

[Organization logo]

[Organization name]

Commented [20A1]: All fields in this document marked by square brackets [] must be filled in.

BUDGETING AND ACCOUNTING FOR SERVICES PROCESS

Commented [20A2]: If you want to find out more about Financial Management, see <https://advisera.com/20000academy/knowledgebase/financial-management-services-theory-practice/>

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Date of version:	
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Approved by:	
Confidentiality level:	

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Change history

Date	Version	Created by	Description of change
	0.1	20000Academy	Basic document template

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1. Purpose, scope and users

The aim of this document is to define the purpose, scope, principles, and activities of the Budgeting and Accounting for Services process.

This document is applied to all activities, processes, and documents included in the SMS and [Financial department name].

Users of this document are all employees of [organization name], as well as all external parties who have a role in the SMS.

Commented [20A4]: Please include the name of your company.

2. Reference documents

- ISO/IEC 20000-1:2018, clauses 7.5.4. e), 8.4.1.
- Configuration Management Process
- Change Management Process
- Business Relationship Management Process

Commented [20A5]: You can find a template for this document in the ISO 20000 Documentation Toolkit folder "06_Service_Portfolio_Processes/06.3_Configuration_Management".

Commented [20A6]: You can find a template for this document in the ISO 20000 Documentation Toolkit folder "09_Service_Design_Build_Transition_Processes/09.1_Change_Management".

Commented [20A7]: You can find a template for this document in the ISO 20000 Documentation Toolkit folder "07_Relationship_Agreement_Processes/07.1_Business_Relationship_Mmanagement".

3. Process overview

Budgeting and Accounting for Services is the process responsible for managing [organization name] budgeting and accounting requirements.

Goals of the Budgeting and Accounting for Services process are to:

- Secure appropriate level of funding to design, develop and maintain IT services that contribute to organization's business goals
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]

Commented [20A8]: These are recommended objectives; you can include additional objectives or delete some according to your company practices.

The enterprise financial management policies of [organization name] provide a framework within which the [Redacted]

4. Process activities

4.1. Main inputs

[organization name]

The Financial Manager uses the following

- Regulatory requirements
 - [...]
- Enterprise financial management processes and respective policies:
 - [...]
- [redacted]
- [redacted]

Commented [20A9]: [redacted]

Commented [20A10]: [redacted]

Commented [20A11]: [redacted]

Commented [20A12]: [redacted]

Commented [20A13]: [redacted]

4.2. Accounting

[Organization name] uses accounting for:

- Identifying actual cost of delivering IT services (see Budgeting and Controlling in Appendix)
- [redacted]
- [redacted]
- [redacted]

Commented [20A14]: You can adjust this list according to your [redacted]

4.2.1. Cost model

[Organization name] uses the cost by service model.

4.2.2. Cost types and cost elements

[Organization name] uses at least the following Appendix:

- assets — including licenses — used to provide the services
- shared resources
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]

Commented [20A15]: [redacted]

[Organization name] uses

- [...]

Commented [20A16]: These are only recommendations; you can adapt the list according to your company practices.

Commented [20A17]: [redacted]

The Financial Manager is responsible

4.2.3. Cost classification

[Organization name] classifies costs as follows:

Cost classification	
Capital costs	[redacted]
Direct costs	[redacted]
Fixed costs	[redacted]

[organization name]

4.2.4. Direct and indirect cost distribution

Direct and indirect costs are apportioned in the following way:



Commented [20A18]: Enter your own cost distribution.

4.2.3. Chart of accounts

[Organization name] uses a chart of accounts in the form of [redacted]. The Financial Manager is responsible to define the chart of accounts in [redacted].

Commented [20A19]: Choose the one that applies according to [redacted].

4.2.4. Analysis and reporting

[Job title] defines analysis and reporting types.

Commented [20A20]: Choose the one that applies according to [redacted].

The following analyses and reporting types are used (see Budgeting and Controlling in Appendix):

- [redacted]
- [redacted]
- [redacted]

Commented [20A21]: Please insert the appropriate job title from the top management according to your organization practices, e.g.: CEO, CIO, IT Director, IT Manager, etc.

4.2.5. Action plans

Any deviation from the financial targets requires an action plan to get back on track. The Financial Manager is [redacted].

