How to create an internal sales order in Oracle EBS

This guide shows you how to create an internal sales order in Oracle EBS to move material between warehouses based on on-hand stock and demand at each location. For example, if organization M1 has no quantity and M2 has 100, you can initiate an internal sales order to move stock from M2 to M1.

You create and set up an item, increase its quantity in the source organization, enter its cost, and create an internal requisition. You then run the concurrent programs that create and import the internal order, release it for picking, and generate the receipt.

Prerequisites

Before you begin, make sure you have the following:

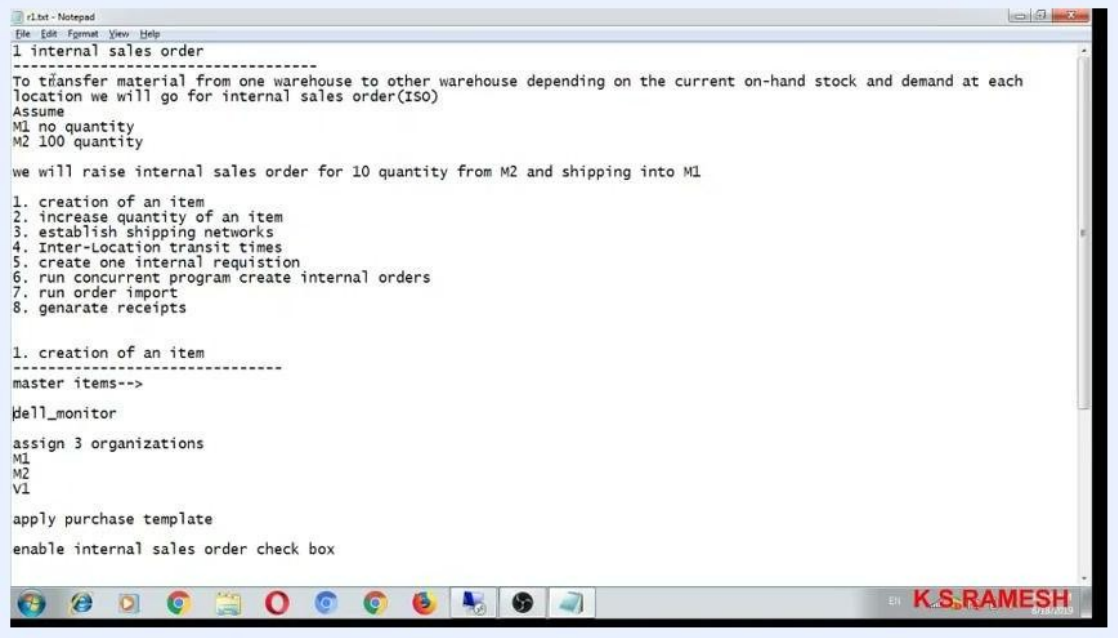
- Access to the Item Master form, Inventory, and Purchasing in Oracle Applications.
- Access to the Order Management Super User responsibility.
- Two organizations to move stock between. This guide uses M1 (Seattle Manufacturing) and M2 (Boston Manufacturing).
- A SQL editor such as Toad for Oracle, if you want to verify requisition and order status in the database.

Internal sales order process overview

The internal sales order process involves these stages:

- Creation of an item
- Increasing item quantity
- Establishing shipping networks
- Setting inter-location transit times
- Creating an internal requisition
- Running the concurrent program to create internal orders
- Running order import

- Generating receipts



Notepad window listing the internal sales order process steps, including item creation, shipping networks, and organization assignment.

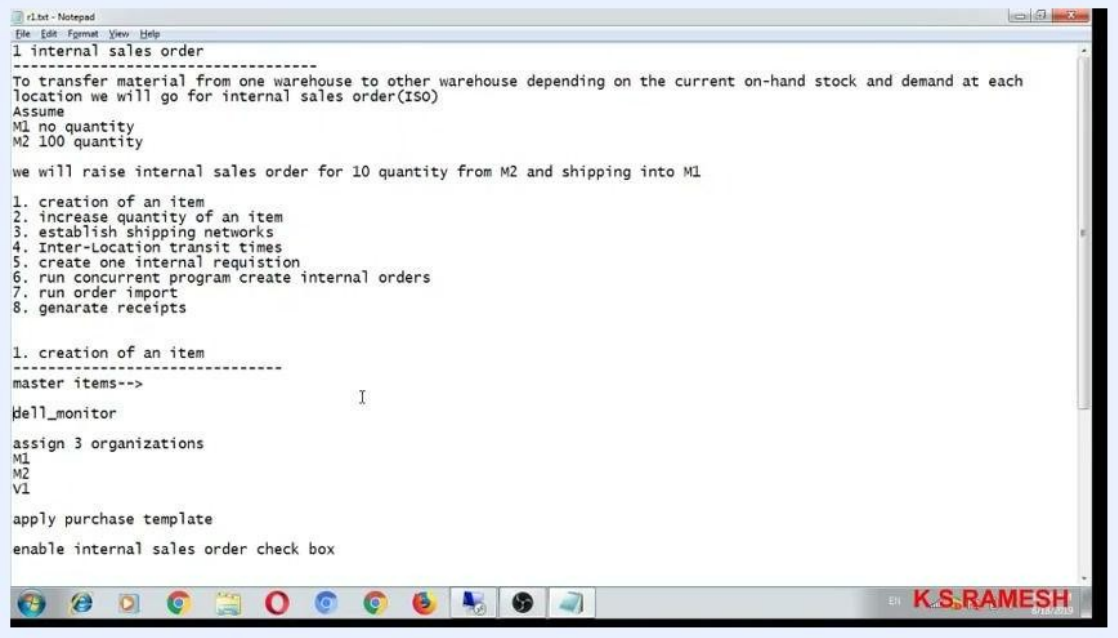
Set up the item for internal orders

Step 1. Create a new item in the Item Master

Open the **Item Master** form in Oracle Applications and enter these details:

- **Organization:** M1 (Vision Operations)
- **Item:** d_item
- **Description:** d_item

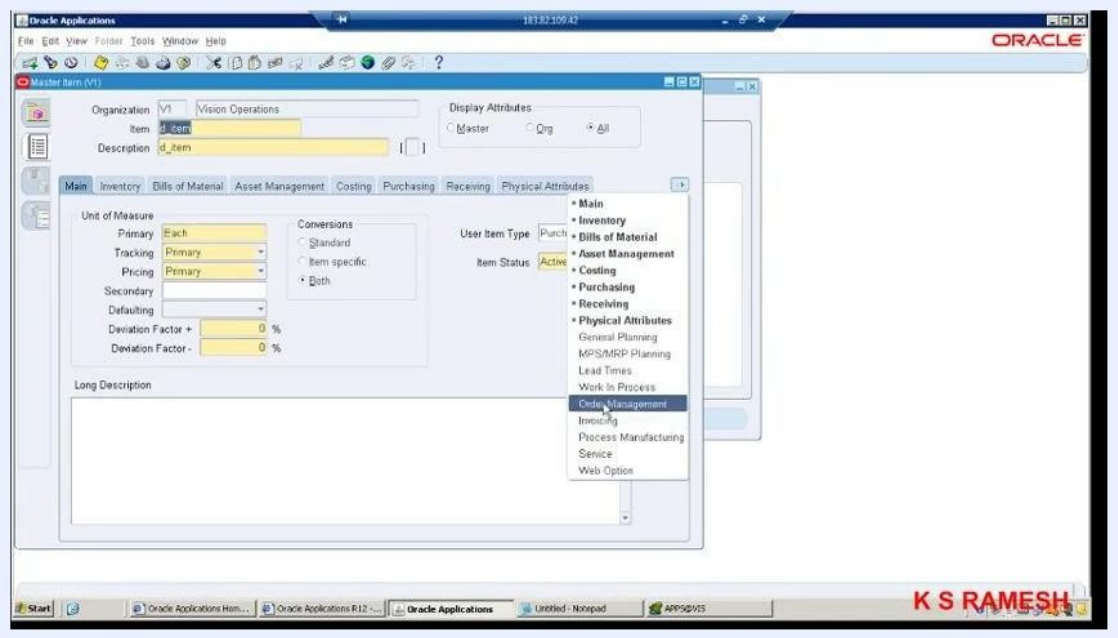
Make sure **Item Status** is set to **Active**.



Oracle Applications Item Master screen with fields for Organization (M1), Item (d_item), Description (d_item), and Item Status (Active).

Step 2. Apply the Purchased Item template

In the item creation window, use the **Copy From** function and select the template **Purchased Item**. Click **Apply**, and then click **Done** to use the predefined template for the item.



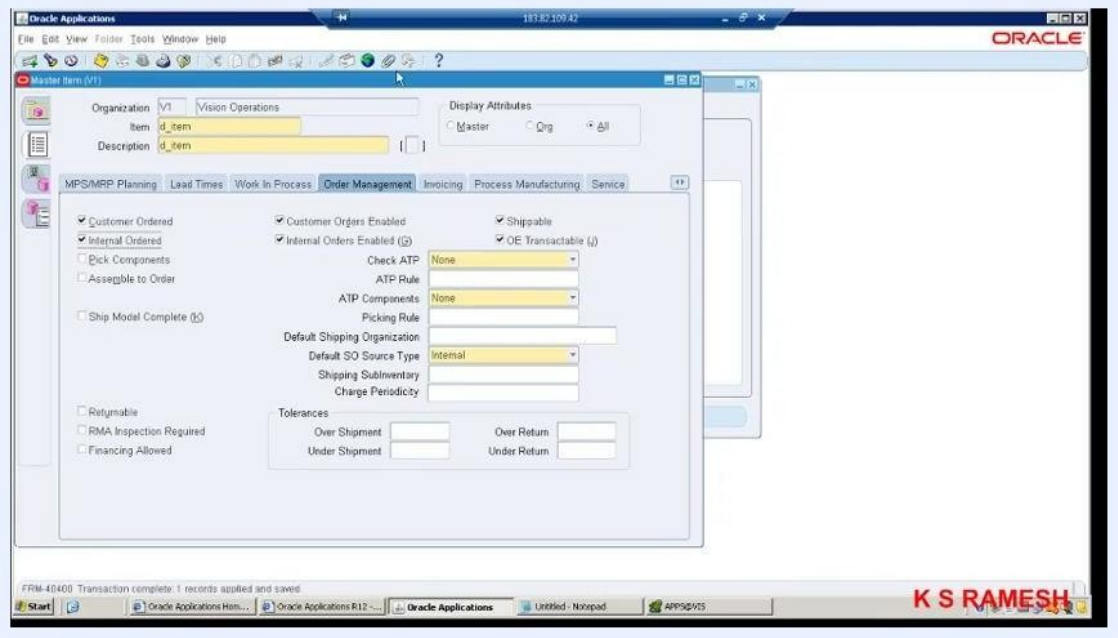
Oracle Applications Copy From dialog showing Template as Purchased Item and buttons for Clear, Cancel, Apply, and Done.

Step 3. Enable the internal order options

Go to the **Order Management** tab and enable these checkboxes:

- **Internal Ordered**
- **Internal Orders Enabled**

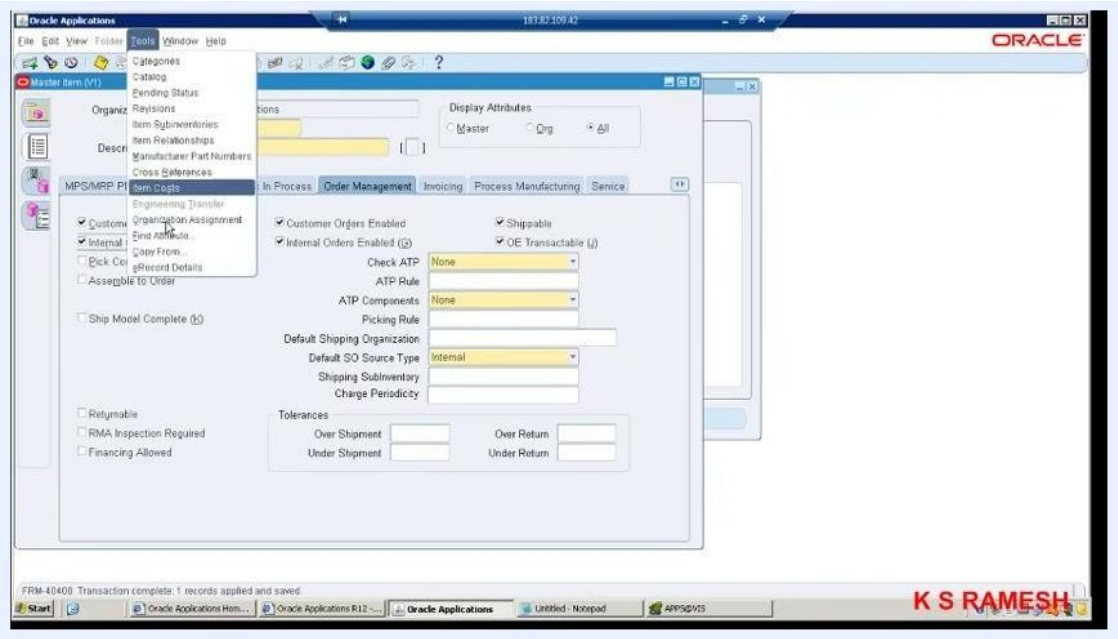
Set **Default SO Source Type** to **Internal**, and then save the item record.



Order Management tab in Oracle Applications with Internal Ordered and Internal Orders Enabled checked, and Default SO Source Type set to Internal.

Step 4. Assign the item to both organizations

In the Item Master, select **Tools > Organization Assignment**. In the Organization Assignment window, locate M1 (Seattle Manufacturing) and M2 (Boston Manufacturing). Select the **Assigned** checkbox for both, and then click **Save** to confirm the assignments.

