Funds Management (FI-FM)

HELP.FIFM

Release 4.6C

SAP™

Copyright

Icons

Icon	Meaning
	Caution
	Example
	Note
	Recommendation
	Syntax
	Tip

Contents

Funds Management (FI-FM)

Purpose

The functions in this component support you in creating budgets. The tasks of Funds Management are to budget all revenues and expenditures for individual responsibility areas, monitor future funds movements in light of the budget available, and prevent budget overruns. You can adapt the budget to changes in conditions by entering releases, supplements, returns, and transfers.

Integration

Funds Management is fully integrated with other components in the R/3 System. Which component is used in each case depends on the specific requirements of your organization. A basic requirement for use of Funds Management is integration with the *General Ledger Accounting* (FI-GL) component.

Integration with Materials Management means that you can, for example, reproduce and monitor procurement transactions from start to finish.

Integration also ensures that all the data you need to manager your budget is available as and when you need it.

For detailed information on which data from other components can be updated in Funds Management, read Actual and Commitments Update [Seite 202].

Features

Funds Management enables you to keep a precise check on:

- The revenues and expenditures or funds-relevant business transactions in your business

- Your budget, with the following questions in mind:

    – What funds will the responsibility areas receive?

    – Where do these funds come from (source of funds)?

    – What are the funds used for? (Use of funds)

- The financial equilibrium of your business, by comparing commitment and actual values with the current budget.

See also:

System Settings for Funds Management [Extern]

Supplemental Documentation [Extern]

Authorizations

Use

By allocating authorizations, you define which business objects (authorization objects: E.g. funds center, commitment item) your colleagues are allowed to process and which processing functions (activities: e.g. posting) are allowed here.

We prescribe authorization objects which make it possible for you to define authorizations. The term "authorization object" covers individual fields with connections between them which the system uses to determine whether a user may carry out a particular action.

You define authorizations by specifying permitted values for the pre-defined objects and determining which activities may be carried out for these objects. You can combine authorizations into profiles. Profiles can, in turn, be combined into collective profiles. One or several profiles are entered in the user master record of a user. Authorizations which are assigned to a user master record, can be copied and assigned to a new user.

Authorizations in the R/3 system

```
                        ┌─────────────────────┐
                        │  User master record │
                        └─────────────────────┘
                   ┌───────────────┴───────────────┐
          ┌────────────────┐              ┌────────────────┐
          │   Profile 1    │              │   Profile 2    │
          └────────────────┘              └────────────────┘
                  │                   ┌──────────┴──────────┐
       ┌──────────────────┐  ┌──────────────────┐  ┌──────────────────┐
       │  Authorization A │  │  Authorization B │  │  Authorization C │
       ├──────────────────┤  ├──────────────────┤  ├──────────────────┤
       │ Authorization    │  │ Authorization    │  │ Authorization    │
       │ object 1:        │  │ object 2:        │  │ object 3:        │
       │                  │  │                  │  │                  │
       │ Activity: Display│  │ Activity: Display,│ │ Activity: *      │
       │                  │  │ create, change   │  │                  │
       └──────────────────┘  └──────────────────┘  └──────────────────┘
```
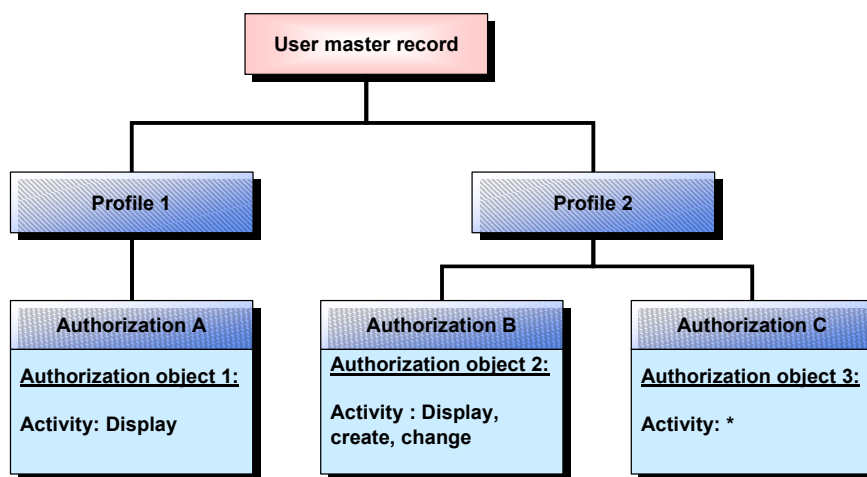
Features

You can use the authorization concept to define authorizations in Funds Management for the following activities:

- Maintaining and viewing basis data

- Maintaining and viewing budget allocation

- Maintaining and viewing postings

- Displaying data in the information system

> For an example of how you can use authorizations to control budget allocation, see:

If you carry out an action that affects an object in Funds Management, the systems checks that you have the appropriate authorization.

You can find an example of how the authorization check works in budgeting under Authorization Check When Entering Budget [Seite 16]

The system we deliver includes an authorization for each authorization object: You can use this authorization, modify it to meet your needs, or create new authorizations.

For more information on allocating authorizations, see:

- Authorization Objects in Funds Management [Seite 13]

- Authorizations in the Standard System [Seite 15]

Activities

Authorization maintenance with the profile generator

For maintaining authorizations, the user-friendly tool Profile Generator [Extern] is available to you. To define an authorization for an employee of your organization, you execute the following steps:

1. You create an activity group

2. You assign activities to the activity group, which are to be allowed for the authorization, by

   - selecting the respective activities from the Company Menu [Extern] of your organization

   - or entering the Transaction Codes [Extern]

3. You generate an authorization profile with the data of the activity group

4. You assign the authorization profile in the user master of the employee

Authorization maintenance with the profile generator

User master record

4

Authorization profile for Basis data_03

1

Aktivity group: Basis data_03

2   Transactions allowed
        / Activities :

FM6I   -   Create fund

FM6U   -   Change fund

3   Profile generator
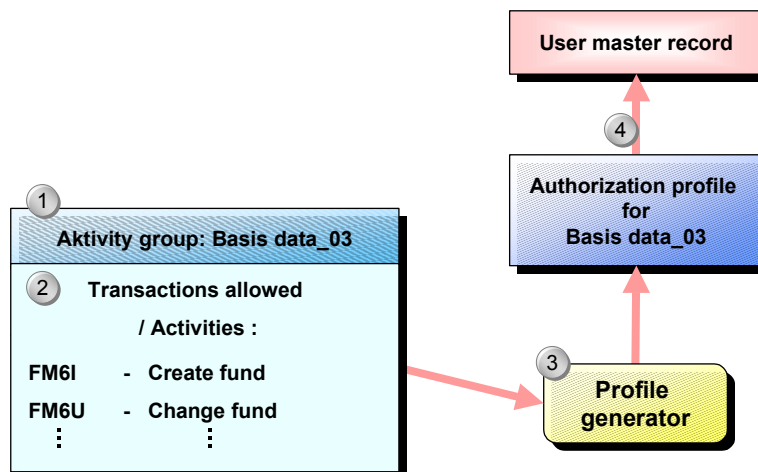
For more information , see: *"Users and Authorizations"* in the section *Profile Generator* of the Basis documentation. *Generate profile automatically*.

Authorizations

Manual authorization maintenance

Authorizations can also be defined manually without using the profile generator. However, this requires detailed knowledge of the authorization concept in the R/3 system. Because manual authorization maintenance means considerably more work, SAP recommends that you generate authorizations with the profile generator.

Authorizations, which you have generated with the profile generator, can be subsequently modified with the manual authorization maintenance. Conversely, you can use manually created profiles or authorizations supplied by SAP in activity groups.

For more information , see: *"Users and Authorizations"* in the section *Creating and processing profiles manually* of the Basis documentation*.*

See also:

Documentation BC - users and authorizations

IMG documentation Cross-application components → *Document management* → *Authorization management*

IMG documentation Basis → *System administration* → *User and authorization*

Authorization Objects in Funds Management

Definition

Element in the authorization concept.

Use

You can use authorization objects to define complex authorizations. An authorization object comprises up to 10 authorization fields which complement each other. The system uses them to determine whether a user may carry out a particular action.

The user may do so if he or she is authorized for each field in the object.

For an example of how an authorization object is used, see Example: Funds Center Authorization [Seite 18]

Structure

Two specifications must be made for each authorization object:

• Values for a field in the object to be protected (example: commitment item)

• Range of activities (such as create, enter budget, post)

Authorization Objects in Funds Management

Authorization object	Technical name	The authorization controls:
Cash Budget Management Funds Management FM area	F_FICB_FKR	Access to the data in an FM area
Cash Budget Management Funds Management commitment item	F_FICB_FPS	Access to commitment item
Cash Budget Management Funds Management version	F_FICB_VER	Access to budget version
Funds Management, financial budget account	F_FICA_FTR	Access to a combination of FM area, funds center, commitment item, and fund
Funds Management funds center	F_FICA_CTR	Access to funds center
Funds Management within funds center	F_FICA_WCT	Ensures that budgeting is only possible within a funds center
Funds Management across funds centers	F_FICA_CCT	Ensures that budget can be processed for a BS element [Extern] which has another funds center as its superior element
Funds Management fund	F_FICA_FCD	Access to a fund

Authorization Objects in Funds Management

| Earmarked funds: funds transfer | F_FUNDSRES | Processing of Earmarked Funds [Extern] and funds transfers |
| Assigning the FM Account Assignment to the CO Account Assignment: Controlling area | F_FICA_FMC | Permits user to maintain assignment of FM account assignment to CO account assignment |

The system we deliver includes an authorization for each authorization object:
For more information, refer to Authorizations in the Standard System [Seite 15] .

Authorizations in the Standard System

The system we deliver includes an authorization for each authorization object:

Object	Name of Authorization	Authorization permits:
F_FICB_FKR	F_FICB_ALL	all activities for all FM areas
F_FICB_FPS	F_FICB_ALL	all activities for all commitment items in all FM areas
F_FICB_VER	F_FICB_ALL	all activities for all budget versions in all FM areas
F_FICA_FTR	F_FICA_NON	**no** activity for a budget structure element
F_FICA_CTR	F_FICA_ALL	all activities for all funds centers in all FM areas
F_FICA_WCT	F_FICA_ALL	all activities for all funds centers in all FM areas
F_FICA_CCT	F_FICA_ALL	all activities for all funds centers in all FM areas
F_FICA_FCD	F_FICA_ALL	all activities for all funds in all FM areas
F_KBE__RES	F_KBE__RES	all activities in all company codes
F_KBE__TRA	F_KBE__TRA	all activities for all funds in all company codes
F_FICA_FMC	F_FICA_FMC	user to maintain assignment of FM account assignment to CO account assignment in all controlling areas

You can use these authorizations or modify them to meet your needs. You can also enter new authorizations.

In the system we deliver, these authorizations are combined in profile F_FICA_ALL.

Authorization Check on Budget Entries

The graphic below shows the sequence of authorization checks, taking the "Enter budget" transaction as an example.

You can make the following entries on the initial screen for the "Enter budget" activity:

Funds Management : Change original budget

FM area:	**0001**
Version:	**001**
Fiscal year:	**1998**
Funds center:	**SAP**
Commitent item:	**111111**
Fund:	**XY**

Activity:
Enter budget

The authorization checks run as follows:

Funds Management Authorization Check

Versions authorization	**No** → Processing rejected
↓ **Yes**	
FM account assignment authorization	**Yes** → Processing allowed
↓ **No**	
FM area authorization	**No** → Processing rejected
↓ **Yes**	
Fund authorization	**No** → Processing rejected
↓ **Yes**	
General funds center authorization	**No** → Processing rejected
↓ **Yes**	
Cross-funds center authorization	**No** → Processing rejected
↓ **Yes**	
Internal fund center authorization	**No** → Processing rejected
↓ **Yes**	
Commitment item authorization	**No** → Processing rejected
↓ **Yes**	
Processing allowed	
↓	
Activity is executed	

1. If you enter a budget version, the system checks this authorization. If you do not have authorization for a particular version, processing stops.

2. If you are properly authorized, the system then checks the budget object authorization.

- If you have budget object authorization, the system makes no further checks; processing is permitted.

- If you do not have the correct authorization, the system checks further authorizations in the sequence FM area, fund, and funds center.

Funds Management (FI-FM)　　　　　　　　　　　　　　　■✔ SAP AG

Fnds Center Auth. (Cross-Fnds Cntr and Internal)

Fnds Center Auth. (Cross-Fnds Cntr and Internal)

Use of cross-funds center and internal funds center authorizations is only significant in budgeting. You can use them to achieve more targeted control over budget allocation. The system checks the following in budgeting:

- **Cross-funds center**

  Whether budget processing is permitted in a budget structure element (funds center/commitment item/fund combination) which has a different funds center as its superior budget structure (BS) element

- **Within a funds center**

  Whether budget processing is permitted in a BS element which has the same funds center as its superior BS element

  The following hierarchies are given and you want to use authorizations to control budget allocation at local level:
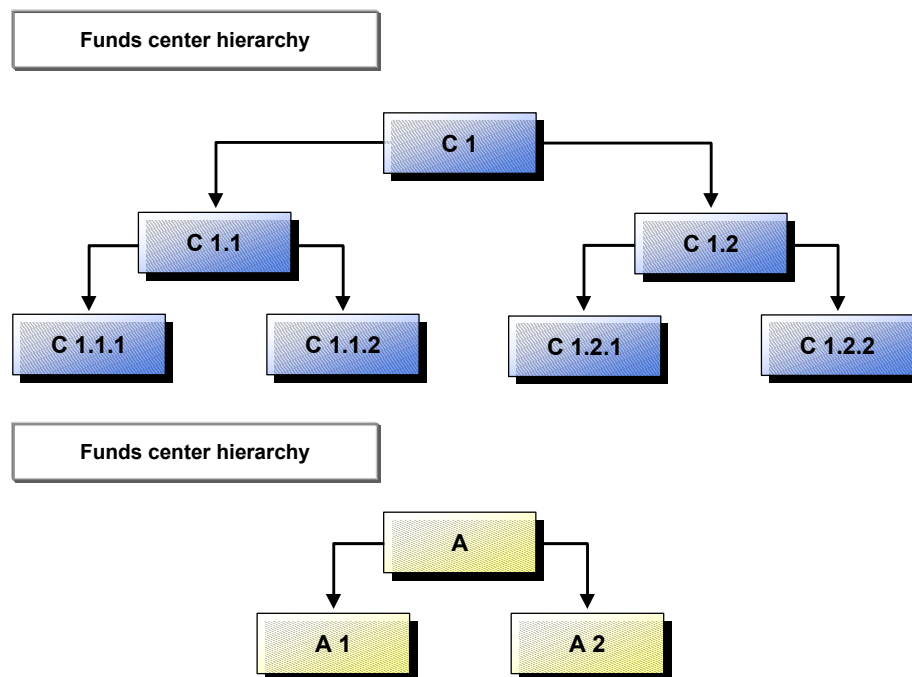
You authorize the manager of center C1 to maintain:

- Internal funds center authorization (F_FICA_WCT) for C1

- Cross-funds center authorization (F_FICA_CCT) for C1.1 and C1.2

The manager of center C1 thus has full authority over budget allocation within his or her center. He or she can allocate budget to the top commitment item (A) in the subordinate centers C1.1 and C1.2, but has no influence on the distribution to A.1 and A.2.

You authorize the manager of center C1.1 to maintain:

◼◤ SAP AG   **Funds Management (FI-FM)**

Fnds Center Auth. (Cross-Fnds Cntr and Internal)

- Internal funds center authorization (F_FICA_WCT) for C1.1

- Cross-funds center authorization (F_FICA_CCT) for C1.1.1 and C1.1.2

The managers of C1.1 and C1.2 receive authorizations for their responsibility areas.

For more information on local budget allocation, read Principle of Budget Allocation in Funds Management [Seite 117] .

Maintaining Authorizations

Prerequisites

The system we deliver includes an authorization for each authorization object: You can use this authorization, modify it to meet your needs, or create new authorizations.

These authorizations are combined in profile F_FICA_ALL.

For more information, refer to Authorizations in the Standard System [Seite 15].

Create authorizations with the profile generator

1. In the initial *SAP R/3* screen choose *Tools* → *Administration* → *User maintenance* → *Activity groups.*

2. Define a name for the activity group and choose *Create.*

3. In the ***Menu*** register, define the activities allowed. You have 2 options for this:

    −   Enter the transaction codes in the table manually.

    −   Choose *Menu selection* select *Accounting* → *Financial accounting* → *Funds Management* and select the activities allowed.

4. *Save* the activity group.

5. In the ***Authorizations*** register, choose the function *Change authorization data* and maintain the additional criteria for the authorization there.

6. *Save* the data and choose *Generate* to generate the authorization profile.

7. In the ***User*** register, enter the users in the table, to whom the authorization profile is assigned.

8. *Save* the entries.

Maintain authorizations manually

Creating authorizations

1. In the initial *SAP R/3* screen choose *Tools* → *Administration* → *User maintenance* → *Maintain manually* → *Maintain authorizations manually.*

2. In the list choose the object class *Financial Accounting.*

3. Then choose the object for which you want to define one or more authorizations.

4. To create new authorizations choose *Authorization* → *Create*.

5. Enter the required data.

6. *Save* the authorization.

Combining Authorizations into Profiles

1. In the initial *SAP R/3* screen choose *Tools* → *Administration* → *User maintenance* → *Maintain manually* → *Edit profiles manually.*

2. Choose *Generate work area for profile*.

3. Choose *Create* and create a new profile.

4. Enter the authorization you defined and *Save* the profile.

5. *Activate* the profile.

Defining the User Profile in the User Master Record

1. In the initial *SAP R/3* screen choose *Tools* → *Administration* → *User maintenance* → *User.*

2. Choose *Change* and enter the appropriate profile in the **Profiles** register.

3. *Save* the user master record.

You can display a list of the possible activities. To do so, choose in the initial SAP R/3 screen Tools → *ABAP Workbench* → *Development* → *Dictionary.* Select *Domains* and enter *FM_AUTHACT*. Choose *Display* → *Fixed values*.

See also:

Documentation *BC - Users and Authorizations*

Basic Data

Purpose

This component offers all the functions for reproducing the budget structure of your organization in Funds Management. The organization is split accounting to organizational and functional viewpoints:

You must set up the following master data according to your individual requirements:

- Funds centers

  Funds centers are used to represent organizational units (areas of responsibility, departments, projects) and are arranged in a hierarchy.

- Commitment items

  Commitment items are used to represent functional aspects (expenditure and revenue structures) in a hierarchy. They are used to split budgets according to contents and business transactions affecting liquidity into revenue items and expenditure items.

You can use funds to subdivide budgets.

- Funds and applications of funds.

  With funds enable you to create an exact proof of origin and application of funds. You can use funds to manage funds from secondary sources.

Integration

Links Between the Basic Data in Different Components

With the SAP system, you can create a wide-ranging, flexible link between the basic data in Funds Management and the basic data in other components.

- Define a commitment item in the G/L account

- Assign the FM account assignment (commitment item, funds center, fund) to a CO account assignment (cost element, cost center, WBS element, order, profit center)

- Assign funds center or fund to HR master record

These links keep data entry work to a minimum. Entering an FM account assignment is optional. The system derives the FM account assignment from the relevant assignment. The posting data relevant to Funds Management can be passed from the feeder systems to Funds Management automatically.

Cash Budget Management, Project Cash Management, and Funds Management

Cash Budget Management and Project Cash Management use the same commitment items as Funds Management. If you are using either of these two

components as well as Funds Management, remember that changes made to the basic data affect both components.

Features

Maintaining Master Data

- Commitment item hierarchy

  The recording of posting data from the Funds Management feeder systems is controlled by means of the control parameters in the commitment item master records, as is how they are displayed in reporting.

- Funds center hierarchy

- Funds and applications of funds

Status Management

By activating status management, you can control the commercial transactions in Funds Management for:

- Individual combinations of commitment items, funds centers, and funds

- Individual objects, such as all commitment items or all funds centers

Class Maintenance

You can use the Class System functions in Funds Management to manage a wide range of information which you cannot define in the master records themselves.

Constraints

The system does not log changes to hierarchy relationships between commitment items and funds centers in change documents. For this reason, you must not make any changes to the hierarchy once you have gone live with Funds Management.

Enterprise Structure - Organizational Units

The SAP R/3 System distinguishes between different forms of organization which have specific meanings within their respective applications. You can use them to define your enterprise structure from an application-specific viewpoint. Every component of the R/3 system has its own Organizational Unit [Extern].

For example, you can use: Company Codes [Extern] and business areas, to define your business for accounting purposes, Controlling Areas [Extern] to define your business for controlling purposes, and FM areas to define your business for funds management purposes.

The Client [Extern] is in itself commercially, organizational and data technically a closed unit within an R/3 system and corresponds to the overall organization.

Organizational Units

	Financial Accounting		Controlling	Funds Management
Client	**Company Code**	**Business Area**	**Controlling Area**	**FM Area**
Cross application unit	Independent balance sheet unit	Balancing unit (for internal balance sheets)	Organizational unit in cost accounting	Organizational unit of Funds Management
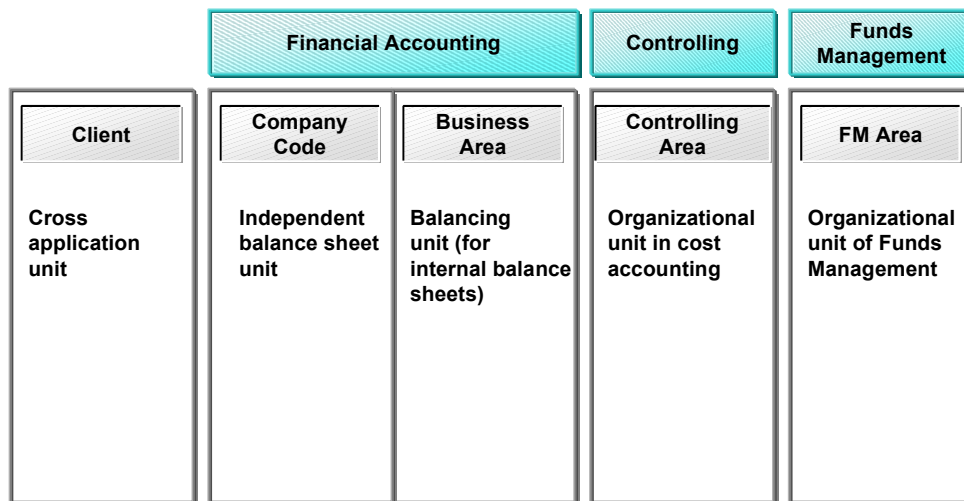
In order to take advantage of the integration in the SAP system, you must link the organizational units of different components with each other. See Organizational Structures - Assignments [Seite 25].

You create the organizational units in the Customizing of *Enterprise Structure*. For further information, see the Implementation Guide under *Enterprise structure*. You can find information about creating an FM area under Maintain FM Area [Extern]

The functional features of organizational units are done in the Customizing of the corresponding components. See the Implementation Guide *Funds Management* for more information about features of the FM area.

Organizational Structures - Assignments

In order to be able to use Funds Management (FM) integrated with other components, you must link the Organizational Unit [Extern] of Funds Management, the FM area, with the organizational units of other components.

Integration with Financial Accounting

For example, if, when creating a financial accounting document, you assign it to, say, a commitment item, the system has to determine an FM area before it can transfer the data to *Funds Management*. In order to do this, you must define how the relevant FM area is to be derived.

The FM area is derived from Financial Accounting organizational unit, the Company Code [Extern] by assigning the company code relevant for Funds Management in your organization to an FM area. One or more company codes can be assigned to an FM area. You must ensure that in the assignments, the local currency of the company code matches the FM area currency.

Integration with Controlling

If you want to integrate cost controlling and project monitoring into Funds Management, the Controlling Area [Extern] organization unit of controlling must be assigned to an FM area. One or more company codes can be assigned to an FM area. You must ensure that in the assignments all controlling areas relevant for Funds Management are also assigned to the company codes relevant for FM.

Integration of other components

All other organizational units, such as the plant and the purchasing organization in Materials Management or the personnel area in Human Resources, are linked to Funds Management via the company code.

Organizational Structure - Assignments
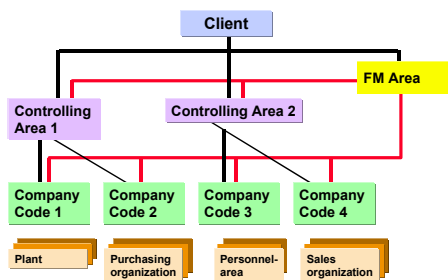
The assignment is made in the Customizing of the *Enterprise Structure*. For more information see the Implementation Guide *Enterprise Structure* under Assign Company Code to FM Area [Extern] and Assign Controlling Area to FM Area [Extern].

Commitment item

Definition

Commitment items represent the functional grouping of an organization within a financial management area (FM area).

Use

Commitment items classify budget transactions and business transactions affecting liquidity into revenue, expenditure, and cash balance items. You can assign budget for particular responsibility areas (funds centers) to the commitment items. Budget is used up as postings commitment items and funds centers with commitment and actual values. Funds reservations and business transactions entered in the feeder systems also affect the budget.

Structure

Commitment item hierarchy

Commitment items in Funds Management are arranged in hierarchies. You can create more than one hierarchy for an FM area. Example: one hierarchy for revenues and another for expenditures. However, you can also set up different hierarchies for expenditures. Example: one hierarchy for personnel costs and one for equipment purchases. You will find an example under Example: Commitment Item Hierarchies [Seite 28].

There are two types of commitment items:

- **Account assignment items** (= lowest level in the hierarchy)

  You can **post to** and budget these items.

- **Summarization items** (= hierarchy nodes)

  You can budget these items, **but cannot post to them.** Summarization items are needed for setting up a commitment item hierarchy. You define a commitment item hierarchy by combining accounting assignment items at any summarization level you want. Within the hierarchy, a summarization item can be succeeded by a summarization item or an account assignment item. This means that budget assignment is not tied to the lowest level in the hierarchy. The system totals up the posting data from the account assignment items and displays it in the appropriate summarization items.

Commitment item master record

The commitment item master record contains important information, including:

- Name and description of the commitment item

- Superior commitment item

- Important control parameters

  – **Financial transaction**
    The financial transaction represents commercial business transactions from the Funds Management feeder systems; it has a **central role** in passing on data from those systems to Funds Management.

–   **Item category**
    The item category determines whether this commitment item is a revenue, expenditure, or cash balance item.

    The financial transaction and item category in a commitment item hierarchy are identical.

●   Funds center

Integration

For posting data from the feeder systems to be updated in Funds Management, you must always specify a complete Funds Management account assignment (funds center, commitment item, and, if required, fund) in the posting transaction. You can keep manual input work to a minimum using the link to the basic data. The system derives the FM account assignment from the link.

Link Between Basic Data Elements in Funds Management

●   Define a funds center in a commitment item
    In the posting transaction, the system derives the funds center from the commitment item and proposes it as a default value.

Link Between Basis Data Elements in Other Components

●   Define a commitment item in the G/L account
    In the posting transaction, the system derives the commitment item from the G/L account.

●   Assignment of a commitment item to a CO account assignment
    In the posting transaction, the system derives the commitment item from the CO account assignment.

Example: Commitment Item Hierarchies

Expenditure Hierarchies

```
                        ┌──────────────┐
                        │      HR      │
                        └──────────────┘
           ┌────────────────┼────────────────┐
   ┌────────────┐    ┌────────────┐    ┌──────────────────────┐
   │   Wages    │    │  Salaries  │    │ Employee benefit costs│
   └────────────┘    └────────────┘    └──────────────────────┘
```

```
                        ┌──────────────┐
                        │   Supplies   │
                        └──────────────┘
           ┌──────────────────────────────────┐
   ┌────────────┐                      ┌──────────────────┐
   │     IT     │                      │  Office supplies │
   └────────────┘                      └──────────────────┘
     ┌────────────┐
┌──────────┐  ┌──────────┐
│ Hardware │  │ Hardware │
└──────────┘  └──────────┘
```

Revenue Hierarchies
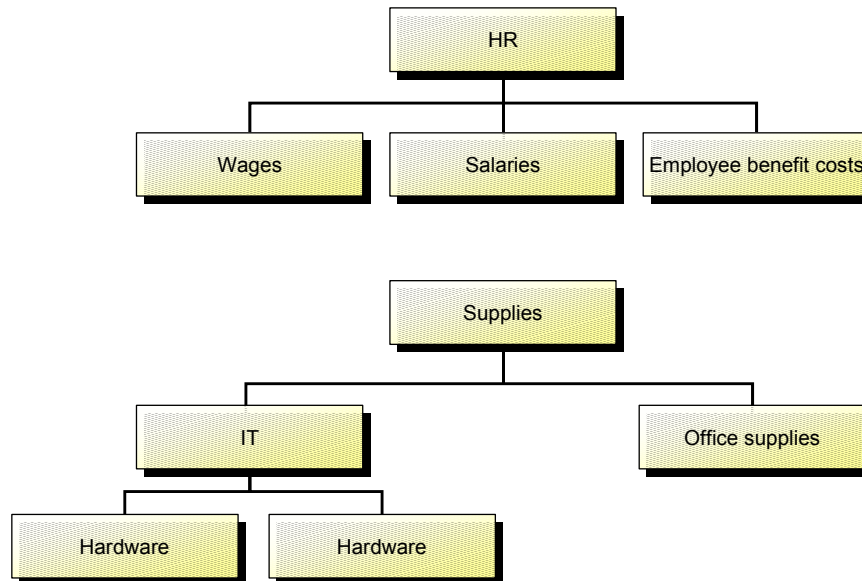
```
                        ┌──────────────┐
                        │   Revenues   │
                        └──────────────┘
           ┌────────────────┼────────────────┐
┌────────────────────┐ ┌──────────────────────┐ ┌────────────────┐
│ Grants and subsidies│ │ Revenue from research│ │ Other revenues │
└────────────────────┘ └──────────────────────┘ └────────────────┘
```
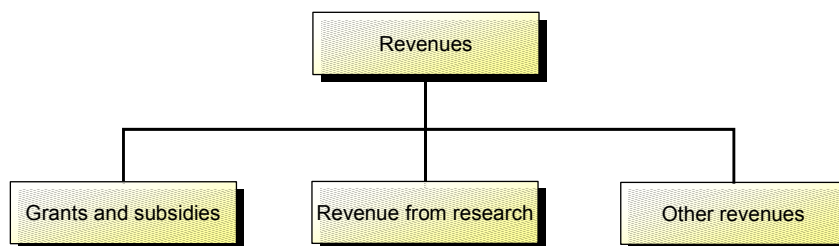
Funds Center

Definition

Organizational unit within an FM area which represents the structure of an organization (areas of responsibility, departments, projects) in the form of a hierarchy.

Use

You can assign budget to funds centers in Funds Management. Budget is used up as postings are made to funds centers with commitment and actual values. Budget is even consumed in Funds management through a reservation of funds or by business transactions entered in the feeder systems of Funds Management (such as financial accounting, materials management).

Structure

Funds center hierarchy

Funds centers in Funds Management are arranged in hierarchies. You can define only one funds center hierarchy per FM area. There is only one top funds center in a funds center hierarchy. Every other funds center has exactly one superior funds center. A superior funds center is defined in the master record of a funds center.

Funds center hierarchy
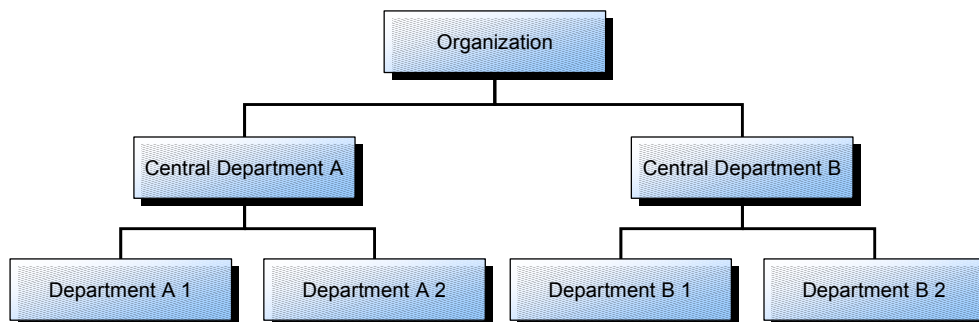
Funds center master record

The funds center master record contains important information, including:

- Name and description of the funds center

- Superior funds center

- Funds center manager
  It is the funds center manager who, in certain situations (such as in active availability control), receives messages generated by the system.

- Fund

Funds Center

Integration

For posting data from the feeder systems to be updated in Funds Management, you must always specify a complete Funds Management account assignment (funds center, commitment item, and, if required, fund) in the posting transaction. You can keep manual input work to a minimum using the link to the basic data. The system derives the FM account assignment from the link.

Link Between Basic Data Elements in Funds Management

- Define a fund in the funds center master record
  Using this link, the fund is automatically defaulted by the system in posting transactions.

- Define a funds center in a commitment item
  In the posting transaction, the system derives the funds center from the commitment item and proposes it as a default value.

Link Between Basis Data Elements in Other Components

- Assignment of a funds center to a CO account assignment (cost center, WBS element, order, profit center)
  In the posting transaction, the system derives the funds center from the CO account assignment.

- Assignment of a funds center to HR master record

Fund

Definition

Funds balance provided for a specific purpose by a sponsor and managed separately.

Use

Funds are used to represent funds from secondary sources. They represent funds that are limited as to time available or function, which have been made available to cover specific expenditures.

In the system, a funds represents the whole organizational and functional structure of your organization (funds center and commitment item hierarchy). You can use a Budget Structure [Seite 56] to confine this structure to particular responsibility areas (funds centers) and expenditure categories (commitment items). You thus determine which responsibility area receives the promised funds, which have usually come from a particular source to cover a particular project and can only be disbursed on particular types of expenditure.

You can create an overall budget to cover the whole period in question: you can apportion this to the financial years affected. Budget is used up as postings are made to the fund. Funds reservations and business transactions entered in the feeder systems (such as financial accounting and materials management) also affect the budget.

Structure

The Funds Master Record [Extern] contains important information, including:

- Name and description of the fund

- Validity interval

- Application of funds

    The application of funds is defined time-dependently in its own master record and defines the validity interval of the fund if there is no validity interval specified in the funds master record.

- Funds type

    You can classify funds using a funds type and use it for evaluation purposes.

- Budget profile

    By defining a budget profile you can control the budgeting and availability control for a fund on an individual basis.

- Fund Customer

    The sponsor is managed by linking the fund to a customer master record.

- Balance update

    Behavior of the fund in connection with the fiscal year change

Integration

Master data entry

Fund

- Link debtor (source of funds) with fund

- Link application of funds with fund

You can assign a debtor to more than one fund; the same applies to applications of funds. For more information on the link between funds, sources of funds, and applications of funds, read Funds, Sources of Funds, and Applications of Funds [Seite 34].

Postings

For posting data from the feeder systems to be recorded in Funds Management, you must always specify a complete Funds Management account assignment (funds center, commitment item, and, if required, fund) in the posting transaction. You can keep manual input work to a minimum using the link to the basic data. The system derives the FM account assignment from the connection.

- Link Between Basic Data Elements in Funds Management

    – Define a fund in a funds center master record

        The fund is derived from the funds center posted to by the system during the posting transaction and then used as a default value.

- Link Between Basis Data Elements in Other Components

    – Assignment of a fund to a CO account assignment (cost center, WBS element, order, profit center)

        The fund is derived from the CO account assignment during the posting transaction.

    – Assign fund to HR master record

See also:

Create Funds [Seite 55]

Example: Funds Master Record [Extern]

Funds, Sources and Applications of Funds [Seite 34]

Application of Funds

Definition

Grouping criterion for funds master records

Use

In the application of funds, you determine what the funds made available by a source of funds in a fund may be used for. This definition is time-dependent and, therefore, determines how long a fund is valid.

Integration

For more information on the link between funds, sources of funds, and applications of funds, read Funds, Sources of Funds, and Applications of Funds [Seite 34].

Funds, Sources and Applications of Funds

You can assign more than one fund to a source of funds. This means you do not have to enter source of funds data more than once.

One source of funds finances more than one project

```
                    ┌─────────┐         ┌───────────┐
                    │ Fund 1  │─────────│ Purpose 1 │
                    └─────────┘         └───────────┘
  ┌──────────────┐  ┌─────────┐         ┌───────────┐
  │Source/Sponsor│──│ Fund 2  │         │ Purpose 2 │
  └──────────────┘  └─────────┘         └───────────┘
                    ┌─────────┐         ┌───────────┐
                    │ Fund 3  │─────────│ Purpose 3 │
                    └─────────┘         └───────────┘
```
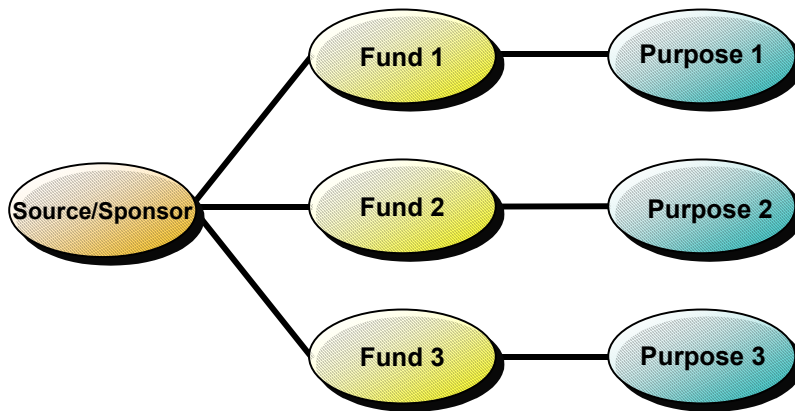
You can assign several funds to an application of funds. This means you do not have to enter application of funds data more than once that is financed via different funds.

Several sources of funds finance one project

```
  ┌──────────┐   ┌────────┐
  │ Source/  │───│ Fund 1 │
  │Sponsor 1 │   └────────┘
  └──────────┘
  ┌──────────┐   ┌────────┐       ┌─────────┐
  │ Source/  │───│ Fund 2 │───────│ Purpose │
  │Sponsor 2 │   └────────┘       └─────────┘
  └──────────┘
  ┌──────────┐   ┌────────┐
  │ Source/  │───│ Fund 3 │
  │Sponsor 3 │   └────────┘
  └──────────┘
```
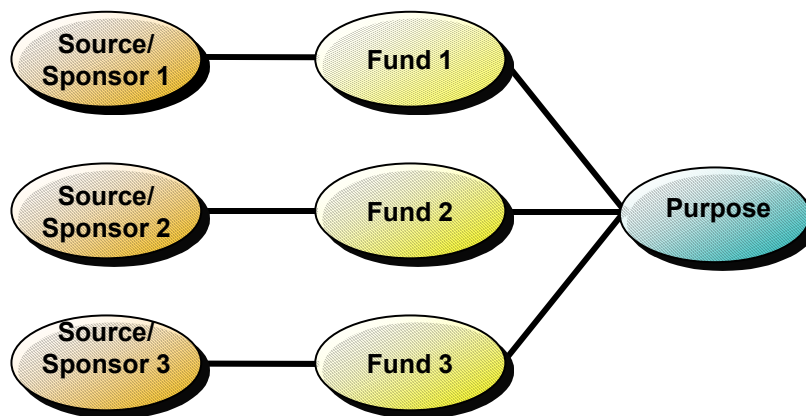
Changing the Structure of the Master Data Hierarchy

Purpose

Functional or organizational changes within your organization may mean that you have to change the master data hierarchy structure to reflect these changes.

Prerequisites

If only hierarchy data exists, you can change the master data hierarchy without carrying out any additional steps.

However, if budget objects have already been defined in the budget structure, budget has already been distributed, and actual data exists, you then have to carry out additional steps after changing the master data hierarchy.

> Depending on the complexity of the change, these steps can be very time-consuming as well as prone to errors if they are not carried out properly. Therefore you should not change a master data hierarchy which has been budgeted and posted to.

If you want to make changes to the master data hierarchy posted to and budgeted, you must have the corresponding authorization for this. (Activity 47 within FM area authorization).

The following describes the relevant procedures if you want to insert new intermediate nodes into your hierarchy with different prerequisites. If you only want to add new end nodes but want to consider them in the budget structure, you may well have to define these new nodes as budget objects. Additional steps are not necessary in this case.

Hierarchy Data and Budget Object Definition Exist

1. Delete the budget object definitions of the elements you want to change.

2. Change the hierarchy.

3. Redefine the budget objects.
   If you are working with funds, you must define them per fund.

Hierarchy Data and Budget Objects and Budget Values Exist

1. Delete the budget objects you do not want to change.

   Otherwise the system can no longer access the budget.

2. Change the hierarchy.

3. Adjust the budget objects and carry out a consistency check.

4. Reconstruct the distributed values.

5. Depending on the changes you have made, you may have to adjust the budget manually.

Hierarchy Data and Budget Objects and Budget Values and Actual Data Exist

1. Delete the budget objects you do not want to change.

   Otherwise the system can no longer access the budget.

2. Change the hierarchy.

3. Adjust the budget objects and carry out a consistency check.

4. Reconstruct the distributed values.

5. Depending on the changes you have made, you may have to adjust the budget manually.

6. Reconstruct the assigned values.

7. Depending on the changes you have made, you may have to transfer the actual values manually.

Creating New End Nodes

You may only have to define the new elements in the budget structure as budget objects.

Changes to commitment items or commitment item hierarchies made in Funds Management apply to Cash Budget Management too.

See also:

Changing Budget Structures [Seite 79]

Reconstructing Distributed Values [Seite 155]

Totaling Up Budget Values in Batch [Seite 152]

Reconstructing Assigned Values [Seite 169]

Selecting Subhierarchies in Hierarchy Maintenance

Use

This function makes maintenance of particularly large funds center/commitment item hierarchies easier and clearer.

Features

A number of options are available for processing subhierarchies in an FM area: You choose which one you want to use in the hierarchy maintenance request screen.

1. Choose *Select subtrees*.

   This accesses the *Funds Center Hierarchy* or *Commitment Item Hierarchy*. The system displays all the roots from the whole hierarchy. By double clicking "**+**" you can expand the subhierarchies further. Choose the top funds centers or commitment items from the subtrees whose funds centers and commitment items you want to process in the hierarchy graphic. Choose *Continue.* You can then use the hierarchy graphic to process all the funds centers or commitment items subordinate to the top funds center/commitment item you selected.

2. You enter the name of the top funds center from a subhierarchy in the *Top center/Top item* field, then choose *Choose subtrees*.

   In the Funds Center Hierarchy/Commitment Item Hierarchy screen, you can only choose the subtrees subordinate to this center/item for processing in the hierarchy graphic.

3. You enter the name of the top funds center from a subhierarchy in the *Top center/Top item* field, then choose *Continue*.

   This brings you to the graphics editor where you can edit all the subhierarchies or funds centers below the top funds center/commitment item you specified.

Additional Functions in Master Data Maintenance

Use

There are additional functions you can use in hierarchy maintenance and individual object maintenance.

The system only ever displays those functions which can be carried out when processing a particular master data object (commitment item, funds center, fund, application of funds) in a particular mode (create, change, display).

Features

To carry out the following functions:	Choose:
Cancel	Edit → Cancel
Define Time Dependencies for Account Assignment Items [Seite 48]	Goto → Analysis period
Display validity period in account assignment items	Goto → Drilldown
Go back	Goto → Back
Assign address to funds center	Extras → Address
	To enter more address information (telephone, fax, and so on), choose *Communication*....
	Extras → Long text
Enter long text	Extras → Classification
Classify Master Data Objects [Seite 106]	
Status Management [Seite 94]	Environment → Status management
Display change history	Environment → Change history
Display change documents	*Environment → Change documents*

Authorization check

You can assign authorizations for using and accessing particular master data objects. For more information, read Authorizations [Seite 10].

How to Process Master Data

You process and maintain master data using the **SAP network graphics**. Here, you can create, modify, and display hierarchies.

If you are maintaining master data in the hierarchy graphics, the standard setting is divided into three areas:

- **Display area**

  The display area shows the current section from the navigation area. Use the function keys *Zoom in* and *Zoom out* to change the section. You define the section in the navigation area.

- **Node area**

  The node area contains a model of the nodes appearing in the display area.

- **Navigation area**

  In the navigation area, you see the whole hierarchy. The frame in the navigation area indicates the section currently shown in the display area. You can expand or collapse this frame vertically, horizontally, or diagonally, or you can move it by dragging with the mouse. The section thus chosen appears in the display area.

Above the display area, the toolbox contains the most important functions for hierarchy processing. You can position the toolbox on the left side of the screen, or suppress it. To do this, choose *Settings → Toolbox.*

For detailed information on the SAP network graphic, see *BC-SAP Graphics: User's Guide*.

See also:

Hierarchy Graphics Menu [Extern]

Displaying Graphics [Extern]

Editing Commitment Items

Use

With this function, you can create, display, change, or delete commitment items. There are two ways of maintaining commitment items:

1. Individual maintenance

   You maintain one object (account assignment item or summarization item).

2. Hierarchy maintenance

   You use the SAP network graphic to maintain a number of objects.

The functions in individual maintenance and hierarchy maintenance are different.

Prerequisites

Deleting Summarization Items

- No budget in item yet

Deleting Account Assignment Items

- Item is not assigned to a G/L account and has no CO account assignment

- No budget in item yet

- No commitment or actual values posted to the item

Changing Commitment Items

If you have already activated Funds Management and entered budgets and postings for the commitment items, do not make any of the following changes:

- Changes to the control parameters *Financial transaction* and *Item category*

- Changes to hierarchy relations. For more information, read Changing the Structure of the Master Data Hierarchy [Seite 35].

Features

Function	Individual Maintenance	Hierarchy Maintenance
Account assignment/summarization item		
Create, change, display	X	X
Copy, move, delete		X
Subtree		
Move, delete		X

Creating Top Commitment Items

Prerequisites

You must create the top commitment item (the "root") as a summarization item.

Procedure

1. Choose *Accounting → Financial accounting → Funds management → Master data → Commitment item → Hierarchy → Maintain*.

2. Enter your FM area and choose *Continue*.

    You only store a top item if you want to edit a subhierarchy within the overall hierarchy. For more information on this, refer to Choosing Subtrees Within Hierarchy Maintenance [Seite 37].

    The system loads the hierarchy graphic.

3. In the node area, select the symbol for summarization items (rectangle with rounded corners).

    In the display area, a selection frame appears, which you can move by moving your mouse.

4. Move the frame into the display area and click when the frame is in the position where you want to have the root.

    The system displays the request screen for creating commitment items.

5. Enter the commitment item you want to have as the root of your hierarchy. The system defaults the FM area.

6. Confirm*.*

    The system displays the basic screen for maintaining commitment item master records.

7. Enter data as required.

8. Go back.

    You are now in the graphic again. The data is flagged for saving. The commitment item is created as a root.

9. Save both the master data and the hierarchy relations.

Inserting Commitment Items

1. Choose *Accounting* → *Financial accounting* → *Funds management* → *Master data* → *Commitment item* → *Hierarchy* → *Maintain*.

2. Enter your FM area and choose *Continue*.

   You only store a top item if you want to edit a subhierarchy within the overall hierarchy. For more information on this, refer to Choosing Subtrees Within Hierarchy Maintenance [Seite 37].

   The system loads the hierarchy graphic.

3. In the node area, select the node you want to insert in the display area.

   To insert a summarization item, choose the shape with the round corners.

   To insert an account assignment item, choose the shape with the square corners.

   In the display area, a selection frame appears, which you can move by moving your mouse.

4. Position the frame on an existing node, so that you can enter your new commitment item as the first or last predecessor, left or right brother, or first or last successor to the existing node.

   The system displays the request screen for creating commitment items.

5. Enter a commitment item. The system defaults the FM area.

6. Confirm.

   The system displays the basic screen for maintaining commitment item master records.

7. Enter data as required.

8. Go back.

   You are now in the graphic again. The data is flagged for saving. The commitment item you have created is inserted into the hierarchy.

9. Save both the master data and the hierarchy relations.

Copying Commitment Items

Prerequisites

To insert new commitment items into the hierarchy by copying existing items and using the graphic, you must be in the hierarchy graphic.

Procedure

1. Select a node in the display area.

2. Choose *Edit → Copy*.

    The system displays the request screen for creating commitment items.

3. Enter a commitment item. The system defaults the FM area. Confirm your entries.

    The system displays the basic screen for maintaining commitment item master records.

4. Enter data as required.

5. Go back.

    You are now in the graphic again. Depending on the settings you entered, the new node now appears as the first or last predecessor, left or right brother, or first or last successor to the copied node. The data is flagged for saving.

6. Save both the master data and the hierarchy relations.

Connecting Commitment Items to the Hierarchy

Prerequisites

- You have created a commitment item.

- You are in the hierarchy graphic.

- You have stipulated whether the node is to inserted as a first or last successor. To this end, choose *Edit → Presettings → Connect*.

Procedure

1. To this end, choose *Edit → Connect*.

2. In the display error, click the hierarchy node where you want to insert the commitment item. Keep the mouse button pressed down to draw a line to the commitment item which is to be connected to the hierarchy.

Detaching and Reinserting Commitment Items

Prerequisites

- You have created a commitment item.

- You are in the hierarchy graphic.

- You have stipulated whether the node is to inserted as a first or last successor. To this end, choose *Edit → Presettings → Connect*.

Procedure

1. In the display area, select the commitment item you want to detach from the hierarchy.

2. Choose *Edit → Detach*.

   The commitment item is removed from the overall hierarchy. If it is a summarization item, all the summarization and account assignment items subordinate to it are also cut out.

3. To insert the detached commitment item at another point in the hierarchy, proceed as described in .

4. Save the hierarchy.

Deleting Commitment Items

Prerequisites

You can only delete commitment items from the hierarchy graphic. The following prerequisites must also be met:

- Deleting summarization items

- No budget in item yet

- Deleting summarization items

- Item is not assigned to a G/L account and has no CO account assignment.

- No budget in item yet

- No commitment or actual values posted to the item.

Procedure

1. Select the relevant item in the display area.

2. Choose *Edit → Delete*.

Creating Summarization and Account Assignment Items Individually

1. Choose *Accounting* → *Financial accounting* → *Funds management* → *Master data* → *Commitment item* → *Account assignment* or *Summarization* → *Create*.

2. Specify an FM area and define a new commitment item for it.

3. Confirm*.*

   The system displays the basic screen for creating commitment item master records.

4. Enter data as required.

   To connect the new commitment item with the commitment item hierarchy, enter the superior commitment item in the appropriate field.

5. Save your input.

   ☐

   This procedure is only practical for small numbers of funds centers, or simple hierarchies. For larger or more complex structures, you should use the hierarchy graphics.

Time Dependency in Account Assignment Items

Use

For account assignment items, you can define periods of time, in which the "Name" and "Description" have different characteristics.

☐

>   Let the name of an account assignment item be:
>
>   - November 1, 1998, to December 31, 1998: Books
>   - July 1, 1998 to October 31, 1998: Typewriters
>   - January 1, 1998, to June 30, 1998: Computers

Prerequisites

You must have created the relevant account assignment items.

Activities

To maintain time intervals, you must call up the relevant account assignment items in change mode.

The system automatically enters a maximum analysis period January 1, 1900, to December 31, 1999, for each account assignment item you enter. You can change this by defining new time intervals for an existing account assignment item.

To do this, go to the initial screen for changing account assignment items and choose *Goto* → *Analysis period..* To enter the analysis period you want, choose *Other analysis per.* Confirming the entry returns you to the basic screen for changing commitment items. Here, you can change the name and/or description of the account assignment item. In this way, you can maintain multiple, time-dependent data records for one account assignment item.

☐

>   You create an account assignment item, to last from January 1, 1900, to December 31, 9999. You then change the object by defining different attributes for the period January 1, 1998, to December 31, 1998. This means that there are now three data records in the system:
>
>   - One for the interval from January 1, 1999, to December 31, 9999
>   - One for the interval from January 1, 1998, to December 31, 9998
>   - One for the interval from January 1, 1900, to December 31, 1997

When creating time-dependent master records, make sure that contiguous intervals differ from each other in at least one attribute. There must be no gaps between the intervals. You cannot delete time intervals.

If you have already defined more than one time interval for an account assignment item, the system displays the time interval list on the request screen for changing account assignment items when you are changing them. You can select and process particular time intervals from the list. If you do not select any particular time interval, the description and name fields contain "+".

Double click these fields to display a list of all the existing names and the time intervals applying to them.

Editing Funds Centers

Use

With this function, you can create, display, change, or delete funds centers. There are two ways of maintaining commitment items:

1. Individual maintenance

   You maintain one object.

2. Hierarchy maintenance

   You use the SAP network graphic to maintain a number of objects.

The functions in individual maintenance and hierarchy maintenance are different.

Prerequisites

Deleting Funds Centers

- No budget for the funds center

- No postings to the funds center

Deleting Funds Centers

- You can change the data stored in the master record at any time.

- You should not change hierarchy relations once budget and postings have been entered for the funds center hierarchy. For more information, read Changing the Structure of the Master Data Hierarchy [Seite 35].

Features

Function	Individual Maintenance	Hierarchy Maintenance
Funds center		
Create, change, display	X	X
Copy, move, delete		X
Subtree		
Move, delete		X

Creating Top Funds Centers

1. Choose *Accounting → Financial accounting → Funds management → Master data → Funds center → Hierarchy → Maintain*.

2. Enter your FM area and choose *Continue*.

   You only store a top center if you want to edit a subhierarchy within the overall hierarchy. For more information, read <u>Selecting Subtrees in Funds Center Hierarchy Processing</u> <u>[Seite 37]</u>.

   The system loads the hierarchy graphic.

3. In the node area, select the symbol for funds centers (rectangle with rounded corners).

   In the display area, a selection frame appears, which you can move by moving your mouse.

4. Move the frame into the display area and click when the frame is in the position where you want to have the root.

   The system displays the request screen for creating funds centers.

5. Enter the funds center you want to have as the root of your hierarchy. The system defaults the FM area.

6. Confirm*.

   The system displays the basic screen for maintaining funds center master records.

7. Enter data as required.

   In addition to the funds center manager, who must have been created as a user in the SAP system, you can use the *Name* field to specify a funds center manager whose name has not been so maintained.

8. Go back.

   You are now in the graphic again. The data is flagged for saving. The funds center is created as a root.

9. Save both the master data and the hierarchy relations.

Inserting Funds Centers

1. Choose *Accounting → Financial accounting → Funds management → Master data → Funds center → Hierarchy → Maintain*.

2. Enter your FM area and choose *Continue*.

    You only store a top center if you want to edit a subhierarchy within the overall hierarchy. For more information on this, refer to Choosing Subtrees Within Hierarchy Maintenance [Seite 37].

    The system loads the hierarchy graphic.

3. In the node area, select the symbol for funds centers (rectangle with rounded corners).

    In the display area, a selection frame appears, which you can move by moving your mouse.

4. Position the frame on an existing node, so that you can enter your new funds center as the first or last predecessor, left or right brother, or first or last successor to the existing node.

    The system displays the request screen for creating funds centers.

5. Enter a funds center. The system defaults the FM area.

6. Choose *Continue.*

    The system displays the basic screen for maintaining funds center master records.

7. Enter data as required.

    In addition to the funds center manager, who must have been created as a user in the SAP system, you can use the *Name* field to specify a funds center manager whose name has not been so maintained.

8. Go back.

    You are now in the graphic again. The data is flagged for saving. The funds center you have created is added to the hierarchy.

9. Save both the master data and the hierarchy relations.

Creating Funds Centers Individually

1. Choose *Accounting* → *Financial accounting* → *Funds management* → *Funds center* → *Individual maintenance* → *Create*.

2. Specify an FM area and define a new funds center item for it.

3. Confirm*.*

   The system displays the basic screen for maintaining funds center master records.

4. Enter data as required.

   In addition to the funds center manager, who must have been created as a user in the SAP system, you can use the *Name* field to specify a funds center manager whose name has not been so maintained.

5. Enter a superior funds center.

   You do not need to do this if you are creating the top center for a hierarchy.

6. Save your input.

   This procedure is only practical for small numbers of funds centers, or simple hierarchies. For larger or more complex structures, you should use the hierarchy graphics.

Maintaining Funds Center Hierarchies: Additional Functions

Use

Using the hierarchy graphic to edit funds centers means you can use functions not available in individual maintenance.

Prerequisites

You must be in hierarchy maintenance for funds centers.

Features

Duplicating Funds Centers

Another way to insert new funds centers into the hierarchy is to duplicate existing centers.

To do this, follow the procedure described in Copying Commitment Items [Seite 43].

Connecting Funds Centers to the Hierarchy

You can create a funds center as a root and then connect it to a center in the hierarchy as first or last successor.

To do this, follow the procedure described in Connecting Commitment Items to the Hierarchy [Seite 44].

Detaching and Reinserting Funds Centers

One way of changing the funds center hierarchy is to detach individual nodes or subtrees from the structure and reinsert them at another place in the hierarchy.

To do this, follow the procedure described in Detaching Commitment Items... [Seite 45].

Deleting Funds Centers

You can only delete funds centers if you have not entered postings or a budget for them.

To delete funds center, select it in the display area of the hierarchy graphic and choose *Edit → Delete*.

Creating a Fund

Prerequisites

You must define a validity range when creating a fund. There are two ways to define the validity of a fund:

- by defining a validity range in the funds master record

- by entering an application of funds in the funds master record

> If you enter an application of funds in the funds master record, the validity of the fund will be derived via the application of funds. If an application of funds as well as a validity range is defined for a fund in the funds master record, the validity range selected in the master record applies.
> To create an application of funds choose *Accounting → Financial Accounting → Funds Management → Master Data → Fund → Application of Funds → Create*.

Procedure

1. Choose *Accounting → Financial accounting → Funds management → Master data → Fund → Create*.

2. Enter an FM area as well as a fund and choose 🗸.

3. Enter the required data.

    You can assign a fund type to a fund. You can classify funds via fund types. The individual fund types are defined in Customizing.

    If you define a budget profile in the fund, the system takes the settings for it as the basis for budgeting and availability control.

4. Choose 🗗.

See also:

For more information about fund types, see the SAP Reference IMG under *Financial Accounting → Funds Management → Master Data → Fund → Create Fund Types*.

Budget Structures

Definition

For each fund, the budget structure represents all the funds centers and commitment items where you can budget or make postings, in hierarchical form.

Use

You can select the necessary budget structure elements (BS elements) for your organization from an abundance of combinations of fund centers and commitment items of a fund, and assign these to functions to suit your needs for:

- **Central budget allocation** or mixture of central and local budget allocation

- **Clarity in budgeting**

    By defining budget objects, the size of the budget hierarchy to be processed is generally substantially reduced.

- **Better system performance**

    The system only processes the budget objects and not the whole funds center and commitment item hierarchy.

Annual budget structure

If you are working in a fund with annual values, then maintain an annual budget structure (BS) that is valid until a new definition, based on new demands, for the BS is performed. You can use the BS Transfer from the Previous Year [Seite 62] function to change an existing BS.

