Expense Policy for Dynamics 365 PSA – Setup Guide

February 2018

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Version Control

Date	Version	Changes Made

1.0 Overview

The eBECS Expense Policy For Dynamics 365 PSA provides enhanced functionality around the standard D365 Projects and Expenses modules by allowing you to setup a set of expense rules against individual projects.

Note – 'Organisational Units' are part of standard D365 functionality so the setup of these will not be covered in this manual. They represent a group/division in a professional services company which employ billable resources.

2.0 Setup

2.1 Fuel Rates

The fuel rates functionality is only applicable to UK based companies. It allows you to be able to input HMRC's current 'Advisory Fuel Rates' which will then be used to calculate 'Sales Tax Amounts' (VAT Amounts) on 'Expense Claims'.

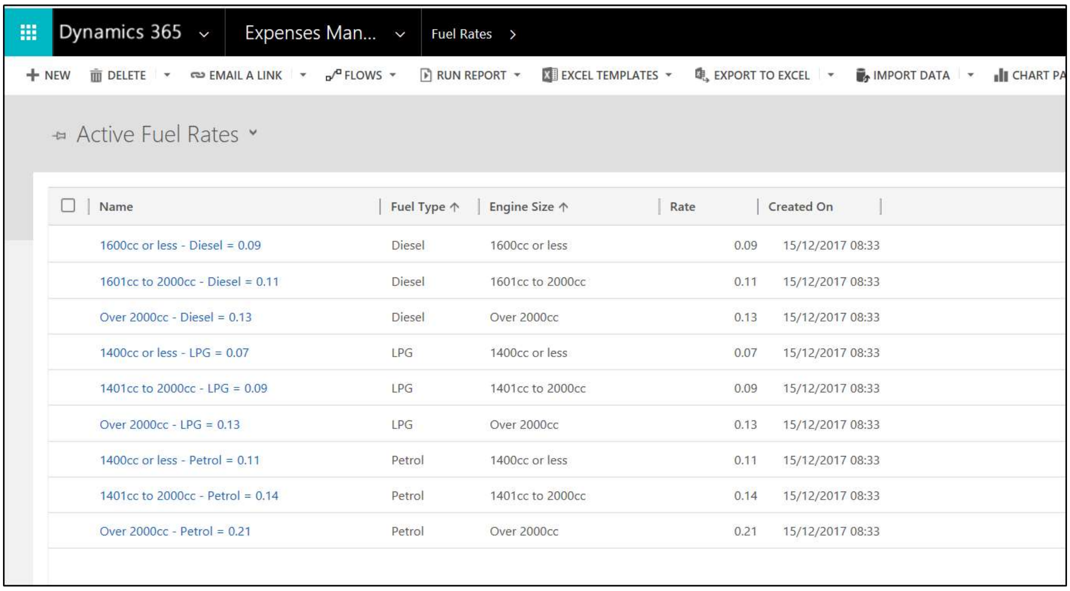
The fuel rates can either be manually defined or imported as a CSV file and contain an effective date allowing you to ensure the correct rate is used for the correct Expense transaction date.

Note – HMRC say that the pence per mile that employees can claim for using their own car, not only covers petrol, but it also covers the wear and tear and other running costs. Companies can claim back the VAT on the petrol element only.

For example, if you have a Petrol Car which is 1400cc or less, then you can claim back £0.11 per mile currently. The £0.11 is VAT inclusive so you need to work backwards to calculate the VAT claimable.

£0.11 represents 120% (100% plus 20% VAT). So the VAT element is 0.11/120*20=0.01833. For every business mile the employee does, you can claim back £0.01833 in VAT.

Click on the 'Dynamics 365' menu and then select the 'Expenses Mgt' option. Under the 'Expenses Mgt' menu, select the 'Fuel Rates' option.



Name	Fuel Type	Engine Size	Rate	Created On
1600cc or less - Diesel = 0.09	Diesel	1600cc or less	0.09	15/12/2017 08:33
1601cc to 2000cc - Diesel = 0.11	Diesel	1601cc to 2000cc	0.11	15/12/2017 08:33
Over 2000cc - Diesel = 0.13	Diesel	Over 2000cc	0.13	15/12/2017 08:33
1400cc or less - LPG = 0.07	LPG	1400cc or less	0.07	15/12/2017 08:33
1401cc to 2000cc - LPG = 0.09	LPG	1401cc to 2000cc	0.09	15/12/2017 08:33
Over 2000cc - LPG = 0.13	LPG	Over 2000cc	0.13	15/12/2017 08:33
1400cc or less - Petrol = 0.11	Petrol	1400cc or less	0.11	15/12/2017 08:33
1401cc to 2000cc - Petrol = 0.14	Petrol	1401cc to 2000cc	0.14	15/12/2017 08:33
Over 2000cc - Petrol = 0.21	Petrol	Over 2000cc	0.21	15/12/2017 08:33

2.2 Country/Regions

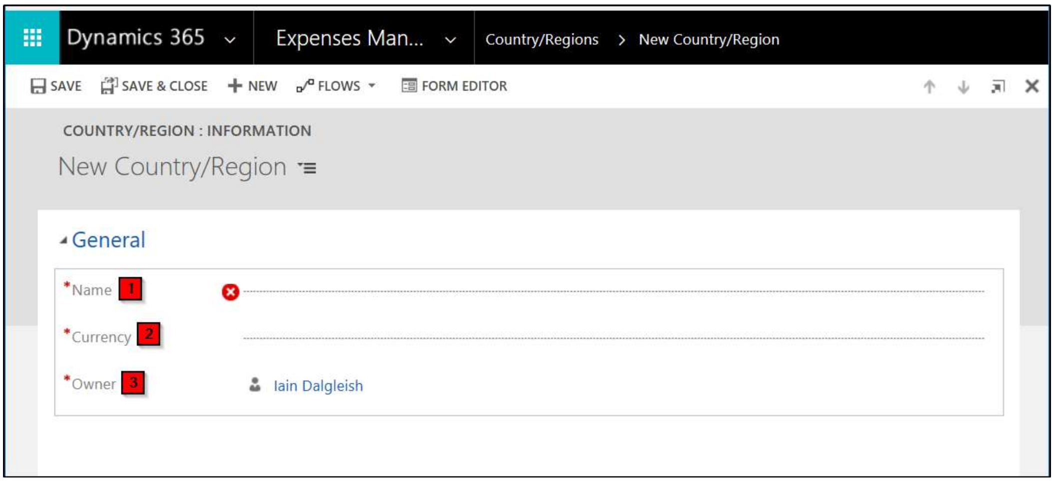
A ‘Country/Region’ record will need to be created for each different location where you have employees based who will be completing expense claims.

