Project Billing and Change Management

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Timing and Agenda

August 16, 2022 -10:00 AM -11:30 AM

Day 1

Lesson 1: Billing Projects for Progress and Time and Material

Lesson 2: Using Prices and Rates in Billing

Lesson 3: Making Adjustments to Pro Forma Invoices

August 17, 2022 -10:00 AM -11:30 AM

Day 2

Lesson 4: Grouping Invoices

Lesson 5: Modifying Billing Rules

Lesson 6: Correcting Actual Income of Projects

Lesson 7: Processing Project Transactions

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Timing and Agenda

August 18, 2022 -10:00 AM -11:30 AM

Day 3

Lesson 8: Tracking Employee Work in Projects

Lesson 9: Tracking Changes to the Budget

Lesson 10: Tracking Changes to Commitments

Day 1

Part 1: Advanced Billing

Lesson 1: Billing Projects for Progress and Time and Material

Learning Objectives

In this lesson, you will learn how to do the following:

- Make sure that the project is pending billing

- Make sure that the project is ready to be billed

- Run project billing for a single project or multiple projects

- Process the documents that have been generated during the project billing

- Review how the project's actual amounts are updated with the billed amounts

Project Billing: To Bill a Project with Combined Rule

Story

Suppose that the Thai Food Restaurant customer has ordered a juicer from the SweetLife Fruits & Jams company, along with installation of the juicer and training of the company's employees on operating the juicer. The SweetLife project accountant has created a project to handle the tracking and billing of the juicer and the provided services.

Both companies have agreed that the customer will be billed in two stages. At the end of the first stage, the customer will pay for 40 percent of the services, which have a fixed price, and for the juicer (which is installed during the first stage). At the end of the second stage (aer the project is completed), the customer will pay for the remainder of the project.

Then suppose that on 1/30/2022, the juicer has been delivered and installed. Acting as the project accountant, you need to update the progress of the project, process the issue of the juicer, and bill the customer for the first stage of the project.

Figure: The project balances

Projects
TOMYUM2 - A juicer with the installation and training for employees

NOTES   FILES   TOOLS ▾

COMPLETE PROJECT   RUN PROJECT BILLING   ···

* Project ID:	TOMYUM2 - A juicer with the installatic 🔍	Status:	Active
Customer:	TOMYUM - Thai Food Restaurant 🔍		
Template:			
* Description:	A juicer with the installation and training for employees		
Currency Rate for Budget:	USD 1.00 ▾ VIEW BASE		

Actual Income: 2,772.00
Actual Expenses: 2,000.00
Margin: 772.00

%:   27.85

SUMMARY   TASKS   REVENUE BUDGET   COST BUDGET   **BALANCES**   INVOICES   CHANGE ORDERS   UNION LOCALS   ACTIVITIES   »

↻   VIEW TRANSACTIONS |↔| ☒

Account Group	Description	Original Budgeted Amount	Revised Budgeted Amount	Actual Amount	Performance (%)
Income					
REVENUE	Project Revenue	680.00	680.00	2,772.00	407.65
	Income Totals	**680.00**	**680.00**	**2,772.00**	**407.65**
Expense					
MATERIAL	Project Material	0.00	0.00	2,000.00	0.00
	Expense Totals	**0.00**	**0.00**	**2,000.00**	**0.00**

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8

Lesson 2: Using Prices and Rates in Billing

Learning Objectives

In this lesson, you will learn how to do the following:

- Create a rate table and rate type

- Define a rate sequence

- Define a rate table with particular rates

- Use billing rates for billing projects

Billing Rates: To Bill a Project with Different Billing Rates

Story

Suppose that the Thai Food Restaurant customer has bought a juicer from the SweetLife Fruits & Jams company and ordered employee training from the company on how to use the juicer. SweetLife's project accountant, Pam Brawner, has created a project to account for the provided services. The training has taken place.

Acting as the project accountant, you need to bill the customer.

Figure: The project balances after project billing

Projects
TOMYUM3 - A juicer with the installation and training for employees

← ▣ ▢ ↺ + 🗑 |< < > >| COMPLETE PROJECT **RUN PROJECT BILLING** ⋯

* Project ID:	TOMYUM3 - A juicer with the installatic 🔍	Status:	Active	Actual Income:	3,400.00
Customer:	TOMYUM - Thai Food Restaurant 🔍 ✎			Actual Expenses:	2,720.00
Template:	✎			Margin:	680.00	%:	20.00
* Description:	A juicer with the installation and training for employees				

