UNLOCKING THE SECRETS OF LOCKBOX

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Abstract

This presentation provides tips for how to utilize the Automated Lockbox feature in Oracle Receivables. Including: working with your bank, defining your data to Oracle, Lockbox processing flows, and deciding whether the Automated Lockbox is right for you. Also, tips for getting better data from your bank to improve your "hit ratio."

Release 12 Differences

Lots more bugs!! The basics are still the same. Also, ability to process more than one currency and you may use AutoLockbox to import Miscellaneous Cash too.

What is Lockbox?

Lockbox is a service provided by banks and other service bureaus wherein your customers send payments directly to a lockbox and the receipts are immediately deposited into your account. If you have an "Automated Lockbox" (Auto Lockbox), the bank records the information that you request such as check number, check amount, and numbers and amount for the invoices to be paid. Your company receives the results of the banks data entry in a file (vs. just on paper) -- usually by transmission to your system.

Oracle provides you with the tools to:
- Insert the data received from the bank into Oracle tables for processing;
- Validate the data to insure that it is accurate, complies with the internal controls and is usable as provided;
- Correct the data (as needed);
- Create receipts and apply them to your open invoices.

AutoLockbox Processing

AutoLockbox is a multi-step process. You may have to repeat certain steps multiple times until you get it right!

High Level Processing Steps:
- Receive Data from Bank
- Load Bank Data into Oracle
- Verify that the data is ok?
    - If Not,
        — Fix and Re-Validate
        — Continue to fix and Re-Validate until OK
- When OK
- Create and Apply Receipts
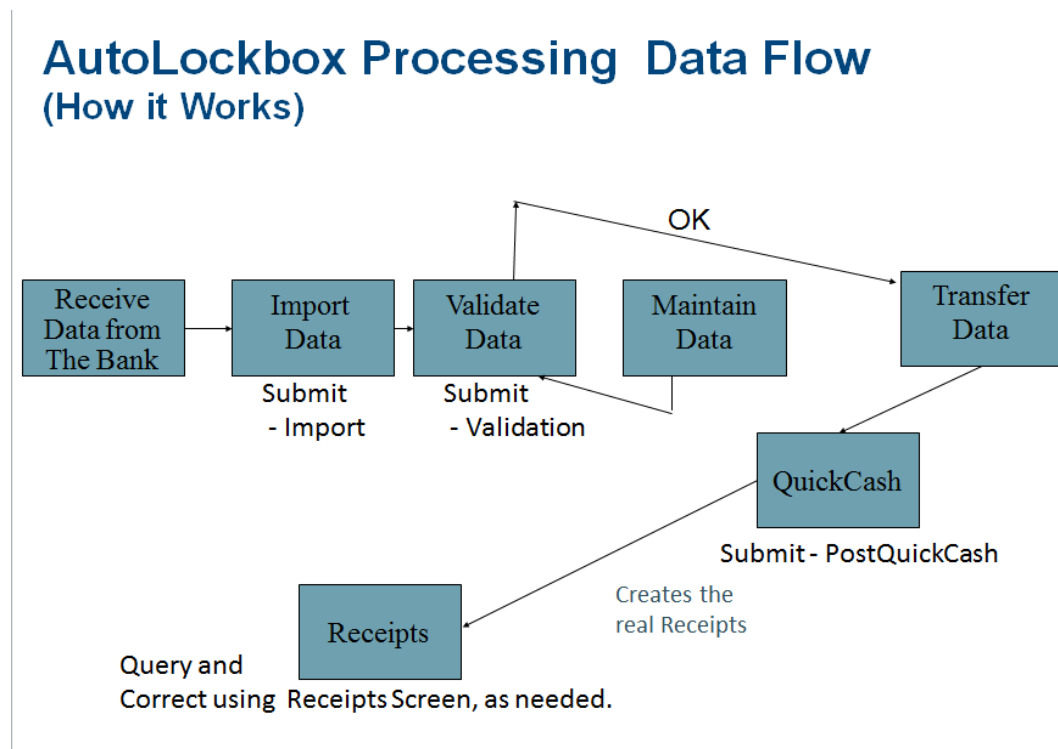
Oracle Processing Steps:
When you receive the Lockbox data from the bank, you need to move it to the computer where you are running Oracle (your technical support staff should automate this process – shell script?). You then use the Submit Lockbox Processing screen to:
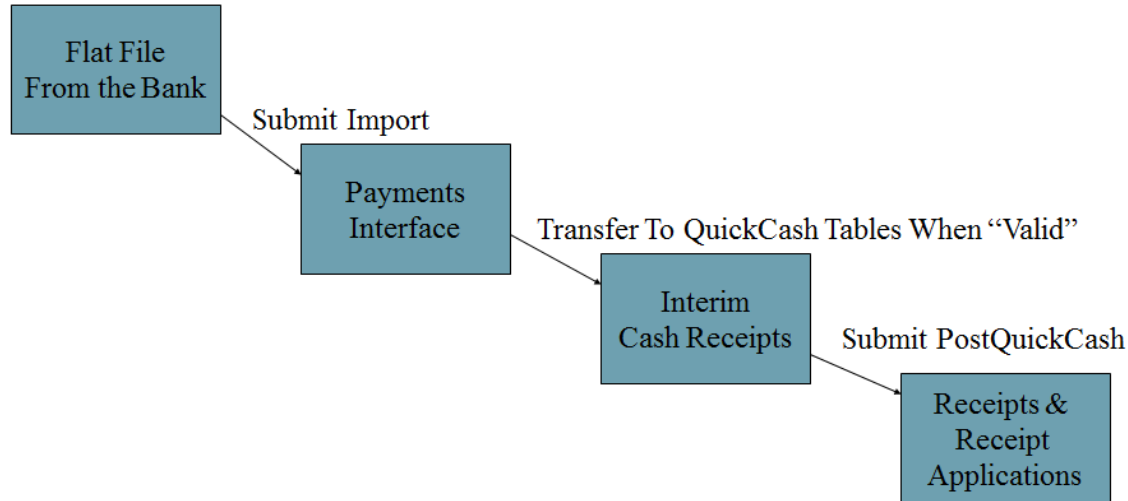
1) Import the data: Move the downloaded data to a table within Oracle.
2) Validate the Data: Verify the data for relevance and compliance with Oracle's rules regarding what is and is not acceptable
3) Correct and re-validate the data multiple times (typical)
4) PostQuickCash: creates the real receipts and applies them to the applicable transactions.

