# Budgeting Management

## User Guide

Changepoint PPM 2017

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# 1. Creating Budgets

## About budgeting

Budgets include estimates for the labor, material, and related expenses that are required to perform the work in an initiative or a project.

The initial budget can be prepared in advance for initiatives or projects for which budgetary requirements are not known. Therefore, your initial budget is generally an estimate of future costs and revenue amounts. Once the budgeting requirements are known, you can enter the appropriate information into the budget and freeze it.

You can also monitor budget performance using metrics that compare actual amounts with budgetary amounts. For more information, see the *Performance Metric Calculations Reference Guide*.

### About the Budget dialog box

Unlike other Changepoint entities, there is no profile view of the budget, just a dialog box with tabs (or an inline view with sections). In the Summary and budget item (Fixed fees, Non-labor Items, Services, Expenses) tabs, the budget item data is displayed in tables.

The total amounts for each table are displayed in the heading row just above the budget item rows. The total amounts are always displayed in the budget currency, even when the option to display the amounts in the budget item currencies is selected.

## About budget item totals

The total for all budget items is displayed on the **Summary** tab. The totals are based on the revision number selected on the **General** tab. The total amounts might not include the amounts from all budget items, for example, some budget items may have been excluded from the budget totals (based on the budget item type).

### Total amounts for fixed fee deliverables

- Total deliverable amount: Total amount of the fixed-fee deliverables listed in the tab.
- Summary tab:
  - Total effort: services associated with fixed fees
  - Total cost: extended cost of services associated with fixed fees

### Total amounts for non-labor items

- Total extended cost: Total cost for all budgeted non-labor items.
- Total extended cross charge amount: Total cross charge amount for all budgeted non-labor items and total quantity.

### Total calculation for services

The totals for services include all amounts for budget services that are not associated with a budget fixed fee.

- Total extended cost
- Total extended cross charge amount
- Total effort

### Total calculation for expenses

- Total extended cost: Total cost for all budgeted expenses.
- Total extended cross charge amount: Total cross charge amount for all budgeted expenses.
- Total quantity

### Total calculation for the budget

- Total revenue: Total deliverable amount for fixed fees + total extended cross charge amount for expenses + total extended cross charge amount for services that are not associated with fixed fees)+ total extended cross charge amount for non-labor items
- Total cost: Total cost amount of all budget items. Total extended cost amount for non-labor items + total extended cost amount for expenses + total extended cost amount for services + contingency amount
- Margin: Total revenue amount - Total cost
- Margin %: (Total revenue amount - Total cost)/Total revenue amount

### Total calculation for fiscal periods

Total amounts for each fiscal period are calculated for each budget item type.

## About viewing budget items across fiscal periods

You can track budgeted effort, costs, cross charge amounts, and revenue amounts across fiscal periods for a project or an initiative.

You select a fiscal period by specifying the cost structure for the budget.

After you have set up a budget, you can add and edit budget items (fixed fees, non-labor items, services, and expenses). When you add a budget item, the budgeted effort and monetary amounts are distributed to the corresponding fiscal periods. Effort is distributed over the working days in the fiscal periods.

### Displaying fiscal periods in the budget item tabs

In the budget item tabs, up to a maximum 12 fiscal periods can be displayed at a time. You can select the first fiscal period to be displayed by selecting a specific date, or you can display the previous or next 12 fiscal periods by clicking the arrows. You can also change the 12 to any number between 1 and 12.

> **Note:** The maximum number of fiscal periods that is displayed in the budget item tab can be reduced in a budget item view to any number between 1 and 12. If the maximum number is reduced, then the number of previous or next fiscal periods that you can display is reduced accordingly.

### To display fiscal periods starting from a specific date

- In the **Fiscal period start** field, enter the date.

  The range of fiscal periods, starting with the fiscal period that includes the specified date is displayed.

### To display the previous or next fiscal periods

1. In the number of fiscal periods field ◀ 12 ▶, select the number between 1 and 12 (x) for the number of fiscal periods that you want the starting fiscal period to change by.
2. To display the range of periods that starts with the x number of periods before the current starting period, click the left arrow.
3. To display the range of periods that starts with the x number of periods after the current starting period, click the right arrow.

## About currencies in budgets

The currency for an initiative automatically applies to the budget for the initiative and to budgets for initiative projects. However, you can change the budget currency.

The currency conversion also occurs when you select another cost structure than the default initiative cost structure. If the new cost structure uses staffing levels that have cross charge and cost rates in another currency, all amounts of services with this cost structure will be converted to the budget currency.

Budget items can be entered in a different currency, which is referred to as the *selected currency*. Also, when a budget item with a different currency than the budget is copied to the budget, the budget item amounts are copied into the budget in the selected currency.

If the cost rate and cross charge rate for a task assignment are in different currencies, the cost rate is converted to the cross charge rate currency, which is used as the budget item currency. The budget item currency is then converted to the budget currency.

You can select whether the exchange rates for currency conversions of budget items are based on the current date, budget item date, or a specific date. Similarly you can select the date for exchange rates for conversions of actual amounts.

## Creating a budget

You can create budgets from the entity (initiative or project) profile or from the **New** menu. When you create a budget from an entity profile, the entity-related information is automatically added to the budget.

You can also copy an existing budget, and create a project budget from an candidate.

1. Do one of the following:

    - Access the initiative or project for which you want to create a budget.
    - Click **New** > **Budget**.

    The **Create Budget** dialog box appears.

2. Complete the fields as required. For more information, see "Create/Edit Budget dialog box, General tab options" on page 11.

3. Click **Save**.

4. For information about completing the budget, see the following topics:

    - "Creating a budget item" on page 16

- "Adding a non-labor item to a budget" on page 19
- "Adding a service to a budget" on page 21
- "Adding an expense to a budget" on page 29
- "Restricting access to a budget to specific resources" on page 14


## Create/Edit Budget dialog box, General tab options

| Option | Description |
|---|---|
| **Budget name** field | Name of the budget. |
| **Client** type-ahead field | Name of the client. |
| **Initiative** list | Name of the initiative for which you create the budget. |
| **Project** list | Name of the project for which you create the budget. |
| **Budget currency** list | Currency of the budget. By default, this is the currency of the associated initiative.<br>**Note:** If you change the currency, all existing budget items are deleted. |
| **Estimation basis** list | Basis forcross charge rate calculations (for example, daily, hourly, fixed fee, or mixed). |
| **Revision type** list | Revision type, if available. |
| **Revision number** list | Number of the budget revision. |
| **Revision name** field | Name of the budget revision. |
| **Fiscal period** list | The cost structure whose fiscal periods are used for the budget. |
| **Contingency** field | Budget contingency amount. |
| **Freeze budget** check box | When selected, the budget is frozen and you cannot edit the budget or its budget items. |
| **Comments** field | Comments for the budget. |

| Option | Description |
|---|---|
| **Exchange rate date for budget items** field | Date of the exchange rate for budget item amounts. Options are:<br>• **Current date**<br>• **Budget item date** – The date of the budget item.<br>• **Specific date** – A specific date that you enter. |
| **Exchange rate date for actual values** field | Date of the exchange rate for actual amounts in the budget. Options are:<br>• **Current date**<br>• **Actual value date** – The date of the budget item.<br>• **Specific date** – A specific date that you enter. |
| **Replace Past Amounts with Actuals** section | |
| **Calculate actuals** button | Calculates and stores the actual amounts for each budget item. |
| **Enable replacement of past fiscal periods with actuals – scheduled** check box | When selected, the amounts in past fiscal periods are replaced with actual amounts during the scheduled system updates. |
| **Include actual values only for items that have been added to the budget** check box. | When selected, the amounts in past fiscal periods are replaced with actual amounts only for budget items that have been added to the budget. |
| Variance options:<br>• **Do not move variances**<br>• **Move positive and negative budget variances to the current fiscal period**<br>• **Move positive budget variances only to the current fiscal period** | Depending on the option selected, the budget variances in past fiscal periods are moved to the current fiscal period. |
| **Replace past fiscal periods with actuals – run now** button | Replaces the amounts in past fiscal periods with actual amounts immediately. Available only on the most recent revision. If the most recent revision is frozen, a new revision is created.<br>**Note:** Once you run this update, it cannot be undone. |

## About specifying the budget contingency amount

You can enter the budget contingency amount manually, or you can include the costs of requests associated with the initiative or the project as the budget contingency amount.

