Nalcor Energy – Lower Churchill Project

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LOWER CHURCHILL PROJECT

ELECTRONIC DATA EXCHANGE PROCEDURE

Nalcor Doc. No. LCP-PT-MD-0000-FI-PR-0013-01

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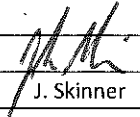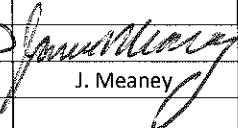
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1　PURPOSE

This document outlines the procedure for transmitting invoice data from PM+ to JDE.　The objective of this transmission is to facilitate one-time entry of Contractor invoice data and payment of Contractor invoices. Efficiency and sound internal controls are key elements of success for this procedure.

2　SCOPE

The scope of this procedure comprises (i) the processes and controls, (ii) the roles and responsibilities of those involved in the generation of invoice data from PM+, (iii) creation of the JUF and (iv) delivery of that file to CF&C. Financial and technical verification and approval processes associated with invoice Attest as outlined in the Accounts Payable Procedure - LCP-PT-MD-0000-FI-PR-0016-01 are not included in this document. This document also excludes the processes and controls associated with CF&C's Accountability to upload the JUF into JDE.

3　DEFINITIONS

LCP-PT-MD-0000-PM-LS-0001-01 Project Dictionary is the approved dictionary of the definitions for the NE-LCP.

Accountability	Acknowledgement and assumption of certain actions and being answerable for the satisfactory completion of them.
Approved	Classification within PM+ to signify that an invoice has successfully completed the Attest and approval process and is ready for inclusion in the JUF.
Attest	The process of completing financial verification, technical verification and approval to pay an invoice.
Contract	A legal agreement that binds an LCP Company to a Financial Commitment and/or obligation to another party.
Contractor	An independent third party that has entered into a Contract with an LCP Company.
Data Exchange Output Report	Customized PDF report from IDCS that contains the data to be used for upload into JDE.
Invoice Data Control System	Customized program developed to, among other things, convert invoice data from PM+ into a format acceptable for upload into JDE.　Program also contains certain controls to validate data being imported.
IDCS Account Mapping Table	A module within IDCS used to provide a linkage between CCA, PM+ and JDE accounts.
IDCS Vendor Mapping Table	A module within IDCS used to provide a linkage between JDE vendor number and the corresponding Contract number referenced in PM+.
JDE	The books and records of the LCP companies used for financial reporting and accounting purposes.
JDE Upload File	Customized MS Excel file that is produced by IDCS and uploaded by CF&C into JDE.
LCP Company	For the purposes of this procedure, consists of either of the following: 　　1)　Lower Churchill Management Corporation 　　2)　Muskrat Falls Corporation 　　3)　Labrador Transmission Corporation

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	4) Labrador Island Link Limited Partnership
Pending	Classification within PM+ to signify that an invoice has been received and is currently progressing through the Attest process.
PM+	Integrated project management system used to administer, manage and control costs and invoices associated LCP Contracts.
PM+ Output File	Customized MS Excel file that contains all selected Approved invoice data to be uploaded into IDCS.
Vendor Profile Form	A form used by the LCP to collect Contractor banking and payment information and JDE vendor number for awarded Contracts.

4   ABREVIATIONS AND ACRONYMS

AP	Accounts Payable
CF&C	Corporate Finance and Control
CCA	Cost Control Account
DEOR	Data Exchange Output Report
EPCM	Engineering, Procurement and Construction Management
F&A	LCP Finance and Accounting
IDCS	Invoice Data Control System
JDE	JD Edwards
JUF	JDE Upload File
LCP	Lower Churchill Project
MS	Microsoft Software
PDF	Portable Document Format
PM+	Project Management System

5   RESPONSIBILITIES

Cost Analyst	Accountable for downloading the PM+ Output File from PM+ as detailed in Section 7.1.
Project Accountant	Accountable for managing the data exchange process, including: • Processing of invoice data through IDCS as detailed in Section 7.2. • Overseeing the processes and controls related to data exchange. • Overseeing, reviewing and resolving errors identified during the creation of the JUF.
Corporate Team Lead – Procurement	Responsible for assigning JDE vendor numbers to Vendor Profile Forms.
Corporate Finance and Control	Responsible for uploading the JUF, processing invoices for payment and filing and storage of invoices.

