

Deltak Costpoint Enhancement Readme

Release Date: June 15, 2016

Support for the New Revenue Standard – Phase II

The new revenue standard (ASC 606 – Revenue From Contracts With Customers) was issued in May 2014 and was originally effective for annual reporting periods beginning after December 15, 2016. However, its effective date was deferred for one year, which is now December 15, 2017 for public companies and December 15, 2018 for private companies. Early adoption is permitted only as of annual reporting periods beginning after December 15, 2016.

This new revenue standard may require companies to make changes to how they recognize revenue and the level at which some project information is tracked. The changes may include, but are not limited to, the timing of revenue recognition, level of project at which revenue is computed, revenue formula and revenue calculation values, modifications, and ceilings.

Companies can select from the following transition approaches when adopting the new revenue standard:

- **Full Retrospective Adoption** — This requires three years of financial statement comparison (that is, two prior years) for all contracts represented in periods of reporting (contracts that are still ongoing as of adoption date).
- **Modified Retrospective Application** — This requires companies to recognize the cumulative effect of applying the new standard as an adjustment to the opening balance of retained earnings at the date of the initial application for contracts that are still ongoing as of adoption date.

For both options, companies must be able to calculate revenue for both the old revenue standard and the new revenue standard for the same two-year “look back” period.

To help companies track dual revenue requirements, new Costpoint applications are being created and several existing screens are being updated to allow users to set up alternate project and revenue information for the same project. These enhancements will be released in multiple phases.

In this Phase II release, the following applications are created.

Manage Alternate Project Revenue Profiles (PJMALTPJ)

Use this new application to override different revenue parameters for an existing project to be used in an alternate database. Revenue parameters that you can edit include revenue formula and calculation values, modifications, and ceilings. You should only use this screen for projects that need changes due to the new revenue standard, ASC 606. You must enter only values that are different from the production values.

You cannot add a new project using this screen; projects must already exist in the production database before you can access them here. You will also not be able to mark any existing project for deletion.

This screen has two tabs, Basic Info and Total Ceilings, which allow you to override the production values of the basic information and ceiling codes for the funded and contract values of the project. In addition, it has the following subtasks:

- **Modifications** — Use this subtask to override the production values of the modifications for the signed and funded values of the project.
- **Revenue Info** — Use this subtask to override the production values of the project's revenue information, including the revenue formula, discount method, and revenue posting method.
- **Dir Cost Ceil** — Use this subtask to override the production values of the direct cost ceilings for the project and to specify to which the direct cost ceiling amount override should apply.
- **Dir Hrs Ceil** — Use this subtask to override the production values of the direct hours ceilings for the project and to specify to which the direct hours ceiling override should apply.

- **Empl Hrs Ceil** — Use this subtask to override the production values of the employee hours ceilings for the project and to specify to which/whom the employee hours ceiling override should apply.
- **Vend Hrs Ceil** — Use this subtask to override the production values of the vendor hours ceilings for the project and to specify to which/whom the vendor hours ceiling override should apply.

To access this screen, go to **Projects » Project Setup » Revenue » Alternate Project Revenue Profiles » Manage Alternate Project Revenue Profiles**.

Manage Alternate Revenue Profile Prior Year History (PJMALTPY)

Use this new application to override prior year cost and revenue information for an existing project/organization combination to be used in an alternate database. You can also use this screen to enter new prior year information for a given project/organization combination. The data you enter on this screen is used to correctly calculate or recalculate ceiling amounts and to print prior-year history and cumulative information on reports. You can mark existing records for deletion and add new records on this screen. Override values will be used only in the alternate database and will not replace the values in the production database. Removal and addition of records will also occur only in the alternate database.

You should only use this screen for projects that need changes due to the new revenue standard, ASC 606. You cannot edit the production fields on this screen. You can modify the alternate profile fields, but these are not required. You should enter values in the alternate profile fields only when they are different from the production values and for new records.

This application has the Prior Year Pool Amounts subtask. Use this subtask to override the production values of the indirect burden pool amounts for the account selected on the main screen.

To access this screen, go to **Projects » Project Setup » Revenue » Alternate Project Revenue Profiles » Manage Alternate Revenue Profile Prior Year History**.

Patch and Application JAR Requirements

The following table lists the Costpoint applications affected by this enhancement. It includes the required JAR version for each application.

Domain	Module	Application Name	Application ID	Application JAR
Projects	PJ	Manage Alternate Project Revenue Profiles	PJMALTPJ	cp711_ pjmaltpj_001.jar
Projects	PJ	Manage Alternate Revenue Profile Prior Year History	PJMALTPY	cp711_ pjmaltpy_001.jar

Additionally, the following patches are required for this update:

- PATCH2908
- PATCH2951
- PATCH7092

More information about this release is on the following page.

Custom Programs Affected:

Sometimes an update can cause custom programs and reports to stop working as expected. Before applying this update, consider whether you have any custom programs or reports in the application area affected by the update. If so, contact Deltek Customer Care at <http://support.deltek.com> before you install the update.

To Download the HotFix/Feature Update:

1. From Internet Explorer, go to <https://dsm.deltek.com>.
2. Click **Run Deltek Software Manager**.
3. Log in using your Deltek Customer Care Connect credentials.
4. In the left pane of the Deltek Software Manager, expand your Deltek product.
5. Expand the Hot Fixes folder for your product, and select the update to download.
6. Click **Download** at the bottom of the screen.

To Install the HotFix/Feature Update:

Refer to the installation instructions posted on Deltek's Customer Care Connect site, <https://deltek.custhelp.com>.

- For Costpoint 7.1.1 updates, refer to Knowledge Base article 79232.
- For Costpoint 7.0.1 updates, refer to Knowledge Base article 73769.
- For Costpoint 7.0 updates, refer to Knowledge Base article 67722.

Before you install this update, please review all previous updates in the Knowledge Base article. You may need to install prerequisite programs or database patches (described in the Knowledge Base article) prior to installing this update. Note that when you download an update using Deltek Software Manager (DSM), all dependent files are automatically downloaded.

To Check to See if the HotFix is Installed:

1. Open the application that was updated.
2. Click **Help > About Costpoint** from the Costpoint toolbar. This will display a screen that shows you the latest update JAR for the application that is open, as well as the latest system JAR and all patches applied to the system.

To Check to See if the Feature is Installed:

1. Click **Help > About Costpoint** from the Costpoint toolbar.
2. Open the Features subtask and click the Feature that was just installed.
3. Open the Applications subtask. Check the list of applications and their corresponding application jars and see if they are correct and have been successfully deployed (highlighted in green).
4. Open the Patches subtask. Check the list of patches and see if they are correct and have been successfully deployed (highlighted in green).

More Information:

If you have any questions, please contact Deltek Customer Care at <https://support.deltek.com>.