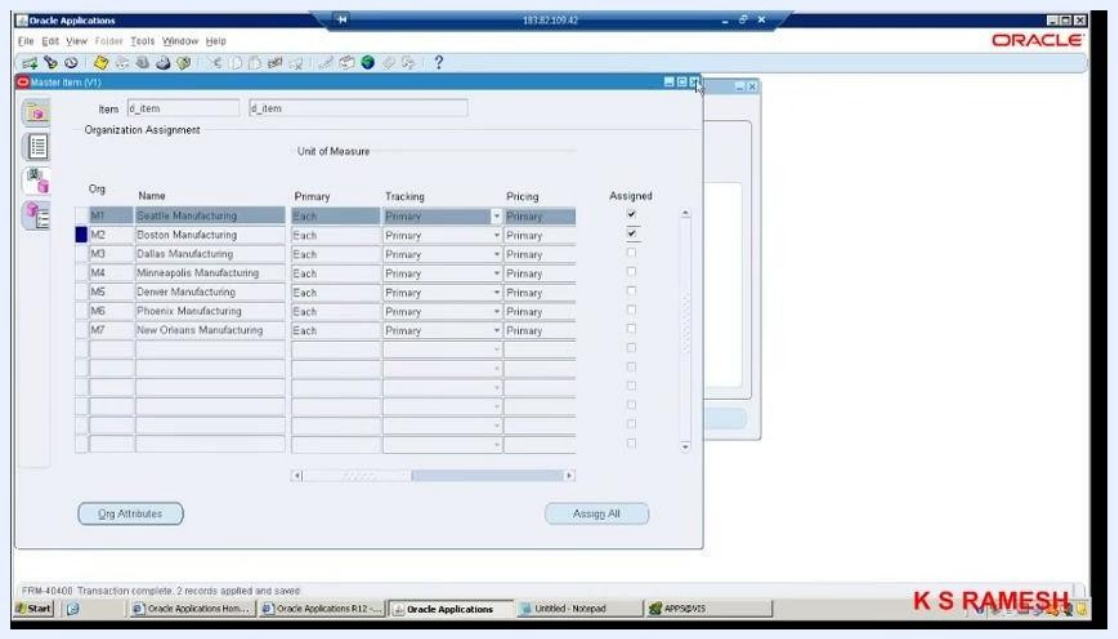


Organization Assignment window in Oracle Applications, showing M1 and M2 selected and assigned for item d_item.

Increase the item quantity in organization M2

Step 5. Switch to organization M2

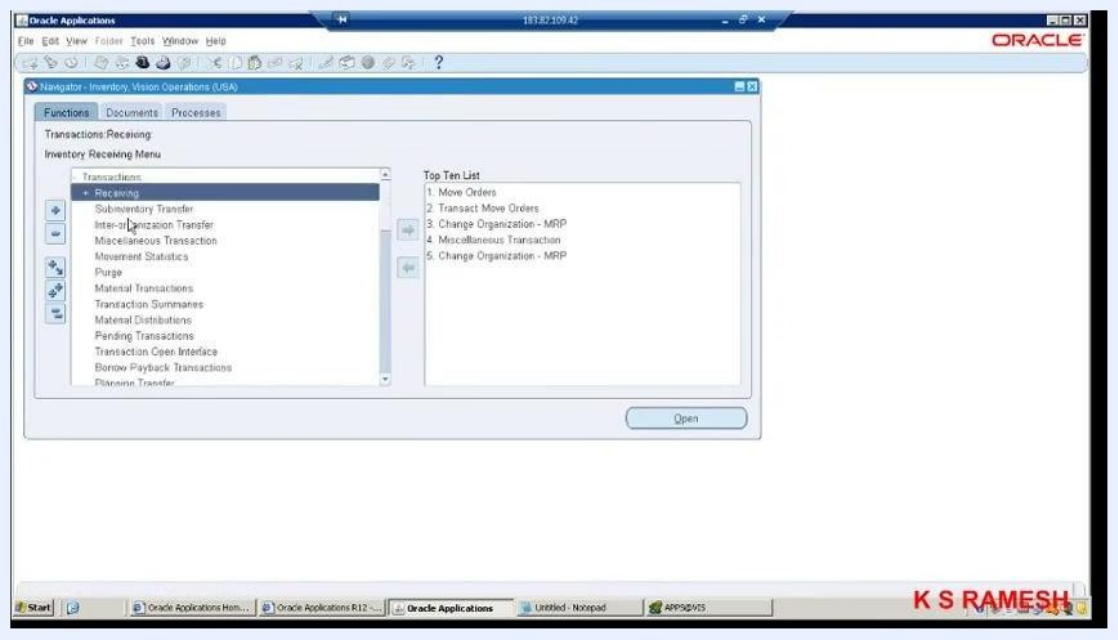
Open the **Organizations** selection window. Select M2 (Boston Manufacturing), or the relevant code for your M2 organization, and click **OK** to switch your working context to M2.



Organizations selection window with a list of organization codes and names, ready to select M2.

Step 6. Open Miscellaneous Transaction

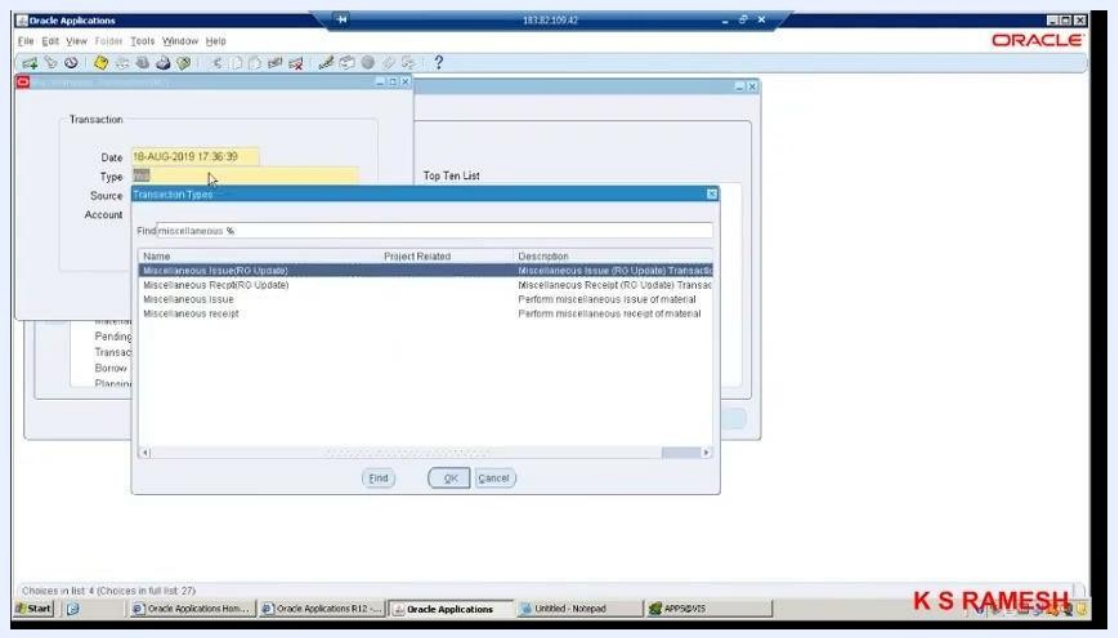
In the Inventory menu, expand **Transactions** and select **Miscellaneous Transaction**. Click **Open** to proceed.



Inventory Transactions menu with Miscellaneous Transaction highlighted.

Step 7. Start a miscellaneous receipt

In the Transaction window, set the transaction type to **Miscellaneous Receipt**. Confirm the transaction date and type, and then click **OK** to continue.



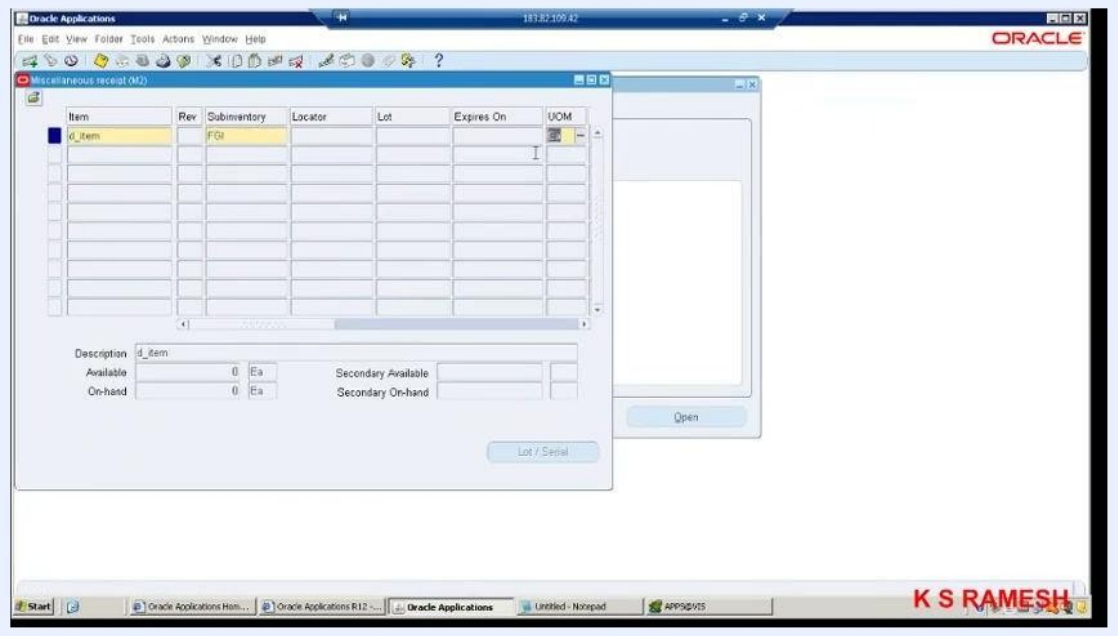
Transaction window with Miscellaneous Receipt selected as the transaction type.

Step 8. Enter the transaction line details

In the **Miscellaneous Receipt (M2)** window, enter these details:

- **Item:** d_item

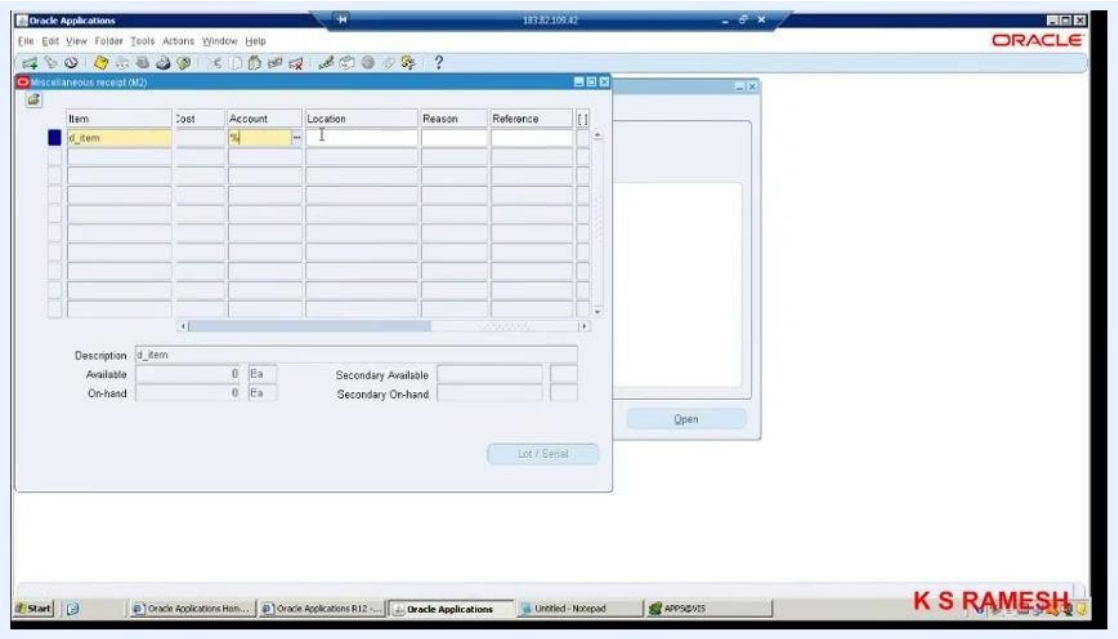
- **Subinventory:** FG (or as appropriate for your setup)



Miscellaneous Receipt window with item d_item and subinventory FG being entered.

Step 9. Specify the quantity and save

Enter the quantity to receive. This example uses 500. If prompted, fill in any additional required fields, such as Account, Location, Reason, or Reference. Click **Save** to complete the transaction and increase the on-hand quantity of d_item in M2.



Miscellaneous Receipt window with item d_item, subinventory FG, and quantity 500 entered.

Step 10. Verify the transaction

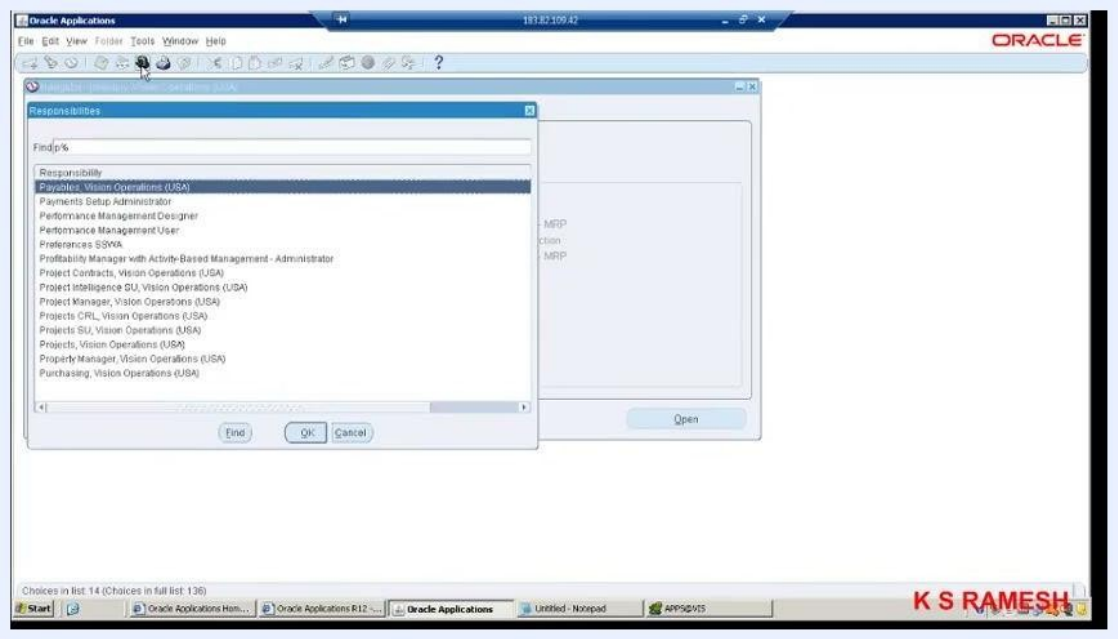
Make sure the transaction is saved and the on-hand quantity for d_item in M2 is updated.

You have now increased the quantity of d_item in organization M2 using a miscellaneous receipt. This prepares the item for transfer to another warehouse as part of the internal sales order process.

