

Oracle® Service Contracts

Concepts and Procedures

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Oracle Service Contracts Concepts and Procedures, Release 11i

Part No. B12259-02

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Preface

Intended Audience

Welcome to Release 11i of the *Oracle Service Contracts Concepts and Procedures*.

Users and implementers of Oracle Service Contracts.

See Related Documents on page xii for more Oracle Applications product information.

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Structure

1 Understanding Oracle Service Contracts

This chapter provides overviews of the application and its components, explanations of key concepts and features, as well as the application's relationships to other Oracle applications.

2 Using Oracle Service Contracts

This chapter provides process-oriented, task-based procedures for using the application to perform essential business tasks.

3 Implementing Oracle Service Contracts

This section describes the setup forms and gives references that help you understand the underlying dependencies.

The implementation section consists of the following topics:

- Confirming Setups of Oracle Applications, page 3-2
- Setting Up Service Contracts, page 3-8

Related Documents

Guides Related to All Products

Oracle Applications User's Guide

This guide explains how to enter data, query, run reports, and navigate using the graphical user interface (GUI). This guide also includes information on setting user profiles, as well as running and reviewing reports and concurrent processes.

You can access this user's guide online by choosing "Getting Started with Oracle Applications" from any Oracle Applications help file.

Guides Related to This Product

Oracle Contracts Core Implementation and User Guides

These manuals contain detailed information about implementing and using Oracle Contracts Core, along with all the other Oracle applications that support a successful implementation.

Do Not Use Database Tools to Modify Oracle Applications Data

Oracle **STRONGLY RECOMMENDS** that you never use SQL*Plus, Oracle Data Browser, database triggers, or any other tool to modify Oracle Applications data unless otherwise instructed.

Oracle provides powerful tools you can use to create, store, change, retrieve, and maintain information in an Oracle database. But if you use Oracle tools such as SQL*Plus to modify Oracle Applications data, you risk destroying the integrity of your data and you lose the ability to audit changes to your data.

Because Oracle Applications tables are interrelated, any change you make using an Oracle Applications form can update many tables at once. But when you modify Oracle Applications data using anything other than Oracle Applications, you may change a row in one table without making corresponding changes in related tables. If your tables get

out of synchronization with each other, you risk retrieving erroneous information and you risk unpredictable results throughout Oracle Applications.

When you use Oracle Applications to modify your data, Oracle Applications automatically checks that your changes are valid. Oracle Applications also keeps track of who changes information. If you enter information into database tables using database tools, you may store invalid information. You also lose the ability to track who has changed your information because SQL*Plus and other database tools do not keep a record of changes.

Understanding Oracle Service Contracts

This chapter provides overviews of the application and its components, explanations of key concepts and features, as well as the application's relationships to other Oracle applications.

This chapter covers the following topics:

- Overview of Oracle Service Contracts
- Types of Contracts
- Contract Components
- Parties
- Lines
- Contract Lifecycle
- Creation
- Approval
- Entitlements / Fulfillment
- Pricing
- Billing
- Managing Contracts
- Integration with other Oracle Applications

Overview of Oracle Service Contracts

Service contracts are usually sold to customers to support, repair, and maintain their products or services. These contracts frequently offer the advantage of billing on a recurring basis either monthly, quarterly, or annually, and offer the customer the option to pay in advance or in arrears of the period of service.

Oracle Service Contracts enables you to design, manage, and bill for service offerings tailored to your customers' needs. All contracts are held centrally; subscriptions, warranties, extended warranties, or complex service agreements, thus providing the service provider visibility to all service entitlement information.

Integration of Oracle Service Contracts with other Oracle applications, page 1-7 automates the contract process and provides access to information contained in other Oracle applications.

Types of Contracts

Oracle Service Contracts enables you to create and manage the following types of contracts:

- **Warranty:** If a serviceable product has an associated warranty, the warranty contract is automatically created when the product is shipped. You can view the new contract in Oracle Install Base and Oracle Service Contracts. The contract start date is set to ship date plus any delay time that is defined for the warranty. Whenever possible, when multiple products are sold on one order, one warranty is created for all the products. If the warranties on products sold on one order differ (for example, by duration), one contract is created but the unique terms of the warranty are tracked on separate contract lines. A warranty may also be created when a new product, with associated warranty, is added directly to the installed base. To view the contract in Oracle Install Base, query the product number and select the contracts link. The Contact Detail page displays the covered products.
- **Extended Warranty:** An extended warranty contract is automatically created when an extended warranty is sold on a sales order. The extended warranty may cover products that are being sold at the same time (immediate service), or it may cover products already owned by the customer (delayed service). To reduce administrative overhead, extended warranty contracts can also be consolidated in a similar way to warranties.
- **Service Agreement:** A service agreement contract is created when a service item is sold via the contract authoring process.
- **Subscription:** You can use subscription contracts to sell tangible items such as magazines, newspapers, CDs, or newsletters; or intangible items such as memberships, digital assets, or services. For tangible subscriptions, a delivery schedule can be created as part of the contract. This schedule drives the release of the subscription items to the customer, via Oracle Order Management.

Contract Components

Contracts are made up of information at various levels of a hierarchy. Some information is required only at the highest level, referred to as the Summary or Header. The remaining information is available at lower levels, called Lines and Sublines, or may be accessed from all three levels.

