Budgetary Control and Encumbrance Accounting

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FINANCIALS CLOUD

KEY BUSINESS BENEFITS

- Proactively control and monitor spending
- Increase worker productivity
- Reduce transaction processing costs and data entry errors
- Drive real-time insight into decision-making
- Comply with legal transaction control and accounting standards

Oracle Financials Cloud Service offers Budgetary Control and Encumbrance Accounting; a complete and integrated solution with advanced budget preparation, proactive control and monitoring of budget consumption, and robust inquiry and reporting. It enables public sector and higher education, and commercial organizations to define and manage budgets and spending with better visibility into commitments, obligations, and expenditures and comply with legal reporting requirements.

Complete and Integrated Solution

Budgetary Control and Encumbrance Accounting within Oracle Financials Cloud Service provides a complete solution that integrates planning and budgeting, proactively controls spending across the entire procure-to-pay transaction lifecycle, and streamlines the financial close process with automated carry forward and exceptional reporting and analysis. The integration between Budgetary Control and Oracle Project Portfolio Management Cloud Service provides added benefits to help control costs by project or resource and perform real-time maintenance and monitoring of funds available.

Easily source data from Oracle Enterprise Performance Management Planning and Budgeting, Oracle Project Portfolio Management Cloud Service, or import using spreadsheets.

Prevent overspending with real-time checks and reservations against budgets, projects, or grants when processing requisitions, purchase orders, receipts, supplier invoices, or journal entries. Optionally review the transaction impact on a budget even before the transaction is approved. Allow overrides of budget limits by authorized users where appropriate. Automatically create and liquidate encumbrance journals throughout the procure-to-pay lifecycle to ensure compliance with legal accounting requirements.

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- Real-time spending control for procure-to-pay transactions
- Control for accounts, projects and resource costs
- Spending limit overrides
- Automatic creation and liquidation of encumbrance journals
- Budget Consumption Monitor
- Robust reporting and analysis

Figure 1. Budgetary Control Results

Gain immediate visibility to operational and financial information with robust reporting and analysis. Real-time budgetary control balances are available in online inquiry screens, professionally formatted financial reports, or multi-dimensional spreadsheet analysis. Budgetary control transaction details are available in ready-to-use delivered reports or in self-service ad hoc inquiries performed easily without IT assistance.

Stay Informed and In Control

Oracle Financials Cloud Service lets organizations control spending at any budget level or time interval. If the organization defines annual or biennial budgets and only needs to control spending at summary department and account levels, spending can be managed at the level that best fits the business needs.

Operational users who enter transactions can easily observe the status of budget checks and reservations online. Intuitive error messages and warnings enable them to quickly identify and resolve exceptions.

Administrators can efficiently review the frequency of spending exceptions and validation errors with delivered reports, so they can take corrective actions.

Budget managers can easily monitor consumption rates using the Budget Monitor to review accounts that are close to over spending their budget. Dynamic drilldown enables budget managers to quickly view the transactions that contribute to the budgetary control and expenditure balances.

Budgetary Control infolets allow budget managers to track funds availability and funds consumption on critical control budgets, making it quicker to access summarized funds information and further investigate funds availability in more detail.
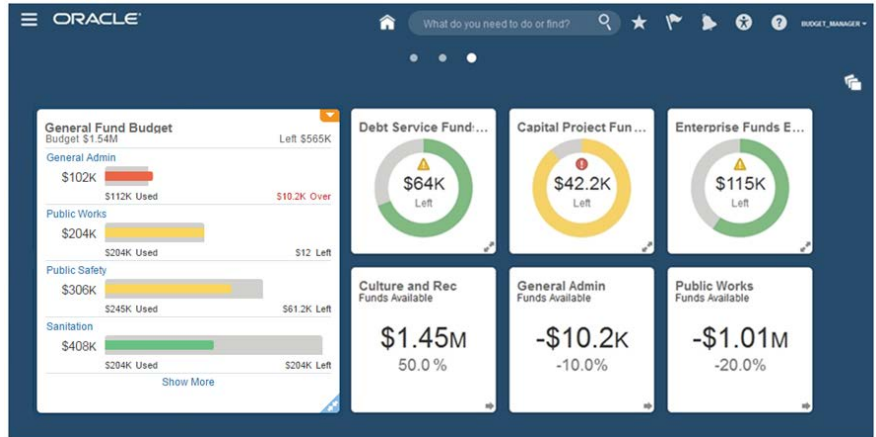
Figure 2. Budgetary Control Infolets

