

Oracle PeopleSoft Project Costing

Oracle's PeopleSoft Project Costing is a fully integrated project financial management solution offering advanced budgeting, costing, and analysis to support the needs of the most complex, project-driven enterprises. Through extensive integrations across PeopleSoft Financials and Human Capital Management, Project Costing is the featured application used to collect and report on both internal and external costs for billable projects, internal projects, and capital assets.

Efficiently Monitor and Control Project Financial Progress

PeopleSoft Project Costing provides a WorkCenter, project alerts, and analytics to efficiently track and control the financial progress of your projects.

Project Reporting and Alerts from the Project Management Homepage

Project managers and their support staff can use the PeopleSoft Fluid User Interface to perform project management tasks using a mobile device or desktop.

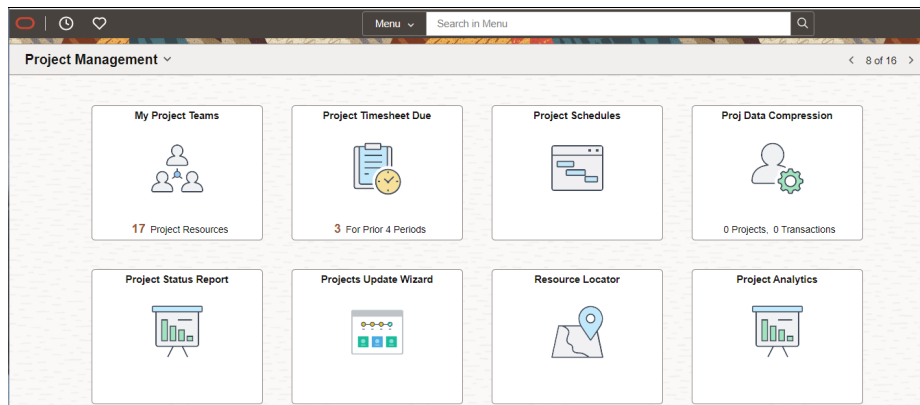


Figure 1. The Project Management homepage provides access to the most commonly used tools to manage projects.

You can:

- Establish project milestones for customer billing and revenue recognition.
- Manage project timesheets, project schedules, and project financials.
- Collaborate with the project team.

Core Capabilities in PeopleSoft Project Costing

- Flexible project structures
- Detailed cost identification with flexible pricing options
- Comprehensive data repository for project financial information
- Extensive integration across Oracle PeopleSoft applications
- Exception-based processing
- Scalable for the largest organizations

Simplified Navigation

The Project Management Homepage replaces folder-driven navigation paths with tiles to access the most used components.

- Calculate your financial status using project valuation templates, which groups costs and arithmetic equations to ensure your evaluation criteria is consistent across the organization.
- Use role-specific navigation collections to quickly locate components and pages for the common functions used in Project Costing.
- Monitor project and contract project profit margins.

Analytics Dashboard

Project Costing contains a comprehensive view of transactions related to a project. Costs integrate into Project Costing from PeopleSoft Time and Labor, Accounts Payable, Expenses, and other applications to calculate billing, revenue recognition, and asset capitalization. An Analytics Dashboard provides insight into the financial position of your organization's projects including comparisons of budget to actual cost, billing, revenue, and profit. This includes summary level views by project manager or project type, and detailed analysis on type of cost incurred by activity id, employee, and supplier.

Use Indexes and Data Visualizations to Manage Project Performance

Indexes and Dashboards provide an intuitive interface to analyze project financial performance. Analytics provide multiple dashboards depending on how you use Project Costing.

- Project Cost and Budget
- Project Billing
- Project Revenue

Year-Over-Year Comparisons of cost, billing, revenue, and profit show trends by accounting period for the current and prior two years.

