



*rego*University 2019

SAN DIEGO

Financial Management— OOTB Introduction

Your Guides: Robby Elliott and Mindy Calderon

Introductions

- Take 5 Minutes
- Turn to a Person Near You
- Introduce Yourself
- Business Cards



Getting to the Payoff

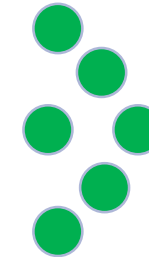
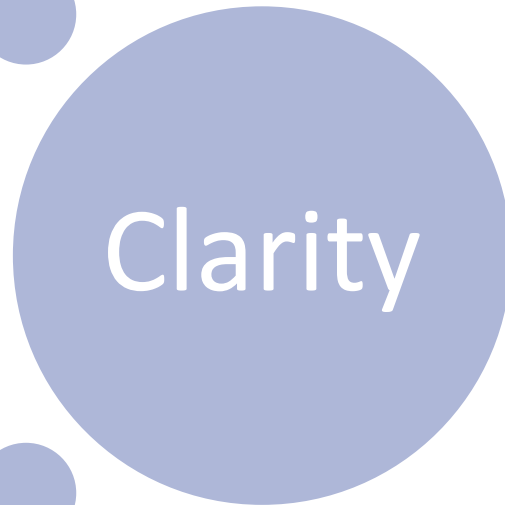
Why?



What?



How?

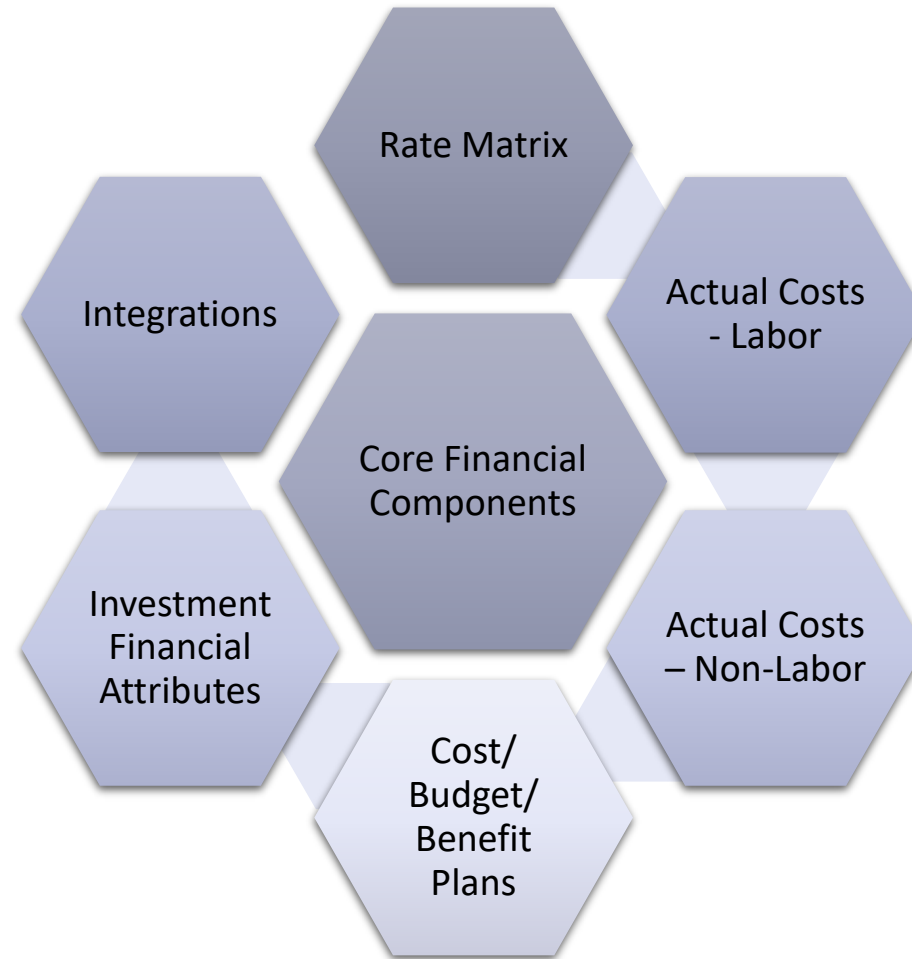


Financial
Management

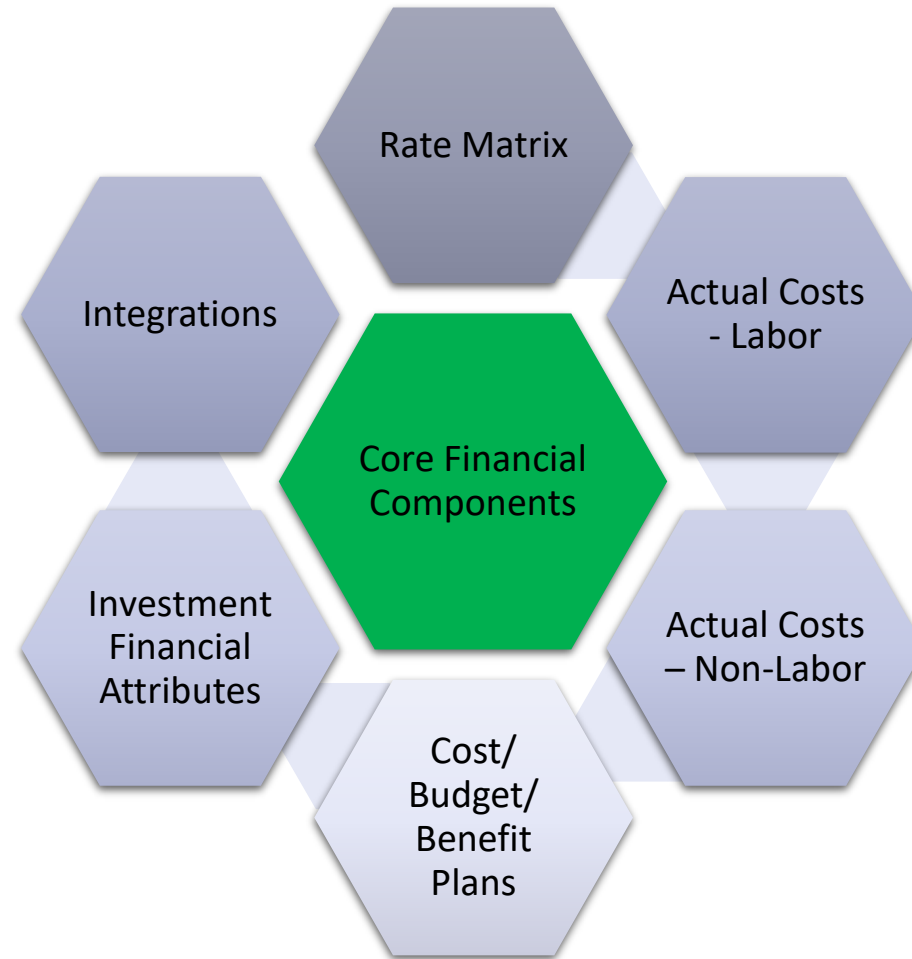
Value of Implementing Financial Management

