Functional Specification Documentation
Budget Control

PricewaterhouseCoopers GHRS

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1. Budget Validation – Projects and Non-Projects (BU)

1.1   Requirements

- As part of the control process , budget validation is required on the following:

    - Validate budget in Purchase Order document
        - Purchase Order (in reference to PR)
        - Purchase Order (Direct)

- Reporting requirement for actual spend against budget
    - Committed at Purchase Request level (pending for approval, approved but not generated and generated but open)
    - Committed at Purchase Order level(pending for approval, approved but not generated and generated but open and closed PO where target AP is null)
    - Actual spend at AP Invoice and Ap Credit Memo
    - Actual spend at Journal Entry level
        - Journal Entries (Direct)

1.2   Functions

- Project budget validation is at the total budget per project against the total lines (relating to same Project) before GST
- Non-Project (BU and OU) budget validation is at budget per Business Unit or Operating Unit and at GL level against total lines (relating to same GL) amount before GST
- Display available balance budget in Purchase Request and Purchase Order document line details before deducting this PR/PO.
- Generate report to extract budget against actual spend at GL level for Non-Project(BU/OU) and at Project Code level for projects
- Upload original and reforecast budget and maintenance of budget versions

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1.3   Set-up and configurations

- Create Projects in Sap System. Project Table
    - o   Administration →Setup →Financials →Projects

- o   Field Descriptions
    - ▪ Project Code (standard field-8 characters) – enter 8 characters code for the project (required field)
    - ▪ Project Name - Enter name of project (100 characters)
    - ▪ Project Code (UDF-13 characters) – iPower project code reference 13 characters code for the project
    - ▪ Valid from – enter valid from date (optional)
    - ▪ Valid To – enter valid to date (optional)
    - ▪ Active – check to set project as active and can be selected and use in creating documents
    - ▪ Remarks (UDF) – 100 characters free text
    - ▪ Owner (UDF) – 50 characters free text (create FMS to select from list of OU)

- Create Budget Table for Non-projects and Projects

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- New Column in Purchase Request and Purchase Order documents
    - Projects : POR1.PROJECT
    - OU_BU BUDGET (UDF) : U_AB_NONPROJECT
    - Budget Balance before this PR/PO (UDF) : U_AB_BALANCE

Purchase   Order

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Purchase Request

- New field (UDF) in Budget scenario table
    - Active : U_AB_ACTIVE

select Yes to set as "active" for budget validation

- Create FMS in Non-Project Fields to look up for Business Unit and Operating Unit