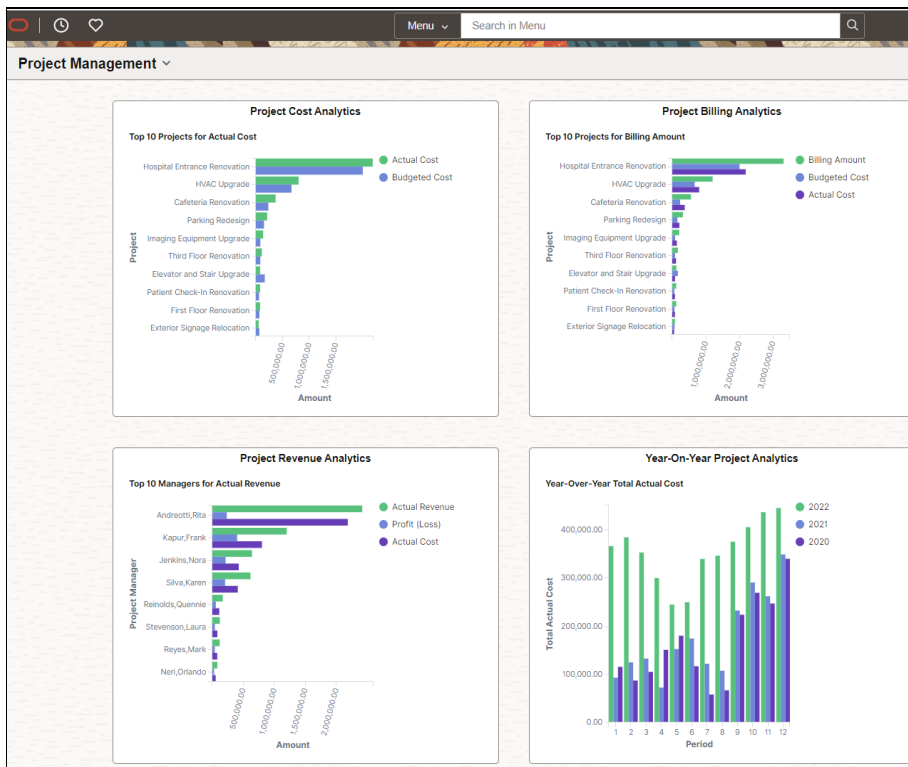


Figure 2. The Project Management Homepage compares financial information for the projects in your organization.