The budget contingency amount is included in the total cost of the budget, budgeted amounts in budget reports, and target amounts of project portfolios with budget performance metrics.

The request numbers and contingency amounts are saved for each revision when the budget is frozen.

If a request amount is changed, you must reselect the request in the budget contingency to update the contingency amount. The current cost is the new amount and the cost amount is the amount before the change.

Unless you remove a request from the budget contingency, the request costs remain in the budget contingency even if the request status is later changed to canceled, closed, or rejected, or is not available for any other reason.

## Specifying the budget contingency amount

1. Access the budget.
2. Click the **General** tab.

### To enter the contingency amount manually

1. Enter the amount in the **Contingency** field.
2. Click **Save**.

### To include request costs

1. Click . The **Budget Contingency** dialog box appears.
2. Select the requests.
3. Click **Save**.
4. In the **Edit Budget** dialog box, click **Save**.

   The total current cost of the selected requests is displayed in the **Contingency** field.

## Restricting access to a budget to specific resources

You can restrict view access and/or edit access to a budget to specific preferred resources only.

1. Access the budget.
2. Click the **Access** tab.

### To restrict view access to the budget

1. Select the **Restrict view access to the following resources** check box.
2. In the **Preferred resources** list, select one or more resources.
3. Click the up arrow that is above the **Preferred resources** list.
4. To select other resources and optionally add them to your preferred resources list, click **Manage Resources**.
5. To remove view access from individual resources:
   a. In the **Restrict access to the following resources** list, select one or more resources.
   b. Click the down arrow that is above the **Preferred resources** list.
6. Click **Save**.
7. To select resources other than preferred resources, click **Manage Resources**.

### To restrict edit access to the budget

1. Select the **Restrict edit access to the following resources** check box.
2. In the **Preferred resources** list, select one or more resources.
3. Click the down arrow that is below the **Preferred resources** list.
4. To select other resources and optionally add them to your preferred resources list, click **Manage Resources**.
5. To remove edit access from individual resources:
   a. In the **Restrict access to the following resources** list, select one or more resources.
   b. Click the up arrow that is below the **Preferred resources** list.
6. Click **Save**.

## Removing restricted access to a budget

1. Access the budget.
2. Click the **Access** tab.
3. To remove restricted view access to the budget, clear the **Restrict view access to the following resources** check box.
4. To remove restricted edit access to the budget, clear the **Restrict edit access to the following resources** check box.
5. Click **Save**.

# About creating budget items

After you create a budget, you can add the following budget items:

- fixed-fee deliverables
- non-labor items
- services (work to be performed by assigned resources)
- expenses

You can add estimates for budget items and you can copy budget items from the initiative or project. When copying budget items from a project, you can also select from items that are associated with other projects budgets for the same initiative.

### Currency conversions for budget items

When you add a budget item in a different currency than the budget currency, the amounts are converted to the budget currency. You can add and display the budget item amounts either in the budget currency or the budget item currency (selected currency).

### Excluding budget items from budget totals

You can exclude a budget item from budget totals by:

- selecting a budget item type that excludes the item from budget totals
- copying only the budget items to be included in the budget from the initiative

Revenue and cost amounts of budget items that are excluded from the budget totals are also excluded from standard budget reports and metrics. However, they can be included in custom report or metrics, if required.

## Creating a budget item

1. Access the budget.
2. Click the budget item tab.
3. Right-click in the table, and then select **Insert**.
4. Do one of the following:
   - Enter the quantity and charge per unit or cost. The extended amount is calculated automatically.
   - Enter the quantity and total cross charge or cost amount. The charge per unit or cost is calculated automatically.
5. Complete the fields as required. For more information, see the following:
   - "Create/Edit Budget dialog, Fixed Fee tab options" on page 16
   - "Create/Edit Budget dialog, Non-Labor Items tab options" on page 19
   - "Create/Edit Budget dialog, Services tab options" on page 22
   - "Create/Edit Budget dialog, Expenses tab options" on page 30
6. Click **Save**.

## Create/Edit Budget dialog, Fixed Fee tab options

| Field | Description |
|---|---|
| **Allow replacement of past values with actual values** check box | When selected, values for the fixed fee that are in past fiscal periods can be replaced with actual values. |
| **Associated deliverable** field | Fixed fee from the initiative. |
| **Budget fixed fee date** field | Date that the fixed-fee deliverable will be cross charged to the client. |
| **Budget item type** list | Budget item type. Some budget item types can be set up to exclude the budget item amounts from the budget totals. |

| Field | Description |
|---|---|
| **Capital** check box | When selected, the fixed fee is a capital expenditure. |
| **Comments** field | Comments. |
| **Currency** field | The currency for the fixed fee. |
| **Deliverable amount** field | Amount to be cross charged to the client for the deliverable. |
| **Deliverable name** field | Name of the fixed-fee deliverable. |
| **Expected revenue amount** field | Maximum total amount that can be distributed in the fiscal periods for the fixed fee. This amount is automatically calculated (fixed fee cross charge amount * revenue recognition adjustment factor). Available only when revenue recognition method is Effort expended, Physical percent complete, or Physical percent complete - cost. |
| **[Fiscal period]** column | When added to the budget item view, displays the fiscal periods in the view. You must also select at least one of the subfields:<br>• **Deliverable amount** – displays the amounts.<br>• **Comparison deliverable amount** – before budget amounts in past are replaced with actual amounts, displays the actual amounts. After amounts in past are replaced with actuals, displays the original budget amount. |
| **Included in total** check box | When selected, indicates that the fixed fee is included in the budget totals. |
| **Is linked to funding source** check box | When selected, indicates that the fixed fee is linked to a funding source. |
| **Request number** field | Requests associated with the fixed fee. |
| **Revenue recognition method** list | Method for recognizing revenue for the fixed fee deliverable. Available only If the budget uses revenue recognition rules. |
| **Show schedules** check box | When selected, the **Fixed fee schedules** table appears when you select the fixed fee row. |

| Field | Description |
|---|---|
| **[Total]** column | When added to the budget item view, displays the total amounts in the header row. To add this column to the view, you must also select the **Total amount** subfield. |
| **Use revenue recognition rules** check box | When selected, revenue recognition rules apply to the fixed fee deliverable and a revenue recognition method must be selected. Available only If the budget uses revenue recognition rules. |

## Adding schedule items for a fixed fee

You can create schedule items for fixed fees that do not use revenue recognition rules.

1. Access the budget for editing.
2. Click the **Fixed fees** tab.
3. In the fixed fee row, select the **Show schedule** check box, and then click another cell in the same row.

   The **Fixed fee schedules** section appears below the fixed fee table.

### To add a schedule item manually

1. Right-click in the schedule item table, and then select **Insert**.
2. Complete the fields as required.
3. Click **Save**.

### To add schedule items automatically

1. Click the **Auto-add schedule items** button.

   The **Create Schedule Items** dialog box appears.
2. In the **Start date** field, enter the date for the first schedule item.
3. For the **Frequency** option, select whether the schedule items are weekly or monthly.
4. In the **Recurrence Setting** section, specify the number of weeks or months between schedule items.
5. In the **Number of records** field, specify the total number of schedule items.
6. In the **Multiplier percentage** field, enter the multiplier percentage.

7. Click **Save**.

   The schedule items are displayed in the table.

## Adding a non-labor item to a budget

1. Access the budget.
2. Click the **Non-labor items** tab.
3. Right-click in the table, and then select **Insert**.
4. Complete the fields as required. For more information, see "Create/Edit Budget dialog, Non-Labor Items tab options" on page 19.
5. Click **Save**.

