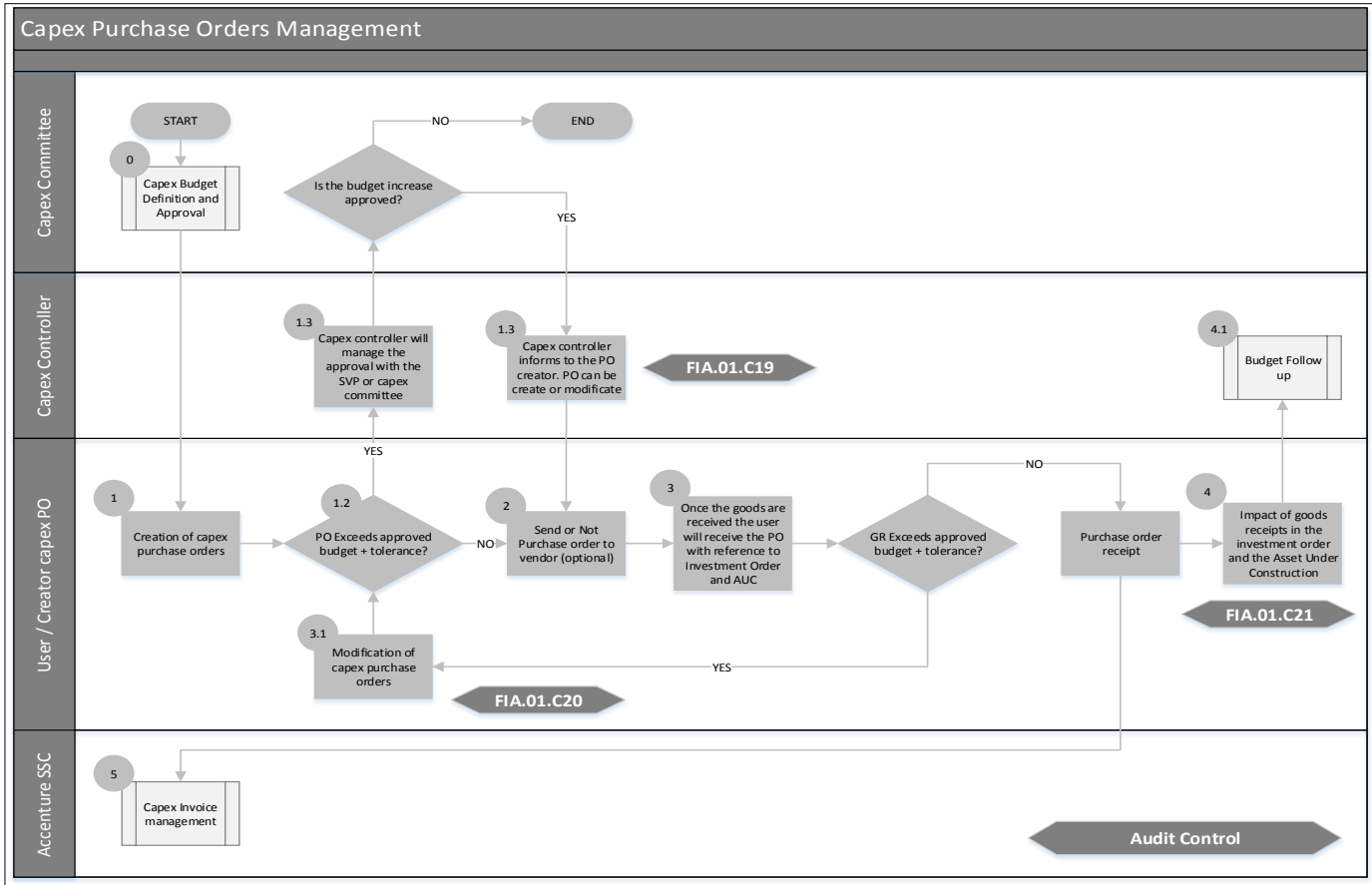


NH HOTEL GROUP		Corporate IT & Organization Department	
Process: Capex control (Validation & Follow up)			
Subprocess: Capex Purchases Orders Management			
Process Owner: Fran Morillo		Process Leader: Fran Morillo	
Author	Jorge Rey		
Date	12.07.2016		
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Document 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	Jorge Rey	
0.2	01.03.2018	Jorge Rey	



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	Applicatio 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.