- Financial Health is a Critical Aspect of Project Management
- Allow the Project Managers to Use One Tool, avoiding multiple Sources for Health of a Project
- Financial Forecasting allows for Robust Strategic Planning
- Financial Reporting has “Gravitas”

Financial Management Components



Financial Management Components



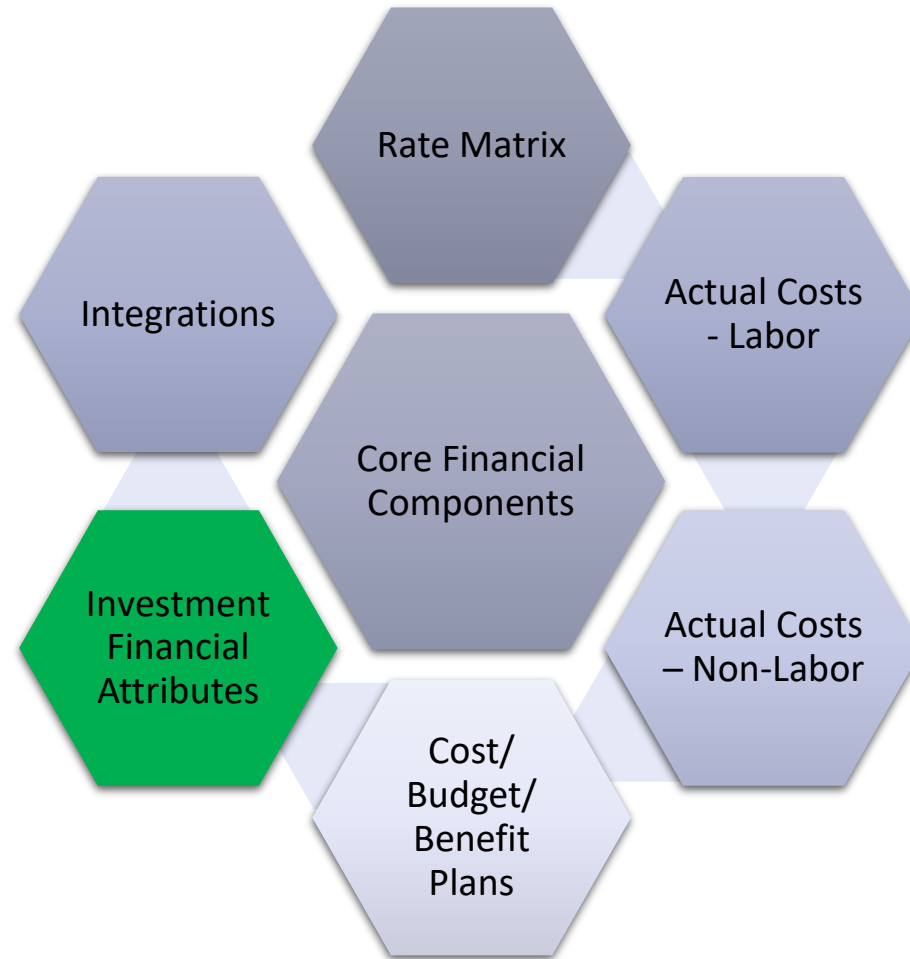
Core Financial Components

- Entity
 - Drives Home, Reporting Currency
 - Drives Other Financial Defaults
- Financial OBS
 - Department (Object and OBS)
 - Location (Object and OBS)
- Fiscal Periods
 - Used within Datamart Jobs
 - Pervasive in Financial Plans and Reports
 - Be Aware: In Roadmaps, Not Portfolios
- Currencies
 - Home, Reporting, Billing, Natural, Euro
 - Exchange Rates

Best Practice

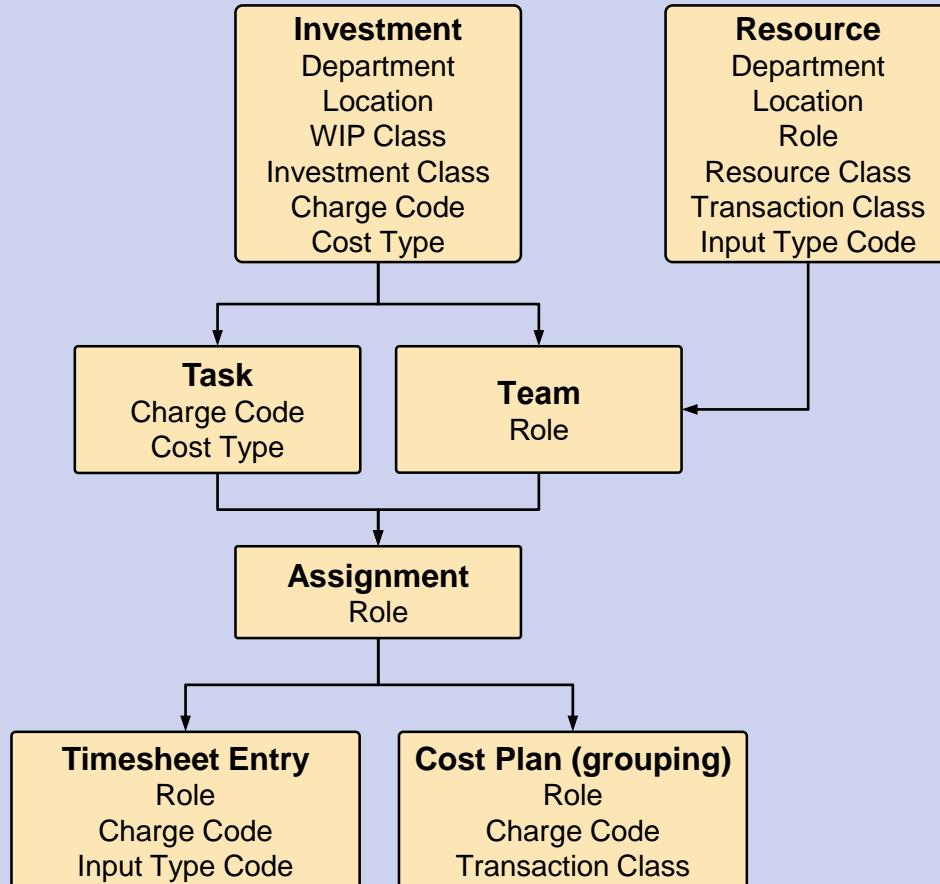
- One Entity if Possible
- Only use Department and Location if needed for rates , otherwise – just one of each

