COMMITMENT CONTROL

AUTHORIZED REQUESTERS AND AUTHORIZED APPROVERS

CHAPTER 8

ORACLE
PEOPLESOFT ENTERPRISE

Bowie State University
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COMMITMENT CONTROL

Overview

In PeopleSoft Purchasing, commitment control enables you to control expenditures against predefined, authorized budgets. Commitment control enables you to automate large portions of the accounting control process.

Once your budgets are established in PeopleSoft, you can track all transactions in the procurement life cycle against the overall budget.

From a budgetary perspective, the procurement life cycle is populated with pre-encumbrances, encumbrances, and expenditures, all of which are tracked against a designated budget. When you use commitment control, each type of financial obligation is deducted from the budget and tracked by obligation type so you can easily see how many dollars you have committed in pre-encumbrances, encumbrances, and expenditures.

Here is a high-level overview of the procurement life cycle in commitment control:

1. When you generate a requisition, a pre-encumbrance is created in your budget records by the budget-checking process.

2. When a requisition becomes a PO, commitment control changes the pre-encumbrance into an encumbrance.

3. When the purchased goods or services are delivered and the PO becomes a voucher, commitment control changes the encumbrance into an expenditure.

Objectives

By the end of this chapter, you will be able to:

- Successfully view budget information.
- Successfully drill down.
Budget Details

You can inquire on your budget by using the *Budget Details* page. You will begin with the search page to locate the budget information you want to review.

**Navigation**

- Commitment Control
- Review Budget Activities
- Budget Details

![Budget Details page](image)

Enter information into the following fields:

- Business Unit: BSU
- Ledger Group: ORG
- Department: ___________
- Budget Period: 2010
- Click *Search*

**Note:** To narrow your search, you may also enter the class.

The *Search Results* display the information that matches your criteria.

Click the class you want to view.
The Budget Details page displays information budget information for a department by class.

Click the View Related Links ( ) icon to see the calculations that are used to derive the numbers in the *Available Budget* section.
Drill to Ledger

You can review the ChartFields and Amounts that make up the Budget, Expense, Pre-Encumbrance and Encumbrance for the ChartField combination you selected.

When you click on the Drill to Ledger () icon, you access the Ledger page that shows the ChartFields and Amounts that make up the amount shown. Click OK to return to the Commitment Control Budget Details page.

Click the Drill Down () icon to see the journal transactions that comprise the budget number on any line.
Click the Show Journal Detail ( Erdoğan) icon to see review the actual journal entries. This entry opens in a new window. Close the window when you complete your review of the information.

From the **Commitment Control Budget Details** page, you can also review the amounts for each line by clicking on the **Amounts** tab.
Drill to Activity Log

Review the activities that make up the Budget, Expense, Pre-Encumbrance and Encumbrance for the ChartField combination you selected.

When you click on the Drill to Activity (🔍) icon, you access the Activity page that shows the information on the transactions that make up the selected total. Click OK to return to the Commitment Control Budget Details page.

Click the Drill Down (🔍) to see the Budget Journal Drill Down page. Click OK to return to the Activity Log page.
Viewing Budget Exceptions

Use the Budget Exceptions inquiry page to review the exceptions encountered during budget check processing.

Navigation

- Commitment Control
- Review Budget Check Exceptions
- Budget Exceptions

Enter the Ledger Group, Department and Budget Period. Then click Search.

The search results that match your inquiry appear at the bottom of the page.

Click the hyperlink for the Class you want to review.

The Commitment Control Budget Exceptions page appears.
Select an Exception Type (Error or Warning) and click Search to see any exceptions that have been recorded.

The default is to retrieve exceptions in the last 30 days. If you need to expand those parameters, click on the Advanced Transaction Criteria hyperlink and enter the new parameters.

The results that match the criteria will appear at the bottom of the page.
Use the Drill down function to drill to the General Ledger journal transaction that created the amount.

![General Ledger Journal Line Drill Down](image)

Click **OK** to return to the *Commitment Control Budget Exceptions* page.

Click the **Budget Override** tab to see information on budget overrides for any lines.

![Transactions with Budget Exceptions](image)
View Details

Click the View Details ( ) to access the Commitment Control page to show details.

![Commitment Control Details]

Click OK to return to the Commitment Control Budget Exceptions page.

View Related Links

Click the View Related Links ( ) to access additional information.

![View Related Links]

Click the hyperlinks to access the pages for additional information.