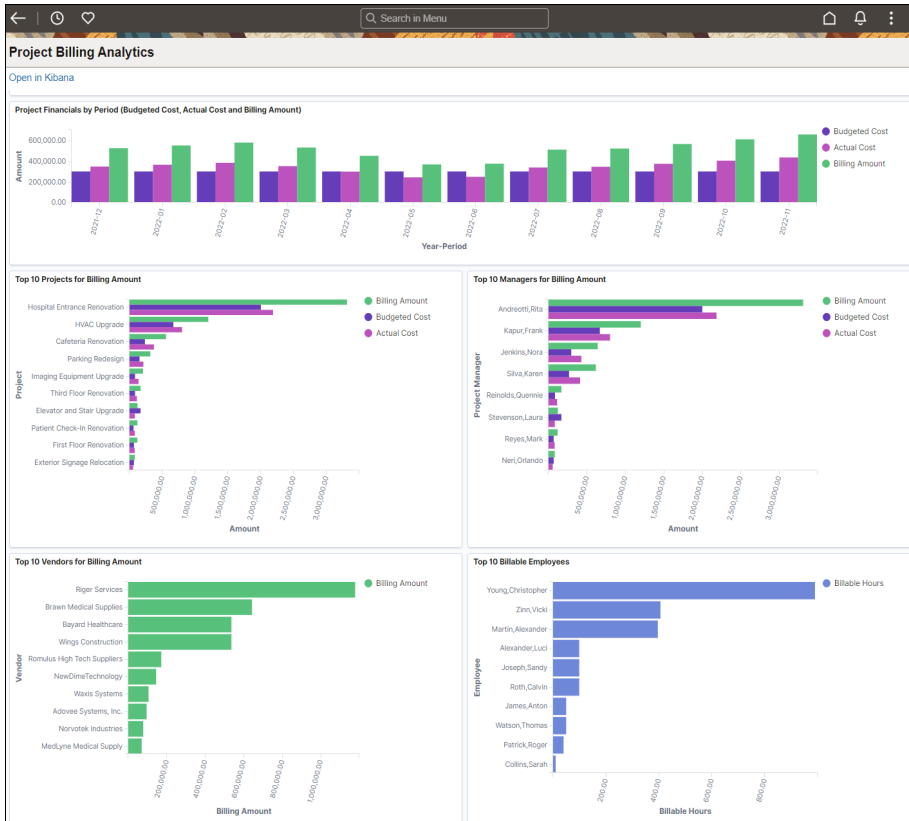
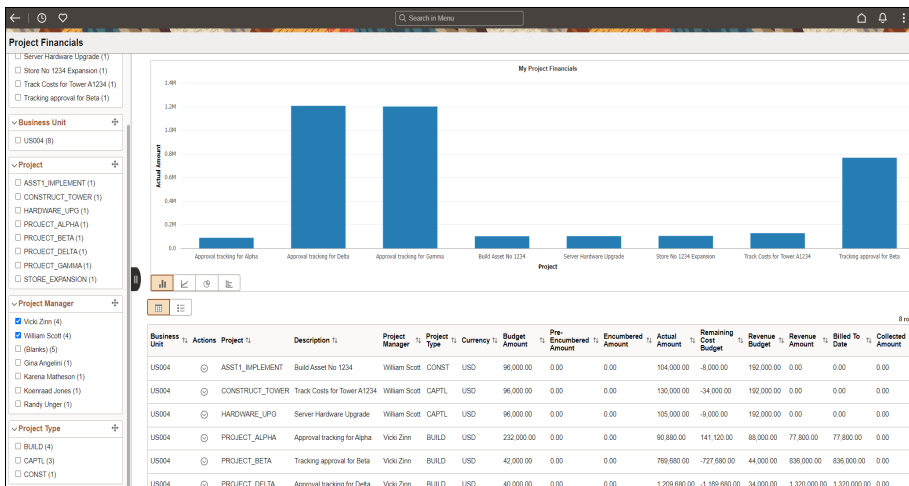


Figure 3. Project Costing visualizations compare budget, actual cost, billing, and revenue by period, for the current and prior accounting year.

All visualizations on the dashboard are connected. Select a business unit, project type, or project manager to quickly filter the entire dashboard to a specific area of the organization.

Detailed Transaction Review Using Actionable Pivot Grids

Pivot Grids provide interactive operational analytics that enable filtering and “slicing and dicing” of project financial data by analysis type, Project Costing ChartFields, and other key dimensions. Pivot grids allow project financial users to quickly and independently answer a variety of business questions and adapt the pivot grids as business needs evolve.



Project Costing Analytics

PeopleSoft provides a sample of analytics that includes:

- The largest projects based on cost, billing or revenue and project type
- The top Project Managers based on cost, billing or revenue
- The largest Suppliers
- Employees with the largest expense reports
- The top billable employees
- The most profitable employees
- A detailed breakout of cost that differentiates labor, travel, materials, and subcontractor cost

PeopleSoft provides a sample of analytics and allows organizations to adjust the delivered analytics and supporting PeopleSoft Query to meet their specific reporting needs.

