



COLLABORATE19

TECHNOLOGY AND APPLICATIONS FORUM
FOR THE ORACLE COMMUNITY

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

Session ID:
10955

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

#C19TX

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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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 ▼

    ▼ 

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: Complex Payment Demo
Description: Complex Payment Demo
Status: Active

Document Types

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

Document Controls

Approval Workflow: PO Approval
Workflow Startup Process: PO AME Approval Top P
AME Transaction Type: Purchase Order Approval
Withdrawal Options:
☒ Allow Document Withdrawal
☒ Send Withdrawal Notifications to all Approvers

Commodities

Purchase Bases:
☒ Goods
☒ Services
☐ Temp Labor
Line Types: All

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

PCard 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 web application interface. At the top, the navigation bar includes the Oracle Purchasing logo, a home icon, a star icon, a settings icon, a notification bell with '99+', and a user profile 'Logged In As CBAKER'. Below the navigation bar, a tabbed menu shows 'Requisitions' (highlighted with a red box), 'Initiatives', 'Negotiations', 'Orders', 'Agreements', 'Deliverables', 'Suppliers', 'Awards', and 'IDVs'. Under 'Requisitions', there are sub-tabs for 'Demand Workbench' (highlighted with a red box), 'Summary', and 'Amendments'.

The main content area is titled 'Demand Workbench'. It includes a note '* Indicates required field' and a 'Saved Searches' section. In the 'Saved Searches' section, a dropdown menu shows 'Requests from Catherine Baker' with 'Go' and 'Personalize' buttons. Below this, a 'Select Requests:' section contains buttons for 'Add' (highlighted with a red box), 'Return', 'Reassign', 'Cancel Split', and 'Save Split'. A table lists requisition lines. The first line is selected (highlighted with a red box) and shows details for 'Vision Operations' (OU), requisition '15908, 1', and item 'Highly Engineered Product: Design, Build and Deliver'. The table columns include: OU, Requisition, Item/Job, IDV Line, Qty, Unit, Price, Curr, Changed Amount, Changed Funded Amount, Need-By, Source, Actions, and Comments.

On the right side, a 'Document Builder' panel (highlighted with a red box) is visible. It contains a 'Type' dropdown set to 'New Order', a required field '* OU' dropdown set to 'Vision Operations', and a 'Number of Lines' field set to '0'. A 'Search' button is located below the 'Document Builder' panel.

Generate Purchase Order

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

The screenshot shows the Oracle Purchasing 'Document Builder' interface. A 'Search and Select: Style' dialog box is open, displaying a list of styles. A red arrow points from the 'Style' dropdown in the dialog to the 'Style' dropdown in the 'Document Builder' panel.

Document Builder

Type: New Order
OU: Vision Operations

Agreement:
Supplier: Industrial Dress
Site: US HEADQUAT
Currency: USD
* Style: Standard Purchi
☒ 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

To find your item, select a filter item in the pulldown list and enter a value in the text field, then select the "Go" button.

