

Subcontractor Invoices MP



Subcontractor Invoices fulfill a specific purpose in Projector. They are for reimbursing subcontractors that *enter their time in Projector*. If your subcontractors just submit invoices and don't enter time, then you should be using a [vendor invoice](#) instead. Even if your subcontractors are entering their time in Projector, you may still choose to use a vendor invoice. However, SIs have benefits over vendor invoices that we'll outline in this article.

Let's first assume that your subcontractors are already entering their time in Projector. This is useful because it helps you set and track budgets. It also gives you one place where you can track both internal and external employee performance. Now keeping budgets in mind, a subcontractor invoice solves a budgeting problem introduced by vendor invoices. In Projector, budgets are either for time or for cost. They are not for time+cost together. This presents a problem with vendor invoices. Each of your subs has an internal hourly rate that you are paying them. This counts against project profitability, as well it should. However, when you then create a vendor invoice for their time, you double count their expense. Once on the time side and again on the cost side. This impacts the appearance of project profitability. There are workarounds to this dilemma that allow you to continue using Vendor Invoices, but a Subcontractor Invoice neatly solves it by gathering up time cards, turning them into a cost, and being smart enough to make sure all your reports and budgets know about it.

Subcontractor invoices introduce a new term to the Projector lexicon. You should already be familiar with time cards and cost cards. Here, we introduce RDC cards. An RDC card is created from a time card and always has a one time card to one RDC card mapping. The RDC card holds the cost of an hour worked and how much the subcontractor must be paid.

A subcontractor invoice is a type of expense document. Please see these additional help topics if you don't know what an expense document is.

- [What is an expense document](#)
- [Editing an expense document](#)
- [How to approve expenses on an expense document](#)

Permissions and Settings

Subcontractor invoices cover several areas of the product. Please carefully read this section so that you know how they work.

Configuration

A lot of base settings need to be configured properly before you can start using SI. Please see the In Practice section on this page for a setup walkthrough.

To create, modify, or delete SI requires the [cost center permission Maintain Subcontractor Invoices](#).

Each subcontractor must have their [resource profile](#) set to hourly-paid and subcontractor invoice enabled. You may want to set up a [resource type](#) so that these settings are easily inherited to new subcontractors..

If a subcontractor is reimbursed directly, then you don't need to do anything. If they work for a [vendor](#), then make sure that vendor is enabled for subcontractor invoices.

You will need a unique [expense type](#) that is only allowed for subcontractor invoices. Optionally create an [expense type group](#) for these.

Settings

There are quite a few permissions that affect subcontractor invoices. As a SI is a type of [expense document](#), you should review that help page so that you understand what higher level permissions inherit down to here.

To create or edit subcontractor invoices you must have the [cost center permission Maintain Subcontractor Invoices](#).

Create subcontractor invoices from the [Expense Browser](#).

Find existing subcontractor invoices from the [Expense Browser](#).

Edit existing subcontractor invoices from the [Expense Document Editor](#). In addition to the editing options outlined there, please see the [Manage RDC Cards](#) section of this page for actions specific to subcontractor invoices.

When a subcontractor invoice is created, it is assigned a disbursing cost center. The cost center is determined by the [vendor's](#) disbursing cost center. Once the document is created, the cost center cannot be changed.

Many settings that affect the workflow of subcontractor invoices are available on the [System Settings Editor Cost Tab](#). Please review that help page if you are unfamiliar with high level expense document permissions.

Subcontractor expense approvals are a two step process as opposed to a three step process followed by other expense document types. To learn more about how to approve expenses, please see the help page [Expense Approval](#).

- Workflow approval - initial approval to allow the card into the system. You cannot approve your own expenses ever.
- Reimbursement approval - the resource or company credit card will be reimbursed for their outlay

Unlike other expense documents, you can add new RDC cards to a subcontractor invoice at any time. The document is not locked down once all cards are Approved to Pay.

RDC Cards and Time Cards

As mentioned in the introduction, subcontractor invoices introduce a new type of card into the system called an RDC card. RDC Cards are created from Time Cards. A lot of different fields get mapped when they are created, but the below table shows the most important ones.