Project Financial Pivot Grids

Project Costing uses pivot grids to provides insight into:

- Project timesheets
- Project schedules
- Project status reports
- Project financials
- Project profit margin
- Contract profit margin

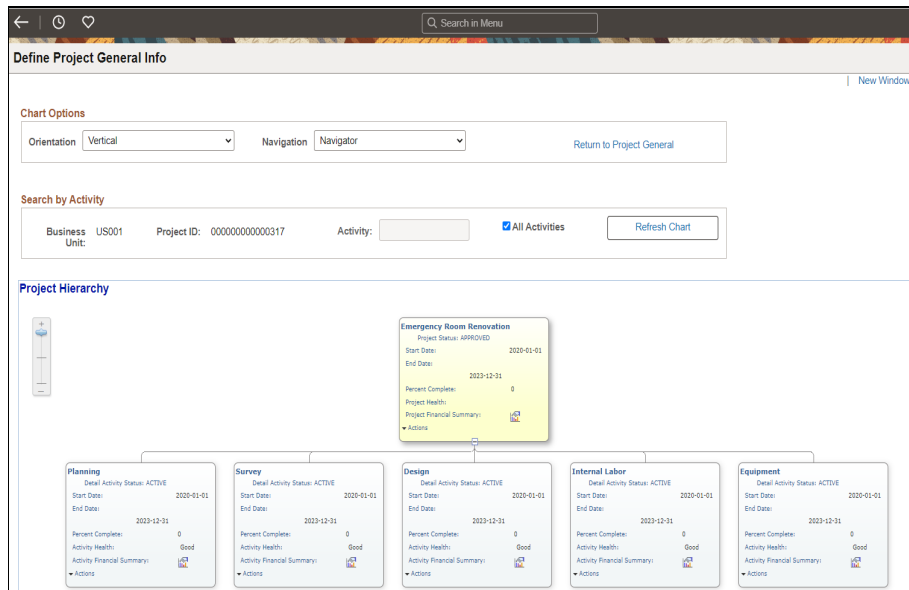
Figure 4. Pivot grids and pivot charts provide another means of analyzing project financials and deliverables.

Pivot Grids:

- Are based on PeopleSoft Query and configurable to meet your reporting needs.
- Have contextual related actions that open project costing components while maintaining the current view.
- Have facets that quickly filter information.

Project Hierarchy

Organizations have thousands of active projects; each with activity identifiers that are used for charging cost, billing, and recognizing revenue. The labeling of activity IDs can be common for projects with the same project type, or each project can have a unique set of activity IDs. The Project Hierarchy page provides a graphical representation of projects and activities and their relationships across the organization.



Project Hierarchy

Project hierarchy provides this key information:

- Description
- Start and end date
- Percent complete
- Project and activity health
- Summarized financial information

Figure 5. The Project Hierarchy displays the relationship of projects and activities in your organization.

Raise Financial Staff Productivity to Scale as your Enterprise Grows

Manage Business Processes and Resolve Exceptions from the Project Costing WorkCenter

The ability to quickly review and resolve issues across a large base of internal and external projects is critical to project administrators in all organizations. The Project Costing WorkCenter provides quick and easy access to specific content-rich data from one location, and is tailored to fit each user's role.