The following diagram the flow of the data:

AutoLockbox Processing Data Flow
(How it Works)

AutoLockbox Data Flows

```
┌─────────────────┐
│   Flat File     │
│  From the Bank  │
└─────────────────┘
          Submit Import
              ┌─────────────────┐
              │    Payments     │
              │    Interface    │
              └─────────────────┘
                    Transfer To QuickCash Tables When "Valid"
                        ┌─────────────────┐
                        │    Interim      │
                        │  Cash Receipts  │
                        └─────────────────┘
                              Submit PostQuickCash
                                  ┌─────────────────┐
                                  │   Receipts &    │
                                  │    Receipt      │
                                  │  Applications   │
                                  └─────────────────┘
```

Key Lockbox Data

A typical Lockbox transmission contains various different records, each with relevant data. Controls are provided at each level to ensure that the transmission was successful and to verify that the count and dollar amounts are consistent with what the bank indicated. These controls are at the transmission, Lockbox, batch and receipt levels. The records also contain control information such as your bank account (by Lockbox) and the details about the receipts the bank received. The Lockbox may be used for checks, wires and any other receipts that you receive. You define what the data from the bank will look like and how you will use it. You need to work with the bank using "test files" (ideally using real data) to insure that what you receive will work for you and that your layout definitions are in sync with the bank's definitions.

The data from the bank includes a field for "record type" that indicates the data to expect on this record. Oracle provides default set ups for records that comply with the BAI standards, but you may modify the layouts to meet your requirements.

Note: *Auto Lockbox usually is not useable for wire transfers due to the variable layout of the data usually sent by banks for these transactions. But, it may only be used if the bank provides the data in a consistent layout.*

The organization of lockbox records is referred to as an "envelope." Within the Transmission, you may receive data from multiple lockboxes. Within a lockbox, you may receive multiple batches. Within a batch, you may receive multiple receipt records and a receipt may have multiple overflow records.

Typical records and (record type)

Transmission Header (1)
    Service Header (2 - Optional)
    Batch Header (5)
      Payment (6)
        Overflow Receipt (4)
        Overflow Receipt (4)
     Receipt (6)
     Receipt (6)
       Overflow Receipt (4)
    Batch Trailer (7)
  Lockbox Trailer (8)
Transmission Trailer (9)

The header and trailer records provide the control counts and amounts and are used to verify the contents of your transmission and to insure that the data you receive is consistent with what the bank says they are sending. The receipt and overflow receipt records include the details of the receipts you are receiving and how they are to be applied (reflecting the information on the remittance advice). A receipt may have as many overflow receipt records as are necessary to provide you with all of the remittance information and transactions being paid.