This detail will then be used, in conjunction with the ‘Organisation Units’ and ‘Expense Category’ areas, for calculating the ‘Tax Rate’ that should be used when claiming expenses.

It will also be used to default the Currency against a Resource when entered.

Click on the ‘Dynamics 365’ menu and then select the ‘Expenses Mgt’ option. Under the ‘Expenses Mgt’ menu, select the ‘County/Regions’ option.

Click on the ‘New’ button to create a new entry.



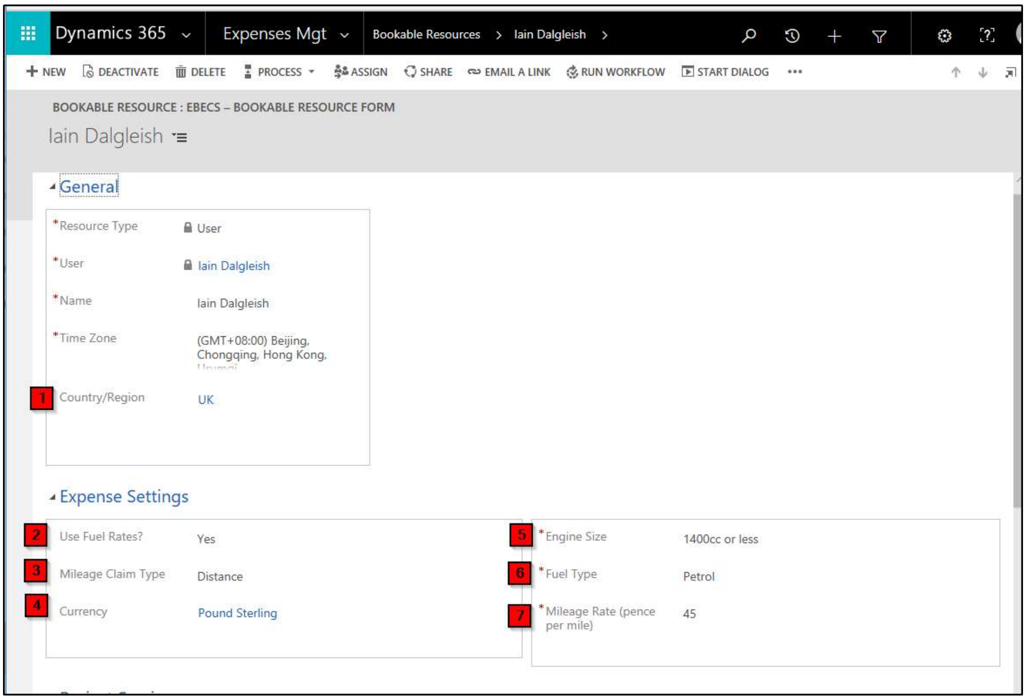
1	**Name**	In this field, you should enter in a name for the record.
2	**Currency**	In this field, you should enter in the currency which is used in Country/Region you are creating a record for.
3	**Owner**	This field will be automatically populated with the name of the user who created the record.

2.3 Bookable Resources

The standard ‘Bookable Resources’ area has been extended to include some additional fields specifically relating to the ‘Expense Policy for Dynamics 365’ module.

A ‘Bookable Resource’ record will need to be created for every employee who will be completing expense claims. Against each record, you can define which ‘Country Region’ they are in as well as populating their specific ‘Expense Settings’ relating to any car travel expenses and the currency they are paid in (which is defaulted from Country/Region if entered).

Click on the ‘Dynamics 365’ menu and then select the ‘Expenses Mgt’ option. Under the ‘Expenses Mgt’ menu, select the ‘Bookable Resources’ option.

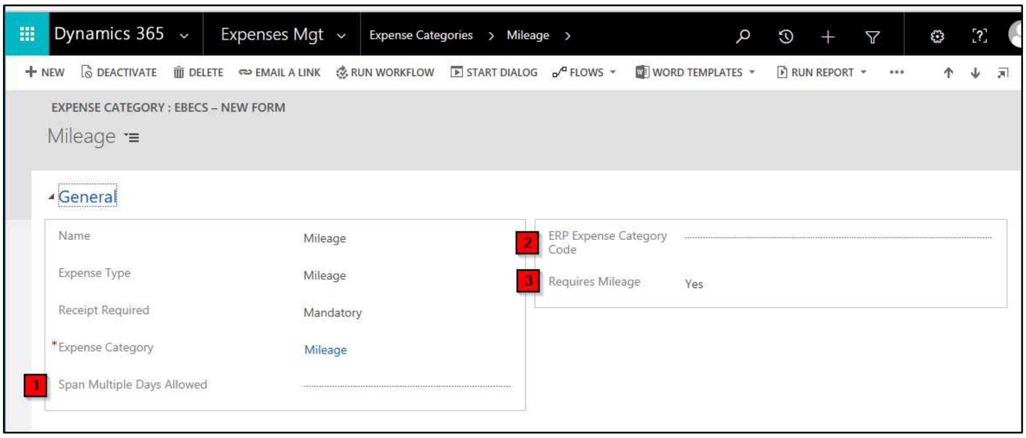


1	**Country/Region**	In this field, you should define which country is applicable to that resource.
2	**Use Fuel Rates**	This field is used to control whether or not you want to calculate ‘Sales Tax Amounts’ based on the ‘Fuel Rates’ defined in the system (as described in section 2.1.). **Yes** – If you select this option, then the ‘Sales Tax Amount’ on Expenses Claims will be automatically calculated using the ‘Fuel Rates’ defined and will not be available for user entry. **No** – If you select this option, then the standard D365 rules will be used to calculate the ‘Tax Rate’.
3	**Mileage Claim Type**	In this field, you should define whether that resources mileage claims should be based on the distance travelled or fuel receipts.
4	**Currency**	In this field, you can select which currency the resource will be paid their expense claim in.
5	**Engine Size**	In this field, you should define the engine size of the resources car from the pre-defined list. Only shown when “Use Fuel Rates” is Yes
6	**Mileage Rate (Pence per mile)**	In this field, you should define the agreed mileage rate for that resource. Only shown when “Mileage Claim Type” is Distance.
7	**Fuel Type**	In this field, you should define the fuel type of the resources car from the pre-defined list. Only shown when “Use Fuel Rates” is Yes

2.4 Expense Categories

The standard 'Expense Categories' area has been extended to include some additional fields specifically relating to the 'Expense Policy for Dynamics 365 PSA' module.