Financial Management Components

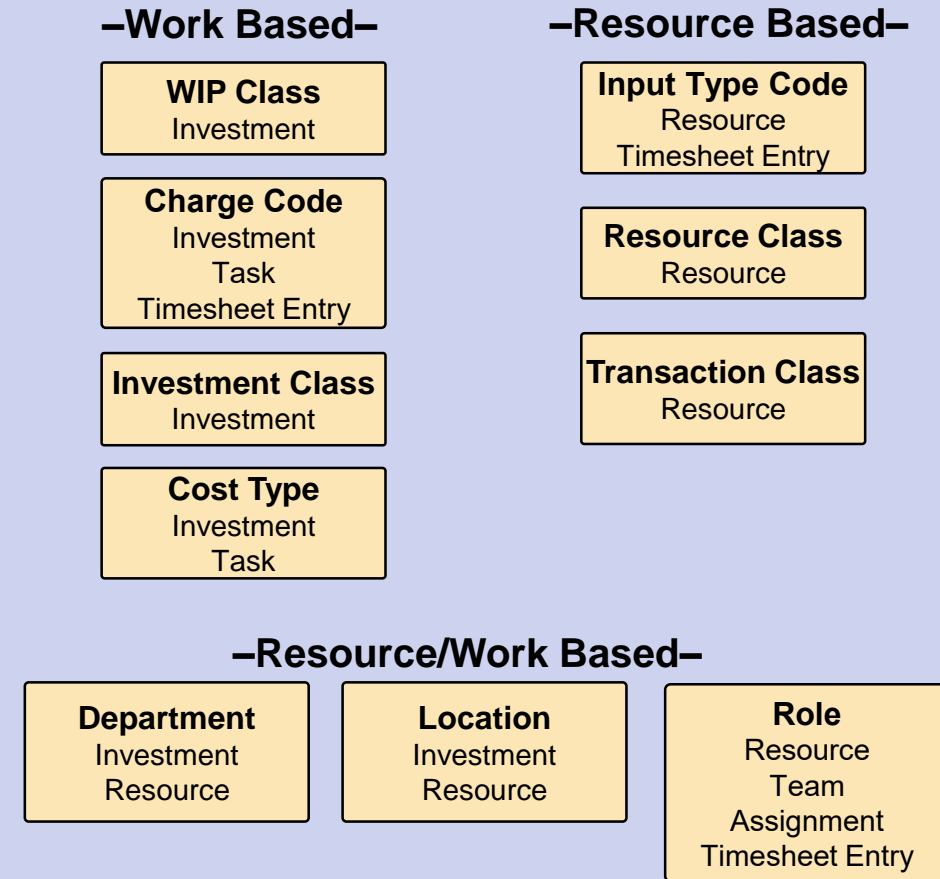


Field Architecture

By Object



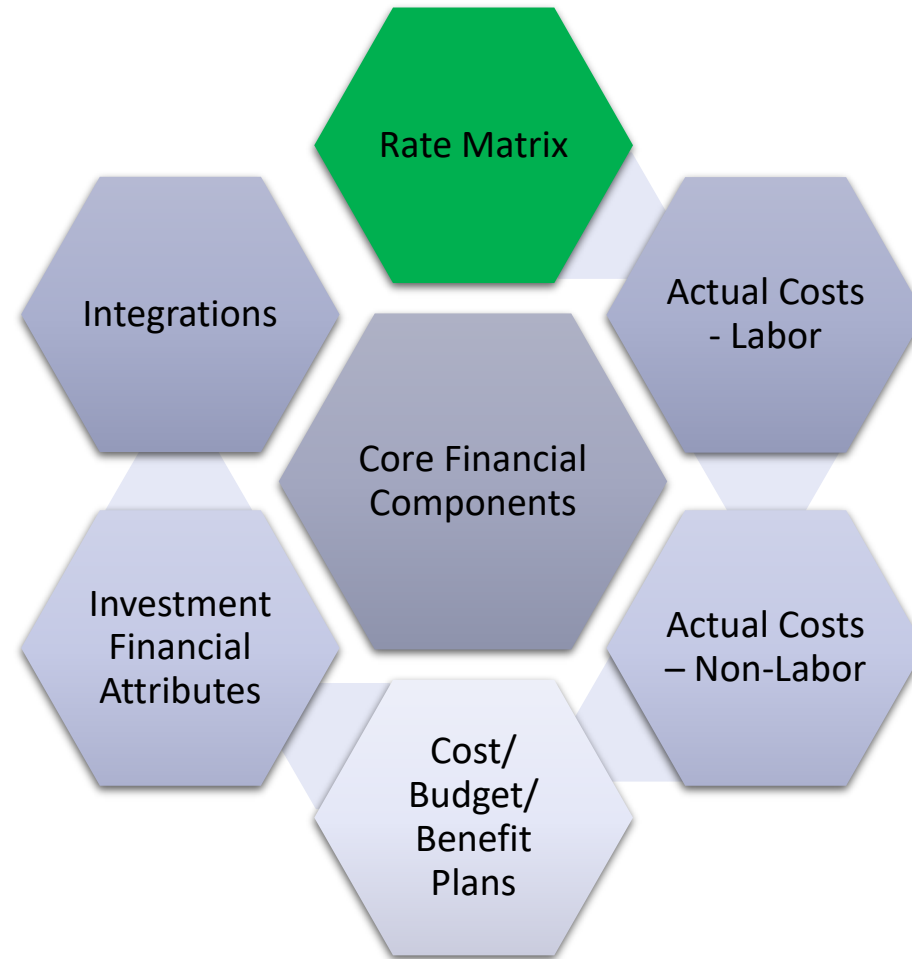
By Field



Common Field Uses

Field	Common Uses	Common Use Area
Location	Country/Region	Rates
Department	Cost Center or Business Unit	Rates, Financial Plan Grouping
WIP Class	Rarely Used	Rates
Investment Class	Rarely Used	Rates
Charge Code	Billable/Non-Billable or Project Phase	Rates
Cost Type	Capital/Operating	Financial Plan Grouping
Role	Resource Planning Roles	Rates, Financial Plan Grouping
Resource Class	Salary Grade	Rates
Transaction Class	Cost Type – HW/SW/Labor/Consulting	Financial Plan Grouping
Input Type Code	Billable/Non-Billable or Overtime/Regular Time	Rates

Financial Management Components



Overview of the Rate Matrix

GENERAL INFORMATION **ASSIGN COLUMNS** EDIT MATRIX ROWS FINISH

Matrix Properties: Assign Columns

MATRIX NAME
Cost Matrix

Assign one or more columns to the matrix, arrange columns in desired order. Only 10 columns could be assigned to the matrix!

