

**ORACLE®**

**ORACLE  
ERP**

### **What is ORACLE?**

Oracle ERP is a robust solution that integrates various business functions. The Purchasing Module specifically streamlines procurement processes, enabling organizations to manage suppliers, track orders, and optimize spending effectively. This integration fosters collaboration and enhances decision-making.

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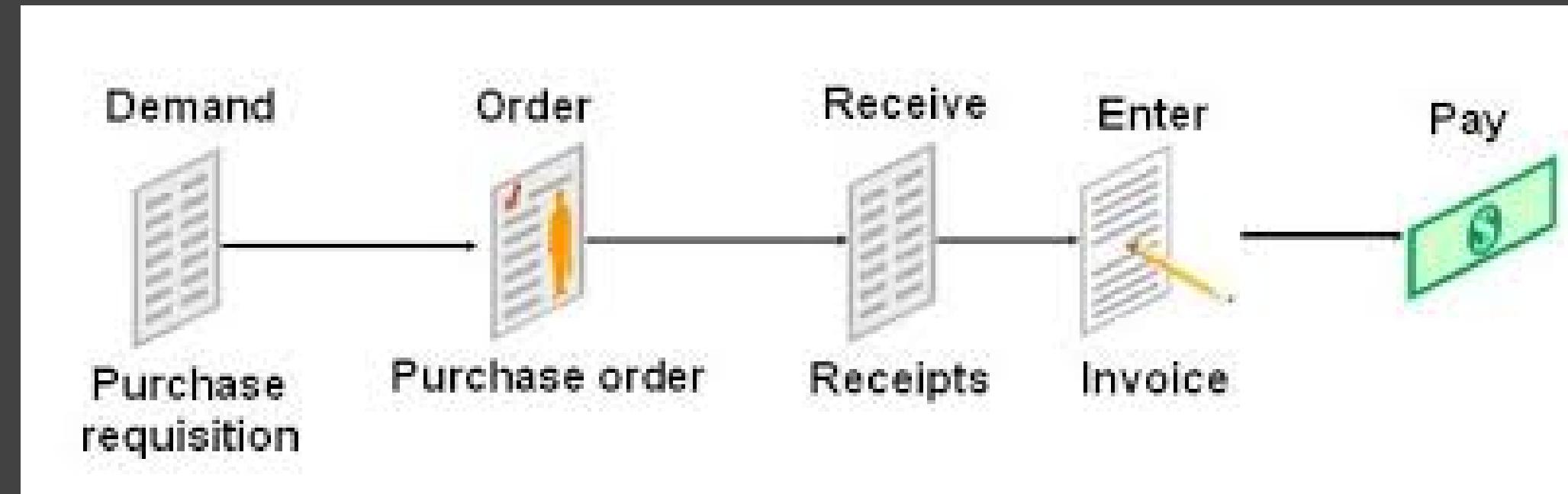
# What is **ORACLE**<sup>®</sup>



**Oracle ERP is a suite of cloud-based business applications that automate and streamline processes across finance, procurement, supply chain, project management, and HR. It provides real-time data, enabling better decision-making and operational efficiency for organizations of all sizes.**

- Finance: Manages general ledger, accounts payable/receivable, and financial reporting to support accounting, budgeting, and financial management activities.
- Procurement: Streamlines purchasing processes by handling supplier management, sourcing, and contracts to ensure cost-effective procurement of goods and services.
- Supply Chain Management: Optimizes inventory, production planning, logistics, and order fulfillment to improve efficiency and reduce costs across the supply chain.
- Project Management: Helps manage project planning, execution, and financials, ensuring projects are completed on time and within budget.
- Human Capital Management (HCM): Manages HR processes like recruitment, payroll, employee development, and performance management.

