How to create a PO receipt in Oracle EBS

This guide shows you how to create a PO receipt in Oracle EBS from start to finish. You set up an item (a laptop in this example), create and approve a standard purchase order, receive the goods against that order, and confirm the on-hand quantity in Inventory.

Prerequisites

Before you begin, make sure you have the following:

- Access to the Inventory, Vision Operations (USA) responsibility.
- Access to the Purchasing, Vision Operations (USA) responsibility.
- An organization where you can create or check the item, such as B1 Northwest Electronic Supply or V1 Vision Operations.
- A supplier for the order. This example uses 3M Health Care.

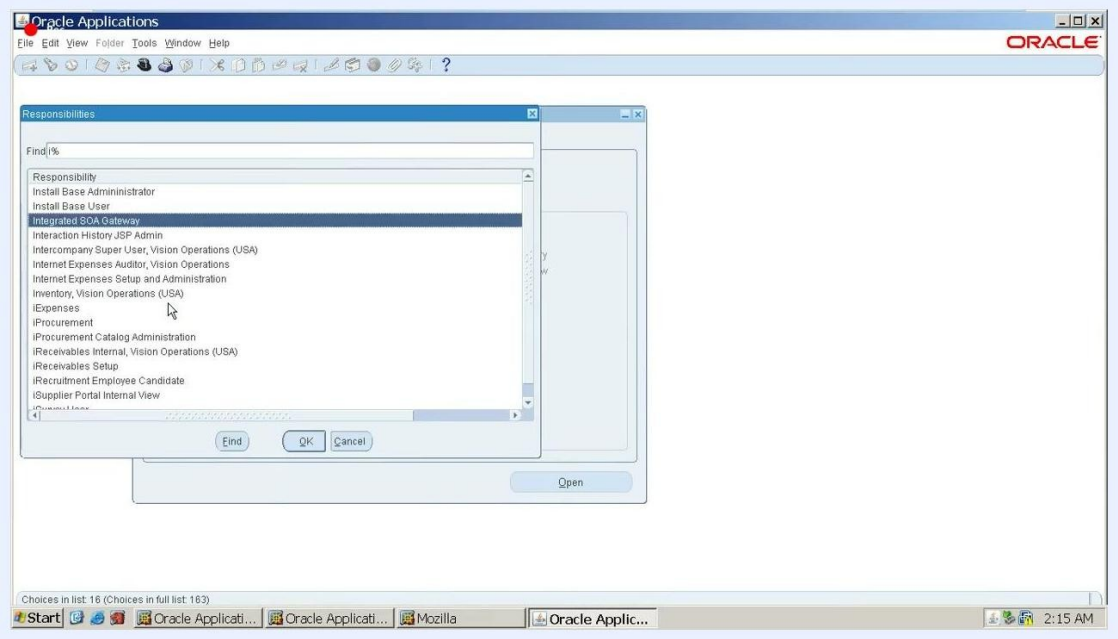
Set up the item in Inventory

You need an item that is enabled for inventory, purchasing, and receiving before you can receive it against a purchase order.

1. Select the Inventory responsibility

1. Open Oracle Applications.

2. In the main Navigator window, locate your available functions and responsibilities and make sure you can access inventory-related responsibilities.



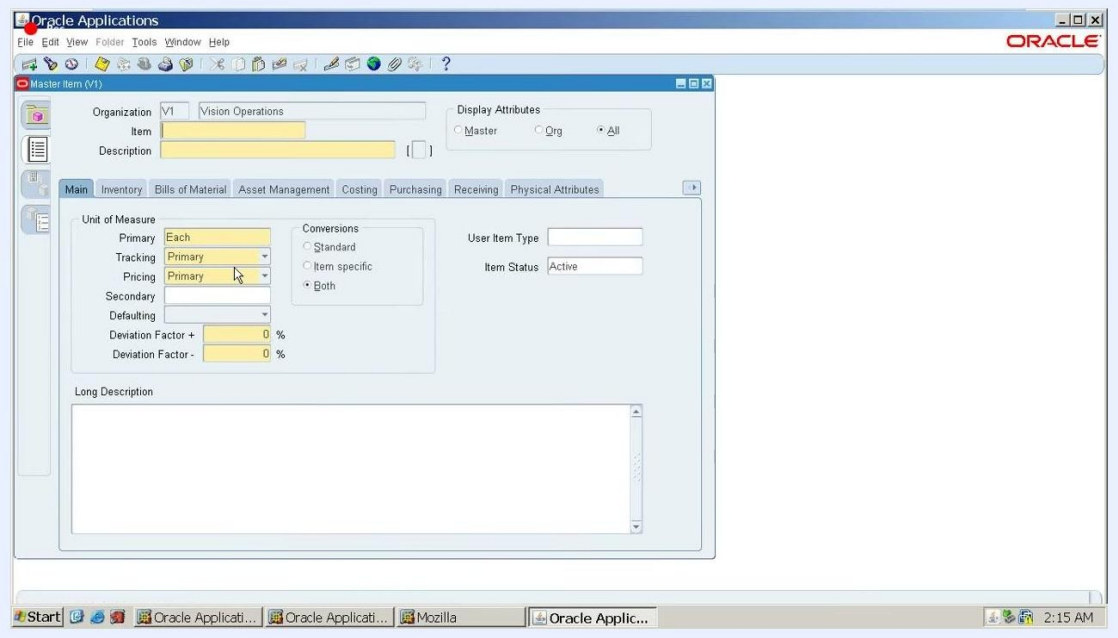
Oracle Applications Navigator window listing available functions and responsibilities, with a Top Ten List on the right

3. In the Responsibilities dialog, scroll through the list and select Inventory, Vision Operations (USA).
4. Click **OK**.

2. Choose the organization

1. In the Organizations dialog, select the organization where you want to create or check the item. For example, select B1 Northwest Electronic Supply or another relevant organization.

2. Click **OK**.

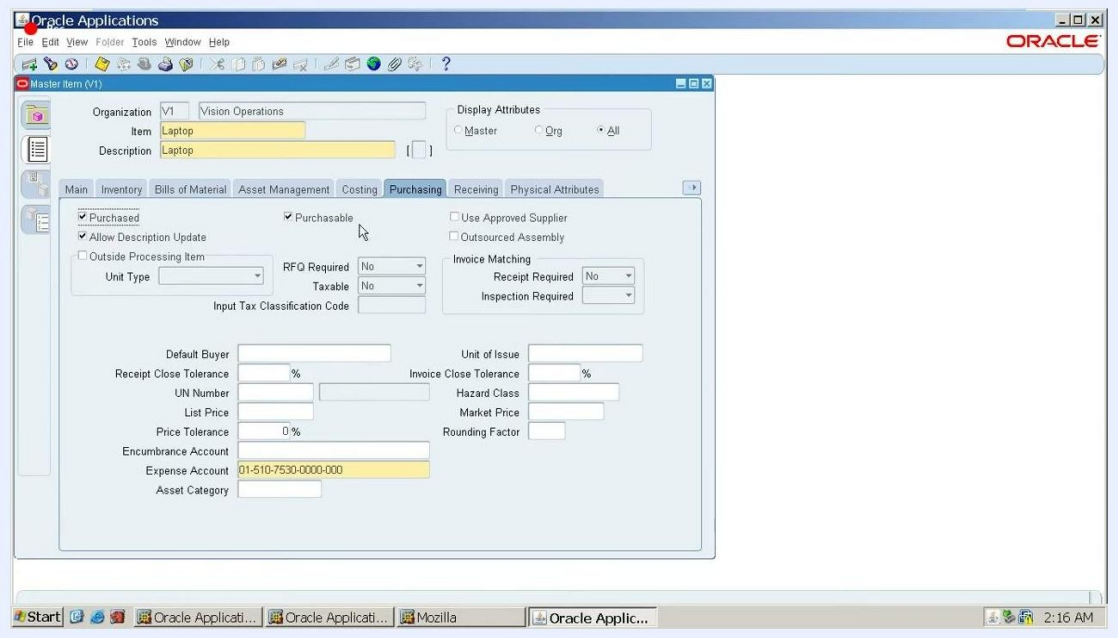


Organizations dialog with B1 Northwest Electronic Supply highlighted in the list of organization codes and names

3. Open the Item Master and enter item details

1. Open the Item Master form.
2. In the **Organization** field, confirm your selected organization is displayed (for example, V1 Vision Operations).
3. In the **Item** field, enter Laptop.
4. Optionally, enter a description such as Laptop.
5. Set the **Unit of Measure** fields as needed. In this example, Primary is Each, Tracking is Primary, and Pricing is Primary.

6. Make sure **Item Status** is Active.



Master Item form with Organization V1 Vision Operations, Item Laptop, Description Laptop, and Unit of Measure set to Each, Primary, Primary

4. Configure the Inventory tab

1. Open the **Inventory** tab.
2. Select the **Inventory Item** checkbox to enable the item for inventory transactions.

This setting automatically enables the item as Stockable and Transactable.

