

Process: Capex control (Validation & Follow up)

Subprocess: Capex Invoices Registration

Process Owner: Fran Morillo

Process Leader: Fran Morillo

Author	Jorge Rey
Date	12.07.2016
Last modification date	
Document version	

NH Approvals

Name	Function	Date	Comments
Fran Morillo	Process Owner		
Fran Morillo	Process Leader		

Modification History

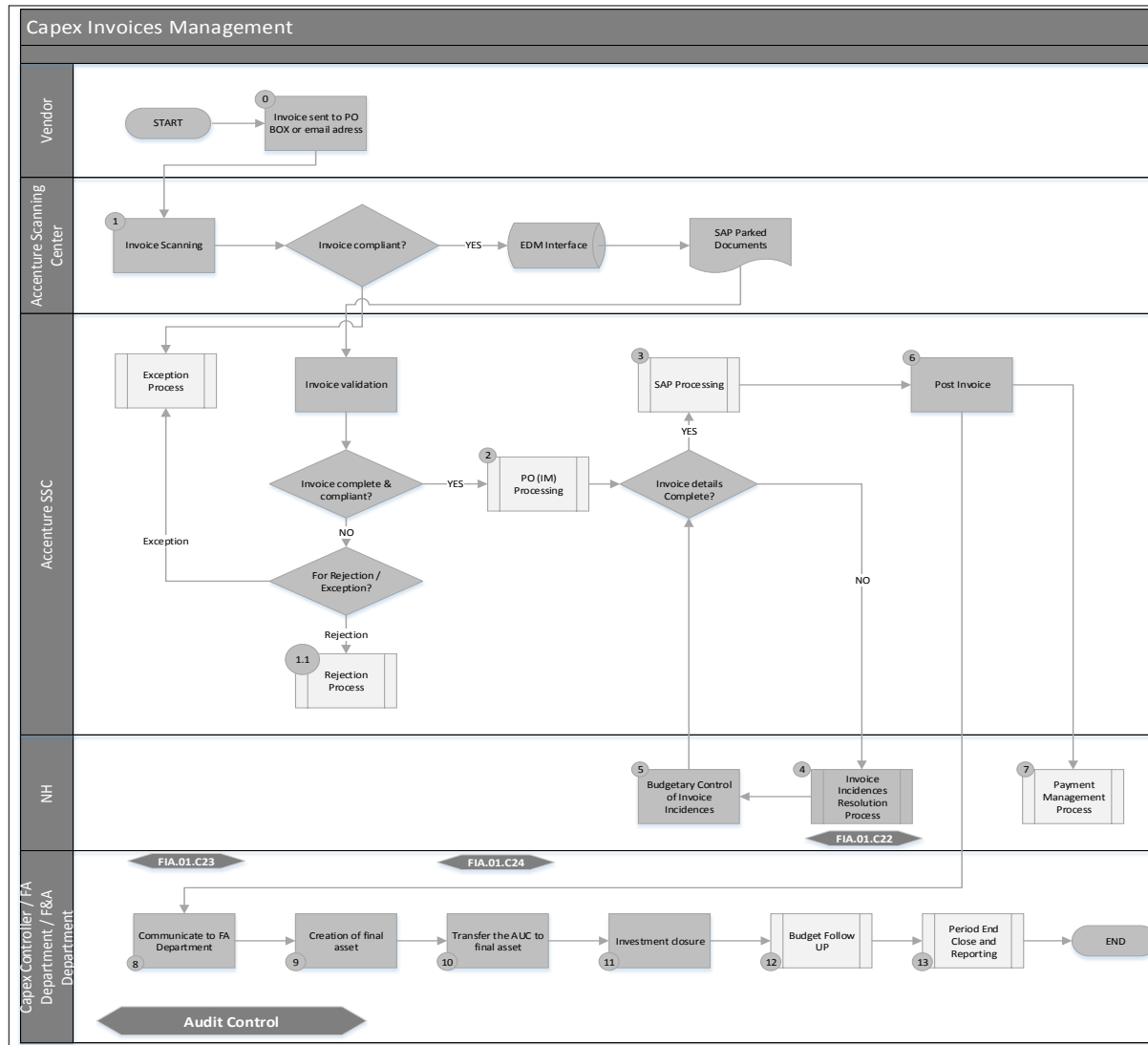
Document Version	Date	Modified by	Comments
0.1	12.07.2016		
0.2	01.03.2018		

Process: Capex control (Validation & Follow up)

Subprocess: Capex Invoices Registration

Process Owner: Fran Morillo

Proces Leader: Fran Morillo



Shape	Name	Description
	Task	Represents a manual activity of the process.
	Automatic Task	Represents an automatic activity of the process.
	Flow direction	Input or output of the task or decision.
	Internal Audit Control	Controls defined by NH Internal Audit
	Systems	Application or Tool.
	Start/End	Indicates the beginning or the end of a process.
	Manual Process	Manual Business process composed of tasks, decisions, flow directions, documents and
	Decision point	It is originated after one task and it generates two or another decision.
	Report or document	It is a physical or electronic file used as input or output of a task.
	Notifications	External/Internal Notifications.

