



# **Functional Specification Documentation**

## **Budget Control**

PricewaterhouseCoopers GHRS

**Version No.: 5.0**

**Date: 09-June -16**

Table of Content

1.BUDGET VALIDATION FOR PROJECTS AND NON-PROJECTS(BU) ..... 2

    1.1 REQUIREMENTS..... 3

    1.2 FUNCTIONS ..... 3

    1.3 SET UP AND CONFIGURATIONS ..... 4

    1.4 PROCESS ..... 7

    1.5 REPORTS AND TEMPATE ..... 12

## **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

## 1.3 Set-up and configurations

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

#	Project Code (8 Characters)	Project Name	iPower Project Code	Valid From	Valid To	Active	Remarks	Owner
1	Pg001	Pg001				<input checked="" type="checkbox"/>		
2	Pg002	Pg002				<input checked="" type="checkbox"/>		
3	Pg003	Pg003				<input checked="" type="checkbox"/>		
4						<input type="checkbox"/>		
5						<input type="checkbox"/>		
6						<input type="checkbox"/>		
7						<input type="checkbox"/>		
8						<input type="checkbox"/>		
9						<input type="checkbox"/>		
10						<input type="checkbox"/>		
11						<input type="checkbox"/>		
12						<input type="checkbox"/>		
13						<input type="checkbox"/>		
14						<input type="checkbox"/>		
15						<input type="checkbox"/>		
16						<input type="checkbox"/>		
17						<input type="checkbox"/>		
18						<input type="checkbox"/>		
19						<input type="checkbox"/>		
20						<input type="checkbox"/>		
21						<input type="checkbox"/>		
22						<input type="checkbox"/>		
23						<input type="checkbox"/>		
24						<input type="checkbox"/>		
25						<input type="checkbox"/>		
26						<input type="checkbox"/>		
27						<input type="checkbox"/>		
28						<input type="checkbox"/>		
29						<input type="checkbox"/>		
30						<input type="checkbox"/>		

- 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

PROJECT AND BU BUDGET								
#	DocEntry	DocNum	Budget Name	Period	SL Account	Budget Amount	Project Code	BU_OU Code
1	1	1	BudgetScenario Original Budget	Budget FY 2015	71111130	2,000	Pj001	
2	2	2	BudgetScenario Original Budget	Budget FY 2015	71111110	1,000	Pj001	
3	3	3	BudgetScenario Original Budget	Budget FY 2015	71111120	4,000	Pj001	
4	4	4	BudgetScenario Original Budget	Budget FY 2015	71111130		Pj002	
5	5	5	BudgetScenario Original Budget	Budget FY 2015	71111110		Pj002	
6	6	6	BudgetScenario Original Budget	Budget FY 2015	71111120	4,000	Pj002	
7	7	7	BudgetScenario Original Budget	Budget FY 2015	71111130		Pj003	
8	8	8	BudgetScenario Original Budget	Budget FY 2015	71111110	4,000	Pj003	
9	9	9	BudgetScenario Original Budget	Budget FY 2015	71111120	6,000	Pj003	
10	10	10	BudgetScenario Original Budget	Budget FY 2015	71111130	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	600		IFG 707
13	13	13	BudgetScenario Original Budget	Budget FY 2015	71111200	6,000	Pj001	
14	14	14	BudgetScenario Original Budget	Budget FY 2015	71111210	6,000	Pj001	
15	15	15	BudgetScenario Original Budget	Budget FY 2015	71111300	10,000	Pj001	
16	16	16	BudgetScenario Original Budget	Budget FY 2015	71111200	6,000	Pj002	
17	17	17	BudgetScenario Original Budget	Budget FY 2015	71111210	9,000	Pj002	
18	18	18	BudgetScenario Original Budget	Budget FY 2015	71111300		Pj002	
19	19	19	BudgetScenario Original Budget	Budget FY 2015	71111200		Pj003	
20	20	20	BudgetScenario Original Budget	Budget FY 2015	71111210		Pj003	
21	21	21	BudgetScenario Original Budget	Budget FY 2015	71111300		Pj003	
22	22	22	BudgetScenario Original Budget	Budget FY 2015	71111200	600		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								