Header records indicate what to expect (1, 2, and 5) and control information including bank account (Bank Origination Number), and Deposit Date. Footer records indicate the number of records and total dollar amount you should receive in the transmission (9), Lockbox (8) and Batch (7).Actual payments are made up of Receipts (Check) (6) and Overflow (Additional Information) (4) records. You usually receive details regarding the invoices to pay and how much in the 6 and 4 records (depending on how you define the layouts). Generally there are 4 - 6 invoices and amounts to be paid on each 4 record. Depending on the number of invoices your customer is paying with a single receipt, you may receive many 4 records in addition to the related 6 record.

Customer MICR Numbers

Customer MICR numbers (Magnetic Ink Character Recognition) are the customer bank account numbers (the funny looking numbers at the bottom of your checks). They contain two pieces: the transit routing number (the customer's bank) and the customer's bank account number. MICR numbers are used by Oracle Receivables to match receipts to customers even if no invoice number is provided. Oracle Receivables also learns which MICR numbers belong to which customers as it does the processing. When a new MICR number is encountered, Oracle Receivables creates a record in the customer/bank number table with no customer. When that receipt is applied to an invoice, the system updates the customer/bank record with the customer id. When the MICR number is encountered again, the system already knows the customer based on what it "learned" in the past.

You may speed this process by using the Payment Details tab on the Customers screens to manually add the MICR numbers for your more active customers. Note that one MICR number may only be used for only ONE Customer or Site. If you want the Auto Lockbox process to take advantage of your customer relationships, I suggest you use the Relationship tab to define the customer relationships and add the MICR numbers in the Payment Details tab for the parent

before starting to use Auto Lockbox. Otherwise the system will assign the MICR number to the first "child" with an invoice number that matches.

Tip: I usually set up the applicable relationships and assign the MICR numbers prior to going live with AutoLockbox when I know I have potential issues with customer's who pay each other's bills.

Preparing To Use AutoLockbox

There are several tasks you will need to perform before you can start using AutoLockbox.

First, you need to determine the data you with to receive from the bank and the exact layout. The default layout that Oracle provides is a good starting point.

Then, you need to work with your bank to define what data you would like to receive and how it will appear on each record. The model provided by Oracle is fairly standard and is generally a good starting point for working with the bank (see $AR_TOP/bin/ardeft.ctl). Remember, you pay for EVERY piece of information the bank keys but Oracle has certain minimal requirements for each record type (see the Oracle Receivables Implementation Manual for Oracle's required fields). You can start by asking the bank for a copy of your current layout and/or their default layout. Compare to the Oracle default layouts.

Optional fields I like to add are the amounts to be applied to each invoice. Though this is optional, it may provide you with better control regarding what is actually being applied and AutoLockbox applies the amounts exactly as specified by your customer. The default 4 record layout only includes a list of invoice numbers. The following is an example of the layout I suggest:

Position		Field Type	Justify	Fill Symbol	Date	Time	Format Amount	Overflow Indicator
Start	End							
1	1	Record Identifier	Right	Zero				
2	4	Batch Name	Right	Zero				
5	7	Item Number	Right	Zero				
9	10	Overflow Sequence	Right	Zero				
11	11	Overflow Indicator	Left	Blank				0
12	19	Invoice 1	Right	Blank				
20	27	Amount Applied 1	Right	Zero			Yes	
28	35	Invoice 2	Right	Blank				
36	43	Amount Applied 2	Right	Zero			Yes	
44	51	Invoice 3	Right	Blank				
52	59	Amount Applied 3	Right	Zero			Yes	
60	67	Invoice 4	Right	Blank				
68	75	Amount Applied 4	Right	Zero			Yes	

Field Description

As you can see, I recommend that you have the bank provide both the invoice numbers and the amounts to be applied for each invoice from the remittance advice. With this information, the application will be created exactly as the customer intended and will require less re-work on your part.

