Revenue Management

User Guide

Planview ChangePoint 2022

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1. About invoicing

About billing and tax settings

The creation of invoices and the calculation of the billing amounts and taxes depend on settings defined in different areas in ChangePoint.

The following settings control when and how items and amounts are invoiced:

- The contract for which you create an invoice must be marked as billable.
- Billing rates used for invoicing come from the contract or from the profile of the resources who performed the work. For more information, see "About billing rates used in invoices" on page 8.
- Billing amounts that are split among multiple customers are reflected in the invoice. For more information, see "About splitting billing amounts in invoices" on page 7.
- Request processing rules specified in the contract determine which request types are billable. For more information, see "About request processing rules" in the *Contract Management User Guide*.
- Taxation setup for services, expenses and products ensures that taxes are calculated correctly on invoices. The taxation setup information (work code category, work code and tax schedule) is indicated for each item included in the invoice. If no tax schedule is displayed, the work is nontaxable, or no taxation was set up for the item.

About splitting billing amounts in invoices

If split billing is enabled for a contract, all billable items (project time and request time, expenses, fixed fees and products) are split and invoiced to the relevant customers according to the split percentage specified in the contract. Billable items are split as follows:

- Project time and request time – The number of hours is split.
- Expenses and products – The quantity of each item is split.
- Fixed fees – The billing amount is split.

If additional items are added to the invoice of a split billing contract, the amount is only billed to the customer for which the invoice is created. The amount does not display on the invoices created for any of the other customers specified in the contract.

Splitting daily time

If daily billing is used, each time record is converted to days using the daily conversion setting of the billing office. For example:

Daily conversion setting: 1 to 4 hours = 0.5 day; 4 to 8 hours = 1 day

A 6-hour record is split equally between 3 customers: 6 hours / 3 = 2 hours

The 2-hour period is then converted to 0.5 day

Each customer is billed for 0.5 days, which adds up to a total of 1.5 days. If billed to a single customer, the same time record would be billed at 1 day.

Allocation of split amounts

If split billing is enabled for a contract, time, expenses, fixed fees, and products are split during the invoicing process. In some cases, the total amount cannot be evenly divided between all selected customers, and a fractional amount needs to be allocated to one customer to balance the total amount (hours for time, and billing amounts for expenses, fixed fees and products). For example: Customer 1 and Customer 2 are allocated 33.33%, and Customer 3 is allocated 33.34%.

The additional fractional amount is allocated as follows:

- For time (project time and request time), the customer with the largest percentage in the split billing list receives the additional fractional amount (in the example above, customer 3). If more than one customer have the largest percentage, the first customer receives the additional fractional amount.
- For expenses, products and fixed fees, the last customer that is invoiced is allocated the additional fractional amount.

About billing rates used in invoices

The billing rates applied in an invoice are defined in the contract or in the profile of the resource who performed the work. The invoice process uses the billing rate with the effective date that is closest to, but not past, the time record date.

Invoicing updates the billing rate of the time record to ensure it is the same as on the invoice. This ensures that reports that use the billing rate from the time record are consistent with the invoiced amount. For split billing, the latest invoice for a time record updates the billing rate.

Changing the effective date of a billing rate during the invoicing of time records results in discrepancies in the invoice. To correct these discrepancies, you must either edit the invoice or create a credit note.

For example:

Your contract is split between three customers. The original billing rate for the project manager is $300.

One customer is billed for a portion of the time record. The invoicing process sets the billing rate of the time record to $300.

After this first invoice is created, the billing rate for the project manager is updated to $350. A new row with the effective date is added in the billing rates table.

The second invoice is created with a billing rate of $350. The time table is also updated to show $350.

However, since the billing rate was changed part-way through the invoicing process of the time record, one invoice shows $300 and one shows $350. The rate in the invoiced time table shows $300 and $350 accordingly, if the first invoice is not edited.

Reviewing time and expense records before invoicing

You can review the time entries and expense records that have been entered for projects and requests of contracts that you have access to.

In the **Time and Expenses** tree view, time and expense records are grouped under the respective projects. You can do the following:

- remove nonbillable time and expense records from the invoicing process
- designate expense records as capital costs
- view all non-project time entries regardless of access restrictions

  Note: You can transfer time and expense records using ChangePoint Administration. For more information, see the ChangePoint Administration online help or the *ChangePoint Administration Guide*.

1. Click ⠿ > **Finance** > **Time and Expenses**.

   The **Time and Expenses** tree view appears.

2. Expand the tree view to locate expenses and time entries under a project, and then do one of the following:
   - To search for time records for a project, click the project.
   - To search for expense records for a project, expand the project and click the expense icon.
   - To display time records for a task, expand the project and click the task.

   The filter criteria view appears.
3. In the **Resource** list, select the resource whose records you want to review, or leave the field blank to view the records for all resources.
4. In the **Period start** and **Period end** fields, enter the date range of the records.
5. Click **Go**.

   The list of records appears.
6. To remove an nonbillable record from invoicing, select the check box to the left of the record.

   Warning: Records that you remove are no longer available for invoicing, even if the records are later changed back to billable.
7. To designate an expense as a capital cost, select the check box in the **Capital** column.
8. Click **Save**.

Locking time records

You can lock time records that have been approved so that no further editing can be done to them.

1. Click > **Analytics** > **Reports**.

   The **Reports** tree view appears.
2. Expand the **System Administration** category and select **Time Locking by Resource**.

   The filter criteria window appears.
3. Select a global workgroup, a workgroup and a resource.
4. Select a start and end date to define the date range for the report.

5. Click **Go**.

   The **Time Locking by Resource** report appears.

6. Do one of the following:

   - To lock individual time records, select the check boxes beside the time records.
   - To lock all records in the report, click **Select all**.

7. Click **Lock**.

2. Creating Invoices

About creating invoices

You can create an invoice:

- in the **Invoices** list view
- using the > **Applications** > **New** option
- from a customer profile
- from a contract profile

When you create an invoice from a customer profile or an invoice profile, some of the customer-related information is automatically added to the invoice.

The invoice is a snapshot of the information at the time that it is created. If the invoice information is later changed, you must edit and save the invoice to update it.

About the invoice language

By default, the invoice language is the preferred language that is specified on the associated contract, but you can change the language from the default when creating or editing an invoice. If a preferred language is not specified on the contract, then the default invoice language is the language from the current resource's browser settings.

You can change the invoice language at any time during the invoice process as required to create, view, print, save as PDF, or send invoices by email.

> **Note:** The preferred language setting does not apply to invoices that use the standard French invoice formats, which are always in French.

Creating an invoice

When you create a new invoice, you can complete the required fields only, save the invoice as a draft and edit it later, or you can complete all fields and submit the invoice for approval.

1. Click **Invoices**.
2. Click .

   The **Create Invoice** dialog box appears.

3. In the **General** tab, complete the fields as required. For more information, see "Create/Edit Invoice dialog, General tab options" on page 14.
4. For information about completing the invoice, see the following topics:
   - "Adding time records to an invoice" on page 16
   - "Adding expenses to an invoice" on page 19
   - "Adding fixed fees to an invoice" on page 21
   - "Adding request time to an invoice" on page 22
   - "Adding products to an invoice" on page 25
   - "Adding additional items to an invoice" on page 27
   - "About tax calculation for invoices" on page 28
   - "Adding invoice details" on page 30
5. Do one of the following:
   - To save the invoice as a draft, click **Save**.
   - To submit the invoice for approval, select the **Submit for approval** check box, then click **Save**.

Create/Edit Invoice dialog, General tab options

Field	Description
Submit for approval check box	When selected, submits the invoice to the invoice approver
Invoice date field	Date of the invoice.
Display only contracts with items to be invoiced check box	When selected, only the contracts that have items to be invoiced are displayed.
Customer type-ahead field	Name of the customer.
Contract list	Contract that you create the invoice for.

Field	Description
PO number list	Purchase order number for the items to be invoiced.
Billing percentage field	Percentage of the invoice amount to be billed to the customer. Available only if split billing is enabled on the contract.
Payment terms field	Payment terms of the contract billing office.
Payment due date field	Date by when the payment is due.
Remit-to address list	Address that appears on the invoice and to which the payment will be sent. The default remit-to address is specified in the contract. If no address is specified in the contract, the address from the billing office is used.
Invoice posting date field	Date that the invoice is posted.
Start date and **End date** fields	Date range of the records to be displayed on the **Time**, **Expenses**, **Fixed fees**, **Requests** and **Products** tabs.
Project/Request table	When a project is selected, the related records for billing appear in the **Time** and **Expenses** tabs. When a request is selected, the related records to be billed appear in the **Requests** and **Products** tabs.

Field	Description
Use expense report currency check box	When selected, the currency specified in the expense report is used for the expenses to be billed. If the expense report currency is different than the invoice currency, the expense amount will be calculated based on the date of the exchange rate applied to expenses.
Date for exchange rates applied to expenses options	Date to use for the exchange rate applied to the expenses to be billed. Options are **Expense date** and **Invoice date**.
Special instructions field	Special instructions for the invoicer that were specified on the contract.

Adding time records to an invoice

You can select the time records to be added to the invoice. Only approved time records are available for invoicing.

If you select time records for a fixed-fee deliverable (denoted by), the time records are marked as invoiced, but do not appear on the invoice.

1. Access the invoice.
2. Click **Actions** > **Edit**.

   The **Edit Invoice** dialog box appears.
3. In the **General** tab, select the projects that include the items to be invoiced.
4. Click the **Time** tab.

   The table displays all approved time records for the selected projects and fixed fees. All of the time records for the fixed fees are automatically preselected.
5. Do one of the following:
   - To include individual time records, select the check box for the records to be invoiced.

- To include all time records related to a fixed-fee deliverable, in the **Fixed fee** tab, select the fixed fees to be invoiced.
- To include all time records, right-click in the table and then click **Select all**.

6. Click **Save**.

Create/Edit Invoice dialog, Time tab options

Column	Description
Overtime percentage field	Percentage of overtime to be billed to the customer, as specified in the contract.
Project column	Project that the time was entered for.
Task column	Task that the time was entered for.
Fixed fee column	Fixed-fee deliverable that the time record is associated with.
Resource column	Resource who worked on the task.
Description column	Description of the time entry, as entered by the resource in the time sheet. **Note:** To add or edit a description, the invoice item description setting must be enabled for the billing office of the contract.
Date column	Date of the time record.
Hours column	Number of hours entered for the task.
OT hours column	Number of overtime hours.
Hours written off/up column	Number of hours that were written off or written up for the project to date.
OT hours written off/up column	Number of overtime hours that were written off or written up for the project to date.
Write-off/up description column	Description for the write-off or write-up.

Column	Description
Write-off/up reason column	Reason for the write-off or write-up.
Net hours column	Actual number of regular hours that are invoiced (total time plus any write-up or less any write-off).
Net OT hours column	Actual number of overtime hours that are invoiced (total overtime plus any write-up or less any write-off).
Rate column	Billing rate for the assigned resource.
Work location group column	Work location group that is defined in the service taxation setup.
Work location column	Work location that is defined in the service taxation setup.
Work code category column	Work code category that is defined in the service taxation setup.
Work code column	Work code that is defined in the service taxation setup.
Tax schedule column	Tax schedule that is used for tax calculation. **Note:** If the customer is exempt from paying the tax, this column is not displayed.
Total time field	Total monetary amount to be invoiced for the selected records.
Total write-offs/ups field	Total monetary amount of the time that was written off or written up.
Total adjustment field	Monetary amount that is to be added to (or a negative amount to be subtracted from) the invoice.
Total net regular hours field	Total net amount of regular hours for the selected records.
Total net overtime hours field	Total net amount of overtime hours for the selected records.