Time Card Field	RDC Card Field
Work Date	Incurred date
Task Name	Description
Hours	Hours Worked
Project Code	Project Code
Resource	Resource

Because time cards and RDC cards are linked, we sometimes need to block certain actions. For example, you can't delete a time card that has an RDC card associated with it. The table below outlines what you can do when an RDC card is unapproved vs. approved. You might find the actions allowed a little counter-intuitive because in many areas of Projector, we limit what you can do once cards are approved. RDC cards work differently. You can actually do **more** once they are approved. Reason being, once you approve to pay for completed work, we assume you are good to go. If down the road you need to edit the time card for invoicing purposes, perhaps by changing task, project, or description - then we don't want to block that.

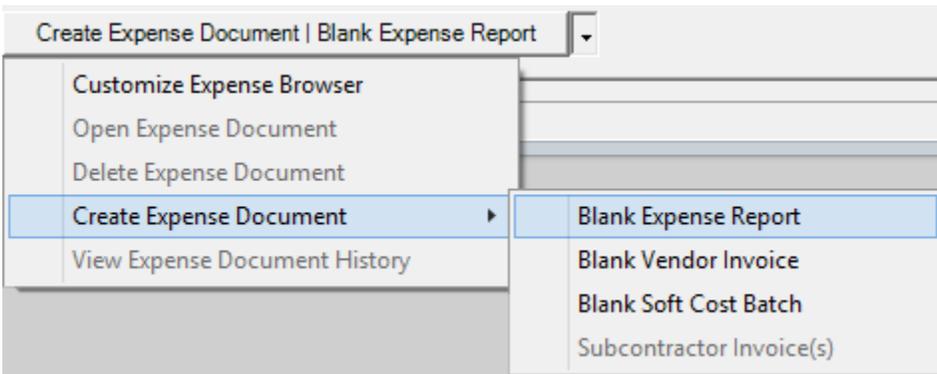
Time Card Action	Unapproved RDC Card (Draft, Submitted, Rejected)	Approved RDC Card	Notes
Transfer to Project	Blocked	Allowed.	The RDC card project will also change.
Split	Blocked	Allowed.	The RDC card will be split too. The amount of RDC card on each new card is proportional to the split.
Transfer to Role Change Task Type Change DTM Task Change Rate Type	Allowed.	Allowed.	If this change causes RDC to change. For example, changing to an Overtime rate type, you'll be warned. See the revalue RDC section of this page. Remember that the time card task maps to the RDC card description. When you change the task, the description on the original RDC card stays the same. So the two will be out of sync.
Set to Submitted Set to Draft Reject	Blocked.	Blocked.	You will need to remove RDC cards from a subcontractor invoice before you can unapprove a linked time card.

Manage Subcontractor Invoices

To create, modify, or delete SI requires the [cost center permission](#) **Maintain Subcontractor Invoices**.

Create

From the [expense browser](#), click the multi-select dropdown and choose **Create Expense Document | Subcontractor Invoice**



Modify

Open any expense document from the [expense browser](#). You can then make changes from the [Expense Document Editor](#).

Delete

Right click an expense report from the [expense browser](#) and choose **Delete**.

Manage RDC Cards

Manage the RDC cards that appear on a subcontractor invoice. All of these actions are done on the [Expense Document Editor](#). Many of these options are only available for Subcontractor Invoices. You should read the other help page if you aren't familiar with the expense document editor.