- 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

Purchase Order [Approved]

Supplier Code: S100127  
 Supplier Name: Jerdine OneSolutions (2011) Pte Ltd  
 Contact Person: Finance Ac  
 Supplier Location No: 123456  
 Local Currency: SGD

PO No.: ANNUALPO 300000000  
 Status: Open  
 Posting Date: 31-08-2016  
 Delivery Date: 31-08-2016  
 Document Date: 31-08-2016

Item/Service Type	Item	Item Description	SL Account	OU_BU Budget	Project	Budget Bal. before this PR/PO	Summary Type	Pos Summary
1	HFEINT-EVENTS-100291	FIRMWIDE EVENTS - G&D (EVENT MANAGEMENT)	71121000				52112	ASR 101
2	H2SLUB-FROMED-100124	SOCIAL CLUB SUBSCRIPTION - STAFF	7112041				52112	ASR 101

## Purchase Request

**Purchase Request**

Recorder: User: manager  
Requester Name: manager@abco.com  
Department: PS RN  
☐ Send E-Mail if PO or BRPO is Added  
E-Mail Address:   
Lead Time Required:   
PR No.: PR01 14  
Status: Open  
Posting Date: 26/05/2016  
Valid Until: 26/05/2016  
Document Date: 26/05/2016  
Required Date: 26/05/2016

#	Description	Required Date	Supplier	GL Account	DU_BU Budget	Project	Budget Set before this PR/PO	CS	BU	OU	GL Account Name	Summary Type	No Summary	Unit Code	Total (LC)
1	test	26/05/2016		12111200			0.00				INVESTMENTS - OTHER COMPANIES	(1%)		500	100.00
2												(1%)			

