

# Oracle Fusion Cloud Financials: Using Payables

Student Guide D101603GC30



## Author

Kishore Singh

#### **Publishers**

Syed Imtiaz Ali Giri Venugopal Michael Sebastian Almeida Joseph Fernandez Srividya Rameshkumar Veena Narasimhan

#### 450920202424C

#### Copyright © 2024, Oracle and/or its affiliates.

#### Disclaimer

This document contains proprietary information and is protected by copyright and other intellectual property laws. The document may not be modified or altered in any way. Except where your use constitutes "fair use" under copyright law, you may not use, share, download, upload, copy, print, display, perform, reproduce, publish, license, post, transmit, or distribute this document in whole or in part without the express authorization of Oracle.

The information contained in this document is subject to change without notice and is not warranted to be error-free. If you find any errors, please report them to us in writing.

#### **Restricted Rights Notice**

If this documentation is delivered to the United States Government or anyone using the documentation on behalf of the United States Government, the following notice is applicable:

U.S. GOVERNMENT END USERS: Oracle programs (including any operating system, integrated software, any programs embedded, installed or activated on delivered hardware, and modifications of such programs) and Oracle computer documentation or other Oracle data delivered to or accessed by U.S. Government end users are "commercial computer software" or "commercial computer software documentation" pursuant to the applicable Federal Acquisition Regulation and agency-specific supplemental regulations. As such, the use, reproduction, duplication, release, display, disclosure, modification, preparation of derivative works, and/or adaptation of i) Oracle programs (including any operating system, integrated software, any programs embedded, installed or activated on delivered hardware, and modifications of such programs), ii) Oracle computer documentation and/or iii) other Oracle data, is subject to the rights and limitations specified in the license contained in the applicable contract. The terms governing the U.S. Government's use of Oracle cloud services are defined by the applicable contract for such services. No other rights are granted to the U.S. Government.

## **Trademark Notice**

Oracle®, Java, MySQL, and NetSuite are registered trademarks of Oracle and/or its affiliates. Other names may be trademarks of their respective owners.

Intel and Intel Inside are trademarks or registered trademarks of Intel Corporation. All SPARC trademarks are used under license and are trademarks or registered trademarks of SPARC International, Inc. AMD, Epyc, and the AMD logo are trademarks or registered trademarks of Advanced Micro Devices. UNIX is a registered trademark of The Open Group.

#### Third-Party Content, Products, and Services Disclaimer

This documentation may provide access to or information about content, products, and services from third parties. Oracle Corporation and its affiliates are not responsible for and expressly disclaim all warranties of any kind with respect to third-party content, products, and services unless otherwise set forth in an applicable agreement between you and Oracle. Oracle Corporation and its affiliates will not be responsible for any loss, costs, or damages incurred due to your access to or use of third-party content, products, or services, except as set forth in an applicable agreement between you and Oracle.

