



Project Partners Invoicing Case Study

Project Invoicing Logistics made Simple

By Neeraj Garg

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# Project Partners Invoicing Case Study

## Project Invoicing Logistics made Simple

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### **The Situation**

The logistics of project invoicing are daunting at best, in any environment. Oracle Project Billing does a good job of calculating and generating your draft invoices, but:

- How do you verify that the invoices are correct?
- How do you consolidate invoices across many projects for that finicky client who does not wish to get individual project invoices?
- How do you manage the reams of credit memos that Oracle generates?
- How do you get them formatted in the format preferred by the customer?
- How do you get the requisite approvals for the invoices?
- How do you get them to your clients, so that you can get paid for the work that you just did?

These are some of the logistical questions that plague a lot of users of Oracle Project Billing, long after they have gone live with the product.

### **Project Partners Invoicing<sup>™</sup>**

Project Partners saw these same issues again and again at over a hundred client sites, and developed a product to solve these problems. Project Partners Invoicing, used in conjunction with simple alerts and extensions, addresses these concerns simply and at a low cost – both upfront and for ongoing maintenance. Project Partners Invoicing is a simple tool that uses the same technology and functionality that Oracle used to build the applications – BI Publisher, Receivables Invoice Consolidation, Forms, etc. The Project Partners Invoicing solution has two major components: Invoice Consolidation, and Invoice Formatting and Printing.

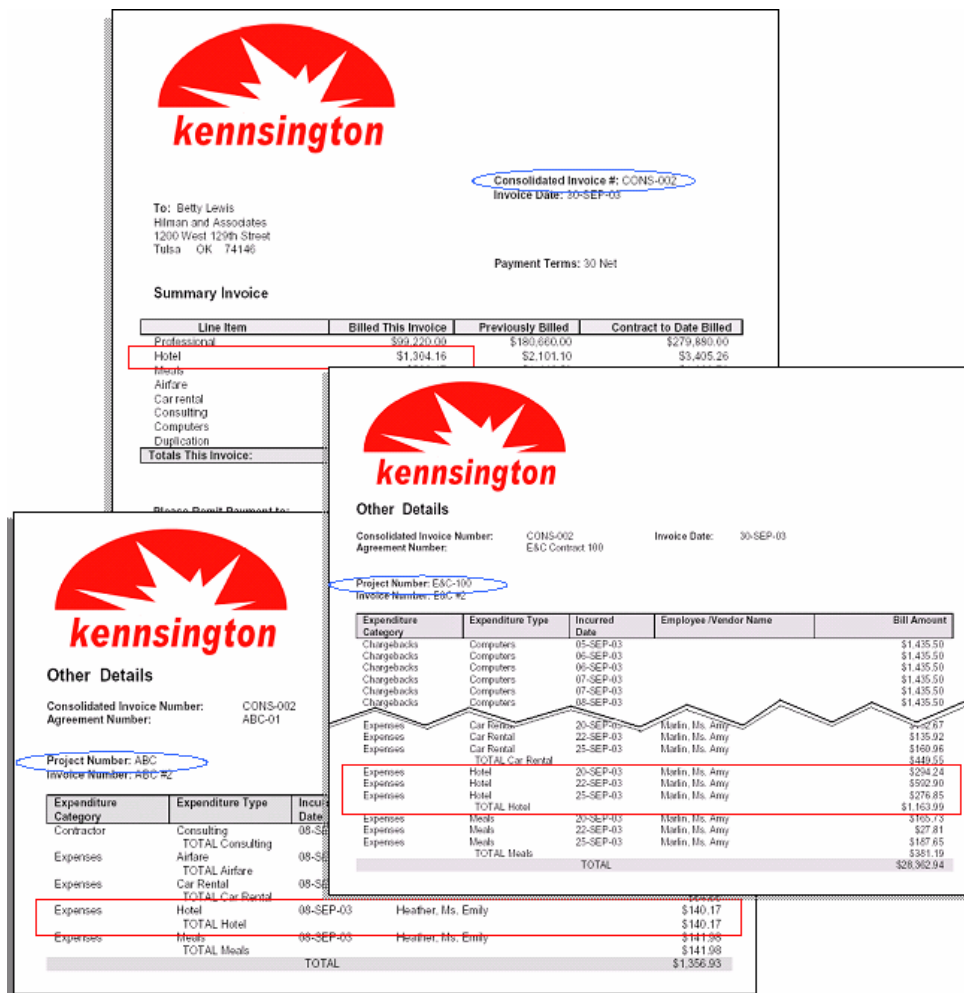
#### ***Invoice Consolidation***

This function in Project Partners Invoicing allows you to consolidate individual project invoices in any way based on your customer requirements. You can choose to use some of the standard mechanisms provided herein such as