Adding expenses to an invoice

Only approved expense records are available for invoicing.

1. Access the invoice.
2. Click **Actions** > **Edit**.

   The **Edit Invoice** dialog box appears.
3. In the **General** tab, do one of the following:
   - To include individual projects, select the check box for the projects.
   - To include all projects, right-click in the table and click **Select all**.
4. Click the **Expenses** tab.

   The table displays all approved expense records for the selected projects.
5. Do one of the following:
   - To include individual records, select the check box for the records to be invoiced.
   - To include all records, right-click in the table and click **Select all**.
6. Click **Save**.

Create/Edit Invoice dialog, Expenses tab options

Column	Description
Expense percentage field	Percentage of expenses that is to be billed to the customer, as specified in the contract.
Project column	Project that the expense was entered for.
Resource column	Resource who entered the expense.
Expense report number column	Number of the expense report.
Description column	Description of the expense.

Column	Description
Date column	Date when the expense was incurred.
Quantity column	Quantity of items that are expensed.
Unit price column	Unit price of the expensed item.
Currency column	Currency that the expense was incurred in.
Exchange rate column	Exchange rate that is used in converting the currency in which the expense was incurred to the currency of the invoice.
Expense total column	Total monetary amount of the expense, less any recoverable taxes that were stripped from the expense.
Recoverable tax amount column	Total recoverable tax amount that was stripped from the expense.
Write-off/up column	Amount written off or up.
Write-off/up description column	Description for the write-off or write-up.
Write-off/up reason column	Reason for the write-off or write-up.
Net amount column	Expense total plus any write-up or less any write-off.
Work location group column	Work location group that is defined in the expense taxation setup.
Work location column	Work location that is defined in the expense taxation setup.
Tax schedule column	Tax schedule that is used for tax calculation. **Note:** If the customer is exempted from paying the tax, this column is not displayed.
Total for expenses field	Total monetary value of the selected records.

Column	Description
Total write-offs/ups field	Total monetary value of the expenses that were written off or written up.
Total adjustment field	Amount to be added to the invoice (or a negative amount to be subtracted).

Adding fixed fees to an invoice

The **Fixed fees** tab appears only if a fixed fee billing type is specified on the contract.

When you select a fixed fee to be added to an invoice, the related time records are automatically selected in the **Time** and **Requests** tabs, and the projects and requests related to the time records are automatically selected on the **General** tab.

Note: If you select a fixed fee and then switch to a different tab or save the invoice and then later deselect the fixed fee, you must manually deselect the time records. They will not be deselected automatically.

1. Access the invoice.
2. Click **Actions** > **Edit**.

   The **Edit Invoice** dialog box appears.
3. Click the **Fixed fees** tab.

   The table displays all fixed fees that were set up in the contract.
4. Do one of the following:
   - To include individual fixed fees, select the check box for the records to be invoiced.
   - To include all fixed fees, right-click in the table and click **Select all**.
5. Click **Save**.

Create/Edit Invoice dialog, Fixed Fees tab options

Column	Description
Billing date column	Date the fixed-fee deliverable is invoiced.
Billing amount column	Amount to be invoiced.
Deliverable column	Name of the fixed-fee deliverable.
Work location group column	Work location group that is defined in the taxation setup for the fixed fee.
Work location column	Work location that is defined in the taxation setup for the fixed fee.
Work code category column	Work code category that is defined in the taxation setup for the fixed fee.
Work code column	Work code that is defined in the taxation setup for the fixed fee.
Tax schedule column	Tax schedule that is used for tax calculation. **Note:** If the customer is exempted from paying the tax, this column is not displayed.
Total for fixed fee field	Total monetary value of the selected fixed-fee records.

Adding request time to an invoice

When a contract is billable, the time that resources worked on the requests is also billable, depending on the request processing rules and the service level agreement (SLA). Only approved request time records are available for invoicing.

If you select request time records for a fixed fee deliverable (denoted by), the request time records are marked as invoiced, but do not appear on the invoice.

1. Access the invoice.
2. Click **Actions** > **Edit**.

   The **Invoice** dialog box appears.
3. In the **General** tab, select the requests that include the time records to be invoiced.

4. Click the **Requests** tab.
5. Do one of the following:
   - To include individual time records, select the check box of the records.
   - To include all time records related to a fixed-fee deliverable, select the deliverable in the **Fixed Fees** tab.
   - To include all time records, right-click in the table and click **Select all**.
6. Click **Save**.

Create/Edit Invoice dialog, Requests tab options

Column	Description
Overtime percentage field	Percentage rate that is applied to the standard billing rate for overtime.
Request column	Request number.
Fixed fee column	Fixed-fee deliverable that the request is associated with.
Project column	Project that the request is associated with.
Resource column	Resource who worked on the request.
Date column	Date that the request was worked on.
Description column	Description of the work spent on the request. **Note:** To add or edit a description, the invoice item description setting must be enabled for the billing office of the contract.
Hours column	Number of regular hours that the resource worked on the request.
OT hours column	Number of overtime hours that the resource worked on the request.
Hours written off/up field	Number of regular hours written off or up for the request.

Column	Description
OT hours written off/up field	Number of overtime hours written off or up for the request.
Write-off/up description field	Description for the write-off or write-up.
Write-off/up reason list	Reason for the write-off or write-up.
Net regular hours column	Actual number of regular hours that are invoiced (total time plus any write-up or less any write-off).
Net overtime hours column	Actual number of overtime hours that are invoiced (total overtime plus any write-up or less any write-off).
Rate column	Billing rate that is specified in the contract.
Work location group column	Work location group that is defined in the taxation setup for the time spent on the request.
Work location column	Work location of the request.
Work code category column	Work code category of the request.
Work code column	Work code defined in the taxation setup for the request.
Tax schedule column	Tax schedule used for tax calculation. **Note:** If the customer is exempted from paying the tax, this column is not displayed.
Total time field	Total monetary amount to be invoiced for the selected records.
Total write-offs/ups field	Total monetary amount of the time that was written off or written up for the selected records.
Total adjustment field	Amount to be added to the invoice (or a negative amount to be subtracted).

Column	Description
Total net regular hours field	Total net amount of regular hours for the selected records.
Total net overtime hours field	Total net amount of overtime hours for the selected records.

Adding products to an invoice

You can include products that are specified in the contract and billable products (that are associated with the contract through work requests) in an invoice.

Note: For products associated through work requests, the tax calculation is based on the invoice date, even if the **Use record date for tax calculation** check box is selected in the contract.

1. Access the invoice.
2. Click **Actions** > **Edit**.

   The **Edit Invoice** dialog box appears.
3. To add a product that is associated to the contract through a work request, select the work request in the **General** tab.
4. Click the **Products** tab.

   The table displays all products of the contract.
5. Do one of the following:
   - To include individual records, select the check box for the records to be invoiced.
   - To include all records, right-click in the table and click **Select all**.

   Note: If a product is listed but is not available for selection, it means that the product does not have a price in the contract billing currency.
6. If you select products that have 0 as the quantity, specify the quantities.
7. If you select products that are associated to the contract through work requests, you can click the cells in the **Ship-to location group** and **Ship-to location** columns and select a new location group or location from the list.

8. Click **Save**.

Create/Edit Invoice dialog, Products tab options

Column	Description
Request column	Work request that is associated with the product.
Project column	Project that the product is associated with.
Product column	Product to be invoiced.
Date column	Date when the product is planned to be invoiced, as specified in the contract.
Description column	Description of the product. **Note:** To add or edit a description, the invoice item description setting must be enabled for the billing office of the contract.
Unit price column	Price of the product, as specified in the contract. If a negotiated price was not specified, the standard price is used.
Quantity column	Number of products to be invoiced.
Amount column	Amount to be invoiced for the products.
Write-off/up column	Total amount of products written-off or up, if applicable.
Write-off/up description column	Description for the write-off or write-up.
Write-off/up reason column	Reason for the write-off or write-up.
Net amount column	Amount of the products totals plus any write-up or less any write-off.
Ship-to location group column	Shipping destination of the products. Edit the field as required.

Column	Description
Ship-to location column	Shipping location of the products.
Tax schedule column	Tax schedule used for tax calculation. **Note:** If the customer is exempted from paying the tax, this column is not displayed.
Total productfield	Total amount for the selected products.
Total write-offs/ups field	Total amount that was written off or written up.

Adding additional items to an invoice

You can include additional items to the invoice, unless this has been restricted on the billing office of the contract.

Note: The tax calculation for additional items is based on the invoice date, even if the **Use record date for tax calculation** check box is selected in the contract.

1. Access the invoice.
2. Click **Actions** > **Edit**.

   The **Edit Invoice** dialog box appears.
3. Click the **Additional items** tab.
4. Right-click in the table and select **Insert**.

   A new line is added to the table.
5. In the **Description** field, enter a description for the item.
6. In the **Amount** field, enter the amount of the item.
7. In the **Tax schedule** list, select the tax schedule that applies to the item.
8. In the **Total adjustment for additional items** field, enter an amount to adjust the invoice.
9. Click **Save**.

About tax calculation for invoices

The **Taxes and Totals** tab displays the tax and totals of all items included in the invoice.

Taxes are applied to items on an invoice according to the taxation rules that were set up by your organization. The date to be used for calculating taxes is defined in the contract, and can be based on the invoice date or the record date (for example, the date of the expense record).

> **Note:** For additional items and products associated with the contract through work requests, the tax calculation is based on the invoice date, even if the record date option is selected on the contract.

If the contract is configured to allow tax changes on invoices, you can adjust the tax amounts. For more information, see "Adjusting amounts in an invoice" on page 29.

Viewing tax amounts on an invoice

By default, tax information displays by tax schedule. If the invoice uses record dates for tax calculations, then taxes are grouped by their effective dates.

You can also view the tax information by tax rate to understand how adjustments and the various tax locations/work codes will display on the invoice.

1. Access the invoice.
2. Click **Actions** > **Edit**.

   The **Edit Invoice** dialog box appears.
3. Click the **Taxes and Totals** tab.
4. To view the tax information by tax rates, right-click in the table and select **Show tax rate details**.
5. To view the tax information by tax schedule again, right-click in the table and select **Show tax schedule details**.

Create/Edit Invoice dialog, Taxes and Totals tab options

Option	Description
Tax schedule column	Tax schedule that applies to the invoiced items.
Tax amount column	Calculated tax amount before any adjustment was applied.
Adjustment column	Adjustment that is applied to the tax amount, if available.
Net amount column	Tax amount after the adjustment was applied.
Tax total field	Total tax amount on the invoice.
Invoice total field	Total invoice amount.

Adjusting amounts in an invoice

You can adjust the amounts for time, expenses, requests, additional items, and taxes in an invoice. For example, you can adjust the amounts, if you want to give a customer a discount or markup.

Note: Enter a negative amount for discounts and a positive amount for markups.