Create the item cost and the internal requisition

Step 11. Switch to the appropriate responsibility

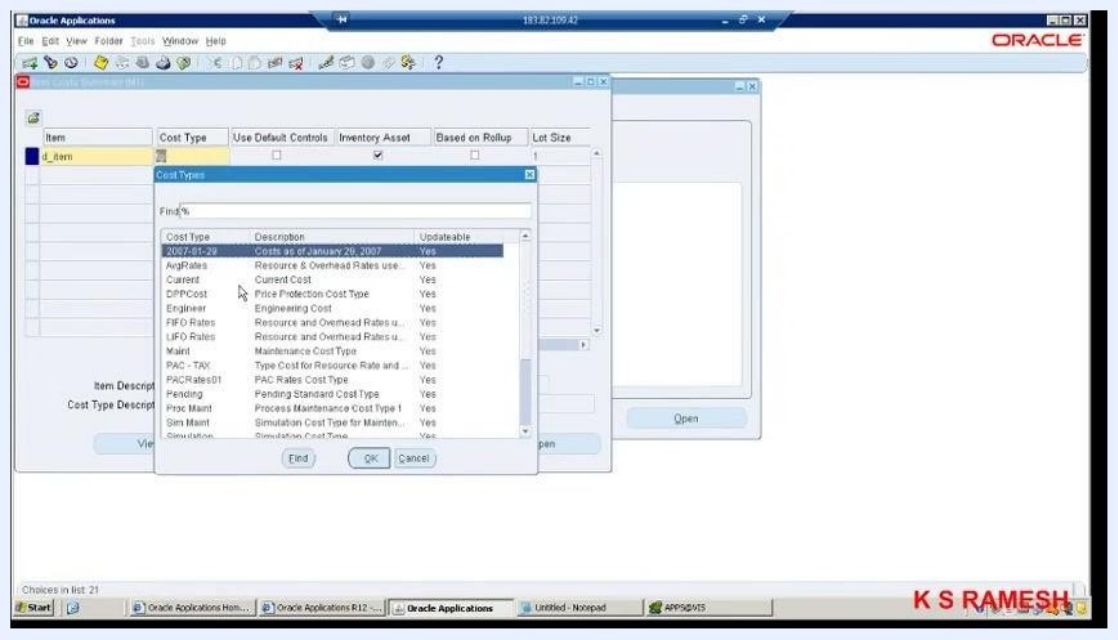
In the Oracle Applications main window, open the **Responsibilities** dialog. Select the responsibility relevant to purchasing or inventory operations, for example **Payables, Vision Operations (USA)**. Click **OK** to confirm.



Responsibilities dialog open in Oracle Applications, with Payables, Vision Operations (USA) highlighted.

Step 12. Select the organization

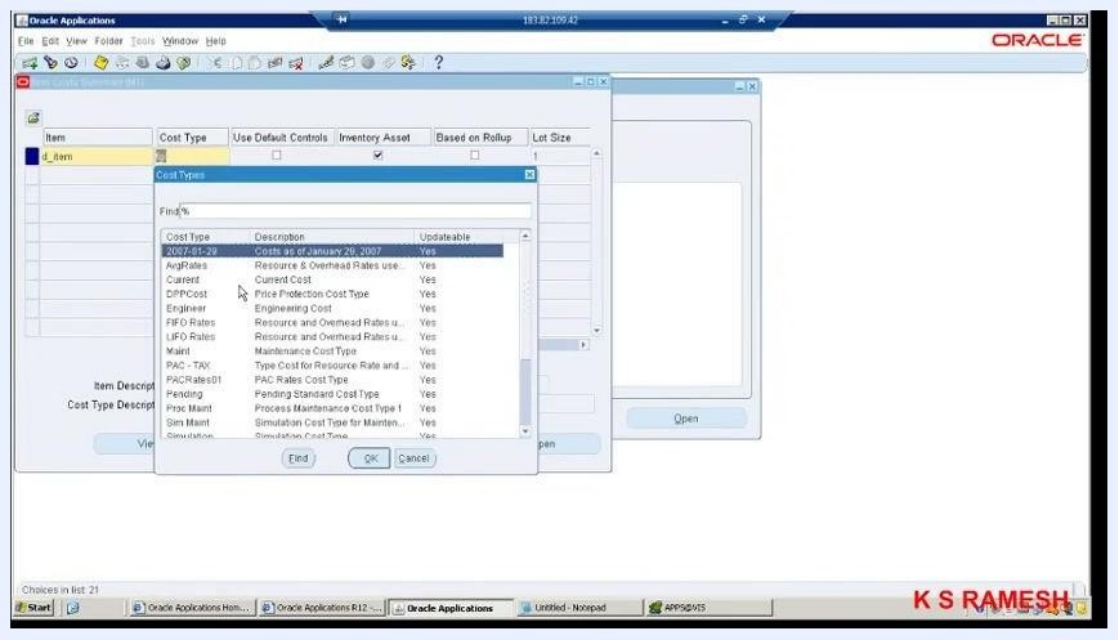
In the **Organizations** dialog, select the organization where you will create the item cost, for example **SMO - Patel R&D Org**. Click **OK** to confirm.



Organizations dialog with a list of organization codes and names, SMO - Patel R&D Org highlighted.

Step 13. Open the Item Cost Details window

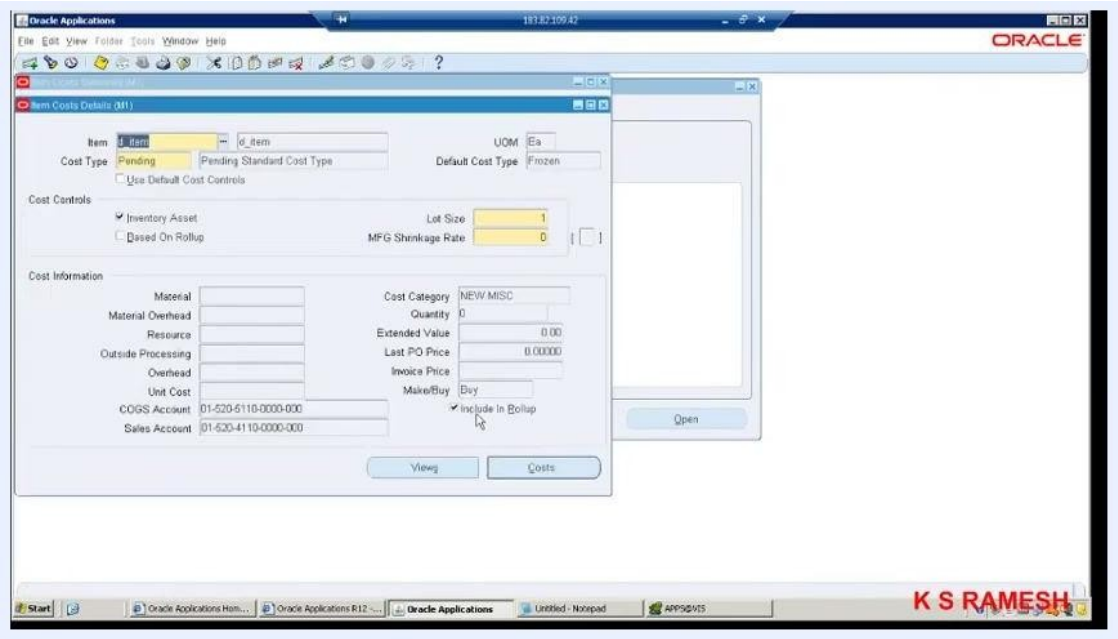
In the Item Cost Details window, make sure your item (for example, d_item) is selected. Click the **Cost Type** field to open the **Cost Types** dialog.



Item Cost Details window with the Cost Types dialog open, showing cost types such as Current Cost and Engineering Cost.

Step 14. Choose the cost type and enter the material amount

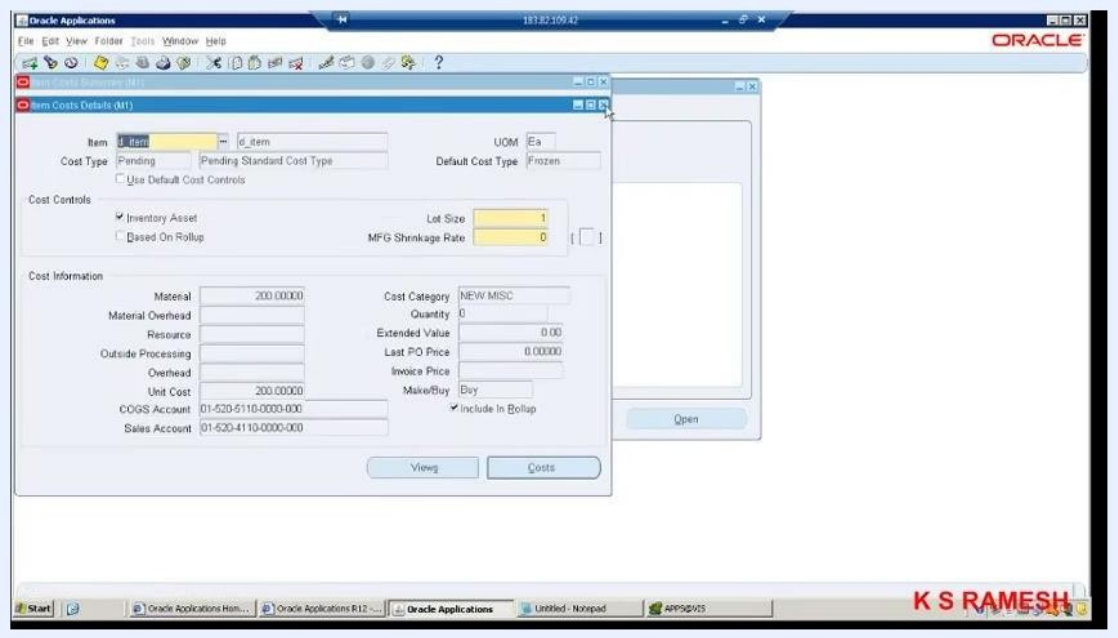
In the **Cost Types** dialog, select the appropriate cost type (for example, **Pending**) and click **OK**. In the Item Cost Details window, under **Cost Information**, enter **Material:** 200. Click **Costs** or **Save** to record the material amount.



Item Cost Details window with the Material field filled as 200, and other cost information fields visible.

Step 15. Verify and save the item cost

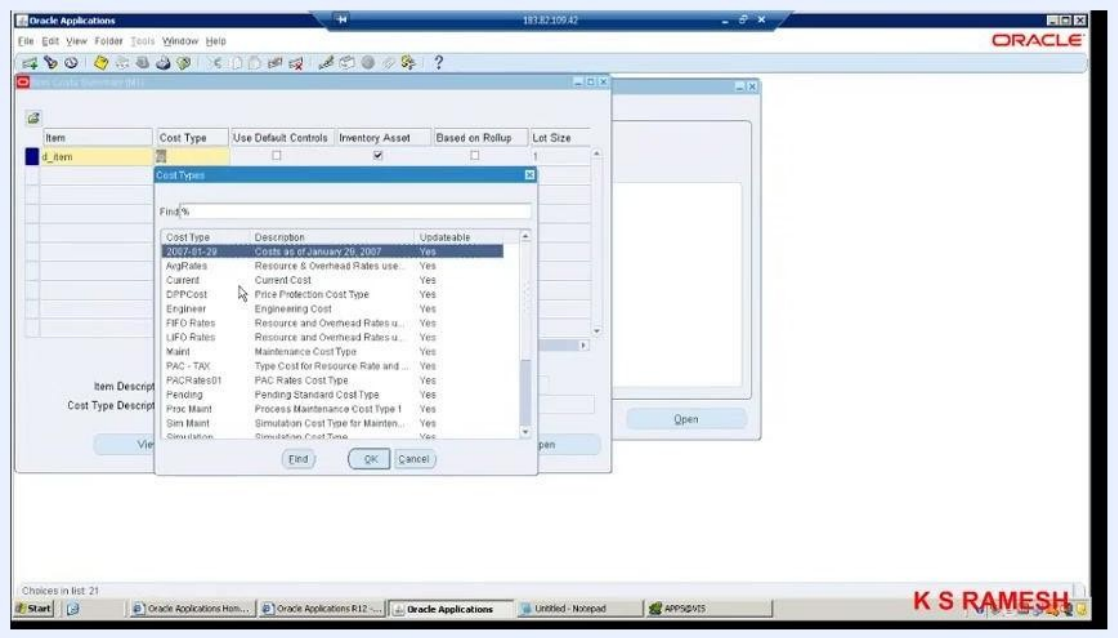
Review the cost information and make sure the **Material** amount is 200. Confirm that the cost type is **Pending** and the default cost type is **Frozen**. Click the close button (X) to exit the Item Cost Details window.



Item Cost Details window showing Material: 200 and cost type as Pending.

Step 16. Navigate to Requisitions

In the Navigator window, under your selected responsibility, expand **Requisitions**. Select **Requisition Summary** or the relevant requisition function, and click **Open** to proceed.



Navigator window with Requisitions expanded and Requisition Summary selected.

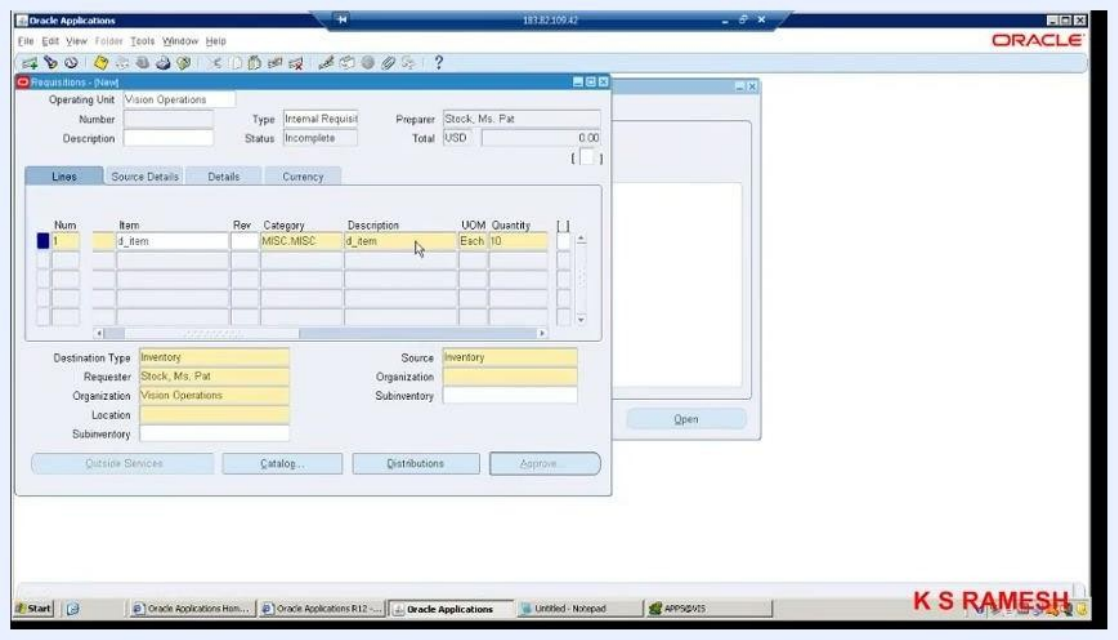
Step 17. Review the requisition line for your internal sales order

In the **Requisitions - New** window, verify that all required fields for the internal requisition line are filled correctly:

- **Operating Unit:** Vision Operations
- **Type:** Internal Requisition
- **Status:** Incomplete
- **Preparer:** Stock, Ms. Pat
- **Currency:** USD
- **Item:** d_item
- **Category:** MISC.MISC
- **Description:** d_item
- **UOM:** Each
- **Quantity:** 10
- **Destination Type:** Inventory
- **Requester:** Stock, Ms. Pat
- **Organization:** Vision Operations

- **Source:** Inventory

Make sure all yellow-highlighted (mandatory) fields are populated and the **Lines** tab is active with all line details visible. Double-check that the **Source** and **Organization** fields match the intended inventory transfer.

