



COLLABORATE19

TECHNOLOGY AND APPLICATIONS FORUM
FOR THE ORACLE COMMUNITY

R12.2 Procurement - Managing Advances, Recoupment, and Retainage

Session ID:

10955

Prepared by:

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Remember to complete your evaluation for this session within the app!

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About the Presenter

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- 20+ years procurement process and application experience within safety science, healthcare, telecom, transportation, retail, steel production and energy utility industries
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About O2Works

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Agenda

- Define and Discuss Advances, Recoupment, and Retainage
- The Role of Complex Work Within Oracle Procurement
- Oracle Purchasing Setup Requirements
- Walkthrough transactions from Procure to Pay



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Definitions

Advances

- A sum of money paid to a supplier prior to any work being performed or goods provided.
- For instance a smaller contracting firm might require capital to start the project.
- Construction companies and Universities might require advanced payment to meet start up costs on building or research projects.

Recoupment

- Recoupment is the process of recovering the advanced payment during the processing of a standard invoice.
- Recoupment can be realized based on a recoupment percentage rate and can be automatically withheld from payments.

Retainage

- Funds that are withheld from a payment to a contractor.
- Retainage can be a specific amount or a rate to retain during payments.
- Retainage is utilized to make sure that the agreed upon work is completed before final payments are made.



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Role of Complex Work in Within Oracle Procurement

Complex Work

- Managing construction projects or highly engineered items requires information and transactions that go beyond standard price and delivery terms.
- Advances, Recoupment and Retainage are all parts of the transaction that were/are handled manually and at the end of the procure to pay cycle.
- Complex Purchase Orders allow business to capture the financial agreement up front and aide in automating downstream processes.

Complex Work

- The Buying Organization is able to negotiate the financial terms of the agreement and capture them appropriately.
- Complex Work was introduced in early R12 as a part of the Services Procurement offering:
 - Advances, Retainage, and Recoupment
 - Financing
 - Progress Payments
 - Work Confirmations
 - Integration between Purchasing, Sourcing and iSupplier Portal



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Purchasing Setups – Complex PO

Document Styles

- Document styles are a setup option in Purchasing
 - Styles control the look and feel of the application related to the type of purchases being executed.
 - The style can hide or show various components of the purchase order features.
 - Name your purchasing document in a manner that represents your business process.

Document Styles

- Navigate to the Document Styles in the Purchase Setups

Document Styles

Search

Name

Description

Status ▼

Go Clear

Create     ▼ 

Name ▲	Description ▲	Status ▲	Copy	Update
Advanced Pricing Documents	Advanced Pricing Documents	Active		
Complex Services (Actuals) PO	Complex Services (Actuals) PO	Active		
Complex Services (Finance) PO	Complex Services (Finance) PO	Active		
Contracts Purchase Order	Contracts Purchase Order	Active		
Standard PO with Deliverable Hold	Standard PO with Deliverable Hold	Active		
Standard Style	Standard document style	Active		

Document Styles

- Create your own name
- Select the line types
- Enable complex payment concepts

Document Styles >
Create Document Style

* Indicates required field

* Name
Description
Status

Document Types

Enable Type	Display Name
<input checked="" type="checkbox"/> Standard Purchase Order	<input type="text" value="Complex Payment Demo"/>
<input type="checkbox"/> Contract Purchase Agreement	<input type="text"/>
<input type="checkbox"/> Blanket Purchase Agreement	<input type="text"/>

Document Controls

Approval Workflow
Workflow Startup Process
AME Transaction Type
Withdrawal Options Allow Document Withdrawal
 Send Withdrawal Notifications to all Approvers

Commodities

Purchase Bases Goods
 Services
 Temp Labor
Line Types

Pricing

Enhance Pricing

Controls

Deliverable Hold Control

Complex Payments

Advances
 Retainage
 Schedules
 Progress Payments

Other Setups

- Profiles needed
 - PO: Enable Services Procurement
 - Set to yes to enable service line types
 - POR: Amount Based Services Line Type
 - Defines the line type for amount-based non-catalog requests
 - POR: Rate Based Services Line Type
 - Defines the line type for rate-based non-catalog requests



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Procure to Pay Example

Business Scenario

- Consulting Services for a highly engineered product are needed.
- Terms are:
 - Total Cost = \$40,000.00
 - Startup Payment = \$5,000 (advance)
 - 1st Milestone Design = \$10,000.00
 - 2nd Milestone Build = \$10,000.00
 - 3rd Lump sum Payment Deliver = \$20,000.00
 - Buyer will Recoup 20% of advance for each payment, until it is completed.
 - Less Retainage of 10% to be released at the end of the project

Purchase Requisition

- Create an amount based purchase requisition in iProcurement.
 - Gain approvals and provide any additional information needed.

ORACLE iProcurement

Shop Requisitions Receiving Contractors Feedback

Home Shopping Lists Non-Catalog Request Contractor Request

Non-Catalog Request

* Indicates required field

* Item Type Goods or Services.I can provide description and Total Amount

* Item Description Highly Engineered Product: Design, Build and Deliver

* Category CONSTRUCT SERVICES

* Amount 40000

* Currency USD

RFQ Required

Negotiated

Contract Number

New Supplier

Supplier Name Industrial Dressler

Site US HEADQUATERS

Contact Name Indus, James

Phone

Supplier Item

Purchase Requisition

Shop | Requisitions | Receiving | Contractors | Feedback

Home | Shopping Lists | **Non-Catalog Request** | Contractor Request

Edit and Submit Requisition 15908

Refresh Save Printable

* Indicates required field

Total 40,000.00 USD

* Description Highly Engineered Product: Design, Build and Deliver

Justification

P-Card Number Notify me with status updates for my Purchase Order

Select Lines: Update Copy Delete

Details	Description	Quantity	Unit	Price	Amount (USD)	Need By Date	Destination Type	Deliver-To Location	Attachment	SpotBuy Suppliers
<input type="checkbox"/>	Highly Engineered Product: Design, Build and Deliver				40,000.00	29-Mar-2019 22:00:00	Expense	V1- New York City	+	
Total					40,000.00					

Your requisition will be sent to the following list of approvers.