Click on the 'Dynamics 365' menu and then select the 'Expenses Mgt' option. Under the 'Expenses Mgt' menu, select the 'Expense Categories' option.



1	**Span Multiple Days Allowed**	If you are going to submit an expense claim which could potentially span multiple days i.e. if you stayed in a hotel for three nights and you will be submitting one claim for all three nights, then you should set this field to 'Yes'. If it is set to 'Yes' then, when creating an expense claim you will be able to define the 'No of Days' the claim covers. If it is for multiple days, the system will know that any maximum claim amounts defined against the 'Expense Policy Rule' (as described in section 2.6) should be multiplied by the number of days defined on the claim.
2	**ERP Expense Category Code**	If you are integrating expenses to an ERP system, such as AX or NAV etc. then you can use this field to store the matching value from those systems.
3	**Requires Mileage**	Against the mileage category, you can set this field to 'Yes'. This will then ensure that the resource has to enter in the amount of mileage (and additional details where applicable) when selecting that category on an expense claim.

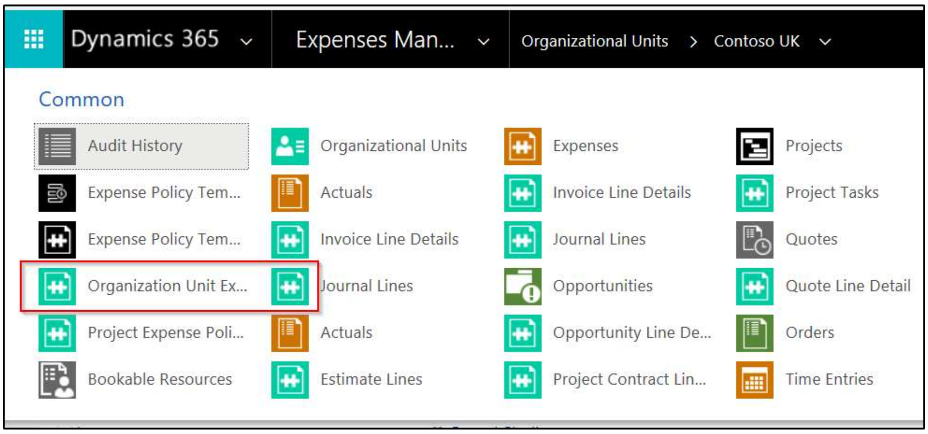
2.5 Organisation Unit/Expense Category Tax Rate

When a resource creates an expense claim, the tax rate that is applied to the claim can be automatically set by default based on the ‘Organisation Unit’ the resource belongs to and the ‘Expense Category’ defined.

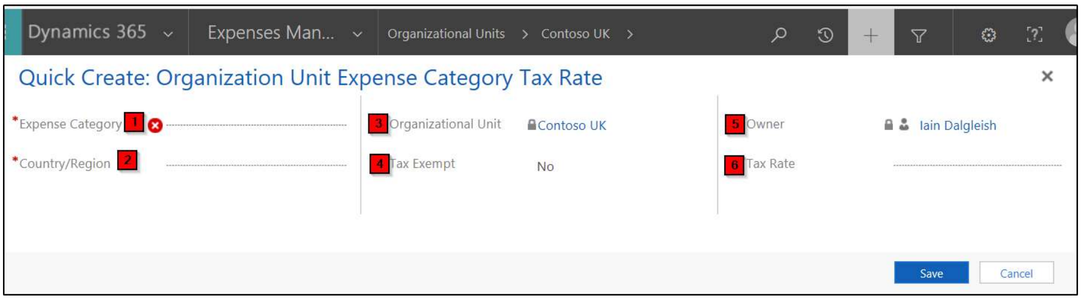
A separate record can be created for each different combination of ‘Organisation Unit’ and ‘Expense Category’ you will be using together with the applicable tax rate. Separate records can also be created for these combinations if resources are based in different countries.

Click on the ‘Dynamics 365’ menu and then select the ‘Expenses Mgt’ option. Select either the ‘Organisational Unit’ or the ‘Expense Categories’ option and then open up the required record.

From under the sub-menu, select the ‘Organisation Unit Expense Category Tax Rate’ option.



Click on the ‘Add New’ button to create a new record.



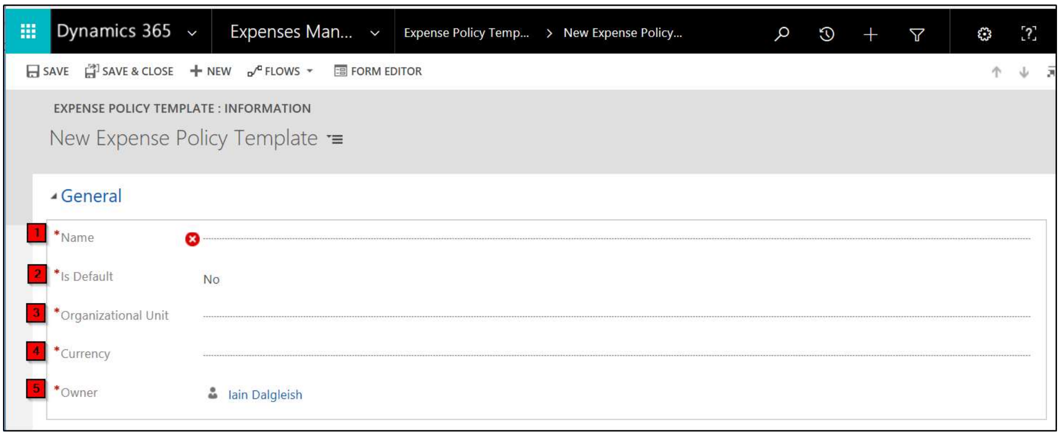
1	**Expense Category**	In this field, you should select the relevant ‘Expense Category’. **Note** – If you opened the Page from an ‘Expense Category’ then this field will be automatically populated with that value for you.
2	**Country/Region**	In this field, you should select the country the tax rate is applicable for.
3	**Organisational Unit**	In this field, you should select the relevant ‘Organisational Unit’. **Note** – If you opened the Page from an ‘Organisation Unit’ then this field will be automatically populated with that value for you.
4	**Tax Exempt**	This field is used to control whether or not that combination is exempt from tax. If set, it will set Tax Rate to 0 and disable it from entry.
5	**Owner**	This field will be automatically populated with the name of the user that created the record.
6	**Tax Rate**	In this field, you should define the applicable tax rate.