Overall BS

If you are working with a fund with overall values, then maintain an overall BS having a year-independent validity for this fund.

Structure

You must define budget objects and posting objects for the definition of a BS from a number of BS elements of a fund.

Budget objects

Using budget objects you define the basic rules for budget allocation:

- which BS elements can be budgeted

- to which subordinate funds centers and commitment items is the budget to be distributed

    ☐

    Defining the budget objects in the appropriate way enables central budget allocation or also a mixture of central and local budget allocation.

Posting objects

Using posting objects you define which BS elements may be posted to.

Commitment Item Group

If you do not define the budget structure using "individual objects" but use "group assignments, you use commitment item groups and assign commitment items as budget objects and/or posting objects to these groups. For more information, read Entry Types for the Budget Structure [Seite 58].

See also:

Budget Objects and Posting Objects [Seite 59]

Defining Budget Structure Using Individual Objects [Seite 64]

Commitment Item Groups [Seite 66]

Entry Types for the Budget Structure

Use

For each budget structure (for each fund with overall values and, in the case of funds with annual values, for each year as well), you must decide whether you want to define the budget structure by defining "individual objects" or via "group assignments". You cannot mix these two entry types.

Features

Defining Budget Structures Using Individual Objects

When defining individual objects, you must edit the whole funds center and commitment item hierarchy and flag a combination of funds center and commitment item as budget objects or posting objects.

Defining Budget Structures Using Group Assignment

When defining via group assignment, you assign commitment item groups to be defined beforehand to the funds centers. A commitment item group combines commitment items with the same object indicator (budget object/posting object). By means of the assignment, the system automatically defines the objects during generating for all commitment items contained in the commitment item group in the respective funds center.

> If you want to create a budget structure via group assignment, no budget objects and posting objects may exist, which were created by defining a budget structure via individual objects.

See also:

Defining Budget Structure Using Individual Objects [Seite 64]

Budget Structure Definition via Group Assignments [Seite 71]

Budget Objects and Posting Objects

What should you note if you want to use budget objects and posting objects?

- If you have created a budget structure by assigning commitment item groups, you can only change a commitment item's object function within the commitment item group [Seite 66].

- If you have been working with budget and posting objects and do not want to do so in future, choose *Master Data → Budget Structure → Delete Budget Structure* in the *Funds Management* IMG to delete all the budget and/or posting objects from a budget structure.

   For more information see the *Funds Management* Implementation Guide in step *Delete Budget Structure*.

- If you have not yet worked with budget objects or posting objects and want to do so in future, choose *Basic Data → Budget Structure → Generate Budget Structure* in the IMG to generate a budget structure which designates the funds centers and commitment items where you have entered budget as budget objects, and those where postings have already been made as posting objects.

   For more information see the *Funds Management* Implementation Guide in step *Generate Budget Structure*.

- If budget values already exist, after defining a budget structure you must:

   – Reconstructing Distributed Values [Seite 155]

   – Reconstructing Assigned Values [Seite 169]

If you are working	Then
Budget objects	• **Commitment items:** All commitment items, which are to be budgeted for, must be marked as budget objects. The commitment items must have the financial transaction 30 and the item category 2 or 3. • **Commitment item groups:** You must decide if you want to use commitment item groups for the definition, or not. • **Reconstruct assigned values:** After definition you must reconstruct the assigned values • **Reconstruct distributed values:** If budget values already exist, you must reconstruct the distributed values before reconstructing the assigned values. •

Budget Objects and Posting Objects

Posting objects	• **Commitment items:** All commitment items, which are to be posted to, must be marked as posting objects. The commitment items must have the financial transaction 30 and the item category 2 or 3.
	• If you have only defined budget objects, but **no posting objects**, all account assignment items can be posted to.
	• **Commitment item groups:** You must decide if you want to use commitment item groups for the definition, or not.
	• **Reconstruct assigned values:** After definition you must reconstruct the assigned values
	• **Reconstruct distributed values:** If budget values already exist, you must reconstruct the distributed values before reconstructing the assigned values.

Budget Structure Consistency Check

Use

Using this function, you can check the consistency of budget objects in a budget structure when you create it by creating individual objects.

The system checks that each budget object has a budget object superior to it.

Either the directly superior center and the same commitment item must be defined as the budget object or the directly superior commitment item from the same funds center. The superior budget object may not be more than "1 center level and 0 item levels" or "0 center levels and 1 item level" away.

Activities

Choose *Budget structure* → *Check* to check the budget structure consistency.

In the event of an error, the following happens:

The system generates a message directing you to an error log. You can display or print the error log by choosing *Extras* → *Error log*. The error log contains details of the budget objects for which no superior budget object has been defined.

Correct the defective budget objects or choose *Edit* → *Enhance.* This function automatically creates the necessary superior budget objects for those objects that lack them. The system generates a message, telling you how many superior budget objects were created.

> If you really do want to have "gaps" in the budget object hierarchy, you can ignore the error message and do not have to enhance the missing budget objects. Budget can nevertheless be allocated correctly.

Budget Structure Transfer from Previous Year

Use

Program **BPCARRY0** supports you during the maintenance of the budget structure by transferring the last valid budget structure into the target year. In doing so, you save yourself the renewed maintenance of BS objects already maintained.

You use this function to redefine a BS and use the old BS as a model. You can use the new BS for all further fiscal years and simultaneously keep the old BS available in the system without change.

Activities

Use transaction **se38** to start program **BPCARRY0**.

See the program documentation for more information.

Conversion Operations in Budget Structure

Use

The following activities are available for changes in the maintenance of the budget structure in the Customizing of *Funds Management* functions:

- Conversion of an FM area to BS maintenance

- Delete a BS

Features

Generating budget structures

If you have not yet worked with budget objects or posting objects and want to do so in future, then you can use Customizing step *Generate budget structure* to generate a budget structure from already budgeted and posted funds centers and commitment items.

If you start this program, then in all funds of an FM area

- all budgeting FM account assignment are marked as budget objects

- all budgeting FM account assignments posted to are marked as budget objects

For more information see the *Funds Management* Implementation under *Generate Budget Structure*.

Deleting the Budget Structure

If you have been working with budget and posting objects and do not want to do so in future, then use Customizing step *Delete budget structure* to delete all the budget and/or posting objects from one or all funds.

For more information see the *Funds Management* Implementation Guide under *Delete Budget Structure*.

Activities

You execute the function in *Funds Management* Customizing under

- *Basic Data → Budget Structure → Generate Budget Structure*

- *Basic Data → Budget Structure → Delete Budget Structure*

Defining Budget Structures Using Individual Objects

Prerequisites

You have opted for the definition of BS individual objects and on the initial screen *Change budget structure*: have **not** set the indicator *Group assignments*.

Procedure

1. In the initial *SAP R/3* screen, choose *Accounting* → *Financial accounting* → *Funds management* → *Master data* → *Budget structure* → *Change*.

2. Enter an FM area and the required data:

   Annual budget structure:

   If you are working with annual values in budgeting and want to edit or change an annual budget structure, enter a fiscal year.

   Overall BS:

   If you are working with overall values in budgeting and want to edit or change an overall budget structure, enter a fund but not a fiscal year.

   Even if you have defined a budget profile for a fund enabling you to use overall values and annual values, you can only define the budget structure for this fund as overall budget structure.

   Editing subhierarchies

   If you do not want to edit the whole funds center and commitment item hierarchy, you can enter a funds center and commitment item from which the hierarchy is to be built up. In addition, you can Restrict the Levels [Seite 139].

3. Choose *Continue*.

   An overview of the funds center hierarchy is displayed according to the entry point you have chosen. Double-click to obtain an overview of the funds centers combined with the top commitment items. You can further expand the commitment item hierarchy by double-clicking again.

4. **Defining budget objects and posting objects**

   – Budget objects

   You can define budget objects in the following ways:

   - You define a certain combination of funds center and commitment item individually as budget objects by setting the *Budget* indicator.

   - You define the budget object generically. You set the *Budget* indicator for a funds center with commitment item "*". All commitment items within this funds center are then budget objects.

   – Posting objects

   The procedure is the same as for defining budget objects. To do so, choose the *Posting* indicator.

☐

      If you do not define any posting objects, then all assignable BS elements are automatically posting objects.

5. Execute a BS Consistency Check [Seite 61] by choosing *Check*.

6. *Save* the budget structure definition.

Result

The system sets up the budget hierarchy according to the budget structure so as to allocate budget.

If budget values already exist, you must carry out the following steps after defining the budget structure:

1. Reconstructing Distributed Values [Seite 155]

2. Reconstructing Assigned Values [Seite 169]

Commitment Item Group

Definition

Grouping of commitment items from an FM area for processing together.

Use

Commitment item groups are an aid to defining budget structures.

You can define a commitment item group either as year-dependent or as non-year-dependent. You use the year-dependent groups to define a year-dependent budget structure (annual BS). You use the non-year-dependent groups to define a non-year-dependent budget structure (overall BS) if you work with funds and overall values.

When defining a group, you specify the object function (budget object/posting object) of the commitment items contained in them. When defining a budget structure with group assignment, you assign the commitment item groups to the funds centers. When generating the budget structure, the system then automatically defines the objects for all the commitment items contained in the commitment item group in the respective funds center. Depending on the definition of the group and the corresponding definition of the budget structure, you can carry out central budgeting, or a mixture of central and local budgeting, in a simple and quick way.
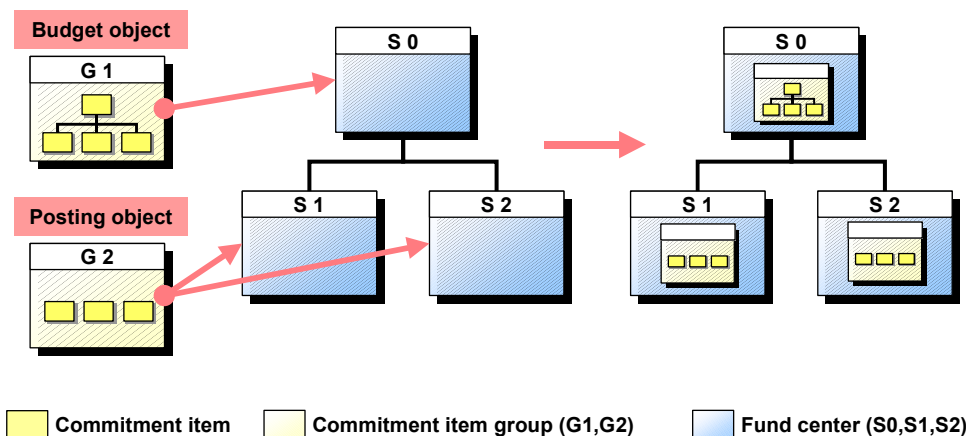
| | Commitment item | | Commitment item group (G1,G2) | | Fund center (S0,S1,S2) |

If you have created a budget structure with group assignment and make subsequent changes to the object function in a commitment item group, this has an effect on **all** funds centers in the budget structure to which you have assigned this group.

Integration

A year-dependent commitment item group is valid until the group is defined for a new year based on new requirements. If a group has been defined for a number of fiscal years, the commitment item group, which either corresponds to the budget structure's fiscal year or to the fiscal year before that is, used for defining a year-dependent budget structure. Groups that are defined for future fiscal years cannot be used.

You define a year-independent commitment item group for the year 0000. Commitment item groups with the year 0000 can only be used in year-independent budget structures (overall BS).

☐

Defining a year-dependent budget structure for 1996

Cmmt item group	Group definition for FY	Valid group/year for BS 1996
Group A	1994, 1996, 1998	A 1996
Group B	1993, 1995	B 1995
Group C	0000, 1997	C cannot be used

For all years in which the budget structure is valid, the commitment item group, which was used when defining the budget structure, is the one that applies.

☐

Commitment item group Group E has been defined for 1995 and 1997.

The budget structure for 1996 uses Group E that has been defined for 1995.

The budget structure for 1999 uses Group E that has been defined for 1997.

For fiscal years 1996 - 1998, the budget structure definition for 1996 is the valid one whereas the definition of Group E for 1995 is used in all years.

See also:

Budget Structure Definition via Group Assignments [Seite 71]

Example: Budget Structure for Local Budgeting [Seite 75]

Example: Budget Structure for Central Budgeting [Seite 77]

Maintaining Commitment Item Groups

Prerequisites

- You must only create commitment item groups if you want to define a budget structure using group assignments.

- You can only combine commitment items into groups, which you have created previously in master data maintenance.

Procedure

Creating Commitment Item Groups

1. In the initial *SAP R/3* screen choose Accounting → *Financial accounting* → *Funds management* → *Master data* → *Budget structure* → *Commitment item group* → *Create* and make the require entries.

    – **Year-dependent commitment item groups**

        Enter an FM area, commitment item group, and fiscal year.

    – **Year-independent commitment item groups**

        Enter an FM area and a commitment item group.

    You can limit selection to a commitment item subhierarchy by entering a commitment item.

    You can specify a commitment item group as a template. The system then automatically takes over all commitment items from this group with the corresponding object indicators into the new group.

    Choose *Continue*.

2. Enter a name and a description for the group in the dialog box and choose *Continue.*

    You reach an overview of the commitment item hierarchy in accordance with the entry point you have chosen.

3. Select the commitment items that you want to combine into a group and choose *Insert into group*.

    Using *Remove from group* you can remove the commitment items selected from the group.

4. Choose *Object indicator.*

    You reach an overview of the object indicators.

5. Set the *Budget object* and/or *Posting object* indicators for the commitment items contained in the group.

    To set an indicator for all commitment items displayed, choose *Select column*.

    To delete an indicator for all commitment items displayed, choose *Deselect column*.

6. *Save* the commitment item group.

Changing Commitment Item Groups

To change commitment item groups, choose *Accounting → Financial accounting → Funds management → Master data → Budget structure → Commitment item group → Change* in the initial *SAP R/3* screen.

To change commitment item groups, proceed as described in **creating commitment item groups**.

☐

   If you are already working with a budget structure which was defined using group assignment and make subsequent changes to the object function (budget object/posting object) in a commitment item group, this has an effect on **all** the funds centers to which you have assigned this group in the budget structure.

   For the change to take effect in the budget structure, you must Generate the Budget Structure from Group Assignments [Seite 74].

Displaying Commitment Item Groups

1. In the *Funds Management* menu, choose *Master data → Budget structure → Commitment item group → Display.*

2. Enter data as required and choose *Continue*.

See also:

Delete Commitment Items Group [Seite 70]

Deleting Commitment Item Groups

Prerequisites

- You can only delete a commitment item group if it is no longer used. You are not allowed to assign the commitment item group to a funds center when defining a budget structure using group assignment.

    ▢

    You can undo group assignments in *Funds Management* Customizing under *Basic Data* → *Budget Structure* → *Delete Budget Structure*.

- You should only delete commitment item groups if you no longer need them since deletion is carried out without archiving. The system cannot restore a deleted group.

Procedure

In the initial *SAP R/3* screen, choose *Accounting* → *Financial accounting* → *Funds management* → *Master data* → *Budget structure* → *Commitment item group* → *Delete*.

- To delete a **year-dependent commitment item group**, enter an FM area, commitment item group, and fiscal year for which the group has been defined.

- To delete a **year-independent commitment item group**, only enter an FM area and the commitment item group.

Budget Structure Definition via Group Assignments

Purpose

Defining a budget structure using commitment item groups supports a clear and quick way of allocating budget for:

- Central budgeting

- Local budgeting

- Mixture of central and local budgeting

Prerequisites

- You must first create commitment item groups.

- You are not allowed to have created **any** budget objects or posting objects by defining individual objects.

For more information on defining a budget structure using individual objects, read Defining Budget Structures Using Individual Objects [Seite 64].

Process Flow

1. Define the commitment item groups.

2. Define the budget structure using group assignments.

   Execute step *Change budget structure* and have set the *Group assignments* indicator on the initial screen.

3. Generate the budget structure from groups.

You need only carry out the following steps if budget values already exist.

4. Reconstructing distributed values

5. Reconstructing assigned values

Result

The budget structure only contains the elements, which are needed in your organization for central or local budgeting from all possible combinations of funds centers and commitment items. Only combinations of funds centers and commitment items that can be budgeted appear in the budget hierarchy.

See also:

Defining Budget Structure Using Group Assignments [Seite 72]

Generate Budget Structure from Group Assignments [Seite 74]

Defining Budget Structures Using Group Assignments

Prerequisites

- You have created Commitment Item Groups [Seite 66].

- You are not allowed to have created any budget objects or posting objects by defining "Individual Objects [Seite 64]".

Procedure

1. In the initial *SAP R/3* screen, choose *Accounting → Financial accounting → Funds management → Master data → Budget structure → Change*.

2. Enter an FM area and the required data.

   Be sure to set the *Group assignments* indicator.

   Annual budget structure (year-dependent budget structure)

   If you want to edit or change an annual budget structure, enter a fiscal year.

   Overall budget structure (year-independent budget structure)

   If you want to edit or change an overall budget structure, enter a fund but not a fiscal year.

   Even if you have defined a budget profile for a fund enabling you to use overall values and annual values, you can only define the budget structure for this fund as non-year-dependent.

   Editing subhierarchies

   If you do not want to edit the whole funds center and commitment item hierarchy, you can enter a funds center and commitment item from which the hierarchy is to be built up. In addition, you can Restrict the Levels [Seite 139].

3. Choose *Continue*.

   An overview of the funds center hierarchy is displayed according to the entry point specifications that you have entered.

4. Assign the commitment item groups to the funds centers.

   If a commitment item group has been defined for several fiscal years, the commitment item group which either corresponds to the budget structure's fiscal year or to the fiscal year before that is used for defining a year-dependent budget structure. Groups that are defined for future fiscal years cannot be used.

5. *Save* the budget structure definition.

Result

After defining the budget structure using commitment item groups, you must carry out the following steps:

1. Generate the Budget Structure from Groups [Seite 74].

You can display the budget objects and posting objects generated. To do this, choose *Budgeting* → *Budget structure* → *Display.* Do **not** set the *Commitment item groups* indicator on the initial screen.

You must only carry out the following steps if budget values already exist:

2. Reconstructing Distributed Values [Seite 155]

3. Reconstructing Assigned Values [Seite 169]

Generating the Budget Structure from Group Assignments.

Prerequisites

You must start this program if:

- You have defined a budget structure (BS) using commitment item groups

- You have made changes to your commitment item groups which are used in a budget structure

- You have changed the assignment of commitment item groups to funds centers in a budget structure

Procedure

1. In the initial *SAP R/3* screen, choose *Accounting → Financial accounting → Funds management → Master data → Budget structure → Generate from commitment item group*.

2. Enter an FM area.

3. Enter a fund or several funds for which you have defined or changed the budget structure. The system then updates all budget structures (funds/years) based on the entry in the *Fund* field.

    If you are not working with funds, do not enter a fund.

4. Only make an entry in the *Commitment item group* field if you have made changes to commitment item groups that are already used in a budget structure.

    ☐

    If you enter a fund and a commitment item group, the system ignores the fund entry. The budget structures are changed for those funds in which the specified group is assigned.

Result

The system generates the budget objects and posting objects for all commitment items contained in the commitment item groups in the respective funds centers. In budget allocation, the budget hierarchy is then set up according to this budget structure definition.

You should execute the consistency check of the budget structure in the display mode after the generating of the budget structure. To do this, choose *Budget structure → Display*. Do **not** enter a commitment item group on the initial screen.

In the event of an error, you must either change the commitment item group or change assignment of the group to the funds centers. Generate the budget structure again afterwards. If budget values already exist, you must reconstruct the distributed values and assigned values.

Example: Budget Structure for Local Budgeting

Defining Commitment Item Groups

Commitment item

Commitment item group
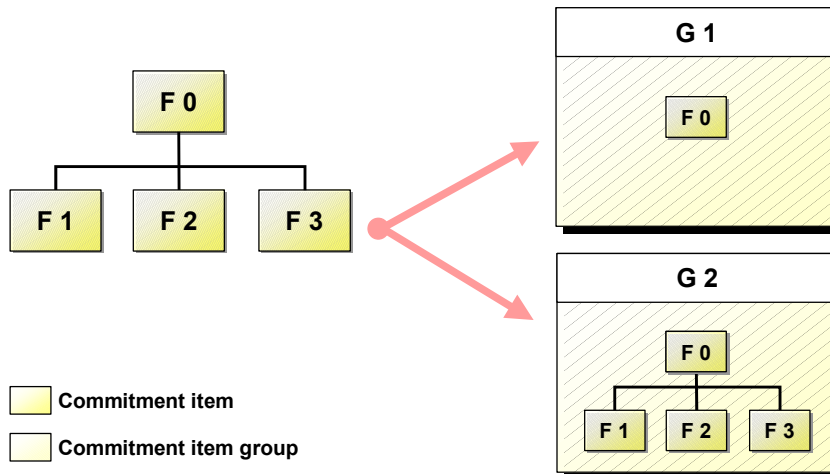
In the first step, you create the commitment item groups. Here Group **G1** contains top commitment item **F0** and Group **G2** contains commitment items **F0**, **F1**, **F2** and **F3**. All commitment items within the groups are flagged as budget objects.

Defining the Budget Structure Using Commitment Item Groups

Cmmt item group   Commitment item   Funds center
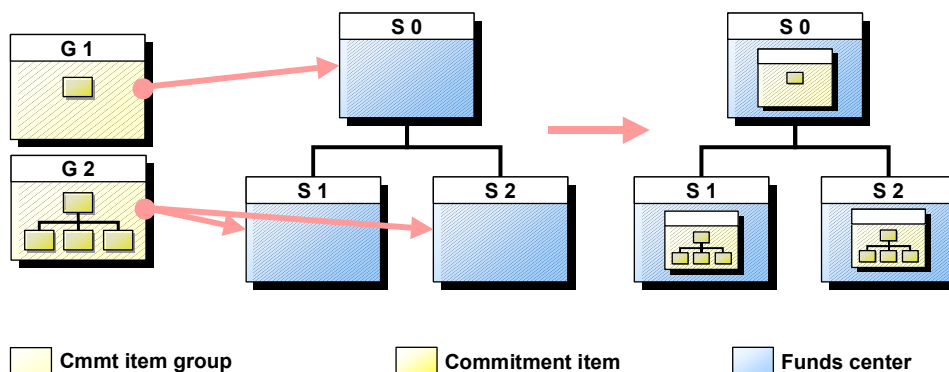
In a second step, you assign the commitment item groups to the funds centers when defining the budget structure.

Here Group **G1** is assigned to top funds center **C0** and Group **G2** is assigned to funds center **C0** and subordinate funds centers **C1** and **C2**. When you generate the budget structure, the system then automatically defines the budget objects in the respective funds centers for all commitment items that are contained in the groups.

Budget Hierarchy: Local Budget Allocation

Example: Budget Structure for Local Budgeting
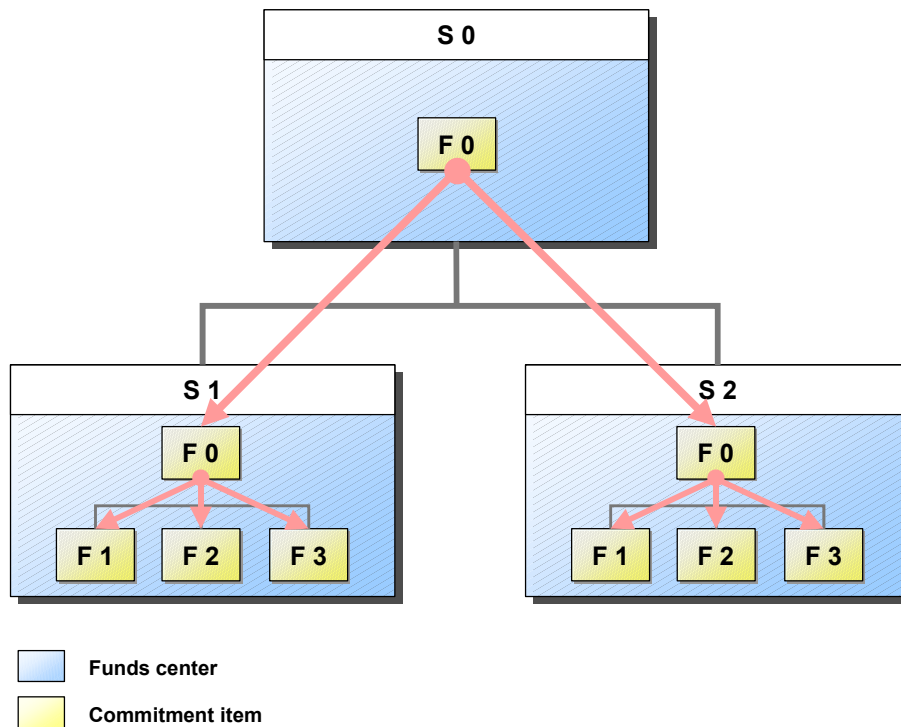
The system sets up the budget hierarchy in line with the budget structure. In accordance with group assignment, only top commitment item **F0** can be budgeted in top funds center **S0**. You can then distribute the budget from **S0/F0** to subordinate funds centers **S1** and **S2** and their top commitment item **F0**. You then distribute the budget within funds centers **S1** and **S2** to subordinate commitment items **F1** and **F2** and **F3**.

Example: Budget Structure for Central Budgeting

Defining Commitment Item Groups

Commitment item

Commitment item group
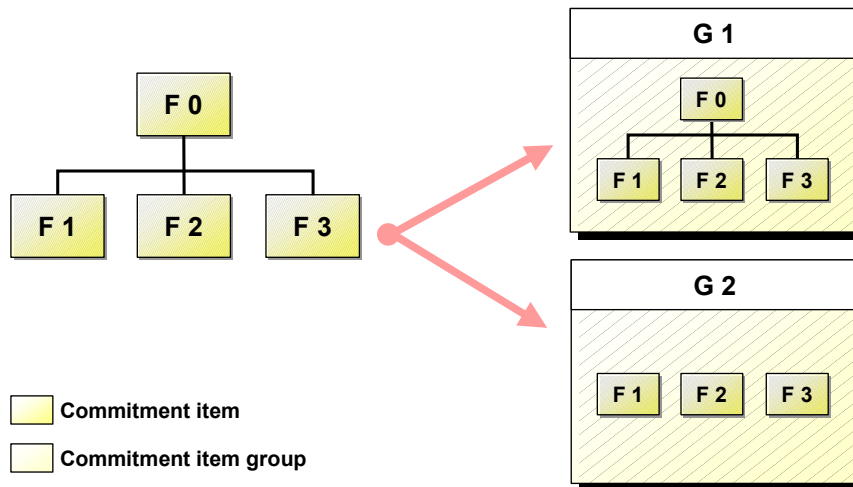
In the first step, you create the commitment item groups. Here Group **G1** contains all commitment items, top commitment item **F0** as well as subordinate commitment items **F1, F2** and **F3**. Group **G2** contains commitment items **F1, F2** and **F3**. All commitment items within the groups are flagged as budget objects.

Defining the Budget Structure Using Commitment Item Groups

Cmmt item group   Commitment item   Funds center
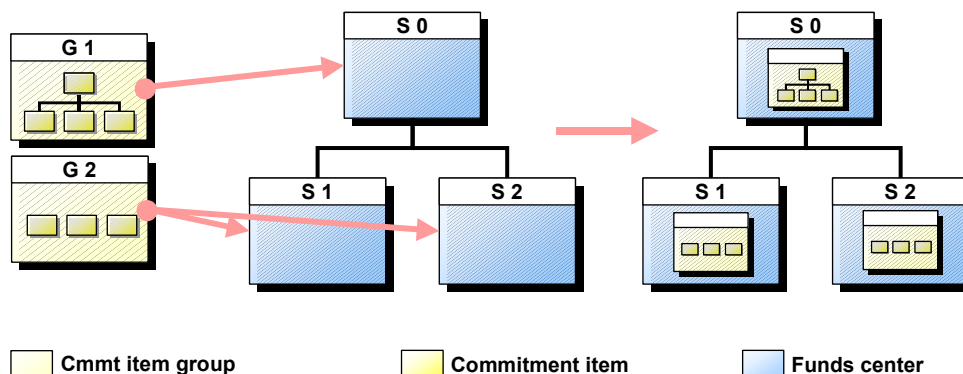
In a second step, you assign the commitment item groups to the funds centers when defining the budget structure.

Here Group **G1** is assigned to top funds center **S0** and Group **G2** is assigned to funds center **S0** and subordinate funds centers **S1** and **S2**. When you generate the budget structure, the system then automatically defines the budget objects in the respective funds centers for all commitment items contained in the groups.

Budget Hierarchy: Central Budget Allocation

Example: Budget Structure for Central Budgeting

▨	**Funds center**
▢	**Commitment item**
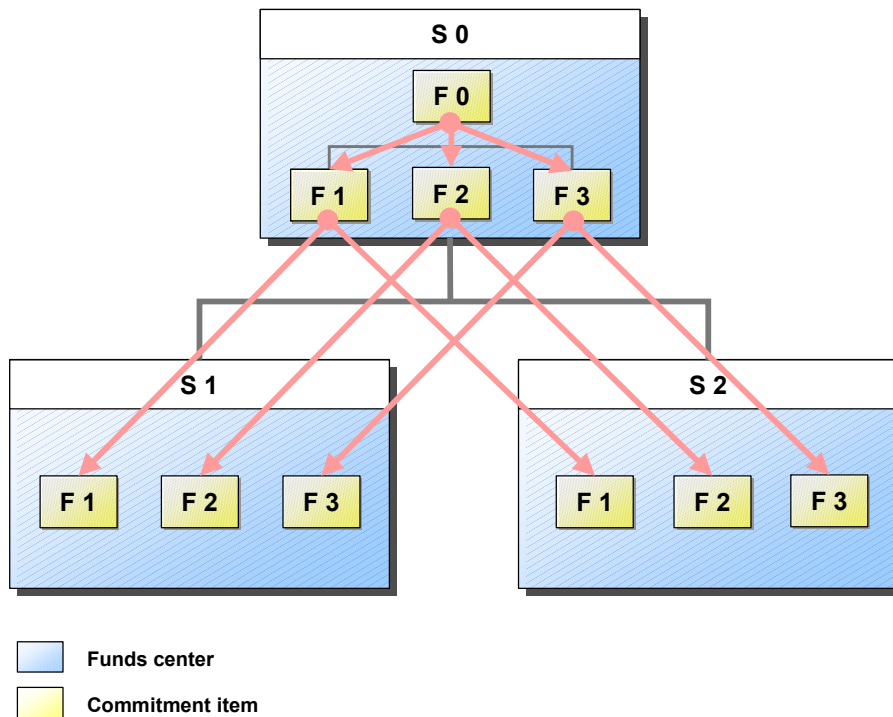
The system sets up the budget hierarchy corresponding to the budget structure. In accordance with group assignment, all commitment items can be budgeted in top funds center **S0**. Only subordinate commitment items **F1, F2** and **F3** can be budgeted in the subordinate funds centers.

You can now first distribute the budget from top commitment item **F0** to subordinate commitment items **F1, F2** and **F3** within top funds center **S0**. You then distribute the budget from subordinate commitment items **F1**, **F2** and **F3** to **F1, F2** and **F3** of subordinate funds centers **S1** and **S2**.

Changing Budget Structures

What must you note if you are making changes to an existing budget structure?

If you have added new budget objects to your budget structure although the budget had already been allocated, you must adapt the distributed values and the budget values again after the change. The system can automatically adjust the distributed values using the program for reconstructing the distributed values. However, you must adapt the budget values manually.

For this reason, you should not make any changes to a budget structure if the budget objects have already received budget.

If you need to change the budget structure, the procedure depends on whether a budget structure was created with group assignment or not. You must carry out the following steps.

Budget structure without group assignment

1. Change the budget structure.

    If you have created a budget structure with group assignments, you can only change the object function for a commitment item within the commitment item group.

2. Reconstruct distributed values

3. Reconstruct assigned values

4. Adjust the budget values manually.

Budget structure with group assignment

1. Change the group definition or change the budget structure.

    You must change the group definition if:

    - You want to change the object function (budget object/posting object) for a commitment item within the commitment item group

    - You want to add new commitment items to an existing group

    You must change the budget structure if you want to assign a different commitment item group to a funds center.

2. Generate the budget structure from groups.

3. Reconstruct distributed values

4. Reconstruct assigned values

5. Adjust the budget values manually.

The example of changing the budget structure illustrates the changes which the system makes to the data by reconstructing the distributed values and how you have to proceed to adjust the budget values.

See also:

Changing Budget Structures

Example: Budget Structure Plan Change

The example illustrates the following case when changing a budget structure:

The budget objects have been defined in the budget structure and the all of the budget has already been distributed within the hierarchy down to these budget objects. You want to define a new budget object which is between two existing budget objects within the hierarchy. The complete budget already allocated is to be distributed downwards again.

Initial Situation: Budget Object in the Budget Structure

Budget object FdsCtr/Cmtltm	Budgets	Distributed	Distributable	Superior Budget Object BO
C1 /A	200	200	0	
C1.1/A.1	200	0	200	**C1 /A**

The budget from budget object **C1/A** is distributed to budget object **C1.1/A.1** since **C1.1/A.1** is directly below **C1/A** in the hierarchy.

Changing the budget structure: Adding a budget object

Budget object FdsCtr/Cmtltm	Budgets	Distributed	Distributable	Superior Budget Object BO
C1 /A	200	200	0	
C1 /A.1	*0*	*0*	*0*	
C1.1/A.1	200	0	200	**C1 /A**

Since the budget cannot automatically be redistributed when the budget structure is changed, new budget object **C1/A.1** does not have any budget and **C1.1/A.1** has the budget from **C1/A** as before.

When reconstructing the distributed values, the system takes the new budget object into consideration. The program adapts the distributed values to the new budget structure as follows:

Distributed Value Reconstruction

Budget object FdsCtr/Cmtltm	Budgets	Distributed	Distributable	Superior Budget Object BO
C1 /A	200	*0*	*200*	
C1 /A.1	0	*200*	*- 200*	**C1 /A**
C1.1/A.1	200	0	200	**C1 /A.1**

C1.1/A.1 now has its budget from **C1/A.1** since **C1.1/A.1** is directly below **C1/A.1** in the hierarchy. By running the program, the distributed values and distributable values for **C1/A.1** and **C1/A** have also been changed although the budget values have remained the same. **C1/A.1** now has a negative distributable value since **C1/A.1** has "distributed" budget to **C1.1/A.1** which

Example: Budget Structure Plan Change

C1/A.1 does not yet have. **C1/A** has a positive distributable value since **C1/A** has not distributed any budget to **C1/A.1**.

By adjusting the budget manually, new budget object **C1/A.1** receives budget. C1/A.1 must receive as much budget as **C1/A.1** has distributed down to **S1.1/A.1** per the distributed value reconstruction, meaning **200**. The system then automatically adapts the distributed values and the distributable values for **C1/A.1** and **C1/A** when you save the budget allocation.

Manual Budget Adjustment of the Budget Values

Budget object FdsCtr/Cmtltm	Budgets	Distributed	Distributable	Superior Budget Object BO
C1 /A	200	*200*	*0*	
C1 /A.1	*200*	200	*0*	C1 /A
C1.1/A.1	200	0	200	C1 /A.1

After the budget has been manually adjusted, the budget is again distributed to the lowest level (**C1.1/A.1**) in the hierarchy. This way the distributable value for **C1.1/A.1** is 200, for **C1.1/A.1** and **C1/A** it is 0.

> You adjust the budget manually by choosing *Budgeting → Original budget → Change*. You are **not** allowed to use *Total up* when allocating the budget.

Maintain Rules for Revenues Increasing the Budget

Use

A Distribution Rule [Seite 351] serves to define for a revenues FM account assignment and a fiscal year the level at which and for which functional areas (expenditures-FM-account assignment) the expenditure budget can be increased according to the Additional Revenues [Extern]

Prerequisites

You have executed the following steps in the *Funds Management* Customizing:

- *Maintain budget memos*

- *Enter settings for revenues increasing the budget*

Expenditures FM account assignments, which you assign to a revenues FM account assignment, must be budgeted for so that postings to these expenditures FM account assignments can be taken into account by the availability control. For more information on this, refer to Distribution Rule [Seite 351].

Procedure

1. Choose *Accounting → Financial accounting → Funds Management → Master data → Control data → Revenues increasing the budget* Revenues → Single maintenance.

2. Enter an FM area, a fiscal year and a revenues FM account assignment.

   The screen *Change revenues increasing the budget* appears.

3. Enter in the fields revenues BM and expenditures BM a budget memo for each. The two budget memos must have the same budget memo types.

4. Enter one or several expenditures FM account assignments and a percentage rate, according to which the later distribution of the additional revenues to the individual account assignments should take place. If you enter 0% for an expenditures FM account assignment, this account assignment is not taken into account for the program RFFMUD11 which determines the expenditures FM account assignments, for which the budget is to be increased.

5. Choose *Def. Additional revenue*

   This takes you to the screen for defining the additional revenue. The rule defined in Customizing appears as recommendation value, which you can overwrite. For more information on defining additional revenues, see Distribution Rule [Seite 351].

6. Go *Back.*

7. Save your entry.

Result

The system does not automatically increase the budget when you post revenues. For this you must start the programs RFFMUD11 and RFFMUD01 after each other. The program RFFMUD01 increases the expenditure budget for the specified expenditures FM account assignments in accordance with the rule defined by you.

Maintain Rules for Revenues Increasing the Budget

You find a current overview or which revenues FM account assignments have rules maintained in the Funds Management information system under *Report selection → Master data indexes → FM account assignments → For revenues increasing the budget*

Since the program RFFMUD11 only determines the amounts for the budget increase of the individual expenditures FM account assignments, but the budget increase is not executed until the program RFFMUD01 is run, changes to the percentage rates, which you execute between the two program runs are not taken into account.

See also:

Revenues Increasing the Budget [Seite 350]

Executing the Budget Increase [Seite 358]

Master Data Indexes

Use

You use master data indexes to obtain an overview of the master data that has been created. Apart from this, you can use master data indexes to display assignments of master data objects from Funds Management to master data objects from other components.

Features

The following types of master data indexes are available:

- Lists sorted alphabetically

- Hierarchy graphics for funds centers, commitment items and the budget structure

- Assignments of FM account assignments (funds center, commitment item and fund) to master data objects from other components

    These assignments can be displayed in the information system when you have assigned the FM account assignment to the master data objects of the other component desired.

Assignment: FM account assignment to	Prerequisites
Cost centers	• Using *Controlling* component • FM account assignment assigned to the cost center
CO order	• Using *Controlling* component • FM account assignment assigned to the order
WBS elements	• Using *Project System* component • FM account assignment assigned to the WBS element
Profit centers	• Using *Controlling* component • FM account assignment assigned to the profit center
Assignment: Commitment item to	**Prerequisites**
G/L account	- Using *Financial Accounting* component - Commitment item defined in the G/L account
Cost elements	- Using *Controlling* component - Commitment item to cost element

Activities

You can find all the master data indices by choosing *Accounting → Financial Accounting → Funds management → Information system → Report selection → Master data indices*.

Master Data Indexes

To improve system performance, your selection should be as specific as possible. If you do not make any selections, the system evaluates the **whole** hierarchy.

Assigning FM Acct Assignment to CO Acct Assignment

Use

The link between master data objects in Funds Management and objects in Controlling has two functions:

Input Help

The assignment helps keep data entry work to a minimum when you are posting in the Funds Management feeder systems. The system derives the FM account assignment from the CO account assignment when you post. There is no need to enter one manually.

Posting Integration

The assignment is used to reproduce the cost view from costing accounting in Funds Management. This means you can trace internal cost accounting business transactions.

Integration

There are other assignments you can use to create links between the basis data within Funds Management and other components. For more information, read Additional Account Assignments in Funds Management [Seite 221].

Prerequisites

You must assign a controlling area to each FM area where you want to use this facility. You do this in the *Enterprise Structure* IMG. Choose the step *Assign controlling area to financial management area*. The documentation for this step contains more detailed information.

You can activate posting integration selectively for the relevant business transactions; you do this in the Funds Management IMG. For more information, see the step *Choose business transactions for integration* in the Funds Management IMG.

Features

You can then enter the following assignments:

- Commitment items to cost elements

- Funds centers to cost centers

- Funds centers to orders

- Funds centers to WBS elements

- Funds centers to profit centers

So as to increase flexibility, you can make assignments to cost centers, orders, and WBS elements dependent on cost elements. You can also make assignments to groups (cost element groups and cost center groups) so as to make maintenance more efficient.

Assigning Commitment Items to Cost Elements

To assign commitment items to cost elements, proceed as follows:

1. Choose *Master data* → *Assignments* → *Controlling* → *Cost elements.*

2. Enter a controlling area and a cost element or cost element group.

3. Choose *Continue*.

   The *Maintain Cost Element - FM Account Assignment* screen appears.

4. Enter a commitment item.

   If you have entered a cost element group on the initial screen, this commitment item is automatically assigned to all the cost elements in that group. You cannot then assign a different commitment item to any of the cost elements in the group.

   If you have already assigned a commitment item to any of the elements in this group, you must first delete this assignment or remove the cost element from this group.

5. Save your input.

   ▢

   If you not only want to use assignment of FM objects to CO objects as an input facility when making postings in other integrated components, but also want to copy the CO postings into *Funds Management*, you have the option of entering just a CO account assignment in the other component postings.

Assigning Funds Centers to Cost Centers

1. Choose *Accounting → Financial accounting → Funds management → Master data → Assignments → Controlling → Cost centers*.

2. Enter a controlling area and a cost center or cost center group.

3. Confirm*.*

    The *Maintain Cost Center - FM Account Assignment* screen appears.

4. You can make the assignments in various ways.

    –   Assignment without cost element or cost element group

        You enter one funds center and, if required, one fund. This entry then applies to all cost elements posted to in connection with the specified cost center or the cost center which belongs to the specified group.

        If you have entered a cost center group on the initial screen, this funds center (and fund if specified) is automatically assigned to all the cost centers in that group. You cannot then assign a different funds center to any of the cost centers in the group.

        If you have already assigned an FM account assignment to a cost center from this group, you must first delete this assignment or take the cost center out of the group.

    –   Assignment with cost element or cost element group

        Enter a funds center and, if required, a fund for the cost element or cost element group. This entry then applies only to this cost element or cost element group posted to in connection with the specified cost center or a cost center which belongs to the specified group.

        You can also enter a commitment item for them. This commitment item then overrides the commitment item you entered in the commitment item - cost element assignment.

    –   Combine the above procedures

5. Save your input.

    If you not only want to use assignment of FM objects to CO objects as an input facility when making postings in other integrated components, but also want to copy the CO postings into Funds Management, you have the option of entering just a CO account assignment in the other component postings.

Result

When you post, the system first checks whether there is an entry with a cost element or cost element group, so that it can use this entry to determine the FM account assignment. If it does

Assigning Funds Centers to Cost Centers

not find an entry, the system determines the FM account assignment from the entry without a cost element.

Assigning Funds Centers to WBS Elements

To assign funds centers to WBS elements, proceed as follows:

1. Choose *Accounting → Financial accounting → Funds management → Master data → Assignments → Controlling → WBS elements*.

2. Enter a controlling area and a WBS element or WBS element group.

3. Confirm*.*

   The *Maintain WBS Element - FM Account Assignment* screen appears.

4. Make your assignments as described in <u>Assigning Funds Centers to Cost Centers [Seite 89]</u>.

5. Save your input.

Assigning Funds Centers to Orders

To assign funds centers items to orders, proceed as follows:

1. Choose *Accounting → Financial accounting → Funds management → Master data → Assignments → Controlling → Orders*.

2. Enter a controlling area and an order or order group.

3. Confirm.

   The *Maintain Order - FM Account Assignment* screen appears.

4. Make your assignments as described in Assigning Funds Centers to Cost Centers [Seite 89].

5. Save your input.

Assigning Funds Centers to Profit Centers

1. Choose *Accounting → Financial accounting → Funds management → Master data → Assignments → Controlling → Profit centers*.

2. Enter a controlling area and a profit center or profit center group.

3. Confirm*.*

   The *Maintain Profit Center - FM Account Assignment* screen appears.

4. Make your assignments as described in Assigning Funds Centers to Cost Centers [Seite 89].

5. Save your input.

Status management

Use

Status management is used in the R/3 System to control commercial transactions. This is effected by the allocation of one or more statuses to an object. Commercial transactions in Funds Management are controlled by the assignment of one or more statuses to a master data object (funds center, commitment item, fund). A status can permit or forbid a commercial transaction, or have no effect on it. The system distinguishes between system statuses and user statuses.

System and User Statuses

All commercial transactions are predefined in the SAP System and grouped into **three** system statuses.

- **Created**

- **Released**

- **Closed**

There is always one system status in effect, determining which transactions are allowed and which are forbidden. However, you can complement it with one or more user statuses. You use a user status to impose limits additional to those imposed by the system status.

The permitted transactions are, therefore, those permitted by the system status, less those blocked by the user status.

Prerequisites

Status management must be active.

To activate status management, you must define a status profile for your FM area. You do this in the Funds Management IMG. The system we deliver contains status profile FM000001. You also define the status profiles in Customizing, which limit the system status defined by SAP according to your chosen user status. If there is no status profile for an FM area, status management is not active and all transactions are allowed.

For more information, see the *Status Management* step in the Funds Management IMG.

Features

You can set the following statuses per fiscal year in an FM area:

- Status for a BS element (funds center/commitment item/fund combination)

    Funds center: Y / Commitment item: 1 / Fund: A

- Blanket status (for example, covering all funds centers or all commitment items, all funds or for an individual master data object)

    Funds center * / Commitment item * / Fund *
    Funds center: * /Commitment item: 1 / Fund: *

You can set more than one user status for a master data object.

☐

The business transactions in *Funds Management*, such as budgeting, budget supplement, and budget return, are not checked by status management. These transactions are always allowed. Use this link to view more information on Which Statuses Allow Which Transactions? [Seite 96]..

Activities

If system status is active, the system only carries out a transaction if:

- At least one active status permits the transaction

- No active status forbids the transaction

A status is set or active if it is in use now. It is inactive if either it was never active or it was once active, but has since been deactivated.

You can set more than one status for a master data object.

☐

A budget structure has system status **Released** which permits the transaction "G/L account posting". At the same time, you assign the user status "Lock G/L account posting" to the same element. The transaction is thus forbidden, as one active status forbids it, though another permits it.

For information on the status entry checks, read Checking Status Entries [Seite 105].

Funds Management (FI-FM) ◼◤ **SAP AG**

Which Activ. Does Each Sys. Stat. Permit or Forbid?

Which Activ. Does Each Sys. Stat. Permit or Forbid?

The following is an overview of the most important business transactions in *Funds Management*, and which system statuses permit or prohibit them.

System status	Permitted	Prohibited
Created	Material Purchase order Set status **Released**	G/L account posting Post goods receipt Post goods issue Reverse status **Released** Set status **Closed** Reverse status **Closed**
Released	G/L account posting Material purchase order Post goods receipt Post goods issue Reverse status **Released** Set status **Closed**	Set status **Closed** Reverse status **Closed**
Closed	Reverse status **Closed**	G/L account posting Material purchase order Post goods receipt Post goods issue Set status **Closed** Reverse status **Released** Set status **Closed**

If you have changed a system status, you can reverse the change, so that you can use particular business transactions again.

Status management

■▼ SAP AG

Funds Management (FI-FM)

Which Activ. Does Each Sys. Stat. Permit or Forbid?

	Time Schedule	
Created	**Released**	**Closed**

Mat. Purch. order Release → Release → **G/L acct. posting Mat. Goods receipt Mat. Goods issue Reverse release Close** → Release → **Close reverse**

G/L acct. posting Mat. Goods receipt Mat. Goods issue Reverse release Close Close reverse ← Reverse release ← **Release Close reverse** ← Reverse Close ← **G/L acct. posting Mat. Goods receipt Mat.goods issue Reverse release Close**
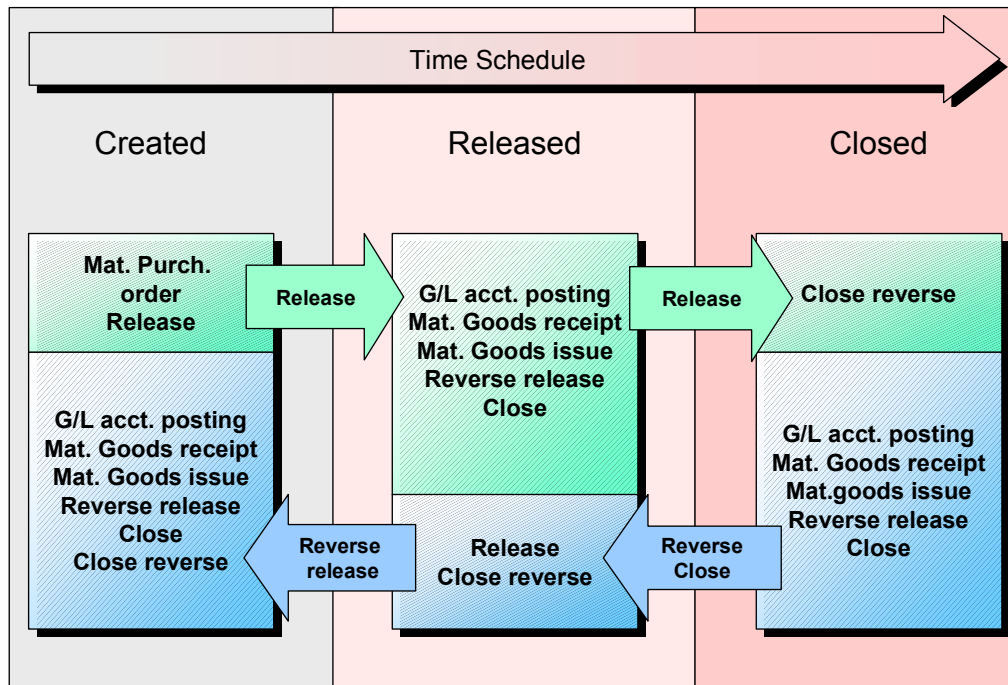
Usage Example:

In status **Created,** you may budget, but not post to G/L accounts. Budgeting usually takes place before the start of a fiscal year. When the fiscal year actually starts, status **Released** is set. This allows G/L account postings, and other transactions, such as material purchase orders. The status **Closed** is set towards the end of the fiscal year. This prohibits all business transactions.

Maintaining System and User Statuses

Use

By allocation one or more statuses (system status and user status) to a master data object, you control which commercial transactions are allowed or forbidden in the system.

Prerequisites

You must first activate status management in the Funds Management IMG.

For more information, see the *Status Management* step in the Funds Management IMG.

Commitment items for which you want to maintain status entries must have financial transaction 30 (Post revenue, expenditure...).

Features

Status entries apply to combinations of funds centers, commitment items, and funds.

There are various different ways of maintaining status entries:

- Maintaining individual entries [Seite 100]
  The system creates one status entry, per the input in the selection screen.

- Maintaining multiple entries [Seite 102]
  The system generates an entry for each combination you maintain, in line with the selection screen input.

  You can maintain the status for each combination, one after the other. This is a good idea, for example, if you want to set different statuses for the individual combinations.

  You can maintain all combinations jointly. This is a good idea, for example, if you want to set different statuses for the individual combinations.

- Maintaining Existing Entries [Seite 104]

Activities

In the initial screen, you stipulate the combinations for which you want to maintain status entries. You can proceed as follows:

- You can enter one particular BS element.
  Example 1: Funds center: `Y` / Commitment item: `1` / Fund: `A`

- You enter all the master data objects generically.
  Example 2: Funds center * / Commitment item: * / funds: *

- You enter a particular master data object
  Example 3: Funds center: * /Commitment item: 1 / Fund: *

As soon as you maintain the first entry in status management and save it, the system automatically generates status entry <Funds center * / commitment item * / fund *>. The system status applies to all BS elements.

We recommend you use the facility for creating blanket statuses (examples 2 and 3 above) if you have a large number of master data objects. Only in exceptional circumstances should you specify status entries for individual funds center/commitment item/fund combinations.

Maintaining Individual Status Entries

Prerequisites

You must first activate status management in the Funds Management IMG.

For more information, see the *Status Management* step in the Funds Management IMG.

Procedure

1. Choose *Accounting → Financial accounting → Funds management → Master data → Status management → Maintain*.

2. On the *Change Status: Initial Screen*, enter the fiscal year for the FM area, and the objects for which you want to maintain a status entry.

3. Choose *Status → Single maintenance.*

   You see the single status entry maintenance screen.

   If you have not maintained a status for the fiscal year you have entered, you must first create the FM area. When you do this, a dialog box appears, where you can set the status **Created** for the FM area.

   Then save your input by choosing *Status → Save.*

   When you save, the system automatically creates an entry for all the funds centers, commitment items, and funds (<Funds center * / Commitment item * / Fund *>).

4. On the *Maintain Status: Individual* screen you can change the system status and/or the user status.

   You have the following options for changing the system status:

   - To change the system status from **Created** to **Released**, choose *Edit → Change status → Release*.

   - To change the system status from **Released** to **Closed**, choose *Edit → Change status → Closed*.

   - To reset these statuses, choose *Edit → Change status → Reset → Release* or *Closed*.

     If the transaction you choose is allowed, the system status is changed accordingly. If it is not allowed, an error message appears. You see the cause of the error in an error log. Choose *Extras → Error log* to display the log.

   To change the user status, choose *Edit → `Change` status → Change user status*.

   This brings up a dialog box showing all the user statuses in the status profile assigned to the FM area. You can set or delete as many user statuses as you want.

   If you need more information on the status set, choose *Extras → Details* to branch to the status maintenance detail screen. You can set or delete user statuses here too. Choose *Extras → `Business transactions` to display all the business transactions permitted or forbidden in the status currently set.*

5. Save your status entries.

Result

The system creates one status entry, per the input in the selection screen.

Maintaining Status Entries for Multiple Master Data Objects

Prerequisites

You must first activate status management in the Funds Management IMG.

For more information, see the *Status Management* step in the Funds Management IMG.

Procedure

1. Choose *Accounting* → *Financial accounting* → *Funds management* → *Master data* → *Status management* → *Maintain*.

2. On the *Change Status: Initial Screen*, choose the objects, by FM area, for which you want to maintain statuses.

3. Choose *Choose* → *Several Entries.*

    A list appears, showing all the objects which you entered on the initial screen, in combination with each other.

    If, for example, you selected all funds centers, all commitment items, and all funds, the list shows all the possible combinations of these objects.

4. Select the objects you want to maintain from the list. You can select all the objects in the list, or make individual selections.

5. You can now maintain the selected entries together, or individually.

Maintaining Selected Entries

Choose *Status* → *Single maintenance.*

You see the status entry for the item selected (showing a combination of funds center, commitment item, and fund), the system status, and the user statuses.

You have the following options for changing the system status:

To change the system status from **Created** to **Released**, choose Edit → Change → Release.

To change the system status from **Released** to **Closed**, choose Edit → Change status → Closed.

To reset these statuses, choose Edit → Change status → Reset → Release or Closed.

If the transaction you choose is allowed, the system status is changed accordingly. If it is not allowed, an error message appears. You see the cause of the error in an error log. Choose *Extras* → *Error log* to display the log.

To change the user status, choose *Edit* → `Change` status → *Change user status*.

This brings up a dialog box showing all the user statuses in the status profile assigned to the FM area. You can set or delete as many user statuses as you want.

If you need more information on the status set, choose *Extras* → *Details* to branch to the status maintenance detail screen. You can set or delete user statuses here too. Choose

Extras → `Business transactions` to display all the business
`transactions permitted or forbidden in the status currently set.`

Maintaining Selected Entries Together

Choose *Status* → *Maintain all.*

You see the screen for maintaining all statuses. You can set, delete, and change user
statuses here in the same way as in single maintenance.

If you choose an activity which changes the system status, the activity then runs in all the
objects where it is permitted. The instances where it is not allowed are listed in an error
log, which you can display by choosing *Extras* → Error log*. Choose *Extras* → *Error
log* to display the log.

You set the system status for all objects to **Released.** For individual objects, the
status **Closed** has already been set in single maintenance. However, the status
Closed prohibits all transactions except **Reverse close**. This means that the objects
with this status cannot be set to status **Released**. The objects will be listed in the
error log.

6. Save your status entries.

Result

If you have maintained the selected entries individually and save them, the system generates a
single status entry for each combination you have maintained.

If you have maintained them collectively, the system generates a status entry for each funds
center/commitment item/fund combination. If you have a large number of master data objects,
you should use the facility for setting just one status for all objects. Only in exceptional
circumstances should you set statuses for these combinations individually.

Maintaining Existing Status Entries

Prerequisites

You must first activate status management in the Funds Management IMG.

For more information, see the *Status Management* step in the Funds Management IMG.

Procedure

1. Choose Accounting → Financial accounting → Funds Management → Master data → Status management → Maintain.

2. On the Change Status: Initial Screen, choose the objects, by FM area, for which you want to maintain existing status entries.

3. Choose Select → All existing entries → FM area or Commitment item or Funds center or Fund.

4. Then proceed as described in step 3ff in Maintaining Status Entries for Multiple Master Data Objects [Seite 102].

Checking Status Entries

Use

By checking status entries, the system determines which commercial transactions are permitted for an object and which are forbidden. You cannot carry out a transaction which is forbidden.

Activities

If you carry out a commercial transaction, such as funds reservation, which address a budget structure element, the system first checks whether:

- There is a status entry for the object

- The business transaction is permitted for the object

If there is no status entry for this object, the system uses the closest fitting entry for checking purposes.

> You want to enter funds reservations for the combination <Funds center 1/commitment item 2/fund 3>. There is no status entry for this particular combination. This being the case, the system searches for other suitable combinations, for which there are status entries.

The system finds entries for the following combinations:

1. <Funds center */commitment item */fund *>

2. <Funds center */commitment item 2 /fund *>

3. <Funds center 1 /commitment item 2 / fund *>

In this case, the system uses status entry 3 for the check.

As soon as you maintain the first entry in status management and save it, the system automatically generates status entry <Funds center * / commitment item * / fund *>. The system status applies to all BS elements.

Classification of Master Data Objects

Use

In Funds Management, you can describe the attributes of the master data objects (that is funds center, commitment item, and fund) by using characteristics and sort similar master data objects into classes according to freely-definable criteria. Classifying master data objects allows you to:

- Manage a large amount of information regarding the master data which cannot be stored in the master records themselves.

- Easily search for master data objects with the same attributes (such as in reporting or when budgeting).
  The search is then carried out using the classes and characteristics defined in the class.

Integration

To classify your master data objects, use the classification system functions. You can find more information on the classification system in the *CA Classification Guide*.