Approvals

Smith, Jonathan

Notes And Attachments

Notes

Note To Buyer Buyer, this should be broken up into several different payment options. See attached quote

Requisition Attachments

Generate Purchase Order

- Process the requisition in the Buyers Work Center
 - Select the line
 - Add to the document builder

The screenshot displays the Oracle Purchasing interface. The top navigation bar includes the Oracle Purchasing logo, a home icon, a star icon, a settings icon, a notification bell with '99+', and the user 'Logged In As CBAKER'. Below the navigation bar, the 'Requisitions' tab is selected and highlighted with a red box. The 'Demand Workbench' section is active, showing a 'Saved Searches' dropdown set to 'Requests from Catherine Baker' and a 'Go' button. A table of requisitions is displayed below, with the 'Add' button highlighted in red. The table has the following columns: OU, Requisition, Item/Job, IDV Line, Qty, Unit, Price, Curr, Changed Amount, Changed Funded Amount, Need-By, Source, Actions, and Comments. The first row is selected with a red box and contains the following data: Vision Operations, 15908, 1, Highly Engineered Product: Design, Build and Deliver, 40000, USD, 0, 29-Mar-2019 22:00:00, Industrial Dressler, US HEADQUARTERS. On the right side, the 'Document Builder' panel is highlighted with a red box, showing a 'Type' dropdown set to 'New Order', an 'OU' dropdown set to 'Vision Operations', and a 'Number of Lines' field set to '0'.

Document Builder

Type: New Order

* OU: Vision Operations

Number of Lines: 0

OU	Requisition	Item/Job	IDV Line	Qty	Unit	Price	Curr	Changed Amount	Changed Funded Amount	Need-By	Source	Actions	Comments
Vision Operations	15908, 1	Highly Engineered Product: Design, Build and Deliver				40000	USD		0	29-Mar-2019 22:00:00	Industrial Dressler, US HEADQUARTERS		

Generate Purchase Order

- Update the document style during the creation of the PO – Important Step

The screenshot displays the Oracle Purchasing interface. A 'Search and Select: Style' dialog box is open, showing search results for styles. A red arrow points from the 'Style' field in the 'Document Builder' panel to the 'Complex Payment Demo' style in the search results.

Document Builder

Type: New Order
OU: Vision Operations

Agreement: []
Supplier: Industrial Dress []
Site: US HEADQUAT []
Currency: USD []
* Style: Standard Purch []
 Group Shipments

Recently Added Items

Highly Engineered Product: Design, Build and Deliver	40,000.00	USD
--	-----------	-----

Number of Lines: 1
Total: 40,000.00 USD

Buttons: Clear, Update, Create

Search and Select: Style

Search By: Style [] Go

Results

Quick Select	Style
<input type="radio"/>	Complex Payment Demo
<input type="radio"/>	Complex Services (Actuals) PO
<input type="radio"/>	Complex Services (Finance) PO
<input type="radio"/>	Contracts Purchase Order

Generate Purchase Order

- PO will default to a Fixed Price line type
 - Amount based, no quantity or unit

The screenshot shows the Oracle Purchasing interface for a purchase order. The breadcrumb trail is 'Requisitions: Demand Workbench > Update Complex Payment Demo 6576'. The 'Orders' tab is active. Below the search bar, the 'Lines' tab is selected. The operating unit is 'Vision Operations'. A table displays the purchase order line details:

* Line	* Type	Item	* Description	* Category	Qty Unit	Price	Amount	Need-By	Actions
1	Fixed Price St		Highly Engineer	CONSTRUC		40000		29-Mar-2019 22	[Edit] [Print] [Delete]

The 'Qty Unit' and 'Price' columns are highlighted with red and green boxes respectively. The 'Type' column contains 'Fixed Price St'.

Generate Purchase Order

- Populate the Financing and Retainage information in the details of the line
- These defaults will apply to the Pay Items in the next step

The screenshot shows the Oracle Purchasing interface for updating a line item. The breadcrumb trail is 'Requisitions: Demand Workbench > Update Complex Payment Demo > Update Line 1 (Complex Payment Demo 6576)'. The main form contains several sections:

- Operating Unit:** Vision Operations
- Currency:** USD
- Line Type:** Fixed Price S₄
- Description:** Highly Engineered Product: Design, Build and Deliver
- Supplier Item:** (Empty field)
- Category:** CONSTRUCT.SERVICES
- Price:** 40000
- Negotiated:** No
- Work Details:**
 - Location:** V1- New York City
 - Organization:** V1
 - Need-By Date:** 29-Mar-2019 22:00:00
 - Promised Date:** (Empty field)
 - Destination Type:** (Dropdown)
 - Requester:** Baker, Catherine
 - Deliver-To Location:** V1- New York City
- Financing and Retainage:** (Highlighted with a green border)

Financing		Retainage	
Advance Percentage (%)	12.5	Maximum Retainage Amount	3000
Advance Amount	5000	Retainage Rate (%)	10
Recoupment Rate (%)	20		

Generate Purchase Order

- The Pay Items tab will initially default to be exactly what the line is.
- Think of it as a delivery schedule for service items.
- The line is currently defaulted to a Lump Sum, but we need to split it into three!

