

# Fusion Project Portfolio Management Training

# Define Project Costing Configuration

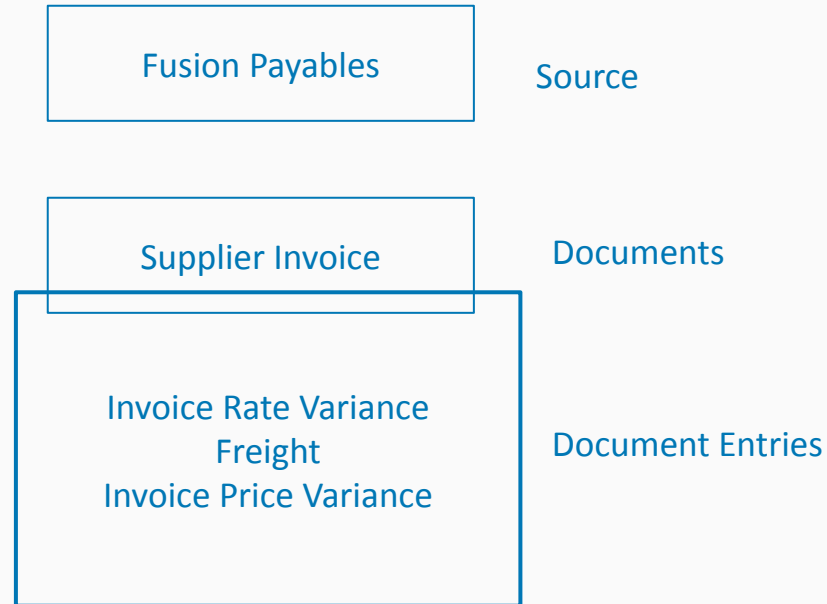
## Part - 5

# Contents

- Defining Transaction Source
- Define Rate Schedule and Costing Rules
- Define Burdening
- Define Burden Cost Code, Burden Structure, Burden Schedule

# Transaction Sources- Overview

Transaction sources define how transactions are imported, processed, and accounted in Oracle Fusion Project Costing.



# Rate Schedule- Overview

You can describe rate schedules for both billing and costing. A labor cost rate schedule retains hourly cost rates for employees or jobs. Schedule types verify usage for rates within rate schedules. You give a schedule type for rate schedules created for costing, billing, or planning purposes in Oracle Fusion Projects.

The schedule types are:

- Job
- Resource Class
- Person
- Nonlabor

# Person Rate Schedule

Job rate schedules contain rates used to calculate amounts for the following types of labor transactions:

- Actual Cost
- Invoiced Amount
- Revenue Amount
- Planned Cost
- Budgeted Cost
- Forecast Cost
- Borrowed and Lent Cost

Manage Rate Schedules ?

Save Save and Close Cancel

Actions View Format + - Copy Paste Detach Wrap Copy Rate Schedule

* Name	Description	* Project Rates Set	* Schedule Type	* Currency
Job Bill Rates	Rate Schedule for Job Bill Rates - use for projects that are n...	COMMON	Job	USD
Job Bill Rates Burdened	Rate Schedule for Job Bill Rates Burdened - use for projects...	COMMON	Job	USD
Job Cost Rates	Rate Schedule for Job Cost Rates	COMMON	Job	USD
Non Labor Bill Rate	Rate Schedule for Non Labor Bill Rates	COMMON	Nonlabor	USD
Non Labor Cost Rate	Rate Schedule for Non Labor Cost Rates	COMMON	Nonlabor	USD
Person Bill Rates	Rate Schedule for Person Bill Rates - use for projects that ar...	COMMON	Person	USD
Person Bill Rates Burdened	Rate Schedule for Person Bill Rates - use for projects that ar...	COMMON	Person	USD
Person Cost Rates	Rate Schedule for Person Cost Rates	COMMON	Person	USD
Resource Class Bill Rates	Rate Schedule for Resource Class Bill Rates	COMMON	Resource class	USD
Resource Class Cost Rates	Rate Schedule for Resource Class Cost Rates	COMMON	Resource class	USD

Job Cost Rates: Job Rates

Job Set: COMMON

Actions View Format + - Copy Paste Freeze Detach Wrap

* Job	Unit of Measure	* Rate	* From Date	To Date
Project Manager	Hours	200	1/1/01	
Desktop Specialist	Hours	120	1/1/01	
Systems Analyst	Hours	125	1/1/01	
Administrator	Hours	100	1/1/01	
Network Specialist	Hours	120	1/1/01	
Consultant	Hours	150	1/1/01	
Senior Consultant	Hours	170	1/1/01	

When creating a job schedule type, you should select a job set from Oracle Fusion HCM. The job set is the source of jobs in your rate schedule. Assign rates to jobs in the rate schedule.