## **Contents**

# 1 Oracle Fusion Cloud Financials: Using Payables

Course Objectives 1-2

Lesson Objectives 1-3

Course Schedule 1-4

Introduction to Oracle Cloud Applications 1-6

Oracle Cloud Applications Product Families 1-7

Oracle Financials: Overview 1-8

Financials Key Features 1-9

Procure-to-Pay Flow 1-10

Overview of Suppliers 1-11

Overview of Invoices 1-12

Overview of Payments: Disbursements 1-14

Oracle Subledger Accounting (SLA): Overview 1-15

Summary 1-16

## 2 Common Application Configurations

Objectives 2-2

Common Applications Configuration for Financials 2-3

Enterprise Structures Overview 2-4

Legal Entities Defined 2-5

Legal Entity, Ledgers, and Balancing Segment Values 2-6

Legal Addresses, Jurisdictions and Authorities: Overview 2-7

Manage Legal Reporting Units 2-8

Financial Reporting Structures Overview 2-9

Chart of Accounts Components 2-10

Assigning Segment Labels 2-12

Accounting Calendar Overview 2-13

Manage Currencies Overview 2-14

Ledgers Overview 2-15

Ledger Structure 2-17

Sharing Common Applications Configurations 2-18

Geographies Overview 2-19

Business Units Overview 2-20

Business Unit Structure: Example 2-21

Managing Business Units 2-22

Assigning Business Unit Functions 2-23

Practice Overview: Running Session Warmer Scripts 2-25

Practice Overview: Viewing a Business Unit Business Function 2-26

Managing Service Provider Relationships 2-27

Service Provider Model for Procurement Services 2-28

Service Provider Model for Payables Payment Services 2-29

Payment Services Model: Dedicated 2-30
Payment Services Model: Self-Service 2-31

Payment Services Model: Dedicated and Self-Service 2-32

Manage Reference Data Sets 2-33 Reference Data Sharing: Overview 2-34

Assigning Sets to Business Units 2-35

Assignments to Multiple Sets with No Common Values 2-36

Payables Payment Terms Example 2-37

Demonstration Overview: Opening General Ledger and Payables Periods 2-38

Summary 2-39

## 3 Suppliers

Objectives 3-2

Suppliers Overview 3-3

Managing Procurement Agents 3-5

Practice Overview: Defining Your User as a Procurement Agent 3-6

Data Roles for Supplier Setup and Maintenance 3-7

Practice Overview: Managing Data Roles for Your User 3-8

The Trading Community Model 3-9

Supplier Model 3-10

Profile Tab 3-11

Supplier Business Relationship Status 3-12

Addresses Tab 3-13

Sites Tab 3-14

Invoicing 3-15

Payments 3-17

Site Assignments 3-18

Service Provider Model 3-19

Contacts Tab 3-20

Practice Overview: Creating a Supplier 3-21

Self-Service Invoices 3-22

Supplier Portal Invoicing 3-23

Editing a Supplier Portal Invoice 3-24

Supplier Portal Invoicing: Rearranged Fields for Quicker Data Entry 3-25

Supplier Portal Invoicing: Additional features 3-26

Require Attachments for Invoices Through the Supplier Portal 3-28

Practice Overview: Entering an Unmatched Invoice through the Supplier

Portal 3-29

Practice Overview: Resubmitting and Approving a Rejected Invoice Request 3-30

Practice Overview: Entering and Canceling the Credit Memo Request 3-31

Practice Overview: Submitting a Matched Invoice through the Supplier Portal 3-32

Summary 3-33

# 4 Invoicing

Objectives 4-2

Procure-to-Pay 4-3

Payables Terminology 4-4

Invoices Overview 4-6

Invoice Processing Overview 4-7

Invoice Types 4-9

Invoice Components 4-10

Invoice Line Types 4-12

Invoice Line Actions 4-13

Invoice Distributions 4-14

Managing Distribution Sets 4-15

Practice Overview: Managing Distribution Sets 4-16

Invoice Installments 4-17

How They Are Recalculated 4-18

Taxes on Invoices 4-19

Freight and Miscellaneous Charge Allocations 4-20

Invoice Routing for Account Coding 4-21

Payables Workflow Transaction Listing Report 4-23

Managing Payment Terms 4-24

Payment Terms Due Date and Discount Dates 4-25

Day of Month Payment Term Example 4-26

Early Payment Discounts 4-27

Campaign Management for Early Payment Discount Offers 4-28

Creating Campaign for Early Payment Discount Offers 4-29

Supplier Response Options: Campaign Management 4-30

Flow of Default Values 4-31

Invoice Actions 4-32

Invoice Statuses 4-34

Entering Invoices Manually 4-35

The Invoice work area 4-36

Scanned Infotile for Payables Manager and Specialist 4-37

Recent Infotile 4-38

Holds Infotile 4-39

Approval Infotile 4-40

Prepayments and Payments Infotile 4-41

Practice Overview: Manual Invoices 4-43

Matching Invoice Lines 4-44

Match in Full 4-46

Match Approval Level: Critical Choices 4-47

Creation and Management of Supplier Invoices with Retainage Payment Terms

Overview 4-48

Business Benefits for Retainage Release 4-49

Supplier Invoices Matched to Purchase Orders Containing Retainage Payment Terms 4-51

Supplier Invoices Matched to Purchase Orders Having Retainage Payment Terms: Matching Window 4-52

Supplier Invoices Matched to Purchase Orders Having Retainage Payment Terms: Totals Region 4-53

