

# Fusion Project Portfolio Management Training

# Define Project Control Configuration

## Part - 6

# Contents

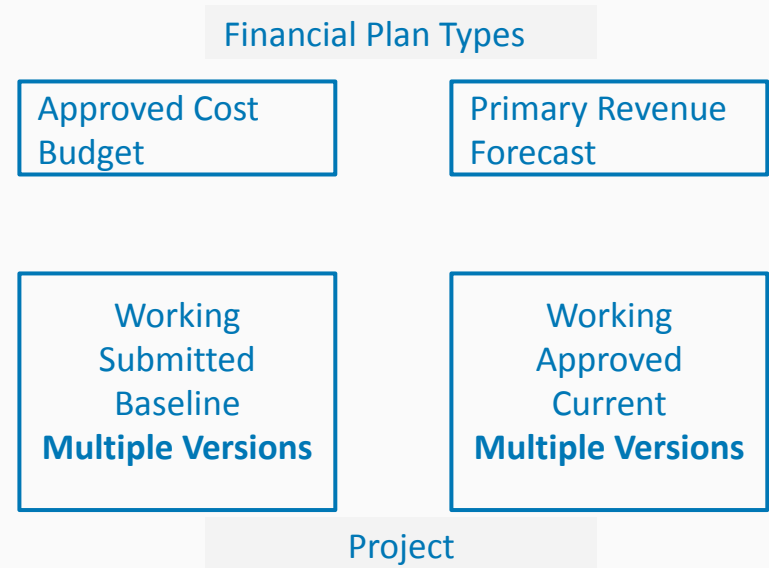
- Defining Project Plan Type
- Defining Financial Plan Type

# Financial Plan Type- Overview

Create financial plan types to define default information and planning options for creating different types of budgets or forecasts. Create any number of financial plan types based on company requirements

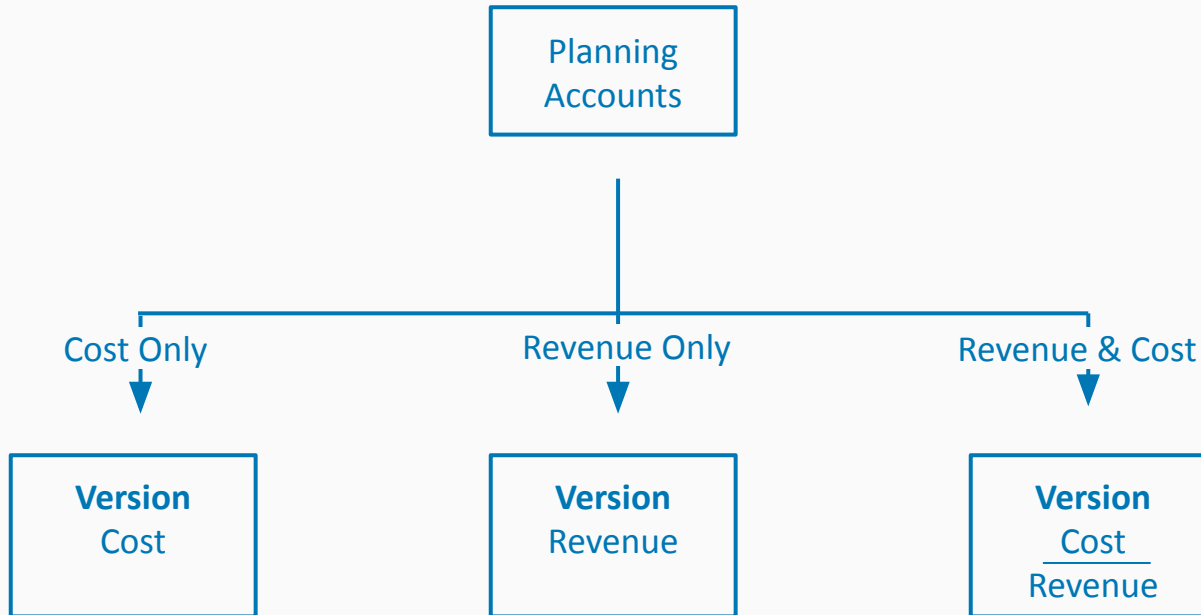
## Plan Class:

Two plan classes are available for a financial plan type:  
Budget and Forecast.



