



Budgetary Control Set up Document

Budgetary Control

Budgetary Control is a tool which keeps track of expenses and does not allow entered expenses to exceed pre-defined budgets. It is a configuration-based app where you can define your own set of rules to control multiple defined Budgets.

Example:

A budget for Stationary Expenses is set to \$1,000 for March 2018. Any user can post any number of expense transactions up to the \$1,000 limit. For instance, \$100 for paper, \$700 for toner, \$50 for folders and pens, and \$150 for business cards.

If any user attempts to post a transaction that would exceed the \$1,000 budget limit, then the system displays an error that the ‘Transaction amount exceeds the budget allocated’ and the user will not be able to post the transaction.

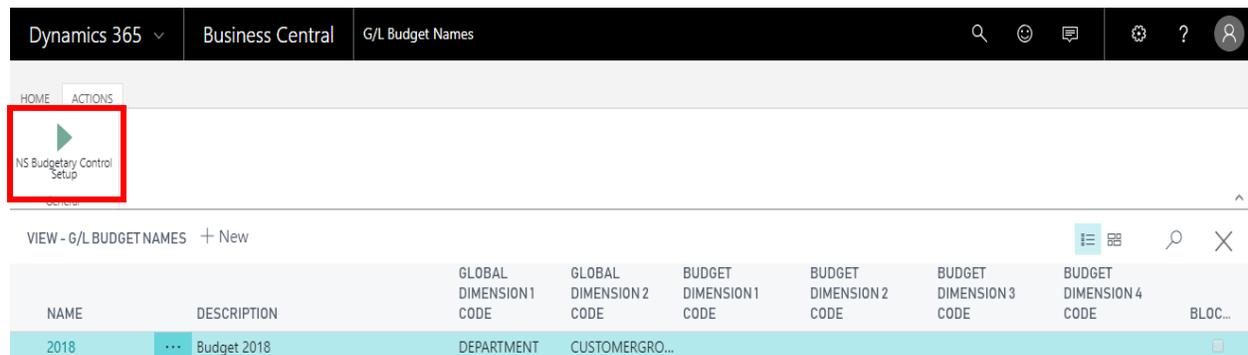
Budgetary Control can be controlled with different parameters:

1. Dimensions
2. Frequency (Accounting Period, Monthly, Daily...)
3. Based on Source Document & Journals
3. Tolerance

This app can be used within any ‘Dynamics 365 Business Central’ tenant.

Budgetary Control Setup

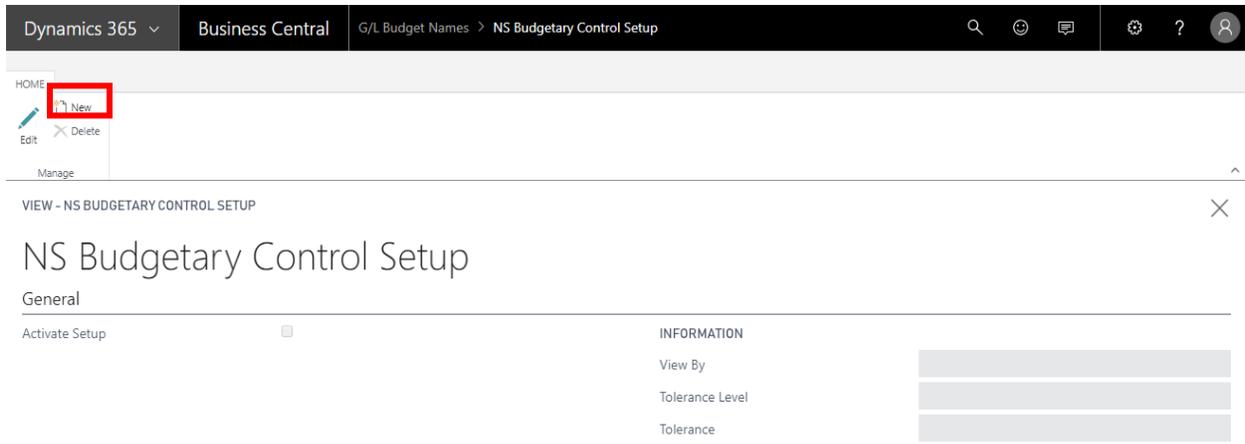
1. Navigate “G/L Budgets” and click “NS Budgetary Control Setup” in Action Tab.



