BUSINESS PROCESS BLUEPRINT
CONSTRUCTION (PROJECT ACCOUNTING)

SAP BUSINESS ONE IMPLEMENTATION FOR

EVERGREEN HOMES, INC.

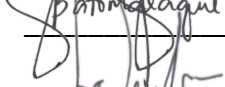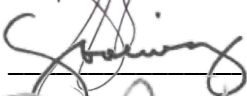**CONFORME**

Discussed By:

ABM GLOBAL SOLUTIONS, INC.

Business Application Consultants: Sandy Batomalaque   09/19/2020

                                                              April Hope Remandaban   09/19/2020

Project Lead: Jaswill Grace Bolivar   09/19/2020

Project Manager: Mayette Ramos   09/19/2020

Approved By:

EVERGREEN HOMES, INC.

Project Sponsor: Jerold King   _____

Project Manager: Razille Fernandez   _____

IT Head: Mark Joel Umadhay   _____

Presentation Date: September 18, 2020

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PROCESS REVIEW

1.1 Date and Place

The process review has been conducted at the following location:

Topic	CONSTRUCTION
Date	August 25, 2020
Time	9:00 AM - 12:00 NN
Location	Microsoft Teams

1.2 Participants

EVERGREEN HOMES, INC.	
Name	Function
Razille Fernandez	Accounting Manager
Mark Umadhay	IT Head
Eng. Ramir J. Yap	Manager
Jervee Cardinal	System Administrator

ABM GLOBAL SOLUTIONS, INC.	
Name	Function
Sandy Batomalaque	SBO Functional Consultant
April Hope Remandaban	SBO Functional Consultant
Mayette Ramos	Project Manager

1.3 Agenda

Construction Processes, Policies and Procedures

1.4 Purpose

Process recommendation discussion conducted to identify major construction processes applicable to **Evergreen Homes, Inc.**

1.5 Input

Business process discussion with **Evergreen Homes, Inc.** core team.

1.6 Output

The output of the process review is **Evergreen Homes, Inc.** reengineered and automated selected process using SAP Business One.
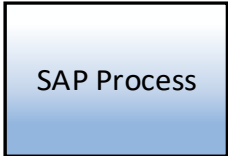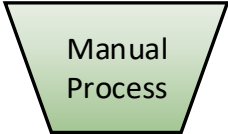
1.7 Scope and Prerequisites

Project will follow standard SAP Business One. Thus, **Evergreen Homes, Inc.** core team is oriented prior to Business Process discussion. It is the responsibility of **Evergreen Homes, Inc.** core team to ensure that all business processes are covered.
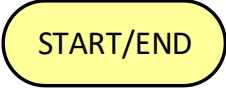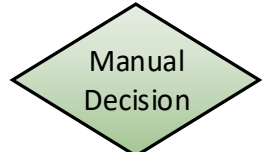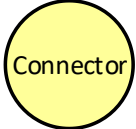
2   PROCESS DETAILS

2.1   SAP Terminologies

Term	Description
Budget	Enables you to monitor planned materials, labor and equipment. This is basically where you set-up the Bill of Quantity for a certain Project.
Materials	This refers to the materials purchased by the Company that is used for a certain project.
Equipment	This refers to the Equipment used in a particular Project, rented or purchased.
Labor	This refers to the Labor portion of the Bill of Quantity.
Asset Transfer	Enables you to monitor transfer and location of a certain Assets owned by the Company.
Project Details	Helps you centralize all your project related transactions, documents, resources and activities, making it easier to track and manage the different tasks and stages/phases of a project from start to finish.
Purchase Request	This enables users and employees in the organization to initiate a Purchasing Staff process by submitting their needs for certain goods or services.
Goods Receipt PO	This is used to recognize receipt of items from the Supplier. In common terms, this is the Receiving Report (RR).
Goods Issue	
Purchase Order	This is used to document orders, either Items or services, to Suppliers.
AP Invoice	This is a mandatory document to recognize obligation to Supplier.
Depreciation Run	This is used to enter the desired data for depreciation run and view previous depreciation runs.

2.2 Flowchart Symbols

Symbol	Symbol Name	Symbol Description
Process / Operation Symbols		
SAP Process	SAP Process	Shows a process or an action step that is automated.
Manual Process	Manual Process	Shows a process or an action step that is not automated.
SAP Subprocess	SAP Sub Process	Shows a process that is formally defined in another flow chart.
Branching and Control of Flow Symbols		
→	Flow Line (Arrow, Connector)	Shows the direction of process flows.

Symbol	Symbol Name	Symbol Description
START/END	Terminator (Terminal Point, Oval)	Shows the start and stop points in a process.
SAP Decision	SAP Decision	Indicates a decision process done in SAP. Typically, a Decision flowchart shape is used when there are 2 options available (Yes/No, Pass/Failed, etc.).
Manual Decision	Manual Decision	Indicates a manual decision process. Typically, Decision flowchart shape is used when there are 2 options available (Yes/No, Pass/Failed, etc.).
Connector	Connector	Shows continuation of a process flowchart into another page.
Input and Output Symbols		
Document	Document from SAP	Indicates a process step that produces a SAP document.

Symbol	Symbol Name	Symbol Description
Document	Manual Document	Shows a process step where the operator/user needs to enter information manually into a system.

2.3 Process Details

2.3.1 Construction in General – System Flowchart

Construction in General

Project Inception to Completion	Variations (Budget Revisions)

Project Inception to Completion

START → Create Project Details → Create Budget → Approved?
- YES → Inventory Management Process → END
- YES → Purchasing Process → END
- NO → END

Variations (Budget Revisions)

START → Create Budget Revised → Approved?
- YES → Inventory Management Process → END
- YES → Purchasing Process → END
- NO → END

2.3.2 Company as the Developer and General Contractor

2.3.2.1 Project Inception

2.3.2.1.1 Project Details Creation

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
1.	Create Project Details.	Manager	SAP-Project accounting	Project Details	Contract, Site Development Plan	-	-	-	-

User-defined fields generated through Project Accounting and user needs to fill in are the following: 1. Project Code 2. Project Name 3. Customer Code 4. Customer Name 5. Project Manager 6. Planned Start Date 7. Planned End Date 8. Date 9. Project Type 10. Classification 11. Project Status 12. Actual Start Date 13. Actual End Date
END

2.3.2.1.2 Budget Creation

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
1.	Enter main budget using the excel template.	Manager/Site Engineer	Manual	-	Project Plan	-	-	-	-
2.	Upload created Budget using the data transfer workbench or copy excel to budget window. Notes: • Upon upload, budget status is 'Planned'. • Budget window can still be updated if status is 'Planned'. • Once completed, update status to 'For Final Approval'	Manager	SAP-Project Accounting	Budget	Budget in excel template	For system approval	-	-	For the item (labor or services) to be copied to Subcon Budget, tag the item as Subcon Item.
3.	Once completed and reviewed, update the status to 'Approved.	Managing Director	SAP	Budget	'For Final Approval' Status in Budget	-	-	-	Manager will be notified upon change of status from 'For Final Approval' to 'Approved'.
	END								

2.3.2.1.3 Milestone Creation, if applicable

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
1.	Create Project in Project Management module and add necessary information for every milestone. Necessary information are as follows: a. Stages b. Tasks c. Checklist d. Activities	Manager	SAP	Project Details	Contract	-	-	-	-
	END								

2.3.2.1.4 Pre-Construction Planning

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
1.	Identify Long-Lead Items (LLI).	Purchaser/Manager	Manual	-	-	-	-	-	-
2.	Perform early works preparation for temporary facilities.	Manager	Manual	-	-	-	-	-	-
3.	Conduct internal and site kick-off meeting.	Managing Director/ Manager	Manual	-	Approved Budget, Notice to Proceed	-	-	-	-

Agenda: • Transportation • Long-Lead Items • Early Works								

Notes:
- Aside from the operations department, there must be a representative from the Purchasing and HR department to identify the resources needed.
- The team is notified that the Budget is already approved.

END

2.3.2.2   *Scope of Work/Services under Subcontract*

This process is applicable when the Company decided to have another Contractor perform specific work/service for the Project.

2.3.2.2.1   Procurement of Services

*Refer to **2.3.4 Purchase of Subcontracted Services** in the Procure to Pay blueprint.*

2.3.2.2.2   Subcontract Details Creation

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
1.	Create Subcontract Details.	Manager	SAP-Project Accounting	Project Details-Subcontract	Contract	-	-	-	-
				END					

2.3.2.2.3 Subcontractor – Budget Creation

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
1.	Copy the labor and/or materials to be subcontracted from the main budget to the subcon budget. Notes: • Upon upload, budget status is 'Planned'. • Budget window can still be updated if status is 'Planned'. • Once completed, update status to 'For Final Approval'.	Manager	SAP-Project Accounting	Project Details – Budget (Copy to Subcon Budget)	Main Budget	For system approval	-	-	This is only applicable for the item (labor or services) tagged as Subcon Item in the Main budget
2.	Once completed and reviewed, update the status to 'Approved'.	Managing Director	SAP-Project Accounting	-Budget	'For Final Approval' Status in Budget	-	-	-	Manager will be alerted upon change of status from 'For Approval' to 'Approved'.
					END				

2.3.2.2.4 Milestone Creation, if applicable

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
1.	In the Project Management Module, add subproject in the main project. Add necessary information for every milestone in Subproject. Necessary information are as follows: • Stages • Tasks • Document Checklist • Activities	Manager	SAP	Project Details-Subproject	Contract	-	-	-	-
	END								

2.3.2.2.5 Inspection of Subproject/Contract Progress of Subcontractor

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
1.	Conduct inspection.	Site Engineer	Manual	-	Subcon Statement of Work Accomplished, Subcon Billing	-	-	-	-
2.	Note any subcon charges and forward it to Storage	Site Engineer	Manual	-	Registry of Back Charges, Registry of Variation/	-	Punch List	-	Basis for Billing.

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
	In-charge/ Manager and accounting department.				Change Orders				
END									

2.3.2.2.6 Inspection upon Subproject/Contract Completion

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
1.	Upon receipt of statement of work accomplished and letter of request for inspection from subcontractor, conduct inspection.	Site Engineer	Manual	-	Statement of Work Accomplished, Letter of Request for Inspection	-	-	-	-
2.	Prepare punch list.	Site Engineer	Manual	-	-	-	-	-	-
3.	Perform rectification works.	Contractor	Manual	-	Punch list	-	-	-	-
Notes: • If rectification is performed by Evergreen Homes Inc.'s subcontractor, cost of rectification shall be at Subcontractor's expense. • If rectification is performed by Evergreen Homes, Inc., cost of rectification shall be deducted to Subcontractor's retention fee. • Refer to Purchase of Local Items/Services Chargeable to Subcontractor (Procure to Pay)									
4.	Receive Resolution documentation.	Manager	Manual	-	Punch List	-	-	-	-
5.	Receive request from subcon for final inspection.	Site Engineer	Manual	-	-	-	Statement of Work Accomplished	-	-

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
6.	Conduct Final Inspection with the client	Site Engineer/ Manager	Manual	-	-	-	-	-	-
In-case of any defects seen upon inspection, go back to Procedure 3 to perform rectification works									

2.3.2.2.7 Notice to Proceed for Finishes and Fixtures

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
1.	Notify the Site Engineer to execute Notice to Proceed	Sales Associate	Manual	-	Incoming Payments, Alerts Customer's SOA	-	-	-	An alert will be activated when buyer has only 3 months remaining before full payment of Equity.
2.	Execute Notice to Proceed for Finishes and Fixtures	Site Engineer	Manual	-	Incoming Payments, Customer's SOA	-	Notice to Proceed for Finishes and Fixtures	-	-
END									

2.3.2.2.8 Subproject/Contract Completion

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
1.	Create Certificate of Completion. This shall be signed by the following: a. Site Engineer b. Manager	Manager	Manual	-	Statement of Work Accomplished at 100%, Punch List	-	Certificate of Completion (Manual)	-	-
	END								

2.3.2.2.9 Acceptance

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
1.	Create Initial Acceptance. Prepare the following documents: a. Certificate of Acceptance b. Letter of Turnover	Manager	Manual	-	-	-	Certificate of Acceptance, Certificate of Completion, Letter of Turnover (Manual)	-	-
	END								

2.3.2.2.10 Defect Liability Period

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
1.	Defect Liability period	Contractor	Manual	-	Statement of Work Accomplished at 100%, Certificate of Completion	-	-	-	Buyer has a period of 6 months from the date of Acceptance to contest/ request for additional rectification works
2.	Create agreement to document the defect of Liability.	Site Engineer	Manual	-	-	-	Agreement (Manual)	-	-
	END								

2.3.2.2.11 Release of Retention

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
1.	Release retention. Note: Refer to Procure to Pay Process for the details.	Accounts Payable In-Charge 1	SAP	-Outgoing Payment-Draft	Statement of Work Accomplished at 100%, Certificate of Completion, Agreement for Defect of Liability	-	-	-	Unapplied Subcon Charges will be considered as a deduction from the Retention Amount
	END								

2.3.2.3   Project Progress Inspection

2.3.2.3.1   Internal Inspection of Project Progress and Preparation of Statement of Work Accomplished

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
1.	Conduct Inspection.	Site Engineer/ Manager	Manual	-	-	-	-	-	-
2.	Prepare Statement of Work Accomplished.	Manager	Manual	-	-	-	Statement of Work Accomplished (Manual)	-	-
				END					

2.3.2.3.2   Inspection upon Project Completion

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
1.	Conduct inspection.	Site Engineer/ Manager	Manual	-	-	-	-	-	-
2.	Prepare Statement of Work Accomplished.	Manager	Manual	-	-	-	Statement of Work Accomplished (Manual)	-	-
3.	Prepare Punch List	Site Engineer/Manager	Manual	-	-	-	Punch List	-	-
4.	Perform rectification works.	Contractor	Manual	-	Punch list	-	-	-	4.
5.	Prepare Resolution documentation.	Contractor	Manual	-	Punch List, Resolution Documentation	-	-	-	5.

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
6.	Request for final inspection.	Contractor	Manual	-	-	-	-	-	-
7.	Conduct Final Inspection	Site Engineer/Manager	-Manual	-	-	-	-	-	-
END									

2.3.2.4   Project Completion

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
1.	Declaration of Project Completion.	Manager	Manual	-	Statement of Work Accomplished at 100%, Punch List	-	-	-	-
2.	Updating the Project Status to "Completed" in the Project Details	Manager	SAP – Project Accounting	Project Details	Statement of Work Accomplished at 100%	-	-	-	-
An alert will be activated and received by the following recipient upon updating the Project Status to "Completed": 1. Managing Director 2. Accounting Manager 3. Sales Associate									
END									

2.3.2.5   Resource Allocation, Mobilization and Utilization

2.3.2.5.1   Materials

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
Requisition									
1.	If there are stocks available, create Goods Issue Copied from the Budget Note: Refer to Inventory Management process, Issuance of Items	Subcontractor/ Site Engineer	SAP – Project Accounting	Project Details - Copy to Goods Issue (Goods Issue)	Budget / Schedule/ Material Requisition Form/Notice to Proceed	-	-	Dr. Construction in Progress Cr. Inventories	Define Issuance Type (User Defined Field)
2.	If there are no stock on hand, create Purchase Request copied from Project Details – Budget Tab and tag to appropriate Project. Note: Refer to Procure to Pay process for the details.	Storage In-Charge	SAP – Project Accounting	Project Details - Copy to Purchase Request (Purchase Request)	Budget / Schedule/ Material Requisition Form/Notice to Proceed	For system approval (If Condition will be met)	-	-	Note: If project-related, create Purchase Request based from Budget tab in the Project Accounting - Project Details Window Tag and review the appropriate Project in the Project Field in the Header.
Receipt									
3.	Create Goods Receipt PO upon actual receipt of materials.	Storage In-Charge	SAP	Goods Receipt PO	Supplier Delivery Receipt,	-	Receiving Report (Crystal)	**If inventoriable Items**	Required Field:

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
	Notes: • Refer to Procure to Pay Process 2.3.2.6 Receiving Process for the details.				GRPO Validation Form (Crystal)			Dr. Inventories Cr. Inventory Clearing **If non-inventoriable Items** No Entry	Vendor Reference No. Required Field: Vehicle's Plate No. Driver's Name:
Issuance									
4.	If there are stocks available, create Goods Issue Copied from the Budget • Note: Refer to Inventory Management process, Issuance of Inventoriable Materials to Construction Site process	Subcontractor/ Site Engineer	SAP – Project Accounting	Project Details - Copy to Goods Issue (Goods Issue)	Budget / Schedule/ Material Requisition Form/Notice to Proceed	-	-	Dr. Construction in Progress Cr. Inventories	Define Issuance Type (User Defined Field)
END									

2.3.2.5.2 Labor

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
Requisition									

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
1.	Identify manpower needed based on Activity Schedule and inform Manager.	Site Engineer	Manual	-	Project Schedule	-	-	-	-
2.	Coordinate with HR for the manpower needed to determine whether to hire additional admin workers or acquire Subcon.	Manager	Manual	-	-	-	-	-	Needed manpower is also discussed during pre-construction meeting.
END									

2.3.2.5.2.1 Construction/Admin Workers (In-House)

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
Payroll Expense									
1.	Prepare approved summary of Payroll	Site Engineer	Manual	-	-	-	-	-	-
2.	Create Stand-alone Purchase Order	Purchaser	SAP	Purchase Order-draft	Approved Payroll Summary	For System Approval	-	-	
3.	Review and approve Draft Purchase Order	Manager	SAP	Approval	Approved Payroll Summary, Draft Purchase Order	-	-	-	
4.	Add the Approved Purchase Order	Purchaser	SAP	Purchase Order	Approved Purchase Order	-	-	-	-

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
5.	Create AP Invoice – Service Type copied from Purchase Order	Accounts Payable 1	SAP	Draft AP Invoice	Payroll Summary	System Approval	-		Tag the Main Project in the Cost Center.
6.	Review and approve draft A/P Invoice	Accounts Payable 2	SAP	Approval	Draft A/P Invoice	-			
7.	Add approved A/P Invoice	Accounts Payable 1	SAP	AP Invoice	Approved A/P Invoice	-		Dr. Salaries Expense Cr. Accounts Payable	
Proceed to Payment Process.									
This Process is applicable for In-house Production process and Equipment Rental.									
END									

2.3.2.5.2.2 Subcon Labor/Services

Refer to 2.3.4 Purchase of Subcontracted Services in the Procure to Pay Blueprint.

2.3.2.5.3 Equipment

2.3.2.5.3.1 Rented Equipment

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
Requisition									

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
1.	Prepare Equipment Job Request.	Contractor	Manual	-	Equipment Activity Schedule	For Manual Approval	Equipment Job Request	-	-
2.	Review and approve Equipment Job Request.	Site Engineer	Manual	-	Equipment Job Request (EJR)	-	-	-	-
3.	Reserve / schedule the equipment requested by updating the Equipment schedule.	Truck Master	Manual	-	Equipment Rental Form		-	-	-
Actual Usage									
4.	Initially fill up Equipment Rental Form.	Operator	Manual	-	Equipment Rental Form	-	-	-	Required Information: 1. Date 2. Equipment 3. Rented by 4. Address 5. Time Started 6. Odo Started
5.	Actual usage of the equipment.	Operator	Manual	-	Equipment Rental Form	-	-	-	-
6.	Completely Fill up Equipment Rental Form.	Operator	Manual	-	Equipment Rental Form	-	-	-	Required Field: 1. Time Ended 2. Odo Ended 3. Total Odo Total # of hours will be computed and

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
									filled out by ARIC.
7.	Submit all ERF to Checker and prepare Equipment Usage Summary.	Checker	Manual	-	Equipment Rental Form	-	Equipment Usage Summary	-	-
Allocation									
8.	Receive all ERF and Equipment Usage Summary (EUS) and check the EUS for charging to each project by allocating the total number of hours used for each equipment.	Accounts Receivable In-Charge	Manual	-	Equipment Usage Summary and ERF	-	-	-	-
9.	Submits the EUS and ERF to Manager.	Accounts Receivable In-Charge	Manual	-	Equipment Usage Summary and ERF	-	-	-	-
10.	Create Purchase Request based on Project Schedule copy from approved Budget. Note: Refer to Procure to Pay Process 3.3.8.2 Requesting process for the details.	Manager	SAP – Project Accounting	Purchase Request	Equipment Usage Summary and ERF	-	-	-	-
11.	Create Purchase Order copied from Purchase Request	Purchaser	SAP	Purchase Order	Purchase Request, Equipment Usage	-	-	-	-

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
	Note: Refer to Procure to Pay Process 3.3.8.4 Ordering process for the details.				Summary and ERF				
12.	Create A/P Invoice Note: Refer to Procure to Pay Process 3.3.8.6 Invoicing process for the details.	Accounts Payable In-Charge 1	SAP	A/P Invoice-draft	Purchase Order, Equipment Usage Summary and ERF	For system Approval	-	-	Evergreen Homes Admin as Vendor. Indicate the A/P Invoice Doc. # in EUS.
13.	Check and Approve the A/P Invoice	Accounts Payable In-Charge 2	SAP	A/P Invoice-draft	Purchase Order, Equipment Usage Summary and ERF	-	-	-	-
14.	Add approved A/P Invoice and forwards documents to ARIC.	Accounts Payable In-Charge 1	SAP	A/P Invoice	A/P Invoice-draft, Equipment Usage Summary and ERF	-	-	Dr. Construction in Progress Cr. Payable to Admin	-
15.	Evergreen Homes as the Admin to bill the Projects.	Accounts Receivable In-Charge	SAP	AR Invoice - Service Type	AP Invoice, Equipment Usage Summary and ERF	-	-	Dr. Receivable by Admin Cr. Other Revenue	Southwoods and Riverview as Customers. Indicate the A/R Invoice Doc. # in EUS.

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
16.	Create Multiple BP Internal Reconciliation Note: Refer to Internal Reconciliation Process in the Financials Blueprint	Accounting Manager	SAP	Internal Reconciliation	-	-	-	Dr. Payable to Admin Cr. Receivable by Admin	This process is necessary if no actual payments made and received for this transaction Open A/R Invoice and A/P Invoice will be updated to Close Status once performed fully.
Note: In case of Other provider of Equipment Rental Services, no internal reconciliation will be applied. Outgoing payments will be performed.								
**Maintenance and Usage Monitoring**								
17.	Update Fixed Asset Master Data. In the remarks tab, enter the policies and procedure of maintaining the equipment. Include planned and actual schedule.	Purchaser	SAP	Maintenance Schedule	Fixed Asset Master Data	-	-	-	-
**END**								

2.3.2.5.4   Others

2.3.2.5.4.1   Taxes, Permits and Licenses, etc.

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
1.	Prepare Requisition Slip to be approved by Manager/Managing Director	Requestor	Manual	-	-	Manual Approval	Requisition Slip (Manual)		For SOP, Managing Director will be the approver. Otherwise, Manager.
2.	Create Purchase Request based on Project Schedule copy from approved Budget Note: Refer to Purchase of Local Items or Services Process in the Procure to Pay Blueprint	Manager	SAP-Project Accounting	Purchase Request	-	-	-	-	-
END									

2.3.2.5.4.2   Materials Testing, if applicable

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
1.	Contact third party for materials testing prior to ordering.	Purchaser	Manual	-	Approved Purchase Request	-	-	-	-
END									

2.3.2.5.4.3   Equipment Testing and Commissioning, if applicable

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
1.	Contact third party for equipment testing.	Purchaser	Manual	-	Approved Purchase Request	-	-	-	-
2.	Conduct trainings	Trainer	Manual	-	-	-	-	-	-
3.	Perform Calibrations.	Supplier	Manual	-	-	-	-	-	-
END									

2.3.2.6   Variations

2.3.2.6.1 Budget Revision

This is applicable to the following:

a.   Additives based on the Quantity
b.   Deductive based on the Quantity
c.   Budget Transfer
d.   Time extensions with cost implications
e.   Changes in Budgeted Price for the added Budget

2.3.2.6.1.1 Adjusting the Existing Budget

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
1.	Copy Budget in the Project Details to Budget Revised	Manager	SAP-Project Accounting	Project Details – Budget Revised	-	-	-	-	This process is needed to update the original budget's quantity with its original budgeted price. Remaining unutilized portion with its new price will be treated as an additional budget. Refer to 2.3.2.6.1.2 Additional Budget Process
2.	Input the quantity needed for the item to be adjusted to its updated budget quantity based on the original price. Once completed, update status to 'For Final Approval'.	Manager	SAP-Project Accounting	Project Details – Budget Revised	-	For System Approval	-	-	-
3.	Once completed and reviewed, update the status to 'Approved.	Managing Director	SAP	Budget	'For Final Approval' Status in Budget	-	-	-	Manager will be notified upon change of status from 'For Final

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
									Approval' to 'Approved'.
4.	Copy Budget in the Subcon Details to Budget Revised, if applicable. Notes: • Upon upload, budget status is 'Planned'. • Indicate budget type. • Budget window can still be updated if status is 'Planned'. • Once completed, update status to 'For Final Approval'.	Manager	SAP-Project Accounting	Subcon Details	-	-	-	-	This step is only applicable for Subcontracts. This is required to match the updated budget in the Project Details Main Budget with Subcontract Details Budgetequired to match the Subcon Labor Budget on Project Details.
5.	Input the quantity needed for the item to be adjusted to its updated budget based on the original price. Once completed, update status to 'For Final Approval'.	Manager	SAP-Project Accounting	Project Details – Budget Revised	-	For System Approval		-	-
6.	Once completed and reviewed, update the status to 'Approved'.	Managing Director	SAP-Project Accounting	'Reviewed' Status in Budget	Budget	For System Approval	-	-	Manager will be alerted upon change of status from 'For Approval' to 'Approved'.

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
	**Proceed to Additional Budget Process if there are adjustments in the Prices based on the original budget.**								
	END								

2.3.2.6.1.2 Additional Budget

This is applicable to the following:

a.   New and Additional Budget for the Project

b.   Remaining and unutilized portion of the previously added budget based on the updated Price

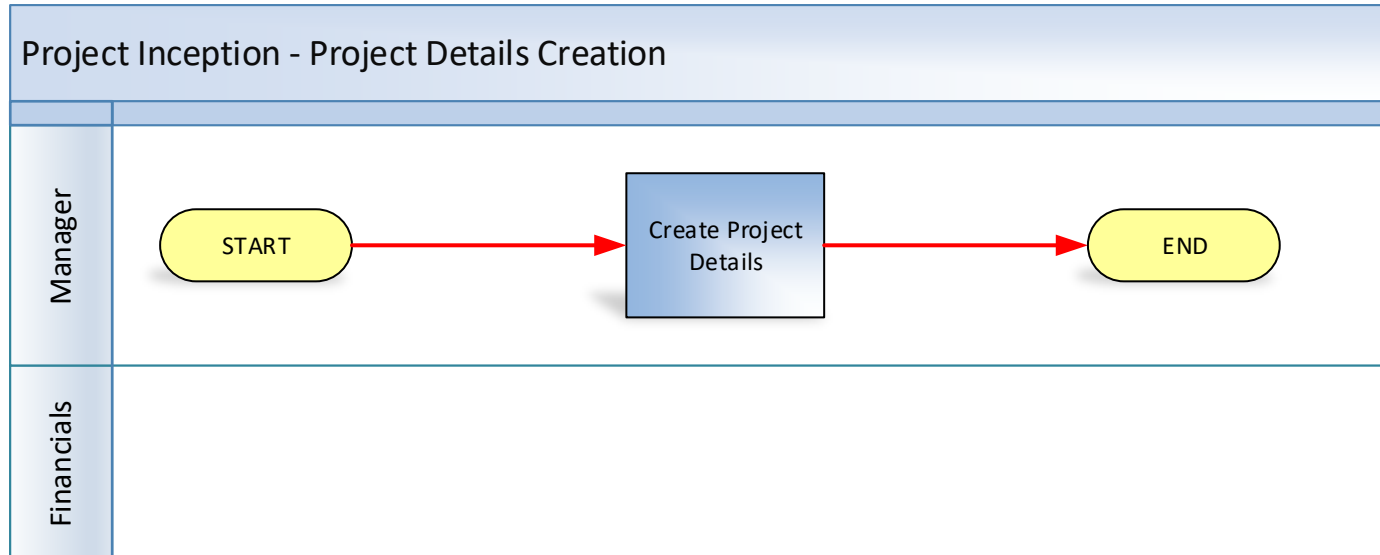| #	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
1.	Enter main budget using the excel template.	Manager/Site Engineer	Manual	-	Project Plan	-	-	-	-
2.	Upload created Budget using the data transfer workbench or copy excel to Budget window. Notes: • Upon upload, budget status is 'Planned'. • Budget window can still be updated if status is 'Planned'.	Manager	SAP-Project Accounting	Budget	Budget in excel template	For system approval	-	-	-

#	Process	Responsible Person	Manual or SAP Process	SAP Document Entry	Reference Document	Pending	Print-Out/Report Generated	Journal Entry	Remarks
	• Once completed, update status to 'For Final Approval'								
4.	Once completed and reviewed, update the status to 'Approved.	Managing Director	SAP	Budget	'For Final Approval' Status in Budget	-	-	-	Manager will be notified upon change of status from 'For Final Approval' to 'Approved'.
				END					

2.3.2.7   Process Flow

2.3.2.7.1   Project Inception

Project Inception - Budget Creation

Manager/Site Engineer

START → Enter Main Budget through Excel

Manager

Upload Budget using DTW or copy excel to budget window

For the item (labor or services) to be copied to Subcon Budget, tag the item as Subcon Item.

Managing Director

NO

Approved? — YES → Update Budget status to 'approved' → END

Financials

Project Inception - Milestone Creation, if applicable

Manager	START → Create Project in Project Management module and add necessary information for every milestone. → END
Financials	

Project Inception - Pre-Construction Planning

Purchaser / Manager

START → Identify Long Lead Items

Manager

Perform Early works preparation for temporary facilities

Managing Director/Manager

Conduct Internal and site kick-off meeting → END

Financials

2.3.2.7.2   Scope of Work/Services under Subcontract

Scope of Work/Services under Subcontractor - Subcontract Details Creation

Manager

START → Create Subcontract Details → END

Financials

Scope of Work/Services under Contract - Subcontractor - Budget Creation

Manager

START → Copy the labor and/or materials to be subcontracted from the main budget to the subcon budget.

Managing Director

Reviewed? —NO→ (back to copy) | —YES→ Update Budget status to 'Approved' → END

Financials

Scope of Work/Services under Subcontract - Milestone Creation, If applicable

Manager	START → In the Project Management Module, add subproject in the main project. Add necessary information for every milestone in Subproject. → END
Financials	

Scope of Work under Subcontract

Inspection of Subproject/Contract Progress of Subcontractor

Site Engineer	START → Conduct Inspection → Note any subcon charges (Punch list) → END
Financials	

Scope of Work/Services under Contract - Inspection upon Subproject/Contract Completion

Site Engineer	START → Conduct Inspection upon receipt of Request letter from subcontractor → Prepare Punch list → Receive request from subcontractor for final inspection → Statement of Work Accomplished → Conduct final inspection with Manager and client → END
Contractor	Perform Rectifying works
Manager	Receive resolution documentation
Financials	

Scope of Work/Services under Contract – Notice to Proceed for Finishes and Fixtures

Sales Associate

START

Notify the Site Engineer to execute Notice to Proceed

Site Engineer

An alert will be activated when buyer has only 3 months remaining before full payment of Equity.

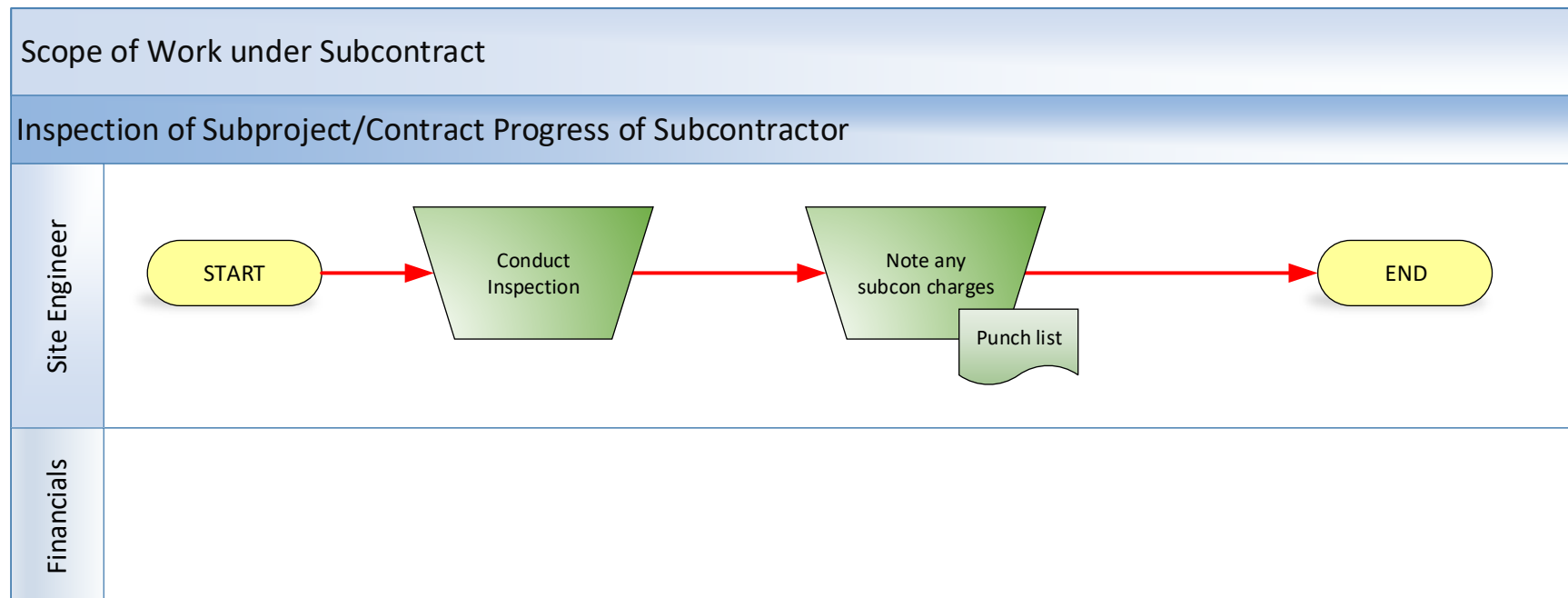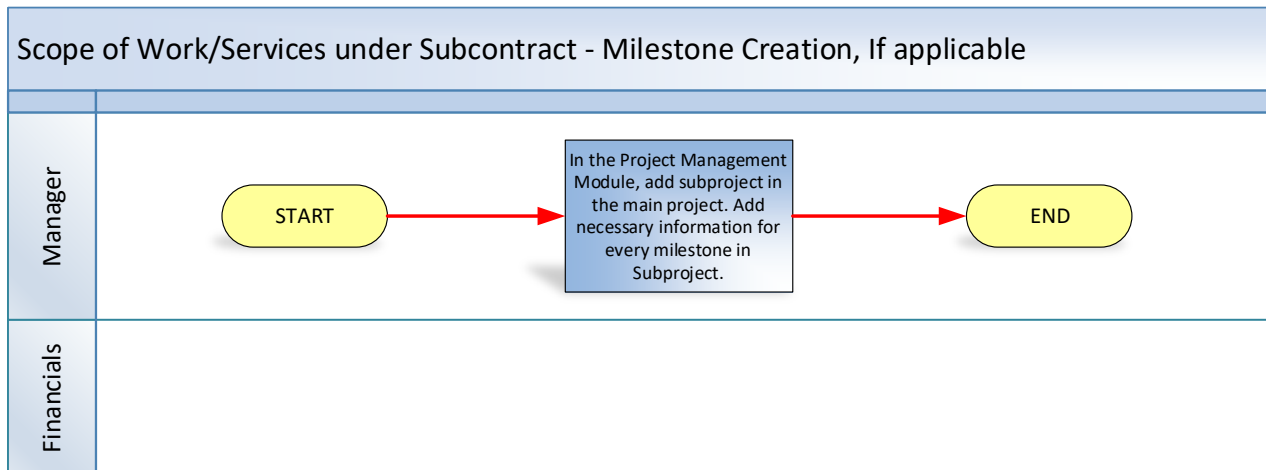Execute Notice to Proceed for Finishes and Fixtures

Notice to Proceed for Finishes and Fixtures

END

Fiancials

Scope of Work/Services under Subcontract

Subproject/Contract Completion

Manager

START → Create Certificate of Completion → END

Certificate of Completion

Financials

Scope of Work/Services under Contract

Acceptance

Manager

START → Create Initial Acceptance → END

Letter of Turnover

Certificate of Acceptance

Certificate of Completion

Financials

Scope of Work/Services under Contract

Defect Liability Period

Contractor	START → Defect Liability period
Site Engineer	Create agreement to document the defect of Liability → Agreement → END
Financials	

Buyer has a period of 6 months from the date of Acceptance to contest/ request for additional rectification works

Scope of Work/Services under Contract - Release of Retention

Accounts Payable In-charge 1	START → Release of Retention (Refer to Procure to Pay process) → END
Financials	

2.3.2.7.3 Project Progress Inspection

Project Progress Inspection
Internal Inspection of Project Progress and Preparation of Statement of Work Accomplished

Site Engineerr/ Manager

START → Conduct Inspection

Manager

Prepare Statement of Work Accomplished → END

Statement of Work Accomplished

Financials

Project Progress Inspection - Inspection upon Project Completion

Site Engineer/ Manager

START → Conduct Inspection → Prepare Punch list → Punch list → Conduct final inspection → END

Manager

Prepare Statement of Work Accomplished → Statement of Work Accomplished

Contractor

Perform Rectification works → Prepare Resolution Documentation → Request for Final Inspection

Financials

2.3.2.7.4 Project Completion

2.3.2.7.5 Resources Allocation, Mobilization and Utilization

Resource Allocation, Mobilization and Utilization

Labor

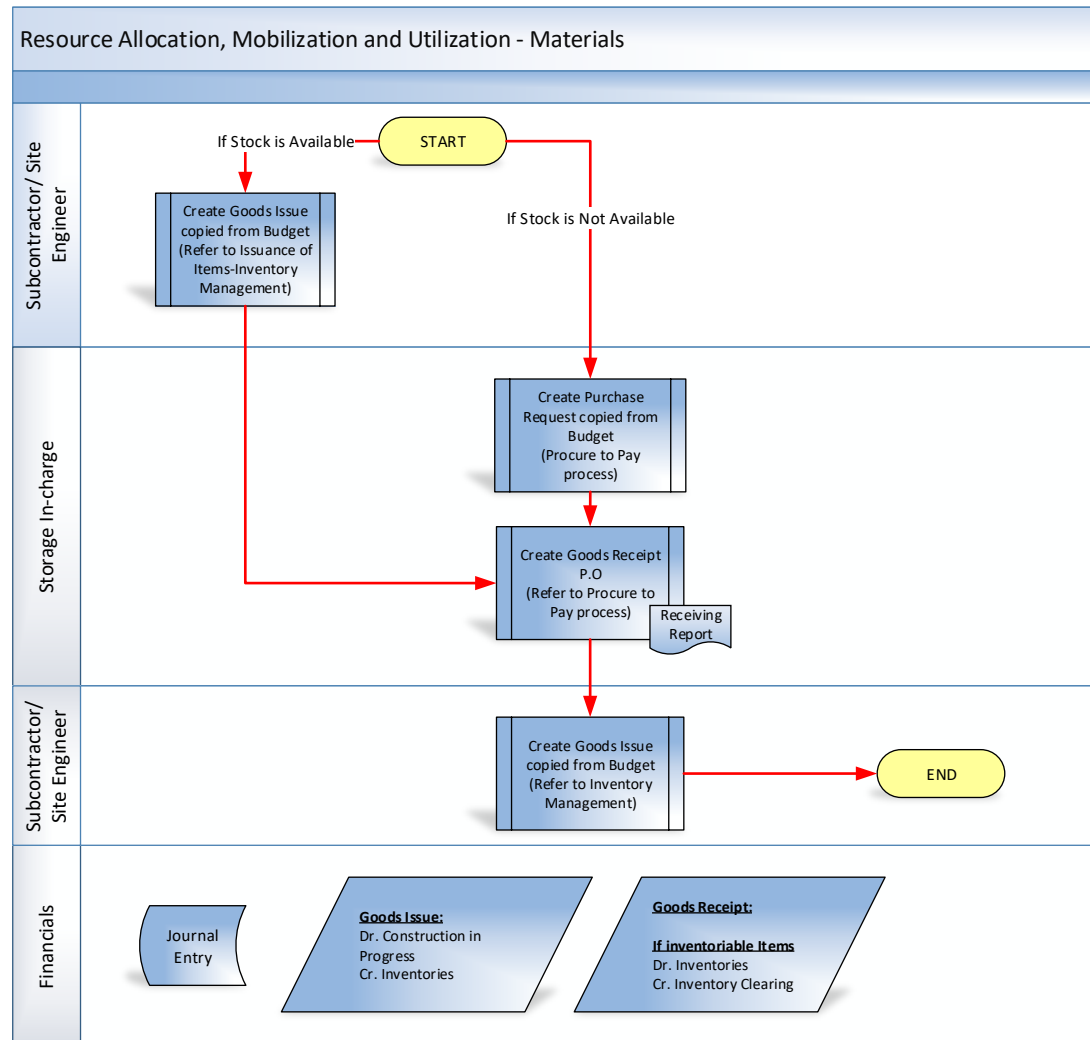|	
Site Engineer	START → Identify manpower
Manager	Coordinate with HR for the manpower needed → END
Financials	

Resource Allocation, Mobilization and Utilization

Labor-Construction/Admin Workers

Site Engineer

START → Prepare approved summary of Payroll

Purchaser

Create Stand-alone Purchase Order

Add the Approved Purchase Order → B

Manager

Approved?

NO

YES

Resource Allocation, Mobilization and Utilization

Labor-Construction/Admin Workers

Accounts Payable In-charge 1

B → Create AP Invoice – Service Type copied from Purchase Order → Add the approved AP Invoice → Proceed to Payment process → END

Accounts Payable In-charge 2

Approved? — NO / YES

Financials

Journal Entry

AP Invoice:
Dr. Salaries Expense
Cr. Accounts Payable

Resource Allocation, Mobilization and Utilization

Equipment - Rented Equipment

Contractor

START → Prepare Equipment Job Request

Equipment Job Request

Site Engineer

Approved?

NO

YES

Truck Master

Reserve/ Schedule the equipment requested

Operator

Initially fill up Equipment Usage Form → Actual usage of the equipment → Completely Fill up Equipment Usage Form → C

Resource Allocation, Mobilization and Utilization

Equipment - Rented Equipment

Checker

(C) → Collect all ERF to and prepare Equipment Usage Summary

Equipment Usage Summary

Accounts Receivable In-charge

Receive all ERF and Equipment Usage Summary (EUS) and check the EUS → Submits the EUS and ERF to Manager.

Manager

Create Purchase Request based on Project Schedule copy from approved Budget.

Purchaser

Create Purchase Order copied from Purchase Request → (D)

Resource Allocation, Mobilization and Utilization

Equipment - Rented Equipment

Accounts Payable In-charge 1

(D) → Create A/P Invoice

Evergreen Homes Admin as Vendor. Indicate the A/P Invoice Doc. # in EUS.

Add approved A/P Invoice and forwards documents to ARIC

Accounts Receivable In-charge 2

NO

Approved?

YES

Accounts Receivable In-charge

Evergreen Homes as the Admin to bill the Projects. → (E)

Resource Allocation, Mobilization and Utilization

Equipment - Rented Equipment

Accounting Manager

E → Create Multiple BP Internal Reconciliation
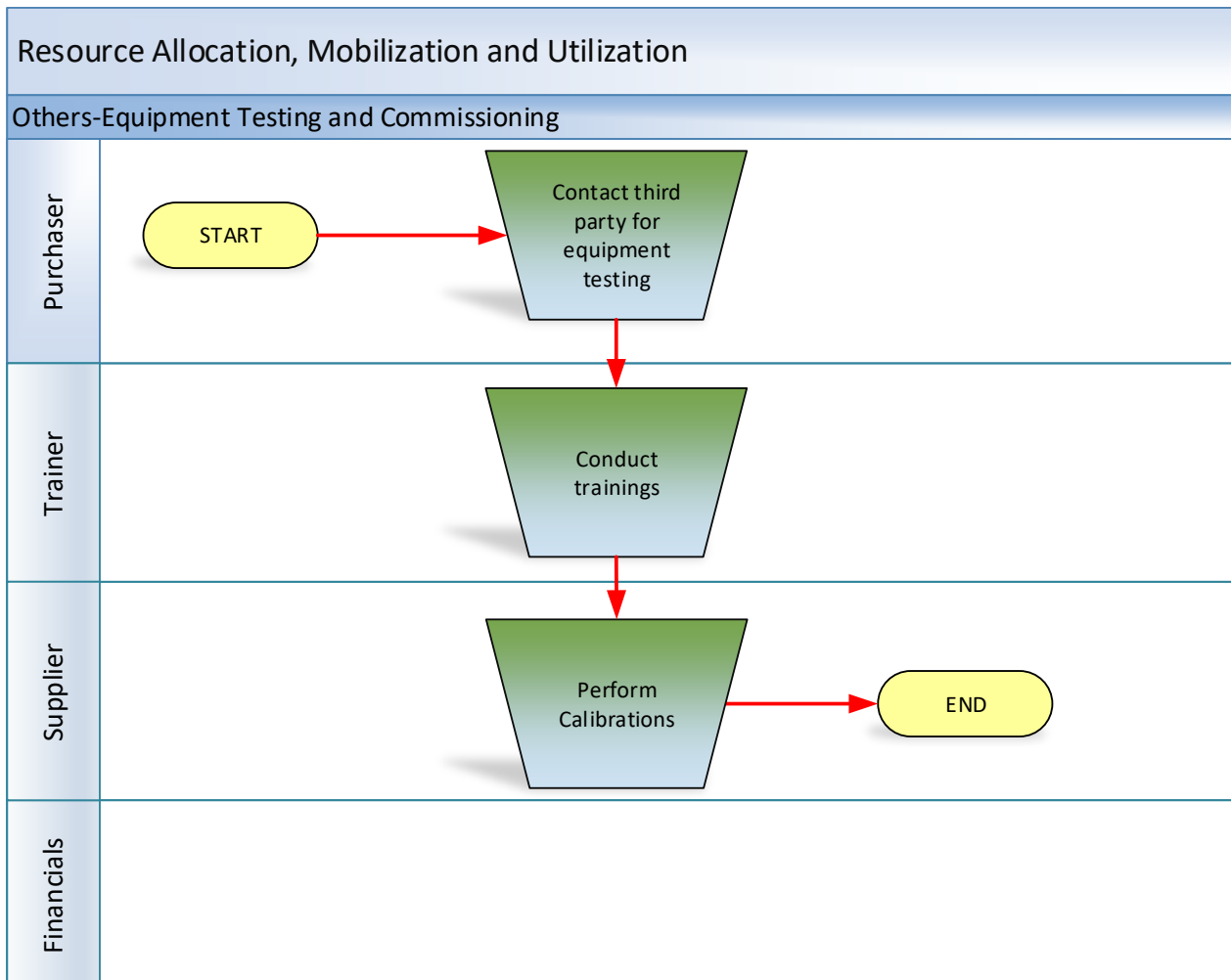
This process is necessary if no actual payments made and received for this transaction

In case of Other provider of Equipment Rental Services, no internal reconciliation will be applied. Outgoing payments will be performed

Purchaser

In the remarks tab, enter the policies and procedure of maintaining the equipment. Include planned and actual schedule.

Update Fixed Asset Master Data → END

Function

Journal Entry

AP Invoice:
Dr. Construction In Progress
Cr. Payable to Admin

Billing:
Dr. Receivable by Admin
Cr. Other Revenues

Internal Reconciliation:
Dr. Payable to Admin
Cr. Receivable by Admin

Resource Allocation, Mobilization and Utilization

Others - Taxes, Permits & Licenses

Requestor

START → Prepare Requisition Slip

Requisition Slip

Manager

Create Purchase Request copied from approved Budget (Refer to Procure to Pay process) → END