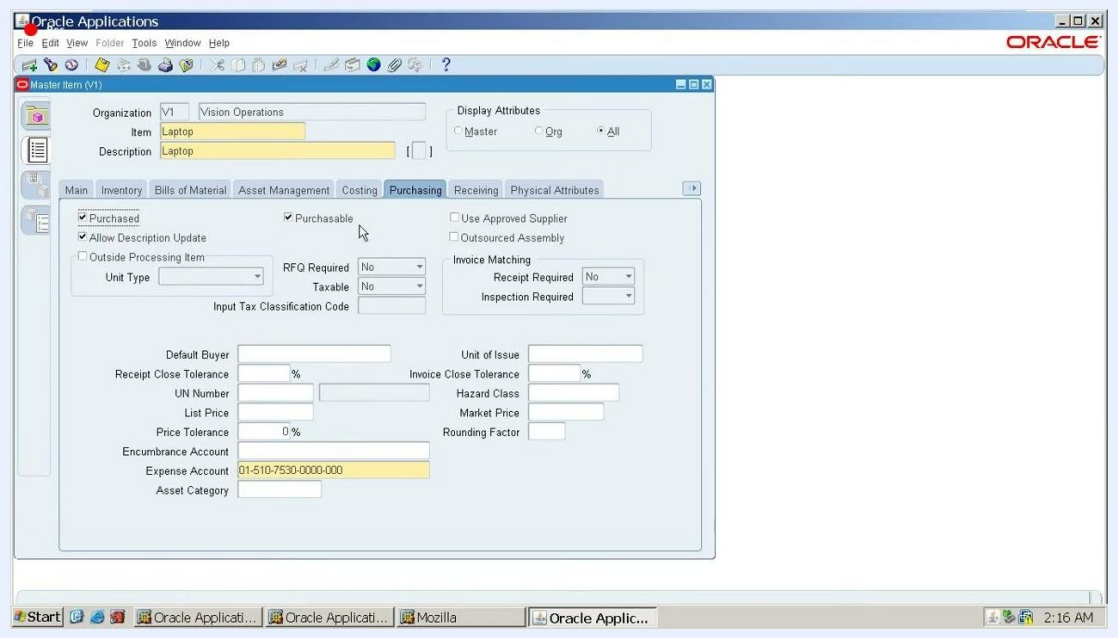
5. Check costing information

1. Open the **Costing** tab.
2. Verify that the code combination for **Cost of Goods Sold** is available and correct.

6. Enable purchasing options

1. Open the **Purchasing** tab.
2. Select the **Purchased** and **Purchasable** checkboxes so the item can be purchased.

3. Optionally, fill in other purchasing fields, such as Default Buyer and Expense Account.

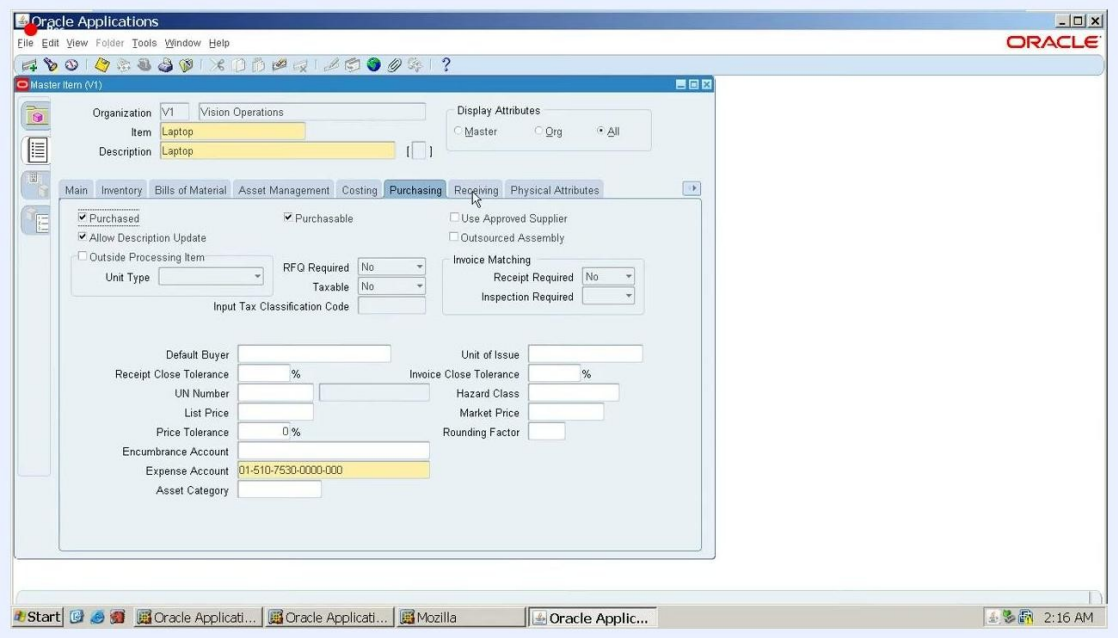


Purchasing tab with Purchased and Purchasable checked, and fields for Default Buyer and Expense Account visible

7. Configure receiving options

1. Open the **Receiving** tab.
2. Set options such as **Allow Substitute Receipts** (set it to Yes if substitutes are allowed).
3. Set other fields, such as **Allow Unordered Receipts**, **Allow Express Transactions**, and receipt routing, as needed.

These settings are optional. You can also configure them in the global Receiving Options or Purchasing Options.

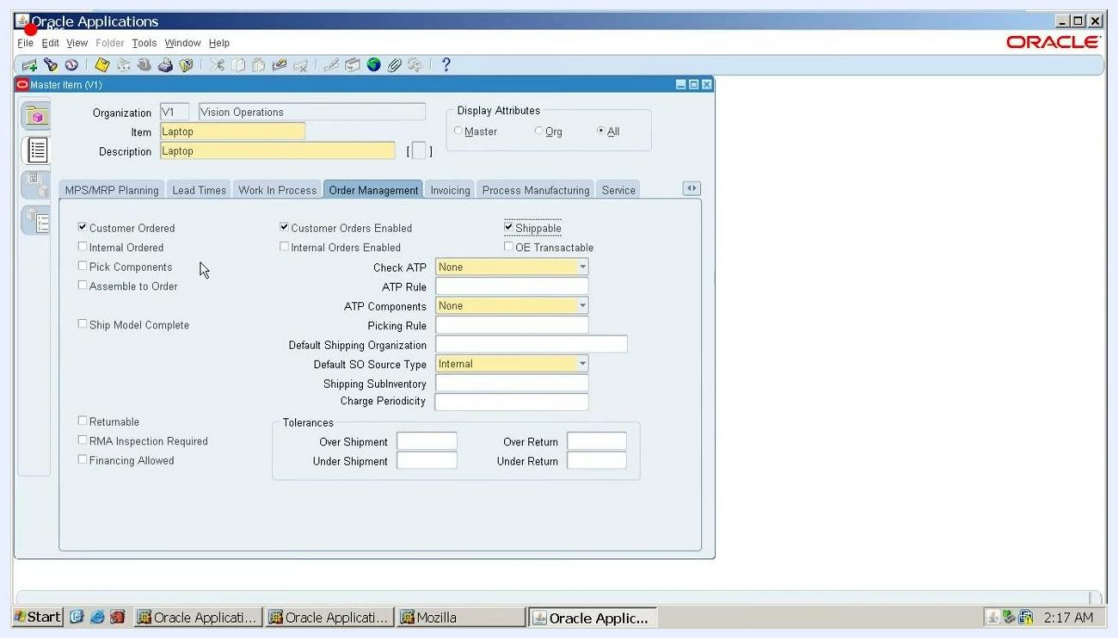


Receiving tab with Allow Substitute Receipts set to Yes and other receiving controls visible

8. Enable Order Management and Invoicing

1. Click the right arrow, or use the dropdown menu, to move to the next set of tabs.
2. Open the **Order Management** tab.
3. Select **Customer Ordered** and **Customer Orders Enabled** so the item can be included in customer sales orders.
4. Select **Shippable** to make the item available for shipping.
5. Open the **Invoicing** tab.