# Person Rate Schedule

Person rate schedules contain raw cost rates and billing rates or markup percentages for labor transactions and transfer price amounts. The rates are used in the following types of labor transactions:

- Actual Cost
- Invoiced Amount
- Revenue Amount
- Planned Cost
- Budgeted Cost
- Forecast Cost
- Borrowed and Lent Cost

Manage Rate Schedules ? Save Save and Close Cancel

Actions View Format + X [Icons] Detach Wrap Copy Rate Schedule

* Name	Description	* Project Rates Set	* Schedule Type	* Currency
> Job Bill Rates	Rate Schedule for Job Bill Rates - use for projects that are n...	COMMON	Job	USD
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> Non Labor Cost Rate	Rate Schedule for Non Labor Cost Rates	COMMON	Nonlabor	USD
> Person Bill Rates	Rate Schedule for Person Bill Rates - use for projects that ar...	COMMON	Person	USD
> Person Bill Rates Burdened	Rate Schedule for Person Bill Rates - use for projects that ar...	COMMON	Person	USD
> Person Cost Rates	Rate Schedule for Person Cost Rates	COMMON	Person	USD
> Resource Class Bill Rates	Rate Schedule for Resource Class Bill Rates	COMMON	Resource class	USD
> Resource Class Cost Rates	Rate Schedule for Resource Class Cost Rates	COMMON	Resource class	USD

Person Cost Rates: Person Rates

Actions View Format + X [Icons] Freeze Detach Wrap

* Person Name	Person Number	Person Assignment Job ?	Person Assignment Organization ?	Unit of Measure	Rate	Markup Percent	* From Date	To Date
* Miller, Debbie	* 1021			Hours	120		1/1/01	
* Mitra, Kumar	* 1034			Hours	164		1/1/01	
* Kim, Sandy	* 1045			Hours	154		1/1/01	
* Nils, Loni	* 3005			Hours	116		1/1/01	
* North, Jamie	* 3028			Hours	124		1/1/01	
* Brown, Dave	* 5002			Hours	163		1/1/01	
* Chae, Kevin	* 6020			Hours	120		1/1/01	
* Chen, Tu	* 6026			Hours	163		1/1/01	

## Non Labor Rate Schedule

and then associate them with the business units or expenditure organizations or both.

Non labor rate schedules contain rates or markup percentages that calculate cost, bill, revenue, plan, budget, forecast, or transfer price amounts for non labor resources.

define rates for non labor resource organizations.

* Name	Description	* Project Rates Set	* Schedule Type	* Currency
> Job Bill Rates	Rate Schedule for Job Bill Rates - use for projects that are n...	COMMON	Job	USD
> Job Bill Rates Burdened	Rate Schedule for Job Bill Rates Burdened - use for projects...	COMMON	Job	USD
> Job Cost Rates	Rate Schedule for Job Cost Rates	COMMON	Job	USD
> Non Labor Bill Rate	Rate Schedule for Non Labor Bill Rates	COMMON	Nonlabor	USD
> <b>Non Labor Cost Rate</b>	Rate Schedule for Non Labor Cost Rates	COMMON	Nonlabor	USD
> Person Bill Rates	Rate Schedule for Person Bill Rates - use for projects that ar...	COMMON	Person	USD
> Person Bill Rates Burdened	Rate Schedule for Person Bill Rates - use for projects that ar...	COMMON	Person	USD
> Person Cost Rates	Rate Schedule for Person Cost Rates	COMMON	Person	USD
> Resource Class Bill Rates	Rate Schedule for Resource Class Bill Rates	COMMON	Resource class	USD
> Resource Class Cost Rates	Rate Schedule for Resource Class Cost Rates	COMMON	Resource class	USD

**> Non Labor Cost Rate: Nonlabor Rates**

* Expenditure Type	Nonlabor Resource	Nonlabor Resource Organization	Rate Required	Unit of Measure	Rate	Markup Percent	* From Date	To Date
Computers	Server		<input checked="" type="checkbox"/>	Hours	200		1/1/01	
Administrative Costs	Fax		<input checked="" type="checkbox"/>	Ea	0.8		1/1/01	
Administrative Costs	Duplication		<input checked="" type="checkbox"/>	Ea	0.1		1/1/01	



# Resource Class Rate Schedule

Create resource class rate schedules for planning purposes. Define rate or markup percentage for resource classes to use in planning, budgeting, and forecasting.