Add Cards

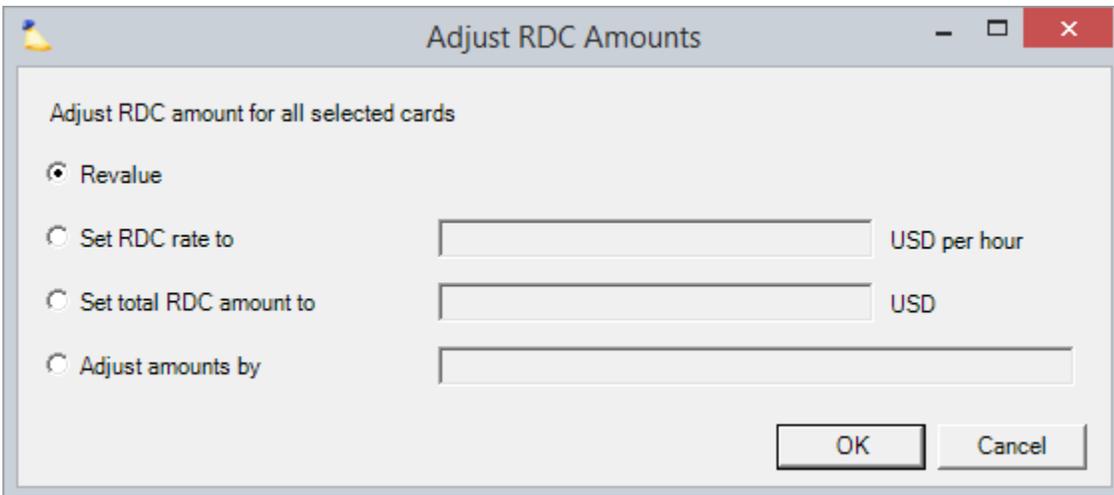
Click the arrow by the multi-select dropdown **Include Additional RDC Cards**. Then search for and add cards. You can only add cards for the same resource as the expense document.

Remove Cards

Click the **Delete** button at the end of the row for each card. This excludes the card from the current subcontractor invoice for inclusion on another one. If you don't want to pay for this time, you should instead write it down to zero.

Adjust RDC Amounts

You can only adjust RDC amounts for cards that are unapproved. There are four options here to give you control over how you want to change RDC reimbursement amounts. Technically a fifth if you just want to type in the disbursed amount. Each is outlined in the table below.



Adjust Option	Description
Revalue	Useful when RDC rates have changed since the cards were added. For example, if a card was changed to be overtime, you would want to revalue and pick up the additional reimbursement amount.

Set RDC rate to	Set a new hourly rate. For example, Sarah usually bills at 50 an hour. Up it to 100 an hour.
Set total RDC amount to	Projector will take the total amount and back calculate the hourly rate. For example, Jane worked 20 hours. Spread 15k over 20 hours evenly.
Adjust amounts by	Scale the amounts by a percentage. This can be positive or negative. For example, give Jim an extra 50%.

Set VAT %

Coming sometime...

In Practice

Getting subcontractor invoicing configured is a bit of a bear. Once it is configured, things should run smoothly. This section is going to focus on getting all the pieces in place so that you can start using the feature.

Enable Vendors

You'll need a [vendor](#) to assign the subcontractor invoice to. Each resource in Projector has a default vendor associated with their profile. Use this default vendor if you reimburse subcontractors on an individual basis. If you have a group of subcontractors that work for a particular vendor, then set up that vendor in Projector by ticking the **Subcontractor invoices checkbox**. In the screenshot below I've turned on subcontractor invoicing for Globo-Mega Corp. In the Resources section below we'll get to how you assign resources to this vendor.

Edit Vendor

Vendor Number: V34892 Inactive

Vendor Name: Globo-Mega Corp. Consulting

Disbursing Cost Center: United States

Vendor Reconciliation G/L Account: 4213

Enable Vendor for:

- Subcontractor invoices
- Vendor invoices
- Expense reports for:
 - All resources in the Revolutionary Solutions Corporation US company
 - Only the following resources:

Resource	
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Save Cancel

Setup Expense Types

You'll likely need to add a new [expense type](#) to handle subcontracting. This expense type can **only** be used for subcontractor invoices. Not for vendor invoices, soft costs, etc. So ensure you untick those options as shown in the screenshot.

If you have an accounting integration, you'll need to go to the accounting tab and map the RDC Expense line item to your accounting system.

