cutback accounts:

1. Identify cost cutback accounts.
2. Create a mapping set to map the following distribution types from carried interest journals to the cutback accounts:
 - A - Assets
 - B - Billable Assets
 - E - Expenses
 - S - Manual cost joint venture source transactions created in Joint Venture Management
3. Create an account rule for the mapping set.
4. Add the account rule to your copy of the provided Carried Interest Cost journal entry rule set.

Make sure to add the account rule to the column representing the natural account segment of the chart of accounts.

5. Assign the journal entry rule set to the accounting method in the primary ledger of the joint venture.

When you add a row for assigning the journal entry rule set, make sure to select Carried Interest Cost for the event class and All for the event type.

6. To complete the setup, you must run the Update Subledger Application Options program before creating any events for the primary ledger and Joint Ventures application.

The following image shows an example of a mapping set for overriding the account from subledger accounting, general ledger, and manual transactions. The purpose of the mapping set is to replace the natural account segment in the account from the transaction.

Output Type Segment
Subledger Application Joint Ventures
Last Update Date 7/17/25 2:38 PM

Input Sources

View ▾

Numbe	Input Source	Value Set	Lookup Type	Segment
1	Distribution Type			

Chart of Accounts

View ▾ + ×

Chart of Accounts	Segment
HEPPLedger	HEPPAccount

HEPPLedger: Mappings

When entering Input values, enter a value, an asterisk to represent any value, or leave blank for no value.

View ▾ + × Export ▾ Import Set Default Detach

Default	Input	Output	Effective Start Date	Effective End Date
	Distribution Type	HEPPAccount		
	A	17999		
	B	17999		
	E	59999		

As shown in the example, make sure to specify these values in your mapping set:

- Output Type. Select Segment.

Note: When you access Create Mapping Sets from the Joint Venture Management functional area, Joint Ventures is selected by default for the subledger application. You can't change this value.

- Input Source. Search for and select Distribution Type, the one that's associated with the Cost Transfer event class.
- Chart of Accounts. Select the chart of accounts associated with the primary ledger of the joint venture, which is HEPPLedger in this example.
- Mappings. Add mappings for each distribution type. The example shows the mapping for each type of distribution:
 - Distribution type A (Asset) to cutback account 17999 (JV Capital Cutback)
 - Distribution type B (Billable Asset) to cutback account 17999 (JV Capital Cutback)
 - Distribution type E (Expense) to cutback account 59999 (JV Expense Cutback)

In this example, carried interest distributions with a value of A will output a value of 17999 for the HEPPAccount segment. Likewise, carried interest distributions with a value of B will output 17999 and distributions with a value of E will output 59999. Also, if you're using manual costs, you'll need to add a row for the cutback account for manual costs, which is distribution type S.

Example of a Mapping Set to Override the Account from Joint Venture Overhead Transactions

For carried interest journals with overhead charges, instead of a cutback account, you need to account for overhead amounts in a separate cost recovery or revenue account, depending upon your business needs.

To derive the accounts, perform the same tasks that you would to derive a cutback account. When you set up a mapping set, map the following carried interest distribution types from carried interest journals to the cost recovery or revenue account:

- Carried interest distribution type F (Fees and other charges)
- Carried interest distribution type H (Overhead)

Setup for Carried Interest Journals Related to Revenue

The accounting of carried interest journals for revenue requires the following accounts:

- Carried interest accounts

Revenue amounts from carried interest journals are entered as a credit to carried interest accounts. These accounts are the accounts used by the managing partner to account for revenue being carried for nonconsenting stakeholders.

- Revenue cutback accounts

Revenue amounts from carried interest journals are entered as a debit to cutback accounts for the joint venture. Capturing these amounts in cutback accounts enables a managing partner to report on its actual revenue excluding revenue being carried for nonconsenting stakeholders.

Derive Carried Interest Accounts for Revenue Amounts

Similar to how you derive carried interest accounts for recording cost amounts in carried interest journals, you must derive carried interest accounts for recording revenue amounts. Lines within carried interest journals for revenue are entered as a credit to these accounts.

For this configuration, you must copy and rename the provided Carried Interest Revenue journal entry rule set. This rule set includes the Carried Interest Account account rule to retrieve the carried interest account for the consenting stakeholder. The account rule requires no additional configuration.

To copy and rename the provided Carried Interest Revenue journal entry rule set:

1. In the Joint Venture Management functional area in Setup and Maintenance, select Show – All Tasks and then click the Manage Journal Entry Rule Sets task.
2. Select the Carried Interest Revenue journal entry rule set and then click Duplicate to create your own copy.

Derive Cutback Accounts for Carried Interest Revenue Amounts

Cutback accounts are accounts in your general ledger for posting amounts from carried interest journals for revenue.

Carried interest journals for revenue include lines with distributed revenue amounts. For each line, an invoice distribution is written to the original account of the source transaction. You can use this account for the cutback account or you can specify a different account to use. The transaction sources for revenue can include:

1. Revenue transactions in subledger accounting and general ledger (distribution type R)

2. Manual joint venture source transactions for revenue created in Joint Venture Management (distribution type V)

Here are your options for determining the cutback account for carried interest journals with distributed revenue amounts.

Cutback Account Option	Business Purpose	Implementation Action
Use the account on the source transaction.	With this option, the balance of the accounts from the source transaction will contain the net amount for the managing partner.	This is the default behavior. If you use this option, when users set up joint venture definition “Exclude joint venture transactions” option. This prevents these identified and processed by Joint Venture Management. See <i>Exclude Joint Venture Transactions and Journals from Oracle Joint Venture Management Processing</i>.
Use a different account than the account on the source transaction.	With this option, all balances of the accounts from the source transaction will contain the gross amount for the joint venture.	Set up subledger accounting rules to override the source transaction account. See <i>Use Subledger Accounting Rules to Derive Cutback Accounts for Carried Interest Journals with Revenue Amounts</i> for more information. If you use this option, when users set up joint venture definition of the following actions: • Enable the “Exclude joint venture transactions” option in e • When identifying distributable accounts for the joint venture partner account isn’t included in the list of distributable ac

Use Subledger Accounting Rules to Derive Cutback Accounts for Carried Interest Journals with Revenue Amounts

This topic describes how to use subledger accounting rules to override the source transaction account with a different account.

For this setup, use your copy of the Carried Interest Revenue journal entry rule set to set up subledger accounting rules to override the account from the source transaction. Here are the tasks that you need to perform, followed by an example of a mapping set for mapping revenue in carried interest journals to revenue cutback accounts:

1. Identify revenue cutback accounts.
2. Create a mapping set to map the following distribution types from internal transfer journals to the cutback accounts:
 - R – Revenue
 - V – Manual revenue joint venture source transactions created in Joint Venture Management
3. Create an account rule for the mapping set.
4. Add the account rule to your copy of the provided Carried Interest Revenue journal entry rule set.
5. Assign the journal entry rule set to the accounting method in the primary ledger of the joint venture.

When you assign the journal entry rule set to the accounting method, you must select Carried Interest Revenue for the event class.

6. To complete the setup, run the Update Subledger Application Options application before creating any events for the primary ledger and Joint Ventures application.

The following image shows an example of a mapping set for overriding the account from the source transactions for the revenue distribution types. The purpose of the mapping set is to replace the natural account segment on the transaction with the cutback account.

Output Type Segment Last Update Date 7/14/23 7:35 AM
Subledger Application Joint Ventures

▲ Input Sources

View ▼

Numbe	Input Source	Value Set	Lookup Type	Segment
1	Carried Interest Distribution Type			

▲ Chart of Accounts

View ▼ + ×

Chart of Accounts	Segment
HEPPLedger	HEPPAccount

HEPPLedger: Mappings

When entering Input values, enter a value, an asterisk to represent any value, or leave blank for no value.

View ▼ + × Export ▼ Import >> Detach

Default	Input	Output	Effective Start Date	Effective End Date
	Carried Interest Distrib	HEPPAccount		
R		49999		
V		49999		

As shown in the example, specify these values in your mapping set:

- Output Type. Select Segment.
- Note:** When you access Create Mapping Sets from the Joint Venture Management functional area, Joint Ventures is selected by default for the subledger application. It can't be changed.
- Input Source. Search for and select Carried Interest Distribution Type, the one that's associated with the Carried Interest Revenue event class.
- Chart of Accounts. Select the chart of accounts associated with the primary ledger of the joint venture, which is HEPPLedger in this example.
- Mappings. Add a row with the following values to map the revenue transaction type from carried interest journals to the cutback account:
 - Input. For Carried Interest Distribution Type, enter R for Revenue.
 - Output. For the natural account segment, select the cutback account. In this example, the natural account segment is HEPPAccount and the cutback account is 49999.

Also, as shown in the preceding example, if you're using manual revenue joint venture source transactions, you'll need to add a row to map distribution type V to the cutback account.

10 Configure Joint Venture System Options

About Joint Venture System Options

Use Joint Venture System Options to set up certain features and functionality in Oracle Joint Venture Management.

A joint venture application administrator can configure the Joint Venture System Options, which is typically a one-time setup.

The Joint Venture System Options application displays system options in two categories—General information and Project information. You can set up the system options directly in the application or you can enter the system options in a spreadsheet and upload them. The following tables describe the purpose of the system options and provide links to instructions on how to configure them.

Note: “Project information” system options are displayed only if you’ve enabled the Oracle Project Management solution in Oracle Fusion Cloud ERP.

General Information System Options

System Option	Purpose	More Information
Primary segment	This system option identifies the primary segment label that's used to manage transactions for all your joint ventures.	See Before You Create Joint Venture Definitions .
Transaction date references and Transaction date defaults	These system options are used to identify the sources of the transaction date in subledger accounting and general ledger transactions, which is an optional configuration. Before you configure these system options, you must set up Oracle Fusion Cloud Financials to capture the transaction date in subledger accounting and general ledger journals.	See About Identifying a Transaction Date for Processing Joint Venture Transactions .
Joint interest billing report email options	These system options are used to specify the email subject and email message body for joint interest billing reports delivered through email.	See Set Up Email Information to Deliver Joint Interest Billing Reports .
Features: - Carried interest - Stakeholder reporting	These options are for enabling carried interest and stakeholder reporting features in Joint Venture Management.	See these topics: About Carried Interest Agreements, Penalties, and Payout Financial Reporting by Joint Venture Stakeholder Setup

Project Information System Options

The following table describes the system options that are applicable only to a Joint Venture Management integration with Oracle Project Costing:

System Option	Purpose	More Information
Project references	These system options are used to capture project information in subledger accounting journals. This enables Joint Venture Management to identify project-related transactions and display the project details in the Joint Venture Transactions and Joint Venture Distributions work areas. This set of system options also includes an option to exclude project-related transactions identified as “not distributable” from being processed by Joint Venture Management.	See: • <i>Set Up Supporting References to Capture Project Details in Subledger Accounting Journals</i> • <i>Specify the Supporting References with Project Details in the Joint Venture System Options</i> • <i>Exclude Project-Related Transactions that Aren't Distributable from Displaying in Oracle Joint Venture Management</i>
Project overrides	These system options enable you to set up overrides for the task and expenditure type in all cost adjustments sent to Project Costing. This enables project accountants to budget and forecast on net costs, gross costs, or both. They can use this information to correctly calculate the capitalizable amount.	See <i>Set Up Project Overrides for Cost Adjustments</i>.

11 Set Up Invoicing Partners

About Invoicing Partners

When you set up a joint venture in Oracle Joint Venture Management, you add the partners in the joint venture as stakeholders. For each stakeholder that you want to invoice for their share of costs and revenue, you need to create an invoicing partner.

Setting up invoicing partners separately enables you to add the same partner as a stakeholder in multiple joint ventures.

Note: If you want to create journal entries for a stakeholder instead of invoices, you don't need to set up an invoicing partner for the stakeholder.

You typically set up an invoicing partner for a stakeholder that's external to the managing partner's organization. But you can also set up an invoicing partner for a stakeholder that's internal to the organization and operates under a different cost center or primary segment value than the managing partner.

An invoicing partner includes the following details:

- A business unit

The business unit must match the business unit that's associated with the joint venture.

- Customer information, supplier information, or both

The customer information is used to create invoices for distributing costs. The supplier information is used to create invoices for distributing revenue. The customer and supplier information must be from the same business unit that's associated with the invoicing partner.

- Currency override

You have the option to include a currency override if the partner's currency is different than the managing partner's currency. This enables Joint Venture Management to create invoices in the partner's currency.

- Billing information

You can include information for creating joint interest billing reports. You can set up a report template and output format that can be used to create and print reports for all the stakeholders associated with an invoicing partner.

The Invoicing Partners work area provides visual indicators to alert you to invoicing partners that are missing required details. You can place your cursor over an alert to view the remaining tasks to complete for the invoicing partner.

Invoicing Partner Setup for Nonoperated Joint Ventures

If you're a partner in a joint venture that you don't operate and you want to create payables invoices to pay the managing partner for your share of the joint venture costs, you must set up an invoicing partner for yourself and for the managing partner. See [About Nonoperated Joint Ventures](#).

Invoicing Partner Statuses

An invoicing partner has the following statuses:

- **Pending.** The initial status when you set up an invoicing partner.
- **Active.** After adding the required details, you need to change the status of an invoicing partner to Active to be able to associate it with a stakeholder in a joint venture.

You can also set up user-defined statuses for invoicing partners according to your business need.

You can update the details of an invoicing partner regardless of its status.

Before You Add Invoicing Partners

Joint venture application administrators with an additional security setup can add invoicing partners. Contact your administrator to make sure that your user profile is set up correctly. See [About Oracle Joint Venture Management Users and Security](#) for more information.

Ensure that customers, suppliers, and business units that you associate with invoicing partners are set up properly:

- For customers, make sure that the tax registration number, receipt method, and contact information are included in the customer profile. The Create Invoicing Partner page can't display a customer if this information isn't part of the customer profile. See [Customer Account Information](#) for more information.
- For suppliers, make sure that contact information is included in the supplier profile. The Create Invoicing Partner page can't display a supplier if this information isn't part of the supplier profile. See [Supplier Profiles](#) for more information.
- In the business unit setup, you must assign the appropriate reference data set to the customer account relationship and customer account site reference data objects. See [Reference Data Sets](#) for more information.
- The list of business units that a user can choose from when creating an invoicing partner displays only the business units that the user is authorized to manage through data security. See [Set Up Data Security for Oracle Joint Venture Management](#) for more information.
- Before you add customer information for an invoicing partner, make sure that the Receiving option is enabled for the business unit that you associate with the invoicing partner. You enable this option in the Business Unit Functions page for the business unit. You can create accounts receivable invoices for joint venture partners only when the Receiving option is enabled for the related business unit. See [Business Functions](#) for more information.

Add an Invoicing Partner

These steps describe how to add invoicing partners one at a time in the Joint Venture Invoicing Partners application. You can also use a Microsoft Excel spreadsheet to add and manage invoicing partners.

To add an invoicing partner:

1. Navigate to Setup and Maintenance and select the Joint Venture Management functional area under the Financials offering.
2. Click the Manage Invoicing Partners task.
3. On Invoicing Partners, click Add.

Or click Manage in Excel and use the spreadsheet to add multiple invoicing partners. The spreadsheet contains instructions on how to complete the columns, which reflect the fields in the user interface and include a list of values for fields when applicable.

4. On New Invoicing Partner, enter the following details:
 - Invoicing Partner Name. Use all upper case characters and no spaces. If you don't, the application will automatically adjust the name according to the naming convention.
 - Business Unit. Begin entering the name of the business unit until it appears in the list, and then select it.
 - Description.
 - Status. The default is Pending. You must change it to Active before you can add the invoicing partner as a stakeholder in a joint venture.

Note: You can't change the status to Active until you add a business unit and customer or supplier information.

5. To enter customer information, complete these fields:
 - Customer. Enter the first three characters of the customer name and then select it from the list.
 - Customer Site. Select if available.

The application displays the tax registration number and party number for the customer, if available.

6. To enter supplier information, complete these fields:
 - Supplier. Begin entering the name of the supplier until it appears in the list for you to select.
 - Supplier Site. Select if available.

The application displays the tax registration number and party number associated with the supplier, if available.

7. If you want to use a different currency for the invoices generated for the stakeholders associated with this invoicing partner, select the currency in the Invoice Currency Override field. If needed, you can also override this currency in the Stakeholders work area.
8. To enter information for joint interest billing report, complete these fields:
 - Joint Interest Billing Report Template. Enter the name of the report template that you want to use for printing the joint interest billing report for stakeholders associated with this invoicing partner. This report template must exist in the BI Publisher catalog for Joint Venture Management. The name of the predefined template for stakeholders is "Joint Interest Billing For Stakeholder."
 - Joint Interest Billing Report Output Format. Select the output format to print the joint interest billing report for the stakeholder.
9. Submit the invoicing partner to save it and return to the invoicing partners page.

Activate an Invoicing Partner

You must activate an invoicing partner before you can add it as a stakeholder in a joint venture.

Make sure that the invoicing partner is associated with a business unit and includes customer information, supplier information, or both, before you make it active.

After changing the status of an invoicing partner to Active, you can't change it back to Pending or any user-defined status.

1. In the Invoicing Partners work area, open the invoicing partner that you want to activate.
2. On Edit Invoicing Partner, change the status to Active.
3. Save the invoicing partner.

12 Create Joint Venture Definitions

What Is a Joint Venture Definition?

A joint venture definition contains the information Oracle Joint Venture Management uses to process financial transactions associated with a joint venture. You create a joint venture definition for each of your joint ventures.

A joint venture definition includes the following details:

- Identification of distributable accounts, the accounts that contain the joint venture transactions to be distributed among partners. These transactions are in Subledger Accounting and the General Ledger.

You can also set up a joint venture definition to distribute transactions related to specific projects. See *Identify Distributable Transactions by Project Information* for more information.

- Identification of distribution only accounts. Distribution only accounts contain transactions that aren't directly related to costs or revenue. These transactions are split to create distributions, but the distributions aren't invoiced to stakeholders.
- Invoicing details, such as minimum thresholds for invoice creation, default accounts for Receivables and Payables, and invoice netting options.
- Identification of billable asset accounts. You can identify a subset of distributable asset accounts that contain transactions for billable assets.
- Stakeholders. The partners in a joint venture. You can also include interested stakeholders, which are stakeholders that don't share in financial transactions but participate for information or oversight purposes.
- Ownership definitions that define the percentage of ownership for each type of transaction for each stakeholder in the joint venture. Joint Venture Management uses the ownership definition to calculate each stakeholder's share of transactions. You can have multiple ownership definitions, and you have the option to designate one as the default.
- Classification of the joint venture. If you're the managing partner in the joint venture, you classify the joint venture as Operated. Otherwise, you classify it as Nonoperated. This helps you identify your role in the joint venture and use this information for invoicing, reporting, and auditing purposes.

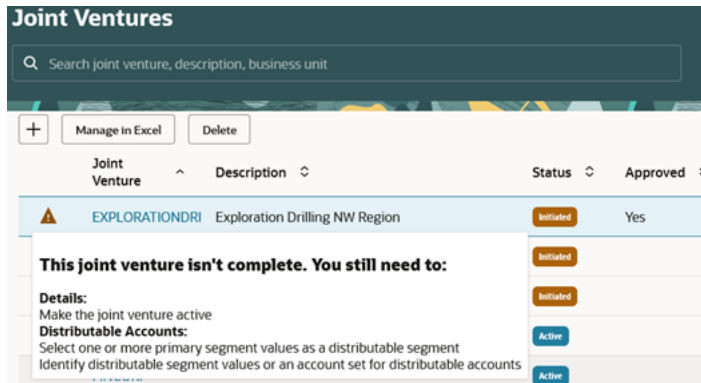
Note: The setup described here pertains to the managing partner or operator of a joint venture. If you're not the managing partner, and you want to set up a joint venture definition to re-create and track your portion of a joint venture as a nonoperator, see *Set Up a Nonoperated Joint Venture Definition*.

- The legal entity to which you account the invoices and journals generated for the joint venture.
- Optional approval information. You can enter an approval of the joint venture definition if your business process requires an approval before activation.
- Attachments to provide supplementary information at the joint venture, stakeholder, and ownership definition level. These can be supporting documents for joint operating agreements, such as signed contracts, emails, and statements of direction.

Monitor Your Progress with Alerts and Dashboards

The Joint Ventures work area provides visual indicators to alert you to joint venture definitions that aren't fully defined. Place your cursor over an alert to view the remaining tasks that need to be completed for the joint venture.

The following example shows an alert with a list of tasks that must be performed to complete a joint venture definition. It shows that the user still needs to complete the distributable account information before the joint venture can be made active.



A joint venture accounting manager can use the Joint Venture Accounting Manager Dashboard to monitor additional joint venture data. The dashboard provides charts that display metrics about your joint ventures and their associated transactions and distributions. See [About the Joint Venture Accounting Manager Dashboard](#) for more information.

Before You Create Joint Venture Definitions

In the Joint Venture System Options, a joint venture application administrator must specify the label of the segment in the Oracle Fusion Cloud Financials chart of accounts where transactions for all your joint ventures are managed.

This segment label is referred to as the primary segment label in the Joint Venture System Options. By default, Oracle Joint Venture Management uses the segment associated with the Cost Center Segment label. If transactions for your joint ventures are managed under a segment with a different segment label, you need to enter the name of the segment label in the Joint Venture System Options.

A joint venture definition uses account combinations made up of values from the primary segment and other segments to identify the accounts in Oracle Financials that contain the transactions for a joint venture.

CAUTION: It's difficult to change the primary segment label after joint venture definitions have been created. You would first need to remove the identification of accounts from existing joint venture definitions. After changing the primary segment label, you would then need to update each joint venture definition with account combinations that use the values from the updated primary segment label.

To identify the primary segment:

1. Navigate to Setup and Maintenance and select the Joint Venture Management functional area under the Financials offering.

2. Select the Manage Joint Venture System Options task.
3. On Joint Venture System Options, select Start.
4. In the "Primary segment" section, complete the Primary Segment Label field. If left blank, the Cost Center Segment label will be used.

You must enter the name of the label exactly as it appears in the Segment Labels list in the Oracle Financials application for setting up your chart of accounts. See *Create a Chart of Accounts Structure and Instance* for information on how to look up the list of segment labels for your chart of accounts.

5. Select Save and then select Cancel to exit.

Enter Joint Venture Basic Properties

The steps in this topic and the topics that follow describe how to add each joint venture one at a time.

As an alternative, you can add multiple joint ventures at once using a Microsoft Excel spreadsheet. For more information, see *Manage Joint Venture Data in Microsoft Excel*.

For help with troubleshooting issues related to the setup of your joint venture definitions, see *FAQs When Implementing Oracle Joint Venture Management*.

Joint venture accountants and joint venture application administrators can create and manage joint venture definitions.

1. Navigate to Setup and Maintenance and select the Joint Venture Management functional area under the Financials offering.
2. Select the Manage Joint Venture Definitions task.
3. On Joint Ventures, select Add to access the overview page that describes the steps to create a new joint venture definition.
Or select Manage in Excel and use the spreadsheet to add multiple joint venture definitions. The spreadsheet contains instructions on how to complete the columns, which reflect the fields in the user interface and include a list of values for fields when applicable.
4. On New Joint Venture, select Start to create a new joint venture definition.
5. On Basic properties, enter a name and description for the joint venture definition.
6. For the Classification, use the default value Operated.
7. Select Save.

Specify a Business Unit

Specify the business unit in Oracle Fusion Cloud Financials that contains the joint venture financials.

Before you select a business unit, you must make sure that the business unit is set up properly.

- The business unit must have been set up with the Receiving business function enabled. This setup is required to create invoices for the joint venture. See *Business Functions* for more information.
- The Business Unit drop-down list displays only the business units that you're authorized to manage through data security. See *Set Up Data Security for Oracle Joint Venture Management* for more information.
- The customer payments and payables payment service providers must be activated for the business unit. See *Shared Service Centers* for more information.

1. On Basic properties, select the Business Unit drop-down list and select a business unit for the joint venture.
2. Select Save.

The application displays the chart of accounts associated with the primary ledger of the business unit. This enables you to identify specific accounts for distribution as described in the [Enter Account Information](#) topic.

Associate a Legal Entity with a Joint Venture

After you select a business unit in the joint venture definition, associate the joint venture with the legal entity to which you need to account the invoices generated for the joint venture.

You can associate the joint venture to a legal entity that's set up only for the primary ledger of the joint venture's business unit. If you manage multiple joint ventures, selecting a specific legal entity for each joint venture can help ensure that the invoices generated for each joint venture are accounted under the correct legal entity. If you don't select a legal entity in the joint venture definition, the default legal entity for the primary ledger, if available, will be used.

Access the Basic properties page of your joint venture definition and select a legal entity from the Legal Entity drop-down list. The list includes only the legal entities that are associated with the primary ledger of the business unit. If you leave this field blank, the default legal entity of the business unit will be populated, if available.

For more information on legal entities, see:

- [Create Legal Entities, Registrations, and Reporting Units](#)
- [Assign Legal Entities and Balancing Segments](#)

Specify an Inception Date for a Joint Venture

If you are calculating overhead for a joint venture, you can specify an inception date which can be used by the process to calculate overhead. This date defines when you began processing the joint venture.

You can set up an overhead method to calculate overhead based on general ledger and subledger transactions. You can calculate overhead based on transactions for a particular period, from the beginning of a fiscal year or calendar year to a period, or from the inception date of a joint venture to a period. To calculate overhead from the inception date of a joint venture to a period, you must include an inception date in the joint venture definition.

Access the Basic properties page of your joint venture definition and enter a date in the Inception Date field.

Approve a Joint Venture (optional)

Approval of a joint venture definition is optional. You don't have to approve a definition before activating it. But you can use the approval feature if your business process requires it.

Access the Basic properties page for your joint venture definition and select the Approved checkbox. When selected, the Approved Date appears with today's date. You can change the date if the definition was approved on a prior date, and you want to capture this information for your records.

Add Attachments

You can add attachments to provide supplementary information at the joint venture level. These can be supporting documents for joint operating agreements, such as signed contracts, emails, and statements of direction.

Attachments can be URLs, desktop files, text, and images. The security and privileges assigned to the logged-in user apply when processing attachments. For example, a joint venture accountant and joint venture application administrator can view, create, edit, and delete attachments while a joint venture accounting manager can only download and view attachments.

Attachments are stored in a content management repository provided by Oracle WebCenter Content (Universal Content Management) server. To avoid execution of files that can cause a security threat to the application, you can't upload files with these extensions: *.exe, *.bat, *.aspx, *.jsp, and *.jspx. For information on Oracle WebCenter Content server, see the "Oracle Fusion Middleware: Using Oracle WebCenter Content" guide.

To add an attachment:

1. Access the Basic properties page for your joint venture definition.
2. In the Attachments area, drag the file that you want to attach from your local directory into the Drag and Drop field. Or click anywhere in this field, locate and upload the file.
3. To attach a URL, complete the URL field and select Add URL.

When you add an attachment, the application adds the reference of the attached file in a table format and displays the count of the attached files next to "Attachments." The reference for URL attachments includes the actual URL.

The attachment reference also includes the file size in bytes and the attachment category.

Note: In the current release, all attachments are automatically categorized as "MISC" for miscellaneous. You can't change the category.

To view an attachment:

1. Select the download button for the attachment you want to view.
2. Open the attachment using a browser or program as needed.

To edit the reference information for an attachment:

1. Select More Actions (the three dots) on the attachment record that you want to edit.
2. Select Edit.
3. On Attachment details, edit the values in the Display Name and Description fields as needed.

In the current release, the Display Name field works differently for file and URL attachments.

- For a file attachment, the display name is the file name and is included in the attachment reference.

Caution: Make sure you append the file extension (for example, .jpeg) when you edit the display name. If you don't, the file name won't include the extension when downloaded, and you will need to search for the relevant program to open the attachment.

- For a URL, the display name is by default "Attachment Link" and this value is displayed only in the Attachment Details window. Any edit you make in this field is stored only in this window.

To remove an attachment:

1. Select More Actions (the three dots) on the attachment record that you want to remove.
2. Select Remove.

Note: The application doesn't overwrite attachments with the same file name. Therefore, if you edit a file and want to retain only the edited version in the system, make sure to delete the current attachment and then attach the edited file.

Enter Billing and Reporting Information

On the Billing and reporting information page for your joint venture definition, provide the necessary details for generating invoices and reports for the joint venture.

Define Information to Create Receivables Invoices

You can define the following information to use when creating Receivables invoices for each stakeholder's share of the joint venture costs:

- A minimum distribution amount for creating a Receivables invoice
- A default receivable account
- Whether to create invoices for only paid transactions

Specify a Minimum Amount for Joint Venture Receivables Invoices

In the Minimum Receivables Invoice Amount field, you can specify a minimum distribution amount required to create Receivables invoices for each stakeholder's share of the joint venture costs.

If you leave this field blank, it's treated as a zero minimum amount, which means that when the total of the distributions results in a negative invoice amount, an invoice won't be created.

For example, if you specify \$500 as the minimum amount, Joint Venture Management will create an invoice for a stakeholder only when the total to be invoiced for the stakeholder reaches \$500.

You can enter a negative value for the minimum amount if you need to create Receivables invoices where the total to be invoiced for a stakeholder results in a negative invoice amount.

Specify a Receivable Account for Joint Venture Receivables Invoices

There are three different methods for specifying the receivable account for your joint venture Receivables invoices:

- AutoAccounting rules
Use AutoAccounting rules to define a default receivable account for the business units of your joint ventures. See [Derive a Default Receivable Account Using AutoAccounting Rules](#) for more information.
- The joint venture definition
A receivable account defined in the joint venture definition will override the default receivable account set up in AutoAccounting rules.
- Subledger accounting rules
Use this method if the other two methods don't meet your business needs. This setup acts as an override to both preceding options. See [Define a Receivable Account Using Subledger Accounting Rules](#) for more information.

To specify a receivable account override for a joint venture:

1. Complete the Receivable Account field using any of the following methods:

- Place your cursor in this field to select each segment value to identify the account.
- Select the search icon in this field and use the filters to identify segment values.

2. Select Save or Continue as needed.

Enable Joint Venture Distribution and Invoicing Only for Paid Transactions

Oracle Joint Venture Management processes all transactions regardless of whether they're paid. Select the Bill When Paid checkbox to distribute transaction amounts and bill partners only for paid transactions. This option only applies to costs from Oracle Payables and Receipt Accounting.

Define Information to Create Payables Invoices

You can define the following information to use when creating Payables invoices for each stakeholder's share of the joint venture revenue:

- A minimum distribution amount for creating a Payables invoice
- A default liability account

Specify a Minimum Amount for Joint Venture Payables Invoices

In the Minimum Payables Invoice Amount field, specify a minimum invoice amount required to create Payables invoices for each stakeholder's share of the joint venture revenue.

For example, if you specify \$500 as the minimum amount, an invoice will be created to pay a stakeholder only when the total to be invoiced for the stakeholder reaches \$500.

Specify a Liability Account for Joint Venture Payables Invoices

You might need to override the default liability account on your Payables invoice. To override the liability account at the joint venture level, you can specify an account override in the joint venture definition for each of your joint ventures.

Note: Another way to set up an account override is through subledger accounting rules. If you set up an account override in both the joint venture definition and subledger accounting rules, the account specified in the subledger accounting rules will be used for the joint venture Payables invoice.

To specify a liability account override for a joint venture:

1. Complete the Payables Liability Account field using either of the following methods:
 - Place your cursor in this field to select each segment value to identify the account.
 - Select the search icon in this field and use the filters to identify segment values.
2. Select Save or Continue as needed.

Define Information to Create Net Invoices

Instead of generating separate Receivables and Payables invoices for a stakeholder, you can set up the joint venture definition to create a single net invoice. The invoicing process combines the stakeholder's shares of costs and revenue, and based on the resulting balance, it creates either a Receivables or Payables invoice for the net amount. For example,

if a stakeholder's share of costs is \$1,000 and revenue is \$600, netting results in a single Receivables invoice for the net amount of \$400 to be recovered from the stakeholder.

This applies to only stakeholders with an invoicing preference set to create invoices.

You can configure the joint venture definition to always generate Receivables invoices for the net amount, regardless of whether the amount is a credit or debit. This option is especially helpful for joint ventures that aren't yet in full revenue mode, such as during early operational stages or periods of low revenue.

The invoicing process compares the resulting net amount against the specified minimum invoice amount thresholds for Receivables and Payables to determine whether to generate a net invoice. It also applies the receivable or liability account defined in your configuration to the respective invoice type.

1. On the Billing and Reporting Information page for your joint venture definition, enable Invoice Netting.
2. Complete the following netting details:
 - Include in Netting. Select whether to include cost reversals, revenue reversals, or both in the netting calculation. This option enables you to offset reversed distributions, eliminating the need to create credit memos and debit memos.
 - Netted Invoice Preference. Select one of the following options:
 - Receivables or Payables based on net balance. Use this default value to generate a Receivables invoice if the net balance is zero or a debit and a Payables invoice if it's a credit.
 - Receivables always. Select this to always generate a Receivables invoice, regardless of whether the net balance is a credit or a debit.
3. Select Save or Continue as needed.

Define Information for Joint Interest Billing Reports

Provide the details to create joint interest billing reports for the joint venture.

1. On the Billing and reporting information page for your joint venture definition, complete these fields:
 - Joint Interest Billing Report Sender's Email

If you prefer to deliver the report through email, you can specify the sender's email address.
 - Joint Interest Billing Report Template

Enter the name of the report template that you want to use for printing the joint interest billing report for the joint venture. This report template must exist in the BI Publisher catalog for Joint Venture Management. The name of the predefined template for joint ventures is "Joint Interest Billing For Joint Venture."
 - Joint Interest Billing Report Output Format

Select the output format to print the joint interest billing report for the joint venture.
2. Select Save or Continue as needed.

Define Information for Financial Reporting by Joint Venture Stakeholder

If you're using the reporting tools in Oracle Fusion Cloud Financials to create financial reports by stakeholder, you must complete the "Stakeholder reporting books" section.

Data for these financial reports comes from stakeholder reporting journals posted to a stakeholder reporting ledger in the general ledger. Before you can create stakeholder reporting journals for your joint venture, you must identify the stakeholder reporting ledger.

You can have more than one stakeholder reporting ledger set up for a joint venture. You might have one for the primary ledger of the joint venture, and additional ones set up for currency ledgers and any secondary ledgers associated with the primary ledger. In the Stakeholder reporting books section, make sure you add a row to identify each source ledger and its associated stakeholder reporting ledger.

See *Financial Reporting by Joint Venture Stakeholder* for more information about this type of reporting.

1. On the Billing and reporting information page of your joint venture definition, access the "Stakeholder reporting books" section.
2. Select Add.
3. In the new row, select the source ledger and its associated stakeholder reporting ledger.
4. Select the Status column and select a status:
 - Editing. This is the initial status. You can leave it in this status if you aren't ready to use the stakeholder reporting ledger.
 - Active. Select this status when you're ready to create stakeholder reporting journals for posting to the stakeholder reporting ledger.
 - Inactive. Select this status if you no longer wish to use the stakeholder reporting ledger. Once it's Inactive, you can't change it to another status.
5. Add rows for additional source ledger and stakeholder reporting ledger pairings as necessary.
6. Select Save and then select Cancel to exit.

Enter Account Information

Specify account information to identify the transactions in Oracle Fusion Cloud Financials that you want to process for a joint venture.

You can use either of these methods to specify account information for a joint venture:

- Assign an account set to the joint venture definition. **(Recommended)**

With an account set, you can specify single accounts, ranges of accounts, and accounts to exclude. Account maintenance is reduced because you can base an account set on a range so that dynamically created accounts in Oracle Financials are automatically included.

- Use distributable segment values to identify distributable accounts.

In the joint venture definition, you can specify a combination of segment values to identify each account with transactions that you want to process. Use this method if you only have a few accounts to identify as distributable for a joint venture.

Note: You can use an account set or distributable segment values, but you can't use both. If you assign an account set to a joint venture definition that's already set up with distributable segment values, the distributable segment values will be ignored. If you prefer, you can delete the distributable segment values, but it's not required.

Assign an Account Set to a Joint Venture Definition

Use the Account Sets application to create the account sets that you want to assign to a joint venture definition. See [Create an Account Set](#) for more information.

On the Account Information page, use the following three fields to assign account sets to the joint venture definition:

- Account Set for Distributable Accounts

Specify an account set that you've set up to identify all accounts that contain transactions for the joint venture. All transactions in the accounts are eligible for distribution to joint venture partners. You can use the other account set fields to specify an account set that designates a subset of these accounts as distribution only or billable asset accounts.

- Account Set for Distribution Only Accounts (if applicable)

Specify an account set that you've set up to identify a subset of distributable accounts that contain transactions that you want to process as distribution only. The Create Joint Venture Distributions process splits and creates distributions for transactions identified as Distribution Only and sets the status of the distributions to Process Complete. This indicates that the distributions can't be processed further. They're generated for reporting purposes only and can't be billed.

- Account Set for Billable Asset Accounts (if applicable)

Specify an account set that you've set up to identify a subset of distributable asset accounts that contain transactions for billable assets. In Joint Venture Management, these transactions and their distributions are identified with a Billable Asset transaction type, which makes them eligible for billing. Transactions in asset accounts included in the account set for distributable accounts, but not included in the account set for billable asset accounts, are identified with an Asset transaction type. These transactions are set to Distribution Only and aren't eligible for billing.

CAUTION: If you don't assign an account set for billable asset accounts to a joint venture definition, then asset accounts included in the distributable accounts account set will be identified as distributable, regardless of whether the asset accounts are billable or nonbillable.

Specify Primary Segment Values to Be Used in Combination with Account Sets

When you use an account set to identify accounts for a joint venture, you must also identify one or more primary segment values that are unique to the joint venture. The filters in an account set are used in combination with the primary segment values to identify accounts for the joint venture.

You can identify the primary segment values either before or after you set up and assign an account set to a joint venture definition.

CAUTION: If an account filter in the account set includes a primary segment value that doesn't match a primary segment value in the joint venture definition, the account will be ignored.

Perform these steps to identify the primary segment values:

1. On the Account information page for the joint venture definition, select the Primary Segment Values tab.
2. Select Add, and then click in the first column in the row and select a primary segment value.

The first column in the grid represents the primary segment associated with the primary segment label specified in the Joint Venture System Options, for example "Primary Segment: Department."

3. Select Submit on the row you added.
4. Add additional primary segment values as needed.
5. Select Save.

The application displays the description associated with the primary segment value.

Example of Using an Account Set to Identify Distributable Accounts

A petroleum company is the managing partner of a joint venture for a drilling exploration project. For this project, a joint venture accountant created a joint venture definition named PERMIANALPHA.

This example shows the tasks the accountant performed to identify the distributable accounts for the joint venture definition using an account set.

The following image shows that the accountant, when creating the joint venture definition, selected HEPP Petroleum USA BU1 for the business unit. This is the business unit in Oracle Fusion Cloud Financials for managing the financials for the drilling exploration project. The primary ledger for this business unit has a COA named HEPPLedger, which was automatically identified when the accountant selected the business unit.

PERMIANALPHA

Basic properties

Define the basic joint venture details, such as the name, description, business unit, and status.

Joint Venture PERMIANALPHA	Description Permian Alpha		
Business Unit HEPP Petroleum USA BU1	Chart of Accounts HEPPLedger	Legal Entity HEPP Petroleum USA LE	
Status Initiated	Inception Date 1/1/2016	Classification Operated	
✓ Approved	Approved Date 1/1/2016		

Next, the accountant accessed the Account information page, which shows an account set "DISTRIBUTABLEACCOUNTS" selected in the Account Set for Distributable Accounts field. This account set has been set up to identify a range of accounts as distributable with few account exclusions.

PERMIANALPHA

Account information

Provide information to identify the accounts for joint venture processing.