Optionally assign the rate or markup percentage to a specific organization for a resource class.

Assign resource class rate schedules to the project plan or financial plan (budgets and forecasts) at the plan type level or version level.

## Manage Rate Schedules ?

Save Save and Close Cancel

Actions View Format + - Detach Wrap Copy Rate Schedule

* Name	Description	* Project Rates Set	* Schedule Type	* Currency
Job Bill Rates	Rate Schedule for Job Bill Rates - use for projects that are n...	COMMON	Job	USD
Job Bill Rates Burdened	Rate Schedule for Job Bill Rates Burdened - use for projects...	COMMON	Job	USD
Job Cost Rates	Rate Schedule for Job Cost Rates	COMMON	Job	USD
Non Labor Bill Rate	Rate Schedule for Non Labor Bill Rates	COMMON	Nonlabor	USD
Non Labor Cost Rate	Rate Schedule for Non Labor Cost Rates	COMMON	Nonlabor	USD
Person Bill Rates	Rate Schedule for Person Bill Rates - use for projects that ar...	COMMON	Person	USD
Person Bill Rates Burdened	Rate Schedule for Person Bill Rates - use for projects that ar...	COMMON	Person	USD
Person Cost Rates	Rate Schedule for Person Cost Rates	COMMON	Person	USD
Resource Class Bill Rates	Rate Schedule for Resource Class Bill Rates	COMMON	Resource class	USD
Resource Class Cost Rates	Rate Schedule for Resource Class Cost Rates	COMMON	Resource class	USD

☒ Resource Class Bill Rates: Resource class Rates

Actions View Format + - Freeze Detach Wrap

* Resource Class	Organization	* Unit of Measure	Rate	Markup Percent	* From Date	To Date
Labor		Hours		20	1/1/01	
Equipment		Hours		20	1/1/01	
Material Items		Currency		10	1/1/01	
Financial Resources		Currency		5	1/1/01	










# Labor Costing Multipliers

Use labor cost multipliers to calculate costs for overtime expenditure item.

- Assign the labor cost multiplier to overtime expenditure types.
- The costing process multiplies the standard labor cost rate by this multiplier to calculate the cost for overtime expenditure items.
- Specify the effective date range for the multiplier on expenditure type.

Manage Labor Cost Multipliers ?

Save Save and Close Cancel

Actions ▾ View ▾ Format ▾       			
* Name	* Multiplier	* From Date	To Date
Holiday	2	1/1/01 	
Overtime	1.5	1/1/01	

# Labor Costing Rule

Use the labor schedule type for assigning and using labor rate schedules to calculate costs for labor transactions such as time cards. The application primarily identifies the appropriate rule to use to process cost transactions. It also used for planning, budgeting and forecasting transactions when the plan type is configured to use actual rates.

Examples of labor costing rules: Exempt, Nonexempt & Hourly

The screenshot displays the 'Manage Labor Costing Rules' window. At the top, there are buttons for 'Save', 'Save and Close', and 'Cancel'. Below the title bar is a toolbar with icons for Actions, View, Format, and various editing functions. The main area contains a table with columns: \* Name, \* Costing Method, \* From Date, and To Date. The first row shows 'Exempt' as the name, 'Rates' as the costing method, and '1/1/01' as the start date. Below this table are two expandable sections. The first section, 'Exempt: Overtime Labor Cost Multipliers', contains a sub-table with columns for \* Expenditure Type and Labor Cost Multiplier, which is currently empty. The second section, 'Exempt: Default Overtime Transaction Attributes', contains a sub-table with columns for \* Business Unit, Project Name, Project Number, and Task, which is also empty.

# Organization Costing Rule

## Labor

1. Define and assign labor organization costing rules and cost rate schedules to specific business units, to expenditure organizations, or to both.

