Overview

Setting Up Accounting Transformation

Best Practices

Key Things to Know
Oracle Accounting Hub Cloud now delivers a rapid implementation approach to registering source systems.

- Any source system, such as a loans or billings system, with no accounting engine, can now be registered in the Accounting Hub Cloud to create accounting entries with configurable accounting rules.
- Source systems with legacy or limited accounting can use Accounting Hub Cloud for account derivation and as a unified accounting engine repository.

A simplified source system spreadsheet registration process creates the complete registration in one step.
Setting Up Accounting Transformation

How to Set Up Accounting Hub in Cloud
Register a Source System
Verify Uploaded Sources
Define Accounting Rules
Upload Transaction Data
How to Set Up Accounting Hub Cloud.

Create a new subledger application by registering the transaction source system using a spreadsheet. After configuring accounting rules, upload transaction data in a spreadsheet to create accounting entries.

This graph depicts the quick setup checklist for rapid implementation of Accounting Hub Cloud:
Register a Source System

When setting up a new subledger application, you must know the information about transactions in your source system. Determine which attributes you want in the accounted journal entries. These attributes can come from the transaction or the transaction details. For example, this graphic displays a journal entry for a loans system:

**Setup**

Start by downloading the spreadsheet template. Navigate to the Setup and Maintenance work area. You can find this Create Subledger Application Setups in Spreadsheet task under the Register Source System Applications task list.

### Transaction Event: Loan Origination

- **Loan Number:** FR-2016-100
- **Ledger:** In-Fusion America Inc.
- **Description:** FR Loans Approved 6002
- **Accounting Date:** 01-June-2016

<table>
<thead>
<tr>
<th>Type</th>
<th>Account</th>
<th>Description</th>
<th>Currency</th>
<th>Debit</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan Receivables</td>
<td>01.9100010.100</td>
<td>Rate 3.725/5</td>
<td>USD</td>
<td>12,636</td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>01.7000010.000</td>
<td>Mr. Brown Smith</td>
<td>USD</td>
<td>12,636</td>
<td></td>
</tr>
</tbody>
</table>

**Table:**

<table>
<thead>
<tr>
<th>Debit</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>12,636</td>
<td>12,636</td>
</tr>
</tbody>
</table>

### Business Case

- The Retail Loans source system will invoice mortgage transactions.
- Includes mortgage:...
- Default case...
- Valuation risk...
- Transaction details...
- Payment Details...
- Transaction details...
- Payment Details...
- Transaction details...
- Payment Details...
- Transaction details...
- Payment Details...
- Transaction details...
- Payment Details...
- Transaction details...
- Payment Details...

### WATCH

Registering a Source System
Setting Up Accounting Transformation

Complete the spreadsheet: (Register a Source System continued)

1. Enter the source system name

<table>
<thead>
<tr>
<th>Name</th>
<th>Short Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mortgages</td>
<td>MORTGAGE5</td>
</tr>
</tbody>
</table>

2. Enter the transaction types

<table>
<thead>
<tr>
<th>Name</th>
<th>Short Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan Origination</td>
<td>LOAN_ORIGINATION</td>
</tr>
<tr>
<td>Loan Interest Accrual</td>
<td>LOAN_INTEREST_ACCRUAL</td>
</tr>
<tr>
<td>Loan Interest Accrual Reversal</td>
<td>LOAN_INTEREST_ACCRUAL_REVERSAL</td>
</tr>
<tr>
<td>Loan Scheduled Payment</td>
<td>LOAN_SCHEDULED_PAYMENT</td>
</tr>
<tr>
<td>Loan Interest Adjusted</td>
<td>LOAN_INTEREST_ADJUSTED</td>
</tr>
<tr>
<td>Loan Late Payment</td>
<td>LOAN_LATE_PAYMENT</td>
</tr>
<tr>
<td>Loan Charge Off</td>
<td>LOAN_CHARGE_OFF</td>
</tr>
</tbody>
</table>

3. Enter the transaction header information

<table>
<thead>
<tr>
<th>Name</th>
<th>Short Name</th>
<th>Journal Display?</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transaction Date</td>
<td>TRANSACTION_DATE</td>
<td>Date</td>
<td></td>
</tr>
<tr>
<td>Transaction Number</td>
<td>TRANSACTION_NUMBER</td>
<td>Text</td>
<td></td>
</tr>
<tr>
<td>Ledger Name</td>
<td>LEDGER_NAME</td>
<td></td>
<td>Text</td>
</tr>
<tr>
<td>Loan Scheduled Payment Date</td>
<td>LOAN_SCHEDULED_PAYMENT</td>
<td>Date</td>
<td>No</td>
</tr>
<tr>
<td>Loan Maturity Date</td>
<td>LOAN_MATURITY_DATE</td>
<td>Date</td>
<td>No</td>
</tr>
<tr>
<td>Loan Type</td>
<td>LOAN_TYPE</td>
<td>Text</td>
<td>Yes</td>
</tr>
<tr>
<td>Loan Origination Date</td>
<td>LOAN_ORIGINATION_DATE</td>
<td>Date</td>
<td>No</td>
</tr>
<tr>
<td>Mortgage Owner</td>
<td>MORTGAGE_OWNER</td>
<td>Text</td>
<td>Yes</td>
</tr>
<tr>
<td>Customer Number</td>
<td>CUSTOMER_NUMBER</td>
<td>Number</td>
<td>Yes</td>
</tr>
<tr>
<td>Loan Number</td>
<td>LOAN_NUMBER</td>
<td>Number</td>
<td>No</td>
</tr>
<tr>
<td>Loan Officer</td>
<td>LOAN_OFFICER</td>
<td>Text</td>
<td>No</td>
</tr>
<tr>
<td>Reference Type</td>
<td>REFERENCE_TYPE</td>
<td>Text</td>
<td>No</td>
</tr>
</tbody>
</table>

4. Enter the line information for the transaction

<table>
<thead>
<tr>
<th>Name</th>
<th>Short Name</th>
<th>Type</th>
<th>Chart of Accounts Value?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transaction Number</td>
<td>TRANSACTION_NUMBER</td>
<td>Text</td>
<td></td>
</tr>
<tr>
<td>Default Amount</td>
<td>DEFAULT_AMOUNT</td>
<td>Number</td>
<td></td>
</tr>
<tr>
<td>Default Currency</td>
<td>DEFAULT_CURRENCY</td>
<td>Text</td>
<td></td>
</tr>
<tr>
<td>Loan Rate</td>
<td>LOAN_RATE</td>
<td>Number</td>
<td></td>
</tr>
<tr>
<td>Cost Center</td>
<td>COST.CENTER</td>
<td>Text</td>
<td></td>
</tr>
</tbody>
</table>

5. Validate and generate a .zip file

6. Upload the .zip file
Verify Uploaded Sources*

Next, verify the uploaded source system information:

- Review the subledger application
- Review the available sources
- Review the sources used in the accounting attributes and update if required

* Displayed in the Registering a Source System video
Configure Accounting Rules

Configure accounting rules according to your business requirements. First, you need to have a visual layout of the different types of journal entries that result from accounting.

- What is the business transaction event that triggers this journal entry? For example, when a loan is originated, it needs to be accounted. This determines the type of the accounting lines to be created.
- What accounts are used for booking the amounts?
- What are the description text and other supporting references to be assigned to each journal line for identification purpose?

**Example: Loan Origination**

- **Ledger:** In-Fusion America Inc.
- **Description:** FR Loans Approved 6002
- **Accounting Date:** 01-June-2016

<table>
<thead>
<tr>
<th>Type</th>
<th>Account</th>
<th>Description</th>
<th>Currency</th>
<th>Debit</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan Receivables</td>
<td>01.91000010.100</td>
<td>Fixed Rate</td>
<td>USD</td>
<td>12,636</td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>01.70000010.000</td>
<td>Rate 3.725/5</td>
<td>USD</td>
<td></td>
<td>12,636</td>
</tr>
</tbody>
</table>

**Journal Entry Rule Set**

**Description Rule**

**Account Rule**

**Journal Line Rule**

**Overview Setting Up Accounting Transformation Key Things to Know Best Practices**
Upload Transaction Data

Upload the transaction data used for creating accounting entries from the spreadsheet.

- Download Transaction Template
- Extract the File
- Header
- Populate Header and Line Transaction CSV Files
- Rezip Metadata, Header & Line Files
- Upload to Content Management
- Create Accounting Entries
How to Verify Accounted Entries (Upload Transaction Data continued)
Verify the accounting result and related information by performing queries with specified criteria.

How to View Transaction Linked to Journal Entry
View the corresponding transaction used in the accounting:
Best Practices

Implementing Oracle Accounting Hub Cloud
Import Accounting Transactions
Maintain Auditable Accounting Rules
Actionable Insights and Reporting
Analytics and Operational Metrics

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Implementing Oracle Accounting Hub Cloud

The subledger source system, with its accounting rules, is one of the important organizational assets owned by any enterprise. It is beneficial for an enterprise to have good policies and procedures to maintain internal financial control, accounting, and reporting for day-to-day operations.

Manage the implementation project with the project-centric view user interface in the Setup and Maintenance work area. Start the implementation for Accounting Hub Cloud by creating an implementation project in the Setup and Maintenance work area.

Select and add the following predefined task lists:

- Define Accounting Entry Configuration for Rapid Implementation
- Define Financial Reporting Structures
- Define Ledgers
- Define Enterprise Structures Configuration for Rapid Implementation

The Define Accounting Entry Configuration for Rapid Implementation task list includes all of the tasks required to complete the accounting rule configuration with a rapid implementation approach.
Planning and Modeling Subledgers

Accounting Hub Cloud offers the flexibility to plan and model subledger applications for managing transaction data file upload. For example:

- A banking source system that is comprised of multiple product lines can be registered with distinct number of subledgers equal to the number of product lines, or it can minimize the number of registered source systems by logically grouping the product lines.

- A financials source system with a global business operation in the US and UK can optionally be registered as one subledger.

Source systems are modeled as separate subledger applications when:

- The transaction sources are mapped to different source systems.
- There is a need to have a separate control over the accounting and other business operation decisions for a specific source system.
Import Accounting Transactions

Transactions from source systems are imported into Accounting Hub Cloud to create accounting. Exceptions and error reports obtained from the import process must be reviewed and resolved whenever possible.

Accounting Hub Cloud provides the predefined process to import accounting transactions as described in Option 1. Option 2 displays the automated import process that is explained in the next section.
Best Practices

Automated Processing Options

There are automated processing options available to bring the transaction data files from the registered source systems into the ERP Cloud. This includes data from other external sources, such as other custom applications, transaction systems, or legacy ERP. Optionally, data transformation processing may be required for data sourced from PaaS or other external files.

- Transaction data in CSV files are brought to the Universal Content Management (UCM) in the ERP Cloud with one of the three available options.
- Subsequently, the Create Accounting process is called, resulting in the creation of journal entries.

References:

- Oracle Fusion Middleware Developer’s Guide for Content Server: Using Oracle UCM Web Services
- Oracle Integration Cloud Service
Best Practices

Maintain Auditable Accounting Rules

Comply with the accepted auditing standards and minimize operational risks with auditable accounting rules.

Before and after updating accounting rules:

- Submit the Subledger Accounting Method Setups report to obtain the listing of accounting rule setup by ledger.
- Audit and verify the accounting rules configuration.

After updating accounting rules, always validate the changes on the rule set assignments.
Best Practices

Actionable Insights and Reporting

**Accounting Process Reports:**

It starts with the Create Accounting process that records financial transactions. When this process is completed, the corresponding Subledger Accounting Execution report is available for review. This report displays the subledger journal entries resulting from the accounting process. It also reports any exceptions resulting from the accounting process. There are also other predefined subledger reports that display subledger journal entries by accounts and periods.

When you are ready to close the period, it’s a good practice to run the Subledger Period Close Exceptions Report to identify unaccounted accounting events, draft, and untransferred final journal entries. Verify the exceptions and communicate to take actions for a successful financial close process. Additionally, get the visibility into the period close statuses and corresponding exceptions for each subledger from the General Accounting Period Close Dashboard.

**Reconciliation with Source Systems:**

Audit and verify the completeness and accuracy of the accounted journal entries in the Accounting Hub Cloud. It is a common business practice to reconcile the entries with source systems that maintain the balances.

You can configure supporting references to assist with reconciliation of account balances. For example, if a Loans subledger is configured to track a specific transaction attribute with supporting references, you can perform reconciliation between the Loans subledger journal entries with the corresponding attribute in the source system at the period end.
Best Practices

Analytics and Operational Metrics

Collect the analytical and operational metrics, and analyze the captured transactional data to measure the performance of the specified business category, such as product lines or customer categories.

For example, configure a supporting reference with balances to tag loan product types. You can use this supporting reference in the loan receivable journal line to track its outstanding loan receivable balances.
Audit and History of Source Transaction:

View the captured data and facts on the subledger application to help your business decision making.

Configure supporting references that do not maintain balances or journal line descriptions to tag journal entries with transaction attributes. Then, use the tag to report on entries, reconcile the entries back to source systems for the same transaction attribute. For example, configure a supporting reference or journal line description to capture the loans details information, such as loan type, rate, and terms. You can use this supporting reference or journal line description in the interest income journal line. When querying or viewing journal entries associated with the interest income journal line, this detail information is tagged along with the line.
Key Things to Know

Key Things to Know for Implementor

Key Things to Know for Users

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Key Things to Know
Quick tips to help in the implementation and maintenance of Accounting Hub Cloud: Flexible configuration options for implementors are listed below:

The strategy to use Accounting Hub Reporting from the existing E-business suite on premise configuration.

- Minimal additional setups are required to move the balances and re-post to the Oracle general ledger. This is explained in [Support Note Doc ID 2034564.1](#).

The ability to export accounted journal entries.

- For a source system that is registered in Accounting Hub Cloud, you can export the accounted entries to any general ledger in Fusion GL, EBS GL, or PeopleSoft GL formats.

The ability to automatically upload transaction files into UCM from an external system.

You can set up your external source system to automatically upload or download files in UCM. Of the three options, the first two options are recommended, as they are easier to use and can handle larger files.

Options:

- **Oracle WebCenter Content Client Command line tool** is a command line tool that transfers files from an external system into UCM.
  
  - You must provide basic information, such as URL, the UCM username and password, the name of the file to transfer, and the UCM account to transfer it into.
  
  - Additional documentation is available in the Oracle Fusion Applications Common Implementation Guide, External Integration section.

- **Oracle UCM Web Services** is a web service that can be called directly to upload an attached file to UCM, using the same code as the Oracle WebCenter Content Client Command line tool.
Examples of java code and libraries are available for download.

You must modify them with basic information, such as URL, the UCM username and password, the name of the file to transfer, and the UCM account to transfer it into.


Customers should use the GenericSoapService. Note that the documentation for GenericSoapService indicates it does not use MTOM and thus cannot handle larger files, but this is no longer true.

ERP Integration Service is a web service that can be called directly to upload an attached file to UCM. This is documented through the Oracle Financial Cloud documentation. You must write or generate code to call the web service yourself.

The ability to automatically submit the Import Oracle Fusion Subledger Accounting Transactions process.

Use the ERP Integration Service to automatically submit the Import Oracle Fusion Subledger Accounting Transactions process. This is documented through the Oracle Financial Cloud documentation.

The job package name is /oracle/apps/ess/financials/subledgerAccounting/shared.

The job name is XLATXNIMPORT.