6   REFERENCES

|	
LCP-PT-MD-0000-FI-PR-0016-01	Accounts Payable Procedure
LCP-PT-MD-0000-FI-PR-0019-01	Vendor Setup Procedure
LCP-PT-MD-0000-PC-PR-0001-01	Account Code Setup and Approval Procedure

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LCP-PT-MD-0000-SC-FR-0001-01　　　　　　Vendor Profile Form

7　DATA EXCHANGE PROCEDURE

The capability of electronically transferring invoice data to JDE is restricted to Canadian currency invoices processed in PM+. Once an invoice within these parameters has completed the Attest and approval process as outlined in the Accounts Payable Procedure (DOC. # LCP-PT-MD-0000-FI-PR-0016-01), it is ready for electronic transmission to JDE. The transfer of invoice data from PM+ to JDE is performed in three distinct processes as outlined below:
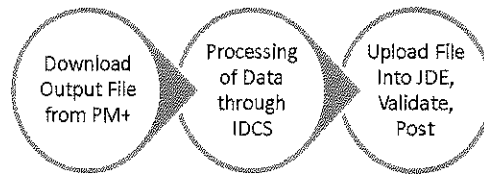
This procedure covers "Download Output File from PM+" and "Processing of Data through IDCS" in detail, and also outlines the accountabilities of the people involved in each process.

## 7.1　DOWNLOAD PM+ OUTPUT FILE FROM PM+

Periodically, based on completion of the invoice Attest and approval process, invoices ready for payment will be reclassified from "Pending" to "Approved" status in PM+ by the Cost Analyst responsible for that invoice. A designated Cost Analyst preparing the PM+ Output File will gather the paper copies of the invoices, identified as ready for transmission, from the F&A team. The Cost Analyst will sign in to PM+ and prepare to download the PM+ Output File by performing the following steps:

a)　Open "Invoice Detailed Register with Nalcor Code" (referred to as CMCRPIDRCPNC) in PM+, which can be located in the folder 'Cost Centre Method Customized Reports' under 'Cost Centre Method v2'. The location of the file is depicted in the following screenshot:

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Release Notes (RELEASENOTES)
Corporate
Project Initialization
Document Control
Procurement
Cost Centre Method v2
  Project Cost Centre Method
  Budget Package
  Monitoring
  Contract Admin.
  Scope Change & Trend
  Accounting
  Budget Reports
  Monitoring Reports
  Commitment Reports
  Scope Change & Trend Reports
  Accounting Reports
  Cost Centre Method Customized Reports
    Project 505573 - Invoice Detailed Register with Nalcor Code (CMCRPIDRCPNC)
    Project 505573 - Project Approval Slip (CMCRPPAS)
    Invoice Log Register with Cash Advance by PO/Contract (CMCRILR)
Construction
Project System Tasks (SYSTASK)

The following screenshot depicts the report screen:
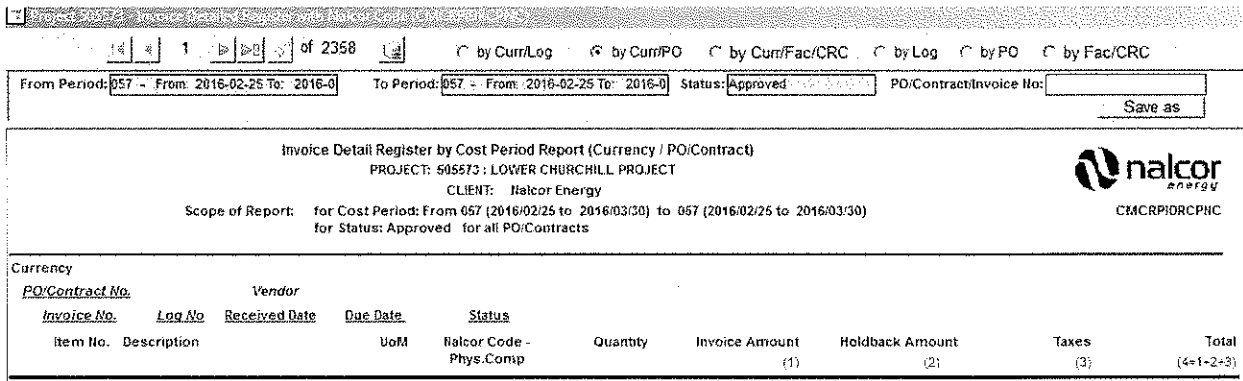
b) As depicted above, select the Filter "by: 'Curr/PO" option, 'Approved' status invoices and cost period corresponding with the invoices being processed. You must use the same cost period identified when approving the invoices in order to make the appropriate invoice selection. There may be circumstances where you cannot find an invoice in the list. This may be the result of an invoice being previously approved in a prior period. The invoice will need to be unapproved and re-approved in the correct cost period before proceeding.