Account Set for Distributable Accounts
DISTRIBUTABLEACCOUNTS

Description
HEPP - Distributable Accounts

Account Set for Distribution Only Accounts

Description

Account Set for Billable Asset Accounts

Description

☒ Exclude joint venture transactions

Distributable Segments

Primary Segment Values

+ Add

On the Primary Segment Values tab, the accountant clicked Add and identified a cost center—6400 Permian Alpha Rig—in the HEPPCostcenter primary segment:

Distributable Segments		Primary Segment Values	
+ Add			
HEPPCostcenter	Description	Distributable Segment Values Count	Actions
6400	Permian Alpha Rig	0	
Cancel Save Skip Continue			

The accounts in the account set will be used in combination with this primary segment value to identify distributable accounts for the joint venture. If the account filter in the account set includes a primary segment value that doesn't match the primary segment value in the joint venture, the account will be ignored.

Use Distributable Segment Values to Identify Distributable Accounts

You can use distributable segment values instead of an account set to identify the distributable accounts for a joint venture. Use this method if you only have a few accounts to identify as distributable for a joint venture.

Note: You can use distributable segment values or an account set (recommended), but you can't use both.

Based on the primary ledger of the business unit selected for the joint venture, the Distributable Segments tab automatically displays the segments defined in the chart of accounts instance. From this list, you select only the segments needed to identify distributable accounts for the joint venture. The primary segment is selected by default because it's the key to identifying financial transactions for all your joint ventures. All transactions are associated with a

primary segment. You must select at least one other segment in addition to the primary segment. You can then define the distributable segment values in the Primary Segment Values tab.

Tip: If all accounts associated with a specific primary segment value are distributable, you can leave the other segment values blank. If you have a combination of distributable and not distributable accounts with the same primary segment value, you must identify each distributable account in the joint venture definition. You can also use the % wildcard to designate all accounts that contain the combination when identifying the distributable accounts in a segment.

About Account Combinations in Oracle Fusion Cloud Financials

In Oracle Financials, an account is identified by a completed set of segment values referred to as an account combination. This account combination uniquely identifies an account in a chart of accounts (COA). Here are some examples of account combinations:

- 01-100-1420-003
- 02-100-1420-005
- 01-100-1420-002
- 02-100-1420-004

One of the values in an account combination is the primary segment value. The primary segment value is the key value for identifying distributable accounts for a joint venture. This value is what differentiates transactions from one joint venture to the next. Distributable accounts for a joint venture might be represented by more than one primary segment value, but a primary segment value is unique to a joint venture. You can't use the same primary segment value to identify distributable accounts for more than one joint venture.

The other values in an account combination represent accounts in one or more segments, such as an account in Payables for managing a certain category of expenses.

Specify Segments with Distributable Accounts

Specify the segments in the COA that contain distributable accounts. In addition to the primary segment, which is selected by default, you must select at least one other segment.

Note: If an account set is assigned to the joint venture definition, the Distributable Segments tab displays a message that you must remove the account set if you want to use distributable segments.

1. Access the Account information page for your joint venture definition and select the Distributable Segments tab.

This tab displays the available segments based on the business unit selected on the Details page. If you don't see the expected segments, make sure that you chose the correct business unit.

The segment associated with the primary segment label specified in the Joint Venture System Options is the primary segment. It's selected by default and can't be deselected. If the primary segment is a cost center, it might not be named "Cost Center." But you can tell that it's the primary segment because it's selected and grayed out.

2. Select each segment that contains the accounts that you want to identify as distributable. You must select at least one other segment in addition to the primary segment.

The following image shows an example of other segments named HEPPCompany and HEPPAccount that are selected in addition to the primary segment on the Distributable Segments tab.

Distributable Segments	Primary Segment Values
☒ HEPPCompany	☒ HEPPCostcenter
☒ HEPPAccount	☐ HEPPIntercompany
☐ Future01	

3. Select Save.

Specify Distributable Segment Values

In the Primary Segment Values tab, specify a combination of segment values to identify distributable accounts in Oracle Fusion Cloud Financials—the accounts that contain the transactions for the joint venture.

At a minimum, each combination must include at least one value for the primary segment. If all of the accounts associated with a specific primary segment value are distributable, you can leave the other segment values blank. If you have a combination of distributable and non-distributable accounts with the same primary segment value, you must identify each distributable account in the joint venture definition.

1. Access the Account information page for your joint venture definition and select the Primary Segment Values tab.
2. Select Add, and then in the empty row in the grid, click in the first column and select a segment value.

The first column in the grid represents the primary segment associated with the primary segment label specified in the Joint Venture System Options, for example “Primary Segment: Department.”

3. Select Submit on the row you added.

The application displays the description associated with the primary segment value.

4. If all accounts associated with the primary segment value are distributable, perform the following steps:
 - a. In the row with the segment value, select Distributable Segment Values under the Action column.
 - b. On Distributable Segment Values, select Add.

The application adds a row with the primary segment value. In addition to the column for the primary segment value, it displays columns based on the segments selected on the Distributable Segments page.

- c. Leave the remaining segment or segments blank.
- d. Select Submit.

The following example shows a row on the Distributable Segment Values page for cost center 1006 - Permian Basin Cost Center, where the value for the HEPPCompany and HEPP Account segments are blank. This means that any transactions in accounts associated with cost center

1006 and the accounts in the HEPPCompany and HEPPAccount segments are distributable.

Distributable Segment Values
HEPPCostcenter 1006 - Permian Basin Cost Center

HEPPCompany	HEPPCostcenter	HEPPAccount	Action
	1006		 

5. If only some accounts associated with the primary segment value are distributable, perform the following steps to identify each distributable account:

- a. On the Primary Segment Values tab, select Distributable Segment Values in the row with the primary segment value. The primary segment value is 1006 in the example in the following image.
- b. On Distributable Segment Values, select Add, which adds an editable row for entering a combination of segment values for the primary segment value.

The following example shows three segments for a joint venture: HEPPCostcenter, which is the primary segment selected by default; HEPPCompany; and HEPPAccount.

Distributable Segment Values
HEPPCostcenter 1006 - Permian Basin Cost Center

HEPPCompany	HEPPCostcenter	HEPPAccount	Action
11	1006	53443	 

- c. To identify distributable accounts in the other segments, you can perform the following actions:
 - Select the drop-down list and select a value.
 - Use the % wildcard to designate a range of accounts in the segment as distributable.
 - Leave a segment blank if all the values for the segment are distributable.
 - d. Select Submit on the row you added.
 - e. Add additional rows to identify additional distributable accounts as needed.
6. When finished, select Submit on the page to save your changes.

Note: On the Primary Segment Values tab, if you identified the wrong primary segment value, you can select Delete on the row to delete it. This also removes any distributable segment values associated with the primary segment value.

Exclude Joint Venture Invoices and Journals from Oracle Joint Venture Management Processing

On the “Account information” page, select the “Exclude joint venture transactions” checkbox to exclude invoice and journal transactions generated by Joint Venture Management from being identified for distribution again.

This setup provides the following benefits:

- Enables invoices and journal entries generated from distributed joint venture transactions to be posted to the same accounts as the original transactions.
- Prevents joint venture invoices and journal entries from being identified for processing by the Identify Joint Venture Transactions process.
- Precludes you from having to create a separate account and subledger accounting rules to capture the amounts billed to stakeholders as described in these topics:
 - *Derive Partner Accounts for Cost Recovery Invoices*
 - *Derive Partner Accounts for Joint Venture Payables Invoices*

Exclude Subledgers from Oracle Joint Venture Management Processing

You can configure your joint ventures to automatically exclude transactions that originate from specific subledgers.

For example, if the joint operating agreement states that transactions from Fixed Assets shouldn't be billed to partners, you can exclude this subledger in the joint venture definition. As a result, all fixed asset transactions are excluded from joint venture processing, even if their accounts are otherwise distributable. This streamlines the exclusion of transactions and eliminates the need for manual deletions.

1. On the Account information page for the joint venture definition, select the Subledgers to Exclude tab.
2. Select Add, and then click in the first column in the row and select the subledger that you want to exclude.
3. Select Apply on the row you added.
4. Add additional subledgers to exclude as needed.
5. Select Save.

The application displays the description associated with the subledger.

Identify Distributable Transactions by Project Information

The accounts identified as distributable for a joint venture can contain transactions related to various projects.

After you identify distributable accounts in a joint venture definition, you can also enter project details to identify certain project-related transactions for distribution, and not others. You need this additional level of refinement if the accounts that you've identified as distributable for a joint venture contain project-related transactions that you don't want distributed.

CAUTION: This pertains only to capital asset projects and expense-only projects defined in Oracle Fusion Cloud Project Management. Identifying transactions associated with contract projects for distribution in Oracle Joint Venture Management might result in overbilling.

You can identify distributable transactions by project information in one of two ways:

- Create a project set and then assign it to the joint venture definition. (**Recommended**)

Project sets provide an efficient and flexible method for identifying distributable transactions. In a project set, you can enter filter criteria to identify a range of project values including project numbers, task numbers, expenditure types, and expenditure organizations.

- Identify individual project values in the joint venture definition.

On the Distributable Project Values page in a joint venture definition, you can create distributable project value rules. With this method, you must set up a distributable project value rule to identify each project value, which is more tedious. You might want to use this method if you only have a few projects, but regardless, you're highly encouraged to use a project set instead.

How Oracle Joint Venture Management Processes Joint Venture Definitions with Project Information

It's important to understand how the Identify Joint Venture Transactions process uses the criteria in a joint venture definition to identify transactions for distribution. This helps to ensure that you properly set up a joint venture definition to process project-related transactions as you intended.

The process first uses the distributable account information in a joint venture definition, defined either through an account set or distributable segment values, to identify all transactions for a joint venture. This includes all project-related transactions within the distributable accounts. It initially sets all identified transactions to the Available to Process status.

Next, the process checks for project information in the joint venture definition. If the project details exist, project-related transactions that match the project information defined in the joint venture definition remain in the Available to Process status. All other project-related transactions that don't match the project criteria are set to the Not Distributable status.

In the Joint Venture Transactions work area, you can review all transactions identified by the Identify Joint Venture Transactions process, including project-related transactions. You can override the status of these transactions in the work area as needed.

You can also have a joint venture application administrator configure Joint Venture Management to exclude project-related transactions identified as "Not Distributable."

Related Topics

- [Exclude Project-Related Transactions that Aren't Distributable from Displaying in Oracle Joint Venture Management](#)
- [Manage Project-Related Transactions for a Joint Venture](#)

Before You Can Specify Project Information in a Joint Venture Definition

An administrator must first configure the Oracle Joint Venture Management integration with Project Costing. See [About the Oracle Joint Venture Management Integration with Oracle Project Costing Setup](#) for more information.

If you're using a project set, you must first set up a project set to assign to the joint venture definition. See [Overview of Project Sets](#) for more information.

To select from a list of project numbers, either when setting up a project set or specifying project values directly in a joint venture definition, your user profile must be set up with the proper data access. If the values that you expect aren't available, ask your administrator to set up your user profile with data access to the business units associated with the appropriate projects. See [Assign Data Access to Users](#) for more information.

The list of project values might include a large number of projects to choose from.

Use a Project Set to Identify Distributable Transactions

Set up and assign a project set to a joint venture definition to identify distributable transactions by project information.

To assign a project set to a joint venture definition:

1. On the Project information page, select "Project set" for the project selection method.
2. In the Project Set field, select the project set.

Use Project Values to Identify Distributable Transactions

In a distributable project value rule, you add the following values or combination of values to identify project-related transactions for distribution:

- Project number
- Project number, task
- Project number, task, expenditure type
- Project number, expenditure type
- Expenditure type

If you create a rule with only a project number, then all transactions associated with the project will be identified as distributable. This includes any transactions entered for the project and its associated tasks and expenditure types. That is, if a rule includes only a project number, you don't need additional rules for the tasks or expenditure types associated with that project.

Note: You can't have a rule with only a task because tasks are exclusive to projects in Oracle Project Management.

1. Access the Project information page for your joint venture definition.
2. Select "Project information" for the project selection method.
3. Select Add.
4. In the first row provided, select the following fields to add a value or combination of values for the rule:
 - Project Number
 - Task Number

To add a task, you must first select the project number the task is associated with.

- Expenditure Type

The following image shows an example of a row with a project number, task number, and an expenditure type.

POSEIDON

Distributable project values

Provide information to identify the projects to include in joint venture processing.

Search project number, task number, expenditure type

Project Number	Project Name	Task Number	Task Name	Expenditure Type	Expenditure Type Description	Action
PDSC-CT-P	Build Substation Area 1	2	Construction	13120 - Pre Eng	Pre Engineered Structures	☒ ☐

- Select Submit on the row you added.
- Add additional rules as needed.
- Select Save.

You can delete a rule that you added by mistake.

Set Up Stakeholders

Set up a stakeholder for each partner in a joint venture. After you set up the stakeholders, you can add them to an ownership definition and specify their ownership percentages in the joint venture.

You can add the following stakeholders to a joint venture:

- External stakeholders. The partners that are external to the managing partner's organization.
- Internal stakeholders. You can have two types of internal stakeholders:
 - A stakeholder designated as the operator. This stakeholder represents the managing partner of the joint venture.
 - A stakeholder designated as a nonoperator. This stakeholder represents partners that are part of the same enterprise as the managing partner.

You can also set up an external or internal stakeholder as an interested stakeholder that participates in the joint venture for informational or oversight purposes only. An interested stakeholder doesn't partake in the sharing of the joint venture costs and revenue.

When you set up a stakeholder, you determine whether you want to use invoices or journal entries to recoup costs from and distribute revenue to the stakeholder. Either option requires an additional setup that needs to be performed before you can generate invoices or journal entries. See [Before You Set Up Stakeholders](#) for more information.

If invoice netting is enabled for the joint venture, you can override the netting options or disable netting as needed for specific stakeholders. If not enabled at the joint venture level, you can enable it for stakeholders that require netted invoices. When enabled for a stakeholder, the invoicing process combines their shares of costs and revenue, and

based on the resulting balance, it creates either a Receivables or Payables invoice for the net amount. For example, if a stakeholder's share of costs is \$1,000 and revenue is \$600, netting results in a single Receivables invoice for the net amount of \$400 to be recovered from the stakeholder.

You can choose to always generate Receivables invoices for the net amount, regardless of whether it's a credit or a debit.

Distribution Only Stakeholders

You have the option to set up external and internal stakeholders as "distribution only" if you don't need to create invoices or journal entries for them. For example, the managing partner might not want journal entries created for their share of cost or revenue, or your joint venture might not bill or pay partners on a monthly basis.

Stakeholder Statuses

The following table describes the stakeholder statuses. You can also apply user defined statuses to stakeholders.

Status	Description
Pending	The initial status when you set up a stakeholder.
Active	Enables you to add the stakeholder to an ownership definition or as a direct billed stakeholder on transactions, overhead methods, or ownership definition assignment rules.
Inactive	Use this status when the stakeholder is no longer a participant in the joint venture.

Before You Set Up Stakeholders

If you plan to create invoices for a stakeholder, you must first set up an invoicing partner to associate with the stakeholder. See [About Invoicing Partners](#) for more information.

If you plan to create journals for a stakeholder, an application implementation consultant must complete the following tasks:

- Set up a cost center to assign to the stakeholder.
- Set up an address for the stakeholder:
 - a. Navigate to Setup and Maintenance and select the Enterprise Profile functional area under the Financials offering.
 - b. Select the Manage Locations task and on Manage Locations, select Create.
 - c. On Create Location, enter the location address, and select Submit.
- Set up an entity, such as a contact person, and add the address and contact details to the entity.

For information on how to set up a contact person, see [Create Application Users](#). In the contact person record, specify the location address that you set up in the preceding task.

Note: When you set up an entity, the associated Party record is automatically created, and it's identified by the party number. This number is used to assign the stakeholder's address and contact details when setting up a stakeholder.

- Make sure that an administrator has set up the Joint Venture Subledger to enable the creation of journals. See [Set Up the Joint Ventures Subledger for Internal Transfer Journals](#) for more information.

If you plan to set up an interested stakeholder, the preceding instructions for setting up an address and an entity also apply to this stakeholder. The cost center and Joint Venture Subledger setup aren't necessary for this type of stakeholder.

Add an External Stakeholder

Add joint venture partners that are external to the managing partner's organization as external stakeholders.

1. Access the Stakeholders page for your joint venture definition.
2. On Stakeholders, select Add.
3. On New Stakeholder, enter a name and description for the stakeholder.

If you leave this field blank and you associate an invoicing partner to the stakeholder, the description of the invoicing partner will appear here.

4. For the Stakeholder Type, select External.

The status for new stakeholders is Pending. You can't change it to Active until after you complete the required fields under Partner Information.

5. For the Classification, identify the stakeholder's role in the joint venture as either an operator or nonoperator.
6. Select a value for the Stakeholder Category.

This is an optional field that contains user-defined values that your company can set up to further categorize your stakeholders if desired.

7. Select Distribution Only if the stakeholder will participate only in the transaction distribution and won't be billed.

You've the option to change this setting when you add the stakeholder to the ownership definition on the Ownership Definition page.

8. For the Invoicing Preference, select one of these options:
 - o Create invoices. Create invoices for billing or paying the stakeholder through Receivables and Payables.
 - o Create journals. Create internal transfer journals for the external stakeholder's share of costs and revenue. This makes it easier to generate a single invoice of the net costs and revenue for the stakeholder at your convenience, instead of requiring an invoice to create the accounting for the distributions.

If the external stakeholder isn't sharing in the joint venture costs or revenue, see [Add an Interested Stakeholder](#).

9. If you selected "Create invoices," complete these fields under Partner Information:
 - o Invoicing Partner. Select an invoicing partner from the list. If you don't see the invoicing partner:
 - Make sure that the invoicing partner is active.
 - Make sure that it's set up with the same business unit that's associated with the joint venture.
 - o Party. Select a party for the stakeholder. Leave this field blank to use the default party, which will appear after you save the record.

The application uses either the customer or supplier associated with the invoicing partner to determine the default party.

- If there's a customer, the default party is the primary contact of the customer site that's associated with the invoicing partner. If the invoicing partner isn't associated with a customer site, the default party is the primary contact of the customer.

- If there's no customer or the preceding customer information isn't available, the supplier is used to determine the default party. In this scenario, the default party is the earliest administrative contact defined for the supplier. If there's no administrative contact, the earliest contact will be used instead.

After you save your changes, the application displays contact information for the party, if available. If you use a default party, the application displays the party's primary email address, primary phone number, and primary bill-to address as the contact information for the stakeholder.

10. If you selected "Create invoices," complete these fields under Billing Information as needed:

- o Override Invoice Netting. If invoice netting is enabled for the joint venture and you want to override the settings for the stakeholder, enable this option. If netting isn't enabled for the joint venture but the stakeholder requires netted invoices, enable this option to configure netting for the stakeholder.

Tip: After enabling this option, select Save to access the rest of the override fields.

- Invoice Netting. Enable this option to use invoice netting for the stakeholder. If invoice netting is enabled at the joint venture level but you want to exclude this stakeholder from netting, deselect this option.
- Include in Netting. Select whether to include cost reversals, revenue reversals, or both in the netting calculation. This option enables you to offset reversed distributions, eliminating the need to create credit memos and debit memos.
- Netted Invoice Preference. Select one of the following options:
 - o Receivables or Payables based on net balance. Use this to generate a Receivables invoice if the net balance is zero or a debit and a Payables invoice if it's a credit.
 - o Receivables always. Use this to always generate a Receivables invoice, regardless of whether the net balance is a credit or a debit.
- o Invoice Currency Override. Select a currency to create invoices for the stakeholder in a different currency than the primary ledger currency of the joint venture business unit. This field is also available in the invoicing partner setup. If completed in that setup, the value is automatically displayed here.

11. If you selected "Create journals," complete these fields:

- o Cost Center. Enter the cost center for posting the stakeholder's costs and revenue to.
- o Party. Select the party for the external stakeholder. This is the party associated with the entity that you set up as a part of the prerequisite tasks. See *Before You Set Up Stakeholders*.

When you save your changes, the application displays additional information for the party if available.

12. Under Billing Information, complete these fields, which are used when generating a joint interest billing report for the stakeholder:

- o Joint Interest Billing Report Template. The report template must exist in the BI Publisher catalog for Joint Venture Management. The name of the predefined template for stakeholders is "Joint Interest Billing For Stakeholder".
- o Joint Interest Billing Report Output Format.

These fields are also available in the invoicing partner setup. If completed in that setup, the values are automatically displayed here.

13. To attach a file for the stakeholder, drag the file from your local directory into the Drag and Drop field. Or click anywhere in this field, locate the file and upload it. To attach a URL, complete the URL field and select Add URL.

For information on how to view, edit, and remove attachments, see [Add Attachments](#).

14. Select Save to save your changes and stay on the page. Or select Save and New to save this stakeholder and add another.

Add an Internal Stakeholder

Add partners in the joint venture that are internal to the managing partner's organization as internal stakeholders.

1. Access the Stakeholders page for your joint venture definition.
2. On Stakeholders, select Add.
3. On New Stakeholder, enter a name and description for the stakeholder.

A description isn't required. If you leave this field blank and you associate an invoicing partner to the stakeholder, the description of the invoicing partner will appear here.

4. For the Stakeholder Type, select Internal.

The status for new stakeholders is Pending. You can't change it to Active until after you complete the required fields under Partner Information.

5. For the Classification, select Operator if the internal stakeholder is the managing partner. Leave this field blank to use the default value Nonoperator.
6. Select a value for the Stakeholder Category. This is an optional field that contains user-defined values that your company can set up to further categorize your stakeholders if desired.
7. Select Distribution Only if the stakeholder will only participate in the transaction distribution and won't be billed.

You also have the option to change this setting when you add the stakeholder to the ownership definition on the Ownership Definition page.

8. For the Invoicing Preference, select one of these options:
 - Create invoices. Create invoices for billing or paying the stakeholder through Receivables and Payables.
 - Create journals. Enable shares of costs and revenue to be posted as journals in the managing partner's cost center.

If the internal stakeholder isn't sharing in the joint venture costs or revenue, see [Add an Interested Stakeholder](#).

9. If you selected "Create invoices," complete these fields under Partner Information:
 - Invoicing Partner. Select an invoicing partner from the list. If you don't see the invoicing partner:
 - Make sure that the invoicing partner is active.
 - Make sure that it's set up with the same business unit that's associated with the joint venture.
 - Party. Select a party for the stakeholder. Leave this field blank to use the default party, which will appear after you save the record.

The application uses either the customer or supplier associated with the invoicing partner to determine the default party.

- If there's a customer, the default party is the primary contact of the customer site that's associated with the invoicing partner. If the invoicing partner isn't associated with a customer site, the default party is the primary contact of the customer.

- If there's no customer or the preceding customer information isn't available, the supplier is used to determine the default party. In this scenario, the default party is the earliest administrative contact defined for the supplier. If there's no administrative contact, the earliest contact will be used instead.

After you save your changes, the application displays contact information for the party, if available. If you use a default party, the application displays the party's primary email address, primary phone number, and primary bill-to address as the contact information for the stakeholder.

10. If you selected "Create invoices," complete these fields under Billing Information as needed:

- o Override Invoice Netting. If invoice netting is enabled for the joint venture and you want to override the settings for the stakeholder, enable this option. If netting isn't enabled for the joint venture but the stakeholder requires netted invoices, enable this option to configure netting for the stakeholder.

Tip: After enabling this option, select Save to access the rest of the override fields.

- Invoice Netting. Enable this option to use invoice netting for the stakeholder. If invoice netting is enabled at the joint venture level but you want to exclude this stakeholder from netting, deselect this option.
- Include in Netting. Select whether to include cost reversals, revenue reversals, or both in the netting calculation. This option enables you to offset reversed distributions, eliminating the need to create credit memos and debit memos.
- Netted Invoice Preference. Select one of the following options:
 - o Receivables or Payables based on net balance. Use this to generate a Receivables invoice if the net balance is zero or a debit and a Payables invoice if it's a credit.
 - o Receivables always. Use this to always generate a Receivables invoice, regardless of whether the net balance is a credit or a debit.
- o Invoice Currency Override. Select a currency to create invoices for the stakeholder in a different currency than the primary ledger currency of the joint venture business unit. This field is also available in the invoicing partner setup. If completed in that setup, the value is automatically displayed here.

11. If you selected the option to create journals, complete these fields:

- o Cost Center. Enter the cost center for posting costs and revenue to.
- o Party. Select the party for the internal stakeholder. This is the party associated with the entity that you set up as a part of the prerequisite tasks. See *Before You Set Up Stakeholders*. When you save your changes, the application displays additional information for the party if available.

12. Under Billing Information, complete these fields, which are used when generating a joint interest billing report for the stakeholder:

- o Joint Interest Billing Report Template. The report template must exist in the BI Publisher catalog for Joint Venture Management. The name of the predefined template for stakeholders is "Joint Interest Billing For Stakeholder".
- o Joint Interest Billing Report Output Format.

These fields are also available in the invoicing partner setup. If completed in that setup, the values are automatically displayed here.

13. To attach a file for the stakeholder, drag the file from your local directory into the Drag and Drop field. Or click anywhere in this field, locate the file and upload it. To attach a URL, complete the URL field and select Add URL.

For information on how to view, edit, and remove attachments, see [Add Attachments](#).

14. Select Save to save your changes and stay on the page. Or select Save and New to save this stakeholder and add another.

Add an Interested Stakeholder

Add an interested stakeholder for an external or internal stakeholder that participates in the joint venture for informational or oversight purposes only. This type of stakeholder doesn't participate in the sharing of the joint venture costs and revenue.

1. Access the Stakeholders page for your joint venture definition.
2. On Stakeholders, select Add.
3. On New Stakeholder, enter a name and an optional description for the stakeholder.
4. For the Stakeholder Type, select External or Internal to indicate if the interested party is external or internal to the managing partner's organization.

The status for new stakeholders is Pending. You can't change it to Active until after you complete the fields under Partner Information.

5. Select a value for the Stakeholder Category. This is an optional field that contains user-defined values that your company can set up to further categorize your stakeholders if desired.
6. For the Invoicing Preference, select "None – Interested stakeholder only."

Note: When you select this option, the application disables the Classification field and populates it with the value "Nonoperator" when you save the stakeholder.

7. Select the Party drop-down list and select a party for this stakeholder. This is the party associated with the entity that you set up as a part of the prerequisite tasks. See [Before You Set Up Stakeholders](#).

The application displays additional information for the party if available when you save your changes.

8. To attach a file for the stakeholder, drag the file from your local directory into the Drag and Drop field. Or click anywhere in this field, locate and upload the file. To attach a URL, complete the URL field and select Add URL.

For information on how to view, edit, and remove attachments, see [Add Attachments](#).

9. Select Save to save your changes and stay on the page. Or select Save and New to save this stakeholder and add another.

Activate a Stakeholder

After you set up stakeholders, change the status for each stakeholder to Active. The Active status enables you to add a stakeholder to an ownership definition and define the stakeholder's percentage of ownership in the joint venture.

When a stakeholder status is Active and the stakeholder is part of an active joint venture, there are certain details that you can and can't change. See [Update a Stakeholder](#) for more information.

Set Up Ownership Definitions

An ownership definition provides the information Oracle Joint Venture Management uses to calculate the split of financial transactions to distribute among joint venture partners. It contains a list of the stakeholders and each stakeholder's percentage of ownership.

The ownership percentages for all stakeholders in an ownership definition must total 100% before you can change its status to Active. The Active status enables Joint Venture Management to use the ownership definition to process transactions for a joint venture.

An ownership definition includes an effective date range. For Joint Venture Management to process transactions, the transaction date in the transactions must coincide with the effective dates in the ownership definition.

Note: By default, for the transaction date, Joint Venture Management uses the accounting date in transactions originating from subledger accounting. It uses the effective date to process transactions originating from the general ledger. However, these dates might not capture the date the transaction took place or the date the service was performed, what some companies refer to as the service date or activity date. If the terms in a joint operating agreement require the processing of transactions by the date the transaction occurred, then you need to configure Joint Venture Management to capture this date. See *About Identifying a Transaction Date for Processing Joint Venture Transactions* for instructions on how to perform this one-time setup.

You can create multiple instances of an ownership definition with the same name, as long as the effective dates in each instance don't overlap. This enables you to specify different stakeholder percentages for different periods of time as agreed upon in the joint operating agreement.

You have the option to designate a default ownership definition. This default ownership definition is assigned to all transactions that are identified for the joint venture in the Joint Venture Transactions work area. If you need to change the ownership definition or assign a direct billed stakeholder on transactions, you can do so in the Joint Venture Transactions work area. You can also use ownership definition assignment rules when you need to assign different ownership definitions to different categories of transactions in a joint venture. Assignment rules enable you to automatically assign an ownership definition or direct billed stakeholder to transactions in a specific account or set of accounts identified as distributable for a joint venture. See *Overview of Ownership Definition Assignment Rules* for more information.

The Joint Ventures page includes alerts to indicate when an ownership definition isn't complete. The alert describes the remaining tasks that you need to perform to complete the ownership definition.

Rounding Partner

You must designate one stakeholder in an ownership definition as the rounding partner.

When Oracle Joint Venture Management calculates the split of a transaction, any amount that remains is added to or subtracted from the rounding partner's amount. This helps to ensure that the split amounts total the gross amount in the transaction. Typically, the managing partner is the rounding partner, but you can make any stakeholder the rounding partner.

If you don't select a rounding partner, the system automatically designates the internal stakeholder with the largest percentage of ownership as the rounding partner. If there are no internal stakeholders, the system designates the external stakeholder with the largest percentage as the rounding partner.

Example of a Rounding Partner

Joint venture ABC has four stakeholders, each with an equal 25% interest. An expense of 301.50 USD must be distributed among the stakeholders. When you divide 301.50 USD equally among the four stakeholders, you get 75.375 USD. The system uses the rounding partner to be able to split the amounts as evenly as possible, while still being able to create distributions with valid amounts. In this scenario, the system would create distributions to three of the partners for 75.38 USD, and create an invoice to the rounding partner for 75.36 USD. The total of these four invoices is 301.50 USD.

Partners	Calculation	Distribution Amount
Partner 1	$301.50 \times .25 = 75.375$	75.38
Partner 2	$301.50 \times .25 = 75.375$	75.38
Partner 3	$301.50 \times .25 = 75.375$	75.38
Partner 4	$301.50 \times .25 = 75.375 = 75.38 - .02$ (rounding adjustment)	75.36
NA	NA	Total = 301.50

Ownership Definition Statuses

Use the ownership definition statuses to manage the life cycle of an ownership definition.

Status	Description
Editing	The initial status when you set up an ownership definition.
Active	Enables the joint venture to use the ownership definition to calculate the split of transactions. You can only change an ownership definition to Active when the ownership percentages for all stakeholders total 100%.
Inactive	Use this status when you no longer want the joint venture to process transactions with the ownership definition. For auditing and tracking purposes, you can't change any details in an ownership definition that's in this status. And you can't delete the ownership definition or change its status back to Active.

Example of Processing Transactions with a Default Ownership Definition

A joint venture accountant created three instances of an ownership definition named VENTUREOD1 and assigned it as the default ownership definition for the joint venture. The three instances were necessary because for three consecutive months, the ownership percentages changed for each month.

The following table shows how each instance of the default ownership definition includes the effective dates and the ownership percentages for that month:

Default Ownership Definition Instance	Effective Dates	Ownership Percentages
VENTUREOD1	1/01/2019 - 1/31/2019	4 stakeholders, 25% each
VENTUREOD1	2/01/2019 - 2/28/2019	5 stakeholders, 20% each
VENTUREOD1	3/01/2019 - 3/31/2019	4 stakeholders, 25% each

From 1/01/2019 to 3/31/2019, the process to identify transactions for the joint venture assigns the default ownership definition of VENTUREOD1 to the transactions in Oracle Joint Venture Management.

When the process to distribute the transactions is run, it compares the transaction date in each transaction to the effective dates in each ownership definition instance to determine which instance to use to distribute the transactions.

The following table shows how the distribution process determines which ownership definition instance to use to distribute 10 transactions (T1-T10):

Note: For illustration purposes, this example shows only 10 transactions, but transactions could potentially be in the thousands.

Transaction	Transaction Date	Default Ownership Definition Instance
T1	1/11/2019	VENTUREOD1 1/01/2019 - 1/31/2019
T2	1/16/2019	VENTUREOD1 1/01/2019 - 1/31/2019
T3	1/31/2019	VENTUREOD1 1/01/2019 - 1/31/2019
T4	2/02/2019	VENTUREOD1 2/01/2019 - 2/28/2019
T5	2/13/2019	VENTUREOD1 2/01/2019 - 2/28/2019
T6	2/22/2019	VENTUREOD1 2/01/2019 - 2/28/2019
T7	2/22/2019	VENTUREOD1 2/01/2019 - 2/28/2019
T8	2/27/2019	VENTUREOD1 3/01/2019 - 3/31/2019
T9	3/14/2019	VENTUREOD1 3/01/2019 - 3/31/2019
T10	3/14/2019	VENTUREOD1 3/01/2019 - 3/31/2019

The following table shows the ownership percentages used for the split of each transaction based on the ownership definition instance assigned to each transaction:

Transaction	Default Ownership Definition Instance	Ownership Percentages Used for the Split
T1 - T3	VENTUREOD1 1/01/2019 - 1/31/2019	4 stakeholders, 25% each
T4 - T8	VENTUREOD1 2/01/2019 - 2/28/2019	5 stakeholders, 20% each
T9 - T10	VENTUREOD1 3/01/2019 - 3/31/2019	4 stakeholders, 25% each

Create an Ownership Definition

1. Access the Ownership definitions page of your joint venture definition.
2. On Ownership definitions, select Add.
3. On Create Ownership Definition, enter a name and description for the ownership definition.

Use all upper case characters with no spaces for the name. If you don't, the application will adjust the name according to this convention.

Typically, you'll set up multiple ownership definitions for a joint venture. So try using a name and description that makes each definition easy to identify.

4. Save the ownership definition.

Notice that the default status for an ownership definition is Pending. After completing the ownership definition, you must change it to Active for it to be used by the joint venture definition.

5. Complete the Start Date and End Date to enter an effective date range for the ownership definition.
6. Select the Default Ownership Definition checkbox if you want to make it the default ownership definition for the joint venture.
7. To add a stakeholder with an ownership percentage, select Add and complete the following fields and then select Submit on the row:

- Stakeholder. Select a stakeholder from the drop-down list.

The list includes only the stakeholders that have been added to the joint venture definition and have a status of Active.

- Ownership Percentage. Enter the stakeholder's ownership percentage. The percentage can include up to 14 decimal places.
- Rounding Partner. You must select one stakeholder as the rounding partner. The rounding partner receives the extra cost or revenue that remains after the split is calculated. Typically, the managing partner is the rounding partner, but you can make any stakeholder the rounding partner.

Note: If you don't select a rounding partner, the application automatically designates the internal stakeholder with the largest percentage of ownership as the rounding partner. If there are no internal stakeholders, the application designates the external stakeholder with the largest percentage as the rounding partner. If all percentages are the same, the application selects the first stakeholder in the list.

- Distribution Only. This setting is inherited from the stakeholder, but you can override it here. Select if the stakeholder only participates in the transaction distribution and is not invoiced.

8. Repeat the preceding step until all stakeholders are added and their ownership percentages total 100%, as indicated by the Total Ownership gauge.

If you have a stakeholder that's currently not partaking in the share of transactions, you can still add them and enter 0 for the ownership percentage.

9. To add a file attachment for the ownership definition, drag the file from your local directory into the Drag and Drop field. Or click anywhere in this field, locate and upload the file. To attach a URL, complete the URL field and select Add URL.

For information on how to view, edit, and remove attachments, see [Add Attachments](#).

10. When finished, select Save to save your changes and stay on the page. Or select Save and New to save this ownership definition and add another.

Note: Remember that the ownership definition can't be used by the joint venture definition until you change its status to Active.

Copy an Ownership Definition

You can copy an existing ownership definition to expedite the creation of additional, new ownership definitions. An ownership definition created from a copy of an existing ownership definition retains all details of the original ownership definition except for the effective dates, and the status is set to Editing. You can modify any of the details in the new ownership definition.

To save a new ownership definition created from a copy, you can rename the ownership definition. Or if you're creating multiple instances of an ownership definition with the same name, you can save the new ownership definition after entering unique effective dates. Remember that you can create ownership definitions with the same name and different effective dates to cover changes in stakeholder ownership percentages over different periods of time.

To copy an ownership definition:

1. On Ownership definitions, highlight the ownership definition that you want to copy and select Copy.
2. On Copy Ownership Definition, enter the effective dates for the new ownership definition.

Note: If you're creating different instances of an ownership definition with the same name, the effective dates can't overlap.

3. Update the other details—name, stakeholders, percentages, and so forth—of the new ownership definition as needed.
4. When you're ready to activate the ownership definition, change the status from Editing to Active.
5. Select Save.

Activate an Ownership Definition

You must change the status of an ownership definition to Active to enable it to be used by a joint venture definition.

Before you can change the status to Active, the ownership percentages for all stakeholders in the ownership definition must total 100%.

In the joint venture definition, access the ownership definition and change the status to Active, and then save it.

You can make updates to an active ownership definition that has been used by the joint venture to process transactions. For more information about the changes you can make to an ownership definition, see [Update an Ownership Definition](#).

Specify the Default Ownership Definition for a Joint Venture

You have the option to designate one ownership definition as the default.

The default ownership definition is assigned to all transactions that are identified for the joint venture in the Joint Venture Transactions work area. In this work area, you can override the default ownership definition with a different ownership definition if needed. For the default, it's recommended that you choose an ownership definition that covers the split of the majority of transactions in the joint venture, if possible.

If you've set up a carried interest ownership definition to process joint venture transactions according to the terms in a carried interest agreement, you can specify the carried interest ownership definition as the default ownership definition for the joint venture.

1. Access the Ownership definitions page for your joint venture definition.
2. Select the ownership definition that you want to use as the default.
3. On Edit Ownership Definition, select the Default Ownership Definition checkbox.

Activate a Joint Venture

To enable a joint venture definition to process transactions for the joint venture, you must change its status to Active.

All required information must be added to the joint venture definition before you can make it active. After an active joint venture has processed transactions, there are limits to the changes you can make to the joint venture. See [About the Life Cycle of Joint Ventures](#) for more information.

1. Access the Basic properties page of the joint venture definition that you want to activate.
2. Change the status to Active.
3. Save the joint venture definition.

13 Create Joint Venture Definitions for Nonoperated Joint Ventures

About Nonoperated Joint Ventures

You can use Oracle Joint Venture Management to set up a joint venture as nonoperated, designate yourself as a nonoperator stakeholder, and re-create your portion of the costs using an ownership definition that reflects your share in the joint venture.

You can then track and verify whether the amount billed to you is correct. You can also create Payables invoices or internal transfer journals to pay the managing partner for your share of the costs.

Example of the Setup and Processing of Nonoperated Joint Ventures

A nonoperated joint venture includes four stakeholders. Stakeholder 1 is the nonoperating partner who uses Oracle Joint Venture Management to record and manage their share of the joint venture costs. Stakeholder 2 is the managing partner (operator) of the joint venture and uses a different process to manage the joint venture. The following table illustrates the ownership percentages of all the stakeholders described in the joint operating agreement:

Stakeholder	Ownership Percentage
Stakeholder 1 (Nonoperator)	20
Stakeholder 2 (Managing partner)	40
Stakeholder 3 (Nonoperator)	20
Stakeholder 4 (Nonoperator)	20

Every month, the managing partner sends the details of the cost transactions created for the joint venture along with the receivables invoice for each stakeholder's share of costs. Stakeholder 1 needs a copy of these cost transactions to be available in their Oracle Fusion Cloud Financials database to record, manage, and report on their share of the joint venture costs.

The joint venture accountant user associated with this stakeholder imports or manually adds the cost transactions in Oracle Fusion Cloud Financials in accounts that are included in their chart of accounts.

Then, the joint venture accountant sets up the following details in Joint Venture Management:

- Creates invoicing partner records for Stakeholder 1 and 2.

- Creates a joint venture definition, classifying the joint venture as nonoperated. In the joint venture definition, the joint venture accountant adds the following details:
 - Accounts in Oracle Fusion Cloud Financials that contain transactions for the joint venture. These accounts are referred to as distributable accounts in Joint Venture Management.
 - Two stakeholders, Stakeholder 1 and 2. Stakeholder 1 is set up as an internal stakeholder classified as the nonoperator, and Stakeholder 2 is set up as an external stakeholder classified as the operator.

