Step:1 Input Contract Info

1.1 Contract funding information:

1. **Amount Allocated**: The total amount of money designated for the contract.
2. **Funding Source**: The entity or organization providing the funds for the contract.
3. **Budget Period**: The duration for which the funds are available.
4. **Purpose**: The specific objectives or tasks for which the funds are intended to be used.
5. **Payment Schedule**: The agreed-upon intervals or milestones at which payments will be made.
6. **Conditions**: Any stipulations or requirements attached to the funding, such as performance targets or reporting obligations.
7. **Accounting Information**: Details on how the funds will be managed and accounted for, including any relevant financial codes or identifiers.

Step 3: Generate budget agreements and fund buckets

3.1 Prior year budgets prepopulate

* **Accessing Prior Year Data**: Budgeting software or financial systems allow users to access data from previous years' budgets. This includes information on income, expenses, allocations, and other relevant financial metrics.
* **Importing Prior Year Budgets**: Users have the option to import entire prior year budgets or select specific components to use as a starting point for the new budget cycle. This import feature ensures that historical data is readily available for reference and incorporation into the new budget.
* **Customization and Adjustment**: While prior year budgets serve as a foundation, users can customize and adjust the data to reflect any changes in financial goals, strategies, or circumstances for the upcoming fiscal period. This may involve modifying allocation amounts, adding or removing budget categories, or adjusting projections based on current trends.
* **Validation and Review**: Once the new budget is created using the prepopulated data from prior years, it undergoes validation and review to ensure accuracy and alignment with organizational objectives. This may involve collaboration among various stakeholders, financial analysts, and department heads to finalize the budget before implementation.
* **Tracking and Analysis**: Throughout the fiscal year, the budgeting software enables users to track actual spending against the budgeted amounts. This allows for real-time monitoring of financial performance and facilitates informed decision-making based on deviations from the budget.

3.2 Funding buckets are generated from yearly budgets

* **Yearly Budget Creation**: At the beginning of each fiscal year, organizations create yearly budgets. These budgets outline the anticipated income and expenses for the upcoming year, broken down into various categories such as departments, projects, or initiatives.
* **Allocation of Funds**: Once the yearly budget is established, funds are allocated to different areas based on strategic priorities, historical spending patterns, projected needs, and other relevant factors. This process involves determining how much money will be allocated to each "bucket" or category within the budget.
* **Generating Funding Buckets**: The term "funding buckets" refers to these categories or allocations within the budget. Each bucket represents a specific area of spending or investment. For example, there might be buckets for salaries and benefits, operational expenses, capital investments, research and development, marketing, etc.
* **Tracking and Management**: Throughout the year, organizations track their spending against these funding buckets to ensure that expenditures stay within budgeted limits. This helps in financial management and ensures that resources are used effectively and efficiently.
* **Adjustments and Revisions**: Sometimes, budgets need to be adjusted or revised due to changing circumstances, unexpected expenses, or shifts in priorities. In such cases, organizations may reallocate funds from one bucket to another or revise budgetary allocations to better reflect current needs and goals.

Step 4: Revise budgets as needed

4.1 Budgets and agreements are refined

**Budget Refinement**:

* **Reviewing Performance**: Organizations regularly review their budgets to assess performance against projections. This involves comparing actual income and expenses with budgeted amounts to identify discrepancies and areas where adjustments may be necessary.
* **Identifying Variances**: Discrepancies between actual and budgeted figures are analyzed to determine the reasons behind the variances. This could involve factors such as changes in market conditions, unexpected expenses, or shifts in priorities.
* **Revising Budgets**: Based on the analysis of variances and the organization's current financial situation, budgets may be revised. This could involve reallocating funds, adjusting projections, or revising spending priorities to better align with organizational goals.

**Agreement Refinement**:

* **Reviewing Contracts**: Organizations review existing agreements and contracts to ensure compliance with terms and conditions. This includes assessing performance, reviewing renewal dates, and identifying any areas of potential renegotiation.
* **Renegotiation or Renewal**: Contracts nearing expiration or those requiring modifications are renegotiated or renewed. This could involve updating terms, revising pricing structures, or renegotiating service levels to better meet the organization's current needs.

1.2 Recipient information:

1. **Date of Receipt**: The date on which the funds were received.
2. **Method of Receipt**: Whether the funds were received via electronic transfer, check, wire transfer, or another method.
3. **Recipient Information**: Details about the individual or entity receiving the funds, including name, address, and contact information.
4. **Confirmation**: Any documentation or confirmation provided by the funding source acknowledging the receipt of funds.
5. **Accounting Records**: Information recorded in the recipient's accounting system regarding the receipt of funds, including relevant account codes or references.
6. **Compliance Requirements**: Any requirements or conditions associated with the receipt of funds, such as the need to adhere to specific reporting or spending guidelines.

1.3 Allocation percentages:

1. **Budget Allocation**: In financial planning, allocation percentages may refer to the division of a budget among different expense categories. For instance, a company might allocate 30% of its budget to marketing, 40% to operations, and 30% to research and development.
2. **Asset Allocation**: In investment management, allocation percentages are used to distribute investment funds among different asset classes such as stocks, bonds, and cash. For example, an investor might allocate 60% of their portfolio to stocks, 30% to bonds, and 10% to cash.
3. **Project Allocation**: Within a project or contract, allocation percentages can indicate how tasks, responsibilities, or resources are divided among team members or departments. For instance, a project manager might allocate 20% of the project's budget to marketing activities and 80% to product development.
4. **Resource Allocation**: In resource management, allocation percentages can represent the distribution of resources such as time, manpower, or equipment among various projects or activities. For example, a manager might allocate 50% of a team's time to Project A and 50% to Project B.

1.4 Import contract line items:

1. **Data Extraction**: Extracting relevant information from the contract document(s), which may include line items such as product descriptions, quantities, unit prices, delivery schedules, and terms of payment.
2. **Formatting**: Formatting the extracted data into a structured format suitable for import into a database, spreadsheet, or software application. This might involve organizing the information into columns or fields based on predefined categories or attributes.
3. **Validation**: Validating the imported data to ensure accuracy and completeness. This may involve cross-referencing the imported information with the original contract document(s) to confirm that all relevant line items have been captured correctly.
4. **Importing**: Importing the validated data into the designated system or platform for further processing, analysis, or management. This could involve using import tools or functionality provided by the software being used.
5. **Review and Update**: Reviewing the imported contract line items to ensure that they accurately reflect the terms and conditions outlined in the contract. Any discrepancies or errors discovered during this review process may need to be corrected or updated accordingly.
6. **Integration**: Integrating the imported contract line items with other relevant data or processes within the organization's systems, such as procurement, accounting, or project management systems.

Step 9: Data transfers

9.1 Update other modules

**Identify Areas for Update**: Organizations assess their systems and processes to determine which modules or components require updates. This could include software modules, organizational policies, operational procedures, or other structural elements.

**Plan Updates**: A plan is developed to outline the scope, timeline, resources, and responsibilities for updating the identified modules. This plan may include milestones, deadlines, and checkpoints to track progress and ensure timely completion

**Implement Updates**: Updates to modules are implemented according to the established plan. This may involve deploying new software versions, revising policy documents, updating training materials, or making changes to organizational structures.

**Testing and Validation**: Before updates are fully rolled out, thorough testing and validation are conducted to ensure that the changes function as intended and do not introduce unintended consequences or disruptions. This may involve user acceptance testing, quality assurance checks, and validation against predefined criteria.