Tip: *If the customer is passing credit memo and deductions and their amounts, the amount is usually negative but it must be provided with "leading zeros." For instance, -100.00 in a 12 digit field must be provided as "-00000010000." Ask your bank to provide the amounts accordingly.*

Tip: *If you have a large number of invoices being paid with one check (more than 298 – with 4 applications per 4 record), you may exceed the standard overflow sequence field which is only 2 characters long. You may need to work with your bank to expand this field to 3 characters and adapt the layout accordingly.*

You will also need to decide if you want to receive real or "implied" (not really there) decimal points (100.00 or 10000 for $100). Certain fields will be right justified (aligned to the right of the field -- usually numbers). Some will be left justified (aligned to the left of the field -- usually alphanumeric data). Watch out for items such as bank accounts and invoice numbers that are left justified, even though they are generally all numerals.

Note: *With the exception of the 4 records, I use the default positions, and content that Oracle provides in their default layouts.*

You need to provide your bank with the exact layout and content you expect.

Working With Your Bank to Improve Your "Hit Ratio"
In order to improve your "hit ratio" (the number of the receipt applications that are correct directly from the bank without any corrections needed) you can work with your bank to insure that they are providing the highest quality data possible.

1) Collect examples of typical remittances (include the weird ones too) – make copies for the bank
2) Let the bank know the numbers to expect for invoice numbers e.g., 7 digits that start with a 5
3) Set up a meeting with the bank representative who controls your Lockbox data:
    a. Provide the examples and indicators
    b. Talk about how they can help you

Customer Deductions
If your customer's remittance advice includes deductions, you will need to deal with them:

If the deduction is valid and refers to an open credit memo, Auto Lockbox can process the credit (if the amount is provided with a leading – e.g., -000000100 and you will not see an exception.

If the deductions are not valid (does not refer to an open existing credit), you have several options. The key is to retain a record of the customer's intention to use to work out the details. You need to create a procedure for handling the customer deductions. Will you create a debit memo for each deduction? Create one credit memo for the total or all of the deductions? See www.cathycakebread.com under Papers for a suggested procedure.

You need to create a procedure for handling invalid customer deductions. Will you create a debit memo for each deduction? And one credit memo for the total? See www.cathycakebread.com under Papers for a suggested procedure.

Possible options include:
- You may manually enter offsetting Debit Memos and Credit Memos – netting to zero. Update the lockbox file with the new credit memo numbers and the batch will proceed as usual. Use the new Debit Memos to work with the customer to understand why they took the deduction and if it is valid.
- You could create a pre-processing program that creates inputs to AutoInvoice to automatically create the offsetting debit memos and credit memos. The Preprocessor then updates the Lockbox data with the new reference numbers. Rerun the Validation step, they should be ok now.
- Manually remove the deductions in the Maintain Transmission Data screen and then reduce the amount to be paid until you run out of money (I don't recommend this!!)
- Take advantage of the Trade Management features for this.

Tip: I use the customer's reference number when creating the offsetting records e.g., CDD6676878678 (debit memo) and CDC6676878678 (credit memo).

Setup AutoLockbox in Oracle Receivables

Once you have decided your layouts and banks, you need to define them for Oracle. Use the Banks screen to set up your banks. Use the **Lockboxes** screen (Setup – Receipts – Lockboxes) to describe your Lockboxes, including:
- The banks they are for;
- Whether or not you will use Auto Associate;
- How you want the GL Date to be determined. Usually this is the "Deposit Date" but you may use "Constant Date" if you wish to enter the date each time you run the Lockbox process (rare).
- The Bank Origination Number is the actual account passed by the bank in the transmission. *Note: This value must be entered exactly as it is passed by the bank including leading zeroes.*
- Use the Transmission Formats screen to describe the contents of each record from the bank. Note that you may use different transmission layouts for the different Lockboxes that you use. You may use the "Default" transmission format that is provided by Oracle and modify as needed, or you may define your own layouts. Describe in detail each field that you will receive for each different record type, indicating:

- The actual starting and ending columns;
- If the field is right or left justified (List);
- The format of any dates used (List) e.g., MMDDYYY
- If decimals are implied (10000 - Format Amount = Yes) or real (100.00 - Format Amount = No).

See the Oracle Receivables Implementation Manual for more details on the possible record types and field types.

Caution: If you entered the information and realize that you need to change the starting and ending columns, you must revise in a specific manner. Change the descriptions for the fields at the end of the record first, and then work your way toward the beginning of the record, saving as you change each field. This is necessary because the screen has validation to ensure that you do not define overlapping fields.

You need to be sure that the overflow indicator you specify is consistent with the indicator value provided by the bank (usually "-").