NH HOTEL GROUP		Corporate IT & Organization Department				
Process: Capex control (Validation & Follow up)						
Subprocess: Capex Invoices Registration						
Process Owner: Fran Morillo			Process Leader: Fran Morillo			
Order	Task	Task Description	When	Responsible	Frecuency	Tools
0	SH06 Vendors invoice receipt	Vendor invoices are received directly in PO BOX allocated for these invoices: <u>PO BOX 15200</u> <u>Campolide</u> <u>1074-003 Lisbon/ PORTUGAL</u> In those countries where it is permitted by legislation, it can be sent electronically. In this case they will be sent to the following email address: nh_capex@epsportal.com	Depending on the provider's invoicing frequency	Vendor	Daily	MM_Supplier Guide for invoicing process in NH Hotel Group / Welcome e-mail for vendors
0.1	Vendor invoices received in the BU or HQ	All invoices received in the BUs (hotels, SC) or HQ will be returned to the supplier, communicating the correct shipping address (PO BOX or email address). Also BU can send to PO Box or email address.	Invoice receipt	Hotel - SC - HQ	Daily	N/A
1	Reception, scanning and integration of invoices in EDM and SAP	<u>Subprocess Reception, scanning and integration of invoices in EDM and SAP.</u>	N/A	Scanning Center	Daily	Scanning EDM - SAP
1.1	Invoice Rejection	If any invoice must be rejected (Missing PO number, wrong NIF, not readable document, multiple documents in one PDF, wrong society, etc.), it will be returned to the supplier for its review and the correct invoice will be send again.	+ 3 days after the document's integration	SSC	Daily	E-mail. Standard answers for inquiries with suppliers
2	PO (IM) documents processing	The SSC operator reviews and validates all fields , the invoice in SAP with the invoice in PDF format. The operator reviews the PO indicated in the invoice, the bank account (using matrix procedure) and taxes.	+ 3 days after the document's integration	SSC	Daily	Transaction SAP: MIR4 MIRO ME23N o ME2L
3	Start of invoices registration processes	After carrying out the necessary checks and revisions, indicated in the previous task, and if everything is correct, the user initiates the process of the accounting of invoices.	+ 3 days after the document's integration	SSC	Daily	Transaction SAP: MIRO
3.1	Tolerances	The tolerances applied to capex invoices are the same as the ones applied to MM invoices (roundings).	+ 3 days after the document's integration	SSC	Daily	Transaction SAP: MIRO
4	Invoice - PO difference workflow	The invoice incidence entails, that the invoice has not been posted for the following reasons: 1.-Packing slip missing (GR) (<u>Subprocess PS Missing Incidence</u>). 2.-PO line mising (<u>Subprocess PO Line Missing Incidence</u>). 3.-PO consumed (<u>Subprocess PO Consumed Incidence</u>). In these three cases the invoices are registered as parked documents. 4.-Quantity incidence (<u>Subprocess Quantity Incidence</u>). 5.-Price incidence (<u>Subprocess Price Incidence</u>). In these two cases the invoices are posted as blocked payment. At that moment a workflow in SAP is triggered and it notifies the user the existence of this incidence. Price incidence are always under responsibility of Purchase order creator, although this PO corresponds to a nominated vendor. Quantity incidences will arrive to goods receipt creator (instead of PO creator). If we have requested a credit memo to the vendor, this invoice remains blocked for payment until we receive the credit memo and post it.	+ 3 days after the document's integration	SSC	Daily	Transaction SAP: MIRO
						Subprocess Packing Slip Missing Incidence
						Subprocess PO Line Missing Incidence
						Subprocess PO Consumed Incidence
						Subprocess Quantity Incidence
						Subprocess Price Incidence
4.1	Especial case:Transportation expenses or any other expenses associated with the asset.	If the invoice that arrives at the SSC includes transportation expenses or any other expenses associated with the asset, and this is not included in the purchase order, the SSC will create a PO Line Missing incident. The user will receive this incident and must confirm if the transport costs that the supplier invoices are correct or not. If they are correct, the user must modify the order by adding the line of transportation expenses. If they are not correct, the user must indicate that the invoice is rejected to the supplier.	+ 3 days after the document's integration	SSC	Daily	Transaction SAP: MIRO
4- AI	Internal Audit Control FIA.01-C22	The positive resolution of quantity incidences or price incidences (if accepted) can cause that the budget and tolerance available exceed. In this case, we must follow the control FIA.01-C19	N/A	HQ Capex Controller	Execution: Ad-hoc Testing: Yearly	Evidence: a. WF configurations: system configuration that informs the Capex Controller that there is an exceed budget of that investment order and tolerance b. Screenshot: walkthrough with the approval from the Capex Controller regarding budget exceed (select a sample).
5	Budgetary control of invoices incidences	If the amount of the invoice exceeds the amount of the goods receipt and exceeds budget or/and the tolerance, the invoice can not be posted. The SSC user has to park the invoice and create a "Budget exceeded" incidence. This will trigger a workflow that the PO creator will receive in his SAP Business Workplace.	+ 3 days after the document's integration	SSC	Daily	Transaction SAP: MIRO
5.1	Budgetary control of invoices incidences. The invoice is correct.	If the invoice is correct the PO creator has to manage the the budget increase approval with the Capex Controller. Once approved s/he will has to close the incidence indicating to SSC that the invoice can be posted.	+ 3 days after the document's integration	PO Creator / Capex Controller	Daily	SAP Business Workplace / e-mail
5.2	Budgetary control of invoices incidences. The invoice is not correct.	If the invoice is not correct, PO creator has to indicate to SSC that the invoice has to be rejected.	+ 3 days after the document's integration	PO Creator / Capex Controller	Daily	SAP Business Workplace / e-mail
6	Invoice posting	If the invoice is correct or the detected incidences are solved, the user post the invoice in SAP. Important: It can not close an investment and capitalize an asset if all possible incidents related to the invoice have not been previously solved.	+ 3 days after the document's integration	SSC	Daily	Transaction SAP: MIRO
7	Invoice payment	<u>Subprocess Payment Management</u>	Ad-hoc	Administration	Ad-hoc	