- Customer
- Contract (Oracle Project Contracts)
- Agreement, ACRN (Oracle Project Contracts)
- Master Project
- Project (across Agreements funding the project)

If you need to use a different criterion for consolidation, Project Partners' consultants can quickly code the provided extension to automatically use any attribute on the project (e.g. DFF, Classifications) for this purpose.

The consolidated invoices are interfaced to Oracle Accounts Receivable (AR) using the standard Oracle AR functionality around consolidated invoices. You can use the next module in Project Partners Invoicing to easily format and print consolidated invoices and present them to your customers. Cash received against this invoice can be applied to the consolidated invoice or the individual Project invoices in AR.



**Summary Invoice**

Line Item	Billed This Invoice	Previously Billed	Contract to Date Billed
Professional	\$99,220.00	\$180,600.00	\$279,880.00
Hotel	\$1,304.16	\$2,101.10	\$3,405.26
Meals			
Airfare			
Car rental			
Consulting			
Computers			
Duplication			
<b>Totals This Invoice:</b>			

**Other Details**

Expenditure Category	Expenditure Type	Incurred Date	Employee /Vendor Name	Bill Amount
Chargebacks	Computers	05-SEP-03		\$1,435.50
Chargebacks	Computers	06-SEP-03		\$1,435.50
Chargebacks	Computers	06-SEP-03		\$1,435.50
Chargebacks	Computers	07-SEP-03		\$1,435.50
Chargebacks	Computers	07-SEP-03		\$1,435.50
Chargebacks	Computers	08-SEP-03		\$1,435.50
Expenses	Car Rental	20-SEP-03	Martin, Ms. Amy	\$1,304.16
Expenses	Car Rental	22-SEP-03	Martin, Ms. Amy	\$135.92
Expenses	Car Rental	25-SEP-03	Martin, Ms. Amy	\$160.96
	<b>TOTAL Car Rental</b>			<b>\$1,601.04</b>
Expenses	Hotel	20-SEP-03	Martin, Ms. Amy	\$294.24
Expenses	Hotel	22-SEP-03	Martin, Ms. Amy	\$592.90
Expenses	Hotel	25-SEP-03	Martin, Ms. Amy	\$276.85
	<b>TOTAL Hotel</b>			<b>\$1,164.00</b>
Expenses	Meals	20-SEP-03	Martin, Ms. Amy	\$165.73
Expenses	Meals	22-SEP-03	Martin, Ms. Amy	\$27.81
Expenses	Meals	25-SEP-03	Martin, Ms. Amy	\$187.65
	<b>TOTAL Meals</b>			<b>\$381.19</b>
	<b>TOTAL</b>			<b>\$28,962.94</b>

**Other Details**

Expenditure Category	Expenditure Type	Incurred Date	Employee /Vendor Name	Bill Amount
Expenses	Hotel	08-SEP-03	Heather, Ms. Emily	\$140.17
	<b>TOTAL Hotel</b>			<b>\$140.17</b>
Expenses	Meals	08-SEP-03	Heather, Ms. Emily	\$141.98
	<b>TOTAL Meals</b>			<b>\$141.98</b>
	<b>TOTAL</b>			<b>\$1,356.93</b>

Consolidated Invoice Number CONS-0002 includes a summary page plus detail backup pages for Project ABC and Project E&C-100. The above images show total Hotel charges plus their associated drilldowns.