Requisitions Initiatives Negotiations **Orders** Agreements Deliverables Suppliers Awards IDVs

Requisitions: Demand Workbench >
Update Complex Payment Demo 6576

* Indicates required field

▶ Search

Header Lines **Pay Items** Distributions

Operating Unit Vision Operations Status Incomplete

Update with Excel |

Line	* Pay Item	* Type	* Description	Qty	Unit	Value (%)	* Price	Amount	Need-By Date	Actions
1	1	Lump Sum	Highly Engineered Pr				40000		29-Mar-2019 2:00	

Generate Purchase Order

- Split under actions
- Update type of pay item
- Total must be equal to the line total

Update Complex Payment Demo 6576

* Indicates required field

► Search

Header Lines **Pay Items** Distributions

Operating Unit Vision Operations Status Incomplete

Update with Excel |    

Line	* Pay Item	* Type	* Description	Qty	Unit	Value (%)	* Price	Amount	Need-By Date	Actions
1	1	Milestone	Design			25	10000		04-Feb-2019 2 	  
1	2	Milestone	Build			25	10000		07-Mar-2019 2 	  
1	3	Lump Sum	Delivery				20000		12-Mar-2019 2 	  

Generate Purchase Order

- Confirm that the Advance line gets automatically created in the distributions

The screenshot shows the Oracle Purchasing interface for a purchase order titled 'Update Complex Payment Demo 6576'. The 'Distributions' tab is active, showing a table of distribution lines. A red callout box highlights the first line, which is an 'Advance' line, with the text 'Advance line automatically created'.

Line	Pay Item	Description	*Distribution	Deliver-To	Qty	Unit	Amount	PO Charge Acct	Activity	Actions
1		Advance - Highly Engineered Product: Design, Build and Deliver	1				5000	01-740-7699-0000-000 Company-Department-Account-Sub-Account-Product		
1	1	Design	1	V1- New York City			10000	01-740-7699-0000-000 Company-Department-Account-Sub-Account-Product		
1	2	Build	1	V1- New York City			10000	01-740-7699-0000-000 Company-Department-Account-Sub-Account-Product		
1	3	Delivery	1	V1- New York City			20000	01-740-7699-0000-000 Company-Department-Account-Sub-Account-Product		

- Submit the PO for approval

Payables - Invoice & Payment

- Generate the Prepayment Invoice in Payables
- Match to the PO for the Advance

The screenshot displays three overlapping windows in the Oracle Payables system:

- Invoice Workbench (Payables, Vision Operations (USA))**: Shows a table with invoice details. The 'Type' column is highlighted with a red box and contains the value 'Prepayment'. Other visible fields include PO Number (6576), Supplier Num (2005), and Invoice Num (6576_1).
- Find Purchase Orders for Matching (Payables, Vision Operations (USA))**: A dialog box showing supplier information (Industrial Dressler, US HEADQUATERS) and purchase order details. The 'Num' field is highlighted with a red box and contains '6576'. A red callout box points to this window with the text: "Prepayment Invoice will find the Advance line on PO when mtching".
- Match to Purchase Orders (Payables, Vision Operations (USA)) - Vision Operations**: Shows a matching table. The 'Match Amount' column is highlighted with a red box and contains '5,000.00'. The 'Payment Type' column is also highlighted with a red box and contains 'Advance'. The 'Match Basis' column contains 'Amount'.

Match	Qty Invoiced	Unit Price	Match Amount	Freight/Misc	PO Number	Release	Line	Shipment	Item Description	Match Basis	Shipment Type	Payment Type	Clc
<input checked="" type="checkbox"/>			5,000.00	<input type="checkbox"/>	6576		1	0	Highly Engineered I	Amount	Prepayment Line Location	Advance	Op

P2P Status

- Sequence of events:

Step	Step Description/Calculation	Invoice Amount	Recoup	Retainage	Net Invoice
PO Advance	PO Advance Distribution for 12.5% of \$40,000.00	\$5,000.00	\$0	\$0	\$5,000.00

Supplier Completes Work

- Work confirmations are utilized for the Supplier to let the Buying company know that work is complete.
- This can be accomplished via iSupplier Portal

The screenshot displays the Oracle iSupplier Portal interface. The top navigation bar includes the Oracle logo, the text 'iSupplier Portal', and user information 'Logged In As INDUSTRIAL'. Below the navigation bar, there are tabs for 'Supplier Home', 'Orders', 'Shipments', 'Planning', 'Finance', 'Product', and 'Administration'. A search bar is present with a dropdown menu set to 'PO Number' and a 'Go' button. The main content area is divided into several sections:

- Notifications:** A table with columns 'Subject' and 'Date'. The first row is highlighted, showing 'Work Confirmation WC_1234 has been approved' with a date of '28-Feb-2019 01:04:21'. Other rows include 'Cancelled: Auction 59641 (AMF 23123)', 'Standard Purchase Order 6414.0 requires your signature', 'Closed Early: Auction 50623 (DVD-EMD 2322)', and 'Closed Early: RFQ 47623 (XML AW 2312)'. A 'Full List' button is visible.
- Inspect MDS Contents:** A button located below the notifications table.
- Orders At A Glance:** A table with columns 'PO Number', 'Description', and 'Order Date'. The PO number '6576' is highlighted with a red box. Other PO numbers listed are 6577, 6575, and 6574. A 'Full List' button is visible.
- Inspect MDS Contents:** A button located below the orders table.
- Planning:** A section with a 'Forecast Schedules' link.
- Orders:** A section with links for 'Agreements', 'Purchase Orders', and 'Purchase History'.
- Shipments:** A section with links for 'Delivery Schedules', 'Overdue Receipts', and 'Advance Shipment Notices'.
- Receipts:** A section with links for 'Receipts', 'Returns', and 'On-Time Performance'.
- Invoices:** A section with an 'Invoices' link.
- Payments:** A section with a 'Payments' link.