c) Once the above filters are selected, click the red 'Query Mode' button to refresh the data. It is depicted as a yellow icon in the above screenshot but will turn red once filtering options are selected.

d) Once the filter is applied, all invoices falling within the selected parameters will be made available for selection within the "PO / Contract / Invoice No: drop box". The list will be organized by contract number and invoice number respectively. In order to select all invoices in the batch, you will need to hold the 'Ctrl' button and select each of the invoices listed. Extra caution must be exercised here to ensure the invoice numbers chosen match the invoices being processed. Once the invoices have been selected, press the "Enter" key.

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e) The PM+ Output File is generated summarizing relevant information pertaining to the invoices selected. The following table outlines the columns of data downloaded in this file.

PM+ Output File		
Column #	**Name**	**Description**
1	Currency Code	Depicts the currency being invoiced
2	Pocontract_po_no	Commitment reference number
3	Branch Branch	Vendor Name
4	Invoice No	Invoice number
5	Received Date	Date invoice was received at Torbay Road (this is designated as invoice date in JDE)
6	Pay item name	Commitment line description
7	Pay item amount	Amount charged on invoice for that line item
8	Nalcor Code	Used to map the JDE code in IDCS

f) Before saving the file, the next sequential batch number will need to be determined. To determine this, open LCP Tracker and select the IDCS module and Invoice Processing icon. The following screen will appear:
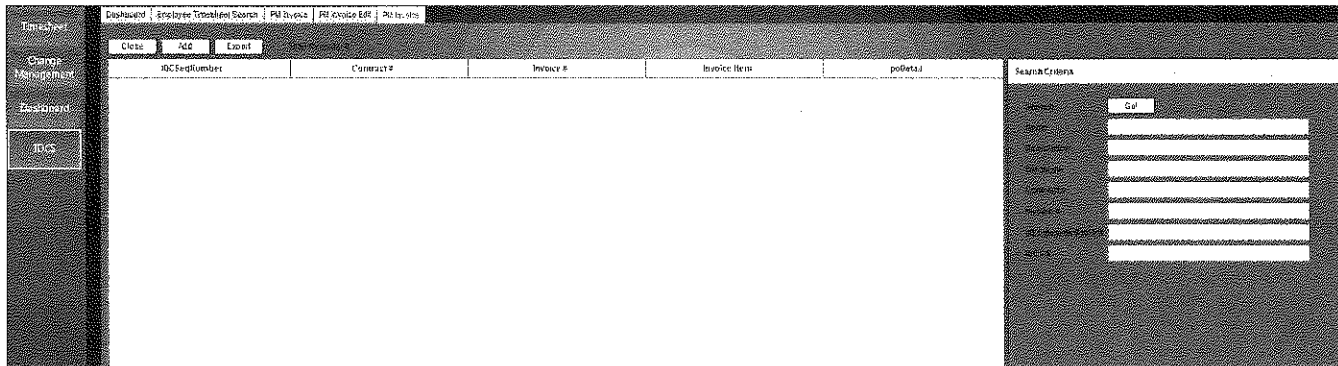
Click 'Go' on the top right-hand corner of the screen to populate a list of all successful batches processed through IDCS to date. Scroll to the bottom of the list to find the last batch number used. The 'BBB' portion of the file name will be the next sequential number following the last number in this list.

g) Return to the PM+ report. Once the next sequential batch number is determined and the information associated with the selected invoices is generated, select the 'Save As' icon and save the file in the R://System/IDCS Import folder using the following file name format: BBB-DD-MMM-YYYY.

h) When the PM+ Output File is downloaded, unnecessary commas will automatically populate within the data. If these commas are not removed before the data is processed through IDCS, errors will occur and the batch will not upload. Use 'Ctrl + F' - "Replace" tab to replace all (,) with blank spaces. It is important that this step be performed before the final copy of the file is saved. Once the commas are removed, resave the file and forward the invoices to the Project Accountant for further processing in IDCS.

