



Guide to Understanding the IQN Project Budget

This job aid explains how to analyze a Shell Project Agreement budget in IQNavigator. There are three categories of project budgets:

- Milestone Budget
- Resource Budget
- Expense Budget

Each of these project budgets is managed separately. Review each budget in order to understand what remaining project funds are available overall.

Managing the project budget is ultimately the responsibility of the Shell Project Manager. Supplier Project Managers have some management tools; but the options are more limited than those of the buyer organization.

User role requirements for project tasks are provided at the end of this document.

To view project budget details:

1. Log in to IQNavigator using your *user name* and *password* and go to your Alternate UI dashboard.
2. Use either the Projects pull-down menu list in the header bar or one of your dashboard Projects hyperlinks to access your Project Agreements list screen.

The screenshot displays the IQNavigator dashboard with a dark blue header bar containing navigation menus: My IQN, Jobs, Projects, Resources, Work Orders/Assignments, Time/Expense, Reports, Invoicing, and Set Up. The 'Projects' menu is expanded, showing 'Project RFxs' and 'Project Agreements'. A red arrow points to 'Project Agreements'. On the left sidebar, under the 'Projects' section, there are links: 'View My Archived Projects', 'View My Projects', and 'View Project RFxs'. A red arrow points to 'View My Projects'. On the right side of the dashboard, there is a 'Status' section with a 'Recalculate' button and a list of project metrics: 'Available Jobs' (30), 'My Effective Project Agreements' (0), 'My Pending Effective Project Agreements' (0), 'Supplier Organization Effective Project Agreements' (0), 'Supplier Organization Pending Effective Project Agreements' (0), and 'Available RFxs' (0). A red arrow points to the 'My Effective Project Agreements' link.



3. Locate the project you want to review and click the **Project Agreement/Effective Change Request #** hyperlink located in the left-hand column. The Project Agreement list screen opens.

Project Agreements - My Effective Project Agreements Restore Default Sort Order Export								
Project Agreement / Effective Change Request #	Change Request In Process #	Project Agreement Name	Supplier Project Manager	Billing Submitter	Total Milestone Reimbursement	Start Date	Project Agreement	Actions
6477671 / 4		Project Agreement: 6477671	Project Manager: J. Smith	Supplier: J. Smith	0.00	10/1/15	Effective	manage project →
7220885 / 5		Project Agreement: 7220885	Project Manager: J. Smith	Supplier: J. Smith	0.00	3/1/16	Effective	manage project →

4. Scroll through the Project Agreement to view the details. Standard sections include: Agreement Details (the hyperlink in the Project Agreement Status fields opens a project event history summary), Document Attachments, Payment Terms, Payment Request History, Milestones, Resources, and Expenses.

- a. **Payment Request History** -- displays the total overall budget and the overall remaining budget. This budget total amount captures Project Adjustments, Resources, Milestones, and Expenses. Click the information icon () for a detailed description of each field.

Payment Request History	
Total Budget :	27002207.60 EUR
Project Agreement Total Expenditures:	28758375.02 EUR
This Payment Request Amount:	218413.83 EUR
Project Agreement Remaining Budget:	6323390.00 EUR
# Payment Requests against this Project Agreement:	122

IQNavigator budgets are managed separately. When reviewing the overall budget, please be mindful this is only a summary and does not break down the remaining budget per expenditure type such as separate funds for milestones, resources, and expenses.

- b. **Milestones** – displays the separate milestones and the budget associated to each.