In the stakeholder record for the nonoperator (Stakeholder 1), the joint venture accountant completes the following fields with values that are required for nonoperated joint venture processing:

- Invoicing Preference. Selects the option to create invoices.
- Invoicing Partner. Enters the invoicing partner for the operator (Stakeholder 2).

Remember that an invoicing partner record includes information about the supplier. Specifying the invoicing partner for the operator in the stakeholder record for the nonoperator will help ensure that Payables invoices are created with the correct supplier details.

In the stakeholder record for the operator (Stakeholder 2), the joint venture accountant completes the following field:

- Distribution only. Selects this option so the process doesn't create an invoice for the operator's share of costs.

Although the joint venture has four stakeholders, the joint venture accountant decides to set up only the minimum required to process the share of costs for Stakeholder 1.

- An ownership definition containing the two stakeholders. The ownership percentages for stakeholders 2, 3, and 4 are totaled and specified as the ownership percentage for Stakeholder 2 (managing partner). The following table illustrates the ownership definition:

Stakeholder	Ownership Percentage
Stakeholder 1 (Nonoperator)	20
Stakeholder 2 (Managing partner)	80

The setup is complete. The joint venture accountant then runs the Joint Venture Management processes that identify the cost transactions for the joint venture, distribute the transactions using the ownership definition, and create Payables invoices to pay the managing partner for the stakeholder's cost distributions. If the managing partner requests cash advances in the form of partner contributions, the nonoperator can use Joint Venture Management to record the partner contribution they paid to the managing partner and verify the amount drawn against their cost distributions. They can also track the partner contribution balance.

Set Up a Nonoperated Joint Venture Definition

Use the Create Joint Venture Definitions application to create a joint venture definition for a nonoperated joint venture. The setup is similar to an operated joint venture definition, with some differences in the classification of the joint venture and stakeholders.

Classification of the Joint Venture

You set up the initial details as you would an operated joint venture definition, except that you set the Classification to Nonoperated.

Stakeholder Setup

For joint ventures classified as nonoperated, your role in the joint venture is that of a nonoperator. Therefore, to represent your role, you need to set up a stakeholder as a nonoperator. For the managing partner, you can set up a stakeholder record with the role of the operator. You can also set up the other stakeholders other than the managing partner as nonoperator stakeholders. This enables you to identify your role in the joint venture and use this information for reporting and auditing purposes.

Note the following fields when setting up your stakeholder record:

- Classification: Select Nonoperator.
- Invoicing Partner: Select the invoicing partner record for the managing partner (operator).

Although you're classifying yourself as a nonoperator stakeholder, you use the invoicing partner record of the managing partner (operator). This setup enables you to create Payables invoices with the correct supplier details.

Ownership Definition Setup

To distribute the transactions identified for your nonoperated joint ventures, you create an ownership definition. It needn't be the exact replica of the ownership definition that's created by the operator. For example, your ownership definition can contain only you and the operator as stakeholders. Your ownership percentage is accurately reflected in the ownership definition, whereas the operator's ownership percentage is the total of the ownership percentages of all the other stakeholders, including the operator's.

Note: Make sure that you're the only stakeholder who's set up to create invoices or journal entries. You should set up the operator as "Distribution Only" stakeholder so invoices and journals aren't created for these stakeholders.

Related Topics

- [What Is a Joint Venture Definition?](#)

14 Create Overhead Methods for Processing Joint Venture Overhead

About Overhead Methods

Set up overhead methods to generate transactions with overhead amounts in order to recoup overhead costs from joint venture partners.

You can set up overhead methods to calculate overhead amounts based on any of these factors:

- Percentage of costs
- Percentage of costs with a sliding scale
- Rate
- Rate with a sliding scale

You can also set up an overhead method to generate transactions with a fixed overhead amount.

You can apply periodic adjustments to overhead methods. This enables you to adjust the fixed overhead amount or to adjust the percentage or rate used in the overhead calculation at different intervals.

Joint venture accountants and joint venture application administrators can create and manage overhead methods in the Joint Venture Overhead Methods application. They can also use a Microsoft Excel spreadsheet to create and manage overhead methods.

Percentage of Cost Overhead Method

You can set up a "Percentage of cost" overhead method to calculate overhead based on a percentage of the following types of costs:

- Costs incurred by the joint venture.
This enables you to use joint venture cost transactions whose distributions haven't been invoiced as the basis for the calculation. In the overhead method, you can specify a segment and segment value to limit the transactions included in the calculation to a particular type of cost, such as material costs or maintenance costs.
- Costs incurred from general operating expenses, such as utilities, rent, maintenance, and so forth.
This enables you to use costs recorded in subledger accounting or the general ledger that aren't directly related to a joint venture as the basis for the calculation. You can calculate overhead based on transactions for a particular period, from the beginning of a fiscal year or calendar year to a period, or from the inception date of a joint venture to a period.
You can also use a sliding scale for this type of overhead calculation. A sliding scale enables you to apply different percentages to different portions of the costs for the overhead calculation.

Related Topics

- [Examples of Using a Percentage of Cost Overhead Method to Calculate Overhead](#)
- [Example of Using a Percentage of Cost Overhead Method with a Sliding Scale](#)

Rate Based Overhead Method

Set up a rate based overhead method to calculate overhead using a rate applied to operational measures recorded for your joint ventures.

Only operational measures recorded as a number, not as a percent, are used in the calculation. You can calculate overhead based on operational measures recorded for a particular period, from the beginning of a fiscal year or calendar year to a period, or from the inception date of a joint venture to a period.

You can also use a sliding scale for this type of overhead calculation. A sliding scale enables you to apply different rates to different portions of operational measures for the overhead calculation.

Related Topics

- [Example of Using a Rate Based Overhead Method to Calculate Overhead](#)
- [Example of Using a Rate Based Overhead Method with a Sliding Scale](#)

Fixed Amount Overhead Method

Use a fixed amount overhead method to create transactions with a fixed overhead amount as agreed upon in the joint operating agreement.

You can also associate a periodic adjustment factor to a fixed amount overhead method. This enables you to automatically update the fixed amount by different percentages at predetermined intervals.

Generation of Transactions with Overhead Amounts

To generate transactions with overhead amounts, you run the Process Joint Venture Overhead process. This process uses the percentage, rate, or fixed amount and other details in an active overhead method to determine the overhead amount.

Overhead amounts are typically debit amounts. However, there can be credit amounts in your overhead for several reasons, for example, a transaction that includes an adjustment to an overstated charge could result in the creation of an overhead source transaction with a credit balance, resulting in a negative overhead amount.

For more information, see [About Processing Joint Venture Overhead](#).

Multiple Overhead Methods for a Single Joint Venture

You can create multiple instances of an overhead method with the same name for a joint venture, as long as each instance has effective dates that don't overlap. This enables you to specify different stakeholders or different fixed amounts, percentages, and rates to use for the overhead calculation for different periods of time. When setting up the process to calculate overhead for a joint venture, you enter an effective date that coincides with the date range of the overhead method that you want to use to calculate overhead.

You can also set up more than one overhead method if you need to calculate overhead based on different categories of costs or operational measures for the joint venture. This gives you the option to use a different percentage or rate for the overhead calculation for each type of cost or operational measure. For example, a joint operating agreement might stipulate that the joint venture partners cover overhead costs based on material and maintenance costs, with a different percentage used in the overhead calculation for each type of cost. In this scenario, you would create two overhead methods for the joint venture, one with the percentage for calculating overhead based on material costs and another with the percentage for calculating overhead based on maintenance costs.

Overhead Method Statuses

After creating an overhead method, you must change its status to Active to enable it to be used by the processes for generating, distributing, and invoicing overhead costs for a joint venture.

When you no longer need to use an overhead method to process overhead, you can change its status to Inactive. You can make certain updates to an overhead method in Active status, but the details you can change depend on whether it's been used to process overhead. For more information about what you can and can't change in an active overhead method, see [Manage the Life Cycle of Overhead Methods](#).

Examples of Using a Percentage of Cost Overhead Method to Calculate Overhead

In this example, a managing partner sets up overhead methods to calculate overhead for the following two joint ventures according to the joint operating agreement (JOA) for each joint venture:

- Joint Venture A, with a JOA that stipulates to calculate overhead using the percentage of costs for the **year to period** with a maximum amount.
- Joint Venture B, with a JOA that stipulates to calculate overhead using the percentage of costs for the **inception to period** with a maximum amount.

The following financial details are the same for both joint ventures:

- The costs that overhead calculations will be based on are recorded in a separate ledger than the ledgers of the joint ventures.
- The chart of accounts structure for the ledger is Company, Cost Center, Account, and Intercompany.
- The costs are recorded under accounts for Company 10 and Cost Center 5000.

Joint Venture A: Percentage of Costs for the Year to Period with a Maximum Amount

The managing partner set up an overhead method for Joint Venture A in accordance with the following terms in the agreement for charging overhead:

- 2% of equipment lease and maintenance costs to be charged as overhead
- Overhead amount to be distributed equally among the partners
- Overhead calculated as a running total for the calendar year (using the “Year to period” option in the overhead method)
- \$20,000 maximum overhead charged per year

To identify the accounts for recording lease and maintenance costs, the managing partner created an account set and associated it to the overhead method. The following table shows the account information in the account set:

Company	Cost Center	Account
10	5000	540020 to 540030
10	5000	540120 to 540130

The following table shows the recorded lease and maintenance transactions which will be used as a basis for the overhead calculation:

Account	Description
10.5000.540120.000	Small Field Equipment Lease
10.5000.540030.000	Large Field Equipment Lease
10.5000.540120.000	Small Field Equipment Maintenance
10.5000.540130.000	Large Field Equipment Maintenance
10.5000.540120.000	Small Field Equipment Maintenance
10.5000.540130.000	Large Field Equipment Maintenance
10.5000.540120.000	Small Field Equipment Maintenance
10.5000.540130.000	Large Field Equipment Maintenance

The managing partner ran the process to calculate the overhead amount twice, at the end of January and at the end of March. Here are the results:

- In the January run, the process multiplied the sum of the January transaction amounts by 2% for a total of \$2193.33, which was distributed to the partners.
- In the March run, the process multiplied the sum of all transactions from the beginning of the calendar year to the end of March by 2% for a total of \$2265.83. It then subtracted the previously calculated and distributed January amount and distributed the difference of \$72.50 to the partners.

Because the \$20,000 maximum amount for overhead for the year wasn't reached, the managing partner will continue to run the process to calculate overhead in the next period.

Joint Venture B: Percentage of Costs for the Inception to Period with a Maximum Amount

The managing partner set up an overhead method for Joint Venture B in accordance with the following terms in the agreement for charging overhead:

- 5% of equipment lease and maintenance costs from the inception of the joint venture on June 1, 2019 to be charged for overhead.
- \$6,000 maximum overhead charged from the inception of the joint venture.
- Overhead amount to be distributed equally among the partners

To identify the accounts for recording lease and maintenance costs, the managing partner created an account set and associated it to the overhead method. The following table shows the account information in the account set:

Company	Cost Center	Account
10	5000	535502
10	5000	535602

The following table shows the recorded lease and maintenance transactions:

Account	Description
10.5000.535602.000	Repair and Maintenance - Leased Office Equipment
10.5000.535602.000	Repair and Maintenance - Leased Office Equipment
10.5000.535602.000	Repair and Maintenance - Leased Office Equipment
10.5000.535602.000	Repair and Maintenance - Leased Office Equipment
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10.5000.535602.000	Repair and Maintenance - Leased Office Equipment

Account	Description
10.5000.535602.000	Repair and Maintenance - Leased Office Equipment
10.5000.535602.000	Repair and Maintenance - Leased Office Equipment
10.5000.535502.000	Office Equipment Leases
10.5000.535602.000	Repair and Maintenance - Leased Office Equipment
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10.5000.535602.000	Repair and Maintenance - Leased Office Equipment
10.5000.535602.000	Repair and Maintenance - Leased Office Equipment
10.5000.535502.000	Office Equipment Leases

The managing partner had already run the process to calculate overhead for the costs recorded prior to 2021, which resulted in the following overhead charges:

- December 2019 overhead charge - \$2141.48
- June 2020 overhead charge - \$1095.53
- December 2020 overhead charge - \$ 1101.30

At this point, a total overhead amount of \$4338.32 was charged to the joint venture partners.

The managing partner ran the process again at the end of 2021 to include the remaining costs incurred through the end of the year in the overhead calculation. The process calculated the overhead using all transactions from the inception of the joint venture through the end of 2021 with these results:

- The total was \$6467.90.
- Of this amount, \$4338.32 had been previously charged to the joint venture partners.
- The processed overhead method was defined with a maximum overhead amount of \$6000 as stipulated in the terms of the joint venture. Therefore, the process calculated the remaining amount by subtracting \$4338.32 from \$6000, resulting in a final overhead charge of \$1661.68.

Example of Using a Percentage of Cost Overhead Method with a Sliding Scale

In this example, a managing partner needs to set up an overhead method to calculate overhead based on the terms stipulated in the joint operating agreement, which states:

- Use rent and utilities costs as the basis for the overhead calculation.
- For each period, distribute overhead costs to joint venture partners with a minimum amount of \$5,000.
- For the calculation, use the following breakdown of threshold amounts and percentages to calculate the overhead amount:

Threshold Amount	Percentage	Calculation
\$10,000	7	Multiply first \$10,000 portion of the total cost by 7%.
\$50,000	6	Multiply the portion of the cost that is greater than \$10,000 and up to \$50,000 by 6%.
\$9,999,999	5	Multiply portion of the cost that is greater than \$50,000 and up to \$9,999,999 by 5%. *Any portion of the cost over \$9,999,999 is not used to calculate overhead.

When setting up the overhead method for the joint venture, the managing partner added the preceding threshold amounts and percentages to a sliding scale. The managing partner also specified the following details:

- Effective dates for the overhead method.
- An account set that was set up to identify accounts for recording rent and utilities.
- The ownership definition to use for the distribution of the calculated overhead amount.
- \$5,000 as the minimum overhead amount.
- A period designation so that the overhead calculation is based only on transactions for the period selected by the user when submitting the process to calculate overhead.

The managing partner ran the process to calculate overhead for the most recent period. The following table shows the details of the transactions that the process identified for the overhead calculation:

Account	General Ledger Date	Amount
10.5000.535011.000	3/4/2021	\$ 12,500.00
10.5000.535021.000	3/4/2021	\$ 12,500.00
10.5000.535031.000	3/4/2021	\$ 14,500.00
10.5000.535051.000	3/4/2021	\$ 13,000.00
10.5000.535081.000	3/4/2021	\$ 11,300.00
10.5000.535091.000	3/4/2021	\$ 11,000.00
10.5000.535502.000	3/4/2021	\$ 5,600.00
10.5000.539701.000	3/5/2021	\$ 7,500.00
10.5000.539799.000	3/6/2021	\$ 10,750.00
10.5000.535212.000	3/13/2021	\$ 5,679.00
10.5000.539301.000	3/14/2021	\$ 4,532.00
10.5000.539311.000	3/15/2021	\$ 2,587.00
10.5000.539399.000	3/16/2021	\$ 1,099.00

The process calculates the total amount of the costs, which is \$112,547. It then uses the percentages in the sliding scale to calculate overhead based on the threshold amounts, as shown here:

Threshold Amount	Percentage	Calculation
\$10,000	7	$10,000 \times 7\% = 700$
\$50,000	6	$40,000 \times 6\% = 2400$
\$9,999,999	5	$62,547 \times 5\% = 3127.36$ Overhead Total = \$6,277.35

Because the total overhead amount is above the \$5,000 minimum, the process creates a transaction with the amount, which is viewable in the Joint Venture Source Transactions work area. This transaction can then be processed by Oracle Joint Venture Management to recoup the overhead amount from the joint venture partners.

Example of Using a Rate Based Overhead Method to Calculate Overhead

In this example, a managing partner needs to set up an overhead method to calculate overhead based on the terms stipulated in the joint operating agreement, which states:

- The units of water used in the joint venture operations is the basis for the overhead calculation.
- Use \$5 as the rate for each unit of water.
- For each period, distribute overhead costs to joint venture partners with a minimum amount of \$1,000 and a maximum of \$2,000.

When setting up the overhead method for the joint venture, the managing partner specified the following details:

- Effective dates for the overhead method.
- The ownership definition to use for the distribution of the calculated overhead amount.
- The operational measure type “Water” to use as the basis for the overhead calculation.
- A rate of \$5 to apply to the operational measure type for the overhead calculation.
- A \$1,000 minimum and \$2,000 maximum overhead amount.
- A period designation so that the overhead calculation is only on operational measures recorded for the period that you select when submitting the process to calculate overhead.

The managing partner ran the process to calculate overhead for the most recent period. The following table shows the details of the operational measures that the process identified for the overhead calculation:

Measure Type	Measure Date	Measure Value	Unit of Measure	Value Type
WATER	1/1/2021	2.0	Units	Number
WATER	1/2/2021	2.0	Units	Number
WATER	1/14/2021	9.0	Units	Number
WATER	1/15/2021	15.0	Units	Number
WATER	1/15/2021	8.0	Units	Number

Measure Type	Measure Date	Measure Value	Unit of Measure	Value Type
WATER	1/18/2021	45.0	Units	Number
WATER	1/19/2021	79.0	Units	Number
WATER	1/25/2021	35.0	Units	Number
WATER	1/25/2021	13.0	Units	Number
WATER	1/31/2021	6.0	Units	Number
WATER	1/31/2021	20.0	Units	Number

The process calculates the total units of water used, which is 234. It then multiplies this number with the rate specified, which is \$5, to calculate the total overhead for the current period, January.

Total Measure Value	Rate	Calculation
234.0	\$5	234.0 x \$5 = \$1,170.00

Because the total is above the \$1,000 minimum and below the \$2,000 maximum, the process creates a transaction with the overhead amount, which is viewable in the Joint Venture Source Transactions work area. This transaction can then be processed by Oracle Joint Venture Management to recoup the overhead amount from the joint venture partners.

Example of Using a Rate Based Overhead Method with a Sliding Scale

In this example, a managing partner sets up a rate based overhead method with a sliding scale to calculate the overhead for a joint venture. The joint operating agreement includes the following terms for the overhead calculation:

- Use units of water consumed in the joint venture operations as the basis for the overhead calculation.
- Calculate overhead using the following sliding scale: \$5 per unit of water for the first 100 units; \$4 a unit for the next 100 units; \$3 a unit for the remaining units.
- Base overhead calculation on a year to period time frame.
- Overhead charge not to exceed \$5000 for the year.

When setting up the overhead method for the joint venture, the managing partner specified the following details:

- Effective dates for the overhead method.
- The ownership definition to use for the distribution of the calculated overhead amount.
- Identification of “Water” for the operational measure type, to use water measures as the basis for the overhead calculation.
- A sliding scale of rates, as outlined in the JOA, to use for the overhead calculation.
- A \$5,000 maximum overhead amount.
- A period designation so that the process to calculate overhead uses only operational measures recorded from the beginning of the year to the period selected when running the process.

The following table shows the operational measures that the managing partner captured for the joint venture. Measures for water and electricity were recorded, but as outlined in the JOA, only water measures will be used in the overhead calculation.

Measure Type	Measure Date	Measure Value	Unit of Measure
WATER	12/14/2020	6.00	Units
WATER	1/14/2021	240.00	Units
ELECTRIC	1/15/2021	16.00	Units
WATER	1/31/2021	322.00	Units
ELECTRIC	2/14/2021	28.00	Units
WATER	2/15/2021	267.00	Units
WATER	2/28/2021	308.00	Units
ELECTRIC	3/15/2021	21.00	Units
WATER	3/15/2021	280.00	Units
WATER	3/31/2021	374.00	Units
WATER	4/14/2021	310.00	Units

At the end of January, the managing partner ran the process to calculate overhead, using the “Year to period” option. The following table shows the sliding scale used to calculate overhead based on the 562 units of water used in January.

Operational Measure	Rate	Calculation
100	\$5	$100 \times 5 = 500$
100	\$4	$100 \times 4 = 400$
362	\$3	$362 \times 3 = 1086$ January overhead total = \$1986

The next time the managing partner ran the overhead process was at the end of March, using the same “Year to period” option. The process calculated the overhead based on 1791 water units, the total amount of water used from the beginning of January through the end of March.

Operational Measure	Rate	Calculation
100	\$5	$100 \times 5 = 500$
100	\$4	$100 \times 4 = 400$
1029	\$3	$1591 \times 3 = 4773$ Overhead total = \$5673

Typically, the process would subtract the January overhead amount that was previously calculated and distributed from the overhead total. But in this instance, the maximum overhead amount for the year to period exceeded the \$5000 maximum overhead amount. Therefore, it created a transaction with an amount of \$3014, which is the maximum amount minus the January amount. This amount was then distributed to the partners according to their percentages of ownership in the ownership definition associated with the overhead method.

Create an Overhead Method to Calculate Overhead Using a Percentage of Joint Venture Cost Transactions

Create an overhead method for calculating overhead from joint venture distributions.

1. Navigate to Setup and Maintenance and select the Joint Venture Management functional area under the Financials offering.
2. Click the Manage Joint Venture Overhead Methods task.
3. On Joint Venture Overhead Methods, click Add.
4. In the Details area, enter a name and description for the overhead method and then select the joint venture to associate the overhead method to.
5. In the Start Date and End Date fields, enter an effective date range for the overhead method.

When you schedule the process to calculate overhead, you enter an effective date that coincides with the date range in the overhead method. This determines which overhead method is used to calculate the overhead amount.

6. Click the Type drop-down list and select Percentage of cost.
For the status, the default is Editing. When you are ready to use the overhead method to calculate overhead, you must change the status to Active.
7. Select either an ownership definition or a direct billed stakeholder for the distribution of overhead amounts:
 - Ownership Definition. Select from a list of ownership definitions associated with the joint venture selected above.
8. In the Calculation area, for the Basis Source, select Joint venture billed transactions.
9. Complete these fields:
 - Percentage. Enter a percentage to use for the overhead calculation.

CAUTION: Most ownership definitions include an ownership percentage for the managing partner. A managing partner is not typically invoiced for overhead, but recoups overhead costs. Therefore, you might need to create a new ownership definition specifically for distributing overhead amounts only to stakeholders other than the managing partner.

- Direct Billed Stakeholder. Select from a list of active stakeholders associated with the joint venture selected above. Use this option to distribute the entire overhead amount to a single stakeholder.
10. In the Calculation area, for the Basis Source, select Joint venture billed transactions.
 11. Complete these fields:
 - Percentage. Enter a percentage to use for the overhead calculation.

Note: You can enter a percentage with up to 6 decimal places. A percentage with more than 6 decimal places is not rounded and will be truncated, for example 10.123456789% will be truncated to 10.123456.

- Minimum Amount. You can enter a minimum amount to include in the transaction if the calculated amount is less than this amount.

10. To identify the source of the transactions for the overhead calculation, use the following transaction source fields:

- Segment. The label of the segment in the chart of accounts that is used to select joint venture distributions for overhead calculations.

Remember that you can review the labels of distributable segments for your chart of accounts from the Distributable Segments tab on the Account Information page of your joint venture definition.

- Segment Value. The segment value used to select joint venture distributions for overhead calculations.

11. In the Invoice area, complete the following fields to set up invoicing for overhead amounts:

- Partner Account. Identify the offset account for the accounted overhead amount in Oracle Receivables.

Place your cursor over this field to display the available segment values, and then select the combination of segment values that make up the account ID. Or click the search icon in this field and use filters to identify the segment values.

The following image shows the "Search for combination" area. It includes a list of segments at the top that you can click to display a search to identify each segment value of the account ID, which in this example is 11-1006-53443-11-0001.

Search for combination

HEPPCompany 11 HEPPCostcenter 1006 HEPPAccount 53443 HEPPIntercompany Future01

11 - 1006 - 53443 - 11 - 0001

Search by value or description

HEPPIntercompany	Description
10	HEPP US Petroleum C
11	HEPP Petroleum USA
20	HEPP Canada Petrole
21	HEPP Petroleum CAD
30	HEPP GBP Petroleum

- Distribution Type. Select "Overhead" or "Fees and other charges."

This value is passed into overhead invoices as the line type and is used for account mapping to assign the partner account to the invoice line.

- Transaction Description. Enter a description to include in the transactions created for the invoiced overhead amounts.

For example, if the overhead amount was calculated from a percentage of material costs, you could enter "Overhead for material costs" for the transaction description. The description appears in all invoices created for the distributed overhead amounts.

Create an Overhead Method to Calculate Overhead Using a Percentage of Costs from Indirect, General Operating Expenses

Set up an overhead method to use general ledger and subledger transactions as the basis of the overhead calculation, with an option to use a sliding scale. You can specify an overhead method percentage or use a sliding scale for the overhead method, but not both.

For this type of overhead method, you can enter a single percentage to use for the overhead calculation or you can set up a sliding scale with different percentages. You can also set up this type of overhead method to calculate overhead based on these time frames:

- For a particular period
- From the beginning of a fiscal year or calendar year to a period
- From the inception date of a joint venture to a period.

1. Navigate to Setup and Maintenance and select the Joint Venture Management functional area under the Financials offering.
2. Click the Manage Joint Venture Overhead Methods task.
3. On Joint Venture Overhead Methods, click Add.
4. In the Details area, enter a name and description for the overhead method and then select the joint venture to associate the overhead method to.
5. In the Start Date and End Date fields, enter an effective date range for the overhead method.
When you schedule the process to calculate overhead, you enter an effective date that coincides with the date range in the overhead method. This determines which overhead method is used to calculate the overhead amount.
6. Click the Type drop-down list and select Percentage of cost.
For the status, the default is Editing. When you are ready to use the overhead method to calculate overhead, you must change the status to Active.
7. Select either an ownership definition or a direct billed stakeholder for the distribution of overhead amounts:
 - Ownership Definition. Select from a list of ownership definitions associated with the joint venture selected above.

CAUTION: Most ownership definitions include an ownership percentage for the managing partner. A managing partner is not typically invoiced for overhead, but recoups overhead costs. Therefore, you might need to create a new ownership definition specifically for distributing overhead amounts only to stakeholders other than the managing partner.

- Direct Billed Stakeholder. Select from a list of active stakeholders associated with the joint venture selected above. Use this option to distribute the entire overhead amount to a single stakeholder.
8. In the Calculation area, for the Basis Source, select General ledger and subledger transactions.

9. Enter a percentage to use for the overhead calculation, or if you want to enter percentages in a sliding scale, select Use Sliding Scale.

Note: A percentage can have up to 6 decimal places. A percentage with more than 6 decimal places is not rounded and will be truncated, for example 10.123456789% will be truncated to 10.123456.

10. If you selected to use a sliding scale, click Edit Sliding Scale and then add rows to enter threshold amounts and their respective percentages.

Cost amounts that are higher than the highest threshold amount will not be included in the overhead calculation. If cost amounts are lower than the first threshold amount, no overhead will be calculated.

11. For the Period Basis, select one of these options:

- Inception to period. Select to base overhead calculations on transactions from the inception of the joint venture to the period specified in the process to calculate overhead.
- Period. Select to base overhead calculations on transactions in the period specified in the process to calculate overhead.
- Year to period. Select to base overhead calculations on transactions from the beginning of the year to the period specified in the process to calculate overhead.

12. For the Calendar, select Fiscal or Standard to specify if overhead is to be calculated based upon your fiscal calendar or the standard calendar (January - December).

This helps to ensure that the appropriate transactions are selected.

13. When calculating overhead from general ledger and subledger transactions, in addition to a minimum amount, you can enter a maximum amount of overhead to bill joint venture partners:

- Minimum Amount. You can enter a minimum amount to include in the transaction if the calculated amount is less than this amount.
- Maximum Amount. You can enter a maximum overhead amount to be billed to joint venture partners. The process to calculate overhead keeps a running total of overhead amounts calculated over the period basis selected in the overhead method. Overhead amounts that exceed the maximum amount will not be billed.

14. To identify the source of the transactions for the overhead calculation, use the following transaction source fields or an account set:

To use the transaction source fields:

- a. Select a ledger from the Transaction Source Ledger list. You can narrow the list to choose from by typing in the first few characters of the ledger name.
- b. Click the Transaction Source Account field and then choose from a list of segment values that make up the account ID. Or click the "Search for combination" icon and use segment filters to identify the account ID.

The following image shows a transaction source account and how the application displays the name and description of each of the segment values that make up the account ID, which in this example is 31-1006-17400-11-0001.

Calculation

Basis Source: General ledger and subledger 1
 Percentage: 5
 Period Basis: Year to period

Calendar:
☒ Fiscal ☐ Standard

Minimum Amount: \$500.00
 Maximum Amount: \$50,000.00

Transaction Source Ledger: HEPPLedger US
 Transaction Source Account: 31-1006-17400-11-0001
 Account Set:

Segment	Value	Description
HEPPCompany	31	HEPP Petroleum GBP
HEPPCostcenter	1006	Permian Basin Cost Center
HEPPAccount	17400	Buildings
HEPPIntercompany	11	HEPP Petroleum USA
Future01	0001	Child No Value

To use an account set, select an account set from the Account Set list.

An account set, which you set up separately, contains filter criteria for identifying transactions for processing in Oracle Joint Venture Management. See [Overview of Joint Venture Account Sets](#) for more information.

15. In the Invoice area, complete the following fields to set up invoicing for overhead amounts:

- **Partner Account.** Identify the offset account for the accounted overhead amount in Oracle Receivables. Place your cursor over this field to display the available segment values, and then select the combination of segment values that make up the account ID. Or click the search icon in this field and use filters to identify the segment values.
- **Distribution Type.** Select “Overhead” or “Fees and other charges.” This value is passed into overhead invoices as the line type and is used for account mapping to assign the partner account to the invoice line.
- **Transaction Description.** Enter a description to include in the transactions created for the invoiced overhead amounts. For example, if the overhead amount was calculated from a percentage of material costs, you could enter “Overhead for material costs” for the transaction description. The description appears in all invoices created for the distributed overhead amounts.

Create an Overhead Method to Calculate Overhead Based on a Rate Applied to Operational Measures

For a rate based overhead method, you can enter a single rate to use for the overhead calculation or you can enter multiple rates in a sliding scale. You can also set up this type of overhead method to calculate overhead based on these time frames:

- For a particular period.
- From the beginning of a fiscal year or calendar year to a period.
- From the inception date of a joint venture to a period.

- 1.** Navigate to Setup and Maintenance and select the Joint Venture Management functional area under the Financials offering.
- 2.** Click the Manage Joint Venture Overhead Methods task.
- 3.** On Joint Venture Overhead Methods, click Add.
- 4.** In the Details area, enter a name and description for the overhead method and then select the joint venture to associate the overhead method to.
- 5.** In the Start Date and End Date fields, enter an effective date range for the overhead method.

When you schedule the process to calculate overhead, you enter an effective date that coincides with the date range in the overhead method. This determines which overhead method is used to calculate the overhead amount.

- 6.** Click the Type drop-down list and select Rate based.
For the status, the default is Editing. When you are ready to use the overhead method to calculate overhead, you must change the status to Active.
- 7.** Select either an ownership definition or a direct billed stakeholder for the distribution of overhead amounts:
 - **Ownership Definition.** Select from a list of ownership definitions associated with the joint venture selected above.

CAUTION: Most ownership definitions include an ownership percentage for the managing partner. A managing partner isn't typically invoiced for overhead, but recoups overhead costs. Therefore, you might need to create a new ownership definition specifically for distributing overhead amounts only to stakeholders other than the managing partner.

- Direct Billed Stakeholder. Select from a list of active stakeholders associated with the joint venture selected above. Use this option to distribute the entire overhead amount to a single stakeholder.
 - 8. In the Calculation area, note that the Basis Source field is populated with Operational measures by default.
 - 9. Click Select Measure Types and then add rows to enter measure types.
The Measure Types drop-down list displays only the measure types that are set up with the “number” value type in the Operational Measure Types work area.
 - 10. Enter a rate to use for the overhead calculation, or select Use Sliding Scale to enter rates in a sliding scale.
- Note:** A rate can have up to 6 decimal places. A rate with more than 6 decimal places isn't rounded and will be truncated, for example 10.123456789 will be truncated to 10.123456.

By default, the primary ledger currency is applied to the rate.

11. If you selected to use a sliding scale, click Edit Sliding Scale and then add rows to enter measure amount thresholds and their respective rates.
When processing overhead, if the total measure amount is lower or equal to the lowest threshold, the process uses the rate associated with the lowest threshold for the calculation. For each increasing threshold limit, the measure amount between the lower threshold and next higher threshold is calculated with the rate associated with the higher threshold. If there's a remaining measure amount that's over the highest threshold, the remaining amount isn't included in the overhead calculation.
12. For the Period Basis, select one of these options:
 - Inception to period. Select to base overhead calculations on operational measures recorded from the inception of the joint venture to the period specified in the process to calculate overhead.
 - Period. Select to base overhead calculations on operational measures recorded in the period specified in the process to calculate overhead.
 - Year to period. Select to base overhead calculations on operational measures recorded from the beginning of the year to the period specified in the process to calculate overhead.
13. For the Calendar, specify whether to calculate overhead based on your fiscal calendar or the standard calendar (January - December).
This helps to ensure that the appropriate operational measures are selected.
14. When calculating overhead from operational measures based on a rate, in addition to a minimum amount, you can enter a maximum amount of overhead to bill joint venture partners:
 - a. Minimum Amount. You can enter a minimum amount to be billed to joint venture partners if the calculated amount is less than this amount.
 - b. Maximum Amount. You can enter a maximum overhead amount to be billed to joint venture partners. The process to calculate overhead keeps a running total of overhead amounts calculated over the period basis selected in the overhead method. Overhead amounts that exceed the maximum amount will not be billed.

15. In the Invoice area, complete the following fields to set up invoicing for overhead amounts:

- **Partner Account.** Identify the offset account for the accounted overhead amount in Oracle Receivables.

Place your cursor over this field to display the available segment values, and then select the combination of segment values that make up the account ID. Or click the search icon in this field and use filters to identify the segment values.

- **Distribution Type.** Select “Overhead” or “Fees and other charges.”

This value is passed into overhead invoices as the line type and is used for account mapping to assign the partner account to the invoice line.

- **Transaction Description.** Enter a description to include in the transactions created for the invoiced overhead amounts.

For example, if the overhead amount was calculated from a rate applied to the water usage, you could enter “Overhead for water usage” for the transaction description. The description appears in all invoices created for the distributed overhead amounts.

Create a Fixed Amount Overhead Method

Perform these steps to create a fixed amount overhead method.

1. Navigate to Setup and Maintenance and select the Joint Venture Management functional area under the Financials offering.
2. Click the Manage Joint Venture Overhead Methods task.
3. On Joint Venture Overhead Methods, click Add.
4. In the Details area, enter a name and description for the overhead method and then select the joint venture to associate the overhead method to.
5. In the Start Date and End Date fields, enter an effective date range for the overhead method.

When you run the process to generate a transaction with the overhead amount, you enter an effective date that coincides with the date range in the overhead method. If you set up multiple overhead methods, this determines which overhead method to use to generate the overhead transaction.

6. Click the Type drop-down list and select Fixed Amount.

Note: The overhead method must remain in Editing status until the setup is complete. You can then change it to Active status when you're ready to use it to generate transactions for overhead.

7. Select either an ownership definition or a direct billed stakeholder for the distribution of overhead amounts:
 - **Ownership Definition.** Select from a list of ownership definitions associated with the selected joint venture.
 - **Direct Billed Stakeholder.** Select from a list of active stakeholders associated with the joint venture selected above. Use this option to distribute the entire overhead amount to a single stakeholder.
8. Enter a fixed amount.

9. In the Invoice area, complete the following fields to set up invoicing for overhead amounts:

- Partner Account. Identify the offset account for the accounted overhead amount in Oracle Receivables. Place your cursor over this field to display the available segment values, and then select the combination of segment values that make up the account ID. Or click the search icon in this field and use filters to identify the segment values.

The following image shows the "Search for combination" area. It includes a list of segments at the top that you can click to display a search to identify each segment value of the account ID, which in this example is 11-1006-53443-11-0001.

Search for combination

HEPPIntercompany	Description
10	HEPP US Petroleum C
11	HEPP Petroleum USA
20	HEPP Canada Petrole
21	HEPP Petroleum CAD
30	HEPP GBP Petroleum

- Distribution Type. Select "Overhead" or "Fees and other charges" or a user-defined value if available. This value is passed into overhead invoices as the line type and is used for account mapping to assign the partner account to the invoice line.
- Transaction Description. Enter a description to include in the transactions created for the invoiced overhead amounts.

For example, for a fixed overhead amount, you could enter "Fixed overhead charges for misc. administrative costs" for the transaction description. The description appears in all invoices created for the distributed overhead amounts.

Activate an Overhead Method

You must activate an overhead method before it can be used to process overhead amounts.

- In the Joint Venture Overhead Methods work area, click the overhead method that you want to activate.
- On Edit Overhead Method, change the status to Active.
- Click Submit or Save.

Set Up Periodic Adjustments to Overhead Calculations

You can set up and assign a periodic adjustment factor to an overhead method. A periodic adjustment factor enables you to adjust the percentage or rate used in the overhead calculation or to adjust the fixed overhead amount at different intervals.

Periodic adjustment factors enable you to adjust overhead calculations for inflation, in accordance with indexes such as COPAS and CPI and other various reasons.

In a periodic adjustment factor, you can add one or more adjustment factors that consist of an adjustment value and a start date. The adjustment value is the percentage by which you want to adjust the percentage, rate, or fixed amount in the overhead method. It can be a positive or negative value. The start date represents the date in which you want to apply the adjustment to the overhead method. For example, if you need to adjust the rate in an overhead method for 6 consecutive months, you can add 6 adjustment factors to adjust the rate for each month.

You can also assign a periodic adjustment factor to overhead methods that use a sliding scale of percentages or rates for the overhead calculation.

You can assign a single periodic adjustment factor to one or more overhead methods. You can update an assigned periodic adjustment if it hasn't been processed to make adjustments to the overhead method.

To apply periodic adjustments to your overhead calculations, perform these tasks:

- Create a periodic adjustment factor with one or more adjustments.
- Assign the periodic adjustment factor to one or more overhead methods.
- Run the process to update overhead methods based on the associated periodic adjustment factor.
- Run the process to calculate overhead using the adjusted overhead methods.

Example of Applying Periodic Adjustments to Overhead Calculations

The following table shows an example of multiple adjustments in a periodic adjustment factor. Notice that the adjustment factor value can be a positive or negative value, or it can be 0 for a timeframe in which an adjustment isn't required.

Start Date	Adjustment Factor Value
November 2021	7%
December 2021	6%
January 2022	0%
February 2022	8%
March 2022	2%
April 2022	-3%

The periodic adjustment factor was assigned to an overhead method set up to initially calculate overhead based on 5% of costs. At the end of each month, before running the process to calculate overhead, the joint venture accountant runs the process to adjust the percentage in the overhead method according to the adjustment value for that month. Here's how the percentage in the overhead method is updated each month.

Start Date	Base Overhead Percentage	Adjustment Value	Adjustment Calculation
November 2021	5.0000%	7%	$(0.05 * (1+0.007)) = 0.05035$
December 2021	5.0350%	6%	$(0.05035 * (1+0.006)) = 0.0506521$
January 2022	5.06521%	0%	No adjustment
February 2022	5.06521%	8%	$(0.0506521 * (1+0.008)) = 0.05106045$
March 2022	5.106045%	2%	$(0.05106045 * (1+0.002)) = 0.05116257$
April 2022	5.116257%	-3%	$(0.05116257 * (1-0.003)) = 0.05100908$

You might have a scenario in which the accountant forgets to process overhead charges, for example for February and March. In April, the accountant can run the overhead adjustment process once, entering a date range from February through April to adjust the percentage in the overhead method for each month accordingly. When the process to calculate overhead is eventually run in April, the overhead charges for each month are calculated using the adjusted percentage for each month. However, if overhead charges were already calculated for the months of February and March with unadjusted overhead percentages, then those overhead charges will not be recalculated.

Create a Periodic Adjustment Factor

You must be a user with the joint venture application administrator or joint venture accountant role to set up periodic adjustment factors.

You can also use a spreadsheet to create and update periodic adjustment factors.