Work Confirmations

- From the PO the supplier can Create a Work Confirmation

Complex Payment Demo: 6576, 0 (Total USD 40,000.00)

Currency= USD

Order Information

General		Terms and Conditions	
Total	40,000.00	Payment Terms	45 Net (terms date + 45)
Supplier	Industrial Dressler	Carrier	UPS
Supplier Site	US HEADQUARTERS	FOB	Origin
Supplier Contact	Indus, James	Freight Terms	Due
Address	682 Montgomery Street San Francisco, CA 94114	Shipping Control	
Buyer	Baker, Catherine	Work Location	
Order Date	28-Feb-2019 05:09:52	Address	90 Fifth Avenue New York, NY 10022-3422
Description		Bill-To Location	
Status	Open	Address	90 Fifth Avenue New York, NY 10022-3422
Note to Supplier			
Operating Unit	Vision Operations		
Sourcing Document			
Supplier Order Number			
Attachments	None		

Summary

Total	40,000.00
Approved	0.00
Billed	0.00
Advance Billed	5,000.00
Progress Payment	0.00

PO Details

Details Line	Type	Item/Job	Supplier Item	Description	UOM	Qty	Price	Linked Attributes	Amount	Advance Amount	Advance Billed	Status	Attachments	Reason
1	Fixed Price Services			Highly Engineered Product: Design, Build and Deliver			40000		40,000.00	5,000.00	5,000.00	Open		

Work Confirmations

- Select the pay item in question and click next

Supplier Home | **Orders** | Shipments | Planning | Finance | Product | Administration

Purchase Orders | Work Orders | Agreements | View Requests | Purchase History | **Work Confirmations** | RFQ | Deliverables | Timecards

Supplier Home > View Order Details >

Create Work Confirmation (Complex Payment Demo: 6576) Cancel **Next**

Currency=USD

Ordered 40,000.00
Approved 0.00

Description

Views

View All Pay Items Advanced Search

Line	Pay Item	Description	Need-By Date	UOM	Ordered	Previous	
						Requested/Delivered	Progress(%)
<input checked="" type="checkbox"/> 1	1	Design	04-Feb-2019 23:03:00	USD	10000	0	0
<input type="checkbox"/> 1	2	Build	07-Mar-2019 23:03:26	USD	10000	0	0
<input type="checkbox"/> 1	3	Delivery	12-Mar-2019 23:03:37	USD	20000	0	0

Work Confirmations

- Enter the Work Confirmation Number, Add attachments and submit

Supplier Home | **Orders** | Shipments | Planning | Finance | Product | Administration

Purchase Orders | Work Orders | Agreements | View Requests | Purchase History | **Work Confirmations** | RFQ | Deliverables | Timecards

Supplier Home > View Order Details >

Create Work Confirmation (Complex Payment Demo: 6576)

Cancel | Back | Save | Preview | Submit

* Indicates Required Field
Currency=USD

Ordered: 40,000.00
Approved: 0.00

*** Work Confirmation** WC6576_1

Comments: Design work is complete. Please approve for payment.

*** Date** 28-Feb-2019

Period of Performance: (28-Feb-2019) To

Work Confirmation Details

Add Pay Item | [Refresh] | [Print] | [Settings] | [Help]

Line	Pay Item	Description	Need-By Date	UOM	Price	Ordered	Previous		Current			Total		Attachments	Delete
							Requested/ Delivered	Progress (%)	Requested/ Delivered	Material Stored	Amount	Progress (%)	Requested/ Delivered		
1	1	Design	04-Feb-2019 23:03:00	USD		10000	0	0	10000		10000	100	10000	100	+ [Trash]

Work Confirmations

- After submitting, the status will indicate processing or pending approval

Supplier Home | **Orders** | Shipments | Planning | Finance | Product | Administration

Purchase Orders | Work Orders | Agreements | View Requests | Purchase History | **Work Confirmations** | RFQ | Deliverables | Timecards

Work Confirmations Export

Views

View Last 25 Work Confirmations

Select Work Confirmation: |

Work Confirmation [△]	Date [△]	Period From	Period To	PO Number [▽]	Currency	Ordered	Previous		Current		Total Progress (%)	Status
							Requested	Delivered	Requested	Delivered		
<input type="radio"/> WC6576_1	27-Feb-2019 22:00:00			6576	USD	40000	0	0	10000	0	25 Pending Approval	
<input type="radio"/> WC6575_2	26-Feb-2019 22:00:00			6575	USD	25000	5000	0	10000	0	60 Processed	

Approver Work Confirmation

- The Buyer will need to approve the Work Confirmation.
- Work Confirmations utilize Approvals Management Engine

Work Confirmation WC6576_1 requires your approval Approve Approve And Forward Forward Reject Reassign Request Information

From JAMES INDUS
 To Baker, Catherine
 Sent 28-Feb-2019 15:41:16
 ID 7960905

Work Confirmation WC6576_1

Date 28-Feb-2019
 Period From
 Period To
Total 10,000.00
 Currency USD

Comments Design work is complete. Please approve for payment.

Purchase Order 6576
 Description
 Ordered 40,000.00
 Approved 0.00

Line	Pay Item	Description	Need-By Date	UOM	Price	Ordered	Previous Requested/Delivered	Current Amount	Total Progress (%)	Attachments	Comments
1	1	Design	04-Feb-2019 23:03:00			10000	0	10000	100		

Approval Sequence

Num	Name	Organization	Action	Action Date	Note
0	Indus, James	Industrial Dressler	Submitted	28-Feb-2019 15:41:16	Design work is complete. Please approve for payment.
1	Baker, Catherine	Vision Operations	Pending		

Related Applications

[View and Respond to Work Confirmation](#)

Approver Work Confirmation

- Upon approving the Work Confirmation, the Receiving Transaction Processor is automatically submitted.
- If the Supplier is set of for pay on receipt, the Pay on Receipt program and Payables Open Interface will automatically submit.