### Create/Edit Budget dialog, Non-Labor Items tab options

| Option | Description |
|---|---|
| **Allow replacement of past values with actual values** check box | When selected, values for the non-labor item that are in past fiscal periods can be replaced with actual values. |
| **Budget item type** field | Budget item type. Some budget item types can be set up to exclude the budget item amounts from the budget totals. |
| **Burden rate** field | Default burden rate percentage specified for the non-labor item category. |
| **Capital** check box | When selected, the non-labor item is a capital expenditure. |
| **Comments** field | Comments. If the row was copied from the initiative, the field contains the description of the non-labor item. |
| **Currency** field | Currency for the non-labor item. |
| **Budget non-labor item date** field | Date that pertains to your specific requirement for the budget item.<br>For example, the date the budget item will be cross charged to the client. |

| Option | Description |
|---|---|
| **Discount (%)** field | Discount percentage (positive number) or markup percentage (negative number) to be applied to the extended cross charge amount. |
| **Expected revenue amount** field | Maximum total amount that can be distributed in the fiscal periods for the non-labor item. Amount that is automatically calculated (non-labor item cross charge amount * revenue recognition adjustment factor). Available only when revenue recognition method is Effort expended, Physical percent complete, or Physical percent complete - cost. |
| **[Fiscal period]** column | When added to the budget item view, displays the fiscal periods in the view. To add fiscal periods to the view, you must also select at least one of its subfields:<br>• Cross charge amount<br>• Comparison cross charge amount<br>• Comparison cost amount<br>• Comparison quantity<br>• Comparison unit cost<br>• Comparison charge per unit<br>• Cost amount<br>• Margin<br>• Margin(%)<br>• Quantity<br>• Unit cost<br>• Charge per unit |
| **Included in total** check box | When selected, indicates that the non-labor item is included in the total. |
| **Linked to a funding source** check box | When selected, indicates that the non-labor item is linked to a funding source. |
| **Non-labor item** type-ahead field | Non-labor item. |
| **Quantity** field | Quantity of non-labor items. |

| Option | Description |
|---|---|
| **Request number** field | Requests that are associated with the non-labor item. |
| **Revenue recognition method** list | Method for recognizing revenue for the non-labor item.<br>Available if the budget uses revenue recognition rules. |
| **Standard cost** field | Standard cost amount for the selected non-labor item. |
| **Standard price** field | Standard charge amount for the selected non-labor item. |
| **[Total]** column | When added to the budget item view, displays the total amounts in the header row. To add the column to the view, you must also select at least one of its subfields:<br>• Cross charge amount<br>• Cost amount<br>• Margin<br>• Margin (%)<br>• Quantity<br>• Unit cost<br>• Unit charge amount |
| **Unit cost** field | Cost of the non-labor item without the burden rate applied. |
| **Charge per unit** field | Standard charge amount for the selected non-labor item.<br>If a special charge amount was negotiated for this initiative, the field displays the negotiated amount. |
| **Use revenue recognition rules** check box | When selected, revenue recognition rules apply to the non-labor item.<br>If the budget uses revenue recognition rules, the check box is available for selection. |

## Adding a service to a budget

The resources available for selection are from your preferred resources list.

1. Access the budget.
2. Click the **Services** tab.
3. Right-click in the table, and then select **Insert**.

4. Complete the fields as required. For more information, see "Create/Edit Budget dialog, Services tab options" on page 22.
5. Click **Save**.

## Create/Edit Budget dialog, Services tab options

| Option | Description |
|---|---|
| **Ad hoc task** field | Name of the task that is added manually. |
| **Allow replacement of past values with actual values** check box | When selected, values for the service item that are in past fiscal periods can be replaced with actual values. |
| **Associated deliverable** field | Fixed fee from the initiative. |
| **Cost structure** list | Cost structure, if different for the service item. |
| **Staffing level** type-ahead field | Staffing level. The staffing levels from the initiative have an asterisk (*) in front of the staffing level name. |
| **Cross charge rate** field | Cross charge rate with discount or markup applied. |
| **Budget fixed fee** list | Fixed-fee deliverable associated with the service. |
| **Budget item type** list | Budget item type. Some budget item types can be set up to exclude the budget item amounts from the budget totals. |
| **Capital** check box | When selected, designates the service as a capital expenditure. |
| **Comments** field | Comments. |
| **Cost rate** field | Rate of the resource or the staffing level with the burden rate applied. |
| **Currency** field | Currency for the service item. |
| **Discount (%)** field | Discount percentage (positive number) or markup percentage (negative number) applied to the extended cross charge amount. |

| Option | Description |
|---|---|
| **Effort** field | Number of hours required to complete the work. |
| **End date** field | Date the work will be completed. |
| **[Fiscal period]** column | When added to the budget item view, displays the fiscal periods in the view. To add fiscal periods to the view, you must also select at least one of its subfields:<br>• Cross charge amount<br>• Cross charge rate<br>• Comparison cross charge amount<br>• Comparison cross charge rate<br>• Comparison cost amount<br>• Comparison cost rate<br>• Comparison effort<br>• Cost amount<br>• Cost rate<br>• Effort<br>• Margin<br>• Margin(%) |
| **Function** list | Job function of the resource. |
| **Included in total** check box | When selected, the service item is included in the total. |
| **Linked to a funding source** check box | When selected, indicates the service item is linked to a funding source. |
| **Negotiated cross charge rate** field | Displays the cross charge rate with the discount or markup applied. |
| **Request number** field | Request that is associated with the service item. |
| **Resource** list | Resource (from your preferred resources) assigned to do the work. |
| **Standard cross charge rate** field | Standard cross charge rate of the resource or the staffing level. |

| Option | Description |
|---|---|
| **Start date** field | Date that the work begins. |
| **Task** field | Task to be added as a service in the budget (when creating a project budget) |
| **[Total]** column | When added to the budget item view, displays the total amounts in the header row. To add the column to the view, you must also select at least one of its subfields:<br>• Cross charge amount<br>• Cross charge rate<br>• Cost amount<br>• Cost rate<br>• Effort<br>• Margin<br>• Margin (%) |
| **Use rates from the initiative or cost structure** check box | When selected, the rates that have been configured for the initiative and cost structure are used instead of the rates specified for the service item. |
| **Use revenue recognition rules** check box | When selected, revenue recognition rules apply to the service. The revenue recognition amount and the total cost are distributed evenly across the working days in each fiscal period.<br>When cleared, cross charge rules apply for distributing totals. The revenue recognition amount and charge amount can be edited manually in the table, but the distribution amount must still equal the total charge amount and total cost. |

## Associating services with fixed fees in a budget

You can associate a service with a fixed fee from the same budget if the work performed is to be cross charged to the client in a fixed fee amount. Associating a service with a fixed fee allows you to track the cost of this service, while the revenue is obtained from the associated fixed fee.

1. Access the budget.
2. Click the **Services** tab.
3. Ensure that the **Budget fixed fee** column appears in the budget view.

4. In the service row, select the fixed fee in the **Budget fixed fee** column.
5. Click **Save**.

# About copying budget items from initiatives to budgets

You can copy fixed fees, non-labor items, and services from an initiative to a budget. You can apply any changes that are subsequently made to the budget item in the initiative to the budget item in the budget by performing the copy again. Similarly, you can apply changes made to the budget item to the initiative. These changes can be applied until the budget item has been cross charged.

## Copying a budget item from an initiative to a budget

1. Access the budget for editing.
2. Click the budget item tab.
3. In the table, right-click and then select **Copy from initiative**.
4. Do one of the following:
   - To copy only the budget items that have not previously been copied to the budget, select **New records**.
   - To copy new and update existing budget items, select **All records**.
   - To copy only the selected budget items, select **Selected records**, and then select the check boxes for the budget items that you want to copy.
5. Click **Save**.

   The budget item information is copied from the initiative to the table.
6. Click **Save**.

## About copying fixed fees or non-labor items from initiatives to budgets

Schedule items and milestones are copied to a budget only if the budget has fiscal periods.

Schedule items are copied if the budget item uses cross charge rules, and milestones are copied if the budget item uses revenue recognition rules.

After a fixed-fee deliverable is copied from the initiative to the budget, the revenue recognition method of the initiative fixed fee can no longer be changed.

If the initiative and budget both uses revenue recognition rules and if revenue recognition rules and milestones are associated with a non-labor item in the initiative, the revenue recognition rules and milestones are copied to the budget record. The amounts are copied to the fiscal period that includes the milestone date.

### Copying fixed fees or non-labor items to an initiative

If the budget fixed-fee deliverable or non-labor item has schedule items or milestones, the schedule items or milestones are copied to the initiative only if both of the following conditions exist:

- the fixed fee has schedule items and revenue recognition milestones, and the total of the schedule items edited in the budget matches the fixed fee total
- GL accounts for fixed fees have been set up

### Copying a budget item from a budget to an initiative

1. Access the budget for editing.
2. Click the budget item tab.
3. In the table, select the budget item rows that you want to copy.
4. Right-click and then select **Copy to initiative**.