SUMMARY TASKS REVENUE BUDGET COST BUDGET **BALANCES** INVOICES CHANGE ORDERS UNION LOCALS ACTIVITIES EMPLOYEES EQUIPN

↻ VIEW TRANSACTIONS |↔| 🗎

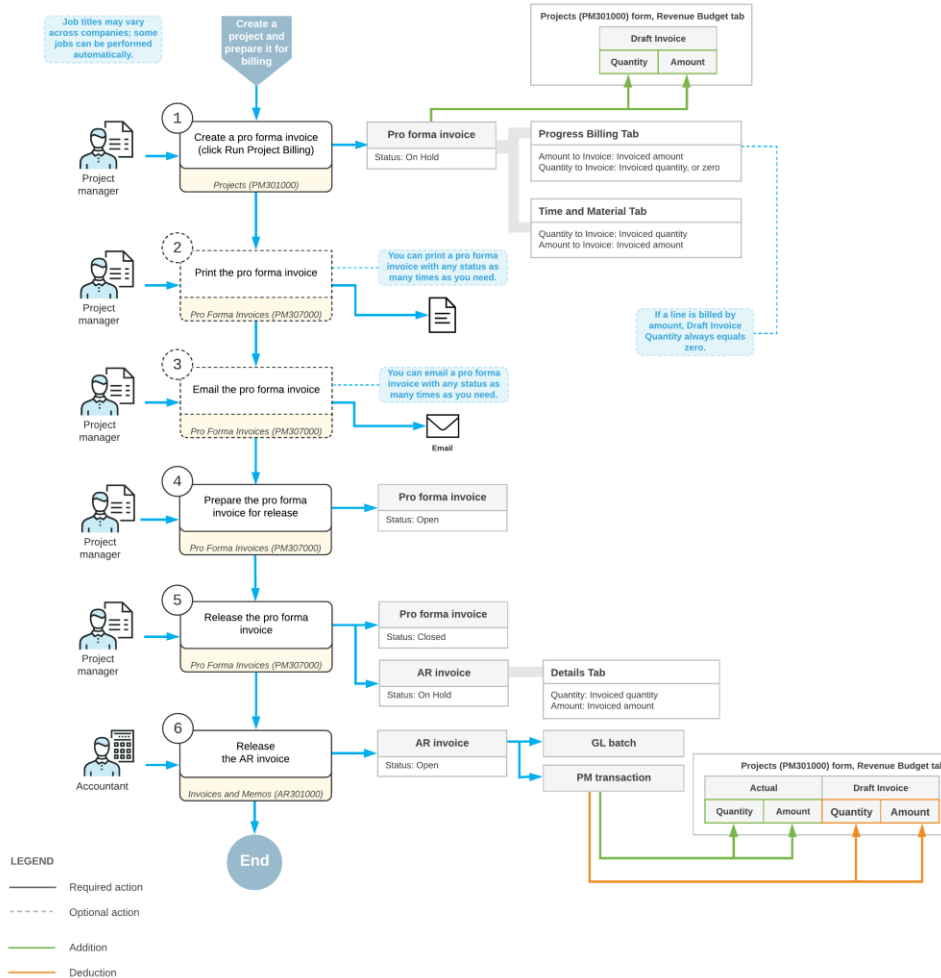| Account Group	Description	Original Budgeted Amount	Revised Budgeted Amount	Actual Amount	Performance (%)
Income					
REVENUE	Project Revenue	0.00	0.00	3,400.00	0.00
	Income Totals	0.00	0.00	3,400.00	0.00
Expense					
LABOR	Project Labor	400.00	400.00	400.00	100.00
MATERIAL	Project Material	2,000.00	2,000.00	2,000.00	100.00
SUBCON	Project Subcontract	320.00	320.00	320.00	100.00
	Expense Totals	2,720.00	2,720.00	2,720.00	100.00

Lesson 3: Making Adjustments to Pro Forma Invoices
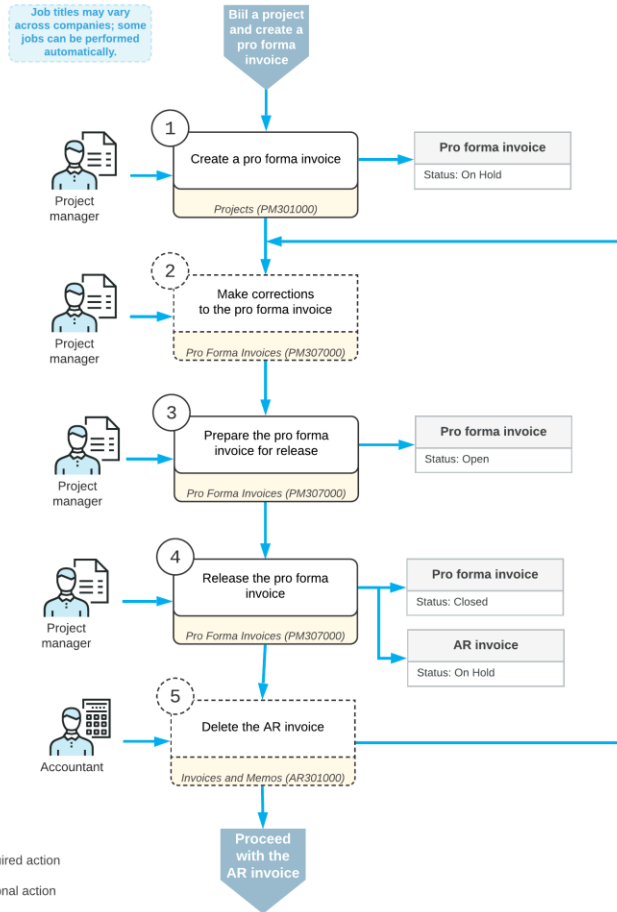
Learning Objectives

In this lesson, you will learn how to do the following:

• Configure the pro forma invoice workflow for a project

• Create a pro forma invoice

• Print the pro forma invoice

• Send the pro forma invoice as an email

• Add to the pro forma invoice an extra adjustment line that does not originate from project transactions

• Postpone the billing of a pro forma invoice line

• Write off a pro forma invoice line partially or fully

• Create an accounts receivable invoice based on a pro forma invoice

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Pro forma invoice workflow

Create a project and prepare it for billing

Job titles may vary across companies; some jobs can be performed automatically.