The screenshot shows the Dynamics 365 Business Central interface. At the top, there is a navigation bar with 'Dynamics 365', 'Business Central', and 'G/L Budget Names'. Below this is a ribbon with 'HOME' and 'ACTIONS' tabs. In the 'ACTIONS' tab, the 'NS Budgetary Control Setup' button is highlighted with a red box. Below the ribbon, there is a table view for 'G/L BUDGET NAMES'. The table has columns for NAME, DESCRIPTION, GLOBAL DIMENSION 1 CODE, GLOBAL DIMENSION 2 CODE, BUDGET DIMENSION 1 CODE, BUDGET DIMENSION 2 CODE, BUDGET DIMENSION 3 CODE, BUDGET DIMENSION 4 CODE, and BLOC... The first row in the table is highlighted in light blue and contains the values '2018', 'Budget 2018', 'DEPARTMENT', and 'CUSTOMERGRO...'.

| NAME | DESCRIPTION | GLOBAL DIMENSION 1 CODE | GLOBAL DIMENSION 2 CODE | BUDGET DIMENSION 1 CODE | BUDGET DIMENSION 2 CODE | BUDGET DIMENSION 3 CODE | BUDGET DIMENSION 4 CODE | BLOC... |
|------|-------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|---------|
| 2018 | Budget 2018 | DEPARTMENT | CUSTOMERGRO... | | | | | |

A new window will pop up where the user can define his/her Budget control parameters when clicking on “New”.



View by

Options are: Day, Week, Month, Quarter, Year, and Accounting Period.

Refers to how a user wants to apply how the Budget is viewed on the screen.

Tolerance Level

Options are: No Tolerance, Tolerance by Percentage, and Tolerance by Amount

Defines the mode of tolerance to be accepted, if any.

Tolerance

In this field, the user defines the actual tolerance based on the Tolerance Level chosen in the previous field.

For instance, if the manager chooses 'Tolerance by Percentage', the amount to be entered is a percent. Example: If the budget is set at \$1,000 and the Tolerance is 10%, users can post up to \$1,100 (or \$1,000 + 10%) without an error.

If the manager chose 'Tolerance by Amount', the amount is entered as a figure. Example: If the budget is set at \$1,000 and the Tolerance is \$200, users can post up to \$1,200 without an error message.

Activate Setup

Once all the parameters are defined, this Boolean needs to be activated to start the budgetary control App.

NOTE: If the manager needs to make any changes in the setup, "Activate Setup" needs to be disabled. Changes can then be made and to activate the new changes, "Activate Setup" must be enabled.

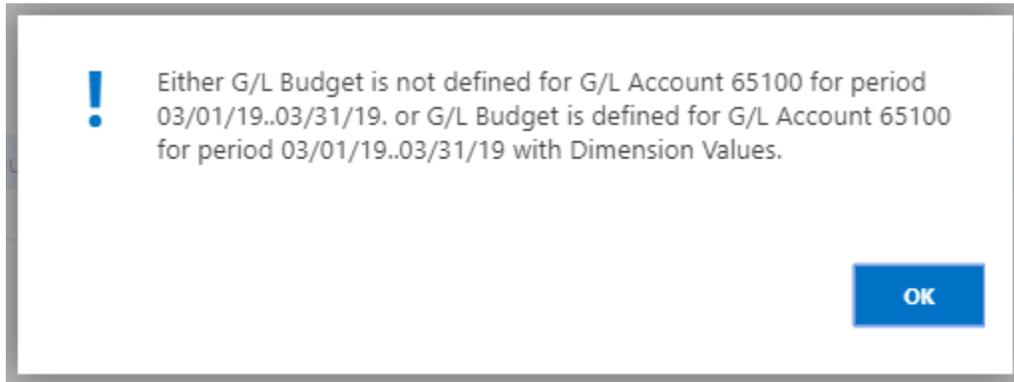
Note:

- A. Tolerance will be in effect when there is an amount left in the Budget. Otherwise, the system will not apply any tolerance and will display an error while posting the transaction.

