



Subcontractor Management

Paid when Paid

How to setup and use Paid when Paid Functionality



Becky Alvarez,
Rysigo Technologies Corp

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Objectives

This session will:

- > Identify the new functionality included in this release
- > Discuss how to use the new functionality
- > Discuss dependencies or interactions
- > Show additional release information and resources

Agenda

- New and Changed Features
 - > Support for Pay When Paid
 - > Initiate Payment Hold
- Setup and Process
- Dependencies and Interactions
- Walk through the flow
- Additional Resources

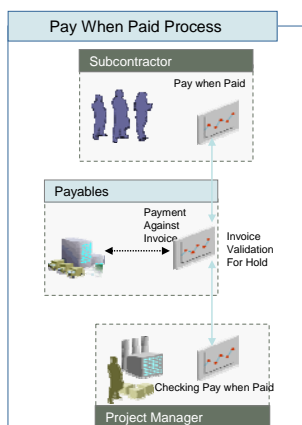
E&C Payment Hold Enhancements in Purchasing

Description of Terms

- **Pay when paid:** When the pay when paid term is enabled for a purchase order, all invoices matched to the purchase order will be placed on payment hold by the invoice validation routine.
- **Automated Payment Holds :** The Initiate payment hold region will be used by the Project Manager who can decide on contractual deliverable and time lines required to be met by the sub contractor.

E&C Payment Hold Enhancements in Purchasing

Integrated Setup and Function



- Profile PA: Pay when Paid
 - > Buyer Can Put "Pay When Paid" Y in the complex POs
 - > Project Manager can Put deliverable Hold in the Deliverables Page
- PO API to give the updated Hold status Y/N for the invoice depending on
 - > Pay when Paid hold Y/N in the Complex PO.
 - > Hold Status Y/N received from Contracts API based on deliverable status.

Support for Pay When Paid

Description

- Oracle Purchasing will display a new attribute in the terms region “ Pay When Paid” with a default value of “NO”.
- Once approved the “Pay when Paid” Check will be disabled.

Support for Pay When Paid

Setup: Differentiating E&C and Existing Procurement Documents

- The Buyer identifies the Sub-Contract containing the Pay When Paid Clause in the E&C Industry.
- Project Manager can suggest the hold or release of the payment based on the Pay When Paid check or the invoices can be automatically released.
- Invoices created will be placed on payment hold by the invoice validation routine when the Pay When Paid term is enabled for a purchase order.

Support for Pay When Paid

Setup: Differentiating E&C and Existing Procurement Documents

- PA: Pay When Paid
 - > Once this profile option is set to 'Yes' for the user, the Pay When Paid attribute will be highlighted for the Buyer in Purchasing.

Profile Value	Description
Y/N	Pay When Paid



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Support for Pay When Paid

- The project will also have a setting under the Billing Setup that controls the automatic release of the invoices.

Revenue and Billing Information - PWP101

Revenue and Billing Information

Revenue Accrual Method: Work

Invoice Method: Work

Customer at Top Task

Invoice Method at Top Task

Date-Effective Funds Consumption

AQ Receipt Notification

Automatic Release of Pay When Paid Invoices

Billing Cycle: Last Weekday of Month

First Bill Offset Days: 0

Next Billing Date: 01-JAN-2011

Tax Classification Code: []

Invoice Comment: []

Invoice Formats

Labor: Job

Non Labor: Expenditure Type

Retention

Retention Format: []

Retention Billing Format: []

Tax Classification Code: []

Account for Unbilled Retention

Funding

Baseline Funding Without Budget

Revalue Funding

Funding Revaluation includes Gains and Losses



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Create the PO

- Navigate to Oracle Purchasing > Buyers Center > Orders
- Choose the Complex Services PO document type

The screenshot shows the Oracle Purchasing interface. At the top, there are navigation tabs: Requisitions, Orders, Agreements, Deliverables, Negotiations, and Suppliers. Below this, there's a search bar and a 'Create' button with a dropdown menu. The dropdown menu is open, showing 'Complex Services (Actual) PO' selected. A red circle highlights this button and dropdown menu. Below the search bar, there are options for 'View' (My Incomplete Orders) and 'Personalize'. There's also an 'Export' button and a table header for 'Subject OR' with columns: Order Rev, Description, Supplier Site, Order Date, Total, Curr, Status, Acknowledgment. The table currently shows 'No results found.' At the bottom right, there's another 'Create' button with the same dropdown menu.



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Creating the PO

- Make sure the Pay When Pay terms is set to Yes

The screenshot shows the Oracle Purchasing interface for creating a 'Complex Services (Actual) PO'. The page has a header with navigation tabs: Requisitions, Orders, Agreements, Deliverables, Negotiations, and Suppliers. Below the header, there's a 'Create Complex Services (Actual) PO' button and a 'Cancel' button. The main form is divided into several sections: Header, Terms, and Attachments. The Header section includes fields for Operating Unit (Vision Construction), Supplier (Advantage Corp), Supplier Site (ADVANTAGE - US), Supplier Contact (Adams, Mr. Alan), and Communication Method (Print). The Terms section includes fields for Bill-To Location (Texas Branch), Payment Terms (45 Net (terms date + 45)), Pay On Receipt (Yes), Acknowledge By, Required Acknowledgment (None), and Pay When Paid (Yes). The Attachments section includes an 'Add Attachment' button and a table with columns: Title, Type, Description, Category, Update, Delete, and Publish to Catalog. The 'Pay When Paid' dropdown menu is circled in red. At the bottom right, there are buttons for 'Cancel', 'Actions', 'Add Contract Terms', 'Go', 'Save', 'Approval Options', and 'Submit'.



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Support for Pay When Paid

Setup: Differentiating E&C and Existing Procurement Documents

- Pay when Paid
 - > Attribute will be available in the terms Region of the Purchasing Document with Document Style “Complex PO” for both actual and financials.
 - > This attribute would display only if the new profile option PA: Pay When Paid in Oracle Projects is enabled.
 - > User can either choose Yes or No.
 - > The field “Pay When Paid” will be disabled after the first approval.



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PO Header

The screenshot shows the Oracle Purchasing PO Header form. The form is titled "Create Complex Services (Actuals) PO" and includes a navigation bar with "Requisitions", "Orders", "Agreements", "Deliverables", "Negotiations", and "Suppliers". The "Orders" tab is selected. The form contains several sections: "Header", "Terms", and "Attachments". The "Header" section includes fields for Operating Unit (Vision Construction), Supplier (Advantage Corp), Supplier Site (ADVANTAGE - US), Supplier Contact, Communication Method (Email), Total (0.00 USD), Buyer (Pratt, Mr. John), and Description. The "Terms" section includes Bill-To Location (Texas Branch), Payment Terms (45 Net (terms date + 45)), Pay On Receipt (Yes), Acknowledge By (None), Required Acknowledgment (None), Pay When Paid (Yes), * Default Ship-To Location (Texas Branch), Ship Via (UPS), Freight Terms (Due), FOB (Origin), and Transportation Arranger (None). The "Attachments" section includes a table with columns for Title, Type, Description, Category, Update, Delete, and Publish to Catalog. The "Pay When Paid" field is circled in red. The form also includes a "Notes" section with "Note to Supplier" and "Note to Receiver" fields. At the bottom, there are buttons for "Cancel", "Actions", "Add Contract Terms", "Go", "Save", "Approval Options", and "Submit".



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PO Lines

ORACLE Purchasing Home Logout Preferences Help Diagnostics

Requisitions Orders Agreements Deliverables Negotiations Suppliers

Orders >
Create Complex Services (Actuals) PO
* Indicates required field

Cancel Actions Add Contract Terms Go Save Approval Options Submit

Header Lines Pay Items Distributions

Operating Unit: Vision Construction Total 25,000.00 USD

*Line	*Type	Item	*Description	*Category	Qty Unit	Price	Amount	Need-By	Actions
1	Services		Contract Labor	SERVICE OF	1	25000	25,000.00	31-Aug-2011 C	
2	Goods				0		0.00		
3	Goods				0		0.00		
4	Goods				0		0.00		Need By Date
5	Goods				0		0.00		

Add 3 Rows

Cancel Actions Add Contract Terms Go Save Approval Options Submit

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PO Pay Items

ORACLE Purchasing Home Logout Preferences Help Diagnostics

Requisitions Orders Agreements Deliverables Negotiations Suppliers

Orders >
Create Complex Services (Actuals) PO
* Indicates required field

Cancel Actions Add Contract Terms Go Save Approval Options Submit

Header Lines Pay Items Distributions

Operating Unit: Vision Construction Total 25,000.00 USD

Line	*Pay Item	*Type	*Description	Qty Unit	Value (%)	*Price	Amount	Need-By Date	Actions
1	1	Milestone		1 EA	100	25000	25,000.00	31-Aug-2011	

Cancel Actions Add Contract Terms Go Save Approval Options Submit

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PO Distributions

Click on the pencil in the Actions box to open up Distributions

ORACLE Purchasing Home Logout Preferences Help Diagnostics

Requisitions Orders Agreements Deliverables Negotiations Suppliers


Orders > Create Complex Services (Actuals) PO

* Indicates required field


Cancel Actions Add Contract Terms Go Save Approval Options Submit

Header Lines Pay Items Distributions

Operating Unit: Vision Construction Total: 25,000.00 USD

Line	Pay Item	Description	* Distribution	Deliver-To	Qty	Unit	Amount	PO Charge	Acct	Actions
1	1	Payment for Contract Labor	1		1	EA	25,000.00		Company-Department-Account-Sub-Account-Product	

Cancel Actions Add Contract Terms Go Save Approval Options Submit

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PO Distributions – Associate to Project & Task

ORACLE Purchasing Home Logout Preferences Help Diagnostics

Requisitions Orders Agreements Deliverables Negotiations Suppliers

Orders > Create Complex Services (Actuals) PO >

Update Distribution 1

Cancel Previous Distribution Next Distribution Apply

Operating Unit: Vision Construction
Line: 1
Pay Item: 1
Description: Payment for Contract Labor
Quantity: 1
Unit: EA

Item: Contract Labor
Line Description: Contract Labor
Currency: USD
Amount: 25,000.00

Delivery

Destination Type: Requester: Deliver-To Location: Requisition: Requisition Line:

Billing


PO Charge Account: PO Accrual Account: PO Variance Account: Company-Department-Account-Sub-Account-Product

Project: PWR101
* Task: 3.2
* Expenditure Type: 1330 - Engineering Servs
* Expenditure Org: Vision Construction
* Expenditure Item Date: 21-Aug-2013

Contract

Line Number: Deliverable Number:

Cancel Previous Distribution Next Distribution Apply

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Initiate Payment Hold

Description

- PO Deliverables maintained in Oracle Purchasing will be used to track deliverables like insurance and certification requirements.
- Users will have the ability to initiate payment holds on all future invoices when a deliverable approaches its due date or when a deliverable becomes overdue.

Initiate Payment Hold

Description

- Oracle Procurement Contract will display a new Region of “Initiate Payment Hold”.
- The region will only be displayed for Contractual Deliverables.
- The new region – ‘Initiate Payment Holds’ will consist of the 2 checkboxes.
 - > Prior to due date.
 - > Deliverable is overdue.

Initiate Payment Hold

Update Complex Services (Actuals) PO > Update Complex Services (Actuals) PO 2010: Contract Terms >
Update Complex Services (Actuals) PO 2010: Update Deliverable
* Indicates required field

Deliverable Name: Insurance Certificate
Deliverable Type: Contractual
Responsible Party: Supplier Organization
Supplier: Advantage Corp
Description: Tracking Insurance Certificate

Internal Organization: Vision Construction
Internal Contact: Pratt, Mr. John
Supplier Contact:
Requester:
Comments:

Due Date
 Fixed Date: 31-Dec-2011
 Relative Date: (example: 21-Aug-2011)
Event: Purchase Order Signed
Before/After: After
Period: 30 Days

Repeat Information
 One Time Deliverable
 Repeating Deliverable

Notifications
 Prior to Due Date: Days
 Status Change
 Deliverable Is Overdue
 Escalate After Due Date: Days
Escalation Contact:

Initiate Payment Holds
 Prior to Due Date: Days
 Deliverable Is Overdue

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Initiate Payment Hold

Setup: Deliverables Page in Complex PO

- Initiate Payment Hold Region
 - > The region will be available when the “Pay when Paid” Check is enabled to “Y” in the Complex PO.
 - > Only one of the 2 checkboxes can be checked at a time.
 - > The value in the prior to due date input field has to be a positive integer.
 - > If the Prior to due date checkbox is checked, the input field cannot be empty.
 - > If there is a value in the Prior to due date input field, the checkbox has to be checked.