# The Purchasing Cycle



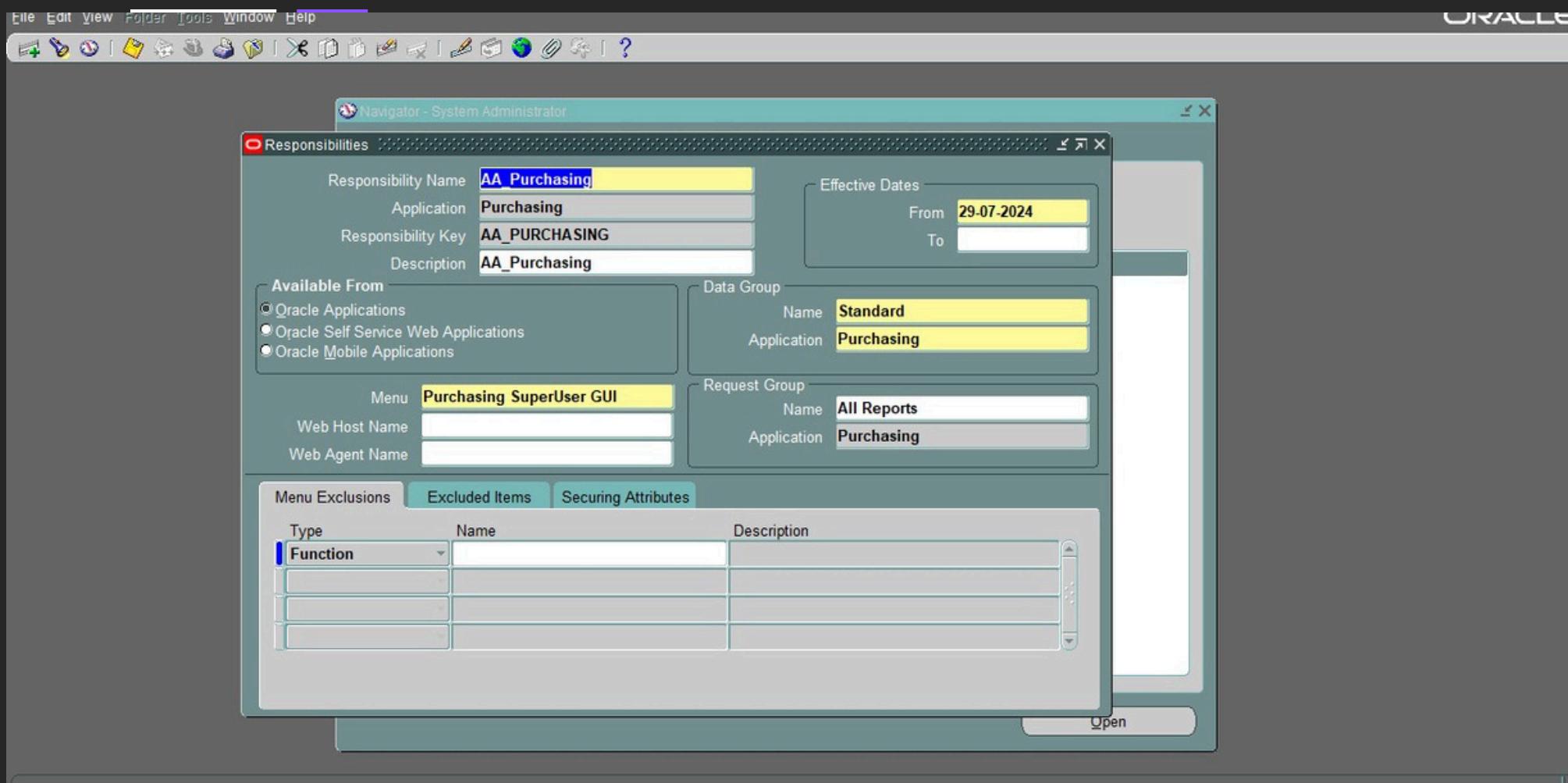
**Requisition:** User creates a request for goods or services.

**Purchase Order:** PO is created and approved, detailing items, quantities, and supplier.

**Goods Receipt:** Goods are received and verified against the PO.

**Invoice Matching:** Invoice is matched with PO and receiving document.

**Payment Processing:** Payment is approved and processed.



The screenshot shows the 'System Profile Values' configuration screen. The 'Profile: System' tab is selected. A table lists various profile options and their assignments. The 'AA\_Purchasing' responsibility is assigned to several items:

Profile Option Name	Site	Application	Responsibility	User
GL Ledger ID			AA_Purchasing	
GL Ledger Name			1	Vision Operations (USA)
GL: Data Access Set				Vision Operations (USA)
HR: Security Profile				Vision Corporation
HR:Business Group				Vision Corporation
HR:User Type				HR with Payroll User
MO: Default Operating Unit				AA_Operating Unit
MO: Operating Unit				AA_Operating Unit

## 1. creating purchasing responsibility

-Function-Specific Access: A "Purchasing Responsibility" provides access to purchasing-specific functions, menus, and reports. Without it, a user would not see the options needed to create or manage purchase orders.

-responsibilities control which parts of the ERP the user can access, protecting sensitive data and ensuring users can only view and modify information relevant to their role.

## 2. System Profile Values

-Function-Specific Access: A "Purchasing Responsibility" provides access to purchasing-specific functions, menus, and reports. Without it, a user would not see the options needed to create or manage purchase orders. -responsibilities control which parts of the ERP the user can access, protecting sensitive data and ensuring users can only view and modify information relevant to their role.



Oracle Applications - Vision 12.2.9

File Edit View Folder Tools Window Help

Navigator - System Administrator

Users

User Name: AEMAD  
Password:   
Description: Engineer  
Status: Active  
Person: Ali Emad, Customer: Ali Emad  
Supplier:   
E-Mail:   
Fax:   
Effective Dates: From: 30-07-2024 To:   
Password Expiration: Days:  Accesses:  None:

Direct Responsibilities Indirect Responsibilities Securing Attributes

Responsibility	Application	Description	Security Group	From	To
System Administrator	System Administration		Standard	30-07-2024	
General Ledger Super User	General Ledger		Standard	09-08-2024	
AA_Purchasing	Purchasing		Standard	30-07-2024	
AA_Inventory	Inventory		Standard	30-07-2024	