## About copying budget services to projects or initiatives

You can copy a service in a initiative budget to create a projected resources entry.

From a project budget, you can copy a service to create either a projected resources or a project team entry.

If resource requests are enabled, the assigned resource is identified as a *budgeted resource* in the **Comments** field. You can continue to update the entry with changes that are made to the service until a resource request is submitted for the entry.

### Copying a budget service to projected resources or project team

1. Access the budget.
2. Click the **Services** tab.
3. In the table, right-click the service that you want to copy and select **Copy to** > **Projected resources**.

### About copying a task assignment from a project to create a budget service

You can copy task assignments from the associated project to create services in a budget. You can copy individual task assignments and/or summary tasks. If you copy a summary task, all of the task assignments from its subtasks are copied automatically.

## Fiscal periods

If the budget has fiscal periods:

- The effort is distributed the same in the budget as in the project. If the fiscal periods are different, then the project effort (including daily distributions) is redistributed into the budget fiscal periods..
- cross charge rates for the service are added to the fiscal periods based on the effective dates from the initiative.

## Fixed fee associations

If the task is associated with a fixed fee that is already in the budget, the association is maintained. If the fixed fee is not in the budget, you have the option to have the fixed fee added to the budget and the association to the service created automatically. The association is automatically created only if you select the option the first time that the service assignment is copied. However, you can recopy the services or manually associate the services to the fixed fee later, if required.

### Copying a task assignment from a project to create a budget service

1. Access the budget for editing.
2. Click the **Services** tab.
3. Right-click in the table, and then select **Copy from** > **Task assignments**.

   The **Copy Task Assignment from Project** dialog box appears.
4. Select the option for copying the task assignments:
   - To copy only the task assignments that were created since the last time that the task assignments were copied, select **From new tasks only**.
   - To copy new and update existing task assignments, select **From all tasks**.
   - To copy specific task assignments, select **From selected tasks**, and then select the check boxes for the tasks.

5. To add the associated fixed fees automatically to the budget, select the **Include associated fixed fee** check box.
6. Click **Save**.

### About copying rates from a budget service to an initiative

You can copy cross charge rate information from a service in a budget to the associated initiative.

If the rate already exists, a new rate record is added, with an effective date that is based on the fiscal period or service start date, depending on which option was selected when copying the rates. If a rate with the same effective date already exists, it will be deactivated and a new active record is inserted.

If the rates from the service and the initiative are in different currencies, you must chose which currency to use. If you select the original budget currency, the rates are converted to the initiative currency when the service is cross charged. You must also chose the currency if the cross charge rates have been changed for specific fiscal periods.

### Copying rates from a budget service to an initiative

1. Access the budget for editing.
2. Click the **Services** tab.
3. Right-click the service, and then select **Copy to > Cross charge rates**.

   The **Update Rates** dialog box appears.
4. In the **Update initiatives** section, do one of the following:
   - To update the average rate calculated from the total charge amount divided by total effort from all fiscal periods, select the **Update average rates** option.
   - To update the rates within a date range, select the **Use fiscal period-based rates** option, and then enter the start date and end date. The effective date for the rates is the start date of the fiscal period that the rate is associated with.
5. In the **Update the rates using the following currency** section, do one of the following:
   - To use the currency of the budget, select the **Budget currency** option.
   - To use the currency of the service item, select the **Original budget service currency** option.

6. Click **OK**.

### Copying projected resources to a budget service

You can copy the projected resources from an initiative to create service records in the budget.

1. Access the budget.
2. Click the **Services** tab.
3. In the table, right-click the table, and then select **Copy from** > **Projected resources**.

   The **Copy from Projected Resources** dialog box appears.
4. Do one of the following:
   - To copy only the budget items that have not previously been copied to the budget, select **New records**.
   - To copy new and update existing budget items, select **All records**.
   - To copy only the selected budget items, select **Selected records**, and then select the check boxes for the budget items that you want to copy.
5. Click **Save**.

## Adding an expense to a budget

1. Access the budget.
2. Click the **Expenses** tab.
3. Right-click in the table, and then select **Insert**.
4. Complete the fields as required. For more information, see "Create/Edit Budget dialog, Expenses tab options" on page 30.
5. To associate the expense with a request, right-click the expense and select **Select Requests**. For more information, see "Associating a request with a budget item" on page 50.
6. Click **Save**.

## Create/Edit Budget dialog, Expenses tab options

| Field | Description |
|---|---|
| **Allow replacement of past values with actual values** check box | When selected, values for the fixed fee that are in past fiscal periods can be replaced with actual values. |
| **Associated deliverable** field | Initiative fixed fee that is associated with the budget fixed fee. |
| **Chargeable** check box | When selected, indicates that the expense is chargeable. |
| **Budget expense date** field | Date of the expense. |
| **Budget fixed fee** list | Fixed fee associated with the expense. Fixed fees may not apply to all expenses. |
| **Budget item type** list | Categorization of the budget item. Some budget item types can be set up to exclude the budget item amounts from the budget totals. |
| **Burden rate** field | Burden rate percentage specified for the expense category. |
| **Capital** check box | When selected, indicates the expense is a capital expenditure. |
| **Comments** field | Comments. |
| **Cost** field | Cost of each unit. |
| **Currency** field | Currency of the expense. |
| **Discount (%)** field | Discount percentage (positive number) or markup percentage (negative number) applied to the extended cross charge amount. |
| **Expense category** list | Category of the expense. |
| **Expense multiplier** field | Expense cross charge percentage. |
| **Expense type** list | Type of expense. |

| Field | Description |
| --- | --- |
| **[Fiscal period]** column | When added to the budget item view, displays the fiscal periods in the view. To add fiscal periods to the view, you must also select at least one of its subfields:<br>• Cross charge amount<br>• Comparison cross charge amount<br>• Comparison cost amount<br>• Comparison quantity<br>• Comparison unit cost<br>• Cost<br>• Cost amount<br>• Margin<br>• Margin(%)<br>• Quantity |
| **Included in total** check box | When selected, the expense is included in the total. |
| **Linked to a funding source** check box | When selected, the expense is linked to a funding source. |
| **Quantity** field | Number of items or units for the expense. |
| **Request number** field | Requests that are linked to the expense. |

| Field | Description |
|---|---|
| **[Total]** column | When added to the budget item view, displays the total amounts in the header row. To add the column to the view, you must also select at least one of its subfields:<br>• Cross charge amount<br>• Cost<br>• Cost amount<br>• Margin<br>• Margin (%)<br>• Quantity |
| **Use revenue recognition rules** check box | When selected, revenue recognition rules apply to the budget item. The cross charge amount is multiplied by the revenue recognition adjustment factor to calculate the revenue recognition amount. The revenue recognition amount and the total cost are then distributed evenly across the working days in each fiscal period.<br>When cleared, cross charge rules apply for distributing totals. The revenue recognition amount and cross charge amount can be edited manually in the table but the distribution amount must still equal the total cross charge amount and total cost. |

## Associating expenses with fixed fees in a budget

You can associate an expense with a fixed fee in the same budget. Associating an expense with a fixed fee allows you to track the cost and cross charge amount of the expense.

**Note:** Associating an expense with a fixed fee may affect the fixed fee allocation in the budget when the fixed fee revenue recognition method is **Physical percent completed - Cost**.

1. Access the budget.
2. Click the **Expenses** tab.
3. Ensure that the **Budget fixed fee** column appears in the budget item view.
4. In the expense row, select the fixed fee in the **Budget fixed fee** column.
5. Click **Save**.

# About materials

Non-labor items are defined in an initiative and can be associated with a project to track cross charge amounts. If you have the access rights, you can create material records, which allow you to enter costs that are associated with these non-labor items as expense items. This way, you can track the costs as they are incurred.

You can create materials for all non-labor items that are defined in the initiative, whether or not they are associated with a project.

You can also create materials for non-labor items that are not defined in the initiative provided that the associated cost structure has been configured accordingly.

When you create a material, you can associate it with a budget non-labor item to allow more detailed tracking of actual costs. While editing a budget, you can also create a material record from a budget non-labor item, which automatically creates the association.

## Creating a material record

1. Do one of the following:
   - Access the project profile, and then select **Actions** > **Create** > **Material**.
   - Click **New** > **Material**.

   The **Create Material** dialog box appears.
2. Complete the fields as required. For more information, see "Create/Edit Material dialog box options" on page 33.
3. Click **Save**.

