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GET MORE OUT OF ORACLE WITH THE QUANTAS ALLOCATION ENGINE FOR ORACLE PROJECTS

Limitless Oracle Projects Allocations

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Quantas Allocation Engine for Oracle Projects

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Executive Summary

This document discusses how to meet the needs of Oracle Projects users who have complex allocation requirements. The Quantas Allocation Engine saves time and provides the allocated data in a timely fashion. This improves business processes such as month-end close procedures and reporting. Practically any type of allocation can be achieved such as created allocated timecards or revenue.

The solution uses a combination of the standard allocation rules enhanced with supported application extensions and code. This approach uses features and functions within Oracle and is far more robust than the allocation extension provided by Oracle Projects.

Customers who have used this method have saved thousands of hours of labor by letting Oracle distribute the allocated costs. Large and small organizations in various industries have used this to improve their allocated costing procedures including Utilities, Oil and Gas, Technology and Services.

Introduction

Oracle has provided the ability to allocate transactions in Oracle Projects for a number of years. This feature is used by many companies to allocate or spread charges from a source project(s) or General Ledger account(s) to target projects. The allocation setup screens, which are known as forms in Oracle, allow functional users to create and manage the allocation rules.

Validation logic is designed in the allocation setup screens. This is to ensure the user selects accurate and relevant data attributes used in the processing of the allocation.

Although this validation provides upfront confirmation of allocation logic, it also limits the ability for creative or complex allocation rules. Many allocation requirements can be met using the standard functionality provided. There are however times when more flexible allocation methods are necessary.

The limitations within Oracle Projects make it difficult or impossible to use standard "out of the box" allocation rules when more complex allocation methods are needed. Users generally are forced to extract data, calculate the allocation offline then manually enter or upload the transactions to meet their needs.

The Problem

The major limitations with the standard functionality of Oracle Project Allocations are:

- the system only allows Burden or Miscellaneous Transactions on the allocated transactions
- only one Expenditure Type may be used on the allocated transactions
- only one Expenditure Organization may be used on the allocated transactions
- the system only uses Project Allocations as the Transaction Source

Organizations that require unique combinations of this data are required to create multiple allocation rules to handle this business need. In some cases standard functionality or the allocation extension provided by Oracle Projects does not meet the business requirement. These include the inability to:

- allocate using expenditure type classes of Straight Time, Usages or Work in Process
- use different transaction sources for the allocated transaction
- use complex auditable logic to generate the allocation transactions
- allocate out revenue transactions with no cost impact

Allocation Transaction Attribute screen

Solution – Quantas Allocation Engine

The Quantas Allocation Engine solves this problem by using code that leverages available design features of Oracle Projects. The approach involves using a combination of the standard allocation rules as well as extended code and tables. This provides a very flexible method of allocating project transactions. Virtually any type of allocation can be generated using this method.

High Level Design

The tool uses data stored on the Allocation Rules in Oracle Projects as well as leveraging lookup sets, value sets and descriptive flexfields (DFF's).

The allocation code is called using a concurrent program. An audit table stores the source data providing historical information on which transactions were allocated. This prevents allocating transactions multiple times and provides an audit trail. Offsetting entries can optionally be applied to the source projects based on business requirements.

Various expenditure types can be used for the allocated transactions which meets specific accounting and reporting requirements. Unique Transaction Sources are used which permits the generation of Labor, Usages, Work In Process, Supplier Invoices and even Revenue specific transactions. Miscellaneous and Burden transactions can also be generated.

Values can be added to the allocation lines including Invoice Number, Purchase Order Number, Item Number and Vendor Name as well as other transactions attributes. This provides full reporting for the allocated transactions.

There is the option to run the allocation in Test Mode. The Test Mode feature provides the user with the data that would be generated without applying the allocations to the projects. This offers the ability to validate the data prior to distributing the costs or generating revenue.

Systematic reversals can be done easily by using the reversal feature. This process will create reversing entries for the allocated transactions and "release" the source data in the tables so that new allocation runs can be performed at a

later time. It will also create reversing offsetting entries to the source projects if the offset option is used. This feature provides an automated approach to "rolling back" an allocation run allowing users to correct an allocation rule, process late entries or other factors which have an effect on the allocation pools. Once the corrections are made the user can re-run the Quantas Allocation Engine.
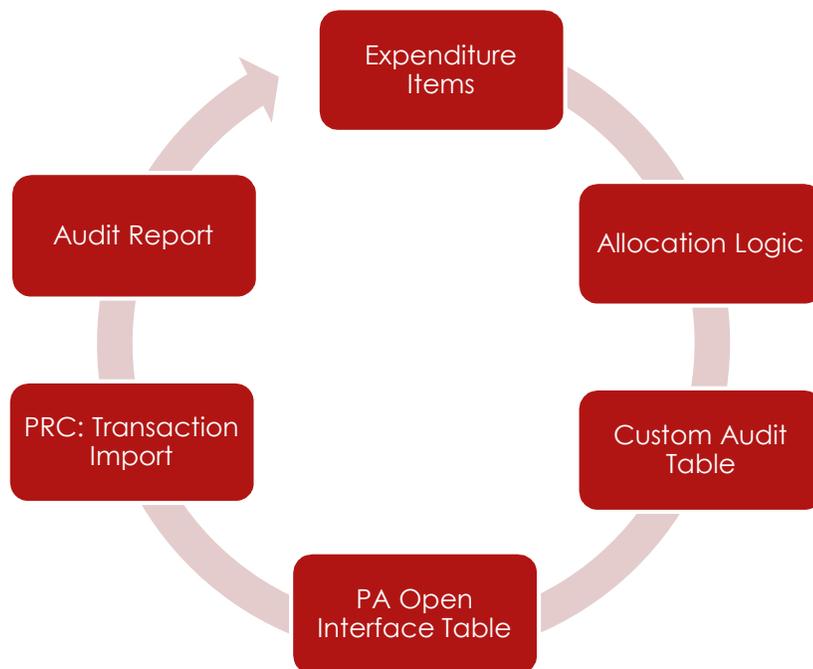
Business Benefits

The Quantas Allocation Engine reduces the effort it takes to distribute and allocate costs across projects by letting Oracle process the detailed entries for the organization. It improves project reporting and allows internal resources to focus on data analysis and value added services.

Conclusion

Although the standard allocation procedure in Oracle Projects seems limited, Quantas Allocation Engine provides the ability to use various rules to meet a client's needs. By taking advantage of these features companies can meet all of their allocation requirements and improve efficiencies throughout the organization.