- Information found at the Contract Summary level includes:
 - Contract number
 - Effectivity dates
 - Pricing and billing information
 - Party information (customer information such as billing and shipping information)
- At the Line level, the contract contains:
 - Effectivity dates
 - Billing information
 - Billing and shipping addresses
 - Service to be performed (such as service, usage, and subscription)

- The Subline level contains:
 - Products being covered
 - Effectivity dates
 - Billing information

The key components of Oracle Service Contracts are:

- Parties
- Lines and Sublines

Parties

The primary focus in a service contract is the customer. While focusing on customers, Oracle Service Contracts enables you to define additional parties. For each party on the contract, any number of contacts can be defined on the contract. You can assign a role to each party, for example contract administrator, by selecting from the roles supplied with Oracle Service Contracts. You can further modify roles to suit your specific business requirements.

Information about the customer, including the bill to and ship to information for the contract, is initially identified at the Contract Summary level, but can be refined at the line level to make it more specific to each individual service being performed.

Lines

A contract can contain any number of lines. Each line inherits certain information from the contract summary such as effectivity dates, bill to and ship to information, and billing rules and schedules. These can be changed as appropriate to allow the contract to conform to customers' requirements. A contract line may be related to one or more sublines.

The line level is also used to enter the individual services that must be provided. These services consist of the following basic groups:

- **Service:** Service lines cover a broad category of items that can include activities such as field service, depot repair, call center, technical support, or any other user-defined business activities. Services may cover individual products or a group of products, for example, all products at a specific location, or all products grouped into a system. Service lines use sublines to indicate what party, customer, site, system, item, or product are covered by a particular service. For example, Service line 1 for field service may cover all of the computer equipment at site A, or it may instead cover Laptop L451, L359 and L863.
- **Usage:** In addition to service line items, Oracle Service Contracts helps you define usage line items in a contract. For example, if a customer is renting a photocopier, the business can charge either on a per-copy basis or a fixed price. The business may set a minimum charge, and vary the price depending on volume. Oracle Service Contracts can contain definitions of usage items and also consumable items (paper for printers, cash for ATM machines) that customers may want to have replaced at regular intervals along with descriptions of service coverage (field service, customer support) to customers. Oracle Service Contracts integrates with a customer's installed base to obtain actual usage information for products covered in a contract. Usage lines can leverage sublines the same as Service lines. A usage

line references a specific product that is owned by a customer, which contains a meter, for example a copy machine. The subline contains information about the meter on that individual copier and allows you to update the counter information to facilitate billing.

- **Subscription:** Oracle Service Contracts provides support for businesses that manage subscriptions. Subscriptions may include tangible products such as magazines, newsletters, or CDs. Also, they may cover intangible items such as memberships, web site access, or digital library downloads. Tangible subscription products include schedules indicating when the item is to be delivered or fulfilled. This schedule is then integrated with Oracle Order Management to automatically generate the orders to manage the delivery process. Subscription lines do not contain any sublines.

Contract Lifecycle

A contract lifecycle includes:

- Creation, page 1-4
- Approval, page 1-5
- Entitlements / Fulfillment, page 1-5
- Pricing, page 1-6
- Billing, page 1-6
- Managing Contracts, page 1-7

Creation

Warranty and extended warranty contracts can be created automatically, as a result of selling products and services (see Types of Contracts, page 1-2). More complex services can be sold by creating contracts directly in Oracle Service Contracts.

Authoring Contracts

Contract authoring involves the creation of a contract from defining an offering to obtaining customer approval on the pricing, coverage, and other terms and conditions set up in the contract.

Contracts can be created from scratch, by copying parts of an existing contract or by using a contract template. Defining a contract requires the following steps:

- Select customer information, including bill-to and ship-to addresses.
- Define the duration of the contract and the price list used for pricing services in the contract.
- Assign billing information such as the schedule of when and how much to bill the customer. The billing engine can calculate amounts or you can define it manually as well as decide when it is sent to Oracle Receivables. If a contract line is terminated, then the billing engine automatically adjusts the amount that needs to be sent to Oracle Receivables.
- Select and price the service, usage and subscription lines, provided as part of the contract and identify the products covered.

- For service lines, check and if required, edit the coverage times, response, and resolution times and customer entitlements that defaulted from the coverage template. For example, a field service visit may be covered from 9 to 5, with a 10 percent discount on replacement materials used. The customer would then receive a 10 percent discount, defined in the coverages, for the material used but would not receive any discounts on any labor charges incurred during the field service visit. For subscription lines, verify or modify the delivery schedule defaulted from the subscription template.
- For subscription lines, verify or modify the delivery schedule defaulted from the subscription template.
- Check the contract is valid by running the QA check.
- Approve the contract.

Approval

Internal Approval

Before presenting the contract to the customer, it should be checked to ensure all the information contained within it is valid and complies with internal policies. These checks may range from basic checks to ensure that coverage dates are sequential, to more complex checks to ensure service is not defined to cover decommissioned products. Mandatory checks are already defined and will run against every contract you create. You can also define your own checks to enforce your company policy.

Customer Approval and Signature

After authoring a contract, you may need to obtain customer approval on pricing, coverage, and other terms and conditions set up in the contract.

Entitlements / Fulfillment

The contract defines the resource, support, or service to which a customer is entitled. When the customer calls, these entitlements would be checked prior to providing service as defined in the contract. Examples of entitlements include access to tangible or intangible resources, maintenance, repairs, or replacements.