Projects (PM301000) form, Revenue Budget tab

Draft Invoice	
Quantity	Amount

1 Create a pro forma invoice (click Run Project Billing)
Projects (PM301000)

Project manager

Pro forma invoice
Status: On Hold

Progress Billing Tab
Amount to Invoice: Invoiced amount
Quantity to Invoice: Invoiced quantity, or zero

Time and Material Tab
Quantity to Invoice: Invoiced quantity
Amount to Invoice: Invoiced amount

If a line is billed by amount, Draft Invoice Quantity always equals zero.

2 Print the pro forma invoice
Pro Forma Invoices (PM307000)

Project manager

You can print a pro forma invoice with any status as many times as you need.

3 Email the pro forma invoice
Pro Forma Invoices (PM307000)

Project manager

You can email a pro forma invoice with any status as many times as you need.

Email

4 Prepare the pro forma invoice for release
Pro Forma Invoices (PM307000)

Project manager

Pro forma invoice
Status: Open

5 Release the pro forma invoice
Pro Forma Invoices (PM307000)

Project manager

Pro forma invoice
Status: Closed

AR invoice
Status: On Hold

Details Tab
Quantity: Invoiced quantity
Amount: Invoiced amount

6 Release the AR invoice
Invoices and Memos (AR301000)

Accountant

AR invoice
Status: Open

GL batch

PM transaction

Projects (PM301000) form, Revenue Budget tab

Actual		Draft Invoice	
Quantity	Amount	Quantity	Amount

End

LEGEND

——————	Required action
- - - - - -	Optional action
——————	Addition
——————	Deduction

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Making corrections to a pro forma invoice

Job titles may vary across companies; some jobs can be performed automatically.

Biil a project and create a pro forma invoice

1 Create a pro forma invoice

Project manager

Projects (PM301000)

Pro forma invoice

Status: On Hold

2 Make corrections to the pro forma invoice

Project manager

Pro Forma Invoices (PM307000)

3 Prepare the pro forma invoice for release

Project manager

Pro Forma Invoices (PM307000)

Pro forma invoice

Status: Open

4 Release the pro forma invoice

Project manager

Pro Forma Invoices (PM307000)

Pro forma invoice

Status: Closed

AR invoice

Status: On Hold

5 Delete the AR invoice

Accountant

Invoices and Memos (AR301000)

Proceed with the AR invoice

LEGEND

———— Required action

- - - - - Optional action

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14

Pro Forma Invoice: To Make Adjustments

Story

Suppose that the Thai Food Restaurant customer has ordered a juicer, along with the services of installation and employee training on operating the juicer from the SweetLife Fruits & Jams company. SweetLife's project accountant has created a project. The juicer has been delivered and installed, and a consultant has provided the training. The project accountant has billed the customer and sent the created pro forma invoice for approval.

SweetLife and the customer have agreed on the following adjustments to the pro forma invoice:

• The customer will pay $2,000 of the cost of the juicer with the first invoice (the accounts receivable invoice corresponding to this pro forma invoice) and the rest of the juicer's cost with the second invoice next month.
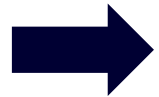
Pro Forma Invoice: To Make Adjustments

Story

• The cost of the site review should be written off of the invoice, because the project manager agreed to provide the customer a free site review.

• A 50% discount will be applied to the cost of the training.

• The customer will pay $100 for an additional training session in Phase 1 of the project.

Acting as the project accountant, you will make the needed corrections to the pro forma invoice and bill the customer. You will then bill the customer for the second time with the amount postponed in the first invoice.

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Figure: The adjustments to the pro forma invoice

Figure: The transaction with the unbilled remainder

Project Transaction Details   TOOLS ▾
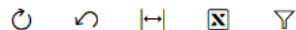
Project:	TOMYUM4
Account Group:	MATERIAL - Project Material
Project Task:	PHASE1 - Installation of the juicer
Cost Code:	
Inventory ID:	
Account:	
AR Doc. Type:	
AR Doc. Nbr.:	
Tran. ID:	

From:
To:
Employee:
☐ Show only Allocation Transactions
☐ Include Unreleased Transactions

Project Task	Billable	Billed	Released	Allocated	Orig. Doc. Type	Orig. Doc. Nbr.	Inventory ID	Pro Forma Ref. Nbr.	Invoice Ref. Nbr.
PHASE1	☑	☑	☑	☐			JUICER15	000003	000113
PHASE1	☑	☐	☑	☐	Unbilled Remainder	000113	JUICER15		

Day 2

Lesson 4: Grouping Invoices

Learning Objectives

In this lesson, you will learn how to do the following:

• Configure project billing to create a single invoice for the project or to create multiple separate invoices

• Bill the project with different billing rules assigned to the project tasks

• Bill a project task separately from the other tasks of the project

• Bill project transactions that are associated with particular account groups separately from the other

Grouping Invoices: Process Activity

Story

Suppose that the Thai Food Restaurant customer has ordered two juicers from the SweetLife Fruits & Jams company, along with the following services: site review, installation, and employee training on operating the juicers. The project accountant of SweetLife has created the project to handle the tracking and billing of the provided materials and services. The project has three tasks that represent three phases of the project execution:

- Phase 1: Installation of the first juicer

- Phase 2: Installation of the second juicer

- Phase 3: Training on operating the juicers
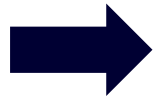
Grouping Invoices: Process Activity

Story

The juicers have been delivered and installed, and SweetLife's consultant has provided the training. Before each invoice is sent to the customer for payment, the customer has requested that a pro forma invoice be submitted for acceptance.