1. Navigate to Setup and Maintenance and select the Joint Venture Management functional area under the Financials offering.
2. Select the Manage Joint Venture Periodic Adjustment Factors task.
3. On Periodic Adjustment Factors, click Add.
Or click Manage in Excel and use the spreadsheet to add multiple periodic adjustment factors. The spreadsheet contains instructions on how to complete the columns, which reflect the fields in the user interface and include a list of values for fields where applicable.
4. On New Periodic Adjustment Factor, enter a name and description.
The default status is Editing. When you complete the setup and are ready to assign the periodic adjustment factor to an overhead method, you must change the status to Active.
5. Click Save.
The application displays the Factor Values area for adding adjustments to the periodic adjustment factor.
6. Click Add and enter a start date and a percentage for the adjustment value.
The application rounds the percentage to 6 decimal places.
7. At the end of the row, click Submit.

The Applied column is view only. It indicates that the adjustment value was used to adjust the percentage or rate in an overhead method. This occurs after you assign the periodic adjustment factor to the overhead method and run the process to adjust the overhead method percentage, rate, or fixed amount according to the periodic adjustment factor.

8. Add additional adjustments as needed.

You can use the buttons at the end of each row to edit or delete values.

9. Click Save.

Activate a Periodic Adjustment Factor

You must activate a periodic adjustment factor before you can assign it to an overhead method.

1. On the Periodic Adjustment Factors page, click the periodic adjustment factor that you want to activate.
2. On Edit Periodic Adjustment Factor, change the status to Active.
3. Click Save.

Assign a Periodic Adjustment Factor to an Overhead Method

After you set up a periodic adjustment factor and change its status to Active, you can assign it to one or more overhead methods.

Simply assigning a periodic adjustment factor to an overhead method doesn't adjust the percentage or rate that the method uses for the overhead calculation. Before you run the process to calculate overhead charges with the overhead method, you must run the process to determine the adjustments you want to apply to the overhead method. See [Apply Periodic Adjustments to an Overhead Method](#) for more information.

1. Access the Joint Venture Overhead Methods application and open the overhead method that you want to assign the periodic adjustment factor to.

The overhead method must be in Editing status to update it.
2. In the Periodic Adjustment Factor area, select the periodic adjustment factor that you want to assign to the overhead method.

The list displays only active periodic adjustment factors. If you don't see the periodic adjustment factor, make sure that its status has been set to Active.

The adjacent fields are read only. They provide you with the following details:

- Last Processed Date – The date that the periodic adjustment factor was last used to calculate overhead charges.
 - Last Factor Date – The date in the adjustment factor that was last used to adjust the overhead calculation.
 - Last Factor Percentage – The percentage in the adjustment factor that was last used to adjust the overhead calculation.
3. Set the overhead method status to Active.
 4. Click Save.

Delete a Periodic Adjustment Factor

On the Periodic Adjustment Factors page, search for and select the periodic adjustment factor and click Delete.

You can't delete a periodic adjustment factor that's been assigned to an overhead method.

Manage Periodic Adjustment Factors

Use the Periodic Adjustment Factors application to review and update existing periodic adjustment factors.

You can update a periodic adjustment factor, but the changes you can make depend on its status and whether it's been used to adjust an overhead method. The following table describes the changes you can make depending on the status of the periodic adjustment factor.

Status	Action
Editing	This is the initial status of a periodic adjustment factor. You can edit the description and add, edit, or delete adjustment factor values in this status. Note: If a periodic adjustment factor has been returned to Editing from Active, and it's already been used to adjust an overhead method, you can't edit or delete it. In this scenario, you can only add new adjustment values.
Active	You must change a periodic adjustment factor to Active before you can use it to process overhead. You can't make any changes to a periodic adjustment factor that's active. You must change it to the Editing status to update it.
Inactive	Use this status if you want to temporarily halt the processing of overhead with the periodic adjustment factor. For example, you might need to do this if a dispute arises over overhead charges. When resolved, you can return it to the Active status.

15 Create and Manage Joint Venture Account Sets

Overview of Joint Venture Account Sets

A joint venture account set contains the criteria for identifying transactions or distributions for processing in Oracle Joint Venture Management. You can create an account set for the following joint venture configurations:

- **Joint venture definitions**
Use account sets in a joint venture definition to identify the transactions that you want to process. You can create account sets that identify distributable accounts, distribution only accounts, and billable asset accounts.
CAUTION: If you don't include an account set for identifying billable asset accounts, all asset accounts in a distributable account set will be treated as distributable, whether they're billable or nonbillable.
- **Ownership definition assignment rules**
Use an account set in an ownership definition assignment rule to assign an ownership definition or direct billed stakeholder to transactions in a specific account or set of accounts identified as distributable for a joint venture.
- **Overhead methods**
Use an account set in an overhead method to identify transactions to use in the calculation of overhead. You can assign an account set to an overhead method that uses General Ledger and subledger transactions as the basis for calculating overhead.
- **Partner contributions**
Use an account set in a partner contribution to reserve the partner contribution for costs associated with one or more accounts.

Plan Your Account Sets

With a little planning, you can efficiently manage your account sets by classifying them appropriately and, if needed, set up a single account set for use across multiple joint ventures.

Account Set Classification

When creating an account set, you can assign one or more categories to indicate the types of joint venture configurations it applies to, such as:

- Joint venture definition, for the identification of either distributable, distribution only, or billable asset accounts
- Ownership definition assignment rule
- Overhead method

- Partner contribution

Classifying account sets helps ensure that only relevant account sets appear in the selection list for each joint venture configuration. If an account set has no assigned classifications, it will be available for selection in all configurations, regardless of suitability.

Using a Single Account Set for Multiple Joint Ventures and Other Setup Considerations

You can create an account set for use in a single joint venture or multiple joint ventures. Here are the setup options for each scenario:

- For use in a single joint venture, you specify a joint venture and the ledger associated with the joint venture.
In this scenario, the primary segment value or values specified in the joint venture definition are automatically included as filter criteria for identifying distributable accounts.
- For use in multiple joint ventures, you specify a ledger without specifying a joint venture.
In this scenario, you can identify the same category of accounts that exist under different primary segments. Remember that the primary segment values identified in a joint venture definition are unique to the joint venture. To identify distributable accounts, Oracle Joint Venture Management uses account combinations assembled from the primary segment values in each joint venture definition and the accounts identified in the account set.

If you specify a joint venture in an account set, you have the option to select a ledger that’s different than the joint venture’s ledger. This is useful, for example, when setting up an account set for an overhead method—if you record costs related to accounting, maintenance, or other general business operations in a different ledger than the one used by the joint venture.

If you manage multiple joint ventures under the same legal entity, make sure to select the Validate Primary Segment values option in the account set. This helps to ensure that only primary segment values matching those defined in the joint venture are allowed.

Account Set Statuses

The following table describes the account set statuses and the changes you can make to an account set depending on its status.

Note: You can also set up user-defined statuses for account sets to fit your business needs. See *Manage Oracle Joint Venture Management Lookups* for more information.

Status	Action
Editing	The initial status when setting up an account set. After saving an account set in this status, you can modify any of the details in the account set except the account set name. You can change the status of an account set from Active to Editing.

Status	Action
Active	You must set an account set to Active status before you can assign it to a joint venture definition, an ownership definition assignment rule, or an overhead method. However, you can assign an account set in Editing status to a partner contribution, but the partner contribution can't be used until the account set is set to Active status.
Inactive	Change the account set to this status when you no longer need to use it to identify transactions. Before you change the status to Inactive, make sure that it's not being used by an active joint venture definition, an overhead method, an ownership definition assignment rule, or a partner contribution.

Create an Account Set

Use the Joint Venture Account Sets work area to create, update, activate, and delete account sets. You can also use a Microsoft Excel spreadsheet to create and update multiple account sets, and then upload them all at once to the work area.

Joint venture accountants and joint venture application administrators can create and manage account sets.

Perform the following steps to enter the initial details for the account set, and then see [Add Filter Sets and Filters to an Account Set](#) to enter the criteria for identifying accounts.

1. Navigate to Setup and Maintenance and select the Joint Venture Management functional area under the Financials offering.
2. Select the Manage Joint Venture Account Sets task.
3. On Account Sets, click Add.
Or click Manage in Excel and use the spreadsheet to add multiple account sets. The spreadsheet contains instructions on how to complete the columns, which reflect the fields in the user interface and include a list of values for fields when applicable.
4. On New Account Set, enter a name and description for the account set.
5. Set up the account set for use in either a specific joint venture or multiple joint ventures:
 - a. For a specific joint venture, specify the joint venture and then click the "Use Joint Venture Ledger" checkbox to automatically select the ledger of the joint venture.
Or you can choose to select a ledger other than the ledger of the joint venture, for example if you're creating an account set for an overhead method and you track costs for accounting, maintenance, and other general business operations in a ledger that's different than the ledger of the joint venture.
 - b. For multiple joint ventures, specify a ledger without specifying a joint venture.
The COA for the ledger specified here must match the COA for the primary ledger of the joint ventures.
 - c. If you selected a joint venture and the "Use Joint Venture Ledger" checkbox, you can also select these options:
 - Validate Primary Segment Values. You must select this option if you're managing multiple joint ventures under the same legal entity.
With this option enabled, the application will validate that the primary segment values that you enter in account set filters are primary segment values in the joint venture definition. No other primary segment values will be allowed in a filter.

- Include Primary Segment Values. Use this option if you want the account set to automatically filter on all primary segment values identified in the joint venture definition of the selected joint venture. With this option enabled, you don't have to explicitly add filter sets with filters for the primary segment values. You only need to set up filter sets to specify segment values other than the primary segment values to identify other accounts. See *Example of Setting Up Filter Sets with the Include Primary Segment Values Option Enabled* for more information.
- 6. Optionally, use the Classification field to specify where you want to use the account set. For example, if you're setting up an account set to identify the distributable accounts for a joint venture, select the Distributable checkbox. This refines the list of account sets to select from when you're assigning an account set to a particular joint venture configuration.
- 7. Click Create and then proceed to add filter sets and filters to the account set.

Add Filter Sets and Filters to an Account Set

In an account set, you add filter sets with one or more filters to identify accounts in a ledger.

In each filter, you provide the following details to identify accounts:

- An account segment.
- An operator to specify a range of values, individual values to include or exclude, or matching criteria. You can select one of these operators:
 - Is
 - Between
 - Is Not
 - Matches Any
 - Does Not Match Any
- One or more values depending on the selected operator.

The following example shows a filter set with filters for two different segments. Joint Venture Management will use the filter set to identify the following transactions:

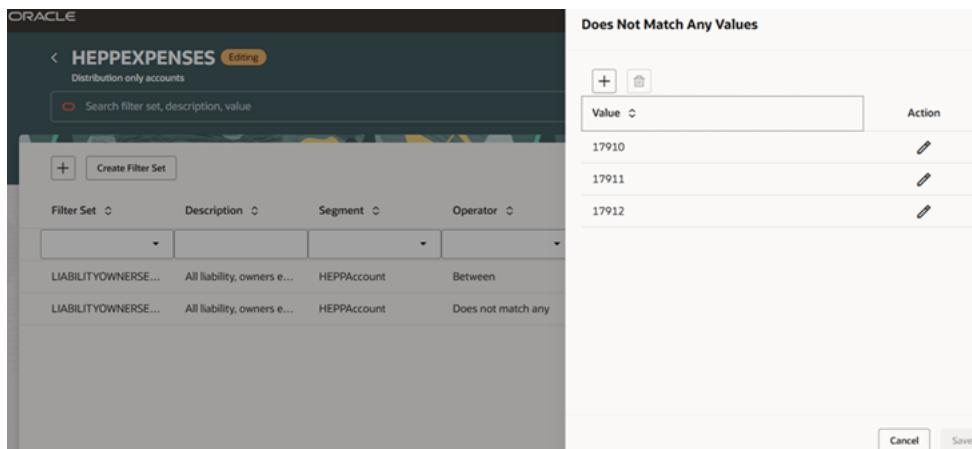
- Transactions in segment HEPPAccount with values that include 24000 through 24999.
- Transactions in segment HEPPCostcenter with values that include 33000.

Filter Set ▾	Description ▾	Segment ▾	Operator ▾	Value 1 ▾	Value 2 ▾	Actions
ADMINCOSTS	Transactions ...	HEPPAccount	Between	24000	24999	 
ADMINCOSTS	Transactions ...	HEPPCostcen...	Is	33000		 

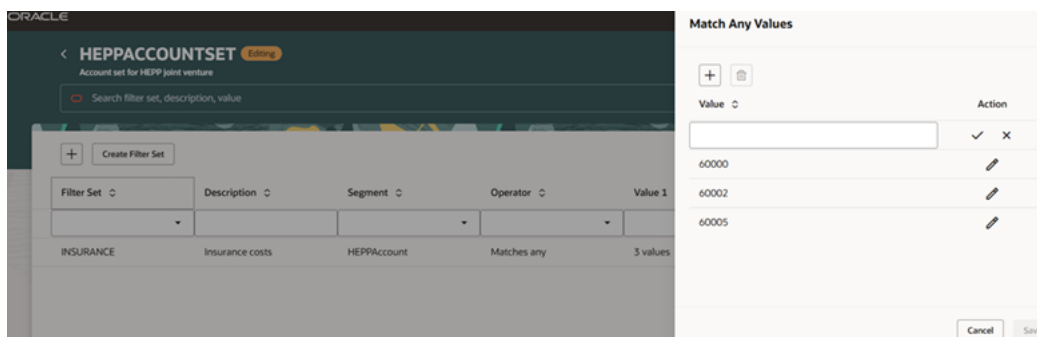
You can add more than one filter for the same segment to a filter set, but only in the following scenario:

- If one filter for the segment uses a Between operator to identify a range of account values.
- If additional filters for the same segment use an Is Not or Does Not Match Any operator to exclude values within the range of values specified in the Between filter.

The following image shows an example of using a combination of Between and Does Not Match Any filters in a filter set. Joint Venture Management will use this filter set to identify distribution only transactions with natural accounts between 00000 and 39999, except for accounts 17910, 17911, and 17912.



If you need to identify two or more individual values in a segment, and the values can't be identified by a range, use the Matches Any operator as shown in the following example. Joint Venture Management will use this filter set to identify all transactions with natural accounts 60000, 60002, and 60005.



To add a filter set:

1. Open the account set from the Account Sets page.
2. Click Create Filter Set and give it a name and description that's descriptive of the category or type of transactions that you're identifying with the filter set. This will help with managing your accounts sets.

CAUTION: Filter set names must be unique across all account sets.

3. Click Create.

To add a filter to a filter set:

1. Click Add Filter and then in the row that appears, enter the following details:
 - Filter Set. Select the filter set that you created.
 - Segment. Select from a list of segments in the ledger.
 - Operator. Select Is, Is Not, or Between, Matches Any, or Does Not Match Any.

Tip: Whenever possible, use the combination of filters with Between and Is Not operators. This way, any accounts added in the future that fall within the Between range will be automatically included.

2. Enter a value or values according to the selected operator.

If you selected the Between operator, enter the start and end range of values in the Value 1 and Value 2 fields respectively.

If you selected the Matches Any or Does Not Match Any operator, click the Value 1 field and then enter the values in the area provided.

Note: You can include a primary segment value in a filter. However, before you do, make sure you understand how it will be processed based on the setup of the account set:

- An account set that's set up for a particular joint venture and the joint venture's ledger

The account set will automatically use the primary segment values identified in the joint venture definition as filter criteria. If you add a filter that includes one of the primary segment values, the filter overrides the use of any other primary segment values from the joint venture definition. For example, if the joint venture definition includes three primary segment values and you set up a filter with one of those primary segment values, only the single primary segment value will be used to identify transactions for that filter.

- An account set that's set up only for a ledger and not a joint venture

If you use a primary segment value in the filter, the filter will only be used if the primary segment is valid for the joint venture that the account set is assigned to.

3. Click Submit at the end of the filter row.
4. Continue to add filters and additional filter sets as needed.

Your changes are saved automatically.

5. When complete, click Go back.

Example of Setting Up Filter Sets with the Include Primary Segment Values Option Enabled

This example is applicable only to an account set that's set up for an overhead method.

The example shows an account set that's set up for a joint venture and the ledger of the joint venture, with the Include Primary Segment Values option selected. This configuration enables the account set to automatically use the primary segment values specified in the joint venture definition for filtering. The primary segment values are 3006 and 2002 in the HEPPCostcenter primary segment. The joint venture accountant doesn't have to add filter sets with filters to identify transactions with these primary segment values.

Account Set Facilities Overhead
Description Overhead costs for facilities
Status Editing
Joint Venture GOILMEX
☒ Use joint venture ledger
☐ Validate primary segment values ⓘ
☒ Include primary segment values ⓘ
Default Ledger HEPPLedger US

The account set includes three filter sets with filters, which are listed in the following table. The table describes how the filter sets in the account set will be processed when the account set is set up with the Include Primary Segment Values option selected:

Filter Set	Filters	Results
FilterSet1	Filter: HEPPAccount Between 40000 and 49999	This filter set will be used to filter on transactions in which HEPPAccount is between 40000 and 49999. It will also filter on transactions in which HEPPCostcenter is 3006 or 2002.
FilterSet2	Filter 1: HEPPAccount Is 3000 Filter 2: HEPPCostcenter Is 4000	This filter set will be used to filter on transactions according to both filters: transactions in which HEPPAccount equals 3000 and transactions in which HEPPCostcenter equals 4000. The filter for HEPPCostcenter overrides the Include Primary Segment Values option because a single record for HEPPCostcenter can't be 4000, and 3006 or 2002.
FilterSet3	Filter 1: HEPPAccount Between 10000 and 15000 Filter 2: HEPPAccount Is Not 11200	This filter set will be used to filter on transactions in which HEPPAccount is between 10000 and 15000, but is not equal to 11200. It will also filter on transactions in which HEPPCostcenter is 3006 or 2002.

Activate an Account Set

You must set an account set to Active before you can assign it to a joint venture definition, an ownership definition assignment rule, or an overhead method. However, you can assign an account set in Editing status to a partner contribution, but the partner contribution can't be used until the account set is set to Active.

1. On the Account Sets page, access the account set and then click Edit Account Set.
2. Change the status to Active.
3. Click Update.

16 Create and Manage Project Sets

Overview of Project Sets

Project sets provide an easy and flexible way to use project attributes to identify transactions or distributions for processing.

Transactions for a joint venture can be related to a wide range of projects. These transactions are recorded with project attributes including project numbers, project names, task numbers, task names, expenditure types, and expenditure organizations. Project sets enable you to identify transactions for processing based on these project attributes.

You can set up project sets for use with the following items in Oracle Joint Venture Management:

- Joint venture definitions
Use joint venture project sets in place of distributable project values in the joint venture definition to determine which transactions to process based on their project attributes.
- Ownership definition assignment rules
Use a joint venture project set in an ownership definition assignment rule to determine which transactions with project attributes to assign a specific ownership definition or direct billed stakeholder.
- Partner contributions
Use a project set in a partner contribution to reserve the partner contribution for costs associated with one or more projects.

Project sets are a recommended alternative to entering individual project values in a joint venture definition or an assignment rule to identify transactions. With project sets, you can define filter criteria that contains single project values, a range of values, and values to exclude in the identification process. There's less maintenance because you don't need to specify each individual project value, which simplifies the setup and reduces the potential to misidentify transactions.

Filter Sets and Filters in a Project Set

In a project set, you create filter sets with one or more filters to identify project-related transactions.

Each filter contains criteria to identify one of these project attributes: project number, project name, task number, task name, expenditure type, or expenditure organization. A filter contains the following operators that you can use to identify one or more values for a project attribute:

- Is
- Between
- Starts with
- Is not
- Matches any

Depending on your business needs, your project set might include only a single filter in a filter set, for example if you only need to identify transactions related to one or more projects. Or you might need a project set with multiple filter sets, for example if you need to identify transactions for different projects and the transactions for each project have an additional, unique project value, such as a different expenditure type.

The following topics provide examples of the different ways that you can set up project sets to identify transactions so that you can efficiently set up your project sets based on your business needs.

Note: The Project Sets application prevents you from adding duplicate filters to a filter set. But it doesn't prevent you from entering the same filters in two different filter sets in a project set. It also doesn't check for overlapping values, repeated values, and so forth between filter sets. Therefore, for more complex filtering scenarios, you're highly encouraged to map out your filter criteria ahead of time before you enter it in a project set.

A Filter Set with a Single Filter

Your project set can be as simple as this, with a single filter added to a filter set.

Filter Set	Project Attribute	Operator	Value
FilterSet1	Project number	Matches any	HEPP1, HEPP2, HEPP6

The row with the values in this table represents a filter in a project set. When processed, this project set will identify all transactions associated with projects HEPP1, HEPP2, and HEPP6.

A Filter Set with Multiple Filters for Different Project Attributes

You can add multiple filters to a filter set if you need to identify transactions that have different project attribute values associated with them. For example, you might have transactions that include 4 project attributes. In this case, you would enter 4 different filters to specify a value or values for each project attribute. Here's an example of what the filters in this filter set might look like.

Filter Set	Project Attribute	Operator	Value
ExplorationFilterSet	Project number	Matches any	HEPP1, HEPP2, HEPP6
ExplorationFilterSet	Task name	Is	Planning
ExplorationFilterSet	Expenditure type	Is	Travel
ExplorationFilterSet	Expenditure organization	Is	Upstream

Each row in this table represents a filter in the filter set ExplorationFilterSet. When processed, the project set will identify only transactions for projects HEPP1, HEPP2, and HEPP6 that include all three of these project attribute values: Planning, Travel, and Upstream.

A Filter Set with Filters for the Same Project Attribute

In a filter set, you can add more than one filter for the same project attribute, but only in the following scenario:

- One filter for the project attribute uses a Between or Starts With operator.

- Additional filters for the same project attribute use an Is Not operator to exclude specific values identified by the Between or Starts With operator.

Filter Set	Project Attribute	Operator	Value
FilterSet1	Project number	Starts With	HEP
FilterSet1	Project number	Is Not	HEPP7
FilterSet1	Project number	Is Not	HEPP8

Each row in this table represents a filter in the filter set FilterSet1. When processed, the project set will identify transactions for all project numbers that begin with HEP, except for projects HEPP7 and HEPP8.

In the first filter in the preceding filter set, you could use the Between operator with a range of values in place of the Starts With operator.

The preceding conditions also apply when you use the following combination of attributes for filters in a filter set:

- Project number and project name
- Task number and task name

Filter Set	Project Attribute	Operator	Value
FilterSet1	Project number	Starts With	HEP
FilterSet1	Project name	Is Not	HEPP Project 1

Each row in this table represents a filter in the filter set FilterSet1. When processed, the project set will identify transactions for all project numbers that begin with HEP, except for the project with this name, HEPP Project 1.

Multiple Filter Sets in a Project Set

Use multiple filter sets when you need to identify different sets of project-related transactions for a joint venture. For example, you might need to identify transactions associated with a particular expenditure type for a project, and identify transactions associated with a different expenditure type for another project. Here's an example of what a project set for this type of scenario would look like.

Filter Set	Project Attribute	Operator	Value
FilterSet1	Project number	Is	HEPP10
FilterSet1	Expenditure type	Is	Meals
FilterSet2	Project number	Is	HEPP20
FilterSet2	Expenditure type	Is	Lodging

In this table, the first two rows represent filters for filter set FilterSet1; the last two rows represent filters for filter set FilterSet2. When processed, this project set will identify transactions for project HEPP10 that include expenditure type Meals. It will also identify transactions for project HEPP20 that include expenditure type Lodging.

Before You Can Create Project Sets

Project sets are applicable only to a Joint Venture Management integration with Project Costing. See [About the Oracle Joint Venture Management Integration with Oracle Project Costing Setup](#) for more information.

Project Set Statuses

The following table describes project set statuses and the changes you can make to a project set in each status.

Status	Action
Editing	The initial status when setting up a project set. After saving a project set in this status, you can modify any of its details except for the project set name. You can change the status of a project set from Active to Editing. However, if the project set is associated with a joint venture definition, an ownership definition assignment rule, or a partner contribution, you'll be prevented from changing any values that impact the processing of those items.
Active	Change the project set status to Active to enable it for use. You can't delete a project set that's in Active status and is being used by a joint venture definition, an ownership definition assignment rule, or a partner contribution.
Inactive	Change the project set to this status when you no longer need to use it to identify transactions. Before you change the status to Inactive, make sure that it's not being used by an active joint venture definition, an ownership definition assignment rule, or a partner contribution.

Create a Project Set

Set up a project set for a joint venture definition, an ownership definition assignment rule, or a partner contribution.

You define a project set in the Project Sets application. You can also use a Microsoft Excel spreadsheet to define multiple project sets and upload them all at once from the spreadsheet to the application.

Joint venture accountants and joint venture application administrators can create and manage project sets.

To make the setup and maintenance of a project set more manageable:

- For each filter set, enter a name and description that's descriptive of the category or type of project-related transactions that you're identifying with the filter set. Filter set names must be unique across all your project sets.
- Whenever possible, use a filter with a Between or Starts With operator to specify multiple values for a project attribute. And in the same filter set, use one or more filters with an Is Not operator if you need to exclude

certain values specified by the Between or Starts With. If project values added in the future meet the criteria in the Between or Starts With filter, the project values will be used automatically to identify transactions for processing.

You must set a project set to Active status before you can assign it to a joint venture definition or an ownership definition assignment rule. You can assign a project set in Editing status to a partner contribution, but the partner contribution can't be used until the project set is set to Active status.

Enter the Basic Details for a Project Set

Complete these steps:

1. Navigate to Setup and Maintenance and select the Joint Venture Management functional area under the Financials offering.
 2. Select the Manage Joint Venture Project Sets task.
 3. On Project Sets, click Add.
Or click Manage in Excel and use the spreadsheet to add multiple project sets. The spreadsheet contains instructions on how to complete the columns, which reflect the fields in the application and include a list of values for fields when applicable.
 4. On New Project Set, enter a name and description for the project set. The name of the project set must be unique.
 5. Select a joint venture and then select the language in which you want to create the filters in the project set.
After you save the project set, the language can't be changed.
- Note:** The language is for expenditure organization and expenditure type project attributes, which are translatable values in Oracle Fusion Cloud ERP. This helps ensure that proper translation can be made if necessary.
6. Click Create, which returns you to the Project Sets page where you can add filter sets and filters to the project set.

Add Filter Sets and Filters to Your Project Set

Complete these steps:

1. Click the name of the project set.
 2. Click Create Filter Set and give it a name and description.
- Note:** Filter set names must be unique across all project sets.
3. Click Create.
The filter set doesn't appear until you add a filter to it as described in the next step.
 4. Click Add Filter and in the row that appears, select the filter set that you created.
 5. Select an attribute: Project number, Task number, Expenditure type, Expenditure organization, Project Name, or Task Name.
- Note:** Only expenditure types set up with the "Miscellaneous Transaction" expenditure type class are supported. For more information, see *Expenditure Categories and Types*.

6. Select an operator and then specify one or more values for the operator.

- o For Is, Is Not, or Starts With, enter a value in the Value 1 field.

You must enter a minimum of 3 characters if using the Starts With operator.

- o For Between, enter a value range in the Value 1 and Value 2 fields.
- o For Matches Any:
 - i. Click the Value 1 field.
 - ii. On Match Any Values, enter each value in a separate row and click Submit.
 - iii. Click Save when complete.

The Matches Any filter displays the number of values that you entered in the Value 1 field, for example “8 values”. You can click the text to add or remove additional values.

7. Click Submit at the end of the row to add the filter.

8. Add additional filters to the filter set or additional filter sets as necessary.

9. To delete a filter set you added by mistake:

- a. Add a filter to the filter set and save it.
- b. After you save the row, click Delete.

This deletes both the filter and the filter set.

10. If you need to change the basic details of the project set, click Edit Project Set.

11. When you finish adding filter sets and filters to your project set, click the Go Back arrow to return to the Project Sets page.

Activate a Project Set

You must set a project set to Active before it can be used in a joint venture definition, an ownership definition assignment rule, or a partner contribution.

1. Access the project set.
2. Click Edit Project Set.
3. Change the status to Active.
4. Click Submit.

Delete a Project Set

On the Project Sets page, select the project set that you want to delete and click Delete.

Remember that you can't delete a project set that's in Active status if it's being used by a joint venture definition, an ownership definition assignment rule, or a partner contribution.

17 Create Ownership Definition Assignment Rules

Overview of Ownership Definition Assignment Rules

Ownership definition assignment rules provide the ability to assign an ownership definition or direct billed stakeholder to transactions in a specific account or set of accounts identified as distributable for a joint venture.

Assignment rules enable you to automatically process joint venture transactions according to the various stipulations for splitting revenue and expenses in a joint operating agreement. They enable you to assign different ownership definitions or direct billed stakeholders to different types of transactions in a joint venture. Here are some possible scenarios you can address with assignment rules:

- The revenue split is different than the split of expenses for a joint venture.
As the managing partner, you might retain a larger share of revenue for a certain period of time in order to recoup extra costs incurred during the start-up phase of a joint venture.
- Only one partner or a subgroup of partners participate in a particular business activity of a joint venture, therefore only those partners partake in the sharing of revenue and expenses for the activity.
- One or more partners aren't responsible for the expenses related to a particular project in a joint venture.
- A single partner is responsible for all costs for a certain type of expense.

You can create additional assignment rules as needed throughout the life cycle of a joint venture. This enables you to adjust to the revisions in a joint operating agreement, such as when a new partner joins a joint venture, when there are changes to partner ownership percentages, and so forth.

An assignment rule contains the following details:

- The joint venture that you're creating the assignment rule for.
- Account information to identify the joint venture transactions to which you want to apply the assignment rule.
- If a joint venture has project-related transactions, you can include project information in an assignment rule to identify these transactions. This applies only if you're using Oracle Joint Venture Management with Oracle Project Costing.
- An effective date range, which is used by the process for applying assignment rules to determine whether to process the assignment rule. The process compares the effective date to the period selected for running the process. Only assignment rules with effective dates that coincide with the selected period are processed.
- A sequence number to determine the order in which assignment rules set up for the same period of time are processed.
- An ownership definition or direct billed stakeholder to assign to transactions.

After you set up assignment rules, see [Apply Ownership Definition Assignment Rules to Joint Venture Transactions](#) for instructions on how to process assignment rules.

Using Assignment Rules with a Default Ownership Definition

Joint Venture Management gives you flexibility when implementing ownership definition assignment rules. You can set up assignment rules for all the transactions in a joint venture. Or you can use assignment rules for only

certain transactions, and use a default ownership definition in the joint venture definition to apply to the remaining transactions.

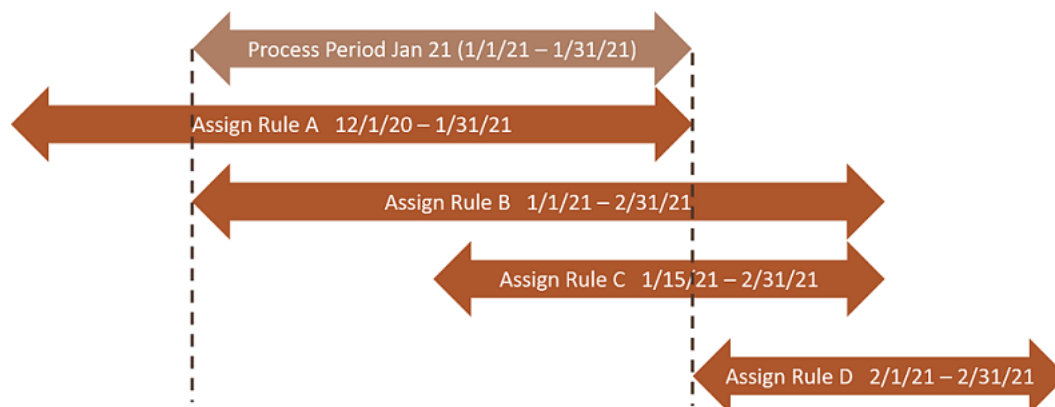
How Ownership Definition Assignment Rules Are Applied to Joint Venture Transactions

Before you create ownership definition assignment rules for a joint venture, it's important to understand how assignment rules are applied to joint venture transactions.

Assignment rules are applied to joint venture transactions as part of the Identify Joint Venture Transactions process when set up to process assignment rules. When submitted, the process performs these tasks to apply assignment rules to joint venture transactions.

1. It uses the period specified in the process to:
 - Determine which transactions are eligible for processing. Only transactions dated within the specified period are eligible.
 - Identify the assignment rules to process for a joint venture. Only assignment rules with an effective date range that overlaps the dates for the selected period are processed.

The following illustration shows how assignment rules A, B, and C, but not D, will be processed for Period Jan 21. This is because the dates for the period are 1/1/21 through 1/31/21, and the dates for assignment rules A, B, and C overlap these dates. The dates for assignment rule D don't coincide with the dates for the period.



2. It checks each assignment rule for account information and then for the processing sequence to determine the order in which to process the assignment rules.

The assignment rule is applied to all transactions that match the account and project information specified in the assignment rule.

The process ignores transactions to which an ownership definition or direct billed stakeholder has already been applied.

Check for Conflicts

You need to make sure that there are no conflicts or redundancies within the assignment rules that you create for a joint venture. You want to avoid setting up two different assignment rules for the same account in a joint venture, with each assignment rule having a different ownership definition or direct billed stakeholder, for example:

- An assignment rule to assign an ownership definition to transactions in a joint venture account set.
- An assignment rule to assign a direct billed stakeholder to transactions in one of the accounts specified in the account set in the preceding assignment rule.

After the process applies one of the assignment rules to transactions, the other assignment rule can't be used for the same transactions because an assignment already exists.

To avoid this and other potential conflicts, it's recommended that you use a spreadsheet to plan or map out all the accounts with joint venture transactions that you need to create assignment rules for. If applicable, include project details if you're creating assignment rules for the distribution of project-related transactions. Identify the ownership definition or direct billed stakeholder for each assignment rule and the sequence or order in which you want to process each assignment rule. After reviewing the assignment rules and ensuring that there aren't conflicts, gaps, or redundancies, create the assignment rules in Oracle Joint Venture Management.

Unassigned Joint Venture Transactions

After running the process to identify joint venture transactions and apply assignment rules, it's possible to have unassigned joint venture transactions in the Joint Venture Transactions work area. This occurs when neither an ownership definition nor a direct billed stakeholder has been associated with a joint venture transaction. Unassigned transactions can't be distributed. However, you can manually assign an ownership definition or direct billed stakeholder to these transactions in the Joint Venture Transactions work area.

Assignment Rule Sequencing

You specify a sequence number in assignment rules to determine the order in which you want them processed. This enables you to set up multiple assignment rules for the same period of time, in which you can have different criteria for transaction selection.

Specifying a sequence number for your assignment rules gives you the flexibility to set up assignment rules based on your business practices. For example, you might want to first process an assignment rule that's set up for transactions associated with a particular task, and then process an assignment rule that's set up for transactions associated with an expenditure type.

Example of Setting Up and Processing Assignment Rules

This example shows how assignment rules can be set up to assign different ownership definitions to different types of transactions in a joint venture.

In this example, a joint operating agreement includes terms for splitting costs and revenue among the managing partner and the three partners in a joint venture. Most of the expenses and revenue have the same terms for the split, except for costs related to site materials, maintenance, and labor. In the agreement, each of these types of costs has a different percentage split.

The managing partner creates a joint venture definition with the following details:

- Identification of distributable accounts.
- Ownership definitions for splitting the revenue and expenses, including the following three ownership definitions to define the percentage splits for site materials, maintenance, and labor:

Ownership Definition	Stakeholders and Percentages
OWNERSHIP-MATERIALS	Acme - 25%; Thompson - 25%; Sampson - 25%; Managing Partner - 25%
OWNERSHIP-MAINTENANCE	Acme - 20%; Thompson - 20%; Sampson - 20%; Managing Partner - 40%
OWNERSHIP-LABOR	Acme - 33%; Thompson - 33%; Sampson - 34%

Before creating assignment rules to assign ownership definitions to cost transactions, the managing partner sets up account sets to use in the assignment rules. The account sets identify the following accounts:

- Material accounts: 515600–515950
- Maintenance accounts: 525400–525410
- Labor accounts: 536051–536100

Next, the managing partner creates the following assignment rules, associating each account set to the appropriate ownership definition:

Assignment Rule	Account Set	Sequence	Ownership Definition
MATERIALSRULE	Account set 1 (515600–515950)	10	OWNERSHIP-MATERIALS
MAINTENANCERULE	Account set 2 (525400–525410)	20	OWNERSHIP-MAINTENANCE
LABORRULE	Account set 3 (536051–536100)	30	OWNERSHIP-LABOR

After activating the joint venture definition, account sets, and assignment rules, the managing partner sets up the Identify Joint Venture Transactions process to process transactions for the joint venture. The process uses the primary segment values in the joint venture definition to identify all joint venture costs and revenue for distribution. It then processes the assignment rules according to the sequence number and assigns ownership definitions to each type of cost transaction according to the details in the assignment rules.

This is a simplified scenario, but you can also set up assignment rules to accommodate more complex joint operating agreements. You can set up an assignment rule to assign a single stakeholder to a set of transactions. Or if you use Oracle Joint Venture Management with Oracle Project Costing, you can set up assignment rules to assign ownership definitions or stakeholders to transactions based on project information in transactions.

Before You Create Ownership Definition Assignment Rules

Before you create ownership definition assignment rules for a joint venture:

- Make sure that the ownership definition or direct billed stakeholder that you want to use in an assignment rule has been set up in the joint venture definition. The lists of ownership definitions and direct billed stakeholders that you can choose from in an assignment rule are derived from the joint venture that you select for the assignment rule.
- If setting up assignment rules to apply to transactions in multiple accounts, you first need to set up a joint venture account set for identifying the accounts. You can then associate the account set to the assignment rule. See [Overview of Joint Venture Account Sets](#) for instructions on how to set up an account set.
- If you're creating assignment rules to apply to project-related transactions, make sure that the accounts with project-related transactions to which you want to apply assignment rules are identified in the joint venture definition. See the following topics for more information:
 - [About the Oracle Joint Venture Management Integration with Oracle Project Costing Setup](#)
 - [Identify Distributable Transactions by Project Information](#)

Create an Ownership Definition Assignment Rule

Create ownership definition assignment rules using the Ownership Definition Assignment Rules page.

To expedite the setup, you can create a new assignment rule by copying an existing assignment rule. You can also define multiple assignment rules in a Microsoft Excel spreadsheet and then upload them all at once from the spreadsheet.

Joint venture accountants and joint venture application administrators can create and manage ownership definition assignment rules.

1. Navigate to Setup and Maintenance and select the Joint Venture Management functional area under the Financials offering.
2. Click the Manage Joint Venture Ownership Definition Assignment Rules task.
3. On Ownership Definition Assignment Rules, click Add.
Or click More Actions, Manage in Excel and use the spreadsheet to add multiple ownership definition assignment rules. The spreadsheet contains instructions on how to complete the columns, which reflect the fields in the user interface and include a list of values for fields when applicable.
4. In the Details section, enter a name and description for the assignment rule.
5. In the Joint Venture field, select the joint venture that you're creating the assignment rule for.

6. Enter a number for the processing sequence.

The processing sequence determines the order in which you want assignment rules processed when you set up multiple assignment rules for the same time frame. If you're setting up only one assignment rule, you must still enter a number.

Tip: For the sequence, you're highly encouraged to use a numbering pattern such as 10, 20, 30, and so on. This gives you the ability to insert additional assignment rules between existing ones in the future.

7. In the Start Date and End Date fields, enter an effective date range for the assignment rule.

The date range is compared against the period for which the assignment rules process is run to determine which assignment rules to use for the selected period.

8. Select either an ownership definition or direct billed stakeholder.

If you don't see the ownership definition or direct billed stakeholder in the list, then you need to add it to the joint venture definition first. Update the joint venture definition accordingly and then return to the assignment rule to make your selection.

9. Specify the account or joint venture account set with joint venture transactions that you want to apply the assignment rule to.

- o To specify a single account, click the Transaction Source Account field and select each segment value to identify the account, or use the search filters to identify the account.
- o To specify an account set, select the account set from the list. Only account sets with an Active status are displayed in the Account Set list.