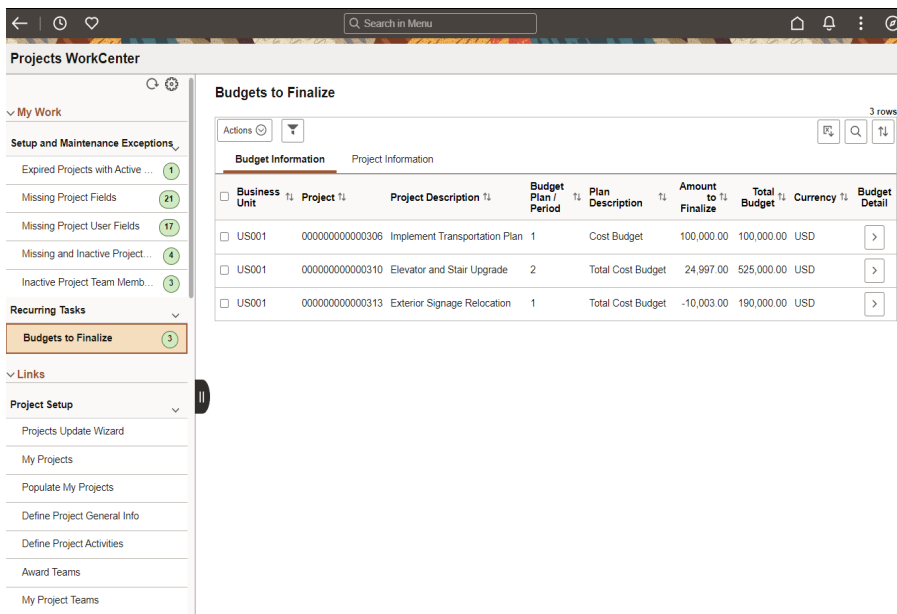


Figure 6. My Work on the Project WorkCenter identifies project setup exceptions and recurring tasks to support project management.

My Work Exceptions

The My Work section of the Projects WorkCenter identifies project setup anomalies:

- Expired projects with Active status
- Missing project type and project locations
- Missing project user fields
- Missing and inactive project managers
- Inactive project team members

The Recurring Tasks section of the WorkCenter allows project administrators to review and finalize multiple project budgets in a single action.

Use the Project WorkCenter - My Work exceptions to perform the following actions across the organization:

- Identify projects that have ended and update their status to Closed.
- Extend project end dates.
- Update missing project information.
- Replace project managers who have left the organization.
- Replace project team members who have left the organization.
- Finalize new project budgets and adjust existing project budgets.

Promote Consistency using Templates and Defaults

Consistent project planning techniques place structure around the project planning process and ensures that the organization follows defined methodologies. Reusing configuration and templates reduces administrative time and improves accuracy. Project Costing allows you to create detailed project accounting structures from templates and other reusable configuration. The benefits to using these features are:

- Populate preset content for standard and recurring projects using project templates.
- Streamline project and activity creation using project copy functionality.
- Automated roll-forward of start and end dates from a source project to a new project.
- Identify the detailed project- and activity-level information to duplicate when copying projects.
- Default project and activity attributes from high-level organization configuration to lower-level project configuration.

Update Project Information in Bulk using the Project Update Wizard

The Project Update Wizard provides administrators a guided step-by-step process to update project information. Administrators can update one or more projects for an internal reorganization, or integrate an acquired entity into PeopleSoft Project Costing.

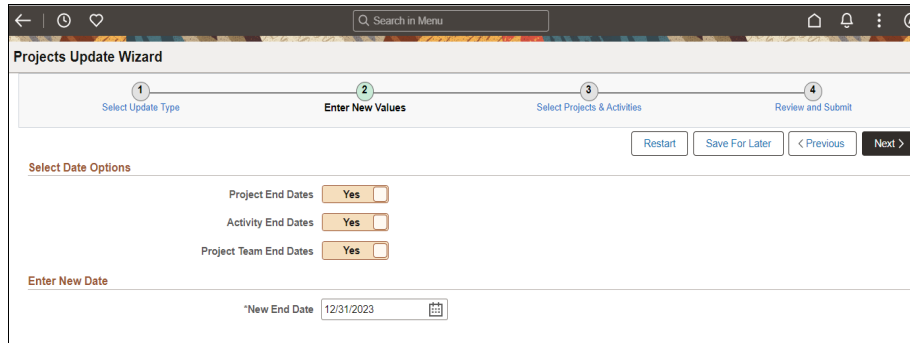


Figure 7. The Projects Update Wizard is a guided four-step process to update project information across the organization.

Available from the Project WorkCenter, or a separate tile on the Project Management Homepage, the Project Update Wizard can be used to update:

- Project and activity end dates.
- Project and activity status.
- Project template status.
- Project managers.
- Project team members.
- Project and activity user fields.
- Project location.
- Project type.