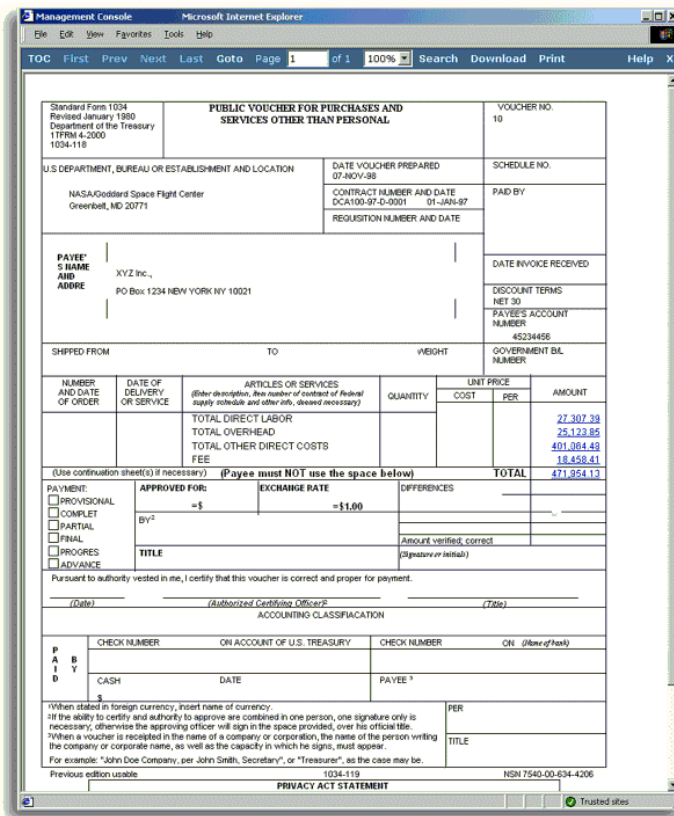
## Credit Memos

This functionality also allows you to consolidate individual Credit Memos (against each invoice credited) into a single On-Account Credit invoice or merge them into the next regular invoice for easy presentment to the customers and simply cash management in AR.

A client of Project Partners Invoicing is currently using the Consolidated Invoicing feature to Generate invoices by Agreements that fund multiple projects. This master agreement and the invoice consolidation method used is Agreement. They also use the “Current” Method to consolidate Credit Memos that automatically rolls all Credit Memos into the latest invoice on the project. The Project Partners Invoicing process automatically generated a consolidated invoice number based on “Agreement Number + Sequence Number” and stamps it to invoices for all projects funded by the master agreement and generated in the same run. These individual project invoices are released and interfaced to AR where they are processed via the consolidated invoice number from Project Partners Invoicing. **This client has seen well over 120 hours of savings for each monthly invoicing cycle.**

## Invoice Formatting and Printing

This function enables you to format and print individual project invoices or consolidated invoices generated as described above. You can also issue invoices in industry-standard formats, such as AIA billings, or SF 1034's, as depicted below.



Standard Form 1034  
Revised January 1990  
Department of the Treasury  
17FRM 4-2000  
1034-116

**PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL**

VOUCHER NO. 10

SCHEDULE NO. 10

U.S. DEPARTMENT, BUREAU OR ESTABLISHMENT AND LOCATION: NASA/Goddard Space Flight Center, Greenbelt, MD 20771

DATE VOUCHER PREPARED: 07-20-V-98

CONTRACT NUMBER AND DATE: DCA100-97-0-0001 01-JAN-97

PAID BY: [Blank]

REGULSION NUMBER AND DATE: [Blank]

PAYEE'S NAME AND ADDRESS: XYZ Inc., PO Box 1234 NEW YORK NY 10021

DATE INVOICE RECEIVED: [Blank]

DISCOUNT TERMS: NET 30

PAYEE'S ACCOUNT NUMBER: 45234456

GOVERNMENT BIL. NUMBER: [Blank]

NUMBER AND DATE OF ORDER	DATE OF DELIVERY OR SERVICE	ARTICLES OR SERVICES (Enter description, the number of contract of federal supply schedule and other info. deemed necessary)	QUANTITY	UNIT PRICE		AMOUNT
				COST	PER	
		TOTAL DIRECT LABOR				27,307.39
		TOTAL OVERHEAD				25,123.85
		TOTAL OTHER DIRECT COSTS				401,084.49
		FEE				18,458.41
<b>TOTAL</b>						<b>471,954.13</b>

(Use continuation sheets if necessary) (Payee must NOT use the space below)

PAYMENT:  PROVISIONAL  COMPLETE  PARTIAL  FINAL  PROGRES  ADVANCE

APPROVED FOR: [Blank] EXCHANGE RATE: = \$ - \$1.00 DIFFERENCES: [Blank]

By: [Signature] Amount verified, correct (Signature or Initial)

TITLE: [Blank]

Pursuant to authority vested in me, I certify that this voucher is correct and proper for payment.