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7.2　PROCESSING OF DATA THROUGH IDCS

IDCS is a customized software program designed, in part, to convert the PM+ Output File into a format that is acceptable for upload into JDE. Key components of this program are two mapping tables that provide a linkage between the following:

- Contract # and JDE vendor number: Using a mapping table, the IDCS program will match the Contract # with the JDE vendor number. Refer to Vendor Setup Procedure (LCP-PT-MD-0000-FI-PR-0019-01) regarding this process.

- PM+ Code to JDE Code: Using a mapping table, the IDCS program will match the PM+ coding to the JDE coding. Refer to Account Code Setup and Approval Procedure (LCP-PT-MD-0000-PC-PR-0001-01) regarding this process.

The following sections outline the processes and controls around the use of the IDCS program and the submission of the JUF to CF&C.

7.2.1　PROCESSING TRANSACTIONS IN IDCS

Upon notification that a PM+ Output File is ready for processing, the following steps are to be completed by the Project Accountant:

a) Open LCP Tracker and select the IDCS module and invoice processing icon. Once opened, the "Add" icon is selected and will produce a report of available batches. The following screen will appear requesting a name and description of the file to be uploaded:
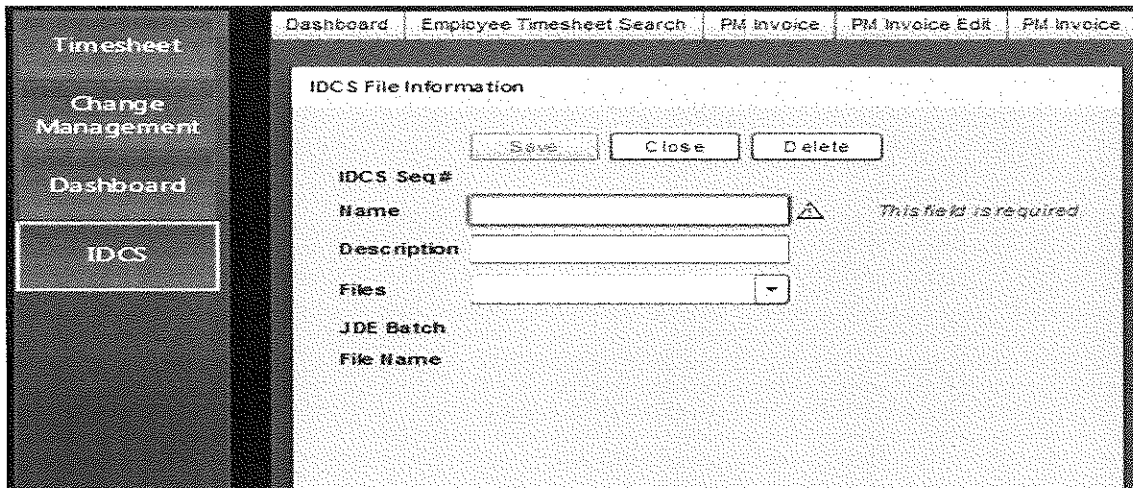
The Project Accountant will enter the name of the batch defined by the Cost Analyst in the "Name" field and the batch number in the "Description" field (refer Section 7.1 (g)).   The file saved by the Cost Analyst that matches the batch number identified by the Project Accountant is then available for selection in the "Files"

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drop down menu. Once this file is selected, IDCS will upload the file and run a validation process to ensure that the contract reference number and line item coding exists in the in the corresponding IDCS mapping tables.

Click 'Save'. This is the stage of the process where coding or vendor errors can arise. An error report is automatically created when exceptions are encountered during the upload. The report provides necessary details to isolate the error. If IDCS returns an error report during the validation, the Project Accountant, in consultation with the Cost Analyst accountable for the invoice, will be required to resolve and clear all errors before continuing. IDCS will not generate any JDE output reports until all errors are cleared. It is important to note that if a PM+ Output File returns an error during the upload, the errors will need to be corrected in PM+ and the batch will need to be rerun from the beginning. For errors relating to coding, see the Account Code Setup Procedure (LCP-PT-MD-0000-SC-FR-0001-01). For errors relating to vendor numbers, see the Vendor Setup Procedure (LCP-PT-MD-0000-FI-PR-0019-01). The above procedures will outline steps towards resolution. Once the error is corrected, the batch number can be re-used and the process of uploading into IDCS begins again.

b) Once the file is error free, the following reports are produced by IDCS:

- **JUF Report**: Select the "Run JDE Output Report" to produce the JUF Report. Once produced, select the save icon and export to MS Excel.