Available	Selected
Charge Code	Resource
Client	Department
Client Class	
Cost Type	
Entitv	

Add > < Remove

SAVE SAVE AND CONTINUE RETURN

<input type="checkbox"/>	From Date	To Date	Resource	Resource Role	Location	Department	Rate	Standard Cost	Actual Cost	Cost Plus Code
<input type="checkbox"/>	1/1/90	12/31/99	mpokorny	*	*	rego_rego_consulting	100.00 USD	100.00 USD	100.00 USD	
<input type="checkbox"/>	1/1/90	12/31/99	abuendia	*	*	rego_rego_consulting	200.00 USD	100.00 USD	155.00 USD	
<input type="checkbox"/>	1/1/90	12/31/99	cm_jaeson	*	*	rego_rego_consulting	200.00 USD	100.00 USD	151.00 USD	
<input type="checkbox"/>	1/1/90	12/31/99	cm_amccourt	*	*	rego_rego_consulting	200.00 USD	100.00 USD	152.00 USD	
<input type="checkbox"/>	1/1/90	12/31/99	akunkulol	*	*	rego_rego_consulting	200.00 USD	100.00 USD	153.00 USD	

Matrix Row Properties

MATRIX NAME

Cost Matrix

FROM DATE

1/1/1990

TO DATE

12/31/2999

RESOURCE

abuendia

RESOURCE ROLE

*

LOCATION

*

DEPARTMENT

rego_rego_consulting

RATE

200.00

USD

STANDARD COST

100.00

USD

ACTUAL COST

155.00

USD

CURRENCY

USD

SAVE AND RETURN

RETURN

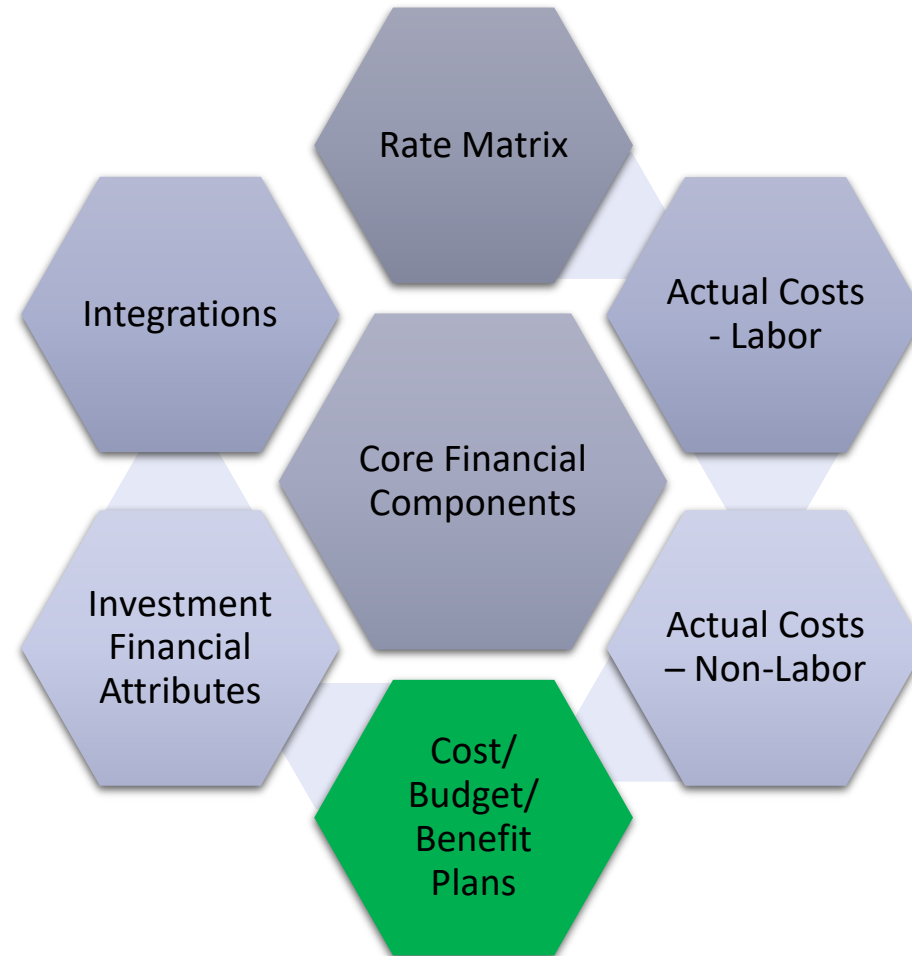
Calculating Rates

- “Best” Rate Chosen Based on Column Order
- Rate Granularity
 - Exact Rates
 - Aggregate or Blended Rates
- Non-Labor
 - Unit Rates
 - \$1 Defaults
- End Dating
- Natural Currency in WIP Driven by Matrix Currency

Best Practice

- End Dating-Minimum of current year +1
- Exact Rates for Contractors
- Aggregate Rates for Internal Resources

Financial Management Components



Overview of Financial Plans

- Cost Plans: The object in which financials are collected.
- Forecasts:
 - Cost Plan marked as POR (Plan of Record).
 - Time scaled view of the planned cost of the investment. It will also show the actual costs as they are incurred. Forecast can be grouped by financial fields like resource class, cost type, transaction class, etc.
- Budget Plans:
 - A forecast becomes a budget plan when approved.
 - “Baseline” for financials.
- Benefit Plans:
 - Time scaled view of the planned and realized benefits of the investment.
 - Benefits are grouped by Class and Subclass
 - **Note: NOT Available within the newUX**

Financial Plans - Cost

- How to Create a Cost Plan
 - Manual
 - New From Investment Team
 - New from Task Assignments
- Can Choose the Classes Used For Grouping
- Actual costs will display in the cost plan

Best Practice

- Set Cost Plan Update Policy
- Pick a method for how cost plans are to be created.
- Default Cost Plans to show key financial metrics