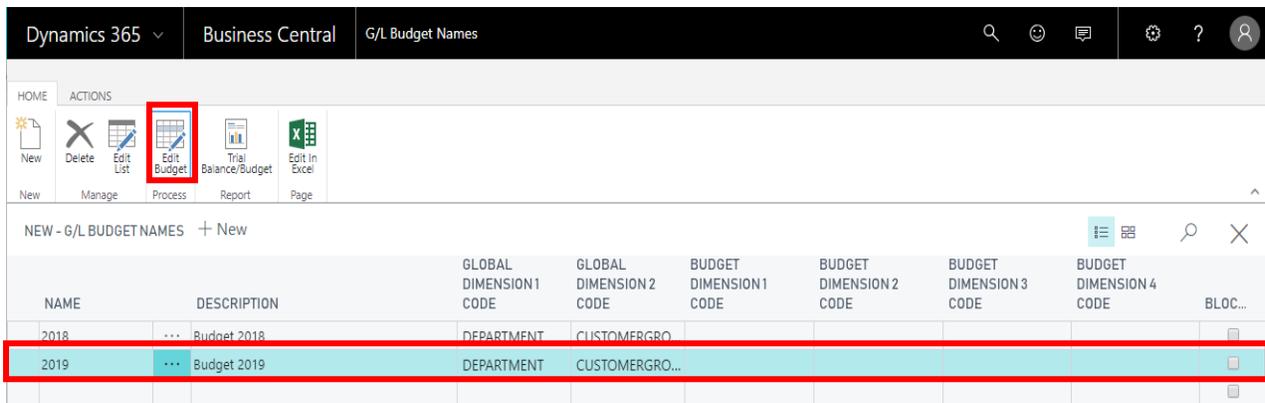
For instance, the budget is \$1,000 with a \$100 tolerance. If \$999 in transactions have been entered, the user can add another transaction up to \$101. If \$1000 in transactions have been entered, the tolerance will not be in effect and an error will be displayed.

- B. Please note, if a user attaches any defined dimensions, such as sales or supplies, in a Budget, then the same dimension needs to be applied while doing a transaction. In case the Dimension set used is not present in the budget, then it is treated as a Zero-defined budget and the system will not let the transaction proceed.

Example of errors in such cases are defined below:

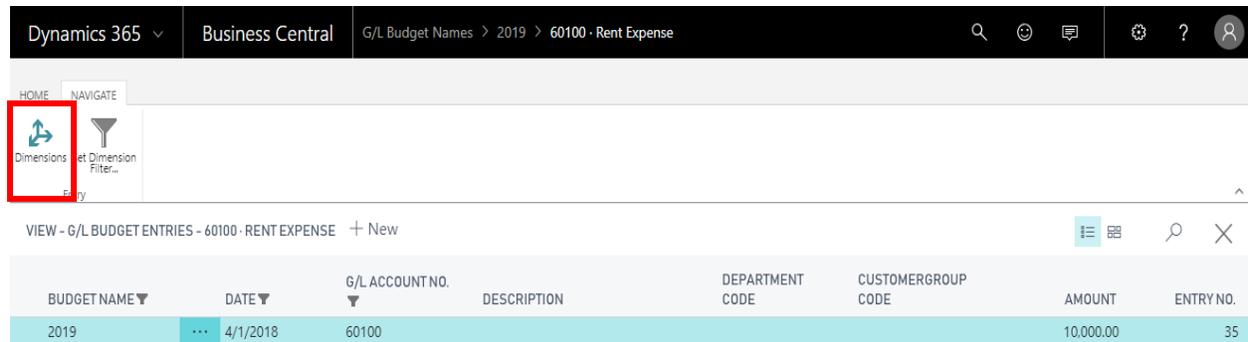


2. Go to “G/L Budget”, select Budget and select “Edit Budget”.



When a user selects “Edit List”, the system will open the budget page where the user can define a budget against any G/L. At the same time, please note that Budgets will be applicable only for G/L with an ‘Account Category’ set as “Expense”.

Manager can define “**Dimension**” parameters here. By clicking on “Budgeted Amount”, the system will open a new page:



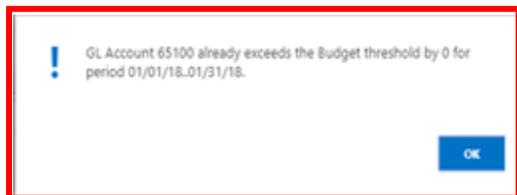
The manager will click ‘Dimensions’ and select the appropriate Dimension with its respective value.

Prerequisites: When using the Budgetary Control Setup, there must be an Accounting Period opened.

Error Handling:

If any transaction exceeds the defined budget, the system will prompt an error as illustrated in the example below:

Example: If a user is posting a transaction with higher amount than defined budget, then the system will prompt an error as below:



Else if the transaction value is lesser than defined budget it will prompt below message:

