

NH HOTEL GROUP		Corporate IT & Organization Department	
Process: Openings			
Subprocess: PCE_ Project Execution and Follow Up			
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9	SAP_IM (IV) Purchase orders exceeding the budget. Budgetary control	If the PO or POs (the total purchase orders related to a same investmet 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	Internal Audit Control FIA.01-C19	<i>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</i>	N/A	HQ Capex Controller	Execution: Ad-hoc Testing: Yearly	<i>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).</i>
10	SAP_IM (V) Send purchase order to vendor	Once loaded the purchase order in SAP, the Capex Controller or Project Manager will have the option of sending the purchase order to the supplier via e-mail. Capex Controller or Project Manager 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	Capex Controller Project Manager	N/A	SAP MM / ZCAPEX_ASSISTANT
11	SAP_IM (VI) Purchase order receipt	Once the goods are received, the service performed or the work certification is approved, the Project Manager will receive the purchase order through the goods receipts assistant, with reference to the investment order and the asset under construction. In case of the monthly work certifications, Project Manager must coordinate a monthly meeting in order to review and ensure the works to be issued by the construction company. All monthly work certifications will have to be signed for all positions involved in this process (Project Manager, Construction Company, Architect, Project Management Office, etc).	Ad-hoc	Project Manager	N/A	SAP MM / ZCAPEX_IM_ASSISTANT
12	SAP_IM (VII) Goods receipts exceeding the purchase order amount. Budgetary control	When goods receipts exceed the available amount of the purchase order, it should be a modification of the purchase order. If this deviation exceed budget (of that investment order) and tolerance, 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. 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 no tolerance in the capex goods receipts.	Ad-hoc	Project Manager / Capex Controller / SVP or Capex Committee	N/A	SAP MM / ZCAPEX_IM_ASSISTANT
2	Internal Audit Control FIA.01-C20	<i>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.)</i>	N/A	HQ Capex Controller	Execution: Ad-hoc Testing: Yearly	<i>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).</i>
13	Construction Management: Status & Reporting. Key Performance Indicator (KPI) Report	Preparation and submitting the KPI report, main tool to follow up and report the project status. The aim of the report is to have a visual approach of the project. To enable this, a "street light" status defines in a high level basis what is the progress of each area. This template must be reported to the plan controller through the platform provided by HQ PCE Department: Current status and mains risks, milestones, cost control, planning control, change orders control, quality control and close out control	Ad-hoc	Project Manager	Bi-weekly	KPI report
14	Construction Management: Reporting and monitoring (I): Cost Control categories (I)	CURRENT APPROVED BUDGET 1. The Initial budget will be fixed in the Feasibility Report. 2. Package Transfers. As a main rule it will be use to distribute contingencies into the different packages. Occasionally, along with a Change of Scope Order (without increase of investment), it could be used reallocate investment between lots. 3. Approved Scope Changes. Regarding Changes of Scope approved which imply an increase of investment. 4. CURRENT APPROVED BUDGET will include the initial budget + any increased in the scope approved.(1+2+3) CURRENT COMMITMENT 5. Committed: committed amount related to the INITIAL BUDGET. 6. Committed Change/Scope Orders: committed amount related to the APPROVED SCOPE CHANGES 7. TOTAL CURRENT COMMITMENT will imply progressive contracting of the works including scope increases. (5+6) INVOICED 8. Invoiced to date: will trace the invoicing of the works and client direct supplies.	Ad-hoc	Project Manager	Bi-weekly	KPI report

15	Construction Management: Reporting and monitoring (II): Cost Control categories (II)	PENDING TO COMMIT 9. Pending to commit: investment pending to commit related to the INITIAL BUDGET. 10. Change Orders pending to commit: investment pending to com- mit related to the APPROVED SCOPE CHANGES. 11. Estimated future provisions: investment pending to commit re- lated to the potential RISKS / SCOPE CHANGES pending of approval/... 12. TOTAL ESTIMATED NON COMMITTED: (9+10+11) FORECAST 13. Total Estimated Future Cost (Forecast): will include the total current commitment + the total estimated future cost (including estimated future provisions (risks) + change/scope orders in process) (8+12) DEVIATION 14. Deviation: variance from Approved Budget. (13-4)	Ad-hoc	Project Manager	Bi-weekly	KPI report
16	Construction Management: Reporting and monitoring (III): Cash flow and contingencies control	1.- Preparation and submitting, to the BU PCE Director, the cashflow forecast according to the reality of the project. 2.- Follow up the contingencies distribution and report separately all the cost impact and the latest scope impact contingencies.	Ad-hoc	Project Manager	Bi-weekly	KPI report
17	Construction Management: Reporting and monitoring (IV): Execution planning control	1.- Detect and inform the potential risks and threats. 2.- Control and indicate Planned Works versus Real Schedule, and Execution milestones schedule. 3.- Ensure that Construction companies implement a gantt chart to follow up the schedule.	Ad-hoc	Project Manager	Bi-weekly	N/A
18	Construction Management: Reporting and monitoring (V): Change order requests and approval (I)	If they are included in the budget approved or contingencies: 1.- 0 < 5.000 € Project Manager (only could do one change order with the same supplier. The amount contracted couldn't be accumulated and never could exceed 5.000€ for the same change order) 2.- 5.000€ < 30.000€ Project Manager / BU PCE Director 3.- 30.000€ > 60.000€ CM/ BU PCE Director/ PCE VP 4.- 60.000€ > PCE VP/SVP	Ad-hoc	Project Manager Construction Manager	Ad-hoc	Change order template
19	Construction Management: Reporting and monitoring (VI) - Change order requests and approval (II)	If they are not included in the budget approved or contingencies: > 0 € PM/ BU PCE DIRECTOR / VP/SVP Only could be approved if the change order is compulsory in order to legal issues. If the change order has a significant design issue, it should be approved in the Projects Committee.	Ad-hoc	Project Manager Construction Manager BU PCE Director VP / SVP PCE	Ad-hoc	Change order template
20	Construction Management: Reporting and monitoring (VII) - Dispatch with BU / HQ Capex Controller	Dispatch with BU / HQ Capex Controller in order to get detailed information about the potential deviations and the cash flow forecast figures of the works,	Ad-hoc	Contruction Manager BU / HQ PCE Department	Bi-weekly	PCE tools Kyriba SAP_IM
21	Project Close Out process	- Control the Project Close Out process and report the main issues & documentation. In multi-phase projects, the close-out practice may be applied at various stages of the project. - Collect all relevant documents and information and Final Closings with all contractors and suppliers. - Invoicing fees and works for BU /HQ PCE Department (if applicable)	At the end of the project	Project Manager Operations Department Capex Controller	Ad-hoc	Project Manager Manual.pdf
22	SAP_FI - Invoices management, creation of final assets and investment closure in SAP IM	Capex Invoices Registration process	Ad-hoc	SSC	N/A	Capex Invoices Registration process