Improve Insight and Make Better Decisions

Robust reporting and analysis delivers continuous insight directly to business managers and decision makers. Budget managers can view budget, commitment, obligation, expenditure, and funds available balances and supporting transactions in a single view.

Finance and accounting users can analyze budgetary control balances in a spreadsheet, viewing and pivoting data in a multi-dimensional format, at both the detail and summary levels for comparing and analyzing trends.

They can also use the intuitive financial report writer to create boardroom-ready financial statements on budgetary control balances. All reports support multiple output options, such as HTML, PDF, and MS Excel. These reports can be exported to MS Word and PowerPoint with the results refreshed from within those desktop products. These reports work from multidimensional budget and actual balances to allow for instantaneous financial results complete with analysis and drilldowns to the originating transactions.

Operational users can perform self-service ad hoc queries on transaction data easily without IT assistance. This helps them get answers to their operational questions more quickly and frees up the IT resources for other projects.
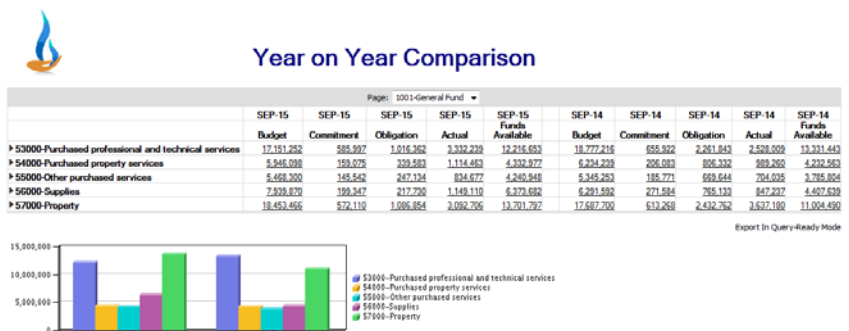

Figure 3: Financial Report showing Budget Monitoring

Increase Productivity and Efficiency

Oracle Financials Cloud Service supports multiple productivity tools that help capture transactions with greater efficiency and lower costs for resource-intensive tasks without compromising controls.

Role-Based Dashboards Deliver Work to You: Role-based dashboards that deliver information from multiple work areas, worklists, and watch lists serve as centralized cockpits to manage key accounting activities. They proactively monitor processes, raise exceptions that occur during processing, and push work to users. Infolets and infotiles present information in consumable chunks so that it becomes simpler for users to get the most important information they need right away. Instead of running multiple queries or identifying tasks, users simply need to log into their dashboards and work areas to see what they need to do that day. These are found throughout the Oracle ERP Cloud Service, including Purchasing, Payables, General Ledger, and Budgetary Control.

Spreadsheet Integration for High Volume Data: Oracle Financials Cloud Service delivers extensive spreadsheet integration across multiple functions, allowing users to work in a familiar environment. Spreadsheets are seamlessly integrated for high volume data entry and reporting. All reports and transactional tables can be exported to Excel for further analysis and easier viewing of large amounts of data.

Seamless Collaboration Enables Real-Time Communication: Oracle Social Network provides contextual, real-time communication within and across enterprises. With Oracle Social Network, you and your teams have the tools you need to collaborate quickly and efficiently, while leveraging the organization's collective expertise to make informed decisions and drive business forward. Questions, research, or disputes around transactions such as purchase orders, invoices, or journals can be addressed using Oracle Social Network conversations with the ability to load supporting documents to the conversations. The conversations are secure, auditable, searchable, and embedded in transactions and reports for a seamless user experience.

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Integrated Cloud Applications & Platform Services

Oracle is committed to developing practices and products that help protect the environment