<div> <div>NH HOTEL GROUP</div> <div>Corporate IT & Organization Department</div> </div>						
Process: Capex control (Validation & Follow up)						
Subprocess: Capex Purchase Orders Management						
Process Owner: Fran Morillo			Process Leader: Fran Morillo			
Order	Task	Task Description	When	Responsible	Frequency	Tools
0	Enter budget for the investment hierarchy and validate it	Investment hierarchy master data and budget will be uploaded to SAP with an uploading tool.	November	Capex Controller	Annual	Process - Capex Budget Definition and Approval
0.1	Create investment order and asset under construction	Investment orders are created automatically (using IM Loading template) or manually with approved status as well as the asset under construction related to these investment orders. This applies to all capex categories.	November	Automatic / Capex Controller	Annual	
0.1	Request of capex investment orders	Once loaded the initial budget (november), all investment orders generated afterwards have to be processed and approved according to the defined process by each capex category.	Ad-hoc	Investment requester / Approver defined workflow	N/A	Process - Capex Approval Request Process - Non-Budgeted Capex Approvals
1	Creation of capex purchase orders	Create the capex purchase order based on the budget and investment order. It will be possible to create several capex purchase orders related to the same investment order as long as it does not exceed the budget.	Ad-hoc	Investment Responsible Delegated Positions Capex Controller Maintenance Department User/s who create/s the purchase order	N/A	SAP MM / ZCAPEX_ASSISTANT
1.1	Creation of capex purchase orders	The selection by ceco and order will be available in the "capex PO assistant" transaction. The user will be able to consult and inform the relevant investment order in the display. This transaction will only show materials related with inforecords assigned to SH06 vendors. The user will create the purchase order, based on the materials assigned to this vendor. If vendor or material are not created in SAP, the user must be request the creation thereof to the Procurement Department through the system.	Ad-hoc	User/s who create/s the purchase order - Regional maintenance and operations director - Project director and Capex Controllers	N/A	SAP MM / ZCAPEX_ASSISTANT
1.2	Approval of capex purchase orders	The approval of capex purchase orders is not required if they do not exceed the investment order budget uploaded (at the beginning of the year) as this is loaded and already approved by the capex controller.	Ad-hoc	User/s who create/s the purchase order - Regional maintenance and operations director - Project director and Capex Controllers	N/A	SAP MM / ZCAPEX_ASSISTANT
1.3	Key Task: Transportation expenses or any other expenses associated with the asset.	The supplier must indicate the transportation expenses or any other expenses associated with the asset (Installation, customs or fees), in the budget that sends after request of NH. If accepted, these expenses must be included in the investment order that is loaded in SAP. The asset final value will include the asset cost plus all the associated costs. The user, when entering the purchase order in SAP, must include the transportation expenses or any other expenses associated with the asset, if they are included in the investment order and the amount is known.	Ad-hoc	User/s who create/s the purchase order - Regional maintenance and operations director - Project director and Capex Controllers	N/A	SAP MM / ZCAPEX_ASSISTANT
1.4	Purchase orders exceeding the budget. Budgetary control	If the PO or POs (the total purchase orders related to a same investment order) exceed budget (of that investment order) and tolerance, the PO can not be created. The system will send an e-mail to the Capex Controller informing that a PO needs a budgetary increase approval. The Capex Controller will manage the approval with the SVP, Operations or Capex / Expansion Committee. If the budgetary increase is approved, the Capex Controller informs to the PO creator and the PO can be created. If the PO exceed global budget within of "5YP", the approval will have to come from the Steering Committee (for more details go to NHORG-CPX Non-Budgeted Capex Approvals process)	Ad-hoc	Capex Controller / SVP or Capex Committee	N/A	SAP IM Budget approval template Process - Non-Budgeted Capex Approvals
1- AI	Internal Audit Control FIA.01-C19	If the CAPEX PO (total POs related to a same investment order) exceed budget of that investment order and tolerance a workflow is automatic launched to request a budget increase. This workflow will have an only approver, who will be the capex controller associated to the cost center of the investment order	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).