- New field (UDF) in Budget scenario table
  - Active : U\_AB\_ACTIVE

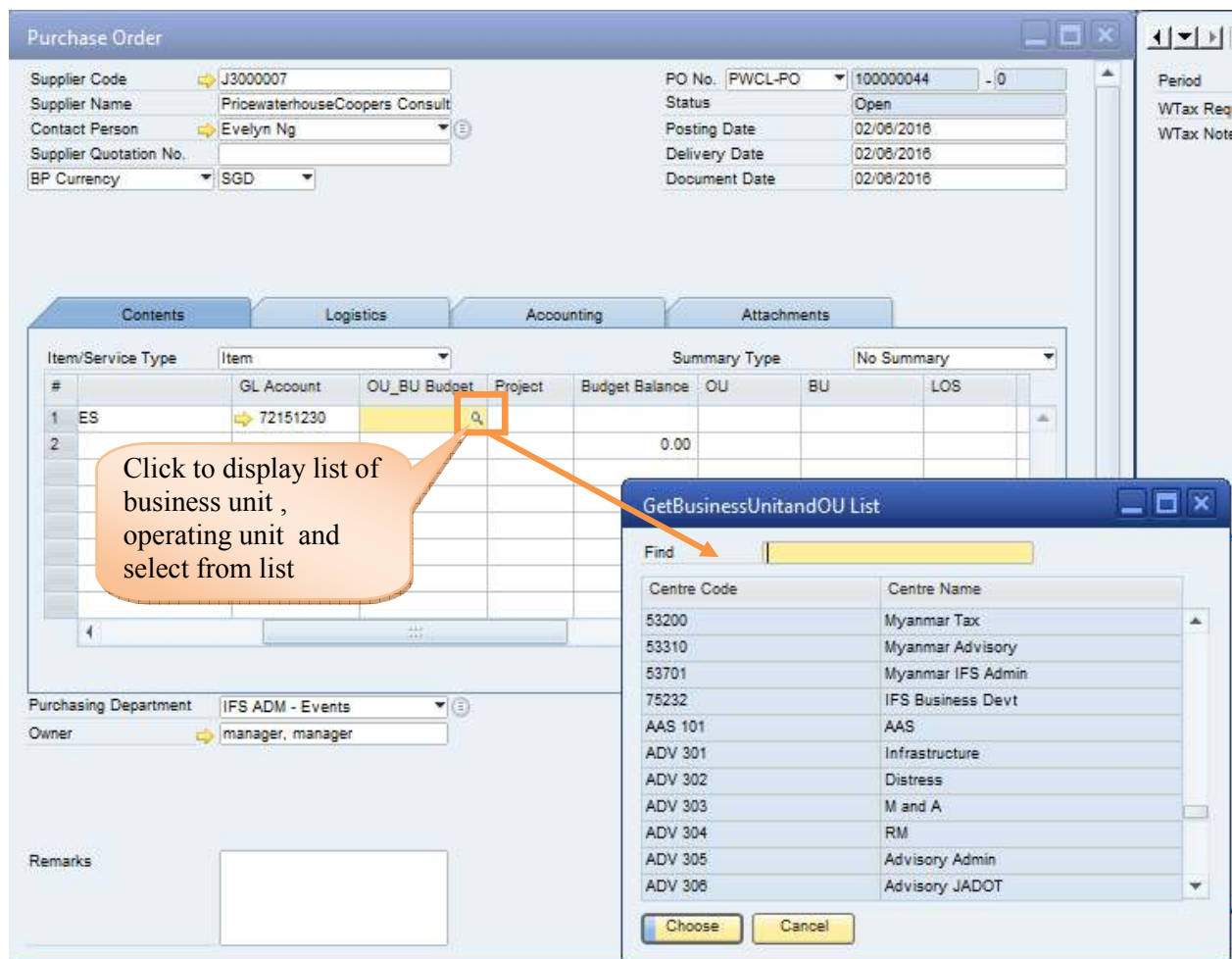
**Budget Scenarios - Setup**

Accounting Year: 01/07/2015

#	Budget Name	Based on	Initial Ratio (%)	Rounding Method	Active
1	2015 Budget	2015 Budget	100	No Rounding	
2	Reforecast Budget 2015	Reforecast Budget 20	100	No Rounding	
3	BU Budget 2015	BU Budget 2015	100	No Rounding	

select Yes to set as  
“active” for budget  
validation

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



- Create SQL query functions to calculate total 'CommittedAmount' at PR/PO level. Sum all values before GST for all purchase request/purchase order
  - 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
  - Formula as follows:
    - add, AP Invoice with base PO/GRPO
    - add, AP Invoice (Direct)

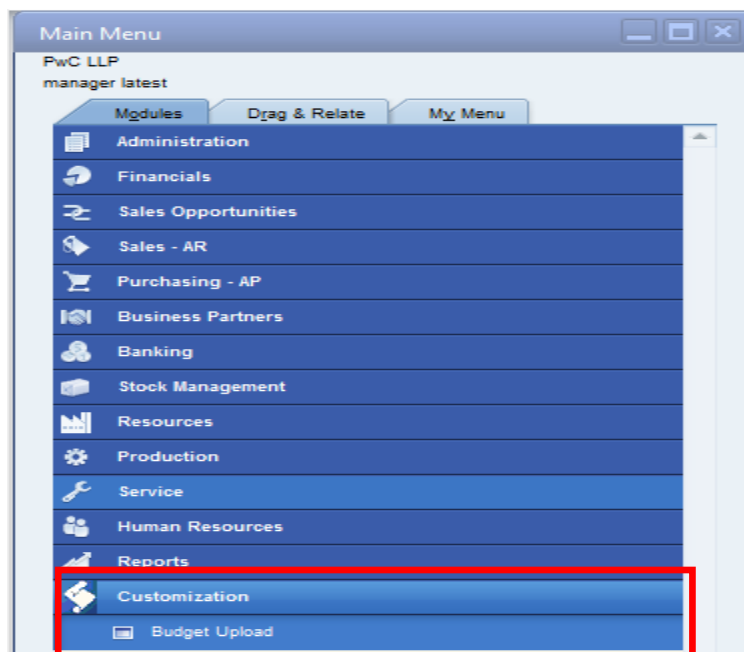
- add, AP Invoice with link AP credit memo
  - less, AP Credit Memo (stand alone)
  - less, AP Invoice (cancelled)
  - add, JE from iPower import
  - add, JE (Direct)
  - add, for reclass and less, for reclass
- Create SQL query functions to calculate 'Budget Available Balance'
    - Formula as follows:
      - 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