Record: 1/1 <OSC>

Oracle Applications - Vision 12.2.9

File Edit View Folder Tools Window Help

Navigator - Global HRMS Manager

People

Name: Last: Ali Emad, First:   
Title:   
Prefix:   
Suffix:   
Middle:   
Gender: Male Action:   
Person Type for Action: Employee  
Identification: Employee: 2401 Social Security: 12012012

Personal Employment Office Details Applicant Further Name Other

Birth Date:  Age:   
Town of Birth:  Status:   
Region of Birth:  Nationality:   
Country of Birth:  Registered Disabled:

Effective Dates: From: 01-01-2000 To:  Latest Start Date: 01-01-2000 [ . ]

Address Picture Assignment Special Info Others... Open

Record: 1/1 <OSC>

### 3. Adding Responsibility to the User

-Adding a responsibility to a user in Oracle ERP is crucial for controlling access and ensuring that the right individuals have appropriate permissions to carry out specific tasks, like creating purchase orders.

### 4. Defining and employee in the Global HRMS

Defining an employee in Oracle's Global HRMS Manager is essential in the purchasing process for the following reasons:

1. User Identification: It connects user accounts with their organizational role, allowing the system to identify users beyond their login credentials.
2. Approval Hierarchy: It enables the setup of approval workflows, including limits and notification routes, which are key for managing purchase order approvals.
3. Cross-Module Integration: Employee data is shared across modules, ensuring consistency and reducing redundancy in systems like financials, projects, and procurement.

This step supports role-based access, security, and streamlined data management across Oracle ERP.

The screenshot shows the Oracle Global HRMS Manager interface. A modal window titled 'Assignment(Ali Emad.)' is open, displaying employee information. Key fields include:

- Name:** Ali Emad.
- Organization:** AA Stock Control
- Job:** AA.Engineer
- Position:** 1A-AA Sto Con AA Engineer
- Status:** Active Assignment
- Assignment Number:** 2401
- Assignment Category:** [empty]
- Employee Category:** [empty]
- Salary Information:** [tab selected]
- Supervisor:** [empty]
- Probation & Notice Period:** [empty]
- Standard Conditions:** [empty]
- Statutory Information:** [empty]
- Effective Dates:** From 01-01-2000 To [empty]
- Address:** [empty]
- Buttons:** Salary, Entries, Others...

The screenshot shows the Oracle Purchasing Buyers screen. A table lists buyers with the following data:

*Buyer	Category	Ship-To	Begin Date	End Date	Employee Number
All Emad,	Item Category.Commodity		30-07-2024		2401

Other visible elements include:

- Buyers:** Section header.
- Search:** Fields for Buyer (All), Category, Ship To, Go, Clear.
- Table Diagnostics:** Section header.
- Diagnostic Console:** Section header.
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## 5. Assigning Job Role to employee

Assigning a job role links employees with their specific functions and permissions, enabling efficient, secure access and compliance across Oracle ERP.

## 6. Defining a Buyer

Defining a Buyer in Oracle ERP is essential for managing procurement responsibilities. It grants the assigned employee authority to create and manage purchase orders, facilitates supplier interactions, ensures accountability by tracking procurement activities, and integrates the buyer into approval workflows. This role ensures that only authorized personnel handle purchasing, improving efficiency, security, and compliance within the ERP system.