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Click to display list of business unit, operating unit and select from list
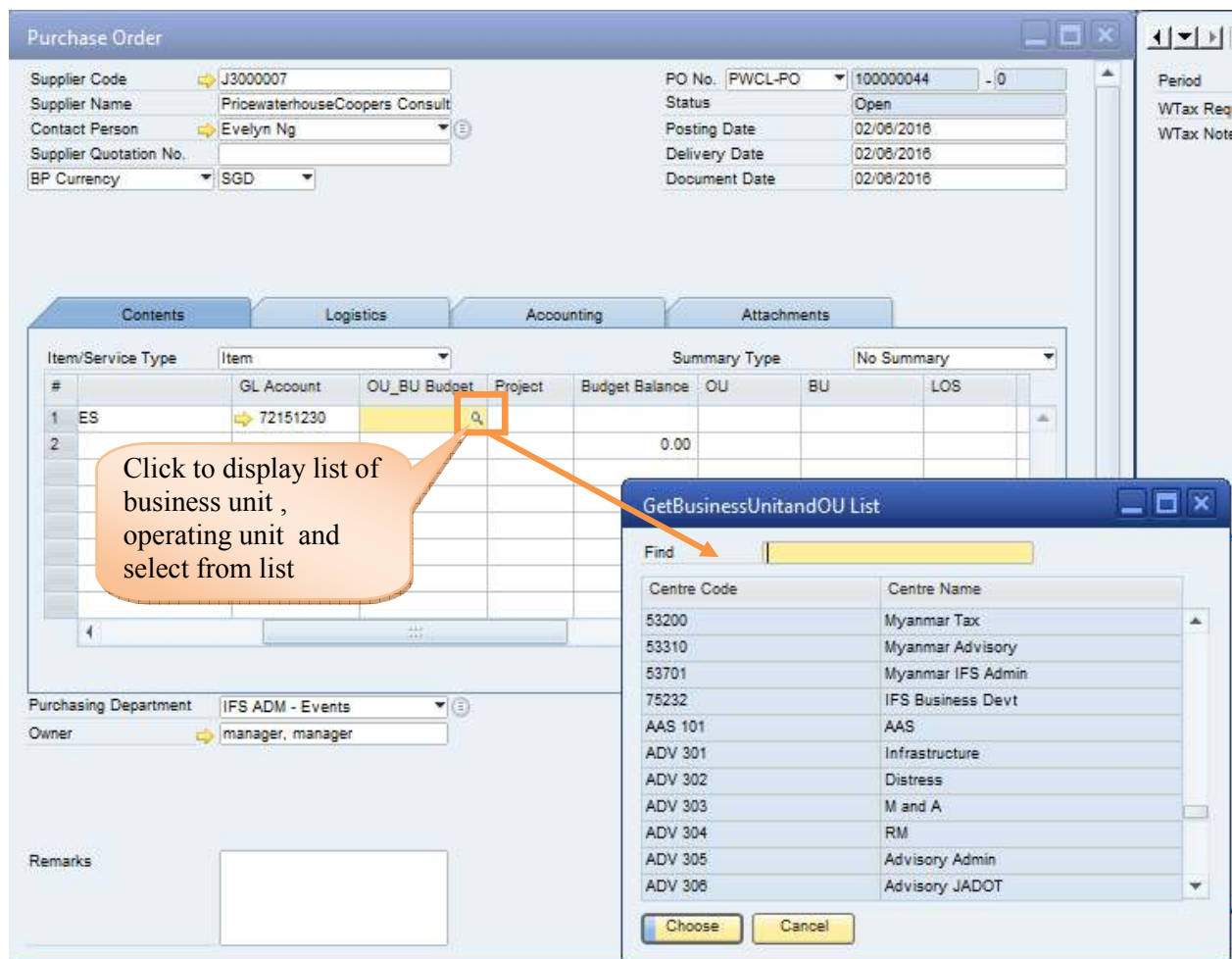
- Create SQL query functions to calculate total 'CommittedAmount at PR/PO level. Sum all values before GST for all purchase request/purchase order
  - o Formula as follows:
    - add, PR/PO with Draft Status (*pending Approval)
    - add, PR/PO with Approved Status (**approved not generated)
    - add, PR/PO with Approved Status (***generated but open)
    - add, PO with closed status where GRN is still open(****generated closed but GRN is open, for PO only)
    - less, PR/PO with draft Status (*****cancel/reject)
    - less, PR/PO generated (*****cancel/closed)
    - add, for reclass and less, for reclass

- Create SQL query functions to calculate 'ActualSpend_APJE' at AP Invoice and Journal Entries level. Sum all values before GST for all AP Invoices and AP Credit Note
  - o Formula as follows:
    - add, AP Invoice with base PO/GRPO
    - add, AP Invoice (Direct)

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- add, AP Invoice with link AP credit memo
- less, AP Credit Memo (stand alone)
- less, AP Invoice (cancelled)
- add, JE from iPower import
- add, JE (Direct)
- add, for reclass and less, for reclass

- Create SQL query functions to calculate 'Budget Available Balance'
  - Formula as follows:
    - add, Budget amount
    - less, Committed PR
    - less, Committed PO
    - less, ActualSpend_JE/AP
    - add, ActualSpend_JE/AP

Notes:

* Pending for Approval - status of PO is draft and is either not approved or partially approved depending on levels of approval
**Approved but not generated – status of PO where all required approval are completed but PO is not yet added by the creator
***Generated but open - status of PO where all required approval are completed and PO is added by the creator but no GRN created
****Generated closed with GRN still open, PO is already copied to GRN but GRN still open (not converted to AP Invoice)
*****Cancel – status of PO where PO was cancelled by authorized user
    Rejected – status of PO where approver decision is not approved
    Closed – status of PO where GRN has been created in reference to this PO