Request ID	Name	Parent	Phase	Status	Parameters
7504899	Payables Open Interface In		Pending	Standby	, ERS, ERS-7714354, RECEIF
7504898	ADS (Pay On Receipt Aut		Completed	Normal	ERS, 1, 7716324, 0
7504897	Receiving Transaction Proc		Completed	Normal	IMMEDIATE, 44268,

Payables - Invoice & Payment

- Invoice is imported and available in Payables
- Retainage and Recoupment is Defaulted

Invoice Workbench (Payables, Vision Operations (USA))

Batch Control Total Batch Actual Total

Operating Unit	Customer Taxpayer ID	Type	PO Number	Trading Pa	Supplier Num	Supplier Site	Invoice Date	Invoice Num	Invoice	Invoice Amount	Tax Amount
Vision Operations		Standard		Industrial D	2005	US HEADQU	28-FEB-2015	ERS-9073-230	USD	10,000.00	0.00
Vision Operations		Prepayment	6576	Industrial D	2005	US HEADQU	28-FEB-2015	6576_1	USD	5,000.00	0.00

1 General | 2 Lines | 3 Holds | 4 View Payments | 5 Scheduled Payments | 6 View Prepayment Applications

Summary

Items	10,000.00
Retainage	<1,000.00>
Prepayments Applied	2,000.00
Withholding	
Subtotal	7,000.00
Tax	0.00
Freight	
Miscellaneous	
Total	7,000.00

Amount Paid

USD

Status

Status: Never Validated

Accounted: No

Approval: Not Required

Holds:

Scheduled Payment Holds:

Description

Receipt Invoice automatically created on 28-FEB-2015

Actions... 1 | Calculate Tax | Tax Details | Corrections | Quick Match | Match | All Distributions

P2P Status

- Sequence of events:

Step	Step Description/Calculation	Invoice Amount	Recoup	Retainage	Net Invoice
PO Advance	PO Advance Distribution for 12.5% of \$40,000.00	\$5,000.00	\$0	\$0	\$5,000.00
Payment of Design Deliverable	Design phase Milestone Payment of \$10,000. Less 10% retainage apply prepayment of 20%	\$10,000.00	\$2,000.00	\$1,000.00	\$7,000.00

Work Confirmations

- Review the PO and submit the work confirmation for the next milestone

Complex Payment Demo: 6576, 0 (Total USD 40,000.00) Actions: Request Changes

Currency= USD

Order Information

<p>General</p> <p>Total 40,000.00</p> <p>Supplier Industrial Dressler</p> <p>Supplier Site US HEADQUARTERS</p> <p>Supplier Contact Indus, James</p> <p>Address 682 Montgomery Street San Francisco, CA 94114</p> <p>Buyer Baker, Catherine</p> <p>Order Date 28-Feb-2019 05:09:52</p> <p>Description</p> <p>Status Open</p> <p>Note to Supplier</p> <p>Operating Unit Vision Operations</p> <p>Sourcing Document</p> <p>Supplier Order Number</p> <p>Attachments None</p>	<p>Terms and Conditions</p> <p>Payment Terms 45 Net (terms date + 45)</p> <p>Carrier UPS</p> <p>FOB Origin</p> <p>Freight Terms Due</p> <p>Shipping Control</p> <p>Work Location</p> <p>Address 90 Fifth Avenue New York, NY 10022-3422</p> <p>Bill-To Location</p> <p>Address 90 Fifth Avenue New York, NY 10022-3422</p>	<p>Summary</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>Total</td><td>40,000.00</td></tr> <tr><td>Approved</td><td>10,000.00</td></tr> <tr><td>Billed</td><td>10,000.00</td></tr> <tr><td>Advance Billed</td><td>5,000.00</td></tr> <tr><td>Progress Payment</td><td>10,000.00</td></tr> </table>	Total	40,000.00	Approved	10,000.00	Billed	10,000.00	Advance Billed	5,000.00	Progress Payment	10,000.00
Total	40,000.00											
Approved	10,000.00											
Billed	10,000.00											
Advance Billed	5,000.00											
Progress Payment	10,000.00											

Request Changes

- Request Changes
- Request Cancellation
- View Change History
- Printable View
- Create Work Confirmation
- View Work Confirmations
- View Receipts
- View Invoices
- View Payments

PO Details

[Show All Details](#) | [Hide All Details](#)

Details Line ▲	Type	Item/Job	Supplier Item	Description	UOM	Qty	Price	Linked Attributes	Amount	Advance Amount	Advance Billed	Status	Attachments	Reason
▶ 1	Fixed Price Services			Highly Engineered Product: Design, Build and Deliver			40000		40,000.00	5,000.00	5,000.00	Open		

Invoice/Payment Review

- Supplier can see status of invoices and payments in iSupplier Portal

View Invoices

Simple Search

Invoice Number
 PO Number
(example : 1234)
 Release Number
(example : 1234-2)
 Payment Number
 Invoice Status

Payment Status
 Invoice Amount From To
 Amount Due From To
 Invoice Date From To
 Due Date From To

Go Clear

Invoice	Invoice Date	Type	Currency	Amount	Due	Status	On Hold	Payment Status	Remit-to Supplier	Remit-to Supplier Site	Due Date	Payment	PO Number	Receipt	Attachments
ERS-9073-230564	28-Feb-2019	Standard	USD	10,000.00	1,000.00	Approved		Partially Paid			13-APR-2019 22:00:00	19317	6576	9073	
6576_1	28-Feb-2019	Prepayment	USD	5,000.00	0.00	Approved		Paid			27-FEB-2019 22:00:00	19316	6576		