2.6 Expense Policy Template

An 'Expense Policy Template' can be created and linked to an 'Organisation Unit' and a specific currency. Against a template, you can then define the applicable 'Expense Policy Rules' which should be enforced when a resource makes an expense claim.

The policy can then be applied to projects and the expense rules will be automatically applied to the project by default.

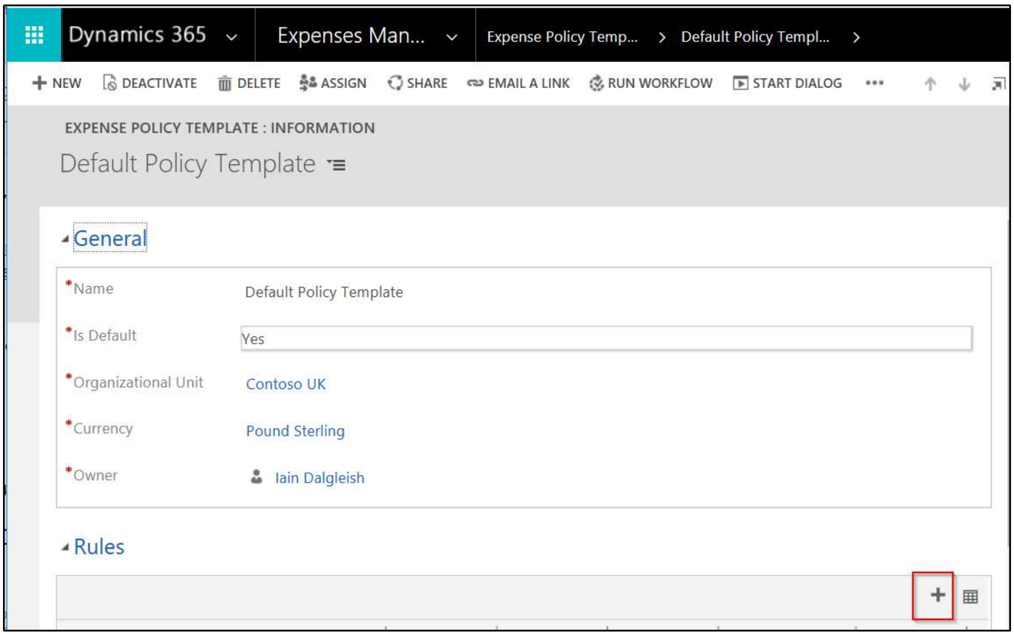
Click on the 'Dynamics 365' menu and then select the 'Expenses Mgt' option. Under the 'Expenses Mgt' menu, select the 'Expense Policy Templates' option.



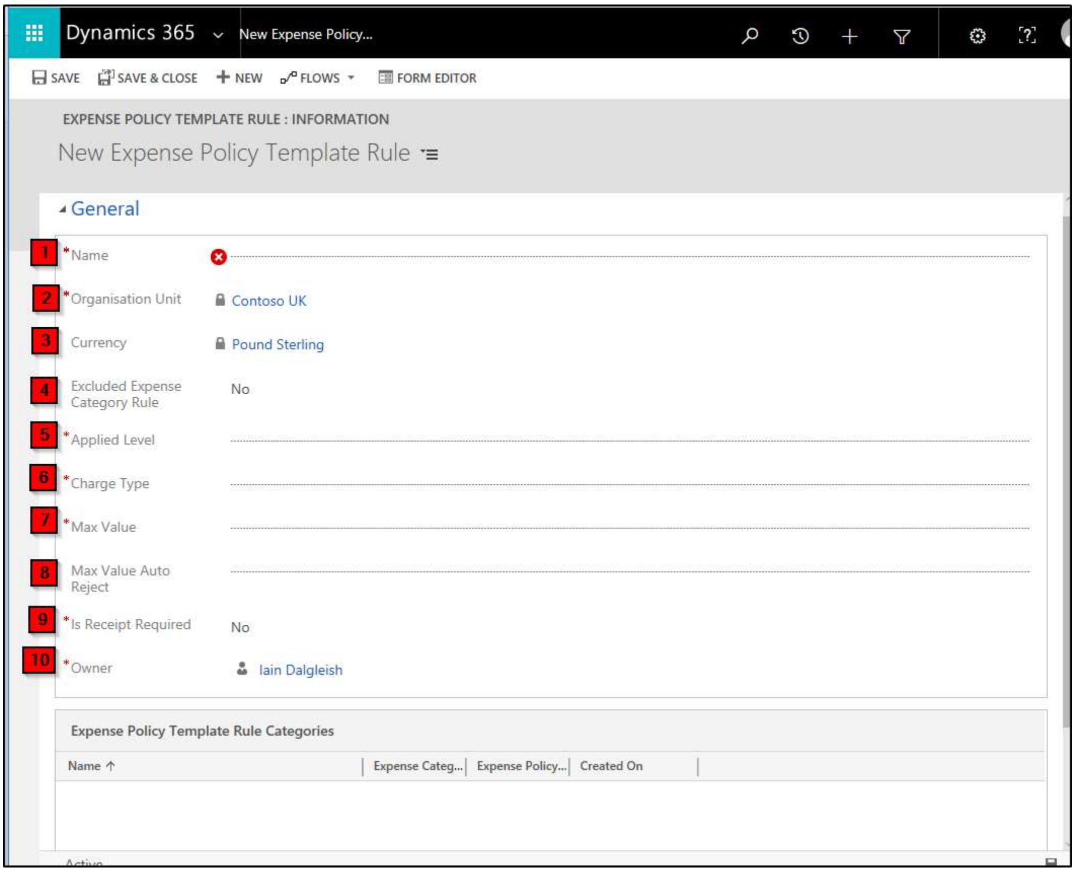
1	**Name**	In this field, you should enter in a name for the template.
2	**Is Default**	In this field, you should define whether or not the template should be used as the default template for the 'Organisation Unit'. If this field is set to 'Yes', then the template will be automatically applied to new projects when they are created and saved (if one has not been manually selected). **Note** – You can only have one default template per 'Organisation Unit'.
3	**Organisational Unit**	In this field, you should select which 'Organisational Unit' this policy applies to.
4	**Currency**	In this field, you should select which currency applies to that expense template.
5	**Owner**	This field will be automatically populated with the name of the user that created the record.