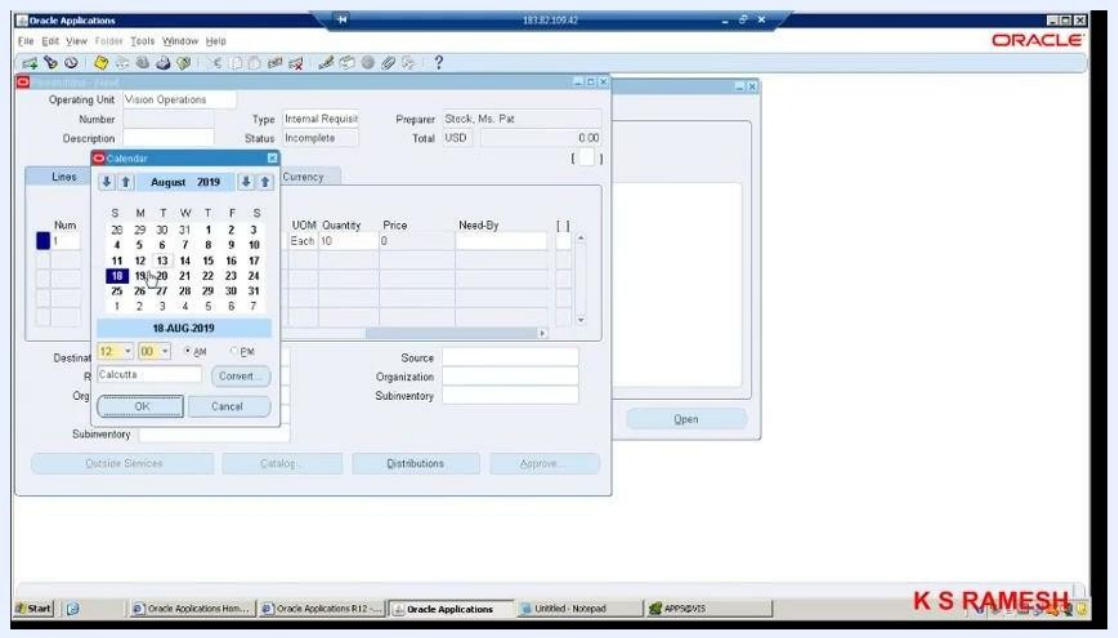


Requisitions - New window showing a completed internal requisition line for item d_item, category MISC.MISC, UOM Each, quantity 10, destination type Inventory, organization Vision Operations, and source Inventory, with all required fields filled.

You have now entered and reviewed the internal requisition line. Continue to save, submit, or further process the requisition as your workflow requires.

Step 18. Set the Need-By date

Select the **Calendar** icon to open the date picker for the **Need-By** field. In the calendar popup, select **18-AUG-2019** and set the time to **12:00 AM**. Click **OK** to confirm the date and time.



Calendar popup for selecting the Need-By date, with 18-AUG-2019 highlighted and the time set to 12:00 AM.

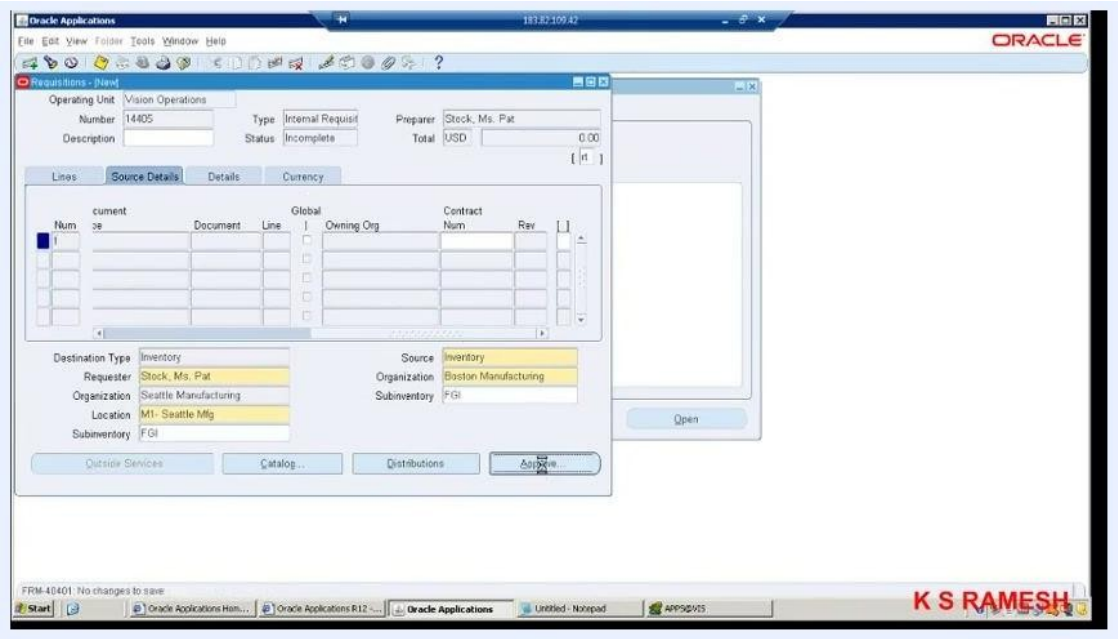
Step 19. Update the organization and location fields if required

If required, update these fields:

- **Organization:** Seattle Manufacturing
- **Location:** M1 - Seattle Mfg
- **Subinventory:** FGI
- **Source:** Inventory
- **Organization (Source):** Seattle Manufacturing

Step 20. Submit the requisition for approval

When all details are confirmed and correct, click the **Approve...** button at the bottom right of the window. The status updates to indicate the requisition is waiting for approval. You can check the approval status in the backend if necessary.



Cursor hovering over the Approve button, ready to submit the requisition for approval.

The key data entered for the requisition is:

- Need-By Date: 18-AUG-2019, 12:00 AM
- Destination Type: Inventory
- Requester: Stock, Ms. Pat
- Organization: Seattle Manufacturing (or Boston Manufacturing, depending on your context)
- Location: M1 - Seattle Mfg
- Subinventory: FGI
- Source: Inventory

Continue to monitor the approval status as required.

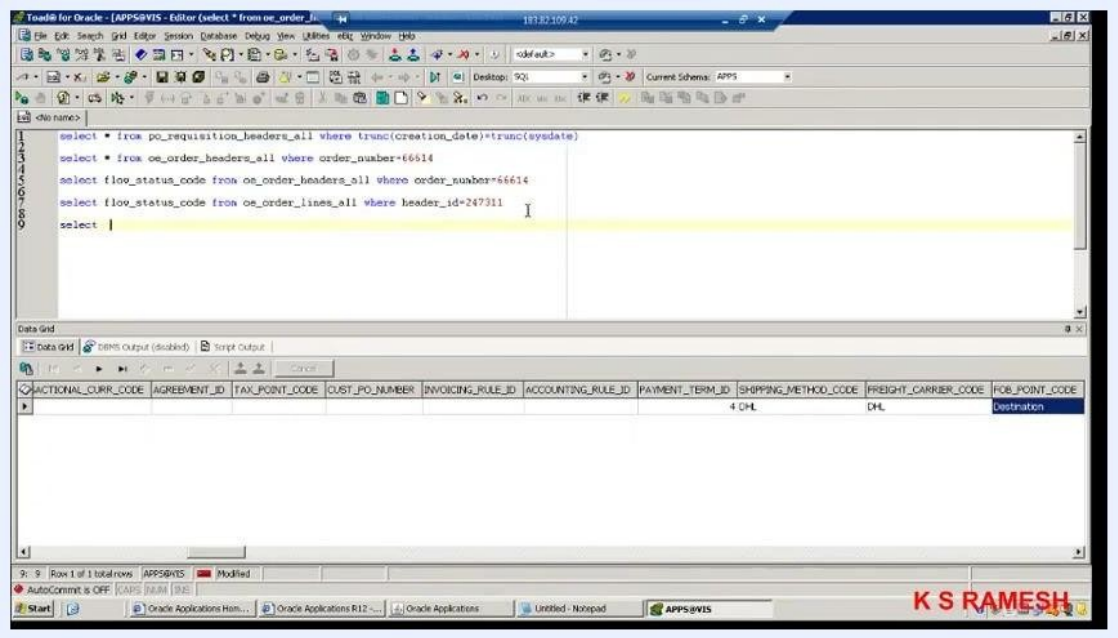
Monitor approval and create internal orders

Step 21. Verify the requisition in the database

Open Toad for Oracle or your SQL editor. Run these queries to check the status of your requisition and related orders:

- `select * from po_requisition_headers_all where trunc(creation_date)=trunc(sysdate);`
- `select * from oe_order_headers_all where order_number=66614;`
- `select flow_status_code from oe_order_headers_all where order_number=66614;`
- `select flow_status_code from oe_order_lines_all where header_id=247311;`

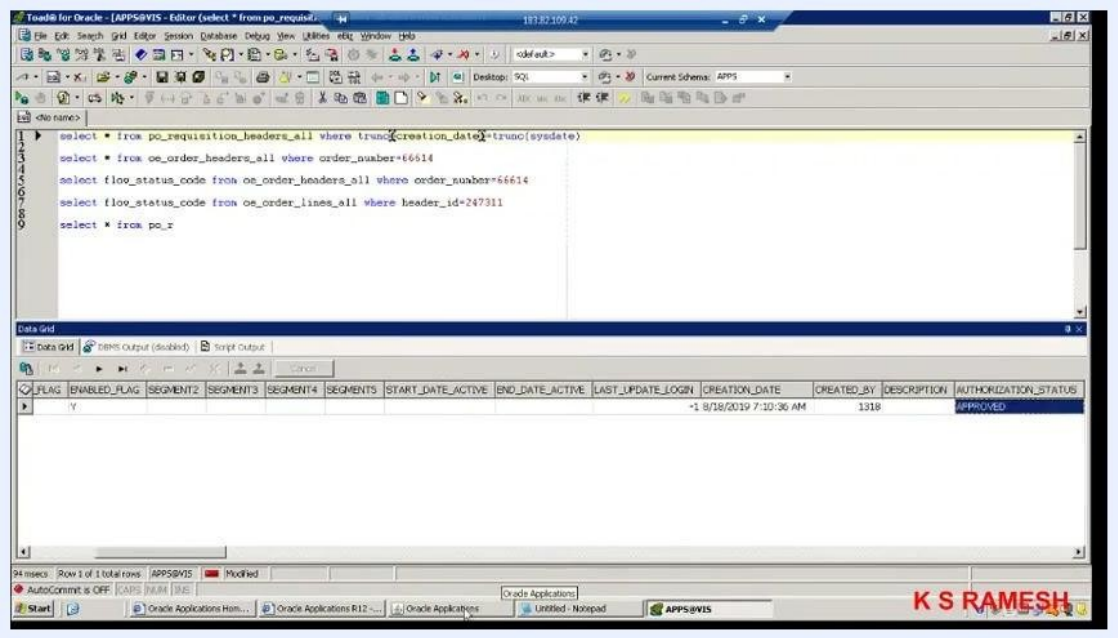
Review the results in the data grid below the query editor. To investigate requisition details further, start a new query such as `select * from po_r...`.



Toad for Oracle window with SQL queries to check requisition and order status, and a data grid showing order details.

Step 22. Verify the authorization status

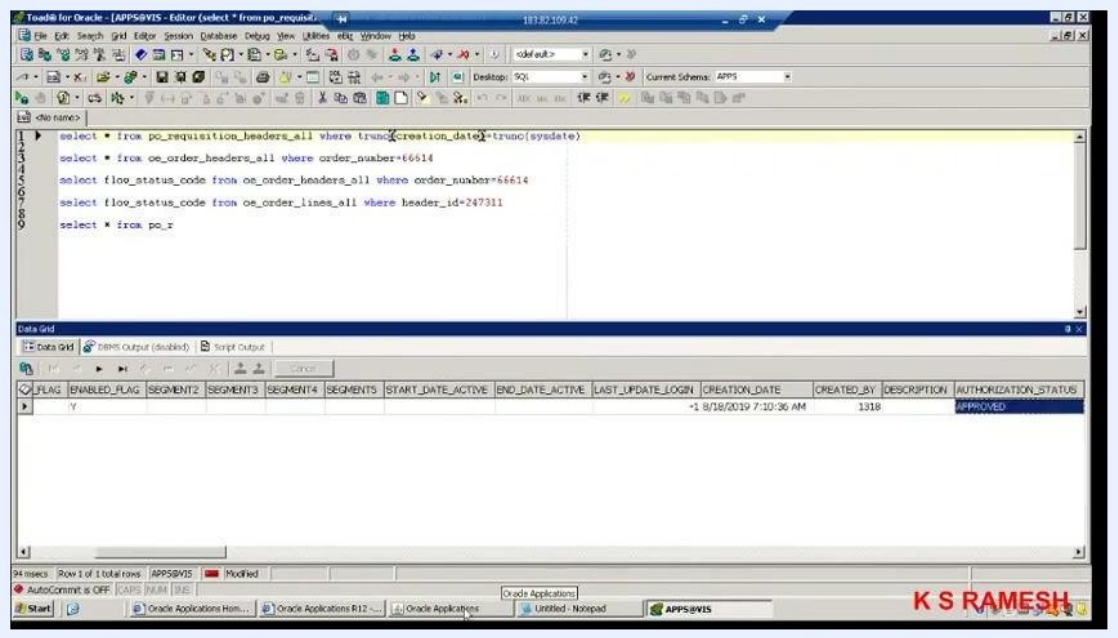
Check the AUTHORIZATION_STATUS column in the requisition header data. Make sure the status is **APPROVED**, which confirms the requisition was approved.



Toad for Oracle data grid showing a requisition with AUTHORIZATION_STATUS as APPROVED.

Step 23. Run the Create Internal Orders request

In the **Run this Request...** dialog, enter Create Internal Orders as the **Name**. Use the search or dropdown to locate and highlight **Create Internal Orders** under the **Purchasing** application. Click **OK** to proceed.