Project: Genius Upgrade Part 2 | Cost Plan: Cost Plan - *Cost Plan Details*

SHOW: Investment Currency View

> Filter: None

	Cost Type	Transaction Class	Cost Total	Actual Cost	Cost Variance		Amounts By Period	
							FY2020	FY2021
<input type="checkbox"/>	Capital	Cost	70,000.00		70,000.00	Cost	50,000	20,000
						Actual Cost		
						Cost Variance	50,000	20,000
<input type="checkbox"/>	Capital	Person	105,000.00		105,000.00	Cost	25,000	80,000
						Actual Cost		
						Cost Variance	25,000	80,000
<input type="checkbox"/>	Capital	Software	500,000.00		500,000.00	Cost	400,000	100,000
						Actual Cost		
						Cost Variance	400,000	100,000
<input type="checkbox"/>	Operating	Person	200,000.00		200,000.00	Cost	100,000	100,000
						Actual Cost		
						Cost Variance	100,000	100,000
<input type="checkbox"/>	Operating	Software	20,000.00		20,000.00	Cost	10,000	10,000
						Actual Cost		
						Cost Variance	10,000	10,000
Cost			895,000.00				585,000	310,000
Actual Cost								
Cost Variance					895,000.00		585,000	310,000

SAVE ADD ✓ DELETE RETURN

Modern UX: Financials

- Cost Plans are viewable on Projects.
 - Cost Plan of record is viewable only. Editing is not supported in the Modern UX.
 - Cost Plans may not be exported, but you can highlight and paste into Excel

VIEW

Planned To Actuals

Initial Cost Plan

SHOWING

Group By

Planned

Planned To Actuals

Planned To Forecast

Actuals

Cost Type		2016-10				20		TOTALS			
		PLANNED	ACTUAL	REMAINING	% SPENT	PLANNED	ACTUAL	PLANNED	ACTUAL	REMAINING	% SPENT
		5,000	0	5,000	0%	5,000	1,680	116,500	9,520	106,980	8%
Capital		3,000	0	3,000	0%	3,000	0	20,500	0	20,500	0%
Capital	Software	0	0			0	0	60,000	0	60,000	0%
Capital	External Labor	0	0			0	0	9,000	0	9,000	0%
Operating	Internal Labor	2,000	0	2,000	0%	2,000	1,680	27,000	9,520	17,480	35%

Modern UX: Financials

- Can create, edit and delete Cost Plans
- Can create manually (manually add rows), or create/update from Task Assignments or Resource Allocations
- No multi-currency support

CA PPM

Genius Upgrade

ON TRACK

CONVERSATIONS TASKS LINKS STATUS FINANCIALS DOCUMENTS RISKS ISSUES

NEW PLAN

PLAN NAME	CREA.. ↓	PERIO...	START PERIOD	FINISH PERIOD	PLANNED COST
Monthly Plan	PLAN OF RECORD	Mar 18...	Monthly	Mar 1, 2018-Ma...	Dec 1, 2018-De... 80,300

COPY DELETE

Monthly Plan

PLAN OF RECORD

VIEW Planned

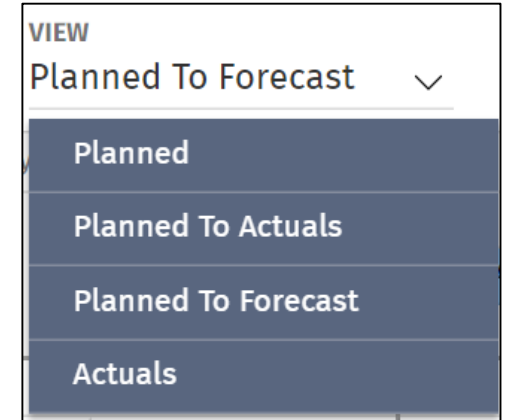
Group By

		MAR 1, 2018	MA...	JUN 1, 2018-JUN...	JUL 1, 2018-JUL ...	AUG 1, 2018-AL	TOTALS
	PLANN		PLANNED	PLANNED	PLANNED	PLANNED	PLANNED
Cost Type* ↑	Transaction...		050	10,000	10,050	10,0	80,300
Capital	Software		50	0	50		300
Operating	Person	0	10,000	10,000	10,000	10,0	80,000

COPY DELETE POPULATE FROM ALLOCATIONS POPULATE FROM ASSIGNMENTS

Modern UX: Financials

- Several Additional Views Available.
 - Planned to Actuals
 - Planned to Forecast
 - Actuals
- Introduction of Actuals-to-Date and To Go Forecast
- Personalize View Settings
 - Column width, hide/show columns, pin columns
 - Filter data like excel: <, >, =, etc.
- Drill to Financial Transaction Review
 - By a single click on the actual cost, you can now review transactions of that particular actual cost within the cost plan.
 - Can view transactions only, but not entered in the Modern UX



Financial Plans - Budget

- How to Create a Budget Plan
 - Submit a POR Cost Plan for Approval
 - Approval Workflow
- Same structure and view as a cost plan
- A saved/static version is “Financial Baseline”
- Multiple revisions possible based on estimate progression (e.g., ROM, HLE, DE).

Best Practice

- Align Budget and Baseline processes with change control
- Control Budget Plan rights or have an approval workflow

Support for Budget Plans on Projects

- Budget Plans can now be created, tracked and managed in the New UX, in addition to Cost Plans.
- Navigate to a Project's *Financials* tab, then click the *Plan List* button. That will provide you the ability to navigate among the project's Cost Plans and Budget Plans.

Clarity PPM

Build the lab

DETAILS STAFF TASKS RISKS ISSUES CHANGES **FINANCIALS** STATUS

test plan PLAN OF RECORD

Group By

	Oct 1, 2018-Oct 31,	Nov 1, 2018-Nov 30,	Dec 1, 2018-Dec 31,	Jan 1, 2019-Jan 31,	Feb 1, 2019-Feb 28,	Mar 1, 2019-Mar 31,	Apr 1, 2019-
	PLANNED	PLANNED	PLANNED	PLANNED	PLANNED	PLANNED	PLANNED
+ Transacti... ↑	0	0	0	0	0	0	
Hardware	0	0	0	0	0	0	
Person	0	0	0	0	0	0	
Software	0	0	0	0	0	0	

