Oracle Release 12

Accounts Payable and Purchasing
AP/PO Inquiry
February 3, 2011
R12 AP Inquiry Changes
AP Inquiry
- Invoices
- Payments
- View Accounting- SLA
- Suppliers
PO Inquiry
- Purchase Orders
eB Tax
New and Changed Processes
Next Steps
Q&A
Invoices
  - Line level distributions

Accounting
  - SLA

Suppliers
  - HTML, web-based forms
R12 Invoice Inquiry
R12 Invoice Inquiry

Invoice header entry with ‘General tab’ in R12

Summary:
- Items: 48.00 USD
- Retainage: 0.00 USD
- Prepayments Applied: 0 USD
- Withholding: 0 USD
- Subtotal: 48.00 USD
- Tax: 4.68 USD
- Freight: 0.00 USD
- Miscellaneous: 0.00 USD
- Total: 52.68 USD

Status:
- Status: Validated
- Accounted: Yes
- Approval: Not Required
- Holds: 0
- Scheduled Payment Holds: 0

New Button:
- Actions... I
- Calculate Tax
- Tax Details
- Corrections
- Quick Match
- Match
- All Distributions
R12 Invoice Inquiry

Invoice header with ‘Lines tab’ in R12

New Tab

New Region

New Button
Invoice distribution entry in R12
Invoice taxes in R12 are still charged to the PTA as in R11i.

<table>
<thead>
<tr>
<th>Line Number</th>
<th>Line Description</th>
<th>Invoice Total</th>
<th>Distribution Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>P.O./Inv - Inv. matched, Price V</td>
<td>52.68</td>
<td>52.68</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Num</th>
<th>Type</th>
<th>Amount</th>
<th>Project</th>
<th>Task</th>
<th>Award Number</th>
<th>Expenditure Type</th>
<th>Description</th>
<th>Account</th>
<th>GL Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Item</td>
<td>48.00</td>
<td>IMSS.BSA</td>
<td>1.2</td>
<td>GB.IMSS</td>
<td>Computing Services</td>
<td>P.O./Inv - Inv. matched, Price V</td>
<td>6348.11010001.21001.141.111.IMSS*BSA</td>
<td>06-JAN-20</td>
</tr>
<tr>
<td>1</td>
<td>Nonrecoverable Tax</td>
<td>0.24</td>
<td>IMSS.BSA</td>
<td>1.2</td>
<td>GB.IMSS</td>
<td>Computing Services</td>
<td>US_SALES_USE_TAXES - CITY</td>
<td>6348.11010001.21001.141.111.IMSS*BSA</td>
<td>06-JAN-20</td>
</tr>
<tr>
<td>1</td>
<td>Nonrecoverable Tax</td>
<td>0.96</td>
<td>IMSS.BSA</td>
<td>1.2</td>
<td>GB.IMSS</td>
<td>Computing Services</td>
<td>US_SALES_USE_TAXES - COUNT</td>
<td>6348.11010001.21001.141.111.IMSS*BSA</td>
<td>06-JAN-20</td>
</tr>
<tr>
<td>1</td>
<td>Nonrecoverable Tax</td>
<td>3.48</td>
<td>IMSS.BSA</td>
<td>1.2</td>
<td>GB.IMSS</td>
<td>Computing Services</td>
<td>US_SALES_USE_TAXES - STATE</td>
<td>6348.11010001.21001.141.111.IMSS*BSA</td>
<td>06-JAN-20</td>
</tr>
</tbody>
</table>
### Taxable amounts by line number