Note: The ledger of the account or account set must match the ledger of the joint venture on the assignment rule.

10. Click Save.

11. If you're setting up an assignment rule for project-related transactions, select "Project set" (recommended) or "Project values."

- a. If you selected Project set, then select a project set from the drop-down list.
If you haven't created a project set to assign to the assignment rule, see [Overview of Project Sets](#).
- b. If you selected Project values, then click Add in the Project Information area.
- c. In the available row, select one or a combination of the following project values to identify project-related transactions:
 - Project number, task number, expenditure type
 - Project number, expenditure type
 - Project number, task number
 - Project number
 - Expenditure type

Note: Only expenditure types set up with the "Miscellaneous Transaction" expenditure type class are supported. For more information, see [Expenditure Categories and Types](#). You can't add a row with a task number only because a task number can't exist without a project number.

- d. Add more rows as needed.

12. When complete, click Submit.

Activate an Ownership Definition Assignment Rule

You must activate an ownership definition assignment rule before it can be used to assign an ownership definition or direct billed stakeholder to joint venture transactions.

1. On the Ownership Definition Assignment Rules page, click the assignment rule that you want to activate.
2. On Edit Ownership Definition Assignment Rule, change the status to Active.
3. Click Save.

Manage Ownership Definition Assignment Rules

Use the Ownership Definition Assignment Rules page to manage your assignment rules. You can review, add, copy, edit, or delete assignment rules on this page.

Use the Search to find a particular assignment rule. You can search by assignment rule, joint venture, ownership definition, direct billed stakeholder, and so forth.

The Ownership Definition Assignment Rules page displays details about each assignment rule, including the description, status, start and end dates, and other details.

Modify an Ownership Definition Assignment Rule

On the Ownership Definition Assignment Rules page, search for and click the name of the assignment rule that you want to modify. An assignment rule must be in Editing status before you can update it.

You can modify any of the details in an assignment rule that hasn't been used to process transactions.

If an assignment rule has been processed and assigned to joint venture transactions, then you can only change the description and end date. However, you can't change the end date to a date that's before the date of a transaction to which the assignment rule has been applied.

Delete an Ownership Definition Assignment Rule

On the Ownership Definition Assignment Rules page, you can delete an assignment rule only if it hasn't been applied to joint venture transactions. For auditing and tracking purposes, assignment rules that have been processed and applied to joint venture transactions can't be deleted. If you no longer need the assignment rule, you can change its status to Inactive so that it's no longer applied to transactions.

18 Create Carried Interest Agreements

About Carried Interest Agreements, Penalties, and Payout

A carried interest agreement is an arrangement in a joint venture in which one or more partners (consenting stakeholders) agree to carry the interest for one or more other partners (nonconsenting stakeholders). In Oracle Joint Venture Management, you can create a carried interest agreement for a joint venture to perform the following tasks:

- Distribute transactions for costs and revenue to the consenting stakeholders in a carried interest agreement.
- Track the costs, revenue, and balances consenting stakeholders carry for nonconsenting stakeholders in a joint venture.
- Calculate and track the penalties associated with a carried interest agreement.
- Report payout balances to stakeholders.
- Close carried interest agreements after payout has occurred.

Creating a carried interest agreement in Joint Venture Management eliminates the need for a joint venture operator to manually track carried costs, revenue, balances, and penalties. It enables timely, accurate processing of carried interest agreements until they reach their end when payout is reached.

Carried Interest Ownership Definitions

In a carried interest agreement, you provide details to generate a carried interest ownership definition which contains ownership percentages for the consenting stakeholders only. These details include:

- A stakeholder group, which includes each consenting stakeholder and nonconsenting stakeholder and the percentage of the nonconsenting stakeholder's interest that each consenting stakeholder is carrying.
For example, you can have a stakeholder that's carrying 100% of another stakeholder's interest, two stakeholders that are each carrying 50% of another stakeholder's interest, and so forth.
- A source ownership definition, which can include one or more ownership definitions that contain the ownership percentages for the stakeholders prior to the carried interest agreement.

The application uses these details to generate a carried interest ownership definition with each consenting stakeholder's percentage increased in proportion to their share of the nonconsenting stakeholder's interest.

You can use a carried interest ownership definition in these joint venture configurations: joint venture definition, ownership definition assignment rule, overhead method, or partner contribution request. When the setup is complete, you can process joint venture transactions and generate the following distributions:

- Standard distributions to bill and pay the consenting stakeholders for their share of costs and revenue, which includes the share that they're carrying for nonconsenting stakeholders.
- Carried interest distributions to track the carried interest.

Carried interest distributions are created for all transactions that were distributed according to the carried interest agreement. For reporting purposes, you can export carried interest distributions to a spreadsheet to track the amounts consenting stakeholders carry for nonconsenting stakeholders.

Carried interest distributions aren't invoiced. However, in a carried interest agreement, you have the option to identify consenting stakeholders for which you want to create carried interest journals. This pertains only to consenting stakeholders that are internal stakeholders. Its primary purpose is to track the costs and revenue that a joint venture operator is carrying for nonconsenting stakeholders, but you can also perform the setup for an internal stakeholder that is a nonoperator. See [Create Carried Interest Journals](#) for more information.

Where You Can Use Carried Interest Ownership Definitions

To maximize your implementation of a carried interest agreement, it's important to understand where you can use a carried interest ownership definition in a joint venture. You can include a carried interest ownership definition in the following joint venture configurations:

- **Joint venture definition**
You can use a carried interest ownership definition as the default ownership definition for a joint venture.
- **Ownership definition assignment rule**
You can associate a carried interest ownership definition to an assignment rule. An assignment rule enables you to associate the carried interest ownership definition to transactions in a specific account or set of accounts identified as distributable for a joint venture.
- **Overhead method**
If a joint venture is set up to calculate and distribute overhead charges, you can set up an overhead method to distribute the amount according to a carried interest ownership definition.
- **Partner contribution request**
You can associate a carried interest ownership definition to a partner contribution request that's based on a forecasted gross amount or to a partner contribution request that's based on open joint venture distribution amounts. This enables you to base the request on distributions associated with a particular carried interest ownership definition.

Related Topics

- [Overview of Ownership Definition Assignment Rules](#)
- [Set Up Ownership Definitions](#)
- [About Overhead Methods](#)
- [Define Partner Contribution Requests](#)

Penalty Definitions for Penalty Calculations and Payout

You can set up penalty definitions to calculate penalties on carried interest. In a penalty definition, you provide the percentage to use for penalty calculations and specify which costs to apply penalties to.

After you set up penalty definitions, you can enable the agreement to calculate penalties and track payout. When enabled to track payout, Joint Venture Management tracks the following balances over successive periods until payout is reached:

- Total carried amounts

- Total penalty amounts
- Total carried plus penalty balance

Payout occurs when a nonconsenting stakeholder's accumulated carried costs plus penalties are fully offset by carried revenue. When payout is reached, the excess revenue should be manually disbursed to the nonconsenting stakeholder through a Payables invoice. The carried interest agreement is automatically ended and the nonconsenting stakeholder returns to active participation in the joint venture.

Example of Carried Interest Without Penalties or Payout

This example describes a basic carried interest agreement in Joint Venture Management.

For illustration purposes, this scenario depicts a simple joint venture that has one default ownership definition with four stakeholders. The following table shows how stakeholders 1, 3, and 4 will equally carry stakeholder 2's interest in the joint venture.

Consenting Stakeholder	Nonconsenting Stakeholder	Carried Percentage
Stakeholder 1	Stakeholder 2	33.33%
Stakeholder 3	Stakeholder 2	33.33%
Stakeholder 4	Stakeholder 2	33.34%

The Carried Interest Agreement Setup

In the Carried Interest Agreement application, the joint venture accountant creates a carried interest agreement with these details:

- A stakeholder group that identifies the percentage that each consenting stakeholder is carrying for the nonconsenting stakeholder's interest, as shown in the preceding table.
- The source ownership definition that contains the ownership percentages for the stakeholders prior to the carried interest agreement. The accountant selects the joint venture's default ownership definition for the source ownership definition.

Next, the accountant uses the Carried Interest Agreement application to generate a carried interest ownership definition based on these details.

The following table shows the ownership percentages in the source ownership definition compared to the percentages in the generated carried interest ownership definition. It shows how Stakeholder 2's ownership percentage of 36% is split among the consenting stakeholders. Notice that each consenting stakeholder's percentage increased by roughly 12%.

Stakeholder	Source Ownership Definition Percentage	Carried Interest Ownership Definition Percentage
Stakeholder 1	24%	35.9988%
Stakeholder 2	36%	NA (nonconsenting)

Stakeholder	Source Ownership Definition Percentage	Carried Interest Ownership Definition Percentage
Stakeholder 3	20%	31.9988%
Stakeholder 4	20%	32.0024%

To complete the setup, the accountant updates the joint venture definition, assigning the carried interest ownership definition as the default ownership definition.

The Processing of Transactions Based on the Carried Interest Agreement

Next, the accountant runs the processes to identify and distribute the joint venture transactions. The Identify Joint Venture Transactions process assigns the carried interest ownership definition to the transactions identified for the joint venture. The Create Joint Venture Distributions process distributes the transaction amounts according to each consenting stakeholder's ownership percentage defined in the carried interest ownership definition.

The following table shows the distribution of costs and revenue to the consenting stakeholders in the joint venture for the first 6 months. In this time frame, the joint venture incurred \$1 million in costs and \$600,000 in revenue.

Stakeholder	Distributed Cost	Distributed Revenue
Stakeholder 1 – Consenting	\$359,988	\$215,992.80
Stakeholder 3 – Consenting	\$319,988	\$191,992.80
Stakeholder 4 – Consenting	\$320,024	\$192,014.40
Total	\$1,000,000	\$600,000

The terms in the carried interest agreement state that it will remain in effect until the costs carried by the consenting stakeholders are paid through the carried revenue. At this point, the carried interest agreement remains in effect because the carried costs still exceed the carried revenue.

The Tracking of Carried Amounts

During the same time frame, the accountant also runs the Create Joint Venture Distributions process using the option to create carried interest distributions. The process creates carried interest distributions for all transactions that were distributed according to the carried interest agreement.

The accountant downloads the carried interest distributions to a spreadsheet to track the amount that each consenting stakeholder is carrying for the nonconsenting stakeholder. For example, the following table represents three carried interest distributions generated for a transaction of \$2000. It shows the breakdown of the amount that each consenting stakeholder is carrying for the nonconsenting stakeholder.

June Period — Carried Interest and Penalty Totals

Nonconsenting Stakeholder	Nonconsenting Source Percentage	Nonconsenting Distributed Amount	Consenting Stakeholder	Consenting Carried Percentage	Consenting Carried Amount
Stakeholder 2	36%	\$720	Stakeholder 1	35.9988%	\$259.19
Stakeholder 2	36%	\$720	Stakeholder 3	31.9988%	\$230.39

Nonconsenting Stakeholder	Nonconsenting Source Percentage	Nonconsenting Distributed Amount	Consenting Stakeholder	Consenting Carried Percentage	Consenting Carried Amount
Stakeholder 2	36%	\$720	Stakeholder 4	32.0024%	\$230.42

Example of Carried Interest with Penalty Calculations and Payout

This example shows how Joint Venture Management processes a carried interest agreement with a penalty definition. It explains how the application calculates penalties on carried costs, applies carried revenue, and determines payout.

The Setup

In this scenario, a joint venture accountant sets up a penalty definition to calculate the following penalties for a carried interest agreement:

- 150% penalty on billable assets
- 200% penalty on expenses for building materials

The accountant then opens the carried interest agreement and selects the following options to enable the calculation of penalties and balance tracking to determine payout:

- Calculate penalty and balances
- Determine payout

The Processing and Tracking of Carried Interest with Penalties

Over three periods, the accountant runs the processes to distribute transactions and create carried interest distributions. For each period, Joint Venture Management calculates penalties on carried costs, allocates carried revenue against those costs, and updates the following running balances:

- Total carried amount
- Total penalty amount
- Total carried amount plus penalty amount

June Period — Carried Interest and Penalty Totals

Carried Amount (\$)	Penalty %	Penalty Amount	Total Carried	Total Penalty	Total Carried + Penalty	Percentage (for revenue calculation)
100 (asset)	150%	50	100	50	150	
500 (expense)	200%	500	600	550	1150	0.478260869565217
-140 (revenue)			(-73.04)	(-66.96)	1010	0.478257425742574
			526.96	483.04		

Carried Amount (\$)	Penalty %	Penalty Amount	Total Carried	Total Penalty	Total Carried + Penalty	Percentage (for revenue calculation)
-60 (revenue)			(-31.30) 495.66	(-28.70) 454.34	950	0.478252631578947

As shown in the table, Joint Venture Management calculates penalties for carried costs using this formula:

$$\text{Penalty Amount} = (\text{Carried Cost Amount} \times \text{Penalty Percentage}) - \text{Carried Cost Amount}$$

For example:

$$\$50 = (100 \times 150\%) - 100$$

$$\$500 = (500 \times 200\%) - 500$$

The next rows show carried revenue applied to the balances. Revenue is allocated using the percentage from the preceding row, shown in the last column. This percentage is calculated as:

$$\text{Percentage} = \text{Total Penalty} \div \text{Total Carried} + \text{Penalty}$$

For example:

$$0.478260869565217 = 550 \div 1150$$

This percentage determines how revenue is split between the carried balance and the penalty balance. For the \$140 revenue amount:

$$\$140 \times 0.478260869565217 = 66.96$$

$$140 - 66.96 = 73.04$$

As shown in the preceding table, 66.96 and 73.04 are subtracted from the total penalty balance and total carried balance respectively.

After updating the balances, the application recalculates the percentage and applies it to the next revenue amount. This process continues for each revenue transaction in the period.

Note: The application performs calculations on carried amounts by transaction date, starting with the first day of the period. For each date, it first calculates penalties on carried costs and then applies carried revenue. This sequence is repeated for each subsequent date in the period.

July Period — Carried Interest and Penalty Totals with Payout Not Yet Reached

Carried Amount (\$)	Penalty %	Penalty Amount	Total Carried	Total Penalty	Total Carried + Penalty	Percentage (for revenue calculation)
Prior period balances			495.66	454.34	950	
130 (asset)	150%	65	625.66	519.34	1145	
250 (expense)	200%	250	875.66	769.34	1645	0.467683890577508
-40 (revenue)			(-21.29)	(-18.71)		

Carried Amount (\$)	Penalty %	Penalty Amount	Total Carried	Total Penalty	Total Carried + Penalty	Percentage (for revenue calculation)
			854.37	750.63	1605	0.467682242990654
-40 (revenue)			(-21.29)	(-18.71)	1565	0.467680511182109
			833.08	731.92		

The July balances include the June ending balances plus new carried costs, penalties, and revenue.

The balances continue to increase compared to June, indicating that carried costs and penalties still exceed carried revenue. As a result, payout has not yet been reached.

August Period — Carried Interest and Penalty Totals with Payout Reached

Carried Amount (\$)	Penalty %	Penalty Amount	Total Carried	Total Penalty	Total Carried + Penalty	Percentage (for revenue calculation)
Prior period balances			833.08	731.92	1565	
100 (asset)	150%	50	933.08	781.92	1715	
100 (expense)	200%	100	1033.08	881.92	1915	0.460532637075718
-3000 (revenue 8/14/2022)			(-1680.40)	(-1381.60)	-1085	0.460534562211982
			-585.32	-499.68		

The revenue from the 8/14/2022 transaction was allocated across the balances, resulting in total carried revenue exceeding total carried costs and penalties. Consequently, the payout threshold was met, and the excess amount of \$1,085 is payable to the nonconsenting stakeholder.

When all nonconsenting stakeholders have reached payout, Joint Venture Management automatically sets the status of the carried interest agreement to Payout Occurred. It also sets the end date of the following configurations to 8/14/2022:

- Carried interest agreement
- Stakeholder group
- Carried interest ownership definition

The status of the carried interest ownership definition status is changed to Inactive. If this ownership definition is the default ownership definition for the joint venture, you must update the joint venture with a new default ownership definition, typically the source ownership definition associated with the carried interest ownership definition. Also, the carried interest ownership definition is updated with the “Payout occurred” change reason.

Note: In a typical carried interest scenario, it would take several months or even years to generate enough revenue to reach payout.

In some carried interest agreements, payout might occur for only a subset of stakeholder pairs while other stakeholder pairs remain active under different penalty definitions. To continue processing for stakeholder pairs that haven’t

reached payout, you must create a new stakeholder group and carried interest ownership definition for the remaining stakeholder pairs. For more information about a partial payout scenario, see [Create Penalty Definitions](#).

Before You Can Set Up Carried Interest Agreements

Before you set up carried interest agreements, a joint venture application administrator must enable the carried interest option in the Joint Venture System Options.

1. In the Functional Setup Manager, select the Joint Venture Management functional area under the Financials offering.
2. Select the Manage Joint Venture System Options task.
3. On Joint Venture System Options, select Start.
4. In the Features section, select the Carried Interest checkbox.
5. Select Save and then select Cancel to exit the application.

If you plan to create carried interest journals for consenting stakeholders, you must set up the Joint Ventures subledger accordingly. See [Set Up the Joint Ventures Subledger for Carried Interest Journals](#) for more information.

Create a Carried Interest Agreement

Perform the following tasks to set up a carried interest agreement for a joint venture:

- Enter the initial details for the carried interest agreement
- Add a stakeholder group to specify each consenting and nonconsenting stakeholder and the percentage of the nonconsenting stakeholder's interest that each consenting stakeholder is carrying
- Generate one or more carried interest ownership definitions for the stakeholder group
- Enable penalty calculations and payout
- Activate the carried interest agreement
- Set up the joint venture with the carried interest ownership definition generated from the carried interest agreement

Joint venture accountants and joint venture application administrators can create and manage carried interest agreements. Joint venture accounting managers have view only access to carried interest agreements.

Enter the Initial Details for the Carried Interest Agreement

Provide a name and description and specify the joint venture that you are setting up the carried interest agreement for. You can set up one or more carried interest agreements for a joint venture. However, you can't associate the same carried interest agreement to more than one joint venture.

Note: To expedite the setup, you can define multiple carried interest agreements in a Microsoft Excel spreadsheet, and then upload them all at once from the spreadsheet.

1. Navigate to Setup and Maintenance and select the Joint Venture Management functional area under the Financials offering.
2. Select the Manage Carried Interest Agreements task.
3. On Carried Interest Agreements, select Add.
Or select More Actions, Manage in Excel and use the spreadsheet to add multiple carried interest agreements. The spreadsheet contains instructions on how to complete the columns, which reflect the fields in the user interface and include a list of values for fields when applicable.
4. Enter a name and description and select the joint venture for the carried interest agreement.
5. For the status, select Editing.
You can choose to save the carried interest agreement at this point and start another if desired.
6. Enter a start date and an optional end date for the carried interest agreement. The dates that you enter must encompass the effective dates that you enter for the stakeholder groups, as described in the next task.
If you save it without dates, the application automatically enters the current date for the start date and leaves the end date blank.
7. Save the carried interest agreement.

Add a Stakeholder Group

Add a stakeholder group to specify the percentage of a nonconsenting stakeholder's interest that each consenting stakeholder is carrying.

You identify the following details in a stakeholder group according to the terms in your carried interest agreement:

- Effective dates, which must be within the carried interest agreement's date range. You can have multiple stakeholder groups with different effective dates. But you must have at least one stakeholder group with a start date that matches the agreement start date.
- The nonconsenting stakeholder whose interest or ownership percentage is being carried.
- The consenting stakeholder and the percentage that they are carrying of the nonconsenting stakeholder's interest.

The stakeholders in the stakeholder group must be active stakeholders in the joint venture.

The total of the percentages that the consenting stakeholders carry for a nonconsenting stakeholder must equal 100%. You can enter a percentage with up to 5 decimal places.

The details in a stakeholder group are used to generate one or more carried interest ownership definitions, as described in the next task. You can add multiple stakeholder groups and generate carried interest ownership definitions for different groups.

The setup supports rounding. The stakeholder identified as the rounding partner in the source ownership definition is automatically identified as the rounding partner in the carried interest ownership definition. If the original rounding partner becomes a nonconsenting stakeholder, or if there isn't a rounding partner designation, the application automatically designates the internal partner with the highest percentage as the rounding partner. If there's no internal partner, it designates the external partner with the highest percentage as the rounding partner.

To add a stakeholder group:

1. In the Stakeholder Groups area, select Add.
2. Enter a name and description for the stakeholder group.

3. Enter an effective start and end date.

You must have at least one stakeholder group with a start date that matches the agreement start date.

4. Select Submit at the end of the row, and then select Save.

5. To add the stakeholder details, select the name of the stakeholder group or Edit Details, and then perform these steps:

- a. On Edit Stakeholder Group, select Add to add a row for each stakeholder that's carrying a percentage of ownership for a nonconsenting stakeholder.
- b. In each row, enter the following details:
 - The nonconsenting stakeholder whose interest or ownership percentage is being carried.
 - The consenting stakeholder and the percentage of the nonconsenting ownership percentage that the consenting stakeholder is carrying.

Make sure the total of the percentages equals 100%.

- c. If you want carried interest journals created for a consenting stakeholder, click the Create Journals checkbox and then use one of the following methods to specify the carried interest account:
 - Place your cursor in the field to select each segment value to identify the account.
 - Select the search icon in the field and use the filters to identify the segment values.

- d. Select Submit at the end of a row to add it.

6. Save the stakeholder group.

Create Carried Interest Ownership Definitions

When you create a carried interest ownership definition for a stakeholder group, you must specify an ownership definition to use as the source for creating the carried interest ownership definition. The application uses this source ownership definition and the details in the stakeholder group to generate the carried interest ownership definition.

1. In the Carried Interest Ownership Definitions section, select Create.
2. In the Create Ownership Definition area, enter a name and description for the carried interest ownership definition.
3. Select the source ownership definition to use as the basis for creating the carried interest ownership definition.
4. Select the "Default Joint Venture Ownership Definition" checkbox to make this the default ownership definition.

If there's already a default ownership definition defined for the joint venture, you can't use the checkbox to make this the default. Instead, you need to access the joint venture definition and change the default ownership definition to the carried interest ownership definition.

5. Select Create.

The application creates the carried interest ownership definition and adds it to the Carried Interest Ownership Definitions section.

Review or Update a Carried Interest Ownership Definition

On the Edit Stakeholder Group page, you can review carried interest ownership definitions generated for a stakeholder group.

In the grid, you can review the general details such as the source ownership definition associated with the carried interest agreement and the effective dates. You can select the name of the carried interest ownership definition to see these additional details:

- The ownership percentages of each consenting stakeholder
- Identification of the stakeholder that is the rounding partner
- The stakeholder type, whether the consenting stakeholder is an internal or external stakeholder

If you need to make any changes to the stakeholders or their ownership percentages, you can do so by updating this information in the stakeholder group. The application automatically updates the associated carried interest ownership definition with the changes that you made to the stakeholder group.

Enable Penalty Calculations and Payout

If you plan to use penalty definitions for a carried interest agreement, you must enable the carried interest agreement to calculate penalties and track balances.

To do so, select "Calculate penalty and balances." Optionally, select "Determine payout" to enable payout tracking.

- Calculate penalty and balances

Enables Joint Venture Management to calculate penalties on carried interest distributions and track carried and penalty balances over time, regardless of whether payout is determined.

- Determine payout

Available only when "Calculate penalty and balances" is selected. Enables the application to track payout, which occurs when accumulated carried revenue exceeds accumulated carried costs and penalties. When payout is reached, the application automatically ends the stakeholder group and carried interest ownership definition. If payout is reached for all stakeholder pairs, the application also ends the carried interest agreement.

Make sure to enable the processing in all impacted carried interest agreements. For example, if you set up a penalty definition at the joint venture level, you need to enable the penalty processing in all applicable carried interest agreements for the joint venture.

See *Create Penalty Definitions* for more information.

Activate a Carried Interest Agreement

You must activate a carried interest agreement before you can assign its carried interest ownership definition to an active joint venture.

1. On the Carried Interest Agreements page, select the agreement that you want to activate.
2. On Edit Carried Interest Agreement, change the status to Active.
3. Save the carried interest agreement.

Assign a Carried Interest Ownership Definition to a Joint Venture

Assign a carried interest ownership definition to the applicable configuration in the joint venture:

- Joint venture definition, as the default ownership definition
- Ownership definition assignment rule
- Overhead method
- Partner contribution request

Delete a Carried Interest Agreement

You can't delete a carried interest agreement if it has a carried interest ownership definition that's been assigned to any of the following configurations:

- A joint venture's default ownership definition
- An overhead method
- An ownership definition assignment rule that's been used to process transactions for the agreement

If the assignment rule hasn't been used to process transactions, then the assignment rule will be deleted automatically when you delete the carried interest agreement.

- Partner contribution request

To delete a carried interest agreement on the Carried Interest Agreements page, select a carried interest agreement and select Delete.

Create Penalty Definitions

Create a penalty definition to specify the percentage used to calculate penalties on carried interest distributions.

You can define:

- A single percentage for all eligible transactions
- Different percentages for different categories of transactions

Penalty Definition Levels and Processing Order

You can create penalty definitions at different levels, depending on your business requirements:

- Joint venture level
Applies to all carried interest agreements in the joint venture.
- Carried interest agreement level
Applies to all stakeholder pairs in a specific carried interest agreement.
- Stakeholder pair level
Applies to a specific consenting and nonconsenting stakeholder pair within a carried interest agreement.

You can define penalty definitions at one or more of these levels for the same joint venture. This enables you to define a general rule and override it with more specific definitions when needed.

When multiple penalty definitions exist, Joint Venture Management applies them based on specificity:

1. Stakeholder pair level (most specific)
2. Carried interest agreement level
3. Joint venture level (least specific)

If a more specific definition exists, it overrides any broader-level definitions.

Partial Payout Scenario

When penalty definitions are configured at multiple levels, payout can occur at different times for different stakeholder pairs within the same carried interest agreement.

For example, consider the following setup:

- A carried interest agreement-level penalty definition that applies to all stakeholder pairs
- A stakeholder pair-level penalty definition with a higher penalty for a particular stakeholder pair

Because Joint Venture Management applies the most specific definition first, the stakeholder pair with the higher penalty typically accumulates a larger balance and therefore reaches payout later than other stakeholder pairs.

As a result, some stakeholder pairs might reach payout earlier under the agreement-level definition, while others remain active under their more specific definition.

If payout is reached for only a subset of stakeholder pairs:

- The carried interest agreement remains active for the remaining stakeholder pairs
- The existing stakeholder group is ended as of the payout date
- The associated carried interest ownership definition ends and is set to Inactive

To continue processing for stakeholder pairs that haven't reached payout, you must create a new configuration effective the next day:

1. Create a new stakeholder group with the remaining stakeholder pairs and percentages, based on the terms of the agreement.
2. Create a new carried interest ownership definition.
3. Resume processing until payout is reached.

This approach ensures that payout is tracked and completed independently for each stakeholder pair based on the applicable penalty definition. Depending on your business requirements, you can configure penalty definitions and carried interest agreements differently to support continued processing and payout tracking.

Create a Penalty Definition

1. Navigate to Setup and Maintenance and select the Joint Venture Management functional area under the Financials offering.
2. Select the Manage Carried Interest Penalty Definitions task.
Or select More Actions, Manage in Excel and use the spreadsheet to add multiple carried interest agreements. The spreadsheet contains instructions on how to complete the columns, which reflect the fields in the user interface and include a list of values for fields when applicable.
3. On Carried Interest Penalty Definitions, select Add.
4. On New Penalty Definition, enter a name and description.
5. Complete the following fields depending on the level you're setting up the penalty calculation for:
 - Joint venture only
 - Joint venture and Agreement

Note: If there isn't a carried interest agreement in the list, you must set up a carried interest agreement for the joint venture before you can add the penalty definition.

 - Joint Venture, Agreement, Consenting Stakeholder and Nonconsenting Stakeholder pair

CAUTION: At this point, if you save the penalty definition, you won't be able to update these fields or change the penalty selection method. If you need to make these changes after saving, then delete the penalty definition and create a new one.
6. For the "Penalty selection method," select one of the following options and then specify a percentage or percentages accordingly to use for penalty calculations:
 - Selected transactions. Use this option to specify a percentage for different types of transactions, which you can identify with an account set or project set. This option enables you to specify different penalties for different types of transactions.
 - All eligible selections. Use this option to specify a percentage to use for the penalty calculation on all carried interest cost distributions associated with distributed transactions.

You must enter a name and category for each percentage. An administrator will need to configure the Category field with values that match your business needs. You can use these fields for reporting purposes.
7. Select Submit.
When finished, make sure to enable penalty and payout processing in all applicable carried interest agreements.

Manage Carried Interest Agreements

You can update a carried interest agreement, but the changes you can make depend on its status and whether the carried interest agreement has been used to process transactions. The following table describes the changes you can make depending on the status of the carried interest agreement.

Note: You can also create user-defined statuses for carried interest agreements if your business process requires it.

Status	Action
Editing	This is the initial status of a carried interest agreement. You can make any changes to a carried interest agreement in this status.
Active	You must change a carried interest agreement to Active before you can use it to process transactions. You can't make any changes to a carried interest agreement that's active. You must change it to the Editing status to update it, for example to make changes to stakeholder groups.
Inactive	Use this status to temporarily halt the processing of transactions with the carried interest agreement. For example, you might need to do this if disputes arise over ownership percentages. When resolved, you can return it to the Active status.
Closed	Use this status to close a carried interest agreement. For data auditing and tracking purposes, you can't change any details in a carried interest agreement that's been closed. And you can't delete the carried interest agreement or return it to an Active status.

Changes That You Can Make to a Source Ownership Definition

You can't delete a source ownership definition because it's the ownership definition that a carried interest ownership definition is based on.

The only change that you can make to a source ownership definition is to the effective end date, as long as it's after the end date of the associated carried interest agreement.

19 Set Up Joint Venture Management Integration with Project Costing

About the Oracle Joint Venture Management Integration with Oracle Project Costing Setup

An integration with Project Costing enables joint venture accountants to create cost adjustments from joint venture cost distributions associated with external stakeholders. Project accountants can then import the cost adjustments into Project Costing. In Project Costing, cost adjustments are netted from the gross amount, enabling project accountants to realize the accurate capitalized cost.

If Project Costing is set up to calculate burdening costs, configure the integration to create cost adjustments for both raw and burdening costs. Check with a project accountant if you're unsure whether burdening is enabled in Project Costing.

You must perform the following tasks to configure the integration:

- Set up a transaction source for identifying cost adjustments from Oracle Joint Venture Management.
- Set up supporting references to capture project details in subledger journal entries
- Set up overrides for certain project details in cost adjustments.

After the integration is complete, in preparation for creating cost adjustments, it's recommended that joint venture accountants set up account sets to identify accounts with project-related transactions for the joint venture. They can also optionally create a project set to identify transactions for processing based on specific project attributes. See the following topics for more information.

- [Overview of Joint Venture Account Sets](#)
- [Overview of Project Sets](#)
- [Create and Send Cost Adjustments to Oracle Project Costing](#)

Before You Configure the Integration with Oracle Project Costing

Perform the following checks before configuring the integration.

Confirm Expenditure Type Class on Source Transactions

To process cost adjustments for Project Costing, the originating transactions for raw costs must have an expenditure type with the "Miscellaneous Transaction" expenditure type class. See [Expenditure Categories and Types](#) for more information.

Verify Partner Account Setup

Joint venture accountants can generate Receivables invoices to recoup joint venture costs, which requires defining Receivables accounts and partner accounts in Oracle Fusion Cloud Financials. With an integration with Project Costing, you must verify that the partner accounts meet certain requirements. See *Requirements for Partner Accounts in an Integration with Oracle Project Costing* for more information.

Set Up a Transaction Source for Identifying Cost Adjustments from Oracle Joint Venture Management

Set up a transaction source named "Oracle Fusion Joint Venture Management" to identify the source of cost adjustments imported into Oracle Project Costing. This transaction source is a required parameter for the processes run by joint venture accountants and project accountants to create and send cost adjustments to Project Costing.

You set up a transaction source with a document that includes document entries to identify raw cost adjustments and a document entry to identify burdening cost adjustments. The document entry for burdening is required only if Project Costing is set up for burdening.

If you configure the integration to support burdening, provide joint venture accountants with the name of the burdening document entry to run the process to create cost adjustments. The other transaction values are required but are prepopulated.

Project accountants can also use the document entry values for filtering purposes when reviewing cost adjustments imported into Project Costing.

You must be an application implementation consultant to perform these tasks.

Add a transaction source:

1. Navigate to Setup and Maintenance and select the Project Costing Base functional area under the Project Financial Management offering.
2. In the Project Costing Base task area, select Show - All Tasks and then select the Manage Project Transaction Sources task.
3. On Manage Project Transactions Sources, select Add.
4. On Create Source, complete these fields to define the transaction source:
 - Transaction Source. Enter `Oracle Fusion Joint Venture Management`
 - Description. Enter `Oracle Fusion Joint Venture Management`
 - Processing Set Size. 1,000 is recommended.
5. Select Save and Close.

Add a document to the transaction source:

1. Select the Oracle Fusion Joint Venture Management transaction source you just created.
2. In the Documents area, select Add and complete these fields exactly as shown:
 - Document. Enter `JV Partner Reimbursements`
 - Description. Enter `Joint Venture Management Partner Reimbursements`
 - From Date. Enter today's date or the date you plan to start creating cost adjustments from Joint Venture Management.

3. If processing cost adjustments for only raw costs, select these options:
 - Import raw cost amounts
 - Accounted in Source Application = Raw
4. If processing cost adjustments for both raw costs and burdening costs, select these options:
 - Import raw cost amounts
 - Import burdened cost amounts
 - Accounted in Source Application. Select the option according to the burdening setup in Project Costing:
 - Raw and burdened
 - Raw and burden
 - Raw, burden, and burdened

The option you select here must correspond to the burdening setup in Project Costing. Make sure to check with a project accountant if you're unsure of which option to select.

Also, coordinate this setup with joint venture accountants, who must configure their joint ventures to identify the correct burdening costs.

CAUTION: When you save the document with the "Import burdened cost amounts" option enabled, then burdening related processing becomes active for all joint ventures in the Joint Venture Management application.

5. Select Save and Close.

Add document entries to the document:

1. Select the JV Partner Reimbursements document you just created.
2. In the Document Entries area, add document entries for raw costs.
 - a. Add each document entry exactly as shown in the table.
 - b. For each entry, select Miscellaneous Transaction for the Expenditure Type Class.

Name	Description
Distribution	Joint Venture Management document entry for original distribution
Distribution Reversal	Joint Venture Management document entry for distribution reversal
Rebill	Joint Venture Management document entry for rebill distribution

3. If supporting burdening cost adjustments, complete these fields to add a document entry for burdening:
 - Name. Enter **Burdening Distribution**
 - Description. Enter **Joint Venture Management document entry for burdening distribution**
 - Expenditure Type Class. Select **Burden Transaction**
4. Select Save and Close.
5. Before you select Done, review your Oracle Fusion Joint Venture Management transaction source and verify that it's configured correctly.

The following image shows the sections on the Manage Project Transaction Sources page for the transaction source, document, and document entries that were created as described in the preceding steps. The first

section displays the transaction source with a description and processing set size. The second section shows the document with a from date and check marks in the Import Raw Cost Amounts and Import Burdened Cost Amounts columns. The third section includes rows for the following document entries: Burdening Distribution,

Distribution, Distribution Reversal, and Rebill. Each entry includes a description and a check mark in the Allow Modifications to Unprocessed Transactions column.



Manage Project Transaction Sources

View ▼



Oracle Fusion Joint Venture Management

Transaction Source



Oracle Fusion Joint Venture Management



Oracle Fusion Joint Venture Management

View ▼



1-1-200

Set Up Supporting References to Capture Project Details in Subledger Accounting Journals

Oracle Fusion Cloud Financials uses supporting references to capture additional data in subledger journal entries at the line level. You need to set up supporting references in Oracle Financials to capture project details.

Supporting references are part of accounting methods in Oracle Financials. Accounting methods contain “journal entry rule sets” that determine how subledger journal entries are entered into each subledger account. You associate supporting references to journal entry rule sets to capture project details in journal entries.

You must associate the supporting references with all accounts in subledger accounting that contain joint venture transactions for your project. For example, you can use the same supporting reference to capture project details in journal entries entered into Payables, Inventory, Receipt Accruals, Project Costing, and so forth.

As you work through the tasks described here, refer to *Manage Accounting Rules* for more information about accounting methods, journal entry rule sets, and supporting references.

Create Supporting References to Capture Project Details

You must be a user with the Financial Application Administrator role to create supporting references. This role includes the Joint Venture Administrator role, so you can use it to create supporting references and perform other joint venture application administrator tasks.

Create supporting references to capture the following project details in project-related transactions:

- Project ID (Project)
- Task ID (Task)
- Expenditure Type ID (Expenditure Item Type)
- Expenditure Organization ID (Expenditure Organization)
- Expenditure Item Date (Expenditure Item Date)

The joint venture system options include a field to specify a supporting reference for the expenditure business unit ID. However, this supporting reference isn't used. Therefore, you do not need to set up a supporting reference for the expenditure business unit ID.

1. Navigate to Setup and Maintenance and select the Joint Venture Management functional area under the Financials offering.
2. Select Show - All Tasks and then select the Manage Supporting References task.

Note: This is a shared task that's used by multiple products. It's not specific to Oracle Joint Venture Management.

3. On the Manage Supporting Reference page, select the Without Balances tab.

You can set up supporting references with balances or without balances. Because these supporting references are not capturing amounts, use Without Balances.

4. Select Add Row (+ icon), and in the new row, complete these fields:
 - Name

- o Short Name

For the short name, enter a name that reflects the project information you are capturing, such as projectIDforJV, projecttaskIDforJV, and so forth. Remember these names because the short name represents the name of the supporting reference you need to select when configuring the Joint Venture System Options.

- o Description

5. For each supporting reference, identify the source or sources of project-related transactions to which you want to capture project details. For example, you can use the same supporting reference to capture project details in journal entries entered into Payables, Inventory, Receipt Accruals, and so forth.

- a. Select a supporting reference, and then in the Sources area, select Select and Add.
- b. On Select and Add: Sources, complete these fields and then select Search:
 - Subledger Application
 - Event Class
- c. Select Search, and then select the source from the search results.
- d. Select OK.

Make sure to identify all sources for each supporting reference.

Associate the Project Supporting References to Accounting Methods

Associate the supporting references you created in the preceding task to the accounting method for each subledger account.

Note: You must associate project supporting references to the accounting methods in all project cost source systems and in all accounts that contain project cost transactions.

The following steps use a Payables account as an example. Use them as a guide for associating the supporting references to each accounting method.

1. Navigate to Setup and Maintenance and select the Payables functional area under the Financials offering.
2. Select Show - All Tasks and then select the Manage Accounting Methods task.
3. In the Search area, search for the accounting method that contains journal entry rule sets for the subledger accounts.
4. Select the link to the accounting method to edit it.
5. In the event class row, select the rule set to edit it.

This is where you add a new journal line for invoicing to the event class rule set and associate the supporting reference to it.

6. In the Journal Lines area, select Add Row (+ icon) and select the following values to add a journal line rule for invoicing:
 - o Line Type
 - o Journal Line Rule
 - o Account Combination Rule

Note: If you have two journal line rules for invoicing, there can't be an overlap or a gap in the effective dates. They must be successive.

7. With the new journal line highlighted, scroll to the Supporting References area below the Journal Lines area and select Add.
8. Select the project supporting references and then save your changes.

Note: The event class in the supporting references must be the same as the event class in the journal rule set. For example, if one of the sources in the supporting reference is for the Invoicing event class, then the journal rule set must also be for the Invoicing event class.

9. Change the status to Active. Or, you can run "Activate Subledger Journal Entry Rule Set Assignments."
10. Select Save and Close.

This returns you to the Accounting Method page.

11. Make sure the status of the accounting method is Active and then save it.

Continue to add supporting references to journal line rules in each accounting method for every project cost source as necessary.