Service Entitlements

The process of checking service entitlements, such as verifying if customers are calling during covered hours or finding agreed reaction times can be used by other Oracle applications such as TeleService, Field Service, and Depot Repair to ensure that services in these downstream applications are carried out according to the contract.

Subscription Fulfillment

Fulfillment starts after the contract approval process. Driven by each subscription line's instantiated fulfillment template, a concurrent program creates a sales order, for each delivery, in Oracle Order Management. The order details are populated with information from the subscription agreement. Once the order is created in Oracle Order Management, you can release and ship.

The integration to Oracle Order Management is bidirectional. Item and fulfillment details are sent to Oracle Order Management to create a sales order. When the order is ship confirmed, delivery and status details are sent from Oracle Order Management so they could be recorded in the subscription contract.

Pricing

To ensure accurate pricing, Oracle Service Contracts retrieves the contractual prices of services or usage from Oracle Advanced Pricing. Price breaks can be set up to vary the price applied depending on volume used. Price adjustments can be automatically applied to the contract, as well as simply adjusting the price manually. Any adjustment applied is tracked and can be viewed from the contract.

Billing

Oracle Service Contracts can handle complex billing scenarios using a flexible billing schedule that enables you to control the duration, timing and amount to be billed. You can tailor the billing process further by defining bill settlement, invoice averaging, and billing profiles.

Billing Profile

Oracle Receivables allows billing information to be defined for each customer. The Billing Profile in Oracle Service Contracts enables you to define how billing should be carried out for individual contracts. Billing profiles include information about accounting and invoicing rules, type of billing, and its frequency. Invoices are generated according to the billing profile attributes.

Billing for Customer Usage

Customers can choose to pay for actual quantities of products they use, pay for a fixed quantity, or value each billing period. If a customer chooses to be billed for actual usage but usage numbers are not received in time to issue an invoice, default values can be used in place of actual numbers. Default values can be defined based on an average of historical readings, otherwise known as the Average Monthly Counter Volume. Oracle Service Contracts can contain usage price breaks for varying the price applied depending on the volume used. A minimum quantity can also be defined so that the customer is charged based on their actual usage as long as it is over the minimum threshold, otherwise they are charged the minimum amount.

Billing Interface

Services, usages and renewals managed in Oracle Service Contracts can be interfaced directly to Oracle Receivables, which then generates invoices from the pricing defined on the contract, based on the invoicing rules. Invoice information and billing history can automatically be retrieved from Oracle Receivables and tracked against the contract.

Self Service Invoices

Your customers can also have direct visibility to invoice information through Oracle iReceivables (see Integration with Oracle iReceivables, page 1-8). This is a self-service, interactive environment that allows your customers to drill up or down their invoice details as necessary, to find the information they need to accept the invoice.

Managing Contracts

Service Contracts provides contract management features for streamlining and proactively controlling contract actions such as renewals and terminations.

Change Management and Versioning

Changes are often made throughout the contract lifecycle and come from multiple sources. Oracle Service Contracts provides the necessary change management processes that protect a contract so that only approved users can make the change, and approve them before the contract can again become active. Versions of contracts are automatically tracked before and after each change. Contract administrators can apply changes across multiple contracts at one time. This supports scenarios such as extending all contracts for a particular customer, or changing the price list on multiple contracts.

Expiration and Renewal

The AutoRenewal feature enables you to specify a period of time, prior to expiration date, for renewing a contract. For example, the renewal process can be set up to automatically pick up a contract prior to its expiration date and begin the renewal process.

Events

Events can be set up to help you proactively act upon the terms and conditions of the contract. Events can initiate workflow processes or any other predefined functions. Using product and service counters, events can track product and service usage. You can define events that will trigger certain actions at periodic intervals or based upon a particular counter usage. For example, a preventive maintenance visit could be scheduled when a product counter reaches 1,000, or a service counter may track free calls covered on the support contract. Also, when milestones in call volumes are reached, defined events can trigger a change in billing rate or terminate a customer's contract. Events can be based on actions for example, a contract signed, terminated, a change request initiated, or date-based such as a contract expiration date.

Events are a combination of actions, conditions, and outcomes that allows you the flexibility of handling a diverse range of event-related scenarios. Events can also be leveraged by other Oracle Service applications. For example, if an important event happens, you may want to automatically initiate a task, service request, workflow, or other type of procedure if certain conditions are met.

Termination

Once a contract is terminated, certain actions need to be taken. Oracle Service Contracts lets you enter the reasons for termination and any other notes that need to be tracked regarding the circumstances of the termination. It calculates the final credit or debit amount, allows you to override that value, and sends it to Oracle Receivables for processing.

Integration with other Oracle Applications

Oracle Service Contracts integrates with other Oracle applications including:

Oracle Contracts Core

Oracle Service Contracts leverages functionality provided in Oracle Contracts Core to support common contract management activities such as contract renewal, versioning, article management, and change management. However, not all features that are available in Oracle Contracts Core are appropriate for Oracle Service Contracts. Functionality such as defining line styles provided by Contracts Core, is not supported in Oracle Service Contracts.

Oracle Contracts Core provides the foundation for Oracle Service Contracts and is a required product.

Oracle Contracts

Oracle Service Contracts uses the Contract Terms Management functionality provided by Oracle Contracts. You can use this functionality to create articles, reference standard articles, and modify existing articles.