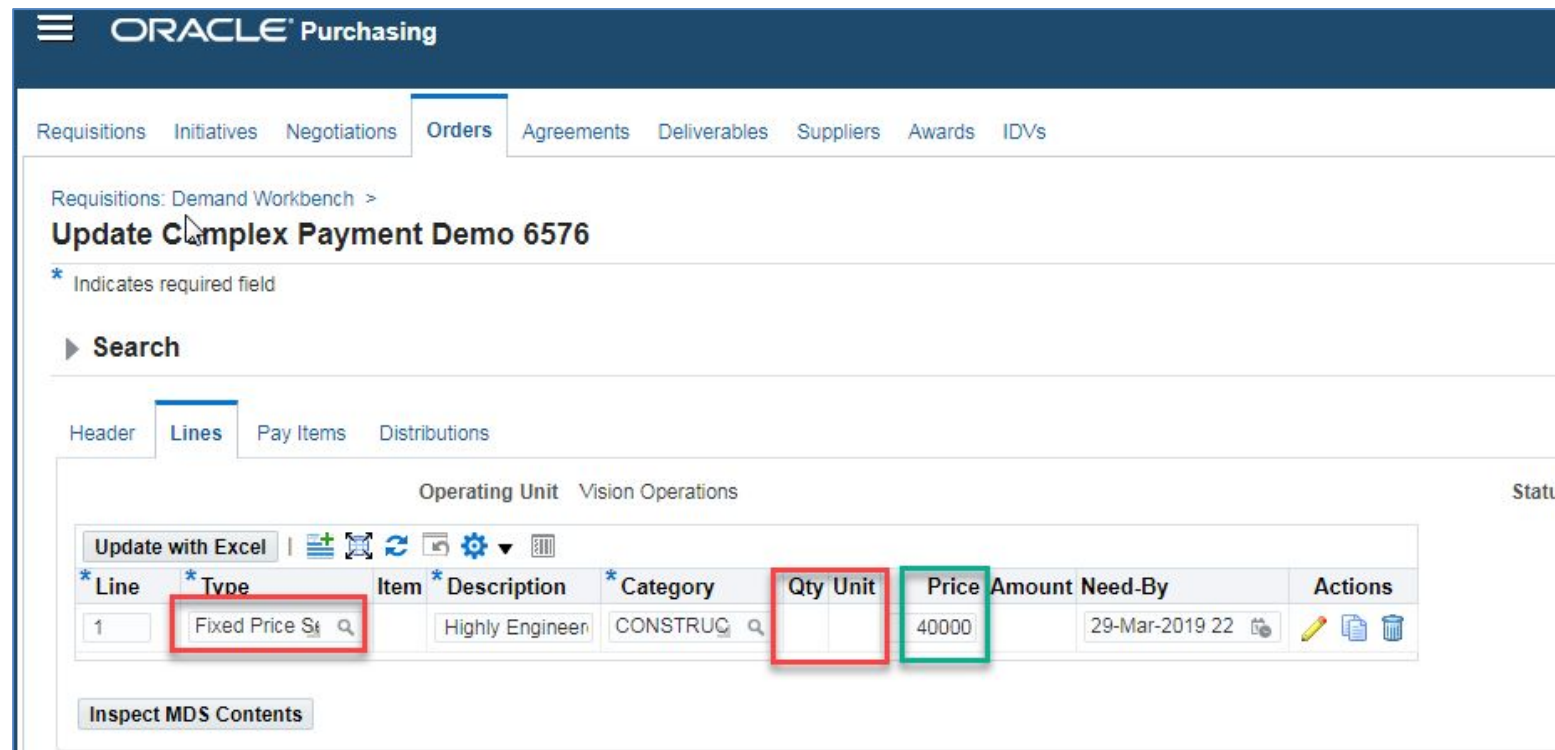
Search By: Style Go

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



Requisitions: Demand Workbench >

Update Complex Payment Demo 6576

* Indicates required field

► Search

Header **Lines** Pay Items Distributions

Operating Unit Vision Operations

Update with Excel

* Line	* Type	Item	* Description	* Category	Qty Unit	Price	Amount	Need-By	Actions
1	Fixed Price S		Highly Engineer	CONSTRUC		40000		29-Mar-2019 22	

Inspect MDS Contents

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

ORACLE® Purchasing

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

Requisitions: Demand Workbench > Update Complex Payment Demo >

Update Line 1 (Complex Payment Demo 6576)

Cancel Actions Add Another Line Go Previous Line Next Line Apply

Operating Unit Vision Operations Currency USD

* Indicates required field

* Line Type Fixed Price S4 Q

* Description Highly Engineered Product: Design, Build and Deliver

Supplier Item

* Category CONSTRUCT.SERVICES Q

* Price 40000

Negotiated No

Work Details

Location V1- New York City Q

Organization V1

Need-By Date 29-Mar-2019 22:00:00

Promised Date

Destination Type

Requester Baker, Catherine Q

Deliver-To Location V1- New York City Q

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 **Pay Items** Distributions

Operating Unit Vision Operations Status Incomplete

Update with Excel | [Icons]

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	[Edit] [Delete]

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

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

ORACLE® Purchasing

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

Requisitions: Demand Workbench >

Update Complex Payment Demo 6576 Cancel Actions

* Indicates required field

► Search

Header Lines Pay Items **Distributions**

Operating Unit Vision Operations Status Incomplete Total 40,000.00 USD

Update with Excel

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		

Advance line automatically created

- Submit the PO for approval

Payables - Invoice & Payment

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

The screenshot displays the Oracle Payables Invoice Workbench interface. The main window shows a Prepayment Invoice for Vision Operations with a PO Number of 6576. A red callout box highlights the 'Prepayment' type and the PO Number, with a text box stating: 'Prepayment Invoice will find the Advance line on PO when matching'.

A secondary window, 'Find Purchase Orders for Matching', shows the supplier 'Industrial Dressler' and the PO Number '6576'. A third window, 'Match to Purchase Orders', shows the invoice amount of 5,000.00 and the line total of 5,000.00. The matching table below shows a match for the PO line 1, with a match amount of 5,000.00 and a payment type of 'Advance'.

