

ORACLE FINANCIAL SERVICES ACCOUNTING HUB

KEY FEATURES:

A FINANCE TRANSFORMATION SOLUTION

- Integrated, Global Accounting Repository
- Accounting Methods Builder
- Accounting Engine
- Sophisticated Error Handling
- Application Accounting Definitions Loader
- Supporting References
- Accounting Inquiries
- Manual Journal Entries
- Predefined Validations
- Predefined reporting templates
- Integration with XML Publisher

Oracle Financial Services Accounting Hub (FSAH) allows you to efficiently create detailed, auditable, reconcilable accounting from a variety of source systems. It includes a robust transformation engine with extensive validations plus accounting and rules repositories. The transformation engine consistently enforces accounting policy. The repositories provide centralized control, detailed audit trails, and allow you to simultaneously meet diverse corporate, management and reporting requirements. It is part of the Oracle E-Business Suite, an integrated set of applications that are engineered to work together.

Fragmented Accounting Approaches Create Many Problems

Most organizations typically deploy multiple source systems to manage operations. For many of these systems, accounting is not the focus resulting in several problems.

- Difficulty enforcing corporate wide standards.
- Duplicate accounting treatments for each source system.
- Difficulty reconciling accounting with source systems.

Oracles Financial Services Accounting Hub (FSAH) solves these problems with a centralized accounting rules engine and repository. Accounting journals are created with a transparent rules transformation engine, validated, and stored in an auditable format in a single location. Your organization can enhance its reporting, efficiently account for products and services, simultaneously meet diverse and mutually exclusive accounting requirements, and increase internal controls.

Create a Single Source of Accounting Truth

Oracles Financial Services Accounting Hub maintains configurable, detailed information in its accounting repository. For E-Business Suite customers, this accounting repository supports accounting for other Oracle applications in the Oracle E-Business Suite.

A single or group of activities or business events can be accounted one or more times, separately and distinctly using different accounting methods, currencies, calendars, and charts of accounts. When multiple GAAP representations are created they are linked and reconcilable.

Contextual transaction information is stored with journals for reconciliation, and integrated program hooks allow the ability to add drilldowns to transactions from source systems.

Store Analytic Information with Accounting for Reconciliations and Reporting

Transaction and reference information can be stored in the accounting repository and used for reporting or to feed analytic systems. Detailed balances can be created based upon this information.

Use Source System and Reference Information to Create Accounting

Register source system or market information with FSAH and it is available for accounting transformations. For example, register and feed market rate information to the hub, and it can be mapped as analytic information for journal entries used to book mark to market journals.

Efficiently Create Accounting for Multiple, Heterogeneous Source Systems

Oracle Financial Services Accounting Hub provides a flexible rules builder for users to create accounting methods various accounting events once and then deploy them many times for different source systems.