Milestones			
1.	Title / Document	Est. Start Date / Est. End Date	Comments
	Fixed Price Tier 1 and Tier 2	2/1/15 6/30/15	
	Allow multiple payment requests by supplier organization?		Yes
	Billable Event Amount - Management Fee = Reimbursement Amount		
	Yes 1805774404.00 - 0.00 [0%] = 1805774404.00 INR		
	Agreement Currency Reimbursement Amount = 26003151.42 EUR		(1INR to 0.014400 EUR)
2.	Hypercare	2/1/15 6/30/15	
	Allow multiple payment requests by supplier organization?		Yes
	Billable Event Amount - Management Fee = Reimbursement Amount		
	Yes 56813870.00 - 0.00 [0%] = 56813870.00 INR		
	Agreement Currency Reimbursement Amount = 818119.73 EUR		(1INR to 0.014400 EUR)
3.	Transition To Service Year 1	2/1/15 6/30/15	
	Allow multiple payment requests by supplier organization?		Yes
	Billable Event Amount - Management Fee = Reimbursement Amount		
	Yes 12565031.00 - 0.00 [0%] = 12565031.00 INR		
	Agreement Currency Reimbursement Amount = 180936.45 EUR		(1INR to 0.014400 EUR)
Total Reimbursement Amount in Agreement Currency: 27002207.60 EUR			
Total Amount in Agreement Currency: 27002207.60 EUR			



c. Expenses – displays the separate expenses and the total adjusted budget.



Expenses			
Project Phase #1:			
#	Description	Amount	Currency
1.	Misc. Expenses	5000.00	USD
Total Adjusted Amount: 5000.00			

d. Resources – displays Resource lines and their respective budgets.

Resources								
Labor Costs in Agreement Currency: 410000.00 USD								
Project Phase #1:								
#	Rate Type	Rate Table	Job Title	Rate Table Rate	Adjusted Rate	Rate Is Negotiable	Billable Resource	Number of Resources
1	Daily	...	Analyst	USD 820.00	USD 820.00	No	No	2

e. Optional: Procurement Adjustment Field – This field is located in the Payment Terms section. The field is not used by every Shell organization so it may, or may not, be set up for your project agreement. Its main purpose is to factor in additional Shell project budget to capture tax.

Payment Terms	
Buyer Organization:	Invoicing Site Shell Oil Company One Shell Plaza Houston, TX 77252-2463 United States
Invoicing Currency:	USD
Project Adjustment / Contingency :	Invoice Options: Project timecards/consultants rate table payment requests
	Selected Rate Table

- Click the **return to list** button () in the Actions section to return to the Project Agreement list screen. To view additional details related to the project, select **manage project** in the Actions drop-down selection list for that project and click the blue Go action arrow ().

Project Agreements - My Effective Project Agreements									
Restore Default Sort Order Export									
Project Agreement / Effective Change Request #	Change Request In Process #	Project Agreement Name	Supplier Project Manager	Billing Submitter	Total Milestone Reimbursement	Start Date	Project Agreement	Actions	
6477671 / 4		THIN FILM COAT, CHINA, CHINA Cellulosic Liquid Crystalline Polymers (LCPs) - Advanced Materials	Adventures in Design	James H. H. H.	0.00	10/1/15	Effective	manage project ▾ →	
7220885 / 5		THIN FILM COAT, CHINA, CHINA Cellulosic Liquid Crystalline Polymers (LCPs) - Advanced Materials	Adventures in Design	James H. H. H.	0.00	3/1/16	Effective	manage project ▾ →	

6. The Project Agreement Transactions list screen displays. This list includes **all** transactions created for this project agreement and provides a summary of all expenditures to date above the headers, this includes Total Budget, Total Expenditures, and Remaining Budget.



Project Management - Viewing Available Budgets / 2019-08-03 Close							
Project Agreement Transactions Create Project Agreement Transaction Resources Visibility Collaboration							
Search & Filter							
Displaying 1 - 13 of 13 items							
Total Budget:43000.00 EUR		Total Expenditures:29316.82 EUR		Remaining Budget:13683.18 EUR		Budget Details Export	
Project Agreement Transaction ID	Project Agreement Transaction Type	Description	Total Amount	Agreement Currency Total Amount	Submitted Date	Status	Actions
3397805	Rate Table Payment Request	Expense - ...	EUR 159.79	EUR 159.79	7/14/16	Submitted for Invoicing	view →
3397807	Resource Rate Table Payment Request	Supervisor...	EUR 5000.00	EUR 5000.00	7/14/16	Submitted for Invoicing	view →

Although the Milestone budget amounts are included in the Remaining Budget amount, these budgets are managed separately.