Acting as the project accountant, you will bill the customer with a single invoice. A□er the first the billing, you will group the invoices in different ways based on the following customer's requests:

• Create a separate invoice for the third phase

• Create a separate invoice for the juicers

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Lesson 5: Modifying Billing Rules

Learning Objectives

In this lesson, you will learn how to do the following:

• Configure billing rules for progress billing

• Configure billing rules for time and material billing

• Configure combined billing rules with multiple steps of different types

• Use billing rates and item prices in billing rules

Billing Rules: To Modify a Billing Rule

Story

Suppose that as part of a contract to provide juicers to multiple restaurants, the Thai Food Restaurant customer has ordered a juicer from the SweetLife Fruits & Jams company, along with the following services: site review, installation, and training of employees on operating the juicer. The SweetLife project accountant has created a project to account for the provided work and has generated a pro forma invoice for the project. Then suppose that the project accountant has reviewed the prepared pro forma invoice, and has decided that the following changes should be made:

• The invoice's description should be corrected to be more clear. The updated description will say Invoice for followed by the identifier of the project.

• The processing of the travel expenses related to the project needs to be added to the billing rule. Per the agreement with the customer, these will be billed with a fixed margin coefficient of 1.4.

• The invoice lines should be grouped by inventory item.

Acting as the project accountant, you need to update the billing rule and verify that invoices are generated in the appropriate format.

Figure: The new step of the billing rule

Figure: The pro forma invoice generated by the updated billing rule

Lesson 6: Correcting Actual Income of Projects

Learning Objectives

In this lesson, you will learn how to create a credit memo for a project.

Project Billing: To Correct the Actual Income of a Project

Story

Suppose that the Thai Food Restaurant customer recently ordered eight hours of training on how to use a juicer it had previously bought from the SweetLife Fruits & Jams company. SweetLife's project accountant created a project for this training, a consultant of SweetLife provided the training, and the project accountant billed the customer.

Further suppose that the project accountant has realized that the consultant provided six hours of training instead of eight, so the company overcharged the customer by $100. Acting as the project accountant, you need to correct the actual amount of the project and create a credit memo for the project.

Figure: The credit memo created for the project

Projects

TOMYUM11 - A training for employees

COMPLETE PROJECT **RUN PROJECT BILLING** ...

* Project ID:	TOMYUM11 - A training for employees	Status:	Active	Actual Income:	300.00
Customer:	TOMYUM - Thai Food Restaurant			Actual Expenses:	0.00
Template:				Margin:	300.00	%:	100.00
* Description:	A training for employees				

SUMMARY TASKS REVENUE BUDGET COST BUDGET BALANCES **INVOICES** CHANGE ORDERS UNION LOCALS ACTIVITY HISTORY EMPLOYEES EQUIPMENT SETTINGS ATTRIBUTES

AIA REPORT RELEASE RETAINAGE

All Records

Pro Forma Date	Pro Forma Reference Nbr.	Application Nbr.	Description	Status	Invoice Total	Curre	AR Doc. Type	AR Reference Nbr.	AR Doc. Date	AR Doc. Description	AR Doc. Orig. Amour	Original Retainage	AR Doc. Total Amount	Open AR Balanc	Curre	AR Doc. Status
1/28/2021	000004		Invoice for TOMYUM11	Closed	400.00	USD	Invoice	000075	1/28/202	Invoice for TOMYUM11	400.00	0.00	400.00	400.00	USD	Open
1/30/2021	000014	0001	Invoice for TOMYUM11	Closed	-100.00	USD	Credit Memo	000102	1/30/202	Invoice for TOMYUM11	100.00	0.00	100.00	100.00	USD	Open

NOTES FILES

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29

Part 2: Transactions and Time Tracking

Lesson 7: Processing Project Transactions

Learning Objectives

In this lesson, you will learn how to do the following:

• Capture project costs using project transactions

• Make the system create a project transaction based on a GL transaction

• Create a project transaction without posting to the general ledger

Project Transactions: Process Activity

Story

Suppose that the Thai Food Restaurant customer has ordered training from the SweetLife Fruits & Jams company on how to use a juicer the company previously bought. Based on the agreement with the customer, SweetLife's project accountant has created a project and has created the following tasks corresponding to the phases of training:

• PHASE1: Training is going to be provided within this task and is subject to billing. Any additional expenses incurred during the completion of this task will not be billed.

• PHASE2: If additional training is required after the initial training in the first task, it will be provided within this task and will not be billed.

Project Transactions: Process Activity

Story

In the first phase, a consultant has provided eight hours of training and spent $50 on a taxi. Then the customer requested additional training, and the consultant has provided four extra hours of training in the second phase.

Acting as the project accountant, you need to enter the general ledger transactions to directly capture the costs involved with delivering the first phase of training. The Thai Food Restaurant company covers travel expenses, so they should not affect the project budget. Then you need to enter the project transaction to capture the costs involved with delivering the second phase of training, but the costs should not affect the general ledger.