Classification: Terminology

The following terms are used for the classification of master data objects:

- **Object**

  An object is a classifiable unit (funds center, commitment item, fund)

- **Class**

  A class is a group of objects which have common or similar attributes

- **Class type**

  The class type is a superior control unit for classes. Every class must be assigned to a class type. The following class types have been defined in the standard system for the master data objects in *Funds Management*:

  – 041 Funds center

  – 042 Fund

  – 043 Commitment item

- **Characteristic**

  A characteristic describes the attributes of an object (such as user, expenditure type, tax treatment)

- **Characteristic value**

  Characteristic values are features of a characteristic (such as Mrs. White, personnel, special statement)

Classifying Master Data Objects

Prerequisites

An important decision when installing the classification system is how to set up a hierarchy.

You can set up a hierarchy with any variation on length and breadth that you require.

A hierarchy set up **after careful thought** allows easy, quick access to the objects you are looking for.

The simplest type of hierarchy is a hierarchy without characteristic inheritance. In this case, the classes from the upper hierarchy levels do not have any characteristics.

The hierarchy classes are used in this case simply as a search path for quicker access to the classes using object allocations.

Procedure

To classify master data objects, you should carry out the following steps:

1. Define characteristics and possibly also characteristic values.

2. Define classes and assign characteristics to these classes.

3. Assign one or more classes to the master data objects (such as commitment items) and evaluate them.

You define the characteristics and classes in the classification system. To carry out the classification system functions, choose *Master data* → *Classification* in the *Funds Management* menu.

To assign classes and characteristic values to the master data objects, choose *Extras* → *Classification* on the maintenance screen of the required master record.

Classifying Commitment Items: Example

Classifying a commitment item:
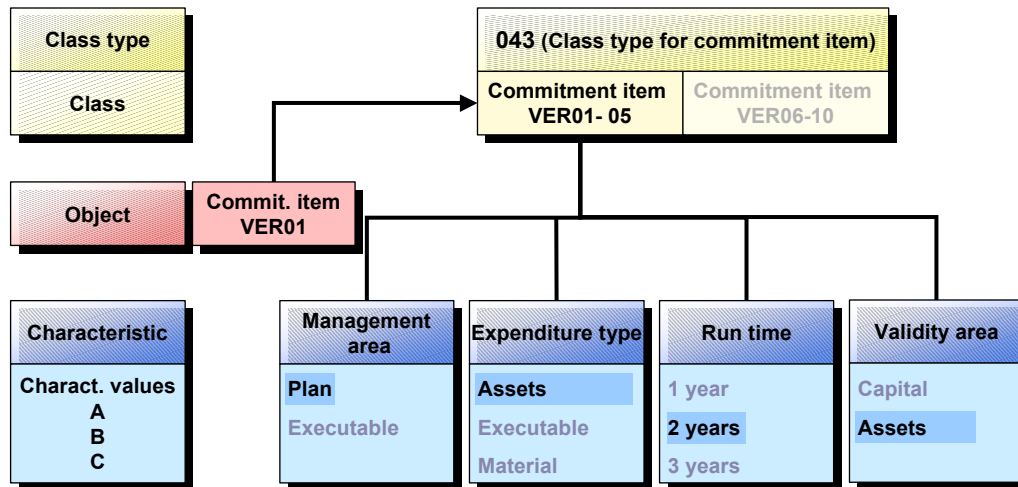
In the example, commitment item VER01 (Administration) is being classified.

The **class** to which we are assigning this commitment item is called:

- NOT_BUDG (necessary budget additions) and has class type **043** for commitment items.

The **characteristics** of this class are:

- VER_BER (Management area)
- AU_ART (Expenditure type)
- L_ZEIT (Maturity)
- GUL_BER (Validity area)

The characteristics have the following **values**:

- VER_BER
–   Plan
–   Executable
- AU_ART
–   Administration
–   Personnel
–   Materials
- L_ZEIT

Classifying Commitment Items: Example

– 1 year

– 2 years

– 3 years

- GUL_BER

– Assets

– Management

In the example, commitment item VER01 is classified using the following characteristic values:

- Plan

- Administration

- 2 years

- Management

Commitment item VER01 is used in area of validity "Administration" and in administration area 'Planned'. Expenditures debit the "Administration" area and the maturity of these expenditures is two years.

Budgeting and Availability Control

Purpose

This component supports with your functions the budget creation process and the monitoring of available funds.

Budgeting

The budget is allocated according to a defined budget profile and various budget versions. You can allocate overall budgets or annual budgets. You can only allocate an overall budget if you are using a fund.

With the functions of this component, you can allocate your budget on the top-down principle or the bottom-up principle. You define the basic rules for the budget allocation in the Budget Structure [Extern], a procedure which makes allocating budgets at central level or local level easy. The rules defined in the budget structure include which responsibility area (funds centers) may use the budget for which expenditure categories (commitment items) and how the budget may be distributed within the budget hierarchy to the individual funds centers and commitment items.

You can adapt the budget to changes in conditions by entering releases, supplements, returns, and transfers.

Availability control

Within the budget execution framework you can claim the assigned funds for expected expenditures via Earmarked Funds [Extern] Postings in the Funds Management feeder systems, which refer to these earmarked funds, establish obligations (commitments such as a purchase order) and actual data (such as through invoices and payments) incurs. These forms of budget usage are known collectively as assigned funds.

The funds management can use the *information system* to compare budget usage and funds currently available. In addition to the funds overview in the information system, which acts as a "passive" availability control, the component includes an "active" availability control facility whose functions prevent budget overruns.

Integration

Availability control influences the posting procedures in Funds Management - earmarked funds, funds transfers, budget transfers, supplements - as well as the posting procedures in the components integrated with Funds Management. For further information on which components are integrated with Funds Management, see Actual and Commitment Updating [Seite 202]

When you enter an activity, such as a purchase order, which is assigned to a funds center and commitment item, the system checks whether the budget or released funds available are sufficient.

> If you have Controlling [Seite 290] integrated use with Funds Management, availability control can be active both in Funds Management and in Controlling orders and projects.
>
> For performance reasons, you must decide in which component you want to activate it.

Budgeting and Availability Control

Features

This component offers

A wide range of tools for maintaining budgets:

- Maintain different budget versions in the Payment Budget [Extern] and Commitment Budget [Extern] .

- Maintain budget texts

- Use releases to control budget assignments

- Use supplements, returns and transfers to update budgets

- Displaying periodic budgets

Fine-tune budget monitoring:

- Execute availability control against releases

- Execute availability control against annual budget or overall budget

- Tolerance limits

  The defining of tolerance limits allows for an individual definition for each commitment item, funds center, and fund for individual transaction groups (such as purchase order, actual posting).

- The degree of budget usage (percentage or absolute) from which the system reacts

- How the system reacts: With a warning, with a warning and a mail to the budget manager, with an error message which rejects the posting.

Annual Budget and Overall Budget

You can work with annual values and/or with overall values in budgeting. Working with overall values is only possible in connection with funds.

Annual values

Annual values are budget values which are available in the budget or as funds from secondary sources for an individual fiscal year.

Overall values

Overall values are budget values which are available for more than one fiscal year but are not distributed to individual fiscal years.

If budget values are available for several years but they are to be distributed across the years according to certain stipulations, you can do this using a combination of annual values and overall values.

You stipulate in the budget profile (choose *Budgeting* → *Set up budget profiles*) whether budgeting is for annual values and/or overall values. For more information on the budget profile, see the Funds Management IMG in the section Set Up Budget Profiles [Extern] .

Displaying Periodic Budgets

All the budgeting transactions contain a facility for distributing annual values, if you are working with them, to individual periods. You can use distribution keys to have the system make the distribution automatically, according to various criteria. The total of the periods here is always the annual value.

Periodic display of the annual budget is only used for statistical purposes. Budget utilization is displayed according to period in reporting. Active availability control, however, always checks against the annual budget. The system also does not perform a consistency check when distributing. The consistency check always takes place on an annual level.

Prerequisites

In order to use the periodic budget display, you must maintain the appropriate settings in the budget profile in the Customizing of Funds Management and Budgeting and Availability Control → *Budget Profiles* → *Set up budget profiles.*

Note that the period values must already be activated there at production startup. If annual values were already entered in the budget, then the period values may not subsequently be activated in the budget profile.

If you are working with funds, you can only activate the period values for new funds after production startup. In this case however, consider that you must create at least one budget profile (with period values) for this fund and assign it to this fund.

For more information, look at the Funds Management IMG in step Set Up Budget Profiles [Extern].

See also:

Distribution Keys [Seite 141]

Budget Types in Funds Management

Funds Management distinguishes between the following types of budget:

Original budget

The original budget is the budget originally allocated - that is, before any updates. The original budget corresponds to the maximum funds available.

You can allocate the budget on an overall basis or on an annual basis.

Budget updates

Changes in business conditions may mean that you need to correct the original budget. Funds Management supports the following different types of correction (usually called budget updates):

- Supplements

- Returns

- Transfers

You can use supplements and returns to top up or reduce your budget.

In addition to these more externally oriented budget updates, the third process - transfers - are designed to help you shift budget funds about internally.

Current budget

The current budget is derived from the budget types mentioned above:

       Original budget

   +   Supplements

   -      Returns

   +/-   Transfers

   +   Year-end closing budget transfer

   +   Budget from revenues increasing the budget

   =   Current budget

Releases

In many organizations, distributing a budget is not the same as releasing the funds. For this reason, Funds Management includes a release option, which you can use to release the budget bit by bit. Releases can be expressed in percent or as absolute amounts. A release can relate to annual values and/or overall values.

You must decide whether you want to use releases or not. If you have released the whole budget or only part of it for an FM account assignment, you must also gradually release the budget for all other FM account assignments.

The release is based on the current budget - that is, the original budget as amended by supplements, returns, and transfers.

Budget types

Budget Types in Funds Management

```
+-------------------+   +-------------------+
|   + Transfer      |   |   - Transfer      |
|-------------------|   |-------------------|
|   + Supplement    |   |   - Supplement    |
+-------------------+   +-------------------+

+----------+                      +----------+   +----------+
|          |                      |          |   |          |
| Original |                      | Current  |-->| Release  |
|  budget  |                      |  budget  |   |          |
|          |                      |          |   |          |
+----------+                      +----------+   +----------+
```
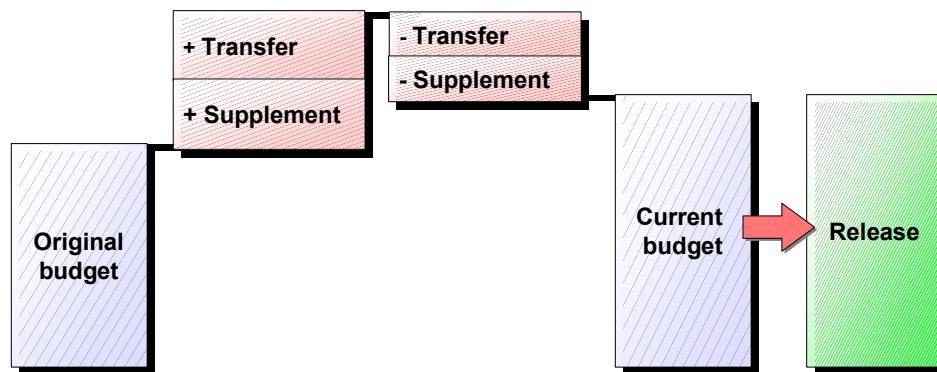
See also:

Budget Closing Operations [Seite 342]

Revenues Increasing the Budget Distribution Procedures [Seite 355]

Budget Allocation at Central and Local Level

In local budgeting, the budget is distributed to subordinate funds centers, by way of the top commitment items only.

The available budget is then distributed to the subordinate commitment items within a funds center.

Local Budget Allocation
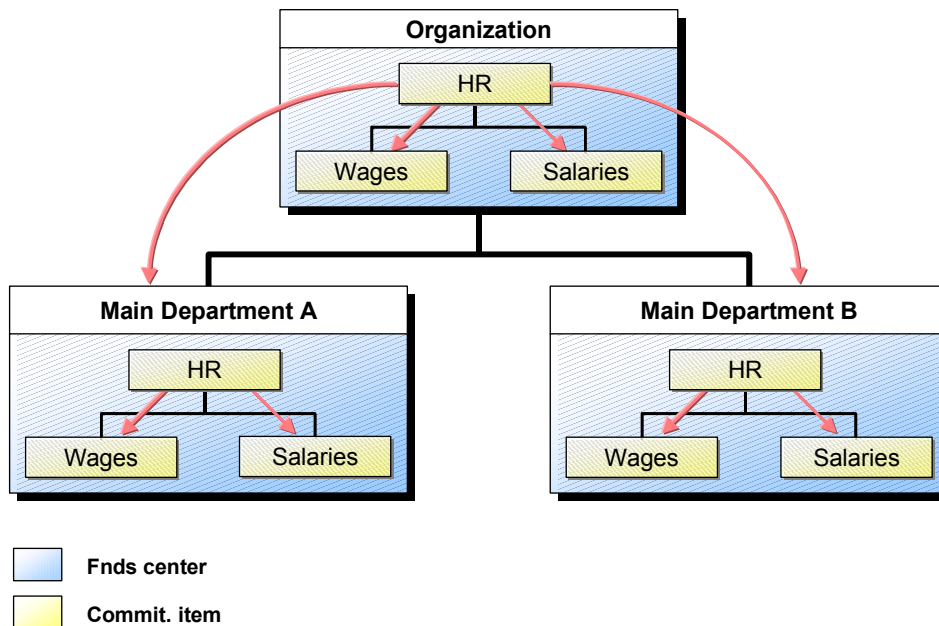
In central budgeting, the budget is apportioned within superior funds centers, from top commitment items to subordinate ones.

In the next step, subordinate funds centers receive their budgets at subordinate commitment item level. The top commitment items in subordinate funds centers cannot be budgeted.

Central Budget Allocation

Budget Allocation at Central and Local Level
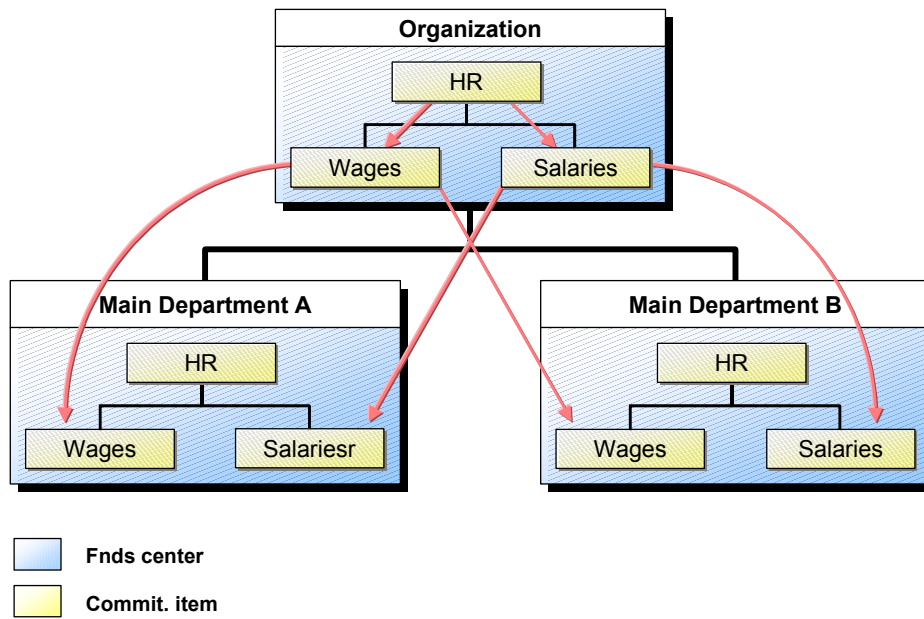
For more information on how to achieve central and local budgeting using the Budget Structure: [Extern] read:

- Budget Structure [Seite 56]

- Example: Budget Structure for Local Budgeting [Seite 75]

- Example: Budget Structure for Central Budgeting [Seite 77]

Budget Entry

Use

You allocate your budget in Funds Management by distributing the budget directly to the individual funds centers and commitment items manually. Budgeting can be top-down or bottom-up. The system supports both procedures with convenient functions.

Top-Down Budgeting

With top-down budgeting, you assign the budget from superior funds centers and commitment items to subordinate ones. This is an analytical procedure with which the budget estimate for the organizational and functional sub-areas of an organization is developed bit by bit.

Top-down budgeting is to be recommended, for example, if the funds in your organization are available as a total for a fiscal year and you want to distribute the budget to subordinate funds centers and commitment items with the help of the system. The system then verifies the consistency of the budget allocation.

Look at the top-down budgeting example under Example: Top-Down Budgeting [Extern].

Bottom-Up Budgeting

With bottom-up budgeting, you enter budget values to subordinate funds centers and commitment items. This automatically makes the budget consistent.

We recommend this procedure if, for example, budget values exist for the individual sub-areas of your organization.

Prerequisites

Master Data Hierarchies

You must first create a funds center hierarchy and commitment items, usually comprising more than one hierarchy. The funds center hierarchy represents your organizational structure; the commitment item hierarchies represent the functional split of revenues and expenditures in your organization.

In Funds Management budgeting, the system combines the two hierarchies. This means that every funds center contains all the available commitment item subhierarchies. The Graphic [Extern] illustrates this combination principle:

Budget profile

The budget profile contains the combined control parameters for budgeting. You define it in the Funds Management IMG. You must create at least one profile before you can budget, or you must use an existing profile under *Budgeting and availability control → Budget profiles → Set budget profiles.* For more information on the budget profile, see the Funds Management IMG in the section Set Up Budget Profiles [Extern] .

Number Ranges

The system creates a numbered document for each budget value you post in Funds Management. This means that all changes are documented and can be identified quickly. The system takes the number from number range interval 05, which is delivered with the standard.

You can extend this number range in the Funds Management Customizing under Budgeting and availability control → *Budgeting → Extend number ranges for budgeting.*

Budget Entry

Features

Allocate original budget (payment budget and commitment budget).

You can allocate the budget top-down or bottom up in the hierarchies. For more information on the tools available in hierarchy maintenance, refer to Budget Entry Aids [Seite 137].

Allocate original budget (payment budget and commitment budget).

Bottom-up budgeting can also be executed by entering documents for individual Budget Structure Elements [Extern] For information on the functions available in the roll-up, read Rolling Up Budget Values [Seite 123].

Allocating the Budget

Use

You can enter the budget value values for the different budget types (e.g. original budget, supplement) top-down or bottom-up either for the Commitment Budget [Extern] or for the Payment Budget [Extern] .

If you are working with funds and Overall Values [Seite 113] you can also enter overall values for the CB or the PB.

Prerequisites

If you want to enter budget values for the commitment budget, the appropriate update profile (000350) must be assigned to your FM area in the Funds Management Customizing. For more information on the different update profiles, see Update Profiles [Seite 209] .

If you want to enter overall values, a budget profile must have been created for overall values (in the Funds Management Customizing) and this must be assigned to the fund which you want to budget. For more information on the budget profile, look at the Funds Management IMG documentation under Setting Budget Profiles [Extern]

Top-Down Budgeting

1. Choose *Accounting → Financial accounting → Funds management → Budgeting → the appropriate budget type → Commitments for the CB or payments for the PB → Change.*

2. Enter both an FM area and the required data on the initial screen.

   You can enter a particular budget version. If you do not enter a version, the system automatically uses version 0.

   If you do not want to edit the whole funds center and commitment item hierarchy, you can enter a funds center and commitment item from which the hierarchy is to be built up. In addition, you can Restrict the Levels [Seite 139].

3. Choose *Continue.*

   You reach the *Budget Allocation* screen. You see an overview of the funds centers, together with a top commitment item, per the initial item you chose. You can further expand the commitment item hierarchy by double-clicking again.

4. Distribute the available budget to the individual budgetable elements.

5. Check [Seite 145] your budgeting.

6. You can use the View [Seite 143] menu to choose what value is displayed in the column next to the annual values column. Possibilities include the distributed value or the budget values from the previous year.

7. Save your budgeting.

Bottom-Up Distribution

Proceed as described above when allocating budget according to the **bottom-up principle**. If you have specified the number of hierarchy levels or if you do not want to work with the whole hierarchy, choose to enter the hierarchy in subordinate funds centers and commitment items.

Allocating the Budget

Then distribute the budget in the lower hierarchy levels. Choose *Edit → Total* up to total up the budget values. For more information, see Totaling Up Budget Values [Seite 140] .

Enter overall values

In order to allocate overall values, you proceed as described above. However, enter a fund on the initial screen.

On the budget allocation screen, the heading *Overall* then automatically appears in the middle column. You can enter overall values in this column.

If a budget profile is assigned to the fund, which allows you to enter overall values and annual values , you can also enter annual values for this fund via *Goto → Annual values.*

See also:

Budget Entry Tools [Seite 137]

Rolling Up Budget Values

Use

With this function, you can carry out top-down budgeting as if you were entering a document.

You allocate your budget here by entering it separately for each Budget Structure Element [Extern] (BS element). If you want to allocate budget for more than one BS element, you must enter the budget, in each case, in a separate document item.

When you save the budget, the system automatically totals up the budget allocated in the lower hierarchy levels up as far as the top node in the hierarchy.

If higher level funds centers and commitment items already have budget, the amounts are increased in line with the budget allocation in the lower levels, if the budget being allocated is the original budget or budget supplements. If returns are being allocated, the budget is reduced as appropriate.

Features

Editing Functions

- *Insert line*

    The system inserts an empty line before the input line where the cursor is positioned.

- *Delete line*

    The input line where the cursor is positioned is deleted.

- *Cut*

    The line(s) selected are copied to the interim store, from where you can paste them back in.

- *Copying*

    The line(s) selected are copied to the interim store, from where you can paste them back in.

- *Paste*

    The contents of the interim store are pasted in at the place where the cursor is now positioned. It must be positioned on an entry line.

- *Details*

    With this function, you can specify a manager, and short and long texts. If you have already entered a default value on the initial screen, your entry in the dialog box overwrites it.

Work Aids

- *Hold*

    You can use this function to hold the items entered in an interim store if, for example, you have to interrupt your budgeting work. The lines so held appear automatically when you restart the function, provided you did not update them first.

- *Check*

Rolling Up Budget Values

Before posting, you can use the checking function to determine whether the items entered contain any errors. If the system finds errors, it highlights the defective lines and you can display a list of the errors detected. Alternatively, you can print the list out. You can access an error log via the *Extras → Display error log/Print error log*.

- *Posting*

  The budget items entered are posted. Lines identified as defective are not posted, but are highlighted and displayed in the error log. If the posting run is error free, any data held in the interim store is deleted.

Rolling Up Budget Values

Use

You can roll up the budget values for the different budget types (e.g. original budget, supplement) for the Commitment Budget [Extern] (CB) or for the Payment Budget [Extern] (PB).

If you are working with funds and Overall Values [Seite 113] you can also enter overall values for the CB or the PB.

Prerequisites

If you want to enter budget values for the commitment budget, the appropriate update profile (000350) must be assigned to your FM area in the Funds Management Customizing. For more information on the different update profiles, see Update Profiles [Seite 209] .

If you want to roll up overall values, a budget profile must have been created for overall values (in the Funds Management Customizing) and this must be assigned to the fund which you want to budget. For more information on the budget profile, look at the Funds Management IMG documentation under Setting Budget Profiles [Extern]

Rolling Up Budget Values

1. Choose *Accounting → Financial accounting → Funds management → Budgeting → the appropriate budget type → Commitments for the CB or payments for the PB → Roll up.*

2. **Enter an FM area and the required data on the initial screen.**

    You can enter a particular budget version. If you do note enter one, the system automatically uses version 0.

    You can enter short and long texts for each document.

3. Choose *Continue.*

    The system displays the list screen for rolling up budget values.

4. Enter the budget by entering an amount for a funds center and commitment item combination.

5. Save your entries.

Roll up overall values

In order to allocate overall values, you proceed as described above. However, enter a fund in the initial screen and select the field *Overall*.

If a budget profile is assigned to the fund, that allows you to enter overall values and annual values, you can also allocate annual values for this fund by selecting the field *Overall* and entering the appropriate fiscal year.

Result

The system automatically rolls the budget allocation for a single funds center and commitment item, or for several Budget Objects [Extern] on a lower hierarchy level and is automatically rolled up to the highest node. **One** document is posted for each budget object. Choose *Budgeting → Document → Display* to view the document. If you want an overview of the budget you have

Rolling Up Budget Values

distributed, choose *Budgeting → the appropriate budget type → Commitments for the CB or payments for the PB. → Display*

Releasing Budget

Use

In many organizations, distributing a budget is not the same as releasing the funds. For this reason, Funds Management includes a release option, which you can use to release the budget bit by bit. Releases can be expressed in percent or as absolute amounts. A release can relate to annual values and/or overall values.

You must decide whether you want to use releases or not. If you have released the whole budget or only part of it for an FM account assignment, you must also gradually release the budget for all other FM account assignments.

The release is based on the current budget - that is, the original budget as amended by supplements, returns, and transfers.

Procedure

Choose *Accounting → Financial accounting → Funds management → Budgeting → Release → Commitments for the (CB) and payments for the (PB) → Change*

The rest of the procedure for releasing budgets is the same as for allocating the original budget.

For more information on the procedure, refer to Allocating Budget [Seite 121] and Rolling Up Budget Values [Seite 125]

Distributing Annual Values to Individual Periods

Prerequisites

In the Funds Management IMG, you must have assigned a budget profile for the active FM area by choosing *Budgeting and Availability Control →Budget Profile → Assign budget profile to FM area*. Here *Annual values* and *Period values* should be activated. The *Period* field is then ready for input in all budgeting transactions.

For more information on the budget profile, look at the Funds Management IMG documentation under Setting Budget Profiles [Extern]

Allocating Period Values Within The Hierarchy

1. Enter the required data on the initial screen of the respective budgeting transaction as well as a **period**.

   You reach the budget structure element overview in which the period view (year and period) is displayed.

2. Distribute the budget to the elements which can be budgeted for this period.

   The new budget values are put into the corresponding period by the system.

   To budget other periods, choose *Next period* or *Previous period*.

   To obtain an overview of the annual value for a Budget Structure Element [Extern] (BS element) select the element and choose *Goto → Annual overview*.

3. Save your entry.

   ☐

   If you do not enter a period in the initial screen and no distribution key has been specified in Customizing, the system automatically sets the key to manual distribution (distribution key 0).

Rolling Up Period Values

1. Enter the required data on the initial screen of the respective budgeting transaction as well as a **period**.

   The system displays the screen for entering budget values.

2. In each case, enter the budget values for a budget structure element.

   To budget more periods, choose *Goto → Period screen*.

3. Save your entry.

   ☐

   If you do not enter a period on the initial screen, the system automatically puts the new budget values into the period of the document date. This only applies if no distribution key has been defined in Customizing.

Result

Allocating the budget to periods is only for statistical purposes. You can display the budget utilization by period in reporting. To list budget deficits choose *Accounting → Financial*

accounting → Funds management → Info system → Report selection → Line items → Budget → Periodic display

Active availability control, however, always checks against the annual budget.

See also:

Distributing Annual Values to Several Periods [Seite 130]

Distributing Annual Values to Several Periods

Prerequisites

In the Funds Management IMG, you must have assigned a budget profile for the active FM area by choosing *Budgeting and Availability Control →Budget Profile → Assign budget profile to FM area*. Here, *Annual values* and *Period values* should be activated.

If you want to distribute the annual budget using a Distribution Key [Seite 141] , you can define a distribution key in the budget profile. The distribution key then appears in the budgeting transactions as the default value and can be overwritten if required.

For more information on the budget profile, look at the Funds Management IMG documentation under Setting Budget Profiles [Extern]

Allocating Period Values Within The Hierarchy

1. Enter the required data on the initial screen but **no** period.

    You reach the budget structure element overview in which the annual view is displayed. The distribution key stored in Customizing is displayed as the default value and can be changed.

    If Budget Structure Elements [Extern] (BS elements) have already been budgeted using a distribution key, distribution key "0" is displayed for these elements.

    You reach the period view by choosing *Goto → Period values*. You can display the budget already distributed per period by choosing *Next period* and *Previous period*. You can also distribute budget to an individual period in this mode. For more information, refer to Distributing Annual Values to Individual Periods [Seite 128] .

2. To distribute budget values for an element using the distribution key, enter a budget value and the required distribution key in the annual view for the budget structure elements.

    The system automatically distributes the budget value to the individual periods in accordance with the distribution key.

    If you want to distribute the annual value manually to individual periods for a budget structure element (distribution key = 0), select the element and choose *Goto → Period overview.* You reach the *Period Overview* screen on which you can distribute the budget to individual periods.

    If you enter a period on the initial screen, the distribution key in the budget structure element overview is not ready for input. The system then puts the new budget values into the period entered when you save.

Rolling Up Period Values

1. Enter the required data on the initial screen of the respective budgeting transaction as well as a **period**.

    The system displays the screen for entering budget values. The system defaults the distribution key entered in Customizing, but you can overwrite it.

2. In each case, enter the budget values for a budget structure element, and enter the required distribution key.

3. Save your entry.
   The system automatically distributes the budget value to the individual periods in accordance with the distribution key.

   　　□

   　　If you enter a period on the initial screen, the distribution key in the budget structure element overview is not ready for input. The system then puts the new budget values into the period entered when you save.

Result

Allocating the budget to periods is only for statistical purposes. You can display the budget utilization by period in reporting. To list budget deficits choose *Accounting → Financial accounting → Funds management → Info system → Report selection → Line items → Budget → Periodic display*

Active availability control, however, always checks against the annual budget.

Budget Updates

Use

These functions are designed to support you when you have to adjust the original budget in your organization during a fiscal year to reflect commercial developments. The correction measures are named **Budget Updates.** You can make budget updates for the Payment Budget [Extern] (PB) and for the Commitment Budget [Extern] (CB).

Prerequisites

You determine the type of budget update entry in the Funds Management Customizing under *Budgeting and Availability Control → Budgeting →* Carry out Settings for the Budgeting [Extern] .

If you set the *Additive* indicator there, data already stored is not displayed when you enter more data in hierarchy maintenance. When you save the new data, it is added to the existing data.

If you do not save this indicator, existing data is displayed. When you save the new data, it overwrites the existing data.

You can overwrite the settings entered in the IMG when processing your budget updates.

　　　　☐

　　　　If you set the *Additive* indicator, you must always choose *Add change values* if
　　　　you later use the Total Up [Seite 140] function.

Features

There are three types of budget update:

- Supplement [Seite 134] (Budget increase)

- Return [Seite 135] (Budget cut)

- Transfer [Seite 136] (Budget shift)

Activities

Processing of budget updates can take place within the hierarchy maintenance or in the form of a document entry (rolling up).

To	Choose *Accounting → Financial accounting → Funds Management → Budgeting and then.*
Change supplements	Supplements → *Commitments for the CB or payments for the PB → Change*
Roll up supplements	Supplements → *Commitments for the CB or payments for the PB → Roll up*
Display supplements	Supplements → *Commitments for the CB or payments for the PB → Change*
Change returns	Returns → *Commitments for the CB or payments for the PB → Change*
Roll up returns	Returns → *Commitments for the CB or payments for the PB → Roll up*

Display returns	Returns → *Commitments for the CB or payments for the PB → Display*
Enter transfers	Transfer → *Commitments for the CB or payments for the PB*

You can also make budget updates using the change function of the original budget.

You should regulate your budgeting in such a way that the original budget is frozen and budget changes are made in the form or supplements, returns, and transfers. This makes the changes easier to identify later.

The "current budget" is the total of that year's original budget, as amended by supplements, returns, and transfers. Besides this, the budget carryforward from the year-end closing and the budget from revenues increasing the budget are considered.

See also:

Supplements

Use

If the available funds are not sufficient, you can top up the budget in a funds center or commitment item by means of a supplement.

Features

There are two forms of supplement:

- **You allocate supplements top-down within your hierarchy**

    Here, you distribute the supplement within the funds center and commitment item hierarchy from superior funds centers and commitment items to subordinate ones. The budget supplement must not exceed the amount in the superior level. The amount of supplement depends on the distributable value and assigned value in the superior level.

- **Supplements posted from outside to particular combinations of funds center and commitment item**

    In such cases, you are allocating additional budget from outside to a particular combination of funds centers and commitment items, regardless of how much budget is still available for the superior funds centers and commitment items. The distributable value for this combination increases by the amount of the supplement.

    You can pass the additional budget on to funds centers and commitment items higher up in the hierarchy by choosing Total up [Seite 140] and *Roll up*. The distributable value in the superior levels is not affected by the change; the distributed value and any existing supplement are increased by the amount of this supplement.

    All the budget entry functions are available for you to enter, change, and display returns. For more information, read Budget Entry Aids [Seite 137] .

Activities

The procedure for entering returns is similar to that for allocating original budget or rolling up budget values. For more information on the procedure, refer to Allocating Budget [Seite 121] and Rolling Up Budget Values [Seite 125]

Returns

Use

If you have funds to spare, this function enables you to reduce the budget. Returns usually take place bottom-up.

Prerequisites

For a budget return to be possible, the relevant Budget Structure Elements [Extern] must have enough current budget. For more information on the current budget, refer to Budget Types in Funds Management [Seite 115].

Features

There are two forms of return:

• Returns within a hierarchy

  Budget is returned within the funds center and commitment item hierarchy, from a subordinate funds center/commitment item to a superior one. You can only return as much budget as is still available in the subordinate level. The overall budget is not affected by the return, but the available value in the superior level is increased by the amount returned from the subordinate level.

• **Returns from particular combinations of funds centers and commitment items to external parties (such as sponsors)**

  Here, you are returning distributable or available budget from a particular funds center/commitment item combination in your hierarchy to the superior funds center or commitment item. This means that the overall budget decreases by the amount returned.

If the budget entry functions are available for you to enter, change, and display returns. For more information, read Budget Entry Aids [Seite 137] .

Activities

The procedure for entering returns is similar to that for allocating original budget or rolling up budget values. For more information on the procedure, refer to Allocating Budget [Seite 121] and Rolling Up Budget Values [Seite 125]

See also:

Budget Updates [Seite 132]

Transfers

Use

It may happen that one funds center is running short of funds while another still has plenty. Transfers are a tool in *Funds Management*, which you can use to place budget from one Budget Structure Plan Element [Extern] at the disposal of another. You can make transfers for the commitment budget (CB) and the payment budget (PB).

Prerequisites

You cannot enter transfers for funds releases, but only for the current budget in a particular version.

Features

- Transfers between different funds centers and commitment items in the same fiscal year (balance carried forward or advance)

- Transfers between fiscal years in the same funds center and commitment item (balance carried forward or advance)

- Transfers between different funds centers and commitment items in different fiscal years

- Transfers between different funds, also across fiscal years

- Short and long texts

- Budget Consistency Checks [Seite 145]when transferring

For transfers in which expenditures account assignments are addressed, the budget is reduced for the sender and increased for the receiver.

For transfers addressing a revenues account assignment, either as sender or as receiver, the budget is reduced for the sender **and** the receiver.

Activities

In the entry screen for the transfers, you must enter at least one sender and one receiver, and the amount of the transfer. You can apportion the amount from the sender to more than one receiver.

Choose *Accounting → Financial accounting → Funds management → Budgeting → Transfers → Commitments for the (CB) and payments for the (PB).*

See also:

Budget Types in Funds Management [Seite 115]

Budget Entry Tools

Use

Within the budgeting transactions in hierarchy maintenance there are a range of functions designed to make budget processing easier.

Prerequisites

You are in the initial screen or change mode of a budgeting transaction.

Features

Function	What You Should Know	Path
In the initial screen		
Restricting levels [Seite 139]	You restrict the hierarchy levels available to you for processing. For complex hierarchies, this improves system performance and makes budgeting clearer.	*Extras → Restrict levels*
Funds centers	You display the funds center hierarchy so you can select a center for the purpose of restricting levels.	*Extras → Center hierarchy*
Commitment items	You display the commitment item hierarchy so you can select an item for the purpose of restricting levels.	*Extras → Item hierarchy*
Within the change mode		
Total up [Seite 140]	The system automatically totals the budget values for lower-level elements up to all the higher-level ones.	*Edit → Total up*
Distribution Keys [Seite 141]	Tools for distributing annual values to periods	
Budget value adjustment	Adjusts the budget values for selected elements You can increase or decrease budget values by a given percentage or amount.	*Edit → Adjust*
Release budget values	You can release a particular amount or percentage.	*Edit → Release*
Entry type for budget updating	For more information, read Budget Updating [Seite 132].	*Settings → Entry → Appended on or Appended off*

Budget Entry Tools

Displaying Elements [Seite 142]		*Settings → Display elements*
Scaling	Definitions for displaying budget values (unit and decimal places)	*Settings → Scaling*
Budget value representation [Seite 143]	Defines which values you see in addition to the annual/overall values	*Views → Distributed/Distributable / Assigned/Released/ Cumulative/Remainder*
Budget Texts [Seite 144]		*Goto → Budget text*
Document texts		*Goto → Document text*
Budget line items	Branches to the list of line items. This means you can trace the development of the current budget. Double click the relevant line item; this takes you to the document display.	***Extras → Line items***
Availability Control Settings		Extras → *Availability control*

Restricting Levels

Use

With this function, you can specify the number of hierarchy levels you want the system to display for budget allocation or budget structure definition purposes, starting with the funds center and commitment item entered.

For complex hierarchies, this improves system performance and makes budgeting clearer.

Prerequisites

You can enter a default number of hierarchy levels in Customizing for *Funds Management* by choosing *Budgeting* → Enter budgeting settings [Extern]. You can overwrite these default settings in the application if you wish.

Activities

If you do not know a funds center or commitment item for the level entry, you can choose *Funds center hierarchy* and *Commitment item hierarchy* to display the hierarchies. Double click the "+" field to expand the hierarchy so that you can select the funds center or commitment item you want. The item selected is then level 1.

Totaling Up Budget Values

Use

If you have allocated budget to subordinate funds centers and commitment items, you can total up the budget values.

The budget values for a funds center or commitment item are totaled up, that is the system totals them up for the superior level and displays them there. During this process, budget values which already exist in the superior funds centers or commitment items are overwritten by the distributed value, that is by the total of the subordinate level budget values actually distributed.

Totaling Up Budget Values
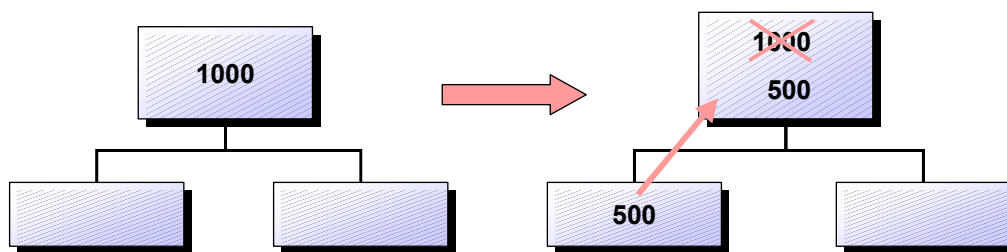
Totaling up budget values and *Add changed values*
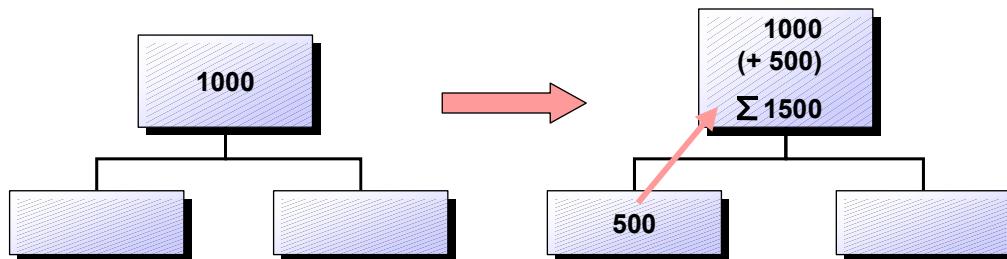
If you increase or decrease the budget in a lower level by a given amount, you can choose *Total up* and *Add changed values* to increase or decrease the budget values in the superior levels from this point upwards by exactly this amount.

Activities

If you have not set up the whole hierarchy for budget allocation, the budget values in the subordinate funds centers or commitment items are only totaled up as far as the initial items you chose. If you want to total up the budget values right up to the top node, you must start the program for totaling up the budget after you have allocated your budget. This program always processes the current budget. For more information, see Totaling Up Budget Values in Batch [Seite 152] .

Distribution Keys

Use

In annual value budgeting, the system interprets the values entered as annual values. Using a distribution key, you can generate a periodic display of these annual values according to various criteria. This applies to all budgeting transactions.

There are already distribution keys defined in the standard system which you cannot change.

However, you can create as many of your own distribution keys as you like, such as for evaluating budget utilization for a quarter.

For more information on these topics, see *Preparations for Planning* in the *CO Introduction to Overhead Cost Controlling* documentation.

Prerequisites

In Customizing for *Funds Management*, you must have assigned a budget profile for the active FM area by choosing *Assign budget profile to FM area*. Here *Annual values* and *Period values* should be activated.

You can define a distribution key in the budget profile. The distribution key then appears in the budgeting transactions as the default value in the budget structure element overview and can be overwritten if required.

See also:

Distributing Annual Values to Several Periods [Seite 130]

Representing Budgetable Elements

To be able to see more clearly which elements you can budget for, you can enter the following settings:

- Display of all hierarchy levels in all funds centers and commitment items

- Display funds centers and commitment items with the different levels indented

- Display all funds centers and commitment items with names

On the screen for entering budgeting, you first see the budgetable elements displayed as explained below:

Level +/-	Funds center	Commitment item
+1	SAP	Top commitment item XYZ
+2	Management	Top commitment item XYZ
+2	Development	Top commitment item XYZ

You see the funds center hierarchy, with the relevant top commitment items where budgeting is possible. You can now budget across centers.

Double-click a "+" sign to expand the commitment item hierarchy for each funds center. You can now budget within the funds centers.

Displaying Budget Values

Use

With this function, you can stipulate which values are displayed in addition to the annual/overall values.

Prerequisites

You define the default values for this function in the Funds Management IMG, step *Budgeting and availability control* → *Budget profiles* → Set up budget profiles [Extern]

Features

- The **Distributed value**, which is the total of the budget values in the subordinate funds centers or commitment items

- The **distributable value**, which is the difference between the budget and the distributed budget

- The **current budget** is the original budget, as amended by budget updates (supplements, returns, transfers) For more information on the current budget, refer to Budget Types in Funds Management [Seite 115].

- The **Release** is the budget actually released, based on the current budget

- The **Accumulated value**, which is the total of the annual budgets

- The **Remainder**, which is the difference between the overall budget (only with funds) and the accumulated value or the total of the annual budgets

- The **Previous year** budget value.

  Note that the values displayed for the distributed and distributable values in the functions list below always reference the **current** budget.

  - Change/display original budget

  - Change/display supplement

  - Change/display return

Budget texts

Use

Within the budgeting transactions, you can edit a 50-character short text and a corresponding long text for the budget values so as to store explanations regarding the budget values or changes to them. The budget texts are assigned to a totals record. So you can enter budget texts for combinations of the following:

- Funds center

- Commitment item

- Fund

- Fiscal year

- Budget transaction (original budget, supplement, return, transfer)

Prerequisites

You can only edit budget texts within budget transactions running within hierarchy maintenance.

Activities

1. In the budget structure element overview, select the Budget Structure Element [Extern] ,for which you want to store a budget text and choose *Goto → Budget text*.

    You reach the *Change Budget Text* screen.

2. Enter a short text and, if required, a long text.

3. Save your entry.

    When you copy budget versions, the budget texts are not copied with them.

If you are in the display or change function for the long text, choose *Goto → Header* to display information about:

- When the text was created

- Who created it

- When it was changed

- Who changed it.

Check Budget Allocation

Use

This function ensures that the budget stored during budget allocation of original budget, updates, and releases is always consistent.

In the standard system, you can only save a budget allocation which is wholly free of errors. However, the system only conducts the automatic consistency check for budget version **0**. If you are working with other budget versions as well, you can, however, use the *Check* function in the budgeting transactions to ensure that the budget allocation is error-free.

In the Funds Management IMG, you can use the step Define year-dependent parameters [Extern] to deactivate the budget consistency check for an FM area and fiscal year. Having done this, you can then save your input, even if it is inconsistent.

You should only deactivate the automatic consistency check if, for example, you want to enter an initial budget allocation for a new fiscal year, but the exact budget allocation for individual funds centers and commitment items is not yet fixed. To ensure that the budget is consistent later, you can Total up [Seite 152] the budget values up to the top node.

Prerequisites

To use the budget consistency check, you must be in one of the budgeting transactions.

Features

To ensure that budget allocation is free of errors, the system checks whether the following conditions are met for each FM account assignment:

Funds center and commitment item hierarchy

Within the hierarchy or subhierarchies, the budget value in the superior levels must be at least as much as the total of the budget values in the subordinate levels (= distributed value on the superior level).

Time level
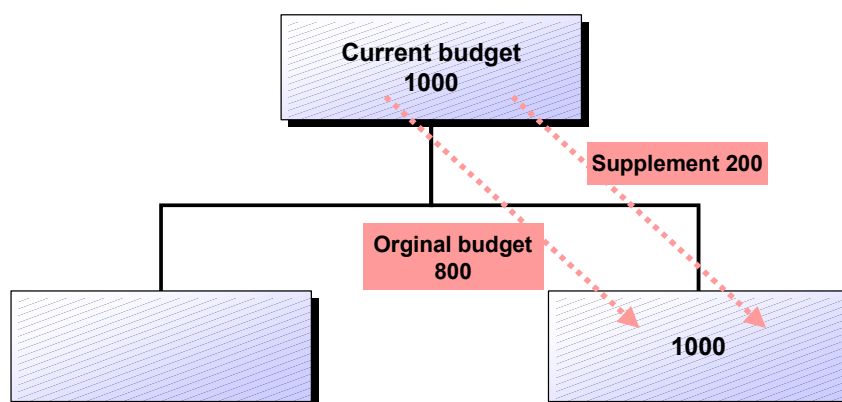
Check Budget Allocation

The total of the annual values per funds center/commitment item combination must not exceed the overall value for that combination. This check is only carried out if you are using annual and overall values. For this, you must have selected *Overall value* in the budget profile. For more information on the budget profile, look at the Funds Management IMG documentation under Set Up Budget Profiles [Extern]
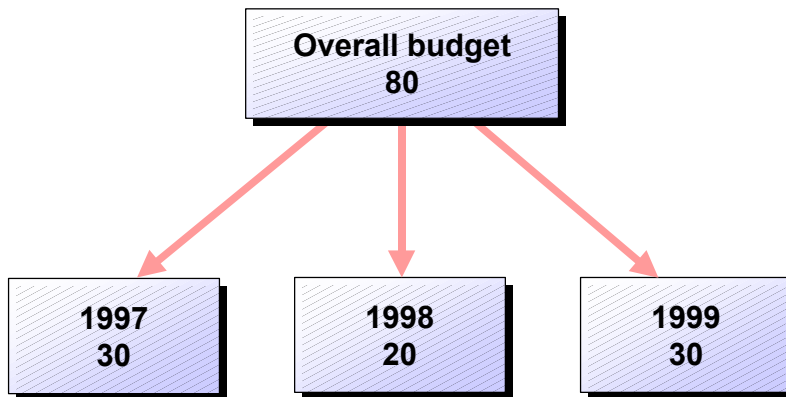
Release/current budget

- The annual release may not exceed the current annual budget.

- The overall release may not exceed the current overall budget.

- Releases must be equal to or more than zero.
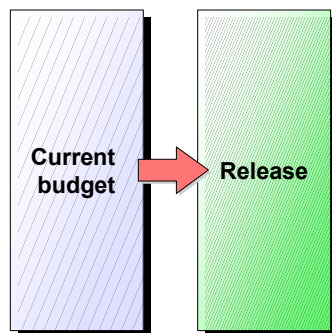
Transfers

The transfer amount must not exceed the current budget in the sender. Releases already made cannot be transferred.

Sender   **Receiver**
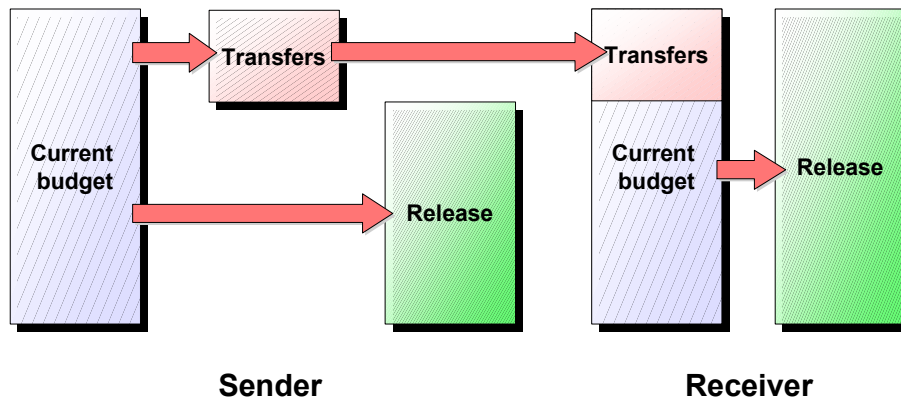
Negative budget

Budget values must not be negative. Negative budget is only permitted when the Budget Carryforward [Seite 345] carried out as part of closing operations for the year-end closing took negative residual budget from the previous year to the new year, resulting in negative values in the new year.

Availability control

If availability control is active, the system compares the budget values with the assigned values (actual plus commitment) and triggers the appropriate action (warning, warning with mail to budget manager, error message) if the tolerance limits defined for the budget are exceeded.

Activities

To check the budget consistency after budget allocation, choose *Budget/Supplement/Return → Check*.

In the event of an error, the following happens:

- Incorrectly budgeted objects are highlighted on the entry screen for the budget values

- The system also generates a message directing your attention to an error log. You can display and print the error log by choosing *Extras → Error log*. You can call up an explanatory text by choosing *Long text* or by double-clicking a line in the log.

Budgeting Tools

Use

A number of tools designed to make budgeting easier are available. You can also use them to adapt the budget to match changes in the master data hierarchy or budget structure.

Features

- Editing Budget Versions [Seite 149]

- Copy Budget Versions [Seite 150]

- Totaling Up Budget Values in Batch [Seite 152]

- Reconstructing Distributed Values [Seite 155]

Processing Budget Versions

Use

You can manage more than one budget version in Funds Management. However, note that availability control is only carried out in **version 0**.

Prerequisites

You can create new versions either in the *Funds Management* IMG, by choosing *Budgeting and Availability Control → Budgeting → Define budget versions*, or in the Funds Management application menu; choose *Budgeting → Versions → Create*.

Features

- Creating budget versions

    Create several versions, covering several FM areas

- Blocking budget versions:

    – For all funds, or for ones you choose

    – For the current budget and/or the releases

- Unblocking the budget versions again

- Copy Budget Versions [Seite 150]

You can allocate authorizations for access to particular versions. For more information on allocating authorizations, see Object: Authorization Objects in Funds Management [Seite 13].

> **Deleting Budget Data and Budget Versions**
> In order to delete budget data or budget versions choose *Budgeting and Availability Control → Budgeting → Delete Budget Data* in Funds Management Customizing.

Activities

To process budget versions, choose *Accounting → Financial accounting → Funds management → Budgeting → Versions* and the function you require.

Copying Budget Versions

Use

This function supports you in budget planning. You can use this function to, for example, copy budget data from the old year as the first version of the new budget for the new year. You can adjust the data to take account inflation and other factors in the new year.

Prerequisites

- You must create the new budget version first.

  You can create new versions either in the *Funds Management* IMG, by choosing *Budgeting and Availability Control* → *Budgeting* → *Define budget versions*, or in the Funds Management application menu; choose *Budgeting* → *Versions* → *Create*.

- The budget version you want to copy must have passed the consistency checks. For more information on budget consistency, refer to Checking the Budget Allocation [Seite 145] .

- To improve system performance further, only copy the budget versions in background processing.

Features

When copying budget versions, you can choose:

- Which budget values (annual and/or overall values) are to be copied from the reference version into the target version Annual and/or overall values

- Which funds are to be copied

- If the budget values of the Commitment Budget [Extern] or the Payment Budget [Extern] are to be copied.

- Which budgets are to be copied: Current budget, releases, individual budget types (original budget, supplement, return, transfer)

- Whether different budget types from the current budget are to be combined in the target version original budget

- How existing budget values in the target version are to be treated.

  With large hierarchies, system performance is significantly better if you copy the current budget or releases using the following settings:
  - *Target version* **<> 0**
  - Reference year = Target year
  - Do **not** select *Line items* (budget line item documents)
  - Reset data and overwrite

  These settings do not speed up the copying process for individual budget types (such as supplements).

  When you copy budget versions, the Budget Texts [Seite 144] are not copied with them.

Plan Data Transfer from Controlling

Use

Using the program RFFMCOPI you can copy the data of plan version from Controlling (CO) to a budget version in Funds Managment. You use this program to generate similar budgets in Funds Management through the transfer of CO plan data.

For more information on executing the program, see the documentation on the program.

Activities

In order to transfer the plan data from Controlling choose *Accounting → Financial accounting → Funds managementt → Budgeting → Tools → Plan data transfer from CO*.

Totaling Up Budget Values in Batch

Use

You can use this program in the following situations:

- **Bottom-up budgeting in hierarchy maintenance**

    Within hierarchy maintenance, you have saved your budget data for the new year inconsistently on a lower hierarchy level and want automatically to fill all interim levels of the budget hierarchy with values.

- Changes to the master data hierarchy posted to or budgeted

    You have made changes to your master data hierarchy posted to or budgeted and the new funds centers or commitment items are to receive a budget.

- **Changes to the budget structure**

    You have defined new budget objects within the budget structure and these are to receive a budget.

    To improve system performance, total up the budget in background processing.

Procedure

1. Choose *Accounting → Financial accounting → Funds Management → Budgeting → Tools → Total up.*

2. Enter an FM area.

3. Enter a budget version.
   If you do not enter a version, the system automatically uses version 0.

4. Choose *Overall* if you want to total up overall values for a fund*.*

5. Choose whether you want to total up the budget values for the *Budget* or the *Releases*.

6. Choose if you want to total up budget values of the Commitment Budget [Extern] or of the Payment Budget [Extern] .

7. Choose **Add new data** *only* if the new funds centers and commitment items (or the ones which have not yet received any budget) are to receive budget but the budget values for the elements which have already received a budget are not to be changed.

8. Start the program.

Result

When totaling up the budget values, all changes which you have made to your original budget by means of budget updates such as supplements, are not taken into account for each transaction but are entered into the original budget. For more information on this, see: Example: Totaling Up Budget Values in Batch [Seite 154]

   If availability control is active for the specified FM area and specified fiscal year, you must reconstruct the assigned values after totaling up the budget values. For more information on this, refer to Reconstructing Assigned Values [Seite 169].

See also:

Changing the Structure of the Master Data Hierarchy [Seite 35]

Changing Budget Structures [Seite 79]

Example: Totaling Up Budget Values in Batch

Budget Values Before Totaling Up

BS Element	Original budget	Supplements
A	0	300
B	400	100

Budget Values After Totaling Up

BS Element	Original budget	Supplements
A	**200**	300
B	400	100

For FM account assignment B, the system first calculates the total of the original budget and supplement. For FM account assignment A above it, the supplement is subtracted from this total and the remainder is put into the original budget. (400 + 100 = 500; 500 - 300 = 200).

Reconstructing Distributed Values

Use

You have to reconstruct distributed values in the following cases:

- **Changes to the master data hierarchy posted to or budgeted**

    You have made changes to your master data hierarchy, by for example having detached individual nodes or subtrees from the structure and reinserting them at another point in the hierarchy or another subhierarchy. The reconstruction of distributed values ensures that already distributed budget is recalculated according to the changes you have made.

    The budget from the nodes split off which has already been distributed and which you have assigned to a different subhierarchy, is then available for distribution again by the original superior nodes. Correspondingly less budget is then available for distribution for the superior nodes in which you have inserted the split off nodes.

    > If there is not sufficient budget in the superior node to distribute to the nodes which have been added, you must adjust the budget values manually.

- **Budget structures: Budget structure changed, deleted, or regenerated**

    If, for example, in an existing Budget Structure [Extern]   you define more Budget Structure Elements [Extern]   in an existing budget structure as budget objects, reconstructing the distributed values ensures that the distributed values are recalculated. For more information on what you need to note when changing the budget structure, see: Changing the Budget Structure [Seite 79]

    > You do **not** have to reconstruct the distributed values if you have:

- Appended new funds centers and commitment items to the lowest hierarchy level in each case

- Defined new elements as budget objects at the lowest hierarchy level in the budget structure

Procedure

1. Choose *Accounting* → *Financial accounting* → *Funds Management* → *Budgeting* → *Tools* → *Reconstruct distributed values.*

2. Enter an FM area.

3. Enter a budget version.

    If you do not enter a version, the system automatically uses version 0.

4. Start the program.

    > To improve system performance, reconstruct the distributed values in background processing.

Reconstructing Distributed Values

Result

If availability control is active for the specified FM area and specified fiscal year, you **must** reconstruct the assigned values after totaling up the budget values.

See also:

Changing the Structure of the Master Data Hierarchy [Seite 35]

Totaling Up Budget Values in Batch [Seite 152]

Reconstructing Assigned Values [Seite 169]

Controlling Availability Control

Purpose

This process enables a fine-tuned monitoring of available funds. Active availability control can prevent an excessive allocation of funds as soon as they occur.

When you enter particular transactions, such as purchase orders or funds reservations, the system checks whether the available or released budget is still sufficient. The check is based on the current budget profile. The check takes into account the availability control tolerance limits you set in Customizing. You can restrict these tolerance limits to particular transactions.

The Graphic [Seite 159] shows the process of availability control in a simplified form.

Prerequisites

Availability control is always active, unless you deactivate it for particular fiscal years.

If the monitoring function is to be effective, you must define tolerance limits in *Funds Management* customizing; availability control conducts its checks against these. You can define relative or absolute variance from budget values as tolerance limits for budget profile/transaction group/action combinations. Depending on the budget profile, you can also define tolerance limits for individual funds centers, commitment items, or funds.

For detailed information on the tolerance limit settings, refer to the documentation for Define tolerance limits for availability control [Extern] and Define specific tolerance limits for availability control [Extern] in the *Funds Management* IMG.

You can deactivate availability control for individual fiscal years in Customizing and choose *Budgeting and Availability Control* → Define year-dependent parameters [Extern].

Process Flow

1. **Posting with account assignment**
    The availability control checks begin when you make a posting in the system which involves an Funds Management Account Assignment [Extern] . The system first checks whether availability control has been deactivated for the fiscal year entered in the posting. If it has been, availability control does not check the posting. The system does not update the assigned values.

2. **Determining the budget-bearing element**
    If availability control is active, it first determines the budget-bearing element, if you are working with budget objects. The procedure used differs, depending on whether or not you are working with Budget Objects [Extern] .

3. **Determining the valid budget profile**
    If you have entered an account assignment with a fund, the system first verifies that there is a budget profile in the fund. If there is no profile in the fund, the system determines the budget profile from the assignment to the FM area made in Customizing. If you have defined a budget profile in fund, then this is the valid budget profile. If you have not entered a budget profile in the fund, the system uses the "normal" budget profile.
    If you have entered an account assignment without a fund, then the "normal" budget profile is valid.