2	Send purchase order to vendor	Once loaded the purchase order in SAP, the user will have the option of sending the purchase order to the supplier via e-mail. The user will have the option to attach the PDF order, the general conditions and/or individual conditions in the cases where it is needed.	Ad-hoc	User/s who create/s the purchase order	N/A	SAP MM / ZCAPEX_ASSISTANT
3	Purchase order receipt	Once the goods are received or the service performed, the user will receive the purchase order through the goods receipts assistant, with reference to the investment order and the asset under construction.	Ad-hoc	User/s who create/s the purchase order	N/A	SAP MM / ZCAPEX_IM_ASSISTANT
3.1	Key Task: Types of reception in SAP	Complete: In this case the order arrives complete. Partial: This kind of reception is used when the order is not delivered completely, and the rest of the order is expected to be received in the future. If the user is certain that some of the materials will not be delivered in the future, the user have to check "Delivery completed" box and generate the goods receipt (GR).	Ad-hoc	User/s who create/s the purchase order	N/A	SAP MM / ZCAPEX_IM_ASSISTANT
3.2	Goods receipts exceeding the purchase order amount. Budgetary control	When goods receipts exceed the available amount of the purchase order, and this is correct, it should be a modification of the purchase order. But if the amount of the goods receipt exceeds the budget, the PO can not be modified. The system will send an e-mail to the Capex Controller informing that a PO needs a budgetary increase approval. Depends on the capex category, the Capex Controller will manage the approval with the SVP, Operations or Capex / Expansion Committee. Once approved the budgetary increase, the Capex controller informs to the PO creator and the PO can be modified. The modification of purchase orders in EDI vendors is not allowed so if the amount of reception exceeds the amount of purchase order, a new PO will be created. There is a tolerance of 2% in the capex goods receipts.	Ad-hoc	User/s who create/s the purchase order / Capex Controller / SVP or Capex Committee	N/A	SAP MM / ZCAPEX_IM_ASSISTANT

3- AI	Internal Audit Control FIA.01-C20	When goods receipts exceed the available amount of the purchase order, it should be a modification of the purchase order that will trigger a budgetary control workflow if it exceeds the amount. (There is no tolerance in the capex goods receipts.)	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 GR amount exceed of the PO amount performed b. Screenshot: walkthrough with the approval from the Capex Controller regarding GR amount exceed (select a sample).
4	Impact of goods receipts in the investment order and the asset under construction	Once the goods receipt is done, the value is automatically updated in the investment order and in asset under construction. Thus, we can track the budget spent and its availability.	Ad-hoc	Automatic / Capex Controller	N/A	To be defined
4- AI	Internal Audit Control FIA.01-C21	Once the goods receipt is done, the value is automatically updated in asset under construction and if applies in the investment order.	N/A	HQ Capex Controller	Execution: Ad-hoc Testing: Yearly	Evidence: Screenshot: walkthrough of the update value (asset under construction & investment order) for good receipt (select a sample)
4.1	Budget follow up	Process - Capex budget follow up	Ad-hoc	Capex Controller	N/A	Report IM
5	Invoices management	Process - Capex Invoices Registration	Ad-hoc	SSC	N/A	Process - Capex Invoices Registration