Specify the Supporting References with Project Details in the Joint Venture System Options

In the Joint Venture System Options, you need to specify the supporting references you set up to capture project information in subledger accounting journals. This enables Oracle Joint Venture Management to identify project-related transactions and display the project details in the Joint Venture Transactions and Joint Venture Distributions work areas.

You must be a joint venture application administrator to access the Joint Venture System Options work area.

1. Navigate to Setup and Maintenance and select the Joint Venture Management functional area under the Financials offering.
2. Select the Manage Joint Venture System Options task.
3. On Joint Venture System Options, select Start and then select "Project information" on the right.
4. In the "Project references" section, select the appropriate supporting reference in each of the Project References fields. Remember that the supporting reference name is identified by its short name.

The joint venture system options include a field to specify a supporting reference for the expenditure business unit ID. You can ignore this field as it's no longer used to populate the expenditure business unit ID in project-related transactions.

Set Up Project Overrides for Cost Adjustments

In the Joint Venture System Options, a joint venture application administrator sets up the following project overrides to help ensure cost adjustments imported into Project Costing are processed and reported accurately:

- Expenditure type
- Burdening expenditure type

These overrides are applied to cost adjustments to classify them as adjustments that offset (subtract) the stakeholder shares from the original cost. They give project accountants the ability to budget and forecast on net costs, gross costs, or both. It also enables them to correctly calculate the capitalizable amount.

Also, the overrides help ensure cost adjustments aren't identified for other Project Costing processes. For example, the burdening expenditure type override prevents burdening-related cost adjustments from being burdened again.

When Joint Venture Management creates cost adjustments for raw costs and burdening costs, it checks the accounting class associated with the transaction's expenditure type to decide which override to apply:

- If the accounting class is a burdening class, Joint Venture Management applies the burdening expenditure type override.
- If the accounting class is not a burdening class, Joint Venture Management applies the expenditure type override.

You can also set an optional task override to associate cost adjustments from Oracle Joint Venture Management with a specific task in Project Costing.

When configured, the overrides replace the original values in all cost adjustments sent from Joint Venture Management to Oracle Project Costing. If a transaction doesn't include a value for expenditure type, burdening expenditure type, or task, the corresponding override is not applied.

Project overrides apply to all joint ventures. You can't set up overrides to apply to a particular joint venture.

How the Task Override Is Applied to Cost Adjustments

The value that you enter for the task override is the task number. In Oracle Fusion Cloud Project Management, a task number is a generic task to which project managers associate task IDs to categorize various tasks for different projects.

To apply the task override to a transaction, Joint Venture Management uses the task number in the override and the project value in a transaction to identify the task ID associated with the project in Oracle Project Management. It then uses the task ID as the task override for the cost adjustment.

Before You Set Up Project Overrides

You are strongly encouraged to work with a project accountant to confirm that the override values are appropriate and that you understand their impact on Project Costing.

If adding a task override, verify that the overriding task is defined in all relevant projects and project templates in Oracle Fusion Cloud Project Management.

Also, check that the Work Breakdown Structure is set up so that the roll-up for asset creation is not affected by the overrides.

If possible, Oracle recommends that you set up project overrides at the beginning of your implementation. This helps to ensure that the application applies the overrides to all cost adjustments from Oracle Joint Venture Management. If you set up overrides in the middle of a project that's in progress, take these additional steps:

- Plan the setup so that you can easily identify which Oracle Project Costing adjustments have overrides applied and which do not.
- Ensure that all existing joint venture transactions and distributions have been processed. They should have a status of "Process complete."
- Update historical cost adjustments in Project Costing with the override values to help ensure consistency and accuracy in budgeting and forecasting.

Set Up Project Overrides

To set up project overrides, perform these steps:

1. Navigate to Setup and Maintenance and select the Joint Venture Management functional area under the Financials offering.
2. Click the Manage Joint Venture System Options task.
3. On Joint Venture System Options, select Start and then select "Project information" on the right.
4. In the "Project overrides" section, complete these fields:

- Task Number (optional)

You must manually enter a task number.

- Expenditure Type

CAUTION: The expenditure type specified for the override must be defined with the expenditure class "Miscellaneous Transaction." For more information, see [Expenditure Categories and Types](#). If burdening is enabled in Project Costing, you must select an expenditure type that isn't included in the burdening setup to avoid double burdening of cost adjustment amounts.

- Burdening Expenditure Type

Select a value for the burdening expenditure type to enable the processing of burdening cost adjustments.

CAUTION: The burdening expenditure type specified for the override must be defined with the expenditure class "Burden Transaction." Otherwise, cost adjustments will not import correctly into Project Costing.

5. Select Save and then select Cancel to exit the application.

Exclude Project-Related Transactions that Aren't Distributable from Displaying in Oracle Joint Venture Management

Joint venture accountants can set up a joint venture definition to distribute transactions for certain projects and not others. Project-related transactions that don't match the project information are still identified, but they're set with a status of "Not distributable" in the Joint Venture Transactions work area.

In the Joint Venture System Options, you can enable an option to exclude project-related transactions that aren't identified as distributable from displaying in the Joint Venture Transactions work area.

You must be a joint venture application administrator to perform this task.

1. Navigate to Setup and Maintenance and select the Joint Venture Management functional area under the Financials offering.
2. Select the Manage Joint Venture System Options task.
3. On Joint Venture System Options, select Start and then select "Project information" on the right.
4. In the "Project references" section, select the checkbox "Exclude project-related transactions that aren't distributable."
5. Select Save and then select Cancel to exit.

20 Rapid Implementation of Joint Venture Management

About Joint Venture Rapid Implementation

You can create joint ventures and other related setup details using rapid implementation spreadsheets (RIS). Rapid implementation provides macro enabled Microsoft Excel spreadsheets that enable you to upload the following setup data to Oracle Joint Venture Management:

- System options
- Invoicing partners
- Joint venture overhead methods

Uploading data with rapid implementation spreadsheets increases efficiency, resulting in a faster implementation. It's an alternative to adding invoicing partners and joint venture definitions to the system one at a time. In addition to the initial implementation, you can use rapid implementation spreadsheets to upload setup data for any new joint ventures that you enter into in the future.

After you add setup data to a RIS, you use the "Generate Zip" button within the spreadsheet to prepare the data for uploading into Joint Venture Management. The process creates a compressed file that packages setup data in XML files. It also includes error handling to help ensure that all required fields and any data dependencies are met. Error messages help you quickly pinpoint where data is missing so you can correct issues before uploading. After fixing any errors, you upload the compressed file to your target environment to generate the setup data.

Before You Begin

Make sure the Joint Venture Management functional area is enabled before using rapid implementation. Also, make sure the enterprise structure is set up properly in your target environment.

For example, if a cost center in your target environment for Oracle Fusion Cloud Financials supports four segments, and the rapid implementation spreadsheet has data for five segments in the cost center, you'll receive an error when you try to import the RIS. Simply put, the same prerequisites apply regardless of whether or not you use rapid implementation for your Oracle Joint Venture Management implementation. For more information, see:

- [Enable Oracle Joint Venture Management](#)
- [What You Need to Know About Oracle Fusion Cloud Financials](#)

Configure Oracle Joint Venture Management Rapid Implementation

Joint venture application administrators can use the rapid implementation spreadsheets for Joint Venture Management.

Perform the following tasks to configure rapid implementation:

- *Prepare Setup Data*
- *Generate XML Files*
- *Upload Setup Data*
- *Correct Any Errors and Reload Data*

Prepare Setup Data

Refer to the Instructions worksheet in each rapid implementation spreadsheet (RIS) for information on how to enter setup data and any data dependencies that must be met. Here are some additional details to remember when adding setup data to each RIS:

- Adding system options to the `RapidImplementationForJointVentureSystemOptions.xlsx`:

There are three sets of system options. One set is used to identify the sources of the transaction date in subledger accounting and general ledger transactions, which is an optional configuration. Before you upload this set of system options with this RIS, you must set up Oracle Fusion Cloud Financials to capture the transaction date in subledger accounting and general ledger journals. See *About Identifying a Transaction Date for Processing Joint Venture Transactions* for more information.

A second set of system options is for the optional Oracle Joint Venture Management integration with Oracle Project Costing. These system options identify the supporting references set up to capture project details in project-related transactions processed by Joint Venture Management. These details enable Joint Venture Management to send cost adjustments to Project Costing. Before you enter these system options in the RIS, you must set up supporting references in Oracle Financials to capture project details. See *Setup Required for the Joint Venture Management Integration with Project Costing* for more information.

Lastly, there is a single system option for identifying the primary segment label. This is the label of the segment in the Financials chart of accounts where the transactions for all your joint ventures are managed. If you don't enter a value for this system option, Joint Venture Management uses the segment associated with the Cost Center Segment label.

- Adding invoicing partners to the `RapidImplementationForInvoicingPartner.xlsx`:

Invoicing partners are associated to stakeholders in a joint venture definition.

- Adding joint venture overhead methods to the `RapidImplementationForJointVentureOverheadMethod.xlsx`:

You can set up one or more overhead methods for a joint venture. Each overhead method that you add to the spreadsheet must reference a valid joint venture. You can find additional instructions for adding overhead methods in the rapid implementation spreadsheet.

To prepare setup data:

1. Navigate to Setup and Maintenance and select the Joint Venture Management functional area under the Financials offering.
2. In the Joint Venture Management area, select All Tasks in Show drop-down list.
The system displays a task for each RIS for Joint Venture Management.
3. Click each task to download the associated rapid implementation spreadsheet:
 - Create Joint Venture System Options in Spreadsheet
 - Create Invoicing Partners in Spreadsheet

- Create Joint Venture Overhead Methods in Spreadsheet
- 4. Open each RIS. If a security warning appears, click Options, select “Enable this content,” and click OK.
- 5. Follow the instructions in the spreadsheet to enter setup data.

Note: You can't upload data in Joint Venture rapid implementation spreadsheets that contain the following special characters: & ' " > <

- 6. Save the files before you generate XML files from the spreadsheets.

Generate XML Files

Each rapid implementation spreadsheet (RIS) has a Generate Zip button to generate a zip file that packages setup data for each business object in XML files. After entering setup data in the spreadsheets, generate a zip file with the XML files.

- 1. In the spreadsheet, click the Generate Zip button located in the Instructions worksheet.

Note: If a warning appears indicating a problem with the data, click OK to view the Validation Report worksheet.

- 2. Fix any errors by entering valid data.

Refer to the instructions in each worksheet for additional information about required data or data dependencies.

- 3. In the RIS, click Generate Zip to validate your updates.
- 4. Save the zip file and click OK.

Note: Don't alter or make any changes to files in the zip file as this may cause the upload process to fail.

Upload Setup Data

Because of data dependencies, you must upload the spreadsheets in this order:

- System options
- Invoicing partners
- 1. Navigate to Tools, Scheduled Processes.
- 2. Click Schedule New Process.
- 3. On Schedule New Process, select Job as the Type.
- 4. In the Name field, enter "Upload Joint Ventures", click Enter, and then click OK.
- 5. On Process Details, click Choose File under the Basic Options section and locate the zip file that you generated from the RIS.
- 6. Click Submit.
- 7. In the Confirmation dialog box, note the number of the process and click OK.
- 8. On the Overview page, enter the process number in Process field and click Search to check the status of the upload.
- 9. After the import completes, verify that the system options and invoicing partners have been added in the applicable Joint Venture Management work areas.

Note: If you use the spreadsheet for subsequent data uploads, some settings in the application may be overridden with the default values set by rapid implementation.

Correct Any Errors and Reload Data

Review any errors that occurred during the load process. Correct the data in the spreadsheet, generate the XML files, and load the rapid implementation spreadsheet zip file again. You can load the spreadsheet multiple times until all errors are corrected.

21 Configure Business Intelligence Publisher to Print Joint Venture Receivables Invoices

Configure Business Intelligence Publisher to Print Joint Venture Receivables Invoices

To print joint venture invoices from Oracle Receivables, you can configure the existing Oracle Business Intelligence Publisher (BI Publisher) data model and template for printing receivables invoices. This enables you to print the invoice in a format that outlines the joint venture transaction and partner information associated with each invoice.

To do this, an application implementation consultant must perform the following one-time tasks:

1. Update the Receivables data model to include the joint venture data source.
2. Build the RTF template using a sample XML file as the data source for joint ventures.

Update the Receivables Data Model to Include Joint Venture Data Source

A data model contains a set of instructions for BI Publisher to retrieve and structure data for a report. A data model consists of data sets that are retrieved from a single or multiple data sources (for example, the data returned from the columns in the Receivables table). To print joint venture invoices using the data set for printing receivables invoices, you update the data set to include a data source for joint ventures.

You update the SQL query for the Receivables Transactions Print data model to retrieve joint venture data from the columns in these tables: Joint Venture Distributions, Joint Venture Transactions, and so on. At a minimum, you are recommended to add the following joint venture data fields in the SQL query:

- Joint Venture Name
 - Transaction Date
 - Invoicing Partner Name
 - Ownership Percentage
 - Gross Amount
 - Primary Ledger Currency
 - Distributed Amount
 - Project
 - Task Name
 - Expenditure Item Name
1. Access the Catalog for BI Publisher Enterprise.
 2. In the Folders pane of the Catalog, navigate to Financials, Receivables, and click Bill Presentment.
 3. Click the Expand button below the Data Models folder and search for Transactions Print Data Model. Click Edit to update this data model.
 4. On TransactionsPrintDm page, ensure that the Diagram tab is selected and then scroll down to access the data columns.

The G_Line column contains the data fields for invoice lines. Joint venture invoices are created at the line level, and therefore you must update the SQL query for this column.

5. With the G_Line column selected, click Edit Selected Data Set (pencil icon).
6. On Edit Data Set Lines, add the query for joint ventures to the existing SQL query.

Use the following SQL query as an example to add additional data source for joint ventures.

```

/
c.interface_line_attribute1 jv_jv_name,
(select to_char(transaction_date, 'YYYY-MM-DD' )from jv_distributions where c.interface_line_attribute5
= to_char(distribution_id ) ) jv_transaction_date,
(select INVOICING_PARTNER_SHORT_NAME from jv_invoicing_partners_b inv, jv_stakeholders_b stk,
jv_distributions dis where
c.interface_line_attribute5 = to_char(dis.distribution_id ) and stk.INVOICING_PARTNER_ID =
inv.INVOICING_PARTNER_ID and dis.STAKEHOLDER_ID = stk.STAKEHOLDER_ID) jv_ip_name,
(select PERCENTAGE_OF_INTEREST from jv_distributions where c.interface_line_attribute5 =
to_char(distribution_id )) jv_ownership_percentage,
((select case when gl.accounted_DR is not null then gl.accounted_DR else gl.accounted_CR
end from jv_distributions dis ,jv_transactions tran, gl_je_lines gl
where c.interface_line_attribute5 = to_char(distribution_id) and tran.application_id <= -99 and
gl.JE_HEADER_ID = tran.header_id
and gl.je_line_num = tran.line_num
and dis.TRANSACTION_ID = tran.TRANSACTION_ID)
union
(select case when ae.accounted_DR is not null then ae.accounted_DR else ae.accounted_CR
end from jv_distributions dis ,jv_transactions tran, xla_ae_lines ae
where c.interface_line_attribute5 = to_char(distribution_id) and tran.application_id >0 and
ae.AE_HEADER_ID = tran.header_id
and ae.ae_line_num = tran.line_num
AND dis.TRANSACTION_ID = tran.TRANSACTION_ID )
union
(select case when oh.DEBIT_AMOUNT is not null then oh.DEBIT_AMOUNT else oh.CREDIT_AMOUNT
end from jv_distributions dis ,jv_transactions tran, jv_generated_transactions oh
where c.interface_line_attribute5 = to_char(distribution_id) and
tran.application_id = -10568 and
oh.HEADER_ID = tran.header_id
and oh.LINE_NUM = tran.line_num
and dis.TRANSACTION_ID = tran.TRANSACTION_ID)) jv_gross_amount,
(select currency_code from jv_distributions where c.interface_line_attribute5 =
to_char(distribution_id ) ) as jv_primary_ledger_currency,
(select nvl(distributed_debit_amount,distributed_credit_amount) from jv_distributions where
c.interface_line_attribute5 = to_char(distribution_id ) ) as jv_distributed_amount,
(select name from pjf_projects_all_vl proj, jv_distributions dist, jv_transactions tran where
c.interface_line_attribute5 = to_char(dist.distribution_id ) and tran.transaction_id =
dist.transaction_id and tran.project_id = proj.project_id ) jv_project,
(select name from PJF_PROJ_ELEMENTS_VL proj, jv_distributions dist, jv_transactions tran
where c.interface_line_attribute5 = to_char(dist.distribution_id )
and tran.transaction_id = dist.transaction_id and tran.TASK_ID = proj.PROJ_ELEMENT_ID ) jv_task_name,
(select EXPENDITURE_TYPE_NAME from PJF_EXP_TYPES_VL expen, jv_distributions dist, jv_transactions tran
where c.interface_line_attribute5 = to_char(dist.distribution_id )
and tran.transaction_id = dist.transaction_id and tran.EXPENDITURE_TYPE_ID = expen.EXPENDITURE_TYPE_ID )
jv_exp_item_name

```

The following example shows the complete SQL query after adding the example query provided above. The query for joint ventures is in bold for easy identification.

```

select
base.*,
to_char(rownum) as sequence_number
from
(SELECT c.customer_trx_id customer_trx_id_line,

```

```

c.customer_trx_line_id customer_trx_line_id,
to_char(decode( c2.line_number, null, c.line_number, null)) line_number,
c.line_type line_type,
AR_BPA_UTILS_PKG.fn_get_line_description(c.customer_trx_line_id) line_description,
decode(c.line_type, 'TAX', null, nvl(c.quantity_invoiced, c.quantity_credited)) quantity,
uom.unit_of_measure unit_of_measure_name,
eitem.item_number item_number,
--null unit_of_measure_name,
c.unit_selling_price unit_price,
to_char(c.extended_amount,fnd_currency.get_format_mask(trx.invoice_currency_code,40))
extended_amount,
c.sales_order line_sales_order,
c.uom_code,
-- null uom_code,
trx.trx_number line_trx_number,
decode(c.line_type, 'TAX', null, AR_INVOICE_SQL_FUNC_PUB.get_taxyn ( c.customer_trx_line_id ))
tax_exists_for_this_line_flag,
c.tax_rate as line_tax_rate,
--decode(c.line_type, 'TAX', v.tax_code, null) as line_tax_code,
null line_tax_code,
null printed_tax_name,
--decode(c.line_type, 'TAX', v.printed_tax_name, null) as line_printed_tax_name,
(SELECT party_site.PARTY_SITE_NAME
FROM hz_party_sites party_site,
hz_cust_site_uses_all acct_uses ,
hz_cust_acct_sites_all acct_site
WHERE party_site.party_site_id = acct_site.party_site_id
and acct_site.cust_acct_site_id = acct_uses.cust_acct_site_id
and acct_uses.site_use_id = c.ship_to_site_use_id ) ship_to_site_name, --Bug: 18705899
c.interface_line_attribute1,
c.interface_line_attribute2,
c.interface_line_attribute3,
c.interface_line_attribute4,
c.interface_line_attribute5,
c.interface_line_attribute6,
c.interface_line_attribute7,
c.interface_line_attribute8,
c.interface_line_attribute9,
c.interface_line_attribute10,
c.interface_line_attribute11,
c.interface_line_attribute12,
c.interface_line_attribute13,
c.interface_line_attribute14,
c.interface_line_attribute15,
to_char(c.unit_selling_price) unformatted_unit_price,
to_char(nvl(c.extended_amount,0)) unformatted_extended_amount,
c.ATTRIBUTE1,
c.ATTRIBUTE2,
c.ATTRIBUTE3,
c.ATTRIBUTE4,
c.ATTRIBUTE5,
c.ATTRIBUTE6,
c.ATTRIBUTE7,
c.ATTRIBUTE8,
c.ATTRIBUTE9,
c.ATTRIBUTE10,
c.ATTRIBUTE11,
c.ATTRIBUTE12,
c.ATTRIBUTE13,
c.ATTRIBUTE14,
c.ATTRIBUTE15,
c.SET_OF_BOOKS_ID,
c.REASON_CODE,
c.QUANTITY_ORDERED,
c.QUANTITY_CREDITED,
c.UNIT_STANDARD_PRICE,

```

```

c.SALES_ORDER_LINE,
to_char(c.SALES_ORDER_DATE,'YYYY-MM-DD') SALES_ORDER_DATE,
c.ACCOUNTING_RULE_DURATION,
c.ATTRIBUTE_CATEGORY,
to_char(c.RULE_START_DATE,'YYYY-MM-DD') RULE_START_DATE,
to_char(c.billing_period_start_date,'YYYY-MM-DD') billing_period_start_date,
to_char(c.billing_period_end_date,'YYYY-MM-DD') billing_period_end_date,
c.INTERFACE_LINE_CONTEXT,
c.SALES_ORDER_SOURCE,
c.REVENUE_AMOUNT,
c.DEFAULT_USSGL_TRANSACTION_CODE,
c.DEFAULT_USSGL_TRX_CODE_CONTEXT,
c.LAST_PERIOD_TO_CREDIT,
c.ITEM_CONTEXT,
c.TAX_EXEMPT_FLAG,
c.TAX_EXEMPT_NUMBER,
c.TAX_EXEMPT_REASON_CODE,
c.TAX_VENDOR_RETURN_CODE,
c.GLOBAL_ATTRIBUTE_CATEGORY,
c.GROSS_UNIT_SELLING_PRICE,
c.GROSS_EXTENDED_AMOUNT,
c.EXTENDED_ACCTD_AMOUNT,
c.MRC_EXTENDED_ACCTD_AMOUNT,
c.ORG_ID line_org_id,
c.GLOBAL_ATTRIBUTE1,
c.GLOBAL_ATTRIBUTE2,
c.GLOBAL_ATTRIBUTE3,
c.GLOBAL_ATTRIBUTE4,
c.GLOBAL_ATTRIBUTE5,
c.GLOBAL_ATTRIBUTE6,
c.GLOBAL_ATTRIBUTE7,
c.GLOBAL_ATTRIBUTE8,
c.GLOBAL_ATTRIBUTE9,
c.GLOBAL_ATTRIBUTE10,
c.GLOBAL_ATTRIBUTE11,
c.GLOBAL_ATTRIBUTE12,
c.GLOBAL_ATTRIBUTE13,
c.GLOBAL_ATTRIBUTE14,
c.GLOBAL_ATTRIBUTE15,
c.GLOBAL_ATTRIBUTE16,
c.GLOBAL_ATTRIBUTE17,
c.GLOBAL_ATTRIBUTE18,
c.GLOBAL_ATTRIBUTE19,
c.GLOBAL_ATTRIBUTE20,
c.interface_line_attribute1 jv_jv_name,
(select to_char(transaction_date,'YYYY-MM-DD') from jv_distributions where c.interface_line_attribute5
= to_char(distribution_id)) jv_transaction_date,
(select INVOICING_PARTNER_SHORT_NAME from jv_invoicing_partners_b inv, jv_stakeholders_b stk,
jv_distributions dis where
c.interface_line_attribute5 = to_char(dis.distribution_id) and stk.INVOICING_PARTNER_ID =
inv.INVOICING_PARTNER_ID and dis.STAKEHOLDER_ID = stk.STAKEHOLDER_ID) jv_ip_name,
(select PERCENTAGE_OF_INTEREST from jv_distributions where c.interface_line_attribute5 =
to_char(distribution_id)) jv_ownership_percentage,
((select case when gl.accounted_DR is not null then gl.accounted_DR else gl.accounted_CR
end from jv_distributions dis ,jv_transactions tran, gl_je_lines gl
where c.interface_line_attribute5 = to_char(distribution_id) and tran.application_id <= 99 and
gl.JE_HEADER_ID = tran.header_id
and gl.je_line_num = tran.line_num
and dis.TRANSACTION_ID = tran.TRANSACTION_ID)
union
(select case when ae.accounted_DR is not null then ae.accounted_DR else ae.accounted_CR
end from jv_distributions dis ,jv_transactions tran, xla_ae_lines ae
where c.interface_line_attribute5 = to_char(distribution_id) and tran.application_id > 0 and
ae.AE_HEADER_ID = tran.header_id
and ae.ae_line_num = tran.line_num
AND dis.TRANSACTION_ID = tran.TRANSACTION_ID )

```

```

union
(select case when oh.DEBIT_AMOUNT is not null then oh.DEBIT_AMOUNT else oh.CREDIT_AMOUNT
end from jv_distributions dis ,jv_transactions tran, jv_generated_transactions oh
where c.interface_line_attribute5 = to_char(distribution_id) and
tran.application_id = -10568 and
oh.HEADER_ID = tran.header_id
and oh.LINE_NUM = tran.line_num
and dis.TRANSACTION_ID = tran.TRANSACTION_ID)) jv_gross_amount,
(select currency_code from jv_distributions where c.interface_line_attribute5 =
to_char(distribution_id ) ) as jv_primary_ledger_currency,
(select nvl(distributed_debit_amount,distributed_credit_amount) from jv_distributions where
c.interface_line_attribute5 = to_char(distribution_id ) ) as jv_distributed_amount,
(select name from pjf_projects_all_vl proj, jv_distributions dist, jv_transactions tran where
c.interface_line_attribute5 = to_char(dist.distribution_id ) and tran.transaction_id =
dist.transaction_id and tran.project_id = proj.project_id ) jv_project,
(select name from PJF_PROJ_ELEMENTS_VL proj, jv_distributions dist, jv_transactions tran
where c.interface_line_attribute5 = to_char(dist.distribution_id )
and tran.transaction_id = dist.transaction_id and tran.TASK_ID = proj.PROJ_ELEMENT_ID ) jv_task_name,
(select EXPENDITURE_TYPE_NAME from PJF_EXP_TYPES_VL expen, jv_distributions dist, jv_transactions tran
where c.interface_line_attribute5 = to_char(dist.distribution_id )
and tran.transaction_id = dist.transaction_id and tran.EXPENDITURE_TYPE_ID = expen.EXPENDITURE_TYPE_ID )
jv_exp_item_name
from ra_customer_trx_lines_all c,
ra_customer_trx_lines_all c2,
inv_units_of_measure_vl uom,
ra_customer_trx_all trx,
egp_system_items_vl eitem,
ar_system_parameters_all sysp
--ar_vat_tax_all_vl v
where c.customer_trx_id = :customer_trx_id
AND trx.customer_trx_id = c.customer_trx_id
AND trx.org_id = c.org_id
AND trx.complete_flag = 'Y'
and c.link_to_cust_trx_line_id = c2.customer_trx_line_id(+)
and c.org_id = c2.org_id(+)
and c.uom_code = uom.uom_code(+)
and c.inventory_item_id = eitem.inventory_item_id (+)
and c.org_id = sysp.org_id
and ( (c.inventory_item_id is not null
and sysp.item_validation_org_id = eitem.organization_id)
or c.inventory_item_id is null)
--and c.vat_tax_id = v.vat_tax_id(+)
--and c.org_id = v.org_id(+)
--and c.line_type in ('LINE', 'TAX', 'CB')
--&WHERE_LINE_TYPE
order by
decode( c2.line_number,
null, decode( c.line_type,
'LINE', c.line_number*10000+0,
'TAX', c.line_number*10000+8000,
1000000000000),
decode( c2.line_type,
'LINE', c2.line_number*10000+0,
'TAX', c2.line_number*10000+8000,
c2.line_number*10000+9000) +
decode( c.line_type,
'LINE', 0, 'CB', 0,
'TAX', 8000,
'FREIGHT', 9000) +
c.line_number )) base

```

7. Click OK to save the query.

Note: If the system issues an error about missing right parenthesis, verify that you commented the following line in the sql query: `--&WHERE_LINE_TYPE`

8. If the system displays a window to enter values for lexical references in SQL Lines, enter LINES and click OK.
9. Click the save icon.

Build the RTF Template Using a Sample XML File as the Data Source for Joint Ventures

After you build your data model, you need to attach a representative set of sample data generated from your data model. The BI Publisher Template Builder requires sample data to build a template.

1. To get a sample XML file, run the Print Receivables Transactions ESS process for a joint venture invoice. Go to the Output section and download the XML file. The XML file has joint venture information because of the modified data model.
2. Upload the sample XML file to the data model from a local directory. To do so:
 - a. Download a copy of the existing Default Invoice Template from BI Publisher into your local directory.

To download, navigate to Shared Folders, Financials, Receivables, and Bill Presentment on the Catalog tab. Click Edit under Invoice Print Template, and click the Edit button under Default Invoice Template to download it.
 - b. Open the downloaded template and upload the sample XML file.

The joint venture data fields are added to the RTF template.
3. Edit the template as needed. Add data fields that you want to print in the invoice, and upload the template to BI Publisher with an appropriate name.

Once the new template is available in BI Publisher, it is available in the option of the Print Receivables Transactions ESS process.

Related information

Creating Reports and Layouts

22 Set Up Joint Venture Reporting

About Joint Venture Reporting Setup

The following table lists the types of reports you can generate for your joint ventures and the setup required for each:

Report	Setup
Joint interest billing reports	For this type of report, which you generate using Oracle Business Intelligence Publisher, you must set up access to the BI Publisher catalog for Joint Venture Management and set up report templates and output formats. See Joint Interest Billing Reports Setup .
Joint venture operational reporting	For this type of report, which you generate through Oracle Transactional Business Intelligence (OTBI), an administrator must set up users with access to Oracle Transactional Business Intelligence. See Configure Access to Joint Venture Operational Reporting in Oracle Transactional Business Intelligence .
Audit reports for joint ventures	There's no setup required to create audit reports for transactions processed in Joint Venture Management.
Financial reporting by joint venture stakeholder	Set up Oracle Fusion Cloud Financials and Joint Venture Management to support financial reporting by joint venture stakeholder. See Financial Reporting by Joint Venture Stakeholder Setup .

For more information about how to use these reporting options to generate reports, see [About Joint Venture Reports](#).

Joint Interest Billing Reports Setup

For each period or on an as-needed basis, you can print a joint interest billing report to provide each partner with details about their share of expenses, revenue, assets, liabilities, and the status of their partner contributions.

You use the Oracle Business Intelligence Publisher (BI Publisher) to create joint interest billing reports. The BI Publisher catalog for Oracle Joint Venture Management includes two predefined templates and a data model containing instructions to retrieve and structure data for the report.

These are the predefined templates for Joint Venture Management:

- **Joint Interest Billing For Joint Venture**
Use this template to create a report for one or more joint ventures, which includes financial details for all stakeholders in each joint venture.
- **Joint Interest Billing For Stakeholder**
Use this template to create a report by stakeholder, which includes financial details for all of the joint ventures that the stakeholder participates in.

The templates enable you to quickly set up Joint Venture Management to generate reports. To generate a report by joint venture, you simply need to associate the “Joint Interest Billing For Joint Venture” template with the joint venture definition of the joint venture and then choose an output format. To generate a report by stakeholder, associate the “Joint Interest Billing For Stakeholder” template with the stakeholder or with the invoicing partner associated with stakeholder, and then choose the output format.

You can deliver the report to stakeholders through email, File, FTP, and so on. The data model contains predefined instructions to deliver the report through email. So if you plan to deliver your reports through email, you only need to set up your email subject and body once in the Joint Venture System Options. You identify the sender’s email address in the joint venture definition or in the process to generate joint interest billing reports.

You also have the option to modify the provided templates to include additional information such as project, account hierarchy, and so on. See [Modify the Joint Interest Billing Report to Include Additional Information](#).

After you've completed the setup and specified the appropriate template for your joint ventures, stakeholders, or both, you then run the process to generate the reports by joint venture or by stakeholder. See [Joint Interest Billing Reports](#).

Before Users Can View and Work with the BI Publisher Catalog for Oracle Joint Venture Management

An administrator must provide users the permissions to view and work with the BI Publisher catalog for Joint Venture Management.

See [Configure Access to BI Publisher Catalog for Oracle Joint Venture Management](#) for more information.

Before Users Can Deliver Joint Interest Billing Reports Through Email

Before you can deliver joint interest billing reports through email, complete the following tasks for each stakeholder:

- Set up an email address for the party that you'll assign or have assigned to the stakeholder. The party can be the contact of the customer or supplier that's associated with the invoicing partner. Or it can be a different entity, such as a contact person. Depending on the origin of the party, you set up the email address for the stakeholder in their customer, supplier, or entity records.

See:

- [Customer Account and Site Contacts](#) for information on setting up an email address for a customer.
 - [Create a Supplier and Supplier Site](#) for information on setting up an email address for a supplier.
 - [Completing Personal Details](#) for information on setting up an email address for a contact person.
- Assign a party to each stakeholder in the joint venture definition. See [Add an External Stakeholder](#).

Set Up Oracle Joint Venture Management to Create and Print Joint Interest Billing Reports

Complete the following tasks in Joint Venture Management:

- *Set Up Email Information to Deliver Joint Interest Billing Reports*
- *Specify the Report Template and Output Format for Stakeholders*
- *Specify the Report Template and Output Format for Joint Ventures*

After you complete these tasks, you run the process to generate joint interest billing reports. See *Joint Interest Billing Reports*.

Set Up Email Information to Deliver Joint Interest Billing Reports

Specify a default email subject and body to use when delivering the report to stakeholders if the delivery method is through email. You specify this information in Joint Venture System Options.

Joint venture application administrators can perform this task.

1. Navigate to Setup and Maintenance and select the Joint Venture Management functional area under the Financials offering.
2. Click the Manage Joint Venture System Options task.
3. On Joint Venture System Options, click Start.
4. In the "Joint interest billing report options" section, complete these fields to set up a default email subject and body:
 - Email Subject
 - Email Message Body
5. Click Save and then click Cancel to exit.

Specify the Report Template and Output Format for Stakeholders

To print the joint interest billing report for stakeholders, you need to specify which report template and output format to use for each stakeholder.

The template for the stakeholder contains fields and sections to print distribution information pertaining to each stakeholder. If a stakeholder participates in multiple joint ventures, the stakeholder will receive a report for all the associated joint ventures.

You can specify the report template and output format at the invoicing partner or stakeholder level. The values specified at the invoicing partner level are used as the default for all the stakeholders associated with the invoicing partner. You can override these values at the stakeholder level.

See:

- *Add an Invoicing Partner*
- *Add an External Stakeholder*
- *Add an Internal Stakeholder*

Specify the Report Template and Output Format for Joint Ventures

To print the joint interest billing report for joint ventures, you need to specify a report template and output format in the joint venture definition.

The template for the joint venture contains fields and sections to print distribution information pertaining to each stakeholder in a joint venture. If a stakeholder participates in multiple joint ventures, the stakeholder will receive a report for each joint venture.

If you prefer to deliver the report through email, you can specify the sender's email address in the joint venture definition.

See:

- *Define Information for Joint Interest Billing Reports*

Modify the Joint Interest Billing Report to Include Additional Information

To include additional information in your joint interest billing reports, a BI administrator can make changes to the data model that resides in the Joint Venture Management folder under the Custom folder.

Use the examples in this section as a guide to modify the predefined data model for joint interest billing reports.

If you modify any component of the predefined data model (datasets, bursting definitions, and so on) or create your own components, you must build a report template that reflects the changes made in the components. See *Build the RTF Template*. You then use the report template to print reports.

Modify the Dataset to Add Project Information

You can modify the SQL query of a predefined dataset to add these data fields for projects: Project Number, Project Name, Task Number, Task Name, Expenditure Type, and Expenditure Type Description.

BI Publisher retrieves the project data from the tables you specify in the SQL query.

1. Access the Catalog for BI Publisher Enterprise.
2. In the Folders pane of the Catalog, navigate to the Custom folder and click Financials, Joint Venture Management.
3. Click the Joint Venture Joint Interest Billing folder to access the predefined templates and the data model.
4. Click Expand below the Data Models folder to open it. It includes the data model for Joint Interest Billing. Click Edit to update this data model.
5. On the Joint Interest Billing page, select the JVDistributionDetails dataset.
6. Make sure that the Diagram tab is selected and then scroll down to access the data columns.
7. Locate the JV_DISTRIBUTION_DETAILS column, which contains the data fields for processed distributions. You'll update the SQL query for this column to add the project data.
8. With this column selected, click Edit Selected Data Set (pencil icon).
9. On Edit Data Set – JV Distribution Details window, update the SQL query in the relevant sections to add three pieces of information: the project data fields, the tables to retrieve the project data from, and the conditions for retrieving the project data.

The predefined SQL query includes code for both general ledger and subledger transactions. You must add these pieces of query for both transactions.

- a. Add the following pieces of code displayed here in bold for the query of general ledger transactions. The surrounding code is provided to help identify the context for the code.

- SQL for the project data fields:

```
acch.document_number as JOURNAL_REFERENCE, :P_FROM_DATE, :P_TO_DATE,
:P_REPORT_DATE, proj.segment1 as PROJECT_NUMBER, proj.name as PROJECT_NAME,
task.element_number as TASK_NUMBER, task.name as TASK_NAME,
expen.expenditure_type_name as EXPENDITURE_TYPE_NAME, expen.description as
EXPENDITURE_DESCRIPTION from jv_distributions dist, jv_transactions tran,
JV_STAKEHOLDERS_VL stake, gl_code_combinations comb,
```

- SQL for the tables to retrieve the project data from:

```
fnd_kf_str_instances_vl struc, fnd_kf_segments_vl seg,
fnd_kf_labeled_segments labseg, hz_parties party, jv_accounting_headers acch
, PJF_PROJECTS_ALL_VL proj, PJF_PROJ_ELEMENTS_VL task, PJF_EXP_TYPES_VL expen where
```

- SQL for the conditions for retrieving the project data:

```
and tran.application_id = '-99' and tran.project_id = proj.PROJECT_ID (+)
and tran.task_id = task.PROJ_ELEMENT_ID (+) and tran.expenditure_type_id =
expen.EXPENDITURE_TYPE_ID (+)
and tran.header_id = gl.je_header_id and tran.line_num = gl.je_line_num
```

- b. Add the following pieces of code displayed here in bold for the query of subledger transactions. The surrounding code is provided to help identify the context for the code. Note that the code for subledger transactions comes after the code tag union All:

- SQL for the project data fields:

```
union ALL select case when :P_TEMPLATE_SOURCE = 'ORA_JV_STAKEHOLDER' then
stake.STAKEHOLDER_NAME || ' ' || jv.COA_INSTANCE_NUMBER || ' ' || dist.currency_code
else jv.JOINT_VENTURE_NAME || ' ' || stake.STAKEHOLDER_NAME || ' ' ||
jv.COA_INSTANCE_NUMBER || ' ' || dist.currency_code end SPLIT_KEY_ATTR,
acch.document_number as JOURNAL_REFERENCE, :P_FROM_DATE, :P_TO_DATE, :P_REPORT_DATE
, proj.segment1 as PROJECT_NUMBER, proj.name as PROJECT_NAME, task.element_number
as TASK_NUMBER, task.name as TASK_NAME, expen.expenditure_type_name as
EXPENDITURE_TYPE_NAME, expen.description as EXPENDITURE_DESCRIPTION from
jv_distributions dist, jv_transactions tran, JV_STAKEHOLDERS_VL stake,
gl_code_combinations comb,
```

- SQL for the tables to retrieve the project data from:

```
fnd_kf_str_instances_vl struc, fnd_kf_segments_vl seg,
fnd_kf_labeled_segments labseg, hz_parties party, jv_accounting_headers acch
, PJF_PROJECTS_ALL_VL proj, PJF_PROJ_ELEMENTS_VL task, PJF_EXP_TYPES_VL expen where
```

- SQL for the conditions for retrieving the project data:

```
and tran.application_id not in (-99, -10568) and tran.project_id =
proj.PROJECT_ID (+) and tran.task_id = task.PROJ_ELEMENT_ID (+) and
tran.expenditure_type_id = expen.EXPENDITURE_TYPE_ID (+) and tran.header_id =
gl.ae_header_id and tran.line_num = gl.ae_line_num
```

10. Click OK to save the query.

11. If the system displays a window to enter values for lexical references in SQL Lines, enter LINES and click OK.

12. Click the save icon.

Modify the Dataset to Add Account Hierarchy

Modify the predefined dataset to add the hierarchy for the accounts used in the joint venture transactions.