1.4 Process Details

- Budget upload into Sap system
  - Populate budget as per template
  - Upload budget using addon : AE_PWC_IN04
    - Select Customization→Budget Upload

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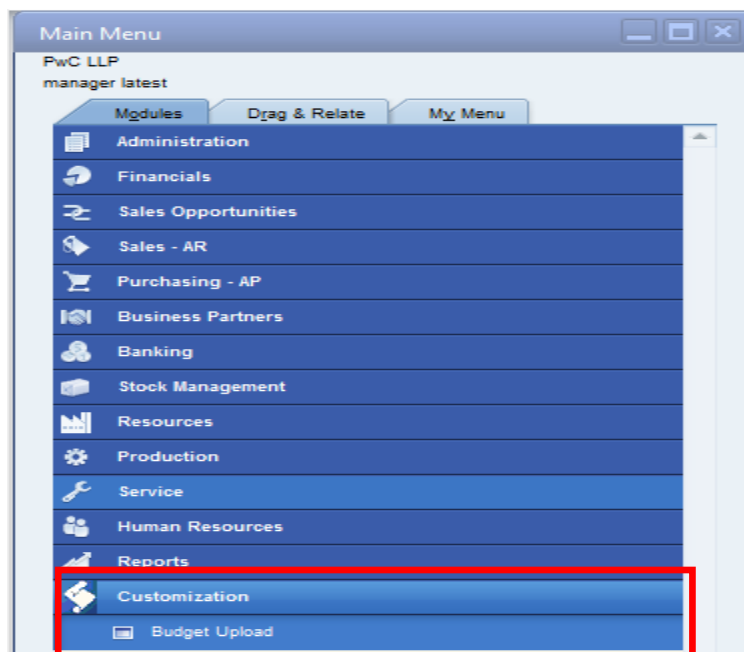
- Select budget template file to upload
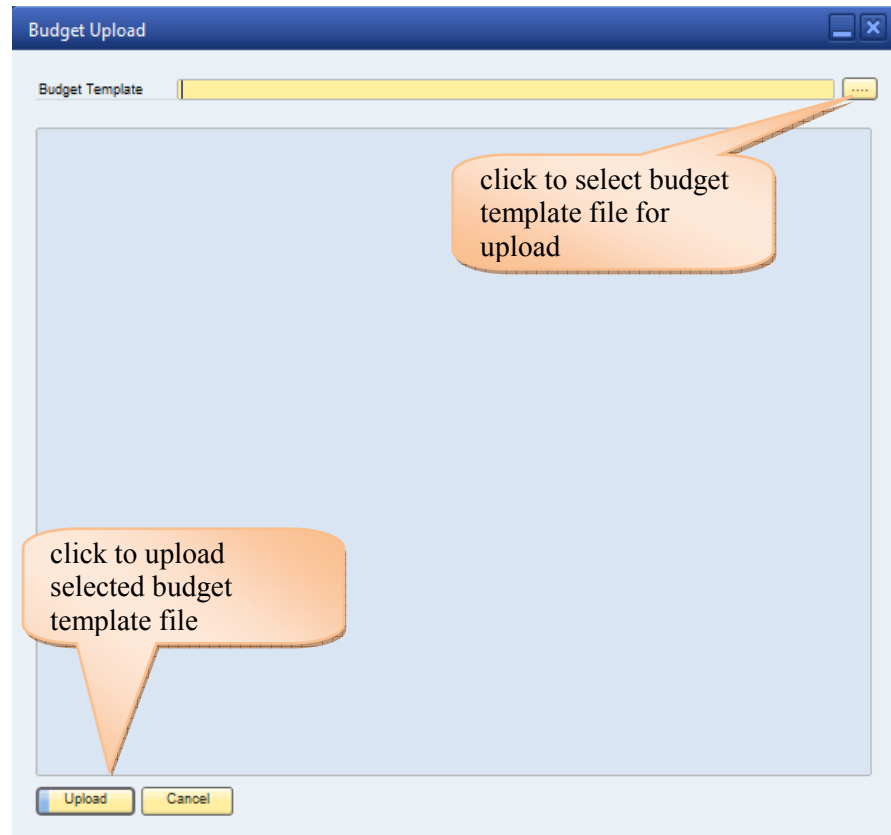
- Budget upload screen after successful import.(click cancel to exit window)