Oracle Order Management

Oracle Order Management is required for subscription, warranty, and extended warranty management as it provides information from the sales order on associated services that have been purchased.

Oracle Advanced Pricing

Oracle Advanced Pricing is required to retrieve pricing information for services or usage purchased on the contract as well as to use advanced features such as modifiers.

Oracle Bills of Material

Oracle Bills of Material provides information on warranties that are to be included as contracts.

Oracle Inventory

Oracle Inventory is required to define service, subscription, and usage items.

Oracle Receivables and iReceivables

Oracle Service Contracts integrates directly with Oracle Receivables for contract billing and Oracle iReceivables for self service visibility to invoice information. For tax calculation, Oracle Service Contracts integrates with Oracle Receivables Global Tax engine and make the sales tax amount readily available when authoring a contract. Integration of Oracle Service Contracts with Oracle iReceivables provides drill down capability and enables customers to view the invoice details online.

Oracle Advanced Service Online

Integration of Oracle Service Contracts with Oracle Advanced Service Online enables you to view the history and activities of any preventative maintenance program.

Oracle Install Base

To simplify selecting the products covered by a contract, Oracle Service Contracts accommodates an expandable/collapsible set of data from Oracle Install Base. You can select any node or data item for inclusion in or exclusion from coverage. Once the products to be covered have been identified and included in a contract, any changes

to them in Oracle Install Base (transfer of ownership, replacement, or returns) will be reflected in the contract, ensuring that the information contained in the contract is in line with that in Oracle Install Base.

During contract creation, entries are added to Oracle Install Base by Oracle Service Contracts. A new item instance is created when an item with the Subscription category is saved on a contract. Processes such as transfers and terminations that are done in Oracle Install Base, have no effect on the contract. These actions should be handled within Service Contracts authoring.

Oracle Service Applications

Oracle Service Contracts allows other Oracle applications to view the coverage for a particular contract. Entitlement information is made available to any application that requests it such as, Oracle Customer Support, Field Service, Install Base, Depot Repair, and Charges.

Oracle Contracts Intelligence

Oracle Contracts Intelligence provides critical contractual information that can be used to manage service contracts and renewals business. To enable reporting by hierarchy, Oracle Contracts Intelligence can access the sales group information in Oracle Service Contracts.

Using Oracle Service Contracts

This chapter provides process-oriented, task-based procedures for using the application to perform essential business tasks.

This chapter covers the following topics:

- Offering Management
- Service Coverage
- Coverage Templates
- Coverage Process Flow
- Defining Service, Subscription, and Usage Items
- Warranties
- Defining Serviceable Products
- Defining Subscription Products
- Master Item Field Definitions
- Defining Usage
- Pricing Service and Usage
- Service Pricing
- Usage Pricing
- Usage Item Price Breaks
- Defining Usage Price Breaks
- Selling Products and Services in Order Management
- Automated Creation
- Flexible Service Programs
- Activating Service
- Service Coverage
- Controlled Service Availability
- Ordering Service Programs
- Cotermination
- Warranties and Extended Warranties

- Warranty and Extended Warranty Process Flow
- Contract Details at Order Management
- Order Cycle
- Warranty and Extended Warranty Consolidation
- Reprocessing Orders
- Authoring
- Contract Authoring and Pricing
- Creating Contracts
- Contract Header
- Using the Summary Tab
- Summary Parties Tab
- Summary Pricing/Billing Tab
- Summary Renewals Tab
- Summary Administration Tab
- Summary Security/Text Tab
- Managing Contract Terms
- Applying Contract Templates
- Changing Contract Templates
- Removing Terms
- Adding and Deleting Sections
- Deleting a Section
- Adding and Updating Articles
- Adding Standard Articles
- Updating Articles
- Deleting Articles
- Creating Non-Standard Articles
- Comparing Standard and Non-Standard Articles
- Moving Contract Terms
- Renumbering Contract Terms
- Validating Contract Terms
- Check for Article Updates
- Using the Lines Tab
- Lines Accounts Tab
- Lines Effectivities Tab
- Lines Pricing/Products Tab

- Lines Billing Button
- Lines Tax/Payment Options Tab
- Lines Counters Tab
- Lines Events Tab
- Using the Tools Menu Functions
- Revenue Distribution
- Create New Version
- Change Status
- Pricing Qualifier
- Pricing Adjustment
- E-mail Quote
- Update Service
- Terminate Subline
- Summary/Lines
- Invoice Details
- Notes
- Using the Actions Menu Functions
- Save as Template
- Copy from Template/Contract
- Counter Setup
- Counter Capture
- Check QA
- Submit for Approval
- Bookmark
- Event Details
- Show Index
- Delete Contract
- Cascade Service Price
- Allocating Sales Credits
- Pricing Attributes
- Cascade Attributes
- Revert Update
- Billing
- Billing for Contracts
- Billing for Services