Enter the AP Invoice

Invoice Workbench (Payables, Vision Construction) - PWP1

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 I
Vision Construction		Standard		Advantage	1010	ADVANTAGI	31-AUG-201	PWP1	USD

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

Summary

Items

Retainage

Prepayments Applied

Withholding

Subtotal

Tax

Freight

Miscellaneous

Total

Amount Paid

Status

Status

Accounted


Approval

Holds

Scheduled Payment Holds

Description

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

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Match Against the PO

Match to Purchase Orders (Payables, Vision Construction) - Vision Construction

Invoice Amount Line Total

Match	Qty Invoiced	Unit Price	Match Amount	Freight/Misc	PO Number	Release	Line	Shipment	Item Description	Match Basis
<input checked="" type="checkbox"/>	1	25000	25,000.00	<input type="checkbox"/>	2010		1	1	Contract Labor	Quantity

Shipment Quantity

Ordered

Shipped

Received

Billed

UOM

Type

Accepted

Distributions

Purchase Order

Payment Terms


Freight Terms

Associated Charges

Freight

Misc

View PO Distribute... Invoice Overview Match

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AP Invoice – Automatic Hold

Invoice Workbench (Payables, Vision Construction) - PWP1

Batch Control Total Batch Actual Total 25000

Operating Unit	Customer Taxpayer ID	Type	PO Number	Trading Pa	Supplier Num	Supplier Site	Invoice Date	Invoice Num	Invoice I
Vision Construction		Standard		Advantage	1010	ADVANTAG	31-AUG-201	PWP1	USD

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

Hold Name	Hold Reason	Hold Date	Held By	Release Name	Release Reason	Released By	Release Date	WF Status
Pay When Paid	Subcontractor c	31-AUG-2011	System					

Purchase Order Number Release Line Ship To

Shipment Quantity Ordered Billed Received Accepted

Receipt Number Line Date

Receipt Quantity Billed Received Accepted

View PO Release... 1

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

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Generate Invoices for Project

Invoice Summary (Vision Construction: USD)

Project Number	Draft Invoice	Customer	Bill Split	Agreement	Invoice Currency	Invoice Amount	Invoice Status	Bill Through	Credited Number	Invoice Class	AR Invoice Num
PWP101	1	Himan and Assoc	100	PWP101	USD	25,000.00	Unapproved	02-SEP-2011		Invoice	

Ryn Request... Exit 1 Approve 1 Release... Credit

Recalculate Totals AR Invoice Lines Open

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Interface the Invoice

Invoice (Vision Construction: USD) - PWP101, 1

Project Number	PWP101	Project Name	PWP Construction
Customer Name	Hilman and Associates	Customer Number	1004
Draft Number	1	Bill Through Date	02-SEP-2011
Invoice Currency	USD	Credit Of	
Invoice Amount	25,000.00	Invoice Class	Invoice
Withheld Amount		Invoice Status	Transferred to Receivable
		AP Status	

Invoice Exception Invoice Warning

Address	Comment	Approved,Interface	Receivable	Invoice Exception	Agreement	Rounding
Bill To Name	Hilman and Associates			Ship To Name	Hilman and Associates	
Bill To Number	1004			Ship To Number	1004	
Billing Address	1200 West 129th Street			Shipping Address	1200 West 129th Street	
	Tulsa , OK 74126 , Tulsa				Tulsa , OK 74126 , Tulsa	
Contact	Zhang, Edward					

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Hold is Released

Invoice Workbench (Payables, Vision Construction)

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
Vision Construction		Standard		Advantage	1010	ADVANTAGI	31-AUG-2011	PWP1	USD

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

Hold Name	Hold Reason	Hold Date	Held By	Release Name	Release Reason	Released By	Release Date	WF Status
Pay When Paid	Subcontractor c	31-AUG-2011	System	Holds Quick Re	Holds Released	CONSTRUCTI	31-AUG-2011	

Purchase Order Number <input type="text"/> Release Line <input type="text"/> Ship To <input type="text"/>	Shipment Quantity Ordered <input type="text"/> Billed <input type="text"/> Received <input type="text"/> Accepted <input type="text"/>	Receipt Number <input type="text"/> Line <input type="text"/> Date <input type="text"/>	Receipt Quantity Billed <input type="text"/> Received <input type="text"/> Accepted <input type="text"/>
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Dependencies & Interactions

- Purchasing
 - > Purchasing has been setup for Complex POs
 - > Purchasing and Payables Profile options have been setup
 - > Tolerances for Deliverables, if used, are entered

Additional Resources

- For more information about Oracle Applications
 - <http://www.oracle.com/applications/home.html>
- For more information about Education
 - <http://www.oracle.com/education/index.html>
- For more information about Support
 - <http://www.oracle.com/support/>
- For MetaLink information
 - <http://metalink.oracle.com/>
- For Oracle Product documentation
 - <http://www.oracle.com/technology/documentation/applications.html>