Controlling Availability Control

4. **Calculating the available budget per the budget profile settings**
   In the budget profile, you can stipulate whether availability control conducts its checks against the overall budget, annual budget, released overall budget, or released annual budget.

5. **Checking the tolerance limits**

- First, the system checks whether a specific tolerance limit has been defined for the account assignment specified. If it has, the system uses the budget profile assigned to the specific tolerance to verify the tolerance limits. If no specific tolerance has been defined, the system uses the tolerance limits from a previously determined budget profile for checking.

- The system first checks whether any tolerance has been defined for the transaction in the posting (example: funds reservation). If it has, this applies. If it has not, the system next checks whether there is a tolerance limit defined which applies to all transactions.
  If no tolerance limit is found, the posting is permitted. Otherwise, the system calculates whether the tolerance limit will be exceeded.

6. **Determining the status entry**
   If the status is "No availability control", the posting is permitted.

7. **Action in line with tolerance limits**

Result

A breach of any of the tolerance limits triggers the action defined in that tolerance limit. Possible actions are:

- Warning

- Warning with Mail to funds center manager

- Error message

See also:

Determining the Budget Object Element: Procedure Without Budget Objects [Seite 160]

Determining the Budget Object Element: Procedure with Budget Objects [Seite 162]

Example: Active Availability Control

Active Availability Control

```
                    ┌──────────────────┐
                    │     Posting      │
                    └──────────────────┘
                             │
                             ▼
                    ┌──────────────────┐
                    │ Availability control │
                    └──────────────────┘
                             │
                             ▼
              ╱──────────────────╲
             ╱     Budget          ╲        ┌──────────────────┐
            ⟨      exists?          ⟩─────▶ │    No posting    │
             ╲                     ╱   NO   └──────────────────┘
              ╲──────────────────╱
                             │
                            YES

      ┌─────────────────┐         ┌─────────────────┐
      │  Commitments/   │         │ Assigned values │
      │  actual values  │         │                 │
      └─────────────────┘         └─────────────────┘
```
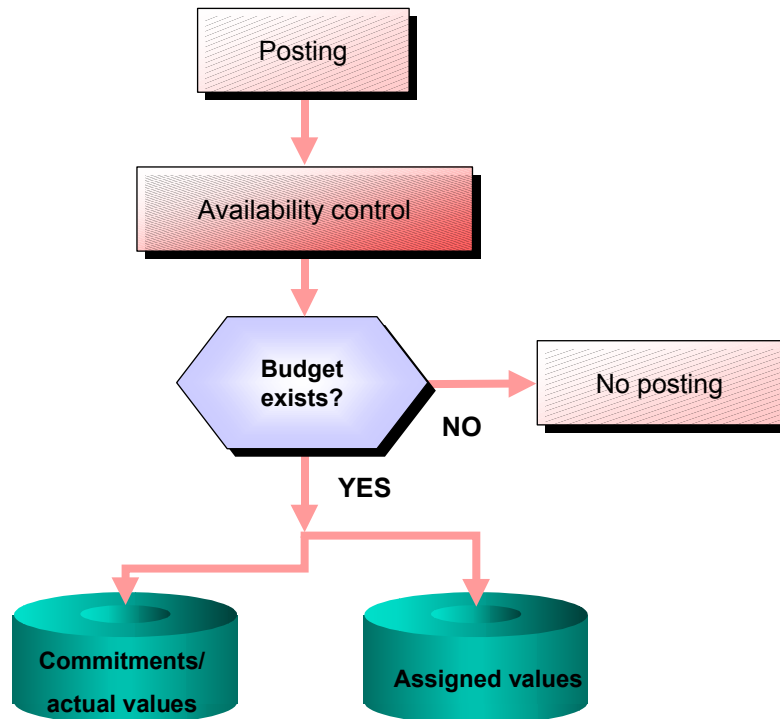
Determin. the Bud. Obj. elmnt: Procedure W/out Bud. Obj.

If you have not defined any Budget Objects [Extern] in the Budget Structure [Extern] , availability control starts with the funds center and commitment item specified in the posting and searches upwards in the hierarchy for the first element that has received budget.

Example: Determining the Budget Object Element:

Starting from the funds center (secretary's office) and commitment item (computer requirements) specified for the posting, availability control determines the first element which has received budget in the following steps:

1. Within the funds center (secretary's office), the higher commitment item (IT) in each case up to the top commitment item (administrative expenses).

2. In the funds center hierarchy, the next higher funds center (department 1) in each case in combination with the top commitment item.

If you have reset the budget for a budget object element to zero for every budget type (original budget, return) individually, this is no longer taken into account by availability control.

Even if you have specified in the budget profile that availability control is to take place against releases, availability control determines the budget object element as described above. However, the check then takes place against releases.

If, for example, you have only released budget in one of the top funds centers in the hierarchy, this procedure ensures that the check takes place at the subordinate level for which you have defined budget. Since, however, no release exists at this level, the budget cannot be used.

Determin. the Bud. Obj. elmnt: Procedure with Budget Obj.

If you have defined Budget Objects [Extern] in the Budget Structure [Extern] , there are two different ways of setting how availability control works:

- Search for the first budget object

    Here it is assumed that every element defined as a budget object has received budget. If a budget object has not received budget, availability control checks the posting against a zero budget. The system does not search for a budget object higher in the hierarchy for which budget was allocated, but triggers the appropriate actions as you defined them.

    This is the function delivered in the standard system.

- Search upwards within the hierarchy for the first budget object which has received **budget**.

    To choose this function, make the appropriate setting in *Funds Management* Customizing. For more information, go to the Funds Management IMG and choose *Budgeting and Availability Control* → *Availability Control* → Define Parameters for Availability Control [Extern]..

Example: Determining the Budget Object Element:
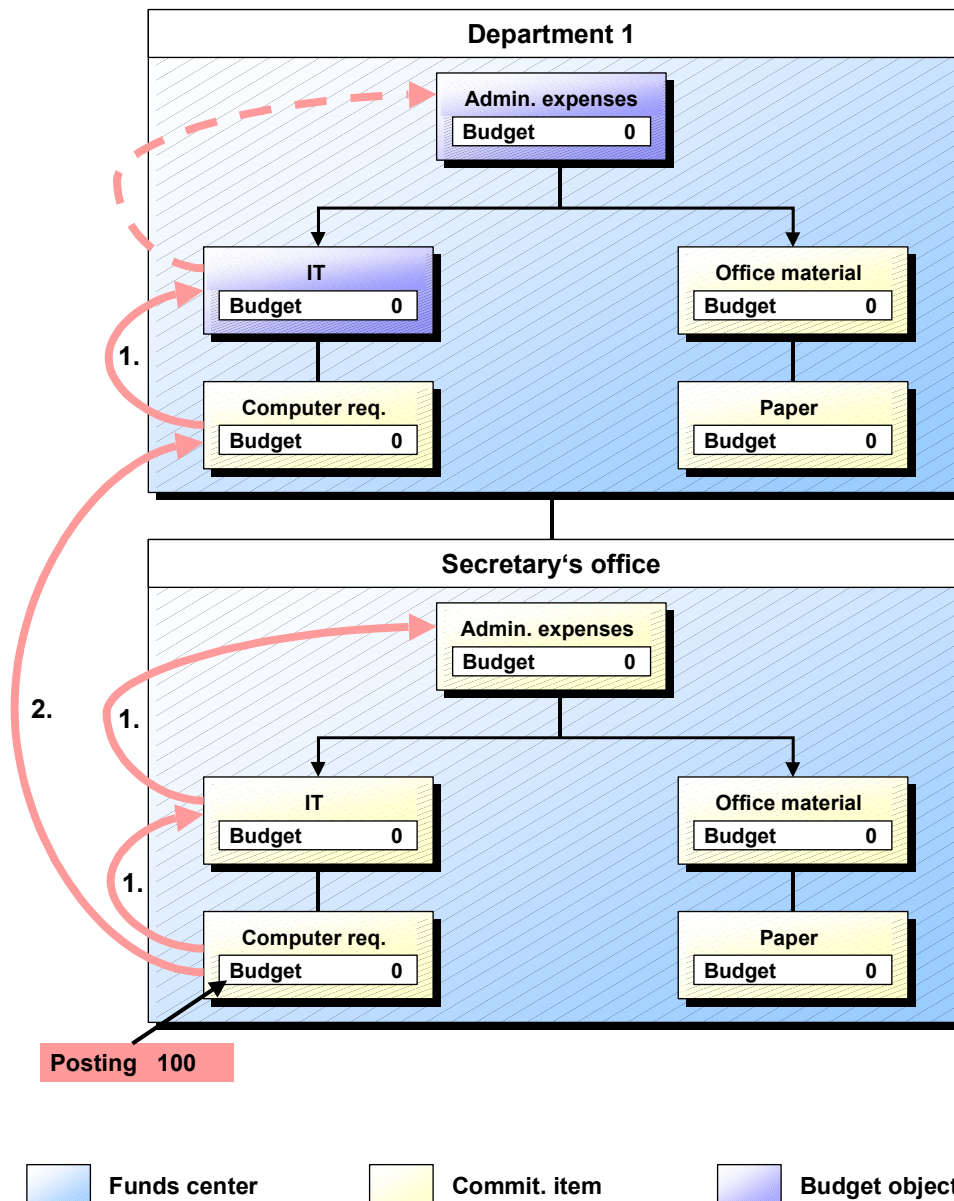
Starting from the funds center (secretary's office) and commitment item (computer requirements) in the hierarchy, the AVC determines the first budget object in the following steps:

1. Within the funds center (secretary's office), the higher commitment item (IT) in each case up to the top commitment item (administrative expenses).

2. In the funds center hierarchy, the next higher funds center (department 1) in each case, beginning with the assigned commitment item (computer requirements).

If you are working with the standard configuration, the AVC determines in the above example "**Department 1/IT**" as the budget object element. It is the first budget object.

If you have stipulate in Customizing that the AVC checks should be made in the first budget object with budget, the AVC searches up through the hierarchy until it finds the first budget object

Determin. the Bud. Obj. elmnt: Procedure with Budget Obj.

with budget. In the example above, the first budget object with budget is element "**Department 1/Administrative expenses**".

Availability Control Settings

Use

The availability control settings give you a very refined degree of control over budget monitoring.

Prerequisites

You make the settings in the Funds Management IMG. For more information, go to that IMG and choose *Budgeting and Availability Control → Budget Profiles →* Set Up Budget Profiles [Extern] , and Availability Control [Extern]

Features

- Basic settings

    You determine the budget values in the budget profile which forms the basis on which the availability control is performed: Overall budget, annual budget, released overall budget, released annual budget.

- Defining tolerance limits

    You can define a usage rate and/or absolute variance as a tolerance limit for a combination of budget profile, activity group and action.

- The usage rate represents the ratio of funds assignment to budget, expressed as a percentage.

- The absolute variance represents the difference between funds assignments and the budget, expressed as an absolute amount.

    If you have entered a budget profile where availability control is against the annual budget and try to post actual or commitment values to a future year which as yet has no budget, the posting is treated in line with the tolerance limits set. For example: a posting of a $1000 is rejected in line with the percentage tolerance limit (because the system assumes a zero budget). Using a tolerance limit for which an absolute variance of, for example $5000, was specified, the system will however accept it.

    For information on the actions triggered when the tolerance limits are exceeded, read Availability Control Actions [Seite 167].

- Defining specific tolerance limits

    You can define tolerance limits specific to individual Budget Structure Elements [Extern] . These specific tolerances override the general ones.

- Activating/deactivating availability control

Activities

Availability control monitors the funds available in line with the settings you have entered.

You can check whether availability control is active and how it is configured in the budgeting display or change mode of budgeting functions (original budget, releases, etc.). To do this, choose *Extras → Availability control → Info.* If availability control is not active, there is no display.

   SAP AG

Availability Control Actions

Use

With this function, you can stipulate how the system is to react when a transaction in the system exceeds a tolerance limit. Various actions are possible.

Prerequisites

You carry out the required settings in the *Funds Management* Customizing under *Budgeting and Availability Control* → *Availability Control* → *Specify tolerances for the Availability Control.* For every action you can define a relative or absolute variance from the budget value as a tolerance limit for budget profile/transaction group/action combinations.

Features

You can use the following actions:

- Action 1 = **Warning**:

  The system informs you that the tolerance limit is being exceeded. However, the posting in question is **not** rejected.

- Action 2 = **Warning** and **Mail** - that is, a message to the project manager:

  The system sends a message to the budget manager named in the funds center, informing him/her of the funds center and commitment item where the excess has taken place, and the transaction causing it. The amount of the excess and the document number are also given.

- Action 3 = **Error message**:

  If a posting leads to the action 3 tolerance limit being exceeded, the system rejects the posting and generates an error message.

  ☐

  In the case of budget increases or transfers, the system automatically changes an error message (for a budget structure element [Extern]) into a warning so as to allow the budget increase or transfer. This only happens if the budget structure element which is receiving budget has already received budget previously and the funds assignments in this element do not change. This is also the case if there are already funds assignments in a budget object.

  Example:

  - You have either defined tolerance limits for all activity groups or for the activity group "Budget" only. When the budget is exceeded, the system is to react with an error message.

  - You have deactivated availability control and exceeded the available budget without noticing it due to postings.

  - You have activated availability control again and then reconstructed the assigned values using the *With log* option.

Availability Control Actions

- You receive a list in which all budget structure elements for which the tolerance limit was exceeded are listed.

- You can now increase the budget for the budget structure elements which are listed.

Reconstructing Assigned Values

Use

Reconstructing the assigned values ensures that availability control can recognize an excessive funds assignment in the new hierarchy or in a Budget Structure Element [Extern] , in accordance with the changes you have made. If you do not reconstruct the assigned values, availability control makes its checks based on the "old" dataset.

A reconstruction of assigned values is necessary in the system following these actions:

- Changed the master data hierarchy which has postings and budget and have reconstructed the distributed values or totaled up the budget values

- Availability control was deactivated and then reactivated

- The company code/FM area assignment was deactivated and then reactivated

- The budget profile assignment was changed

- The generic search sequence was changed

- A budget structure was either regenerated, changed, or deleted a budget structure, and distributed values reconstructed.

- Changes were made in your budget profile (such as releases/budget) for availability control.

- The actual data for Funds Management was reconstructed.

- Within the framework of closing operations, Open Commitments Documents [Seite 338] were carried forward into the new fiscal year.

Prerequisites

There must be at least one budget structure element with a budget.

Ensure that no other activities, particularly budgeting or document entry, can be carried out in the system while the reconstruction is in progress.

Activities

To reconstruct assigned values, choose *Accounting* → *Financial accounting* → *Funds management* → *Budgeting* → *Tools* → *Reconstruct assigned values*.

You must enter an *FM area* and a *Fiscal year* independent of whether you are working with annual values or overall values.

If you have made changes to, for example, your master data hierarchy, and are working with annual values, you can reconstruct the distributed values for more than one fiscal year in one run. You must then start the program for reconstructing assigned values separately for each of the fiscal years concerned.

The graphic below illustrates the flow of assigned value reconstruction. Note that the system only outputs a log if the reconstruction leads to a budget overrun.

Reconstructing Assigned Values
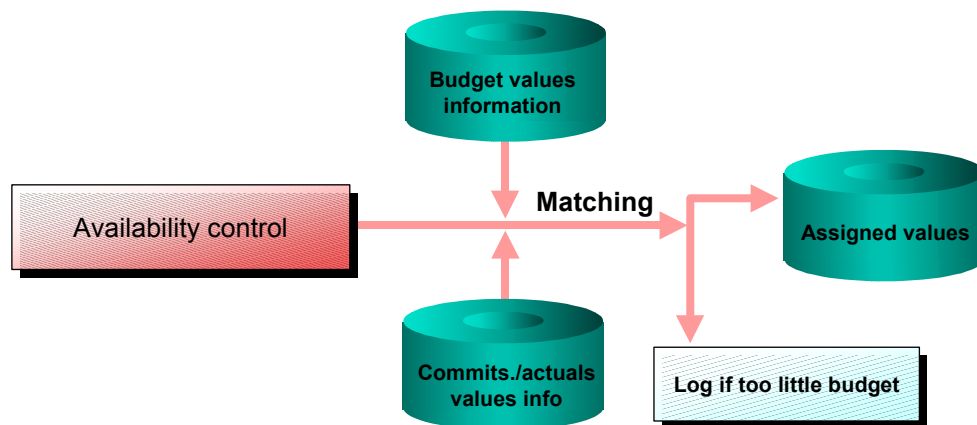
See also:

Changing the Structure of the Master Data Hierarchy [Seite 35]

Reconstructing Distributed Values [Seite 155]

Totaling Up Budget Values in Batch [Seite 152]

R/3 Internal Data Transfer [Seite 228]

Postings

Purpose

This component contains the functions needed to process business transactions in the budget execution.

The posting data is stored as totals and as line items.

Earmarked funds

Using Earmarked Funds [Extern]aspects of both revenues and expenditures of funds are handled. In doing so you can, on the one hand, take expected revenues into account and the incoming budget funds linked to them. On the other hand, you can earmark the appropriate funds for expected expenditures, for which the exact application of funds does not have to be known.

Using budget blocks you can completely block access to already allocated budget This budget is no longer available for other business transactions.

Funds transfers

Using funds transfers you can transfer assigned funds which are in a particular Funds Management account assignment, to other Funds Management account assignments.

Integration

Integration with Other Components in the R/3 System

Within the framework of budget execution you can claim the earmarked budget funds both via the business transactions in accounting and via purchasing. The earmarked funds are reduced by financial accounting documents or purchasing documents. In doing so, the budget is consumed.

Desired function	Required components
Reducing earmarked funds with purchasing documents	*Purchasing*
Reducing with financial accounting documents	*G/L accounting, accounts payable accounting, accounts receivable accounting*
Illustrating an approval process	*SAP Business Workflow*

The graphic [Seite 173] represents the options you have for reducing the earmarked funds by financial accounting documents and purchasing documents.

With other Funds Management components

Dependent on the valid update profile, earmarked funds affect the budget. Earmarked funds take part in the active available control(AAC) when they are created and reduced. The AAC checks if the available budget is still sufficient according to the defined tolerance limits. For more information, see Availability Control Settings [Seite 157].

Earmarked funds are displayed in the information system as commitments.

Features

Expenditures:

The SAP system provides several ways of claiming budget for particular purposes:

Postings

- Funds reservations

- Funds precommitments

- Funds commitments

Together with Workflow this allows you to differentiate assigned funds of the budget and to monitor and control budget usage efficiently. For more information see <u>Earmarking Budget for Expected expenditures [Seite</u> 183<u>]</u>

- Funds blocking

Revenues: Forecast of revenue

Transfers Funds transfers

Reducing Earmarked Funds

The graphic represents the options you have for reducing the Earmarked Funds [Extern] using commitments and actual documents of Materials Management and Financial Accounting.
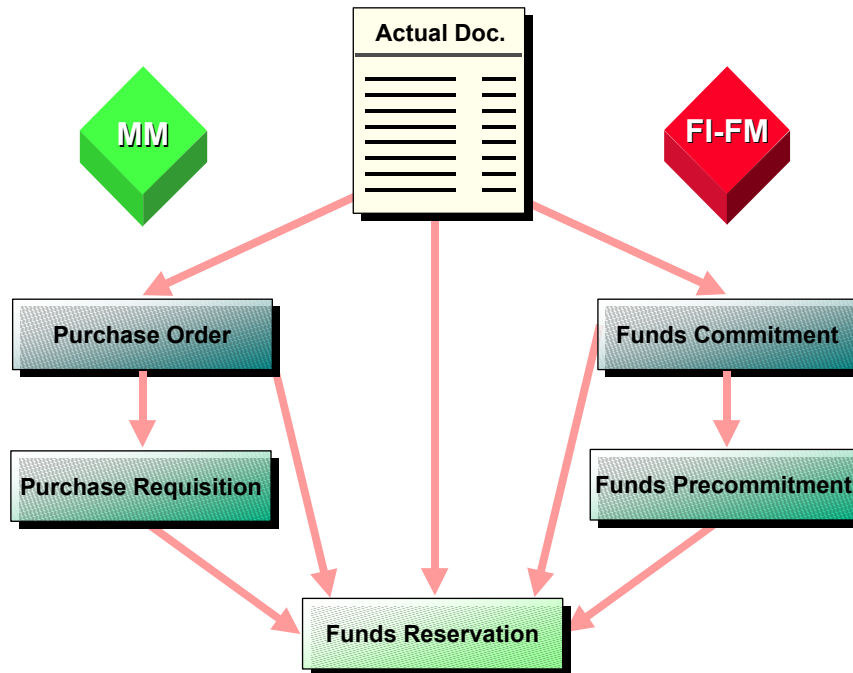
Purchasing documents can only reduce funds reservations.

- Purchase requisition

- Purchase orders

The following **Financial Accounting documents (expenditure)** can either reduce the funds commitment or the funds reservation.

- Vendor invoice

- Down payment request

- Down payments

Financial Accounting documents (revenues) can reduce forecast of revenues

- Customer posting

- Vendor credit memo

- Down payment request

- Down payments

  Note the following when you enter documents in different currencies:

Reducing Earmarked Funds

The reducing document for earmarked funds entered in the local currency of the company code, can be entered in any foreign currency.

The currency of the reducing document must correspond to the currency of the reduced document for earmarked funds in foreign currency.

Workflow: Earmarked Funds and Funds Transfers

Use

All earmarked funds [Extern] can go through an approval process when using the SAP Business Workflow component. This allows you to differentiate assigned funds of the budget and to monitor and control budget usage efficiently. The standard supports a multi-level approval procedure.

Prerequisites

You enter the required settings in the *SAP Business Workflow* and *Funds Management* Customizing.

For further information, see the *SAP Business Workflow* IMG and the *Funds Management* IMG in the section *Workflow settings for Earmarked Funds and Funds Transfers*.

Activities

You must enter the following settings:

- Maintain your company-specific organizational structure

- Link the standard tasks supplied with the operator allowed

  When searching for the standard tasks you can use the search term 'FMRE'.

- You must make the following entry for the Workflow sample:

Field	Entry
Object type	FMRE
Event	CREATED
User type	WS50000016
User FB	SWW_WI_CREATE_VIA_EVENT
Check function	
User type FB	
Destination	
global	X
enabled	X

- If you want to define the so-called role definition per document category (e.g. funds reservation, funds precommitment, funds commitment), which employees are allowed to process the earmarked funds, e.g. depending on the amount or on a Funds Management account assignment, (approve, refuse, change), you must enter the appropriate settings in the *Funds Management* Customizing.

Earmarked Funds Document

Definition

Business transactions in Funds Management which claim already allocated budget for expected revenues or expenditures.

The following business transactions are grouped together under the term Earmarked Funds [Extern]:

- Funds reservations

- Funds precommitments

- Funds commitments

- Funds blocking

- Forecast of revenue

Use

Differentiation criteria for using these types can have the following aspects:

- Budget-based commitment character

- Application of funds by functional specification

- External legal commitment

Funds reservations

Using funds reservations you can make an early claim for parts of the budget e.g. for a project, without needing to know the exact application of funds. The funds reservation is considered a preliminary step of funds precommitments and funds commitments in which the user can refer to the funds reservation. So the funds reservation provides a framework for future budget usage, within which all subsequent activities take place.

Funds precommitments

A funds precommitment can refer to a funds reservation. With a funds precommitment the user is more familiar with the application of funds without having already entered into a concrete contractual agreement with external parties.

Funds commitments

For funds commitments the legal commitment plays a role in addition to the application of funds. Such legal commitments can for example be purchase orders with a supplier or other contractual agreements. Using the funds commitment you **can** go back to funds which were provided by a funds reservation or a funds precommitment.

Funds blocking

Using budget blocks you can completely block access to already allocated budget This budget is no longer available for other business transactions.

Forecast of revenue

Using an estimated revenue you can enter expected revenues for which, for example, it is not yet currently known which activity actually causes the revenues and at which exact point in time the funds are available to you.

Structure

Earmarked funds documents are subdivided into the document header and into the area of the individual items. A document header and several document items are possible for each document.

Document header

The information which is valid for the whole document is contained in the document header. This includes e.g. the document date, the document number as well as the controlling information such as Document Type [Extern].

Document items

In the document items, only the information regarding the respective item is available. Included in this is the account assignment information, for example the Funds Management account assignment (commitment item, funds center and if desired fund) or a CO account assignment and an amount.

> Depending on which account assignment is included, earmarked funds claim budget in Funds Management or Controlling. If both account assignments are included then only the earmarked funds, funds reservation, funds precommitment and funds commitment affect the budget in Controlling.
>
> The entry of a CO account assignment for an estimated revenue or a funds block only serves information purposes.

Further specifications for the whole document or for the document line item are possible, or even required, depending on the respective accounting transaction and the Customizing settings.

Integration

Earmarked funds are reduced by the postings in Funds Management, Financial Accounting or Materials Management.

See also:

Earmarking Budget for Expected Expenditures [Seite 183]

Reducing Earmarked Funds: Financial Accounting Documents [Seite 185]

Reducing Funds Reservations: Purchasing Documents [Seite 189]

Document Entry Functions Whole document

Use

When processing earmarked funds documents [Extern], you can use functions before posting which are valid for the whole document.

Prerequisites

For the processing of earmarked funds you require the authorization for authorization object F_FUNDSRES per document type.

Features

Function	What You Should Know
Work with template	You define in the Funds Management Customizing which field contents should be transferred from the template document. For detailed information, go to the *Funds Management* IMG under *Define template type* and *Define document type.*
Enter document header text.	
Enter long text for the document header	
Enter bundling indicator	You should only set the bundling indicator if you are posting documents that are going into the Workflow [Seite 175]. The bundling indicator serves to classify the documents in the inbox.
Set/reset complete indicator	You set a document to complete if you want to return unused amounts of earmarked funds to the budget. You reset the Complete indicator if unused amounts of earmarked funds are to claim budget again. You can set/reset the complete indicator in the change mode of a document or by using the program **RFFMERLK**.
Blocking/unblocking documents	Blocked documents are locked for usage by other documents. Example: An invoice cannot refer to a blocked funds commitment item.

Document Entry Functions Document Item

Use

When processing the document items of earmarked funds [Extern] you can control for individual document items before posting a document, how the further processing of a document in the system should take place.

Prerequisites

For the processing of earmarked funds you require the authorization for authorization object F_FUNDSRES per document type.

Features

Function	What You Should Know
The FM account assignment of the using document can be at variance with the account assignment of the used document.	Set the indicator *Account assignment changeable* for the document item.
Reduction of the document can only take place in local currency.	Set the indicator *Reduction only in local currency* for the line item. If the indicator is set the transaction currency of the using document must correspond to the local currency (company code currency). Otherwise the using document can be posted in a chosen foreign currency for documents which are created in local currency.

When reducing documents the earmarked amount can be exceeded.	You have two ways of allowing the amount to be exceeded.
	
	• Partial overrun
	
	      For this enter a percentage rate in the *Overdraft tolerance* field:
	
	• Unlimited overrun
	
	      For this set the indicator *Unlimited overdraft.*

Set/reset the document item to complete [Seite 199].	You set a document item to complete if you want to return unused amounts of earmarked funds to the budget. You reset the Complete indicator if unused amounts of earmarked funds are to claim budget again. You can set or reset the Complete indicator for a document item in the change function of a document. You can also flag a document as complete in the reducing document (earmarked funds or financial accounting document) which is not completely exhausted.

Document Entry Functions Document Item

Blocking/unblocking document items	Blocked document items are locked for usage by other documents. Example: An invoice cannot refer to a blocked funds commitment item.
	To block/unblock a document item, mark the document item and choose *Edit → Set/Reset the blocked indicator*.
Enter long text	In order to enter a long text for the document item, select the document item and choose *Extras → Long text line item*
Input facilities for the calculation of the funds reservation amount.	You can enter quantity, price, units as well as conversion factors. The amount is automatically calculated by the system.
	The corresponding fields are only ready for input if you have marked the field *Price and quantity entry* as an optional entry in the *Funds Management* Customizing using *Define field selection string.*
Enter due date	The inclusion of due date only has a controlling affect if you define in the Funds Management Customizing for the appropriate value types (e.g. funds commitment) in the valid update profile, that the due date should be used when assigning the commitment data period in Funds Management.

Archiving Earmarked Funds (FI-FM)

Definition

You can use the archiving object *FM_FUNRES* to archive the following document types:

- Funds blocking
- Funds reservation
- Funds precommitment
- Funds commitment
- Funds transfer
- Forecast of revenue

Structure

When you use archiving object *FM_FUNRES* you archive data from several tables. You can display the tables using the pushbutton *DB tables*.

The following functions are available for *FM_FUNRES*:

Action	Report
Preprocessing	RFMRESDF The preprocessing program checks whether a document can be archived. If a document can be archived, an archiving indicator is set. The document can then no longer be changed. For more information, see the report documentation.
Archiving	RFMRESWR This program creates archive files and writes data to them. It does not delete the data from the database. Only documents where the archiving indicator has been set are archived (see preprocessing).
Deleting	RFMRESDL The basis for the delete program is always the archive files already created. You can specify in Customizing for archiving objects whether archive files are to be automatically passed to a storage system using Content Management Service after successful processing. The archiving object FM_FUNRES that we deliver is configured so that deletion is automatically triggered when archiving is complete. In Customizing you can, however, configure the archiving object FM_FUNRES so that the delete program is only started as a test run.

Archiving Earmarked Funds (FI-FM)

Reloading	RFMRESRL
	This program reloads the archived earmarked funds to the database. You can only use the reload program if an archiving session has already been carried out. A complete archiving session is always processed at once.
	You should take great care when using this program. It is particularly risky reloading documents if the Customizing settings have been changed in the meantime.
Managing	You can use this function to display and analyze object-specific management information.
	For information on the relevant functions, see call archive session management [Extern].

Earmarking Budget for Expected Expenditures

Use

By creating a reference between the Earmarked Funds [Extern] funds commitment, funds precommitment and funds reservation, you can portray a reservation process of budget funds. In doing so, you decide how many phases the process should run through. You can choose between using one, two or all three levels of earmarking funds.

All earmarked funds can go through an approval process when using the *SAP Business Workflow* component. A multi-level approval procedure is also supported here.
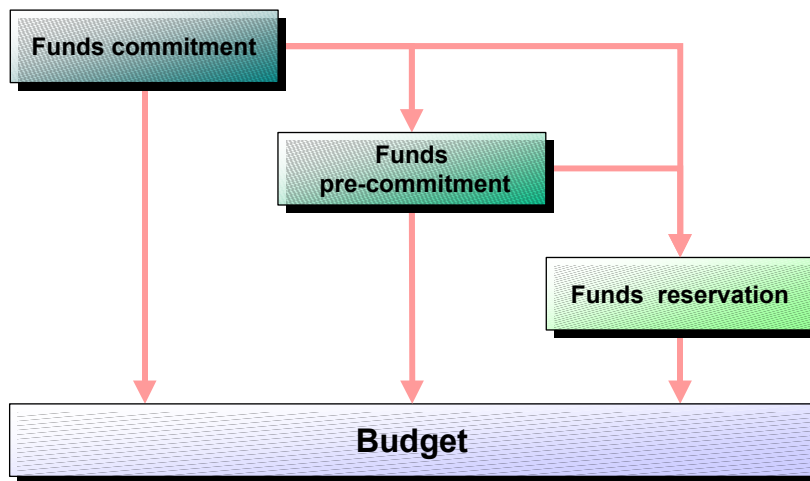
Prerequisites

For the processing of earmarked funds you require the authorization for authorization object F_FUNDSRES per document type.

If the earmarked funds are to go through an approval process, you must carry out the appropriate Customizing settings for Workflow. For further information, see *Workflow settings earmarked funds and funds transfer* in the *Funds Management* IMG. For further information on Workflow, see Workflow: Earmarked Funds and Funds Transfers [Seite 175].

Note the following when you enter documents in different currencies:

The reducing document for earmarked funds entered in the local currency of the company code, can be entered in any foreign currency.

The currency of the reducing document must correspond to the currency of the reduced document for earmarked funds in foreign currency.

Features

- A funds precommitment can refer to a funds reservation and therefore reduce it.

- A funds precommitment can either refer to a funds precommitment or a funds reservation and therefore reduce them.

Earmarking Budget for Expected Expenditures

You can use the so-called role definition per document category (for example funds reservation, funds precommitment, funds commitment) to define which employees are allowed to, for example depending on amount or a certain Funds management account assignment, process the earmarked funds(approve, reject, change).

Activities

The following example shows the use of two levels of earmarked funds together with Workflow.

A competitive bidding procedure for procuring new hardware is initiated. Create a funds reservation in order to take this budget relevant activity into account. You define the Funds Management account assignment (the corresponding commitment item and funds center and if desired fund) the amount and if desired, additional text information in the funds reservation document.

This reservation ensures that

1. Sufficient budget funds exist at the time of the competitive bidding

2. No other projects can make use of these funds

After viewing the offers, you specify the business partner for example a supplier for the hardware and a partner for services.

Using the additional information now available, you create a funds commitment using Workflow that refers to a funds reservation. The Funds Management account assignment is transferred from the funds reservation. You enter a document item with the appropriate amount for each business partner. You can define more detailed business partner (vendor) specifications per line item.

The amount is earmarked in the budget but cannot be used yet. The funds commitment created must first be approved. The Workflow is started in accordance with the settings entered. The budget can only be used after the approval of the funds commitment, for example by an incoming invoice.

Reducing Earmarked Funds: Fin. Accounting Docs

Use

From the Funds Management viewpoint you can illustrate a procurement process using Earmarked Funds [Extern] without using the *Purchasing* component. In doing so you can choose how many phases the process should run through.

In order to control and monitor the assigned funds in an differentiated way via the budget, you can for example use all three ways of earmarking budget for specific purposes (funds reservation, funds precommitment, funds commitment). However, you can only use the funds reservation or the funds commitment to illustrate this process.

Integration

Reduction of earmarked funds

```
┌──────────────┐
│ FI Document  │
│              │
│              │
│              │
│              │
└──────────────┘
      │         ┌────────────────────┐
      │         │ Funds Commitment   │
      │         └────────────────────┘
      │                  ┌──────────────────────┐
      │                  │ Funds Precommitment  │
      │                  └──────────────────────┘
      │                         ┌────────────────────┐
      │                         │ Funds Reservation  │
      │                         └────────────────────┘
┌─────────────────────────────────────────────────────┐
│                      Budget                         │
└─────────────────────────────────────────────────────┘
```
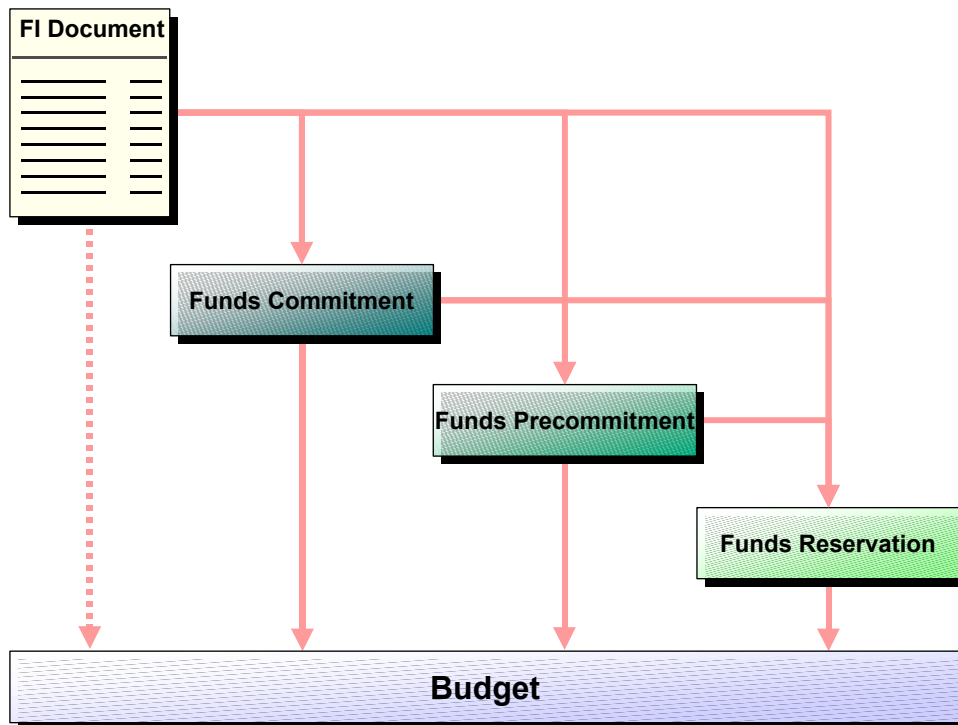
Prerequisites

So that the document number of a funds reservation or a funds commitment can be included for the postings in Financial Accounting, the field *Earmarked funds* must be marked as required input or optional input in the Financial Accounting Customizing in workstep *Maintain field status variants.*

Note the following when you enter documents in different currencies:

The reducing document for earmarked funds entered in the local currency of the company code, can be entered in any foreign currency.

Reducing Earmarked Funds: Fin. Accounting Docs

The currency of the reducing document must correspond to the currency of the reduced document for earmarked funds in foreign currency.

Features

The following financial accounting documents can either reduce the funds reservation or the funds commitment.

- Vendor invoice

- Down payment request

- Down payments

Activities

When posting a financial accounting document, enter the document number of a funds reservation or a funds commitment in the coding block of the *Earmarked funds* field.

The system automatically transfers the Funds Management account assignment from the funds reservation. The earmarked funds are correspondingly reduced.

The available budget only changes if the posting amount exceeds the earmarked funds amount, and you have specified when entering the earmarked funds that the earmarked funds amount can be overdrawn without limit or as a percentage.

Down payment requests - Down payments - Invoices

When posting down payment requests and down payments you must take the following into account when reducing the earmarked funds with these documents:

Down payment requests and down payments each reduce earmarked funds independently. In doing so, it is possible to enter a down payment request, a down payment and an invoice with reference to earmarked funds respectively, in the full amount of the reservation document.

This ensures for example, that both a down payment and its invoice can reduce the corresponding earmarked funds without reducing double the amount.

This procedure can also have disadvantages. Example: An earmarked fund is exhausted directly (without down payment settlement) by an invoice. Nevertheless a down payment request and a down payment respectively are posted with reference to these earmarked funds. An invoice belonging to these documents could then no longer refer to these earmarked funds.

You must therefore ensure that, when posting the documents, the reference to earmarked funds is the same for all documents, or hide the *Earmarked funds* field in the coding block to prevent down payment requests and down payments from reducing earmarked funds.

You will find an example under <u>Earmarked Funds-Down Payment Request-Down Payment [Seite </u>188<u>]</u>

Parked documents

For parked documents the reduction takes place if the parked document is set to the status "complete". If this status is reset or the parked document is deleted, the reduction is automatically canceled again.

Earmarked Funds-Down Payment Request-Down Payment

Down payment requests and down payments and invoices reduce Earmarked Funds [Extern] independently. Accordingly. the values display (reduced amount) is done separately for each activity (down payment request, down payment, invoice) in the consumption reporting.

▢

You have created a funds commitment (FC) XYZ with an amount 200.

You are posting the following business transactions in Financial Accounting which each refer to the FC XYZ.

1. Down payment request 100

2. Down payment 100 which refers to the down payment request

3. Invoice 200

4. Down payment clearing

Values display consumption reporting

Amount	Consuming activity
200	Total invoices/Credit memos
100	Total down payment requests
100	Total down payments

▢

In line item reporting the display takes place for these postings per document number in accordance with the updating of commitments data and actual data. For down payments and down payment requests for each amount type 'Original' the amount (100) is displayed under the corresponding 'value type'. After down payment clearing, 2 records for the amount type 'Original' are displayed for the value type 'Invoice'. A record with 200. The additional item for the invoice is displayed with the reverse +/- sign (-100).

Reducing Funds Reservations: Purchasing Documents

Use

Purchasing documents can reduce funds reservations in Funds Management. In this way, the process chain in purchasing is linked with the funds reservation document. The funds reservation provides a framework for future budget consumption, within which all purchasing activities must take place.

Integration

Reduction of funds reservations
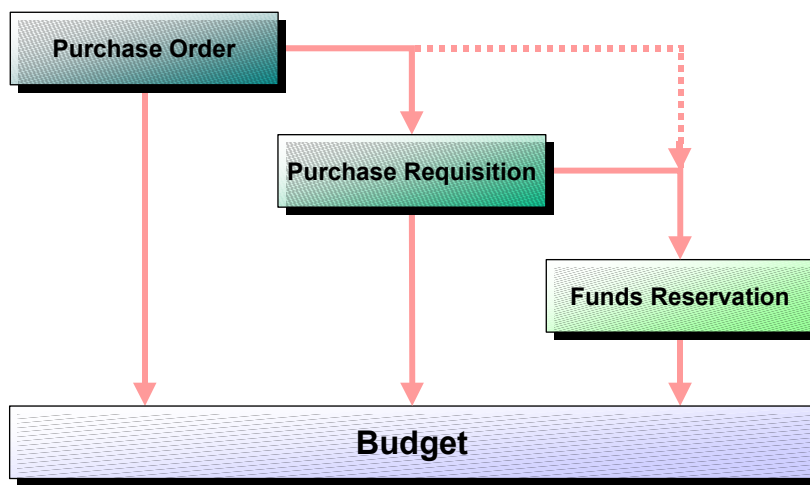
Prerequisites

In order that a funds reservation document number or a funds commitment can be included for postings in Materials Management, the field *Funds reservations* must be marked as required input or optional input in the *Materials Management* Customizing in workstep *Maintain account assignment categories*.

Note the following when you enter documents in different currencies:

The reducing document for earmarked funds entered in the local currency of the company code, can be entered in any foreign currency.

The currency of the reducing document must correspond to the currency of the reduced document for earmarked funds in foreign currency.

Features

The following purchasing documents can reduce funds reservations:

- Purchase requisition
- Purchase orders

Reducing Funds Reservations: Purchasing Documents

Activities

When posting a purchasing document enter a funds reservation document number in the *Earmarked funds* field of the account assignment coding block. The system automatically transfers the Funds Management account assignment from the funds reservation.

Purchase requisitions reduce funds reservations with the open amount (open quantity X price). Purchase orders reduce funds reservations with the purchase amount.

When posting a purchase order that refers to a purchase requisition, the funds reservation account assignment is automatically transferred from the purchase requisition. In doing so, the purchase order reduces the quantity of the purchase requisition according to the purchase amount and, in turn, the amount still open as well.

In funds reservation consumption reporting, the purchase requisition amount that may still be open as well as the purchase order value appear. You will find an example under Funds Reservation-Purchase Requisition-Purchase Order [Seite 191].

Funds Reserv.-Purchase Requisition-Purchase Order

In the line item reports, an original record is displayed respectively under the document number of the corresponding business transaction. If the document is reduced, an additional reduction record is displayed which corresponds to the current reduction.

Information system

Posting/Amount	Display in the information system - **Line items**			
	Funds reservations	Purchase requisition	Purchase orders	Invoice
Funds Reservation 100	Original 100			
Purchase requisition 10 St. x 6 = 60	Original 100 **Reduction 60-**	Original 60		
Purchase order 10 St. x 7 = 70	Original 100 **Reduction 70-**		Original 70	
Invoice 10 St. x 8 = 80	Original 100 **Reduction 70-** (from purchase order)			Original 80

In consumption reporting, funds reservation reduction is logged according to the document chain Purchase requisition -> Purchase order. Since the MM invoice does not reduce the funds reservation, this is not displayed in the consumption reporting.

Consumption reporting

Posting Quantity X Price	Consumption	Open amount
Funds reservations		100
Purchase requisitionPurchase requisition 10 X 5 = 50	Purchase requisition 50	50
Purchase orders 7 X 6 = 42	Purchase requisition 15 (3 x 5) Purchase orders 42	43
Invoice 7 X 7 = 49	Purchase requisition 15 (3 x 5) Purchase orders 42	43

Creating Earmarked Funds

Prerequisites

Take into account that the current field selection when processing earmarked funds [Extern] is dependent on the respective document type and the specifications made for the document type in the *Funds Management* Customizing. For further information on the field control, see Field Control Earmarked Funds [Seite 193] and in the Funds Management IMG under *Posting →Earmarked funds and funds transfers.*

For the processing of earmarked funds you require the authorization for authorization object F_FUNDSRES per document type.

Procedures

1. Choose *Accounting → Financial accounting → Funds Management → Posting ctions → the desired financial transaction → Create.*

2. Enter the header data on the initial screen:

3. You can process earmarked funds both on the overview screen and on the detail screen. You can only enter account assignments, an amount or a reference to other earmarked funds on the overview screen. On the detail screen you can use all functions which are available to you for processing a document item. For more information, see Document Entry Functions: Document Item [Seite 179].

   Choose *Quick entry* to reach the overview screen.

   Choose *Detail line item* to reach the detail screen.

4. Enter data as required.

   If you enter a CO account assignment a commitment is generated in Controlling if the commitments management in Controlling is active. This only takes place when posting funds reservations, funds precommitments and funds commitments.

5. Save your input.

Field Control of Earmarked Funds

Use

This function allows you to individually control the document entry for every document category and for every FM area.

Prerequisites

You make the necessary field control settings in Customizing of *Funds Management*.

For more information on which steps you have to execute in Customizing, see the *Funds Management* IMG under *Postings → Earmarked funds and Funds transfers.*

Activities

In defining one or several field selection strings, you determine which fields are ready for input at document entry and have to be filled in or be hidden.

Control of field selection can take place by defining the different document types per document category (for example funds reservation, funds commitments) for each document category and for every FM area individually, by defining field status groups and field status variants and assigning each of these to a field selection string.

At document entry, the current field selection is determined depending on the transaction chosen as well as the entry of both document type and company code.

The system determines the valid field status group via the document type. The system determines the valid field status variant via the company code. The system determines the valid field selection from the assignment of the field status group and field status variant to a field selection string.

Field Control of Earmarked Funds

```
        ┌─────────────────────────┐
        │  Transaction determines │
        │      document type      │
        └─────────────────────────┘
```

Document type	**Doc. category**	**Company code**

Field status group	**Field status variant**

Field selection string

Field select.	From	Reqd	Opt.	No.
Fund center	○	○	○	○
Cmmt item	○	○	○	○
Fund	○	○	○	○

☐ **User entry**

☐ **Customizing setting**
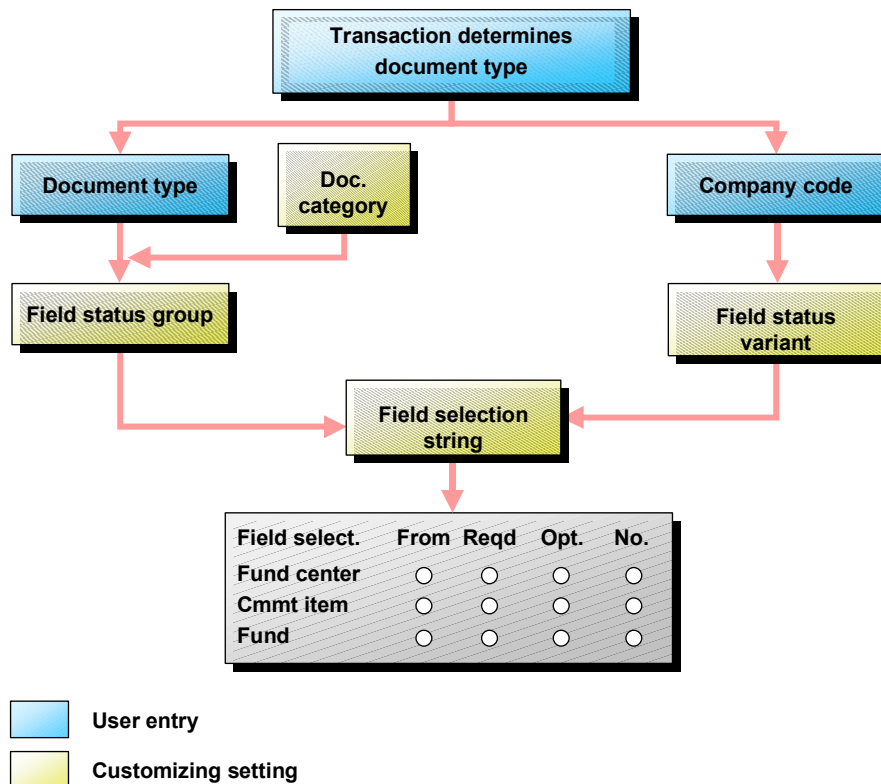
You want to portray a two-level reservation process of budget funds with the earmarked funds, funds commitments and funds reservation. You therefore want to ensure that a funds commitment can only be posted if the funds were previously reserved by a funds reservation.

1. You define a field selection string (FFF) in which the field *Referenced Funds Reservation* is marked as a required field.

2. You define a field status group (GGG).

3. You assign a field status variant and the field status group (GGG) to the field selection string (FFF).

4. You define a document type (BI) for the document category "funds commitment" with the field status group (GGG).

> If you enter the document type `BI` when creating the funds commitment, the field *Reservation* appears as a required entry.

Changing Earmarked Funds

Use

The system protects particular fields of a posted document from changes. Included in these fields are document number, document type, company code, posting date and currency. Other fields such as the amount, the FM account assignment or document texts are changeable.

Prerequisites

Changing FM account assignments

Note that in Earmarked Funds [Extern] for every document line item the account assignment to a commitment item, funds center and fund (FM account assignment) is only changeable as long as no reduction has taken place for this document line item.

If when entering a document line item the *Account assignment changeable* indicator was set, you can also change the FM account assignment for these document line items if the item was already partially reduced.

> If the A*ccount assignment changeable* indicator is not set until a partial reduction has already taken place, then this status of the indicator can no longer be changed.

Change amount

Take into account you can only reverse an amount if this has not already been used. If you want to reduce an amount, you can only reduce it by the part which has not yet been used.

Procedure

To make changes to earmarked funds, choose *Accounting* → *Financial accounting* → *Funds Management* → *Posting* → the desired financial transaction → Change.

Function	Procedure	What You Should Know
Change amount Document type without Workflow	Enter the new total amount in the field *Amount total*.	
Increase amount Document type with Workflow	In the field *Amount changed,* enter an amount by which the already existing amount is to be increased.	If the changed document is still in Workflow - it was neither approved nor rejected - you must take the following into account when posting accounting transactions: When increasing the amount the original total amount is the maximum that can be used. In a decreasing of the amount, the decreased total amount is the maximum that can be used.

Changing Earmarked Funds

Decrease amount Document type with Workflow	Enter a minus amount (for example 100-) by which the already existing amount is to be decreased in the field *Amount changed*.	
Cancel amount Document type without Workflow	Delete the existing total amount.	
Cancel amount Document type with Workflow	Enter the already existing amount as a minus amount (for example 100-) in the field *Amount changed*.	The changed document goes back into Workflow. After approval, the changed amount is transferred by the system into the field *Total amount.*
Change FM account assignments (funds center, commitment item, fund)	Enter the new account assignment into the corresponding fields (*funds center, commitment item, fund*).	The system decreases the assigned value of the original FM account assignment in the budget by the respective amount. The assigned value is increased for the new FM account assignment accordingly.
Create or change document header text	Choose *Extras → Long text Document header.*	
Enter indicator and item text in the detail screen	For this select a document item and choose *GoTo → Detail Document line*	For more information, see Document Entry Functions: Document Line Item [Seite 179].
Set/reset complete indicator	For this select a document item and choose *→ Detail Document line*	For more information see Set Complete Indicator [Seite 199].

Result

The system logs the changes in change documents. You can display the change documents in every mode (Change, Display), for the whole document or individual document items. For this choose *Environment → Change documents.* You reach an overview of all changes entered. For every change you receive the name of the user who has made the change, the date of the change and the type of change. To get further detailed information, choose a respective line in the change document.

Displaying Usage Reporting

Prerequisites

- The document item of the Earmarked Funds [Extern] is reduced by follow-on documents.

- You are in the display or change function of a document.

Procedure

1. Select a document item and choose *GoTo* → *Detail Line item*

2. Choose *Environment* → *Usage history.*

Result

You get a detailed overview of the reduction of the document line item through other business transactions.

In the overview you first receive a list in which the total of used amounts per activity (for example invoice, purchase order), the total usage and the still open amount are displayed. By double clicking you can branch into the individual development records. You can display the "using" document by double-clicking it again.

Parked Financial Accounting documents are displayed under the activity FI document.

See also:

Earmarked Funds-Down Payment Request-Down Payment [Seite 188]

Funds Reservation-Purchase Requisition-Purchase Order [Seite 191]

Delete items

Prerequisites

- The document item of the Earmarked Funds [Extern] must be Set to Complete [Seite 199].

- No reducing document may refer to the document line item.

- The document cannot be in Workflow

- You must be in the change function of a document.

Procedure

Select the document item and choose in the detail screen *Edit → Delete items*.

Result

The document line items are not physically deleted in the data base. The program sets a delete indicator The document line items can no longer be displayed.

Set/reset complete indicator

Use

You set an <u>Earmarked Funds [Extern]</u> or a document item to complete if you want to return unused amounts of earmarked funds to the budget.

You reset the complete indicator if unused amounts of earmarked funds are to claim budget again.

You can set a document or a document item to complete in the change function of the document, or mark a document which is not completely exhausted as complete in the reducing document.

Prerequisites

If you want to set an earmarked funds to complete in the reducing Financial Accounting document (invoice or parked document), the field *Complete* in the coding block must be ready for input. You enter the required settings in the Financial Accounting Customizing in step *Maintain field status variants.* There additional account assignments *Earmarked funds set to complete* must be marked as an optional entry.

Procedure

Function: Set complete indicator	Procedure
For several documents	To do a revaluation choose *Accounting → Financial accounting → Funds Management → Posting → Tools → Close earmarked funds*.
For the whole document	In the change function of a document choose *Document → Complete document*.
For a document line item	Select a document item in the change function of a document, choose *GoTo → Detail line item,* and subsequently *Edit → Complete indicator → Set complete indicator.*
In the reducing financial accounting document	Select the field **Complete** in the reducing document.
In reducing earmarked funds	In the detail screen of the reducing document item in the *Referenced document* frame, set the *Set to complete* indicator.
Function: Reset complete indicator	
For several documents	To do a revaluation choose *Accounting → Financial accounting → Funds Management → Posting → Tools → Close earmarked funds*.
For the whole document	Reset the complete indicator for a document item.

Set/reset complete indicator

For a document item	Select a document item in the change function of a document, choose *GoTo → Detail line item,* and subsequently *Edit → Complete indicator → Reset.*

Result

If you set the whole document or individual document items to "complete", this has the following effects:

- The document is no longer changeable

- This document can no longer be referred to during the posting procedure.

- If all the document items have not yet been entirely exhausted by follow-on documents (for example funds commitment, invoice), the assigned funds are taken back. The assigned value of the respective FM account assignment is reduced accordingly.

Creating Funds Transfers

Use

Using funds transfers you can transfer assigned funds which are in a particular Funds Management account assignment, to other Funds Management account assignments.

Procedure

1. Choose *Accounting → Financial accounting → Funds Management → Posting → Funds transfer → Create.*

2. Maintain header data on initial screen:

3. Choose *Continue.*

    If you choose fast entry you reach the overview screen from the initial screen.

    If you choose detail screen line item you reach the detail screen from the initial screen.

4. For each transfer, you must enter an amount, a commitment item and a funds center for the sender funds center (Se) and the receiver funds center (Em):

    If you have chosen a document type with Workflow, you must enter the amount in the *Amount changed* field. The entered amount is transferred by the system after approval into the field *Total amount.*

5. Save your entries.

Recording Actual and Commitment Data

Purpose

Funds Management (FI-FM) uses data from various application components in the SAP System, particularly *Financial Accounting* (FI), *Materials Management* (MM), and *Human Resources* (HR), to reproduce certain business processes.

Posting data from the other components flows into Funds Management. There, it is recorded as commitment or actual data and can be displayed in the information system. So, for example, posting an invoice receipt leads to the payment obligations being updated in Funds Management.

Funds Management differentiates the data according to how advanced processing is in the system. All data which is entered up until the point of invoice receipt or invoice issue is commitment data, such as purchase orders and purchase requisitions. All other data is actual data. Data is recorded on the basis of one of the update profiles [Seite 209] we deliver with the system.

This component supports you when you integrate Funds Management with other R/3 components in line with your own requirements.
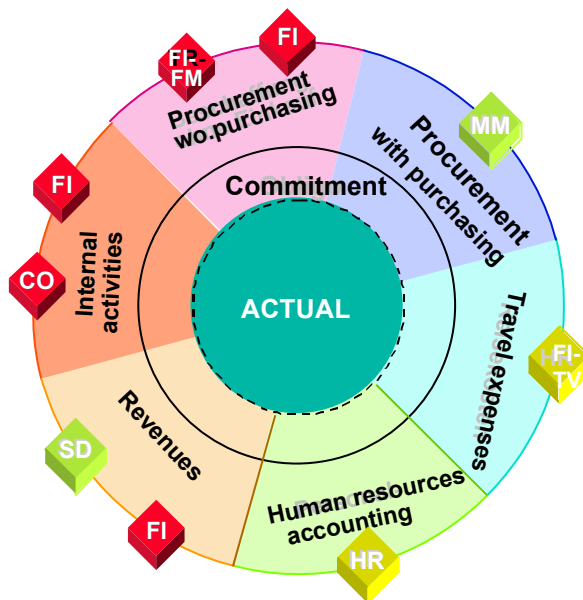
Features

Integration with Other Components in the R/3 System

Integration	Requirement

Financial Accounting	
G/L account postings	General Ledger Accounting (FI-GL)
Accounts payable	*Accounts Payable* (FI-AP)
Accounts receivable	*Accounts Receivable* (FI-AR)
Asset postings	*Fixed Assets Management* (FI-AA
Travel expenses	• *Travel Management* (FI-TV or PA-TV) • *Personnel Administration* (PA-PA)
Controlling	
• Actual assessment • Actual line item reposting • Actual primary cost reposting • Actual distribution • Indirect activity allocation • Order settlement • Actual accrual calculation • Actual activity allocation	*Overhead Cost Controlling* (CO-OM)
Materials Management	
• Purchase requisition • Purchase orders	• *Purchasing* (MM-PUR) • *External Services* (MM-SRV)
• Goods receipts • Goods issues	*Inventory Management* (MM-IM)
Invoice receipts	*Invoice Verification* (MM-IV)
Plant Maintenance	
Plant maintenance orders	*Maintenance Processing* (PM-WOC)
Project System	
Networks	*Operative Structures* (PS-ST-OPR)

Recording Actual and Commitment Data

Sales and Distribution	
Billing	• *Sales* (SD-SLS) • *Shipping* (SD-SHP) • *Billing* (SD-BIL)
Human Resources	
Payroll accounting	• *Payroll Accounting* (PA-PY) • *Personnel Administration* (PA-PA)

The postings which cause expenditures in the R/3 System or lead to a payment commitment cause a number of documents to be generated in Funds Management. To generate them, the system uses information from the financial accounting document which, for example, is generated when a purchase requisition or purchase order is generated. For postings in other components to be passed on to Funds Management, you must have General Ledger Accounting (FI-GL) in use.

