



Project Management and Accounting Project Budgeting Project Forecasting

Budgets vs Forecasts

Demonstration of the Project Budgets and Forecasts

 **D365UG**
AXUG

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Agenda

- Budgets Vs. Forecasts
- Budgets and Budget Setup
- Forecasts
- Demonstration of Budget
- Demonstration of Forecasts



Project Budgets and Forecasts

Two Types of Project Budgets

- Project Forecasts
 - Project to Date - EAC
 - More Detailed
 - Multiple
 - No Workflow
- Project Budgets
 - Fiscal Periods
 - Control
 - Two versions Original and Revised
 - Workflow

Project Budget Vs Forecasts

Project Forecast

- Multiple version by forecast model e.g. OrigBud 1, Budget 2, Budget 3
- Easier searching and reporting
- Used in reports – Original, Total, Remaining
- Used for fixed price contracts – percent complete

Project budget

- Allocate across periods or quarters based on dollar amounts
- More control Period, YTD, PTD, warnings and over runs allowed
- Approvals for original and revised budget can be different
- Uses the Budget and Remaining forecast models used for control
- Must have a category for every actual expense

Project Budget Info

- You must budget at the category level
- Every category you charge actuals to must have a budget – create line for all categories even if 0
- Activities are optional
- Resembles GL budgeting
- You can transfer to GL budget module
- Associated with two forecast models – original and remaining
- Reports based on forecast models can use budget data

Project Budget Info

- A budget revision can have a different approver than the original budget
- Import from prior project, WBS or another forecast
- Control periods – monthly, yearly, YTD, project to date
- Allocate to periods – granular adjustments are tedious
- Can budget at master project or each sub-project

Project Budget Parameters

- Budget and Forecast Fast Tab
- Transaction types
- Budget overruns
- Budget interval
- Carry Forwards

The screenshot displays the 'Project management' interface for 'Finance and Operations'. The 'PROJECT' tab is active, showing various configuration options. The 'Budget and forecast' section is expanded, revealing the following settings:

BUDGET CONTROL		FORECAST REDUCTION	
Use budget control	No <input type="radio"/>	Use alternate project budget for bud...	No <input checked="" type="radio"/>
Independent budgeting for sub-proje...	No <input checked="" type="radio"/>	Alternate project	Verify cost against remaining forecast
Transaction types controlled	Revenues and costs	Budget control interval	No <input checked="" type="radio"/>
Budget overrun default	Allow overruns	Total budget	
User group override	Settings	Carry forward remaining budgets	No <input checked="" type="radio"/>
		Allow negative budgets to be carried...	No <input checked="" type="radio"/>

Project Budget Reporting

- **Project Budget Balances Inquiry**
 - Roll up
 - Filter
 - Cost template
- **Project consumption (actual vs. budget)**
- **Category consumption (actual vs. budget)**
- **Worker/item consumption (actual vs. budget)**

Forecast Info

- Edit forecast without approval
- Forecast Models
- Copy forecasts
- Forecast Reduction = Cost Control
- Used for percent complete revenue recognition
- All project data points available as actual transaction
- Unit and cost per unit
- Sub models

Forecast Types

- Used for reporting
 - Original
 - Reducing - Remaining
 - Total
- Cost Control - Set up to reduce forecast to control spending – error only no warning option
- Cash Flow – not seen used

Workflow

Level up | Level down | Cut | Copy | Paste | Delete

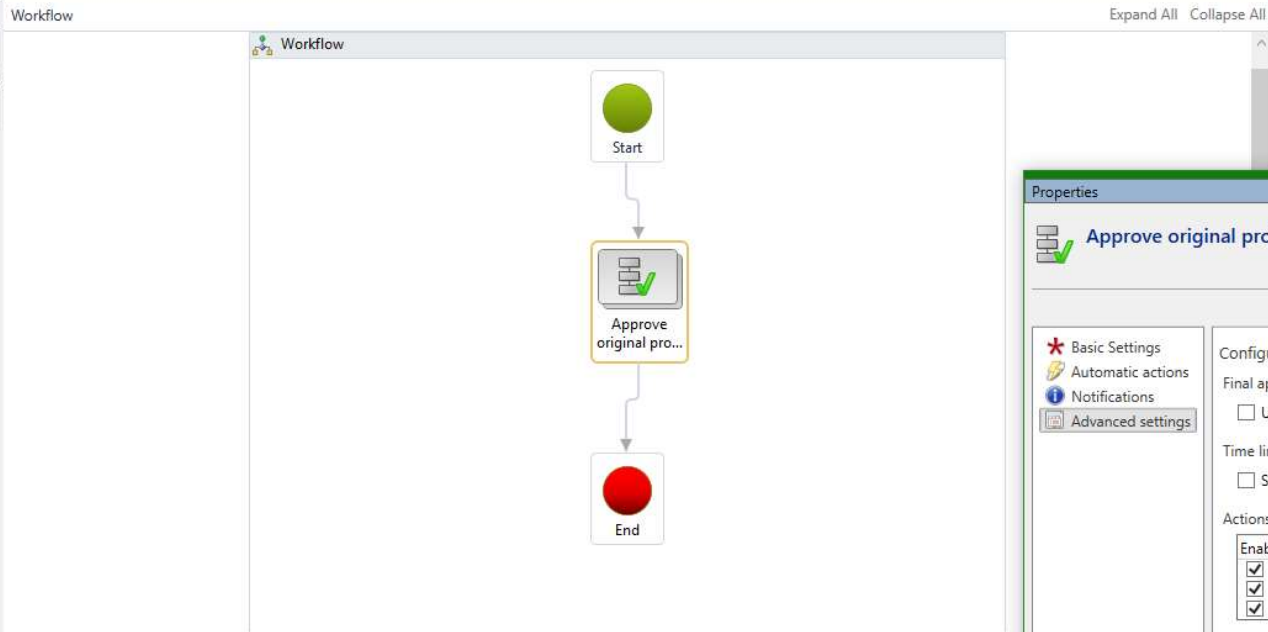
Toolbox | Properties | Error pane | Show