COST PLANS

BUDGETS

NEW PLAN

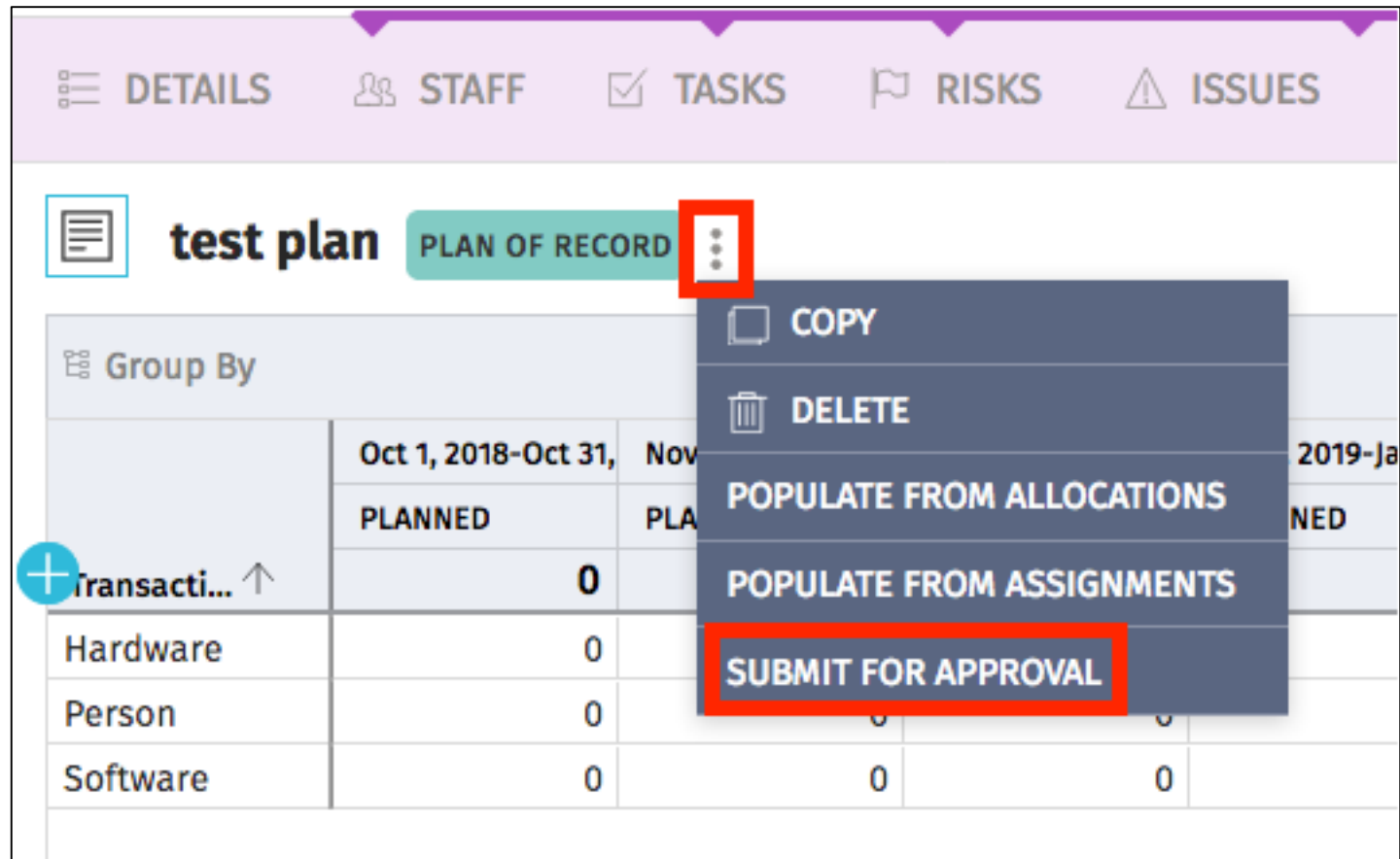
PLAN NAME

test plan PLAN OF RECORD

Test

Submit Cost Plans for Approval

- Cost Plans may be submitted for approval as Budget Plans.

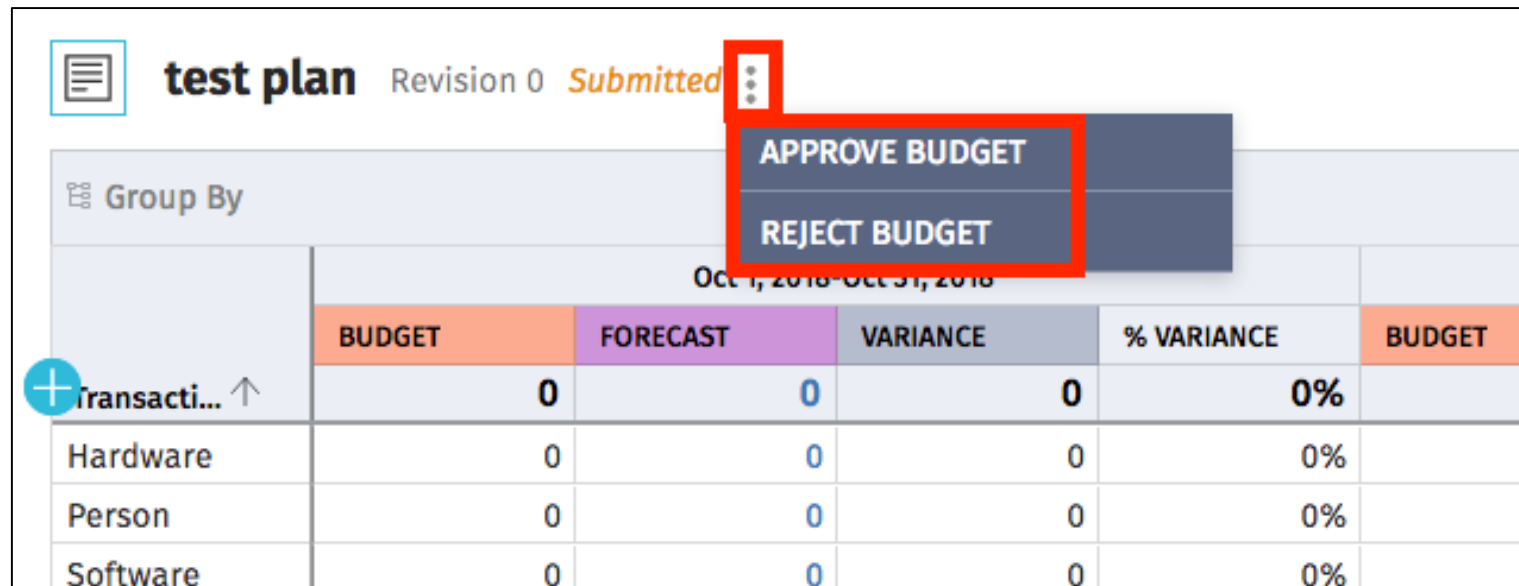


The screenshot shows a software interface with a purple header bar containing navigation tabs: DETAILS, STAFF, TASKS, RISKS, and ISSUES. Below the header, there's a section titled 'test plan' with a 'PLAN OF RECORD' button. A context menu is open over the 'test plan' section, listing several actions: COPY, DELETE, POPULATE FROM ALLOCATIONS, POPULATE FROM ASSIGNMENTS, and SUBMIT FOR APPROVAL. The 'SUBMIT FOR APPROVAL' option is highlighted with a red box. Below the menu, there's a table with columns for 'Group By', 'Oct 1, 2018-Oct 31, Nov', and '2019-Ja'. The table has rows for 'Hardware', 'Person', and 'Software', each with a value of 0 in the 'Oct 1, 2018-Oct 31, Nov' column.

