

# Project Budget Checking in Requisitions (DA1314)

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## Benefits Statement

This change allows project budgets to be checked when authorising requisitions and therefore allow users to have a greater control of their project expenditure.

## Legal, Fiscal and any Standards Considerations

There are no Legal or Fiscal, or any standards considerations for this project.

## Overview

The following areas of functionality have been amended by this project:

### Current Functionality

Currently, General Ledger budgets may be checked within requisitions (if DA0246 - Budget Control on Requisitions is licensed). General Ledger Posting code budget amounts held within the budget code set defined in NLBUDCODE (or NLBUDNEXT if the requisition is for the next financial year) are checked either at budget authorisation or at final authorisation, depending on the setting of the system key POJUMPAUTH.

If the requisition exceeds the budget, the setting of the following will determine whether you are either prevented from continuing with authorising the requisition, or warned that the budget is exceeded and allowed to continue:

- System key POBUDGEXCD and
- if **DA0361 - Location Codes** is also licensed, if POUSERBUDG is set to YES and the budget check flag in User Activity is set.

If there are G/L posting codes on the requisition that exceed their budgets, an enhanced exceeded G/L budgets form is displayed showing the G/L posting code, amount to be committed and the available budget. Please note that the available budget is calculated by deducting the outstanding commitments and posted invoice values (i.e. actuals for the relevant financial year) from the G/L posting code budget. With **DA0585 (Reservations and Commitment Extensions)** also licensed, both current and gross outstanding commitment values are displayed, depending on the values of the system keys NLCOMMCURR and NLCOMMGRS.

**Note** The Enhanced Exceed Budgets form may also displayed when you select F11- Budget.

### New Functionality Introduced by this Project

This area of functionality requires the following settings before it can be used:

- Project **DA1314** must be licensed.
- Project **DA0585** must be licensed.
- Project Accounting must be installed (PR\_INSTAL=**YES**)
- System key NLCOMMGRS must be set to **YES**.
- System key POBUDGLVL must be set to either **PROJ** or **BOTH**.

This project now allows budget authorisation in Requisition Entry to use Project Accounting budgets as well as General Ledger budgets when calculating the available budget. A new system key POBUDGLVL has been introduced to determine which budgets are to be used, i.e. G/L budgets only, Project Accounting budgets only or both. A new system key has also been introduced PRBUDCODE, which holds the default Project Accounting budget code. If PRBUDCODE holds an invalid budget code or is blank, you are prevented from processing the requisition. In addition, the project budget hierarchy **MUST** be set up as described below.

Please note that the system key POBUDGPRD is used to determine which budgetary values are to be used from the default Project budget code.

Details of the project distribution lines where available budgets are exceeded are displayed in a new form, similar to the Enhanced Exceeded Budgets form (for G/L budgets). The details displayed will vary depending on the hierarchy level set up for the Project Accounting budget used (that defined in PRBUDCODE). The available budget displayed is calculated using gross commitments. The available budgets for current commitments may also be displayed (available via a new suspended field). The values calculated depend on the settings of the system keys NLCOMMGRS and NLCOMMCURR. This new form may only be displayed if POBUDGLVL is set to **PROJ** or **BOTH**.

As with the G/L exceeded budgets forms, various scroll function keys are available on this form. You can post your commitments (CR-Commit) depending on the following:

At Budget Authorisation only if:

- POJUMPAUTH is set to **0 OR 3**
- POCOMMST is set to **NLCODE**
- POBUDGEXCD is set to **PREVENT** but the User on User Activity is allowed to authorise budgets
- POBUDGEXCD is set to **WARN** and **DA0361 - Location Codes** is also licensed and POUSERBUDG is set to **YES** and Budget Check flag on User Activity is set to **W**

At Final Authorisation only if:

- POJUMPAUTH is set to **0, 3 or 4**
- POCOMMST is set to **FINAL**
- POBUDGEXCD is set to **PREVENT** but the User on User Activity is allowed to authorise budgets
- POBUDGEXCD is set to **WARN** and **DA0361 - Location Codes** is also licensed and POUSERBUDG is set to **YES** and Budget Check flag on User Activity is set to **W**

Please also note the following:

- When checking the budget value for a requisition's Project Accounting distribution, if there is none set up at the hierarchy level defined for the default Project budget code, no attempt is made to derive a rolled up budget value.
- Project Accounting budgets do not hold opening balance and adjustment period budgets. When using budget comparisons, you should consider only using budgets for period 01 to the end period specified by the system key NLLASTPER to ensure consistency between enquiries/reports in Project Accounting and General Ledger.

## Project Budget Hierarchy

With this new functionality, when setting up a project budget hierarchy, it is **MANDATORY** that the budget hierarchy associated with the budget type and project budget is set up with one of the following levels. Any other combination of hierarchy levels are not supported and will be flagged as invalid within the main Requisition entry options:

- Project/Year and Period
- Project/Expense Group/Year and Period
- Project/Expense Type/Year and Period
- Project/Expense Code/Year and Period

<b>Note</b> Resource Budgets are not supported.
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## Examples

### Calculation

The Available budget is calculated by deducting the sum of the outstanding gross commitments and actuals (posted invoice values) from the budget value. The available budget calculated using current commitments may also be available.

The requisition will have exceeded the budget if the Amount to Commit > Available Budget.

The setting of the system key POBUDGPRD will determine whether the budget is calculated for the total financial year or if the cumulative budget is used, i.e. from period 01 to the period the commitment is made.

### Examples

The existing Project Budget Hierarchy option will be used to define what levels a project budget can be set-up. The existing Budget Maintenance option will then be used to create a Project Budget using the relevant Budget type/hierarchy and assigning budget amounts in base currency, at the levels required.

For Project Budget ZZZ, the budget hierarchy used is Project, Expense Code, Year and Period:

Project Budget Code	Project Code	Expense Code	Year/Period	Amount
ZZZ	A	B-001	2004/01	100
		B-001	2004/02	200
		B-001	2004/03	300
		B-001	2004/04	400
		B-001	2004/05	500
		B-001	2004/06	600
		B-001	2004/07	700
		B-001	2004/08	800
		B-001	2004/09	900
		B-001	2004/10	1000
		B-001	2004/11	1100
		B-001	2004/12	1200
	B	B-002	2004/01	100
		B-002	2004/02	200
		B-002	2004/03	300

For project Budget code XXX, the Budget hierarchy used is project/year and period:

Project Budget Code	Project Code	Year/Period	Amount
XXX	A	2004/01	100
		2004/02	200
		2004/03	300
		2004/04	400
		2004/05	500
		2004/06	600
		2004/07	700
		2004/08	800
		2004/09	900
		2004/10	1000
		2004/11	1100
		2004/12	1200
	B	2004/01	100
		2004/02	200
		2004/03	300

## Example 1

Raising a requisition where only a project budget is to be used in the authorisation process and the budget to be checked is cumulative to date. The project budget is set at project/year and period levels.

The system keys will be setup as follows:

- PRBUDCODE = **XXX** (the default project budget to use)
- POBUDGLVL = **PROJ** (use project budget only)
- POBUDGPRD = **CUM** (use the cumulative budget, period 01YY to requisition **PPYY**)

Requisition raised for period **2004/06**. The requisition holds one requisition line which had a project ledger distribution of Project **A**, expense code **B-001** for **£200**

The budget used will be **XXX** and the budget amount equals the sum of the budget amounts for periods **01** to **06** for Project **A**, i.e. **£2100**

Existing commitments for Project **A**, total **£700**

Existing posted invoices for Project **A**, total **£1250**

Therefore available budget = £2100 - (£700 + £1250) = **£150**

Requisition amount to be committed = **£200**

Therefore users will be shown that the available budget will be exceeded if this requisition is authorised and will be prompted to take action.