1. Access the invoice.
2. Click **Actions** > **Edit**.

   The **Edit Invoice** dialog box appears.
3. To adjust the amounts for time, expenses, requests, or additional items:
   a. Click the **Time**, **Expenses**, **Requests**, or **Additional items** tab.
   b. In the **Total adjustment** field, enter or edit the amount, and then click outside the field.
4. To adjust the tax amount:
   a. Click the **Taxes and Totals** tab.

b. In the **Adjustment** column of the **Tax Schedule** table, enter or edit the tax amount, and then click outside the cell.

The **Net amount** column, and the **Invoice total** and **Tax total** fields are recalculated.

5. Click **Save**.

Adding invoice details

1. Access the invoice.
2. Click **Actions** > **Edit**.

   The **Edit Invoice** dialog box appears.
3. Click the **Details** tab.
4. Make the necessary changes. For more information, see "Create/Edit Invoice dialog, Details tab options" on page 30.
5. Click **Save**.

Create/Edit Invoice dialog, Details tab options

Field	Description
Invoice number field	Number of the invoice. When the invoice is in Draft status and this field is left empty, an invoice number is generated automatically when the invoice is saved.
Invoice format list	Invoice format that is specified in the contract.
Invoice language list	Language used for the invoice.
Print address list	Address to be printed on the invoice. If projects with different billing addresses have been selected for invoicing, the contract address is displayed.
Description field	Invoice description that is specified in the contract. If auditing is enabled on the contract, you cannot edit this field.

Field	Description
Updates field	Additional comments.
History field	Stores changes that are made to the invoice after it is saved (date of the change, resource who made the change, and description of the change).

Saving an invoice in PDF format

You can save an invoice in PDF format, either by itself or with expense attachments.

1. In the **Invoice Review** page, do one of the following:
   - To save only the invoice in PDF format, click **Actions** > **Save invoice as PDF file**.
   - To save the invoice and the expense attachments in PDF format, click **Actions** > **Save invoice with expense receipts as PDF file**.
2. In the **Save as** dialog box, specify a location for the file and then click **Save**.

3. Accessing Invoices

About accessing invoices

After an invoice has been saved, you can view its layout in the **Invoice Review** page. The items and amounts to be invoiced and additional information display in the format that was selected when the invoice was created. You can select another format, if required.

Tax rates that are configured to be shown separately on invoices are listed separately, while remaining taxes are summed together in the **Other taxes** field.

If services or goods were provided to one customer, but billed to another, the name of both customers display on the invoice.

The **Invoice process history** section on the **Invoice Review** page lists the successive stages the invoice went through. The history is view-only and cannot be printed.

You can access the **Invoice Review** page from the following areas:

- contract profile, **Invoices** card
- customer profile, **Invoices** card
- **Invoices** list view
- From the following portlets:
  - **Approved Invoices**
  - **Draft Invoices**
  - **Invoices Pending Approval**
  - **Rejected Invoices**

About invoice formats

There are standard invoice formats that group the information in different ways. The default invoice format is specified in the contract, but you can select different invoice formats when viewing an invoice. To change the format, you must edit the invoice.

Note: The **Tax on sum - General** and the **Tax on sum - French general** formats are available only when all items on the invoice have the same tax schedule.

Accessing an invoice

1. Click **Invoices**.

   The **Invoices** list view appears.

2. Click the invoice.

   The **Invoice Review** page appears.

3. To view the invoice in a different language, select the language in the **Preferred language** list.

4. To print the invoice, click **Actions** > **Print**.

5. To view the details of all invoiced items and adjustments, click **Actions** > **Invoice details**.

6. To view the details with additional information about write-offs and write-ups, click **Actions** > **Invoice details with write-offs/ups**.

7. To print the details, click **Print**.

   Tip: To make the invoice details fit horizontally on the page, adjust the print settings in the **Print** dialog box by either reducing the scale or changing the layout orientation to landscape.

About editing invoices

You can only edit an invoice that is in **Draft** status. Invoices in **Pending approval**, **Pending second level approval** or **Approved** status must be reverted to **Draft** status first before they can be edited. To correct an error in an invoice that is in any other status, you must create a credit note for the entire amount. For more information, see "About credit notes" on page 49.

You can write off or write up time and amounts from invoice records. You can write off or write up individual records, or you can write off multiple records at a time. When you write off multiple records at a time, the entire amount of the selected record is written off.

Note: When you write off or write up time, the reason specified for the write-off or write-up may affect the number of utilized hours shown on utilization reports and portlets. For example, if you write off a time record and select a reason that has been flagged as affecting the calculation of resource utilization, the amount will be deducted from the user's utilized hours.

If auditing is enabled on the contract associated with the invoice, you must enter a comment when writing off or writing up time, expenses, or products.

Editing an invoice

1. Access the invoice.
2. Click **Actions** > **Edit**.

   The **Invoice** dialog box appears.
3. Make the necessary changes.
4. Click **Save**.

Writing off or writing up time

You can write off or write up time for services or requests.

1. Access the invoice.
2. Click **Actions** > **Edit**.

   The **Invoice** dialog box appears.
3. Click the **Time** or the **Requests** tab.
4. In the table, do one of the following:
   - Select the check box for the record.
   - If the check box is already selected, click the row.
5. In the **Hours written off/up** cell, do one of the following:
   - To write up time, enter the number of hours to be added.
   - To write off time, enter the number of hours preceded by a minus sign.
6. In the **OT hours written off/up** cell, do one of the following:
   - To write up overtime, enter the number of hours to be added.
   - To write off overtime, enter the number of hours preceded by a minus sign.
7. In the **Write-off/up reason** cell, select the reason for the change.
8. In the **Write-off/up description** cell, enter a description for the change.
9. Click **Save**.

Writing off or writing up an expense or a product

You can write off or write up billing amounts for expenses or products.

1. Access the invoice.
2. Click **Actions** > **Edit**.

   The **Invoice** dialog box appears.
3. Click the **Expenses** or the **Products** tab.
4. In the table, do one of the following:
   - Select the check box for the record.
   - If the check box is already selected, click the row.
5. In the **Write-Off/Up** cell, do one of the following:
   - To write off the billing amount, enter the amount.
   - To write up the billing amount, enter the amount preceded by a minus sign.
6. In the **Write-off/up reason** cell, select the reason for the change.
7. In the **Write-off/up description** cell, enter a description for the change.
8. Click **Save** to save the changes and close the **Invoice** dialog box.

Writing off multiple records at a time

1. Access the invoice.
2. Click **Actions** > **Edit**.

   The **Invoice** dialog box appears.
3. Click the **Time**, **Expenses**, **Requests**, or **Products** tab.
4. In the table, select the check boxes for the records.
5. To select a range of consecutive rows:
   a. Click the first row that you want to select.
   b. While holding the **Shift** key, click the last row in the range.
6. To select multiple, nonconsecutive rows:

a. Click the first row that you want to select.

b. While holding the **Ctrl** key, click the additional rows that you want to select.

7. Right-click in the table and select **Write off**.

8. In the **Write-off reason** list, select the reason for the change.

9. In the **Write-off description** field, enter a description for the change.

10. Click **Save**.

Associating invoiced time with fixed fees

After a time record has been invoiced, you can change the fixed fee that the time record was associated with. You can change multiple time records, provided that they are from the same contract, and you want to associate them with the same fixed fee.

1. Click > **Analytics** > **Reports**.

   The **Reports** tree view appears.

2. Expand the **Invoices** category and then select the **Associate Invoiced Time with Fixed Fee** report.

   The filter criteria windows appears.

3. In the **Billing office** list box, select one or more billing offices.

4. In the **Customer** list box, select one or more customers.

5. In the **Contract** list box, select one or more contracts that include the time records that you want to update.

6. To specify a period for the time records to be updated, do one of the following:

   - To specify fiscal periods, select **Fiscal period.**
     - In the **Fiscal period selection** list, select the billing office associated with the fiscal periods you want to use.
     - In the **Fiscal year** list, select the years you want to use.
     - In the **Fiscal period** list, select the fiscal periods you want to use.
   - To specify a date range, select **Date range**.
     - In the **Start date** field, select the first date in the period.
     - In the **End date** field, select the last date in the period.

7. Click **Go**.

   The time records that match the filter criteria appear.

8. Select one or more time records that you want to correct.

9. Click **Select a fixed fee**, and then select the fixed fee from the drop-down field that appears.

10. Click **Save**.

4. Processing Invoices

About the invoicing process

At each step in the invoicing process, invoices are assigned a specific status. It is not necessary for an invoice to go through each step in the process.

Status	Description
Draft	First status for an invoice.
Pending approval	The invoice has been submitted for approval to the designated approver.
Pending second-level approval	The invoice is waiting for approval by the second-level invoice approver, if the two-level approval is enabled for the associated contract.
Approved	The invoice has been either submitted or approved by the contract manager and is waiting to be committed, to prevent further changes.
Committed	The invoice has been committed by a resource with the required role and can be sent to the customer.
Sent	The invoice has been sent to the customer but has not yet been paid.
Partially paid	Partial payments have been made, but the invoice has not been paid in full.
Paid	The invoice has been paid in full.
Archived	The invoice has been archived after it was paid in full.
Credited	A credit note has been committed and the originating invoice has been reversed.

The following diagram shows the invoicing process:

Submitting an invoice for approval

When you submit an invoice, it is routed to the contract manager for approval. If you are the contract manager, the invoice is approved automatically.

1. Access the invoice.
2. Click **Actions** > **Edit**.

   The **Invoice** dialog box appears.

3. Make the necessary changes.
4. On the **General** tab, select the **Submit for approval** check box.

   The **Enter your comments** field appears.
5. Enter a comment.
6. Click **Save**.

   The invoice is submitted for approval.

Approving or rejecting an invoice

You receive a notification when invoices require your approval.

1. Click .
2. Click **You have invoices to approve** link.

   The **Invoices to Approve** view displays a list of all the invoices to be approved.
3. Click the invoice number.
4. Do one of the following:
   - To approve the invoice, click **Actions** > **Approve invoice**.
   - To reject the invoice, click **Actions** > **Reject invoice** and then enter a reason for the rejection in the dialog box.
5. Click **OK** to acknowledge the message.
6. To view the next item in the list, click **Actions** > **View next**.

About committing invoices

Invoices that have been approved must be committed before they can be sent to the customer. When you commit an invoice, the temporary invoice number assigned to the invoice is changed to the permanent invoice number.

Before you can commit an invoice, you may be required to distribute its revenue and tax amounts to the appropriate GL accounts. For more information, see "About distributing invoice amounts" on page 42.

Committed invoices cannot be edited. To correct a committed invoice, you must create a credit note to reverse the invoice.

Committing an invoice

1. Access the invoice.
2. Click **Actions** > **Commit**.
3. If the **Commit Invoice Number** dialog box appears, you can overwrite the invoice number or keep the existing number.
4. Click **Save**.

About distributing invoice amounts

If invoice distribution is enabled for the billing office of the contract, you must distribute the invoice revenue and tax amounts to the appropriate GL accounts after the invoice has been approved. After the distribution is completed, you can commit the invoice.

Invoice amounts are distributed as follows:

- The billing amount for project time worked by resources is distributed to the GL account selected on the contract. If no GL accounts are selected on the contract, then the time is distributed to the default GL distribution account selected on the resource's workgroup.
- Amounts for expenses, products, fixed fees, request time and additional items will be distributed to the GL account selected on the contract for the specific item type. If no GL accounts are selected on the contract, then these items are excluded from the distribution process and must be distributed manually in the invoice.
- Tax amounts are distributed to tax accounts associated with the tax rate.