How Payment Requests Affect the Budget

For step-by-step instructions on how to submit a payment request in IQNavigator, please refer to the “Create a Project Payment Request” supplier job aid.

When a payment request is submitted, the total amount for that payment request will be subtracted from the overall budget.

Example: a single payment request for 10000.00 USD was submitted; therefore the Project Agreement Remaining Budget was reduced by that amount.

Payment Request History

Project Agreement Total Budget: 910000.00 USD
 Project Agreement Total Expenditures: 10000.00 USD
 This Payment Request Amount: 10000.00 USD
 Project Agreement Remaining Budget: 900000.00 USD
 # Payment Requests against this Project Agreement: 1

Milestones:

Example: In this list view you are able to manage each line item separately and review what remaining budget you have for each.

Create Project Agreement Transaction Resources Visibility Collaboration				
Billable	Billing Submitter	Total Budget	Total Expenditures	Remaining Budget
Yes	New Entry	165462.00 USD	119866.62 USD	45595.38 USD
Yes	New Entry	167860.00 USD	142748.75 USD	25111.25 USD
Yes	New Entry	47760.00 USD	23133.76 USD	24626.24 USD
Yes	New Entry	43780.00 USD	43726.00 USD	54.00 USD
Yes	New Entry	3980.00 USD	0.00 USD	3980.00 USD

To view the milestone payments list, click on the **Create Project Agreement Transaction** tab on the Project Agreement Transactions list screen. See the “Create a Project Payment Request” supplier job aid for step-by-step instructions.

Milestones are managed individually so once a budget for an individual milestone is exhausted, no further payment requests can be made for that Milestone unless the Project Manager chooses to increase the budget. In the example above, you can see the total budget remaining for the third Milestone is 0.00 GBP. This indicates that no other payment requests can be made against this Milestone **even when there is budget remaining in the overall budget**.

Resources:

Resource payment requests are managed under the **create resource rate table payment request** tab. Access to this tab is from the **Create Project Agreement Transaction** tab on the Project Agreement



Transactions list screen. See the “Create a Project Payment Request” supplier job aid for step-by-step instructions.

When the payment request screen opens, a summary of the remaining Overall Budget displays. This includes the Resource budget and any Project Adjustment that Shell included.

Example a: This shows 5000.00 USD remaining on the overall Project budget which means that the supplier can only submit a **total** of 5000.00 in payment requests – including any expenses. If the supplier needs to submit a payment request that exceeds 5000.00, then the Project Manager at Shell will need to increase the budget.

Payment Request History - Project Currency ⓘ

Project Agreement Total Budget: 2784400.00 USD
 Project Agreement Total Expenditures: 2779400.00 USD
 This Payment Request Amount: 0.00 USD
Project Agreement Remaining Budget: 5000.00 USD
 # Payment Requests against this Project Agreement: 52
 Final Payment Request for this Project Agreement: ☐ Yes ☒ No

Example b: Once a payment request for 550.00 is created, the Project Agreement Remaining Budget updates to 0.00 and no more payment requests can be submitted until the Shell Project Manager increases the budget.

Payment Request History - Project Currency ⓘ

Project Agreement Total Budget: 2784400.00 USD
 Project Agreement Total Expenditures: 2784400.00 USD
 This Payment Request Amount: 5000.00 USD
Project Agreement Remaining Budget: 0.00 USD
 # Payment Requests against this Project Agreement: 53
 Final Payment Request for this Project Agreement: No

Resources (with timecards):

When a resource/contractor creates a timecard associated to a project, the timecard status will show as ‘Pending Payment Request Association’. Any timecard with this status will immediately withdraw funds from the Project Agreement even **IF** there is no payment request associated to those timecards.