## Example 2:

Raising a requisition where only a project budget is to be used in the authorisation process and the budget to be checked is the total budget for the financial year. The project budget is set at project/expense/year and period levels.

The system keys will be setup as follows:

- PRBUDCODE = **ZZZ** (the default project budget to use)
- POBUDGLVL = **PROJ** (use project code budget)
- POBUDGPRD = **blank** (use the total budget)

Requisition raised for period **2004/06**. The requisition holds one requisition line which had a project ledger distribution of Project **A**, expense code **B-001** for **£200**

The budget used will be **ZZZ** and the budget amount equals the sum of the budget amounts for periods **01** to **12** for Project **A**, Expense Code **B-001**, i.e. **£7800**

Existing commitments for Project **A**, Expense code **B-001**, total **£700**

Existing posted invoices for Project **A**, Expense code **B-001**, total **£1250**

Therefore available budget =  $£7800 - (£700 + £1250) = £5850$

Therefore the requisition can be budget authorised and a purchase order can be created.

## Example 3:

Raising a requisition where a project budget, if available, is to be used otherwise the GL budget is to be used in the authorisation process and the budget to be checked is cumulative to date. The project budget is set at project/expense/year and period levels.

The system keys will be setup as follows:

- NLBUDCODE = **YYY** (the default G/L budget)
- PRBUDCODE = **ZZZ** (the default project budget to use)
- POBUDGLVL = **BOTH** (use project budget if available else use the G/L budget)
- POBUDGPRD = **CUM** (use the cumulative budget, period 01YY to requisition PPLY)

G/L Budget Code	Posting Code	Year/Period	Amount
YYY	1-01-10-01-001	2004/01	105
	1-01-10-01-001	2004/02	205
	1-01-10-01-001	2004/03	305
	1-01-10-01-001	2004/04	405
	1-01-10-01-001	2004/05	505
	1-01-10-01-001	2004/06	605
	1-01-10-01-001	2004/07	705
	1-01-10-01-001	2004/08	805
	1-01-10-01-001	2004/09	905
	1-01-10-01-001	2004/10	1005
	1-01-10-01-001	2004/11	1105

G/L Budget Code	Posting Code	Year/Period	Amount
YYY	1-01-10-01-001	2004/12	1205
	1-01-10-01-002	2004/01	105
	1-01-10-01-002	2004/02	205
	1-01-10-01-002	2004/03	305

Requisition raised for period **06/2004**. The requisition holds one requisition line which had a project ledger distribution of Project **B**, expense code **B-001** for **£400**

The project budget used will be **ZZZ**

BUT there is no budget defined for Project **B**, Expense Code **B-001**.

Using the Project Integration Code for Project **B**, Expense Code **B-001** will generate a G/L posting code of **1-01-10-01-001**.

The G/L budget used will be **YYY** and the budget amount equals the sum of the budget amounts for periods **01** to **06** for **1-01-10-01-001**, i.e. **£2130**

Existing commitments for Project **B**, Expense code **B-001**, total **£300**

Existing posted invoices for Project **B**, Expense code **B-001**, total **£400**

Therefore available budget =  $£2130 - (£300 + £400) = £1430$

Therefore the requisition can be budget authorised and a purchase order can be created.

## Technical Data

**\*You must read the Implementation section before attempting to install this project\***

This section details important information relating to the installation of this project. If you require any further assistance please contact Customer Support.

## Implementation - Existing Sites And/Or Existing Data

### Licensing

- Projects **DA1314** (Project Budget Checking in Requisitions) and **DA0585** (Reserves and Commitments Extensions) must both be licensed for the functionality of this project to become available.
- Project **DA0246** (Budget Control on Requisitions) must also be licensed for budget authorisation.