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- Updated budget table screen

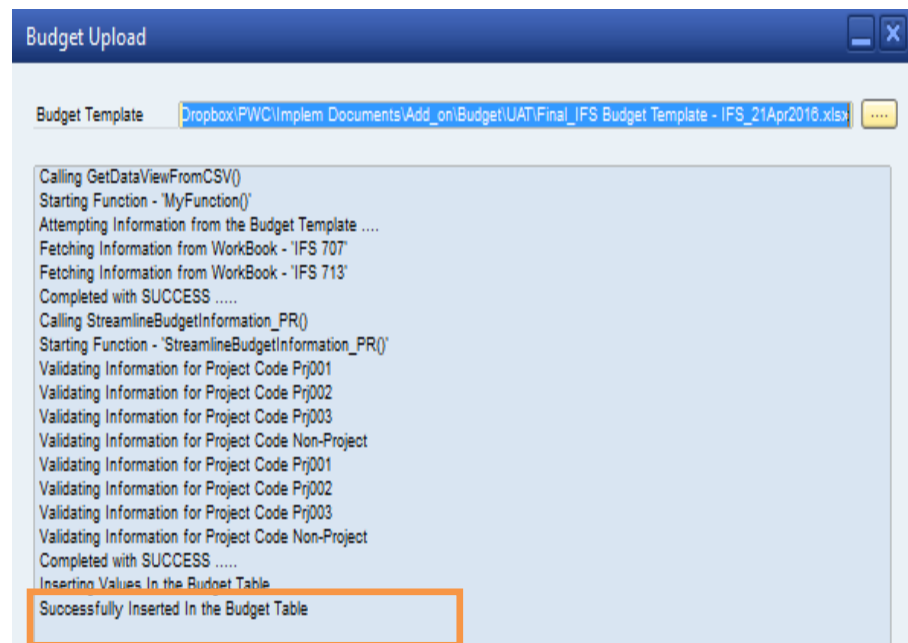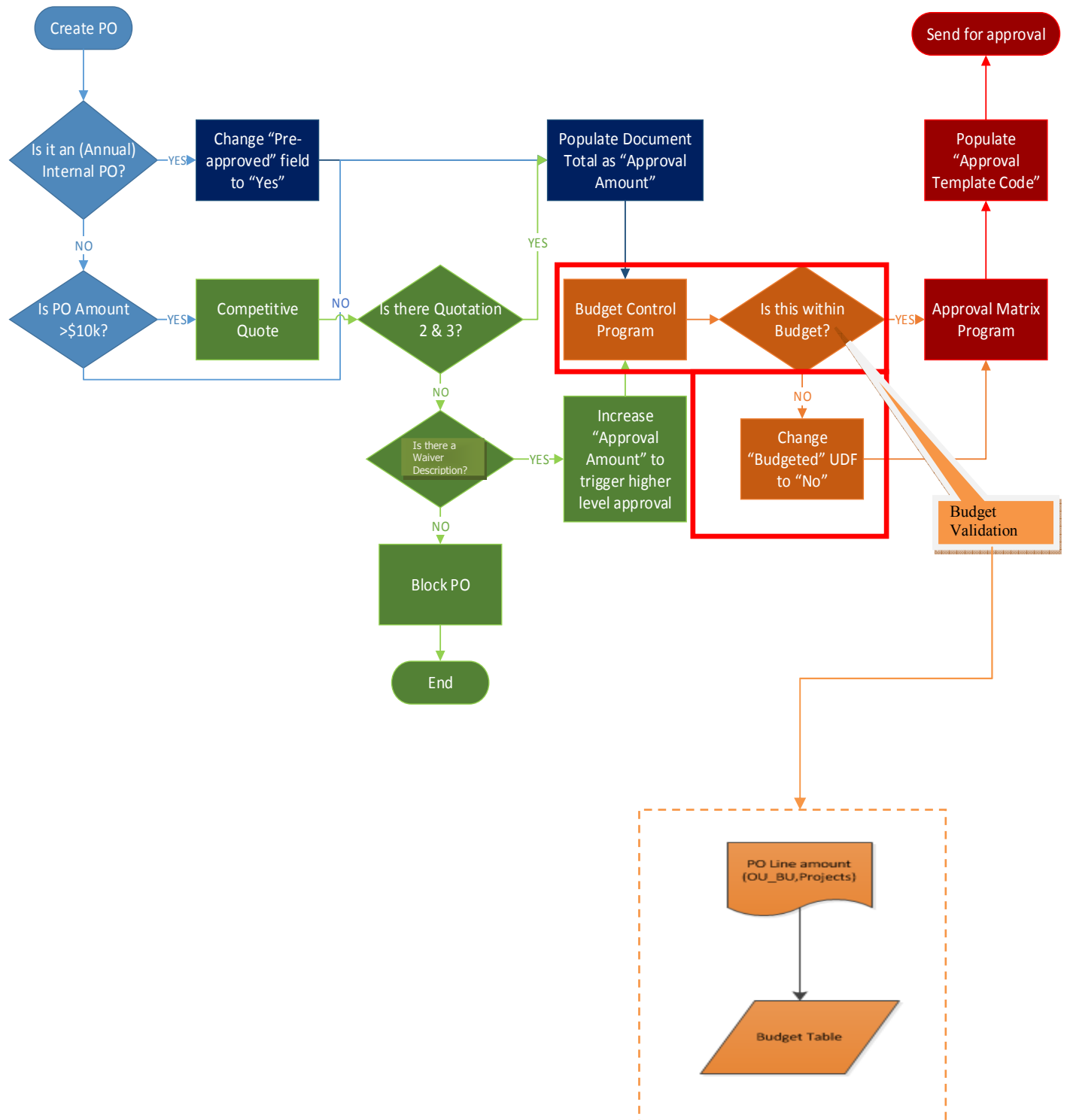| #	DocEntry	DocNum	Budget Name	Period	GL Account	Budget Amount	Project Code	BU_OU Code
1	1	1	BudgetScenario Original Budget	Budget FY 2015	71111100	2,000	Prj001	
2	2	2	BudgetScenario Original Budget	Budget FY 2015	71111110	1,000	Prj001	
3	3	3	BudgetScenario Original Budget	Budget FY 2015	71111120	4,000	Prj001	
4	4	4	BudgetScenario Original Budget	Budget FY 2015	71111100		Prj002	
5	5	5	BudgetScenario Original Budget	Budget FY 2015	71111110		Prj002	
6	6	6	BudgetScenario Original Budget	Budget FY 2015	71111120	4,000	Prj002	
7	7	7	BudgetScenario Original Budget	Budget FY 2015	71111100		Prj003	
8	8	8	BudgetScenario Original Budget	Budget FY 2015	71111110	4,000	Prj003	
9	9	9	BudgetScenario Original Budget	Budget FY 2015	71111120	6,000	Prj003	
10	10	10	BudgetScenario Original Budget	Budget FY 2015	71111100	400		IFG 707
11	11	11	BudgetScenario Original Budget	Budget FY 2015	71111110	600		IFG 707