Integration with Other FI-FM Components

When you post documents in the Funds Management feeder systems, they are subject to active Availability Control [Seite 157]

The *Materials Management* (MM) component is used for processing purchase orders. Funds Management is fully integrated with MM. When you post a purchase order, availability control checks whether sufficient budget is available. If it is, the posting data is passed automatically to Funds Management and displayed in the information system [Seite 362] as expenditures, under "Purchase orders". If there is not enough budget, the system rejects the purchase order.

Prerequisites for Recording Data in Funds Management

Use

A range of prerequisites must be met before data from the feeder systems can be recorded in Funds Management:

Features

Prerequisite	Setting/Path	Documentation
Customizing	In the Funds Management IMG, under *Actual and Commitment Update/Integration*.	In the relevant step in the Funds Management IMG.
Assign update profile to FM area	*General Settings → Assign update profile to FM area*	*Update profile*
Define number ranges for actual transactions	*Basic Settings → FM Line Items → Define number ranges for actual transactions*.	Defining Number Ranges for Actual Transactions in Funds Management [Extern]
Assign FM area number range	*Basic Settings → FM Line item → Assign number range to FM area*	Assigning Number Ranges to FM Areas [Extern]
Activate Funds Management	*Activate/deactivate Funds Management*	*Activate/Deactivating Funds Management*
Application	*Accounting → Financial Accounting →*	In the *FI Funds Management* documentation, under:

Prerequisites for Recording Data in Funds Management

Specify a complete FM account assignment when posting (Manual entry or derived from assignment of account assignment objects)		FM Account Assignment Logic [Seite 221]
• Define commitment item in the G/L account		
• Assign FM account assignment to CO account assignment	*General ledger → Master data → Change* The *Commitment item* field is part of the *Bank/financial* details in a G/L account.	Assigning Commitment Items to G/L Accounts [Seite 226]
	Funds Management → Master data → Allocations → Controlling → Appropriate master data object	Assigning the FM Account Assignment to the CO Account Assignment [Seite 87]

☐

Not that integration with particular components (such as Human Resources or Asset Accounting) may require additional settings. Information on these is available in the documentation for integration with the individual components.

See also:

Update Profile [Seite 209]

Activating Funds Management [Seite 207]

Activating Funds Management

Use

Once you activate Funds Management (FM), posting data from the feeder systems (such as Financial Accounting and Materials Management) is recorded as commitment data and actual data in FM. Besides this the posting dates of the earmarked funds [Seite 176] are also updated when activating.

You activate Funds Management by activating particular company codes that you have assigned to FM areas. If you have combined more than one company code in an FM area, you have the option of activating some of those company codes, while leaving others inactive. This means you can set up the FM structures in parallel with existing posting activities in another company code, because you can carry out the following activities before you activate FM:

- Edit master data (create, change, delete)
- Budget

Activities

As posting data is passed on to FM when it has been activated, you can no longer:

- Change the "Financial transaction" control parameter in the commitment items
- Change the fiscal year variant for the FM area
- Change the FM area currency
- Delete commitment items

> In the following instances, the actual data in *Funds Management* is defective and must be reconstructed:
>
> - You have activated some company codes in an FM area, but left others inactive. You now activate them.
> - You have deactivated a company code accidentally.
>
> In these cases, you must reconstruct the actual data for the **whole FM area**. For more information, read R/3 Internal Data Transfer [Seite 228].

Update Controlling

You have the flexibility to adjust updating of commitment and actual data in Funds Management to your requirements. The following does not explain controlling options in detail, rather a simple list is given. Use the table to find where you can find further information on individual topics.

Update Controlling	For more information, see:
Determining the update date	Update Profile [Seite 209]
Updating on payment basis or on invoice basis	Update Profile [Seite 209]
Updating the value added taxes	In the Funds Management IMG Enter Other Settings [Extern]
Updating goods receipt or invoice receipt	In the Funds Management IMG Make Other Settings [Extern]
Updating activities which affect the warehouse	Stock Material Procurement Integration [Seite 249]
Control parameters financial transaction/commitment item category in commitment item master record	Update Controlling: Financial Transaction and Value Type [Seite 211]
Deriving the FM account assignment from other account assignments - manual entry	In the FM IMG in the section Make Other Settings [Extern] and under Account Assignment Logic FM Account Assignments [Seite 221]
Update controlling via status management and authorizations	Controlling G/L Account Postings in Funds Management [Seite 220]

After you have selected the update in accordance with your requirements, you should not change the settings in a productive system because inconsistencies can arise in the data retention and in the information system. If you want to change the settings after the productive start you must first delete all actual data in Funds Management and reconstruct it all again. For more information, read R/3 Internal Data Transfer [Seite 228].

Update Profile

In update profiles parameters are summarized which control the updating of the commitments and actual data in Funds Management. Update profiles support the system configuration because they make business sense and contain already executable characteristic values for the update controlling.

The following specifications are made per Value Type [Extern] (e.g. funds reservation, purchase order, invoice) in profiles delivered in the standard:

- Which document date is to be applied for the period assignment of the commitments and actual data in Funds Management.

     Update period from posting/document data or update period from due date

- Which budget category is updated

     Payment Budget [Extern] (PB)and or Commitment Budget [Extern] (CB)

- Which budget year is updated

- If the update should only take place statistically (without availability control)

- If a commitments carryforward and budget may take place at fiscal year change.

In the Funds Management Customizing you must store an update profile for every FM area, in the work step Assign FM Area to Update Profile [Extern]. The following questions are of particular relevance to selection: Do you require one or several budget categories? Do you want to work on an invoice basis or on a payment basis?

- **Invoice basis**

     If you are working on an invoice basis, invoices and goods receipts are updated in Funds Management. In addition to primary costs, investments (e.g. asset acquisitions) can also be updated. Within the frame of fiscal year change operations, commitments documents (e.g. purchase orders and earmarked funds) are carried forward into the new year.

- **Payment basis**

     If you are working on a payment basis, payments are also updated in Funds Management. Updating does not take place online here, but via the payment transfer program **RFFMS200**. The posting date of the FI payment is the basis for updating. This ensures that the data of the Funds Management can be summarily matched with the financial accounting data. For fiscal year-change operations, invoices can also be carried forward into the new year as well as commitments documents.

     Note the following:

- Down payments can be updated both on an invoice basis and on a payment basis.

- Transfer postings in financial accounting (e.g. expense to expense) are updated under the value type 66. In the standard, these postings are identified separately in the info system under the column "Profit transfers". However, you can identify these postings by your own drilldown reports under "Invoice" or "Payment".

- Internal CO transfer postings (e.g. activity allocation) can be updated statistically.

The system we deliver contains the following update profiles:

Update Profile

Update profiles

Update Profile	Budget Category	Further Information
000100	Payment budget	Update on a payment basis with due date (RFFMS200)
000101	Payment budget	Update on a payment basis with posting date (RFFMS200) Invoices can be carried forward into the new year by the commitment carryforward.
000102	Payment budget	Updating on an invoice basis with posting date
000350	Payment budget and Commitment budget	Updating on payment basis or on invoice basis Commitment documents (purchase requisitions, purchase orders, earmarked funds) and payments are updated in **CB**. Invoices are updated in the **PB** and the **CB**.

In the Funds Management IMG, you can override the standard settings of an update profiles in the work step Override Update Profile [Extern].

- You can specify the date of the update individually per value type

  Take into account that the chosen date not only determines the posting period but also the fiscal year. If for example you choose the delivery date for the purchase order, then with purchase orders at the end of the year, for which you do not expect delivery until the new year, the funds are not committed until the new year. If you have not yet entered budget in the new year then such purchase orders would be rejected depending on the tolerance limits settings in availability control.

- You can specify per value type that the update in Funds Management only takes place statistically.

  A statistically updated document cannot refer to a document, which was 'actually' updated. You must therefore note that each "Start" of the document chain is marked as statistical, e.g. the purchase requisition or the funds reservation and the funds commitment.

  Due date
  For updating with due date in Funds Management, the period is determined as follows:

- Purchase orders Delivery date and terms of payment

- Invoice: Baseline date of payment and terms of payment

- Credit-side credit memos: Baseline date for payment **without** terms of payment

- Payment: Invoice clearing date. (In gen. it is the posting date of the payment).

Update Controlling: Financial Transaction and Value Type

The financial transaction is a control parameter, which forms part of a commitment item master record. It plays a central role in the transfer of data from Funds Management feeder systems to Funds Management, and in earmarked fund posting in Funds Management. It is the Financial Transaction [Extern] which determines whether a posting is updated.

The rule is that only documents containing a commitment item with **financial transaction 30** are updated. Using the item category [Extern] control parameter, which is also defined in the commitment item master record, the system recognizes whether the posting is revenue (item category 2) or expenditure (item category 3).

Various commitment items are addressed in Financial Accounting postings. The commitment items with other financial transactions (not 30), 40, 60 and 90, control with which value type a posting is recorded and under which business transaction it is displayed in the information system. It is vital that you specify commitment items with the correct financial transactions when posting. Above all, that means that, for example in G/L accounts, you must define the correct financial transaction. Look at the assignment example under Example: Assigning Commitment Items to G/L Accounts [Seite 214]

Financial transactions and value types
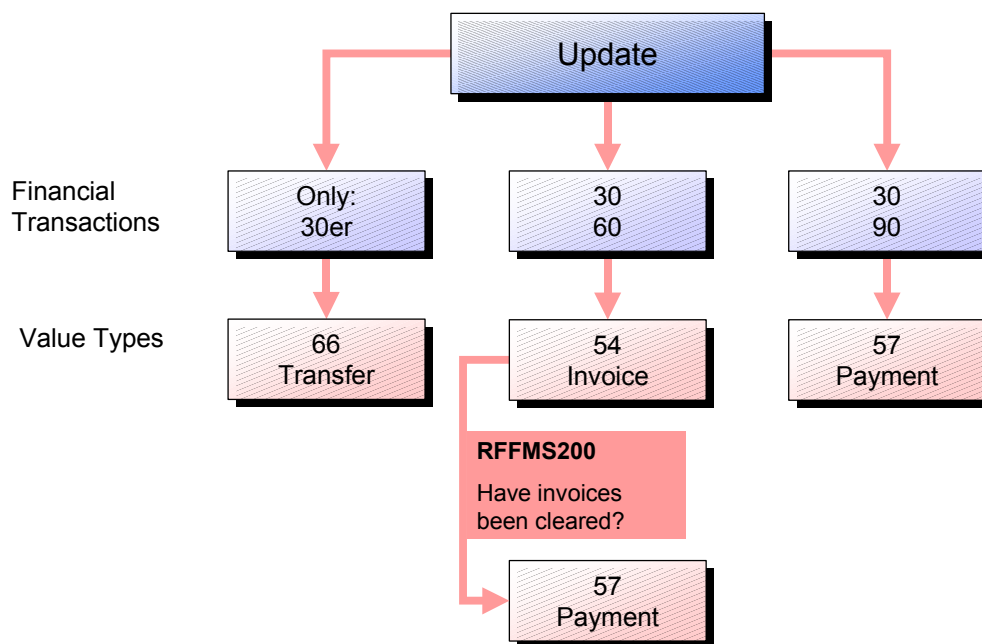
Two items are recorded when the transfer is made, because both document line items contain a commitment item with financial transaction 30.

Down payments (financial transaction 30 and down payment using the special general ledger) are updated using financial transaction 61. Down payment requests with value type 58.

For more information on value types in Funds Management, read Value Types [Seite 213].

Update Controlling: Financial Transaction and Value Type

Payments are not recorded online. Instead, you can use program RFFMS200 to copy them into Funds Management and display them in the information system there. For more information, read Payment Transfer [Seite 231].

Value types

The value type is a technical classification feature for individual business transactions. For postings in the Funds Management feeder components and when posting the earmarked funds, the system recognizes the activity and updates the business transaction in Funds Management to the respective value type.

Value Types in Funds Management

Value type	Business transaction
50	Purchase requisition
51	Purchase orders
52	Travel commitment
54	Invoice
57	Payments
58	Down payment request
60	Parked documents
61	Down payments
64	Funds transfers
65	Funds commitments
66	Transfers
80	Funds blocking
81	Funds reservations
82	Funds precommitments
83	Forecast of revenue
95	Secondary cost postings

Example: Assigning Commitment Items to G/L Accounts

The business character of the G/L accounts is not decisive for their assignment to commitment items, but rather its position in the process structure of a revenue or an expenditure.

Accounts that create a revenue or expenditure functionally must be linked to a commitment item with the control financial transaction **30**/item category **2** (revenues) or financial transaction **30**/commitment item **3** (expenditures). This is the only way in which the system recognizes that it is a revenue or an expenditure. In this sense materials and asset accounts create expenditures and require this controlling.

Bank and cash accounts display a balance. A commitment item with financial transaction **90** and item category 2 or 3 must be assigned to these accounts. Check and bank clearing accounts should be controlled using financial transaction **80** and item category 2 or 3. Although you technically need not specify an item category for these accounts, the variable 2 or 3 however have no controlling effect in this case.

Reconciliation accounts for customers and vendors create the status 'invoice' and require a commitment item with the financial transaction **60**. A differentiation according to revenues and expenditures is not relevant for the system, but ensures that the assignment is clearly arranged.

The clearing account goods receipt/invoice receipt requires a commitment item financial transaction **40**/item category **3**.

Example assignment G/L-Commitment item/Controlling parameters

Account	Financial Transaction	Item Category
Revenues	30	2
Expense	30	3
GR/IR	40	3
Check clearing / Bank clearing	80	2/3
Bank/cash	90	2/3
Receivables	60	2
Payables	60	3
Input tax	30	2
Output tax	30	3
Cash discount received	30	2/3
Cash discount paid	30	2/3
Price difference accounts	30	2/3
Assets:		
- Acquisitions	30	2
- Retirements	30	3

Statistical Postings

Use

This function allows you to update postings in other components, which are not to consume budget in Funds Management, statistically only in Funds Management. There is no availability control for statistical postings, the budget is not used by the postings.

Prerequisites

Note that posting items can only be update statistically if a commitment item is posted with the Financial Transaction [Extern] **30**.

Features

Statistical update by:

- **User Exit**

    Extension SAPLFMFA, component EXIT_SAPLFMFA_001; development class FMFS, transaction CMOD.

- **Identification of the MM transaction type as not budget relevant**

    You make the necessary settings in the Customizing of *Funds Management* by choosing *Actual and Commitment Update/Integration → Integration → Inventory Management Integration →* Select Transaction Types [Extern]

- **Identification of the AM transaction type as not budget relevant**

    For more information, refer to Integration with Integration with Asset Accounting [Seite 241]

- **Using the corresponding warehouse concept**

    For more information, see Warehouse Concepts [Seite 250].

- **Overriding the valid update profile per value type**

    You make the necessary settings in the *Funds Management* IMG by choosing *Actual and Commitments Update / Integration → General Settings →* Override Update Profile [Extern].

- **By flagging a document (e.g. a funds commitment) on entry as statistical.**

    ☐

    If the system cannot determine a funds center for a statistical posting, in accordance with the Account Assignment Logic in Funds Management [Seite 221] then the top funds center is automatically posted.

See also:

Identifying Statistical Postings [Seite 365]

How To Update Data in Funds Management

Use

The following topic uses examples to illustrate how you record data in *Funds Management*.

Example:

You post an invoice receipt relating to an earlier goods receipt. A payment later clears this invoice.

This means that the following postings are made in *Financial Accounting*:

1. Post invoice (= vendor expenditure)

2. Post payment (= check issue to bank)

In keeping with the Assignments [Seite 221] you have made, you enter a full account assignment too.

The control data (**financial transaction** and **item category**) is addressed during the posting transaction. In such online [Seite 211] transfers, the system only creates line items for the document lines for which you entered a commitment item with financial transaction **30** as the additional account assignment at the time of posting. The amounts posted are displayed in the information system under particular value factors, such as expenditure or revenue items. How does this work?

Each time you enter a posting, various financial transactions are affected. For example, when you post an **invoice on the credit side**, transactions 30 and 60 are affected. Transaction 30 comes from an expenditure account (in which, for example, the commitment item "expenditure on materials" was defined) and transaction 60 from the "Payables" reconciliation account. The transaction with the higher number (60 in our example) determines in what column the value appears in the information system; in this case it would be the "Invoice" column. The transaction with the higher number (60 in our example) determines in what column the value appears in the information system; in this case it would be the "Invoice" column. You cannot change this assignment. The transaction with the lower number, and the item category determine the reporting row in which the amounts appear. The transaction with the lower number, and the item category determine the reporting row in which the amounts appear. They also appear in the information system under the commitment item posted to.

The graphic below shows how data is passed directly to *Funds Management* when an invoice receipt is posted.

Posting invoice

FI Financial Accounting

Accounts Payable

Vendor
1.000 ②

G/L Accounting

Balance

Bank | Payables
1.000 ②

P + L

External Activities | Payables
② 1.000

MM Materials Management

① Purch. Order 1.000.-

FM Funds Management

Funds center: Admin.
Cmmt item: Mat. assets

Budget
Original: 10.000.- Available: 9.000.-

Actual
Pymt   IR   PO
1.000 1.000
②   ①
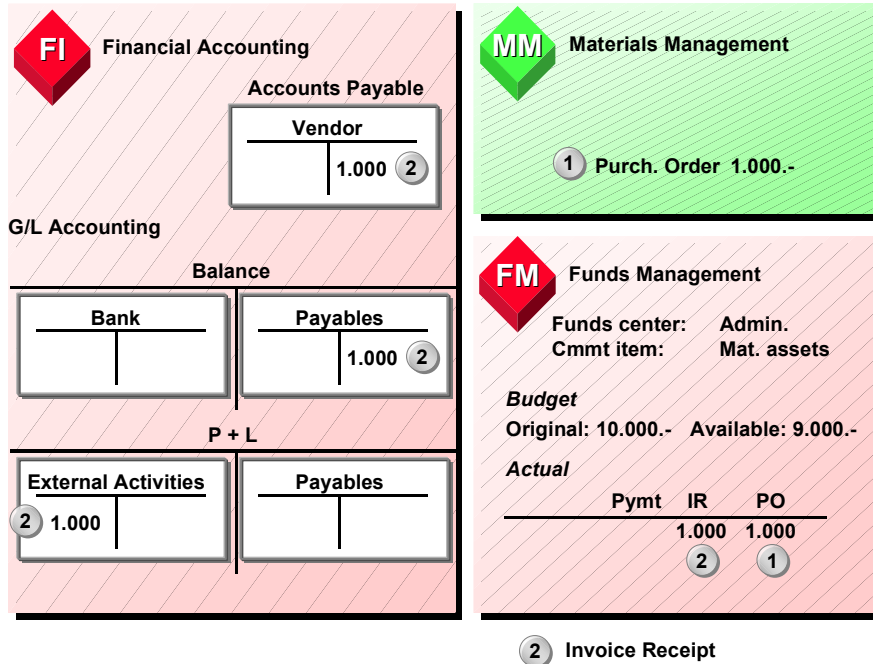
② Invoice Receipt

If a payment is made in *Financial Accounting*, this is not recorded online in *Funds Management*, but is displayed in the "Invoice receipt" (IR) column.

If the invoices are completely cleared in Financial Accounting, the amount moves to the "Payment" (Paymt) column when you start program RFFMS200, as shown in the graphic below. The row in the information system remains the same.

Post Payment

How To Update Data in Funds Management
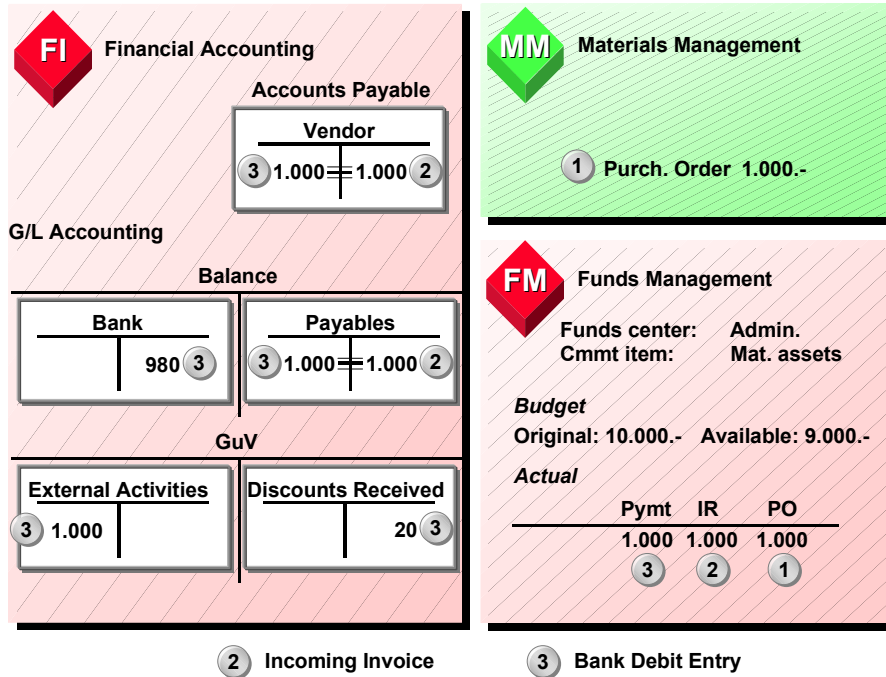
The graphic shows a gross posting. The discount is not recorded online in *Funds Management*. Program **RFFMS200** moves the line item in Funds Management from the "Invoice" status to "Payment" status and ignores the discount. However, you can distribute the discount amounts to the individual funds centers and commitment items using program **SAPF181.**

After the **SAPF181** run, the "Payment" column shows the amount of $980. The available value changes to $9,020. Depending on what settings you have entered, the discount received figure is displayed either in a separate commitment item, or in the commitment item posted to.

The graphic below illustrates the process of recording actual data:

Update Functionality
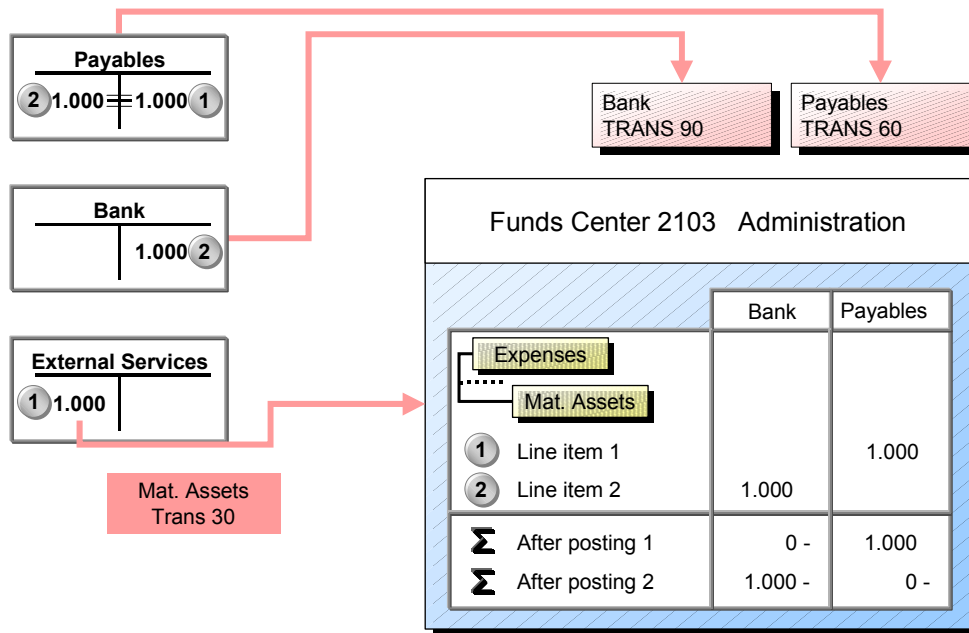
1 Incoming invoice

2 Bank posting **RFFMS200**

It is vital that you maintain the G/L accounts relevant to Funds Management correctly. The financial transactions are particularly important. If, for example, you define commitment items with the same transaction in all the G/L accounts, data cannot be recorded correctly in Funds Management.

If the commitment/actual data is incorrect in Funds Management, or is wrongly displayed in the information system, you must reconstruct the actual data. For more information, read R/3 Internal Data Transfer [Seite 228].

Controlling G/L Acct Postings in Funds Management

Use

You can control G/L account postings using:

- SAP status management

- Allocation of authorizations

Status management

Status management is used in the R/3 System to control commercial transactions. This is effected by the allocation of one or more statuses to an object. Status management is available in Funds Management. You can use it to control commercial transactions by assigning one or more statuses to a master data object (combination of funds center/commitment item/fund). A status can permit or forbid a commercial transaction, or have no effect on it.

The funds center, commitment item, or fund to which you want to post must thus have the status which allows G/L account postings. You can make G/L account postings if the system status is set to *Released*. For more information on status management, read Status Management [Seite 94] .

Authorization allocation

You can also use authorizations to control who can post to particular objects (commitment items, funds centers, funds). For more information on allocating authorizations, see Authorizations [Seite 10] .

FM Account Assignment Logic

Use

For data to be recorded in *Funds Management* (FM), you must, when posting data in other components, always enter a complete FM account assignment (combination of funds center, commitment item, and, if required, fund). The commitment item must have financial transaction [Extern] 30.

To keep data input work to a minimum, you can create connections between basic data within FM and between the basic data in FM and the basic data in other applications.

In line with these connections, the system can, when you make postings, automatically derive the complete FM account assignment from the individual FM account assignment objects, or from the account assignment objects in other components. There is no need for you to enter the account assignment objects, funds center, commitment item and fund manually. The system determines the FM account assignment according to a particular sequence.

Viewed from the other components, the individual account assignment objects are regarded as additional account assignments. The following additional account assignments exist for FM in postings made in other components:

- Commitment item

- Funds Center

- Fund

- Earmarked funds [Extern]

Prerequisites

You can make the following connections:

- Define a funds center in a commitment item master record

- Define a fund in a funds center master record

- Define a commitment item in the G/L account

- Assign the FM account assignment to the CO account assignment

Note that the additional account assignments will only accept input if you mark the relevant fields as required or optional entries. You make the settings at various points in the IMGs for the relevant components. For more information, read Customizing Field Status [Seite 224].

Features

Which connection has priority when the FM account assignment is automatically adopted?

The principle is for postings to be made to the objects you have entered manually. If you do not make any manual entries, the system uses the sequence shown below to check whether any assignments exist. It makes the posting to the first object it finds.

Commitment item

1. Manual input

FM Account Assignment Logic

2. Commitment item from referenced document (such as funds commitment)

3. Commitment item from G/L account

4. Commitment item from assignment to CO account assignment (cost center, order, WBS element)

5. Commitment item from assignment to profit center

6. Commitment item from assignment to cost element

Funds Center

1. Manual input

2. Funds center from referenced document (such as funds commitment)

3. Funds center from commitment item master record

4. Funds center from assignment to CO account assignment

5. Funds center from assignment to profit center

Fund

1. Manual input

2. Fund from referenced document (such as funds commitment)

3. Fund from funds center master record

4. Funds from assignment to CO account assignment

5. Fund from assignment to profit center

> [ ]
>
> If you defined a fund in the funds center master record, the fund from the funds center is posted to even if you **do not specify a fund** when posting.

> [ ]
>
> When posting an invoice with reference to earmarked funds, the system uses the FM account assignment from the earmarked funds. You can only overwrite this account assignment manually if you set the *Account assignment changeable* indicator in the earmarked funds.

Activities

Account assignment logic: How can you influence the account assignment logic?

In the customizing of funds management, you can influence the standard account assignment logic in the step Make other settings [Extern]. You can stipulate that:

- The commitment item assignment to the G/L account is binding

  The system always derives the commitment item from the G/L account The CO assignments are ignored.

- The FM-CO account assignment is binding

  The system then always derives the FM account assignment from its assignment to the CO account assignment. Other assignments are ignored.

Regardless of which settings you choose, the effect is as follows:

1. The FM account assignment determined by the system can no longer be overwritten manually.

   However, you can enter an FM account assignment manually if the system cannot determine one.

2. The FM account assignment is not taken over from a reference document.

   An exception to this is the purchase order. Where a posting references a purchase order, the account assignment is always taken over from the purchase order.

If you are working with the standard account assignment logic, you can use appropriate system messages to prevent manual input of assignments already made. For further information on message, see Change message control [Extern] in the basic settings section of the Funds Management IMG.

You can implement an alternative control regime for automatic derivation of the FM account assignment by means of enhancement SAPLFMCH (component EXIT_SAPLFMCH_001, development class FMFS) and enhancement SAPLFMWR (component EXIT_SAPLFMWR_002, development class FMFS).

See also:

Business Objects: Commitment Items [Seite 26]

Business Objects: Funds Center [Seite 29]

Defining Account Assignment Items in G/L Accounts [Seite 226]

Integration with Cost and Project Controlling [Seite 290]

Field Status Customizing

Use

When posting in the Funds Management (FM) feeder components the fields *Commitment item, Funds center, Fund* and if desired *Earmarked funds,* for the Funds Management account assignments, only appear if the field status is correspondingly maintained. The field status setting influences if the entry fields appear as optional or required fields or if no entry is possible.

Funds Management updating determines if and which account assignment information is required on the basis of the transaction used and the controlling of the commitment item, and irrespective of the definition of the field status. Exceptions are the object types maintenance order, SD order item, network header and network activity. The field status must be maintained for these object types so that the posting data can be updated into Funds Management.

If you want to enter the FM account assignment manually when posting, the fields in the coding block must be ready for input.

Features

You make the settings at various points in the IMGs for the relevant components.

Financial accounting

For further information, go to the Financial Accounting IMG and choose *Financial Accounting Global Settings → Document → Line Item → Controls →* Maintain field status variants [Extern].

> In this step, you must only maintain the field status groups that contain financial transactions of type 30 (example: revenue accounts). For other groups, the fields are usually hidden.
> If you want to reference earmarked funds when posting a payment, you must also designate the "Earmarked funds" additional account assignment as a required or optional entry.

Materials Management

For detailed information, go to the Materials Management IMG and choose *Purchasing → Account Assignment →* Maintain Account Assignment Categories [Extern].

Human Resources (Payroll Accounting)

You can find more information about infotypes:

- *Cost distribution* (0027)

    In the Personnel Administration IMG under *Customizing User Interfaces → Determines Screen Control for Cost Distribution.*

- *Recurring payments and deductions* (0014) and *additional payments* (0015)

    In the Personnel Administration IMG under *Interfaces and Integration → Integration with Accounting → Entering Funds Management Data.*

- *Absences* (2001)*, Absences* (2002)*, Substitution* (2003)*, Availabilities* (2004) *Overtime* (2005)*, Remuneration documents* (2010)

In the Personnel Time Management IMG under *Integrating Time Management with other SAP Applications → Recording Cost Assignment Specifications*.

If you have integrated use of Travel Management with Funds Management and do not distribute the travel expenses for an employee completely manually, the distribution takes place according to the cross-trip cost assignment value. This must be defined in at least one of the employee information categories (0027, subcategory 02, subcategory 01, 0001, 0017) You find further information on the information category 0017 Travel privileges in the Personnel Administration IMG under *Adjusting the interfaces → Define screen modification.*

Travel Management

For more information on these Customizing settings, read .

Plant Maintenance, SD, Project System

For further information, see the *Funds Management* IMG under *Actual and Commitment Update / Integration → Integration →* Maintain field status for the assignment of FM account assignments [Extern]*.

Assigning Commitment Items to G/L Accounts

Use

Having created your commitment item hierarchy, you must then define account assignment items in the G/L accounts, which are relevant to the automatic account assignment derivation from the G/L account.

Prerequisites

A prerequisite is that you have first flagged the *Commitment item* field as an optional entry in Customizing for *Financial Accounting* by choosing *Define screen format per account group (G/L accounts)*.

To ensure that data is correctly recorded and that commitment/actual values are correctly analyzed in the information system, it is essential that you define the correct control parameters for account assignment items in G/L accounts. If you do not, the values may be wrongly posted and displayed.

Activities

If you post to a particular G/L account, the posting is simultaneously recorded in the commitment item stored in it. The control parameters determine how and where the values are recorded in Funds Management.

The following diagram illustrates how recording works and how the actual and budget values are compared with one another in Funds Management:
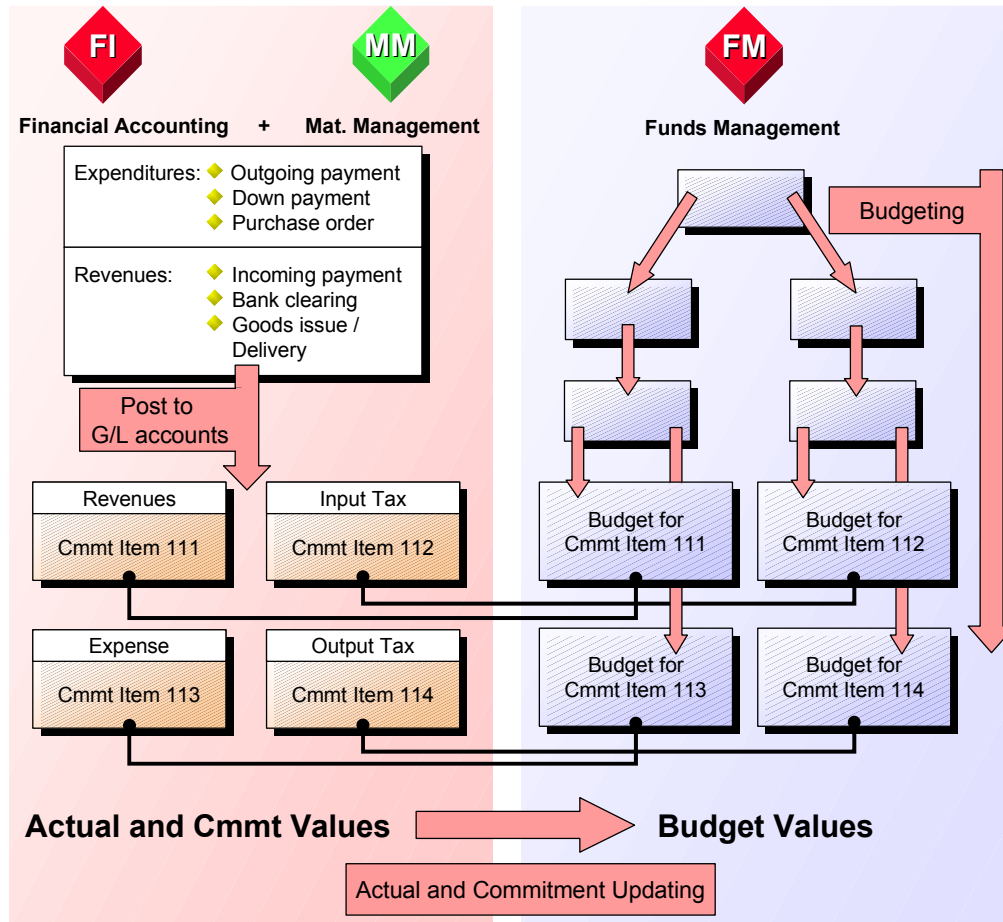
When you enter a posting, the system proposes the commitment item from the G/L account for that line item. In accordance with the settings entered in Customizing, this recommendation value can be transferred or overwritten with another commitment item.

The financial transaction and item category are automatically taken over from the line item when you post.

The table below shows some examples of G/L accounts and the control parameters which you must define in the relevant account assignment items. See: Examples: Assigning Commitment Items to G/L Accounts [Seite 214]

> If you have not defined a commitment item in the G/L account and do not make a manual entry either, and *Controlling* is active, and you have assigned the commitment items to cost elements, postings are made to the commitment item in accordance with this assignment. For more information, read FM Account Assignment Logic [Seite 221].

R/3 Internal Data Transfer

Use

If you are implementing Funds Management (FM) later than other components, you can have the system copy postings FM-relevant postings into FM.

Prerequisites

The documents involved must have a complete Funds Management account assignment [Extern] (funds center, commitment item, and, if required, fund).

Features

Funds Management customizing includes programs for subsequent account assignment of incomplete documents, and programs for subsequent posting of:

- Purchase requisitions

- Purchase orders

- Financial accounting documents

- Parked financial accounting documents

- Controlling documents

- Earmarked Funds [Extern].and funds transfers

When posting external documents in this way, you can restrict the selection according to various criteria. It is also possible to delete data from other components already in FM before you run the subsequent posting programs. This prevents documents appearing in the system more than once.

Activities

For more information on running the programs, got to the Funds Management IMG and choose *Actual and Commitment Update/Integration → R/3 Internal Data Transfer → Supplementary account assignment* and *Subsequent posting*.

Integration with Financial Accounting

Use

Business transactions posted in Financial Accounting are updated in Funds Management. The following business transactions are relevant for the updating:

- **G/L accounting**

    G/L account posting, parked documents, settlement cancellation, incoming payments, outgoing payments

- **Accounts payable accounting**

    Invoices, credit memos, down payments, internal transfers, incoming payments, outgoing payments

- **Accounts receivable accounting**

    Invoices, credit memos, down payments, internal transfers, incoming payments, outgoing payments

Prerequisites

Prerequisites for Updating in Funds Management [Seite 205]

Features

When you post, the system creates a document for Financial Accounting. In Funds Management, the system only creates line items online for the FI line items for which you specified a commitment item with financial transaction [Extern] 30 when posting.

Payments, partial payments, and residual items are not recorded online in Funds Management. In order to update this data you must start the program **RFFMS200.** For more information on this program, refer to the program documentation and Transferring payments [Seite 231].

Commitment and actual data is updated in Funds Management in periods that you can choose (months, weeks, and days). The update profile [Seite 209] you choose in the *Funds Management* IMG determines the allocation of a payment flow to a particular period.

> **Down payments and down payment requests**
>
> With down payments or down payment requests which reference a purchase order, the commitment item is **always** transferred from the purchase order irrespective of which commitment item has been defined in the respective reconciliation accounts. Otherwise the rules described under FM Account Assignment Logic [Seite 221] apply for the inclusion of the FM account assignments.
>
> If you have defined in Customizing that the assignment of commitment items to G/L account is binding, SAP recommends that you do not store commitment items in the reconciliation accounts "Down payment request" and "Down payment" but that you include the FM account assignment manually. It is unlikely that a default commitment item and a default funds center can be assigned to these reconciliation accounts, because down payments and down payment requests are attributable to different functional and responsibility areas.

Integration with Financial Accounting

Parked documents

Parked documents are only updated if they have the status **"Complete".** Updating is always net irrespective of whether you have chosen the setting *Gross* or *Tax separate.*

Parked documents with reference to earmarked funds reduce the Earmarked Funds [Seite 185]. Reference to a purchase order is, however, only informative. In this case, the FM account assignment is not transferred from the purchase order.

Activities

For posting data to be updated in *Funds Management* you must always enter both a complete FM account assignment (combination of funds center, commitment item, and, in given cases, fund) when posting. For more information, read FM Account Assignment Logic [Seite 221].

Payment Transfer

Use

Payments are **not** updated online in *Funds Management*.

A line item is generated in funds management when posting an invoice receipt or an outgoing invoice. This line item has the "invoice" status and is displayed under "invoice" in the information system. On the other hand, there is no line item generated in funds management when posting an incoming payment or payment in financial accounting. The display of invoice received or issued also remains unchanged in the information system.

If you want to work on a payment basis in your organization, and so require a transfer of payments and their identification in the info system, you can transfer the payments into Funds Management with the appropriate programs. The display of the payments carried forward is always done using the posting date of the payment. This means that invoices that were cleared by several payments are displayed according to the date (period) of the payment.

If Payment Matching [Seite 234] is active, you are able to close periods in Funds Management. The closing of periods prevents a payment transfer from financial accounting in periods already closed in Funds Management.

Prerequisites

- In the Update Profile [Seite 209] valid in your FM area you must define that the update is performed on a payment basis.

- The required Customizing settings must be maintained for the payment transfer programs.

See the *Funds Management Implementation Guide* in section *Assign FM area to Update Profile* and *Matching FI and Funds Management Payments* for more information.

Features

Transfer of payments with invoice reference (Program RFFMS200)

The program converts completely cleared invoices in the Funds Management Financial accounting, which still have the status invoice, to the status payment. You can also update this program in Funds Management, to update partial payments and residual items with invoice reference

Transfer of payments without invoice reference (Program RFFMS201)

Such payments are documents, in which commitment items were posted with the financial transactions 90 or 80 (bank) or 60 (customer/vendor). These payments are not entered by the program RFFMS200.

As soon as period-end closing is active, the payment transfer without invoice reference can only be executed in connection with the payment transfer with invoice reference (program RFFMS200). The selection screen for program RFFMS201 with an additional date field also automatically appears in program RFFMS200. In this field, you must enter a date on which the payments, which were already posted in a closed period, are to be updated in Funds Management. It must, however, be ensured that every payment was transferred using your FI posting date to Funds Management at least once. You should start RFFMS200 and RFFMS201 before every period-end closing.

Distribution of Cash Discount and Exchange Rate Differences (Program SAPF181)

Payment Transfer

The cash discount paid, cash discount received or lost cash discount due during payment is updated online in Funds Management in a separate commitment item and displayed in the information system accordingly. Prerequisites for this are:

- You must have created a commitment item for cash discount paid and cash discount received (each with financial transaction 30, as well as item category 2 for the revenue item and 3 for the expenditure item). For further information on maintaining commitment items, see Editing Commitment Items [Seite 40]

- A default funds center must be defined in the commitment items.

    ⬜

    Availability control must not give rise to any errors. You can do this in various ways.

- You give the default funds center a "dummy" budget

- You exclude the default funds center from the active availability control.

    To ensure this either, go to the Funds Management IMG and define a specific tolerance for this funds center in the work step *Define specific tolerances for availability control.* In the definition, you need only specify a budget profile for which the following applies: If the tolerance limits for transaction 30 (actual posting) are exceeded, the system issues a **warning**. For more information, look at the documentation for the IMG step *Define specific tolerances for availability control*.

    Or, you ensure that these postings are only updated statistically in funds management. To do this, you can use the enhancement SAPLFMFA (component EXIT_SAPLFMFA_001, development class FMFS).

- You must have defined these commitment items in the cash discount received and cash discount paid accounts. For more information, read Assigning Commitment Items to G/L Accounts [Seite 226].

You can use program **SAPF181** to subsequently distribute cash discount paid, classified by cause, to the individual funds centers and commitment items. The distributed cash discount paid is then displayed under "Profit transfer postings".

If you do not want a distribution when executing the program SAPF181 within the framework of *Account assignment objects not to be taken into account (COBL)*, enter FIPOS.

Activities

Payment Transfer

In order to start the programs for payment transfer, choose *Accounting → Financial accounting → Funds management → Posting → Payment transfer → With invoice reference* or *Without invoice reference*.

For more information, see the program documentation.

Cash discounts and exchange rate differences

To distribute discount amount and exchange rate differences choose *Accounting → Financial accounting → General ledger → Periodic processing → Closing → Regroup → P&L readjustment*.

In the case of net postings, only the net amounts are charged against the budget. If you have not included the discount line in the posting, you can use SAPF181 later to distribute the discount amounts to the individual funds centers and commitment items.

See also:

Payment Matching FI - Funds Management [Seite 234]

FI Funds Management Payment Matching

Purpose

This procedure allows you to compare the changes in your bank and bank clearing accounts (documents in which commitment items with financial transaction 90 or 80 (bank) were posted to) with the updated payments in Fund Management. Transfers within these accounts are not considered. The graphic illustrates this principle:
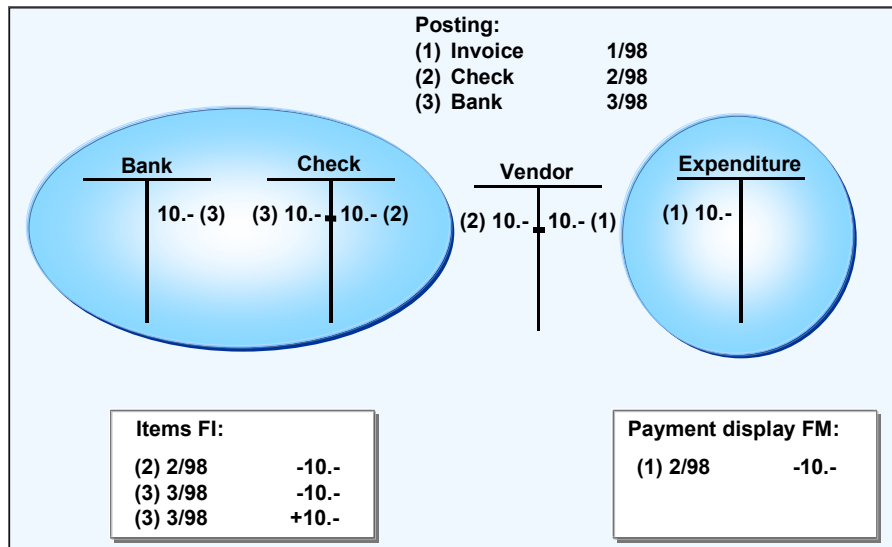
Payment matching checks the system as to whether all financial accounting payment documents (FI) have been updated with the corresponding amount and posting date in Funds Management (FM).

A comparison of this data is only necessary if you are working on a payment basis and want to ensure an exact correspondence between financial accounting and Funds Management.

In order to execute the payment matching, several Programs [Seite 240] are available which compare the data on a totals record and line item level.

Prerequisites

- Payment matching must be activated in step *Match FI payments and Funds Management* in *Funds Management* Customizing.

- All postings that lead to a change in monetary holdings must have been transferred into Funds Management.

    You have program **RFFMS200** for payment transfer (payment transfer with invoice reference) and program **RFFMS201** (payment transfer without invoice reference) available for this. If the period-end closing was activated in Customizing, selection screen of program RFFMS201 will also automatically appear when you start program RFFMS200.

    For more information about these programs, refer to the program documentation and Transferring payments [Seite 231].

You must also consider that the financial accounting data and Funds Management data only match if other conditions, with regard to system setting and user activities, have been fulfilled. Otherwise, variances will occur which the programs will display accordingly. For more information, read Prerequisites Payment Transfer [Seite 237].

Process Flow

The payment matching process flow is described in the following if you are executing it for the first time. After that, you can decide which programs you want to use regularly for matching data.

1. Before carrying out a payment matching, you must ensure that the totals and line items match in Financial Accounting and in Funds Management. To do this execute programs SAPF070 (FI) and RFFMRC04 (FM).

    Report SAPF070 checks whether the FI line items match the FI totals items (compare tables BSEG and GLT0).

    Report RFFMRC04 checks whether the FM totals items match the FM line items (compare tables FMIT and FMIFIIT).

2. If this is the case and the above prerequisites are fulfilled, execute program RFFMRC06 that compares the data at totals record level.

    If there is no error indicated for the totals, you can assume that the data matches. A further matching at line item level is not necessary.

3. If errors occur, execute program RFFMRC07 for matching at line item level. This program begins with financial accounting data (from table BSEG) and compares this data with the Funds Management data. The result of the matching is written in a work list that can be displayed using program RFFMSD07.

4. If you are not able to find all the errors and analyze them after running the program, you must execute program RFFMRC08 that compares the Funds Management data against the Financial Accounting data. Because the program begins with Funds Management data (table FMFIIT), errors can be found which were not discovered by RFFMRC07. The result of the matching is written in a work list that can be displayed using program RFFMSD07.

5. In order to analyze errors displayed, you can use the program RFFMS007 to activate the analysis of the FM documents in the FI document display (transaction FB03). You can display per document which commitment items and which financial transactions were addressed when posting and from which assignments the FM account assignments were derived.

FI Funds Management Payment Matching
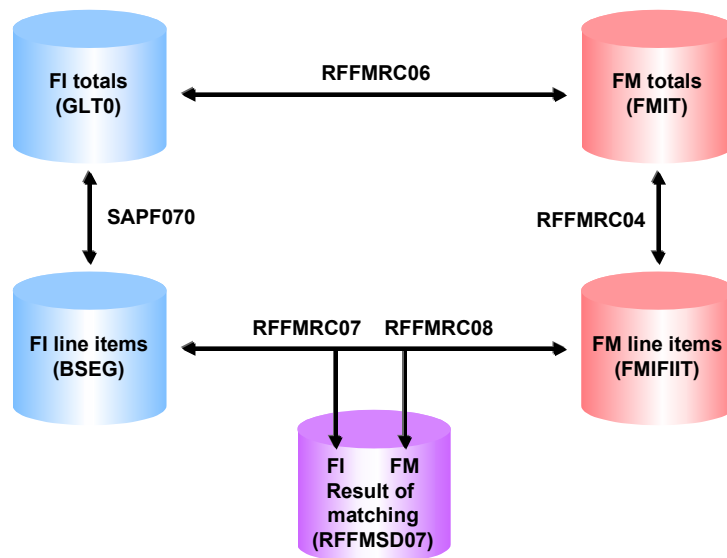
Payment Matching

Payment Matching Prerequisites

The Financial Accounting and Funds Management data can only match on payment matching if the following conditions are fulfilled. Otherwise, variances will occur which the programs will display accordingly.

Customizing settings

- The fiscal year variants of the company codes, which are active in your FM area, must match the fiscal year variants of your FM area.

- The company code currency must match the currency of the FM area.

- You must have defined in the active Update Profile [Seite 209] that your are working on a payment basis and that payments are updated with the posting date.

- The time period for the reduction of purchase order commitments must be the invoice receipt You enter this setting in the *Funds Management* Customizing work step *Enter other settings.*

- The Value Added Tax display must be either "gross" or "separate". You enter this setting in the *Funds Management* Customizing work step Enter other settings [Extern].

> **Discount:** If the Value Added Tax is gross, then you must choose *Backdated tax calculation* when executing the program SAPF181, which distributes the cash discount expenses when paying an invoice. If you have chosen "separate", you may not set this indicator.
>
> For more information about program SAPF181, refer to the program documentation and Transferring Payments [Seite 231].

Assigning G/L account commitment item with correct Financial Transaction [Extern]

G/L account	Commitment with financial transaction
Bank and check clearing accounts	80
Clearing accounts for cross- company code and so cross-FM area transactions	80
In the reconciliation account for the down-payment settlement	30
Bank accounts	90

> All postings that lead to a change in monetary holdings must be transferred into Funds Management. If these postings are not budget-relevant they still must be updated statistically. To statistically update postings you can use the User exit [Extern] SAPLFMFA (enhancement SAPLFMFA, component EXIT_SAPLFMFA_001, development class FMFS, transaction CMOD). See Statistical Postings [Seite 215].
>
> If you use the financial transaction 50, you should check if commitment items with the financial transaction are addressed for postings leading to a change in monetary holdings.

Integration of FM with Other Components in the R/3 System

- Integration with Materials Management

    It must be defined in the Funds Management Customizing, in the step Make other settings [Extern] that the redemption of the purchase order commitments takes place at the time of the invoice receipt.

    A redemption of the purchase order commitment at the time of the goods receipt

- Integration with Travel Management

    Depending on whether the trip costs advances are budget-relevant or not, you have to choose the following settings:

    – Advance payments are not budget relevant

        In the account "Trips cost advance" a commitment item with financial transaction 60 has to be defined.

    – Advance payment is budget relevant and is to be displayed as payment

        In the account "Trips cost advance" a commitment item with financial transaction 30 has to be defined. In the clearing account for the employee a commitment item with financial transaction 80 has to be defined.

- Integration with Payroll Accounting

    In the accounts relevant to payroll accounting commitment items must be defined with financial transaction 30. In the clearing accounts for the employee a commitment item with financial transaction 80 has to be defined.

User Activities

You may **not** carry out the following postings in Financial Accounting:

- Debit and credit transfer postings

- Residual items without invoice reference

- Postings in which commitment items were posted in a document using financial transactions 30,60 or 90.

The reversal of documents with commitment items with the financial transaction 90 and 30 must always take place with the posting date of the original FI document.

Preparing the Payment Matching

If you do not activate the payment matching immediately on production startup but want to activate it later, then different scenarios are feasible, which also require a different procedure. For more information, read Correct data for Payment Matching [Seite 239].

Correct Data for Payment Matching

The Financial Accounting and Funds Management data can only match on payment matching if the prerequisites described under Prerequisites Payment Matching [Seite 237] are fulfilled.

Reconciliation errors that arose because the update of data has not yet been performed, as required by the payment matching, can be corrected by subsequently posting the financial accounting documents (FI documents). Before doing the subsequent postings, you must, however, make sure that the necessary prerequisites are fulfilled. For more information, see the *Funds Management* IMG, in section Posting Financial Accounting Documents Subsequently [Extern].

If you do not activate the payment matching immediately on production startup but want to activate it later, then different scenarios are feasible, which also require a different procedure. You have to consider the following factors for the individual scenarios:

Were fiscal year change operations (year change) executed?

Were there many errors on the first payment matching?

Is the data volume high or low?

Correct Data for Payment Matching

	Low error number	High error number
Low data volume no year change	Post individual FI documents subsequently	Post Financial Accounting documents subsequently
Low data volume and year change	1. Reverse year change. 2. Post individual FI documents subsequently 3. Start programs for payment transfer (RFFMS200 and RFFMS201) 4. Execute year change. 5. Start RFFMS200 and RFFMS201	1. Reverse year change. 2. Post Financial Accounting documents subsequently 3. Start programs for payment transfer (RFFMS200 and RFFMS201) 4. Execute year change. 5. Start RFFMS200 and RFFMS201
High data volume no year change	Post individual FI documents subsequently	Post Financial Accounting documents subsequently
High data volume and year change	Smooth transition. The system can only be reconciled for the current year.	Smooth transition. The system can only be reconciled for the current year.

Execute Program for Payment Matching

In order to start the programs for payment accrual, choose *Accounting → Financial accounting → Funds management → Posting → Payment transfer → Payment matching*.

Function	Technical Name	Menu Path
Compare account movements on the bank accounts and bank clearing accounts of Financial Accounting (FI) with the data in Funds Management (FM). The result is displayed on **Totals record level.**	RFFMRC06	*→ FI-FM Totals items.*
Compare account movements on the bank accounts and bank clearing accounts of **FI** with the data in **FM**. The result is displayed on **Line items level.**	RFFMRC07	*→ FI-FM Line items*
Compare **FM** data with the account movements on the bank accounts and bank clearing accounts of **FI.** The result is displayed on **Line items level.**	RFFMRC08	*→ FM-FI Line items*
Display current worklist of the payment matching.	RFFMSD07	*→ Display work list*
Delete data from the current worklist of the payment matching.	RFFMDL07	*→ Delete worklist*

For more information on the individual programs, see the respective program documentation.

> In order to analyze errors displayed, you can use the program RFFMS007 to activate the analysis of the FM documents in the FI document display (transaction FB03). You can display per document which commitment items and which financial transactions were addressed when posting and from which assignments the FM account assignments were derived. For this choose in the FI document display *Environment → Financial Accounting documents → Funds Management → Document analysis*.

Integration with Asset Accounting

Use

The following business transactions posted in Asset Accounting can be passed on to Funds Management: With these you can control which of the postings are budget relevant for you and which are not. For asset acquisitions and document changes there is no check For fixed asset retirements and document changes there is no check.

Prerequisites

- In Customizing for *Asset Accounting*, you must define the movement types relevant to Funds Management for the individual business transactions as **budget relevant**. Otherwise the function ***Budget account assignment***, which allows Funds Management account assignment objects, commitment item, funds center and fund to be included, does not appear for the postings in Asset Accounting.

  The standard system contains some movement types flagged as budget-relevant for certain business transactions in the Asset Accounting customizing. These are valid for budget monitoring for assets in both the Project System and Funds Management. You should check these entries.

- If the FM account assignments are to be included manually, the field status variants for the Asset Accounting G/L accounts should be maintained in the *Financial accounting* Customizing. Otherwise the fields commitment item, funds center and fund are not ready for input in the function ***Budget account assignment***. For more information, read Customizing Field Status [Seite 224].

  If the FM account assignment is to be derived from the assignment location of FM account assignments to other account assignment objects (e.g. commitment item from G/L account) then you must maintain these assignments. For more information, read FM Account Assignment Logic [Seite 221].

Activities

If Funds Management is active and the above preconditions are fulfilled, the account assignment fields for the commitment item, funds center, and fund will accept input in asset postings when you choose ***Budget account assignment***. If you do not enter the account assignment manually, the system defaults the account assignment based on the settings and assignments you have made.

Prerequisite for automatic derivation of the account assignment from the CO assignment table:

A CO account assignment (cost center, order, WBS element) must be defined in the asset master record and FM account assignments must be assigned to the CO account assignments. The FM account assignment then appears as the default value that should not be overwritten.

Note the following: In the account assignment of a cost center, the FM account assignment is derived from the cost center (Field *ANLZ-KOSTL*) defined in the asset master record. In the account assignment of an order, the FM account assignment is derived from the defined internal orders (Field *ANLZ-CAUFN*). If no internal order is defined in the asset master record, the derivation is done from the capital investment order field (*ANLA-EAUFN*).

The FM account assignment can also be derived automatically with automatic postings in Controlling (such as an order settlement for an asset). If the account assignment specifications

Integration with Asset Accounting

conflict as regards cost center and order (an assignment must be made to both), then the order has priority. In this case, an assignment is not made to the cost center.

　　　　　☐

　　　　　If you have maintained the assignments, for example if account assignment items are stored in the Asset Accounting G/L accounts with the financial transaction 30, a posting line item is only updated if its movement type is marked as budget relevant. Otherwise the update is only **statistical.**

　　　　　You can therefore prevent the transfer of posting data from Asset Accounting to Funds Management by canceling the budget relevance flag in the movement type. The posting data is only updated statistically. Before doing this, however, ensure that the posting data update is not also relevant for monitoring asset budgets in the Project System, or for orders.

　　　　　For the information on postings in Asset Accounting, see component *Asset Accounting* (FI-AA).

For information on the control options open to you for transferring posting data from Asset Accounting to Funds Management using the financial transaction and *budget relevant* indicators, see the selected examples.

See also:

Examples of Transferring of Posting Data from Asset Accounting [Seite 243]

Examples of the Transfer of Posting Data from Asset Accounting

The examples in this section will show you how you can use the financial transaction control parameters and the *Budget relevant* flag to control the transfer of posting data from *Asset Accounting*. In the examples the entry is the commitment item defined in the G/L account and its financial transaction with commitment item. <Financial transaction> abbreviated.

Purchase against Vendor

Posting lines:		
1. Vendor	Commitment item 60	
2. Asset	Commitment item 30	Transaction type 100 (budget relevant)

Updating in Funds Management.

Purchase with Automatic Offset Posting

Depending on the time when the budgetary control should take place, the following scenarios are possible:

FI Posting

Posting lines:	
1. Vendor	Commitment item 60
2. Clearing account	Commitment item <> 30 (such as 50)

Not updated in Funds Management.