Figure: The project transaction that produces no GL transaction

Day 3

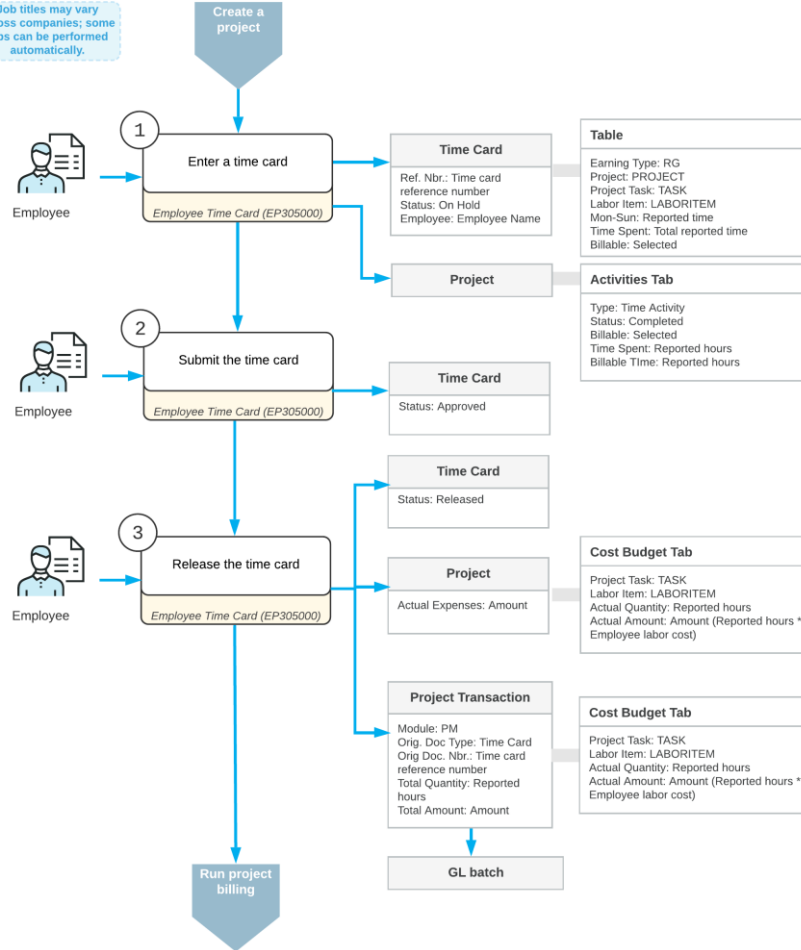# Lesson 8: Tracking Employee Work in Projects

Learning Objectives

In this lesson, you will learn how to do the following:

• Enter a billable time activity related to a project, and log the time spent for the project

• Enter a billable time card related to a project, and log the time spent for the project

• Bill a project for employees' time spent working on it

Reporting billable time for a project

Create a project

1 — Enter a time card
Employee Time Card (EP305000)

Employee

Time Card
Ref. Nbr.: Time card reference number
Status: On Hold
Employee: Employee Name

Table
Earning Type: RG
Project: PROJECT
Project Task: TASK
Labor Item: LABORITEM
Mon-Sun: Reported time
Time Spent: Total reported time
Billable: Selected

Project

Activities Tab
Type: Time Activity
Status: Completed
Billable: Selected
Time Spent: Reported hours
Billable TIme: Reported hours

2 — Submit the time card
Employee Time Card (EP305000)

Employee

Time Card
Status: Approved

3 — Release the time card
Employee Time Card (EP305000)

Employee

Time Card
Status: Released

Project
Actual Expenses: Amount

Cost Budget Tab
Project Task: TASK
Labor Item: LABORITEM
Actual Quantity: Reported hours
Actual Amount: Amount (Reported hours * Employee labor cost)

Project Transaction
Module: PM
Orig. Doc Type: Time Card
Orig. Doc. Nbr.: Time card reference number
Total Quantity: Reported hours
Total Amount: Amount

Cost Budget Tab
Project Task: TASK
Labor Item: LABORITEM
Actual Quantity: Reported hours
Actual Amount: Amount (Reported hours * Employee labor cost)

Run project billing

GL batch

Labor Items: To Define Labor Cost Rates

Story

Suppose that in the SweetLife Fruits & Jams company, the price of the consulting services depends on the qualifications of the consultant who provides the service. Acting as SweetLife's project manager, you need to define the labor cost rates for three of your company's consultants:

• Pam Brawner, a project manager, whose work rate is $48 per hour

• Jon Waite, a senior consultant, whose work rate is $44 per hour

• Alberto Jimenez, a junior consultant, whose work rate is $40 per hour

Figure: The added labor cost rates

Labor Rates

Labor Rate Type:	All		Employee:			
Project:			Labor Item:			
Project Task:			Union Local:			
Effective Date:						

			Labor Rate Type	Union Local	Project	Project Task	Employee	Employee Name	Labor Item	Description	Type of Employment	Regular Hours per week	Annual Rate	Rate	Burden Rate	Curren	External Ref. Nbr	*Effective Date
>			Employee				EP00000001	Pam Brawner	CONSULTPM	Project Manager	Hourly	40.0		45.0000	45.0000	USD		12/1/2021
			Employee				EP00000035	Jeffrey Vega	TECHNICIAN	Service and repair technician	Hourly	40.0		45.0000	45.0000	USD		12/1/2021
			Employee				EP00000004	Alberto Jimenez	CONSULTJR	Junior Consultant	Hourly	40.0		40.0000	40.0000	USD		1/1/2022
			Employee				EP00000003	Jon Waite	CONSULTSR	Senior Consultant	Hourly	40.0		44.0000	44.0000	USD		1/1/2022
			Employee				EP00000001	Pam Brawner	CONSULTPM	Project Manager	Hourly	40.0		48.0000	48.0000	USD		1/1/2022

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Employee Time Billing: Process Activity

Story

Suppose that Lake Cafe has requested 40 hours of training on operating juicers that were previously purchased from and installed by the SweetLife Fruits & Jams company. Jon Waite, SweetLife's senior consultant, has provided 16 hours of training (three hours on Monday, January 31, 2022; five hours on Tuesday, February 1; and eight hours on February 3).