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

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 located below the tabs, with a dropdown menu set to 'PO Number' and a 'Go' button. The main content area is divided into several sections. The 'Notifications' section is highlighted, showing a table of notifications. The first notification is 'Work Confirmation WC_1234 has been approved' with a date of '28-Feb-2019 01:04:21'. Other notifications 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)'. The 'Orders At A Glance' section shows a table of orders with columns for 'PO Number', 'Description', and 'Order Date'. The PO number '6576' is highlighted in red. The right sidebar contains a 'Planning' section with a link to 'Forecast Schedules', and an 'Orders' section with links to 'Agreements', 'Purchase Orders', and 'Purchase History'. Other sections include 'Shipments', 'Receipts', 'Invoices', and 'Payments'.

Subject	Date
Work Confirmation WC_1234 has been approved	28-Feb-2019 01:04:21
Cancelled: Auction 59641 (AMF 23123)	24-Sep-2010 00:25:43
Standard Purchase Order 6414,0 requires your signature	03-Feb-2010 12:44:56
Closed Early: Auction 50623 (DVD-EMD 2322)	20-Oct-2009 07:13:27
Closed Early: RFQ 47623 (XML AW 2312)	10-Nov-2008 12:36:33

PO Number	Description	Order Date
6577		28-Feb-2019 11:36:23
6576		28-Feb-2019 05:09:52
6575		28-Feb-2019 02:49:46
6574		28-Feb-2019 00:42:39

Work Confirmations

- From the PO the supplier can Create a Work Confirmation

ORACLE iSupplier Portal

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

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

Supplier Home >

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

Currency: USD

Order Information

General

Total 40,000.00

Supplier Industrial Dressler

Supplier Site US HEADQUARTERS

Supplier Contact Indus, James

Address 682 Montgomery Street
San Francisco, CA 94114

Buyer [Baker, Catherine](#)

Order Date 28-Feb-2019 05:09:52

Description

Status Open

Note to Supplier

Operating Unit Vision Operations

Sourcing Document

Supplier Order Number

Attachments None

Terms and Conditions

Payment Terms 45 Net (terms date + 45)

Carrier UPS

FOB Origin

Freight Terms Due

Shipping Control

Work Location

Address 90 Fifth Avenue
New York, NY 10022-3422

Bill-To Location

Address 90 Fifth Avenue
New York, NY 10022-3422

Summary

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

Actions

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

Go Export

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		

Work Confirmations

- Select the pay item in question and click next

ORACLE iSupplier Portal

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 Go 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)

Ordered

40,000.00

Approved

0.00

* Work Confirmation

WC6576_1

Comments

Design work is complete. Please approve for payment.

Description

* Date

28-Feb-2019

Period of Performance

28-Feb-2019

To

Cancel

Back

Save

Preview

Submit

* Indicates Required Field

Currency=USD

Work Confirmation Details

Add Pay Item

Line

Pay Item

Description

Need-By Date

UOM

Price

Ordered

Previous Requested/ Delivered

Progress (%)

Current Requested/ Delivered

Material Stored

Amount

Progress (%)

Total Requested/ Delivered

Progress (%)

Attachments

Delete

1

1

Design

04-Feb-2019 23:03:00

USD

10000

0

0

10000


10000

100

10000

100

+



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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 Go Advanced Search												
Select Work Confirmation: Update Cancel [Refresh] [Print] [Settings] [Filter]												
Work Confirmation ^	Date ^	Period From	Period To	PO Number v	Currency	Ordered	Previous		Current		Total Progress (%)	Status
							Requested	Delivered	Requested	Delivered		
WC6576_1	27-Feb-2019 22:00:00			6576	USD	40000	0	0	10000	0	25 Pending Approval	
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