6. Make sure the item is set as Invoicable and that **Invoice Enabled** is selected.

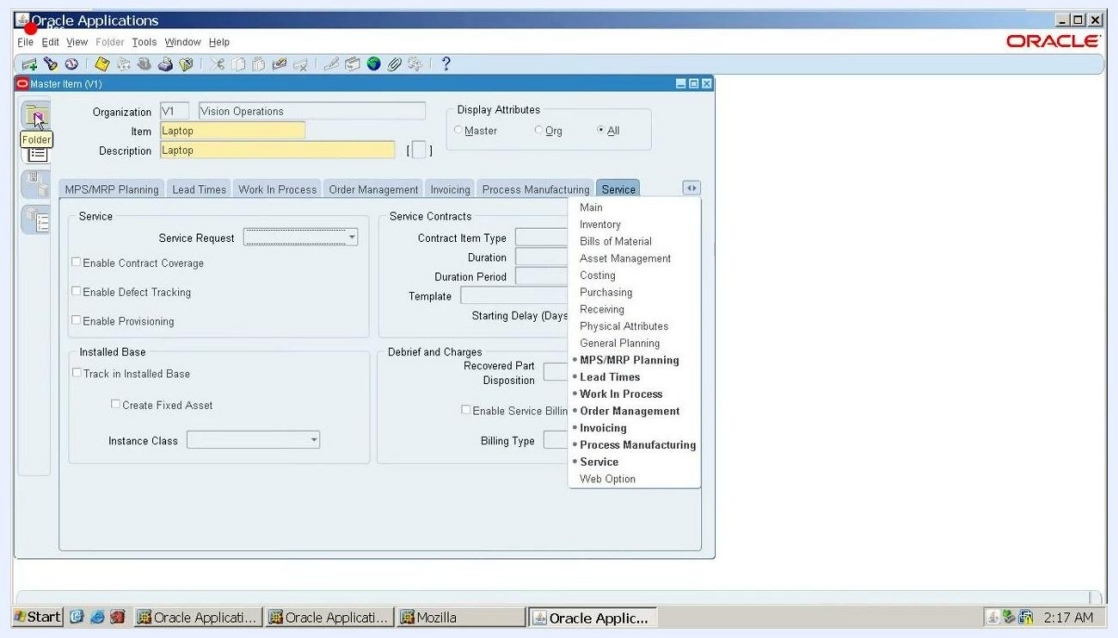


Order Management tab with Customer Ordered, Customer Orders Enabled, and Shippable checked, plus ATP, Picking Rule, and shipping fields visible

9. Save the item attributes

1. Click the **Save** icon (diskette) to save your changes.

2. Make sure all required fields are filled and the item status is Active.

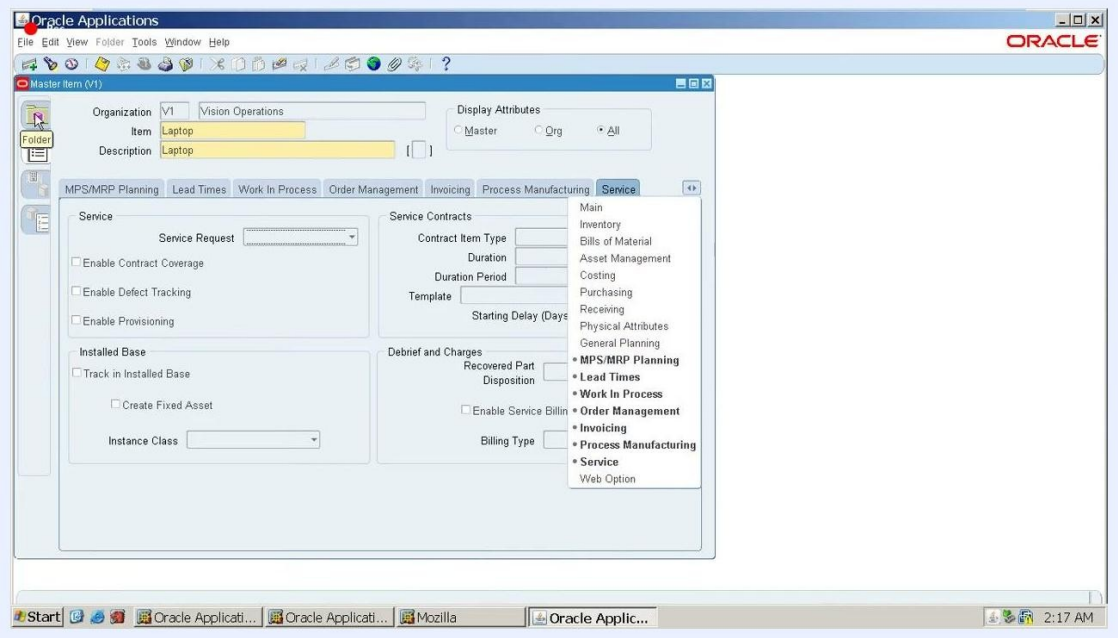


Item form with the Save icon highlighted and the tab navigation dropdown visible

10. Assign the item to an organization

1. After saving, click **Assign to Organization**.
2. In the assignment window, confirm your item (for example, Laptop) is listed.
3. Select the organization or organizations where the item should be available, such as V1 Vision Operations.

4. Click **Assign To Org...**.



Assign to Organization window showing item Laptop and organization V1 Vision Operations, with the Assign To Org button highlighted

11. Close the Item Master forms

Close the Item Master and Organization Item forms. You return to the main Oracle Applications Navigator.

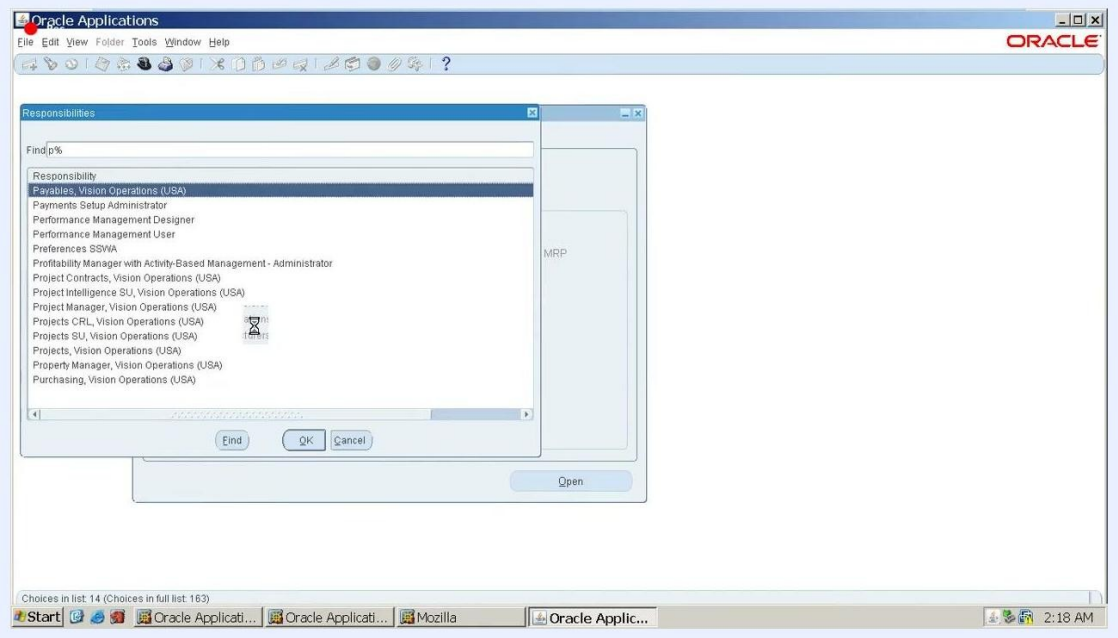
Create and approve the purchase order

A PO receipt requires an approved purchase order, so create one for the new item first.

12. Switch to the Purchasing responsibility

1. In the Responsibilities dialog, scroll to Purchasing, Vision Operations (USA) and select it.

2. Click **OK**.

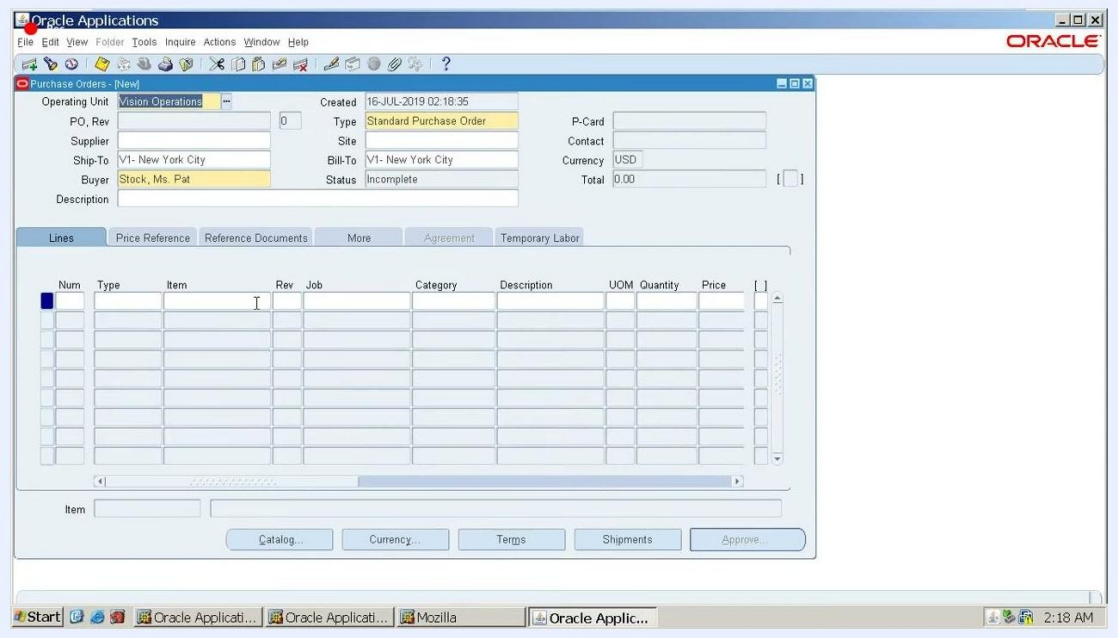


Responsibilities dialog with Purchasing, Vision Operations (USA) visible among the options

13. Open a new purchase order

1. Open the Purchase Orders form.
2. Set **Operating Unit** to Vision Operations.
3. Set **Type** to Standard Purchase Order.
4. Enter the **Buyer** (for example, Stock, Ms. Pat).
5. Set the **Ship-To** and **Bill-To** locations (for example, V1 - New York City).