Also, the first invoice number on the overflow receipt record will be "Invoice 1" even though you may have also indicated an "Invoice 1" on the receipt record. Note that you cannot put invoice numbers and related amounts on separate records; they must be on the same record.

Note: You will also need to define your layout in the SQL*LOADER control file (Oracle uses this for the import). Use a technical text editor (e.g., VI or EDIT) to create and/or change the file. Oracle provides a sample in $AR_TOP/bin/ardeft.ctl. You may use this layout or make a copy and modify as needed. This layout MUST be exactly consistent with the layout you defined in the Transmission Formats screen and what the bank is sending. You may have as many control files as you need to define your different Lockboxes. Note the actual name that you used and if any of the letters are capitals as this name is a manually entered free form field in the Submit Lockbox Processing screen.

Note: Key Lockbox Setup Values:
Bank and Bank Origination Number (exactly as sent from the bank)
Receipts Tab:
> *Receipts Matching:*
> *Match Receipts by –* **Transaction Number**
Transactions Tab:
> *AutoAssociate*
> *Invalid Transaction Number Handling -* **Post Partial Amount as Unapplied**

Application Rule Sets

Additional Setup Options
AutoAssociate
Auto Associate means you want the Lockbox process to use the invoice or debit memo numbers provided to match a receipt to a customer and to learn the customer number and MICR number combinations. If the invoice number is used by more than one customer or is invalid, the receipt will be transferred as "unidentified" and you will need to correct it in the Receipts screen. You indicate if you will take advantage of Auto Associate when you set up Lockboxes screen thus, you have the option of whether or not to use Auto Associate for different Lockboxes. Select in Lockboxes screen in the Transactions tab. *I suggest that you utilize this feature.*

AutoCash Rule Sets
AutoCash is the ability to define cash application rules for use in automatically matching receipts to invoices in AutoLockbox. You indicate if you will use AutoCash Rule Sets on the System Options screen (Miscellaneous tab). You also indicate the default AutoCash Hierarchy (the sequence in which the rules will be used) on that screen. You may override the default AutoCash Rule Set by customer, using the Profiles tab in the Customer's screens. Describe your AutoCash rules using the AutoCash Rule Set screen. You indicate which discounts (earned and unearned) are to be used, specify whether or not you want to include accrued finance charges, and determine if you want disputed items used in the open balance calculation. You also indicate what to do with remaining amounts and whether you want automatic receipt of partial amounts.

The standard AutoCash rules are:

- Apply to the Oldest Invoice First;
- Clear the Account;
- Past Due Invoices;
- **Match Receipt with Invoice**.

You define the sequence in which you want the system to use these rules.

Tip: I usually <u>only</u> use "Match Receipt with Invoice."   Otherwise, AutoLockbox you may have apply the receipts in ways other than as the customer intended.

Example of my suggested AutoCash Rule Sets setup:
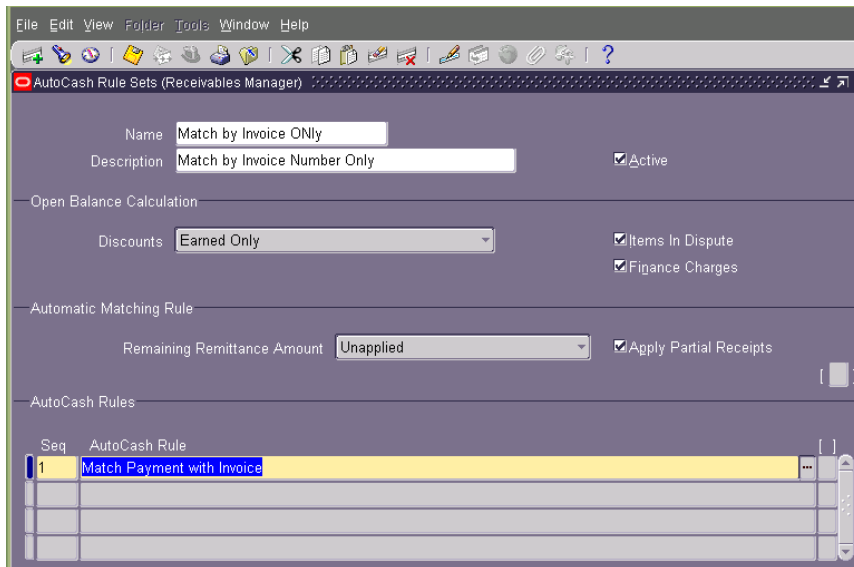
Note: When defining related Receipt Classes – though this is "AutoLockbox" it is set up as a Manual Payment Method.