Commented [20A22]: These are commonly used analyses. [redacted]

4.3. Budgeting

[redacted] The Financial Manager is responsible to conduct budgeting inside the IT organization by liaising with all Budget Holders.

Commented [20A23]: In larger organizations, the process and [redacted]

4.3.1. Analysis of previous budget

The Financial Manager is responsible to:

- Analyze previous budget
- [redacted]
- [redacted]

Commented [20A24]: These are only recommendations; you can adjust them according to your company practices.

4.3.2. Assessment of plans

The Financial Manger is responsible to assess the following plans and their impact on the budget:

Commented [20A25]: e.g.
• The organization's strategy

[organization name]

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4.3.3. Specifications of changes to funding and spending

The Financial Manager is responsible to include all changes that are not in the formal plans and assess changes according to the Request for Change and Change Record and Change Schedule reports.

4.3.3.1. Request for Change

The Financial Manager is responsible to include the budget

4.3.3.2. Change Record

The Financial Manager is responsible to include the budget of the operations and include all the information in the Budgeting and Accounting process.

Commented [20A26]: You can find a template for this document in the ISO 20000 Documentation Toolkit folder "09_Service_Design_Build_and_Transition_Processes/09.1_Change_Management".

Commented [20A27]: You can find a template for this document in the ISO 20000 Documentation Toolkit folder "09_Service_Design_Build_and_Transition_Processes/09.1_Change_Management".

5. Roles and responsibilities

5.1. Financial Manager

[Job title] assigns the Financial Manager role.

Responsibilities of the Financial Manager:

- Overall responsibility for carrying out activities within the scope of the Budgeting and Accounting for Services process
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]

Commented [20A28]: Please insert the appropriate job title from the top management according to your organization practices, e.g.: CEO, CIO, IT Director, etc.

5.2. Budget holders

Line managers are responsible for budgets in their areas of responsibility. Additionally, they are

[Redacted]

Commented [20A29]: These are only recommendations; you can adjust the responsibilities of the Financial Manager according to your company practices.

6. Measurement and reporting

The Financial Manager is responsible to:

- Define and review [redacted]
- Document the selected CSFs and KPIs in the Matrix of Process Measurements
- Ensure that measurements are taken according to the defined frequency and document the [redacted]
- [redacted]
- [redacted]
- [redacted]

Whenever the SMS objectives are updated in the SMS Plan, the Financial Manager reviews and updates the CSFs and KPIs in the Matrix of Process Measurements to reflect the new objectives.

Commented [20A30]: You can change the frequency according to your company practices.

Commented [20A31]: You can find a template for this document in the ISO 20000 Toolkit folder "13_Management_Review".

Commented [20A32]: You can change the frequency according to your company practices.

Commented [20A33]: [redacted]

Commented [20A34]: You can change the frequency according to your company practices.

7. Managing records kept on the basis of this document

Record name	Storage location	Person responsible for storage	Controls for record protection	Retention time
Financial regulation	[tool name]	[job title]	Enterprise Financial Management	Records are archived after being replaced by new ones.
Reports	[tool name]	[job title]	Financial Manager	Reports are kept for [3 years].
Budgeting and Controlling	[tool name]	[job title]	Financial Manager	Reports are kept for [3 years].

Commented [20A35]: Someone from Enterprise Financial Management or Controlling.

Commented [20A36]: Change if needed.

Commented [20A37]: Overall responsibility for Records. Usually Financial Manager.

Commented [20A38]: Change if needed.

Commented [20A39]: You can adapt the retention period according to your company practices.

Commented [20A40]: Overall responsibility for Records. Usually Financial Manager.

Commented [20A41]: Change if needed.

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8. Validity and document management

This document is valid as of [date].

[organization name]

Owner of this document is [job title], who must check and, if necessary, update the document at least once a year.

Commented [20A43]: Please insert the appropriate job title from the top management according to your organization practices, e.g.: CEO, CIO, IT Director, IT Manager, etc.

Commented [20A44]: This is only a recommendation; you can adapt the frequency according to your company practices.

9. Appendices

- Appendix 1 – Budgeting and Controlling

[Job title]

[Name]

[Signature]

Commented [20A45]: Only necessary if the Procedure for Document and Record Control prescribes that paper documents must be signed.