- Automatic Service Program Billing
- Summary Billing
- Bill Settlement
- Bill Termination
- Service Settlement
- Executing Main Billing
- Overview
- Running the Billing Program
- Running the Fetch AR Program
- Running Usage Averaging and Settlement for Billing Program
- Commitment and Credit Card Billing Methods
- Reviewing Entitlements
- Sharing Contract Information
- Overview of Entitlements Processing
- Entitlements Search
- Managing Contracts
- Editing a Contract
- Finding a Contract
- Cascading Service Price
- Renewing Contract
- Using Renewal Procedures
- Repricing a Contract
- Reviewing Renewal and Administration Rules
- Defining Security Attributes
- Determining Line Duration
- Reviewing Pricing Attributes
- Renewal Consolidation
- Using Renewal Consolidation
- Termination
- Contract Termination
- Terminating a Contract Line
- Terminating a Subline
- Extending Contract Line
- Grace Period
- Mass Change

- Electronic Renewals
- Reassigning Resources
- Reporting
- Speeding Up Access to Other Applications Using the Quick Menu
- Creating or Modifying a Contact Record
- Creating or Modifying a Customer or Third-Party Contact Record
- Creating or Modifying a Contact Record for an Account in a Contract Line
- Creating and Enabling Templates for E-Mails to Customers
- Overview
- Creating and Enabling Templates for E-mail Attachments Sent by Agents
- Creating and Enabling Templates for Electronic Renewals
- Contract-Specific Data Available for Inclusion in Template Documents
- Viewing the Data Definition Structure
- Uploading and Registering a Template in Oracle XML Publisher
- Creating the Set of Templates Used for a Specific Renewal Flow
- Specifying How the Template Sets Are to Be Used
- Viewing PDF Attachments
- Viewing Sample Marked-Up Documents Provided with the Application

Offering Management

Your customers are unique. To define an individual contract from scratch for every customer is not practical. To balance efficient contract creation with the unique needs of your customer, Oracle Service Contracts provides Offering management. This permits standard service offerings to be defined in advance, while allowing them to be tailored to a customer's needs in the actual contract. For example, you can offer gold, silver, and bronze support options, each of which represents a set of available offerings.

Offering selection involves determining which offering most closely matches the customer's needs from all the current offerings, then configuring it for the customer's needs.

You can add or update offerings any time. The offering updates affect only new contracts authored from the offerings; they do not affect existing contracts.

This section includes the following information:

- Service Coverage, page 2-5
- Coverage Templates, page 2-6
- Coverage Process Flow, page 2-7

Service Coverage

Service coverage describes the situation under which the customer is covered for service. Services are broken down into business processes that can apply to the service

(such as support, depot repair, and field service). Coverage terms are then defined for these business processes.

Coverage reflects the service request reporting time stated in days or hours, and the repair expenses. By setting effective start and end dates, you can phase in or phase out a particular coverage. You can specifically define covered monetary amounts for each service.

Coverage Templates

Oracle Service Contracts enables you to define a standard set of templates, to create offers for a common set of agreements used by your organization and modify them to meet your customers' requirements. The coverage template defines the business processes, times of coverage, days of coverage, reaction and resolution times for a service request, preferred resources, and the bill types and bill rates that are covered.

For example, you can have a Gold coverage template which covers hotline support and onsite support business processes. The hotline support includes 24 hours, 7 days a week support with 2-hour reaction time for high priority requests and the onsite support includes 9-to-5 coverage, 5 days a week. As part of defining coverages, you define the entitlements. For example, the onsite coverage covers a transaction type of replacement and for a replacement transaction, the customer is charged for material and labor. You define coverage that you want to give to a customer, such as a 10 percent discount on material, and a 5 percent discount on labor up to \$500.

In addition, a preventive maintenance (PM) program may be linked to a coverage template which, when instantiated in a contract, includes the schedule (Date or Date Ranges) to perform activities associated to the PM program as part of preventive maintenance. The preventive maintenance schedule is created in a manner similar to the billing schedule. Multiple maintenance streams can be defined for a preventive maintenance program. Preventive maintenance programs are defined in Oracle Complex Maintenance, Repair, and Overhaul. For more information, see the Managing Maintenance Routes section of *Oracle Complex Maintenance, Repair, and Overhaul User's Guide*.

If appropriate, prior confirmation from the customer may be required to schedule the preventive maintenance service request. This is executed via a check box provided as part of program schedule definition in the coverage. Define the general terms and conditions using the following attributes:

- **Services:** This attribute refers to user-defined services that are to be provided in the contract. For example, you can define a 9-to-5 service coverage, with a 10 percent discount for materials, which could include field service transactions and hotline support transactions.
- **Times of coverage:** This attribute defines days of the week, hours, and the start and end dates for coverage. For example, you can set up 9-to-5 coverage as in the above example. You have flexibility in defining times based on the service coverage's needs. In the Coverage Template form you can also define multiple start and end times for hours of service coverage in a day. For example, you can set up coverages for a business that opens at 8 am, closes from 12 to 3 pm and re-opens from 3 to 7 pm.
- **Available resources:** In the Coverage Template, you can classify available resources as Preferred, Primary, or Excluded. So, when responding to a service request, the correct resource could be assigned to resolve the issue. For example, if you classify a

resource as Excluded, the Assignment Manager module excludes the resource from the list of available resources.

