Budget Manager Admin Guide

Basware P2P 18.2

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1 Advanced Budgets Management

1.1 Overview of Budget Management

Organizations often allocate budgets to govern how much can be spent on certain projects whether internal or external.

While many businesses have flexibility in their budgets, some organizations (charities, non-profits, government agencies, etc.) work from donations or allocated funds. The Advanced Budgets module is designed to help organizations track actual cost versus estimated cost for a project or allocated funds.

Organizations consider the accrual of funds (their liability) either when a purchase order that is placed is delivered or when the goods are received. Most organizations that work on a "budget" consider the delivery of the purchase order as a commitment to the vendor to pay.

When the invoice and goods/services are received, the budget is spent, and therefore expenditure has occurred.

This mechanism helps organizations track

- What can be spent
- What has been committed to be spent
- What has been spent

1.1.1 Benefits

The Advanced Budgets module yields the following benefits:

- Allows organizations to keep track of who spends the money.
- Allows organizations to keep track of what money is spent.
- Allows organizations to keep track of how money is spent.

1.1.2 Integration with Purchase Manager, Expense Manager, and Invoice Manager

The Advanced Budgets module works in conjunction with P2P Purchase Manager, Invoice Manager, and/or Expense Manager to extend the capabilities of these products.

Advanced Budgets uses the same platform, common user interface, and administrative tools as Purchase Manager, Invoice Manager, and Expense Manager.

As in purchasing, users create order requests but the difference is the system places a hold on the allocated money so it cannot be spent. When the order request is turned into a purchase order, the allocated money is changed from *held* status to *committed* status. When the purchase order is reconciled and the invoice is released for payment, the allocated money changes from *committed* to *expensed* status.

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In invoicing, users create the check requests by adding the vendor and entering the normal required information on the Check Request screen. When an invoice is processed against a budget, the allocated money is automatically spent (*expensed*).

1.2 Budget Setup Concepts

Budget Types

Budget types are used to determine how budgets are tracked. The seven budget types are:

- GL
- User
- Location
- Location Group
- Vendor
- Project
- Custom

Budget Type	Definition
GL	Tracks budgets by using an assigned specific GL code to a range of GL codes.
User	Tracks budgets by using assigned users. Multiple users can be assigned to one budget.
Location	Tracks budgets by using an assigned location. Multiple locations can be assigned to one budget.
Location Group	Tracks budgets by using an assigned location group. Multiple location groups can be assigned to one budget.
Vendor	Tracks budgets by using an assigned vendor. Multiple vendors can be assigned to one budget.
Project	Tracks budgets by using an assigned project. Multiple projects can be assigned to one budget.
Custom	Tracks budgets by using a specified UDEF field.

Only one budget type can be used for a budget or budget levels except the custom budget. The custom budget can have another budget type assigned to an associated lower level budget. Once a transaction is made against a budget, the budget type cannot be changed. However, the assigned information can be. For example, a user budget is created for User A. User A gets a promotion and User B is acquiring User A's position. The only budget information that needs to be changed for that budget is the user name.

1.3 Budget Setup Process

Complete the tasks outlined in the process below to set up Advanced Budgets.

1. Verify permission *160 - Manage Budgets* is enabled for users who need access to the Budget Manager tab.
2. Verify that users have access to the Budget Manager module.

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Budget-related System Settings

The following system settings work in conjunction with the Budget Manager module.

System Setting	Name	Description
21200	Enable Advance GL Matching for Budgets	Determines whether the system searches for GL budget ranges ornot. When set to *Yes*, the system searches for GL budget ranges. When set to *No*, the system does not search for GL budget ranges.
12251	Maximum Number of Levels in a Budget Tree	Determines the number of levels a budget can have. The default number is 6.
12264	Non-PO/Check Request Invoice Udef to Use for Custom Budget	The Invoice Udef to be used in conjunction with custom budgets for line information.
12252	Record Order Request (OR) Transactions against Budgets	Determines whether budget transactions are tracked against order requests. The default and recommended setting is *Yes*.
12253	Record Purchase Order (PO) Transactions against Budgets	Determines whether budget transactions are tracked against purchase orders. The default and recommended setting is *Yes*.
12254	Record Purchase Order Invoice Transactions against Budgets	Determines whether budget transactions are tracked against invoices. The default and recommended setting is *Yes*.
12257	Order Request Udef to Use for Custom Budget	The Order Request Udef to be used in conjunction with custom budgets for line information.
12258	Purchase Order Udef to Use for Custom Budget	The Purchase Order Udef to be used in conjunction with custom budgets for line information.
12259	Purchase Order Invoice Udef to Use for Custom Budget	The Invoice Udef to be used in conjunction with custom budgets for line information.

Budget Manager Permissions

Required

Permission *160 – Manage Budgets* is needed to access the tab and the screen for the Advanced Budgets module. If users have access to this permission, a tab is displayed at the top of their dashboard and the user has access to all functions on the screen once they click the tab.

Optional

Permission *165 –View Budgets* is needed to access the tab and the screen for the Budget module. The users with this permission only are able to view information from the Budget Management screen. They are able to view the budget graph and/or audit from the Order Request Detail screen, the Purchase Order Detail screen, and the View Invoice screen. They are not allowed to make any changes to the budget or create additional budgets.

If these permissions are not granted, the Budgets tab and screen are not accessible and users are not able to view the links to graph or the full budget detail. They are able to view the transaction detail only.

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If users do not have access to these permissions, they are still able to create order requests, purchase orders, receive, and invoice items against budgets.

An administrative screen is included under the Budgets tab. This is where the budget information is set up for the users to establish budgets.

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