Financials

Resource Allocation, Mobilization and Utilization

Others - Material Testing

Purchaser

START → Contact third party for materials testing prior to ordering → END

Financials

Resource Allocation, Mobilization and Utilization

Others-Equipment Testing and Commissioning

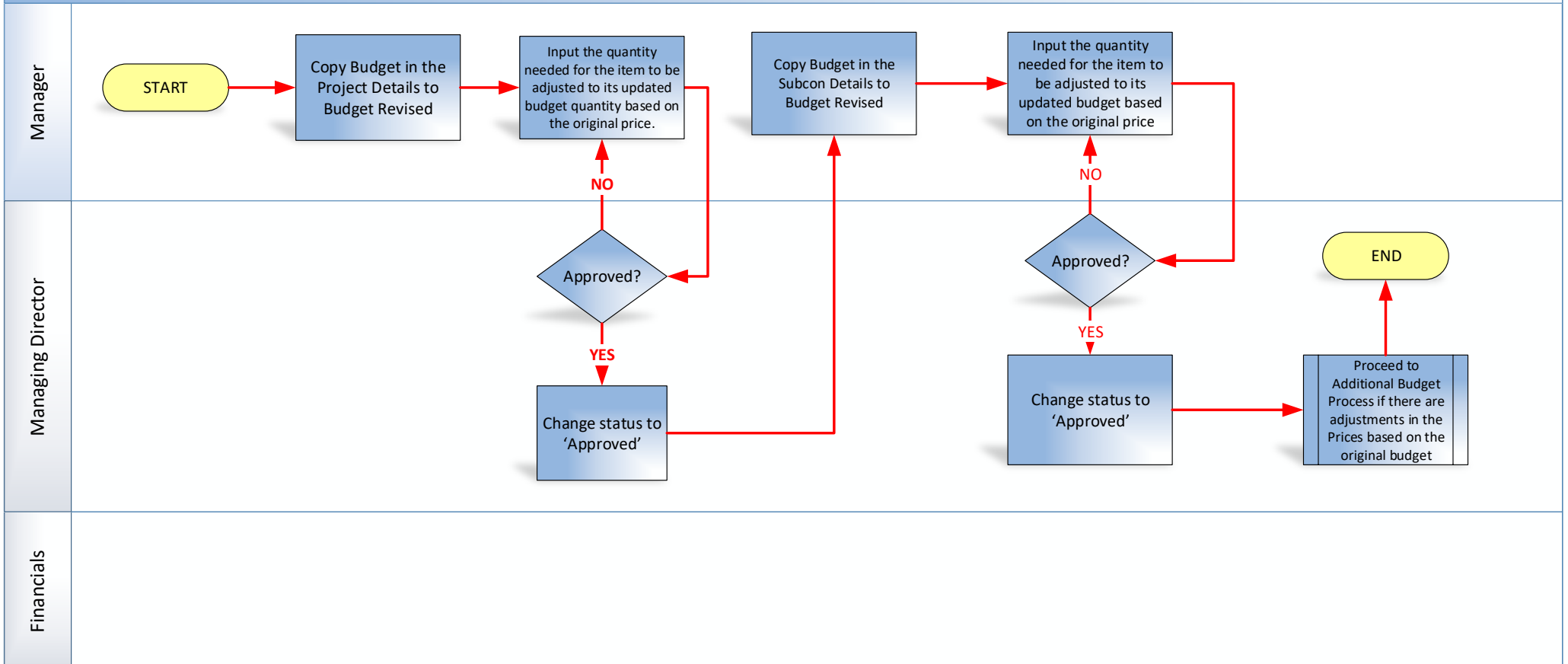| Purchaser | START → Contact third party for equipment testing |
Trainer	Conduct trainings
Supplier	Perform Calibrations → END
Financials	

2.3.2.7.6 Variations

Variations - Budget Revision

Adjusting the Existing Budget

Variations - Budget Revision

Additional Budget

Manager/Site Engineer

START → Enter main budget using the excel template → Upload created Budget using the data transfer workbench or copy excel to Budget window

Managing Director

Approved?
- NO → (back to Upload created Budget)
- YES → Change status to 'Approved' → END

Financials
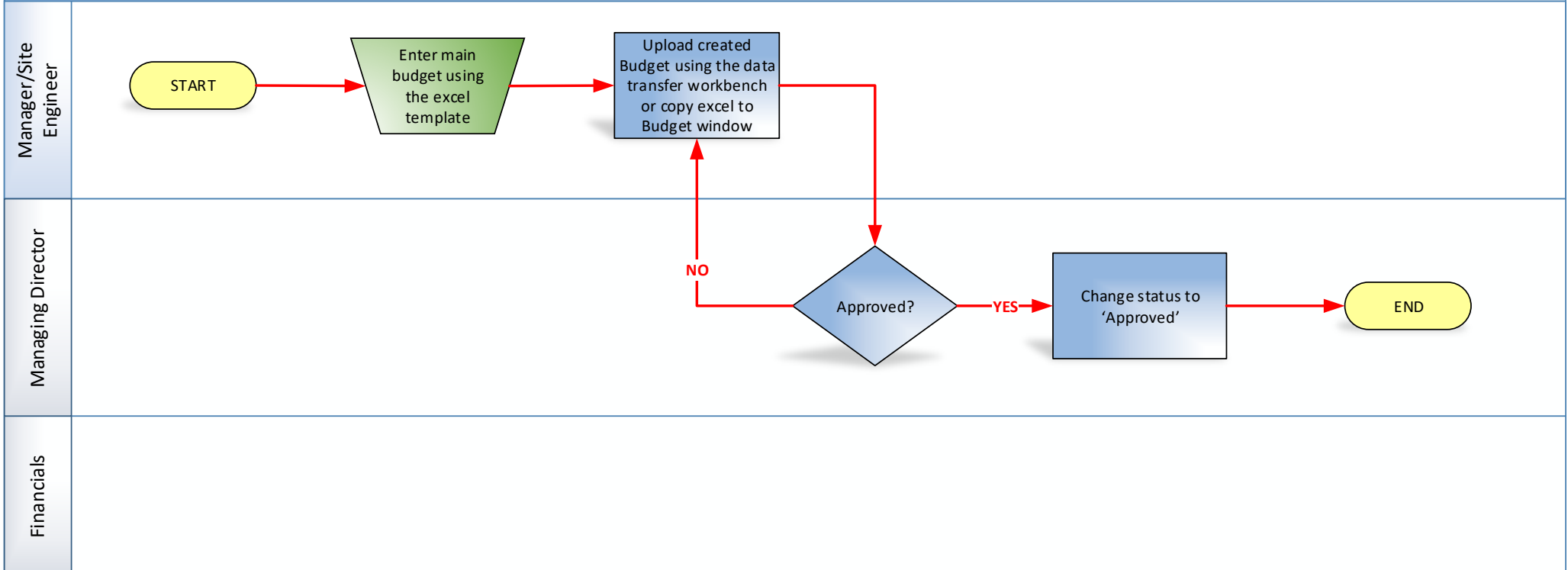
2.4   General Policies

1. Project and Dimensions are mandatory.
2. Dimensions available in Project Accounting are up to five (5) dimensions.

Name	Dimension
General Scope	Dimension 1
Specific Scope	Dimension 2
Phase	Dimension 3
Block	Dimension 4
Lot	Dimension 5

3. Tagging of location in the Fixed Asset Master Data is necessary to perform Asset Transfer.
4. Period validity date of project is necessary to include it in the list of projects available.
5. Equipment shall be the responsibility of projects.
6. For equipment rented by third party, require the lessee to submit Equipment Utilization Checklist.
7. In case of time extension in projects, Site Engineer to update the Project validity period in Project Set-up.

3 FILE MAINTENANCE

a. Revisions to any or all files maintained for Construction shall be the responsibility of Manager.

b. Project code masking :

RV-CB01L02

→ Project

→ Model

→ Block No.

→ Lot No.
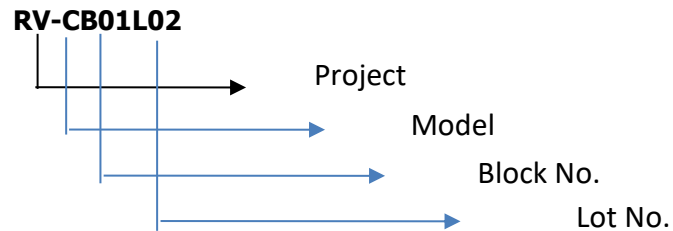
c. Models

Riverview Homes	Southwoods Residences
Columbia	Cedar
Hudson	Maple
	Oak
	Pine

4 DOCUMENT SERIES

Standard SAP series shall be used.

-Nothing follows-