Three parameters are used:

- Document ID (as returned by UCM)
- File name
- Null value
The list of the mandatory sources that cannot be updated.

Header Level:
- Transaction Date
- Transaction Number
- Ledger Name

Line Level:
- Transaction Number
- Default Amount
- Default Currency

The maximum length of characters allowed for each source system.

- Transaction Name: 25 characters
- Transaction Type Name: 30 characters
- Source Name: 80 characters

The ability to arrange transaction sources in a different order than the current order in the template.

As long as you change the order of the source names in the heading to match, you can freely change the order of the sources in the template. You can remove any source that is not a mandatory source.

The ability to override the uploaded source system information.

You can re-upload the spreadsheet template for the same source system if you have not created any accounting rules for the uploaded source system.
Tips to enable the button to validate setup information in the Excel spreadsheet.

Enable the macro in Excel.

From Excel, click “Office Home” button -> “Excel Options” -> “Trust Center” -> “Trust Center Settings” -> “Macro Settings.”

Select to ‘enable all macros’ and ‘Trust access to VBA project object model’.

How to build account combination values in the transaction data file.

To build an account combination, you can use the following within your account rules:

- Use mapping sets to derive segment values and / or entire account combinations
- Use the predefined sources Default Suspense Account and Entered Currency Balancing Account to default your entire account combination or individual segments. These sources are based upon the default suspense account and the entered currency balancing account specified for your ledger.
- Define and use Accounting Hub Cloud segment sources. Note that this will only work if no secondary ledger that requires a chart of accounts mapping is set up.

Which document account and security group to use when uploading the Accounting Hub Cloud data into UCM.

Use a document account of fin$/fusionAccountingHub$/import$.

Use a security group of FAFusionImportExport.

Assign the Accounting Hub Integration duty role to the job role for the user who runs the process to import subledger accounting transactions.
Quick helps for users are listed below:

**What is the best practice for naming the transaction upload file?**

The name of the file must begin with ‘XlaTransaction’. The files to have a unique name that includes a date and time stamp as well as the subledger source. For example, XlaTransactionLoanMortgage12_01_16.

**Where can I review the accounted journal entry?**

- **Reports:**
  - Create Accounting Execution Report
  - Journal Entries Report
  - Account Analysis Report

- **User Interface:**
  - Create Accounting Execution Report

Perform inquiry from subledger review journal entries user interface.

**What is the quickest way to search for the accounted Accounting Hub Cloud journal entries?**

Look for journals with a journal source name of the name you entered for Source System Transaction.

**Enter transaction data with multi-byte languages, for example, Chinese and Japanese.**

Extract the CSV files from your XlaTransactionUploadTemplate.zip file and open them using WordPad. If question marks are shown instead of the foreign language, then the issue is in the data file.

If you enter transaction date with a multi-byte language in Excel, use the following workaround to make sure data is encoded appropriately.
Key Things to Know for Users

- Enter data in Excel
- Save as Unicode Text (*.txt) on your desktop
- Edit the txt file, replace tab with comma and save
- Rename the .txt file to .csv

Open the header and line transaction CSV file with Excel.

When using the Excel spreadsheet to open the CSV data file, ensure the local date format is the same as the format noted in the metadata file:

- Change the Short date format to be the same as the format noted in the metadata file in the Region and Language window of the control panel

Populate the value with the date format as noted in the metadata file.

What is the source value for the Conversion Type accounting attribute?

Select the conversion type you want to convert from the transaction currency to the ledger currency. Use the conversion type as displayed in the user interface. Do not use a code or ID.

If accounting fails, trouble shoot the accounting process:

1. Enable diagnostics:
   - Turn on the profile option ‘Diagnostics Enabled’ for the user who will perform Step
2. Submit the Create Accounting process in Draft mode with the same user as Step 1.
4. Submit the Accounting Event Diagnostic Report with the Display accounting attribute parameter set to Yes.

Use the report outputs from the above processes to analyze the setup and transactional data to determine what may have caused the issue.