Distributing invoice amounts

1. Access the invoice.
2. Click **Actions** > **Distribute invoice**.

   The **Invoice** dialog box displays the **Invoice distribution** tab.
3. Right-click in the revenue GL account table, and then select **Insert**.
4. In the **Revenue GL account** cell, select the GL account.
5. In the **Amount** cell, enter the amount to be distributed to the selected GL account.

6. Right-click in the tax GL account table, and then select **Insert**.
7. In the **Tax GL account** cell, select a tax account.
8. In the **Amount** field, enter the amount to be distributed to the selected tax account.
9. Click **Save**.

Editing distributed invoice amounts

1. Access the invoice.
2. Click **Actions** > **Distribute invoice**.

   The **Invoice** dialog box displays the **Invoice distribution** tab.
3. Make the necessary changes directly in the table cells.
4. Click **Save**.

Deleting distributed invoice amounts

1. Access the invoice.
2. Click **Actions** > **Distribute invoice**.

   The **Invoice** dialog box displays the **Invoice distribution** tab.
3. In the tables, right-click the row that you want to delete, and then select **Delete**.
4. Click **Save**.

About sending invoices by email

You can send an invoice by email as an attachment in PDF or HTML file format. In the PDF file format, you have the option of including expense attachments, which are converted from their original file formats to PDF. You can also change the invoice language. By default, the email recipient is the main contact specified on the contract that is associated with the invoice.

After you send invoices in **Committed** status, their statuses are automatically changed to **Sent**. You can manually change the status to **Sent** for invoices in other statuses.

You can also email invoices in batches to specific recipients. For more information, see "Emailing invoices and credit notes in batches" on page 61.

Sending an invoice by email

1. Access the invoice.
2. Click **Actions** > **Send invoice by email**.

   The **Send Invoice by Email** view appears.
3. To specify a recipient, do one of the following in the **Recipient** field:
   - To select a recipient from the customer contacts, click , and then select a contact.
   - To specify an email address, enter the email address of the recipient.
4. To send a copy of the email to other recipients, do one of the following in the **Cc** field:
   - To select a recipient from the customer contacts, click , and then select a contact.
   - To specify an email address, enter the email address of the recipient.
5. In the **Subject** field, edit the subject line, if required.
6. In the **Comments** field, enter comments.
7. In the **Attachment options** section:
   a. To change the language used in the invoice, select the language in the **Preferred language** list.
   b. Select the file type (HTML or PDF) for the invoice.
   c. To include the expense receipts (PDF file type only), select the **Include expense receipts in PDF file** check box.
8. Click **Send**.

Marking an invoice as Sent

1. Access the invoice.
2. Click **Actions** > **Mark invoice as Sent**.

About recording payments

You can record payments only for invoices with the **Committed** or **Sent** status.

When you receive payments, you record the amounts on the invoice. If the invoice is paid in installments, the status changes to **Partially Paid** when the first payment is recorded. When the invoice is paid in full, the invoice status changes to **Paid**.

Note: If the payment is greater than the invoice amount, the invoice status is set to **Paid**.

You can edit or delete recorded payments of invoices with the **Paid** status. If you edit a payment and an outstanding balance remains, the invoice status changes back to **Sent** or **Partially Paid**. If you delete all payments, the invoice status changes back to **Committed** or **Sent**.

Recording a payment

1. Access the invoice.
2. Click **Actions** > **Record payment**.

   The **Record Payment** dialog box appears.
3. Right-click in the table, and then select **Insert**.
4. In the **Date** field, enter the date the payment was received.
5. In the **Amount** field, enter the amount of the payment.
6. In the **Currency** list, select the currency in which the payment was made.
7. In the **Description** field, enter a description.
8. Click **Save**.

Editing a payment

1. Access the invoice.
2. Click **Actions** > **Record payment**.

   The **Record Payment** dialog box appears.
3. Make the necessary changes directly in the table cells.
4. Click **Save**.

Deleting a payment

1. Access the invoice.

2. Click **Actions** > **Record payment**.

   The **Record Payment** dialog box appears.

3. Right-click the row that you want to delete, and then select **Delete**.

4. Click **Save**.

About archiving invoices

You can archive invoices to prevent further changes for example, after you have sent the invoice information to a financial system. If a credit note was created for an invoice, the credit note is archived with that invoice.

Archived invoices are still displayed in ChangePoint, but you can no longer edit or credit them, or change their status. You can remove invoices from ChangePoint by discarding them. For more information, see "Discarding an invoice" on page 47.

You can archive invoices that are in the following statuses:

- **Credited**
- **Paid**
- **Partially paid**
- **Committed**, and no credit note exists for the invoice
- **Sent**, and no credit note exists for the invoice

Archiving an invoice

1. Access the invoice.

2. **Click Actions > Archive invoice.**

   The status changes to **Archived** and the invoice.

About discarding invoices

You can only discard invoices that are in **Draft** or **Archived** status.

When you discard an invoice that is in **Draft** status, all of the time records, expenses, products, and additional items included in the invoice are released.

However, when you discard an invoice that is in **Archived** status, the included items are not released, and the invoice can no longer be accessed in ChangePoint or through standard

reports. However, the information remains in the database and can be accessed through custom reports.

Discarding an invoice

1. Access the invoice.
2. Click **Actions** > **Discard**.
3. To confirm that you want to discard the invoice, click **OK**.

5. Processing Credit Notes

About credit notes

Once an invoice has been committed, you cannot edit it. To correct an error in an invoice, you must create a credit note for the entire amount. You cannot create a credit note for a partial amount. Credit notes are assigned the same number as the invoice but with the suffix "CN."

When you create a credit note, you can save it as a draft or submit it for approval. If you save the credit note as a draft, you can later edit it until it is ready to be submitted for approval.

If you submit the credit note for approval, it is routed to the contract manager who reviews the information and either approves or rejects the credit note. If the credit note is approved, it advances in the approval process. If the credit note is rejected, it is reverted to a draft and you can make the necessary corrections.

The credit note approval process is similar to the invoice approval process, except when a credit note has been committed, the records (time, expenses, products, and additional items) from the corresponding invoice are released and the status of the invoice changes to **Credited**. The released records are available to be invoiced.

The **Credit note history** section on the **Credit Note Review** view lists the successive stages that the credit note went through. The process history is view-only and cannot be printed.

The following diagram shows the credit note approval process:

About the credit note language

By default, the credit note language is the same as the language of the corresponding invoice. If the invoice language is not specified, then the preferred language specified on the contract is used. If no preferred language is specified on the contract, then the browser language is used.

Creating a credit note

You can only create credit notes for invoices with the **Committed**, **Paid**, **Partially paid** or **Sent** status. When you create a credit note, you can save it as a draft, or you can submit it for approval.

1. Access the invoice.
2. Click **Actions** > **Create credit note**.

   The **Create Credit Note** dialog box appears.
3. In the **Credit note date** field, select the date the credit note was created.
4. In the **Reason** field, enter the reason for creating the credit note.
5. In the **Description** field, enter a brief description of the credit note.
6. Do one of the following:
   - To submit the credit note for approval, select the **Submit for approval** check box.
   - To save the credit note as a draft, clear the **Submit for approval** check box.
7. Click **Save**.

Accessing a credit note

1. Click **Invoices**.
2. In the list view, search for the invoice or credit note number.
3. Select the credit note.

   The **Credit Note Review** view appears.
4. To print the credit note, click **Actions** > **Print**.

Editing a credit note

You can edit a credit note that is in **Draft** status. You can revert a credit note that is in **Approved** status to **Draft** status if necessary.

To edit a draft credit note

1. Access the credit note.
2. Click **Actions** > **Edit**.

   The **Edit Credit Note** dialog box appears.
3. Make the necessary changes.
4. Click **Save**.

To edit an approved credit note

1. Access the credit note.
2. Click **Actions** > **Send to draft**.
3. Click **Actions** > **Edit**.

   The **Edit Credit Note** dialog box appears.
4. Make the necessary changes.
5. Click **Save**.

Committing a credit note

Only approved credit notes can be committed.

1. Access the credit note.
2. Click **Actions** > **Commit**.

Discarding a credit note

You can discard credit notes that you no longer need to view or report on. Although discarded credit notes are no longer available for viewing in ChangePoint, they are not physically deleted from ChangePoint and remain stored in the database for reference.

You can only discard credit notes that are in **Draft** status.

1. Access the credit note.
2. Click **Actions** > **Discard**.
3. Click **OK**.

Approving a credit note

You receive a notification when credit notes require your approval.

1. Click .
2. Click the **You have credit notes to approve** link.

   The **Credit Notes to Approve** view displays a list of all credit notes submitted to your approval.
3. Click the credit note number.

The **Credit Note Review** page appears.

4. Do one of the following:
   - To approve the credit note, click **Actions** > **Approve credit note**
   - To reject the credit note, click **Actions** > **Reject credit note** and enter the reason for the rejection in the dialog box.
5. Click **OK**.
6. To review the next credit note, click **Actions** > **View** > **Next**.

Saving a credit note in PDF format

You can save a credit note in PDF format, either by itself or with expense attachments.

1. Access the credit note and then do one of the following:
   - To save only the credit note in PDF format, click **Actions** > **Save credit note as PDF file** .
   - To save the credit note and the expense attachments in PDF format, click **Actions** > **Save credit note with expense receipts as PDF file**.
2. In the **Save as** dialog box, specify a location for the file and then click **Save**.

Sending a credit note by email

You can send a credit note by email as an attachment in PDF or HTML file format. In the PDF file format, you have the option of including expense attachments, which are converted from their original file formats to PDF.

By default, the email recipient is the main contact specified on the contract that is associated with the invoice.

1. Access the credit note.
2. Click **Actions** > **Send credit note by email**.

   The **Send Credit Note by Email** view appears.
3. To specify a recipient, do one of the following in the **Recipient** field:
   - To select a recipient from the customer contacts, click , and then select a contact.
   - To specify an email address, enter the email address of the recipient.

4. To send a copy of the email to other recipients, do one of the following in the **Cc** field:
   - To select a recipient from the customer contacts, click , and then select a contact.
   - To specify an email address, enter the email address of the recipient.
5. In the **Subject** field, edit the subject line, if required.
6. In the **Comments** field, enter comments.
7. In the **Attachment options** section:
   a. To change the language used in the credit note, select the language in the **Preferred language** list.
   b. Select the file type (HTML or PDF) for the invoice.
   c. To include the expense receipts (PDF file type only), select the **Include expense receipts in PDF file** check box.
8. Click **Send**.

6. Batch Processes and Reports

About batch processes for invoices and credit notes

Instead of creating invoice and credit notes one by one, you can create multiple documents at once, and approve, submit and commit selected invoices and credit notes in batches.

Batch processes can only be performed if the batch invoicing is enabled in the contracts.

For more information on these processes, see:

- "About the Generate Invoices report" on page 55
- "Submitting invoices and credit notes in batches" on page 57
- "Approving invoices and credit notes in batches" on page 58
- "Committing invoices and credit notes in batches" on page 60
- "Archiving invoices in batches" on page 60
- "Emailing invoices and credit notes in batches" on page 61

About the Generate Invoices report

The **Generate Invoices** report allow you to create multiple invoices and credit notes at once. The report only lists invoices of contracts for which batch invoicing is enabled.