AM Posting

Posting lines:		
1. Asset	Commitment item 30	Transaction type 100 (budget relevant)
2. Clearing account	Commitment item <> 30 (such as 50)	

FI Posting

Posting lines:	
1. Vendor	Commitment item 60
2. Clearing account	Commitment item 30

Updating in Funds Management.

Examples of the Transfer of Posting Data from Asset Accounting

AM Posting

Posting lines:		
1. Asset	Commitment item 30	Transaction type 100 (budget relevant)
2. Clearing account	Commitment item 30	

Transfers

Posting lines:		
1. Asset acquisition	Commitment item 30	Transaction type 330 (budget relevant)
2. Asset retirement	Commitment item 30	Transaction type 320 (budget relevant)

Asset Sale with Revenue with Customer

Posting lines:		
1. Customer	Commitment item 60	
2. Revenue	Commitment item 30	
3. Revenue clearing	Commitment item <> 30 (such as 50)	
4. Loss	Commitment item <> 30 (such as 50)	
5. Asset	Commitment item 30	Transaction type 210 (not budget-relevant)
6. Value adjustment	Commitment item 30	Transaction type 290 (not budget-relevant)

Only the revenue item generates a posting in *Funds Management*.

Asset Sale with Revenue but no Customer

FI Posting

Posting lines:	
1. Customer	Commitment item 60
2. Revenue	Commitment item 30

The revenue item generates a posting in Funds Management.

AM Posting

Posting lines:

1. Asset	Commitment item 30	Transaction type 210 (not budget-relevant)
2. Clearing	Commitment item <> 30 (such as 50)	

Not updated in Funds Management.

Asset Sale without Revenue

Posting lines:		
1. Asset	Commitment item 30	Transaction type 200 (not budget-relevant)
2. Value adjustment	Commitment item 30	Transaction type 290 (not budget-relevant)

Not updated in Funds Management.

Down Payment to Asset under Construction (AUC)

Posting lines:		
1. Bank	Commitment item 90	
2. Vendor (SGL)	Commitment item 30	
3. Asset	Commitment item 50	Transaction type 180 (not budget-relevant)
4. Clearing	Commitment item <> 30 (such as 50)	

The vendor item generates a posting in Funds Management. When you later enter a down payment clearing, a credit is generated automatically.

Posting lines:		
1. Vendor	Commitment item 60	
2. Vendor (SGL)	Commitment item 30	
3. Asset	Commitment item 50	Transaction type 181 (not budget-relevant)
4. Clearing	Commitment item <> 30 (such as 50)	

Transaction types relevant to depreciation are flagged as not budget relevant in the standard system.

Integration with Materials Management

Use

Business transactions posted in Materials Management are updated in Funds Management. The following business transactions can be updated in Funds Management:

- **Purchasing**

    Purchase requisition, purchase order, scheduling agreement

- **Inventory management**

    Goods receipt, goods issue, transfer

- **Invoice verification**

    Invoice receipt, logistics invoice verification

Irrelevant postings

You can use the appropriate Customizing settings to specify that no updating takes place in Funds Management for unassigned purchase orders and purchase requisitions as well as for goods issue. You enter this setting in the *Funds Management* Customizing work step *Enter other settings.*

If other business transactions from Materials Management are not budget relevant for you (e.g. purchase orders), you can define per value type in the *Funds Management* IMG in the workstep *Override update profile*, that the update is only statistical. The statistical postings [Seite 215] are displayed separately in the information system.

Apart from this, you can prevent updating for individual line items that are irrelevant to Funds Management by entering a commitment item that does not have the Financial Transaction [Extern] 30. This is only possible for postings for which you either enter a commitment item manually or for which you can change a commitment item that the system automatically recommends.

Prerequisites

Prerequisites for Updating in Funds Management [Seite 205]

Features

Unassigned purchase orders/purchase requisitions

You define how updating of unassigned purchase orders takes place depending on which Warehouse Concept [Seite 250] is relevant for you. If budget is available to the warehouse itself by way of a warehouse funds center, you must stipulate that unassigned purchase orders are posted automatically to this warehouse funds center. The system usually determines the commitment item automatically as a default value from the G/L account addressed by the MM account determination.

You must define that unassigned purchase orders are assigned to an account manually if the budget is not to be managed via a warehouse funds center. If you are entering an unassigned purchase order (such as a purchase order to stock), a screen in which you can enter a funds center and a fund follows the detail screen. The system usually determines the commitment item

automatically as a default value from the G/L account addressed by the MM account determination.

You can change or display the FM account assignments in the item overview by choosing *Item → Additional functions → Cash Budget Management*.

Assigned purchase orders/purchase requisitions

For updating assigned purchase orders and purchase requisitions a complete FM account assignment must be included when posting. You either make the inclusion manually or according to the assignments made from commitment item to G/L account or FM account assignments to CO account assignments. Weitere Informationen finden Sie unter FM Account Assignment Logic [Seite 221] und Field Status Customizing [Seite 224].

You can enter **multiple account assignments** for assigned purchase orders - that is, you have the option of distributing the amounts for a purchase order item to more than one funds center or commitment item.

Depending on the settings you have made for the assignment screen, you can use the field *More* to reach a second overview screen, in which you can enter budget relevant account assignments.

Time when the purchase order commitment is redeemed

You can choose to redeem the purchase order commitment either at goods receipt or at invoice receipt. You enter this setting in the *Funds Management* Customizing work step *Enter other settings.*

If the purchase order is redeemed at goods receipt, then the goods receipt is displayed in the information system under the business transaction "Invoice". Otherwise the goods receipt is not displayed.

Note the following special features:

In cases of **underdelivery** or **overdelivery**, you must, in accordance with the Customizing settings you entered:

• Set the final delivery indicator when you post a goods receipt

• Set the final invoice indicator when you post an invoice receipt

These indicators show that the purchase order item is regarded as completed; the corresponding purchase order commitment is reduced to zero. The "Invoice" business transaction in the information system shows the amount that was posted in the goods/invoice receipt.

If you do not set the final delivery/final invoice indicator, the amount posted when goods or the invoice are received appears under "Invoice"; "Purchase order" continues to show the difference between the original purchase order and the goods/invoice receipt.

Value-Based Commitments

By choosing *Check units of measurement* in the *Global settings* Customizing, you can set a *"Value-based commitment"* indicator. This indicator controls whether commitments for the chosen unit of measurement or unit of measure are recorded on a quantity basis or a value basis.

If you do not set the indicator then the commitments are managed on a quantity basis. If you set the indicator they are managed on a value basis.

If you have specified in Customizing that units of measure are to be recorded on a value basis, you must, in accordance with the settings you chose when the purchase order commitment was redeemed (goods receipt or invoice receipt):

Integration with Materials Management

- Set the final delivery indicator when you post a goods receipt

- Set the final invoice indicator when you post an invoice receipt

If the invoice amount is less than the purchase order amount and you do not set the final delivery/invoice indicator, "Purchase order" in the information system continues to show the difference between the two amounts.

Parked documents

Parked documents are only updated if they have the status **"Complete".** Updating is always net irrespective of whether you have chosen the setting *Gross* or *Tax separate.*

Activities

You enter the required settings, in order to control updating of posting data from Materials Management in accordance with your requirements, in the *Funds Management* Customizing in the work step Make other settings [Extern].

See also:

Stock Material Procurement Integration

Use

Integration between Stock Material Procurement and Funds Management enables you to control:

- The time (purchase order or goods issue) at which budget is assigned

- Whether budget is available for the warehouse itself, by managing a warehouse funds center

Prerequisites

You define the time when you use budget in the *Funds Management* (FM) Customizing under *Actual and Commitment Update/Integration* → *General settings* → Make Other Settings [Extern].

In addition, you must define which movement types from inventory management are budget-relevant for you in FM Customizing in step Select Movement Types [Extern]. The goods issue only has budget in Funds Management if you enter a movement type in the posting which is flagged in the implementation guide as both budget-relevant and a goods issue. If the movement type is flagged as not relevant to the budget, then updating is only Statistical [Seite 215]

If you want to manage the budget using a warehouse funds center, you must first:

- Enter a warehouse funds center in the master data

- You then must assign the warehouse funds center to a plant and a valuation class in the *FM* Customizing.

> If you have chosen warehouse concepts 3 4, inward movements (purchase requisitions and purchase orders) are automatically assigned to this warehouse funds center.

Features

> SAP offers 4 concepts [Seite 250] for stock material procurement integration.

See also:

Warehouse Concepts [Seite 250]

Warehouse Concepts

Use

There are 4 scenarios for the integration of inventory management into Funds Management. You can decide on one of the scenarios for each FM area.

This section gives an introduction to the four concepts for integrating *Funds Management* and *Warehouse Management*. Depending on the concept you have chosen, you must enter the settings in the *Funds Management* Customizing, in the steps *Enter specific settings* and *Select transaction types*.

Prerequisites

Independent of which concept you choose, a commitment item must be defined in the corresponding balance sheet accounts (financial transaction 30).

This is also true for those concepts in which updating is only done statistically. If the system cannot determine a funds center from existing assignments, a top commitment item will automatically be posted to during a statistical update.

For more information about assignments, read FM Account Assignment Logic [Seite 221].

In addition, all prerequisites listed in Stock Material Procurement Integration [Seite 249] apply.

Concept 1

Manual purchase order account assignment determines when the budget is assigned

The consuming funds center is already known at the time of the purchase requisition or ordering.

Purchase requisitions and purchase orders to stock are recorded directly in *Funds Management*. To achieve this, enter the appropriate commitment item and funds center as an additional account assignment when you post.

Postings that affect the warehouse are only updated statistically. If these should not be updated at all, you must define a commitment item being unequal 30 using a financial transaction in the corresponding balance sheet accounts.

Concept 2

Budget assignments determined solely by goods issues

Purchase requisitions and purchase orders that go straight to the warehouse are not budget relevant for Funds Management. Updating is therefore only done statistically when posting purchase requisitions and orders.

The assigned values are only updated at good issue by specifying the consuming funds center in the goods issue line.

Concept 3

Warehouse funds center: Budget assignments distributed to other funds centers when goods are issued

The warehouse funds center is automatically debited and credited again.

When you post purchase requisitions and purchase orders, the assigned values in the warehouse funds center are updated automatically.

When the goods are issued, the budget assigned in the purchase order is returned to the warehouse funds center and is again available for purchasing. The assigned values for the funds center (consuming) specified in the expenditure item in the goods issue are updated.

> If you choose this concept, the warehouse funds center may not be overwritten manually by another fund center during the posting of purchase requisitions and purchase orders. Otherwise the manually entered funds center will be debited and not the warehouse funds center.

Concept 4

Warehouse funds center: Additional budget assignments in goods issue to other funds centers

When you post purchase requisitions and purchase orders, the assigned values in the warehouse funds center are updated automatically like in concept 3.

When the goods are issued, the funds assignments remain in the warehouse funds center - meaning that the budget is not returned. The assigned values are updated for the funds center entered in the goods issue expenditure item. The budget for the warehouse funds center is being used up in "parallel" to the responsibility areas.

> If you use the standard price procedure, it may be that "residual values" result in the warehouse funds center if the invoiced amount differs from the valuated amount of the warehouse stock.
> If you work with moving average prices, then there should not be any residual values in the warehouse funds center.

Settings in Funds Management Customizing for the Concepts

	Concept 1	Concept 2	Concept 3	Concept 4
Control Unassgd PO/Purchase Req.	"Manual account assignment"	"Not budget relevant"	"Warehouse funds center"	"Warehouse funds center"
Control Good Issue	"Not budget relevant"	"Stock line statistical"	"Credit warehouse FC"	"Stock line statistical"
Transaction Type Budget Relevant?	-	X	X	X
Transaction Type Goods Issue?	-	X	X	X

Unassigned controlling You enter the control of unassigned purchase orders/purch. requisitions and goods issue in Make other settings [Extern].

You flag the movement type as a budget-relevant goods issue in Select Transaction Types [Extern].

Warehouse Concepts

If you are creating your goods issue by way of a reservation, you can enter the FM account assignment in the reservation. The assigned values in the reservation are not recorded in Funds Management - meaning that no charge is made to the budget yet. The assigned values are not updated until goods are issued.

See also:

Posting Example Warehouse Concept 1 [Seite 254]

Posting Example Warehouse Concept 2 [Seite 261]

Posting Example Warehouse Concept 3 [Seite 268]

Posting Example Warehouse Concept 4 [Seite 275]

Create Warehouse Funds Center

Use

To integrate *Warehouse Management* with *Funds Management* and make budget available to the warehouse, you must create a warehouse funds center. As you can only create one funds center hierarchy in Funds Management, the warehouse funds center must be part of this hierarchy.

Procedure

1. You create the warehouse funds center as part of master data maintenance.

   You can use either the hierarchy graphic or individual maintenance. If you use individual maintenance to create the warehouse funds center, you must then link it with the funds center hierarchy.

2. You must then go to the Funds Management IMG and assign the warehouse funds center to a plant and valuation class. Choose *Actual and Commitment Update/Integration → Integration → Inventory Management integration → Assign warehouse funds center*.

Result

If you have chosen Warehouse Concepts [Seite 250] 3 or 4, inward movements (purchase requisitions and purchase orders) are automatically assigned to this warehouse funds center.

See also:

For details, see Creating Funds Centers Individually [Seite 53].

Maintaining Funds Center Hierarchies: Additional Functions [Seite 54]

Posting Example Warehouse Concept 1

Use

The posting example shows the effects of business transactions in the *Materials Management* (MM) component on the FI G/L accounts and on updating in the *Funds Management* component.

Prerequisites

The example presupposes certain prerequisites. Please be aware of these prerequisites.

☐ Posting line that are only statistically updated are flagged in column **S** (statistical).

Prerequisites for posting example

Settings	For more information, see:
Master data	
Material valued with a moving average price	In the SAP Library under Control of Material Valuation [Extern].
Assignments for account assignment derivation	
Commitment item defined in the G/L account	In the SAP Library under FM Account Assignment Logic [Seite 221] and Assignment Commitment Item to G/L Account [Seite 226].
100869NA funds centers are assigned to the cost centers	In the SAP Library under FM Account Assignment Logic [Seite 221] and Integration with Cost and Project Controlling [Seite 290].
Customizing settings	
Update Profile 100	In the FM IMG under *Actual and Commitment Update/Integration → General Settings → Assign Update Profile to FM Area*. In the SAP Library under Update Profile [Seite 209].
Account assignment specification: Standard setting (CO assignment and account allocation not binding)	In the FM IMG under *Actual and Commitment Update/Integration → General Settings → **Make Other Settings***.
GR/IR updating: MM invoice receipt	

Value-added tax display: Gross value-added tax	
Control of purchase orders/requisitions not assigned to an account: "Manual account assignment"	
Control goods issue: "Not budget relevant"	
Transaction types budget relevant? No entry-----	In Funds Management (FM) IMG under *Actual and Commitment Update/Integration → Integration → Inventory Management Integration → **Select transaction types***
Transaction goods issue? No entry	
Deductible input tax	In the Financial Accounting IMG under *Financial Accounting Global Settings → Taxes on Sales/Purchases → Calculation → Define Tax Codes for Sales and Purchases.*
Cash discount posting: GR gross, IR net	In the Financial Accounting IMG under *Financial Accounting Global Settings → Document → Document Header → Overview.*

Warehouse Concept 1

Procurement to warehouse (without account assignment):

Business transaction	FI G/L accounts	Funds Management		
	Debit	Credit	Funds center	Commitment item

Posting Example Warehouse Concept 1

Purchase requisition			Purchase order	Commitment item from balance sheet account (without tax)
Purchase order			Purchase order	Commitment item from balance sheet account (without tax)
Goods receipts **always valuated!**	Stock at purchase order price			
		GR/IR		
		(Freight clearing)		
		(Customs clearing)		
Invoice parking				
Save invoice completely			Purchase order	Commitment item from balance sheet account (without tax)
Invoice receipts Invoiced amount = Order amount	GR/IR		Purchase order	Commitment item from balance sheet account
		Vendor		
Additional posting lines at invoice receipt if:				
Input tax	(Input tax)		(Purchase order)	(Commitment item from balance sheet account)
Freight clearing	(Freight clearing)		(Purchase order)	(Commitment item from balance sheet account)
Customs clearing	(Customs clearing)		(Purchase order)	(Commitment item from balance sheet account)
Invoiced amount > Order amount (also with unplanned delivery costs) and insufficient stock coverage	(Stock)		(Purchase order)	(Commitment item from balance sheet account)
	(Price differences)		(Purchase order)	(Commitment item from balance sheet account)

Invoiced amount < Order amount (also with unplanned delivery costs) and insufficient stock coverage		(Stock)	(Purchase order)	(Commitment item from balance sheet account)
		(Price differences)	(Purchase order)	(Commitment item from balance sheet account)
Small differences (GR/orders to DN)	Small differences		Cost center	Expenditure commitment item from small differences account (incl. tax)
	Small differences		Cost center	Revenue commitment item from small differences account (incl. tax)
Differences due to exchange rate rounding	Differences due to exchange rate rounding		Cost center	Expenditure commitment item from differences due to exchange rate rounding account
		Differences due to exchange rate rounding	Cost center	Revenue commitment item from differences due to exchange rate rounding account
Exchange rate differences	Exchange rate differences		Purchase order	Commitment item from balance sheet account
		Exchange rate differences	Purchase order	Commitment item from balance sheet account
Cash discount (net procedure)	Cash discount clearing			
		Stock	Purchase order	Commitment item from balance sheet account
		Price differences	Purchase order	Commitment item from balance sheet account
Subsequent debit invoice				

Posting Example Warehouse Concept 1

Subsequent adjustment, no amount change (Dependent on current stock situation)	(Stock)		(Purchase order)	(Commitment item from balance sheet account)
	(Price differences)		(Purchase order)	(Commitment item from balance sheet account)
	(Input tax)		(Purchase order)	(Commitment item from balance sheet account)
		Vendor		
Credit memo	All postings from invoice receipt and subsequent debit invoice mirror inverted depending on current stock situation.			

Inventory Management - Goods Issue

Business transaction	FI G/L accounts	Funds Management			
	Debit	**Credit**	**Funds center**	**Commitment item**	**S**
Reservation			No update: You can, however, manually include an FM account assignment that is then included in the consumption.		
Consumption					
	Consumption		Cost center	Expenditure commitment item from consumption account	X
		Stock	Top	Commitment item from balance sheet account	X
Returns from warehouse					
valuated	Stock		Top	Commitment item from balance sheet account	X
		Consumption	Cost center	Expenditure commitment item from consumption account	X
Inventory					

Too much warehouse space	Stock		Top	Commitment item from balance sheet account	X
		Inventory differences	Cost center	Revenue commitment item from inventory differences account	X
Stock shrinkage	Inventory differences		Cost center	Expenditure commitment item from inventory differences account	X
		Stock	Top	Commitment item from balance sheet account	X
Scrapping					
Damage cases	Expense from scrapping		Cost center	Expenditure commitment item from scrapping account	X
		Stock	Top	Commitment item from balance sheet account	X

Inventory Management - Stock Transfer

Business transaction	**FI G/L accounts**	**Funds Managem ent**			
	Debit	**Credit**	**Funds center**	**Commitment item**	**S**
Stock transfer					

Posting Example Warehouse Concept 1

Business transaction	Debit	Credit	Funds center	Commitment item	
Receiving standard priced managed material is cheaper	Expense from stock transfer		Cost center	Expenditure commitment item from stock transfer account	X
	Stock		Top	Commitment item from balance sheet account	X
		Stock	Top	Commitment item from balance sheet account	X
Receiving standard priced managed material is more expensive	Stock		Top	Commitment item from balance sheet account	X
		Stock	Top	Commitment item from balance sheet account	X
		Revenue from stock transfer	Cost center	Revenue commitment item from stock transfer account	X

Inventory Management - Revaluation

Business transaction	FI G/L accounts		Funds Management	
	Debit	Credit	Funds center	Commitment item
Revaluation				
Valuation price is too low	Stock		Top	Commitment item from balance sheet account
		Revenue from revaluation	Cost center	Revenue commitment item from revaluation account
Valuation price is too high	Expense from revaluation		Cost center	Expenditure commitment item from revaluation account
		Stock	Top	Commitment item from balance sheet account

Posting Example Warehouse Concept 2

Use

The posting example shows the effects of business transactions in the *Materials Management* (FI) component on the FI G/L accounts and on updating in the *Funds Management* component.

Prerequisites

The example presupposes certain prerequisites. Please be aware of these prerequisites.

> Posting lines that are only statistically updated are flagged in column **S** (statistical).

Prerequisites for posting example

Settings	For more information, see:
Master data	
Material valued with a moving average price	In the SAP Library under Control of Material Valuation [Extern].
Assignments for account assignment derivation	
Commitment item defined in the G/L account	In the SAP Library under FM Account Assignment Logic [Seite 221] and Assignment Commitment Item to G/L Account [Seite 226].
Funds centers are assigned to the cost centers	In the SAP Library under FM Account Assignment Logic [Seite 221] and Integration with Cost and Project Controlling [Seite 290].
Customizing settings	
Update Profile 100	In the FM IMG under *Actual and Commitment Update/Integration → General Settings → Assign Update Profile to FM Area*. In the SAP Library under Update Profile [Seite 209].
Account assignment specification: Standard setting (CO assignment and account allocation not binding)	In the FM IMG under *Actual and Commitment Update/Integration → General Settings → **Make Other Settings.***
GR/IR updating: MM invoice receipt	

Posting Example Warehouse Concept 2

Value-added tax display: Gross value-added tax	
Control of purchase orders/requisitions not assigned to an account: "Not budget relevant"	
Control goods issue: "Stock allocation statistical"	
Transaction types budget relevant? X	In Funds Management (FM) IMG under *Actual and Commitment Update/Integration → Integration → Inventory Management Integration → Select transaction types*
Transaction goods issue X	
Deductible input tax	In the Financial Accounting IMG under *Financial Accounting Global Settings → Taxes on Sales/Purchases → Calculation → Define Tax Codes for Sales and Purchases.*
Account posting: GR gross, IR net	In the Financial Accounting IMG under *Financial Accounting Global Settings → Document → Document Header → Overview.*

Warehouse Concept 2

Procurement to warehouse (without account assignment):

Business transaction	FI G/L accounts		Funds Management			
	Debit	Credit	Funds center	Commitment item		S

Purchase requisition			Top	Commitment item from balance sheet account (without tax)	X
Purchase orders			Top	Commitment item from balance sheet account (without tax)	X
Goods receipts **always valuated!**	Stock at purchase order price				
		GR/IR			
		Freight clearing			
		Customs clearing			
Invoice parking					
Save invoice completely			Top	Commitment item from balance sheet account (without tax)	X
Invoice receipts Invoiced amount = Order amount	GR/IR		Top	Commitment item from balance sheet account	X
		Vendor			
Additional posting lines at invoice receipt if:					
Input tax	(Input tax)		(Top)	(Commitment item from balance sheet account)	X
Freight clearing	(Freight clearing)		(Top)	(Commitment item from balance sheet account)	X
Customs clearing	(Customs clearing)		(Top)	(Commitment item from balance sheet account)	X
Invoiced amount > Order amount (also with unplanned delivery costs) and insufficient stock coverage)	(Stock)		(Top)	(Commitment item from balance sheet account)	X
	(Price differences)		(Top)	(Commitment item from balance sheet account)	X
Invoiced amount < Order amount (also with		(Stock)	(Top)	(Commitment item from balance sheet account)	X

Posting Example Warehouse Concept 2

unplanned delivery costs) and insufficient stock coverage)		(Price differences)	(Top)	(Commitment item from balance sheet account)	X
Small differences GR/orders to DN)	Small differences		Cost center	Expenditure commitment item from small differences account (incl. tax)	
		Small differences	Cost center	Revenue commitment item from small differences account (incl. tax)	
Differences due to exchange rate rounding	Differences due to exchange rate rounding		Cost center	Expenditure commitment item from differences due to exchange rate rounding account	
		Differences due to exchange rate rounding	Cost center	Revenue commitment item from differences due to exchange rate rounding account	
Exchange rate differences	Exchange rate differences		Top	Commitment item from balance sheet account	X
		Exchange rate differences	Top	Commitment item from balance sheet account	X
Cash discount (net procedure)	Cash discount clearing				
		Stock	Top	Commitment item from balance sheet account	X
		Price differences	Top	Commitment item from balance sheet account	X
Subsequent debit invoice					
Subsequent adjustment, no amount change (Dependent on current stock situation)	(Stock)		(Top)	(Commitment item from balance sheet account)	X
	(Price differences)		(Top)	(Commitment item from balance sheet account)	X
	(Input tax)		(Top)	(Commitment item from balance sheet account)	X
			Vendor		

Credit memo	All postings from invoice receipt and subsequent debit invoice mirror inverted depending on current stock situation.

Inventory Management - Goods Issue

Business transaction	FI G/L accounts	Funds Management			
	Debit	**Credit**	**Funds center**	**Commitment item**	**S**
Reservations			No update: You can, however, manually include an FM account assignment that is then included in the consumption.		
Consumption					
	Consumption		Cost center	Expenditure commitment item from consumption account	
		Stock	Top	Commitment item from balance sheet account	X
Returns from warehouse					
valuated	Stock		Top	Commitment item from balance sheet account	X
		Consumption	Cost center	Expenditure commitment item from consumption account	
Inventory					

Posting Example Warehouse Concept 2

Too much warehouse space	Stock		Top	Commitment item from balance sheet account	X
		Inventory differences	Cost center	Revenue commitment item from inventory differences account	
Stock shrinkage	Inventory differences		Cost center	Expenditure commitment item from inventory differences account	
		Stock	Top	Commitment item from balance sheet account	X
Scrapping					
Damage cases	Expense from scrapping		Cost center	Expenditure commitment item from scrapping account	
		Stock	Top	Commitment item from balance sheet account	X

Inventory Management - Stock Transfer

Business transaction	**FI G/L accounts**	**Funds Management**			
	Debit	**Credit**	**Funds center**	**Commitment item**	**S**
Stock transfer					

Receiving standard priced managed material is cheaper	Expense from stock transfer		Cost center	Expenditure commitment item from stock transfer account	
	Stock		Top	Commitment item from balance sheet account	X
		Stock	Top	Commitment item from balance sheet account	X
Receiving standard priced managed material is more expensive	Stock		Top	Commitment item from balance sheet account	X
		Stock	Top	Commitment item from balance sheet account	X
		Revenue from stock transfer	Cost center	Revenue commitment item from stock transfer account	

Inventory Management - Revaluation

Business transaction	FI G/L accounts	Funds Management	S		
	Debit	Credit	Funds center	Commitment item	
Revaluation					
Valuation price is too low	Stock		Top	Commitment item from balance sheet account	X
		Revenue from revaluation	Cost center	Revenue commitment item from revaluation account	
Valuation price is too high	Expense from revaluation		Cost center	Expenditure commitment item from revaluation account	
		Stock	Top	Commitment item from balance sheet account	X

Posting Example Warehouse Concept 3

Use

The posting example shows the effects of business transactions in the *Materials Management* (FI) component on the FI G/L accounts and on updating in the *Funds Management* component.

Prerequisites

The example presupposes certain prerequisites. Please be aware of these prerequisites.

Prerequisites for posting example

Settings	For more information, see:
Master data	
Material valued with a moving average price	In the SAP Library under Control of Material Valuation [Extern].
Assignments for account assignment derivation	
Commitment item defined in the G/L account	In the SAP Library under FM Account Assignment Logic [Seite 221] and Assignment Commitment Item to G/L Account [Seite 226].
Funds centers are assigned to the cost centers	In the SAP Library under FM Account Assignment Logic [Seite 221] and Integration with Cost and Project Controlling [Seite 290].
Customizing settings	
Update Profile 100	In the FM IMG under *Actual and Commitment Update/Integration → General Settings → Assign Update Profile to FM Area*. In the SAP Library under Update Profile [Seite 209].
Account assignment specification: Standard setting (CO assignment and account allocation not binding)	In the FM IMG under *Actual and Commitment Update/Integration → General Settings → **Make Other Settings.***
GR/IR updating: MM invoice receipt	
Value-added tax display: Gross value-added tax	

Control of purchase orders/requisitions not assigned to an account: "Warehouse funds center"	
Control goods issue: "Credit warehouse funds center"	
Transaction types budget relevant? X	In Funds Management (FM) IMG under *Actual and Commitment Update/Integration → Integration → Inventory Management Integration → Select transaction types*
Transaction goods issue? X	
Deductible input tax	In the Financial Accounting IMG under *Financial Accounting Global Settings → Taxes on Sales/Purchases → Calculation → Define Tax Codes for Sales and Purchases.*
Cash discount posting: GR gross, IR net	In the Financial Accounting IMG under *Financial Accounting Global Settings → Document → Document Header → Overview.*

Warehouse Concept 3

Procurement to warehouse (without account assignment):

Business transaction	FI G/L accounts	Funds Managem ent		
	Debit	**Credit**	**Funds center**	**Commitment item**

Posting Example Warehouse Concept 3

Purchase requisition			Warehouse	Commitment item from balance sheet account (without tax)
Purchase orders			Warehouse	Commitment item from balance sheet account (without tax)
Goods receipts **always valuated!**	Stock at purchase order price			
		GR/IR		
		(Freight clearing)		
		(Customs clearing)		
Invoice parking				
Save invoice completely			Warehouse	Commitment item from balance sheet account (without tax)
Invoice receipts Invoiced amount = Order amount	GR/IR		Warehouse	Commitment item from balance sheet account
		Vendor		
Additional posting lines at invoice receipt if:				
Input tax	(Input tax)		(Warehouse)	(Commitment item from balance sheet account)
Freight clearing	(Freight clearing)		(Warehouse)	(Commitment item from balance sheet account)
Customs clearing	(Customs clearing)		(Warehouse)	(Commitment item from balance sheet account)
Invoiced amount > Order amount	(Stock)		(Warehouse)	(Commitment item from balance sheet account)
(also with unplanned delivery costs) and insufficient stock coverage)	(Price differences)		(Warehouse)	(Commitment item from balance sheet account)

Invoiced amount < Order amount (also with unplanned delivery costs) and insufficient stock coverage)		(Stock)	(Warehouse)	(Commitment item from balance sheet account)
		(Price differences)	(Warehouse)	(Commitment item from balance sheet account)
Small differences GR/orders to DN)	Small differences		Cost center	Expenditure commitment item from small differences account (incl. tax)
		Small differences	Cost center	Revenue commitment item from small differences account (incl. tax)
Differences due to exchange rate rounding	Differences due to exchange rate rounding		Cost center	Expenditure commitment item from differences due to exchange rate rounding account
		Differences due to exchange rate rounding	Cost center	Revenue commitment item from differences due to exchange rate rounding account
Exchange rate differences	Exchange rate differences		Warehouse	Commitment item from balance sheet account
		Exchange rate differences	Warehouse	Commitment item from balance sheet account
Cash discount (net procedure)	Cash discount clearing			
		Stock	Warehouse	Commitment item from balance sheet account
		Price differences	Warehouse	Commitment item from balance sheet account
Subsequent debit invoice				
Subsequent adjustment, no	(Stock)		(Warehouse)	(Commitment item from balance sheet account)

Posting Example Warehouse Concept 3

amount change (Dependent on current stock situation)	(Price differences)		(Warehouse)	(Commitment item from balance sheet account)
	(Input tax)		(Warehouse)	(Commitment item from balance sheet account)
			Vendor	
Credit memo	All postings from invoice receipt and subsequent debit invoice mirror inverted depending on current stock situation.			

Inventory Management - Goods Issue

Business transaction	FI G/L accounts	Funds Management		
	Debit	**Credit**	**Funds center**	**Commitment item**
Reservations			No update: You can, however, manually include an FM account assignment that is then included in the consumption.	
Consumption				
	Consumption		Cost center	Expenditure commitment item from consumption account
		Stock	Warehouse	Commitment item from balance sheet account
Returns from warehouse				
valuated	Stock		Warehouse	Commitment item from balance sheet account
		Consumption	Cost center	Expenditure commitment item from consumption account
Inventory				

Too much warehouse space	Stock		Warehouse	Commitment item from balance sheet account
		Inventory differences	Cost center	Revenue commitment item from inventory differences account
Stock shrinkage	Inventory differences		Cost center	Expenditure commitment item from inventory differences account
		Stock	Warehouse	Commitment item from balance sheet account
Scrapping				
Damage cases	Expense from scrapping		Cost center	Expenditure commitment item from scrapping account
		Stock	Warehouse	Commitment item from balance sheet account

Inventory Management - Stock Transfer

Business transaction	FI G/L accounts	Funds Management		
	Debit	Credit	Funds center	Commitment item
Stock transfer				

Posting Example Warehouse Concept 3

Receiving standard priced managed material is cheaper	Expense from stock transfer		Cost center	Expenditure commitment item from stock transfer account
	Stock		Warehouse	Commitment item from balance sheet account
		Stock	Warehouse	Commitment item from balance sheet account
Receiving standard priced managed material is more expensive	Stock		Warehouse	Commitment item from balance sheet account
		Stock	Warehouse	Commitment item from balance sheet account
		Revenue from stock transfer	Cost center	Revenue commitment item from stock transfer account

Inventory Management - Revaluation

Business transaction	FI G/L accounts	Funds Management		
	Debit	**Credit**	**Funds center**	**Commitment item**
Revaluation				
Valuation price is too low	Stock		Warehouse	Commitment item from balance sheet account
		Revenue from revaluation	Cost center	Revenue commitment item from revaluation account
Valuation price is too high	Expense from revaluation		Cost center	Expenditure commitment item from revaluation account
		Stock	Warehouse	Commitment item from balance sheet account

Posting Example Warehouse Concept 4

Use

The posting example shows the effects of business transactions in the *Materials Management* (FI) component on the FI G/L accounts and on updating in the *Funds Management* component.

Prerequisites

The example presupposes certain prerequisites. Please be aware of these prerequisites.

> Posting lines that are only statistically updated are flagged in column **S** (statistical).

Prerequisites for posting example

Settings	For more information, see:
Master data	
Material valued with a moving average price	In the SAP Library under Control of Material Valuation [Extern].
Assignments for account assignment derivation	
Commitment item defined in the G/L account	In the SAP Library under FM Account Assignment Logic [Seite 221] and Assignment Commitment Item to G/L Account [Seite 226].
Funds centers are assigned to the cost centers	In the SAP Library under FM Account Assignment Logic [Seite 221] and Integration with Cost and Project Controlling [Seite 290].
Customizing settings	
Update Profile 100	In the FM IMG under *Actual and Commitment Update/Integration → General Settings → Assign Update Profile to FM Area*. In the SAP Library under Update Profile [Seite 209].
Account assignment specification: Standard setting (CO assignment and account allocation not binding)	In the FM IMG under *Actual and Commitment Update/Integration → General Settings → Make Other Settings.*
GR/IR updating: MM invoice receipt	
Value-added tax display: Gross value-added tax	

Posting Example Warehouse Concept 4

Control of purchase orders/requisitions not assigned to an account: "Warehouse funds center"	
Control goods issue: "Stock allocation statistical"	
Transaction types budget relevant? X	In Funds Management (FM) IMG under *Actual and Commitment Update/Integration → Integration → Inventory Management Integration → Select transaction types*
Transaction goods issue? X	
Deductible input tax	In the Financial Accounting IMG under *Financial Accounting Global Settings → Taxes on Sales/Purchases → Calculation → Define Tax Codes for Sales and Purchases.*
Cash discount posting: GR gross, IR net	In the Financial Accounting IMG under *Financial Accounting Global Settings → Document → Document Header → Overview.*

Warehouse Concept 4

Procurement to warehouse (without account assignment):

Business transaction	FI G/L accounts	Funds Management		
	Debit	**Credit**	**Funds center**	**Commitment item**

Purchase requisition			Warehouse	Commitment item from balance sheet account (without tax)
Purchase orders			Warehouse	Commitment item from balance sheet account (without tax)
Goods receipts **always valuated!**	Stock at purchase order price			
		GR/IR		
		(Freight clearing)		
		(Customs clearing)		
Invoice parking				
Save invoice completely			Warehouse	Commitment item from balance sheet account (without tax)
Invoice receipts Invoiced amount = Order amount	GR/IR		Warehouse	Commitment item from balance sheet account
		Vendor		
Additional posting lines at invoice receipt if:				
Input tax	(Input tax)		(Warehouse)	(Commitment item from balance sheet account)
Freight clearing	(Freight clearing)		(Warehouse)	(Commitment item from balance sheet account)
Customs clearing	(Customs clearing)		(Warehouse)	(Commitment item from balance sheet account)
Invoiced amount > Order amount	(Stock)		(Warehouse)	(Commitment item from balance sheet account)
(also with unplanned delivery costs) and insufficient stock coverage)	(Price differences)		(Warehouse)	(Commitment item from balance sheet account)

Posting Example Warehouse Concept 4

Invoiced amount < Order amount (also with unplanned delivery costs) and insufficient stock coverage)		(Stock)	(Warehouse)	(Commitment item from balance sheet account)
		(Price differences)	(Warehouse)	(Commitment item from balance sheet account)
Small differences GR/orders to DN)	Small differences		Cost center	Expenditure commitment item from small differences account (incl. tax)
		Small differences	Cost center	Revenue commitment item from small differences account (incl. tax)
Differences due to exchange rate rounding	Differences due to exchange rate rounding		Cost center	Expenditure commitment item from differences due to exchange rate rounding account
		Differences due to exchange rate rounding	Cost center	Revenue commitment item from differences due to exchange rate rounding account
Exchange rate differences	Exchange rate differences		Warehouse	Commitment item from balance sheet account
		Exchange rate differences	Warehouse	Commitment item from balance sheet account
Cash discount (net procedure)	Cash discount clearing			
		Stock	Warehouse	Commitment item from balance sheet account
		Price differences	Warehouse	Commitment item from balance sheet account
Subsequent debit invoice				
Subsequent adjustment, no	(Stock)		(Warehouse)	(Commitment item from balance sheet account)

amount change (Dependent on current stock situation)	(Price differences)		(Warehouse)	(Commitment item from balance sheet account)
	(Input tax)		(Warehouse)	(Commitment item from balance sheet account)
			Vendor	
Credit memo	All postings from invoice receipt and subsequent debit invoice mirror inverted depending on current stock situation.			

Inventory Management - Goods Issue

Business transaction	FI G/L accounts	Funds Management			
	Debit	**Credit**	**Funds center**	**Commitment item**	**S**
Reservations			No update: You can, however, manually include an FM account assignment that is then included in the consumption.		
Consumption					
	Consumption		Cost center	Expenditure commitment item from consumption account	
		Stock	Warehouse	Commitment item from balance sheet account	X
Returns from warehouse					
valuated	Stock		Warehouse	Commitment item from balance sheet account	X
		Consumption	Cost center	Expenditure commitment item from consumption account	
Inventory					

Posting Example Warehouse Concept 4

Too much warehouse space	Stock		Warehouse	Commitment item from balance sheet account	X
		Inventory differences	Cost center	Revenue commitment item from inventory differences account	
Stock shrinkage	Inventory differences		Cost center	Expenditure commitment item from inventory differences account	
		Stock	Warehouse	Commitment item from balance sheet account	X
Scrapping					
Damage cases	Expense from scrapping		Cost center	Expenditure commitment item from scrapping account	
		Stock	Warehouse	Commitment item from balance sheet account	X

Inventory Management - Stock Transfer

Business transaction	FI G/L accounts	Funds Managem ent			
	Debit	**Credit**	**Funds center**	**Commitment item**	**S**
Stock transfer					
Receiving standard priced managed material is cheaper	Expense from stock transfer		Cost center	Expenditure commitment item from stock transfer account	
	Stock		Warehouse	Commitment item from balance sheet account	X
		Stock	Warehouse	Commitment item from balance sheet account	X
Receiving standard priced managed material is more expensive	Stock		Warehouse	Commitment item from balance sheet account	X
		Stock	Warehouse	Commitment item from balance sheet account	X
		Revenue from stock transfer	Cost center	Revenue commitment item from stock transfer account	

Inventory Management - Revaluation

Business transaction	FI G/L accounts	Funds Management			
	Debit	**Credit**	**Funds center**	**Commitment item**	**S**
Revaluation					
Valuation price is too low	Stock		Warehouse	Commitment item from balance sheet account	X
		Revenue from revaluation	Cost center	Revenue commitment item from revaluation account	
Valuation price is too high	Expense from revaluation		Cost center	Expenditure commitment item from revaluation account	
		Stock	Warehouse	Commitment item from balance sheet account	X

Posting Example for Consumable Materials

Use

The posting example shows the effects of business transactions in the *Materials Management* (FI) component on the FI G/L accounts and on updating in the *Funds Management* component.

Prerequisites

The example presupposes certain prerequisites. Please be aware of these prerequisites.

Prerequisites for posting example

Settings	For more information, see:
Master data	
Material valued with a moving average price	In the SAP Library under Control of Material Valuation [Extern].
Assignments for account assignment derivation	
Commitment item defined in the G/L account	In the SAP Library under FM Account Assignment Logic [Seite 221] and Assignment Commitment Item to G/L Account [Seite 226].
Funds centers are assigned to the cost centers	In the SAP Library under FM Account Assignment Logic [Seite 221] and Integration with Cost and Project Controlling [Seite 290].
Customizing settings	
Update Profile 100	In the FM IMG under *Actual and Commitment Update/Integration → General Settings → Assign Update Profile to FM Area*. In the SAP Library under Update Profile [Seite 209].
Account assignment specification: Standard setting (CO assignment and account allocation not binding)	In the FM IMG under *Actual and Commitment Update/Integration → General Settings → Make Other Settings.*
GR/IR updating: MM invoice receipt	
Value-added tax display: Gross value-added tax	

Deductible input tax	In the Financial Accounting IMG under *Financial Accounting Global Settings → Taxes on Sales/Purchases → Calculation → Define Tax Codes for Sales and Purchases.*
Cash discount posting: GR gross, IR net	In the Financial Accounting IMG under *Financial Accounting Global Settings → Document → Document Header → Overview.*

Postings

Procurement in Consumption (assigned to account)

Business transaction	FI G/L accounts	Funds Management		
	Debit	**Credit**	**Funds center**	**Commitment item**
Purchase requisition			Cost center	Expenditure commitment item from consumption account (without tax)
Purchase orders			Cost center	Expenditure commitment item from consumption account (without tax)
Goods receipts				
valuated	Consumption			
		GR/IR		
		(Freight clearing)		
		(Customs clearing)		
non-valuated				
Invoice parking				

Posting Example for Consumable Materials

Save invoice completely			Cost center	Expenditure commitment item from consumption account (without tax)
Post invoice				
GR valuated Invoice amount = Order amount	GR/IR		Cost center	Expenditure commitment item from consumption account
		Vendor		
GR non-valuated (also for unplanned delivery costs)	Consumption (for invoice value)		Cost center	Expenditure commitment item from consumption account
	(Input tax)		(Cost center)	(Expenditure commitment item from consumption account)
		Vendor		
Additional posting lines at invoice receipt if:				
Input tax	(Input tax)		(Cost center)	(Expenditure commitment item from consumption account)
Freight clearing	(Freight clearing)		(Cost center)	(Expenditure commitment item from consumption account)
Customs clearing	(Customs clearing)		(Cost center)	(Expenditure commitment item from consumption account)

GR valuated Invoice amount **>** Order amount (also for unplanned delivery costs)	Consumption		Cost center	Expenditure commitment item from consumption account
GR valuated and Invoice amount **<** Order amount		Consumption	Cost center	Expenditure commitment item from consumption account
Small differences (GR/orders to DN)	Small differences		Cost center	Expenditure commitment item from small differences account (incl. tax)
		Small differences	Cost center	Revenue commitment item from small differences account (incl. tax)
Differences due to exchange rate rounding	Differences due to exchange rate rounding		Cost center	Expenditure commitment item from differences due to exchange rate rounding account
		Differences due to exchange rate rounding	Cost center	Revenue commitment item from differences due to exchange rate rounding account
Cash discount (net procedure)	Cash discount clearing			
		Consumption	Cost center	Expenditure commitment item from consumption account
Subsequent debit invoice				

Posting Example for Consumable Materials

Subsequent adjustment, no amount change	Consumption		Cost center	Expenditure commitment item from consumption account
	(Input tax)		(Cost center)	(Expenditure commitment item from consumption account)
		Vendor		
Credit memo	All postings from invoice receipt and subsequent debit invoice mirror inverted depending on current stock situation.			

Overview of Posting Ex. Consumable Materials/Warehouse Concepts

Postings of the posting examples for consumable materials and warehouse concepts are summarized in the following overview. Depicted is the following: To which FM account assignments (commitment item and funds center) is posting done and whether the postings are only performed as statistical or "real".

Summary of posting examples

Business transaction	Consumable material account assigned	Warehouse concept no account assigned	Warehouse concept 2 no account assigned	Warehouse concept 3 no account assigned	Warehouse concept 4 no account assigned
Purchase requisition	ConsA/CC/R	Stock/PO/R	Stock/TFC/S	Stock/Whse/R	Stock/Whse/R
Purchase order	ConsA/CC/R	Stock/PO/R	Stock/TFC/S	Stock/Whse/R	Stock/Whse/R
Goods receipts					
Invoice parking					
Complete invoice	ConsA/CC/R	Stock/PO/R	Stock/TFC/S	Stock/Whse/R	Stock/Whse/R
Invoice	ConsA/CC/R	Stock/PO/R	Stock/TFC/S	Stock/Whse/R	Stock/Whse/R
Price difference	ConsA/CC/R	Stock/PO/R	Stock/TFC/S	Stock/Whse/R	Stock/Whse/R
Small difference	SmDif/CC/R	SmDif/CC/R	SmDif/CC/R	SmDif/CC/R	SmDif/CC/R
Difference due to exchange rate rounding	Rate/CC/R	Rate/CC/R	Rate/CC/R	Rate/CC/R	Rate/CC/R
Exchange rate difference		Stock/PO/R	Stock/TFC/S	Stock/Whse/R	Stock/Whse/R
Cash discount	ConsA/CC/R	Stock/PO/R	Stock/TFC/S	Stock/Whse/R	Stock/Whse/R
Reservation					
Stock line		Stock/TFC/S	Stock/TFC/S	Stock/Whse/R	Stock/Whse/S

Overview of Posting Ex. Consumable Materials/Warehouse Concepts

Consumption		ConsA/CC/S	ConsA/CC/R	ConsA/CC/R	ConsA/CC/R
Inventory		Inv/CC/S	Inv/CC/R	Inv/CC/R	Inv/CC/R
Scrapping		Scrap/CC/S	Scrap/CC/R	Scrap/CC/R	Scrap/CC/R
Stock transfer		STrans/CC/S	STrans/CC/R	STrans/CC/R	STrans/CC/R
Revaluation		Reval/CC/S	Reval/CC/R	Reval/CC/R	Reval/CC/R

Legend:

Commitment item

Commitment item derived from FI accounts	Abbreviation
Consumption account	ConsA
Small differences	SmDif
Differences due to exchange rate rounding	Rate
Stock	Stock
Inventory differences	Inv
Scrapping	Scrap
Stock transfer	STrans
Revaluation	Reval
Warehouse	Whse

Funds center

Funds center derived/posted to	Abbreviation
Cost center	CC
Purchase order	PO
Top funds center	TFC
Warehouse funds center	WFC

Updating

Type of update	Abbreviation
"Real"	R
Statistical	S
No update	No entry

See also:

Integration with Cost and Project Controlling

Use

If you are using Controlling, you can integrate the cost center accounting and order and project controlling monitoring systems with Funds Management.

These two components comprise different views of the same business processes. Only if the structures required in both components have similarities (such as cost center structure = funds center structure) is integration of the two components with regard to particular functions and business transactions possible.

Here we distinguish between a purely structural parallelism and parallelism in terms of content.

Structural parallelism - input facility

The FM account assignment can be derived automatically from the CO account assignment in the case of structural parallelism. This means you do not have to enter the FM account assignment manually when making postings in other components (such as *Financial Accounting* and *Human Resources*). This way integration acts as an input facility.

Business transactions within Controlling, such as overhead or assessments, are not taken into consideration in Funds Management. This means that any reconciliation between Controlling and Funds Management will always deviate by the activities within Controlling.

Parallelism in terms of content - posting integration

If you also require a parallelism in terms of content in addition to the structural parallelism, that is the cost view from *Controlling* is to be portrayed in *Funds Management*, then the business transactions within *Controlling* must also be reproduced in *Funds Management*. You can activate posting integration in Customizing for the following business transactions **only**:

- Actual assessment
- Actual line item reposting
- Actual primary cost reposting
- Actual distribution
- Indirect activity allocation
- Order settlement
- Actual accrual calculation
- Actual activity allocation

Data is recorded in Funds Management for the activated business transactions with the **value type 95,** without availability control and therefore does not have any effect on changing the budget. The **exceptions** here are the adjustment postings in CO which reference Financial Accounting documents (transaction KB61, activity RKU3).

The CO business transactions can, however, be viewed in the information system and so enable evaluations for Funds Management from a cost point of view.

Prerequisites

In order to carry out integration, you must allocate the FM account assignments to the CO account assignments. You can allocate FM account assignments to the following CO account assignments:

- Cost elements

- Cost centers

- Orders

- WBS elements

- Profit centers

So as to increase flexibility, you can make assignments to cost centers, orders, and WBS elements dependent on cost elements. You can also make assignments to groups (cost element groups and cost center groups) so as to make maintenance more efficient.

See also:

Prerequisites for Integration with Cost and Project Controlling Integration [Seite 292]

Assigning Commitment Items to Cost Elements [Seite 88]

Assigning Funds Centers to Cost Centers [Seite 89]

Assigning Funds Centers to Orders [Seite 92]

Assigning Funds Centers to WBS Elements [Seite 91]

Assigning Funds Centers to Profit Centers [Seite 93]

Integration with Cost and Proj. CO Prerequisites

Irrespective of whether you require integration of both components in terms of structural parallelism or of parallelism in terms of content, you must:

1. Assign a controlling area to each FM area for which you want to integrate Cost and Project Controlling.

   You make this assignment in Customizing for the *Enterprise Structure* by choosing *Assign controlling area to financial management area*.

2. Allocate the FM account assignments to the CO account assignments. You can allocate FM account assignments to the following CO account assignments:

   – Cost elements

   – Cost centers

   – Orders

   – WBS elements

   – Profit centers

In the Funds Management IMG, you can choose *Integration → Integration with Cost and Project Controlling → Define year-dependent assignments for master data objects* to stipulate whether the assignments you maintain are year-dependent.

System performance problems can occur with the following scenario:

- You have allocated FM account assignments to CO account assignments in master data maintenance and assigned your controlling areas to the FM areas.

- You are using orders and projects.

- Availability control is active both in Funds Management and for orders and projects.

  You must therefore define clearly which task the availability control should have for orders and projects in Funds Management.

  To activate/deactivate availability control for Funds Management, choose Define year-dependent parameters [Extern] in the Funds Management IMG.

Posting Integration

You can activate the CO posting integration selectively for the business transactions which are relevant to you in the *Funds Management* IMG by choosing *Choose business transactions for integration.*

You are not allowed to enter the FM account assignments manually when posting business transactions with active posting integration. For more information, read FM Account Assignment Logic [Seite 221].

To achieve a parallelism in terms of content between Controlling and Funds Management for active CO posting integration, you must make the appropriate settings in the *Funds Management*

IMG. For more information on this, refer to the *Funds Management* IMG in the sections *Override update profile* and *Enter other settings*.

Input Help and Automatic Acct Assgmt Derivation

What should you be aware of ?

- You should allocate CO account assignments to FM account assignments for all combinations so as to achieve consistent user guidance.

- For postings in other integrated components where you cannot enter a cost-relevant account assignment, derivation of the FM account assignment is also not possible. In this case, you have to enter the FM account assignment manually or define the commitment item in the G/L account.

- The system derives the FM account assignment from the CO account assignment when you post. A connection in the other direction is not supported.

- You should not define any commitment items in the G/L accounts which correspond to the cost elements. If, however, you want to define commitment items in the G/L accounts, then these must correspond to the assignments of commitment items to cost elements. For more information, read FM Account Assignment Logic [Seite 221].

- If you specify an extra CO account assignment which is only used for statistical purposes in addition to the normal CO account assignment when making a posting, the FM account assignment is derived from the "genuine" CO account assignment. If only one CO account assignment which is used for statistical purposes is posted to, the FM account assignment is derived from this account assignment.

- If you have maintained the assignments for both cost centers and profit centers and the profit center is assigned via the cost center rather than directly, the assignment of the FM account assignment to the cost center has priority.

Input Help and Automatic Account Assignment Derivation
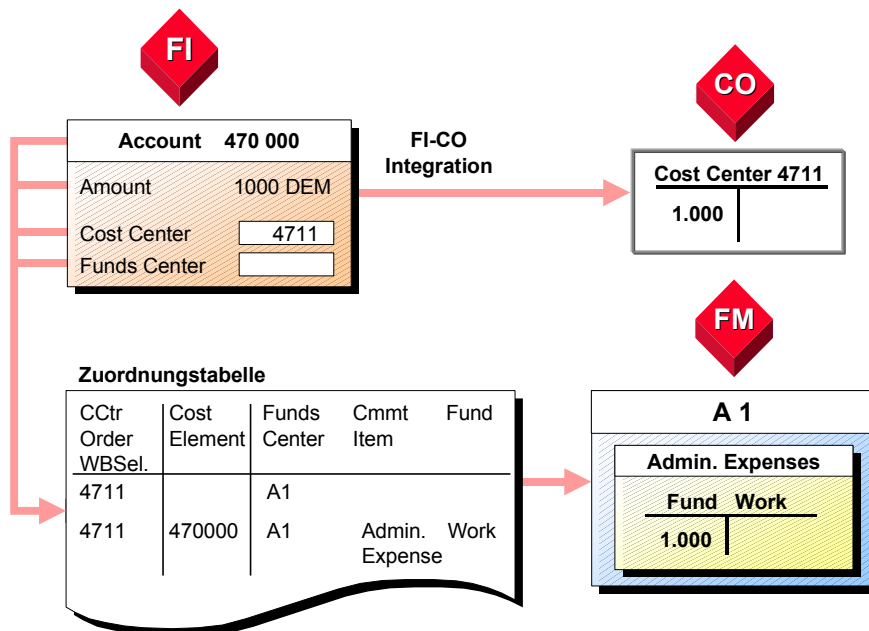
Posting Integration: Secondary Cost Elements

If posting integration is active, you should assign a special commitment item to each of the **secondary cost elements** within Controlling. This commitment item must not have been defined in a Financial Accounting G/L account. This procedure has the following advantages:

- You can recognize the origin of the debit within reporting at a glance

- If, for control purposes, you want to carry out reconciliation of the data posted in Financial Accounting (FI) with Funds Management, you can compare the FI postings with the respective commitment item's balances.

> The balance of the commitment items for secondary cost elements must be zero across all funds centers and funds since this is a characteristic of postings relevant to Controlling.
>
> For checking purposes, you can create a drilldown report within reporting which compares the invoices with a value type of 54 with the CO postings with a value type of 95. You can also run a line item report with the corresponding value types as the selection criterion.

Posting Integration: Example

Posting Integration Distribution
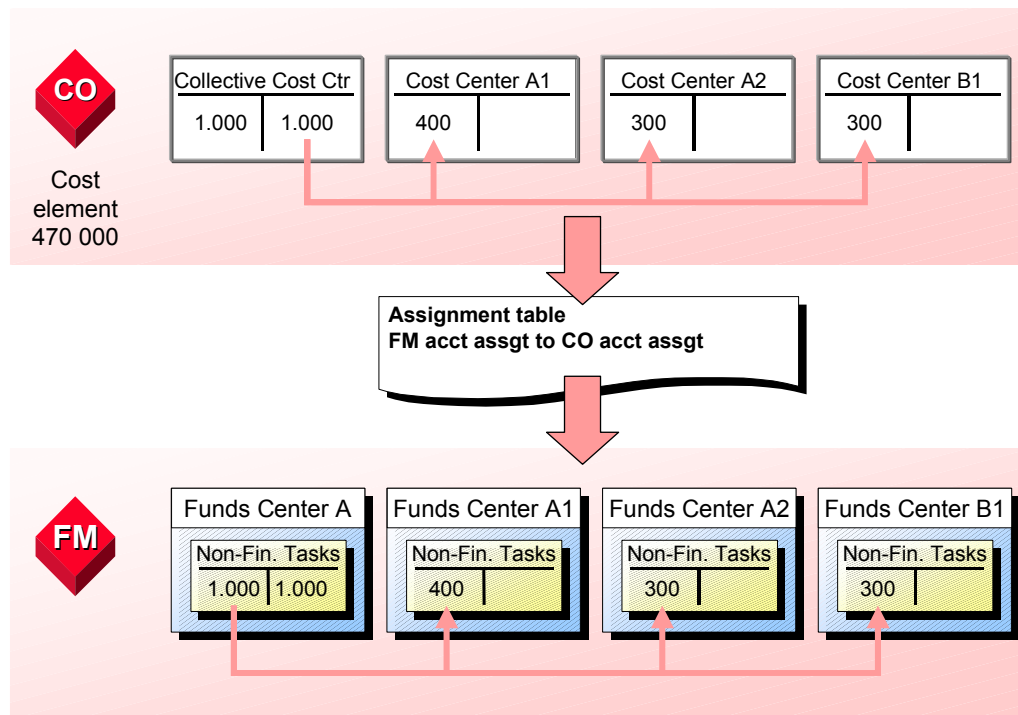
Integration with Sales and Distribution

Purpose

Integration between the Sales and Distribution (SD) and Funds Management (FM) components enables you to assign FM account assignments to the business transactions in SD, such as sales orders and sales contracts.

This means that revenues, which were posted in SD, can be assigned to the FM account assignments (commitment item, funds center, and fund). This way you can also assign the FM account assignments to procurement transactions that are triggered by a sales order, as well as goods issue postings that arise in conjunction with the delivery of materials.

You assign the FM account assignments when processing a sales order. You can enter the FM account assignments for each order item. When you enter an order item, the system first of all tries to derive the FM account assignments from the CO assignment table. If assignments of FM account assignments to CO account assignments (profit center, WBS element) have been maintained and the order item has been assigned to a profit center or WBS element, the FM account assignment appears as the default value which can be overwritten. In the follow-on documents for the sales order (purchase requisition, goods issue, billing document), the FM account assignments are not ready for input. The FM account assignments are automatically derived from the sales order.

> You can implement an alternative proposal logic for the FM account assignment by means of an enhancement SAPFMSD (component EXIT_SAPLFRC4_002, development class FMFS_E).
> In Release 4.6C, the commitments from the SD order are not recorded in Funds Management.

Prerequisites

When entering an SD order item, the fields for the FM account assignment (commitment item, funds center, fund) must be ready for input. You make the necessary settings in the *Funds Management* IMG by choosing Actual and commitments updating → *Integration* → *Integration Cost and Project Controlling* → Maintain field status for the assignment of FM account assignments [Extern]. You must flag the fields there as either optional entries or required entries.