Add Expense Type

General | Default VAT Percentages | Accounting

Name* Subcontractor Time Group* Vendor Expense

Expense Entry Instructions

Enable Expense Type for:

Other Direct Cost (ODC) Resource Direct Cost (RDC)

Expense Reporting, as a Subcontractor Invoices

Mileage Item

Expense Item

Vendor Invoices

Soft Costs

Make sure all these are unticked

User Defined Field Treatment

Other Direct Costs

Treat costs as fees (generate revenue based on amount billed to client)

Treat costs as passthrough (don't allow write up/write down, rarely used)

Require Receipts or Notes on Expense Reports

Require Descriptions

Mark up costs by* -100.00% by default

Unit-based Costs

Value expenses based on units with the following defaults:

Singular name: hour Unit cost (varies) per hour

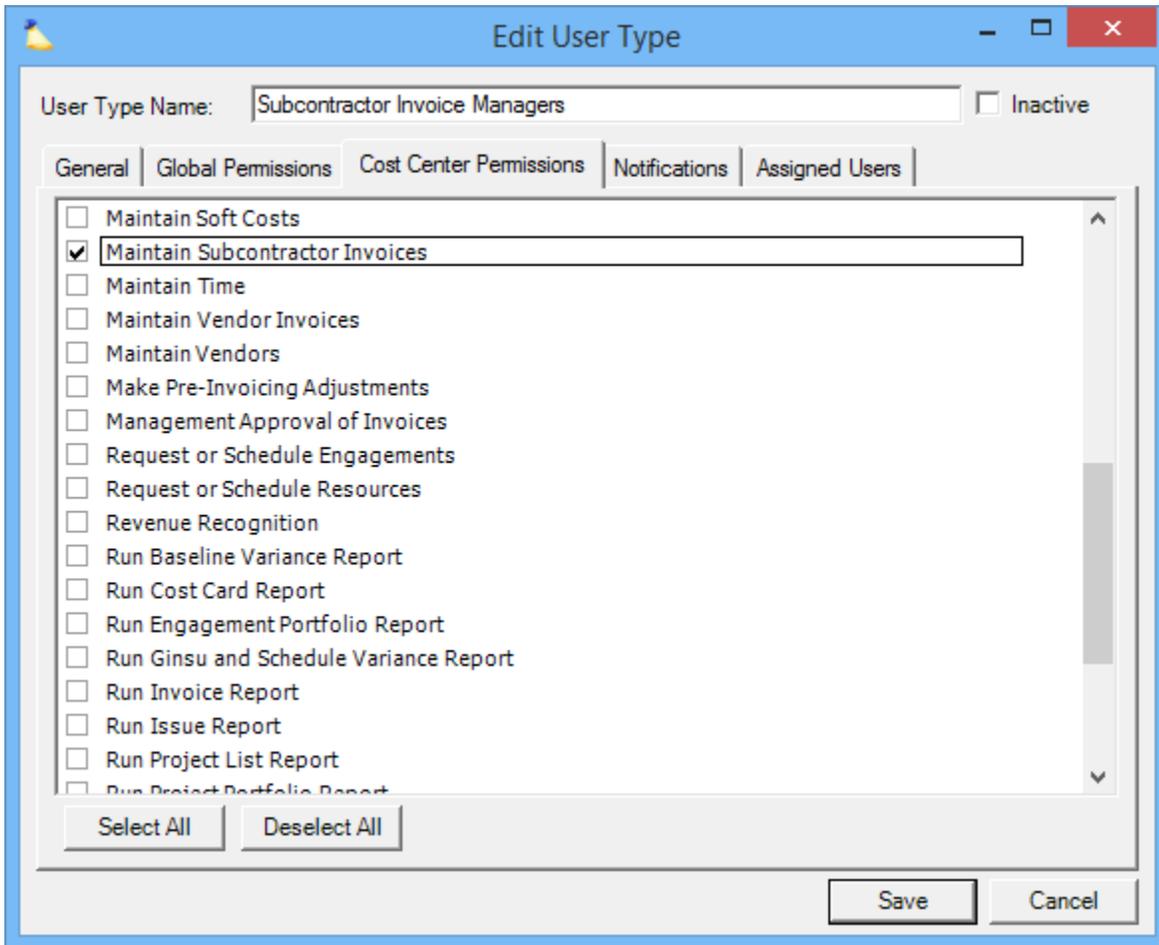
Plural name: hours Unit price 0.0000 per hour

Save Cancel

Setup User Types or Individual Users

You'll likely want to edit an existing [user type](#) and add the [cost center permission](#) **Maintain Subcontractor Invoices**. This permission lets the user type create, view, and modify subcontractor invoices.