Invoices created through the batch process are subject to the same rules and restrictions as invoices created individually.

If you want to invoice time and expenses on separate invoices, you can run two separate batch invoice processes. For the first batch, select the project time and wait for the process to run. Once the first set of invoices has been generated for project time, select expenses and wait for the process to run again.

When you run the **Generate Invoices** report, you select the status to be assigned to the generated invoices.

- **Draft** – the generated invoices remain in **Draft** status. You can access them from the **Draft Invoices** portlet. The invoices can then be reviewed before being sent for approval.
- **Pending approval** – the invoice is immediately sent to the contract manager for approval, and it displays in the **Invoices pending approval** portlet.

- **Pending second-level approval** – contract manager approval is bypassed and invoices are sent directly to the second-level approver.

Generating invoices in batches

1. Click > **Analytics** > **Reports**.

   The **Reports** tree view appears.

2. Expand the **Invoices** category and select the **Batch Invoicing Processes** report.

   The process selection window appears.

3. Select **Generate Invoices**.

4. Click **Go**.

   The filter criteria view appears.

5. In the **Invoice cutoff date** field, enter the invoice cutoff date. Invoices will be generated for all items with a date up to the cutoff date.

6. In the **Billing type** list, select the billing type.

7. In the **Payment terms** list, select a payment term.

   A due date will be calculated for each invoice based on the payment terms specified in the contract.

8. In the **Process the following items** list, select the check boxes of the items you want to invoice.

   Note: If you select **Fixed-fee time**, all requests that have fixed fee request time are available for selection.

9. Select the exchange rate applied to expenses.

10. Click **Go**.

    The second filter criteria window appears.

11. In the **Status to be applied** list, select the status to be applied to the generated invoices.

12. In the **Invoice date** field, enter the date to be displayed on all invoices generated.

13. If a due date calculation has been configured for the selected payment terms, it displays in the **Payment due date** field. If required, enter another date in the field.
14. In the **Invoice posting date** field, enter a posting date.
15. In the **Invoice selection** section, select the contracts (grouped by billing office and customer) to be invoiced.
16. Click **Actions** > **Generate invoices**.

The batch invoicing process will be executed during the next scheduled run.

Submitting invoices and credit notes in batches

The **Submit invoices/credit notes** report allows you to submit multiple invoices and credit notes at the same time.

Invoices that exceed the maximum per invoice specified and enforced in the contract cannot be submitted.

1. Click > **Analytics** > **Reports**.

   The **Reports** tree view appears.
2. Expand the **Invoices** category and select the **Batch Invoicing Processes** report.

   The process selection window appears.
3. Select **Submit invoices/credit notes**.
4. Click **Go**.

   The filter criteria view appears.
5. In the **Creators** section, select the resources who created the invoices you want to submit.
6. In the **Contract selection** section, expand the tree view to locate the contracts for which invoices can be submitted.

   Note: The billing office filter appears if there are more than 20 billing offices listed.
7. Click the check box of the contracts.
8. Click **Actions** > **View invoices/credit notes**.

The **Submit invoices/credit notes** report displays a list of invoices that match the filter criteria.

9. Do one of the following:
   - To select all invoices, click the **Select all** link.
   - Select the check box of the individual invoices.
10. Click **Submit selected** to submit the selected invoices for approval.

Approving invoices and credit notes in batches

The **Approve Invoices/Credit Notes** report allows you to approve or reject invoices and credit notes in batches. The report lists all invoices and credit notes with the **Pending approval** or **Pending second approval** status that require your approval.

1. Click > **Analytics** > **Reports**.

   The **Reports** tree view appears.
2. Expand the **Invoices** category and select the **Batch Invoicing Processes** report.

   The process selection window appears.
3. Select **Approve Invoices/credit notes**.
4. Click **Go**.

   The filter criteria view appears.
5. In the **Approver selection** section, select the assigned approver for whom you want to approve/reject invoices.
6. In the **Contract selection** section, expand the tree view to locate the contracts for which invoices can be approved.
7. Click the check box of the contracts.
8. Click **Actions** > **View invoices/credit notes**.

   The **Approve Invoices/Credit Notes** report displays a list of invoices that match the selection criteria.
9. To select the invoices to be processed, do one of the following:
   - To select all invoices, select **Actions** > **Select all**.

- Select the check box of the individual invoices.

10. Do one of the following:
    - To approve the selected invoices, click **Actions** > **Approve selected**
    - To reject the selected invoices, click **Actions** > **Reject selected** and enter a reason for the rejection in the dialog box.

Distributing invoices in batches

You can use the **Distribute Invoices** report to distribute the invoice revenue and tax amounts to the appropriate GL accounts.

1. Click > **Analytics** > **Reports**.

   The **Reports** tree view appears.

2. Expand the **Invoices** category and select the **Batch Invoicing Processes** report.

   The process selection window appears.

3. Select **Distribute Invoices**.
4. Click **Go**.

   The filter criteria view appears.

5. In the **Creators** section, select the resources who created the invoices you want to distribute.
6. In the **Start date** and **End date** fields, enter the date range of the invoices to be distributed.
7. In the **Contract selection** section, expand the tree view to locate the contracts for which invoices can be distributed.
8. Click the check box of the contracts.
9. Click **Actions** > **View invoices**.

   The **Distribute Invoices**report displays a list of invoices that match the filter criteria. In the report, invoices that contain distributed items are displayed in red.

10. Do one of the following:
    - To select all invoices, select **Actions** > **Select all**.

- Select the check box of the individual invoices.

11. Click **Actions** > **Distribute selected** to distribute the selected invoices.

Committing invoices and credit notes in batches

The **Commit Invoices** report allows you to commit approved invoices and credit notes. Once committed, all invoices and credit notes are assigned a definitive and unique number.

1. Click > **Analytics** > **Reports**.

   The **Reports** tree view appears.

2. Expand the **Invoices** category and select the **Batch Invoicing Processes** report.

   The process selection window appears.

3. Select **Commit Invoices/credit notes**.

4. Click **Go**.

   The filter criteria view appears.

5. In the **Invoice and credit note selection** section, expand the tree view to locate the contracts for which invoices can be committed.

6. Expand the billing offices, customers and contracts and select the invoices and credit notes to be committed.

   Note: Credit notes are displayed in red.

7. Click **Actions** > **Commit**.

8. Click **OK** to confirm.

Archiving invoices in batches

The **Archive Invoices** report allows you to archive invoices. Once an invoice is archived, you can no longer edit it. For more information, see "About archiving invoices" on page 46.

1. Click > **Analytics** > **Reports**.

   The **Reports** tree view appears.

2. Expand the **Invoices** category and select the **Batch Invoicing Processes** report.

The process selection window appears.

3. Select **Archive Invoices**.
4. Click **Go**.

   The filter criteria view appears.

5. In the **Creators** section, select the resources who created the invoices you want to archive.
6. In the **Start date** and **End date** fields, enter the date range of the invoices to be archived.
7. In the **Contract selection** section, expand the tree view to locate the contracts for which invoices can be archived.
8. Click the check box of the contracts.
9. Click **Actions** > **View invoices**.

   The **Archive Invoices**report displays a list of invoices that match the filter criteria.

10. Do one of the following:
    - To select all invoices, select **Actions** > **Select all**.
    - Select the check box of the individual invoices.
11. Click **Actions** > **Archive invoices** to archive the selected invoices.

Emailing invoices and credit notes in batches

If invoice batch mail settings have been defined in the contract associated with invoices, you can email these invoices and credit notes in batches to the specified recipients.

1. Click > **Analytics** > **Reports**.

   The **Reports** tree view appears.

2. Expand the **Invoices** category and select the **Batch Invoicing Processes** report.

   The process selection window appears.

3. Select **Email Invoices/credit notes**.
4. Click **Go**.

   The filter criteria view appears.

5. In the **Creators** section, select the resources who created the invoices you want to email.
6. In the **Invoices/Credit note status** section, select the statuses of the invoices you want to email.
7. In the **Start date** and **End date** fields, enter the date range of the invoices to be emailed.
8. In the **Contract selection** section, expand the tree view to locate the contracts for which invoices can be emailed.
9. Click the check box of the contracts.
10. Click **Actions** > **View invoices/credit notes**.

    The **Email Invoices/Credit note** report displays a list of invoices that match the filter criteria.
11. To select the invoices to be emailed, do one of the following:
    - Select the check box of the individual invoices.
    - To select all invoices, select **Actions** > **Select all**.
12. To email the invoices, do one of the following:
    - To send the invoices using the email settings defined in the associated contracts, click **Actions** > **Send using preset settings**.
    - To send the invoices using new email settings, click **Actions** > **Override preset settings and send**.

About batch printing

You can print a batch of selected invoices and credit notes immediately or you can set up a print schedule. For more information, see "Printing invoices and credit notes in batches" on page 63.

Once you have selected the invoices and credit notes to be printed, you can review the status of each print file in the **Batch Printing Invoices/Credit Notes** report. This section indicates if errors were encountered or if the print files were successfully created.

Printing batch invoices locally

The local batch printing process displays all the selected invoices on screen as a continuous HTML print file. Use the standard browser print control to select a network printer and launch

the printing process. Printing locally allows you to preview all invoices before printing them.

Printing invoices in scheduled batches

The scheduled batch print process generates an HTML print file for each selected invoice. These print files are saved to a batch print directory and in a format configured for each workgroup.

There can only be one queued print job per workgroup. If someone else in your workgroup has already scheduled a invoice batch print job that is waiting to be printed, you must wait for the print job to be completed before you can launch your own batch print job.

Printing invoices and credit notes in batches

1. Click > **Analytics** > **Reports**.

   The **Reports** tree view appears.

2. Expand the **Invoices** report category and select **Batch Printing**.

   The filter criteria window appears.

3. In the **Period start** field, select the date of the earliest invoice/credit note.

4. In the **Period end** field, select the date of the latest invoice/credit note.

5. In the **Invoice/Credit note status** list, select the status of the invoices and credit notes.

6. Do one of the following:

   - To print the documents to a local printer, select **Local printing**.
   - To print the invoices on the server at a scheduled time, select **Batch printing**.

7. To include documents that have previously been printed, select the **Include printed invoices and credit notes** check box. In the report, the previously printed documents are displayed in red.

8. Click **Go**.

   The **Batch Printing of Invoices/Credit Notes** report displays the available invoices and credit notes, grouped by billing office, customer and contract. If billing is split among several customers, both the primary contracts and the split billing contracts are displayed.

9. Do one of the following:

- Expand the groups and select the check marks of the documents to be printed.
- To include all documents from a group, select the check marks of the billing office, customer or contract.
- To view all documents of the selected period, click **Actions** > **Expand all**. Select the check marks of the documents to be printed.

10. Click **Actions** > **Print**.

    The selected invoices display on one screen and the **Print** dialog box appears. The top section **Processed invoice and credit notes** indicates the print status of each invoice and credit note.

11. Select a printer in the **Print** dialog box and click the **Print** button.

Additional invoice reports

There are two additional reports available for batch invoicing:

- The **Batch Invoices Created** report lists invoices that were created by the batch invoicing process.
- The **Batch Invoice Errors** report lists invoices that could not be created in the batch process and the reason that the invoice could not be generated.