Lockbox Processing Details

Import and First Validation
The following list the key fields to enter in the Submit Lockbox Processing screen for each of the multiple passes you will process to import, validate and process your lockbox data.

In the Submit Lockbox Processing screen - First Pass; import data and run the first validation.

| FIELD NAME	ACTION/ENTRY
New Transmission	**Checked** for "Yes"
Transmission Name	Enter the bank initials and the deposit date (so you can find it again)
Submit Import	**Checked** for "Yes"
Data File	**e,g., /u0/lockbox/xxmmddyy.dat (where xx is the bank and mmddyy is the deposit date) – must be exactly correct**
Control File	**name _____ - must be exactly correct**
Transmission Format	**(List) name _____**
Alternate Name Search	**"None"**
Submit Validation	**Checked** for "Yes"
Lockbox	(List) The lockbox name
Complete Batches Only ****	**Checked** for "Yes"
GL Date	The deposit date or the last date of the period (at period end only)
Allow Payment to Unrelated Invoices	**NOT Checked** for "No"
Report Format	(List) **"All"**
Invalid Transaction Number Handling	"Reject Entire Receipt"
Submit PostQuickCash	**Not Checked** for "No"
Apply Unearned Discount	*Depends on your policies*
No of Instances	**1** unless you have high volumes of data

Note: I suggest that you check Complete Batches Only so the batches created by AutoLockbox are consistent with the batches created by the bank. This can make reconciliation much easier.

Tip: When I need to enter the exact file location when I am importing a new batch in the Data File field. I keep a file on my desktop with the exact path to the file. I cut and paste it into the Data File field and then modify as needed. That way, I am much more likely to get it correct. You need to have a consistent secured location for these files in case you need to go back and check them and to protect your customer's bank account details.

Correct Transmission Data with Issues
Receipts - Lockbox - Maintain Transmission Data

Use this screen to make any corrections needed for records that did not pass the validation.

Tip: I usually create a custom folder form for easy access to the items with issues and to see what the issues are without needing to scroll. For example:
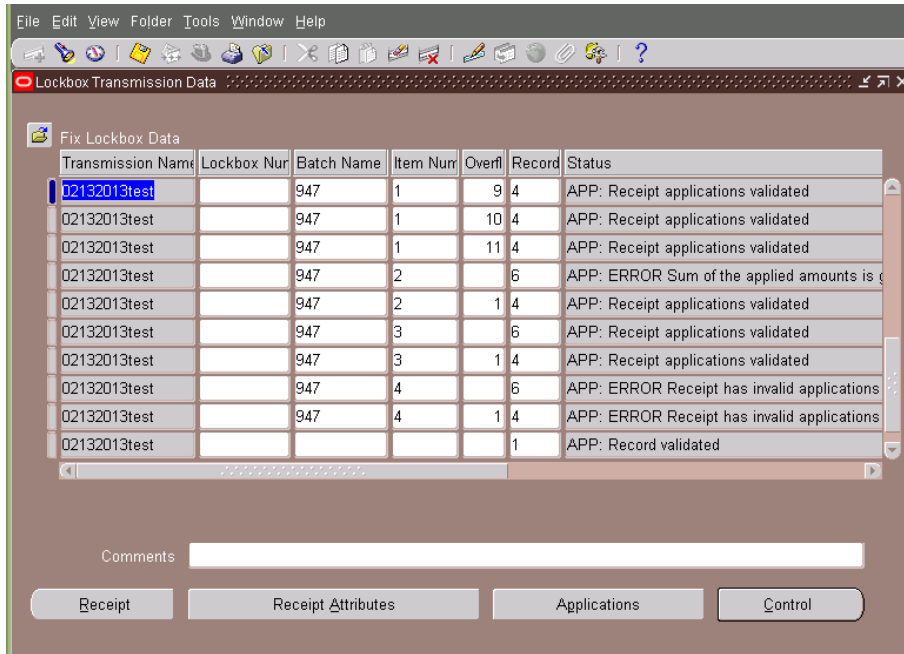
The Lockbox Execution Report indicates if the data was imported and how the data fared in the validation. It also lists the possible exceptions and what they mean. If some of the data fails the import, the entire transmission fails and will need to be run again.