Acting as SweetLife's project accountant, Pam Brawner, you need to create a project to account for the provided services. Then acting as Jon Waite, you need to enter a time card to log the work related to the project. Finally, again acting as Pam Brawner, you need to bill the project and review the invoice prepared for the customer.

Figure: The cost budget updated based on the released time card

Part 3: Single-Tier Change Management

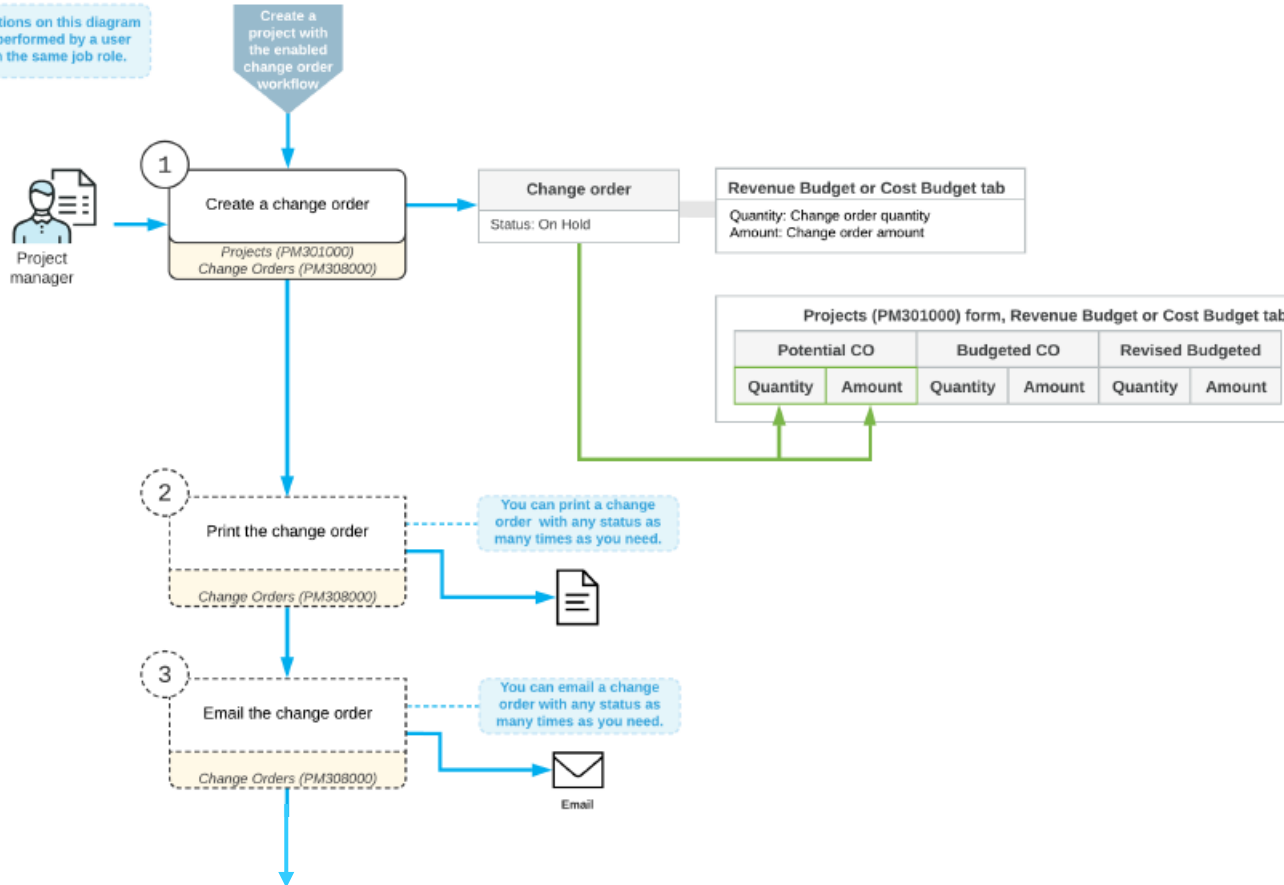# Part 3: Single-Tier Change Management

Learning Objectives

In these lessons, you will learn how to do the following:

• Configure a change order class

• Create a change order for a project

• Update the project budget with the change order

• Update cost commitments with the change order

• Review the changes made with change orders in the project budget

• Prevent direct purchases for the project

Managing changes in the project budget

All actions on this diagram are performed by a user with the same job role.