Basic Settings | Automatic actions | Notifications | Modify element

Navigate | Edit

Workflow elements

- Approvals
 - Approve original project budg
- Flow controls
 - Conditional decision
 - Manual decision
 - Parallel activity
 - Subworkflow



Errors and warnings (1)

Description	Path
You must define submission instructions for workflow in order to help users understand what action(s) they need to take.	\Submission instructions

Errors and warnings (1)

Customer Service Por | Delta Dental | Learning Portal | Course View

USSI

Properties

Approve original project budget

Basic Settings | Automatic actions | Notifications | Advanced settings

Configure advanced settings

Final approver

Use final approver

Time limit

Set a time limit for the workflow element

Actions allowed for this workflow

Enabled Action	Description
<input checked="" type="checkbox"/>	Approve
<input checked="" type="checkbox"/>	Reject
<input checked="" type="checkbox"/>	Delegate

Close

Save and close | Cancel

Project - actual vs. budget - profit and loss

Contoso Consulting USA

Budget Original

Total cost
Project date from 1/1/2016 to 12/31/2019

Revenue
Project date from 1/1/2016 to 12/31/2019

Gross margin
Project date from 1/1/2016 to 12/31/2019

Project	Name	Actual	Budget	Sum	Actual	Budget	Sum	Actual	Budget	Sum
0000099	District Mall Firewall	1,552,749	0	1,552,749	2,458,636	0	2,458,636	905,886.6	0.0	905,886.6
0000100	Worthwhile Activity Store	488,645	0	488,645	764,909	0	764,909	276,263.4	0.0	276,263.4
0000101	Global Sporting Goods	497,387	0	497,387	764,909	0	764,909	267,521.4	0.0	267,521.4
0000102	Global Sporting Goods - Phase 2	286,327	0	286,327	437,091	0	437,091	150,763.8	0.0	150,763.8
0000103	Alpine Electronics E-Commerce	308,091	0	308,091	491,727	0	491,727	183,636.4	0.0	183,636.4
0000105	ERP for Recreation Systems	1,950	0	1,950	3,500	0	3,500	1,550.0	0.0	1,550.0
0000116*	Eastside ERP Implementation	40,600	334,880	375,480	0	412,400	412,400	-40,600.0	77,520.0	36,920.0
0000118	Brakes & Gears XRM	76,000	0	76,000	79,916	0	79,916	3,915.9	0.0	3,915.9
0000120	Cloud deployment	2,880	0	2,880	0	0	0	-2,880.0	0.0	-2,880.0
0000122	Honest Repair Svc MDS implementation	70,800	0	70,800	0	0	0	-70,800.0	0.0	-70,800.0
0000126	Alpine Ski House	0	26,000	26,000	0	44,000	44,000	0.0	18,000.0	18,000.0
0000129	Project Budget Project	0	44,100	44,100	0	0	0	0.0	-44,100.0	-44,100.0
0000130	Software	0	35,000	35,000	0	0	0	0.0	-35,000.0	-35,000.0
Total		36,384,743	439,980	36,824,723	57,012,820	456,400	57,469,220	20,628,076.6	16,420.0	20,644,496.6

Best Practices

Forecasts

- Use multiple Forecasts
 - One For EAC
 - One for ETC – Forecast reduction
 - One for approved budget (BAC) – Project Budget
 - Several for updated budgets
- Use PowerBI or your tool of choice to report your projects

Suggested Process





Next Session June 21, 2019

Project Costing

 **D365UG|AXUG**

Thank you for attending

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