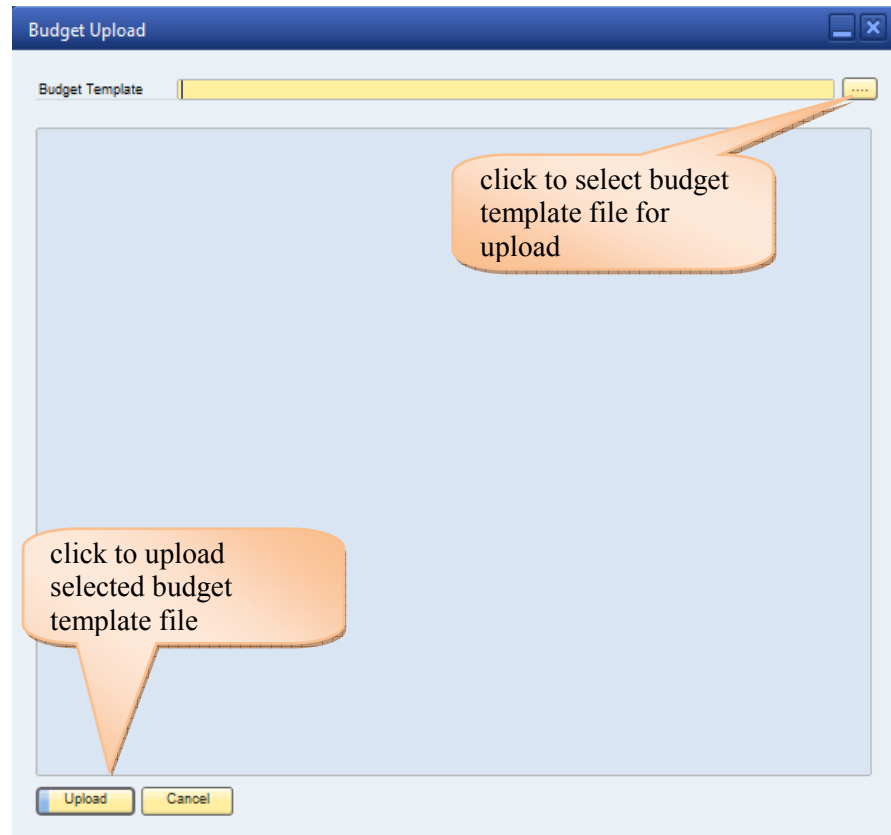
## 1.4 Process Details

- Budget upload into Sap system
  - Populate budget as per template
  - Upload budget using addon : AE\_PWC\_IN04
    - Select Customization→Budget Upload