## Nonlabor

1. Each non labor resource is assigned an expenditure type.
2. Define rates for specific non labor resource on the rate schedule.
3. In a multi-organization environment, set up non labor resource once and share them across all organizations. Each organization can have a distinct rate for the resource that they own.

Manage Organization Costing Rules ?

Save Save and Close Cancel

Business Unit	Expenditure Organization	* Schedule Type	Labor Costing Rule	Cost Rate Schedule	* From Date	To Date
USA1 Business Unit		Nonlabor		Non Labor Cost Rate	1/1/01	
USA1 Business Unit		Labor	Exempt	Person Cost Rates	1/1/01	
USA2 Business Unit		Nonlabor		Non Labor Cost Rate	1/1/01	
USA2 Business Unit		Labor	Exempt	Person Cost Rates	1/1/01	

# Labor Costing Override

Define override rates or rate schedules for specific persons within specific business units.

To set up override rates or rate schedules:

1. Define a rate or rate schedule depending on the override type: Rate, Rate Schedule, or Extension.
2. Associate the labor costing rule to a specific override. If the costing rule is Extension, then set the override type to Extension.
3. Customize and define business-specific rules in the labor costing client extension when using the override type of Extension.

The application uses an override rule primarily to determine the labor rate for cost transactions.

In calculating the costs, the override rate, rate schedule, or extension takes precedence over a standard rate schedule for the organization or business unit. If no override rule exists, then a rate schedule for the organization or business unit is used.

# Define Burdening

Burdening is a system of figuring burden costs by applying at least one burden cost segments to the raw cost of every transaction. Storing of Burden Cost could be on same expenditure or as separate expenditure item.

Quantity\*Cost Rate=  
Raw Cost

Raw Cost\*Burden  
Multiplier= Burden  
cost

Raw Cost+Burden=  
Total Burden Cost

Expenditure Item	Expenditure Types	Raw Cost	Burdened Cost
Original	Raw Material	180.00	200.00

Burden cost stored on the same experience item

Expenditure Item	Expenditure Types	Raw Cost	Burdened Cost
Original	Raw Material	180.00	200.00
Burden Transaction	Fringe	0.00	20.00

Burden cost stored as a separate expenditure item

# Terminology

**Burden Cost Code:** A burden cost code represents the type of recovery burden you want to apply to organization's raw expenditures..

**Burden Schedule:**It defines the multiplier rates to be applied to your organization & burden cost code..

**Burden Structure:** It is a mechanism to link burden cost code with cost base.

**Burden Multiplier:** A numeric multiplier is connected with an organization for burden schedule revisions, or with burden cost codes for projects or tasks

**Burden Cost Base:** Used for grouping of raw costs applied to burden costs.

# Base Type

The burden cost base type signifies how to use the cost bases.

PPM Cloud provides two cost base types:

1. Burden Cost: Assign this base cost type to cost bases used to calculate burden costs
2. Other: Assign this cost base type to cost bases used for other purposes such as billing extension calculations



# Burden Cost Bases & Codes

Cost bases are the methods used for grouping raw costs when performing burden calculations. Two cost base types are used when setting up your system for burdening. Burden cost types are used specifically in the actual burden cost calculations, while other types are used specifically for the grouping of expenditure types.

# Burden Structure

Burden structures concludes on how expenditure types are combined into burden cost bases and what types of burden costs are applied to the cost bases

The burden structure assigned to the burden schedule version determines if calculations are additive or based on the priority assigned to each cost code.

A burden structure characterizes the relationship between burden cost bases and burden cost codes, and between burden cost bases and expenditure types.

Burden Cost	Cost Bases	Expenditure Types
G & A Fringe	Labor	Professional Clerical Sales
G & A Handling	Material	Construction Material Supplies