Supplier Invoices Matched to Purchase Orders Containing Retainage Payment

Terms: Invoice Lines 4-54
Retainage Release Invoices 4-55

Retaining Release Invoices: By PO Schedule 4-56

Retaining Release Invoices: By Individual Invoice Level 4-57

Retaining Release Invoices: By Invoice Lines 4-58

Invoice Validation 4-59
Invoice Tolerances 4-61

Quantity-Based Tolerances 4-62

Amount-Based Tolerances 4-65

Types of Holds 4-67

Supplier Site Holds 4-69

How Manually Releasable Holds Are Placed 4-70

Practice Overview: Creating an Invoice Matched to a Purchase Order 4-71

Payables Integration with Other Cloud Applications 4-72

Integration with Assets 4-73

Integration with Projects 4-74

Integration with Cost Management 4-75

Integration with Landed Cost Management 4-76

Integration with Intercompany 4-77

Integrated Invoice Imaging for Oracle Cloud Overview 4-78

Email Scanned Images 4-79

Import Images 4-80

Recognize Images 4-81

Store Images 4-82

Process Invoices 4-83

Receiving Invoice Images from Email: Points to Consider 4-84

Invoice Images as Email Attachments 4-85

Attribute Information in the Email Subject Overview 4-86

Attribute Information in the Email Subject Example: Category and Values 4-87

Attribute Information in the Email Subject: Example of Routing Attribute

Mappings 4-88

Creating Invoices Automatically 4-89

Payment Requests 4-90

One Time Payments 4-91

Self-Billed Invoices 4-92

Self-Service Invoices 4-93

Electronic Invoices: B2B XML Invoice Process 4-94

Payables Invoices in the Universal Business Language 2.1 XML Format 4-96

Receiving and Processing Electronic Invoices Compliant with Standard

EN 16931 4-97

Search in Payables Correct Import Errors Spreadsheet 4-99

Open Interface: Import Payables Invoices Process 4-100

Imported Invoices: Payables User and Payables Supervisor Functions 4-102

Prepayments 4-104

Correcting Invoices 4-105

Price Corrections 4-106

Price Corrections and Tolerances: How Invoice Prices Are Calculated 4-107

Quantity Corrections 4-108

Amount Corrections 4-109

Practice Overview: Creating a Credit Memo 4-110

Invoice Approval Flow 4-111

Predefined Rules 4-112

Workflow Transaction Console 4-114

Transaction Console Diagnostic Log 4-115

Customer and Supplier Balance Netting Overview 4-116

Generate Netting Settlements 4-117

Customer and Supplier Balance Netting: Manage Netting Settlements in a

Spreadsheet 4-119

Importing Netting Agreements 4-120

Summary 4-121

## 5 Payments

Objectives 5-2

Set Up and Maintain Banks, Branches, and Bank Accounts 5-3

Manage and Maintain Banks 5-4

Manage and Maintain Branches 5-5

Manage and Maintain Bank Accounts 5-7

General Tab 5-8

Payment Documents 5-9

Controls Tab 5-10

Security Tab 5-12

Business Unit Access Tab 5-13

Using the Rapid Implementation Spreadsheet 5-14

Updating Bank, Bank Account, and Branch on External Bank Account 5-15

Practice Overview: Creating Banks, Branches, and Bank Accounts 5-16

Practice Overview: Setting up Supplier Bank Accounts 5-17

Procure-to-Pay Flow 5-18

Overview of Oracle Payments 5-19

Overview of Disbursements for Payments 5-20

Payments Key Concepts 5-21

Disbursement Payment Methods 5-24

Payment Types Overview 5-25

Single Payments 5-26

Practice Overview: Processing a Single Payment from the Manage Invoices

Page 5-27

Practice Overview: Processing a Single Payment from the Create Payment

Page 5-28

The Disbursements Process 5-29

Payment Process Requests 5-30

Payment Process Requests Templates 5-31

Selection Criteria Tab 5-32

Payment and Processing Options Tab 5-34

Scenario One: Dates Used in Payment Process Requests 5-36

Scenario One Examples 5-37

Scenario Two: Date Basis in Payment Process Requests 5-39

Scenario Two Examples 5-40

Streamlined Payment Processing 5-41

Practice Overview: Defining a Payment Process Request Template 5-42

Cash Requirements Report 5-43

Submitting a Standard Payment Process Request 5-45

Stages, Statuses, and Whether User Action Is Required 5-46

Scheduling a Payment Process Request 5-54

Reviewing or Modifying Selected Invoices 5-55

