Job Guide #6

Financial Management for Capitalized Projects
FINANCIAL MANAGEMENT FOR CAPITALIZED PROJECTS

DOCUMENT SUMMARY

This job guide provides step-by-step instruction for accessing and viewing project financial information for capitalized projects.

The purpose of this document is to serve as guided reference and/or new hire training on the functionality of project financials for capitalized projects available to applicable users in Facilities Connect.

VERSION INFORMATION (THIS DOCUMENT)

<table>
<thead>
<tr>
<th>Version</th>
<th>Release Date</th>
<th>Action</th>
<th>Owner</th>
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<tbody>
<tr>
<td>1.0</td>
<td>2/21/2019</td>
<td>Created</td>
<td>NU Facilities</td>
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Notes: This is the original version of the document; content within represents delivered system functionality at PM Module go-live (11/27/2018), and has been verified as up-to-date of this document’s release (2/21/19)

REVISION HISTORY
GETTING STARTED

To begin, access the Facilities Connect Home Screen.

In order to review Project Financials as outlined in this job guide, the project must:

a) Be an existing project, already created in Facilities Connect

b) Have its Project Category selected as Capitalized, and include a capital chartstring.
**GETTING STARTED**

- Locate your desired project, contained within the 'My Projects' Phase portlets (center of Facilities Connect Home Screen)

**PROCESS**

**IMPORTANT**

![Image of Northwestern Facilities Connect Home Screen](image-url)
1) Click on the **Project Name** to open project details

<<Upon clicking, the Capital Project Form will open as a new window displaying project details>>
2) To access and view project financial information, click on the Budget tab at the top of the form.

<<Upon clicking, Budget details will open in the same window>>
On the Budget tab, you are able to view detailed project financial information, organized across several sections of the Capital Project Form.

For Capitalized projects, financial information displayed in Facilities Connect is automatically received and refreshed via daily updates from NU Financials (system of record).

The Summary section provides a high-level project financial snapshot, including:

**A. Budget grouping**
- Original Budget is the original budgeted amount for the project, established during the creation of the project's capital chartstring.
- Budget Changes represents the net change to project budget (i.e., sum of budget increases and decreases) following the creation of the original project budget.
- Current Budget (a+b) is the project’s current budget; it represents the sum of the Original Budget and Budget Changes line items.

**B. Commitments grouping**
- Commitments represents the sum of all vendor purchase orders that have been created for the project.
- Invoices Paid represents the sum of all vendor invoice payments that have been released for the project.
- Encumbrance Balance (d-e) is the current balance of encumbrances (i.e., Commitments less Invoice Payments) for the project.

**IMPORTANT**

- Capital Project Form > Budget Tab

**Project Information**

- Original Budget
- Budget Changes
- Current Budget (a+b)
- Commitments
- Invoices Paid
- Encumbrance Balance (d-e)
- Allowance for PM Fee (%)
- Uncommitted Budget (c-f-h-i)

**Forecast**

- Total Incurred (e=g)
- Uncommitted Budget (c-f-h-i)
The Summary section provides a high-level project financial snapshot, including:

C. Incurred grouping
- Invoices Paid represents the sum of all vendor invoice payments that have been processed and released for the project.
- Journals / Job Cost represents the sum of all NU Facilities internal costs (e.g. shop time, PM Fees, etc.) billed to the project.
- Total Incurred (e+g) represents the combined total of internal and external costs that has been spent on the project.

D. Forecast grouping
- Allowance for PM Fee (%*f) captures the project’s currently unrealized, but expected project management fees, based on project Encumbrance Balance and user-entered project management fee percentage.
- Uncommitted Budget (c-f-h-i) represents the portion of the project’s Current Budget that is not committed as a current or expected project cost.

IMPORTANT
The Job Cost Billing section allows applicable users to enter the project management fee (PM Fee) for the project.

E. PM Markup is the PM Fee for the project, entered as a percentage.

Note: When entering the PM Fee percentage, do not include a percent sign in your entry.

Here are some examples of how to enter the PM Fee:
- Enter "4" for a 4% PM Fee
- Enter "3.5" for a 3.5% PM Fee

```plaintext
- Enter "4" for a 4% PM Fee
- Enter "3.5" for a 3.5% PM Fee
```

[Diagram of job cost billing]

**IMPORTANT**

CAPITAL PROJECT FORM > BUDGET TAB

[Table of budget code structure with data]
The Current Budget Balance section provides project budget and cost information at the account code level.

F. Current Budget Balance is a sortable and filterable table containing budget and cost details for each project account code. Not: You may click on any account code line item in the table to view additional details.

The Cost Overview section provides a space to capture any notes or assumptions regarding project financial information.

G. Cost Overview is a free text field, allowing the Project Manager to record any notes or assumptions regarding project financial information.

H. Project Budget
The Project Budget section provides a record of project budget updates; this includes the creation of the original project budget as well as budget changes.

H. Project Budget is a log of project budget updates, including the date of each update. You may click on any line item in this section to view additional details, including amounts by project account code.

Important: Do Not use the Add button in this section. All updates to Project Budget are automatically received and refreshed via daily updates from NU Financials.
3) Next, to view project Purchase Orders, Invoices, and Payment Releases, click on the Procurement tab at the top of the form.

<<Upon clicking, Procurement details will open in the same window>>
On the Procurement tab, you are able to view project purchase order, invoice, and payment release information, organized in two (2) sections of the Capital Project Form.

**Note:** On this tab, always be aware of the number of items present within each section (shown on the Information Bar).

As a default, Facilities Connect will display the first ten (10) items in each section. This can be adjusted by changing the number of visible records via the **Show** dropdown on the right side of each section.
### I. Contracts and Purchase Orders

Contracts and Purchase Orders is a sortable and filterable table containing budget and cost details for each project account code.

- **Vendor Company Name** – name of the vendor as indicated on the new purchase order form
- **ID** - purchase order ID number
- **Type** - indicates the record type of the individual line item
- **Date** – date of purchase order creation (or last update to PO amount)
- **PO Amount** – total amount of the purchase order (includes initial amount and any changes)
- **Total Invoice** – total of NU invoice payments applied to the purchase order

**Note:** You may click on any purchase order line item in the table to view additional details.
The Billing section provides a list of project invoices and payment release information.

J. Billing is a sortable and filterable table containing invoice (PO and journal) and payment information:

- **ID** – ID number for the invoice or payment release
- **Type** – indicates the record type of the individual line item
  - PO Invoice – represents an invoice of charges corresponding to a vendor PO
  - Journal Invoice – represents an invoice of charges which is internal in nature (e.g. NU Facilities shop time, PM Fees, etc.)
  - Payment Release – a record indicating that a payment has been released for a corresponding PO or Journal invoice
- **Date** – date of the invoice or payment release
- **Name** – the system-created name for the invoice or payment release record
- **Status** – indicates the status of the invoice or payment release

**Note:** You may click on any invoice or payment release line item in the table to view additional details.