8	Communicate to FA Department	Communicate to FA Department that the project or work is already finished in order to create the new asset file in SAP_FA.	Once the project is completed	Capex Controller	Ad-hoc	
8- AI	Internal Audit Control FIA.01-C23	In order to create the new asset file in SAP the FA responsible receives a communication from the corresponding department informing that the project or work is already finished	N/A	Project Manager Capex Controller	Execution: Ad-hoc Testing: Yearly	Evidence: a. Communication informing that the project or work is already finished. B. New asset file create in SAP_FA
9	Creation of Final Asset/s	The final asset/s will be created, independent of the investment order (not in cases that the final asset number was created with the initial loading).	Once the project is completed	BU/FA Department	Ad-hoc	SAP FA
10	Transfer the asset under construction to final asset	Once the asset under construction is finished, the amount from the asset under construction account will be reclassified to a final asset one.	Once the project is completed	BU/FA Department BU Finance Department	Ad-hoc	SAP FA
10- AI	Internal Audit Control FIA.01-C24	Once the asset under construction is finished, the amount from the asset under construction account will be reclassified to a final asset.	N/A	FA Responsible	Execution: Ad-hoc Testing: Yearly	Evidence: Evidence of the reclassification performed during the period
11	Investment closure	The process of the investment project closure represents the last step to set the status of 'Technically completed' for an investment order. All the invoices must have been posted and the assets under construction transferred to a final asset. Both asset under construction and Investment order become inactive after the closure.	Once the project is completed	Capex Controller	Ad-hoc	SAP IM / SAP FA
11.1	Key Task: Investment closure.	Key Task: Before closing an investment and generating an asset, the responsible must check with the person responsible for the investment or with the capex controller that everything has been posted (including credit memos pending receipt) and that there are no incidences related to the invoice, pending to resolution. Important: It can not close an investment and capitalize an asset if all possible incidents related to the invoice have not been previously solved.	Once the project is completed	BU/FA Department BU Finance Department	Ad-hoc	SAP IM / SAP FA
11.2	Special case: Posting a credit memo once an asset has been capitalized	In the event that a credit memo is subsequently received, when an asset has been capitalized, the steps to follow are as follows:	Once the project is completed and we receive a subsequently credit memo	BU/FA Department BU Finance Department	Ad-hoc	SAP FA
11.2.a	Special case: Posting a credit memo once an asset has been capitalized: In the event that the asset is not amortized	In the event that the asset is not amortized, post the credit memo against the final asset, from FI. This updates the value in IM, informing the investment order in the final asset before posting the credit. Before posting the credit memo, make sure that the investment order is informed in the final asset, in the field enabled in the asset tab, so that IM updates the amounts (by default it is not informed).	Once the project is completed and we receive a subsequently credit memo	BU/FA Department BU Finance Department	Ad-hoc	SAP FA
11.2.b	Special case: Posting a credit memo once an asset has been capitalized: In the event that the asset is amortized	1.- In the event that the asset has any depreciation and the net book value of the asset is lower than the value by which we want to reduce the asset, the amortization must be reversed. Subsequently, post the credit memo against the final asset. 2.- In the event that the asset has a depreciation and the net book value of the asset is higher than the value by which we want to reduce the asset, do not reverse the amortization, directly accounting for the credit memo against the final asset.	Once the project is completed and we receive a subsequently credit memo	BU/FA Department BU Finance Department	Ad-hoc	SAP FA
12	Budget follow up	Subprocess Capex budget follow up	Ad-hoc	Capex Controller	Monthly	Report SAP IM
13	Launch depreciation process	NHORG-FCL.1 - Period End Close and Reporting	1st working day of the next month	Finance & Administration Department	Monthly	NHORG-FCL.1 - Period End Close and Reporting