Approver Work Confirmation

- Approve the second milestone

Work Confirmation WC6576_2 requires your approval
[Approve](#) [Approve And Forward](#) [Forward](#) [Reject](#) [Reassign](#) [Request Information](#)

From: JAMES INDUS
 To: Baker, Catherine
 Sent: 28-Feb-2019 16:50:49
 ID: 7960907

Work Confirmation WC6576_2

Date: 28-Feb-2019
 Period From:
 Period To:
 Total: 10,000.00
 Currency: USD

Comments: Payment request for Build phase
 Purchase Order: 6576
 Description:
 Ordered: 40,000.00
 Approved: 10,000.00

Line	Pay Item	Description	Need-By Date	UOM	Price	Ordered	Previous Requested/Delivered	Current Amount	Total Progress (%)	Attachments	Comments
1	2	Build	07-Mar-2019 23:03:26			10000	0	10000	100		

Approval Sequence

Num	Name	Organization	Action	Action Date	Note
0	Indus, James	Industrial Dressler	Submitted	28-Feb-2019 16:50:49	Payment request for Build phase completed.
1	Baker, Catherine	Vision Operations	Pending		

Payables - Invoice & Payment

- Again the Invoice is imported and available in Payables
- Retainage and Recoupment is Defaulted

The screenshot shows the Oracle Payables Invoice Workbench interface. At the top, there are fields for 'Batch Control Total' and 'Batch Actual Total'. Below this is a table of invoices with columns: Operating Unit, Customer Taxpayer ID, Type, PO Number, Trading Pa, Supplier Num, Supplier Site, Invoice Date, Invoice Num, Invoice, Invoice Amount, Tax Amount, Tax Control Amount, and Withheld Amount. The table contains three rows, with the second row selected. The 'Invoice Num' column for the second row is highlighted with a red box and contains the value 'ERS-9074-23C'. Below the table are tabs for '1 General', '2 Lines', '3 Holds', '4 View Payments', '5 Scheduled Payments', and '6 View Prepayment Applications'. The '1 General' tab is active, showing a 'Summary' section with a red box around it. The summary section includes fields for 'Items' (10,000.00), 'Retainage' (<1,000.00>), 'Prepayments Applied' (2,000.00), 'Withholding', 'Subtotal' (7,000.00), 'Tax' (0.00), 'Freight', 'Miscellaneous', and 'Total' (7,000.00). To the right of the summary is an 'Amount Paid' section with 'USD' and '2,000.00', and a 'Status' section with 'Status' (Never Validated), 'Accounted' (No), 'Approval' (Not Required), 'Holds' (0), and 'Scheduled Payment Holds' (0). At the bottom, there are buttons for 'Actions... 1', 'Calculate Tax', 'Tax Details', 'Corrections', 'Quick Match', 'Match', and 'All Distributions'.

Operating Unit	Customer Taxpayer ID	Type	PO Number	Trading Pa	Supplier Num	Supplier Site	Invoice Date	Invoice Num	Invoice	Invoice Amount	Tax Amount	Tax Control Amount	Withheld Amount	P
Vision Operations		Prepayment	6576	Industrial C	2005	US HEADQL	28-FEB-2015	6576 1	USD	5,000.00	0.00			
Vision Operations		Standard		Industrial C	2005	US HEADQL	28-FEB-2015	ERS-9074-23C	USD	10,000.00	0.00			
Vision Operations		Standard		Industrial C	2005	US HEADQL	28-FEB-2015	ERS-9073-23C	USD	10,000.00	0.00			

P2P Status

- Sequence of events:

Step	Step Description/Calculation	Invoice Amount	Recoup	Retainage	Net Invoice
PO Advance	PO Advance Distribution for 12.5% of \$40,000.00	\$5,000.00	\$0	\$0	\$5,000.00
Payment of Design Deliverable	Design phase Milestone Payment of \$10,000. Less 10% retainage apply prepayment of 20%	\$10,000.00	\$2,000.00	\$1,000.00	\$7,000.00
Payment of Build Deliverable	Build phase Milestone Payment of \$10,000. Less 10% retainage apply prepayment of 20%	\$10,000.00	\$2,000.00	\$1,000.00	\$7,000.00

Create and Approver Work Confirmation

- The Buyer can process work confirmations on behalf of the supplier.
- For the last PO payment item we will process from the Buyer Work Center

The screenshot displays the Oracle Purchasing application interface. At the top, there is a navigation bar with the Oracle Purchasing logo and a menu with options: Requisitions, Initiatives, Negotiations, Orders (selected), Agreements, Deliverables, Suppliers, Awards, and IDVs. Below this, there is a section for 'Orders' with a legend: a yellow icon for 'Indicates Supplier is editing the document' and a blue icon for 'Indicates a pending change request'. Underneath, there are tabs for 'Headers', 'Lines', 'Schedules', 'Pay Items', and 'Distributions'. A 'Saved Searches' section shows a search for 'CBAKER Approved Orders'. The main area is a table of orders with columns: Order, Supplier, Site, Creation Date, Order Date, Total, Curr, Status, and Ackno. A context menu is open over the 'Create Work Confirmation' option, which is highlighted with a red box. The menu items include: Update, Cancel, Close, Close for Invoice, Close for Receiving, Finally Close, Freeze, Open, Open for Invoice, Open for Receiving, Place on Hold, Duplicate with Attachments, Duplicate without Attachments, Communicate, Create Work Confirmation (highlighted), View Acquisition Cost, View Approval Work Flow, View Change History, View Invoices, View PDF, View Payments, View Requisitions, View Revision History, View Work Confirmation, and Update with Excel.