7. Revenue Recognition Setup

About revenue recognition

The revenue recognition process allows you to identify and record revenue generated from work done for a customer. The work can include projects and tasks still in progress as well as completed projects and contracts. The revenue recognition process is separate from the invoicing process, although the data from both processes should reconcile.

The following default settings for revenue recognition are defined in ChangePoint Administration:

- Enable or disable revenue recognition for billing offices
- Allow or prevent revenue transfers between workgroups
- Allow or prevent overrides of the default general ledger accounts

The detailed revenue recognition settings are set up in contracts. For more information, see the *Contract Management User Guide*.

For accounting purposes, there may be cutoff dates set up that prevent actions on revenue recognition such as committing or adjusting revenue amounts past a certain date.

Revenue recognition methods

This topic describes the revenue recognition methods that are defined in the contract.

Time and expense-based

- **Time and expenses**: Revenue for time is calculated as the number of approved hours multiplied by the billing or cost rate. Revenue for expenses is calculated as approved expenses multiplied by the percent of expenses considered billable.
- **Time**: Revenue for time is calculated as the approved number of hours multiplied by the billing or cost rate.
- **Expenses**: Revenue for expenses is calculated as approved expenses multiplied by the percent of expenses considered billable. This method is usually combined with a fixed-fee contract where expenses are considered as revenue.

Fixed-fee deliverables

- **Physical Percent Complete (PPC)**: Method based on an estimate of the actual amount of work completed. This value can reflect a higher or lower percentage than the actual

number of approved work hours would suggest. A separate percentage is applied to each deliverable within the contract, based on the system-generated calculation of total actual hours divided by the total planned total hours for all associated tasks, (which can be overridden, if necessary) and a recognition amount is calculated by multiplying that percentage by the billing amount for the deliverable. The **01- Pre-Run** report will show the calculated percentages for each deliverable.

Note: The Physical Percent Complete (PPC) calculation includes actual hours for all tasks, but only includes the planned hours for subtasks (not summary tasks). Therefore, if you use the PPC calculation, you must ensure that planned hours are specified on the subtasks in projects and not just on the summary tasks.

- **Physical Percent Complete (PPC) - Cost**: Method calculating the revenue recognition amount on fixed fees using actual cost divided by total budgeted cost of all items associated with the fixed fee. The revenue recognition Pre-Run report would calculate the percent complete as actual cost (actual cost would include the cost of time and expense records associated with the fixed fee, at the time control status, up to the cutoff date specified when the report is run) divided by total budgeted cost (which would include both budgeted services and budgeted expenses if they are associated with the fixed fee). Services and expenses associated with either the parent fixed fee or its children (that is, the payment schedules created for the fixed fee) will be included in the calculation.

  Selections in ChangePoint Administration determine which budget to use in the calculation:

  - Revision type to use (optional, single select of a budget revision type).
  - Revision choice (optional, select one):
    - use the latest revision
    - use the latest frozen revision.

  If a revision type is selected, then the budget with that revision type is used, and will either be the latest revision for that revision type, or the latest frozen revision for that revision type, depending on the choice of revision.

  If a revision type is not selected, then only the chosen revision (latest revision or latest frozen revision) will be checked. Based on the selection, either the latest budget revision or the latest frozen budget revision will be used.

- **Effort Expended**: Method based on the monetary value of the actual number of approved hours of billable work. The value is derived by applying the billing or cost rate to those hours. This method is similar to time and expense-based time, except that the customer is billed a fixed amount regardless of the actual time spent on the work. If the value of the billable hours exceeds the fixed amount, the hours that exceed the amount are not recognized. For this method to work, the tasks must be associated with a fixed-fee deliverable.
- **Percent of total deliverable (Milestones - scheduled percent)**: Method based on the percentage of the work for a deliverable that is expected to be completed by a specific date. A monetary value is calculated by applying that percentage to the billing amount for the deliverable. Revenue is recognized as each milestone date passes.
- **Amount recognized (Milestones - scheduled dollars)**: Method based on an estimate of the portion of the total billing amount earned by a specific date. The billing amount can be divided evenly over a range of dates, or adjusted to reflect different levels of work completed at different stages of the deliverable. Revenue is recognized as each milestone date passes.

Product (or service) Deliverable

- **Physical Percent Complete (PPC)**: Method based on an estimate of the actual amount of the product (or service) delivered. A separate percentage is applied to each product (or service) within the contract and a monetary value is calculated by applying that percentage to the extended price (standard or negotiated) of the product.
- **Percent of total deliverable (Milestones - scheduled percent)**: Method based on the percentage of the product (or service) that is expected to be delivered by a specific date. A monetary value is calculated by applying that percentage to the price (standard or negotiated) of the product (or service). Revenue is recognized as each milestone date passes.
- **Amount recognized (Milestones- scheduled dollars)**: Method based on an estimate of the portion of the total product (or service) price (standard or negotiated) earned by a specific date. The price can be divided evenly over a range of dates, or adjusted to reflect different levels of product (or service) delivery during the project. Revenue is recognized as each milestone date passes.

You can further control the revenue recognition methods by using the **Revenue recognition adjustment factor**. This factor, which is always less than 100, is applied to all revenue from

time and expenses, fixed-fee deliverables and milestones, and products, to reduce the amount of revenue recognized. The factor is set in the contract profile. Use this factor to be as conservative as desired when recognizing revenue.

Calculating negative revenue amounts for PPC-based methods

You have the option to have the system calculate negative revenue amounts for PPC-based revenue recognition methods. Negative revenue amounts would typically occur when the percent complete drops, due to either inaccurate project plans or an increase in scope that necessitates an increase in planned effort.

The basic calculation for revenue recognition is:

> Billing amount * PPC * Revenue adjustment factor – Revenue recognized to date – Revenue adjustments to date

If the **Allow revenue recognition to calculate negative amounts for PPC-based items** option is enabled in ChangePoint Administration, negative revenue amounts can be calculated for fixed-fee deliverables (PPC or PPC-cost methods) and products (PPC method).

Example 1: PPC is reduced

Last month, a $1000 fixed fee (or product) deliverable had 50% PPC stored against it when the revenue recognition process was run, and the revenue recognized was:

$1000 * 50% = $500 (assuming there is no revenue adjustment factor or adjustments)

This month, the PPC is 40%. If the option to calculate negative revenue amounts is selected, the revenue recognized would be:

$1000 * 40% = $400, $400 – $500 = – $100
Billing amount * PPC – revenue recognized to date

If the option to calculate negative revenue amounts was not selected, the revenue recognized would be $0.

Example 2: Revenue is reduced, but the PPC is not reduced

Last month, a $1000 fixed fee (or product) deliverable had 50% PPC stored against it when the revenue calculation process was run, and the revenue recognized was 1000 * 50% = $500 (assuming there is no adjustment factor or revenue adjustments).

A negative revenue adjustment was made for –$100 because the finance person was told that the PPC was too high. The PPC is not adjusted.

This month, the PPC is still 50% (PPC was not changed, and no more work was done on this item). The revenue recognized would be:

$1000 * 50% = $500, $500 – $500 – (–$100) = $100
Billing amount * PPC – revenue recognized to date – revenue adjustments to date

In this example, the adjustment “comes back” because the PPC did not change. If you make revenue adjustments, ensure that you also adjust the PPC to reflect the net revenue calculation (revenue and adjustments). If no progress was made on this fixed fee, the PPC should have been reduced to 40%. That way, no additional revenue would have been recognized.

Example 3: Billing amount is reduced

Last month, a fixed fee of $1000 had a PPC of 30%, and the revenue recognized was $300.

The Fixed fee amount is changed to $500 (and the PPC does not change) and revenue recognition is run again. The revenue recognized is as follows:

$500 * 30% = $150, $150 – $300= –$150.
Billing amount * PPC – revenue recognized to date

Example 4: Billing amount is negative

In this example, the billing amount is -$2000, PPC is 20%, and revenue recognized is –400.

If the PPC is changed to 10% and revenue recognition is run again, the revenue recognized is now:

–$2000 * 10% = –$200, –$200 – (–$400) = 200
Billing amount * percent complete – revenue recognized to date

In this example, recognition would actually be a positive amount, but the calculation formula is the same.

Example 5: Fixed fee is recognized completely and needs to be reversed

In this example, the revenue recognized equals the full amount of the fixed fee deliverable and you want to reverse it. This situation could occur because revenue was entered against the wrong deliverable, or for some reason the customer does not want to pay for the deliverable.

To reverse the revenue, enter a negative revenue adjustment for the full amount, and change the PPC to 0. The system will not recognize any revenue amounts for this item until the PPC is increased again.

8. Revenue Recognition Reporting

About the revenue recognition process

At a high-level, the revenue recognition process is as follows:

1. Run the pre-run report to determine the revenue that is ready to be recognized and make adjustments, if required. For more information, see "Running the pre-run report" on page 72.
2. After you have completed the pre-run report, view the resulting tentative revenue amounts. For more information, see "About the tentative revenue recognition process" on page 74.
3. If you agree with the tentative revenue amounts, run the tentative report and commit the revenue. For more information, see "About committing the final revenue " on page 81
4. If required, make adjustments to the committed revenue amounts. For more information, see "About revenue adjustments" on page 85.
5. Run the reconciliation report to reconcile the recognized the revenue amounts and the actually invoiced amounts. For more information, see "About the Revenue Reconciliation report" on page 88.

Accessing the revenue recognition reports

1. Click **Finance** > **Revenue Recognition**.

   The **Revenue Recognition** tree view appears.

2. The following reports are available:
   - 01 - Pre-Run
   - 02 - Tentative Process
   - 03 - Tentative Report
   - 04 - Tentative Unrecognized
   - 05 - Unrecognized Completed
   - 06 - Revenue Transfer
   - 07 - Recognition Detail
   - 08 - Recognition Adjustment

- 09 - Recognition Summary
- 10 - Revenue Reconciliation
- 11 - Recognition Adjustment Summary

Running the pre-run report

The pre-run report allows you to display the revenue that is ready to be recognized within the specified time interval after the cutoff date, and to make the necessary adjustments.

1. Access the **Revenue Recognition** tree view. For more information, see "Accessing the revenue recognition reports" on page 71.
2. Click **01 - Pre-Run**.

   The filter criteria window appears.
3. In the **Cutoff date** field, enter the cutoff date.
4. In the **Days after cutoff date** field, enter the number of days after the cutoff date for which revenue can be recognized.
5. In the **Billing office** list, select a billing office.
6. Click **Go**.

   The **Revenue Recognition Pre-Run** report appears.

Revenue Recognition Pre-Run report data

Reviewing revenue from deliverables

Deliverables (PPC method) – This section displays all fixed-fee deliverables and products for which the **Physical percent complete** or **Physical percent complete - Cost** revenue recognition method has been defined.

- **Current PPC** – Current value of the deliverable in the contract, either entered or updated from the last pre-run.
- **Calculated PPC** – Total actual hours divided by the total planned hours for all associated tasks. The total actual hours are the hours recorded before or up to the cutoff date specified in the filter criteria for the report.

The calculated PPC for fixed fees with the **Physical percent complete - Cost** revenue recognition method is derived from the percent complete as actual cost (including expenses

and actual time, up to the cutoff date specified in the filter criteria), divided by the total budgeted cost for services and expenses of the contract and project that are associated with a fixed fee. If a fixed-fee deliverable is associated with services or expenses in both the contract and the project budgets, the budgeted cost will be doubled for that deliverable.