Group By	Oct 1, 2018-Oct 31, Nov	2019-Ja
Hardware	0	
Person	0	
Software	0	

Approve Budget Plans

- Budget Plans may be approved or rejected



The screenshot shows a web interface for a budget plan. At the top, it says "test plan" followed by "Revision 0" and "Submitted". A dropdown menu is open over the "Submitted" status, showing two options: "APPROVE BUDGET" and "REJECT BUDGET". Below this is a table with columns: "BUDGET", "FORECAST", "VARIANCE", "% VARIANCE", and "BUDGET". The table has four rows: "Hardware", "Person", "Software", and a total row. All values are 0 or 0%.

	BUDGET	FORECAST	VARIANCE	% VARIANCE	BUDGET
Hardware	0	0	0	0%	
Person	0	0	0	0%	
Software	0	0	0	0%	
Total	0	0	0	0%	

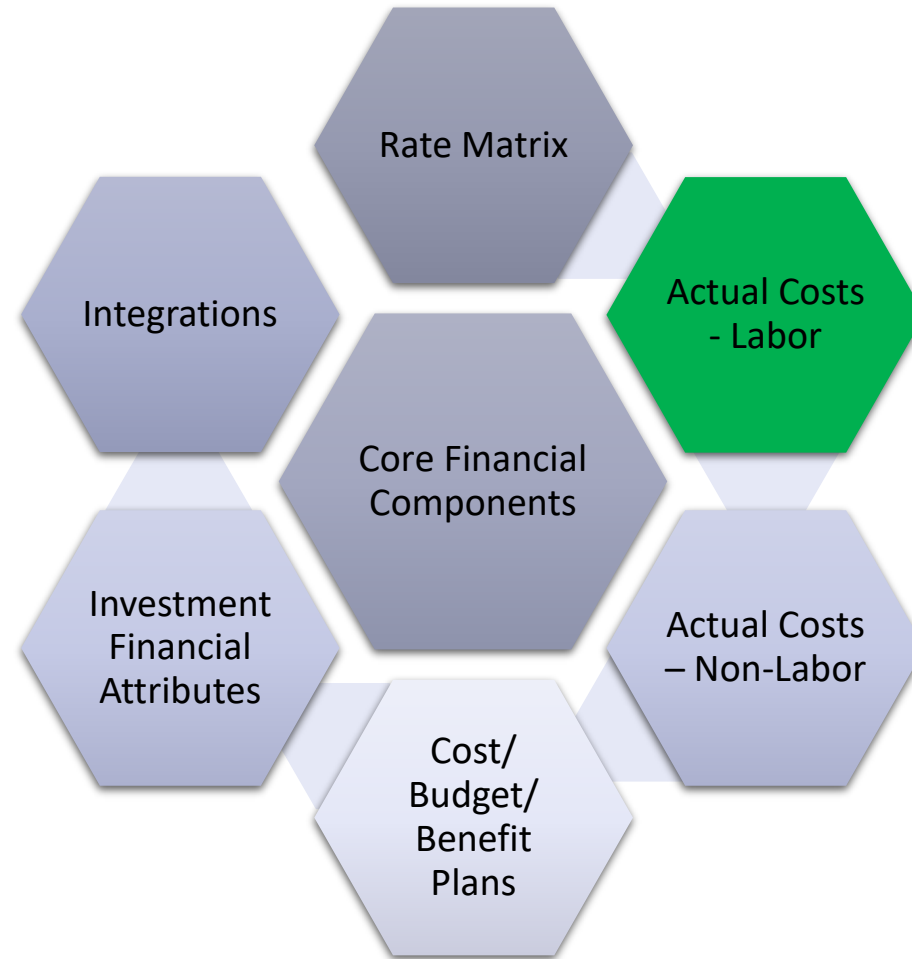
Financial Plans - Benefit

- How to Create a Benefit Plan
 - Manual
 - Link to Cost Plan
- The Benefit Plan Has Class and Subclass
- Can Contains Detailed Lines
- Captured Realized Benefits
- Financial Metrics Only
- Negative Benefits Allowable
- **Note: Not Available within the NewUX**

Best Practice

- Include Hard and Soft Benefits – soft with \$0
- Only use if you are okay with system NPV, etc. – otherwise attach company business case document

Financial Management Components



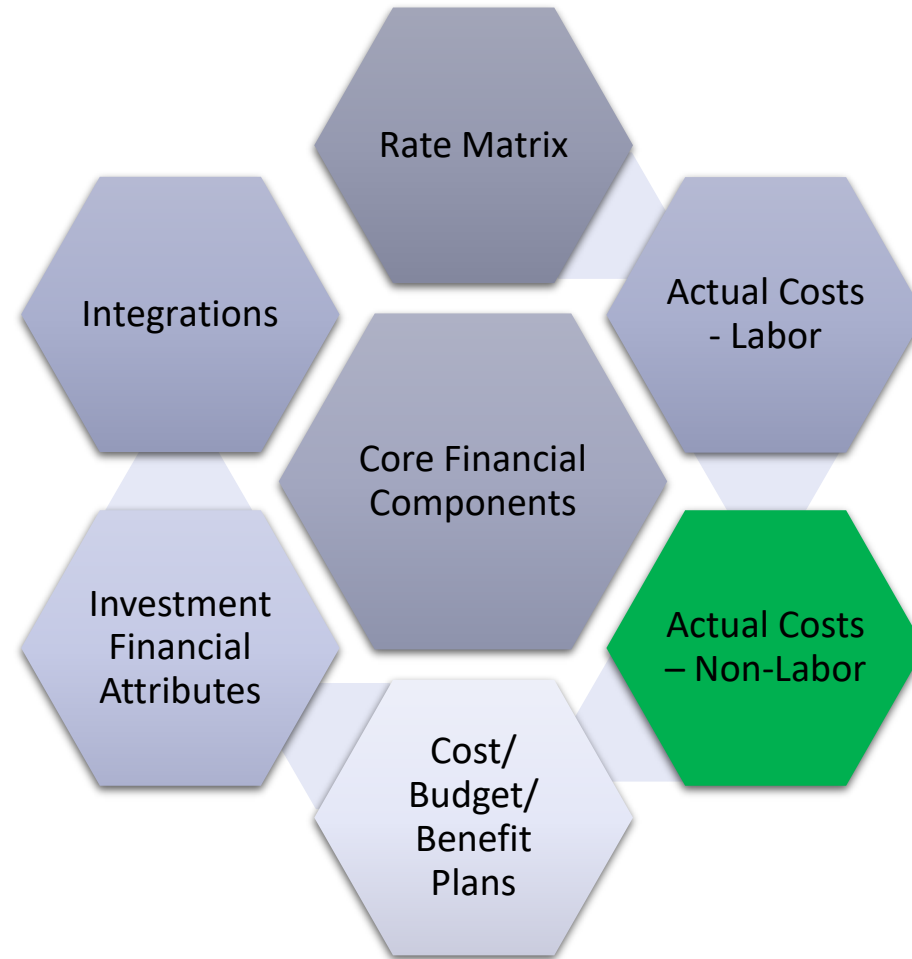
Actual Labor Costs

- Base Setup
 - Timesheet Submission Cadence
 - Financial Posting Cadence
- Approval Policy
 - Auto-Approval
 - RM, PM
- Timesheet Adjustment Policy
 - Number of Open Time Periods
 - Finance vs. Project Requirements
- Compliance Considerations
 - Work Councils
 - Timesheet smoothing