2.6.1 Expense Policy Template – Expense Policy Rules

Once a template has been created and saved, you can then define the applicable ‘Expense Policy Rules’ which should be enforced when a resource makes an expense claim.



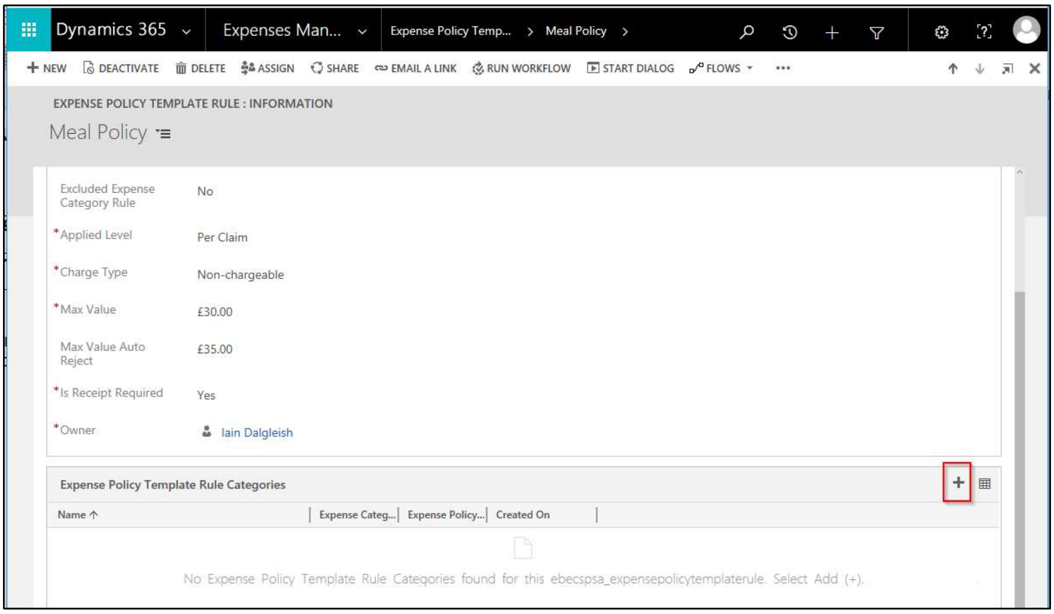
Click on the ‘+’ button in order to create a new rule.



1	**Name**	In this field, you should enter in a name for the rule.
2	**Organisation Unit**	This field will be automatically populated with the 'Organisation Unit' defined against the linked 'Expense Policy Template'
3	**Currency**	This field will be automatically populated with the 'Currency' defined against the linked 'Expense Policy Template'
4	**Excluded Expense Category Rule**	If this field is set to 'Yes', then when looking at the 'Chargeability View' against a 'Project Contract Line', that category will be automatically marked as being 'Non-Chargeable'. 
5	**Applied Level**	The option you select in this field works in conjunction with the 'Max Value' and 'Max Value Auto Reject' fields and allows you to define the level at which the maximum values should be applied. This detail will then be checked at the point a resource submits an expense claim. **Per Claim** – If you select this option, then the amount entered on the expense claim will be compared directly against maximum value fields. **Per Day Per Resource** – If you select this option, then the amount entered on all expense claims for a project for the same resource, category and date will be totalled together and then compared against the maximum value fields. **Per Week Per Resource** – If you select this option, then the amount entered on all expense claims for a project for the same resource and category entered in the same week will be totalled together and then compared against the maximum value fields. The starting date for the week is defined in System Settings > Formats > Customise Section. **Per Project** – If you select this option, then the amounts entered on all expense claims for a project and category will be totalled together for tracking purposes. No validation is enforced for Per Project rules when the Expense is entered.
6	**Charge Type**	This field is used to control the type of charge relates to this rule. The options to select from are: **Non-Chargeable** – Expenses should not be recharged to the customer. **Chargeable** – Expenses should be recharged to the customer. **Complimentary/Not Available –** Behave in a similar way to non-chargeable.
7	**Max Value**	This field is used in conjunction with the 'Max Value Auto Reject' field and is used to define what the maximum claim threshold is for the template. If this limit is exceeded on an expense claim, then the resource will be shown a warning message when saving the claim but will be allowed to continue, as long as the amount does not exceed the 'Max Value Auto Reject' field. This will then generate split expense values which can be optionally applied on approval to ensure the customer only gets charged up to the max value and the rest is posted as non-chargeable to the customer.
8	**Max Value Auto Reject**	This field is used in conjunction with the 'Max Value' field and is used to define what the maximum claim amount is for that template.

		If this limit is exceeded on an expense claim, then the resource will be shown an error message when saving the claim and will not be allowed to proceed.
9	**Is Receipt Required**	This field is used to control whether it is mandatory to submit receipts along with the expense claim.
10	**Owner**	This field will be automatically populated with the name of the user that created the record.

Once all the above fields have been completed, you should save the record. You will then be able to add in all the expense categories that the rule should be applied against by clicking the '+' button as highlighted below.