If no tasks are associated with the fixed-fee deliverable, or if no time has been reported, the **Calculated PPC** field displays **Not available**. Products always display **Not available** and must be updated manually.

Unless the contract specifies that billing rates include overtime, only regular hours are included in the total.

Do one of the following:

- To transfer all the calculated PPC values into the **New PPC** fields, click the **Update** button and click **Save**.
- To revise the PPC of a deliverable, enter the new PPC value in the **New PPC** column and click **Save**.

The values in the **New PPC** fields are used to determine if additional revenue will be recognized. It is the change in the percentage that triggers additional revenue recognition.

Reviewing revenue from milestones

Milestones on or before the cutoff date – This section displays the milestones with revenue that is ready to be recognized up to the specified cutoff date.

Milestones after the cutoff date – This section displays the milestones with revenue that is ready to be recognized within the time interval after the cutoff date.

To include these milestones in the recognition period (or exclude them), you must change the milestone dates. On the report, click the contract name to access its profile and make the necessary changes to the milestone dates.

Reviewing revenue from additional items

Additional Items – This section displays the additional items included in invoices. When you run the revenue recognition process, all selected transactions are based on the specified cutoff date. Therefore, some additional items may appear in a different revenue recognition batch, even though you defined the GL credit and debit accounts in the pre-run process.

Verify the GL debit and credit accounts of the additional items and make the necessary changes, if needed.

Reviewing changed contracts

This section displays the following deliverables:

- deliverables that have been edited by a resource since the tentative revenue recognition process was run
- deliverables that were locked by another resource when the revenue was being committed. To commit the revenue for these deliverables, you must first release the locks and then run the tentative process again.

If you have the required revenue recognition features, you must review and save each of the listed deliverables to validate their amount. Click the contract name to access its profile and make the necessary changes to the deliverables.

You must clear all the items from this section before running the **Process Tentative Revenue Recognition** report. Contracts of the items remaining in this list will not be processed.

Selecting GL accounts for additional items

1. Run the **Revenue Recognition Pre-Run** report.
2. In the **Additional Items** section, click the description of an additional item.

   The **GL Account** dialog box appears.
3. In the **Credit GL account** and **Debit GL account** lists, select the revenue accounts for the additional item.
4. Click **Save**.

About the tentative revenue recognition process

After you have reviewed and validated all the data in the **Revenue Recognition Pre-Run** report, you can run the tentative revenue recognition process.

During the tentative revenue recognition, the processed contracts, as well as the time and expense transfer and the time desubmission functionalities are locked until the final revenue recognition is committed.

Note: The lock can be manually overridden in the contract.

The process generates tentative revenue recognition entries. These entries become final only when the revenue is committed.

Revenue generated by resource work is distributed to the GL accounts specified in the contracts. If revenue transfer is enabled in ChangePoint Administration, revenue transfers may occur. For more information, see "About revenue transfer" on page 79.

If split billing is enabled for a contract, then additional items are recognized under the primary contract. Therefore, even if an additional item is specified in an invoice for a split billing contract and for another customer, it is included in the revenue amount of the primary contract and displayed under the primary contract in the **Tentative Revenue Recognition** report.

Running the Tentative Process report

1. Click **Finance** > **Revenue Recognition**.
2. Click **02 - Tentative Process**.

   The **Tentative Revenue Recognition** report appears.
3. In the **Cutoff date** field, specify the cutoff date.
4. Select the billing offices to be processed by selecting the check boxes.

   Tip: To view the customers and contracts, expand the billing offices. To expand all, click **Actions** > **Expand all**.
5. Do one of the following:

   a. To run the process immediately, click **Actions** > **Start**. A message confirms when the process is completed.

   b. To run the process on the predefined schedule, click **Actions** > **Start on schedule**.
6. Review the data in the **Tentative Report** and the **Revenue Transfer** reports before committing the revenue.
7. If the report displays customers or contracts for which revenue recognition should not be processed, clear the check boxes and restart the process.

About the tentative revenue recognition data

The information displayed in the tentative reports is based on the data generated by the most recent **Tentative Process** report.

You must select an exchange rate to run the revenue tentative reports. The exchange rate is used to derive customer and billing office totals when more than one currency is used for a contract or a customer, or within one billing office.

If the revenue amounts require adjustments, edit the relevant contracts, or re-run the pre-run report and make the changes from there. After all the necessary changes have been done, re-run the revenue recognition reports from the start.

Running the Tentative Revenue Recognition report

The **Tentative Revenue Recognition** report is view-only and cannot be modified. You can view the data in a basic initial report or in a detailed report, and you can also display a list of items that cannot be committed.

1. Access the **Revenue Recognition** tree view.
2. Click **03 - Tentative Report**.

   The **Tentative Revenue Recognition** report appears.
3. The **Exchange rates as of** field displays by default the current date. Select another date, if required.
4. Do one of the following:
   - To expand all records, click **Actions** > **Expand all**.
   - To expand individual billing offices, customers and contracts, click the icon.
5. Select the check box of the records you want to view.
6. Do one of the following:
   - To view items that cannot be committed, click **Actions** > **Noncommitable items**.
   - To view the initial report, click **Actions** > **Initial report**.
   - To view the detailed report, click **Actions** > **Detailed report**.

   The selected report opens. For more information, see "Tentative revenue recognition data" on page 77.

Tentative revenue recognition data

Noncommitable items

The window displays all the items that cannot be committed because they changed since the revenue tentative process was run. To recognize the revenue for the contracts that include these items, you must run the tentative process again.

Initial report

The report displays the total revenue to be recognized (in the default currency) for the selected billing office, customers and contracts.

Detailed report

The report displays the total revenue to be recognized (in the default currency) for the selected billing office, customers and contracts. For each contract, the report displays detailed information for all items from which revenue was generated.

- Additional adjustments for the contract
- Time and/or expense-based revenue
  - Billable time (by project, task, resource and date)
  - Billable expenses (by project, date and expense report number)
  - Request time (by request number, resource and date)
- Deliverables with the **Physical percent complete** revenue recognition method
- Deliverables with the **Effort expended** revenue recognition method
- Milestones with the **Percent recognized** revenue recognition method
- Milestones with the **Amount recognized** revenue recognition method

If a deliverable with the **Physical percent complete** revenue recognition method displays zero in the **Revenue** column, the percent complete has not changed since the last revenue recognition process was run. This indicates that no progress has been made on the deliverable since the last process was run, or that the PPC values must be updated in the pre-run report.

About the Unrecognized Revenue report

The **Unrecognized Revenue** report displays the total revenue that has not been recognized because the deliverables of the selected contracts have reached their recognizable amounts.

For each contract, the report displays detailed information for all items from which revenue was generated.

- Time and/or expense-based revenue
  - Billable time (by project, task, resource and date)
  - Billable expenses (by project, date and expense report number)
- Deliverables with the **Effort expended** revenue recognition method

If a billing rate cannot be found due to an incorrect setup in the contract or the task, the records also display on this report. To verify if this is the case, try to create an invoice for the records to determine if invoicing was successful.

Running the Unrecognized Revenue report

1. Access the **Revenue Recognition** tree view.
2. Click **04 - Tentative Unrecognized**.

   The **Tentative Revenue - Unrecognized Revenue** report appears.
3. The **Exchange rate as of** field displays by default the current date. Select another date, if required.
4. Do one of the following:
   - To expand all records, click **Actions > Expand all**.
   - To expand individual billing offices, customers and contracts, click the ▷ icon.
5. Select the check box of the records you want to view.
6. Click **Actions > Detailed report**.

   The report opens.

About the Unrecognized Revenue on Completed Deliverables report

The **Unrecognized Revenue on Completed Deliverables** report displays unrecognized revenue for completed fixed-fee deliverables with the **Effort expended** revenue recognition method.

Since revenue is recognized based on time entered for the fixed-fee deliverable, the report only displays fixed-fee deliverables associated with tasks that are marked as completed, and for which the recognized revenue amount is less than the billable amount of the deliverable.

To recognize the excess revenue for a deliverable, you can perform a revenue adjustment. For example: the billing amount of a deliverable is $50,000. The revenue recognized for the billing value of time entered for the task is $40,000. All tasks are now marked as completed, so no more time is available to recognize the additional $10,000.

Running the Unrecognized Revenue on Completed Deliverables report

1. Access the **Revenue Recognition** tree view.
2. Click **05 - Unrecognized Completed**.

   The **Tentative Revenue - Unrecognized Revenue on Completed Deliverables** report appears.
3. The **Exchange rate as of** field displays by default the current date. Select another date, if required.
4. Do one of the following:
   - To expand all records, click **Actions** > **Expand all**.
   - To expand individual billing offices, customers and contracts, click the icon.
5. Select the check box of the records you want to view.
6. Click **Actions** > **Report**.

   The report opens.

About revenue transfer

The information displayed in the **Revenue Transfer** report is based on the data generated by the most recent **Tentative Process** report. This report is view-only and allows you to assess the transfer of revenue between cost centers that was performed during the revenue recognition process.

If revenue transfer is enabled in ChangePoint Administration, the revenue generated by resources working outside of their workgroup is transferred at the defined rates to the cost center of their own workgroup.

Typically, the revenue transfer is based on regions or on department:

- For region-based transfers, select the billing office cost center, and have each billing office represent a region. If a resource work in another region, the cost center is different, and a transfer occurs.
- For department-based transfers, the cost center of the contract manager is generally used. If a resource belongs to a workgroup that has a different cost center than the workgroup of the contract manager, a transfer occurs.

You can run the **Revenue Transfer** report after the tentative recognition, and again after the revenue has been committed. If the report indicates that further corrections and adjustments are needed to the revenue amounts, open the relevant contract profiles to make the changes, or re-run the **Revenue Recognition Pre-Run** report and make the changes from there.

After making all the necessary changes, you must re-run the **Tentative Process** to regenerate the **Revenue Transfer** report.

Running the Revenue Transfer report

1. Access the **Revenue Recognition** tree view.
2. Click **06 - Revenue Transfer**.

   The filter criteria window appears.
3. Do one of the following:
   - To view transfers from tentative revenue processes, select **Show tentative data**.
   - To view transfers from committed revenue batches, select **Show committed data**.
4. Select one or several batches in the list.
5. Click **Go**.
6. On the next screen, do one of the following:
   - To expand all records, click **Actions** > **Expand all**.
   - To expand individual billing offices, customers and contracts, click the ▷ icon.
7. Select the check box of the records you want to view.
8. Do one of the following:
   - To view the initial report, click **Actions** > **Initial report**.
   - To view the detailed report, click **Actions** > **Detail report**.

- To view the summary report, click **Actions** > **Summary report**.

The selected report opens.

Revenue Transfer report data

Initial report

This report displays revenue transfers by billing office, customer, and contract, and the total amount and currency for each group.

Detail report

This report displays revenue transfer details for all billable items (expenses, time and deliverables), grouped by customer and contract. The total for each contract follows the tables.

Summary report

This report displays GL credit and debit account information of the revenue transfers. It can be used to create journal entries.

About committing the final revenue

After you have reviewed the **Tentative Revenue** and **Revenue Transfer** reports and decided that the information is correct, you can commit the revenue using the **Tentative Revenue Recognition** report.