# Planning Amounts

Decide whether individual budget or forecast versions created using a financial plan type will contain only cost amounts, only revenue amounts, or both cost and revenue amounts.



# Budget Options

## Create Financial Plan Type : Approved Cost Budget ?

Name Approved Cost Budget

\* From Date 1/1/01

Description Approved Cost Budget

To Date

Plan Class Budget

Planning Amounts Cost only

### Budget Options ?

☒ Designate as approved cost budget

☒ Enable planning in multiple transaction currencies

☐ Use workflow for status changes

☐ Set as default financial plan type

### Planning Options

Set Assignments

Plan Settings

Currency Settings

Rate Settings

Generation Options

Reporting Options

Actions View Format + - [Icon] [Icon] Freeze Detach Wrap

Code	Name	Description
CONSERV	Consulting Services Set	Consulting Services Set
INTSERV	Internal Services Set	Internal Services Set

# Forecast Options

## Create Financial Plan Type : Primary Cost Forecast ?

Name Primary Cost Forecast

\* From Date 1/1/01

Description Primary Cost Forecast

To Date

Plan Class Forecast

Planning Amounts Cost only

### Forecast Setup Options ?

- ☒ Designate as primary cost forecast
- ☐ Use workflow for status changes
- ☐ Set as default financial plan type

- ☒ Enable planning in multiple transaction currencies
- ☐ Automatically submit forecasts for approval
- ☐ Automatically approve forecasts

### Planning Options

Set Assignments

Plan Settings

Currency Settings

Rate Settings

Generation Options

Reporting Options

Actions View Format



Code
CONSERV
INTSERV

Name
Consulting Services Set
Internal Services Set

Description
Consulting Services Set
Internal Services Set

# Planning Options

Option	Description
Plan Settings	Define amount types included in versions. Planning level & how period amounts are entered & displayed
Rate Settings	Define source of rates for planning resources
Reporting Options	Define amount & currency options for reviewing versions
Additional information	Capture custom information using the descriptive flexfield. PJO_PLANNING_OPTIONS_DFF
Export Options	Define how version information is exported to & imported from Excel
Currency Settings	Define attributes for converting transaction currency amounts to project & ledger currencies.
Generation	Define how versions are generated from another source
Set assignments	Assign reference data sets to determine how financial plan type is shared across.



# Define Project Billing Configuration

## Part -7

# Contract Benefits

- Workflows for contract and invoice approvals
- Approval workflow notifications and worklists facilitate secure and easy contract and invoice approvals.
- Embedded Analytics
- Transactions considered eligible for processing but not invoiced or recognized for revenue are captured in a table and displayed in a UI for easier fixing.
- Review revenue top-down from summary to detail
- Intercompany and inter project contract invoicing and revenue recognition is performed in the same processes and better follows the external model.

Work areas preloaded with personalized data on user access

- By automatically executing a default search, the users are always provided with a list of things that they can work on when they first enter into a work area or manage page.

Establish hard and soft limits at contract and contract line levels, with or without billing resources

- This flexibility eliminates the need to manually track and enforce limits, and reduces downstream adjustments.

Standalone revenue and invoices

- Revenue no longer has to be generated before running the invoicing processes.

# Contract Benefits

## Reusable user-defined invoice and revenue methods

- Reduces the effort required for creating and maintaining billing extensions and invoice and revenue recognition methods.

## View, adjust, and finalize invoices from a single location

- Use the invoice work area to easily create and adjust invoices, which can reduce the billing errors that result in increased workload.

## Bill for capital projects

- Include charges from contract and capital projects on the same invoice. This reduces the total number of processes required.

## Easily accessible contract information

- Click a contract number to view basic information about a contract that is related to the area of work.

## All accounting performed in Subledger Accounting

- Invoice accounting initiated from Fusion Receivables and revenue accounting from Fusion Project Billing.

## Manage billing transaction exceptions

- Transactions considered eligible for processing but not invoiced or recognized for revenue are captured in a table and displayed in a UI for easier fixing.