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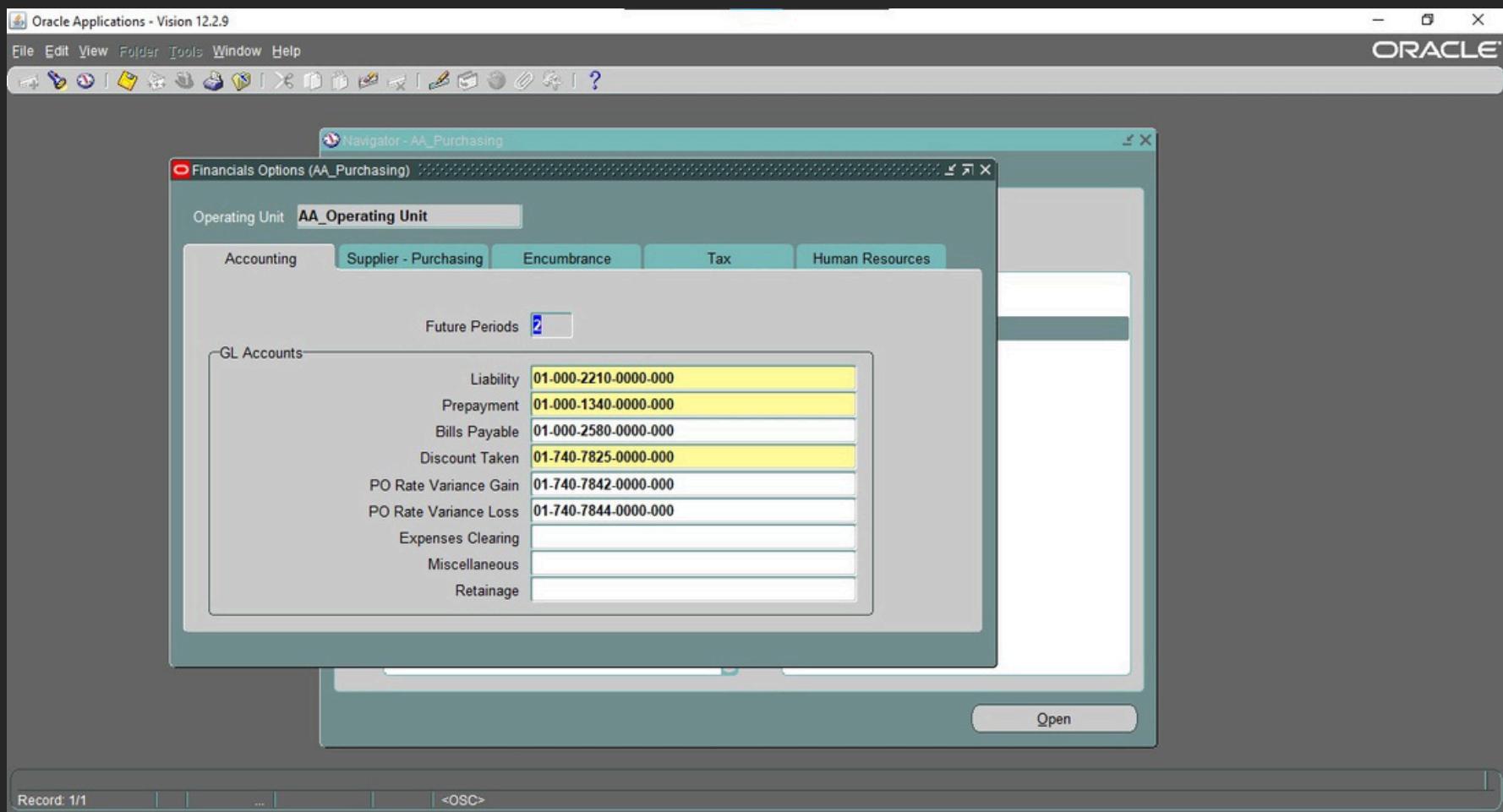
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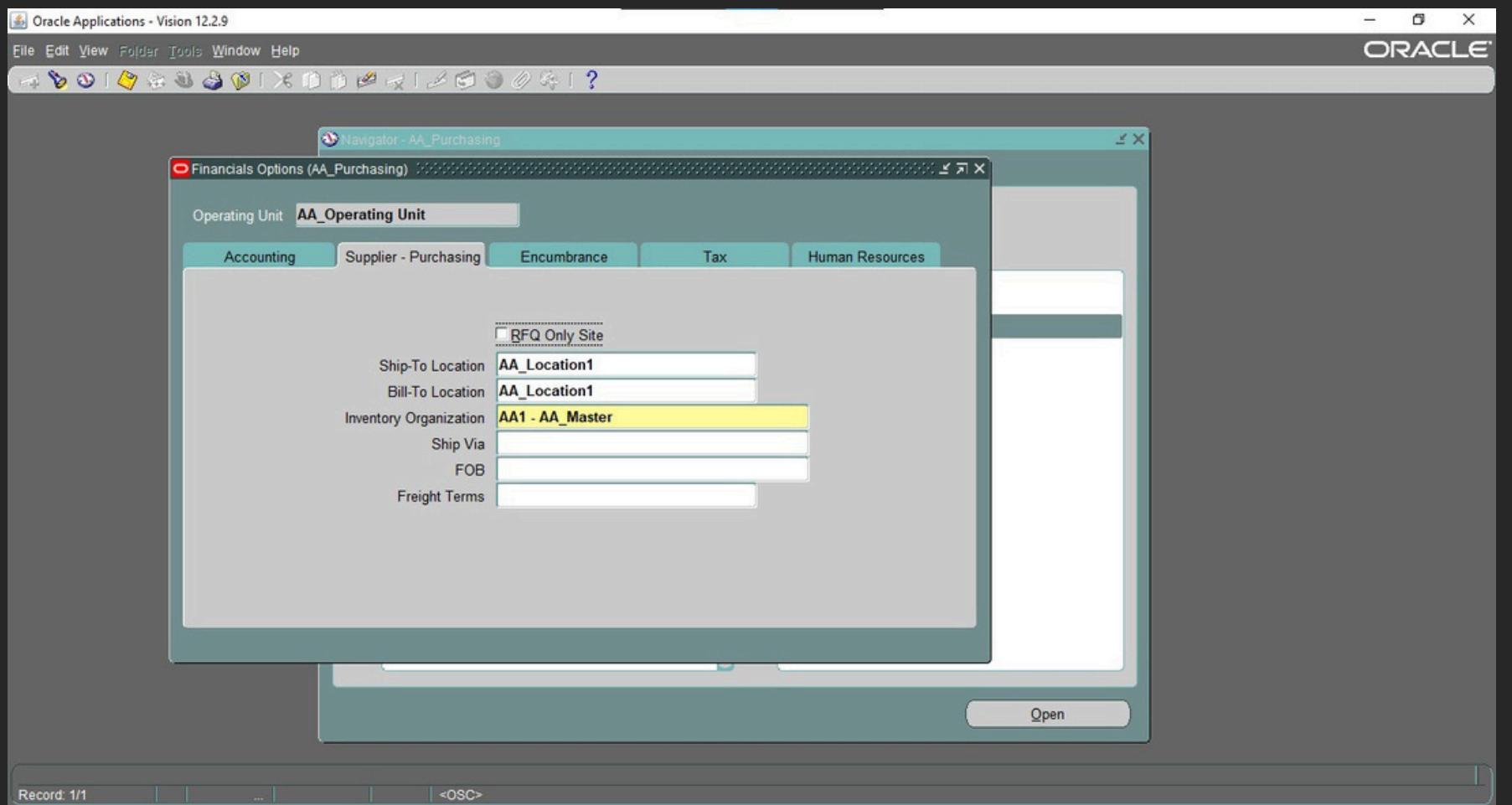
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## 7. Financial Options SetUp