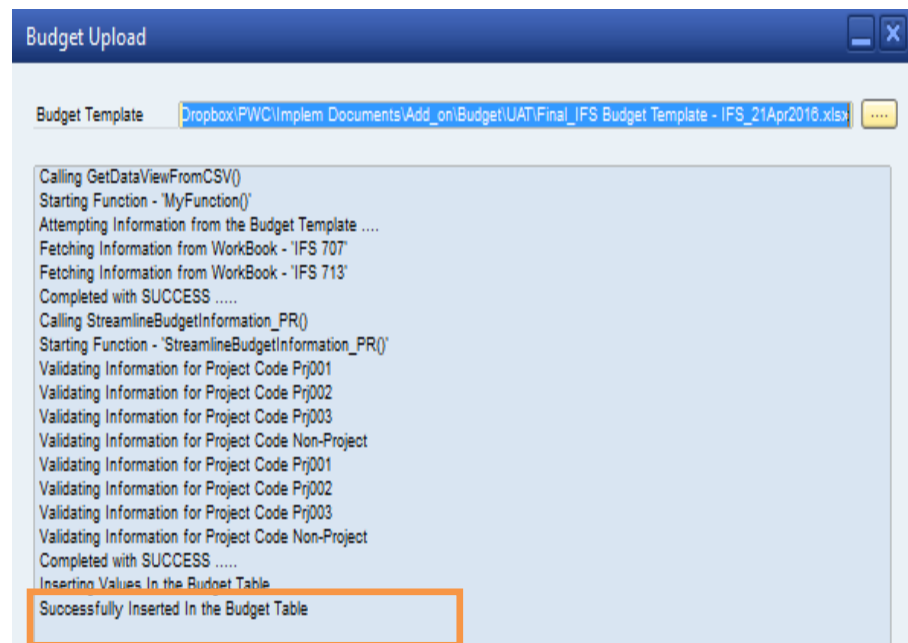




- Select budget template file to upload



- Budget upload screen after successful import.(click cancel to exit window)