## Create/Edit Material dialog box options

| Option | Description |
|---|---|
| **Client** list | Name of the client. |
| **Initiative** list | Name of the initiative. |
| **Project** list | Name of the project. |
| **Description** field | Description of the material. |

| Option | Description |
|---|---|
| **Date** field | Date when the material was added. |
| **Initiative non-labor item** type-ahead field | Non-labor item that was defined on the initiative and that the material is associated with. |
| **Non-labor item**list | Non-labor item that the material is associated with. |
| **Budget non-labor item** list | Budget non-labor item that the material is associated with. |
| **Reference number** field | Reference number of the non-labor item. |
| **Resource** type-ahead field | Name of the resource associated with the material. This field is for custom reporting purposes only.<br>For example, you can use this field to track material costs associated with a resource. |
| **Standard cost** field | Standard cost amount and currency of the non-labor item (as specified in the non-labor item profile). |
| **Negotiated cost** field | Negotiated cost, if required. |
| **Negotiated currency** list | Negotiated cost currency. |
| **Quantity** field | Number of units of the material. |
| **Extended cost** field | Total cost of the materials: Negotiated cost * Quantity |
| **Capital** check box | When selected, designates the material as a capital expenditure. |

## Editing a material record

1. Access the project.
2. Expand the **Materials** section and click the link of the material record.

   The **Edit Material** dialog box appears.
3. To edit the record:
   a. Make the necessary changes.
   b. Click **Save**.

4. To delete the record:
   a. Click **Delete**.
   b. Click **OK** to confirm.

### Associating a funding source to a material

1. Access the project.
2. Expand the **Materials** section and click the link of the material record.

   The **Edit Material** dialog box appears.
3. Click **Funding source**.

   The **Associate Funding Source** dialog box appears. For more information, see the "Associating an entity to a funding source" section in the *Financial Management User Guide*.
4. Click **Save**.

## About creating a project budget from a candidate

You can create a project budget directly from a candidate. When you create a budget from a candidate profile, the candidate information is then automatically copied into the budget.

The budget is always created in the currency of the associated initiative. If the candidate uses a different currency, all rates and amounts copied from the candidate are converted to the budget currency. However, the original rates and currencies are stored for reporting and comparison purposes.

When you create a budget from a candidate profile, you can shift the budget information a certain number of periods. For example, you may want to create a budget from a past candidate or from an candidate for which the work starts 6 months from now. You can also specify the items to copy from the candidate to the budget.

**Note:** To view or edit a budget created from a candidate profile, access the budget from the initiative or project profile.

### Mapping of candidate and budget fields

The **Budget** dialog box for the new project budget created from the candidate is completed as follows:

### General tab

The revision number is 0 by default.

### Non-labor items tab

| Candidate field | Corresponding budget field |
|---|---|
| Standard charge amount<br>OR<br>Negotiated charge amount, if specified | **Charge per unit** column, converted to the budget currency. |
| Standard cost rate | **Unit cost** column, converted to the budget currency. |
| Total price | Total extended cross charge amount, converted to the budget currency. |
| Total cost | Total extended cost, converted to the budget currency. |

### Services tab

| Candidate field | Corresponding budget field |
|---|---|
| Function name or staffing level name, if no function is specified | **Task** column |
| Staffing level | **Staffing level** column, if the candidate and the initiative of the project budget have the same cost structure.<br>If the cost structures are different, the **Staffing level** column displays the value selected in the **Default Staffing level** field of the **Create Project Budget from candidate** dialog box. |
| Standard cross charge rate or negotiated cross charge rate, if specified | **Standard rate** column, converted to the budget currency. |
| Standard cost rate | **Staffing level cost rate** column or **Resource cost rate** column, converted to the budget currency. |
| Planned hours or days | **Hours** column |

## Creating a project budget from a candidate

1. Access the candidate.
2. Click **Actions** > **Create** > **Project budget**.

   The **Create Project Budget from Candidate**dialog box appears.
3. Do one of the following:
   - In the **Client** list, select the client.
   - In the **Client ID** field, enter the client ID.
4. Complete the fields as required. For more information, see "Create Project Budget from Candidate dialog box options" on page 37.
5. To copy all the items to the budget, select the corresponding **Copy all** check box.
6. To copy specific items to the budget:
   a. Ensure the budget item's **Copy all** check box is cleared.
   b. On the **Fixed Fees**, **Non-labor items**, **Services** or **Expenses** tab, select the check box of the individual items.
7. Click **Save**.

## Create Project Budget from Candidate dialog box options

| Field | Description |
|---|---|
| **Budget name** field | Name of the budget. |
| **Revision name** field | Name of the revision. |
| **Client** list | Name of the client. |
| **Client ID** field | ID of the client. |
| **Initiative** list | Initiative of the budget. |
| **Project** list | Project of the budget. |

| Field | Description |
|---|---|
| **Default staffing level** list | Staffing level used for services that are added to the budget. |
| **Fiscal period** field | Cost structure whose fiscal periods are used. Available only when the candidate has fiscal periods. |
| **Start date** field | Start date of the budget. |
| **Copy fiscal period amounts** check box | When selected, allows you to copy fiscal period amounts to the project budget. Available only when the candidate has fiscal periods. |
| **Number of fiscal periods to move (fixed fees, non-labor items, services, or expenses)** fields | Number of fiscal periods the budget items are moved in the budget. Available only when the candidate has fiscal periods. |
| **Copy all** (**fixed fees, non-labor items, services, or expenses)** check boxes | When selected, copies all the budget items from the candidate to the budget. Available only when the candidate has fiscal periods. |

# 2. Displaying and Filtering Budget Data

## About displaying the data for budget items

You can control the data that is displayed for budget items as follows:

- You can specify the columns that are displayed for a budget item by creating a *budget item view*.
- You can sort the budget item rows by specifying a sort order in the budget item view.
- You can filter the data that is displayed in the columns by creating and applying a *budget item filter*.
- If budget items are in a different currency than the budget currency, you can specify whether the budget item amounts are displayed in the currency of the budget item or of the budget.

### About budget item views

Budget item views control the data that is displayed in the budget item tabs. There are default budget item views for each of the budget item types. The default views include a subset of the budget item fields, and are intended for use only with basic budgets that do not include fiscal periods.

If you require more budget item fields, and/or you use fiscal periods in budgets, you can create a budget item view or copy an existing budget item view. In a budget item view, you can do the following:

- specify the budget item fields that are displayed as columns in the budget item tab
- add columns to, and remove them from, the frozen pane
- change the order of the columns
- specify the default number of fiscal periods that are displayed
- specify a budget item view as your default view
- share your budget item views with other resources
- specify a sort order for the budget item rows

You can select from all of the standard and configurable fields for the budget items.

### Creating a budget item view

You can create a new budget item view or copy an existing view.

1. Access the budget for editing.
2. Click the budget item tab.
3. Click .

   The **Manage Views** dialog box appears.
4. To copy an existing view, select the view in the **Views** list, and then click **Copy**.
5. To create a new view, click **New**.
6. Complete the fields as required. For more information, see "Manage Views (Budget) dialog box options" on page 41.
7. To add a column to the view:
   a. In the **Available Columns** section, select one or more columns in the **All columns** list.
   b. If columns appear in the **Subfields** list when you select a column, you must select at least one of the subfield columns.
   c. Click one of the selected columns in the **All columns** list, and then drag it to the **Columns** or **Frozen Columns** list.
8. The order of the columns in each list is the order that the columns appear in the view from left to right. To change the order of the columns, drag the columns to the desired order in the list.
9. Click **Save**.

### Sorting the rows in budget item views

In budget item views, you can specify a sort order for the rows based on the data in one or more columns. For example, you can sort the budget items by budget item date first, and then by amount.

1. Click . The **Manage Views** dialog box appears.
2. In the **Step 2: Specify sort order for rows** section, drag the column that you want to sort by first to the top of the **Sort by column data** list.
3. To specify the sort order, do one of the following:

- To sort in ascending order, click the up arrow next to the column name.
- To sort in descending order, click the down arrow next to the column name.

4. To sort by additional columns:
   a. Drag the column that you want to sort by second to just below the first column.
   b. Specify the sort order by clicking the up arrow (ascending) or down arrow (descending).

   **Note:** When both the up and down arrows appear next to the column name, sorting is not applied.
5. To remove sorting from a column, click the arrows until both the up and down arrows appear.
6. Click **Save**.