If you don't want to do this at the user type level, then go ahead and edit individual users and grant them this permission.



Setup Resource Types

If you have an existing [resource type](#) which is set to Pay Category **Hourly**, then you can edit it and tick the **Pay via subcontractor invoice** checkbox. If you don't have one ready to go, make a new one as shown in the screenshot. This setting only inherits to new resources or if you change an existing resource to this type. We'll get to that in the next section.

While you are on this screen, you'll likely want to ensure the **Override standard RDC rate** checkbox is ticked. This will prompt you to put in the resource's hourly rate when you create their profile.

Resource Type Name: Subcontractor Inactive

Resource Type Code: SubC

Description:

Resource Defaults | RDC by Rate Type | Time-off Reasons | Utilization Targets

Resource is a:

Billable resource

Temporary resource

Time Management

Track missing time for this resource

Send this resource e-mails for missing, draft, or rejected time

Resource may approve their own time

Resource Direct Cost (RDC)

Override standard RDC rate

Pay Category: Hourly

Pay via subcontractor invoice

Expense Management

Pay expense reports directly to vendor

Save Cancel

Make sure you choose hourly here

Configure Resources

If you are creating new resources:

1. Change their **resource type** to the "Subcontractor" type you created earlier in this tutorial
2. Tick the **Pay via subcontractor invoice payable** to vendor checkbox
3. Select the appropriate vendor from the dropdown list
4. You'll likely want to enter an RDC hourly rate too

If you have existing resources, add a new history row or edit their [resource history](#):

1. Change their **resource type** to the "Subcontractor" type you created earlier in this tutorial
2. Tick the **Pay via subcontractor invoice payable** to vendor checkbox
3. From the dropdown list next to the checkbox, select the **vendor** you setup earlier
4. You'll likely want to enter an RDC hourly rate too

Effective Date 01-Sep-2011 Inactive

Cost Center: United States Override mapping for revenue and expenses to: RevCorp US

Location: Lexington, MA

Department/Title: Software Development - Developer

Resource Type: Hourly

Resource is a:
 Billable resource
 Temporary resource

Time Management
 Track missing time for this resource
 Send this resource e-mails for missing, draft, or rejected time
 Resource may approve their own time

Pay Category: Hourly

Resource Direct Cost (RDC)
 Override RDC rate to: per hour
 Pay via subcontractor invoice payable to vendor: Tom Sherman (Tom Sherman)

Expense Management
 Pay expense reports directly to vendor:

Working Schedule Sunday Monday Tuesday Wednesday Thursday Friday Saturday

OK Cancel

Approve Subcontractor Time Cards

Now that all the pieces are in place, let's get some subcontractor time cards into the system so that you can create an expense document based on them.

Log into [Enter Time](#) and enter some time cards for one of your subcontractors.

Approve the time.

Create a Subcontractor Invoice

Now that we have time cards in the system, we can create a subcontractor invoice from them. On the [expense browser](#), choose **Create New Expense Document -> Subcontractor Invoice** from the multi-select dropdown box. The following dialog is shown.

- Enter your search criteria. All time cards found are grouped together by vendor.
- Tick the checkbox next to each vendor you want to create documents for
- From the dropdown list, choose which expense type makes sense
- Click **Create Subcontractor Invoices**.

To see the new documents on the expense browser, make sure your search criteria is set correctly and query.

Create New Subcontractor Invoices

Show time by: _____

Search string (resource and vendor fields): _____

Disbursing cost center: Entire Organization

Include time between: _____ and _____

<input type="checkbox"/>	Vendor'	Resources	Hours	RDC Amount		Date Range	Disbursing Cost Center
<input type="checkbox"/>	Globo-Mega Corp. Consulting	1	48	5,808.00	USD	22-Nov-2011 to 06-	United States
<input type="checkbox"/>	Tom Sherman	1	0.7	84.70	USD	12 to 13-Jan-2015	United States

Create subcontractor invoice with:

Expense type: Subcontractor Time

Review and Approve to Pay Subcontractor Invoice

Open up your newly created SI from the expense browser. Here you will see that Projector created one cost card for each time card found. None of these columns are editable except for one, **disbursed amount**. While a card is still in draft status, you can tweak the disbursed amount as appropriate. You might choose to do this if the contractor has agreed to more or less pay than their typical hourly rate. If you are happy with the way everything looks, you can set it to submitted and await for the document to go through the normal approval process. Or if you are an administrator, push it through workflow approval and AP approval.