In this step, you're setting up Financial Options within the Oracle ERP Purchasing module. This configuration is essential because it defines how financial transactions associated with purchasing activities are managed within the system



## 8. Financial Options SetUp

By defining these Supplier - Purchasing options, you set up a foundation that standardizes key logistical and financial data for purchasing transactions

Financial Options (AA\_Purchasing)

Operating Unit AA\_Operating Unit

Business Group: Vision Corporation

Expense Reimbursement Address: Office

Employee Number Method: Automatic

Next Automatic Number: 2405

## 9. Financial Options SetUp

In this step, you're setting up Financial Options within the Oracle ERP Purchasing module. This configuration is essential because it defines how financial transactions associated with purchasing activities are managed within the system

Purchasing Options

Operating Unit AA\_Operating Unit

**Document Control**

- Price Tolerance (%): 5
- Enforce Price Tolerance (%):
- Price Tolerance Amount (USD):
- Enforce Full Lot Quantity: Advisory
- Receipt Close Point: Delivered
- Cancel Requisitions: Optionally
- SBI Buying Company Identifier:
- Output Format: PDF
- Maximum Attachment Size (in MB): 5
- Email Attachment Filename: Attachments.zip
- Enforce Price Tolerance Amount:
- Display Disposition Messages:
- Notify if Blanket PO exists:
- Allow Item Description Update:
- Enforce Buyer Name:
- Enforce Supplier Hold:
- Gapless Invoice Numbering:
- RFQ Required:
- Group Shipments:

**Document Defaults**

- Requisition Import Group-By: Buyer
- Internal Requisition Order Type:
- Internal Requisition Order Source:
- Receipt Close Tolerance (%): 3
- Invoice Close Tolerance (%): 3
- Quote Warning Delay:
- Acknowledgement Required:
- Acknowledgment Lead Time (Days):
- Line Type: Goods
- Rate Type:
- Match Approval Level: 3 Way
- Price Break Type: Cumulative
- Price Type:
- Minimum Release Amount (USD): 20,000.00
- Buyer:

**Receipt Accounting**

## 10. Purchasing options setup

This is specifically showing the Purchasing Options setup window. This window is used to configure purchasing options and default values that control how the purchasing processes operate within an organization:

1. Document Control
2. Document Defaults



Purchasing Options

Invoice Close Tolerance (%)	3		
Price Type	Minimum Release Amount (USD)	20,000.00	
Acknowledgement Required	Buyer		
Acknowledgment Lead Time (Days)			
<b>Receipt Accounting</b>			
Accrue Expense Items	At Receipt		
Accrue Inventory Items	At Receipt		
Automatic Offset Method	None		
* Expense AP Accrual Account	01-000-1340-0000-000		
Company-Department-Account-Sub-Account-Product			
<b>Document Numbering</b>			
Document	Entry	Type	Next Number
RFQ Number	Automatic	Alphanumeric	202410001
Quotation Number	Automatic	Alphanumeric	202420001
PO Number	Automatic	Alphanumeric	202440006
Requisition Number	Automatic	Alphanumeric	202430004
Table Diagnostics			
Diagnostic Console			
Cancel Save			

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Receiving Options

\* Indicates required field

Enforce Ship-To	Warning	
ASN Control Action	None	
* Receipt Days Early	2	
* Receipt Days Late	2	
Receipt Days Exceed-Action	Warning	
* Over Receipt Tolerance (%)	5	
Over Receipt Action	Warning	
RMA Receipt Routing	Inspection Required	
Receipt Routing	Standard Receipt	
<input checked="" type="checkbox"/> Allow Substitute Receipts		
<b>Accounting</b>		
* Receiving Inventory Account	01-000-1410-0000-000	
Company-Department-Account-Sub-Account-Product		
Retroactive Price Adjustment Account		
Company-Department-Account-Sub-Account-Product		
* Clearing Account	01-000-1410-0000-000	
Company-Department-Account-Sub-Account-Product		
<b>Cost Factors</b>		
<input type="checkbox"/> Interface to Advanced Pricing		
<input type="checkbox"/> Interface to Transportation Execution		
Diagnostic Console		

## 11. Purchasing options setup

the Purchasing Options setup window. This window is used to configure purchasing options and default values that control how the purchasing processes operate within an organization:

### 1. Receipt Accounting settings

**2. Document Numbering :** refers to the system of assigning unique identifiers to various purchasing documents like purchase orders (POs), requisitions, receipts, and invoices. This numbering is essential for tracking, managing, and organizing purchasing activities. Document numbering ensures that each document can be referenced accurately throughout the procurement and payment process.