Order	Supplier	Site	Creation Date	Order Date	Total	Curr	Status	Ackno
	Industrial Dressler	US HEADQUARTERS	28-Feb-2019	28-Feb-2019 11:35:36	40,000.00	USD	Approved	
	Industrial Dressler	US HEADQUARTERS	28-Feb-2019	28-Feb-2019 04:31:17	40,000.00	USD	Approved	
	Industrial Dressler	US HEADQUARTERS	28-Feb-2019	28-Feb-2019 02:26:26	25,000.00	USD	Approved	
	Industrial Dressler	US HEADQUARTERS	28-Feb-2019	28-Feb-2019 00:34:18	1,000.00	USD	Approved	
Services PO for Conference Room Remodeling	Industrial Dressler	US HEADQUARTERS	08-Oct-2010	08-Oct-2010 00:44:28	10,000.00	USD	Approved	
	Staffing Services Inc.	STAF SERV MAIN	27-Sep-2010	27-Sep-2010 12:57:56	1,200.00	USD	Approved	
	Corporate Express Office Supply	CEOS	21-Sep-2010	21-Sep-2010 10:34:35	354.00	USD	Closed	
	Corporate Express Office Supply	CEOS	13-Sep-2010	13-Sep-2010 15:00:20	354.00	USD	Approved	
	Corporate Express Office Supply	CEOS	31-Aug-2010	31-Aug-2010 10:44:03	643.00	USD	Closed	
	Allied Manufacturing	SAN JOSE-ERS	02-Feb-2010	02-Feb-2010 11:22:18	10,392.03	USD	Approved	

Create and Approver Work Confirmation

- For lump sum pay items, the buyer or supplier can request a partial payment.

Orders > **Create Work Confirmation (Complex Payment Demo: 6576)** Cancel Back Save Preview Submit

* Indicates Required Field
Currency=USD

Ordered 40,000.00
Approved 20,000.00

* Work Confirmation
Comments

Description
* Date 28-Feb-2019
Period of Performance (28-Feb-2019) To

Work Confirmation Details

Line	Pay Item	Description	Need-By Date	UOM	Price	Ordered	Previous		Current		Total		Attachments	Delete	
							Requested/ Delivered	Progress (%)	Requested/ Delivered	Material Stored Amount	Requested/ Delivered	Progress (%)			
1	3	Delivery	12-Mar-2019 23:03:37	USD		20000	0	0	<input type="text" value="20000"/>	<input type="text" value="20000"/>	<input type="text" value="100"/>	<input type="text" value="20000"/>	<input type="text" value="100"/>	<input type="text" value="+"/>	<input type="text" value="🗑"/>

Note: A red callout box points to the 'Requested/ Delivered' and 'Progress (%)' fields in the table, with the text: "Update the progress amount/% for Lump sum pay items".

Create and Approver Work Confirmation

- Approval of the work confirmation is still required

Worklist >

Work Confirmation WC6576_3 requires your approval Approve Approve And Forward Forward Reject Reassign Request Information

From Baker, Catherine
 To Baker, Catherine
 Sent 28-Feb-2019 17:41:43
 ID 7960909

Work Confirmation WC6576_3

Date 28-Feb-2019
 Period From
 Period To
 Total 20,000.00
 Currency USD

Comments Final Deliverable
 Purchase Order 6576
 Description
 Ordered 40,000.00
 Approved 20,000.00

Line	Pay Item	Description	Need-By Date	UOM	Price	Ordered	Previous Requested/Delivered	Current Amount	Total Progress (%)	Attachments	Comments
1	3	Delivery	12-Mar-2019 23:03:37			20000	0	20000	100		

Approval Sequence

Num	Name	Organization	Action	Action Date	Note
0	Baker, Catherine	Vision Operations	Submitted	28-Feb-2019 17:41:43	Final Deliverable
1	Baker, Catherine	Vision Operations	Pending		

Payables - Invoice & Payment

- Again the Invoice is imported and available in Payables
- Retainage and Recoupment is Defaulted

Invoice Workbench (Payables, Vision Operations (USA))

Batch Control Total Batch Actual Total

Operating Unit	Customer Taxpayer ID	Type	PO Number	Trading Pa	Supplier Num	Supplier Site	Invoice Date	Invoice Num	Invoice	Invoice Amount	Tax A
Vision Operations		Prepayment	6576	Industrial C	2005	US HEADQL	28-FEB-2019	6576_1	USD	5,000.00	
Vision Operations		Standard		Industrial C	2005	US HEADQL	28-FEB-2019	ERS-9073-23C	USD	20,000.00	
Vision Operations		Standard		Industrial C	2005	US HEADQL	28-FEB-2019	ERS-9074-23C	USD	10,000.00	
Vision Operations		Standard		Industrial C	2005	US HEADQL	28-FEB-2019	ERS-9073-23C	USD	10,000.00	

1 General | 2 Lines | 3 Holds | 4 View Payments | 5 Scheduled Payments | 6 View Prepayment Applications

Summary

Items	20,000.00
Retainage	<1,000.00>
Prepayments Applied	1,000.00
Withholding	
Subtotal	18,000.00
Tax	0.00
Freight	
Miscellaneous	
Total	18,000.00

Amount Paid

USD

Status

Status: Never Validated
 Accounted: No
 Approval: Not Required
 Holds: 0
 Scheduled Payment Holds: 0

Description

Receipt Invoice automatically created on 28-FEB-2019

Actions... 1 | Calculate Tax | Tax Details | Corrections | Quick Match | Match | All Distributions