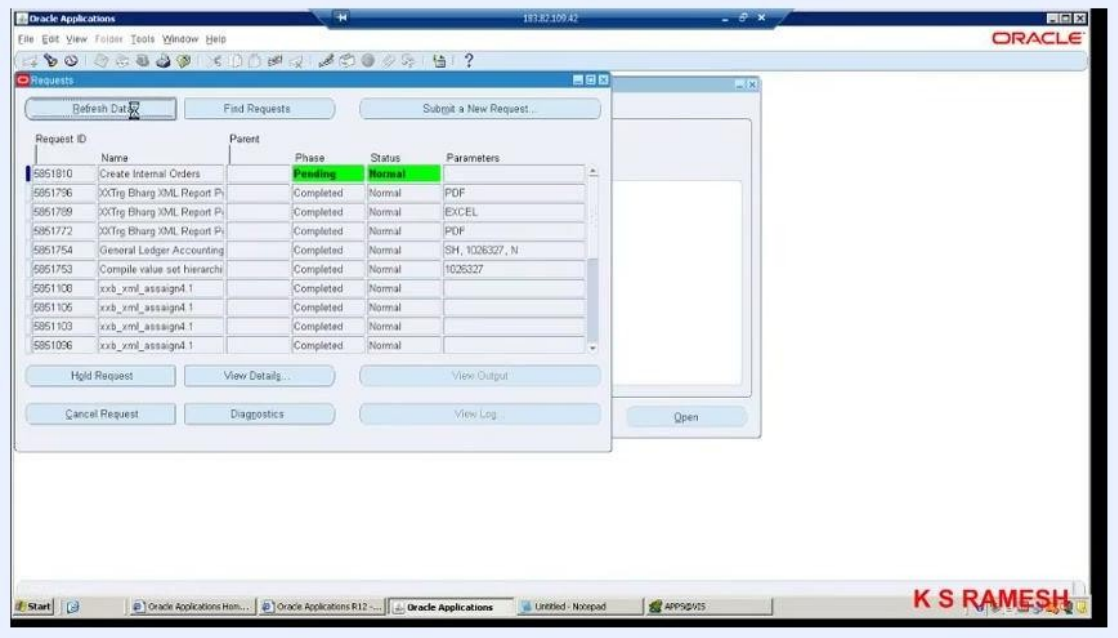
Run this Request dialog with Create Internal Orders selected in Oracle Applications.

Step 24. Monitor the concurrent request status

In the Requests window, locate your submitted request (for example, Request ID 5951810, Name: Create Internal Orders). Check these columns:

- **Phase:** Pending
- **Status:** Normal
- **Parameters:** as set during submission

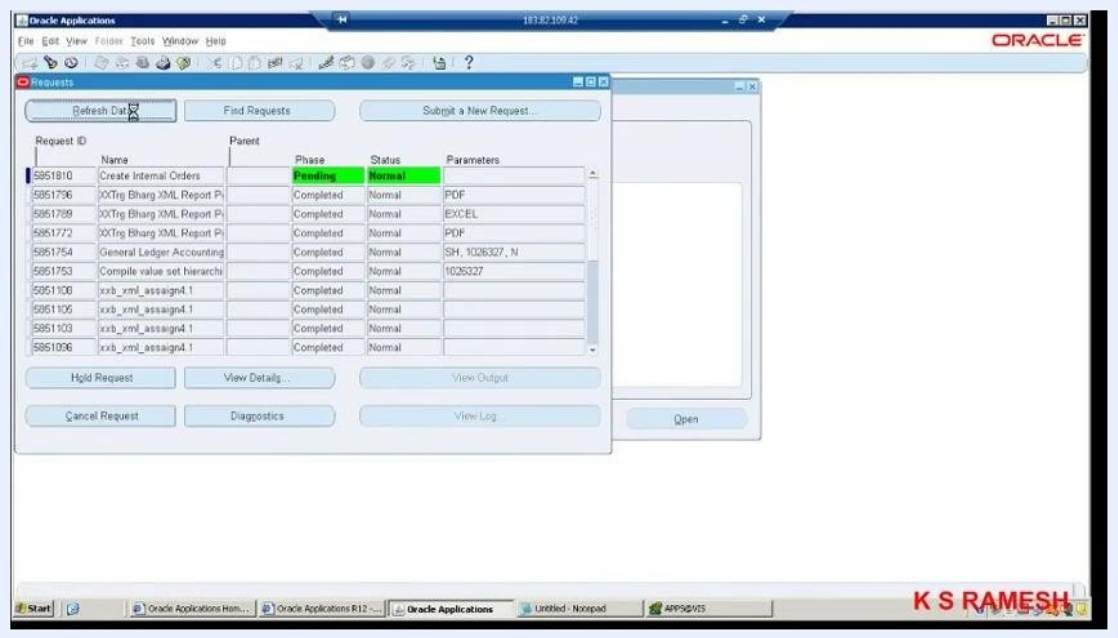
Click **Refresh Data** periodically to update the status.



Requests window showing the Create Internal Orders request with Phase Pending and Status Normal.

Step 25. Wait for the request to complete

Keep refreshing the data until **Phase** changes to **Completed** and **Status** remains **Normal**. This confirms the **Create Internal Orders** request has finished processing.

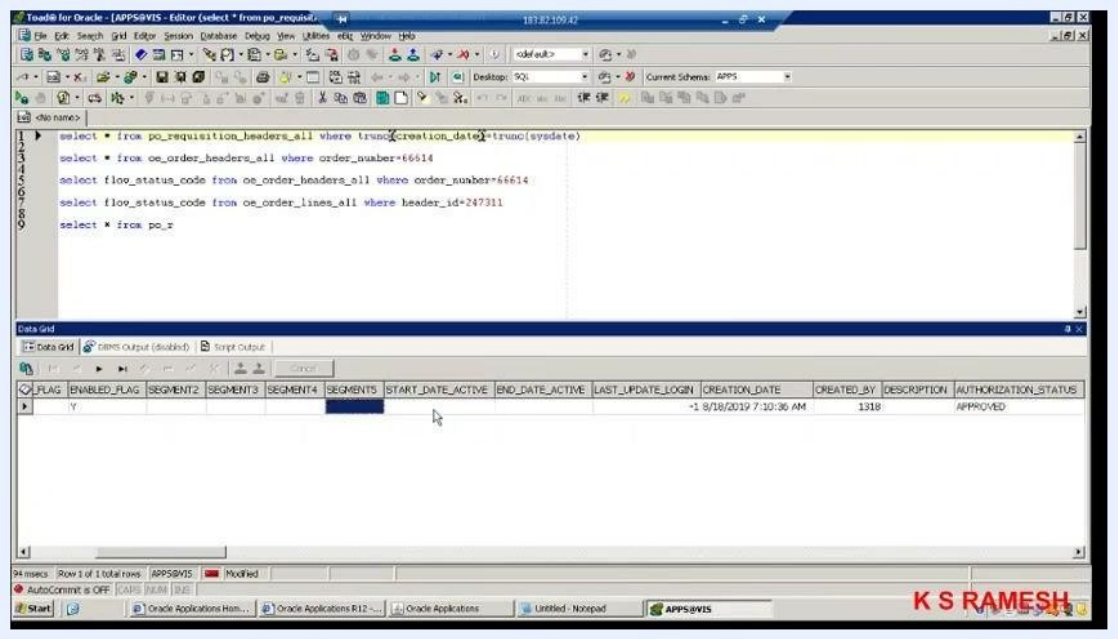


Requests window showing the Create Internal Orders request with Phase Completed and Status Normal.

Import the internal orders

Step 26. Open the Import Orders function

Make sure you are in the **Order Management Super User** responsibility. In the Navigator window, expand **Orders, Returns** and scroll to locate **Import Orders**. Highlight **Import Orders** and click **Open** to proceed.



Oracle Applications Navigator with Import Orders highlighted under Orders, Returns, ready to open.

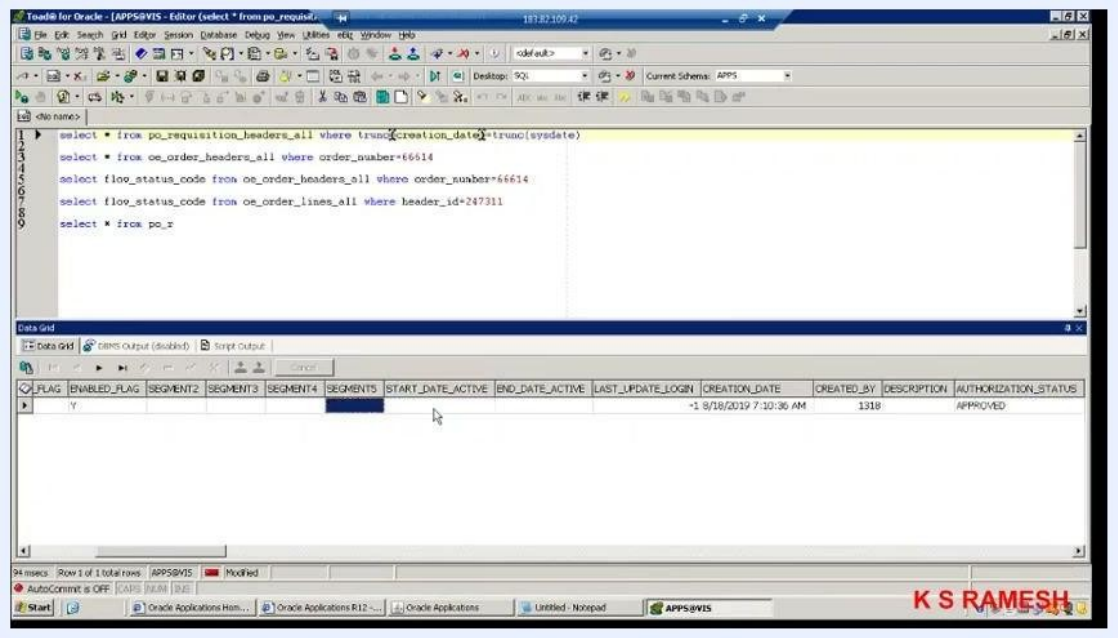
In the **Order Import Request** window, confirm that you are in the correct function. Then begin a new request for importing orders.

Step 27. Enter the order import parameters

In the **Run this Request...** dialog, set these parameters:

- **Name:** Order Import
- **Operating Unit:** Vision Operations (select from the dropdown list)
- **Order Source:** Internal
- **Order Reference:** 14405
- **Validate Only?:** No
- **Instances:** 4
- **Change Sequence #:** 4
- **Trim Trailing Blanks:** No
- **Validate Descriptive Flexfield:** Yes

Double-check all values for accuracy, and then click **OK** to submit the request.



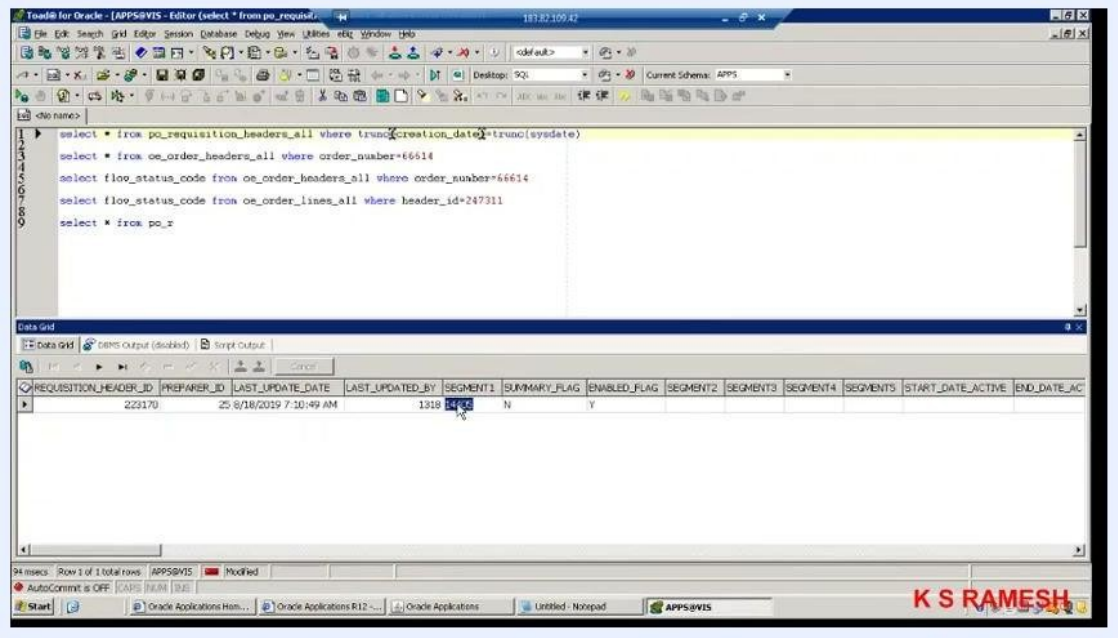
Order Import parameters dialog with Operating Unit Vision Operations, Order Source Internal, Order Reference 14405, Validate Only No, Instances 4, Change Sequence 4, Trim Trailing Blanks No, and Validate Descriptive Flexfield Yes.

Step 28. Monitor the order import request

The Requests window opens and shows the status of your submitted request. Locate your request in the list (for example, Request ID 5951813, Name: Order Import). Check these columns:

- **Phase:** Pending
- **Status:** Standby
- **Parameters:** as set during submission

Click **Refresh Data** periodically to update the request status.



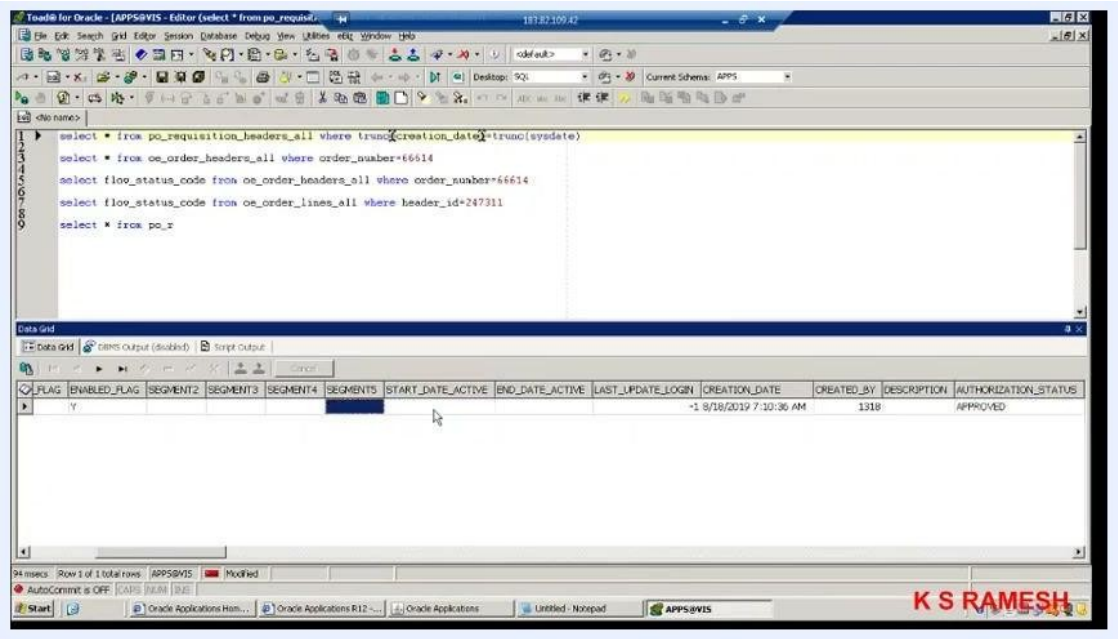
Requests window showing the Order Import request with Phase Pending, Status Standby, and the Refresh Data button highlighted.