Building Payments 5-56

Resolving Payment Validation Errors 5-57

Creating and Transmitting Electronic Payment Files 5-58

Resolving Payment File Validation Errors 5-59

Printing Payments 5-60

Spoiled Prenumbered Payment Documents 5-61

Confirming Payments 5-62

Practice Overview: Submitting a Payment Process Request 5-63

Payment Status 5-64

Initiating Stop Payments 5-65

Voiding Payments 5-66

Processing Refunds 5-68

Entering Refunds 5-69

Refunds for Prepayments 5-70

Voiding Refunds 5-71

Canceling Payment Process Requests 5-72

Payment Approval: Overview 5-73

Initiating Approval for Payment Process Requests 5-74

Payment Approval Worklist Notifications 5-75

Removing Payments During the Approval Process 5-77

Withdrawing an Approval or Terminating the Payment Process 5-78

Prepayments Overview 5-79

Temporary or Permanent 5-80

Creating and Applying Prepayments 5-81

Applying and Releasing Holds on Prepayments 5-82

Applying Prepayments to Invoices and Payment Requests 5-83

Canceling Prepayments 5-84

Practice Overview: Creating and Applying a Prepayment 5-85

Reconciling Payments with Cash Management 5-86

Escheatment of Unclaimed Checks 5-87

Invoice Creation for Remitting Escheated Payments to the Escheatment

Authority 5-88

Summary 5-89

## 6 Accounts Payable Balances

Objectives 6-2

Recording Accounting for Invoices 6-3

The Create Accounting Process 6-4

Demonstration Overview: Submitting Create Accounting in Final/Post 6-7

Predefined Reports 6-8

Payables Reports Overview 6-9

Payables BI Publisher Reports 6-10

Payables Oracle Transactional BI Reports 6-20

Payables Subject Areas 6-25

Practice Overview: Running a Payables Invoice Register Report 6-27

Payments Reports 6-28

Running Payments Disbursement Reports Automatically 6-29 Running Payments Disbursement Reports Manually 6-33

Payments Subject Areas 6-34

Close Payables Period Overview 6-35

Complete and Approve All Transactions and Payment Files 6-36

Reconcile Payments to Bank Statement Activity 6-37

Transfer All Approved Invoices and Payments to the General Ledger 6-38

Submit the Payables Unaccounted Transactions and Sweep Report 6-39

Close the Current Payables Period 6-40

Demonstration Overview: Closing a Payables Period 6-41

Reconcile Payables Activity for the Period 6-42

Setting Up for Payables to General Ledger Reconciliation 6-43

Prepare Payables to General Ledger Reconciliation 6-45

Payables to Ledger Reconciliation Drill-down Scalability 6-46

Payables to Ledger Reconciliation Report 6-47

Practices Overview: Submitting the Prepare Payables to General Ledger

Reconciliation 6-48

Payables to Ledger Reconciliation Report 6-49

Payables to Ledger Reconciliation Report Dashboard 6-50

Practices Overview: Running the Payables to Ledger Reconciliation Report 6-51

Summary 6-52

## 7 Using Cash Management

Objectives 7-2

Cash Management: Overview 7-3 Integration with Payables 7-4

Payables Cash Clearing Accounting Example: Functional Currency 7-5 Payables Cash Clearing Accounting Example: Foreign Currency 7-6

Segregate the Privilege to Manage Bank Account Security 7-7

Practice Overview: Creating Bank Statement Transaction Codes 7-8

Practice Overview: Managing Bank Statement Transaction Creation Rules 7-9

Practice Overview: Managing Bank Statement Reconciliation Tolerance Rules 7-10

Practice Overview: Managing Bank Statement Reconciliation Matching Rules 7-11

Practice Overview: Managing Bank Statement Reconciliation Rule Sets 7-12

Practice Overview: Assigning a Rule Set to a Bank Account 7-13
Practice Overview: Performing a Bank Statement Reconciliation with

Autoreconciliation 7-14

Bank Statement Handling Features 7-15

Bank Account Transfer 7-16

Create External Transaction for Foreign Exchange Gain or Loss 7-17

Bank Statement Attachments 7-18

Manual Reconciliation 7-19

Reporting and Analysis 7-20

Cash Management BI Publisher Reports 7-21

Oracle Transactional Business Intelligence Report 7-22

Cash Management Subject Areas 7-23

Drill Down to Bank Statement or External Transaction from Cash Management OTBI Reports 7-24