Process Flow

When processing an order item, you assign the FM account assignments by choosing *Item* → *Account assignment* → *Funds management*.

When it is possible to derive an FM account assignment from the CO assignment table during posting, you do not need to enter this FM account assignment.

The FM account assignments that you have to enter depend on the field control. You should choose this in such a way that you have to enter the funds center and, if required, the fund. Owing to the account assignment logic applying in Funds Management, the system can derive the commitment automatically in the subsequent postings - for example, from the G/L account or cost element. For more information, read FM Account Assignment Logic [Seite 221].

As long as the FM account assignment from the order item is not complete according to this field control, this is displayed in the incompletion log for the sales order.

Integration with Plant Maintenance

Purpose

Integration between the *Plant Maintenance* (PM) and *Funds Management* (FM) components enables you to monitor budget-relevant plant maintenance processes in FM.

If you are using integration between the *Materials Management* (MM) component and FM, this is particularly relevant to external procurement transactions and withdrawals from your own warehouse.

If you are using integration between Controlling and FM and FM-CO posting integration is active, order completion confirmation and order settlement transactions also have an effect on FM.

The link between the plant maintenance process and FM is established by entering an FM account assignment (commitment item, funds center, and fund) when you create a plant maintenance order. This means that the system automatically takes this account assignment from the maintenance order during subsequent processes triggered automatically by the maintenance order, such as purchase requisitions.

You have to enter the FM account assignment manually. If, however, you have maintained the assignments of FM account assignments to CO account assignments, the system determines the FM account assignment from the cost center of the technical object (functional location, equipment) which is assigned to the plant maintenance order. The FM account assignment determined using the FM-CO assignment table appears as the default value.

> You can implement an alternative default logic (example: from the cost center assigned to the responsible work center in the plant maintenance order) by means of an enhancement SAPLFMPM (component EXIT_SAPLFRC4_001, development class FMFS_E).

Prerequisites

When you create the maintenance order, the fields for the FM account assignment (commitment item, funds center, fund) must be ready for input. You make the necessary settings in the Funds Management IMG by choosing *Actual and Commitment Update* / *Integration* → *Integration* → Maintain Field Status for Assigning FM Account Assignments [Extern]. You must flag the fields there as either optional entries or required entries.

If the order completion confirmation and order settlement transactions are to be integrated in FM, you must activate these in the Funds Management IMG by choosing *Actual and Commitment Update* / *Integration* → *Integration with Cost and Project Controlling* → Choose Business Transactions for Integration [Extern].

- **RKL** Order completion confirmation

- **KOAO** Order settlement

Process Flow

1. **Creating the maintenance order**

    If the system can determine an FM account assignment from the FM-CO assignment table (assignment to cost center) this appears as the default value.

If the system cannot determine an FM account assignment, you must enter one by choosing *Extras → Assignments → Funds management*.

The FM account assignments that you have to enter depend on the field control. You should choose this in such a way that you have to enter the funds center and, if required, the fund.

Owing to the account assignment logic applying in Funds Management, the system can derive the commitment automatically in the subsequent postings - for example, from the G/L account or cost element. If the commitment item is derived from the cost element, this should ensure that the same commitment item is assigned to the primary cost elements and to the settlement cost elements.

As long as the FM account assignment in a maintenance order is not complete according to the field control, the order status HMKU (FM account assignment incomplete) is active. This status prevents automatic generation of purchase requisitions for components and services procured externally as well as releasing the order.

2. **Processing the maintenance order**

   Procurement

   If the system automatically triggers purchase requisitions, material reservations, or goods issues by means of the maintenance order, the FM account assignment from the maintenance order is automatically transferred for these business transactions. You cannot then change the FM account assignment manually in these documents.

   Completion confirmation

   With the order completion confirmation, the system transfers the FM account assignment from the maintenance order for the debit posting.

3. **Settling the maintenance order**

   In order settlement, the system uses the FM account assignment from the maintenance order for the credit posting.

See also:

Integration with Cost and Project Controlling [Seite 290]

FM Account Assignment Logic [Seite 221]

Project System Integration (Network)

Purpose

Integration between the *Project System* (PS) and *Funds Management* (FM) components enables you to monitor budget-relevant network processes.

If you are using integration between the Materials Management (MM) component and FM, this is particularly relevant to external procurement transactions and withdrawals from your own warehouse.

If you are using integration between Controlling and FM and FM-CO posting integration is active, CO transaction completion confirmation and settlement transactions also have an effect on FM.

The link between the network process and FM is established by entering an FM Account Assignment [Extern] when you create a network. This means that the system automatically takes this account assignment from the network during subsequent processes triggered automatically by the network, such as purchase requisitions.

The assignment of the FM account assignment is entered on header level for header-assigned networks and is therefore valid for all network transactions; you have to maintain the assignment of each transaction for activity assigned networks.

You have to enter the FM account assignment manually. If, however, you have maintained the assignments of FM account assignments to CO account assignments, the system determines the FM account assignment from the network account assignment data e.g. from the WBS element to which the network is assigned. The FM account assignment determined using the FM-CO assignment table appears as the default value.

> You can implement an alternative proposal logic for the activity assigned network plans using enhancement SAPFMNV, (development class FMFS_E, component EXIT_SAPLFRC4_003); and for header-assigned network plans using enhancement SAPFMNP (development class FMFS_E, component EXIT_SAPLFRC4_004).

Prerequisites

When you create the network/network activity the fields for the FM account assignment (commitment item, funds center, fund) must be ready for input. You make the necessary setting in the Customizing of *Funds Management* IMG by choosing Actual and Commitments Updating → Integration → Integration Cost and Project Controlling → Maintain Field Status for the Assignment of FM Account Assignments [Extern]. You must flag the fields there as either optional entries or required entries.

If the order completion confirmation and settlement transactions are to be integrated in FM, you must activate these in the *Funds Management* IMG under *Actual and Commitment Update/Integration → Integration → Integration with Cost and Project Controlling →* Choose Business Transactions for Integration [Extern].

- **RKL** Completion confirmation

- **KOAO** Settlement

Process Flow

1. **Creating the network/network activity.**

    If the system can determine an FM account assignment from the FM-CO assignment table, this appears as the default value.

    If the system cannot determine an FM account assignment, you must enter one by choosing *Assignments → Funds management*.

    ☐

    The FM account assignments that you have to enter depend on the field control. You should choose this in such a way that you have to enter the funds center and, if required, the fund.

    Owing to the account assignment logic applying in Funds Management, the system can derive the commitment automatically in the subsequent postings - for example, from the G/L account or cost element. If the commitment item is derived from the cost element, you should ensure that the same commitment item is assigned to the primary cost elements and to the settlement cost elements.

    As long as the FM account assignment in a network/network activity is not complete according to the field control, the order status HMKU (FM account assignment incomplete) is active. This status prevents automatic generation of purchase requisitions for components and services procured externally as well as releasing the order.

2. **Processing the network**

    Procurement

    If the system automatically triggers purchase requisitions, material reservations, or goods issues by means of the network, the FM account assignment from the network is automatically transferred for these business transactions. You cannot then change the FM account assignment manually in these documents.

    Completion confirmation

    With the completion confirmation, the system transfers the FM account assignment from the network/network activity for the debit posting.

3. **Network settlement**

    With settlement, the system uses the FM account assignment from the network for the credit posting.

See also:

Integration with Cost and Project Controlling [Seite 290]

FM Account Assignment Logic [Seite 221]

Integration with Human Resources

Use

The integration of Funds Management and Human Resources (HR) provides you with a tool you can use to assign the expenses and commitments from payroll accounting to the individual responsibility areas (funds centers) and if required fund in Funds Management. There are different expenditure account assignments possible in Funds Management corresponding to the tasks of an employee.

The assignment of personnel commitments is done via the financing of employees and positions in the *HR Funds and Position Management* component. The commitment is then gradually reduced by payroll postings.

The constructing of personnel commitments in Funds Management therefore presupposes the use of the *HR Funds and Position Management* component. If HR Funds and Position Management is not in integrated use with Funds Management, you can not construct commitments in Funds Management. The assignment of expenses is first performed in payroll accounting via the employee master data (if the component *Organizational Management* possibly from the Organizational Management master data).

There are 3 scenarios for the integration of Human Resources Management into Funds Management. You can decide on one of the scenarios for each company code and FM area. An employee can, under certain circumstances, also take part in more than one scenario. Employees from different employee groups can take part in different scenarios within one FM area. You can find more information on the individual scenarios in the documentation.

Prerequisites

For information on which main prerequisites must be fulfilled for personnel expenses updating in Funds Management, see

Above all, make sure that Funds Management is activated in Customizing. The automatic transferring of posting data from HR Management to Funds Management, in which the commitment data and actual data is updated, will only work after the activation. See for more information about the activating of FM.

Features

On the one hand, the scenarios differ from another as to whether personnel commitments are reduced in Funds Management or not.

On the other hand, they differ from another in how account assignments for Funds Management (funds center, fund, commitment item) are determined in the HR business transactions.

FM Account Assignments [Extern] can, for example, be derived from their assignment to the HR master data or to Organizational Management master data. Or from other assignments, such as the assignment of FM account assignments to CO account assignments or from the assignment of commitment items to G/L accounts and the assignment of funds centers to commitment items.

Scenario 1: No personnel commitments - assignment of personnel expenses from CO integration or from other assignments -

You decide on this scenario if

• no personnel commitments are to be constructed in Funds Management

- the FM account assignments are to be derived from CO account assignments or other account assignments

Scenario 2: No personnel commitment - **assignment of personnel expenses from HR master record or from the Organizational Management master data -**

You decide on this scenario if

- no personnel commitments are to be created in Funds Management

- the Funds Management master data structure does not correspond to the Controlling master data structure, and if you also can not completely ensure that FM account assignments are derived from other account assignments other than the CO account assignments.

Scenario 3: Personnel commitments -

You choose this scenario if a personnel commitment is to be reduced for people and positions in Funds Management.

Prerequisites for Scenarios and Integration

The following table gives you a brief summary of the most important prerequisites for individual scenarios as well as their effect on master data maintenance. See the description of the individual scenarios for more information.

Scenario	Prerequisites Customizing and Assignments	Effect on HR Master Data	Effect with Organizational Management

Scenario 1 [Seite 307]	• either
	
	    assignments of FM account assignments to CO account assignments are maintained
	
	• or are
	
	    commitment items defined in G/L account
	
	    funds centers defined in commitment items
	
	    funds defined in funds centers
	
	A mix of both alternatives is possible
		No maintenance of FM account assignments in HR master data	No maintenance of FM account assignments in position or organizational unit

Integration with Human Resources

Scenario 2 [Seite 310]	Integration date of Human Resources - Funds Management is set for the **company code** in the Customizing of Funds Management	Maintenance of FM account assignments in the HR master data is necessary in infotype 0001. If necessary, maintain infotypes 0027, 0014, 0015, 2001, 2002, 2003, 2004, 2005, 2010	Maintenance of FM account assignments in position or organizational unit in infotype *Cost distribution* (**1018**)
Scenario 3 [Seite 314]	• Integration date is set for **FM area** in the Customizing of HR Funds and Position Management • Positions and people to take part in the integration are specified in the Customizing of HR Funds and Position Management (characteristic PM006) • FM account assignments are maintained by the financing of positions and people in HR Funds and Position Management	• No maintenance of FM account assignments in the HR master data for infotypes 0001 and 0027 • A defining of FM account assignment for infotypes 0014, 0015, 2001-2005, 2010 is possible	• Maintenance of FM account assignments in organizational unit or position **only if** the company code was also activated for scenario 2 • Specifying of the company code for which HR Funds and Position Management was activated in infotype *Account assignment feature* (**1008**) necessary. • Make appropriate entry in infotype *Employee group/circle* (**1013**) for restrictions of participants of this scenario (see Customizing) to employee group or circle

Scenario 1: Integration with Human Resources

Use

You use this scenario:

- If it is not necessary for your organization to use the *HR Funds and Position Management* component to construct personnel commitments, but only want the expenses from the payroll to be assigned to the individual areas of responsibility (funds centers) and, if required, funds in Funds Management.

- If the FM account assignments are to be derived from the CO account assignments and/or other assignments in payroll

Prerequisites

For information on which main prerequisites must be fulfilled for personnel expenses updating in Funds Management, see Prerequisites for Updating in Funds Management [Seite 205]

If you want to use this scenario, you must make sure that in the payroll the FM account assignments can be derived without fault from other account assignments - either from the assignment of FM account assignments to CO account assignments or from other assignments.

Derivation of FM account assignment from CO account assignments

The master data structure of Funds Management and the master data structure in Controlling must correspond in your organizational structure. This means that the structures of cost centers, internal orders and WBS elements must correspond N:1 or 1:1 to the structure of funds centers and funds so that the funds centers and funds can always be derived from the CO account assignments.

The Assignments of FM Account Assignment to CO Account Assignment [Seite 87] must be maintained. Take into account that you can make assignments to cost centers, orders, and WBS elements dependent on cost elements. For more information, read Assigning Funds Centers to Cost Centers [Seite 89]. In addition and as a rule, the Prerequisites for the Integration of Cost and Project Controlling [Seite 292] apply. **Derivation of FM account assignments from other assignments**

See FM Account Assignment Logic [Seite 221] for more information about the options you have to derive FM account assignments from other FM account assignments.

> Take into account that **no** date may be defined in the Customizing of *Funds Management* in step *Define date for the Integration of HR (Human Resources)* because Scenario 2 [Seite 310] would otherwise be activated.
> If scenario 1 is active for your company code, the message "Item &: Funds center was transferred from default value" will appear during the maintenance of Infotypes [Extern] in Personnel Administration when defining the cost center . You can turn this warning off in *Funds Management* Customizing. To do so, choose in Customizing Basic Settings → Change Message Control [Extern].
> If you want to change the scenario after production startup, you should be aware of the fact that these changes have extensive Matching Activities [Seite 316] as a consequence.

Scenario 1: Integration with Human Resources

Features

Posting Payroll Accounting

In the settlement posting, FM account assignments are determined according to the Account Assignment Logic [Seite 221].

The commitment items are derived either from the G/L account or if necessary from the cost element.

The funds centers and funds are determined according the account assignment logic. If a funds center is defined in the commitment item determined from the G/L account or the cost element and there is a fund in the funds center derived in this manner, they are posted to.   Otherwise, the funds center and fund are derived from the CO account assignments defined in the corresponding infotypes in the employee master data. (*Organizational assignment* (0001), *Cost distribution* (0027) and if necessary the infotypes for the individual assignment of wage elements (0014, 0015, 2001, 2002, 2003, 2004, 2005, 2010).

Because no FM account assignments are defined in the HR master record in this scenario, the HR settlement document only contains the CO account assignments and no FM account assignments.

> Prior to the settlement, the exact time period is determined for which scenario the employee will take part in from company code defined in infotype 0001.
> An employee, however, can take part in scenario 1 and Scenario 2 [Seite 310] during the distribution of expenses (infotype 0027) if you are using different scenarios for the integration of HR in different company codes. This is possible because you can define the CO account assignments (for scenario 1) and the FM account assignments (for scenario 2) in separate lines in infotype 0027. Each line belongs to a company code. These company codes can deviate form the company code of the person in infotype 0001; they must however be assigned to the same FM area. An FM account assignment is then derived from the CO account assignment for the company code in which scenario 1 is active. The FM account assignment defined in infotype 0027 is then posted to for the company code in which scenario 2 is active.

Posting personnel cost advances

Depending on whether the employee advances are budget relevant for you, you can process employee advances posted through a clearing account in two ways:

- Advances are not budget relevant and should **not** be displayed in the Funds Management budget. In this case you must define a commitment item in the advance account with the financial transaction **60** and the item category 3.

- Advances are budget relevant: In this case you must define a commitment item in the advance account with the financial transaction **30** and the item category 3. Apart from this, you must define a dummy funds center in the master record of this commitment item.

See also:

Integration with Cost and Project Controlling [Seite 290]

You can find more information about the infotype in the *HR Infotypes* and *Organization Management* documentation.

Scenario 2: Integration with Human Resources

Use

You use this scenario:

- If it is not necessary for your organization to use the *HR Funds and Position Management* component to construct personnel commitments, but only want the expenses from the payroll to be assigned to the individual areas of responsibility (funds centers) and, if required, funds in Funds Management.

- If the Funds Management master data structure does not correspond to that in Controlling, and the settlement posting of the FM account assignment can therefore not be completely derived from the assignments of the FM account assignments to the CO account assignments.

   If the master data structures do not match, the funds centers could, for example dependent on the assignments made during the transfer of data, only be derived from the CO account assignments (cost center, internal order, WBS element), but the funds could not.

- If during the settlement posting, the FM account assignments can not be fully derived from the other assignments. (For example, the commitments items from the G/L accounts)

In order to correctly transfer the FM account assignments to the settlement data, this scenario requires that FM account assignments in Human Resources be either defined in the master data of the position or the organizational unit (Organizational Management) and/or in the master data of the person.

Prerequisites

For information on which main prerequisites must be fulfilled for personnel expenses updating, see Prerequisites for Updating in Funds Management [Seite 205]

Other prerequisites must be fulfilled if you want to use this scenario:

- **Funds Management Customizing**

   Go to Customizing for Funds Management and choose *Define date for Human Resources (HR) integration*, specify the time per company code from which you want to make integrated use of Funds Management and HR. From this date, you must define a funds center and if desired a fund, when creating new or when changing existing HR master records for the infotype **0001.**

- **Personnel Administration Customizing**

   In order for you to be able to provide the relevant infotypes with FM account assignments, the field for the *funds center* and if required the *commitment item* and *fund* must be ready for input. You make these settings in the Customizing of *Personnel Administration* and *Personnel Time Management*. See Customizing Field Status [Seite 224] for more information.

- **Creating valid HR master records**

   If you have already been using HR for some time, the infotypes in existing personnel master records are **not automatically** provided with an FM account assignment. You must therefore create a new info record from the integration date and delimit the old

record. From this date it is required that you enter a funds center or if desired a commitment item and fund when creating or changing a record of the infotypes 0001, 0027 (sub type 01) and when creating or changing the cost assignment in the infotypes 0014, 0015, 2001, 2002, 2003, 2004, 2005 and 2010.

For more information on creating HR master data and infotypes, see the documentation for components *Personnel Administration* (PA-PA) and *Payroll* (PY).

- **Organizational Management**

    If you want to use the component *Organizational Management* together with the component *Personnel Administration*, organizational units and positions can also take part in this integration scenario during cost distribution. The prerequisite is then that the FM account assignments in infotype 1018 are defined in the organizational unit and/or in the position. See the *Organizational Management* component documentation for more information.

    If you want to change the scenario after production startup, you must be aware of the fact that these changes have extensive Matching Activities [Seite 316] as a consequence.

Features

You have the following options to assign the personal expenses of an employee to the funds centers or, if required, to a commitment item and a fund:

- **Assigning a master funds center for an employee**

    If the total personal expenses of an employee are to be posted to only one FM account assignment, you need only define a funds center and if required a fund in Infotype [Extern] *Organizational Assignment* (**0001**).

- **Percentage breakdown of expenses for an employee to several funds centers**

    If you need a breakdown of expenses corresponding to the tasks of an employee, you must define several funds centers and a percentage rate for the cost distribution as well as, when required, a fund in infotype cost distribution Person [Extern] (0027).

    If Organizational Management is active, you can also define this distribution in infotype *cost distribution* (**1018**) for the organizational unit or Position [Extern]. If a valid record exists for both infotypes (0027 and 1018), the entries in infotype 1018 override the entries in infotype 0027 in the payroll. If no entries are maintained in infotype 0027, the cost distribution from infotype 1018 (organizational unit or position) is used. As a rule, the following applies: The account assignments in subordinate organizational units and positions are passed on to persons if no valid record is defined.

    If you distribute less than 100% of the expenses, the remaining percentage is posted to the FM account assignment of infotype **0001**. You must therefore always define the FM account assignment in Infotype 0027 (Person) if one person occupies more than one position.

    If in the Customizing of *Funds Management* in step *Make other settings* the account assignment specification *FM-CO assignment binding* is defined, you must enter the funds centers and funds in infotype 0001 and 0027 that were assigned in Funds Management in the same way as the CO account assignments defined in the these infotypes.

Scenario 2: Integration with Human Resources

- **Assigning separate salary elements individually**

    If you need an individual distribution of separate salary elements, you must define a funds center and, if required, a fund in the corresponding infotypes. These account assignment entries then override the entries defined in infotype 0001 during the payroll.

    In addition, it is possible to specify a commitment item in these infotypes. In the payroll, this commitment item is then posted to instead of the commitment item that is defined in the G/L account for the individual wage type or the commitment item that may have been defined in the assignments of FM account assignments to CO account assignment in the cost element.

    You can define an FM account assignment in the following infotypes:

    – Repeating Refs./Deductions (0014)

    – Supplementary payment (0015)

    – Absences (2001)

    – Attendances (2002)

    – Substitutions (2003)

    – Availability for duty (2004)

    – Overtime (2005)

    – Remuneration documents (2010)

Posting Payroll Accounting

In settlement posting, the commitment items are posted to according to the entries made in the infotypes or the assignments made (for example, a commitment item from the G/L account). For more information about assignments, read FM Account Assignment Logic [Seite 221].

However, postings are made to the funds centers and funds defined for the infotypes, regardless of whether for example you have defined a default funds center in the commitment item master record or a default fund in the funds center master record.

> Prior to the settlement, the exact time period is determined for which scenario the employee will take part in from company code defined in infotype 0001.
> An employee, however, can take part in scenario 2 and Scenario 1 [Seite 307] during the distribution of expenses (infotype 0027) if you are using different scenarios for the integration of HR in different company codes. This is possible because you can define the CO account assignments (for scenario 1) and the FM account assignments (for scenario 2) in separate lines in infotype 0027. Each line belongs to a company code. The company codes can deviate form the company code of the person in infotype 0001; they must however be assigned to the same FM area. An FM account assignment is then derived from the CO account assignment for the company code in which scenario 1 is active. The FM account assignment defined in infotype 0027 is then posted to for the company code in which scenario 2 is active.

Posting personnel cost advances

Depending on whether the employee advances are budget relevant for you, you can process employee advances posted through a clearing account in two ways:

- Advances are not budget relevant and should **not** be displayed in the Funds Management budget. In this case you must define a commitment item in the advance account with the financial transaction **60** and the item category 3.

  - Advances are budget relevant: In this case you must define a commitment item in the advance account with the financial transaction **30** and the item category 3. Apart from this, you must define a dummy funds center in the master record of this commitment item.

Considerations in Retroactive Accounting

If you execute retroactive accounting after the start of integration, which takes place in the time before the integration you have to take account of the following:

When posting retroactive accounting differences posting records arise which have no funds center. These posting records are usually posted in the current posting period. This however requires the inclusion of a funds center. The inclusion of a funds center is required when posting from the integration date onward.

You must define a funds center (called, for example, a HR collecting point) in the master records of the commitment items [Seite 26] that you have defined in the payroll accounting expense accounts. Otherwise the system does not find a funds center when posting the retroactive accounts and the posting is rejected.

When you post, the posting data then flows to this funds center automatically. You enter the HR collecting point as part of master data maintenance. It should have the following characteristics:

- It must be part of the funds center hierarchy.

- You may not enter a budget for it.

- You may not post other business transactions to it.

- Availability control must not give rise to any errors.

  To ensure this, go to the Funds Management IMG and define a specific tolerance for this funds center in the work step *Define specific tolerances for availability control.* In the definition, you need only specify a budget profile for which the following applies: If the tolerance limits for transaction 30 (actual posting) are exceeded, the system issues a **warning**. For more information, see Availability Control Settings [Seite 165].

See also:

For details, see Creating Top Funds Centers [Seite 51].

Assigning Funds Centers to Cost Centers [Seite 89]

Scenario 3: Integration Human Resources/HR Funds and Position Management

Use

You use this scenario if you want to create personnel commitments in Funds Management. This is only possible if you are using the component *HR Funds and Position Management*.

For more detailed information, see HR Funds and Positions Management with Integration in Funds Management [Seite 320].

Prerequisites

Customizing *HR Funds and Position Management*

- The integration must be active.

   To do this, go to step *Define start of integration in Funds Management* and define the point in time per **FM area** at which you want to begin the integrated use of Funds Management and HR Funds and Position Management.

- You must define which employee is going to take part in the integration.

   You can control this via the employee properties (such as company code, personnel country grouping, personnel area, personnel subarea, employee group, and employee subgroup). You make these settings in step *Assignment to groupings for participation in integration*.

- You must define a time period from which the employee takes part in the integration.

   To do this, you define a time period in step *Maintain participation in integration for groupings* for a personnel grouping within which the integration into Funds Management is to be valid.

Account assignment specification

- The employee affected must be financed in *HR Funds and Position Management*.

   The personnel commitment for the specified FM account assignments is set up in financing.

- Your master data must be in a consistent state with regard to your integration: **No** FM account assignments may be entered in infotypes *Organizational assignments* (0001) and *Cost distribution* (0027). Only CO account assignments from company codes belonging to the same FM area may be entered in these infotypes.

- If you are using the *Organizational Management* together with the *HR Funds and Position Management*

   – the active company code for the integration in Funds Management in infotype *Account assignment characteristics* (1008) must be defined for the financing of positions for these positions or for their superior organizational units in the *Organizational Management* component.

      If you have restricted the integration of HR Funds and Position Management into Funds Management to certain employee group and employee subgroups (see Customizing), the corresponding employee groups and employee subgroups must

Scenario 3: Integration Human Resources/HR Funds and Position Management

be assigned in infotype Employee group/subgroup (1013) to the positions that are to take part in the integration.

Funds Management Customizing

For information on which main prerequisites must be fulfilled for personnel expenses updating in Funds Management, see Prerequisites for Updating in Funds Management [Seite 205]

In addition, the following steps must be processed:

- *Maintain RFC destination in HR Funds and Position Management*

- *Define document type for earmarked funds*

- *Define posting collector*

See the corresponding sections in the *Funds Management* implementation guide for more information regarding these steps.

Features

The component *HR Fund and Position Management* offers a differentiated view of personnel expenses (personnel budget) and links this with the employees and the positions of an organization. The aim of HR Funds and Position Management is to efficiently finance, plan material requirements and organize employees and positions within the framework of budget specifications.

The integration with R/3 component *Funds Management* allows HR Funds and Position Management to use per FM area that part of *Funds Management* that contains the personnel expenses. Using the employee properties you can, however, define that the integration is only active for a certain group of employees and, if required, also for different time periods. The other employees can then take part in scenario 1 or scenario 2.

> You should not change the assignment of an employee grouping to a scenario after production startup because this would entail extensive Matching Activities [Seite 316].

The financing of positions and/or people in *HR Funds and Position Management* leads to a reduction of personnel commitments (earmarked funds) in *Funds Management*. In doing so, a distribution of expenses to different FM account assignments is possible. In payroll accounting, the FM account assignments are then posted to according to this breakdown. The commitment is then gradually reduced with each posting.

> If you are using Controlling integrated in Funds Management and have defined another percentage of distribution (to CO account assignments) in the *Cost distribution* infotype (0027) than in the financing, the FM account assignments will still be posted to according to the financing. This also applies if *FM-CO assignment binding* is defined for the account assignment in the Customizing of *Funds Management* in step *Make other settings*.
> See Posting in HR Funds and Position Management [Extern] for more information about cost distribution in this scenario.

Notes on Changing the Integration Scenarios

You should not make the following changes in Customizing during production operations, because these changes could result in a change of the integration status and subsequently require extensive matching activities.

You change the integration date for scenario 2 or scenario 3 so that,

- you activate the integration for Human Resources Management

- you deactivate the integration for Human Resources Management

- the integration will take place at an earlier or later date

  you change the control of the integration to HR Funds and Position Management (scenario 3) so that

- the feature structure is changed

- the time-base controlling for a certain group is changed

  ☐

  The system issues a warning message as soon as the participation of an employee changes in the scenario, the properties of the employee are changed, or if the settings in Customizing change.

Procedure

You must adjust the infotypes 0001, 0027, and if required 0014, 0015, 2001-2005 and 2010 for the employee in question. The adjustment must be done manually because the system does not automatically match the data.

You can determine the employees affected, for example, using an ad hoc query. You then need to split the infotypes 0001 and if required 0027 of this employee - 2 records must be created for these infotypes - and subsequently check the field content of the funds center and fund.

If you have made changes for which the HR Funds and Position Management integration is active, you must also change the financing of the employee. (For example, must the financing begin earlier or later.)

Integration with Travel Management

Use

If you use the *Travel Management* component you can enter the trips in Travel Management with a Funds Management account assignment [Extern] and so integrate employee travel expenses in Funds Management.

With this, the assignment of travel expenses can take place in accordance with the assignment values for the entire trip, for documents, for destinations and according to kilometer distribution.

Integration

In Funds Management commitments documents are generated by the trips entered in Travel Management which can be displayed in the information system (value type '52'). Updating always takes place with the net amounts.

The updating control depends on which components you use in addition to Travel Management integrated with Funds Management. The settings for Controlling and salary and payroll accounting in particular determine how the account assignments are included for Funds Management or are derived. You determine to which Funds Management responsibility areas (funds centers) the costs are to be assigned.

The integration date plays an essential role here for the HR (Human Resources) component which you must define in Funds Management Customizing under *Define date for HR (Human Resources) integration*, if you want to integrate personnel costs (wage and salary costs) into Funds Management. From this date, you must define a funds center and if desired a fund, in the HR master records for the infotype **0001.** A derivation of the FM account assignment from the CO account assignment cannot take place in this case.

Different scenarios are therefore possible, for which the prerequisites are described below.

Prerequisites

For information on which main prerequisites must be fulfilled for travel expenses updating, see Prerequisites for Updating in Funds Management [Seite 205].

No HR Integration date - manual account assignment of the trip

In order to assign the trips to an account manually you must ensure that the fields *Commitment item, Funds center* and *Fund* are ready for input when creating travel data. You enter the required settings in Customizing for *Travel Management*, as follows:

Choose *Travel management → Travel accounting → Dialog and accounting control → Install variable structure for the account assignment objects* and choose the coding block which is relevant to you:

- If you want to enter the FM account assignment in the cost apportionment for the whole trip, choose the account assignment objects. *Expense assignment value of the whole trip.*

- If you want to enter the FM account assignment in the cost apportionment of a document, choose the *account assignment objects*. *Expense assignment value of a document.*

Integration with Travel Management

- If you want to enter the FM account assignment in the cost apportionment of the stopovers, choose the account assignment objects. Expense assignment value of a document.

- If you want to enter the FM account assignment in the cost apportionment by kilometers, choose the account assignment objects. *Expense assignment value of a Km apportionment.*

For each of the relevant coding blocks enter the following variable names:

- COBL-FIPOS

- COBL-FISTL

- COBL-GEBER

If you want to define a master account assignment for the trips, you must define a funds center and a fund in the infotype 0017. You enter the required settings in Customizing for Human Resources under *Adjusting the interfaces → Define screen modification.*

No HR Integration date - Deriving the FM account assignment from the CO account assignment

If the FM account assignment is to be derived automatically from the CO account assignment the following must happen:

- The Allocations of FM Account Assignment to CO Account Assignment [Seite 87] must be maintained.

- The fields for the FM account assignments must be hidden

  You cannot therefore maintain the field status as described above.

HR Integration date

In order to assign the trips to an account manually you must maintain the field status as described above.

If you do not manually distribute the travel expenses for an employee completely, the travel expenses are distributed in accordance with the cross-trip cost assignment value, the so-called travel expenses assignment rule.

The prerequisite for this is that you maintain the infotypes in the HR master records in accordance with your requirements. For more information, refer to Integration with Payroll Accounting Integration [Seite 310] . For information on how the system then determines the valid travel expenses assignment rule, see Travel expenses Assignment Rule [Extern].

> If you want to distribute travel expenses to more than one funds center, you must enter the relevant funds centers (and funds, if required) as account assignment objects for infotype 0027 (cost distribution), subtype 02 (travel expenses), along with the required percentages.

Features

The travel expenses assignment takes place in accordance with the Travel management functions. However you must take the following into account:

- Advances are not taken into account in Funds Management, and the same applies to data which you enter via fast entry.

- Requested trips are only updated statistically.

- As long as the trip data has the status "Travel request", the data is only updated statistically in the standard system. The active availability control does not take place until after the approval. You can overwrite the standard settings with a User-Exit (enhancement SAPLFMA, component EXIT_SAPLFMFA_002, development class FMFS).

Activities

When entering trip dates you enter the Financial accounting-relevant account assignments. If you do not enter the FM account assignments manually, the system posts the account assignments based on the settings and assignments you have made.

For travel expenses accounting the system defaults the FM account assignments to the Financial accounting documents, which are generated by the accounting.

For more information on entering travel expenses and travel expenses accounting, see the *FI Travel management* documentation.

See also:

FM Account Assignment Logic [Seite 221]

HR Funds and Position Management Integrated With Funds Management

Purpose

The R/3 *HR Funds and Position Management* component gives you a detailed view of your budget for personnel expenditure, and links this budget to the staff and positions in your organization.

HR Funds and Position Management allows you to finance and perform planning for persons and positions efficiently. If it is integrated with the R/3 *Funds Management* component, you will be able to use the personnel expenditure section of the *Funds Management* budget in *HR Funds and Position Management.* In *HR Funds and Position Management,* you can then break down further the personnel expenditures defined in *Funds Management.*

In *HR Funds and Position Management*, you can finance employees for specific periods of time. You can determine the funds required for financing employees by reading data from default value tables, or by simulating a payroll accounting run. When you finance employees in *HR Funds and Position Management*, this generates fund commitments in *Funds Management.* These commitments are then "used up" gradually by the actual payroll data of the employees who were financed.

You can activate integration between *HR Funds and Position Management* and *Funds Management* for different employee groups at different times.

HR Funds and Position Management is designed specially for:

- All types of public administrative bodies (federal, regional, or local)

- Public owned organizations

- Non-profit-making organizations such as universities, research centers, associations, and foundations

- Private-sector companies that wish to budget their personnel expenditure

Implementation Considerations

The R/3 *Personnel Administration* and *Funds Management* components must also be implemented.

It is recommended that the R/3 *Organizational Management* component should also be implemented, since the *HR Funds and Position Management* component uses some of its functionality.

Features

- Define and manage your budget for personnel expenditure

- Define and manage organizational structures

- Budget personnel expenditure

- Finance persons and positions for specific periods of time

- Determine the financing required for an employee on the basis of simulated payroll runs or default values

HR Funds and Position Management Integrated With Funds Management

- Transfer postings to the R/3 *Funds Management* component

- Earmark sections of the budget for sections of the organization

- Availability check on the budget for personnel expenditure

- Reporting

- Carry forward the overall budget

- Activate integration with *Funds Management* for various employee groups at various times

See also:

The Overall Budget Component [Extern]

The Organization Component [Extern]

Additional Functions

Purpose

This component makes all the functions available which you require for fiscal year-change operations and revenues increasing the budget.

Features

- Closing operations [Seite 323]

- Revenues Increasing the Budget [Seite 350]

Closing operations

Purpose

This component allows you to prepare and execute all year-end closing operations. These include carrying forward of open commitments (commitments carryforward) and a differentiated carryforward of unused budgets (budget carryforward of residual budgets) from the old fiscal year to the new. You use the closing operations to display budgets and assigned values by period.
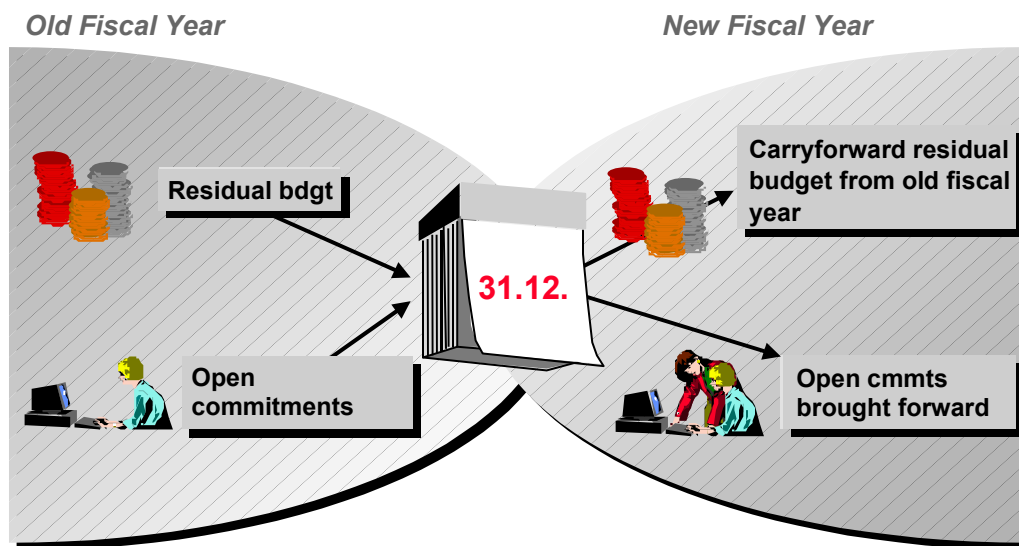
Implementation Considerations

You perform the closing operations in a series of steps which you must carry out in sequence.

The commitment carryforward always reflects the current state of the data in the Funds Management feeder systems. However, there is no automatic link to the closing operations in other components. This means that changes made to documents in other components are not reflected in Funds Management after you have carried out the closing operations in Funds Management. For this reason, we recommend you do not carry out Funds Management closing operations until you have completed the closing operations in the other components.

There is no technical necessity for carrying out closing operations for the fiscal year change. If you do not, budget already used remains in the old fiscal year and cannot be used in the new fiscal year. Open commitments are correctly reduced in the old fiscal year if you process them further in the new. (For example, a purchase order from 1997 can be reduced by an invoice arriving in 1998.)

The carryforward from commitments and budget is, in principle, dependent on the Update Profile [Seite 209] chosen. Specified in the update profile is whether a carryforward is even possible and for which value types (e.g. purchase orders, earmarked funds, invoices) a carryforward may take place.

Closing operations

Features

You can simulate the tasks to be carried out at the fiscal year change and can schedule them for different dates, regardless of when your fiscal year actually ends. A number of report programs are available for the commitment and budget carryforwards. For more information, read Programs for Closing Operations [Extern].

- **Commitments carryforward**

  You can apply various selection criteria, such as individual funds centers, particular FM Account Assignments [Extern] or individual documents. The definition of carryforward parameters and carryforward rules allows you to exclude many Value Types [Extern] or FM account assignments from a carryforward or to carry out account assignment changes. You can reverse the commitment carryforward for individual documents.

- **Budget carryforward**

  − Budget for commitments

    You can carry forward budget into the new fiscal year, which has become available due to a commitment carryforward into the new year.

  − Residual budget

    The defining of carryforward parameters and rules allows you to achieve individual control of residual budget carryforward, thus ensuring that account is taken of changes to the organizational structure. In the new fiscal year, you can distribute the residual budget to one or more receivers. It is possible to carry forward partial amounts.

- **Balance carryforward in fund**

  If you work with funds and have allocated an overall budget across several fiscal years, the balances carryforward in funds will allow for an overview of the balances in the funds. Unlike the commitment carryforward, this involves summarizing and carrying forward actual data.

Definition of Carryforward Parameters

Use

If it has been defined in Customizing that all fiscal year change operations may be executed for Funds Management, then the commitments and residual budgets are carried forward 1:1 when starting the programs which execute the operations. The overall amount of a Funds Management Account Assignment [Extern] (100 %) is carried forward to the new account assignment in the new year.

Using program RFFMCFM1 [Extern] you can get an overview of the current Customizing settings.

The definition of carryforward parameters allows you to target the commitments carryforward and the budget carryforward to the new fiscal year. So on the one hand, you can take account of the changes to your organizational structure and functional rededications for the fiscal year change operations. On the other hand, you can completely exclude certain value types or FM account assignments from the carryforward.

For example, you are able to control that an account assignment change is allowed during the commitments carryforward of purchase orders, whereas no account assignment changes are possible in invoices. For instance for the budget carryforward you can define that a sorting of the carryforward amount to different FM account assignments is allowed.

Integration

Carryforward parameters form the basis for defining special carryforward rules for individual FM account assignments. In carryforward parameters you always define the criteria according to which the special rules can be defined.

You define carryforward rules for a respective fiscal year. A carryforward rule therefore includes the concrete attribute of a carryforward parameter for individual FM account assignments; as a rule, the relationship of a sending and receiving element (if desired several elements) is described. In addition, whether amounts are completely, partially or not carried forward at all is defined.

Features

The carryforward type specifies the quality of a carryforward parameter and defines which criteria the carryforward rules must fulfill for individual FM account assignments. The following carryforward types are available:

Carryforward type	Function
Commitments	
10	**Carryforward: 100 %; Sender = Receiver** The total amount of an FM account assignment is carried forward to the same account assignment **Carryforward: 0 %; Sender = Receiver** Carryforward not allowed

Definition of Carryforward Parameters

20	• **Carryforward: 100 %; Sender <> Receiver**
	The total amount (100%) of an account assignment is carried forward to another account assignment
	• **Carryforward: 0 %; Sender <> Receiver**
	Carryforward not allowed
Budget	
10	• **Carryforward: 100 %; Sender = Receiver**
	The total amount of an FM account assignment is carried forward to the same account assignment
	• **Carryforward: 0%**
	Carryforward not allowed
20	• **Carryforward: 100 %; Sender <> Receiver**
	The total amount (100%) of an account assignment is carried forward to another account assignment
	• **Carryforward: 0 %; Sender <> Receiver**
	Carryforward not allowed
30	**Carryforward 100% or percentage (for example 40%); Sender = Receiver**
	Parts of the residual budget of an FM account assignment is carried forward to the same account assignment.
40	**Carryforward 100% or percentage (for example 40%); Sender <> Receiver**
	The total residual budget or parts of the residual budget of an FM account assignment are carried forward to several account assignments.

In *Funds Management* Customizing you define whether a carryforward parameter allows a carryforward or not.

Activities

If you want to carry forward the commitments and the residual budgets 1:1 into the new fiscal year, you just have to maintain the default settings for the fiscal year change operations in the *Funds Management* Customizing. For more information see *Funds Management* IMG, section Enter Default Settings [Extern] .

You only need carryforward parameters if you want to target the commitments carryforward and the budget carryforward with carryforward rules for individual FM account assignments. Only in this case do you have to Maintain Carryforward Parameters [Seite 328].

You must subsequently assign the carryforward parameters to the Value Types [Extern] for your FM area and a fiscal year for controlling the commitments carryforward in the Funds Management Customizing. Using this, a carryforward parameter can be assigned to several value types.

You have to define the carryforward parameters for controlling the budget carryforward in the settings for the carryforward of residual budgets.

For more information, see the *Funds Management* IMG under *Additional Functions → Closing Operations → Commitment Closing Operations* and *Budget Closing Operations.*

If the parameters are defined in Customizing, you can define your requirements in accordance with Generic and Special Carryforward Rules [Seite 329].

Maintain Carryforward Parameter

Use

For further information, see <u>Definition of Carryforward Parameters [Seite 325]</u>.

Procedure

1. Choose *Accounting → Financial accounting → Funds Management → Additional functions → Closing operations → Maintain carryforward parameter.*

2. Define carryforward parameters for each FM area and define the desired carryforward category.

3. Save your entry.

Result

In order to be able to use the carryforward parameters for defining carryforward rules for individual FM account assignments, you must define these in the *Funds Management* Customizing.

To do this choose, for carryforward parameters which serve to control the commitment carried forward, in the *Funds Management* Customizing *Additional functions → Closing operations → Commitment closing operations → Assign carryforward parameter for commitment carryforward.*

For carryforward parameters which serve to control budget carryforward, choose *Additional functions → Closing operations → Budget Closing operations → Enter settings for carrying forward residual budget.*

Definition of Carryforward Rules

Use

Using the definition of carryforward rules you can control and strongly differentiate as to how the commitments carryforward and budget carryforward are done in a new fiscal year for individual Funds Management Account Assignments [Extern] .

Carryforward rules apply respectively for a fund and fiscal year. You describe the relationship between a sending element from the old fiscal year and a new receiving element of the new fiscal year. Doing this, you can realize the following requirements on the budget carryforward in which a partial carryforward of amounts (between 0% and 100%) is possible.

- **Account assignment change**

  For each FM account assignment you can define to which FM account assignment the budget values should be carried forward to in the new fiscal year.

- **Reclassification of surplus revenue the expenditure budget**

  Surplus revenue which was achieved beyond budgeting revenues, can be made available as expenditure budget in the new year using account assignment changes.

- **Handling of budget overdraft (negative residual budget)**

  If in the past fiscal year the expenditures exceeded the budget (for example because of setting of the tolerance limits for availability control over 100%), you can carry this negative residual budget forward into the new fiscal year. The following year's budget is then debited accordingly.

  An account assignment change for the commitments carried forward is possible, but a sorting of the amounts to be carried over to several FM account assignments is not.

Prerequisites

Note that a definition of carryforward rules can only be done based on carryforward parameters.

The carryforward parameters must be defined in *Funds Management* Customizing for your FM area and fiscal year in which you want to maintain the carryforward rules.

For further information, see Definition of Carryforward Parameters [Seite 328].

Features

- Maintain Carryforward Rules [Seite 331]
- Copy Carryforward Rules [Seite 333]
- Display Carryforward Rules [Seite 334]

Activities

Generic rules:

You can generically define rules by fully masking formatting characters * of the specifications for the sending master data objects commitment item, funds center and fund of the past year and the receiving ones. A rule defined like this is valid , for example, for all funds centers and/or for all

Definition of Carryforward Rules

commitment items and/or for all funds. Entries made generically in the receiver element mean that the FM account assignment is taken over from the sender.

> For selection of generic entries, you can rank the objects commitment item, funds center, and fund in Customizing for *Funds Management*. For more information, see the documentation for Define Ranking for Selection of Generic Entries [Extern] in the Implementation Guide (IMG).

Special rules:

You can, however, also define special rules for an FM account assignment; For example, you can determine for each sending element for the carry forward of residual budget, according to the chosen carryforward parameter, which portion (percentage) of the residual budget should be carried forward to which element in the new fiscal year. These special rules take precedence over generic rules that may exist.

> If you have not entered any specific rules for individual FM account assignments, there must be at least one generic rule defined which can be applied by the system to these FM account assignments during carry forward. Otherwise no budget carryforward is carried out.
>
> You should, therefore, proceed as follows: First define a generic rule based on a carryforward parameter which fulfills your needs. In doing so, you ensure that no FM account assignment will unwillingly be excluded from the carryforward.
>
> If changes in your organizational structure or functional area should occur in the course of the fiscal year, define special rules for the corresponding funds centers and commitment items.
>
> If you want to block a carryforward for an individual functional area completely, you must define a special rule for them and enter a percentage of 0%.

Maintaining Carryforward Rules

Prerequisites

Note that a definition of carryforward rules can only be done based on carryforward parameters.

The carryforward parameters must be defined in *Funds Management* Customizing for your FM area and fiscal year in which you want to maintain the carryforward rules.

For further information, see Maintain Carryforward Parameters [Seite 328].

Procedure

1. Choose *Accounting → Financial accounting → Funds Management → Additional functions→ Closing operations → .Carryforward rules → Maintain.*

2. Enter the required data on the initial screen.

    If you do not specify a fiscal year, the system calculates one, based on the current fiscal year and the time horizon entered in the budget profile.

    If you do not want to define the whole funds center and commitment item hierarchy, you can enter a funds center and commitment item from which the hierarchy is to be built up. In addition, you can Restrict the Levels [Seite 139].

    If you want to define the rules for a particular fund, enter a fund. You can make a generic entry ("*") in the *Fund* field. Rules defined like this are valid for all funds, unless you enter specific rules for some of them.

3. Choose *Continue.*

    You reach the screen *Change carryforward rules: Basic screen*.

    Depending on what you entered on the initial screen, the screen shows an overview of the funds centers in combination with a top commitment item, along with the entry in % for the carryforward. You can further expand the commitment item hierarchy by double-clicking again.

    If you enter the top funds center of a hierarchy on the initial screen, the system also displays a generic entry for the funds centers "*" and commitment items "*". If you define a rule for this entry, it is valid for all funds centers and commitment items unless you have defined special rules.

4. To maintain a generic rule or rules for individual elements, select one or more elements and choose *Goto → Maintain rules*.

    This takes you to the *Detail Screen*.

    If you have already defined a generic rule, this rule then appears for each element for which you have not entered any specific rule. You cannot change this generic rule.

5. Choose *Edit → New entry* and enter the receiving funds center, commitment item and if required the fund as well as a percentage rate for the new fiscal year.

    If the carryforward parameter allows it, you can make several entries for budget remainder carryforward in order to distribute the residual budget on a percentage basis to several funds centers or commitment items.

Maintaining Carryforward Rules

6. Choose *Back*.

    This takes you to the *Basic Screen*.

    The system checks that you have not specified that more than 100% of the residual budget should be carried forward. If errors occur, choose *Extras → Error log* to display the error log.

    The system displays the entries you have made. The system displays the generic rule for the individual elements for which you have not made any specific entries. If you have made more than one valid entry for an element and distributed the residual budget, say, using percentages, to more than one element in the new year, the total of these percentages is displayed.

7. Save your entries.

Result

You have defined carryforward rules for a certain fiscal year. When starting programs which execute fiscal year change operations, the commitments carryforward and the carryforward of residual budget are done according to these rules.

Copy Carryforward Rules

Use

Carryforward rules are created year-dependently. So that you do not have to create new carryforward parameters and corresponding carryforward rules for the commitments carried forward and budget transfer for every year, this program (RFFMCFC1) enables you to copy carryforward rules from the carryforward rules of a fiscal year. You have the following options for this:

From	To	
Carryforward parameter X / Fiscal year X	Carryforward parameter X	Fiscal year Y
	Carryforward parameter Y	Fiscal year X
	Carryforward parameter Y	Fiscal year Y

Prerequisites

- The target carryforward parameter and/or the target fiscal year must have different templates

- No carryforward rules may be defined for the target carryforward parameter in the target fiscal year.

  This prerequisite does not apply if you set *Delete old rules (target)* when executing the program and thereby delete already existing rules in the target fiscal year.

- The carryforward rules must correspond to the carryforward type of the target carryforward parameter.

Procedure

In order to copy carryforward rules choose *Accounting → Financial accounting → Funds management → Additional functions → Closing operations → Carryforward rules → Copy.*

See the program documentation for more information.

Displaying Carryforward Rules

1. Choose *Accounting* → *Financial accounting* → *Funds Management* → *Additional functions*→ *Closing operations*→ *.Carryforward rules* → *Display.*

2. Enter the required data on the initial screen.

    If you do not specify a fiscal year, the system calculates one, based on the current fiscal year and the time horizon entered in the budget profile.

    If you do not want to display the whole funds center and commitment item hierarchy, you can enter a funds center and commitment item from which the hierarchy is to be built up. In addition, you can Restrict the Levels [Seite 139].

3. Choose *Continue.*

    You reach the screen *Display carryforward rules*. Basic screen Depending on what you entered on the initial screen, the screen shows an overview of the funds centers in combination with a top commitment item, along with the entry in % for the carryforward. You can further expand the commitment item hierarchy by double-clicking again.

4. If you need more detailed information on individual elements, select one or more elements and choose *Goto* → *Maintain rules*.

    This takes you to the detail screen which shows an overview of all the rules defined for the element(s) selected.

    Choose *Extras* → *Change documents* to display the detail screen for the change documents.

Closing Operations on Commitments

Use

You can carry forward commitments posted in the current fiscal year (e.g. purchase requisitions, purchase orders, Earmarked Funds [Extern]) into the following fiscal year and these are not reduced until the following fiscal year. The commitments carried forward then debits the budget in the new year.

Prerequisites

- The closing operations in the Funds Management feeder components should be closed because changes to original documents made by the system are not automatically supported in Funds Management.

- Parked financial accounting documents (FI documents) should be reversed because these may have already used budget but are not taken into account in the commitments carryforward.

- Note that you can only execute a commitments carryforward if it is specified in the Funds Management Customizing, in the default settings for the year-end operations, that the commitments carryforward is allowed. For more information see *Funds Management* IMG, section Enter Default Settings [Extern]. Using program RFFMCFM1 [Extern] you can get an overview of the current Customizing settings.

- If you are working on a payment basis you must convert the line items from the "invoice" status to the "payment" status using the program RFFMS200. You find further information under Payment Transfer [Seite 231] as well as in the program documentation.

- If you are using the function "Revenues increasing the budget (distribution procedure)", you must use program RFFMUD01 to execute the budget increase. For more information, see Execute Budget Increase [Seite 358].

Process Flow

The carryforward of open commitment documents takes place in several steps

1. Maintain Carryforward Parameters [Seite 328]

   You must subsequently assign these to the desired value types in Funds Management Customizing under *Additional functions → Closing operations → Closing operations commitments →* Assign Carryforward Parameters for Commitments Carryforward [Extern]*.*

2. Maintain Carryforward Rules [Seite 331]

3. Select Documents [Seite 337] (RFFMC001).

   You use this program to select the documents to be carried forward according to particular selection criteria. After the program run, the selected documents in the line item table (FCABP) are flagged as "earmarked for carryforward". Subsequently you can only carry forward these documents into the new year.

4. Carry Forward Documents [Seite 338] (RFFMC010).

5. Reconstruct assigned values for the old and the new fiscal year.

Closing Operations on Commitments

For more information on this, refer to Reconstruct Assigned Values [Seite 169].

> You should only execute steps 1-2 if you want to work with carryforward rules. For small document volumes (up to approx. 100 documents) you can adjust assigned values during carryforward of the open commitment documents. In this case you must not execute the reconstruction of the assigned values separately.

Result

You can display the commitment documents carried forward in the new information system in the new year in the period 000. The documents can no longer be displayed for the old fiscal year.

Budget already assigned in the old fiscal year is released again by the commitment carryforward. If the commitment carried forward does not debit the budget of the new fiscal year you can carry forward the released Budget for the Commitments [Seite 342] into the new fiscal year.

Reversing the commitments carryforward

If open commitment documents were carried forward to the new fiscal year by mistake when carrying forward the commitments, you can move these documents back to the old fiscal year using program RFFMC040 [Seite 340].

Changes to the original document

If an invoice which was already carried forward to the new year by the commitments carryforward is reversed in *Financial Accounting*, the reversal document in *Funds Management* receives the posting date of the FI document.

Select open commitment document for a year

Prerequisites

To improve system performance, you should always execute this program (RFFMC001) in the background.

For more information, see Closing Operations Commitments [Seite 335].

Procedure

1. Choose *Accounting → Financial accounting → Funds Management → Additional functions → Closing operations → Commitment carryforward → Select documents.*

2. You must enter at least the following data to select open commitment documents:

   – *FM area*

   – *Fiscal year*

   – Payment Budget [Extern] and or Commitment Budget [Extern]

3. You can limit the selection of open commitment documents for particular FM Account Assignments and for individual documents or value types .

4. To carry forward the documents to the new fiscal year, deselect *Test run*.

5. Start the program in the background.

Result

The documents have been marked for carryforward according to your specifications. Using program RFFMC002 [Extern] you can reverse open commitments documents marked for carryforward to the new fiscal year, that is these documents will not be considered during a carryforward.

Using program RFFMC010, the selected documents can then subsequently be carried forward to the new fiscal year.

See also:

Documentation on the program RFFMC200

Carrying Forward Open Commitment Documents to the Following Year

Prerequisites

The carryforward covers only commitment documents previously selected for carryforward using program RFFMC001 [Seite 337]. If an open commitment was reduced or deleted after selecting the documents (e.g: By reversing a purchase order), these documents are not carried forward into the new year.

If you are working on a payment basis you must convert the line items from the "invoice" status to the "payment" status using the program RFFMS200. You find further information under Payment Transfer [Seite 231] as well as in the program documentation.

If you are using the function "Revenues increasing the budget (distribution procedure)", you must use program RFFMUD01 to execute the budget increase. For more information, see Execute Budget Increase [Seite 358].

Procedure

1. *Choose Accounting → Financial accounting → Funds Management → Additional functions → Closing operations → Commitment carryforward → Carry forward documents.*

2. You must enter the following data to carry forward the open commitment documents:

   – *FM area*

   – *Fiscal year*

   – Payment Budget [Extern] and/or Commitment Budget [Extern]

3. You can limit the selection of open commitment documents for particular FM Account Assignments [Extern] and for individual documents or Value Types [Extern].

4. You must deselect *Test Run* to carry forward the documents to the new fiscal year.

5. Start the program in the background.

Result

For a precise overview of what documents have been carried forward to the new fiscal year, see the Year-End Closing Report [Seite 389]. The information system now shows the documents carried forward in period 000 of the following year, not in the period they have been in up to now.

After carrying forward open commitment documents to the new year, you must reconstruct the assigned values for the old year and the new year. For more information on this, refer to Reconstructing Assigned Values [Seite 169].

> If the open commitments were reduced or deleted in the feeder systems after being carried forward to the new year (for example, because a purchase order has been canceled), the documents affected are not automatically carried forward to the new year. You must then repeat the commitment carryforward.

See also:

Documentation on the program RFFMCF10.

Reversing the commitments carryforward

Use

Using this program you can move documents in the *Funds Management* (FM) tables back into the previous fiscal year for a specific FM area. These are documents which were carried forward to the subsequent fiscal year by mistake when carrying forward commitments.

Prerequisites

The system only moves document line items back to the old year if they were previously carried forward to the new year by the commitments carryforward. Documents which were not generated until the new fiscal year cannot be transferred to the previous fiscal year.

You must limit document selection so that the system can process the whole document. The selection criteria must match the individual document line items.

⬜

　　　　You want to move all documents which were assigned to funds center **S2** back into the old year. Document A, which was carried forward, consists of two document line items with differing account assignments:

– 　　　Item 1: Commitment item F1, Funds center **S1**

– 　　　Item 2: Commitment item F1, Funds center **S2**

　　　　In this case, you are **not** allowed to limit selection to funds center **S2**.

Procedure

1. Choose *Accounting → Financial accounting → Funds Management → Additional functions → Closing operations → Commitment carryforward → Undo.*

2. Enter an FM area.

3. In the *Old fiscal year* field, enter the fiscal year from which the documents were originally carried forward.

4. Depending on your requirements, you can select the documents based on the following selection criteria:

– 　　　FM Account Assignments [Extern]　(funds center, commitment item, fund)

– 　　　*Value type*

– 　　　*Document number*

5. Start the program in the background.

Result

The system logs the reversal of the carryforward in the Funds Management closing operations log tables and generates the following lists:

• List of documents for which the commitments carryforward was reversed

• List of documents for which the commitments carryforward could not be reversed.

After running the program as an update run, you must reconstruct the assigned values for the old **and** the new fiscal year. For more information on this, refer to Reconstructing Assigned Values [Seite 169].