Step 29. Wait for the import to complete

Keep refreshing until **Phase** changes to **Completed** and **Status** is **Normal**. This confirms the order import finished successfully.

Step 30. Verify the imported order in the database (optional)

If required, switch to your SQL editor (for example, Toad for Oracle). Run queries to confirm the internal order was imported and is present in the relevant tables. Review the returned data and make sure the order reference and other details match your submission.

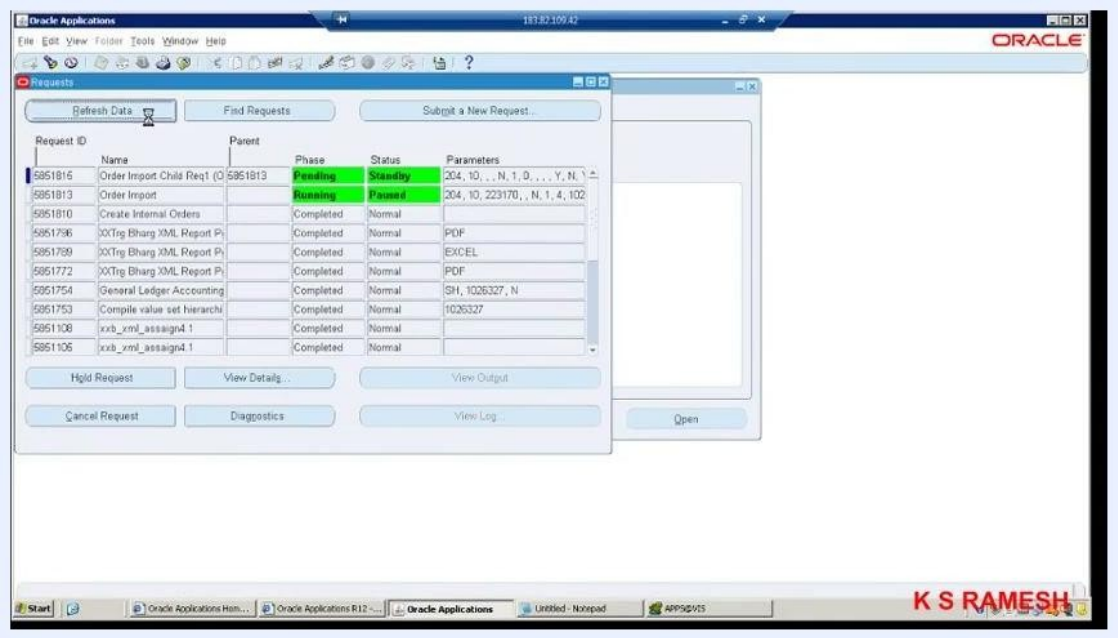


Toad for Oracle data grid showing requisition and order details, confirming a successful import.

In this section, you navigated to **Import Orders**, entered the required parameters, submitted and monitored the concurrent request, refreshed the status until completion, and optionally verified the imported order in the database.

Step 31. Find the imported internal sales order

Open the **Find Orders/Quotes** window and enter the details to search for the imported order. For example, enter 1448 in the **Requisition Number** field. Click **Find** to search for the order.



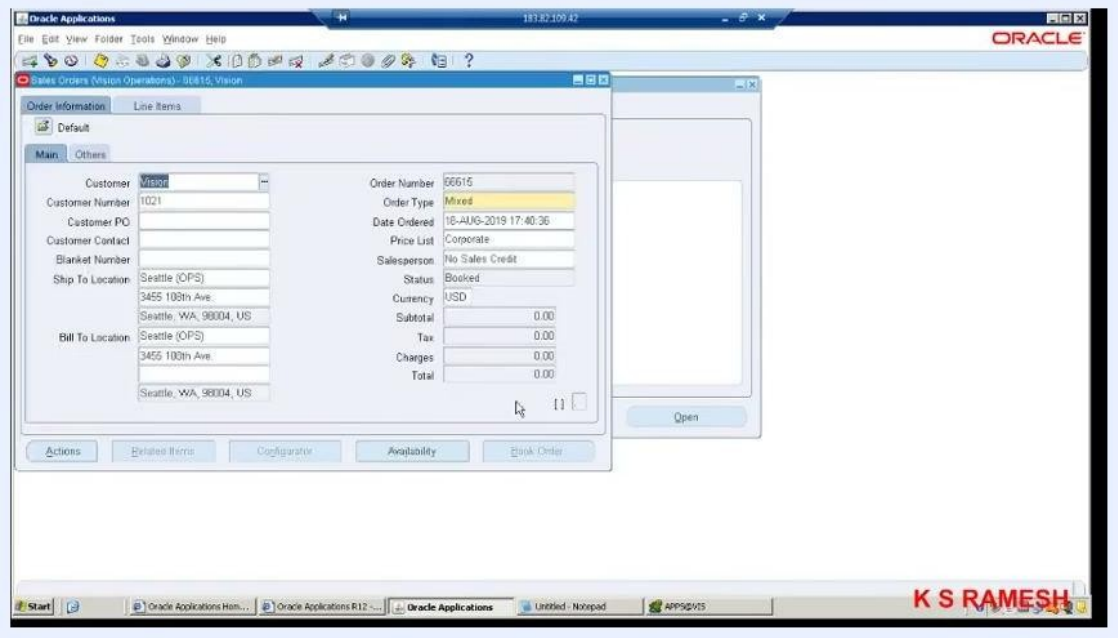
Find Orders/Quotes window with a requisition number entered.

Step 32. Review the order details

In the **Sales Orders** window, confirm the order information:

- **Customer:** Vision
- **Customer Number:** 1021
- **Order Number:** 66616
- **Order Type:** Mixed
- **Date Ordered:** 18-AUG-2019 17:40:36
- **Price List:** Corporate
- **Salesperson:** No Sales Credit
- **Status:** Booked
- **Bill To Location** and **Ship To Location:** Seattle (OPS), 3456 130th Ave, Seattle, WA, 98034, US

- **Charges and Totals:** All 0.00 USD



Sales Orders window showing detailed order information.

Release sales orders for picking

Step 33. Set the release rules

Go to the **Release Rules** window to set the release criteria for the order. Select the appropriate **Picking Rule** from the list (for example, **Standard**). Confirm the order is listed as **Unreleased**, and then click **OK** to proceed.



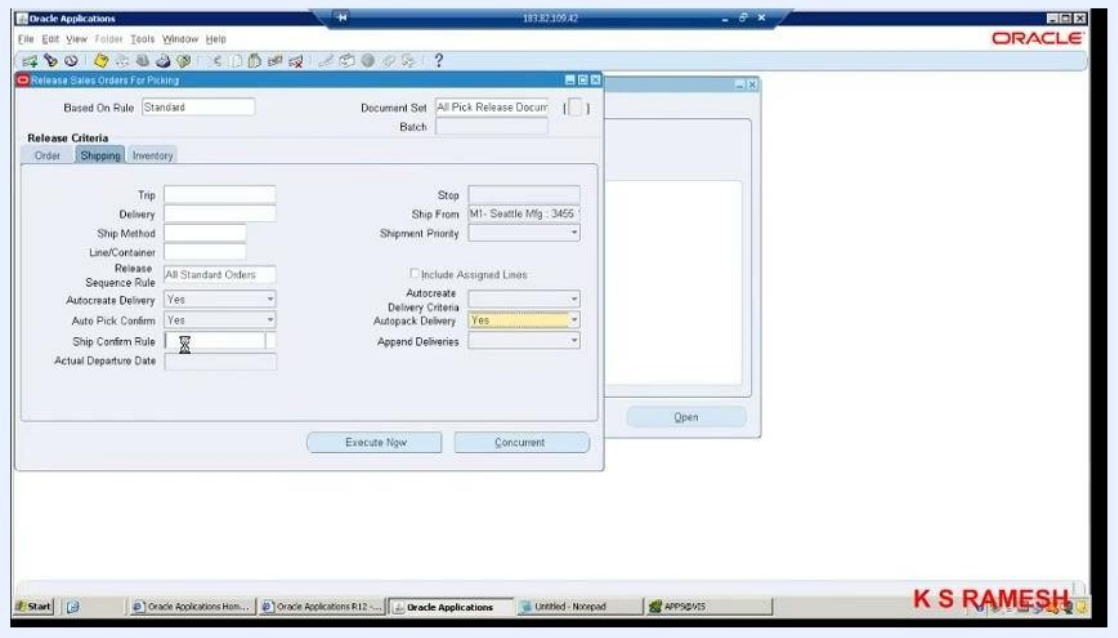
Release Rules window with picking rules and order status.

Step 34. Review the shipping and release criteria

In the **Release Sales Orders for Picking** window, make sure these settings are in place on the **Shipping** tab:

- **Based On Rule:** Standard
- **Delivery:** blank or as required
- **Ship From:** M1 - Seattle Mfg: 3465
- **Autocreate Delivery:** Yes
- **Auto Pick Confirm:** Yes
- **Ship Confirm Rule:** blank or as required
- **Autopack Delivery:** Yes

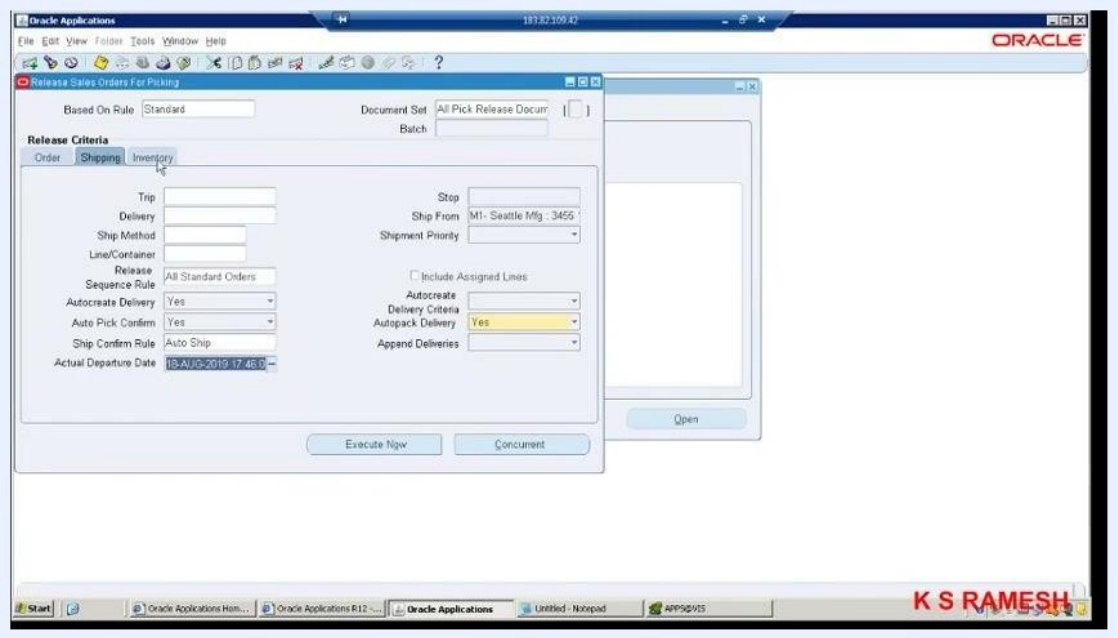
Enable the auto-ship and auto-pick options.



Release Sales Orders for Picking window with auto-ship and auto-pick enabled.

Step 35. Update the Actual Departure Date

Enter 18-AUG-2019 17:46:06 in the **Actual Departure Date** field. Switch the **Ship From** location to **M2 - Boston: 393 Berke** as required. If instructed, confirm that **Autopack Delivery** is set to **No**.



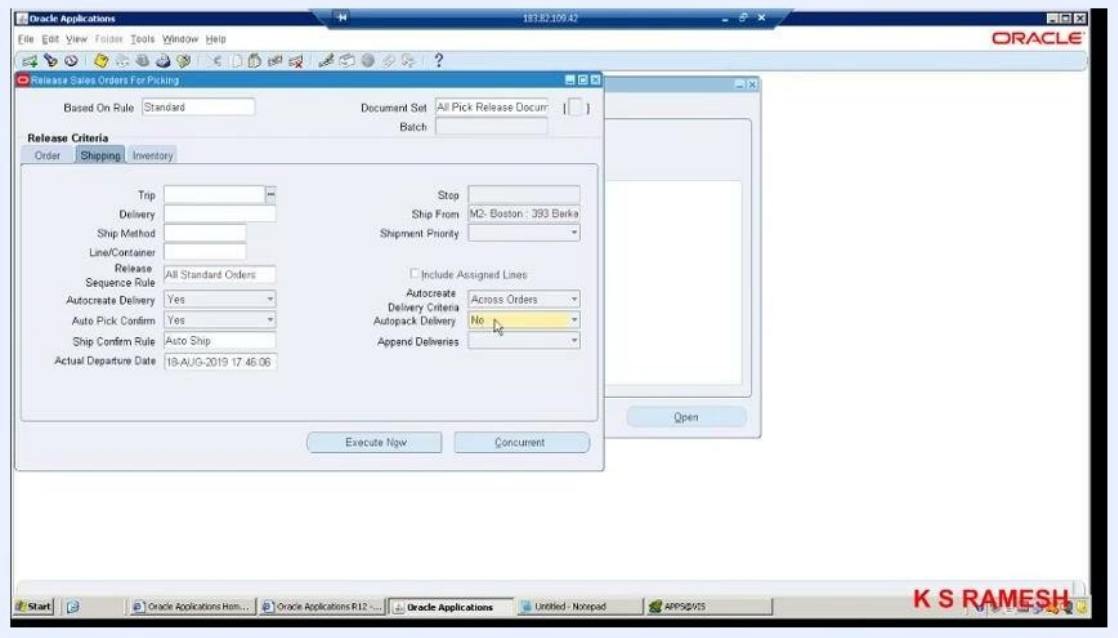
Release Sales Orders for Picking window with Actual Departure Date and Ship From updated.