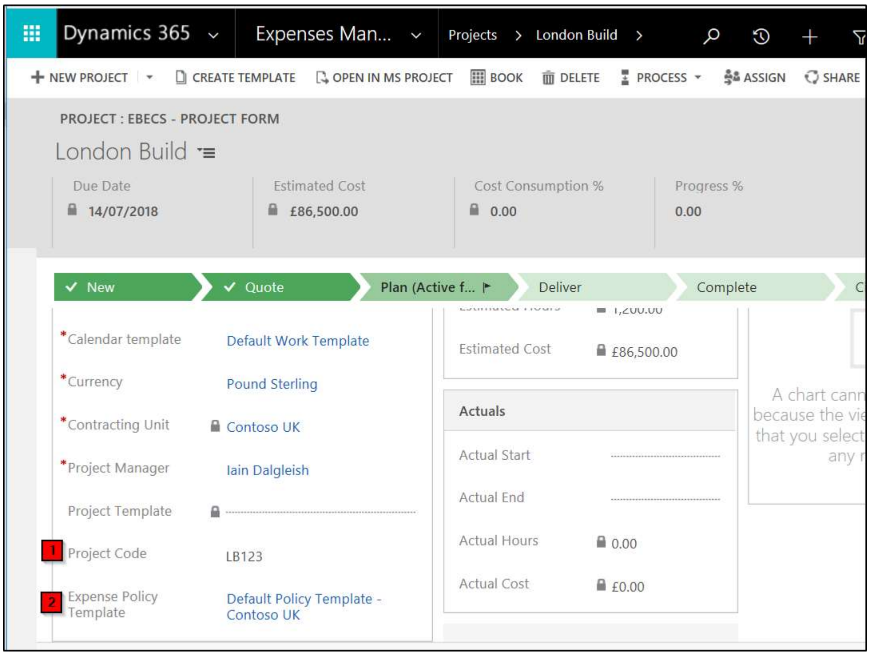


Note – Multiple expense categories can be associated against a single rule.

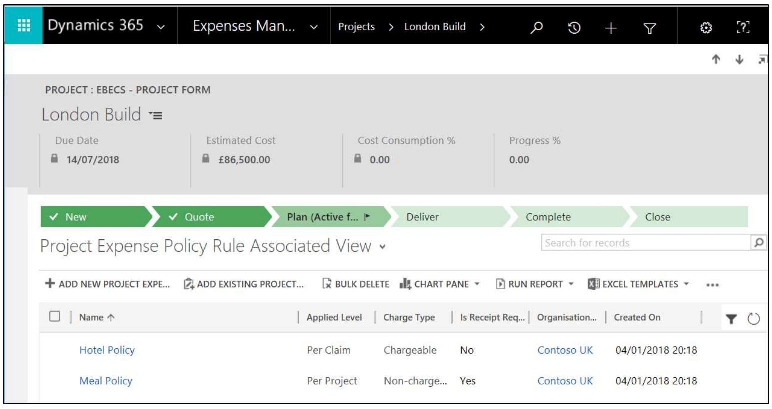
2.7 Projects

The standard ‘Projects’ area has been extended to include some additional fields specifically relating to the ‘Expense Policy for Dynamics 365 PSA’ module.

Click on the ‘Dynamics 365’ menu and then select the ‘Expenses Mgt’ option. Under the ‘Expenses Mgt’ menu, select the ‘Projects’ option.



1	**Project Code**	This field should be used to record a reference for the project. This reference is completely user definable and could be used for integration purposes with other systems or for reporting purposes.
2	**Expense Policy Template**	In this field, you should select the policy template which you would like to use with this project. Note, selection is limited to templates which match the Contracting Unit and Currency specified on the Project. When this field is added, changed or removed, the ‘Project Expense Policy Rules’ area will also be updated. From here, you can see the rules that have been applied to the project and you can also amend them at this level to apply project specific rule changes. e.g. meal policy max value from 30 to 35 Once setup, when a resource submits an expense claim, the system will check the ‘Project Expense Policy Rules’ area to see what rules need to be applied. See examples below:

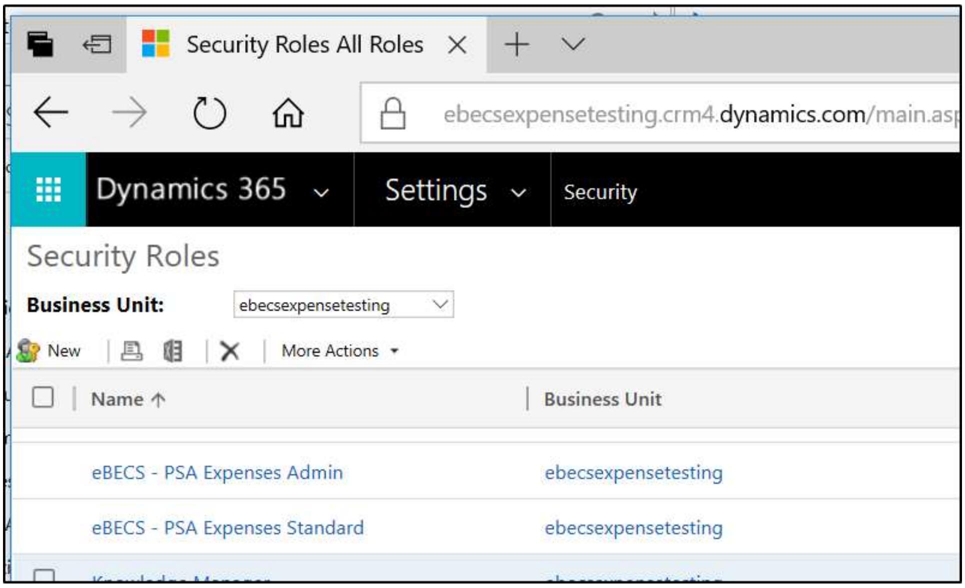


2.8 Security Roles

Two additional ‘Security Roles’ have been added specifically for use with the ‘Expense Policy for Dynamics 365 PSA’’ module.

eBECS – PSA Expenses Admin : gives the user the ability to manage all the features listed in this guide as well as those of the Standard User (see below)

eBECS – PSA Expenses Standard : gives the user the ability to read all the necessary data in order to apply the project expense policy rules on the Expense and update where applicable.