# Contract Benefits

- Billing offsets managed by contract line
- Accounting is simplified by reclassifying billing offsets periodically, rather than on each transaction.
- Flexible project contract relationships
- Allows relationships to be defined, so that invoicing and revenue recognition can be independent of the project setup and execution.
- Intercompany and interproject better assimilated
- Intercompany and interproject contract

# Contract Roles and Sources

## Party roles

Specify the roles of different parties in the contract

Predefined party role names in the lookup type  
OKC\_PARTY\_ROLE

## Contract roles

Specify the roles party contract play in the contract

Predefined party role contract names in the  
lookup type OKC\_PARTY\_CONTACT\_ROLE

# Contract Roles and Sources

## Role Sources:

1. Specify the seller role on the contract type to be supplier
2. Specify the sell intent source of the customer party role to be customer
3. Specify the sell intent source of the contract type role to be supplier
4. Specify the sell intent source of the supplier party role to be business unit

# Contract Types

## Manage Contract Types

Done

Actions ▼ View ▼ + ✎ 📄 Detach

Name	Description	Start Date	End Date	Set
Projects Customer Billing		1-Jan-1957		Common Set
Projects Intercompany Billing		1-Jan-1957		Common Set
Projects Interproject Billing		1-Jan-1957		Common Set

While creating a contract, a contract type is determines default settings and validations

1. Specifies Billing Options
2. Enables Automatic or Manual Numbering
3. Seller Role
4. Contract Owner Role
5. Contract Layout Template etc

# Contract Line Type

1. You must associate each line type name with one of the fixed set of predefined line sources
2. A line source defines what item you can enter in a contract line & enables functionality of the integrated applications to that line.
3. Line types are names you give to the types of contract lines available to add to the contract types
4. There are two projects-related contract line sources:

Line Source	Description
Sell intent, item, project based	Represents the sale of an item, enables entry of inventory & can associate and bill the line
Sell intent, free form, project based	Represents the scope of work, enables entry on items not tracked & can associate and bill the line



# Customer Contract Business Function

1. Enable related accounts - Contract authors can specify bill-to, ship-to, and other accounts for the parties in a contract. if you want accounts previously specified as related to the contract party to be available for selection, Related customer accounts can be enabled .
2. Managing Currency Conversion Options -
  - a. This allows a contract author to override a contract's currency, which defaults from the ledger currency of the business unit
  - b. It enables the contract author to specify currency conversion attributes to use when converting from the bill transaction currency to the contract currency and from the invoice currency to the ledger currency.
3. Project Billing Options -
  - a. Select the Transfer Revenue to General Ledger option if you want to create revenue accounting events and entries, and transfer revenue journals to the general ledger. If this option is not selected, then revenue can still be generated, but will not be transferred to the general ledger.
  - b. Indicate if a reason is required for credit memos that are applied to invoices.
  - c. Select an invoice numbering method, either Manual or Automatic.

# Define Invoice Formats

## Invoice Formats

1. Invoice formats determine how Fusion project billing groups transaction on the same or different invoice lines.
2. Configure different invoice formats for labor, non labor & event line items. Mention If you want to use the format for any invoices.
3. Grouping option only determines the fields available for selection in the invoice format details region
4. Fields added in the invoice format details region drive both invoice line grouping & the composition of invoice line description
5. Configure the invoice formats to include free form text on invoice lines

## Invoice Format components:

Fixed Format, Field Name, Text, Right Justify, Grouping Option, etc

# Revenue Method and Classification

1. Revenue Classification
  - a. It determines the basis for calculating revenue amounts & drives the exact processing steps taken to generate revenue
2. Revenue Method
  - a. It Contains a list of billing extensions to be copied to each revenue plan created with this revenue method.
  - b. Determines the sources of revenue amount calculations for contract lines.
  - c. This points to a single revenue method classification

# Revenue Method Classification

Classifications	description
Amount Based	Recognize revenue as billing events are completed
As Billed	Recognize revenue as customers are device using a common set of bikk rates transfer pricing for both invoicing and revenue and a burden schedule
Rate Based	Recognize revenue as costs are incurred , using a cost reimbursable approach or a revenue specific set if bill rates , a burden schedule or transfer price rates
Percent Complete	Recognize revenue based on the estimated progress of a contract line
Percent spent	Recognize revenue based on the percentage of actual cost to date over total budgeted or forecasted cost
As Incurred	Recognize revenue as costs are incurred, using a common set of bill rates, transfer pricing for both invoicing & revenue, burden schedule

# Thanks!

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