<table>
<thead>
<tr>
<th>Tax Lines Summary</th>
<th>Tax Regime</th>
<th>Tax</th>
<th>Tax Regime Description</th>
<th>Tax Name</th>
<th>Tax Status</th>
<th>Tax Status Description</th>
<th>Rate Name</th>
<th>Rate</th>
<th>Tax Amount</th>
<th>Inclusive</th>
<th>Can Tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 US-Tax</td>
<td>ALASALES-SA</td>
<td>Tax</td>
<td>ALASALES-SA</td>
<td>08A-LA-SALES</td>
<td>STANDARD</td>
<td>9.75</td>
<td>0.38</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 US-Tax</td>
<td>ALASALES-SA</td>
<td>Tax</td>
<td>ALASALES-SA</td>
<td>08A-LA-SALES</td>
<td>STANDARD</td>
<td>9.75</td>
<td>0.49</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 US-Tax</td>
<td>ALASALES-SA</td>
<td>Tax</td>
<td>ALASALES-SA</td>
<td>08A-LA-SALES</td>
<td>STANDARD</td>
<td>9.75</td>
<td>0.01</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 US-Tax</td>
<td>ALASALES-SA</td>
<td>Tax</td>
<td>ALASALES-SA</td>
<td>08A-LA-SALES</td>
<td>STANDARD</td>
<td>9.75</td>
<td>0.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
R12 Invoice Inquiry

[Image of R12 Invoice Inquiry]

IMSS - Information Management System and Services
Same as in 11i
R12 Payment Inquiry

Same as in 11i
The SLA (Subledger Accounting)
- Rule based accounting engine where the journal entries are created and stored in R12
- Allows multiple accounting representation for a single accounting event
- Builds flexibility and enables compliance with changing accounting regulations
Navigation path is still the same: Tools>View Accounting
### Accounting Entries in the SLA

#### ORACLE

<table>
<thead>
<tr>
<th>Select Ledger Account</th>
<th>AccountDescription</th>
<th>GL Date</th>
<th>Accounting Class</th>
<th>Accounted DR</th>
<th>Accounted CR</th>
<th>Supporting References</th>
</tr>
</thead>
<tbody>
<tr>
<td>Caltech</td>
<td>Campus Controlled Disburse, Campus Bank Funds, Default, For Finance use only, CIT, Cash Basis Entity, NA</td>
<td>16-Jun-2010 Cash Clearing</td>
<td>8,002.12</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Caltech</td>
<td>Campus Controlled Disburse, Campus Bank Funds, Default, For Finance use only, CIT, Cash Basis Entity, NA</td>
<td>16-Jun-2010 Cash</td>
<td>8,002.12</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Caltech</td>
<td>Accounts Payable Control, General Support Funds, Default, For Finance use only, CIT, Cash Basis Entity, NA</td>
<td>05-May-2010 Liability</td>
<td>8,002.12</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Caltech</td>
<td>Campus Controlled Disburse, Campus Bank Funds, Default, For Finance use only, CIT, Cash Basis Entity, NA</td>
<td>05-May-2010 Cash Clearing</td>
<td>8,002.12</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

IMSS - Information Management System and Services
Accounting Entries in the SLA

Subledger Journal Entry

<table>
<thead>
<tr>
<th>Ledger</th>
<th>IMSS - Information Management System and Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Journal Entry Status</td>
<td>Final</td>
</tr>
<tr>
<td>Balance Type</td>
<td>Actual</td>
</tr>
<tr>
<td>GL Date</td>
<td>16 Jun 2010</td>
</tr>
</tbody>
</table>

Category

- Reconciled Payments
- Standard

Bank Information

- Bank Name: Bank of America
- Bank Account Number: TEST_AcctName
- Payment Document Name: CHECK 8002.12

Bank Branch Information

- Bank Branch Name: Los Angeles Main
- Document Number: 3316159
- Payment Date: 05 MAY 2010 08:00:00
- Party Name: SOUTHERN UNIVERSITY