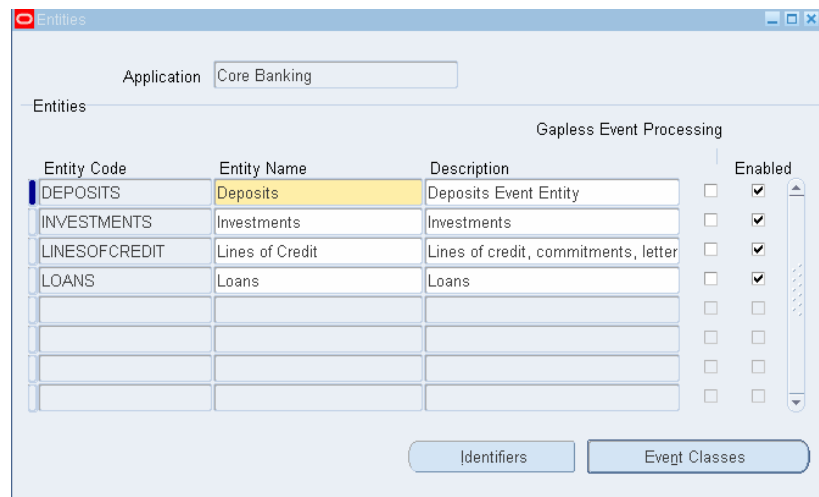


Figure 1: Model Accounting Events into the Financial Services Accounting Hub

Source systems that do preaccounting can pass journals through the hub to validate and store the accounting in the repository for a single, reliable, enterprise wide view. Source systems that do not produce accounting can use the rules builder to map and transform raw data. This data can be used to determine when journal lines should be created, calculate accounting amounts and gains or losses, create journal descriptions, summarize lines and define journal line accounts.

The rules engine anticipates and uses transaction lifecycles. You can account using a transaction flow-based approach, recognizing that the same information can be used to account for related transactions. This facilitates reconciliation, simplifies rules, and reduces the burden on source systems.

The common accounting engine offers flexible scheduling, processing, and event options.

- Create accounting for only a specific type of business event or source system.

- Account for manual adjustments using a web-based user interface.
- Use integration with Fusion Middleware via Business Events to send results back to source systems for reconciliation.

Create Subledger Journal Entry

* Indicates required field

Header

Balance Type	Actual		* GL Date	
* Ledger	<input type="text"/>	<input type="button" value="Q"/>	* Category	<input type="text"/>
Legal Entity	<input type="text"/>	<input type="button" value="Q"/>	* Description	<input type="text"/>
Reference Date	<input type="text"/>	<input type="button" value="Q"/>		

Lines

TIP Select the Default Currency Options button to change the default currency for new subledger journal entry lines.

Details Number	*Account	*Accounting Class	Entered Currency	Entered DR	Entered CR	Accounted DR	Accounted CR	Delete
No results found.								

Accounted Amounts

Select the Calculate Totals to calculate the accounted amounts for all subledger journal entry lines.

Total Accounted Debit: 0	Total Accounted Credit: 0
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Figure 2: Manual Adjustment Feature

Quickly Update Accounting Rules to Meet New Requirements

Changes in accounting regulations or corporate structure are quickly accommodated with effective dating of rules. The dates of inbound events are used to determine how to create accounting. Users can implement the rules in a test system and import them into production. The rules can be segregated so two or more users can simultaneously make updates on the same version. Automatic comparison features allow users to preview the differences between old and new versions of the rules before completing the import.

User Interface for Accountants and Business Analysts

FSAH provides an intuitive, business oriented end user interface. Users can create and update rules without IT intervention. For example, the user interface allows analysts to determine whether a line should be a debit or credit, its description, and how it should be summarized.

Figure 3: User Defined Journal Line.

Rapidly Integrate New Systems

Many organizations need to efficiently integrate new industry-specific systems or recently acquired companies into their existing environment.

Sharing and Reusing Accounting Rules

The rules engine allows users to separately define and reuse setups for each component of a journal entry such as the journal lines, descriptions, and summarization criteria. These setups can be reused to rapidly integrate new source systems into FSAH. Users can quickly create templates, copy and reuse them to meet similar, yet distinct requirements. For example, if several systems are expected to book fee income, cash receipts, or disbursements to the same general ledger account, a single rule can be created and used to account for each of these systems.

Accelerate the Monthly Close

The period close process is one of the most closely watched financial processes. From staying on top of new financial reporting regulations to increasing the efficiency of the current close process, there is always a focus on this key financial process.

Sophisticated Error and Exception Handling

A rapid daily and monthly close requires prompt resolution of accounting errors. FSAH will persistently attempt to create accounting when it encounters errors. Users can quickly isolate, research, and resolve exceptions with business oriented exception management and on-line inquiries.

Error status journals are automatically reprocessed each time the accounting engine executes until they are successfully accounted. Routing and resolution of exceptions can be accelerated using predefined error limits for accounting engine processing.