- **Reaction times:** The reaction time refers to the time in which the service provider must respond to a service request such as, a two-hour reaction time. Reaction times may be defined differently for each user-defined severity level. The reaction times are automatically enforced through Oracle TeleService.
- **Resolution times:** In addition to indicating how long the service organization has to respond to a request, you may wish to define the maximum amount of time available to bring the open issue to a resolution. For example, the customer may wish to have any issues for a critical system completely resolved within four hours
- **Discounts:** This attribute refers to discounts that can be given based on the type of transaction performed. Using the example above, you could set up a discount of 10 percent on materials used when service is performed.
- **Levels of coverage:** Coverage can be defined for individual products or items, or can be referenced as part of a larger group of products, for example, all products owned by a customer or party, or located at a customer site, or included as part of a system.
- **Counters associated with the contract:** These apply to counters tied to the service. You can also have events tied to counters. For example, you can have a preventative maintenance scheduled for a copier if its counter reading reaches 10,000 copies, or you can track the number of calls a customer has made to a customer support center.
- **Preventive maintenance program:** This would identify the preventive maintenance program and the corresponding schedule of program activities. You can define preventive maintenance programs at both Program and Activity levels.

See Coverage Process Flow, page 2-7 for flow diagrams.

See Defining Coverage Templates, page 3-12 for setting up coverages.

Coverage Process Flow

The following diagrams highlight the difference between a coverage template and an actual instance of coverage.

The first diagram highlights the different process steps involved in both.

The process for coverage of a specific contract include:

- Coverage Maintenance for Service
- Edit Coverage Details
- Define Business Processes and Coverage Times, Reaction and Resolution Times, Severities and Workflows, Resources, Billing Types, and Billing Rates.

The process for a coverage template include:

- Coverage Template Setup and Maintenance
- Create, Edit, or Delete Coverage Template
- Define Business Processes and Coverage Times, Reaction and Resolution Times, Severities and Workflows, Resources, Billing Types, and Billing Rates.

The second diagram highlights the structural differences between a coverage template and actual instance of coverage.

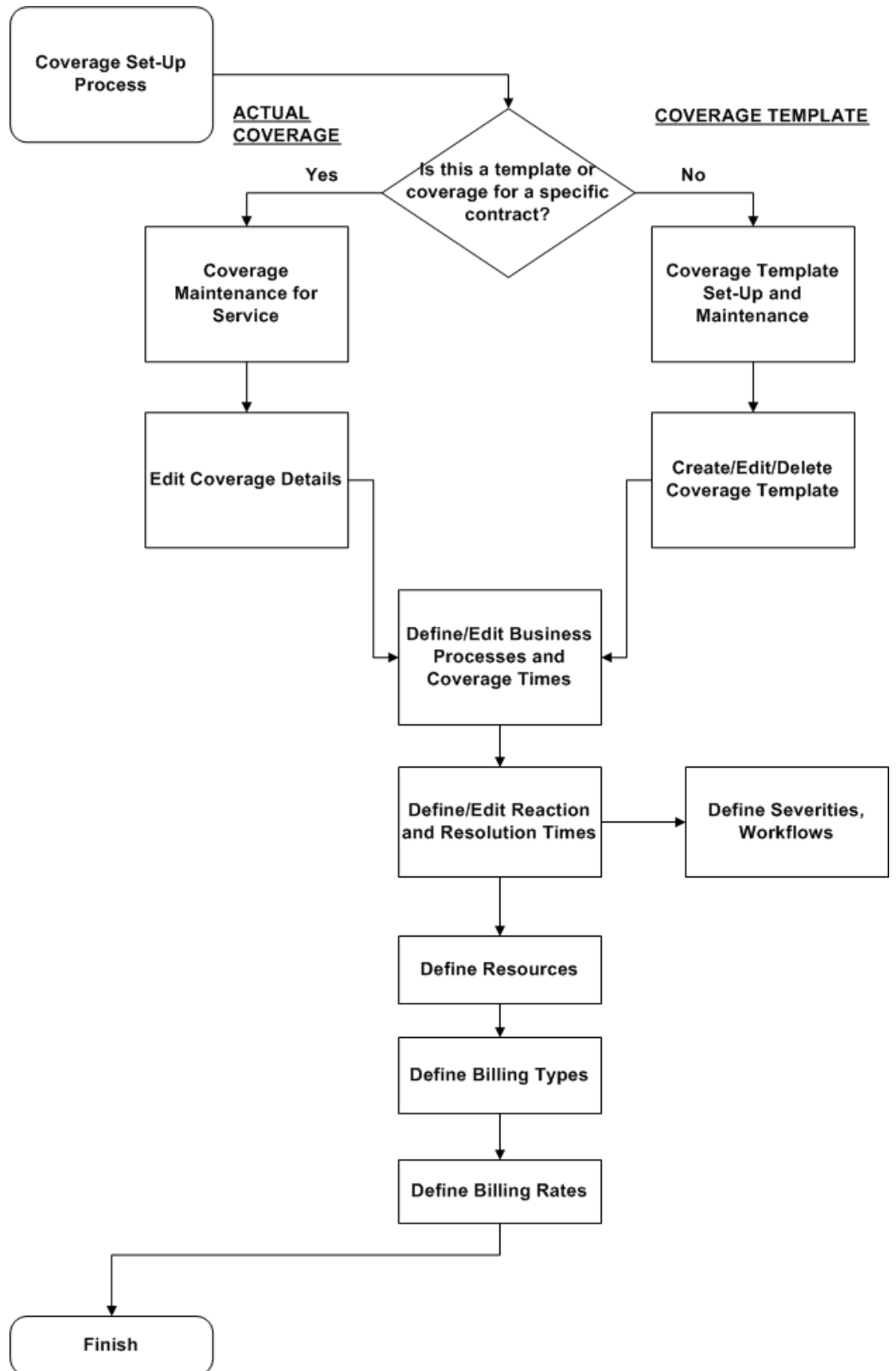
The structure for coverage templates includes:

- Contract Header - Seeded Template Header
- Coverage Template
- Business Process
- Reaction Time
- Resolution Time
- Resources
- Bill Type
- Bill Rate

The structure for instance of service contracts includes:

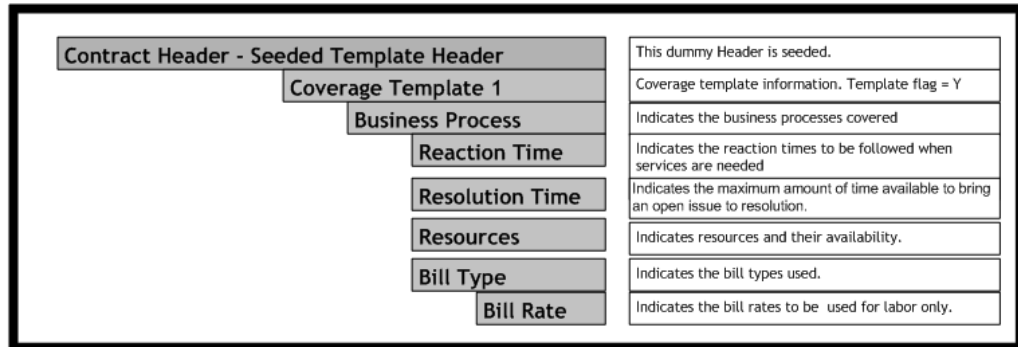
- Contract Header
- Service Line
- Coverage Terms
- Business Processes
- Reaction Time
- Resolution Time
- Resources
- Bill Type
- Bill Rate
- Coverage Levels
 - Party Level
 - Customer Account Level
 - Party Site Level
 - Item Level
 - System Level
 - Installed product Level
- Usage Line
- Product/Service Counters

Coverage Process Flow

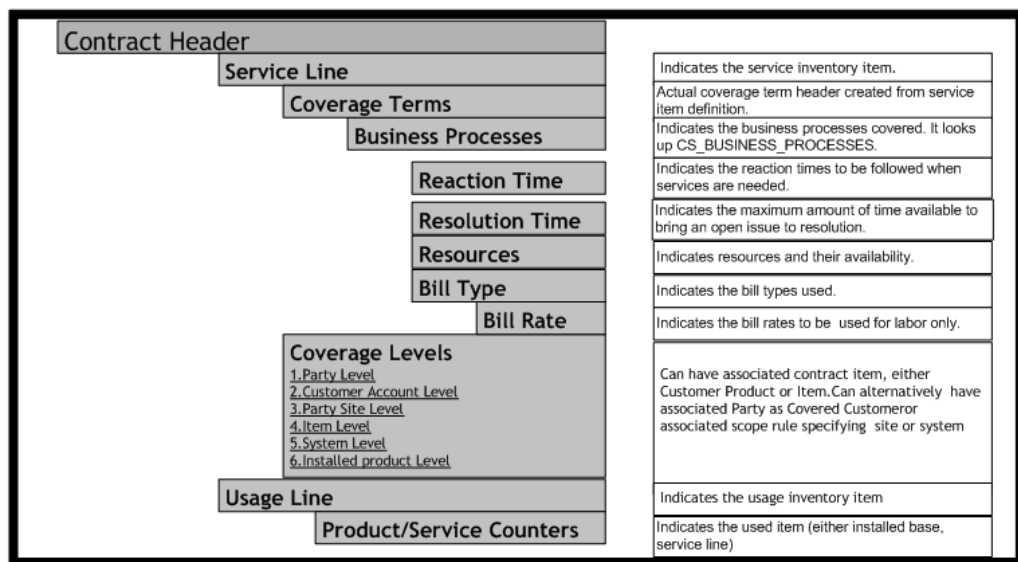


Structure for Instance of Service Contracts

Structure for Coverage Templates



Structure for Instance of service contracts



Defining Service, Subscription, and Usage Items

Services are items defined in the item master that determine the coverage terms that are given or sold to a customer. Coverage Templates must be defined before you can create a service item. Services that are given to the customer free of charge, since the price is assumed to be included in the price of the associated product, are called Warranties. All other services may have a price associated with them and can be sold on a sales order or via the contract authoring form. If a service item is sold via the sales order process, the resulting contract is termed an Extended Warranty. If a service item is sold via the contract authoring process, the contract is a Service Agreement.

A service that can be provided as a warranty is distinguished from other services by the attributes set on the item master.

Warranties

After a warranty has been defined, it must be associated with a serviceable product in Oracle Bills of Material for a warranty contract to be automatically created (refer to the *Oracle Bills of Material User's Guide* for further information). When that product is shipped

or is manually created in the installed base, the warranty is automatically created in Oracle Service Contracts. Warranties allow a support service to be automatically associated with a product. The warranty is automatically associated with the customer product in the installed base upon ordering and shipment of the product to the customer.