This task consists of three parts:

- Modify the distribution details dataset to add account combination.
- Create a new dataset to provide the details of the account hierarchy.
- Create a parent-child link between the account combination and the account hierarchy dataset that you created.

Modify the Distribution Details Dataset to Add Account Combination

1. Access the Catalog for BI Publisher Enterprise.
2. In the Folders pane of the Catalog, navigate to the Custom folder and click Financials, Joint Venture Management.
3. Click the Joint Venture Joint Interest Billing folder to access the predefined templates and the data model.
4. Click Expand below the Data Models folder to open it. It includes the data model for Joint Interest Billing. Click Edit to update this data model.
5. On the Joint Interest Billing page, select the JVDistributionDetails dataset.
6. Make sure that the Diagram tab is selected and then scroll down to access the data columns.
7. Locate the JV_DISTRIBUTION_DETAILS column, which contains the data fields for processed distributions. You'll update the SQL query for this column to add the code for account combination.
8. With this column selected, click Edit Selected Data Set.
9. On Edit Data Set – JV Distribution Details window, update the SQL query to include the following code displayed here in bold. You must add the code for both general ledger and subledger transactions.

Note: The SQL query for subledger transactions comes after the code tag union All:

```
acch.document_number as JOURNAL_REFERENCE, :P_FROM_DATE,:P_TO_DATE,:P_REPORT_DATE,
comb.code_combination_id from jv_distributions dist, jv_transactions tran,
JV_STAKEHOLDERS_VL stake, gl_code_combinations comb, JV_INVOICING_PARTNERS_VL inv,
JV_JOINT_VENTURES_VL jv, gl_je_lines gl,
```

10. Click OK to save the query.
11. If the system displays a window to enter values for lexical references in SQL Lines, enter LINES and click OK.
12. Click the save icon.

Create a Dataset to Provide Details of Account Hierarchy

After you complete the preceding task, create a new dataset to provide details of the account hierarchy:

1. Access the data model for Joint Interest Billing in the Custom folder. Click Edit to update this data model.
2. On the Joint Interest Billing page, make sure that the Diagram tab is selected.
3. To create a dataset, click the New Data Set button and select SQL Query from the drop-down list.
4. On New Dataset SQL Query window, enter a name for the dataset and complete the following fields:
 - Data Source. Select Application DB_FSCM (Default).
 - SQL Type. Select Standard SQL.
5. In the SQL Query field, enter the following code:

```
Select tree.parent_pk1_value parent, tree.pk1_start_value child, tree.depth,
comb.code_combination_id, seg_inst.tree_code as seginsttreecode, Case when seg.column_name
= 'SEGMENT1' then comb.SEGMENT1 when seg.column_name = 'SEGMENT2' then comb.SEGMENT2 when
seg.column_name = 'SEGMENT3' then comb.SEGMENT3 when seg.column_name = 'SEGMENT4' then
comb.SEGMENT4 when seg.column_name = 'SEGMENT5' then comb.SEGMENT5 when seg.column_name =
'SEGMENT6' then comb.SEGMENT6 when seg.column_name = 'SEGMENT7' then comb.SEGMENT7 when
seg.column_name = 'SEGMENT8' then comb.SEGMENT8 when seg.column_name = 'SEGMENT9' then
comb.SEGMENT9 when seg.column_name = 'SEGMENT10' then comb.SEGMENT10 when seg.column_name
```

```
= 'SEGMENT11' then comb.SEGMENT11 when seg.column_name = 'SEGMENT12' then comb.SEGMENT12
when seg.column_name = 'SEGMENT13' then comb.SEGMENT13 when seg.column_name = 'SEGMENT14'
then comb.SEGMENT14 when seg.column_name = 'SEGMENT15' then comb.SEGMENT15 when
seg.column_name = 'SEGMENT16' then comb.SEGMENT16 when seg.column_name = 'SEGMENT17' then
comb.SEGMENT17 when seg.column_name = 'SEGMENT18' then comb.SEGMENT18 when seg.column_name
= 'SEGMENT19' then comb.SEGMENT19 when seg.column_name = 'SEGMENT20' then comb.SEGMENT20
when seg.column_name = 'SEGMENT21' then comb.SEGMENT21 when seg.column_name = 'SEGMENT22'
then comb.SEGMENT22 when seg.column_name = 'SEGMENT23' then comb.SEGMENT23 when
seg.column_name = 'SEGMENT24' then comb.SEGMENT24 when seg.column_name = 'SEGMENT25' then
comb.SEGMENT25 when seg.column_name = 'SEGMENT26' then comb.SEGMENT26 when seg.column_name
= 'SEGMENT27' then comb.SEGMENT27 when seg.column_name = 'SEGMENT28' then comb.SEGMENT28
when seg.column_name = 'SEGMENT29' then comb.SEGMENT29 else comb.SEGMENT30 end as account
,tree.tree_version_id from fnd_kf_segment_instances seg_inst,fnd_kf_str_instances_b struc,
gl_code_combinations comb, fnd_kf_segments_b seg, fnd_kf_labeled_segments labseg ,
FND_TREE_VERSION treeversion,fnd_tree_node tree where struc.STRUCTURE_INSTANCE_NUMBER
= comb.chart_of_accounts_id and struc.application_id = 101 and struc.key_flexfield_code
= 'GL#' and struc.structure_id = seg.structure_id and labseg.structure_id = struc.structure_id
and labseg.segment_code = seg.segment_code and struc.structure_instance_id =
seg_inst.structure_instance_id and treeversion.tree_code = seg_inst.tree_code and
treeversion.TREE_STRUCTURE_CODE = 'GL_ACCT_FLEX' and TRUNC(SYSDATE) BETWEEN
treeversion.EFFECTIVE_START_DATE AND treeversion.EFFECTIVE_END_DATE and treeversion.status =
'ACTIVE' and labseg.segment_label_code = 'GL_ACCOUNT' and seg_inst.segment_code =
seg.segment_code and tree.tree_structure_code = 'GL_ACCT_FLEX' and tree.tree_code =
seg_inst.tree_code and tree.tree_version_id = treeversion.tree_version_id and
((tree.pk1_start_value = comb.SEGMENT1) or (tree.pk1_start_value = comb.SEGMENT2)
or (tree.pk1_start_value = comb.SEGMENT3) or (tree.pk1_start_value = comb.SEGMENT4)
or (tree.pk1_start_value = comb.SEGMENT5) or (tree.pk1_start_value = comb.SEGMENT6)
or (tree.pk1_start_value = comb.SEGMENT7) or (tree.pk1_start_value = comb.SEGMENT8)
or (tree.pk1_start_value = comb.SEGMENT9) or (tree.pk1_start_value = comb.SEGMENT10)
or (tree.pk1_start_value = comb.SEGMENT11) or (tree.pk1_start_value = comb.SEGMENT12)
or (tree.pk1_start_value = comb.SEGMENT13) or (tree.pk1_start_value = comb.SEGMENT14)
or (tree.pk1_start_value = comb.SEGMENT15) or (tree.pk1_start_value = comb.SEGMENT16)
or (tree.pk1_start_value = comb.SEGMENT17) or (tree.pk1_start_value = comb.SEGMENT18)
or (tree.pk1_start_value = comb.SEGMENT19) or (tree.pk1_start_value = comb.SEGMENT20)
or (tree.pk1_start_value = comb.SEGMENT21) or (tree.pk1_start_value = comb.SEGMENT22)
or (tree.pk1_start_value = comb.SEGMENT23) or (tree.pk1_start_value = comb.SEGMENT24)
or (tree.pk1_start_value = comb.SEGMENT25) or (tree.pk1_start_value = comb.SEGMENT26)
or (tree.pk1_start_value = comb.SEGMENT27) or (tree.pk1_start_value = comb.SEGMENT28)
or (tree.pk1_start_value = comb.SEGMENT29) or (tree.pk1_start_value = comb.SEGMENT30))
```

6. Click OK to save the query.
7. If the system displays a window to enter values for lexical references in SQL Lines, enter LINES and click OK.
8. Click the save icon.

The new dataset you created appears as a new column in the Diagram tab.

Create a Parent-Child Link Between the Account and Account Hierarchy Details

1. Access the Joint Interest Billing page in BI Publisher and make sure that the Diagram tab is selected.
2. Scroll down to the Distribution Details dataset and select the CODE_COMBINATION_ID element.
3. Click the icon on the right of this element to open the element action menu and select Create Link.
4. On the Create Link window, select all the elements under the dataset for account hierarchy.
5. Click OK.

Notice that the link is created between the two datasets.

Modify the Bursting Definition to Update the Report Delivery Method

This example illustrates how to modify the bursting definition to update the report delivery method from email to file.

1. Access the Catalog for BI Publisher Enterprise.
2. In the Folders pane of the Catalog, navigate to the Custom folder and click Financials, Joint Venture Management.

3. Click the Joint Venture Joint Interest Billing folder to access the data model.
4. Click Expand below the Data Models folder to open it. It includes the data model for Joint Interest Billing. Click Edit to update this data model.
5. On the Joint Interest Billing page, navigate to Bursting and click Joint Interest Billing.
 - a. The Bursting Query page includes the SQL query on how to split information in the report, the report delivery method, and so on.
 - b. The predefined bursting query includes instructions to use Email as the report delivery method. You'll change the instructions for email to use File as the delivery method.
6. In the SQL query, search for and select the following code that defines email as the delivery method:

```
case when stake.classification_code = 'ORA_JV_SH_NON_OPERATOR'
then :P_DELIVERY_METHOD else null end DEL_CHANNEL , case when
stake.classification_code = 'ORA_JV_SH_NON_OPERATOR' then '
username@oracle.com' else null end PARAMETER1 , null PARAMETER2,
case when :P_TEMPLATE_SOURCE = 'ORA_JV_JOINT_VENTURE' and stake.classification_code
= 'ORA_JV_SH_NON_OPERATOR' and :P_EMAIL_ADDRESS is null then jv.email_address
when stake.classification_code = 'ORA_JV_SH_NON_OPERATOR' then :P_EMAIL_ADDRESS
else null end PARAMETER3, case when stake.classification_code =
'ORA_JV_SH_NON_OPERATOR' then CONCAT( :P_EMAIL_SUBJECT, ' ' ||
stake.stakeholder_short_name) else null end PARAMETER4, case when
stake.classification_code = 'ORA_JV_SH_NON_OPERATOR' then :P_EMAIL_BODY
else null end PARAMETER5, 'true' PARAMETER6, case when :P_TEMPLATE_SOURCE
= 'ORA_JV_JOINT_VENTURE' and stake.classification_code = 'ORA_JV_SH_NON_OPERATOR'
then jv.email_address when stake.classification_code = 'ORA_JV_SH_NON_OPERATOR'
then :P_EMAIL_ADDRESS else null end PARAMETER7
```

7. Replace the selected code with the following code that provides instructions to use “File” as the delivery method:

```
:P_DELIVERY_METHOD DEL_CHANNEL, '<file location
directory>/' PARAMETER1, CONCAT('<user-defined report name>', '<user-defined
suffix to add to the report name>') PARAMETER2
```

Here, PARAMETER1 is the File Directory and PARAMETER2 is the File Name.

8. Click OK.

For information on how to modify the bursting definition for the other delivery methods, see *Define the Query for Delivery XML*.

Build the RTF Template

If you modify any component of the predefined data model (datasets, bursting definitions, and so on) or create your own components, you must build a report template that reflects the changes made in the components. You build the template by attaching a representative set of sample data generated from your data model.

Note: Make sure that you've installed the Oracle BI Publisher plugin before you begin this task.

1. To get a sample data, access the Joint Interest Billing page in BI Publisher and select the Data tab.
2. Use the filter fields to search for sample data and click View. The sample data is displayed on the page.
3. Click Export to download an XML file containing the sample data. You'll use this file to build the RTF template.
4. Open a new Microsoft Word file and use the features of the BI Publisher plugin to upload the sample XML file. Save the file in RTF format.

The RTF template includes the joint interest billing data fields from the data model.

5. Edit the template as needed. Add data fields you want to include in the report, and upload the template to BI Publisher with an appropriate name.

After the new template is available in BI Publisher, it's available in the option of the Submit Joint Interest Billing Report process.

See *Creating Reports and Layouts*.

FAQs About Joint Interest Billing Reports

When I run the Submit Joint Interest Billing Report process, the reports for some of the stakeholders aren't printed due to the error "Party or email address is not specified for the stakeholder." How do I correct this error?

Either the stakeholder wasn't set up with a party in the joint venture definition or an email address wasn't specified for the party in the source application. To resolve the issue, see *Before Users Can Deliver Joint Interest Billing Reports Through Email*.

Financial Reporting by Joint Venture Stakeholder Setup

Perform the following tasks to set up financial reporting by joint venture stakeholder in Oracle Fusion Cloud Financials.

- Set up stakeholder reporting ledgers
Application implementation consultants can perform this setup.
- Enable stakeholder reporting in the Joint Venture System Options
Joint venture application administrators can perform this setup.
- Associate stakeholder reporting ledgers with joint ventures

Joint venture accountants can perform this setup in the joint venture definition. See *Define Information for Financial Reporting by Joint Venture Stakeholder* for more information.

After this setup is complete, users can run Joint Venture Management processes to create stakeholder reporting journals to be accounted in a stakeholder reporting ledger in the general ledger. This enables users to use the reporting tools in Oracle Financials to create joint venture financial reports by stakeholder. See *Financial Reporting by Joint Venture Stakeholder* for more information.

Set Up Stakeholder Reporting Ledgers

Perform these tasks to enable the posting of stakeholder reporting journals to a stakeholder reporting ledger:

- Set up a chart of accounts (COA) structure for the stakeholder reporting ledger
- Create an accounting method for stakeholder reporting
- Create a stakeholder reporting ledger
- Set up subledger accounting rules for posting stakeholder reporting journals

About the Setup of Stakeholder Reporting Ledgers

Joint Venture Management identifies joint venture transactions and creates distributions from the transactions. When configured properly, Joint Venture Management can generate stakeholder reporting journals for the distributions and post them to a stakeholder reporting ledger.

You must set up a separate stakeholder reporting ledger for each of the ledgers that you need to create financial reports by stakeholder. You might set up one for the primary ledger of the joint venture and additional ones for currency ledgers or any secondary ledgers associated with the primary ledger.

The following illustration shows an example of a primary ledger and its associated reporting currency ledger and secondary ledger for regulatory requirements. Below each ledger is the stakeholder reporting ledger for the ledger.



Here are some important details to remember about stakeholder reporting ledgers:

- Each stakeholder reporting ledger is a valuation method secondary ledger.
- The COA of each stakeholder reporting ledger is the same as the COA of the ledger the stakeholder reporting ledger is associated with, except it includes an additional segment for the stakeholder.
- When journal entries for distributions are posted to each stakeholder reporting ledger, the journal entries include the stakeholder for reporting purposes.

Set Up a Chart of Accounts Structure for a Stakeholder Reporting Ledger

For the stakeholder reporting ledger, set up a chart of accounts (COA) structure that's identical to the COA of the primary or secondary ledger, with an additional segment for the stakeholder.

You must configure the stakeholder segment with a value set that contains a list of either stakeholder names or stakeholder IDs. The value set enables users to select a particular stakeholder when creating financial reports. Here are some important details to remember when configuring the value set:

- Segment values have a maximum of 25 characters, while stakeholder names in Joint Venture Management have a maximum of 30 characters. If your stakeholder names exceed 25 characters or are not unique within the first 25 characters, you should use stakeholder IDs rather than stakeholder names.
- Instead of adding stakeholder values manually to the value set, you can upload them from a spreadsheet. The Joint Venture Definitions application provides an option to download joint venture information to a spreadsheet. The spreadsheet includes a stakeholder worksheet with a list of stakeholder names and stakeholder IDs, which you can use to upload to the value set.

Also, you're highly encouraged to select the "Dynamic combination creation allowed" checkbox to enable the dynamic creation of new accounts for stakeholders in the stakeholder reporting ledger. Otherwise, you'd have to set up all possible accounts in the stakeholder reporting ledger before you can post stakeholder reporting journals to it.

Refer to the following example for details about this setup.

Example of COA Structures for a Primary Ledger and a Stakeholder Reporting Ledger

The following example shows a COA structure named HEPPLedger in the Edit Key Flexfield Structure Instance page. This is the COA associated with the primary ledger used by HEPP Petroleum to record all financial transactions, including those for their joint ventures.

The Segment Instances section shows five segments in the COA and the value set configured for each segment. The segments are HEPPCompany, HEPPCostcenter, HEPPAccount, HEPPIntercompany, and Future01.

Edit Key Flexfield Structure Instance: HEPPLedger ⓘ

Key Flexfield Code GL#

Structure Instance Code HEPPLedger

* API name

* Name

Description

☒ Enabled

☒ Dynamic combination creation allowed

☐ Shorthand alias enabled

Structure Name HEPPLedger

Segment Instances

Segment Code	Value Set Code	Required	Displayed	Query Required
HEPPCompany	HEPPCompany HEPPLedger	✓	✓	Optional
HEPPCostcenter	HEPPCostcenter HEPPLedger	✓	✓	Optional
HEPPAccount	HEPPAccount HEPPLedger	✓	✓	Optional
HEPPIntercompany	HEPPCompany HEPPLedger	✓	✓	Optional
Future01	Future01 HEPPLedger	✓	✓	Optional

The next example shows a COA structure named HEPPLedger SH Reporting for a stakeholder reporting ledger. This COA structure is the same as the HEPPLedger COA in the preceding example, with an additional segment for stakeholders named HEPPStakeholder. There's a value set named HEPPStakeholder HEPPLedger SH Reporting configured for the segment that contains a list of stakeholder names.

Edit Key Flexfield Structure Instance: HEPPLedger SH Reporting ⓘ

Key Flexfield Code GL#

Structure Instance Code HEPPLedger SH Reporting

* API name

* Name

Description

☒ Enabled

☒ Dynamic combination creation allowed

☐ Shorthand alias enabled

Structure Name HEPP Ledger SH Reporting

Segment Instances

Segment Code	Value Set Code	Required	Displayed	Query Required
HEPPCompany	HEPPCompany HEPPLedger	✓	✓	Optional
HEPPCostcenter	HEPPCostcenter HEPPLedger	✓	✓	Optional
HEPPAccount	HEPPAccount HEPPLedger	✓	✓	Optional
HEPPIntercompany	HEPPCompany HEPPLedger	✓	✓	Optional
Future01	Future01 HEPPLedger	✓	✓	Optional
HEPPStakeholder	HEPP Stakeholder HEPPLedger SH Reporting	✓	✓	Optional

The following example shows the Manage Values page with a list of values for the HEPPStakeholder HEPPLedger SH Reporting value set. Notice that one of the values in the example is 0. This is used for the stakeholder only when your

configuration requires creating balancing entries for stakeholder reporting journals. See “Set Up Subledger Accounting Rules for Stakeholder Reporting Journal Balancing Entries” for more information.

Manage Values ⓘ

Value Set Code HEPP Stakeholder HEPPLedger SH Reporting
Description HEPP Stakeholder HEPPLedger SH Reporting

Search

Value

Description

Search Results

Actions View Format + - Freeze Detach Wrap

Value	Description
0	
BEJINGSUPERPETROL...	
BESTRIG	
BESTRIGCANADA	
CCI	
CC1	

Create an Accounting Method for Stakeholder Reporting

Create an accounting method and make sure to select the chart of accounts that you created for the stakeholder reporting ledger as part of the configuration.

You'll associate this accounting method with the following items after you create them:

- The stakeholder reporting ledger
- The journal entry rule set for defining the sources of the segments in the chart of accounts that you set up for the stakeholder reporting ledger

Create a Stakeholder Reporting Ledger

To create a stakeholder reporting ledger, follow the example described here and then perform these tasks:

- Modify the journal conversion rules for primary to secondary ledger mapping
- Verify the accounting options for the Joint Ventures subledger and other subledgers

Example of a Stakeholder Reporting Ledger Setup

Refer to the example in the following image when setting up your stakeholder reporting ledger. It shows the Create Secondary Ledger application with an example of a stakeholder reporting ledger named HEPP SH Reporting Ledger. This stakeholder reporting ledger will be used for stakeholder reporting of transactions in the primary ledger HEPPLedger.

When setting up your stakeholder reporting ledger, make sure to complete these fields as described here:

- Chart of Accounts. Select the chart of accounts that you set up for the stakeholder reporting ledger, which has the additional segment for the stakeholder.
- Accounting Calendar and Currency fields. Make sure the accounting calendar and the currency for the secondary ledger are the same as the ledger you're setting up the secondary ledger for, which in this example is the primary ledger.
- Accounting Method. Select the accounting method that you set up for stakeholder reporting.
- Data Conversion Level. Select Subledger.

Modify the Journal Conversion Rules for Primary to Secondary Ledger Mapping

Modify the journal conversion rules for mapping journals from the primary ledger to the stakeholder reporting ledger.

1. In the Map Primary to Secondary Ledger application, access the Journal Conversion Rules section.
2. In the Other row for the journal source and journal category combination, select No in the "Transfer Journals to This Secondary Ledger" drop-down list.

The following image shows an example of mappings from a primary ledger named HEPPLedger US to a secondary ledger named HEPP SH TEST. It shows the Other row changed to the No selection.

Verify the Accounting Options for the Joint Ventures Subledger and Other Subledgers

1. Access the Manage Subledger Accounting Options application from the Joint Venture Management functional area.

If you don't see the Joint Ventures subledger, access the Update Subledger Application Options process. Select the Joint Ventures subledger and then click Submit. This should update the Manage Subledger Accounting Options application with the Joint Ventures subledger.

2. Verify these settings are enabled for the Joint Ventures subledger and stakeholder reporting ledger as shown in the following image:
 - Subledger Accounting Enabled
 - Valuation Method Ledger
 - Enable Posting from Subledger

Edit Accounting Options ⓘ

Save Save and Close Cancel

Last Saved 5/16/25 12:26 AM

Ledger HEPPLedger US SH Reporting Subledger Application Joint Ventures

☒ Subledger Accounting Enabled

General Ledger Journal Entry Summarization Summarize by general ledger period ▾

Reversal Method Switch debit and credit ▾

☒ Enable Posting from Subledger

Maintain Supporting Reference Balances

☐ All

☒ Nonzero balance only

☐ None

☒ Valuation Method Ledger

Rounding Rule Nearest ▾

Journal Categories

View ▾

3. For the other subledger applications, make sure the following accounting options are not enabled as shown in the example of the Cost Management subledger in the following image:
 - Subledger Accounting Enabled
 - Enable Posting from Subledger
 - Valuation Method Ledger

Edit Accounting Options ⓘ

Save Save and Close Cancel

Last Saved 7/14/23 1:15 AM

Ledger FIN USA SL Subledger Application Cost Management

☐ Subledger Accounting Enabled

General Ledger Journal Entry Summarization Summarize by general ledger period ▼

Reversal Method Switch debit and credit ▼

☐ Enable Posting from Subledger

Maintain Supporting Reference Balances ☒ All ☐ Nonzero balance only ☐ Valuation Method Ledger

Rounding Rule Nearest ▼

Transaction Account Definition ▼

Journal Categories

View ▼

Set Up Subledger Accounting Rules for Posting Stakeholder Reporting Journals

Set up subledger accounting rules to enable the Joint Ventures subledger to create stakeholder reporting journals for posting to stakeholder reporting ledgers.

Stakeholder reporting journals are generated from joint venture distributions. The account shown on the distributions is the account from the ledger where the source transaction originated. As each ledger has different accounts, the account on the distribution must be mapped to its corresponding account in the stakeholder reporting ledger. To accomplish this, you must map the segments in the source accounts to the segments in the COA structure that you set up for the stakeholder reporting ledger. You must also define the source for the stakeholder segment in the stakeholder reporting COA.

For this setup, you create account rules that define the source for each segment in the stakeholder reporting COA. Next, you assign the account rules to a journal entry rule set. After you complete the journal entry rule set, you assign it to the accounting method that you created for stakeholder reporting.

In the Setup and Maintenance work area, make sure to access each application from the Joint Venture Management functional area under Financials. You can find the tasks under the Show – All Tasks view. This opens each application in the context of the Joint Ventures subledger, which provides predefined setups that you can use for your configuration.

CAUTION: Depending on your setup, you might also need to set up subledger accounting rules to create balancing entries for stakeholder reporting journals. This is required only if you're not accounting all entries. See [Set Up Subledger Accounting Rules for Stakeholder Reporting Balancing Entries](#) for more information.

Create Account Rules

Create account rules to define the source for each segment in your stakeholder reporting COA, including the stakeholder segment.

In Setup and Maintenance, select the Manage Account Rules task in the Joint Venture Management functional area. The application provides the following predefined sources that you can use to define the sources for the segments in your stakeholder reporting COA:

- Original Transaction GL Account Segment 01
- Original Transaction GL Account Segment 02
- Original Transaction GL Account Segment 03 - 30

Each source represents a possible segment that can make up an account in the COA of your source ledger—the primary ledger or secondary ledger associated with the primary ledger.

Refer to the examples in this topic to define the source for a standard accounting segment and a stakeholder segment.

CAUTION: If the stakeholder segment in the stakeholder reporting COA was configured with a value set of stakeholder IDs, then you must create an account rule that will convert stakeholder IDs to text. You can set up an account rule with the predefined Stakeholder Identifier Segment formula for this purpose, which is shown in an example below.

Example of Defining the Source for a Segment in a Stakeholder Reporting COA

The following image shows an account rule named HEPP SH Reporting Company that's set up to define the source for segment HEPPCompany in a stakeholder reporting COA. The account rule header area includes these values to identify the segment:

- Chart of Accounts = HEPPLedger SH Reporting
- Rule Type = Segment
- "Segment value" = HEPPCompany

In the Rules section, these values define the source for the segment:

- Value Type = Source
 - Value = Original Transaction GL Account Segment 1
- This is the source that represents the Company segment in the primary ledger.

Example of Defining the Source for the Stakeholder Segment in a Stakeholder Reporting COA

The following image shows an example of an account rule name HEPP SH Reporting Stakeholder that's set up to define the source for the stakeholder segment in a stakeholder reporting COA. The account rule header area includes these values to identify the segment:

- Chart of Accounts = HEPPLedger SH Reporting
- Rule Type = Segment
- "Segment value" = HEPPStakeholder

In the Rules section, these values define the source for the HEPPStakeholder segment:

- Value Type = Source
- Value = Stakeholder Name

You can also select Stakeholder ID for this value.

The screenshot shows the 'Create Account Rule' form for 'HEPP SH Reporting Stakeholder'. The form is divided into two main sections: the header and the rules section.

Header Section:

- Name:** HEPP SH Reporting Stakeholder
- Short Name:** HEPP_SH_REPORTING_STAKEHOLDER1
- Description:** Rule for stakeholder reporting ledger mapping
- Chart of Accounts:** HEPPLedger SH Reporting
- Rule Type:** Segment
- Segment Value:** HEPPStakeholder
- Subledger Application:** Joint Ventures
- Status:** Active
- Created By:** APPLICATION_IMPLEMENTATION_CONSULTANT
- Creation Date:** 5/12/25 2:34 PM
- Last Updated By:** APPLICATION_IMPLEMENTATION_CONSULTANT
- Last Update Date:** 5/12/25 2:34 PM

Rules Section:

The 'Rules' section is titled 'Rules' and includes a note: 'Reorder rules to change priority.' Below this, there is a table with columns 'Prio', 'Value Type', and 'Value'.

Prio	Value Type	Value
1	Source	Stakeholder Name

If the value set for the stakeholder segment is Stakeholder ID, instead of creating the preceding account rule, you need to create an account rule for the stakeholder segment using the predefined Stakeholder Identifier Segment formula. This account rule is required to convert the stakeholder IDs to text.

The following image shows an example of an account rule named HEPP SH Reporting Stakeholder ID. The Rules section contains a record with a Formula value type and Stakeholder Identifier Segment is selected for the value.

The screenshot shows the 'Create Account Rule' form for 'HEPP SH Reporting Stakeholder ID'. The form is divided into two main sections: the header and the rules section.

Header Section:

- Name:** HEPP SH Reporting Stakeholder ID
- Short Name:** HEPP_SH_REPORTI_STAKEID1
- Description:** Rule for stakeholder reporting ledger mapping
- Chart of Accounts:** HEPPLedger SH Reporting
- Rule Type:** Segment
- Segment Value:** HEPPStakeholder
- Subledger Application:** Joint Ventures
- Status:** Active
- Created By:** APPLICATION_IMPLEMENTATION_CONSULTANT
- Creation Date:** 5/12/25 2:43 PM
- Last Updated By:** APPLICATION_IMPLEMENTATION_CONSULTANT
- Last Update Date:** 5/12/25 2:43 PM

Rules Section:

The 'Rules' section is titled 'Rules' and includes a note: 'Reorder rules to change priority.' Below this, there is a table with columns 'Prio', 'Value Type', and 'Value'.

Prio	Value Type	Value
1	Formula	Stakeholder Identifier Seg

Assign the Account Rules to a Journal Entry Rule Set

Create a copy of the predefined Stakeholder Reporting Books journal entry rule set and configure it with the account rules you created.

To access the journal entry rule set, in Setup and Maintenance, select the Joint Venture Management functional area and then select the Manage Subledger Journal Entry Rule Sets task.

The following image shows an example of a copy of the predefined journal entry rule set named HEPP Stakeholder Reporting Books. Remember the following details as you set up your journal entry rule set:

- Associate the chart of accounts for the stakeholder reporting ledger with the journal entry rule set.
- In the Stakeholder Reporting journal line rule, in the Segment Rules section, select the account rule that you set up as the source for each segment.

Note: The Stakeholder Reporting journal line rule is predefined and is set up with the debit line type by default.

Also, you can click the predefined Stakeholder Reporting journal line rule to view the following default settings:

- Debit is selected for the side
- Accounting attributes are set up to define the amount and currency for stakeholder reporting journals

Assign the Journal Entry Rule Set to the Accounting Method

Access the accounting method that you set up for stakeholder reporting and assign the journal entry rule set to it.

The following image shows an example of an accounting method named HEPP SH Reporting in the Accounting Method application. It's associated with the chart of accounts for the stakeholder reporting ledger. The Journal Entry Rule Set Assignments area includes a record with the following fields and values to assign the journal entry rule set to the accounting method:

- Event Class = Stakeholder Reporting (predefined value)
- Event Type = All
- Rule Set = HEPP SH Reporting Journal Entry Rule Set

Edit Accounting Method ⓘ

Actions: Save Save and Create Another Save and Close Cancel

Last Saved: 5/13/25 12:25 PM

* Name: HEPP-SH Reporting
Short Name: HEPP-SH-REPORTING1
Description: Accounting method for stakeholder reporting ledger
Chart of Accounts: HEPP-Ledger SH Reporting

Status: Active
Created By: APPLICATION_IMPLEMENTATION_CONSULTANT
Creation Date: 5/12/25 3:29 PM
Last Updated By: APPLICATION_IMPLEMENTATION_CONSULTANT
Last Update Date: 5/13/25 12:25 PM

Journal Entry Rule Set Assignments

Joint Ventures Assets Cash Management Cost Management Payables Payroll Receivables AHC Lending AHC Peoplesoft Banking Adjusts

Status: Incomplete **Activate**

View: [Icons] Freeze Detach

* Event Class	* Event Type	Exclude	* Rule Set	Status	Effective Start Date	Effective End Date
Stakeholder Reporting	All	☐	HEPP-SH Reporting Journal Entry Rule Set	Active	m/d/yyyy	m/d/yyyy

Set Up Subledger Accounting Rules for Stakeholder Reporting Balancing Entries

If you aren't processing all accounts in Joint Venture Management, then stakeholder reporting journals posted to the stakeholder reporting ledger might not balance.

To ensure that the entries balance, set up subledger accounting rules to create balancing entries for your stakeholder reporting journals.

1. Create an account rule for the stakeholder segment and configure it with a Constant rule with a value of 0.

CAUTION: In the setup of your chart of accounts for the stakeholder reporting ledger, make sure that you've added a 0 value to the value set for the stakeholder segment.

The following image shows an account rule named SH Reporting Empty Stakeholder in the Edit Account Rule application. The Rules section contains a record with a Constant value type and 0 selected for the value.

ORACLE

Edit Account Rule ⓘ

* Name: SH Reporting Empty Stakeholder
Short Name: SH_RPTD_EMPTY_STAKEHOLDER
Description:
Chart of Accounts: HEPP-Ledger SH Reporting

Rule Type: Segment
HEPP-Stakeholder

Rules

Reorder rules to change priority

View: [Icons] Freeze Detach

Prio	* Value Type	* Value
1	Constant	0

Rule 1: Conditions

Enter a constant value and source directly, or select a source.

Insert: Source E1 AND OR Operator

No conditions found

Validate

2. Create a copy of the Stakeholder Reporting predefined journal line rule that's used in your journal entry rule set and change the Side field from Debit to Credit.

3. Add the new journal line rule for the credit entry to your journal entry rule set.
4. Define the sources for each segment in the journal line rule. For the stakeholder segment, select the account rule that you set up with the 0 constant.

The following image shows an example of a journal entry rule set configured with two journal line rules. The debit line is for stakeholder reporting journal entries and the credit line is for balancing entries for the journals. The credit line has identical segment mappings except for the stakeholder reporting segment, which uses the account rule set up with the constant.

Edit Subledger Journal Entry Rule Set

Actions: Save, Save and Close, Save and Create Another

Name: HEPP SH Reporting Journal Entry Rule Set
Short Name: HEPP_SH_REPORTING_JER_SET1
Description: Journal entry rule set for stakeholder reporting ledger mapping

Subledger Application: Joint Ventures
Event Class: Stakeholder Reporting
Event Type: All
Chart of Accounts: HEPPLedger SH Reporting
Status: Active

Details

Journal Entry

Accounting Date: Accounting Date
Description Rule: Stakeholder Reporting Hea

Journal Lines

View: +, -, X, F5, Freeze, Detach

Line Type	Journal Line Rule	Accounting Class	Account Combination Rule	Segment Rules
Credit	Stakeholder Reporting Offset	Joint Ventur...		HEPPCompany: HEPP SH Reporting Cor HEPPCostcenter: SH Reporting Cost HEPPAccount: SH Reporting Ac HEPPInterCompany: SH Reporting Inter Future01: SH Reporting FUTU HEPPStakeholder: SH Constant Empty Stake
Debit	Stakeholder Reporting	Joint Ventur...		HEPPCompany: HEPP SH Reporting Cor HEPPCostcenter: SH Reporting Cost HEPPAccount: SH Reporting Ac HEPPInterCompany: SH Reporting Inter Future01: SH Reporting FUTU HEPPStakeholder: HEPP SH Reporting Stake

Enable Financial Reporting by Joint Venture Stakeholder in the Joint Venture System Options

Joint venture application administrators can perform this task.

1. Navigate to Setup and Maintenance and select the Joint Venture Management functional area under the Financials offering.
2. Click the Manage Joint Venture System Options task.
3. On Joint Venture System Options, click Start.
4. In the Features section, click the “Stakeholder reporting” checkbox.
5. Click Save and then click Cancel to exit.

23 Schedule or Run Joint Venture Management Processes

About Scheduling and Running Oracle Joint Venture Management Processes

The following list describes the processes that you need to run to process joint venture transactions and distributions. The list is based on the recommended order of running the processes on a periodic basis. You can schedule processes individually or use a "process set" to set up multiple processes to run on a schedule. For more information, see [Scheduled Processes](#).

Note: You can also run these processes on demand if you need to reprocess transactions to resolve disputes over distributed amounts or correct other issues. See [Correcting Issues with Joint Venture Transactions and Distributions](#) for some example scenarios.

Process	Description	Link to Steps
Identify Joint Venture Transactions	Uses the details in joint venture definitions, specifically the distributable segment values or the account set, to identify transactions for processing. The process excludes transactions previously identified and processed by Joint Venture Management so that they aren't processed again.	Identify Joint Venture Transactions
Identify Joint Venture Transactions - Process Ownership Definition Assignment Rules	Uses the details in ownership definition assignment rules to apply a particular ownership definition or direct billed stakeholder to a particular set of transactions for the joint venture.	Apply Ownership Definition Assignment Rules to Joint Venture Transactions
Identify Joint Venture Transactions - Validate Ownership Definition Effective Dates	Validates whether the ownership definitions assigned to the joint venture transactions are effective on the transaction date.	Validate Ownership Definition Effective Dates (Optional)
Create Joint Venture Distributions - default mode	Calculates the split of transactions and generates distribution records. It uses the details in joint venture definitions, specifically the stakeholder ownership percentages, to calculate the split and create distributions.	Create Distributions from Joint Venture Transactions
Process Joint Venture Overhead	Calculates overhead amounts based on the details specified in a "Percentage of cost" overhead method for a joint venture. The process uses amounts in distributions for a joint venture as a basis for the calculation. It generates transactions with overhead amounts, which can be viewed in the Joint Venture Source Transactions work area.	About Processing Joint Venture Overhead
Process Joint Venture Adjustments - Create Joint Venture Distribution Reversals mode	Reverses distributions in Joint Venture Management. You can choose to run the process over a specific joint venture and ownership definition. The process also	Create Reversed Distributions and Redistributions

Process	Description	Link to Steps
	includes an option to automatically redistribute the transactions after creating the reversed distributions.	
Process Joint Venture Adjustments - Create Invoices for Joint Venture Distribution Reversals mode	Sends the reversed distributions to Oracle Receivables in preparation for credit memo creation. Creates payables debit memos for reversed revenue distributions.	Prepare Reversed Distributions for the Creation of Credit Memos Create Debit Memos for Reversed Revenue Distributions
Import AutoInvoice	Creates credit memos for reversed distributions that were sent to the Receivables Interface table.	Create Credit Memos for Joint Venture Receivables Invoices
Process Joint Venture Adjustments - Update Receivables Credit Memo Information in Distributions mode	Updates credit memo information back into Joint Venture Management.	Update Credit Memo Information in Oracle Joint Venture Management
Process Joint Venture Partner Contributions - Process Partner Contribution Requests	Processes partner contribution requests to create partner contributions.	Create Partner Contributions from Partner Contribution Requests
Process Joint Venture Partner Contributions - Create Partner Contributions	Creates partner contributions from a gross contribution amount.	Create Partner Contributions Through a Scheduled Process
Process Joint Venture Partner Contributions - Create Partner Contribution Invoices	Creates receivables invoices with partner contribution amounts created from requests.	Create Partner Contribution Invoices Through a Scheduled Process
Process Joint Venture Partner Contributions - Assign and Draw Partner Contributions	Draws from partner contributions to cover cost-related distributions associated with a joint venture and stakeholder.	Draw from Partner Contributions
Process Joint Venture Partner Contributions - Process Partner Contribution Transactions	This process is used when canceling and closing partner contributions. To cancel partner contributions, it prepares the partner contribution invoices to create credit memos. To close partner contributions, it creates payables invoices or journal entries.	Cancel a Partner Contribution Through Scheduled Processes Close a Partner Contribution by Creating a Transaction Through Scheduled Processes
Process Joint Venture Partner Contributions - Update Receivables Credit Memo Information in Contributions	Updates the credit memo number to the partner contribution.	Cancel a Partner Contribution Through Scheduled Processes
Create Joint Venture Invoices and Journal Entries - default mode	Creates receivables and payables invoices for each stakeholder's share of costs and revenue in the joint venture. It uses the distributions associated with transactions in the primary ledger to create invoices. Note: Oracle recommends that you implement a business process to help ensure that users don't make any changes to joint venture-related invoices from any application outside of Joint Venture Management.	Run the Process to Create Joint Venture Invoices
Create Joint Venture Invoices and Journal Entries - Create Internal Transfer Journals mode	Generates journal entries for all distributions associated with internal stakeholders that have a cost center associated with them.	Create Internal Transfer Journals
Create Accounting process	This process completes the accounting of internal transfer journals, after which you can post the journals	Create Internal Transfer Journals

Process	Description	Link to Steps
	and review the transactions in Subledger Accounting or in General Accounting.	
Create Joint Venture Invoices and Journal Entries - Update Accounting for Journals mode	Updates the status of internal transfer journals to match the status in Subledger Accounting.	Create Internal Transfer Journals
Post Subledger Journal Entries	Posts invoices and internal transfer journals to Oracle General Ledger. Skip this step if the Create Accounting process was set up to automatically post to General Ledger.	Post Subledger Transactions to the General Ledger
Create Joint Venture Invoices - Update Accounting for Invoices mode	Uses the unique reference of each invoice line to retrieve and update the accounting information from General Ledger to the joint venture distributions.	Update Accounting Information for Posted Joint Venture Invoices
Create Joint Venture Distributions – Create Project Costing Adjustments mode	For an integration with Oracle Project Costing. Creates cost adjustments from project-related distributions and copies the adjustments to a staging table for importing into Project Costing.	Create Cost Adjustments
Import Costs	For an integration with Project Costing. This is the same process a project accountant uses to import original costs from subledger accounting into Project Costing. When run with Joint Venture Management as the transaction source, this process imports cost adjustments from distributions in Joint Venture Management to Project Costing.	Import Cost Adjustments into Oracle Project Costing
Create Joint Venture Distributions – Update Project Costing Status mode	Checks for cost adjustments imported into Project Costing and changes the status of their associated distributions in Joint Venture Management to "Process complete."	Update Oracle Project Costing Status to "Process complete" for Processed Distributions
Create Joint Venture Distributions – Export Data for Audit Report	Creates audit reports for joint venture costs, expenses, and other transactions along with information about the original transaction.	Audit Reports for Joint Ventures
Process to create index definition and perform initial ingest to OSCI	Creates index definition and loads joint venture data in joint venture distributions and invoices work areas.	Setup to Display Joint Venture Transactions, Distributions, and Invoices
Create Joint Venture Distributions process with the option to create carried interest distributions enabled	Creates carried interest distributions for transactions that were processed according to a carried interest agreement. Carried interest distributions enable you to track the amounts that consenting partners carry for nonconsenting partners.	Create Carried Interest Distributions
Submit Joint Interest Billing Report	Generates and delivers the joint interest billing reports to stakeholders based on the template, output format, and instructions that you specified in BI Publisher and Joint Venture Management.	Joint Interest Billing Reports

24 Migrate Joint Venture Setup Data to Production

Migrate Joint Venture Setup Data to Production

Oracle recommends that you set up the following joint venture components in a test environment before you implement them in a production environment:

- System options
- Invoicing partners
- Joint venture definitions
- Overhead methods
- Account sets

You can then test your setup by running the ESS processes that are used to identify and distribute joint venture transactions, and verify that distribution records were generated successfully. After testing, migrate the joint venture setup data to a production environment. If you prefer, you can test one or two joint ventures in a test environment, migrate them to production, and then set up your remaining joint venture definitions directly in production.