Step 36. Set Autopack Delivery and prepare to execute

If required, set **Autopack Delivery** to **Yes**. Make sure the following are set before you execute the release:

- **Delivery Criteria:** Across Orders
- **Autopack Delivery:** Yes

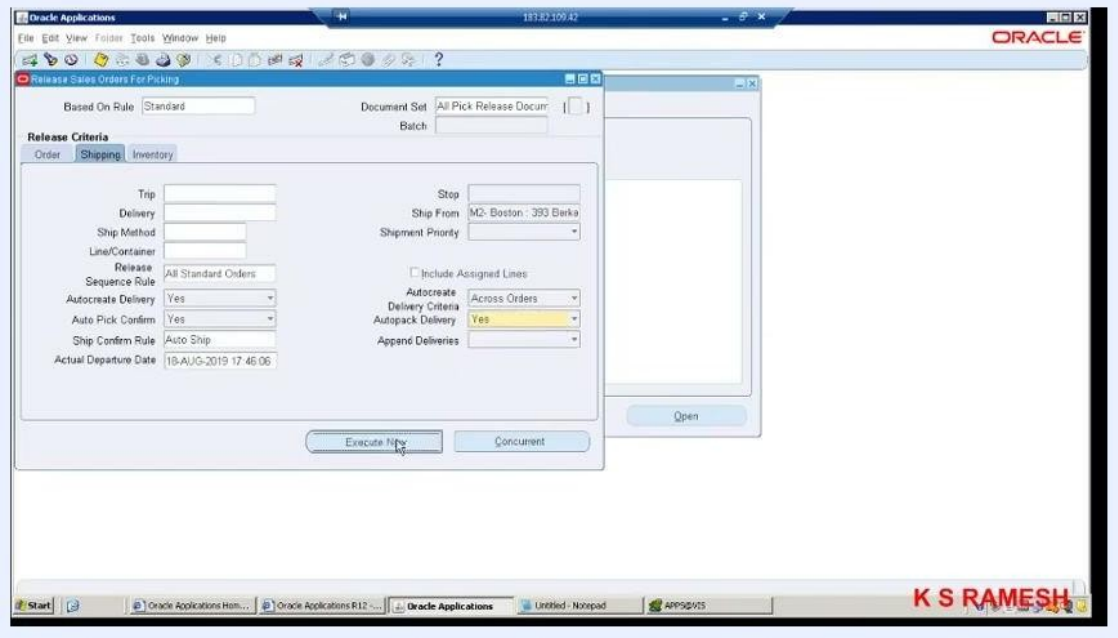
- **Append Deliveries:** blank or as required



Release Sales Orders for Picking window with Autopack Delivery set to Yes, ready to execute.

Step 37. Execute the release

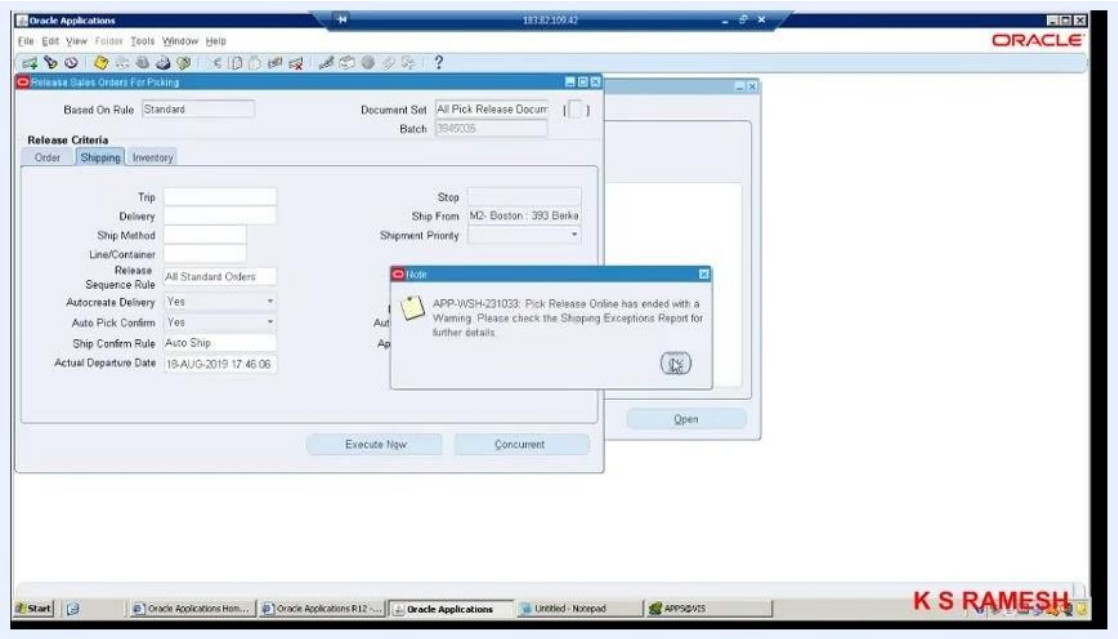
Click **Execute Now** to release the sales order for picking and shipping.



Release Sales Orders for Picking window with the Execute Now button being clicked.

Step 38. Address any system warnings

If a warning appears, such as "APP-WSH-231033: Pick Release Online has ended with a Warning. Please check the Shipping Exceptions Report for further details", click **OK** to acknowledge it. Review the Shipping Exceptions Report if you need more information.

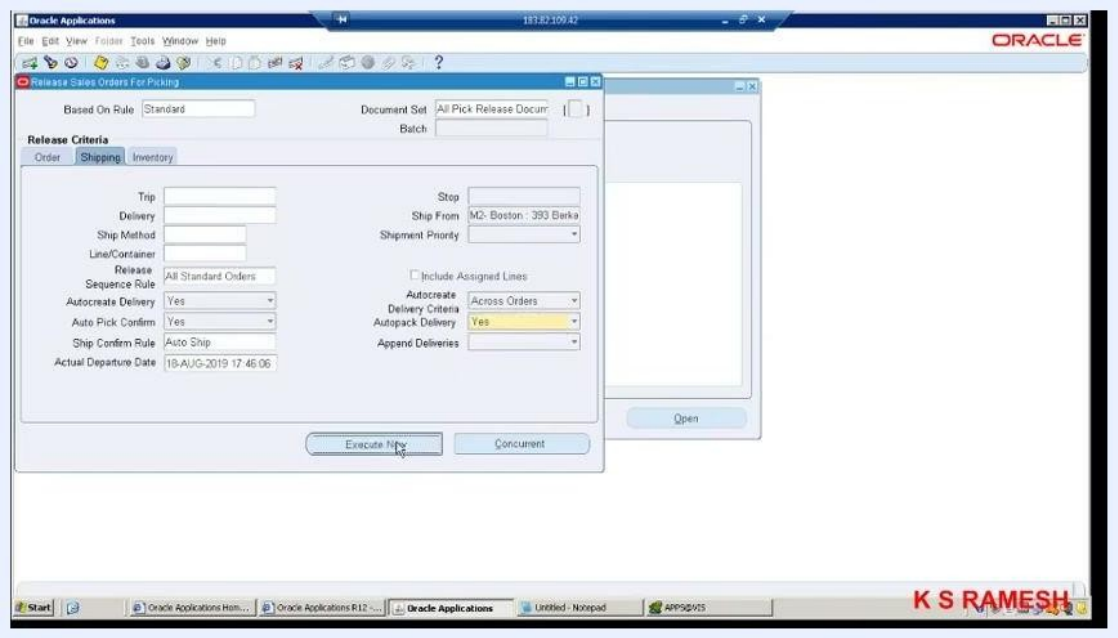


Warning dialog for Pick Release Online with an OK button.

Generate receipts and verify on-hand quantity

Step 39. Open Receiving

In the **Navigator - Purchasing, Vision Operations (USA)** window, select **Receiving > Receipts**. Click **Open** to proceed.



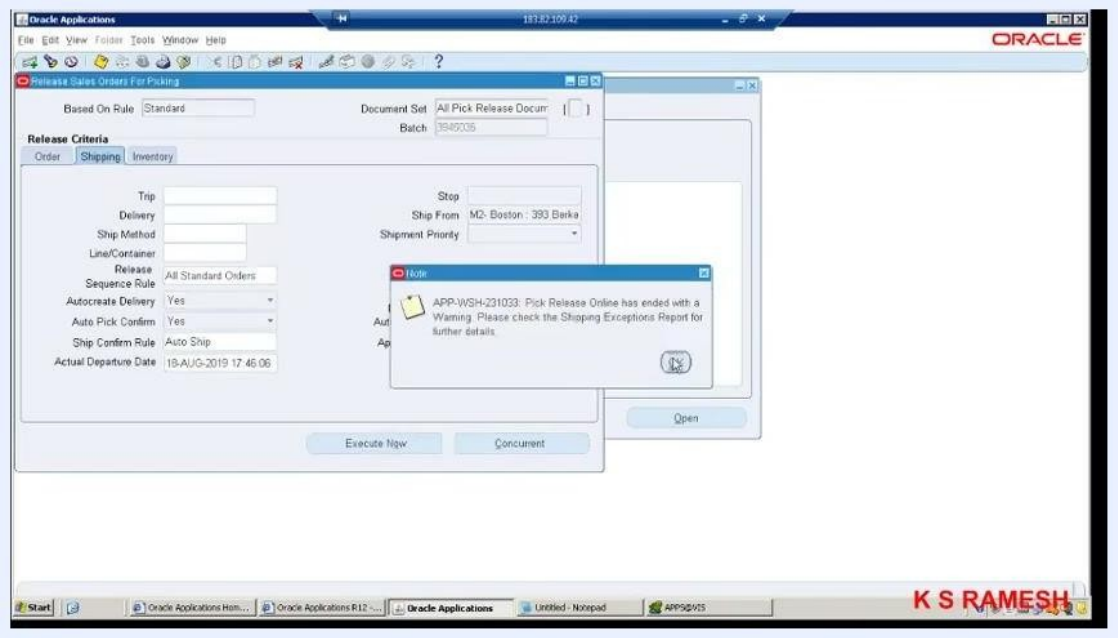
Navigator window with Receiving > Receipts selected.

Step 40. Find the expected receipt

In the **Find Expected Receipts** window, set these fields:

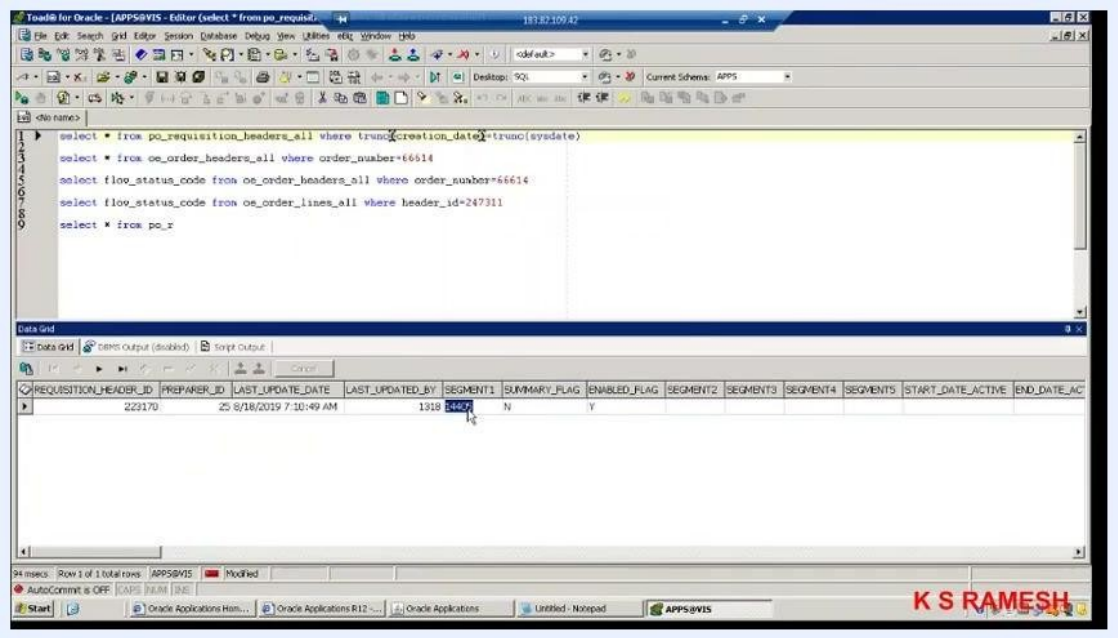
- **Operating Unit:** Vision Operations
- **Source Type:** All
- **Requisition:** the relevant requisition number (for example, 14404)

Fill in other fields as needed, such as Purchase Order, Supplier, and Receiving Location.



Find Expected Receipts window with fields for requisition and other details.

Enter 14404 in the **Requisition** field and click **Find** to search for the expected receipt.



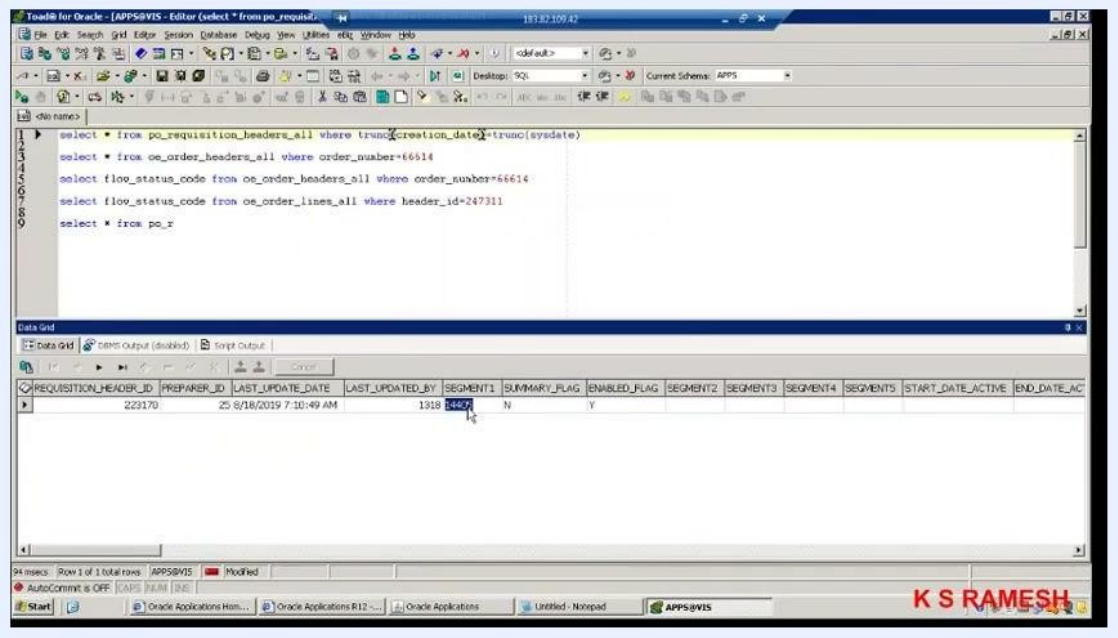
Find Expected Receipts window with the requisition number entered.