In addition, there are 2 custom “role-based” Expense forms –

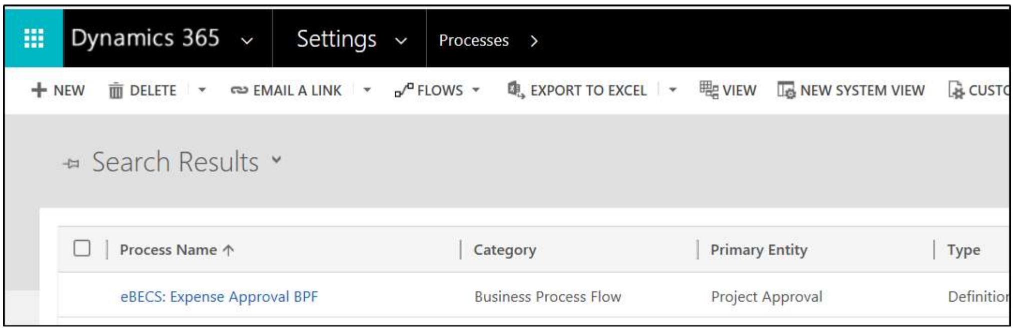
eBECS – Expense Form (All Projects): this form includes the “Show All Projects” field allowing users to choose from a list of all active projects. Currently the only role enabled for this form is “Project Manager” but this can be changed as required.

eBECS – Expense Form (Standard): this form does not include the “Show All Projects” field and restricts the user to only choosing those projects to which they have been assigned as a team member. This is the “fallback” form and all users currently have access to it.

2.9 Business Process Flows

An additional ‘Business Process Flow’ has been added specifically for use with ‘Expense Policy for Dynamics 365 PSA’’ module.

The new ‘Business Process Flow’ is primarily driven by two new fields held within the ‘Project Approvals’ area. These fields are ‘Finance Check Required’ and ‘Escalate’ and they have been added to support multi-level approvals if this is required within your company.



In addition to the above, two example ‘Business Rules’ have also been created and used within the ‘Business Process Flow’. It has also been developed in such a way that you could easily add in more stages and the process of “Approving” will only move to the next stage (not posting the Expense) until the app realises it is on the penultimate stage of the current business process flow i.e. the next stage is Approved.

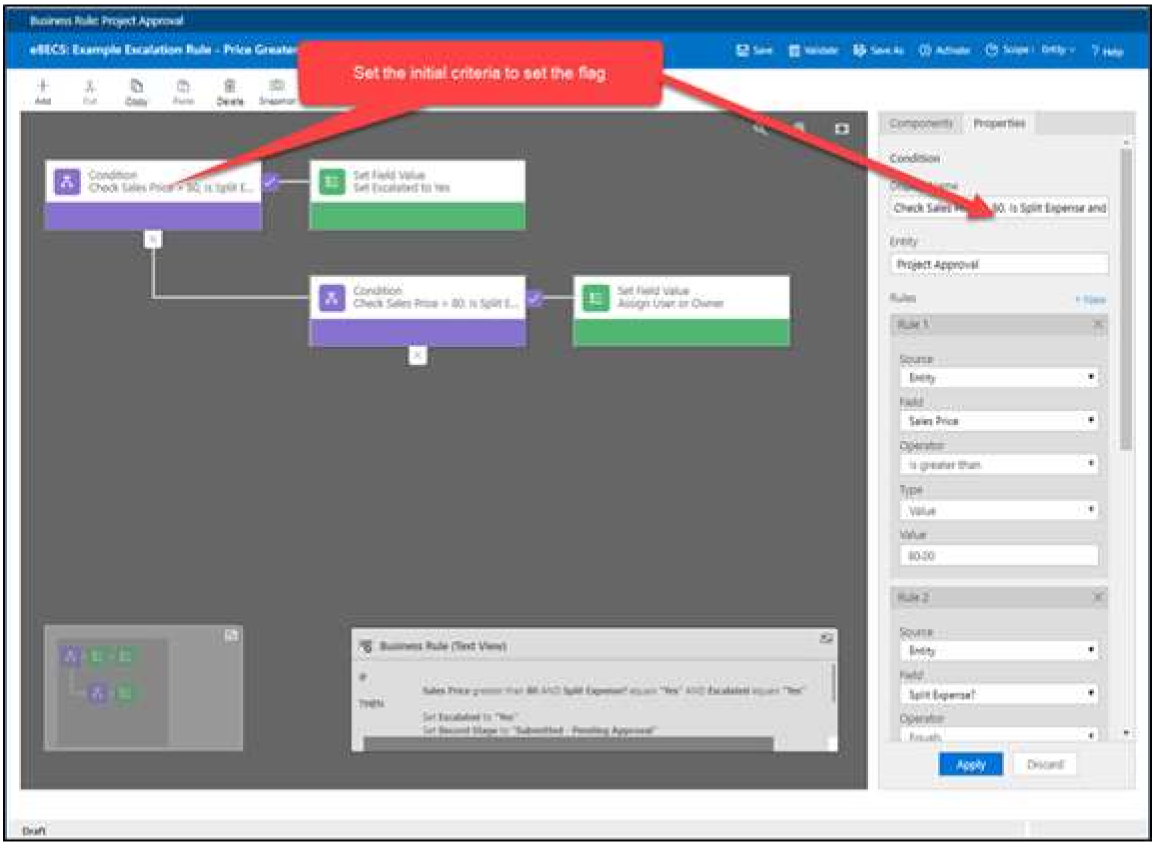
They are there to illustrate how to drive the ‘Business Process Flow’ by providing logic to automatically set the ‘Finance Check Required’ and ‘Escalate’ fields to ‘Yes’ when the applicable criteria is met on a ‘Project Approval’.