P2P Status

- Sequence of events: Current total is \$37,000.00

Step	Step Description/Calculation	Invoice Amount	Recoup	Retainage	Net Invoice
PO Advance	PO Advance Distribution for 12.5% of \$40,000.00	\$5,000.00	\$0	\$0	\$5,000.00
Payment of Design Deliverable	Design phase Milestone Payment of \$10,000. Less 10% retainage apply prepayment of 20%	\$10,000.00	\$2,000.00	\$1,000.00	\$7,000.00
Payment of Build Deliverable	Build phase Milestone Payment of \$10,000. Less 10% retainage apply prepayment of 20%	\$10,000.00	\$2,000.00	\$1,000.00	\$7,000.00
Payment of Final Delivery	Final phase Milestone Payment of \$20,000. Less 10% retainage (up to \$3K total) apply prepayment of 20%	\$20,000.00	\$1,000.00	\$1,000.00	\$18,000.00

Payables - Invoice & Payment

- Release the Retained Amount

The screenshot illustrates the Oracle Payables interface for releasing a retained amount. The main window shows an invoice with a 'Retainage Release' type highlighted. A 'Find Retained Invoice Lines' dialog is open, and a 'Release Retainage' window is displayed, showing a table of lines to be released. The 'Release' button at the bottom of the 'Release Retainage' window is highlighted.

Select	Release Amount	Release Amount Remaining	PO Number	Release	Line	Shipment	Item Description
<input checked="" type="checkbox"/>	1,000.00	1,000.00	6576		1	1	Highly Engineered Product: Design, I
<input type="checkbox"/>		0.00	6576		1	0	Highly Engineered Product: Design, I
<input checked="" type="checkbox"/>	1,000.00	1,000.00	6576		1	2	Highly Engineered Product: Design, I
<input checked="" type="checkbox"/>	1,000.00	1,000.00	6576		1	3	Highly Engineered Product: Design, I

Payables - Invoice & Payment

- Release the Retained Amount

Invoice Workbench (Payables, Vision Operations (USA))

Batch Control Total Batch Actual Total

Operating Unit	Customer Taxpayer ID	Type	PO Number	Trading Pa	Supplier Num	Supplier Site	Invoice Date	Invoice Num	Invoice	Invoice Amount	Tax Amou
Vision Operations		Retainage Release	6576	Industrial D	2005	US HEADQL	28-FEB-2011	6576_ret	USD	3,000.00	

1 General | 2 Lines | 3 Holds | 4 View Payments | 5 Scheduled Payments | 6 View Prepayment Applications

Summary

Items	3,000.00
Retainage	
Prepayments Applied	
Withholding	
Subtotal	3,000.00
Tax	
Freight	
Miscellaneous	
Total	3,000.00

Amount Paid

USD	0.00
-----	------

Status

Status	Never Validated
Accounted	No
Approval	Not Required
Holds	0
Scheduled Payment Holds	0

Description

Remaining \$3,000

Actions... 1 | Calculate Tax | Tax Details | Corrections | Quick Match | Match | All Distributions

iSupplier Portal

- Supplier can see PO is fully paid and closed

Complex Payment Demo: 6576, 0 (Total USD 40,000.00) Actions View Change H

Currency= USD

Order Information

General	Terms and Conditions
Total 40,000.00	Payment Terms 45 Net (terms date + 45)
Supplier Industrial Dressler	Carrier UPS
Supplier Site US HEADQUATERS	FOB Origin
Supplier Contact Indus, James	Freight Terms Due
Address 682 Montgomery Street San Francisco, CA 94114	Shipping Control
Buyer Baker, Catherine	
Order Date 28-Feb-2019 05:09:52	Work Location
Description	Address 90 Fifth Avenue New York, NY 10022-3422
Status Closed	Bill-To Location
Note to Supplier	Address 90 Fifth Avenue New York, NY 10022-3422
Operating Unit Vision Operations	
Sourcing Document	
Supplier Order Number	
Attachments None	

Summary

Total	40,000.00
Approved	40,000.00
Billed	40,000.00
Advance Billed	5,000.00
Progress Payment	40,000.00

PO Details

Show All Details | Hide All Details

Details Line	Type	Item/Job	Supplier Item	Description	UOM	Qty	Price	Linked Attributes	Amount	Advance Amount	Advance Billed	Status
▶ 1	Fixed Price Services			Highly Engineered Product: Design, Build and Deliver			40000		40,000.00	5,000.00	5,000.00	Closed

P2P Status

- Sequence of events check: Current total is **\$40,000.00!**

Step	Step Description/Calculation	Invoice Amount	Recoup	Retainage	Net Invoice
PO Advance	PO Advance Distribution for 12.5% of \$40,000.00	\$5,000.00	\$0	\$0	\$5,000.00
Payment of Design Deliverable	Design phase Milestone Payment of \$10,000. Less 10% retainage apply prepayment of 20%	\$10,000.00	\$2,000.00	\$1,000.00	\$7,000.00
Payment of Build Deliverable	Build phase Milestone Payment of \$10,000. Less 10% retainage apply prepayment of 20%	\$10,000.00	\$2,000.00	\$1,000.00	\$7,000.00
Payment of Final Delivery	Final phase Milestone Payment of \$10,000. Less 10% retainage (up to \$3K total) apply prepayment of 20%	\$20,000.00	\$1,000.00	\$1,000.00	\$18,000.00
Retainage Release	Retainage is the final payment	\$3000.00	\$0	\$0	\$3,000.00
Total:					\$40,000.00

Key Takeaways

- Oracle Procurement provides a method to capture the intent of Advances, Recoupments, and Retainage on the Complex PO.
- Complex PO concepts are integrated into several modules we utilized in this presentation
 - iProcurement
 - Purchasing
 - Payables
 - iSupplier Portal
- Oracle Sourcing also offers integration with Complex Work
 - Negotiate ALL of your terms and conditions prior to creating and committing a purchase order



COLLABORATE 19

TECHNOLOGY AND APPLICATIONS FORUM
FOR THE ORACLE COMMUNITY

Q&A

gmarines@o2works.com

Session ID:

10955

Remember to complete your evaluation for this session within the app!

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