The **Status** remains Incomplete until you enter all details.



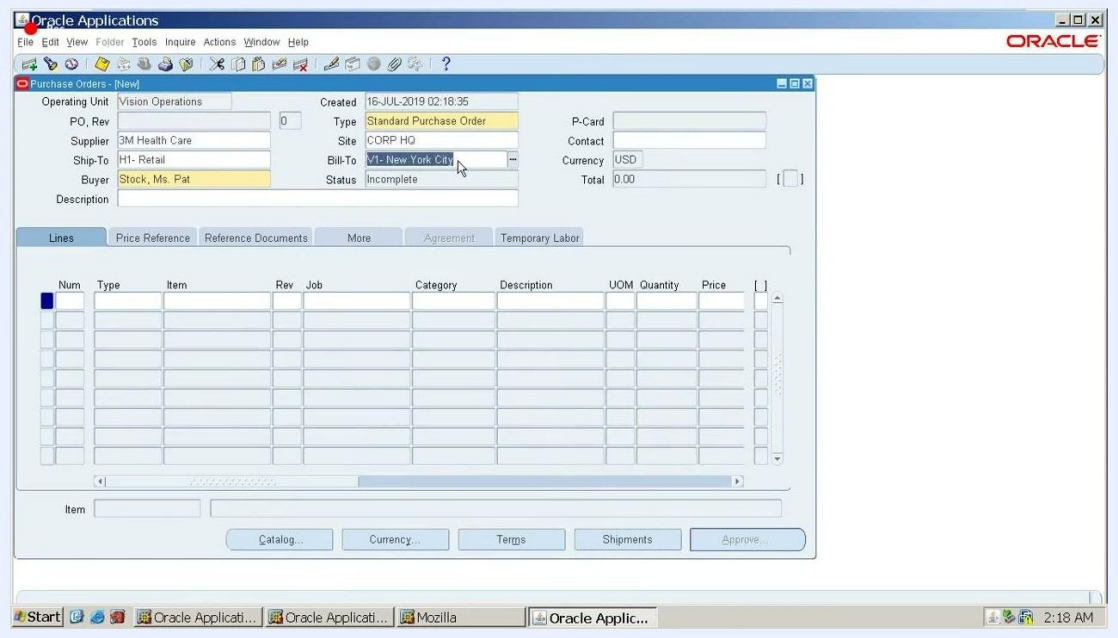
Purchase Orders form with Vision Operations as Operating Unit, Standard Purchase Order as Type, Stock, Ms. Pat as Buyer, and the lines section ready for entry

14. Select the supplier, ship-to, and bill-to locations

In the **Purchase Orders** form, make sure these fields are filled:

- **Supplier:** 3M Health Care
- **Ship-To:** V1 - New York City
- **Bill-To:** V1 - New York City. Ship-To and Bill-To don't have to match, but they are the same in this example.
- **Buyer:** Stock, Ms. Pat
- **Type:** Standard Purchase Order

- **Status:** Incomplete until all required fields are entered



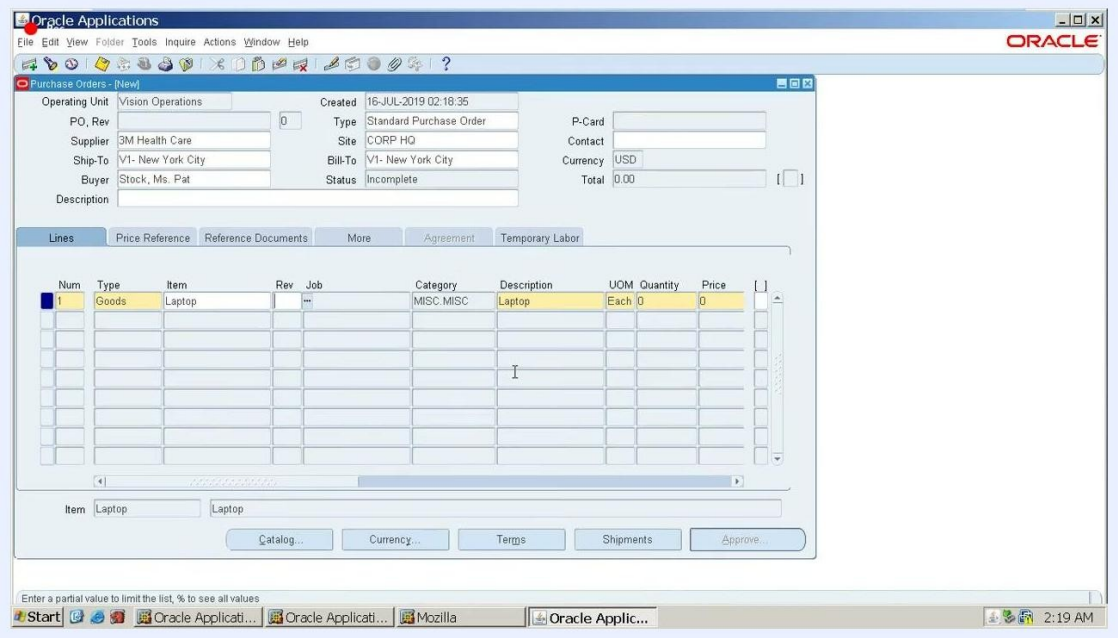
Purchase Orders form with Supplier 3M Health Care, Ship-To and Bill-To V1 - New York City, Buyer Stock, Ms. Pat, and Type Standard Purchase Order

15. Enter the purchase order line details

In the **Lines** section, enter the following:

- **Type:** Goods
- **Item:** Laptop (you can select it from the list)
- **Category:** MISC.MISC
- **Description:** Laptop
- **UOM:** Each
- **Quantity:** 1

- **Price:** 10000

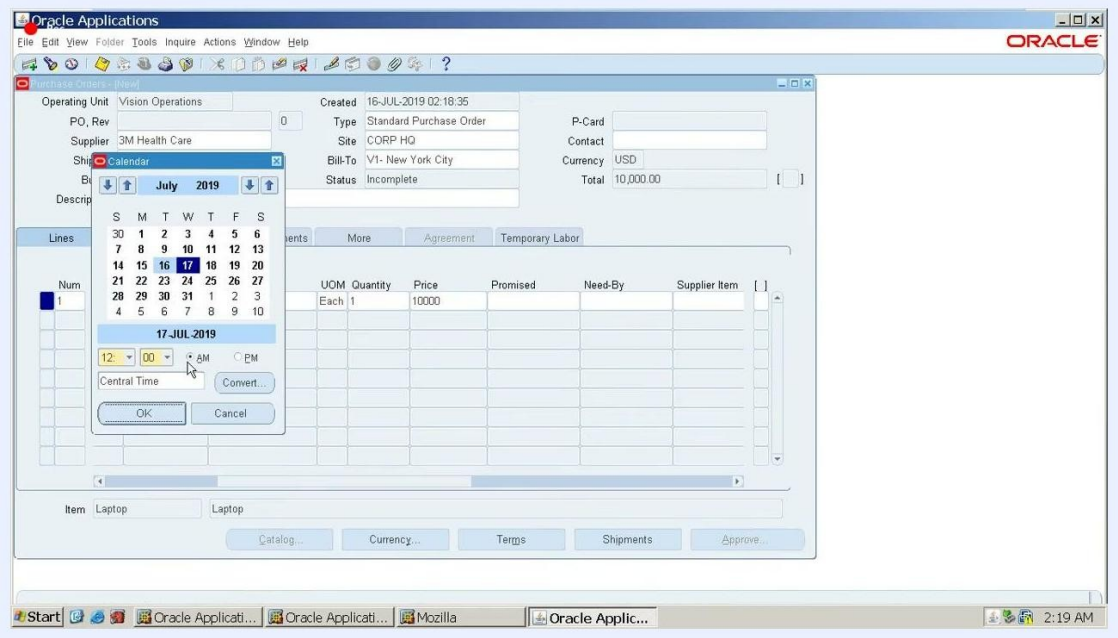


Purchase order line with Item Laptop, Category MISC.MISC, Description Laptop, UOM Each, Quantity 1, and Price 10000

16. Set the need-by date

1. In the **Need-By** field, click the calendar icon to open the date picker.
2. Choose the delivery date, for example 17-JUL-2019.
3. Set the time if required, for example 12:00 AM.