Practice Overview: Running a Cash to GL Reconciliation Report 7-25

Summary 7-26

# A Withholding Tax

Objectives A-2

Withholding Tax Overview A-3

Manage Tax Reporting and Withholding Tax Options A-4

Demonstration Overview: Creating Prerequisite Setups A-6

Withholding Tax Codes Overview A-7

Creating Withholding Tax Codes A-8

Withholding Tax Classifications A-10

Practice Overview: Creating Withholding Tax Set Ups A-11

Withholding Tax Certificates and Exceptions A-12

Withholding Taxes for Suppliers A-13

Tax Details for Suppliers and Supplier Sites A-14

Practice Overview: Attaching a Withholding Tax Classification A-15

Withholding Tax When Applying Prepayments A-16

Creating Withholding Tax Invoices A-17

Practice Overview: Creating a Withholding Tax Invoice A-18

Summary A-19

## **B** Predefined Reports for Payables and Payments

Objectives B-2

Payables B-3

Payables BI Publisher Reports B-4

Purchase Order Drilldown from OTBI Predefined Payables Job Roles B-14

Payables Oracle Transactional BI Reports B-15

Payables Subject Areas B-20

Payables to Ledger Reconciliation Drill-down Scalability B-22

Payables to Ledger Reconciliation Report B-23

Scanned Infotile for Payables Manager and Specialist B-24

Recent Infotile B-25

Holds Infotile B-26

Approval Infotile B-27

Prepayments and Payments Infotile B-28

Payments B-30

Run Payments Disbursement Reports Automatically B-31

Run Payments Disbursement Reports Manually B-35

Payments Funds Capture Reports B-36

Run Payments Funds Capture Reports Automatically B-37

Run Payments Funds Capture Reports Manually B-41

Payments Subject Areas B-42

Subledger Accounting B-43

Subledger Accounting Predefined Reports Overview B-44

Subledger Accounting BI Publisher Reports B-45

Subledger Accounting Subject Areas B-48

Practice Overview: Viewing a Subledger Accounting BI Publisher Report B-49

Summary B-50

# C Cash Positioning, Cash Forecasting, and Account Transfers

Objectives C-2

Cash Positioning and Cash Forecasting: Overview C-3

Cash Positioning and Forecasting Components C-4

Sources and Scheduled Processes C-5

Practice Overview: Creating Prerequisites to Generate Cash position C-6

Cash Positioning: Explained C-7

Assign User Exchange Rate for Cash External Transactions C-8

Using Smart View to Generate a Cash Position C-9

Ready to Use Smart View Templates C-10

Overdue Invoices in Cash Forecast C-11

Cash Positioning and Forecasting Solution C-12

Practice Overview: Using Smart View to Generate a Cash Position C-14

Cash Forecasting: Explained and Considerations C-15

Practice Overview: Using Smart View to Generate a 5-Day Cash Forecast C-16

Bank Account Validation C-17

Cash Management Landing Page: Cash Balances C-18

Cash Management Tasks Panel Tab C-19

Security in Bank Account Transfers and Ad Hoc Payments C-20

Cash Position Page C-21

5 Day Forecast Page C-22

Practice Overview: Using the Cash Management Landing Page C-23

Cash Management Infolets Overview C-24

Infolet Repository C-25

Demonstration Overview: Using the Cash Management Infolets C-26

Transferring Funds Between Bank Accounts C-27 Making an Ad Hoc Payment: The Elements C-28

Summary C-29

## **D** Localizations

Objectives D-2

Exporting Enterprise Financial Data for China D-3

The Export Payables and Receivables Data for China: Enterprise Process D-4

Details Exported D-5

Payables Details and Descriptions D-6

EMEA Reports for Payables D-10

Reports for France D-11

Reports for Italy D-13

VAT Reports for Italy D-14

Intra-EU Report for Italy D-16

Exemption Reports for Italy D-17

Withholding Tax Reports for Italy D-18

Reports for Spain D-19

VAT Reports for Spain D-20

Modelo Reports for Spain D-21

Withholding Tax Reports for Spain D-22

Reports for Germany D-23

APAC Reporting D-24

Report for China D-25

Report for Japan D-26

Report for Singapore D-27

Support for New Zealand Bank Accounts D-28

Thailand Withholding Tax Certificate Report and Sequence Numbering D-29

Report for India: Export Letter of Undertaking and Under Rebate for India D-30

Payables Extension to Support Generation of Tax Invoice Number for India Reverse Charge Invoices D-31

India: Copy Tax Compliance Attributes to Payables Invoices for India D-32

India: Default First-Party Tax Registration Number for India D-33

Associating the Legal Reporting Unit D-34

Deferred Tax Recovery for India D-36

Using Deferred Tax Recovery for India D-37

Integrate with E-Way Bill Framework for India D-38

LAD Reporting D-39

Allow Multiple Bank Return Codes for Brazil D-40

Report for Mexico D-41

Generate Customer Balance Reconciliation Report for Russia D-42
Generate Receivables and Payables Audit Report for Russia D-43
Generate VAT Reports for Russia D-44
Prepare VAT on Export Report for Russia D-46
Russia Asset Reporting for Asset Repair and Maintenance D-47
Tax Agent Invoice for Russia D-48
Summary D-49