- **DEOR Report**: Select the "Run Report" icon to produce the DEOR Report. Print the report to aid in the completion of the procedure.

JUF Report Validation:

The JUF Report is analyzed by the Project Accountant in MS Excel to ensure no errors exist in the file. The Project Accountant will open the copy of the JUF file and produce a pivot table of the data to aid in the quality review of the batch. Open the file and select 'Insert' and 'Pivot Table'. A box will prompt you to define the range of information you wish to use. It will automatically select all of the information. Click 'OK'.

A field list will appear on the right hand side of the screen. Select the following fields in the order presented:

- PO/Contract #
- JDE Company
- Invoice #
- Received Date
- JDE Vendor #
- JDE Business Unit
- JDE Object Type
- JDE Subsidiary
- Company Code
- Currency Code
- Amount

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Once the selection is complete, close the field list window.

Remove the 'Automatic Sum' on each field by right-clicking each field header and removing the automatic sum option. You must not remove this function from the 'Invoice #' header. The summation for the total of the invoice is required.

Highlight all invoice totals to ensure they are distinctly identified. This is done by highlighting the invoice subtotal line, using the yellow highlighter tool.

On the far right (after the Amount column), a formula based on 'Received Date' must be entered to calculate the payment date in PM+. Enter a '=Received Date+30' formula next to each invoice total. Once payment dates are calculated for each invoice, format the column as 'DD-MMM-YYYY'. This step is used as a 'quality check' to ensure invoice dates align with the payment dates presented on the face of the invoice. If a payment date falls on a weekend or holiday. The Project Accountant will ensure the payment date in the JUF is changed to reflect the last JDE pay run prior to the due date. To make this change, the "Received Date" will have to be changed in PM+ to adjust the calculated payment date and the batch will need to be redone

Once all dates are verified, the pivot table is printed. Save the file in the T://Project Controller/Accounts Payable/Data Exchange/Pivot Tables folder using the same file name as was used to save the PM+ Output File. The paper copy is signed and dated by the Project Accountant.

DEOR Report Validation:

The Project Accountant will verify that the vendor name and invoice total identified on the DEOR agrees to the information on each invoice. Once agreed, the form is signed and dated by the Project Accountant.

c) Once both reports are printed, all invoices are verified against the DEOR Report and the JUF Report (refer Section 7.2.1 (b)) to ensure there are no errors relating to any of the field headings. Both reports must then be verified against each other to ensure they are exact replicates of each other. The same items included in the pivot table (Section 7.2.1(b)) are verified against the invoices. It is important that each specific field is confirmed to match the invoice. If errors are found the process will need to be rerun from the beginning.

d) Once the above steps have been successfully completed, the 'Send File for Processing' icon in IDCS is selected. This action will trigger an automated email, with the JUF file attached, to CF&C for further processing in JDE. A 'file has been exported' memo will appear just below the 'Send File for Processing' button to confirm export was successful. The CF&C Team Lead and a designated Accounts Payable Clerk will receive an email notification that a JUF has been transmitted. The Accounts Payable Clerk will upload the file into JDE and process the batch; all in accordance with CF&C procedures.

e) The Project Accountant will scan and email the DEOR Report and the JUF Report to the designated Team Lead - Project Accountant and the designated Accounts Payable clerk at CF&C. The batch number will be provided to the Project Accountant who will update IDCS with this information ('JDE Batch' field in the 'Invoice Processing' tab).

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f) The Project Accountant will update IDCS Batch Log (T://Project Controller/Accounts Payable/Data Exchange folder) with the following information:

- Sequence #
- Date Processed
- Successful – To identify is the batch number used was successfully exported and uploaded into JDE by CF&C
- File Name
- Processed by – Cost Analyst's initials
- Comments – Any comments necessary related to the batch. This could include comments regarding errors
- Batch Number

Invoice data, for invoices covered in the data sent to CF&C, is moved from the "Active" tab to the "Sent to Corporate and Closed" tab in the Consolidated AP Register (T:\Project Controller\Accounts Payable\Invoice Tracking Log). This file is updated to reflect the date the invoices were sent to CF&C, along with the due date for each invoice. This step is completed by the Cost Analyst who completed the PM+ Output Report.