Step 41. Handle cases where no records are found

If an error such as "APP-PO-14024: No records meet your search criteria" appears, review the cause and action:

- **Cause:** No records match your search criteria.
- **Action:** Re-enter your search criteria with fewer or different parameters.

Click **OK** to dismiss the error dialog.



Error dialog indicating no records meet the search criteria.

Step 42. Review the receipt line details

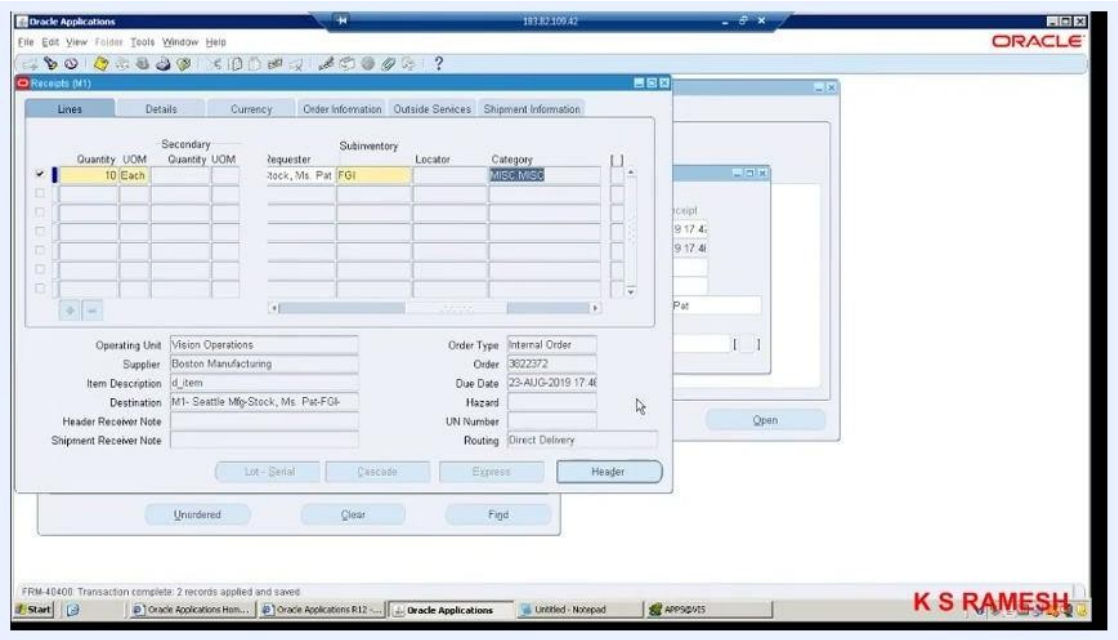
The **Receipts** window displays the **Lines** tab with these columns:

- **Quantity:** 10 Each
- **Secondary Quantity UOM:** blank
- **Requester:** Stock, Ms. Pat
- **Subinventory:** FGI
- **Locator:** blank
- **Category:** MISC.MISC

The lower section shows:

- **Operating Unit:** Vision Operations
- **Supplier:** Boston Manufacturing

- **Order Type:** Internal Order
- **Order:** 3622372
- **Due Date:** 23-AUG-2019 17:46
- **Destination:** M1 - Seattle Mfg-Stock, Ms. Pat-FGI
- **Routing:** Direct Delivery



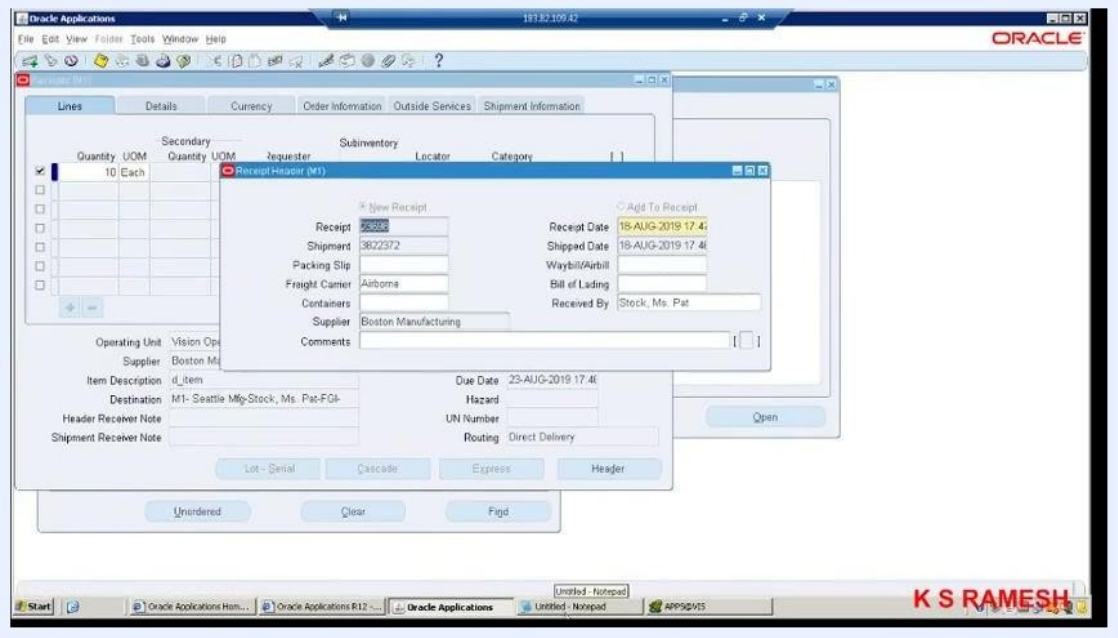
Receipts window with line item details for 10 Each, subinventory FGI, and order information.

Step 43. Confirm the receipt and shipment dates

In the **Receipt Header (M1)** window, verify these values:

- **Receipt Date:** 18-AUG-2019 17:46
- **Shipped Date:** 18-AUG-2019 17:46
- **Shipment:** 3622372
- **Supplier:** Boston Manufacturing
- **Received By:** Stock, Ms. Pat

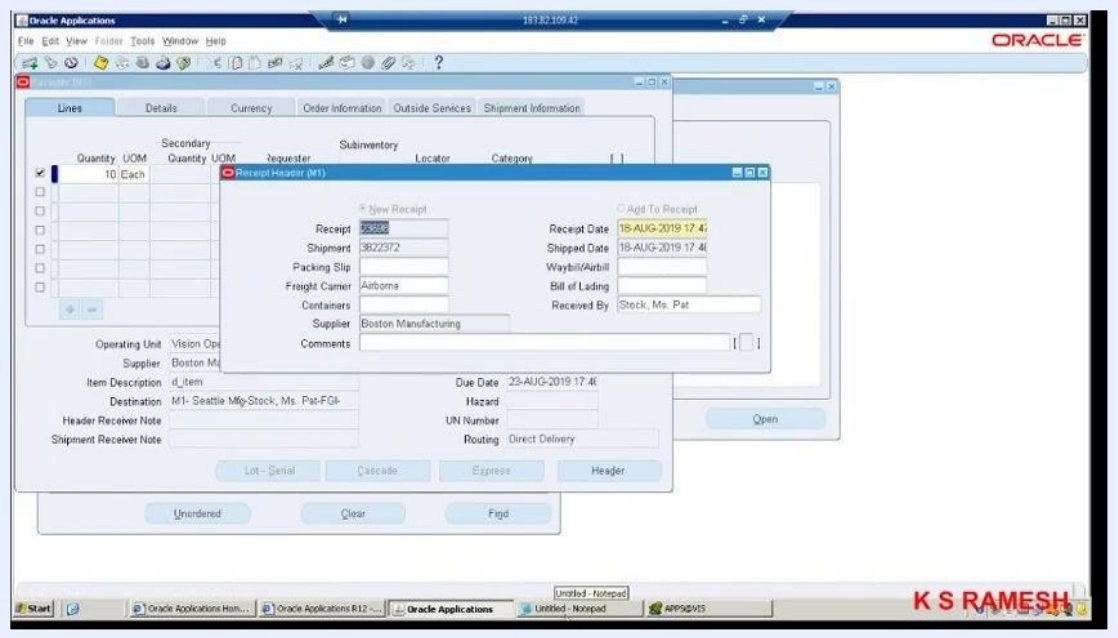
You can get the receipt number from this window.



Receipt Header window with receipt and shipped dates filled, plus shipment and supplier details.

Step 44. Open On-hand Quantity

In the **Navigator - Inventory, Vision Operations (USA)** window, select **Transactions > On-hand Availability > On-hand Quantity**. Click **Open** to proceed, and then check the on-hand quantity for the item.



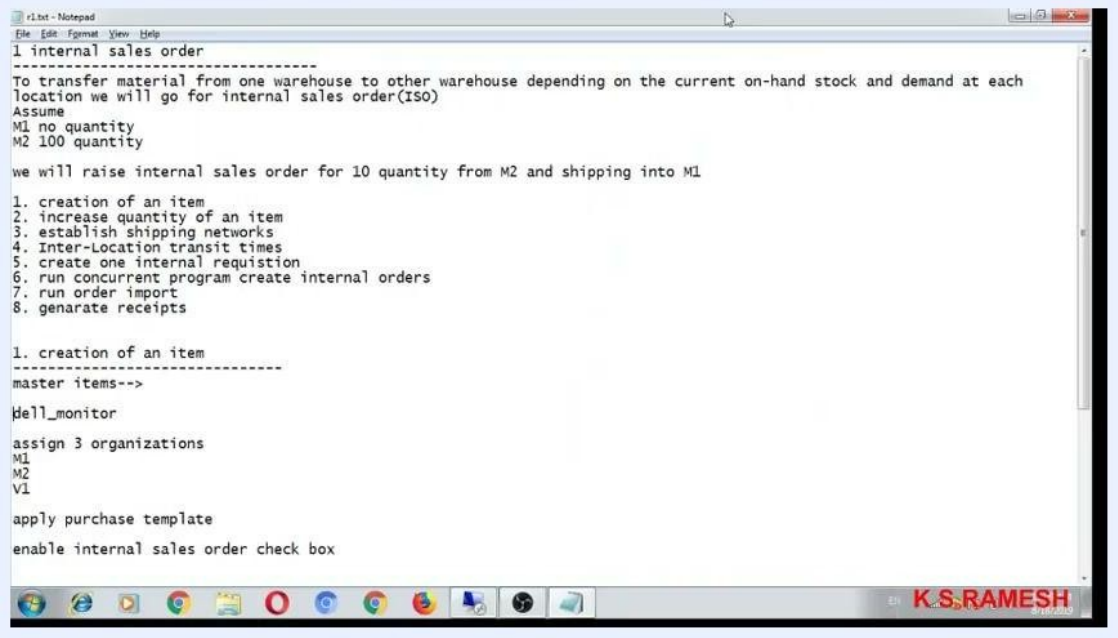
Navigator window with On-hand Quantity selected under Transactions.

Step 45. Query the item

In the **Query Material** window, enter these values:

- **Organization:** M1 (Seattle Manufacturing)
- **Subinventory:** as required
- **Item/Revision:** d_item
- **View By:** Location

Click **Find** to search for the item.



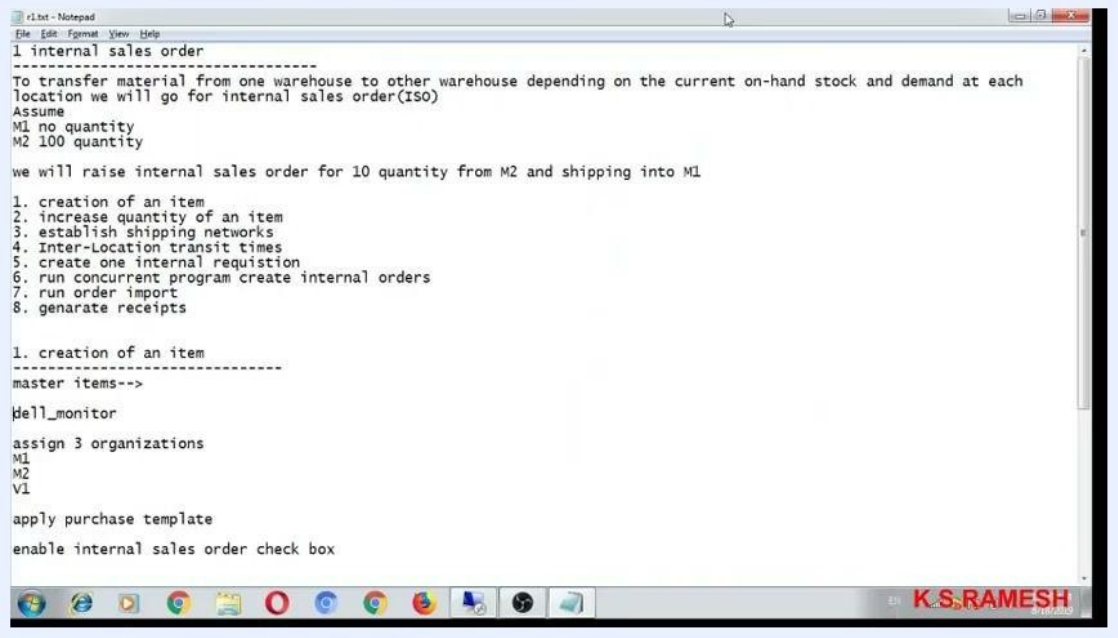
Query Material window with Organization M1 and Item d_item entered, ready to search.

Step 46. Review on-hand quantity in the Availability window

The **Availability** window displays:

- **Material Location:** On-hand
- **Organization:** M1
- **Item/Revision:** d_item
- **Total Quantity (Primary):** 10 Ea
- **Available to Reserve (Primary):** 10 Ea
- **Available to Transact (Primary):** 10 Ea

This confirms that the 10 units received are now available in inventory.



Availability window showing Material Location On-hand, Organization M1, Item d_item, and Total Quantity 10 Ea.

Summary

You have now completed the process to create an internal sales order in Oracle EBS. You set up d_item for internal orders, assigned it to M1 and M2, and increased its quantity in M2 with a miscellaneous receipt. You then entered its cost, created and approved an internal requisition, ran **Create Internal Orders**, and imported the order with **Order Import**. Finally, you released the order for picking, generated the receipt, and confirmed the 10 received units in M1's on-hand quantity.

What's next

- Check the Shipping Exceptions Report if Pick Release ended with a warning.
- Use the database queries from Step 21 and Step 30 to continue monitoring requisition and order status.
- Repeat the process with a different item or quantity to transfer more stock between warehouses.