(Date) [Blank] (Authorized Certifying Officer) [Blank] (Title) [Blank]

ACCOUNTING CLASSIFICATION: [Blank]

CHECK NUMBER: [Blank] ON ACCOUNT OF U.S. TREASURY CHECK NUMBER: [Blank] ON (Name of bank)

CASH DATE: [Blank] PAYEE'S: [Blank]

PER: [Blank] TITLE: [Blank]

1034-119 NSN 7540-00-034-4206

PRIVACY ACT STATEMENT

US Government Form SF 1034

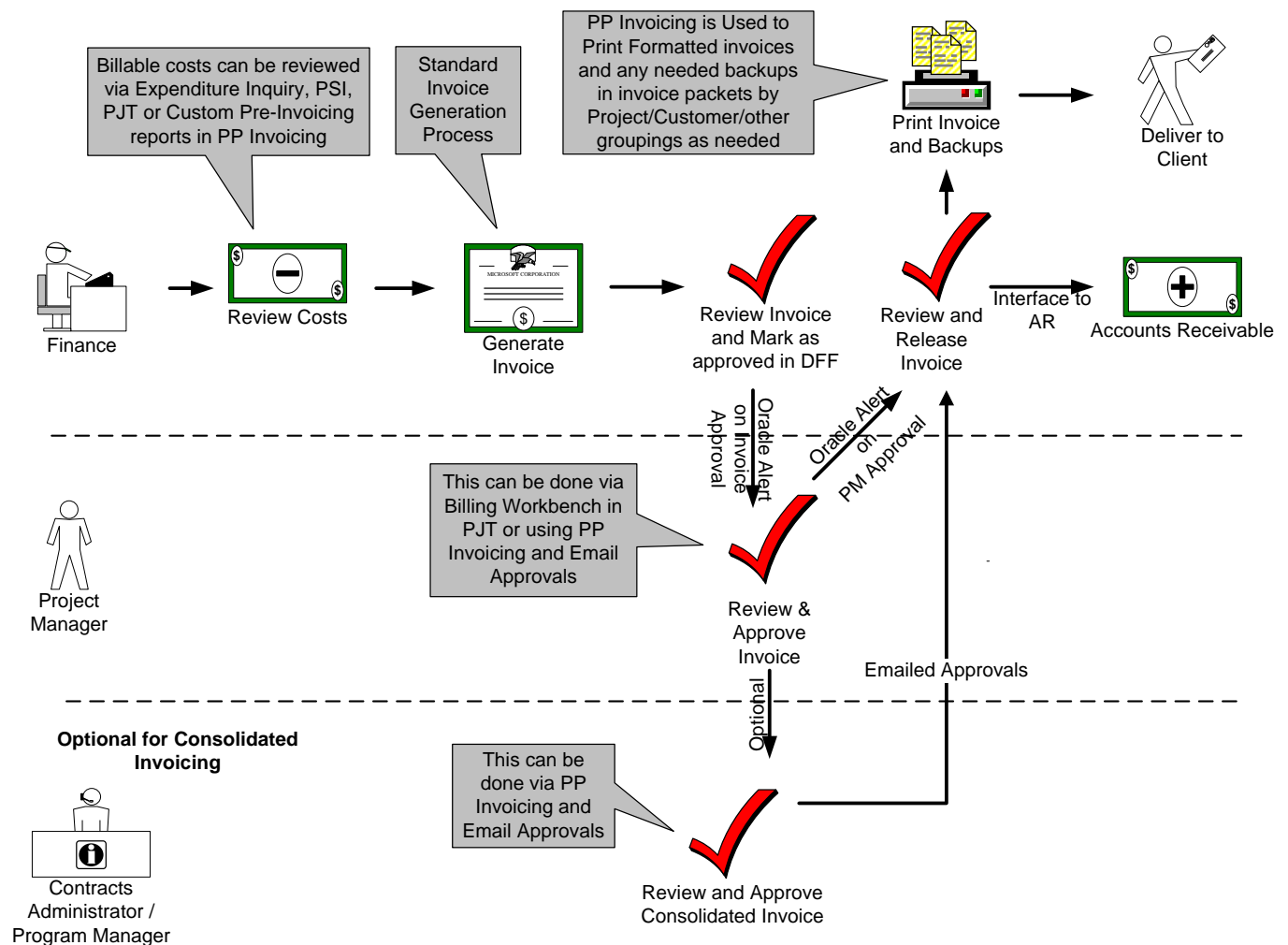
It also enhances the experience by allowing you to package together with the formatted invoice additional reports such as Invoice Verification reports and Invoice Backup Details (like Timecards, Supplier Invoices, Expense Details, etc) all of which can be generated and printed together as one bundle. The product also includes mechanisms to automatically email and fax these end documents over to the client contact or anyone else who needs to receive them.