Expense Document Details - SUB00003: Subcontractor invoice for Tom Sherman from 21-Sep-2011 through 4-Jun-2014

Document Type: Subcontractor Invoice

Document Number: SUB00003

Document Name: Subcontractor invoice for Tom

Vendor: Tom Sherman

Subcontractor Invoice #: SUB00003

Subcontractor Invoice Date: 12-Jan-2015

Disbursing Cost Center: United States

	Incurred Date'	Project Code	Resource	Description	Disbursed Curr		Units			Status		Edit	Delete
					Disb Amt	USD	Units	Name	Cost	Approval	Payment		
<input checked="" type="checkbox"/>	21-Sep-2011	P001045-001	Tom Sherman	Requirements - Recommended how...	30.25	USD	0.2500	hours	121.000...	Draft	Not Appr...	<input type="button" value="Edit"/>	<input type="button" value="Delete"/>
<input checked="" type="checkbox"/>	23-Sep-2011	P001045-001	Tom Sherman	Implementation - Wrote a script to s...	60.50	USD	0.5000	hours	121.000...	Draft	Not Appr...	<input type="button" value="Edit"/>	<input type="button" value="Delete"/>
<input checked="" type="checkbox"/>	28-Sep-2011	P001045-001	Tom Sherman	Debugging - Modified cycle script to...	30.25	USD	0.2500	hours	121.000...	Draft	Not Appr...	<input type="button" value="Edit"/>	<input type="button" value="Delete"/>
<input checked="" type="checkbox"/>	26-Dec-2011	P001045-001	Tom Sherman	Debugging - 1	121.00	USD	1.0000	hours	121.000...	Draft	Not Appr...	<input type="button" value="Edit"/>	<input type="button" value="Delete"/>
<input checked="" type="checkbox"/>	08-Apr-2012	P001055-001	Tom Sherman	Requirements	756.25	USD	6.2500	hours	121.000...	Draft	Not Appr...	<input type="button" value="Edit"/>	<input type="button" value="Delete"/>
<input checked="" type="checkbox"/>	09-Apr-2012	P001055-001	Tom Sherman	Requirements -	363.00	USD	3.0000	hours	121.000...	Draft	Not Appr...	<input type="button" value="Edit"/>	<input type="button" value="Delete"/>
<input checked="" type="checkbox"/>	09-Apr-2012	P001055-001	Tom Sherman	Implementation -	121.00	USD	1.0000	hours	121.000...	Draft	Not Appr...	<input type="button" value="Edit"/>	<input type="button" value="Delete"/>
<input checked="" type="checkbox"/>	10-Apr-2012	P001055-001	Tom Sherman	Implementation -	363.00	USD	3.0000	hours	121.000...	Draft	Not Appr...	<input type="button" value="Edit"/>	<input type="button" value="Delete"/>
Disbursement total:										26,257.00 USD			

Approval Workflow Status: Draft

Status	Cost Cards	Selected Cards
Draft	39	39
Submitted	0	0
Rejected	0	0
Approved	0	0
Total	39	39

Payment Workflow Status: Not Approved

Status	Cost Cards	Selected Cards
Not Approved	39	39
Approved	0	0
Transmitted	0	0
Paid	0	0
Received	0	0
Total	39	39

Invoicing Workflow Status: Not Approved

Status	Cost Cards	Selected Cards
Not Approved	39	39
Approved	0	0
Invoiced (Draft)	0	0
Invoiced	0	0
Nonbillable	0	0
Total	39	39

Invoice Subcontractor Time

This section doesn't exactly pertain to subcontractor invoices, but I wanted to include it here so that you understood the full scope of how they are used within Projector. To start, you don't add a SI to a client invoice. Rather, you invoice the original time cards, just like you would any other time card. As far as the client sees, your subcontractors are just like your normal full time workers.

So to "invoice" an SI, all you do is make a new invoice like you usually do, and add the original time cards.