## 12. Purchasing options setup

Receiving Options are configurations that determine how the system manages the receipt of goods and services. These settings define rules and defaults for the receiving process, helping to streamline and standardize how receipts are handled across the organization.

The screenshot displays two separate browser windows of the Oracle E-Business Suite R12 interface, both titled "Update Document Type: Requisition Purchase for AA\_Operating Unit" and "Update Document Type: Purchase Order Standard for AA\_Operating Unit". Both windows show the same basic structure with sections for Approval, Control, and Spot Buy Options, along with a Diagnostic Console at the bottom.

**Approval Section:**

- Purchase Requisition (Left):**
  - Document Name: Purchase Requisition
  - Owner Can Approve, Approver Can Modify, Can Change Approval Hierarchy (checkboxes checked)
  - Forward Method: Hierarchy
  - Default Hierarchy: AA\_PR\_Hier
- Purchase Order (Right):**
  - Document Name: Standard Purchase Order
  - Owner Can Approve, Approver Can Modify, Can Change Approval Hierarchy (checkboxes checked)
  - Forward Method: Hierarchy
  - Default Hierarchy: AA\_PR\_Hier

**Control Section:**

- Purchase Requisition (Left):**
  - Security Level: Private, Access Level: Modify
  - Autocreate Workflow: PO Create Documents, Autocreate Workflow Start Process: Overall Document Creation/Launch
  - Use Contract Agreements for Auto-Sourcing (checkbox)
- Purchase Order (Right):**
  - Security Level: Public, Access Level: Full
  - Archive On: Transmission