Create a project with the enabled change order workflow

Project manager

1 Create a change order

Projects (PM301000)
Change Orders (PM308000)

Change order

Status: On Hold

Revenue Budget or Cost Budget tab

Quantity: Change order quantity
Amount: Change order amount

Projects (PM301000) form, Revenue Budget or Cost Budget tab					
Potential CO		Budgeted CO		Revised Budgeted	
Quantity	Amount	Quantity	Amount	Quantity	Amount

2 Print the change order

Change Orders (PM308000)

You can print a change order with any status as many times as you need.

3 Email the change order

Change Orders (PM308000)

You can email a change order with any status as many times as you need.

Email

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44

4 Prepare the change order for release (click Remove Hold)

Change Orders (PM308000)

Change order
Status: Open

5 Release the change order

Change Orders (PM308000)

Change order
Status: Closed

Projects (PM301000) form, Revenue Budget or Cost Budget tab

Potential CO		Budgeted CO		Revised Budgeted	
Quantity	Amount	Quantity	Amount	Quantity	Amount

End

LEGEND

—————— Required action

- - - - - - Optional action

—————— Addition

—————— Deduction

Lesson 9: Tracking Changes to the Budget

Single-Tier Change Management: To Track Changes to the Project Budget

Story

Suppose that the Thai Food Restaurant customer has ordered two juicers, along with eight hours of the installation service from the SweetLife Fruits & Jams company. SweetLife's project accountant has created a project and configured the revenue and cost budgets based on the agreement reached with the customer. During project execution, the customer requests one more juicer, along with the installation, as a part of the same project. The project accountant estimated that installation of additional juicer will require five hours of the installation service.

Acting as the project accountant, you will turn on the change order workflow for the project and create a change order to update the project budget according to the customer's request and to reflect these changes at the project budget level.

Figure: The cost budget updated with the change order

Projects

TOMYUM6 - Juicers with the installation

NOTES FILES TOC

* Project ID:	TOMYUM6 - Juicers with the installati 🔍	Status: Active
Customer:	TOMYUM - Thai Food Restaurant 🔍 ✎	Actual Income: 0.00
Template:	✎	Actual Expenses: 0.00
* Description:	Juicers with the installation	Margin: 0.00 %: 0.00

SUMMARY | TASKS | REVENUE BUDGET | **COST BUDGET** | BALANCES | INVOICES | CHANGE ORDERS | UNION LOCALS | ACTIVITIES | EMPLOYEES | EQUIPMENT | DEFAULTS | ATTRIBUTES
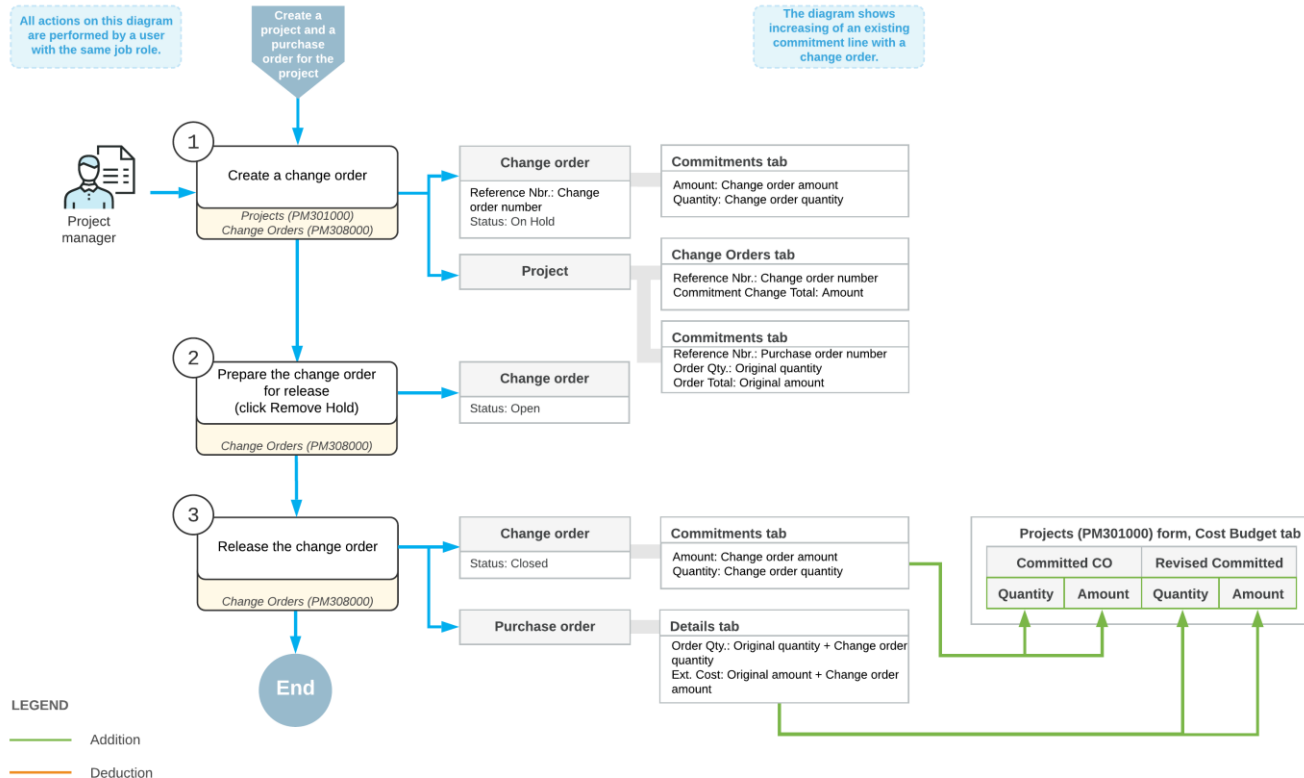
Project Task: [🔍]   ☐ Group by Task