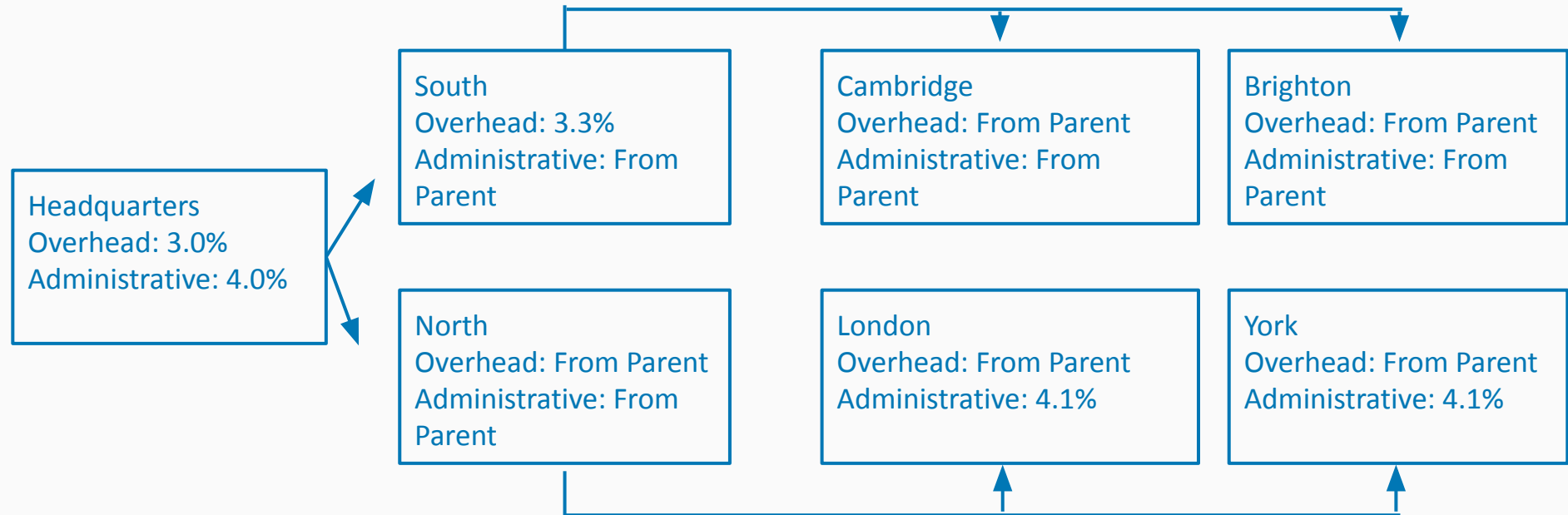
# Burden Schedule

- It defines the multiplier rates to be applied to your organization & burden cost code. If your multipliers are built at the highest level of your organization, all of your organization will be burdened with these rates.
- The burden logic first looks at the organization level of the expenditure & proceeds up the project burden hierarchy until it finds the burden multipliers.
- The schedule contains versions, so your organization would have rate changes on a periodic basis.

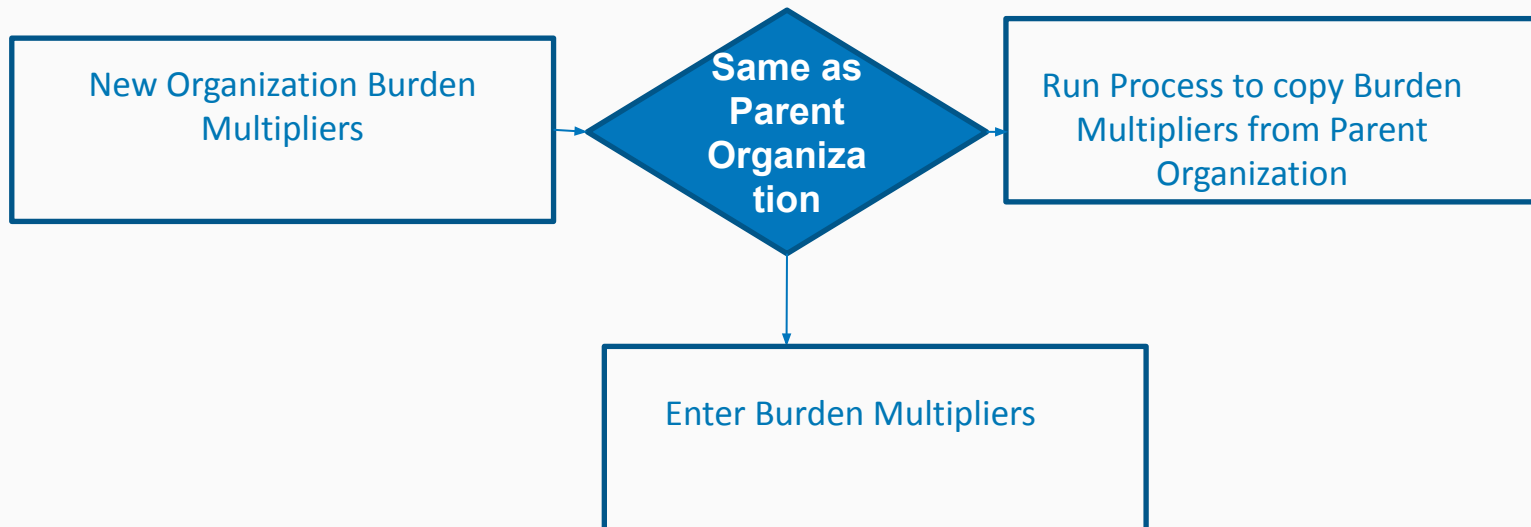
There are two types:

1. **Firm** schedules are set & do not anticipate changes for a given period.
2. **Provisional** Schedules are normally can estimate & after review are modified to actual burden multiplier rates for reburden adjustments.

# Burden Multipliers Example



# New Organization Burden Multipliers



# Project Cost Collection Flexfield- Overview

The Cost Collection flexfield allows

- Greater level of flexibility on the naming, validation, and ordering of the attributes within each of the documents that capture them such as Expense Reports, Purchase Orders.
- Inclusion of industry-specific cost code or funding source or organization-specific attributes in any or all the documents.
- User can specify the billable and capitalizable values in specific documents, while hiding this value in other document. For example, billable value is specified on Expense Reports and not in Purchase Orders.

# Manage Project Standard Cost Collection Flexfield

**Edit Context: PJC: All**

SaveSave and CloseCancel

Flexfield Name: Project Costing Details

Flexfield Code: PROJECTS\_STD\_COST\_COLLECTION

\* Display Name: PJC: All

Description: A context that displays the superset of all standard cost collection attributes.

☒ Enabled

Context Sensitive Segments

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Sequence	Name	Code	Value Data Type	Display Type	Value Set	Default Value	Required
10	EXPENDITURE_ITEM_DATE	EXPENDITURE_ITE...	DATE	Text Box	PJC_STANDARD_DATE	0	<input checked="" type="checkbox"/>
20	PROJECT_ID	PROJECT_ID	VARCHAR2	Pop-up List of Values	PJC_PROJECTS_EXPEND_V	0	<input checked="" type="checkbox"/>
30	TASK_ID	TASK_ID	VARCHAR2	Text Box	PJC_TASKS_EXPEND_V	0	<input checked="" type="checkbox"/>
40	EXPENDITURE_TYPE_ID	EXPENDITURE_TY...	VARCHAR2	Text Box	PJC_EXPENDITURE_TYPES_EXPEND_I_V	0	<input checked="" type="checkbox"/>
50	ORGANIZATION_ID	ORGANIZATION_ID	VARCHAR2	Text Box	PJC_ORGANIZATIONS_EXPEND_E_V	0	<input checked="" type="checkbox"/>
60	BILLABLE_FLAG	BILLABLE_FLAG	VARCHAR2	Text Box	PJC_YES_NO_LOOKUP	0	<input checked="" type="checkbox"/>
70	CAPITALIZABLE_FLAG	CAPITALIZABLE_F...	VARCHAR2	Text Box	PJC_YES_NO_LOOKUP	0	<input checked="" type="checkbox"/>
80	WORK_TYPE_ID	WORK_TYPE_ID	VARCHAR2	Text Box	PJC_WORK_TYPE_EXPEND_V	0	<input checked="" type="checkbox"/>
220	USER_DEF_ATTRIBUTE1	USER_DEF_ATTRI...	VARCHAR2	Text Box	PJC_FORMAT_ONLY_VARCHAR2_L150	0	<input checked="" type="checkbox"/>
230	USER_DEF_ATTRIBUTE2	USER_DEF_ATTRI...	VARCHAR2	Text Box	PJC_FORMAT_ONLY_VARCHAR2_L150	0	<input checked="" type="checkbox"/>

# Overview

- Create project plan types to define default information used for creating a project plan and capturing progress.
- Associate one project plan type to a project template. Projects created using the template inherit setup and planning option values. You can revise setup or planning options at each level to match specific planning requirements.



# Thanks!

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