## Centralized or Decentralized Invoicing

You can deploy two different business processes to enable your users to generate and produce verified, well formatted invoice (with any needed backups) for your customers: Centralized or Decentralized Invoicing.

### Centralized Invoicing

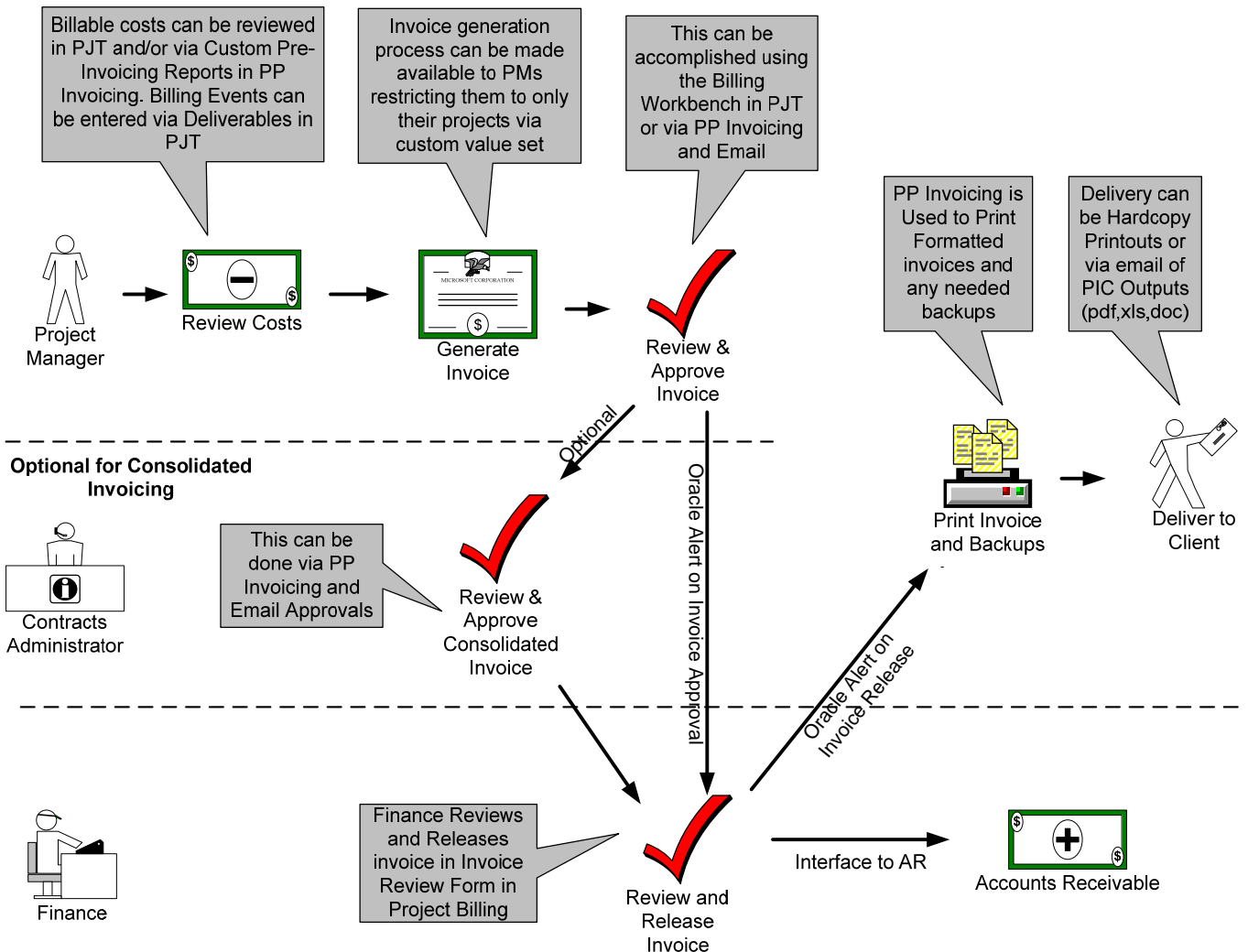
This process is the more prevalent of the two being discussed here today and entails the traditional organization model wherein the Finance department of an enterprise is responsible for the invoicing function and has a cadre of Project Administrators/Accountants/Billers who perform this vital function on behalf of the Project Managers. Project Partners Invoicing in combination with Oracle Project Management (optional) and Alerts can provide improved support for this model of invoicing as shown in the flow diagram below.