4. Click **OK**.



Calendar popup for the Need-By date showing July 17, 2019 and the time 12:00 AM

17. Set the match approval level and receipt routing

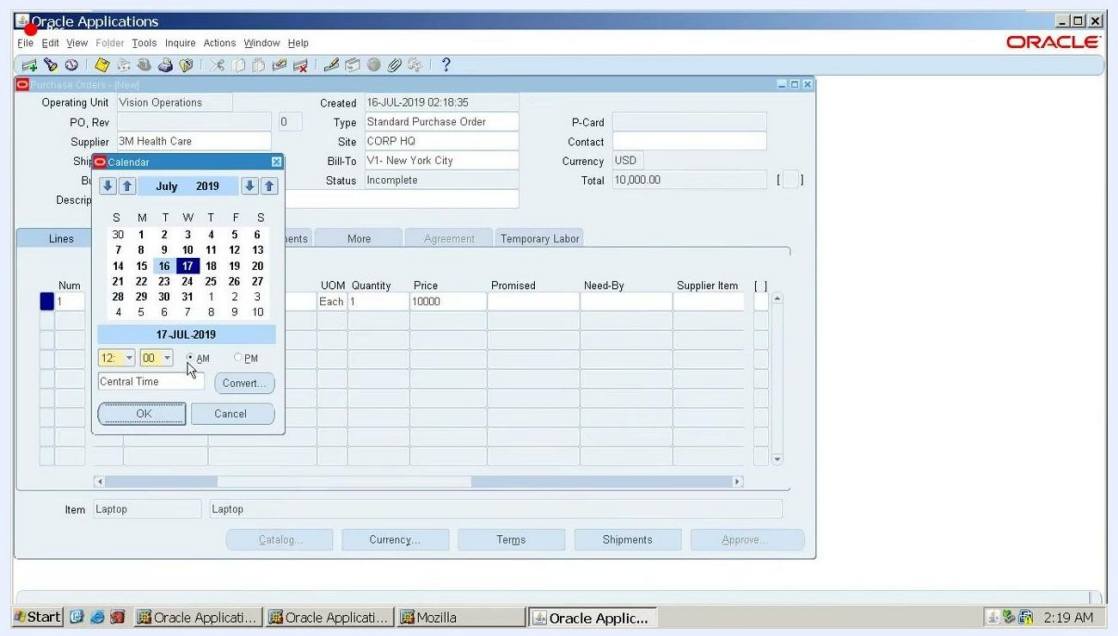
You must set the receipt routing correctly, or you can't create a receipt for this PO line.

1. Click the **Shipments** button at the bottom of the Purchase Orders form.
2. Review or enter any shipment-specific details you need.
3. Click the **More** button to access additional shipment options.
4. Change **Match Approval Level** to 3-Way, which requires matching of the PO, receipt, and invoice.
5. Set **Receipt Routing** to Standard, which enables receipt creation for this PO line.

18. Review the distribution details

1. Click the **Distributions** button.
2. Confirm the **Requesting Org** (for example, V1).
3. Make sure **Ship-To** is V1 - New York City.
4. Review or enter the PO account descriptions and destination account descriptions as required.

5. Confirm the **Line Num** and **Item** match the PO line (Line Num 1, Item Laptop).



Distributions window showing Line Num 1, Item Laptop, Org V1, Ship-To V1 - New York City, and account description fields

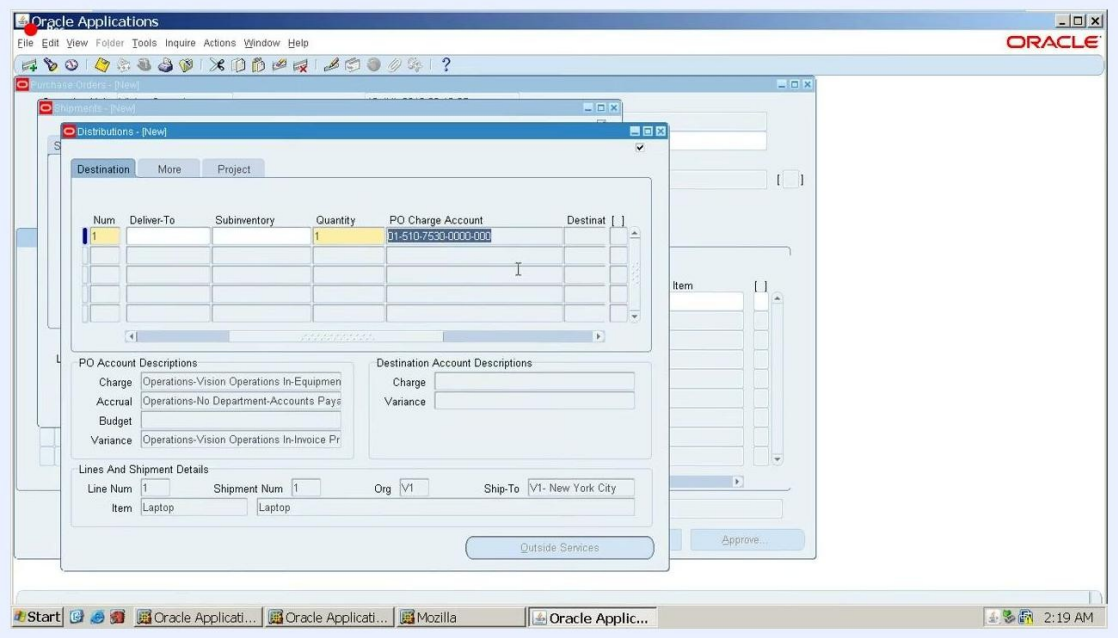
19. Set the PO charge account

1. In the **Distributions** window, review the fields: Num, Deliver-To, Subinventory, Quantity, PO Charge Account, and Destination.
2. Click the **PO Charge Account** field and enter 01-510-7530-0000-000.
3. Save your changes.

The PO Account Descriptions section then shows:

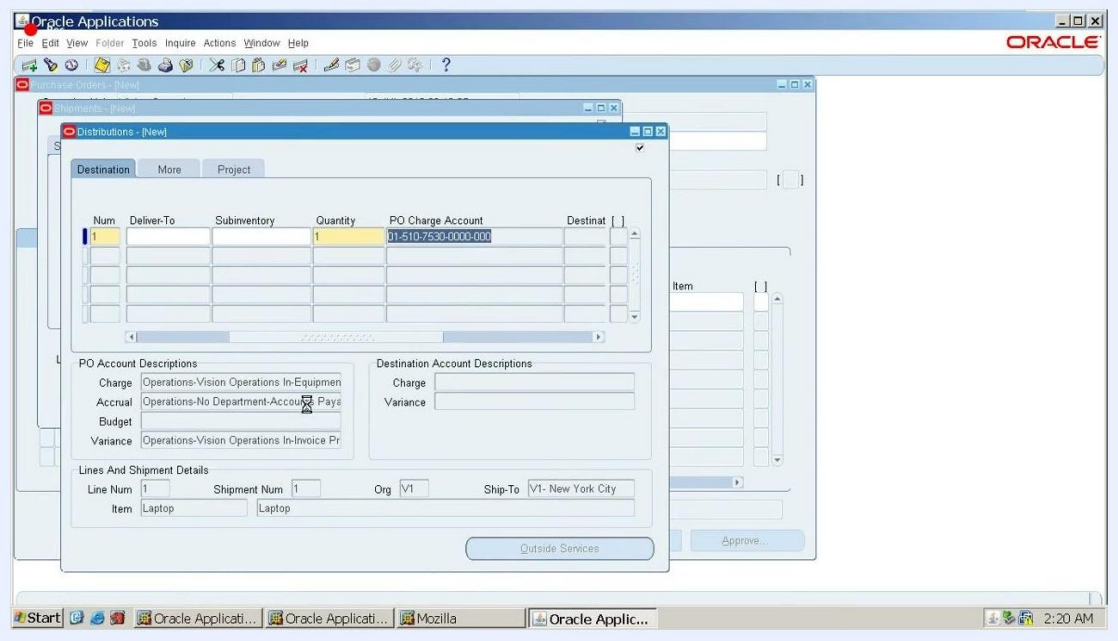
- **Charge:** Operations-Vision Operations In-Equipment
- **Accrual:** Operations-No Department-Accounts Payable
- **Budget:** blank
- **Variance:** Operations-Vision Operations In-Invoice Price

The Lines and Shipment Details section shows Line Num 1, Shipment Num 1, Org V1, Ship-To V1 - New York City, and Item Laptop.



Distributions window with the PO Charge Account highlighted and filled, showing account descriptions and shipment details

The system populates the Accrual, Budget, and Variance accounts automatically based on the purchasing options selected. You don't need to enter them manually.