**Spot Buy Options:**

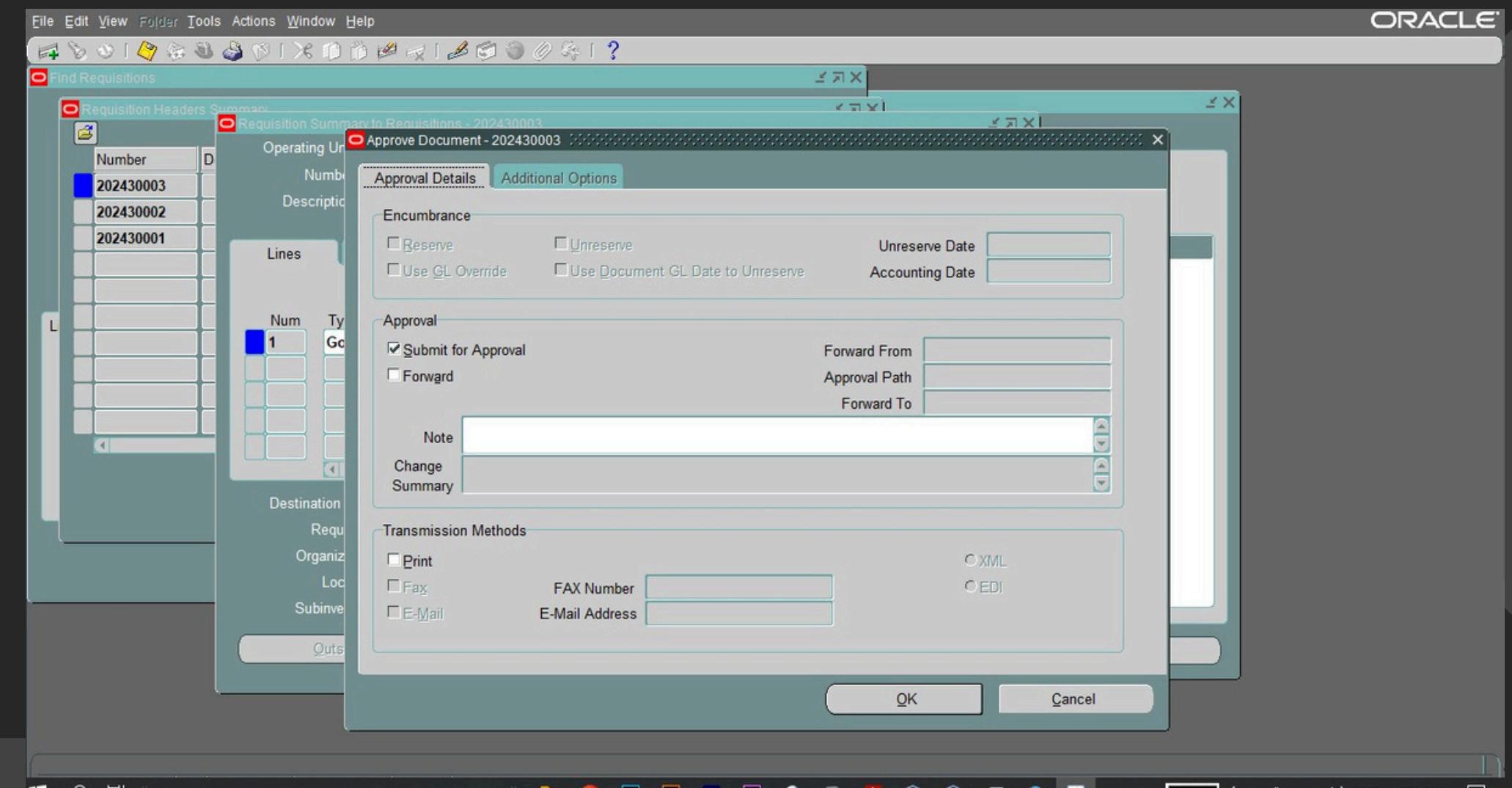
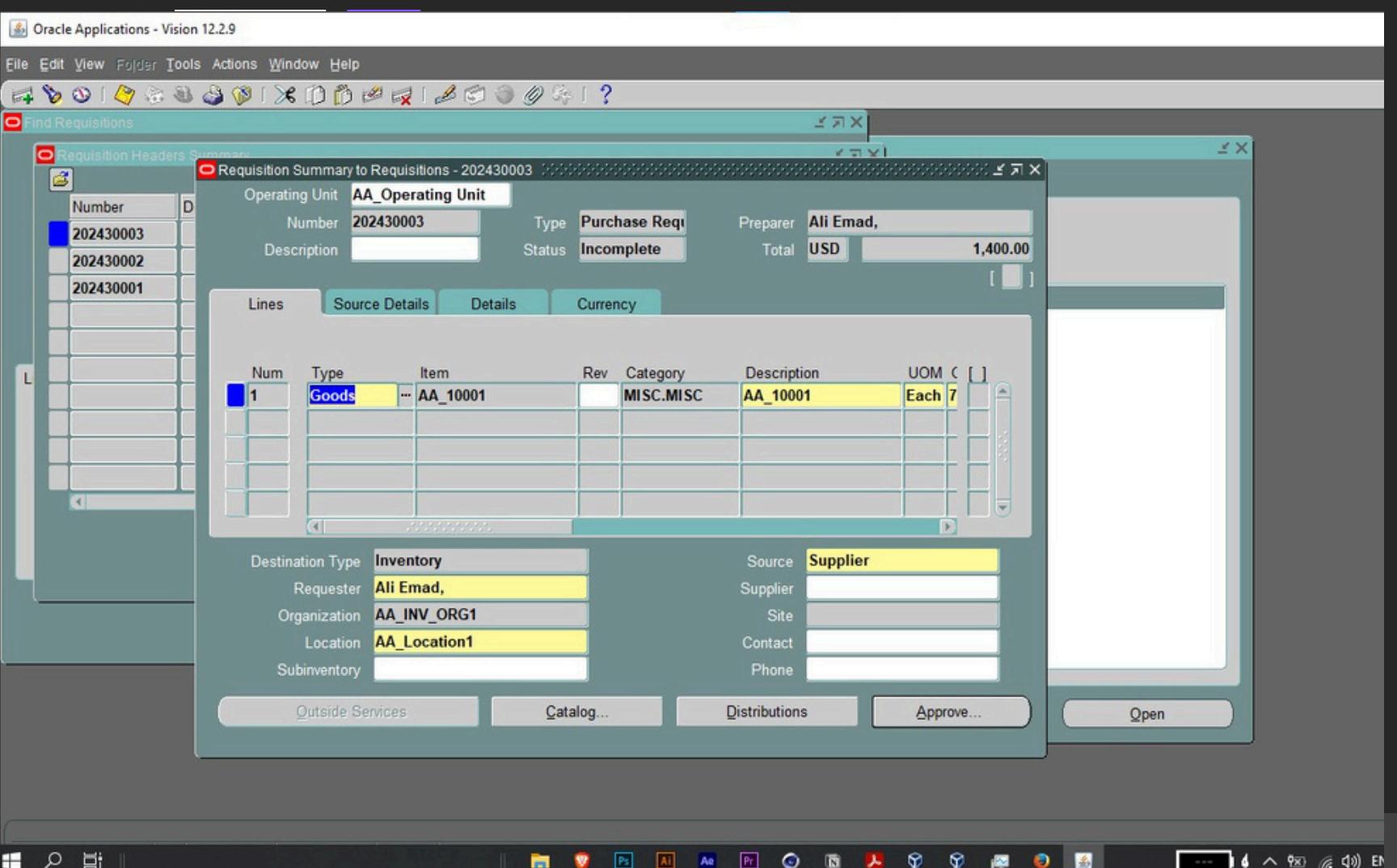
- Purchase Requisition (Left):**
  - Spending Limit (USD) input field
  - Table Diagnostics button
- Purchase Order (Right):**
  - Table Diagnostics button

## 13. The Purchase requisition options

This window configures settings for Purchase Requisition documents in Oracle Purchasing. It defines approval options (e.g., who can approve, modify, and forward requests), security levels, workflows, and spending limits for requisitions. This setup ensures requisitions follow the organization's approval hierarchy and workflows, maintaining control and compliance.