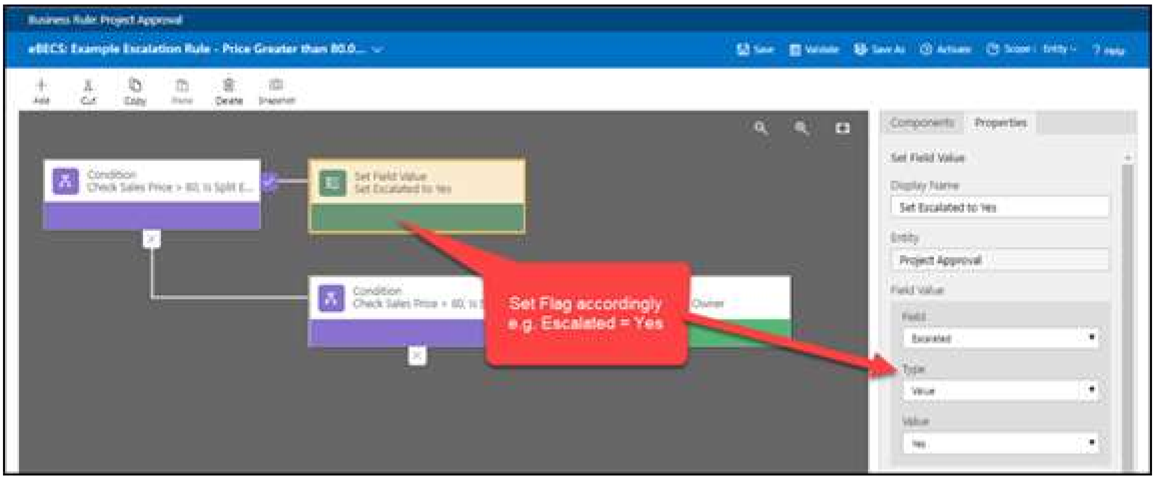
You can use these ‘Business Rules’ as a template for creating your own specific rules based on your companies specific requirements.

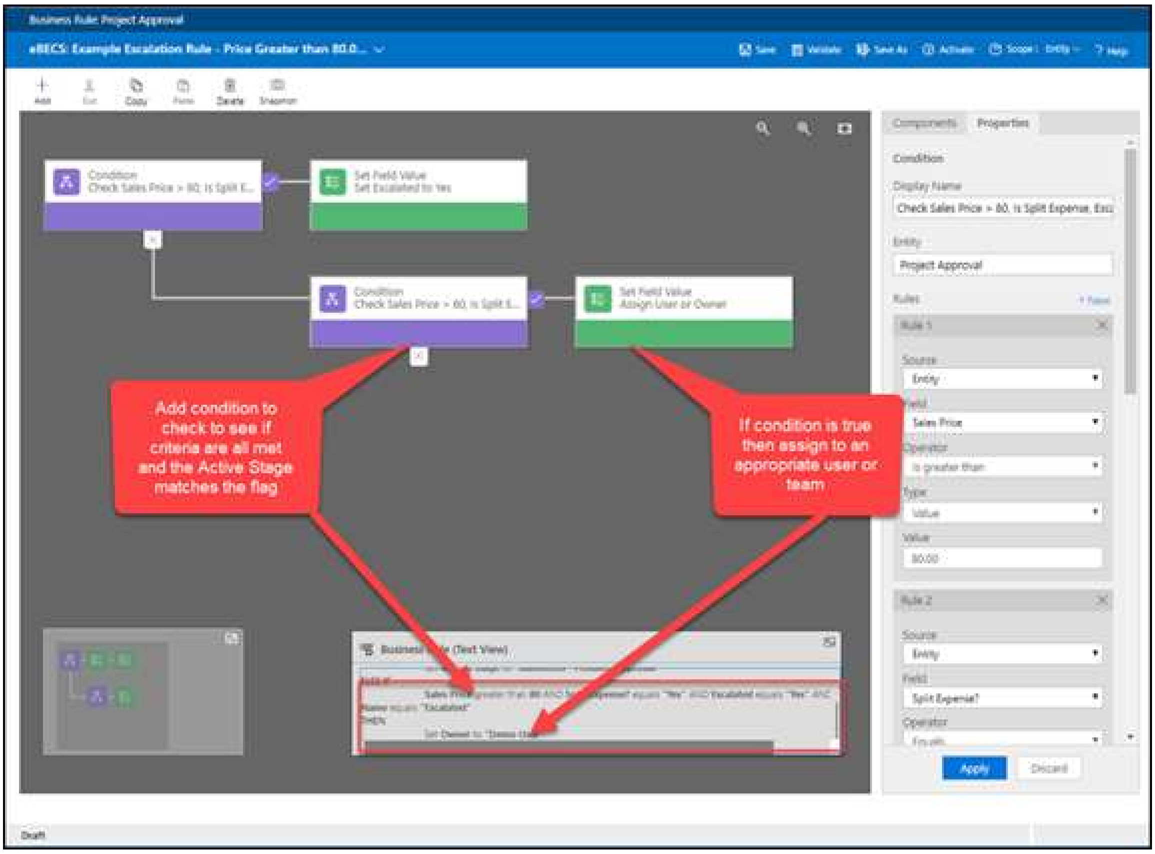
Points to Note:

- You cannot use the base currency values in the rules as at v8.2 so if you want to check across multiple currencies the appropriate currencies and values will need to be included in the business rule
- If creating your own rules, you will need to ensure that the Scope of the rule is set to “Entity”.
- Using the ‘Approve’ button from the Home Page grid when there are multi-stage approvals should only move the ‘Project Approval’ to the next stage as appropriate. It should not approve the whole expense until at the appropriate stage.

2.9.1 Business Process Flows – Example Business Rules Breakdown






Business Rule: Project Approval
eBECS: Example Escalation Rule - Price Greater than 80.0...
Condition
Check Sales Price > 80, is Split E...
Set Field Value
Set Escalated to Yes
Condition
Check Sales Price > 80, is Split E...
Set Field Value
Assign User or Owner
Add condition to check to see if criteria are all met and the Active Stage matches the flag
If condition is true then assign to an appropriate user or team
Components
Properties
Condition
Display Name
Entity
Project Approval
Rules
Source
Entity
Field
Sales Price
Operator
is greater than
Type
Value
80.00
Split Expense?
Apply
Discard
Draft

2.9.2 Business Process Flows – Project Approval Workflow History

When there are multi-stage approvals, a record is written to ‘Project Approval Workflow History’ detailing when it was approved and who approved it at each separate stage in the workflow.