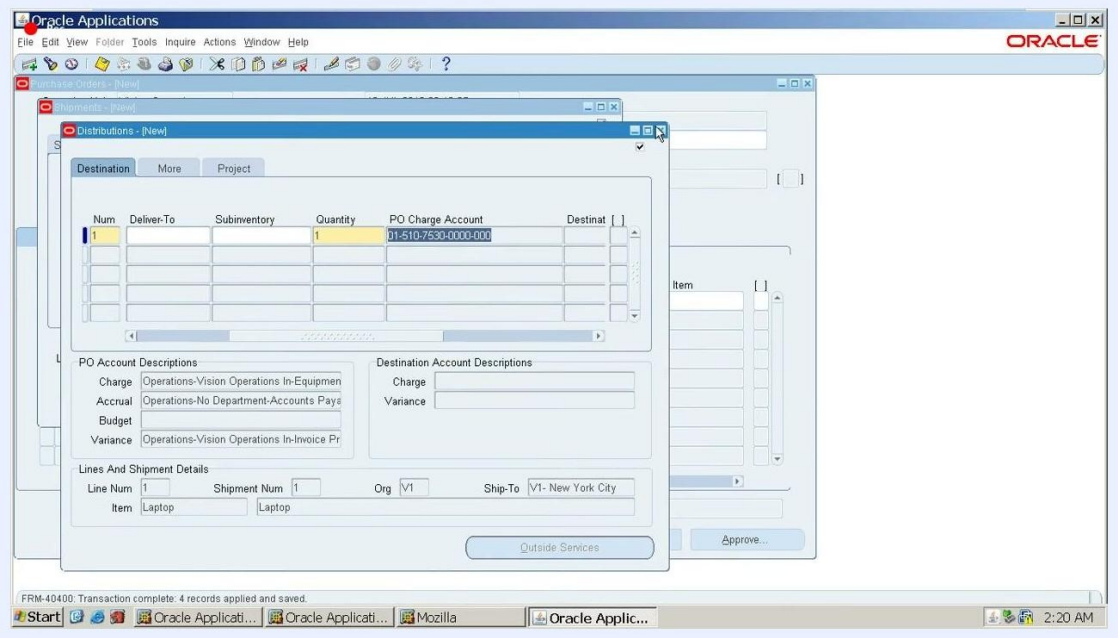


Distributions window showing the system-selected account descriptions for Accrual, Budget, and Variance

20. Approve the purchase order

1. After you save, note the purchase order number the system generates (in this example, 6041).

2. Click **Approve** to start the approval process.



Distributions window with the PO Charge Account filled and the purchase order ready for approval

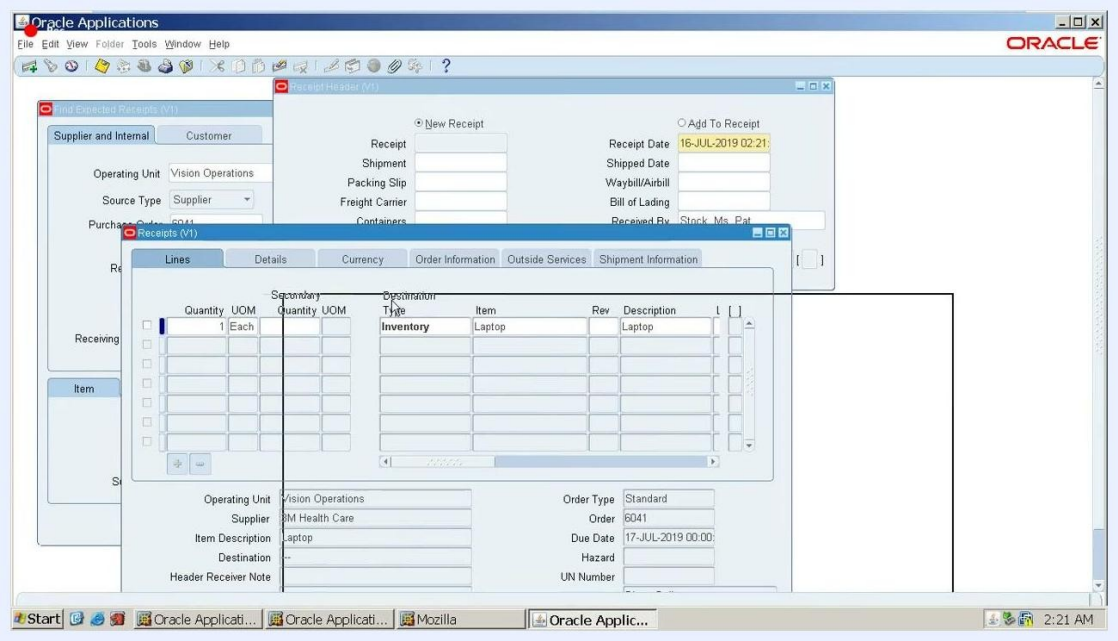
The status changes to Approved. In this example, purchase order 6041 is approved for a quantity of 1.

Create the PO receipt

With the purchase order approved, you can receive the goods against it.

21. Open the Receipts window

In the Navigator window, select **Receiving** > **Receipts**.



Navigator window with Receipts selected under Receiving

22. Find the expected receipts

1. In the **Find Expected Receipts** window, set **Operating Unit** to Vision Operations.
2. Set **Source Type** to Supplier.
3. Enter 6041 in **Purchase Order**.
4. Run the search.

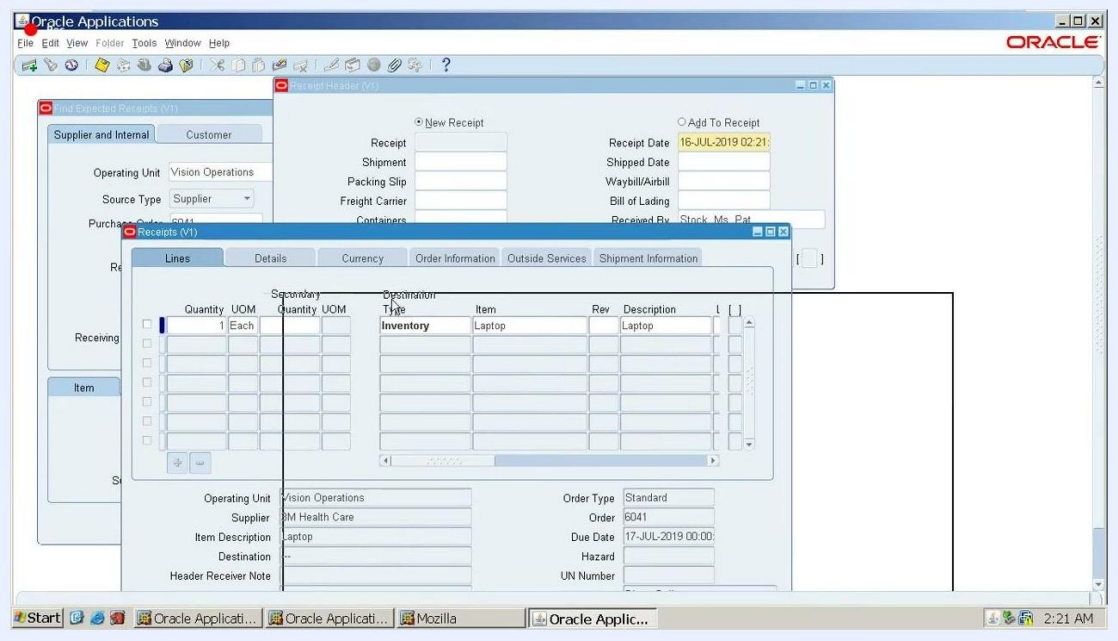
The Receipts window opens with the **Receipt Header** and **Lines** tabs. The header shows these values:

- **Receipt Date:** 16-JUL-2019 02:21
- **Supplier:** 3M Health Care
- **Received By:** Stock, Ms. Pat
- **Item Description:** Laptop

In the **Receipts** window, verify the receipt line details:

- **Destination Type:** Inventory
- **Item:** Laptop
- **Quantity:** 1 Each

- **Order Type:** Standard
- **Order Number:** 6041
- **Due Date:** 17-JUL-2019



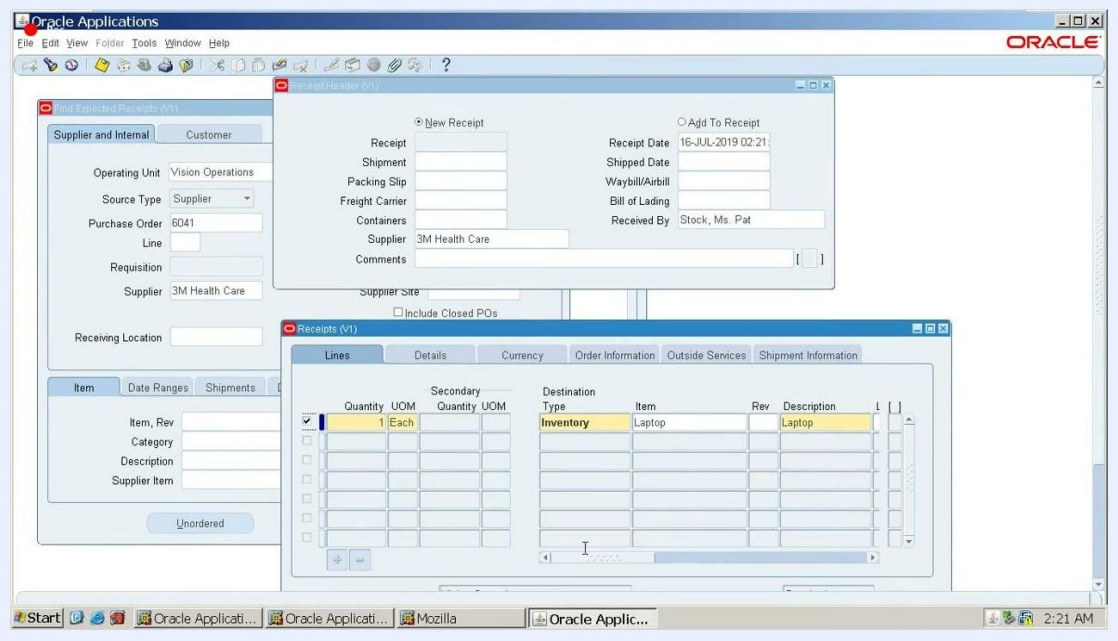
Receipts window showing the receipt header and line details for PO 6041, item Laptop, destination Inventory