### Manage Views (Budget) dialog box options

| Option | Description |
|---|---|
| **Views** list | Current view. |
| **Name** field | Name for the view. |
| **Shared** check box | When selected, allows other resources to use the view. Available only if you have the access rights to share views. |
| **Default** check box | When selected, makes the current view the default view for the current resource and removes the default status from the view that was previously specified as the default, if applicable. |
| **Number of fiscal periods** list | Number of fiscal periods to be displayed in the budget item tab, up to a maximum of 12. |
| **Selected Columns** section | |
| **Frozen columns** list | List of columns that remain in place even when you scroll horizontally. The order of the columns from top to bottom in the list is the order that the columns are displayed in the budget item tab from left to right. |

| Option | Description |
|---|---|
| **Columns** list | List of columns that are displayed on the budget item tab. The order of the columns from top to bottom in the list is the order that the columns are displayed in the budget item tab from left to right. |
| **Available Columns** section | |
| **All columns** list | List of available entity fields to be displayed as columns. |
| **Subfields** list | List of fields that are associated with a specific field. For example, the **Total** field includes the cross charge amount and cost amount. The order of the columns in the list is the order that the columns display in the budget item view from left to right. |
| **Step 2: Specify sort order of rows** section | |
| **Sort by column data** list | Determines the sort order for the rows. For more information, see "Sorting the rows in budget item views " on page 40. |

## Editing a budget item view

By default, you can edit the budget item views that you created. If you have the access rights, you can also edit the budget item views that were created by others.

1. Access the budget for editing.
2. Click the budget item tab.
3. Click .

   The **Manage Views** dialog box appears.
4. In the **Views** list, select the view.
5. Make the necessary changes. For more information, see "Manage Views (Budget) dialog box options" on page 41.
6. To delete the budget item view:
   a. Click **Delete**.
   b. Click **OK** to confirm.

c. Click **OK** to acknowledge.

7. Click **Save**.

## Creating a budget item filter

You can create a budget item filter and then apply it to a budget item tab so that only the budget items that match the filter criteria is displayed. For example, you can create a budget item filter that displays only the budget items that were created after a specific date.

You base the filter criteria on the data in the budget item columns. There are also logical AND and OR operators and parentheses that you can use to create more complex filter criteria.

1. Access the budget for editing.
2. Click the budget item tab.
3. Click . The **Manage Filters** dialog box appears.
4. Click **New**.
5. Complete the fields as required. For more information, see "Manage Filters (Budget) dialog box options" on page 44.
6. To specify filter criteria:
   a. In the **Filter on** column, select the column that the criteria row applies to.
   b. In the **Condition** column, select the condition for the information in the column.
   c. In the **Value** column, select the values that the condition must meet.
7. To add an AND or OR operator, or parentheses, click a blank column in the row and then select the item from the list.
8. To add (or delete) a criteria row, right-click in the table, and then select **Insert** (or **Delete**).
9. Click **Save**.

## Manage Filters (Budget) dialog box options

| Option | Description |
|---|---|
| **Filter** list | Current filter. |
| **Name** field | Name of the filter. |
| **Default** check box | When selected, the current filter is automatically applied to the budget item tab each time that you access the tab. |
| **Shared** check box | When selected, other resources can use the filter. |
| Blank columns | Lists of operators (AND, OR) and parentheses for complex filter criteria. |
| **Filter on** column | Column or field that the filter criteria applies to. |
| **Condition** column | Condition for the criteria row. |
| **Value** column | Value for the condition. |

## Editing a budget item filter

You can edit all of the options in a budget item filter, including the filter name. You can also delete a budget item filter.

1. Access the budget for editing.
2. Click the budget item tab.
3. Click .

   The **Manage Filters** dialog box appears.
4. In the **Filter** list, select the filter.
5. Make the necessary changes. For more information, see "Manage Filters (Budget) dialog box options" on page 44.
6. To delete the filter:
   a. Click **Delete**.
   b. Click **OK** to confirm.

c. Click **OK** to acknowledge.

7. Click **Save**.

## Displaying budget item amounts in different currencies

You can display the budget item amounts in the currency of the budget, or the currency of the budget item, if the budget items have a different currency. The display option that is currently selected appears beside the budget name, and applies only to the budget items that exist when the option is selected. The totals at the top of the table are always in the budget currency regardless of which option is selected.

1. Access the budget.
2. To display budget item amounts in the currency in which the budget item was entered, click **Show items in selected currency**.
3. To display budget item amounts converted to the budget currency, click **Show items in budget currency**.

# 3. Editing Budgets

## Accessing a budget

1. Access the initiative or project.

   The initiative or project profile appears.

2. To view the budget, click **Actions > View > Budget**.

3. To edit the budget, click **Actions > Edit budget**.

   The **Edit Budget** dialog box appears.

## About editing budgets

You can edit a budget, providing that it is not frozen.

### About changing the fiscal periods in a budget

When you change the fiscal periods for a budget, the budget item amounts are redistributed automatically to the new fiscal periods. The amounts are redistributed to the new fiscal periods based on the start date of the old fiscal period, even if the old fiscal period covers more than one new fiscal period.

The budget item amounts in fiscal periods are redistributed as follows:

- Services – The effort is first distributed into daily amounts based on working days, and then placed into the new fiscal periods based on the new fiscal period start date and end date. Cross charge rates and cost rates are recalculated based on the new fiscal period start date.

- Fixed fees and non-labor items – The amounts are moved into the new fiscal periods that contain the start date of the original fiscal periods that they were in. Milestones and schedules are redistributed based on their dates. If the revenue recognition method is physical percent complete or effort expended, then the budget item amounts are recalculated based on the services and expense information.

- Expenses – The amounts are moved into the new fiscal periods that contain the start date of the original fiscal periods that they were in.

### About changing the estimation basis for a budget

If you change the estimation basis for a budget, all of the existing budget items that are not valid for the new estimation basis are removed from the budget. For example changing the

estimation basis from hourly to daily can render rates for services invalid, and therefore the services will be removed.

### Editing a budget

You can edit a budget, provided that it is not frozen. However, you can delete a budget even if it is frozen. When you delete a budget, all of its revisions are deleted.

1. Access the budget.
2. Make the necessary changes.
3. To delete the budget:
   a. Click **Delete**.
   b. Click **OK** to confirm.

## About editing budget items

You can edit budget items manually or you can copy budget item information from an initiative or a project to the budget.

You can edit the effort, cross charge amounts, and cost amounts in each fiscal period for services, and/or apply discounts. When you change the staffing level or resource, you have the option to replace the cross charge rate with the new rate, or recalculate the discount to keep the net cross charge rate the same.

You cannot edit or delete budget items if the budget is frozen. However, you can create a new revision of the budget, which is completely editable. If you have the required access rights, you can unfreeze a frozen budget.

**Note:** Before you edit budget items, ensure that the budget items amounts are displayed in the selected (budget item) currency.

#### Working with budget items

After you create and save a budget item, you can do the following from the right-click menu:

- associate the budget item with a funding source
- create a request or associate an existing request with the budget item
- copy the budget item with or without associated requests and funding sources
- export the budget item information to Excel

- specify the budget items for which the amounts in past fiscal periods are to be replaced with actual amounts
- create a material that is automatically associated with a budget non-labor item
- delete the budget item

## Editing a budget item

1. Access the budget.
2. If any budget items were entered in different currencies than the budget currency, click **Show items in selected currency**.
3. Select the budget item tab.
4. To edit the budget item, make the necessary changes.
5. To delete the budget item:
   a. Right-click the budget item and then select **Delete**.
   b. Click **OK** to confirm.
6. Click **Save**.

## Copying a budget item row

When copying a budget item, you have the option to copy its associations to funding sources and requests. The associations of non-labor items to non-labor items in the initiative are not copied.

1. Access the budget item.
2. Right-click the budget item row, and then do one of the following
   - To copy the item and its associations, select **Copy with associations**.
   - To copy the item without its associations, select **Copy without associations**.
3. Make the necessary changes.
4. Click **Save**.