There are different types of errors that you may encounter. If the control counts and dollar amounts are not consistent with the actual counts and amounts, you will get an error. These errors can occur at the transmission, Lockbox, batch and/or check levels. Errors at the transmission and Lockbox levels may indicate a problem with your download and should be investigated as soon as is possible.

If there is no check number or if an invoice number provided is invalid or for a closed invoice, you will also get an error on the 6 record.

You have different screens to investigate and correct these errors. You usually use the Maintain Lockbox Transmission screen (this is generally the first screen you will use to correct errors). Select the "Transmission Name" of the transmission you wish to fix and start your query. You will see all of the records that make up the transmission, along with the status for each record. Position the cursor on the record you wish to correct and Click on the applicable button for the data with the error. Correct the error on the appropriate page, save and return to the home screen. Move to the next record to fix, continue until you have corrected every error.

The following lists each button and the related records on the Maintain Lockbox Transmission screen.

Button	Usage
Receipt	6 record (usually for MICR number, check number, check amount or customer issues)
Receipt Attributes	4 record Descriptive Flexfields
Applications	4 record applications (generally for invalid invoice numbers and application amounts)
Control	1,2,5,7,8,9 records (generally for count and amount issues)

Re-Validate the Lockbox Data

Use the Submit Lockbox Processing screen to re-run the validation (Pass 2+)

FIELD NAME	ACTION/ENTRY
New Transmission	**Not Checked** for "No"
Transmission Name	(List) Bank initials and the deposit date (from first pass)
Submit Import	**Not Checked** for "No"
Data File	
Control File	
Transmission Format	
Alternate Name Search	**"None"**
Submit Validation	**Checked** for "Yes"
Lockbox	The lockbox name - automatically filled in.
Complete Batches Only	**Checked** for "Yes"
GL Date	The deposit date or the last date of the period (at period end only)
Allow Payment to Unrelated Invoices	**NOT Checked** for "No"
Report Format	(List) **"Rejects Only"**
Invalid Transaction Number Handling	"Reject Entire Receipt"
Submit PostQuickCash	**Not Checked** for "No"
Apply Unearned Discount	*Depends on your policies*
No of Instances	**1** unless you have high volumes of data

Continue the cycle of correcting and validating the data until all records have been "transferred" as indicated on the Lockbox Execution Report.

When all records are "transferred," they have been moved from the Lockbox tables to the tables used by QuickCash (the Interim Cash Receipt tables). If you have additional corrections to make, you may make them using the QuickCash screen or wait and correct them in the Receipts screen (the usual method). Since you Checked Complete Batches Only, you have not created lots of small batches. Instead you have retained the batches as provided by the bank.

Create the Actual Receipts

To actually create and apply the receipts, use the Submit Lockbox Processing screen again. Select the "Transmission Name" and Check Submit PostQuickCash. You get the Post QuickCash Posting Execution Report that details how the receipts were applied and if not, why not.

Use the Submit Lockbox Processing screen to create the actual receipts:

FIELD NAME	ACTION/ENTRY
New Transmission	**Not Checked** for "No"
Transmission Name	(List) Bank initials and the deposit date (from first pass)
Submit Import	**Not Checked** for "No"
Data File	
Control File	
Transmission Format	
Alternate Name Search	**"None"**
Submit Validation	**Checked** for "Yes"
Lockbox	The lockbox name - automatically filled in.
Complete Batches Only	**Checked** for "Yes"
GL Date	The deposit date or the last date of the period (at period end only)
Allow Payment to Unrelated Invoices	**NOT Checked** for "No"
Report Format	(List) **"Rejects Only"**
Invalid Transaction Number Handling	"Post Partial Amount as Unapplied"
Submit PostQuickCash	**Checked** for "Yes"
Apply Unearned Discount	*Depends on your policies*
No of Instances	**1** unless you have high volumes of data

After you run the PostQuickCash process, the Lockbox Execution Report includes details about each of the receipts and how they were applied. Verify that the results are as you expect.

If additional corrections are needed, you may Query the batch using Receipt Batches screen and make the appropriate changes using the Receipts screen. Note: You can use the Transmission, Lockbox, or Batch names to query the exact data you wish to work with.

Non-Accounts Receivable receipts that are received through the Lockbox will need to be changed to Type of "Misc" and the additional information added in the Receipts screen.

Testing Bank Files

Prior to actually going live with Auto Lockbox, you will also want your bank to provide sample files (using real data) to ensure that the data you are receiving is the data you expect. Banks often take 4 - 12 weeks to provide you with the data or with the changes that you requested, so start this step EARLY!