Project Budgeting and Costing Functionality

Once the project and the lower-level activities are created, establish controls with project budgeting and ensure complete and accurate project cost.

- Facilitate consistency in budgeting and reduce administrative overhead through budget templates and automated distribution of budgeted cost across budget line items and periods.
- Configure cost, billing, and revenue rates at higher levels such as job code and project labor category, or at lower levels such as source type and category.
- Configure cost categories from higher-level analysis type to lower-level resource type, category, and subcategories configurable to each organization.

These features allow you to quickly ramp up new projects, establish a budget, and collect cost institutionalizing what your organization determines to be its best business practices for accurate project costing.

Project Update Wizard

The Project Update Wizard provides an intuitive four-step guide for updating key project information across the organization.

- Select an Update Type
- Enter New Values
- Select Projects and Activities to Update
- Review and Submit

Updates are validated using component interfaces with successful updates and issues identified on a separate confirmation page.

Pricing Cost Transactions and Asset Capitalization

A core capability of the Project Costing application is the flexible pricing engine, which automatically prices transactions, calculates complex overhead and other administrative costs, transfers charges, and allocates funds so that finance can focus on analyzing the information, not routine tasks.

PeopleSoft Project Costing enables pricing to occur based on a variety of rate options. These include contract-specific and standard rate pricing, effective-dated rate pricing, tiered pricing, and variance pricing. Organizations can define complex rates by as many as five different fields available on the project transaction table. With this vast flexibility, organizations of all kinds can expect to find that they can much more easily support the increasingly sophisticated and demanding nature of customer contracts, more precisely assign rates to resources, and eliminate rate-related customizations from their PeopleSoft software.

Funds distribution allows you to distribute and bill project costs to multiple sources of funding, which reduces the burden associated with managing money provided by grants and appropriations. You can define and apply complex distribution rules to participating costs, thus eliminating the need to know and remember these rules.

Once costs are accumulated and priced, the Review Asset page enables you to efficiently review, modify and approve summarized assets, and then distribute them to PeopleSoft Asset Management.

Automated capitalization of assets eliminates low-value, manual tasks and accelerates financial closings. Asset capitalization rules, integration triggers, approval processes, and adjustment rules greatly reduce the manual intervention needed to create and adjust capital assets from project cost transactions.

Extensive Integration

The integration technologies delivered with PeopleSoft Project Costing automatically collect, summarize, and compress transactions, which streamlines accounting, reporting and analysis. Several cost collection engines gather and price transactions from other sub-ledgers, such as PeopleSoft Payables, Expenses, Time and Labor, General Ledger, and Inventory.

The PeopleSoft Project Costing third-party loader and web services load project structure data and project-related transactions from external sources and ensures the data conforms to enterprise financial structures for efficient processing.

After cost accumulation, pricing, and funding verification in Contracts, project costs are moved to Billing for final invoicing, and to General Ledger for revenue recognition of billable projects, and to Asset Management for capital projects.

Oracle's PeopleSoft Enterprise Service Automation Solutions

Configurable Pricing Options

The total cost for a transaction can be calculated based on pricing rates while billing and revenue recognitions can use another set of rates. Some of the options to price a transaction include:

- Cost plus a percentage markup with different percentages based on the type of cost or labor category and time period.
- Hours or quantity multiplied by a rate with different rates by labor category or type of cost.
- Facilities and administrative costing for organizations using Grants.
- Direct cost without a markup.
- Standard cost.

Related Products

Project Costing closely integrates with PeopleSoft:

- Contracts
- Grants
- Billing
- General Ledger
- Asset Management
- Expenses
- Accounts Payable
- HCM Time and Labor
- Program Management
- Resource Management

Oracle's PeopleSoft Project Costing is part of the PeopleSoft Enterprise Service Automation (ESA) suite, an integrated family of contract, grant and project management applications.

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