Best Practice

- Whatever your posting cadence is, make sure it is communicated - postings modify project dates and financials
- People often rubber stamp approvals – be realistic and keep simple
- Bake overtime into the rate if possible

Financial Management Components



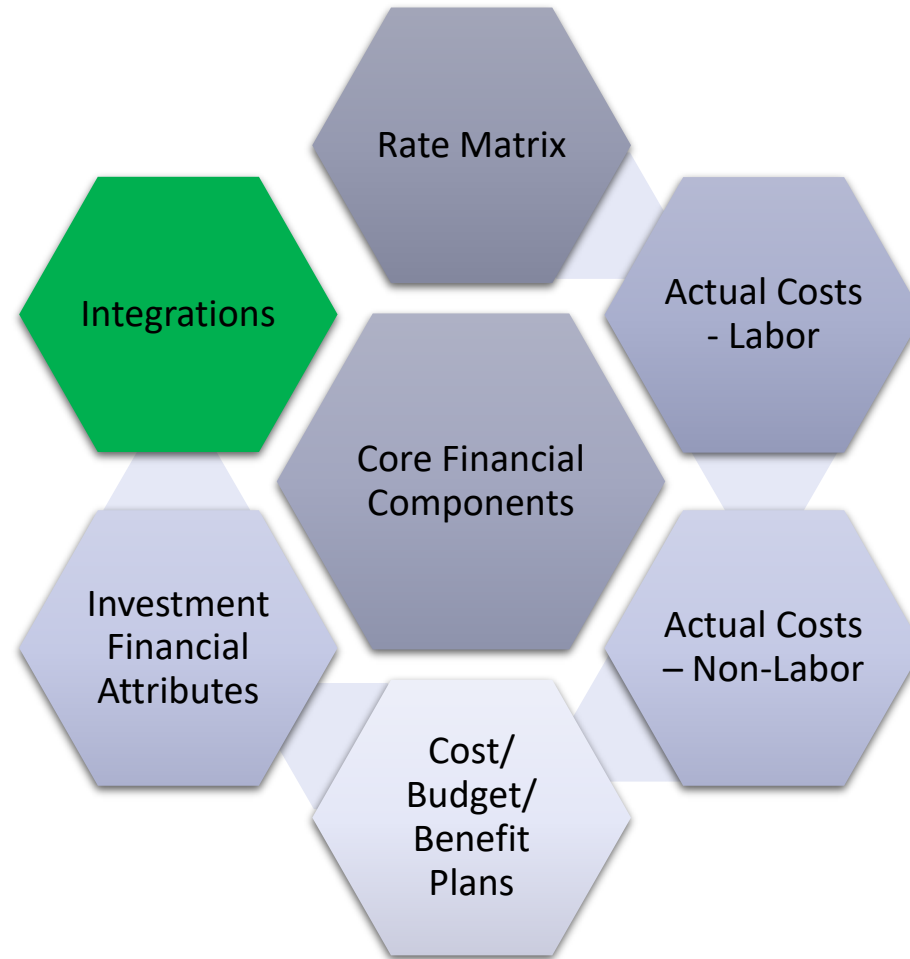
Actual Non-Labor Costs – Transactions

- In the create entry section on the application side, you:
 - Create a voucher – “expense” or “other”
 - Within the voucher, you can create multiple transactions
 - Create the transaction with date, amounts, and various financial fields
- Run the Jobs
 - Run Post Transactions to Financial, Post to WIP, and Import Financial Actuals
 - Invalid Transactions Log
- Run the Investment Allocation job

Best Practice

- Build a better user interface for entering these costs, or build application integration from your financial system of record.

Financial Management Components



Common Integrations

In/Out-Bound	TITLE	Typical Type
Both	Create CA PPM to Financial System Connection: Link a CA PPM Project ID(s) to the Financial System ID(s)	Web Services
Inbound	Import Actuals: Send non-labor actuals from the financial system to CA PPM	Flat File
Outbound	Export Capitalization Data: Send labor capitalization figures to finance to allow them to capitalize labor based on time tracked on capital tasks on capital projects	Flat File
Outbound	Forecast Data: Send financial forecast or budget to the financial system of record for future month financial projections	Flat File
Outbound	Contractor Data: Send actual hours worked to VMS system	Flat File
Inbound	Import Rates: Pull contractor rates from the VMS system into the rate matrix	Flat File

Key Differences Between Classic and Modern UX

	Classic	15.4	15.4.1	15.5.0	15.5.1	15.6	15.6.1
Project - General							
Supports Cost Plans	✓	✓	✓	✓	✓	✓	✓
Supports Budget Plans	✓					✓	✓
Supports Benefit Plans	✓						
Supports Multi-Currency	✓						

Implementation Best Practices

- Keep Things as Simple as Possible (Maturity Roadmap)
- Spend Time on the Full Architecture – Now and Future
- CA PPM is Not the Company Financial System of Record; Think Project Accounting
- Start With Required Outputs and Work Backward
- Involve the Finance Team
- Integrate to Avoid Duplicate Entry

Questions?



*rego*University 2019
SAN DIEGO

Let Rego be your guide.

Thank You For Attending regoUniversity

Instructions for PMI credits

- Access your account at pmi.org
- Click on **Certifications**
- Click on **Maintain My Certification**
- Click on **Visit CCRs** button under the **Report PDUs**
- Click on **Report PDUs**
- Click on **Course or Training**
- Class Name = **regoUniversity**
- Course Number = **Session Number**
- Date Started = **Today's Date**
- Date Completed = **Today's Date**
- Hours Completed = **1 PDU per hour of class time**
- Training classes = **Technical**
- Click on **I agree** and **Submit**



Let us know how we can improve!
Don't forget to fill out the class survey.



Phone

888.813.0444



Email

info@regouniversity.com



Website

www.regouniversity.com