A Client of Project Partners Invoicing uses the Centralized Billing model. Project Administrators use Project Partners Invoicing to review and print invoices for their projects after the monthly invoicing run. **This client is seeing a reduction of 90 – 150 hours of manual invoice formatting time every month with their use of Project Partners Invoicing. A process that used to take anywhere from 2-8 hours per invoice is now complete in 5 minutes.** Project Partners is now working with this client to implement the above process flow to allow them to take advantage of the additional efficiencies gained from the automation.

### Decentralized Invoicing:

Increasingly, enterprises are moving to this model to reduce overhead costs in terms of the administrative resources needed to support a centralized process on behalf of the project managers. In this model, the project manager is responsible for generating invoices, approving them as valid invoices, and printing of formatted invoices for customers after receiving approval for the same from Finance. This process can easily be modeled using Project Partners Invoicing in combination with Oracle Project Management and Alerts as follows:



A customer of Project Partners Invoicing using this model for invoice processing, is currently deploying **One person in Finance who reviews and approves invoices for approximately 80 Project Managers running over 200 projects that employ over 400 project delivery people.**

## Summary

As shown above, Project Partners Invoicing provides a simple solution for addressing invoice generation and logistics issues and as our existing clients have witnessed, provides for significant efficiencies and savings.

## Learn More

If you feel that you can benefit from the solutions described above, please contact [info@projectp.com](mailto:info@projectp.com) for demo of Project Partners Invoicing and further discussions on how we at Project Partners can help you with all your Oracle Projects requirements.

### About the Author

Neeraj Garg of Project Partners LLC has been working with Oracle Projects since its inception, and is the world's foremost expert on Oracle Projects Release 11.5.10.M. His experience encompasses multiple industries and global operations.

### About the Company

Project Partners, LLC is a privately held firm headquartered in Half Moon Bay, California, offering consulting services and enterprise software products to project-driven firms. Founded in 1997 by Randy Egger, the former chief architect of Oracle's Projects Applications, Project Partners has grown to include many talented people, including some of the original Oracle Projects® developers, support specialists and implementation consultants. Over 275 firms around the world have selected Project Partners for expert services and products that deliver an enterprise project management solution, increasing productivity and reducing operating costs. An Oracle Certified Partner, Primavera Technology Partner, Microsoft Partner and @Task Gold Partner, Project Partners has executed global implementations for clients who manage tens of thousands of projects, thousands of users, multiple languages and currencies. At Project Partners we are not satisfied until our customers are delighted, and it is this dedication to joint success that has garnered us the highest praise from our clients. We are proud to be widely recognized as The *Experts* in Enterprise Project Portfolio Management™. More information about Project Partners can be found at [www.ProjectP.com](http://www.ProjectP.com).