23. Review the receipt details

Before you save, confirm the following in the **Receipts** window:

- **Quantity:** 1 Each
- **Destination Type:** Inventory
- **Item:** Laptop
- **Subinventory:** Stores
- **Category:** MISC.MISC

The **Receipt Header** window shows Receipt Date 16-JUL-2019 02:21, Supplier 3M Health Care, and Received By Stock, Ms. Pat. You don't enter shipment or packing slip details at this stage.

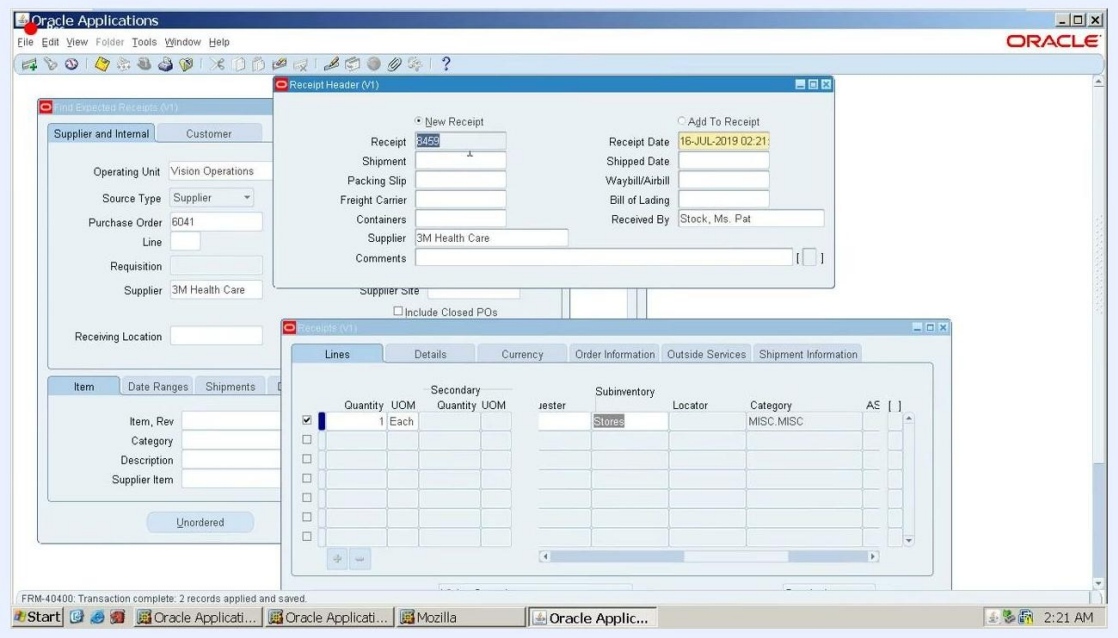


Receipts and Receipt Header windows showing receipt details for PO 6041, item Laptop, subinventory Stores

24. Save the receipt

1. Click the **Save** icon, or select **File** > **Save**.
2. Note the receipt number the system generates (in this example, 8459).

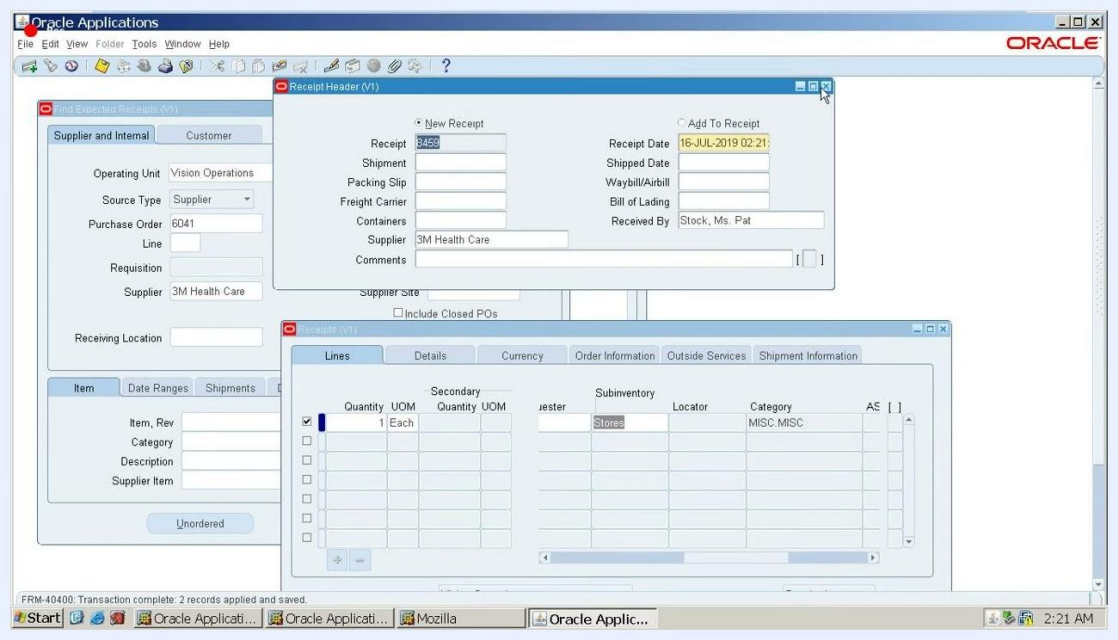
A confirmation message appears at the bottom of the window: FRM-40400: Transaction complete: 2 records applied and saved.



Receipt Header window with receipt number 8459 generated and saved, and the Receipts window showing subinventory Stores

25. Close the receipt windows

Click the close (X) button on the **Receipt Header** window and on the **Receipts** window to exit the receipt entry screens.



Receipt Header window being closed after the receipt is saved

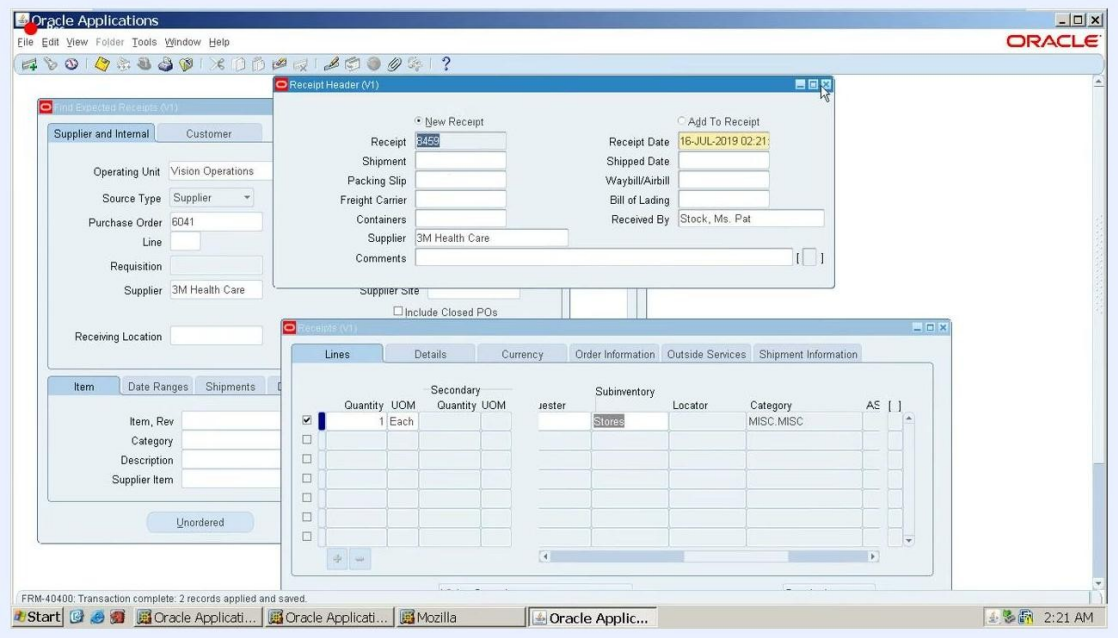
Verify the on-hand quantity

After you create the PO receipt, check Inventory to confirm the item is available.