Get test data files from the bank; verify that the layout is exactly correct
Then, get files with real data that is timely for your test environment:

- Don't assume it will be correct!
- Get multiple files to test with, not just one!
- This way you can't blame issues on "fake" data and you can easily see issues
- Run the data through the whole AutoLockbox process, not just the import
- Test, Test, Test!

It once took us 4 MONTHS to get usable data!!! Eek!

Note: *If all of your items continue to be created as "unidentified," or you have problems with Auto Lockbox, check to be sure that you have the justification properly defined in the Transmission Formats screen.*

Additional Lockbox Tips

1) Data that is moved from a PC may contain "^Z" at the end (this is the end of file marker and it will cause strange results in your Lockbox data). Write a script to strip off the ^Z before you do the import into Oracle. Though I have not seen this is years.

2) If you have multiple customers whose invoices may be paid by a central location, but you have no separate customer set up as the "parent," you may want to set up a "dummy" customer as the parent. Assign the children to the parent using the Relationships Tab and create the customer MICR record for the parent using the Payment Details tab. Then the "parent" can pay the "children's" invoices within Lockbox and the other cash application forms.

3) The majority of the detailed documentation regarding Lockbox is in the Oracle Receivables Implementation Guide and the Oracle Receivables Reference Guide.

Data Conversion

Even if you do not use the Auto Lockbox for processing your daily receipts, you should use it to convert your historic receipts when you go live Oracle Receivables. Oracle provides a default SQL*LOADER control file called arconv.ctl (in $AR_TOP/bin) and a Transmission definition called CONVERT for you to use when you do this. The layouts are very basic and you do not need to provide control records for the totals. By doing this you take advantage of the Oracle edits and ensures that all the new receipts are proper. Note however, that the GL date will be used as the apply date, so group your data accordingly and correct as needed before you go live.

Tip: *I usually convert all data in the period prior to the period when we are going live. I then run the Create Accounting process to mark all items as having been posted. But, I have someone in GL delete the batch before it actually posts since it would impact the starting GL balances. Optionally, you may create a script to update the records with the actual GL dates e.g., based on a Descriptive Flexfield (you include with the converted data) with the actual GL date.*

Should You Use Auto Lockbox?

Given the limitations listed above, Lockbox may not work for your company. Questions you should ask before implementing Lockbox include:

- How accurate is the data received from the customers? If it is usually inaccurate, you may end up re-keying most of the data anyway.
- What is the volume of the data you receive daily? If low, it may be easier to enter manually.
- How frequently are unauthorized customer deductions included in the remittance advice? If it is often, you may be doing extra work or you will need to automate the process of dealing with the deductions.
- How many of your receipts are based on parent/child relationships? Will you be able to take advantage of the system capabilities?
- How long is the time between when you would receive the transmission and when you receive the backup documents?
- How many banks do you use?
- Can you justify the cost for the bank charges? (You may sometimes negotiate charges even down to $0).
- Do you often have more than one invoice with the same number?
- How much custom front-end work will be needed to make Lockbox work for you?

Applicable Oracle Notes

- Oracle Receivables Lockbox: Known Issues and Patches (Doc ID 1358497.1)
- Troubleshooting Known Issues In Lockbox (Doc ID 1366298.1)
- Oracle Receivables Lockbox: Frequently Asked Questions (FAQ) (Doc ID 1075485.1)
- Lockbox via API: Sample Code to Call Lockbox Process (ARLPLB) using FND_REQUEST API (Doc ID 1342139.1) and Oracle Receivables Reference Guide
- AutoLockbox Overview White Paper (Doc ID 1374423.1)
- Lockbox: Listing of Status Error Codes for Lockbox Validation (Doc ID 1371529.1) – What the Codes Mean
- Oracle Receivables Reference Guide
- Oracle Receivables Implementation Guide

Possible Custom Report

At one of my clients, we created a custom lockbox report with 1 line per application (from 4 records – 1 line per application) with the corresponding Payment Schedule Details vs. one receipt spread across multiple pages. We also included 1 line per 1,2,5,6,7,8,9 record.

About the Author

I am an independent consultant specializing in Oracle Financials. I have over thirty five years' experience in designing, developing and implementing financial software and I was one of the original designers of Oracle Receivables and Revenue Accounting. I have assisted over 80 customers in implementing, upgrading and optimizing their use of Oracle Receivables. You can contact me at cathyc@cathycakebread.com.

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