The following system keys must also be set:

- PR\_INSTAL must be set to YES
- NLCOMMGRS must be set to YES.

### System Keys

The system keys listed in the [System Keys](#) section need to be set up as described.

### Data Dictionary Changes

There are no Data Dictionary changes for this project, however, if you have not already done so, you must run the Create New Project Files application and specifying a project code of **DA0585**.

### Options Changes

Not applicable.

### Forms Changes

See [Forms](#) for details of forms that have been added with unsuspended fields.

### Fields Changes

See [Suspended Fields](#).

### Conversions

Not applicable.

### Definition of Terms

See [Definition of Terms](#).



## Implementation - New Installations With New Data

### Licensing

- Projects **DA1314** (Project Budget Checking in Requisitions) and **DA0585** (Reserves and Commitments Extensions) must both be licensed for the functionality of this project to become available.
- Project **DA0246** (Budget Control on Requisitions) must also be licensed for budget authorisation.

The following system keys must also be set:

- PR\_INSTAL must be set to YES
- NLCOMMGRS must be set to YES.

### System Keys

The system keys listed in the [System Keys](#) section need to be set up as described.

### Options

Not applicable.

### Suspended Fields

See [Suspended Fields](#).

### Definition of Terms

See [Definition of Terms](#).

## System Keys

	Description	Value	Used By
PRBUDCODE	Default Project Budget Code	A valid Project Budget Code.	Budget Checking
POBUDGLVL	Which budgets are checked in Requisition authorisation?	<p><b>GL</b> - only the G/L budget (determined by NLBUDCODE/ NLBUDNEXT) is checked.</p> <p><b>PROJ</b> - Only check Project Accounting budget (determined by PRBUDCODE). The budget value is set to zero if the requisition line item only has a G/L distribution, or the project distribution does not have a budget associated with it for the project budget code.</p> <p><b>BOTH</b> - Check both G/L and Project Accounting. The project budget is checked first and its budgetary values used. If a particular project distribution does not have a budget associated with it, the G/L budget code for the G/L posting code generated from the project integration mask is checked.</p>	Budget Checking

The following system key was introduced for project DA0585 but only applied to G/L Budgets and now applies to Project Accounting Budgets:

	Description	Value	Used By
POBUDGPRD	Which budgetary values are to be used?	<p><b>BLANK</b> - The budget value shall be checked in total for the financial year that the proposed commitment is being made. Note: Project budgets can be set up for more than one financial year within a project code.</p> <p><b>CUM</b> - The cumulative budget available for the financial year up to and including the period within which the proposed commitment, defaulted from the requisition header, is being made.</p>	Budget Checking

The following system key was introduced by the project DA0585. It must be set up with the value described below:

	Description	Value	Used By
NLCOMMGRS	Are gross commitments to be generated?	<b>YES</b>	Commitments

## Forms

The following forms have been added with unsuspending fields:

Module	Application	Form	Subform
pq	requisition_entry	pr_exceeded_budgets	
		log_form	gl_header gl_details pr_header pr_details

Please note the following:

- Some of the fields in the above new forms are suspended. Refer to the Suspended Fields section for details.
- If DA0585 is licensed and the system key NLCOMMGRS is set to YES, any commitments are displayed as gross commitments.
- Fields that are unsuspending in the Universal and GUI Clients may be suspended in the Character Client.

## Suspended Fields

The following fields need to be unsuspending:

Module	Application	Form(s)	Subform(s)	Field(s)
pq	requisition_entry	pr_exceeded_budgets	pr_bud_details	avail_c_bud expense_code
		log_form	gl_details	available_budget

## Definition of Terms

Term	Description
Direct Commitments	Commitments relating directly to a project.
Indirect Commitments	Commitments relating to a project's children
G/L Distribution Line	Holds a G/L posting code only.
Project distribution Line	Holds a project and expense code.
Gross Commitments	Commitments that are reduced when an invoice is posted to the General Ledger.