26. Open On-hand Quantity

1. From the Navigator, select the Inventory responsibility.
2. Under **On-hand, Availability**, select **On-hand Quantity**.

3. Click **Open**.

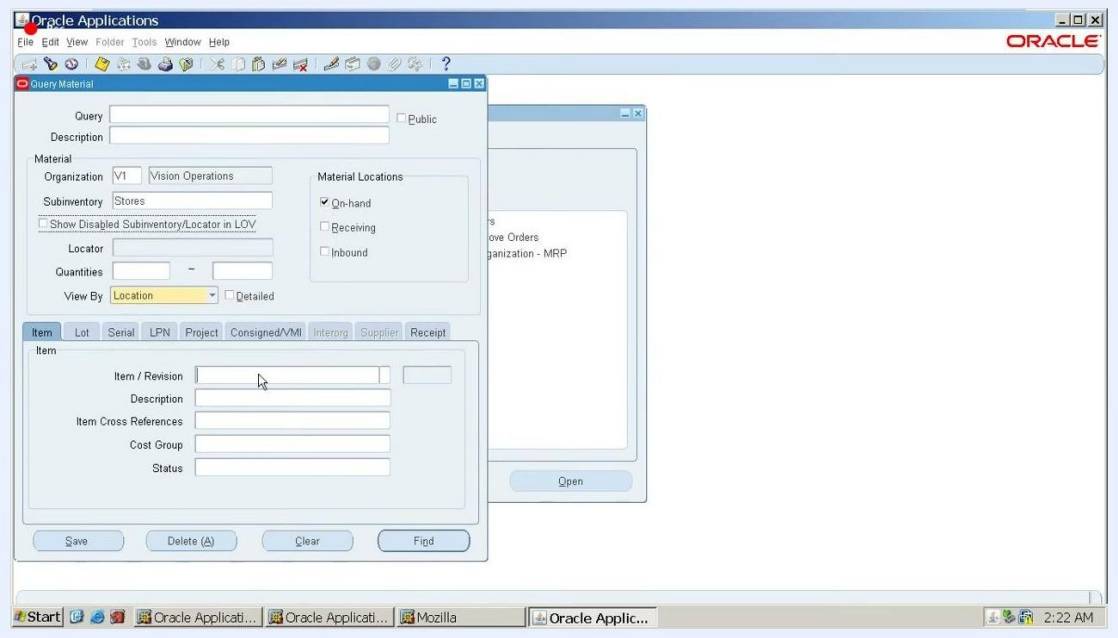


Navigator window with On-hand Quantity selected under Inventory, Vision Operations (USA)

27. Search for the item in the Query Material window

1. Set **Organization** to V1 (Vision Operations).
2. Set **Subinventory** to Stores.
3. Make sure **On-hand** is selected under Material Locations.
4. Leave **Locator** and **Quantities** blank for a broad search.

5. Click **Find**.

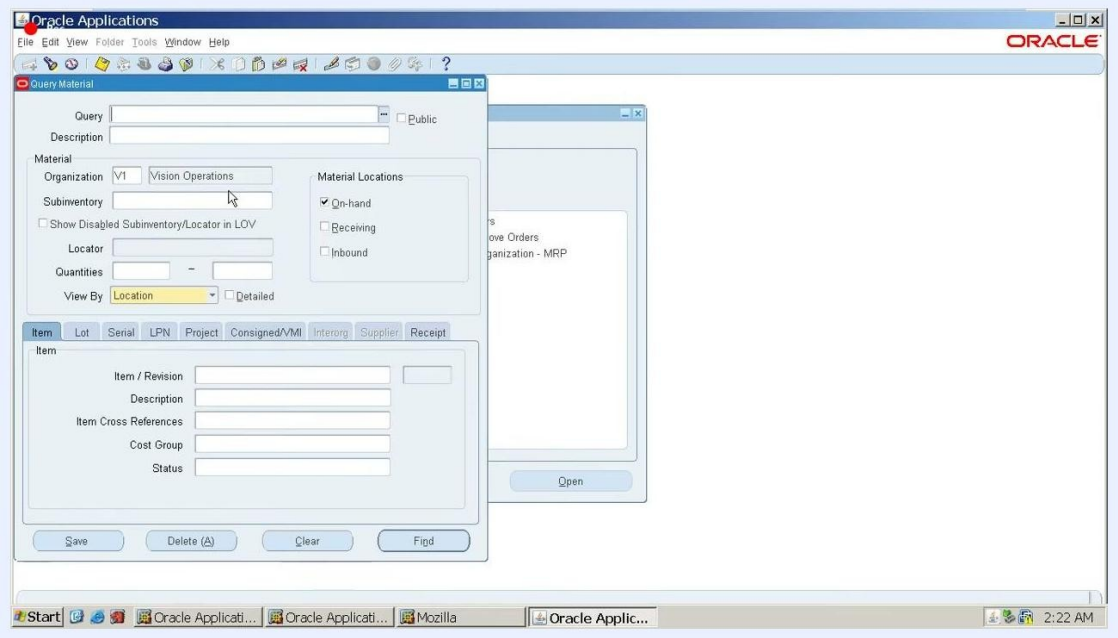


Query Material window with Organization V1, Subinventory Stores, and On-hand checked, ready to search

28. Review the Material Workbench results

1. In the Material Workbench, expand the **Organizations** tree to **V1** > **On-hand** > **Stores**.
2. Confirm that Laptop appears as an item under Stores.
3. Check that the right pane lists Org V1, Sub Stores, and Item Laptop.

4. Click the Laptop entry to view more details.



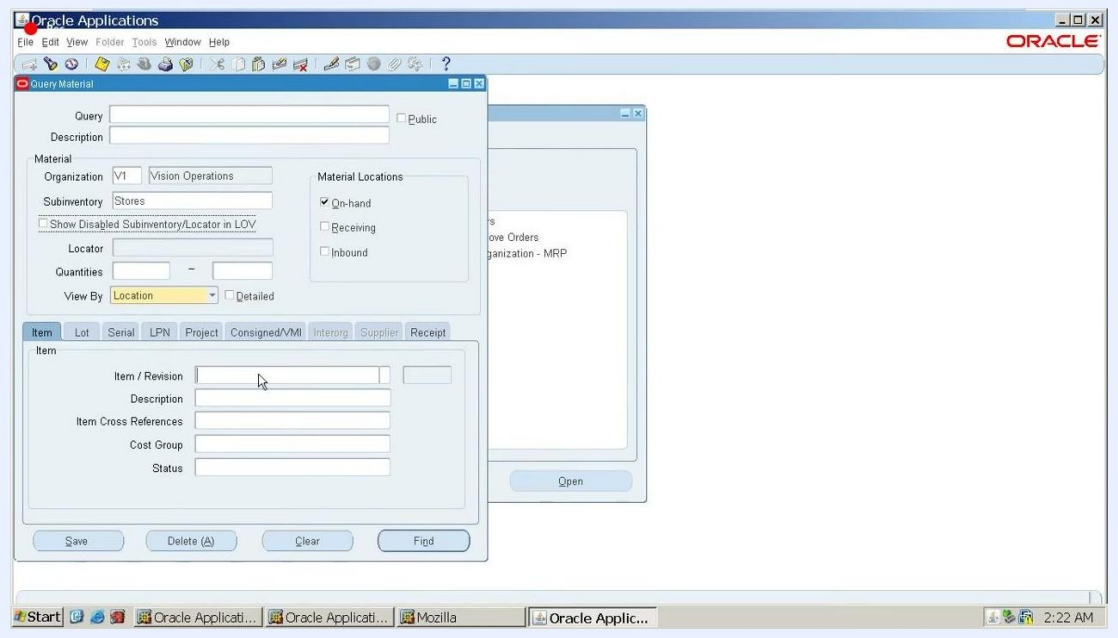
Material Workbench showing V1, Stores, and Laptop in the organization tree and item list

29. Check availability

1. Click the **Availability** button.
2. In the **Availability** window, verify these values:

    - **Material Location:** On-hand
    - **Organization:** V1
    - **Item/Revision:** Laptop
    - **Subinventory:** Stores
    - **Total Quantity (Primary):** 1 Ea
    - **Available to Reserve:** 1 Ea
    - **Available to Transact:** 1 Ea

These values confirm that the received laptop is now available in inventory.



Availability window showing Laptop in V1 Stores with a total quantity of 1 available

Summary

To create a PO receipt in Oracle EBS, you:

- Set up the item with inventory, purchasing, receiving, order management, and invoicing options, then assign it to an organization.
- Create a standard purchase order with the supplier, ship-to and bill-to locations, line details, and need-by date.
- Set the match approval level to 3-Way and the receipt routing to Standard, then set the PO charge account.
- Approve the purchase order, then receive it through **Receiving** > **Receipts**.
- Save the receipt and verify the on-hand quantity in Inventory.

What's next

After the item is received, you can continue with further item setup or transaction processing as needed. Because the match approval level is 3-Way, the purchase order, receipt, and invoice must all match.