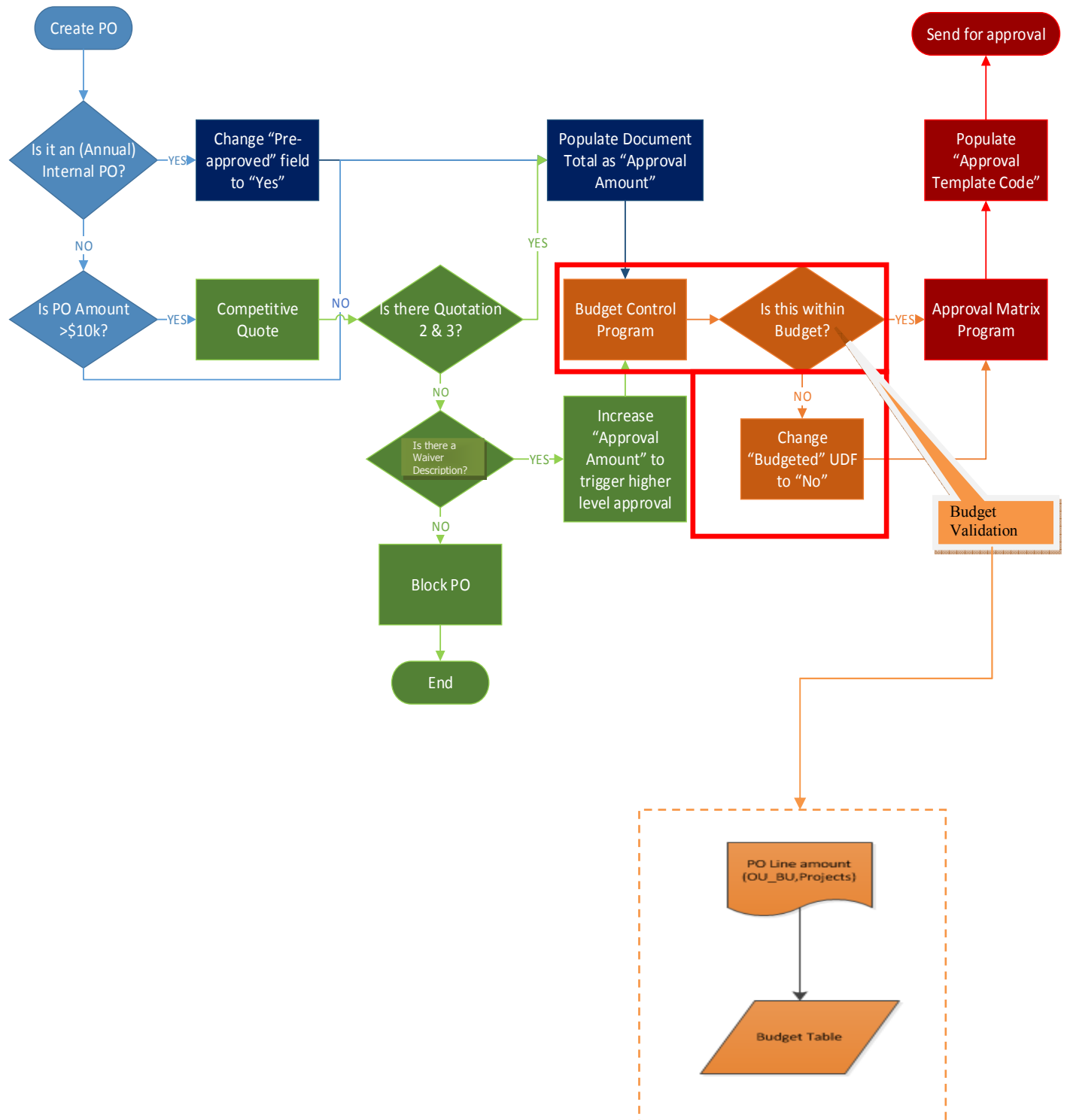


- Updated budget table screen



#	DocEntry	DocNum	Budget Name	Period	GL Account	Budget Amount	Project Code	BU_ORG Code
1	1	1	BudgetScenario Original Budget	Budget FY 2015	71111100	2,000	P001	
2	2	2	BudgetScenario Original Budget	Budget FY 2015	71111110	1,000	P001	
3	3	3	BudgetScenario Original Budget	Budget FY 2015	71111120	4,000	P001	
4	4	4	BudgetScenario Original Budget	Budget FY 2015	71111130		P002	
5	5	5	BudgetScenario Original Budget	Budget FY 2015	71111110		P002	
6	6	6	BudgetScenario Original Budget	Budget FY 2015	71111120	4,000	P002	
7	7	7	BudgetScenario Original Budget	Budget FY 2015	71111130		P003	
8	8	8	BudgetScenario Original Budget	Budget FY 2015	71111110	4,000	P003	
9	9	9	BudgetScenario Original Budget	Budget FY 2015	71111120	6,000	P003	
10	10	10	BudgetScenario Original Budget	Budget FY 2015	71111130	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	600		IFG 707
13	13	13	BudgetScenario Original Budget	Budget FY 2015	71111200	6,000	P001	
14	14	14	BudgetScenario Original Budget	Budget FY 2015	71111210	6,000	P001	
15	15	15	BudgetScenario Original Budget	Budget FY 2015	71111300	10,000	P001	
16	16	16	BudgetScenario Original Budget	Budget FY 2015	71111200	6,000	P002	
17	17	17	BudgetScenario Original Budget	Budget FY 2015	71111210	9,000	P002	
18	18	18	BudgetScenario Original Budget	Budget FY 2015	71111300		P002	
19	19	19	BudgetScenario Original Budget	Budget FY 2015	71111200		P003	
20	20	20	BudgetScenario Original Budget	Budget FY 2015	71111210		P003	
21	21	21	BudgetScenario Original Budget	Budget FY 2015	71111300		P003	
22	22	22	BudgetScenario Original Budget	Budget FY 2015	71111200	600		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

## PO Creation



○ 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)
- Budgeted 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 calculating 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



## Budget Control Reports

### Action items:

- **Roger and IFS BudgetHolder** to review report template and provide comments

- 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 description	Non-Prg Budget (latest)	Project Budget (latest)	Committed	Actual	Total Consumed	Available Balance	Purchase Requisition Amount	Available after Purchase Requisition	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
<b>Total</b>					<b>300</b>	<b>500</b>	<b>675</b>	<b>350</b>	<b>1,025</b>	<b>-225</b>			<b>700</b>	<b>800</b>

Unbudgeted item

- New Document screen display to include OU\_BU Budget, Project and Budget Balance
  - Purchase Request

Purchase Request

Requester: User \* manager  
Requester Name: manager user

Department: IFS P&S

☒ Send Email if PO or ORPO is Added

Email Address:

Lead Time Required:

PR No: PWCL: 15  
Status: Open  
Posting Date: 02/08/2018  
Valid Until: 02/31/2018  
Document Date: 02/08/2018  
Required Date:

Contents Attachments

Item Service Type	Item	GL Account	OU_BU Budget	Project	Budget Balance	OU	BU	LOS	Required Qty	Info Price	GST Code	Total (LC)
					0.00						1 (7%)	

○ Purchase order

**Purchase Order [Approved]**

Supplier Code: S1000001  
 Supplier Name: Building and Construction Authority  
 Contact Person: annua/PO123  
 Supplier Order No: annua/PO123  
 Local Currency: SGD

PO No.: ANNULPO 33000001  
 Status: Open  
 Posting Date: 04-01-2018  
 Delivery Date: 04-05-2018  
 Document Date: 04-01-2018

Period: 2018-01  
 WTax Required: No  
 WTax Note: No

Confirmed WTax Amount: 0.00  
 Waiver Description: No

Approval Amount: 12,000.00  
 Budgeted: No

Item/Service Type	Item	Item Description	GL Account	OU_BU Budget	Project	Budget Balance	Summary Type	No Summary	Quantity	Unit	
1	HPEVT-EVENTS-100001	PRIMARIES EVENTS - D&D (EVENT MANAGEMENT)	T118100				52112	ASR 101	ASR	10	SGD

Purchasing Department: No Sales Employee  
 Owner: manager, manager

Total Before Discount: SGD 12,000.00  
 Discount: %  
 GST Tax: SGD 840.00  
 Total Payment Due: SGD 12,840.00

Remarks:

○ AP Invoice /AP Credit Memo

**AP Invoice**

Supplier Code: S1000000  
 Supplier Name: Advanced Microcomputers Pte Ltd  
 Contact Person: J. Heng  
 Supplier Invoice No: 1000000000  
 Local Currency: SGD

Inv No.: INVCL 14  
 Status: Open  
 Posting Date: 02-05-2018  
 Due Date: 04-01-2018  
 Document Date: 02-05-2018

Item/Service Type	Item	Item Description	GL Account	GL Name	GST Code	OU_BU Budget	PROJECT	Budget Balance	Summary Type	No Summary
1	MAKING-1000000000	POINT REWARDS - COUPON	T1182010	OTHER HR WELFARE - AWARDS	1 (7%)					

Purchasing Department: IPS ADM - Events  
 Owner: manager, manager

Total Before Discount: SGD 0.00  
 Discount: %  
 Advance Payment: No  
 Freight: No  
 Rounding: SGD 0.00  
 GST Tax: SGD 0.00  
 WTax Amount: No  
 Total Payment Due: SGD 0.00  
 Applied Amount: No  
 Balance Due: No

Remarks:

○ Journal Entry/Vouchers

**Journal Entry**

Series: **GU** Number: **400000217** Posting Date: **02/06/2018** Due Date: **02/06/2018** Doc. Date: **02/06/2018** Remarks:   
☐ Fixed Exchange Rate ☐ Reverse ☐ Bill Trans. (Period 13)   
 Origin: **Origin No.** **Trans. No.** **Template Type** **Template** **Indicator** **Project**   
 Trans. Code: **Ref. 1** **Ref. 2** **Ref. 3** ☐ Automatic GST   
 Banked Agreement:   
 G/L AcctSP Code: **G/L AcctSP Name** **Ref. 1** **Ref. 2** **Ref. 3** **Offset Account**   
 Debit Credit Debit (S/C) Credit (S/C)   
 Posting Date: **Due Date** **Doc. Date** **Project** **WKT Code** **Dist. Rule** **Remarks**   
 Primary Facct Item:   

#	G/L AcctSP Code	G/L AcctSP Name	CU_BU Budget	Project	Budget System	Remarks	OU	Operating Unit Name	Ref. 1	Ref. 2	Debit	Credit	BU	COB	Partner	Ref. 3	Due Date	P
1			0.00		0.00												02/06/2018	

 Add Cancel ☐ Display in FC ☐ Display in SC Cancel Template