Committed recognized amounts can no longer be edited. To correct errors on committed revenue, use the **Revenue Adjustments** report. For more information, see "About revenue adjustments" on page 85.

Once the revenue has been committed:

- The tentative revenue is transferred to a permanent record, dated, and assigned a unique batch number for auditing purposes. The recognized items (time, expense, milestone) are marked with the same date and batch number.
- The **Desubmit Time** and **Transfer Time and Expenses** functionalities, that were locked at the start of the revenue recognition process, are unlocked and can again be used. If recognized time is desubmitted and revised or deleted, the original record is stored for auditing and reporting purposes.

Note: If some time has passed since the last tentative revenue recognition process was run, the current reports may miss revenue that have since become ready to be recognized. In this case, it is advisable to re-run the process before committing the current revenue.

Committing the revenue

1. Run the **Tentative Revenue Recognition** report. For more information, see "Running the Tentative Revenue Recognition report" on page 76.
2. Select the check box of the records you want to commit.
   - Click **Actions** > **Initial report**.
   - To view the details of the revenue for all items in the selected records, click **Actions** > **Detailed report**.

   The selected report opens.
3. Click **Actions** > **Commit**.

   Note: Once the process is finished, review the posting date to ensure that it reflects your accounting period. If a change is required, click **Cancel**, correct the posting date, and click **Commit** again.

About the revenue recognition details and summary reports

After the revenue has been committed, you can review the data in the following reports:

- **Revenue Recognition Details** – This report lists all revenue recognized and, if selected, revenue adjustments made during the time covered by the report, sorted by billing office, customer, and contract.

  If you chose to include adjustments in the report, all adjustments in the specified date range or associated with the selected batch number are included, regardless of whether revenue was recognized for the related contract in that date range or for the batch number. For example, you may choose to create an adjustment with a different posting date or batch number than the original revenue it was recognized against.
- **Revenue Recognition Summary** – This report lists the same revenue as the **Revenue Recognition Details** report, but it is sorted by GL account, cost center, debit account, and credit account. This report is used primarily for posting entries to the general ledger. As with the **Revenue Recognition Details** report, you can select to include adjustments on the report.

To reduce the billing amount for a fixed-fee deliverable, product, project, or contract to less than the revenue that was already recognized, you must make an adjustment and reduce the amount of recognized revenue first. For more information, see "About revenue adjustments" on page 85.

Running the Revenue Recognition Details report

1. Access the **Revenue Recognition** tree view.
2. Click **07 - Recognition Details**.

   The filter criteria window appears.
3. Select a start and end date to define the reporting period.
4. To include adjustments in the report, select the **Include adjustments** check box.
5. Click **Go**.
6. In the next screen, select a revenue batch number or select **All**.
7. Select one of the following report options:
   - **Billing office/Customer/Contract** to validate the data per contract.
   - **Billing office/GL account** to validate the data per billing office.
   - **GL account** to reconcile GL account entries and verify the source of the revenue.

   For more information, see "Revenue Recognition Details report data" on page 84.
8. Select an **Exchange rates as of date**.
9. Do one of the following:
   - To view the detailed report, click **Actions > Details**.
   - To view the summary report, click **Actions > Summary**.
   - To view the details of a specific contract, click **Actions > Selected Contract**. For more information, see "Running the Selected Contract report" on page 84.

   The selected report opens.

Revenue Recognition Details report data

Billing office/Customer/Contract report

The report displays detailed revenue information for project and deliverable of a contract, grouped by billing office and customer.

If adjustments are included in the report, each customer section displays the list of adjustments made to revenue amounts, grouped by contract.

You can view this report in a detailed format or as a summary. In the summary report, information is broken down by contract, but no project or task details are included.

Billing office/GL account report

This report is particularly useful for major organizations, where each division have a separate billing office. It displays revenue information for each billing office, grouped by GL accounts.

If adjustments are included in the report, each billing office section displays the list of adjustments made to revenue amounts, grouped by GL accounts.

You can view this report in a detailed format or as a summary. In the summary report, information is broken down by GL account only. No customer details are included.

GL account report

This report displays revenue information grouped by GL accounts.

If adjustments are included in the report, each section also displays the list of adjustments made to revenue amounts, grouped by GL credit and debit accounts.

You can view this report in a detailed format or as a summary. In the summary report, information is broken down by GL account only. No customer details are included.

Running the Selected Contract report

The **Selected Contract** report displays revenue details for a specific contract.

1. Run the **Revenue Recognition Details** report. For more information, see "Running the Revenue Recognition Details report" on page 83.
2. Select **Actions** > **Selected contract**.
3. Select a **customer** and **a contract** and click **Go**.

   The **Selected contract** report opens.

Running the Revenue Recognition Summary report

This **Revenue Recognition Summary** report is primarily used for posting entries to the general ledger. Information displays by revenue batch number.

1. Access the **Revenue Recognition** tree view.
2. Click **09 - Recognition Summary**.

   The filter criteria window appears.
3. Select a start and an end date to define the reporting period.
4. Click **Go**.
5. In the next screen, select a revenue batch number or select **All**.
6. Click **Go**.

   The **Revenue Recognition Summary** report opens.

About revenue adjustments

Once the revenue has been committed, you can no longer change the source records. If changes were made that affect the revenue generated from an contract, you can perform adjustments to the revenue amounts. You can enter positive adjustment amounts to increase the revenue amount, or negative adjustment amounts to decrease it.

Each adjustment displays as a separate entry for the general ledger.

After you have adjustments, run the **07 - Recognition Details** report to verify the changes. Adjustments are incorporated into the recognized revenue without re-running the **Tentative** report.

The following reports allow you to perform adjustments:

- **08 - Recognition Adjustment**: For more information, see "Running the Revenue Recognition Adjustments report" on page 85.
- **11 - Recognition Adjustment Summary**: This report displays a consolidated view of revenue adjustments. For more information, see "Running the Recognition Adjustment Summary report" on page 88.

Running the Revenue Recognition Adjustments report

1. Access the **Revenue Recognition** tree view.

2. Click **08 - Recognition Adjustment**.

   The filter criteria window appears.

3. In the **Customer** type-ahead field, type the first few characters of the customer name, press the **Enter** key, and select the customer.

4. In the **Contract** list, select a contract.

5. Click **Go**.

   The **Revenue Recognition Adjustments** report opens.

6. Click the link of a fixed fee, milestone, project or deliverable.

   The **Adjustment** dialog box opens.

7. Complete all required fields. For more information, see "Adjustment dialog box options" on page 87.

8. Click **Save**.

Projects (for Time and Expenses)

The GL accounts are those specified in the contract for time, or the default GL accounts set up in ChangePoint Administration if no GL accounts are defined in the contract. These can be overridden in the **Adjustment** dialog box and only affects the total amount recognized if maximums and cutoffs are in place.

Deliverable (PPC)

This uses the GL accounts specified for the deliverable, if not overridden in the **Adjustment** dialog box. This will affect the next period's recognition, since adjustment amounts are taken into consideration. The calculation is:

> Billing amount x Percent Complete x Revenue adjustment factor – Revenue recognized to date – Revenue adjustments.

For example: Last month a $10,000 deliverable was 50% complete ($5,000 recognized) and you performed an adjustment of –2,000. If the percent complete does not change, the next month's calculation will be 10,000 x 50% -5000 –(-2000) for a recognized amount of $2,000.

Deliverable (Effort expended)

This uses the GL accounts specified for the deliverable, if not overridden in the **Adjustment** dialog box. It will only affect the recognition amounts if the billing amount is reached.

Milestone – dollars or percent

This uses the GL accounts specified for the deliverable, unless overridden in the dialog box. This has no effect on recognition, since a milestone is either recognized or not. You can put in additional adjustments in future periods to compensate for adjustments made, if necessary.

Adjustment dialog box options

Field	Description
Fixed fee, **Contract product**, **Project**, or **Milestone** fields	Name of the record for which the adjustment was made.
Posting date field	Date the transaction is posted to the general ledger.
Amount field	Displays: • the billing amount for fixed-fee deliverables and milestones, • the price for products, or • no data for projects.
Revenue amount field	Displays the amount of revenue recognized to date.
Tentative amount field	Displays the revenue included in the last tentative process report, but not yet committed.
Adjustment amount field	Amount of the adjustment.
Revenue credit account list	Credit GL account for the adjustment.
Revenue debit account list	Debit GL account for the adjustment.
Reason list	Reason for the adjustment.

Field	Description
Batch number list	Batch number associated with the adjustment.
Short description field	Brief description for the adjustment.

Running the Recognition Adjustment Summary report

1. Access the **Revenue Recognition** tree view.
2. Click **11 - Recognition Adjustment Summary**.

   The filter criteria window appears.
3. Select a start and end date to define the time period for the report.
4. Click **Go**.
5. Do one of the following:
   - To view all records, click **Actions** > **Expand all**.
   - To expand individual billing offices, customers and contracts, click the icon.
6. Select the check box of the records you want to view.
7. Click **Actions** > **Details**.

   The report opens.
8. Make the necessary changes to the batch number or posting date.

About the Revenue Reconciliation report

The **Revenue Reconciliation** report allows you to compare the amounts that have been invoiced to a customer with the revenue amounts that have been recognized. The report also displays the variance (Total revenue - Total billable).

If any variances are found, make a revenue adjustment to correct the revenue recognition amounts.

The GL account and cost center are shown in the report. GL accounts are specified for fixed fees, products and time per contract, and are associated with expense categories. Cost centers are associated with workgroups and billing offices. The cost center is the cost center associated

with the contract manager's workgroup or the cost center associated with the billing office, as specified in the contract.

Running the Revenue Reconciliation report

1. Access the **Revenue Recognition** tree view.
2. Click **10 - Revenue Reconciliation**.

   The **Revenue Reconciliation** report appears.
3. Do one of the following:
   - To view all records, click **Actions** > **Expand all**.
   - To expand individual billing offices, customers and contracts, click the icon.
4. Select the check box of the records you want to view.
5. Do one of the following:
   - To view the detailed report, click **Actions** > **Details**.
   - To view the summary report, click **Actions** > **Summary**.

   The selected report opens.

Revenue Reconciliation Summary report data

Column	Description
Customer	Name of the customer.
Contract	Name of the contract.
Revenue recognized	Sum of all committed revenue for the selected contract.
Adjustments	Sum of all revenue adjustments for the selected contract.
Total revenue	Recognized revenue + Adjustments.

Column	Description
Invoiced amount	Amount of all invoiced (at any invoice status) for the contract, excluding taxes. If split billing is enabled for the contract, the report includes invoiced amounts for the phantom contract and the main contract.
Unbilled amount	Sum of unbilled time (Hours * Revenue rate, if updated by the revenue recognition process, otherwise zero) + Sum of unbilled expenses, fixed fees, and products for the contract
Total billable	Invoiced amount + Unbilled amount
Variance	Total revenue - Total billable

Revenue Reconciliation Details report data

The **Revenue Reconciliation Details** report displays revenue information by customer and contract. Under each contract, the details are sorted under the following headings:

- Time and expense-based revenue: Billable time
- Time and expense-based revenue: Billable Expenses
- Fixed-Fee deliverables: Physical Percent Complete
- Fixed-Fee deliverables: Effort Expended
- Milestones: Amount Recognized
- Milestones: Percent Recognized
- Adjustments and Other Items

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