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

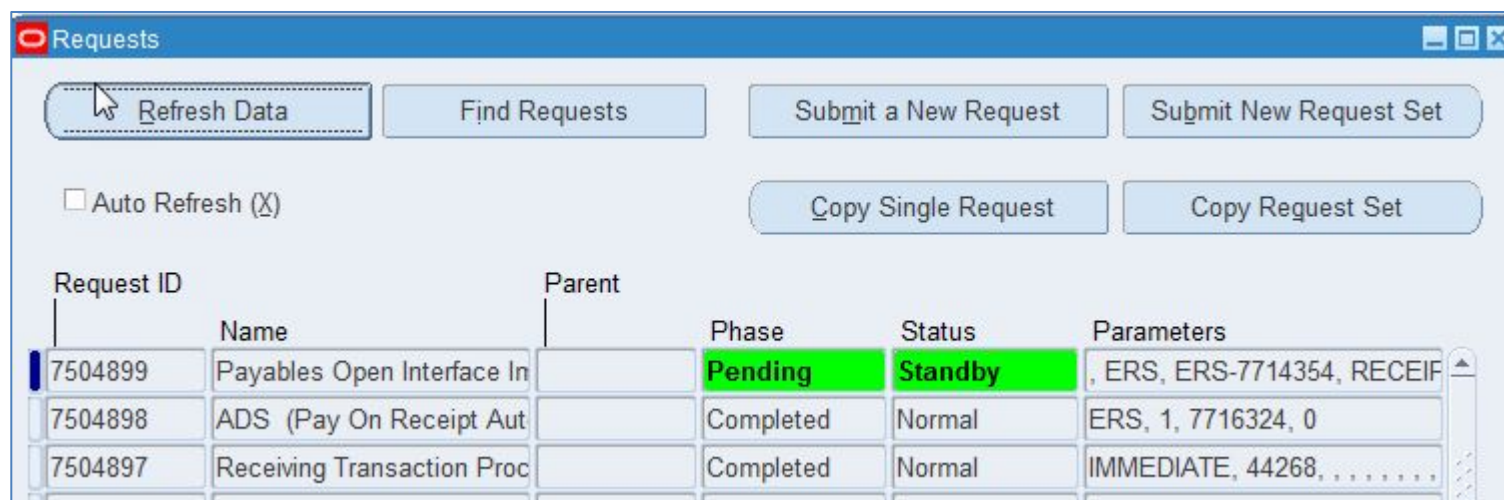
Num	Name	Organization	Action	Action Date	Note
0	Indus, James	Industrial Dressler	Submitted	28-Feb-2019 15:41:16	Design work is complete. Please approve for payment.
1	Baker, Catherine	Vision Operations	Pending		

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 C	2005	US HEADQU	28-FEB-2015	ERS-9073-230	USD	10,000.00	0.00
Vision Operations		Prepayment	6576	Industrial C	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 0

Scheduled Payment Holds 0

Description

Receipt Invoice automatically created on 28-FEB

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

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

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	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

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	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			

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 0

Scheduled Payment Holds 0

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
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

ORACLE® Purchasing

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

Orders

🔒 Indicates Supplier is editing the document
⚙️ Indicates a pending change request

Headers Lines Schedules Pay Items Distributions

Saved Searches

Saved Search: CBAKER Approved Orders [Go] [Personalize]

Select Order: **Update**

- OU ☐ Cancel
- ☐ Vision ☐ Close
- ☐ Vision ☐ Close for Invoice
- ☐ Vision ☐ Close for Receiving
- ☐ Vision ☐ Finally Close
- ☐ Vision ☐ Freeze
- ☐ Vision ☐ Open
- ☐ Vision ☐ Open for Invoice
- ☐ Vision ☐ Open for Receiving
- ☐ Vision ☐ Place on Hold
- ☐ Vision ☐ Duplicate with Attachments
- ☐ Vision ☐ Duplicate without Attachments
- ☐ Vision ☐ Communicate
- ☐ Vision ☐ **Create Work Confirmation**
- ☐ Vision ☐ View Acquisition Cost
- ☐ Vision ☐ View Approval Work Flow
- ☐ Vision ☐ View Change History
- ☐ Vision ☐ View Invoices
- ☐ Vision ☐ View PDF
- ☐ Vision ☐ View Payments
- ☐ Vision ☐ View Requisitions
- ☐ Vision ☐ View Revision History
- ☐ Vision ☐ View Work Confirmation
- Update with Excel

Action	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

Add Pay Item

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

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-9075-23	USD	20,000.00	
Vision Operations		Standard		Industrial C	2005	US HEADQL	28-FEB-2019	ERS-9074-23	USD	10,000.00	
Vision Operations		Standard		Industrial C	2005	US HEADQL	28-FEB-2019	ERS-9073-23	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 1,000.00

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 'Release Retainage' process in Oracle Payables. The main window shows a table of invoice lines with the following data:

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

The 'Release' button is highlighted in a red box at the bottom right of the main window. A secondary window titled 'Find Retained Invoice Lines' is open, showing search criteria for Purchase Order Number 6576. A red arrow points from the 'Release' button in the main window to the 'Find' button in the secondary window. Another red arrow points from the 'Release' button in the main window to the 'Release' button in the 'Release Retainage' window.

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 L	2005	US HEADQ	28-FEB-2015	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 History

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	Closed	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	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	\$3,000.00	\$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



COLLABORATE19

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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