Transaction Information

- Document Sequence Name: Document Sequence Number

Lines

<table>
<thead>
<tr>
<th>Details Number</th>
<th>Account</th>
<th>Accounting Class</th>
<th>Entered Currency</th>
<th>Entered DR</th>
<th>Entered CR</th>
<th>Accounted DR (USD)</th>
<th>Accounted CR (USD)</th>
<th>Supporting References</th>
</tr>
</thead>
<tbody>
<tr>
<td>Show 1</td>
<td>1:112.1001001.00000.211.111.000</td>
<td>Cash Clearing</td>
<td>USD</td>
<td>8,002.12</td>
<td></td>
<td>8,002.12</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Show 2</td>
<td>1:112.1001001.00000.211.111.000</td>
<td>Cash</td>
<td>USD</td>
<td>8,002.12</td>
<td></td>
<td>8,002.12</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Accounted Amounts

- Accounted DR (USD) 8,002.12
- Accounted CR (USD) 8,002.12

IMSS - Information Management System and Services
Same as in R11i
eB Tax is a new module in R12 and it must be set up in order to process sales and use tax in Payables.

Changes to sales and use tax process
- In 11i, buyers and/or AP processors enter tax codes on PO’s and invoices; tax calculated based on tax codes.
- In R12, Caltech defined business rules will determine the taxability of a transaction; tax rate applied based on ship-to location.
  - Override is allowed at the transaction level (from taxable to tax exempt). Tax department will set out business guidelines on when override is appropriate.
Tax Determination in e-B Tax

1. Is Project Tax Exempt?
   - Yes: Title to Govt purchased equipment and tax exempt categories under the tax law are tax exempt. Expenditures types for these purchases are mapped to tax exempt object codes.
   - No: Go to Rule 2.

2. Is Object Code Tax Exempt?
   - Yes: Title to Govt purchased equipment projects and projects associated with certain tax exemp are tax exempt.
   - No: Go to Rule 3.

3. Is Supplier Tax Exempt?
   - Yes: IMSS - Information Management System and Services
   - No: Call tech may identify suppliers as tax exempt when purchases from suppliers are always tax exempt.

4. Is Ship-To State Tax Exempt?
   - Yes: Certain states grant Calltech tax exemptions because it is an educational institution.
   - No: Go to Rule 5.

5. Does Product Category Manual Override Exist?
   - Yes: Product Category = 'Non-Taxable'
   - No: Product Category = 'Use Tax Code'

6. Use Tax Needs to be accrued?
   - Yes: Purchase may be non-taxable due to other reasons that cannot be pre-defined as a tax rule such as:
     - Vendor has no nexus in CA
     - Items for test/prep only
     - Goods are for resale
   - No: Transaction Taxable

Transaction Taxable

End

Transaction NOT Taxable
R12 New Processes

- **Tax Override**
  - Refer to guidelines set by Tax Department and Procurement Department if there is a request to override default taxability determined by eBTax Rules

- **Tax Exempt Suppliers**
  - Since one of the R12 eB Tax rules is based on the tax exempt status of suppliers, Supplier Management will need to track the tax status when setting up new suppliers.

- **Employee Supplier Address**
  - Employee Supplier Address will not be maintained by Supplier Management separately from HR. One of the HR addresses will be used for expense reimbursement.

- **Cost Transfer**
  - Custom Process (details on following slides).
In 11i, Supplier Cost Transfers are initiated from Grants (OGM) and Oracle automatically update the original AP Invoice.

In R12, Oracle no longer supports initiating Supplier Cost Transfer from Grants.

In R12, IMSS partnered with Oracle to create a custom solution similar to the 11i process.
Changes:

- Supplier invoice splits must be done in AP not OGM.
- Adjustments shown as zero-dollar invoices instead of adjustments within the original invoices.
  - Auto number Zero-Dollar Invoices, EX:
    - ORIGINAL Invoice #: 1929
    - C/T Zero Dollar Invoice #: 1929-XFR1
- In rare cases, invoices may not be net to zero due to transfers between taxable→non-taxable PTAs. Invoices will be put on hold automatically and AP must either accrue use tax or write off.
Changes

- Subsequent manual adjustments to invoices that have been cost transferred should be made to the zero dollar invoices.
- ‘Zero-dollar’ invoices will be ‘paid’ out of a separate bank account that will be used just for cost transfer zero dollar invoices.
Q&A