As you work through these steps, refer to *Setup Data Export and Import* for more information about the FSM migration services.

Before You Begin

To use migration services in Functional Setup Manager (FSM) to export and import joint venture data, you must have the Application Implementation Consultant (ORA_ASM_APPLICATION_IMPLEMENTATION_CONSULTANT_JOB) role.

You can migrate joint venture setup data only for the business units you're authorized to manage through data security. See *Set Up Data Security for Oracle Joint Venture Management* for more information.

Oracle Joint Venture Management is a functional area in the Oracle Fusion Cloud Financials offering. Before you can migrate Joint Venture Management setup data, you must migrate the Oracle Financials offering setup data that is applicable to your implementation. The setup data includes supporting references and other values in Oracle Financials that you might have set up in a test environment. This also might include supporting references for Oracle Project Costing if your Joint Venture Management implementation includes an integration with Project Costing.

Export Joint Venture Setup Data

Export the joint venture setup data for importing into a target environment.

1. Navigate to Setup and Maintenance and select the Financials offering.
2. On the Joint Venture Management functional area row, click the drop-down list, Export, Create New.
3. Click Yes in the prerequisite warning message.
4. On Export Offering Setup Data, click the Show drop-down list and select All.
5. In the Export column, click the checkbox, twice, next to Supporting Reference Detail.
6. Click Yes in the exclude business objects warning message.

This clears the associated Supporting Reference Detail as well. These business objects are not used.

7. Click Submit and then click OK on the confirmation.

You can review the status of the export displayed at the top of the page under the Setup menu.

8. When the status changes to "Ready to Download," click the link to access the results page and download the zip file.

Import Joint Venture Setup Data

Import your joint venture setup data into a target environment.

CAUTION: To import a joint venture definition that has a default ownership definition and a status of Active, you must import the configuration package twice. This helps to ensure that the joint venture definition is imported properly into the target environment. If you don't, after the import, you will need to manually set the default ownership definition and change the status of the joint venture definitions to Active in the target environment.

1. In the target environment, access the Setup and Maintenance work area.
2. Select Financials from the Setup drop-down list.
3. In the Joint Venture Management functional area row, click the drop-down list, Import, Create New.
4. In the confirmation, click Yes to confirm that the Financials offering setup data has been imported or exists in the target environment.
5. On Import Offering Setup Data, click Browse next to Configuration Package.
6. Locate the exported zip file and click Open.
7. Under Import Options, select "Import feature selection" if the dependent feature opt-ins for Joint Venture Management haven't been enabled in the target environment.

The exported configuration package includes feature opt-ins for the exported functional area. The import process enables the dependent features that were enabled in the source but aren't enabled in the target. The opt-in configuration of any other dependents in the target remains unchanged.

8. You can also select the options to compare setup data prior to the import or after the import.
9. Click Submit.
10. Click OK on the confirmation that the import has been submitted.
11. Check the status of the import under the Setup menu at the top of the page.
12. When the status changes to "Waiting for manual import," click the status link.
13. Although Supporting Reference objects were excluded from the export, FSM prompts you to include them in the import. Because they aren't used, you can resume the import process to ignore this data.
14. Click Resume, and then when prompted, clear the "Pause process each time manual import setup data is required" option, and then click Yes to continue the import.
15. Import the exported configuration package a second time to complete the setup of the default ownership definitions and active joint venture definitions.

25 Enable Detailed Logging of Joint Venture Management Processes

Enable Detailed Logging of Oracle Joint Venture Management Processes

Enable detailed logging of Joint Venture Management processes to investigate issues or troubleshoot errors with a process. Each time you run a process in the Enterprise Scheduler Service, the system generates a text file with some details about the process, such as when it started and completed, how many records were processed, and so forth. With detailed logging enabled, it generates a log file with additional details about the process.

You can enable detailed logging by user. Or you can enable it for the site to generate detailed logging any time a Joint venture Management process is run.

Note: If you have a site profile set up, remember that any user profiles take precedence over the site profile. For example, if the site profile is enabled for detailed logging and a user's profile is disabled, detailed logging isn't generated for the user.

It's recommended that you enable detailed logging at the user level so it doesn't create logs for everyone who runs Joint Venture Management processes.

Application implementation consultants or financial application administrators can perform this task.

To enable detailed logging of Joint Venture Management processes:

1. Navigate to Setup and Maintenance and select the Joint Venture Management functional area under the Financials offering.
2. Click Show - All Tasks and then select the Manage Joint Venture Profile Options task.

3. Click Search.

This displays the Joint Venture Debug Mode profile option, which is used to print additional detailed messages about the process to the log file.

Search Results

Search Results : Profile Options

Profile Option Code	Profile Display Name	Application	Module	Start Date	End Date	Description
ORA_JV_DEBUG_MODE	Joint Venture Debug Mode	Joint Venture Management	Joint Venture Management	06/24/2020		Indicate if programs are run in debug mode.

ORA_JV_DEBUG_MODE: Profile Values

Profile Level	Product Name	User Name	Profile Value
User			Yes

4. In the Profile Values section, click Add.

5. To enable logging for a user:

- Select User for the Profile Level.
- Enter the user name.
- Select Yes for the Profile Value.

You can add as many users as necessary, and then simply change the Profile Value to No when you want to disable detailed logging for a user.

6. To enable detailed logging for all users:

- Select Site for the Profile Level.
- Select Yes for the Profile Value.

7. Click Save.

Related information:

- [Profile Options](#)

26 Audit Joint Ventures

Overview of Joint Venture Auditing

Auditing is used to monitor user activity and all configuration, security, and data changes that have been made to an application.

Auditing involves recording and retrieving information pertaining to the creation, modification, and removal of business objects. All actions performed on the business objects and the modified values are also recorded. The audit information is stored without any intervention of the user or any explicit user action.

For additional information about the auditing features, see:

- [Audit Policies](#)

Enable Auditing

The steps that follow use an example of auditing for joint venture ownership definitions. You can use the same steps to audit other business objects in Oracle Joint Venture Management, such as distributable segment values, stakeholders, overhead methods, and accounts sets.

1. Login as an application implementation user that has the following role:
ORA_ASM_APPLICATION_IMPLEMENTATION_CONSULTANT_JOB
2. Navigate to My Enterprise, Setup and Maintenance.
3. In the search field above the tasks lists, enter “Manage Audit Policies” and click the search icon.
4. In the results, click Manage Audit Policies.
5. On Manage Audit Policies, make sure that for Oracle Fusion Applications, the Auditing Level is set to Audit.
6. Click Configure Business Object Attributes in the Oracle Fusion Applications section.
7. On Configure Business Object Attributes, select Joint Venture Management from the Product drop-down list.

Note: The business objects that you can audit are listed under the Joint Ventures and Joint Venture Invoicing nodes. Do not select these top level nodes; they are automatically selected after you select a child node.

8. In the Audit column, select the Ownership Definition Setup checkbox.
The available attributes for audit are listed to the right.
9. Click Save and Close.

View Audit History

You can use audit history to view changes to the application data, such as the business objects that were created, updated, and deleted.

You must have a role with the assigned privilege View Audit History (FND_VIEW_AUDIT_HISTORY_PRIV) to view the history or to create a report. For appropriate assignment of roles and privileges, check with your security administrator.

Follow these steps to create a detailed report of the changes to joint venture business objects. You can export the report summary to Microsoft Excel.

1. Navigate to Tools, Audit Reports.
2. On Audit Reports, complete these fields:
 - Date. Specify a date or date range for the audit report.
 - Product. Select Joint Venture Management
 - Event Type. Select the All checkbox.
3. Select the joint venture business object or objects for which you want to view the audit history.
The list displays only the business objects that have been enabled for auditing.
4. Click Search.
5. Select all of the checkboxes under the Search Results section.
The search results display all matching records for the given search criteria.

27 Manage Joint Venture Management Lookups

Manage Oracle Joint Venture Management Lookups

In Joint Venture Management, lists of values in drop-down lists are stored as lookups. You can add values to some of these lookups according to your business process requirements. For example, Joint Venture Management includes a Stakeholder Category field in the page for setting up stakeholders. This is an optional field for which you can create user-defined lookup values, or lookups, to further categorize your stakeholders so that they are easier to manage.

Each list of values (LOV) has its own lookup table. An entry within a lookup table consists of these elements:

- A lookup type identifies the table in which a lookup value exists. In effect, it distinguishes lookup values belonging to one LOV from those belonging to others.
- Within a given lookup type, each entry correlates a "lookup code" to a "meaning." The code is an internal value. The meaning is the text that actually appears in a LOV.
- Each entry may also have a description.

You can add values to the following lookup types in Joint Venture Management:

Page	Field	Lookup Type
Create Invoicing Partner Edit Invoicing Partner	Status	ORA_JV_PARTNER_STATUS
Basic properties	Status	ORA_JV_JOINT_VENTURE_STATUS
New Stakeholder Edit Stakeholder	Status	ORA_JV_STAKEHOLDER_STATUS
New Stakeholder Edit Stakeholder	Stakeholder Category	ORA_JV_STAKEHOLDER_TYPE
Create Ownership Definition Edit Joint Venture Distributions	Change Reason	ORA_JV_CHANGE_REASON_CODE
New Account Set Edit Account Set	Status	ORA_JV_ACCOUNT_SET_STATUS
New Ownership Definition Assignment Rule Edit Ownership Definition Assignment Rule	Status	ORA_JV_ASSIGNMENT_RULE_STATUS

Page	Field	Lookup Type
New Carried Interest Agreement Edit Carried Interest Agreement	Status	ORA_JV_CI_AGREEMENT_STATUS
New Operational Measure Type Edit Operational Measure	Unit of Measure	ORA_JV_UNIT_OF_MEASURE
New Operational State Edit Operational State	State	ORA_JV_OPERATIONAL_STATE
New Operational State Edit Operational State	Reason	ORA_JV_OPST_REASON_CODE
New Operational Measure Edit Operational Measure	Status	ORA_JV_OP_MEASURE_STATUS
Edit Joint Venture Transactions	Change Reason	ORA_JV_TRANS_CHG_REASON_CODE
Close Partner Contribution Cancel Partner Contribution Transfer Partner Contribution	Transaction Reason	ORA_JV_PC_TRAN_REASON_CODE
New Overhead Method Edit Overhead Method	Status	ORA_JV_OVERHEAD_METHOD_STATUS

Create and Edit Lookups

To create a lookup:

1. Navigate to Setup and Maintenance.
2. In the Setup and Maintenance work area, click the Tasks icon on the right side of the page and search on "Manage standard lookups".
3. On Manage Standard Lookups, search for the lookup type to which you want to add a lookup.

The search results displays the lookup type and the Lookup Codes section displays the predefined lookups.

4. In the Lookup Codes section, click New and in the new row, enter the values for the new lookup.

A code should consist of 30 or fewer characters, upper-case for alphabetic characters, and no spaces. You can use an underscore between words instead of spaces. Do not begin the code with ORA as this is a value reserved by Oracle for system-provided lookup types and values.

5. In the Meaning field, enter text that will appear as a value in the LOV.

6. Optionally, describe the lookup in the Description field.
7. Click Save and Close.

To edit a lookup:

1. On Manage Standard Lookups, search for the lookup you want to edit. Enter any combination of type, meaning, and description values, and click Search.
2. In the search results, click the row for the lookup you want to edit, then select the Edit Lookup action.
3. On the Edit Lookup page, modify the meaning or description.

Note: The lookup type and lookup code are presented as read-only values; you can't edit them.

4. Click Save and Close.

28 Integrate and Extend Joint Venture Management

Integrate and Extend Oracle Joint Venture Management

For integration capabilities, the Oracle Fusion Cloud Financials REST API contains REST resources to facilitate the creation, inquiry, update, and deletion of Joint Venture Management information. The REST API resources enable you to retrieve information from Joint Venture Management or manage related information that originates from a third party system.

An example of using a REST API is in the oil and gas industry, where companies typically use a third party program to manage and track the date effective split between joint venture partners. These companies can use a REST API to pull their split definitions from their third party program into ownership definitions in Joint Venture Management.

For more information, see the [Joint Venture Management REST API documentation](#) in the REST API for Oracle Fusion Cloud Financials Reference Guide.

For extensibility purposes, Joint Venture Management is built entirely with the Oracle Visual Builder Cloud Service (VBCS). VBCS is a hosted environment for your application development infrastructure. It provides an open-source, standards-based solution to develop and collaborate on applications within Oracle Cloud. You can use Oracle Visual Builder Studio which is a browser-based tool, to extend your Joint Venture Management implementation.

You can also extend your Joint Venture Management implementation with descriptive flexfields.

Use Oracle Visual Builder Studio to Extend Oracle Joint Venture Management

Use Oracle Visual Builder Studio (VB Studio) to extend your Joint Venture Management implementation.

Using VB Studio extension framework, you can make changes to Joint Venture Management user interfaces, such as display additional fields, rearrange fields, or remove fields on pages that are created with dynamic table layouts. Your VB Studio instance is paired with your development environment instance of Oracle Fusion Cloud Applications Suite. When you deploy your changes to your development environment instance, it'll be reflected in the user interface.

For more information on VB Studio, including the terminology of VB Studio components, see [What Is Oracle Visual Builder Studio?](#)

This documentation only discusses how to use VB Studio to extend dynamic pages for Joint Venture Management.

Set Up Oracle Visual Builder Studio to Extend Oracle Joint Venture Management

To extend Joint Venture Management pages using Oracle Visual Builder Studio (VB Studio), you must complete the following one-time tasks:

- Set up VB Studio.

A user with the appropriate permissions must complete the setup tasks described in *Set Up VB Studio to Extend Oracle Cloud Applications*.

- Set up a project in VB Studio.

After setting up VB Studio, a joint venture administrator must complete the following tasks to create a project for Joint Venture Management in VB Studio and then configure the settings in the project:

Task	How to Perform the Task
Create a VB Studio project using an application template.	See <i>Create a Project Using the Visual Application Template</i> . Note: Make sure to select Joint Venture Management as the base application.
Associate the user's credentials with the job that you'll use to deploy your extended code. By default, the deployment job in your VB Studio project doesn't have credentials to connect to your development instance, so you must specify them manually.	See <i>Configure the Deployment Job</i> .
In the project, create an environment with your VB Studio. By default, the deployment job deploys your extended code to a development environment instance. To deploy your extended code to a production environment instance, you need to create a reference to the production environment.	See step 2. <i>In the project, create an environment with your Visual Builder instance</i> .
Configure the job to deploy your extended code to your development environment instance.	See <i>Run the Pipeline Manually</i> .

Task	How to Perform the Task
Configure the job to deploy your extended code to the production environment instance.	See <i>Set Up the Project to Deploy to Production</i> .

Extend Oracle Joint Venture Management Pages That Use Dynamic Tables

The following table lists the Joint Venture Management tasks in the user interface, the flows for these tasks in Oracle Visual Builder Studio (VB Studio), and the pages within these flows that you can extend:

Note: In VB Studio, a flow is a group of one or more pages that has a specific task in the application user interface. Note that you can extend only the pages that are listed in the table.

Task in User Interface	Flow in VB Studio	Page
Partner Contribution Requests	jv-contribution-requests	contribution-requests
Partner Contributions	jv-partner-contributions	partner-contributions pc-edit-create
Source Transactions	jv-source-transactions	source-transactions
Carried Interest Distributions	jv-carried-interest-distributions	ci-distributions
Journals	joint-venture-journals	journals
Operational States	jv-operational-states	operational-states
Operational Measures	jv-operational-measures	operational-measures
Manage Invoicing Partners	invoicing-partners-manage	invoicing-partners
Manage Joint Venture Definitions	joint-venture-manage	joint-venture-master-guided jv-stakeholder jv-ownership-definitions
Manage Joint Venture Account Sets	jv-account-sets	account-sets
Manage Joint Venture Ownership Definition Assignment Rules	jv-assignment-rules	assignment-rules
Manage Carried Interest Agreements	jv-carried-interest-agreements	ci-agreements ci-group-edit-create

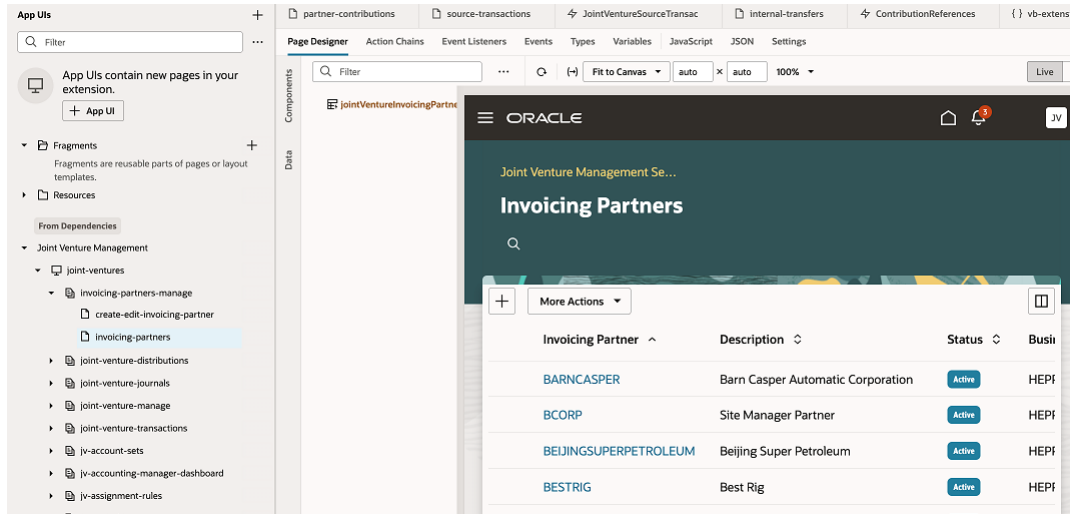
Task in User Interface	Flow in VB Studio	Page
Internal Transfer	jv-internal-transfers	internal-transfers
Manage Operational Measure Types	jv-measure-types	measure-types
Manage Joint Venture Overhead Methods	jv-overhead-methods	overhead-methods
Manage Joint Venture Periodic Adjustment Factors	jv-periodic-adjustment-factors	periodic-adjustment-factors
Manage Joint Venture Project Sets	jv-project-sets	project-sets

You can extend these pages by adding, removing, and rearranging fields in the order that you want to display them in the user interface. The following steps provide an example of how to extend the “invoicing-partners” page by adding a “Creation Date” column.

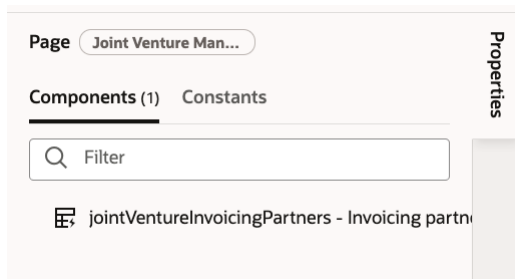
1. Navigate to Setup and Maintenance and select the Joint Venture Management functional area under the Financials offering.
2. Click the Manage Invoicing Partners task.
3. On Invoicing Partners, click the logged-in user.

4. Under the Administrator section, select Edit Page in Visual Builder Studio. The selected page opens in the workspace of the VB Studio project.

The following image shows the workspace of the VB Studio project. The App UIs pane shows the “invoicing-partners-manage” flow expanded with the “invoicing-partners” page selected. The page’s user interface is displayed in the Page Designer.



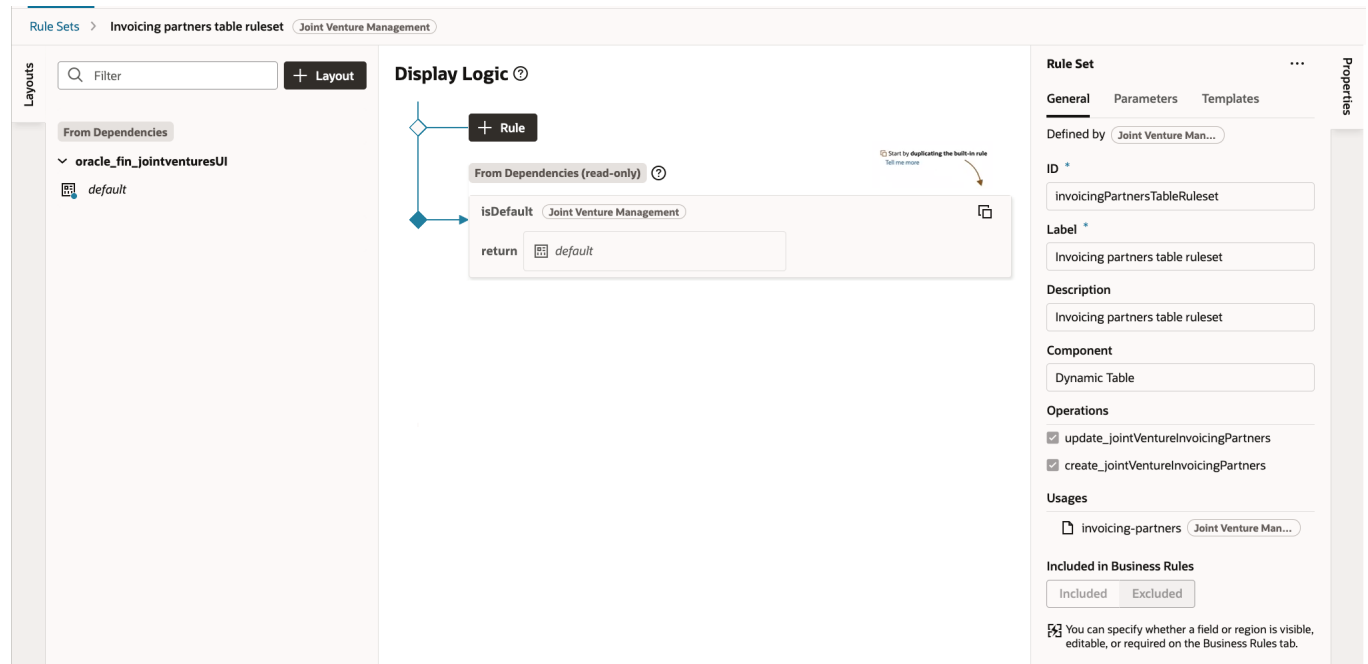
On the Properties pane, under the Components tab, you can see the component for the page, which you can extend. In this example, the component is a dynamic table, which is labeled `jointVentureInvoicingPartners` as shown in the following image:



5. Click the component to see the rule set and the layout for the component.

6. Click the link under the Rule Set section. This displays the base code that's delivered with the application and the layout associated with it. To extend the code, you must create a copy of it.

The following image shows a VB Studio project with the Invoicing partners table rule set opened. The Layouts pane shows the default layout associated with the rule set. The Display Logic pane shows the default rule set for the page. The Properties pane shows the details about the selected rule set.

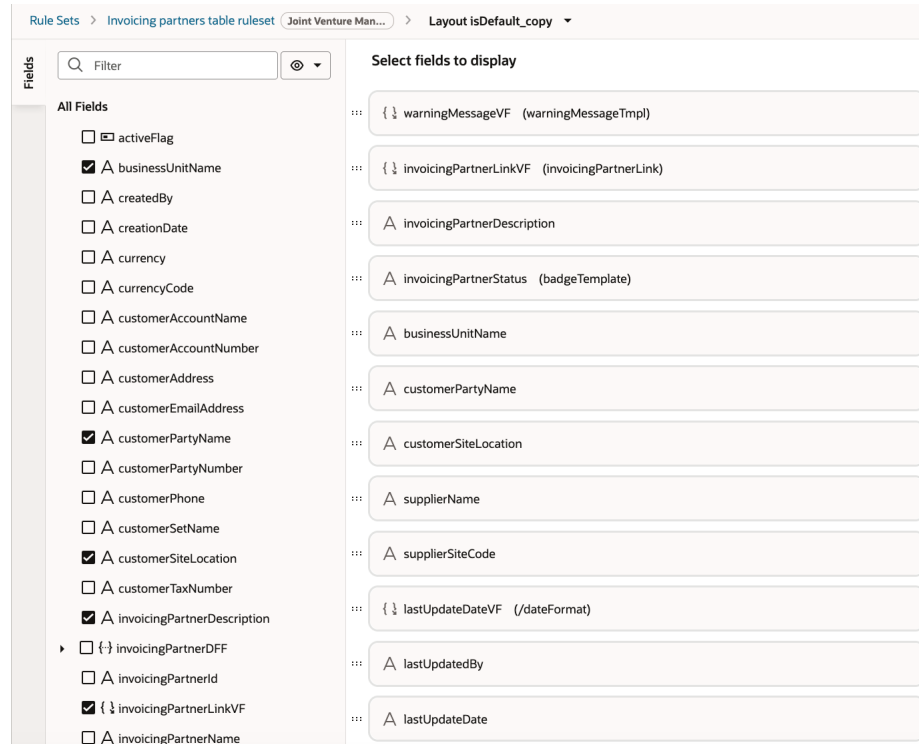


7. Under Display Logic, click the copy icon for the default rule set “isDefault.”
8. On Duplicate Rule dialog, enter a name for the new rule set and make sure to select this checkbox: Also create a copy of the layout.

9. On the Layouts pane, click the newly created layout.

Notice that all the fields that are delivered with the default layout are available with the copied layout.

The following image shows a VB Studio project with the page layout panes opened for the invoicing partners table ruleset. The “Fields” pane lists all the fields included in the Oracle REST API for invoicing partners. The “Select fields to display” pane lists the selected fields and the order of the fields in the user interface.



10. To add the “Creation Date” field to the user interface, search for and select this field from the Fields pane. When selected, the field automatically appears in the “Select fields to display” pane. You can rearrange the fields in the list depending on the order that you want to see them in the user interface.
11. Close the Rulesets pane and refresh the browser to see the changes reflected in the Invoicing Partners page that’s opened in the Page Designer of the VB Studio workspace.
12. Click Publish to publish the changes to your development environment instance.
13. On Publish dialog, enter a comment for the change for audit purposes.

Depending on your environment load, it might take a little while for the changes to be reflected in your development environment instance. VB studio shows the progress of the deployment, so you're recommended to keep it open to track the progress of the deployment until it completes.

14. To verify that the changes are reflected in your development environment instance, sign out and sign in to the environment instance.
15. Access the Manage Invoicing Partners task from the Joint Venture Management functional area in Setup and Maintenance and verify that the “Creation Date” column is added to the Invoicing Partners page.

Use Descriptive Flexfields to Add Additional Joint Venture Information

Set up descriptive flexfields to add additional fields beyond what is provided in the Oracle Joint Venture Management work areas.

You can set up descriptive flexfields for the following work areas:

- Joint Ventures
- Stakeholders
- Operational Measures
- Partner Contributions
- Joint Venture Source Transactions
- Ownership Definitions
- Account Sets (main page only)
- Project Sets (main page only)

For each work area, you can set up a maximum of 20 descriptive flexfields: 10 fields for characters; 5 fields for numbers; and 5 fields for dates.

A descriptive flexfield consists of one or more segments. A segment represents a field that's mapped to a table column in your database. Setting up a descriptive flexfield involves defining the appearance and behavior of individual segments.

Descriptive flexfields include the following two segment types that you can choose from:

- **Global segment:** Use this segment to set up descriptive flexfields that are always available as fields in a work area.
For example, you can set up a global segment to add a Legal Description field that appears for each joint venture in the Joint Ventures work area.
- **Context segment:** Use this segment to set up descriptive flexfields that appear in a work area only under a certain context.
For example, you can set up a context segment to add a Project Type drop-down list in the Joint Ventures work area that contains these values: Construction and Healthcare. You then configure context-sensitive segments that display as fields based on the value you select in the list.

For more information on descriptive flexfields, see [Overview of Descriptive Flexfields](#).

Joint venture application administrators can configure descriptive flexfields.

Set Up Descriptive Flexfields for Oracle Joint Venture Management

Setting up a descriptive flexfield involves naming the field, mapping the field to a table column in the database, specifying validation criteria for the field, and so on.

You can choose either global or context segment to set up descriptive flexfields.

After the setup is complete, the flexfields appear in the corresponding work area and in the Microsoft Excel spreadsheet that you can use to set up and manage the records. In the work areas, the flexfields appear as columns in the grid and as fields in the Additional tab on the edit page. You can then enter information in the fields.

Create a Global Segment

Descriptive flexfields configured with the global segment type are always available in the corresponding work areas.

1. Navigate to Setup and Maintenance.
2. On the Setup page, open the Tasks panel on the right and search for Manage Descriptive Flexfields.
3. On Manage Descriptive Flexfields, complete the following fields and click Search:
 - o Name. Enter `Joint Venture Additional Details Of Stakeholder Additional Details` based on whether you are configuring descriptive flexfields for the Joint Ventures or Stakeholders work area.
 - o Module. Enter `Joint Venture Management`.

The additional details record appears in the Search Results.

4. Select the record and click the edit button (pencil icon).
5. On Edit Descriptive Flexfield, click Create (+) under Global Segments.
6. Under Create Segment, in the Name field, enter a name for the descriptive flexfield.

For example, you can enter Legal Description as the name of the descriptive flexfield to record legal information about joint ventures in the Joint Ventures work area.

The application populates the Code, API Name, and Prompt fields based on the name you entered. You can override the default values.

7. Under Column Assignment, complete these fields:
 - o Data Type. Select the type of value allowed in the descriptive flexfield. It can be character, number, or date.
 - o Table Column. By default, this field is populated with the first available table column reserved for the selected data type. To map the descriptive flexfield to a different table column, click the drop-down list and select from the available values.

8. Under Validation, select a Value Set.

The information in the value set is used to define the valid values of the flexfield segment.

If you need to create a value set, click Create Value Set and complete the following fields:

- Value Set Code. Enter a value that identifies the value set.
- Module. Select Joint Venture Management.
- Validation Type. Select a validation type to determine how the value of a flexfield segment is validated. For example, the Format Only validation type enables you to enter any value, as long as it meets your specified formatting rules.
- Value Data Type. Select the type of value to assign to the value set. It can be character, number, or date.

The value data type that you specify here must be the same as the data type specified under the Column Assignments section.

The application displays fields in the Definition section based on the Validation Type and Value Date Type you specified. For example, if you selected Character in the Value Data Type field, this section includes the following required fields:

- Value Subtype. Select a value subtype to define additional specification, for example, Text, Translated text, and so on.
- Maximum Length. Enter the maximum number of characters that can be entered in the descriptive flexfield.

9. Under Display Properties, complete the following fields:

- Prompt. By default, this field is populated with the value you entered in the Name field.

This is the field name that displays in the corresponding work area.

- Display Type. Click the drop-down list and select how you want to display the field.

For example, Text Box, Text Area, and so on.

10. Click Save and Close.

11. On Manage Descriptive Flexfields, select the descriptive flexfield record for Joint Venture Management and click Deploy Flexfield.

Create a Context Segment

Descriptive flexfields configured with the context segment type appear in a work area only under a certain context.

Creating a context segment includes:

- Creating the parent segment (drop-down list) and the contexts that appear as values in the list.
- Creating context-sensitive segments that appear as fields based on the value you select in the list.

1. Navigate to Setup and Maintenance.

2. On the Setup page, open the Tasks panel on the right and search for Manage Descriptive Flexfields.

3. On Manage Descriptive Flexfields, complete the following fields and click Search:

- Name. Enter **Joint Venture Additional Details Or Stakeholder Additional Details** based on whether you are configuring descriptive flexfields for the Joint Ventures or Stakeholders work area.
- Module. Enter **Joint Venture Management**.

The additional details record appears in the Search Results.

4. Select the record and click the edit button (pencil icon).

5. Under Context Segment, in the Prompt field, enter the name for the drop-down list that you want to display in the corresponding work area.
6. In the Display Type drop-down list, select a value.
It's recommended that you use the default value, which is List of Values.
7. To add values for the drop-down list, click Manage Contexts.
As an example, if you configured a drop-down list named "Project Type" with Construction and Healthcare as values, you would add these values as contexts within the context segment "Project Type."
8. On Manage Contexts, click Create (+) to create a context.
9. On Create Context, in the Display Name field, enter a name for the context.
The application populates the Context Code and API Name based on the display name you entered. You can override the default values.
10. Click Create (+) and repeat the steps to create all the contexts you need for the context segment.
11. Click Save and Close.
The Manage Contexts page displays where you can see the context that you created. You can then add fields that will display when this context is selected in the drop-down list.
For example, to display a field named "Helipad" when you select "Construction" in the "Project Type" drop-down list, you need to create a context-sensitive segment within the "Construction" context.
12. On Manage Contexts, select the context value for which you want to add context-sensitive segments and click Edit (pencil icon).
13. On Edit Context, under Context Sensitive Segments, click Create (+).
14. On Create Segment, complete the fields and click Save and Close.
Note: Refer to the *Create a Global Segment* section on how to enter values in the Create Segment page.
15. On Edit Context, click Create (+) and repeat the steps to create all the context-sensitive segments you need for the context value.
16. After you set up all the context values and context-sensitive segments that you need, click Deploy Flexfield on the Manage Descriptive Flexfields page.

29 Frequently Asked Questions

FAQs When Implementing Oracle Joint Venture Management

FAQs for Joint Venture Definitions

Can I change the effective dates of an ownership definition in an active joint venture?

You can change the effective dates. If the new date range excludes any transaction dates in distribution records already generated for the joint venture, you must reverse the applicable distributions and redistribute the transaction.

Why can't I change the status of an ownership definition from Inactive to Active?

The Inactive status is used when you no longer want the joint venture to process transactions with the ownership definition. For auditing and tracking purposes, you can't change any details in an ownership definition in the Inactive status. And you can't delete the ownership definition or change its status back to Active.

Can I change the status of an ownership definition from Active to Inactive?

Yes. But you must verify that the ownership definition is not associated with unprocessed distributions. When you change the status of an ownership definition to Inactive, the application doesn't check if unprocessed joint venture distributions are associated with the inactive ownership definition, and it will create invoices for the unprocessed distributions.

In a joint venture definition, do I need to uniquely identify each distributable account in the Distributable Segment Values area?

No. If all accounts for the primary segment value are distributable, then you don't have to enter values for the other segments. You can leave them blank. If you have a combination of distributable and nondistributable accounts with the same primary segment value, you must identify each distributable account in the joint venture definition. But you can use the % wildcard to designate a range of accounts when identifying the distributable accounts in a segment.

In the joint venture definition, I've already identified accounts in the primary segment that are distributable. Can I change the business unit?

Yes. But only if the new business unit is associated with the same chart of accounts (COA) instance. When you select a business unit for a joint venture, the COA instance and segments (including the primary segment) for the business unit are automatically identified by the joint venture. Joint Venture Management prevents you from changing the business unit if the new business unit isn't associated with the same COA instance.

Why can't I disable a segment?

You can't clear or disable a segment if there are distributable segment values associated with the segment on the Distributable Segment Values tab. If you remove the associated distributable segment values, you can disable the segment.

Why can't I see project numbers when creating a distributable project value rule?

When adding a distributable project value rule in the Distributable Project Values tab, the Project drop-down list won't display project numbers unless your user profile is set up with the proper data access. If you don't see the values that

you expect, ask your administrator to set up your user profile with data access to the business units that the projects are associated with. See [Data Access](#) for more information.

Why can't I see task values when creating a distributable project value rule?

You have to select a project number before selecting a task. After selecting a project number, you need to double-click the Task field to see a list of values.

Why is the expenditure type that I enter for a distributable project value in a joint venture definition or for the expenditure type override in the joint venture system options invalid?

Only expenditure types from the "Miscellaneous Transaction" expenditure type class are supported.

Why can't I create receivables invoices with negative amounts?

Check if the Minimum Receivables Invoice Amount field is blank in your joint venture definition. If this field is blank, it's treated as a zero minimum amount, which means that when the total of the distributions results in a negative invoice amount, an invoice won't be created.

FAQs for Assignment Rules

Why is the expenditure type that I add to an ownership definition assignment rule invalid?

Only expenditure types from the "Miscellaneous Transaction" expenditure type class are supported.

FAQs for Displaying Joint Venture Transactions, Distributions, and Invoices Data

Why isn't data displayed in the joint venture transactions, distributions, and invoices work areas?

To see data in these work areas, you must run the process "ESS job to create index definition and perform initial ingest to OSCS." Otherwise, these work areas will show a blank page with or without the message "No data to display." For more information, see [Ingest Joint Venture Data](#).

Also, you can only work with or view records that are associated with the business units you're authorized to access through your data security setup. See [Set Up Data Security for Oracle Joint Venture Management](#) for more information.

I ran the ingest process, but I don't see any data in the joint venture transactions, distributions, and invoices work areas. Why?

This can be because Oracle Search Cloud Service (OSCS) isn't available for your cloud environment, probably because the hosted environment is used for government contracts. To view and work with the data in these work areas, click the Manage in Excel option on these work areas to download the corresponding data in a spreadsheet. For more information, see [Manage Joint Venture Data in Microsoft Excel](#).

There's a discrepancy in the data between the main page and details page in the joint venture transactions, distributions, and invoices work areas. How can I fix this issue?

Run the ingest process if you see any discrepancy in the data between the main page and details page in these work areas. The data on the details page comes from an Oracle REST API and is always up-to-date, while the data on the main page comes from the Oracle Search Cloud Service (OSCS) database when you run the ingest process. For more information on how to run the ingest process, see [Ingest Joint Venture Data](#).

FAQs for Joint Interest Billing Reports

When I run the Submit Joint Interest Billing Report process, the reports for some of the stakeholders aren't printed due to the error "Party or email address is not specified for the stakeholder." How do I correct this error?

Either the stakeholder wasn't set up with a party in the joint venture definition or an email address wasn't specified for the party in the source application. To resolve the issue, see *Before Users Can Deliver Joint Interest Billing Reports Through Email*.