12	12	12	BudgetScenario Original Budget	Budget FY 2015	71111120	900		IFG 707
13	13	13	BudgetScenario Original Budget	Budget FY 2015	71111200	6,000	Prj001	
14	14	14	BudgetScenario Original Budget	Budget FY 2015	71111210	6,000	Prj001	
15	15	15	BudgetScenario Original Budget	Budget FY 2015	71111300	10,000	Prj001	
16	16	16	BudgetScenario Original Budget	Budget FY 2015	71111200	6,000	Prj002	
17	17	17	BudgetScenario Original Budget	Budget FY 2015	71111210	9,000	Prj002	
18	18	18	BudgetScenario Original Budget	Budget FY 2015	71111300		Prj002	
19	19	19	BudgetScenario Original Budget	Budget FY 2015	71111200		Prj003	
20	20	20	BudgetScenario Original Budget	Budget FY 2015	71111210		Prj003	
21	21	21	BudgetScenario Original Budget	Budget FY 2015	71111300		Prj003	
22	22	22	BudgetScenario Original Budget	Budget FY 2015	71111200	900		IFG 713
23	23	23	BudgetScenario Original Budget	Budget FY 2015	71111210	1,000		IFG 713
24	24	24	BudgetScenario Original Budget	Budget FY 2015	71111300	1,200		IFG 713
25								