☐

If you have also carried forward the respective budget for the commitments to the new fiscal year, you must run the program for carrying forward the budget for the commitments in the old year again for the documents transferred back. For further information, see Carrying Forward Budget to the New Fiscal Year [Seite 347]. The effect of this is that budget already available in the new year now belongs to the commitments transferred back to the old year again.
Before carrying forward the budget to a commitment, you must Prepare the Budget Carryforward [Seite 344] and Determine the Budget Carryforward [Seite 345].

Budget Closing Operations

Purpose

You can carry forward budget for commitments and residual budget from the old into the new fiscal year using this process.

Budget for commitments

If you have carried forward open commitments into the new year, the budget assigned in the old new year becomes free again. If the commitment carried forward does not debit the budget of the new fiscal year you can carry forward the budget for the commitments into the new fiscal year.

Residual expenditure budget

The residual budget of a year can be positive or negative. The system determines the residual budget as follows:

   Current budget

-   Assigned budget

-   Budget still to be carried forward from commitments carryforward

----

=   **Residual budget**

Negative residual budget

Residual budgets can become negative if the assigned budget and the budget to be carried forward from the commitment carryforward exceed the current budget. The negative residual budget carryforward then debits the new year's budget; it functions as an advance on the next year's budget.

Negative residual budgets can for example arise as follows: You are working with a fund and annual values. The fund was not budgeted, but the commitment values or actual values for this fund exists due to the settings for the tolerance limits. The following year's budget is then debited accordingly during budget carryforward.

Residual revenue budget

If you have budgeted expected revenues the actual revenues can be at variance with your standard values. If the actual revenues are smaller than your standard values you can carry forward this "error amount" into the new year as residual budget.

Carryforward parameters and rules

You can control process of residual budgets in a differentiated way via the definition of carryforward parameters and rules.

Prerequisites

Note that you can only execute a budget carryforward if it is specified in the Funds Management Customizing, in the default settings for the year-end operations, that the budget carryforward is allowed. For more information see *Funds Management* IMG, section Enter Default Settings [Extern]. Using program RFFMCFM1 [Extern] you can get an overview of the current Customizing settings.

The Commitment Carryforward [Seite 335] must be executed before the budget carryforward because the budget tied to the commitment is included in the calculation of residual budgets.

If you are using the function "Revenues increasing the budget (distribution procedure)", you must use program RFFMUD01 to execute the budget increase. See Execute Budget Increase [Seite 358] for more information.

Process Flow

Process flow residual budget

1. Maintain Carryforward Parameters [Seite 328] and assign these to the desired value types in Funds Management Customizing under *Additional functions → Budget closing operations → Settings for residual budgets carryforward payment budget/commitment budget.*

2. Maintain Carryforward Rules [Seite 331]

3. Prepare Budget Carryforward [Seite 344] (BPINDX05).

4. Determine Budget Carryforward [Seite 345] (RFFMCF25)

5. Carry Forward Budget to the Following Year [Seite 347] (RFFMCF30).

> You should only execute steps 1-2 if you want to work with carryforward rules.
> You must carry out steps 2-3 together to ensure that the carryforwards are based on the most up-to-date data.

Flow of budget to commitments

In order to carry forward budget to commitments, execute steps 3-5 only.

Result

The budget carried forward is available in the new fiscal year.

> If a budget carryforward has taken place for a fiscal year, you can no longer change the setting for the behavior of the availability control within the hierarchy. You find further information in the *Funds Management* IMG in the section Specify Behavior of the Availability Control in the Hierarchy [Extern]

Preparing the budget carryforward

Procedure

1. Choose *Accounting → Financial accounting → Funds Management → Additional functions → Closing operations → Budget carryforward → Prepare.*

2. Enter the following data:

–   *FM area*

–   *Fiscal year*

–   *Fund* (if you are using funds)

3. Start the program in the background.

Result

The system compiles all the commitment/actual data for the past fiscal year and sets it against the budget. The procedure is different for expenditures and revenues.

Expenditures:

The system determines the values according to the availability control For more information, see Availability Control Settings [Seite 157].

Revenues:

If you have not defined any Budget Objects [Extern] in the Budget Structure [Extern] the revenues are not added together in the first budget object element, but remain in the element to which they were assigned. This element is then the sender element in the budget carryforward.

If you have defined budget objects in the budget structure, the revenues are pulled up to the first budget object found in the hierarchy. This budget object is then the sender element in the budget carryforward.

> Start the programs for Determining the Budget To Be Carried Forward [Seite 345] and for the Carryforward [Seite 347] immediately after this program. This ensures that you are working with the most current data. If, after running the program, you make further postings or carryforwards concerning the open commitment, you must run program BPINDX04 again too.

Determine Budget Carryforward

Prerequisites

- You must Prepare the Budget Carryforward [Seite 344] (using program BPINDX04) immediately before starting this program.

- You cannot start program RFFMC010 for transferring open commitment documents during the program run.

- To improve system performance, always execute this program (RFFMCF25) in background processing.

Procedure

1. Choose *Accounting → Financial accounting → Funds Management → Additional functions→ Closing operations → Budget carryforward → Determine.*

2. To determine the budget, enter at least the following data:

   - *FM area*

   - *Budget version*

     If you do not enter a budget version the system determines the values for the budget version 0.

   - *Fiscal year*

   - *Budget types*

     You can determine the commitments budget carryforward and the budget remainder (expenditures/revenues) together.

3. You can delimit the determination of carryforward amounts for particular FM Account Assignments [Extern]

4. You can determine budget carryforward for the Payment budget [Extern] and/or the Commitment Budget [Extern] as well as for the commitments budget and the budget remainder (expenditures/revenues) together.

5. If you want to carryforward negative residual budgets, choose *Determine negative residual budget*.

   Residual budgets can become negative if the assigned budget and the budget to be carried forward from the commitment carryforward exceeds the current budget. Negative residual budgets carried forward are charged against the budget for the new year.

6. Start the program in the background.

Result

The system displays the amounts selected for carry forward which you can transfer into the new fiscal year using the RFFMCF30 program.

Determine Budget Carryforward

After the program was completed in the update run, you can use this program RFFMCF26 [Extern] to selectively delete the determined amounts from the budget carryforward.

See also:

Documentation on the program RFFMCF25.

Carrying Forward Budget to Following Year

Prerequisites

- The budget carryforward is prepared by the program BPINDX05 [Seite 344]

- Determine the budget to be carried forward by running program RFFMCF25 [Seite 345]

- If you are using the function "Revenues increasing the budget (distribution procedure)", you must use program RFFMUD01 to execute the budget increase. See Execute Budget Increase [Seite 358] for more information.

Procedure

1. Choose *Accounting → Financial accounting → Funds Management → Additional functions → Closing operations → Budget carryforward → Execute.*

2. Enter the required data.

3. Start the program in the background.

Result

You can get an exact overview of the budget which has been carried forward by running the Year-End Report [Seite 389]

Balance Carryforward in Fund

Use

The balance carried forward allows an overview by period of the funds inventories.

Unlike the closing operations which affect the open commitments documents and budget values, the funds with amount type "0360" are carried forward in the balance carryforward of actual and commitment values.

You can access the cumulated data of several fiscal years in the current fiscal year in for long-term funds using the carryforward of actual and commitment data.

The following graphic shows the difference between the fund balance carryforward and the commitments carryforward. With the latter, the open commitments are carried forward to the corresponding commitment items in the new year. With the former, the balances of the commitment items are accumulated and carried forward to a carryforward commitment item.

Balance Carry Forward Funds and Commitments Carry Forward
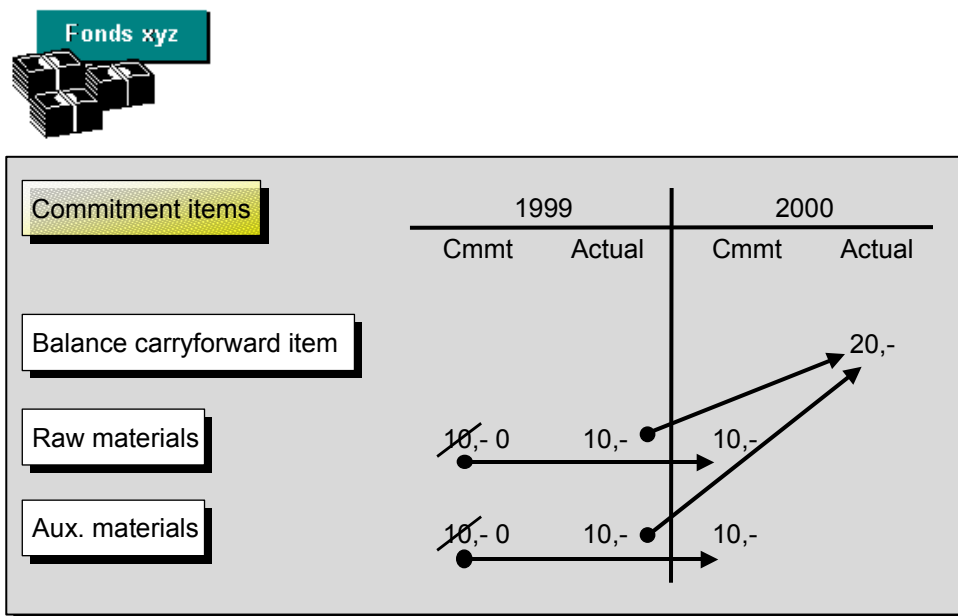
The summation of the commitment item balances to carryforward commitment items makes a summarization to the required detail level possible. In a fund balance carryforward, the values to be transferred to the carryforward item(s) are summarized; the fund and the funds center do not change.

Enhancement of the balance carryforward

The balance carryforward as delivered in the standard, allows you to precisely assign a carryforward item category in the commitment item master record. Should this assignment be insufficient for your needs, you can enhance the features of the balance carryforward as delivered by SAP by using enhancement **SAPFMVTR** to:

- Define your own balance carryforwards

- Override sender/receiver relationship (carryforward item category)

- Exclude totals records from processing

- Define the value types to be processed

See the **SAPFMVTR** program documentation for more information about the enhancement of carryforwards.

Prerequisites

Customizing

Several or at least one carryforward item category must be defined per FM area. A carryforward commitment item must be assigned to every carryforward item category.

For further information, see the Funds Management IMG under *Additional functions → Closing Operations → Fund Balance Carryforward Closing Operations → Define carryforward item category*.

Master data maintenance

- You must be working with funds.

- In the fund master record the *Balance update* indicator must be set.

- A carryforward item category must be defined in the master record of the commitment items relevant to the fund.

> If you work on a payment basis, you must start program **RFFMS200** before executing the balance carryforward. The program RFFMS200 converts cleared invoices in the Funds Management financial accounting from the status "Invoice" to the status "Payment".

Activities

The system does not execute the balance carryforward automatically. To do so, you must start program **SAPFMVTR**.

Choose *Accounting → Financial accounting → Funds Management → Additional functions → Closing operations → Fund balance carryforward.*

See also:

Program documentation SAPFMVTR

Program documentation RFFMS200

Revenues Increasing the Budget

Purpose

This component comprises the functions with which you can increase existing expenditure budget for particular functional areas due to <u>Additional revenues [Extern]</u>.

Integration

In order for revenue postings to function as budget-increasing, you must use the Financial Accounting components *G/L accounting* and *Accounts receivable accounting.*

Features

- <u>Distribution rules [Seite 351]</u>

  Rules which define which share of a revenue should function as budget-increasing for which expenditures FM account assignment(s) form the basis.

  The rule also determines the FM account assignment, the so-called surplus FM account assignment, into which residual revenues flow, which do not function as budget-increasing on the expenditure FM account assignments.

- Options for which event allows a budget increase

  At the time of the customer invoice or not until the time of the incoming payment.

- You can choose to increase the budget automatically or manually

- Evaluations

  - Comparing current budget - budget from revenues

  - Budget deficit display

  - Distribution rules list

Distribution rules

Definition

Definition for each revenues FM account assignment for which expenditures FM account assignment(s) and at which level revenues increase the budget.

The rule also determines the FM account assignment, the so-called surplus FM account assignment, into which residual revenues flow, which are not budget-increasing for the expenditure FM account assignments.

Use

Distribution rules form the basis for increasing existing expenditure budget for particular functional areas due to Additional Revenues [Extern]

In the Funds Management Customizing you define in a proposal rule at which level a revenue increases the budget (definition or additional revenue). Besides this you define a surplus FM account assignment in the proposal rule. The definitions appear within the Rule Maintenance [Seite 83] as a default value and can be overwritten per revenues FM account assignments. You must define per revenues FM account assignment within the rule maintenance for which expenditures FM account assignment(s) the expenditure budget can be increased.

Structure

A distribution rule consists of:

- **Budget memo**

   You can control by defining a budget memo for the revenues FM account assignment and expenditures FM account assignments, whether the budget increase is executed automatically or manually.

- **Assigning expenditures FM account assignment(s) to a revenues FM account assignment**

   You can define per expenditures FM account assignment what percentage of the budget increasing amount of a revenue is allotted to these.

- **Definition of additional revenues**

   The system calculates the respective revenue amount which can increase the budget of the expenditures FM account assignments or flows into the surplus FM account assignment, from the following values:

   – **Percentage rate**

      By specifying a percentage rate you determine which share of a revenue can be distributed to the expenditures FM account assignments.

   – **Minimum revenue and upper limit**

      Fixed amounts

      You can determine by specifying an interval from which amount (minimum revenue) and to which level (upper limit) revenues, which are posted to the revenues FM

Distribution rules

account assignment, increase the budget of the expenditures FM account assignments.

Percentage of the budget

If you have budgeted for revenues you can define the minimum revenue and upper limit in relation to the current revenues budget, instead of a fixed amount. For instance, you define by entering a percentage rate of 100% for the minimum revenue, that only revenues which go beyond the budgeted revenues are budget increasing.

If you do not define a minimum revenue and an upper limit each respective revenue in accordance with the percentage rate described above is budget increasing. Otherwise revenues are not budget increasing on the expenditures FM account assignments until after reaching the minimum revenue and only up to reaching the upper limit.

– **Surplus FM account assignment**

The residual revenues flow into the surplus FM account assignment which should not be budget increasing on the expenditures FM account assignments assigned to the revenues FM account assignment. This includes:

Revenues which are under the minimum revenue or over the upper limit. If you have defined in Customizing that the minimum revenue is **not budget increasing** then this does not function as budget increasing on the surplus FM account assignment, but remains on the revenues FM account assignment.

Residual revenues which do not increase the budget of the expenditure FM account assignments due to an appropriate definition of the percentage values (< 100).

You can transfer the revenues collected on the surplus FM account assignment to other FM account assignments.

For examples of distributing revenues to expenditures FM account assignments and the surplus FM account assignment, see Distribution of the Additional Revenues [Seite 354].

Integration

Budgeting and Availability Control

The active availability control can only check the assigned funds against the budget for the elements with budget, which already have their "own" budget and so carry budget independently of the revenues increasing the budget. Elements which only have budget from revenues increasing the budget are not taken into account in the check.

You must therefore ensure that the expenditures FM account assignments, which you assign to the revenues FM account assignments as receiver, are budgeted for. This also applies to the surplus FM account assignment(s).

If you are working with Budget Objects [Extern] the account assignments must be marked as budget objects. If you have defined in Customizing, under *Budgeting* and availability control → Availability control → *Define behavior of the availability control within the hierarchy* that the availability control should run against the first budget object, then these budget objects must likewise have their "own budget".

For further information on determining the elements with budget, see Determining the Elements with Budget: Procedure Without Budget Objects [Seite 160] and Procedure With Budget Objects [Seite 162]

Distributing the additional revenues

You can use the distribution rules to define which share of a revenue and at which level revenues on the expenditures FM account assignments even increase the budget and which share should flow onto the surplus FM account assignment. Different scenarios are conceivable here.

The following graphic represent the distribution of a revenue to the expenditures FM account assignments and the surplus FM account assignments using the program RFFMUD01, if you work with all values which the distribution can control.

Customer invoice 2.500 Revenues FM account assignment XYZ

RFFMUD11

Distribution rule Revenues FM account assignment XYZ			
Minimum revenue Amount: 500	Budget increase 100% (Amount: 1.000)		Upper limit Amount: 1.500
	XXX 20%	YYY 40%	ZZZ 30%	

Budget increase
RFFMUD01

XXX 200	YYY 400	ZZZ 300	Surplus FM account assignment 1.600 (500+100+1.000)

Transfer Budget
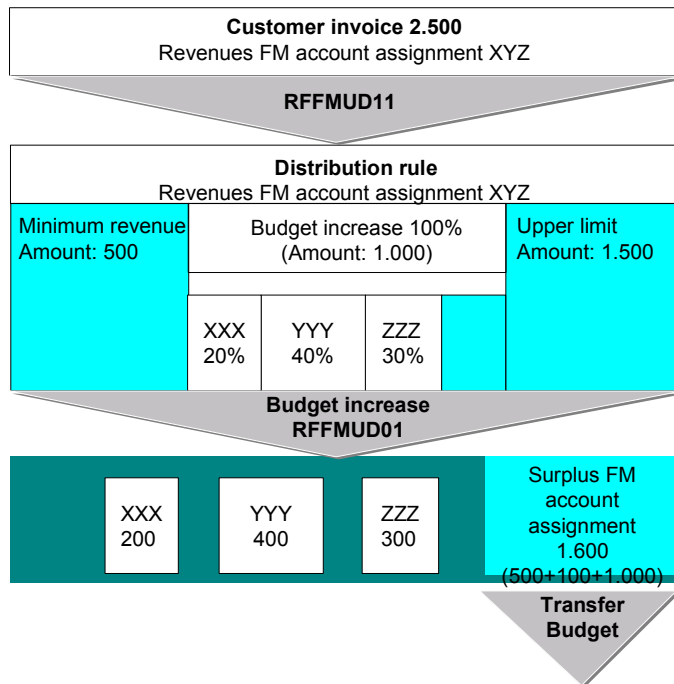
If you do not define an interval with reference to the example above then only 250 would flow onto the surplus FM account assignment. This amount results from the incomplete distribution of the revenue (only 90 %) to the expenditures FM account assignments. The distribution to the expenditures FM account assignments would be as follows: XXX **500,** YYY **1.000,** ZZZ **750**.

Revenues Increasing the Budget Dist. Procedures

Purpose

This process enables you to increase existing expenditure budget for particular functional areas due to additional revenues [Extern].

Prerequisites

- The required settings must be maintained in the *Funds Management* Customizing.

  The budget increase can either take place after receipt of the customer invoice or not until the time of incoming payment, depending on the Customizing settings chosen.

- Distribution rules [Seite 351] for the revenues-FM-account Assignments must be maintained in the master data maintenance. As a rule you define if the budget increase takes place automatically or manually by storing a budget memo.

For more information on the settings in Customizing, refer to the *Funds Management* IMG in the sections *Maintain budget memos* and *Enter settings for the revenues increasing the budget*.

Process Flow

1. The process begins when posting a customer invoice which contains a revenues-FM-account assignment as an additional account assignment.

2. In order to execute a budget increase automatically or manually you must first start the program RFFMUD11.

   The program selects all the revenues documents posted in Financial Accounting and checks if a distribution rule has been defined for the revenues-FM-account Assignment, according to which the budget increase should take place. The program determines the expenditures-FM-account assignments for which the budget should be increased, on the basis of these distribution rules. This information is stored in the system as additional data to the FI document.

3. **Automatic Budget Increase**

   The automatic budget increase takes place via the program RFFMUD01. This program determines both the respective amount for the expenditures-FM-account assignment budget increase and the surplus-FM-account assignment on the basis of the information provided by program RFFMUD11, and increases the budget accordingly. The program generates budget documents (budget transaction KBI1).

   Automatic Budget Increase

   If you want to execute the budget increase manually for many FM account assignments, you must also start the program RFFMUD01, but with the *Manual Budget Increase* indicator. You then receive a log displaying all documents with a manual budget increase. You can use this list to decide which account assignments receive a budget increase manually e.g. by a budget supplement.
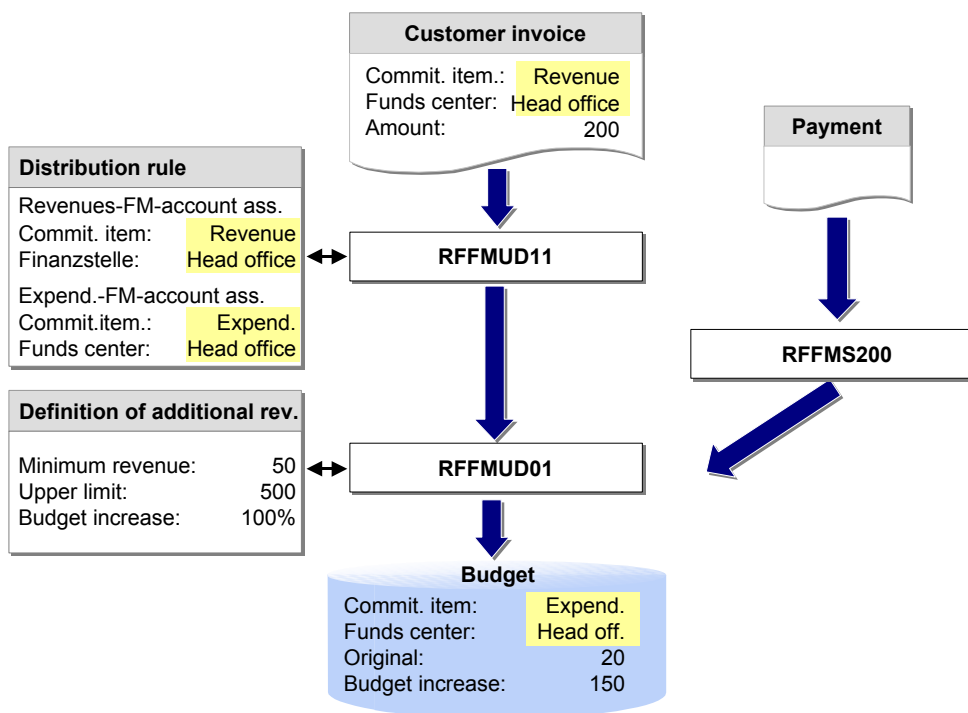
   Budget increases after incoming payments

   You must start the program RFFMS200 before starting program RFFMUD01 if you have defined in Customizing that a budget increase should not take place until after the incoming payment. This program converts the line items from the status "invoice" to the

Revenues Increasing the Budget Dist. Procedures

> status "payment". For more information on the program RFFMS200, see the documentation on the program.

Distribution Procedures Revenues Increasing the Budget

Customer invoice	
Commit. item.:	Revenue
Funds center:	Head office
Amount:	200

Payment

Distribution rule	
Revenues-FM-account ass.	
Commit. item:	Revenue
Finanzstelle:	Head office
Expend.-FM-account ass.	
Commit.item.:	Expend.
Funds center:	Head office

RFFMUD11

RFFMS200

Definition of additional rev.	
Minimum revenue:	50
Upper limit:	500
Budget increase:	100%

RFFMUD01

Budget	
Commit. item:	Expend.
Funds center:	Head off.
Original:	20
Budget increase:	150

Result

You can use a manual budget transfer to distribute residual revenues, which have flowed into the surplus-FM-account assignment, to other expenditure FM account assignments

The budget is increased in the year determined by the system, corresponding to the settings of the valid Update profile [Extern]

> The budget increase should take place after the incoming payment. It is defined in the update profile that payments are updated Funds Management with the invoice date. A customer invoice posted in 1998, for which the payment takes place in 1999, increases the budget in 1998.

You must differentiate between the following cases with regard to output tax, depending on the settings you have chosen in the *Funds Management* Customizing in the work step *Enter other settings.*

Output tax

If you have a	then the

Net display	the net amount of the revenue (income without VAT) is budget-increasing
Gross display	the gross amount of the revenue (income and VAT) is budget-increasing
Separate display of the output tax	the output tax is not budget increasing

See also:

Distributing the additional revenues [Seite 354]

Increasing the Budget

Prerequisites

- The required settings must be maintained in the *Funds Management* Customizing.

  For more information on this, refer to the *Funds Management* IMG in the sections *Maintain budget memos* and *Enter settings for the revenues increasing the budget*.

- Distribution rules [Seite 351] for the revenues-FM-account assignments must be defined in the master data maintenance.

- To take cash discount and exchange-rate differences into consideration, you must run program SAPF181 before increasing the budget. For more information, see the program documentation.

  You cannot change the distribution rules when executing the program.

Generating Documents

1. Choose *Further functions → Budget increasing. Revenues → Generate documents.*

2. Enter an FM area and a fiscal year.

3. Start the program.

Result

In the update run the program selects all the revenues documents posted in Financial Accounting and checks if a distribution rule has been defined for the revenues-FM-account assignment, according to which the budget increase should take place. The program then determines the expenditures-FM-account assignments for which the budget should be increased, on the basis of these distribution rules. This information is stored in the system as additional data to the Financial Accounting document and forms the basis for the execution of the budget increase with the program RFFMUD01.

In the test run the program generates a list of all posted revenues-FM-account assignments for which no distribution rule was defined and for which the revenues therefore cannot function as budget-increasing. You can use the list to decide if these revenues should be budget-increasing. You then maintain the distribution rules in the master data maintenance for the corresponding revenues-FM-account assignments. Subsequently start the program RFFMUD11 again in the update run.

Increasing the Budget Automatically

1. Choose *Further functions → Budget increaing. Revenues → Increase budget.*

2. Enter an FM area and a fiscal year.

3. You can restrict the selection for particular funds.

4. Start the program.

Result

The program generates a list in which, for every expenditures-FM-account assignment, for which the budget was increased, the originating revenues-FM-account assignment is displayed with the increasing amount per document item of the customer invoice.

Increasing the Budget Manually

Execute steps 1 to 3 as described above. Set the *Manual Budget Increase* indicator when doing this.

Result

For the revenues-FM-account assignments, for which you have stored a budget memo in the rule maintenance with the budget memo type 04 (manual), the postings are only displayed in a log. You can use this list to decide which expenditures-FM-account assignments receive a budget increase manually e.g. by a budget supplement.

- **Evaluations**

Budget deficits: When undoing revenues increasing the budget, e.g. by undoing clearing or reversal, budget deficits can arise if the budget from the revenues increasing the budget has already been used. For more information on evaluating budget deficits, see Displaying Budget Deficits [Seite 361].

Comparing current budget - budget from revenues In the Funds Management information system you can display per expenditures-FM-account assigment how much budget the expenditures-FM-account assignment has received from revenues. For this choose *Accounting → Financial accounting → Funds management → Info system → Report selection → Totals records → Budget → Revenues increasing the budget (Annual budget).*

- **Time of budget increase**

In the Funds Management Customizing you can define the time, incoming payment or customer invoice, at which the budget increase should take place. If you have defined in Customizing that revenues should not increase the budget until after receipt of the **payment,** then you should take the following into account:

Before starting the program RFFMUD01 you must start the program **RFFMS200.** The program converts the line items from the status "invoice" to the status "payment". You run program RFFMS200 by choosing *Posting → Payment accrual.* For more information, see the program documentation.

- **Period values**

If you have stipulated in the valid budget profile that you are working with period values, the revenues increasing the budget are recorded as follows in Funds Management:

If you have stored a distribution key (DK), the revenue is distributed in line with the DK.

Increasing the Budget

If you have not stored a DK in the budget profile, all of the revenue is entered in the period matching the budget document date. The document date is the date on which the program RFFMUD01 is started.

Budget deficit display

Use

Budget deficits can arise if budget from a revenue increasing the budget (BE) was already used, but this revenue was undone by postings in Financial accounting; e.g. by undoing facilities, reversal, reverse postings or credit memos on the revenue side.

The budget deficit results from the comparison on distributable budget and assigned budget. If the assigned value is larger than the distributable value the difference amount is displayed as budget deficit.

Budget deficits can also result from budget updates (e.g. returns of transfers) in Funds management provided that the update was carried out with budget from revenues increasing the budget, but the revenue having been undone. In this case the budget can become negative.

Example: Budget deficit by reversal

Activity	Current budget	Distributable	Assigned	Budget deficit
Initial situation:	1.000	1.000	-	-
BE 1.000	2.000	2.000	-	-
Invoice 1.200	2.000	2.000	1.200	-
Reversal BE	**1.000**	1.000	**1.200**	**- 200**

The assigned value is larger than the distributable value by 200 and is correspondingly displayed as budget deficit.

Features

List of the budget deficits per expenditure FM account assignment

Activities

To list budget deficits choose Accounting → *Financial accounting → Funds management → Info system → Report selection → Totals records → Assigned values → Against Budget → Budget deficits (annual budget)*.

The respective amount for the budget deficits is displayed marked red. In order to avoid budget inconsistencies you should check which accounting transactions cause budget deficits and if desired which manual budget transfers cause the budget deficit to be closed.

If a budget deficit is caused by an undoing facility for example, this can only happen if the budget increase takes place in accordance with the Customizing settings at the time of the payment - you do not have to execute any further activities. The budget deficit only exists until it is closed by the correct assignment of payment to invoice.

Information System

Purpose

You can use the information system to analyze the business transactions relevant to *Funds Management*. This means it is possible, for example, to generate overviews of the budgets (such as approved and released budget), budget usage (actual and commitment values), and the residual budget (that is, budget still available) in your organization.

You can carry out both recurring standard evaluations and also create reports for any specific questions and tasks. You can analyze all data interactively directly after entering it into the R/3 System and trace its origin up to document level. You can also run all reports available online in the background. This is particularly useful with very comprehensive datasets.

Integration

The components you need depend on the type of evaluations which you want to carry out.

Components needed for the information system

For analyzing/using...	... you need the (FM) component
Master Data Indexes	Basic Data
Totals Record Reports	Budgeting and Availability control/Commitment and actual updating
Line item reports	Budgeting and Availability control/Commitment and actual updating
Year-end closing	Closing operations
Analyses	Commitments and actual updating; possibly also FI and MM

Depending on the type of integration, you also need other components, such as CO if you are using original data from CO for assessments.

Features

Master Data Indexes

You generate master data indexes to:

- Obtain an overview of the master data created.

- Display the assignment of the Funds Management master data objects to master data objects from other components.

For more information, see: Master Data Indexes [Seite 366].

Totals records

You generate totals records reports to provide an overview about the cumulated status of your data. You can look at the line items belonging to each totals record report.

For more information, see: Totals Record Reports [Seite 371]

Line items

You generate line item reports to obtain a more detailed representation of the postings executed. You can display the respective original document directly from the list of line items found.

Line items are generated for each posting. They contain information on the FM account assignment, the amount posted, the posting date, and the user who made the posting.

Line item reports are usually represented in Funds Management with the ABAP List Viewer. This enables you to select both the selection criteria and the fields to be displayed in the list individually.

For information on the standard line item reports in Funds Management, see: Line Item Reports [Seite 385]. For information on the ABAP List Viewer, see: ABAP List Viewer [Extern].

Year-end closing

You generate the report on year-end closing to obtain an overview of the closing operations carried out when the fiscal year changes.

The reports on year-end closing display the commitments carried forward, the budget assigned to these commitments and the other carryforward budget. You can branch from the commitments carried forward into the corresponding line items and the document display from the report on year-end closing.

Analyses (matching)

You can use these reports to compare documents from different counters and to specify differences if desired.

Customizing for the Information System

Use

You make the report tree and drilldown report definitions in the Customizing for the info system. With these settings, you can adapt the standard drilldown reports for *Funds Management* delivered by SAP to your organization's needs. You enter the Customizing via the *Funds Management* IMG. You will find further information there in the section Create/Change Report Selection [Extern].

Features

With every new put level, you must import both the report tree and the new drilldown reports from client 000 into your working client in Customizing for *Funds Management.* To do this, choose:

- Create/change report tree

- Import report from client 000

☐

>   If you use the new "Easy Access" menu, you do not need to execute the "Create/change the report tree" activity. All reports contained in the standard delivery are able to be executed via the Funds Management menu.

Activities

In order to import the report tree from the client 000 into your working client choose *FM Information System → Create/change report selection* in the IMG. Then choose *Report tree → Import.*

In order to import the new drilldown reports and forms from client 000 in your working client, choose *Information system →Drilldown reports → Reports (or Forms) → Import report from customer 000* from the IMG (or: *Import form from client 000)*

Note that you have to import the forms and reports separately with the report type *Hierarchies of the account assignment elements* **and** with the report type *Hierarchy of the FM account assignment.*

☐

>   This function also enables you to transport drilldown reports or forms from one client to another.

To find out how to make these settings, read the documentation for the individual steps in the Implementation Guide (IMG) for *Funds Management*.

Identifying Statistical Postings

Use

Although statistical postings are updated in Funds Management, no availability control takes place. These postings are identified separately in reporting.

Integration

A posting item is updated statistically under the following conditions:

- By User Exits

- By Customizing (update profile per value type)

- By flagging the commitment item as statistical

- By flagging a document (e.g. a funds commitment) as statistical

- By flagging the MM movement type as not budget relevant

- By flagging the AM movement type as not budget relevant

- By the warehouse concept

Features

Reports, which construct on the **ABAP Listviewer**, include the new column "Stat. ind." If the posting is statistical, it is identified in this column as an "X".

The following reports are involved:

- Totals records for the commitments/actuals list (RFFMTO10)

- Commitments and funds transfers (RFFMEP10)

- FI postings (RFFMEP1F)

- CO postings (RFFMEP1C)

- All postings (RFFMEP1A)

Reports, which are based on the **drilldown**, can also identify statistical postings. For this, you must include the characteristic "Statistical indicator" in the desired program.

See also:

Statistical Postings [Seite 215]

Master Data Indexes

Use

You use master data indexes to obtain an overview of the master data that has been created. Apart from this, you can use master data indexes to display assignments of master data objects from Funds Management to master data objects from other components.

Features

The following types of master data indexes are available:

- Lists sorted alphabetically

- Hierarchy graphics for funds centers, commitment items and the budget structure

- Assignments of FM account assignments (funds center, commitment item and fund) to master data objects from other components

   These assignments can be displayed in the information system when you have assigned the FM account assignment to the master data objects of the other component desired.

Assignment: FM account assignment to	Prerequisites
Cost centers	• Using *Controlling* component • FM account assignment assigned to the cost center
CO order	• Using *Controlling* component • FM account assignment assigned to the order
WBS elements	• Using *Project System* component • FM account assignment assigned to the WBS element
Profit centers	• Using *Controlling* component • FM account assignment assigned to the profit center
Assignment: Commitment item to	**Prerequisites**
G/L account	- Using *Financial Accounting* component - Commitment item defined in the G/L account
Cost elements	- Using *Controlling* component - Commitment item to cost element

Activities

You can find all the master data indices by choosing *Accounting → Financial Accounting → Funds management → Information system → Report selection → Master data indices*.

To improve system performance, your selection should be as specific as possible. If you do not make any selections, the system evaluates the **whole** hierarchy.

Hierarchy Graphics for Funds Centers

Use

This program generates a hierarchically sorted graphic depiction of the funds centers you have selected.

Integration

You can call up other FM master data indexes from this selection screen.

In addition, you can have the the master data records for the selected funds centers displayed from the list issued as well as branch into the alphabetical list of funds centers.

Features

Selection

To improve system performance, your selection should be as specific as possible. You can restrict a funds center hierarchy to a subhierarchy by specifying a funds center, that is all funds centers will be displayed that are hierarchically below the fund center entered.

Output:

You can change the display of the list issued by expanding or compressing the nodes. It is also possible to set a focus on a subhierarchy. The focus reduces the selected funds center hierarchy and only shows those funds centers that are hierarchically below the entered funds center. The reduction of the funds center hierarchy is therefore possible during selection as well as output. A reduction during selection is preferable with regard to performance.

Hierarchy Graphics for Commitment Items

Use

This program generates a hierarchically sorted graphic depiction of the commitment items structure elements you have selected.

Integration

You can call up other FM master data indexes from this selection screen.

In addition, you can have the the master data records for the selected commitment items displayed from the list issued as well as branch into the alphabetical list of commitment items.

Features

Selection

To improve system performance, your selection should be as specific as possible. You can restrict a commitment item hierarchy to a subhierarchy by specifying a commitment item, that is all funds centers will be displayed that are hierarchically below the fund center entered.

Output:

You can change the display of the list issued by expanding or compressing the nodes. It is also possible to set a focus on a subhierarchy. The focus reduces the selected commitment item hierarchy and only shows those commitment items that are hierarchically below the entered commitment item. The reduction of the commitment item hierarchy is therefore possible during selection as well as output. A reduction during selection is preferable with regard to performance.

Budget Structure Elements Hierarchy

Use

This program generates a hierarchically sorted graphic depiction of the budget structure elements you have selected.

For more information about how the budget structure works see here [Seite 56].

Integration

You can call up other FM master data indexes from this selection screen.

Features

Selection

To improve system performance, your selection should be as specific as possible. On one hand, you can do this using the Restrict Levels [Seite 139] function. On the other hand, you can restrict the commitment item hierarchy as well as the funds center hierarchy to a subhierarchy by entering a commitment item or a funds center. This program then displays all commitment items/funds centers that are hierarchically below the entered commitment item/funds center.

Output:

You can change the display of the list issued by expanding or compressing the nodes. It is also possible to set a focus on a subhierarchy. The focus reduces the selected commitment item hierarchy and only shows those commitment items that are hierarchically below the entered commitment item. The reduction of the commitment item hierarchy is therefore possible during selection as well as output. A reduction during selection is preferable with regard to performance.

Totals Record Reports

Use

Totals records reports evaluate totals records. The totals records provides you with a quick overview of the accumulated status of your data.

Features

Totals records reports are either based on the free drilldown or on the ABAP List Viewer. Both are dialog oriented information systems which can evaluate the dataset according to all the features contained in the data description.

See also:

Drilldown Reports in Funds Management [Seite 372]

ABAP List Viewer [Extern]

Drilldown Reports in Funds Management

Use

Drilldown reports are the result of evaluations of data collected in *Funds Management*. Only the totals records are evaluated here. You carry out these evaluations using drilldown reporting, a dialog-oriented information system. Drilldown reporting is capable of evaluating the data according to all the characteristics contained in the data description.

You can create your own drilldown reports if you have questions that cannot be answered by the standard drilldown reports delivered by SAP.

If you create your own reports, the report name must begin with a letter.

For a detailed description of drilldown reporting see Implementation of Drilldown Reporting [Extern].

Prerequisites

The current drilldown reports and forms must have been imported into the working client. For more information, read Customizing for the Information System [Seite 364].

Features

Since you can only create reports with a form in *Funds Management*, creating a drilldown report involves two main steps:

- Creating forms

  In a form you define the content and formal structure which is displayed in the report in the detail list. Here you determine the characteristics and key figures (such as overall budget, annual budget, and commitment/actual data) which you want to display in the report.

  You create your own forms in Customizing for *Funds Management*. The type of form used depends on the desired report layout or the desired navigation options. You can find an overview of the different types of forms under Report with Forms [Extern].

- Creating reports

  You can define default values when creating a report. Besides this you can define the navigation options, that is for which features a drilldown list can be displayed.

  You create your own reports in Customizing for *Funds Management*.

  For full information on creating drilldown reports, see: Create Report [Extern]

Within a drilldown report various functions are available, such as navigating, interactive editing, and printing. For detailed information on all functions, see Working with the Report [Extern].

Characteristic Values in Funds Management

Characteristics prescribe the dataset classification options. You can navigate through the characteristics in the report list, as you require. Every application has its own characteristics, which can be distinguished from those of other applications.

Use

Depending on the subject matter you want to analyze, you can or must use different characteristics. The following list of characteristics is not complete. Only those characteristics for which you have to note special features have been selected.

Characteristic values

Characteristic	What you should be aware of
FM area	You must specify this characteristic if you want to create a form with a key figure in FM area currency. You must likewise specify an FM area if you have defined hierarchy nodes as selection criteria for funds centers and commitment items in the form. All specified FM areas must have the same fiscal year variant.
Version	To improve system performance in drilldown reporting, you should always specify a budget version in the form. How you specify the version depends on the situation: If you want to display commitment/actual data and the budget from budget version 0, you can specify the version by choosing *Gen.data selection* in the form. If you want to display budget/actual data but the budget from a budget version other than 0, you must specify budget version 0 in the commitments/actuals column and the version that you want to see in the budget column. The drilldown reports for the budget delivered in the standard system always evaluates **budget version 0**.
Activity for budget/plan (Act. Budg/Pl)	This characteristic contains the budget updates (e.g. supplements, returns etc.). If you want to display the total of all the budget updates in a report, either enter **no** individual characteristic values for this characteristic, or enter all of them.
Period/Year	You must specify this characteristic if you want to carry out evaluations across fiscal years (such as 010/1998 - 003/1999).
Value type	This characteristic serves - with regard to the commitment/actual data - to differentiate the various accounting transactions (e.g. purchase order, invoice etc.) With regard to the budget data, it serves to differentiate between budget and releases of budget.

Characteristic Values in Funds Management

Transaction currency	You must specify this characteristic if you want to create a report with a key figure in the transaction currency.
FM account assignment	If you have specified the option Hierarchy of the *FM account assignment* when defining forms and reports, the funds, funds centers and commitment items are automatically represented as **one** characteristic. The characteristic values correspond to the budget structure elements defined.
	You should only execute reports defined in this way if you work with budget objects and posting objects and you want to evaluate these. If you are not working with budget objects, performance problems may arise when using budget structure elements in the drilldown.
	You cannot use this characteristic when defining forms.
Statistics indicator	You use this indicator when you want to evaluate statistical postings. Although statistical postings are updated in Funds Management, no availability control takes place. In addition, statistical posting do not consume budget.
Amount type	This characteristic classifies document amounts. If, for instance, a purchase order of $100 is created, this amount is identified in the info system under the amount type "Original". If the invoice for this purchase order is posted, then another item is displayed for the purchase order, with the amount type "Reduction".
G/L account	This characteristic requires the specification of a chart of accounts.
Year-end closing carryforwards	This characteristic evaluates whether a posting during year-end operations is to be carried forward into the new fiscal year.
Carryforward level	The characteristic "Carryforward level" means that the trigger of a process originates from previous year.
	A purchase requisition from 1997 is carried forward into the year 1998. The commitments carried forward selects the purchase requisition in the year 1998. The purchase order in the year 1998, which is entered with reference to this purchase requisition, "inherits" this flag. Only the purchase requisition appears under the characteristic "Year-end closing transfer" in the information system. With the characteristic "Carryforward level", both the purchase requisition and the purchase order are identified.

If you do not specify the characteristics in any more detail, that is do not choose any characteristic values, the amounts are displayed as a total for all characteristic

features. If, for example, you do not enter a fiscal year, the amounts are displayed for all fiscal years.

If you want to enter "blank" as a characteristic value in form definition, you must enter "#".

Budget Activities

Definition

You use the "Budget activity" characteristic to subdivide the "Budget" characteristic value.

Structure

If you want to specify the "budget" characteristic value more precisely, you can use the following characteristics for the **budget activity**:

- KBUD   Original budget

- KBN0   Supplements

- KBR0   Returns

- KBUS   Transfers (sender)

- KBUE   Transfers (receiver)

   You can use these characteristic values to have the system list budget transfers from one funds center to another, if they take place within one fiscal year.

- KBW1   Year-end closing budget transfer (sender)

- KBW2   Year-end closing budget transfer (receiver)

- KBU1   Transfers carryforward (sender)

- KBU2   Transfers carryforward (receiver)

   You use these characteristic values to have the system list budget transfers from one funds center to another (or to the same funds center) between this fiscal year and the next one.

- KBU3   Transfers - advance (sender)

- KBU4   Transfers - advance (receiver)

   You use these characteristic values to have the system list budget transfers from one funds center to another (or to the same funds center) between this fiscal year and the next one.

- KBI0   Revenues (manual)

- KBI1   Revenues (automatic)

You use this characteristic value to display the budget which is available due to revenues increasing the budget.

You do not have to specify a characteristic value for the characteristic "Value type 46" (budget releases) and the characteristic "Value type 44" (assigned budget) since only one characteristic value ever exists for these characteristics ("KBFR" = Budget releases and "KBFC" = Assigned budget).

Drilldown Key Figures

Definition

Key figures define a value to be evaluated. This can be a value, a quantity, or a calculation using both of these, for which you define the formulas yourself.

The standard Funds Management system we deliver contains key figures and budget for commitment/actual values.

Structure

Commitments/Actuals

- Commitments/actuals (payment budget) hierarchically accumulated in FM area currency

- Commitments/actuals (payment budget) hierarchically accumulated in transaction currency

- Commitments/actuals (payment budget) not hierarchically accumulated in FM area currency

- Commitments/actuals (payment budget) not hierarchically accumulated in transaction currency

- Commitments/actuals (commitment budget) hierarchically accumulated in FM area currency

- Commitments/actuals (commitment budget) hierarchically accumulated in transaction currency

- Commitments/actuals (commitment budget) not accumulated in FM area currency

- Commitments/actuals (commitment budget) not accumulated in transaction currency

- Commitments (in Workflow), hierarchically accumulated, in FM area currency

- Commitments (in Workflow), hierarchically accumulated, in transaction currency

- Commitments (in Workflow), not accumulated, in FM area currency

- Commitments (in Workflow), not accumulated, in transaction currency

> Use the key figures which refer to the approval procedures and only if you are implementing the component SAP Business Workflow. If you are using the key figures with Workflow, you may not also use the key figures without Workflow, since key figures with Workflow do not differentiate between payment budget and commitment budget.

Budget

- Current annual budget

- Distributed annual budget

- Annual budget, distributable

- Annual budget (Distributable hierarchically)

- Annual budget, assigned

- Annual budget, available

- Current overall budget
- Overall budget, distributed
- Overall budget, distributable
- Overall budget (Distributable hierarchically)
- Overall budget, assigned
- Overall budget, available

- Current period budget
- Period budget, distributed
- Period budget, distributable
- Period budget (Distributable hierarchically)

Integration

There are several values used in budgeting, which form the basis of the key figures for the budget. The following is a summary of the basic terms. For more information, see Representing Budget Values [Seite 143].

The **current** budget is the current budget, that is the sum of all budget types, such as original budget, supplements, returns, transfers, and so on.

The budget with the prefix **distributed** is the distributed budget. It comprises the total of the budget values in the subordinate funds centers or commitment items.

The budget with the prefix **distributable** is the distributable budget. It is the difference between current budget and distributed budget.

The budget with the prefix **hierarchically distributable** is the distributable budget on a hierarchy level. It comprises the total of the budget values in the subordinate funds centers or commitment items. For more information, see Key Figures for Distributable Budget [Seite 380].

Budget key figures with the prefix **Assigned** evaluate assigned values. These arise from the aggregation of commitment and actual values. Depending on the selected customizing settings and on definitions in the budget structure, the commitment/actual value can be posted to a hierarchically subordinate FM account assignments.

Unlike the assigned values, the key figures for the commitment and actual values always show the postings to the FM account assignment specified in the document. In the case of the *hierarchical commitment/actual* key figures, the amounts are added up to the superior account assignments.

The budget with the prefix **available** is the difference between the current and the assigned budget.

Key Figures for Distributable Budget

The key figures *Distributable* and *Distributable hierarchically* are available for the annual budget, the overall budget and the period budget.

The key figure *Distributable* indicates for an individual [Budget Structure Element [Extern]](#) (BS element) how much of the budget can still be distributed. This is based on the difference between the current budget and the budget already distributed.

The key figure *Distributable hierarchically*, on the other hand, indicates for a superior BS element the sum of the distributed values of those BS elements directly subordinate to it.

Why is the key figure *Distributable hierarchically* required?

When using key figure *Distributable*, a hierarchy is represented by the top node until a BS element is specified.

If, for example, you display the funds center hierarchy in the drilldown list, but the characteristic "commitment item" has not yet had a value specified, the distributable value of the funds center will result from the sum of all values which have been posted to the **top commitment items** and each funds center.

If the entire budget has been distributed downward from the top commitment items, a distributable budget of "0" is indicated for each funds center even though there is distributable budget in subordinate commitment items. The key figure Distributable hierarchically allows for an overview of how much budget is still distributable for a funds center and all commitment items.

Example:

The following funds center hierarchies and commitment item hierarchies exist:

Funds center S1

　　Funds center S2

Commitment item F1

　　Commitment item F2

　　Commitment item F3

Budget values

Funds center/commitment item	Current budget	Distributed	Distributable
S1/F1	1000	1000	0
S2/F1	1000	1000	0
S2/F2	400	0	400
S2/F3	600	0	600

If a commitment item has not yet been specified, the drilldown list will display the following values for the funds centers:

Drilldown list funds centers

Funds center/commitment item	Distributable	Distributable hierarchically
S1	0	1000
S2	0	1000

The drilldown list for commitment items for funds center F2 will have the following values:

Drilldown list commitment items

Commitment item	Distributable	Distributable hierarchically
F1	0	1000
F2	400	400
F3	600	600

Drilldown Variables

Definition

Variables are placeholders for particular fields in a report definition or form which do not have to be replaced until the report is executed.

Use

For the flexible setting up of forms and reports, there are several variables available in each case for the characteristics.

Using *F4*, you can choose several variables for each characteristic when creating forms and reports. This way it is possible to compare two characteristics in different forms with one another in the report. (For example, an evaluation for budget version 0 and budget version 1 or an evaluation for two fiscal years).

Structure

- The standard system contains variables for the following characteristics:

- FM area

- Fiscal year

- Period

- Commitment item

- Funds center

- Fund

- Budget version

You can create variables at any time in the Funds Management IMG, step *Maintain global variables.* For more information on this, see Maintaining Global Variables [Extern].

For more information on variables, read Overview: Variables [Extern].

Reports and Forms Delivered

In Funds Management drilldown reports and forms are delivered which cover frequent questions. You can use these reports or take them as a template for your own reports.

You find these reports delivered in the standard in the report tree in the section *Totals records.* The report documentation is defined in the report comments.

To ensure that you are always working with the most current drilldown reports you must import both the report tree and the drilldown reports and forms from the client 000 into your working client at every new maintenance level. For more information, see: Customizing for the Information System [Seite 364]

CA - Drilldown Reporting

Introduction to Drilldown Reporting [Extern]

Report [Extern]

Form [Extern]

Executing a Report [Extern]

How to Process Report Lists [Extern]

Saving, Printing, Exporting, Sending, Graphics [Extern]

Optimizing Performance [Extern]

Reorganization and Conversion [Extern]

Line Item Reports

Definition

Line item reports give a detailed view of the individual business transactions from a *Funds Management* viewpoint and are arranged in table form.

Use

You use line item reports if you want to look at the data available at document level. You can then branch from the report list to the document display transaction by double clicking.

Structure

Various types of line item reports are delivered in the *Funds Management* application component:

Budgets

Budget reports identify all budgeting documents in ascending order. This way you can see how a particular budget came about. These reports are therefore particularly suitable for monitoring the budgeting process. They cannot be used to display how much budget a particular FM account assignment actually has.

Commitments/Actuals

These reports evaluate commitment and actual documents. Funds Management differentiates the data according to how advanced processing is in the system. All data which is entered up until the point of invoice receipt or invoice issue is commitment data, such as purchase orders and purchase requisitions. All other data is actual data.

Commitments/Actuals for the Assigned Budget Budgets

These reports show all commitment/actual postings for annual or overall budgets for an assigned value.

If the FM account assignment posted to and the budget object element do not match (for example, because of the setting selected in customizing and definitions in the budget structure, budget is only available on a higher hierarchy level), the *Commitments/actuals for assigned budget* report can, unlike other reports, identify the posting and funds assignment. *Budget* die Zuordnung von Buchung und Verfügung ausweisen. In this report, the budget object element is displayed at the top of the page. The subsequent line items refer to the FM account assignments posted to, which have contributed to the formation of the assigned value.

Commitment/actual postings are recorded in two places in the system: As the assigned value within availability control and as commitments/actuals within budget execution. The total of the commitment/actual values posted must match the assigned value on the budget object element assigned to these FM account assignments posted to. Im Bericht *Obligo/Ist zum verfügt.*In the report *Commitments/actuals for the assigned budget*, it is possible to display both values for each individual budget object element and to compare them to each other.

For the FM account assignments which were posted to but have not received any budget, the commitment/actual values are accumulated and compared with the current budget for the FM account assignment which also has the funds assignments. The value of the assigned budget must therefore correspond to the commitment/actual value.

Line Item Reports

Darüber hinaus ermöglicht der Bericht *Obligo/Ist zum verfüg.* **In addition to that, the report commitment/actual for assigned budget allows for a deviation analysis of commitment/actual values and assigned values.** To do this, you select *Only diffs betw. assigned budget and cmmts/actuals* on the report selection screen. Only the budget object elements for which there are differences between the commitment/actual value and assigned budget are then listed in the report.

Integration

The line item reports reference the logical database F1F. You can use this logical database to create reports which meet your individual requirements. For details, read Executing Your Own Reports with the Logical Database [Seite 391] .

For the structure and description of the database, call up transaction SE36.

You execute the line item reports for the budget and the commitments/actuals report using the ABAP List Viewer which offers you a number of advantages over the other reports as regards individual evaluations: Among other things, you can control the selection and the list setup individually. For information on the ABAP List Viewer, see: ABAP List Viewer [Extern].

　　　　□

　　　　The system displays the document number of the invoice in the line item display, in the area *Commitment/actual* and *Commitment/actual for assigned budget*. The document number of the invoice is also displayed for payments. Double-click a line with a payment line item to branch to the document display of the invoice.

See also:

Functions of Line Item Reports [Seite 387]

Executing Line Item Reports Using the List Tool [Seite 388]

Functions of Line Item Reports

Use

You use line item reports when you want to look at data at document level.

Features

- Selection

    In all line item reports, you can select by FM area, fund, commitment item, and funds center. Use these selection parameters whenever possible to improve system performance.

    If you have created master data with the help of classification, you can use classification for selection purposes too.

    You can specify a report currency in the *Report currency* field. The program then converts all amounts using the exchange rate defined for the relevant day; the result then appears in the report currency specified.

- Selection options for additional fields

- Presentation

    Many line item reports are based on the ABAP List Viewer. For detailed documentation see: ABAP List Viewer [Extern]

For information on line item reports in Funds Management, see: and in the respective report documentation.

Executing Line Item Reports Using the ABAP List Viewer

Use

You execute the line item reports for budget (annual and overall values) and commitments/actuals by document number using the ABAP List Viewer. Executing the reports using the ABAP List Viewer enables you to carry out specific and flexible evaluations.

Features

Using the ABAP List Viewer, you can, for example:

- Define which fields appear in the list

- Sort the fields displayed as required

- Form totals for the amount fields

- Form subtotals (such as for the "Down payment" value type)

- Display the selection criteria

- Filter down the selection

- Create an overview of all the fields in a document

  The maximum width of a list is 250 characters.

For full information on the ABAP List Viewer, see: ABAP List Viewer [Extern].

Reports on Year-End Closing

Use

You can use the reports on year-end closing to obtain an overview of the closing operations (commitments carryforward and budget carryforward) when the fiscal year changes.

The reports display totals records. A comparison of the line items transferred into the new fiscal year with the totals is possible using the program Year-End Closing Data: Totals Records for Line Items (RFFMCFRC) [Seite 390].

Features

- Commitments and budget carried forward (RFFMEP1G)

  This report displays commitments, budget for the commitments and budget for a fiscal year that was carried forward into the follow-on year.

- Commitments carried forward in the test run (RFFMEP2G)

  This report displays commitments for a fiscal year, that was carried forward in the test run into the following year via the Commitments Carryforward [Seite 338]

- Preselected budget (RFFMEP3G)

  This report displays budget for a fiscal year that was determined for the carryforward into the following year with the program RFFMCF25 [Seite 345].

For more information on the programs, see the program documentation.

☐

      Postings which are affected by the **year-end closing**, are always identified in the new fiscal year in period "001". No more data is displayed for period "000". In the field *Year-end closing transfers*, it is flagged if a posting belongs to the year-end closing. This happens both in the old and in the new fiscal year. The field, in the year-end closing transfers, is contained in the line item segments of the logical database F1F and is therefore available for reports which you define yourself. In the year-end closing reports delivered in the standard, this field is contained in the field list.

See also:

Closing Operations [Seite 323]

Executing Line Item Reports Using the List Tool [Seite 388]

Analyses (Matching Reports)

Use

Analyses allow you to compare different types of data, for example line items and totals records in Funds Management.

Features

- Matching Reports

    Matching reports enable you to compare data within the Funds Management component and between Funds Management and other components. You have the following reports available to you:

- Totals records for line items (RFFMRC00)

- Line items for commitments documents (RFFMRC02)

- Totals records for FI documents (RFFMRC03)

- Line items for FI documents (RFFMRC01)

- Year-end closing data: Totals records for line items (RFFMCFRC)

    This report enables you to compare the line items and totals carried forward into the new year in Funds Management, after executing the commitment carryforward.

For more information on the individual reports, see the program documentation.

Using the Logical Database to Execute Your Own Reports

Use

Logical databases are a method used to help ABAP/4 programs read and process data. Logical databases produce a logical data view, regardless of how data is stored in the database. You can use this structure to access report data more easily. Each ABAP/4 program is linked to a logical database via its attributes.

To create your own queries based on a logical database, choose *Tools → ABAP/4 Workbench → Utilities → ABAP/4 Query → Queries*.

To create your own reports based on a logical database, choose *System → Services → Reporting*.

Features

Logical database **F1F** is used in the *Funds Management* application component.

Structure of the Logical Database

The structure of logical database F1F defines the order in which the individual segments (such as funds centers or commitment items) are read and then displayed. The master data is read first, then the transaction data. The master data is read in the sequence: FM areas, funds, funds centers, and commitment items.

Transaction SE36 contains the structure and description of the database.

Selection Options

When executing a report, you can further restrict the selection for the individual segments. If you do not, the report reads all the funds centers for each fund in an FM area, per their hierarchical structure, and all the commitment items for all funds centers, again per their hierarchical structure.

If the fields displayed in the selection screen are insufficient, you can use dynamic selections to add further selection conditions. You able to save any combination of selection conditions you need regularly as a variant and call it up directly.

If you have classified funds centers, commitment items, or funds, you can also limit the selection by using **classification**.

If you integrate the *Hie_id* field (position of a commitment item or funds center in a hierarchy) into your report, you can also evaluate the data using the **hierarchy**.

Improved System Performance

Here are some tips on improving system performance:

- Do not evaluate master data hierarchically. In this case, you may **not** select the *Hierarchy sequence* parameter. The master data is then displayed in alphanumeric sequence.

- If you want to execute a report with transaction data, select *Only master data with postings*.

- When using the ABAP report, specify the fields you want to evaluate in the GET instruction for the segment. No other fields are then imported.

Using the Logical Database to Execute Your Own Reports

☐

Selection parameters *hierarchical sequence* and *only master data posted to* are not selectable in all reports delivered.

Authorizations for the Info. System Funds Mgmt

Use

You can use authorizations to control the display of particular objects (FM area, funds center, budget version, and so on).

If you try to execute a report with selection criterion for which you have no authorization, the program terminates execution of the report. In this case, you must execute the report again and adjust the selection criteria according to your authorizations.

For more information, read <u>Authorizations [Seite 10]</u>.