## About editing fixed fees in a budget

When you edit fixed-fees in a budget, the following rules apply:

- For a fixed-fee with no schedule items, the cross charge amount can only be distributed within one fiscal period at a time. To move the cross charge amounts to another fiscal period, you must first delete the amount from the original fiscal period and then add another fiscal period.
- If a fixed-fee uses the **Effort expended**, **Physical percent complete**, or **Physical percent complete - Cost** revenue recognition method, you can distribute the cross charge amounts for fixed fees across multiple fiscal periods (current and future).
- If you move a cross charge amount to another fiscal period, the deliverable date is changed to the start of the new fiscal period.
- You can only change the date of a fixed-fee to a date that is within the fiscal period that contains the cross charge amount.

### Associating a request with a budget item

You can associate requests that have been created for the initiative or project as supporting information for budget items. For example, if a change request increases the amount of a budget item, you can associate the change request to the budget item as a record of that increase.

1. Access the budget for editing.
2. Click the budget item tab.
3. Right-click the budget item, and then select **Associate > Requests**.

   The **Select Requests** dialog box appears.
4. Enter a date range in the **Start date** and **End date** fields.
5. In the **Status** list, select the request statuses.
6. In the **Search** type-ahead field, enter the first few characters of the request number or the entire request number, and then press **Enter**.
7. Select one or more requests, and then press **Enter**.

   The requests appear in the **Request number** column.
8. Click **Save**.

### Associating a budget item to a funding source

1. Access the budget item.

2. Right-click in the table, and select **Associate** > **Funding source**.

   The **Associate Funding Source** dialog box appears. For more information, see "Associating an entity to a funding source" in the *Financial Management User Guide*.

### Creating a material from a budget non-labor item

You can create a material from a budget non-labor item. The material is automatically associated with the non-labor item. If the budget non-labor item is later deleted, then the association is automatically removed from the material record, provided that the budget non-labor item was not included in a frozen revision.

1. Access the budget non-labor item.
2. Right-click in the table, and then select **Create** > **Material**.

   The **Create Material** dialog box appears.
3. Complete the fields as required. For more information, see "Create/Edit Material dialog box options" on page 33.
4. Click **Save**.

## About freezing budgets

You can freeze a budget to prevent further changes to it. The first time that you freeze a budget, it is assigned the revision number 0. The revision number is incremented each time that you subsequently create a revision and then freeze it.

You can unfreeze and edit the most recent revision only. If there are frozen or active revisions that are more recent than the revision that you want to edit, you must unfreeze and delete them first.

The revision history of the dates that the budget revisions are frozen or unfrozen and the resources who freeze or unfreeze the budget revisions are not displayed on the budget dialog but are available for reporting purposes.

### Freezing or unfreezing a budget

1. Access the budget.
2. To freeze the budget, on the **General** tab, select the **Freeze budget** check box.
3. To unfreeze the budget:
   a. If there is an unfrozen revision, delete it first by clicking **Delete revision**.

   b. Click **OK** to confirm.

   c. On the **General** tab of the frozen revision, clear the **Freeze budget** check box.

4. Click **Save**.

## Creating a budget revision

1. Access the frozen budget revision.
2. Click **Revise**.

   A new budget revision is created.

3. Make the necessary changes.
4. Click **Save**.

## Accessing a budget revision

1. Access the budget.
2. Click the **General** tab.
3. In the **Revision number** list, select the budget revision.

## About budget reports

The standard budget reports are under the **Budget** category in the **Reports** tree view (**General** > **Reports**).

For general information about budget reports, see  in the *User Basics User Guide*.

### About initiatives on budget reports

If split cross charging is defined for an initiative, only the master initiative is available for selection because time is entered only for the master initiative. However, the report displays all cross charge amounts, including amounts for phantom initiatives and cost amounts for the selected master initiative.

### About actual revenue and cost to use

When you select a status in the **Actual revenue and cost to use** list, all of the actual revenue and cost amounts of the budget items at the selected status and the subsequent statuses in the process are included in the report.

For example, the time entered for services and tasks is routed through a process with the following statuses:

1. Entered
2. Submitted
3. Approved
4. Cross charged

If you select the status **Entered**, all time entries with the status of **Entered**, **Submitted**, **Approved** or **Cross charged**) are included as actual amounts. If you select the status **Submitted**, all time entries with the status of **Submitted**, **Approved** or **Cross charged**) are included as actual amounts.

The same logic applies to expenses.

Non-labor items and fixed fees can only have the status **Entered** or **Cross charged**. If you select the status **Entered**, **Submitted** or **Approved**, all non-labor items and fixed fees are included as actuals. If you select the status **Cross charged**, only cross charged non-labor items and fixed fees are included as actuals.

> **Note:** All material records are included, regardless of the status that is selected because materials have no status.

## About replacing amounts in past fiscal periods with actual amounts

You can replace the amounts in past fiscal periods with actual amounts to obtain an estimate-at-completion amount, which is a combination of the actual amounts from past fiscal periods, and the budget amounts for future fiscal periods.

The budget amounts for budget items in past fiscal periods are replaced with the actual amounts for effort, cost, and revenue. The cross charge amounts are the revenue amounts, unless the budget items use revenue recognition rules, in which case the revenue recognition amounts are the revenue amounts.

If you subsequently edit a replaced budget amount, then the edited amount becomes the original budget amount, which can again be replaced with an actual amount.

There is a system update that updates the budget information, and which typically is run overnight. The date that the system update was last run is displayed on the **General** tab. You can also run the update on demand.

### Moving budget variance amounts from past fiscal periods to the current fiscal period

You can also move the budget variance amounts for budgeted items from past periods to the current fiscal period. You can select whether all budget variance amounts are moved, or just excess budget amounts are moved to the current fiscal period.

## Replacing amounts in past fiscal periods with actual amounts

1. Access the budget for editing.
2. Click the budget item tab.
3. To select all budget items, right-click in the table, and then select **Allow replacement of past values with actual values > Select all**.
4. To select individual budget items:
   a. Ensure that the **Allow replacement of past values with actual values** column is displayed in the budget item view.
   b. Select the **Allow replacement of past values with actual values** check box for the budget items.
5. Ensure that you select the budget items on each budget item tab.
6. Click the **General** tab.
7. In the **Replace Past Amounts with Actuals** section, select the options as required. For more information, see "Create/Edit Budget dialog box, General tab options" on page 11.
8. Click **Save**.

## How actual amounts are calculated

The budget amounts are updated based on the following rules according to the budget item types. The actual amounts are added to the budget fiscal periods according to the record date.

- Effort and cost for time are based on the time record date according to when time is configured to be actual by your organization.

- Cross charge amounts include amounts that were cross charged, regardless of the cross charge status.
- Revenue amounts are the committed revenue recognition amounts based on the posting date
- If there are actual amounts for items in the associated project or initiative that are not already in the budget, then budget items for the actual amounts will be added to the budget. There is an option to prevent budget items from being created in this case.
- For non-labor items, the quantity and costs from materials are added as actual amounts to the budget fiscal periods when the material is associated with a budget non-labor item, an initiative non-labor item that has been added to the budget, or a non-labor item from a different initiative that has been added to the budget.
- For fixed fees that are associated to tasks from more than one project, the actual amounts are prorated based on the proportion of the actual amounts for each project compared to the total of all projects. If actual amounts do not exist, then planned hours are used. If planned hours do not exist, then the proportion of tasks for each project compared to the total for all projects is used.

## Comparing budget amounts in past fiscal periods with actual or original amounts

You can compare the budget amounts in past fiscal periods with the actual amounts. After the budget amounts in past periods have been replaced with actual amounts, you can compare the replaced budget amounts with the original budget amounts. You can later compare the replaced budget amounts with any new actual amounts. Before comparing budget amounts, you must add the comparison subfields to the budget item views.

1. Access the budget for editing.
2. Add the fiscal period comparison subfields to the budget item views.
3. In the **Subfields** list, drag the comparison subfields to be below the corresponding fiscal period subfield so that the comparison subfield is displayed beside the fiscal period subfield.

### To compare budget amounts with actual amounts

1. Click the **General** tab
2. In the **Replace Past Amounts With Actuals** section, click **Calculate actuals**.

3. Click **Show actual amounts**.

   The actual amounts appear in the comparison columns.

### To compare replaced budget amounts with original budget amounts

You can perform this procedure only after the budget amounts in past fiscal periods have been replaced with actual amounts.

1. Click **Show original amounts**.

   The original budget amounts appear in the comparison columns.