To view timecards associated to a Project Agreement, click the **Create Project Agreement Transaction** tab on the Project Agreement Transactions list screen and then click the **View Pending Timecards** tab. See the “Create a Project Payment Request” supplier job aid for step-by-step instructions.

Create Project Agreement Transaction Resources Visibility Collaboration

Create Resource Rate Table Payment Request View Pending Timecards

> Billable > Billing Submitter > Total Budget >

Example: The pending timecards list screen displays all timecards that are created against this project agreement. The Total Timecard Cost column indicates the timecard total already drawn against the budget. Make sure that you select ALL timecard line items in the list that need to be included in the payment request.

Timecard Number >	Timecard Type >	Total Timecard Cost >	Resource Name >	Weekending Date >	Total Timecard Hours >	Timecard Approver	Last Modified >	Status >
T-53184844-0	Timecard	EUR 6120.00	Shell-BS A/BS	4/21/18	36		4/20/18 11:37 AM	Pending Payment Request Association
T-53648359-0	Timecard	EUR 5440.00	Shell-BS A/BS	4/28/18	32		4/27/18 1:23 AM	Pending Payment Request Association
T-54009072-0	Timecard	EUR 6120.00	Shell-BS A/BS	5/5/18	36		5/7/18 10:33 AM	Pending Payment Request Association

Expenses:

To view expense payment requests associated to a Project Agreement, click the **Create Project Agreement Transaction** tab on the Project Agreement Transactions list screen and then click the **Create Rate Table Payment Request** tab. See the “Create a Project Payment Request” supplier job aid for step-by-step instructions.



When the payment request screen opens, a summary of the remaining Overall Budget displays. This includes the expense budget and any Project Adjustment that Shell included.

Payment Request History - Project Currency ⓘ

Project Agreement Total Budget: 2784400.00 USD

Project Agreement Total Expenditures: 2779400.00 USD

This Payment Request Amount: 0.00 USD

Project Agreement Remaining Budget: 5000.00 USD

Payment Requests against this Project Agreement: 52

Final Payment Request for this Project Agreement: ☐ Yes ☒ No

Budget management with expenses is exactly like Resources. Once all funds have been exhausted and the remaining budget shows as 0.00, the Shell Project Manager will need to increase the budget to allow for further payment requests.

Project Adjustment and Tax:

This field is located in the Payment Terms section of the Project Agreement Details screen. This budget option is not used by every Shell organization so it may, or may not, be set up for your project agreement. Its main purpose is to add additional overall budget to capture tax.

Payment Terms

Buyer Organisation: Invoicing Site
Shell UK Oil Products Ltd.
Shell Shared Service Centre (Glasgow) Ltd.
PO Box 25071
72 Gordon Street
Glasgow
G1 3WR
United Kingdom

Currency : GBP

Project Adjustment : 1000.00

You should never rely on the Project Adjustment as part of your budget. **Always manage your budgets by the individual expenditure type – such as Milestones, Resources, or Expenses.**

When a payment request is created and submitted against a project agreement, the exact amounts for that payment request are immediately withdrawn from the budget. This is what the supplier will see; however, once the payment request is invoiced any tax that was related to that payment request will then be withdrawn from the budget as well. Shell uses the Project Adjustment Budget to manage the tax expenditures separately from Milestones, Resources or Expenses.

USER ROLE REQUIREMENTS:

Project Payment Requests access is limited to the following user roles:

- Billing Submitter -- ability to view and submit project-based milestone invoice requests
- Organization Supplier Project Manager – ability to view ALL project agreements within their system organization structure
- Supplier Project Manager – ability to respond to project agreements

If you need access to project-based files, please contact your supplier firm to have your IQN user profile adjusted.