- Validate budget at Purchase order document
  - PO creation

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PO Creation

```
Create PO
   │
   ▼
Is it an (Annual) ──YES──► Change "Pre- ──────────────────────► Populate Document
Internal PO?              approved" field                        Total as "Approval
   │                     to "Yes"                                 Amount"
   NO                        │                                        │
   ▼                         │                                        ▼
Is PO Amount ──YES──► Competitive ──NO──► Is there Quotation ──YES──► Budget Control ──► Is this within ──YES──► Approval Matrix ──► Populate
>$10k?               Quote                2 & 3?                       Program            Budget?                Program           "Approval
   │                                         │                                              │                                    Template Code"
   │                                         NO                          Increase           NO                                       │
   │                                         ▼                          "Approval          ▼                                        ▼
   │                                   Is there a ──YES──► Amount" to    Change         Send for approval
   │                                   Waiver              trigger higher "Budgeted" UDF
   │                                   Description?        level approval to "No"
   │                                         │
   │                                         NO                                       Budget
   │                                         ▼                                        Validation
   │                                   Block PO
   │                                         │
   │                                         ▼
                                           End
```

Budget Validation:
PO Line amount (OU_BU,Projects) → Budget Table

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o PO screen

- OU_BU budget column , press tab or click 🔍 to select from list of OU or BU. If not null validate budget against business unit or operating unit else no validation

- Project column, click 🔘 to select from list of projects.if not null validate budget against project else no validation
- Committed column , auto populated by system
- Balance column, auto populated by system
- Approval amount field, auto populated by system (sum of all line items before gst)
- Budgetted field, auto updated by system
  - No – if approval amount exceeds the budget
  - Yes- if approval amount is within the budget
- Waiver description field, Is there a Waiver Description?
- Any accrued amount at the end of financial year will have impact on budget for new financial year as follow:
  - actual spend on new financial year will be negative because of the reversal of accruals
  - negative amount will be zero out after creation of AP invoice
- Rename OU field name to OU(Cost Alloc) in PR,PO and JE
- Update actual spend for budget at GL level
- Consider partial amount drawn on PO in caluculating budget balance and committed
- If OU_BU Budget and Project fields are not null then budget validation is based on project field
- Maintain budget versions . New version will be the basis for budget validation. To consider actual spend and committed from previous versions of budget

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1.5   Reports and Template

- Budget Template (excel format)

- Budget Report
  - Option to view details of actual spend and committed as to PO, AP and JE

Budget Control Reports

- Budget reports
  - Users should be able to select view reports by OU/BU/Project and Financial Year
  - Report should include unbudgeted items and 'open' Purchase Requisition (PR) amount that refer to budget
  - User should be able to drill down to identify POs and Invoices that consume the budget

New! As we removed budget in PR

BU	Project	Project name	GL	GL descripti on	Non-Prj Budget (latest)	Project Budget (latest)	Committe d	Actual	Total Consume d	Available Balance	Purchase Requisiti on Amount	Available after Purchase Requisiti on	Original Budget (Version 1)	Revised Budget (Version 2)
					(1)	(1)	(2)	(3)	(4)	(5)	(6)	(7)		
									(4) = (2) + (3)	(5) = (1) – (4)		(7) = (5) – (6)		
IFS-HR			7233300		300	-	200	50	250	50	3	47	200	300
IFS-HR			7233310		0	-	40	150	190	-190			0	0
IFS-HR	D&D		7233300		-	500	400	150	550	-50			500	500
IFS-HR	D&D		7233310		-	0	35	0	35	-35			0	0
Total					300	500	675	350	1,025	-225			700	800

Unbudgeted item

- New Document screen display to include OU_BU Budget , Project and Budget Balance

  o Purchase Request

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o Purchase order

o AP Invoice /AP Credit Memo

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o Journal Entry/Vouchers

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