## 14. Purchasing orders

A Purchase Order (PO) in Oracle Purchasing is an official document authorizing the purchase of goods or services from a supplier. It includes key settings for approvals, workflows, and access controls. These configurations ensure POs follow the organization's approval hierarchy, spending limits, and sourcing rules, providing structured and compliant procurement processes.



## 15. Creating PR and approval

In Oracle ERP, creating a Purchase Requisition involves formally requesting goods or services within the organization. It includes details like item description, quantity, delivery date, and cost. The requisition goes through an approval process before being converted into a Purchase Order for the supplier. This process helps streamline procurement and ensure budget control.

"This shows a crucial step in the purchase order (PO) creation process: updating supplier information. Here, we're ensuring we have the most accurate and up-to-date details for our vendor details like Supplier ID, Registry ID, and supplier sites. This information is crucial for efficient procurement and vendor management.

This screenshot shows the Oracle Purchase Order Summary window. At the top, it displays the operating unit (AA\_Operating Unit), created date (09-08-2024 17:13:27), and total amount (200.00). The supplier is listed as 3M Health Care. The main table lists one item: AA\_10001 (Category: MISC.MISC) with a quantity of 10 and a price of 20. The status of the order is "Approved".

This screenshot shows the Oracle Purchase Order Summary to Purchase Orders window. It displays the same basic order information as the previous screen. The main table shows a single shipment line: Item AA\_10001, Quantity 10, Promised Date 10-08-2024 00:00:00, and Need-By Date 11-08-2024 00:00:00. On the right side, the "Receiving Controls" panel is open, showing settings for receipt tolerance (5 days early, 5 days late, warning action), over receipt tolerance (5%, warning action), and miscellaneous options like allow substitute receipts.

## 16. Creating a purchase order

The screen displays information about a specific purchase order, including the order number, supplier, items being purchased, quantities, prices, and total cost. It also shows the status of the order, which in this case is "Approved."

## 17. Adding Shipment Details

The screen displays information about the order, including the order number, supplier, items being shipped, quantities, and due dates. It also shows the status of the shipment process



AA\_Operating Unit  
Sheikh zayed,Giza

Egypt

Supplier: JM Health Care  
16th, Floor, Shuiou Square  
Shanghai, Shanghai  
China

Ship To: Sheikh zayed,Giza  
Egypt

Bill To: Sheikh zayed,Giza  
Egypt

Customer Account No.	Supplier No.	Payment Terms	Freight Terms	FOB	Transportation	Ship Via
877655	5037	30 Net (terms date + 30)				
Customer/Telephone		Requester/Delivery To				
0						

**Notes:** All dates referenced in this document are in GMT2 Africa/Cairo  
All prices and amounts on this order are expressed in USD

Line	Part Number / Description	Delivery Date/Time	Quantity	UOM	Unit Price (USD)	Tax	Amount (USD)
1	AA_10002	Promised: 27-AUG-2024 00:00:00 Needed: 27-AUG-2024 00:00:00	200	Each	15 N		3,000.00
	AA_10002						
This line references Contract Agreement 202440004							
1-1	Ship To:	Use the ship-to address at the top of page 1					
Total: 3,000.00 (USD)							

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Page 1 of 1

## 18. Sample of completed PO

This is a purchase order document. The document displays information about the order, including the order number, supplier, items being purchased, quantities, prices, and total cost.

Home | Document Types | http://apps.example.com:8000/oa\_cgi/fndwrr.exe?temp\_id=791327993 | http://apps.example.com:8000/oa\_cgi/fndwrr.exe?temp\_id=791327993 | Oracle E-Business Suite R12 | - | X

Vision Operations (USA) | Purchase Order and Releases Detail Report | Report Date: 25-OCT-2024 15:26

Report Parameters

Buyer: Ali Emad  
Categories From: To:  
Items From: To:  
Vendors From: To:  
PO Numbers From: 202440006  
To: 202440006  
Sort By:

Vision Operations (USA) | Purchase Order and Releases Detail Report | Report Date: 25-OCT-2024 15:26 | Page: 2 of 2

PO Number: 202440006  
PO Type: Blanket Purchase Agreement  
Release: 1  
Rev: 0  
Vendor: 3M Health Care  
Vendor Site: USA Branch

Buyer: Ali Emad,  
Creation Date: 25-OCT-24  
Printed Date:  
Revised Date:  
Release Date: 25-OCT-24

Acceptance Date:  
Acceptance Required: No  
Currency: USD

Amount Agreed: 50,000.00  
Amount Limit: 50,000.00  
Amount Released: 20,000.00

Line	Line Type	Category	Item	Rev	Item Description	Unit	Price	Limit	
1	Shipment	Location	Due Date	Unit Price	Quantity/Amount Ordered	Quantity/Amount Received	Quantity/Amount Cancelled	Quantity/Amount Due	Quantity/Amount Billed
1 Goods	MISC.MISC	AA_10001	AA_10001	10.00	2,000.00	0.00	0.00	Each 2,000.00	0.00
	1 AA Location	1	29-OCT-24						

## 19. Purchase order and release report

The report displays information about a specific purchase order, including the order number, supplier, items being purchased, quantities, prices, and total cost. It also shows the status of the order and any releases that have been made against the order.

