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|  | **Summary Details** |
| Allocation rule manager (ARM) | ARM is an access database which was developed to manage expense allocation rules. The database is used to calculate the rules/percentage metrics used in the expenses allocation process based on external data inputs. Below are some of the reasons why an access database solution was chosen for ARM:   * It was convenient and flexible and access works well * Easy control over SharePoint lists (centralised versioned data) * Rule functionality was still changing in ARM after release which would not be possible if any other formal system was developed * A simple way to regenerate A1 and A3 after source data has changed * A1 and A3 were at the time the only large rules * It was assumed there would be another phase of development, i.e. was a short term solution * Aspiration that the users would end up not manually editing the rules in the excel files * Excel files were always initially seen as a “behind the scenes” technical format * The data required in the calculation of the allocation rules was not available within FDM. * Having ARM outside of FDM and in an access database enabled the users to make a number of manipulations required to the data inputs which they would not be able to do if ARM was within FDM.   Expenses allocation rules are normally generated once annually (there are a number of iterations during the budgeting process) unless there are changes in the business plan. The user initiates creation of the expense allocation rules by updating ARM. ARM generates expense allocation rules based on the business plan from Capital Modelling team, service company premiums and HL percentages (set percentage application basis types defined within ARM (e.g. cost type & department). The calculated expense allocated rules are placed into standard directories for upload to FDM. |
| Allocation rules import to FDM | Expense allocation rules are imported into FDM from ARM for use in the expense allocation process annually. This import is initiated by the user using a standard FDM control sheet. There is no automatic update of expense allocation rules in FDM, hence if the allocation rules in FDM are updated the user has to import the rules into ARM.  Imported expense allocation rules are stored in FDM and used in the calculations of subsequent expense allocations. |
| Calculation of expense allocation within FDM | Calculation of expense allocations is initiated by the user using a standard FDM control sheet on a monthly basis. As part of the calculation FDM applies the imported expense allocation rules against expenses incurred by non revenue generating departments/support teams to calculate allocations that should be made to revenue generating departments, entities and syndicates. The calculated expense allocations are then compared to the expenses already allocated to date in live Agresso. The difference (delta) is the ‘top up’ adjustment required to bring live Agresso expense allocations to the latest calculated expense allocation balance. A ‘top up’ adjustment journals for this amount to be posted into Agresso is calculated. |
| Posting expense allocations adjustment to Agresso | Posting of expense allocations adjustment journals to Agresso is initiated by the user using a standard FDM control sheet on monthly basis. The calculated ‘top up’ adjustment journals are posted into Agresso. |