# 4. Using Revenue Recognition Rules

## About revenue recognition methods for budget items

When you set up a budget, the revenue recognition rules are automatically inherited from the associated initiative. However you can change the rules for the budget and/or budget items individually.

You can change the revenue recognition method for, or remove it from, individual budget items. If no revenue recognition method is selected for a budget item, then cross charging rules apply.

If you change revenue recognition rules after having created budget items, the budget items are recalculated according to the new rules.

The revenue recognition rules specified for time (from services or tasks), and expenses apply to all time and expense records when they are initially distributed over the fiscal periods.

When you copy non-labor items or fixed-fee deliverables from an initiative to the budget, the initiative revenue recognition method automatically applies to the items in the budget. The revenue recognition rules can be removed, but the recognition method cannot be changed if an item is copied from the initiative.

The fiscal period amounts for services and expenses are calculated until the total budget item amount, multiplied by the revenue recognition adjustment factor, is equal to the maximum recognizable revenue.

The fiscal period amounts for non-labor items and fixed-fee deliverables are calculated based on the revenue method selected, until the total revenue recognized is equal to the total budget item amount, multiplied by the revenue recognition adjustment factor.

## Setting revenue recognition rules for budgets

1. Access the budget.
2. Ensure that a fiscal period has been selected for the budget.
3. Click the **Revenue rules** tab.
4. Complete the fields as required. For more information, see "Create/Edit Budget dialog box, Revenue rules tab options" on page 58.
5. Click **Save**.

### Create/Edit Budget dialog box, Revenue rules tab options

| Option | Description |
|---|---|
| **Revenue Recognition Rules** section | |
| **Use revenue recognition rules** check box | When selected, revenue recognition is enabled for budget items. |
| **Maximum recognizable revenue for time and expenses** field | Maximum amount that can be recognized as revenue for time and expenses.<br>**Note:** If zero, no revenue will be recognized for time and expenses. The discount for budget services and expenses will be 100%. |
| **Labor multiplier** field | Percent of the cost rate to be used to calculate revenue recognition for time instead of the cross charge rate. |
| **Revenue recognition adjustment factor** field | Percent value by which the recognized revenue amount is reduced. Applies to time, expenses, fixed-fee deliverables, and milestones. |
| **Revenue Recognition Option** section | |
| **Deliverable or milestone-based** check box | When selected, revenue recognition is based on deliverables or milestones. |
| **Time and expense-based** option | When selected, revenue recognition is based on time and expenses. |
| **Time-based only** option | When selected, revenue recognition is based on time only. |
| **Expense-based only** option | When selected, revenue recognition is based on expenses only. |
| **Disable recognition for time and expenses** option | When selected, revenue recognition is disabled. |

## About switching from revenue recognition rules to cross charge rules

When you create a budget, the revenue recognition settings are the same as the associated initiative. However for individual budget items you can change the revenue recognition

method, or remove the method and use cross charge rules instead.

When you switch from revenue recognition to cross charge rules, the following occurs:

- For non-labor items and fixed fees, the charge amount is added to the fiscal period of the deliverable date. The revenue recognition adjustment amount is removed from the total amount.
- For services, the revenue recognition adjustment amount is removed from the cross charge rates and the cross charge rates revert to the standard rates.
- For expenses, the revenue recognition adjustment amount is removed from the extended charge amount.

## Adding milestones to a non-labor item or fixed fee

If the revenue recognition method for a non-labor item or fixed fee is **Amount recognized** or **Percent of total deliverable**, you can create milestones for the non-labor item or fixed fee. You can either add the milestones manually, or use the option to add a specific number of milestones automatically. In both cases, you can edit the milestones after as required, provided that the total of the milestone amounts equals the amount of the fixed fee or non-labor item.

1. Access the budget for editing.
2. Click the **Fixed fees** or the **Non-labor Item** tab.
3. Select the fixed fee or non-labor item.
4. Select the **Use revenue recognition rules** check box.
5. In the **Revenue recognition method** column, select the **Amount recognized** or **Percent of total deliverable** method.

   The **Milestones** table appears below the fixed fee or non-labor item table.

### To add a milestone manually

1. Right-click in the **Milestones** table, and then select **Insert**.
2. In the **Description** field, enter the description for the milestone.
3. In the **Date** field, enter the date for the milestone.
4. In the **Amount** field, enter the amount.
5. Click **Save**.

### To add milestones automatically

1. Click the **Auto-Add Milestones** button.

   The **Create Milestones** dialog box appears.

2. In the **Start date** field, enter the date of the first milestone.
3. In the **Number of milestones** field, enter the number of milestones you want to create.
4. In the **Multiplier percentage** field, enter the multiplier percentage.
5. In the **Frequency** field, select either **Weekly** or **Monthly**.
6. Click **OK**.

   The milestones appear in the table based on the options that you selected.

## Rebalancing revenue amounts for a fixed fee or non-labor item

If services or expenses are associated with a budget fixed fee that has a percentage complete revenue recognition method, and the services or expenses are later edited, you can rebalance the fixed fee amounts based on the edits.

Similarly if a budget non-labor item has a percentage complete revenue recognition method, and the services are later edited, you can rebalance the non-labor item amount. Only the services that are not associated with a fixed fee are included in the non-labor item amount.

**Note:** The rebalance options appear only when there are fixed fee or non-labor item amounts that need to be rebalanced.

1. Access the budget for editing.
2. Click the **Fixed fees** or **Non-labor items** tab.
3. Click **Rebalance fixed fee revenue amount** or **Rebalance non-labor item revenue amount**.

# 5. Copying Budgets

## About copying budgets

You can copy budget information to create a new budget or update an existing budget. The source and target budgets must have the same estimation type, and the initiatives must have the same cost structure.

If the target budget is frozen, a new revision is created that includes only the budget items from the source budget or a combination of the source and target budget items, depending on the copy options that you select.

Rates and amounts are converted to the currency of the initiative for the target budget using the exchange rate that is in effect on the date that you copy the information.

You can specify whether all of the fixed-fee deliverables, services, non-labor items, and/or expenses are copied, or you can select specific budget items to be copied. The budget contingency amount is copied, but the associated requests are not.

You can specify a start date for the budget, or if the budget includes fiscal periods, you can specify the number of fiscal periods to move each kind of budget item in the target budget.

## Copying a budget

1. Access the initiative or the project profile.
2. Click **Actions > Create > Copy budget**.

   The **Copy Budget** dialog box appears.
3. If you are creating a new budget, in the **Budget name** field, enter the budget name.
4. In the **Client** type-ahead field, enter the client.
5. In the **Initiative** list, select the initiative.
6. To copy the budget information to a project budget, select the project in the **Project** list.
7. If you are updating an existing budget, do one of the following:
   - To add the source budget items to the target budget, select the **Add to existing revision** option.
   - To replace the budget items in the target budget with the source budget items, select **Replace existing revision** option.

8. To copy all of the budget items, select the **Copy all** check box for the budget items.
9. To copy some of the budget items:
   a. Clear the **Copy all** check box for the budget items.
   b. On the budget item tab, select the check boxes for the budget items that you want to copy.

   **Note:** If you select to copy services or expenses but not fixed fees, the fixed fees that are associated with services and expenses will not be copied to the target budget.
10. Do one of the following:
    - In the **Start date** field, enter the start date for the budget.
    - In the **Number of fiscal periods to move** fields, enter the number of fiscal periods to move the budget items.
11. Click **Save**.

# 6. Troubleshooting Budgets

## Troubleshooting budgets

### Budget item value changes, disappears, or becomes mandatory when you select a budget item

For performance reasons, conditional properties and values for budget item configurable fields are not processed when the budget item is initially displayed, but only when a budget item is selected or edited.

For example, a budget item value in a configurable field disappears when you select the budget item because the “hidden” property on the configurable field is controlled by a condition that is processed when the budget item is selected.

When budget item fields fail validation based on conditional values and properties, you can filter the view to display only the affected budget items in the budget tab by clicking the icon.

### When you create a budget from an candidate or project, a field value is missing

If there is a budget configurable field that is shared with a field on an candidate (or project), when you create a budget from the candidate (or project), the shared configurable field value is not included in the budget. You must enter the shared configurable field value manually.

### When you copy a task assignment to a budget, a field value is missing

If there is a budget service configurable field that is shared with a task assignment configurable field, the shared field value is not copied to the budget service when the task assignment is copied to the budget. You must enter the shared configurable field values manually.

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