Integrate Source Systems with Oracle BPEL Process Manager

The Financial Services Accounting Hub is based upon a service-oriented architecture and takes advantage of Oracle's SOA platform and Fusion Middleware. The integration can be used to retrieve or send information between the Financial Services Accounting Hub and the integrated source systems.

Enhance Internal Controls and Auditability

The centralized architecture of Oracle Financial Services Accounting Hub provides a number of enhancements to your internal control structure to ensure successful audit and compliance reviews. Some of the best practices features that are available include the following:

- The name and version of the applied rules is stored with each journal entry in the repository.
- There is central control of rules updates to restrict access to particular rule types by role and by user.
- Active rules can be locked to prevent changes.
- Rules cannot be used until validated.
- On-line inquiries allow users to view journals based upon the version and name of the rules used to generate the accounting.
- Separate security for viewing accounting by role and user.
- Transaction security policies hooks can to limit drilldown to source system information.
- Manual adjustments can be restricted by role and user.

Auditors and compliance officers can use the rules and accounting repositories as a basis for their engagements.

The Financial Services Accounting Hub takes full advantage of Oracle Application Object Library and database security features.

Centralized Rules Repository for Consistent, Enterprise-wide Accounting Policies

The decentralized nature of source systems makes it difficult to establish organization-wide accounting policies. Different divisions and subsidiaries may have inconsistent accounting policies. The centralized, reusable accounting rules repository of the Financial Services Accounting Hub minimizes such inconsistencies and strengthens the internal control structure of your organization.

Transparent, Extensible Validations for Sarbanes-Oxley Compliance

Enforcing consistent accounting validations is difficult in a heterogeneous systems environment. The common accounting engine includes a robust collection of validations and balance and control routines. These validations are fully documented for complete transparency, a key requirement for Section 404 Sarbanes-Oxley compliance.

KEY BENEFITS

ORACLE FINANCIAL SERVICES ACCOUNTING HUB ENABLES YOU TO:

- Meet compliance requirements with single source of accounting truth for all source systems
- Store analytic information with accounting for reconciliations and reporting
- Maximize efficiency with an enterprise accounting rules engine
- Comply with multi-GAAP accounting requirements
- Audit GL balances with journal details
- Accountant and business user interface
- SOA architecture: integrated with BP&L

RELATED PRODUCTS

Some of the products that benefit from Oracle Financial Services Accounting Hub:

- Oracle Receivables
- Oracle Payables
- Oracle Cash Management
- Oracle Assets
- Oracle Purchasing
- Oracle Order Management
- Oracle Inventory Management
- Oracle Projects

RELATED SERVICES

The following services are available from Oracle Support Services:

- Oracle E-Business Suite Accelerators
- Oracle Application Solution Centers
- Oracle University
- Oracle Consulting

Minimize Manual Corrections with Draft Accounting

The draft accounting feature of Oracle Financial Services Accounting hub minimizes error corrections by allowing users to preview their accounting both on-line and in reports reduces adjusting journals. The rules and transaction information can be corrected before accounting is finalized.

Audit trail from general ledger balances to business events

Users can drill from Oracle General Ledger balances to the specific journal lines in the accounting repository that comprise that balance. Embedded bi-directional flows allow users to drill from journal lines either to the supporting business events and the accounting details.

Summary

The core strengths of Oracle Financial Services Accounting Hub – its ability to create a single source of accounting truth for multiple source systems using user-defined, transparent accounting rules – enables you and your organization to complete a finance transformation of the back-office operations to make them efficient and compliant.

Oracle E-Business Suite—The Complete Solution

Oracle E-Business Suite enables companies to efficiently manage customer processes, manufacture products, ship orders, collect payments, and more—all from applications that are built on a unified information architecture. This information architecture provides a single definition of your customers, suppliers, employees, products—all aspects of your business. Whether you implement one module or the entire Suite, Oracle E-Business Suite enables you to share unified information across the enterprise so you can make smarter decisions with better information.

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