↻ + ✕ VIEW TRANSACTIONS ⊢⊣ ☒ ⬆   All Records ▾

* Account Group	Description	Original Budgeted Quantity	UOM	Unit Rate	Original Budgeted Amount	Potential CO Quantity	Potential CO Amount	Budgeted CO Quantity	Budgeted CO Amount	Revised Budgeted Quantity	Revised Budgeted Amount	Actual Quantity
LABOR	Installation of equipment at the customers' …	8.00	HOUR	80.0000	640.00	0.00	0.00	5.00	400.00	13.00	1,040.00	0.00
MATERIAL	Commercial juicer with a production rate of …	2.00	PIECE	2,000.0000	4,000.00	0.00	0.00	1.00	2,000.00	3.00	6,000.00	0.00

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Lesson 10: Tracking Changes to Commitments

Managing changes in commitments

All actions on this diagram are performed by a user with the same job role.

Create a project and a purchase order for the project

The diagram shows increasing of an existing commitment line with a change order.

1 Create a change order
Projects (PM301000)
Change Orders (PM308000)

Change order
Reference Nbr.: Change order number
Status: On Hold

Commitments tab
Amount: Change order amount
Quantity: Change order quantity

Project

Change Orders tab
Reference Nbr.: Change order number
Commitment Change Total: Amount

Commitments tab
Reference Nbr.: Purchase order number
Order Qty.: Original quantity
Order Total: Original amount

2 Prepare the change order for release (click Remove Hold)
Change Orders (PM308000)

Change order
Status: Open

3 Release the change order
Change Orders (PM308000)

Change order
Status: Closed

Commitments tab
Amount: Change order amount
Quantity: Change order quantity

Projects (PM301000) form, Cost Budget tab

Committed CO		Revised Committed	
Quantity	Amount	Quantity	Amount

Purchase order

Details tab
Order Qty.: Original quantity + Change order quantity
Ext. Cost: Original amount + Change order amount

End

LEGEND

Addition

Deduction

Project manager

Single-Tier Change Management: To Create a Change Order Class

Story

Suppose that you, as the system administrator of the SweetLife Fruits & Jams company, need to configure a change order class to be used by a purchase manager for creating change orders for project commitments. The change order class must prevent users from changing the revenue and cost budgets of a project.

Single-Tier Change Management: To Track Changes to Commitments

Story

Suppose that the HM's Bakery and Cafe customer has ordered the services of installation and employee training on operating the previously bought juicer from the SweetLife Fruits & Jams company. The project accountant of SweetLife has created the project in Acumatica ERP and ordered the following services from the Squeezo Inc. vendor:

• Three hours of juicer installation

• Eight hours of training on operating the juicer

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The vendor has provided the services. Acting as the project accountant, you will create a purchase order with both of the provided services in the appropriate quantities. You will then receive the invoice from the vendor and realize that the quantity of the provided services differs from the quantity of the ordered services as follows:

• An hour of an additional service, the site review, was provided.

• The vendor also provided and installed a feeder basket for the juicer.

• The installation took one hour more than the ordered quantity.

• The training took two hours less than the ordered number of hours.

Per the agreement with the vendor, you will adjust the provided services within the created purchase order and create a new purchase order for the feeder basket.

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Figure: Changes to project commitments

Figure: Project commitments updated with the change order

Commitments

↻ ↶ CREATE EXTERNAL COMMITMENT |↔| ☒ ▽

Project:	HMBAKERY12 - Installation of juicers 🔍	Revised Com...	12.00	Committed Received Q...	0.00
Account Group:	🔍	Revised Com...	850.00	Committed Invoiced Qu...	0.00
Project Task:	🔍	Committed Op...	12.00	Committed Invoiced A...	0.00
Cost Code:	🔍	Committed Op...	850.00		
Inventory ID:	🔍				
Related Document Type:	All Commitments ▾				

ALL RECORDS   **COST COMMITMENTS**

		Related Document Type	Related Document	Type	*Project	*Account Group	*Project Task	*Inventory ID	Cost Code	External Ref. Nbr	UOM	Original Committed Quantity	Original Committed Amount	Committed CO Quantity	Committed CO Amount	Revised Committed Quantity	Revised Committed Amount
>	📎 📄	Purchase Order	Normal, 000032	Internal	HMBAKERY12	MATERIAL	INSTALL	BASKET	00-000		PIECE	0.00	0.00	1.00	250.00	1.00	250.00
	📎 📄	Purchase Order	Normal, 000031	Internal	HMBAKERY12	LABOR	INSTALL	TRAINING	00-000		HOUR	8.00	320.00	-2.00	-80.00	6.00	240.00
	📎 📄	Purchase Order	Normal, 000031	Internal	HMBAKERY12	SUBCON	INSTALL	INSTALL	00-000		HOUR	3.00	240.00	1.00	80.00	4.00	320.00
	📎 📄	Purchase Order	Normal, 000031	Internal	HMBAKERY12	LABOR	INSTALL	SITEREVIEW	00-000		HOUR	0.00	0.00	1.00	40.00	1.00	40.00

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Thank you

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