Each serviceable product can be shipped with one or more base warranties defined as components in the product's bill of material. The table below highlights the main differences between warranties and extended warranties.

| Warranties | Extended Warranties |
|--|--|
| Non-orderable and managed automatically | Can be ordered as an immediate or delayed service |
| Cannot be authored, can only be created by integration with Oracle Order Management or manually created in Oracle Install Base | Can be authored or created via Oracle Order Management interface |
| Do not have a cost | Have unit or percentage based pricing |
| Associated with serviceable items in Oracle Bills of Material (BOM) | Are not included in Oracle Bills of Material (BOM) |
| Have warranty inheritance rules | Do not have warranty inheritance rules |
| Cannot be renewed, can be extended or terminated | Can be renewed, extended or terminated |

Defining Serviceable Products

For a product to be covered on a service agreement, subscription, warranty, or extended warranty, the product item has to be classified as a serviceable product.

Prerequisites

Product items must be created using Oracle Inventory.

To define a serviceable product:

1. From the Responsibilities menu select, **Inventory > Items > Master Items (T) Service**.
2. Select the Enable Contract Coverage check box to identify this product as being serviceable.
3. Identify whether this item is material, labor, or expense in Billing Type.
4. If defects for this item are to be tracked, then select the Enable Defect Tracking check box.
5. Select the speed in which an item is returned for Recovered Part Disposition.
6. Save your changes. The product item is now a serviceable product.

Defining Subscription Products

A tangible subscription item may be set up like any other inventoried product. You may enable Work In Process, Bill of Materials and other options for the product. In addition

to setting the item up as a tangible product, define the Contracts-related properties listed below.

Prerequisites

A Subscription template must be created.

Subscription Template

A subscription template contains attributes that can be associated to a subscription item. The attributes include Subscription type, Media and Property type, Fulfillment Channel, and Frequency. A subscription item can be a tangible item, like newsletters and compact disks or an intangible item like membership, digitized assets, and 'software as a service'. Subscription type specifies the type of subscription item such as Magazines, Journals, and Memberships. You can modify the list of available subscription types. Media and Property type specifies the subscription's property identifier such as print material, audio, and digital image. You can edit the list of available media and property types. Currently Oracle Order Management is supported as the fulfillment channel. If no fulfillment channel is specified, it is considered an intangible item, and no delivery schedule is created for that item. Subscription Frequency such as Yearly, Monthly, Weekly, and Daily identifies how often an item should be delivered.

To define a subscription product:

1. From the Responsibilities menu select, **Inventory > Items > Master Items (T) Service**.
2. Select the Enable Contract Coverage check box to identify this product as being serviceable.
3. Select the Subscription Template that should be associated with this item. This defines the fulfillment schedule defaults.
4. Identify the Bill Type as Material.
5. For both Tangible and Intangible subscription items, select the Track in Install Base check box.
6. If defects for this item are to be tracked, then select the Enable Defect Tracking check box.
7. Select the speed in which an item is returned for Recovered Part Disposition
8. Save your changes. The subscription item is now an inventory part as well as a serviceable product.

Master Item Field Definitions

The table below displays the field descriptions for master service items.

| Field | Description |
|------------------------|---|
| Main Tab | - |
| Unit of Measure region | The unit of measure must be time based, since a service is to cover a set period of time. |
| Service Tab | - |

| Field | Description |
|---------------------------------|---|
| Service region | Information for creating Serviceable Items |
| Service Request | Select the Enabled option if you want service requests be created for the item. |
| Enable Contract Coverage | Select this check box, if the item being created is a product that is eligible to be covered on a service contract. |
| Enable Defect Tracking | Select the check box, if defects should be tracked for this product. |
| Enable Provisioning | Select the check box to make the item eligible for electronic fulfillment by Service Fulfillment Manager. |
| Service Contracts Region | Information for creating Service Items |
| Contract Item Type | Select Service from the list of values. |
| Duration | Enter the default duration of the service. For example, if the service should default to 1 year, set the duration period as year and the duration as 1. This may be overridden when selling the service on a sales order or on the contract. |
| Duration Period | Select the Service Duration Unit of Measure (for example, hour, day, month, and so on). |
| Template | Select the template to be associated with the service from the list of values. (Do not select a template for a usage item.) This creates a one to one relationship between the item and the coverage so that the service can be priced appropriately. For example, you may wish to charge more for a 24X7 type of coverage than you would for a 9X5 coverage. |
| Starting Delay (Days) | Enter the number of days after the product is shipped that the warranty or extended warranty should become active. |
| Installed Base Region | - |
| Track in Installed Based | This flag enables life cycle tracking in Oracle Install Base and Oracle Enterprise Install Base. Once set, this flag should not be changed. This flag should be set at the master organization level. |
| Create Fixed Assets | This indicates whether the item creates a depreciable asset used in Enterprise Install Base. |

| Field | Description |
|-----------------------------------|---|
| Instance Class | This flag is used only in the Telecommunication Service Ordering solution for defining a configured link. |
| Debrief and Charges Region | |
| Recovered Part Disposition | Indicate if replaced parts are to be recovered and how quickly. |
| Enable Service Billing | Select the check box to enable the Billing Type field. |
| Billing Type | Indicate whether the customer is charged for the following: Material: Material usage expenses your support organization incurs while providing the service. Labor: Labor expenses your support organization incurs while providing the current service. Expense: Incidental expenses your support organization incurs while providing the current service. |
| Bills of Material Tab | - |
| BOM Allowed | Ensure the BOM allowed check box is selected if the service is a warranty. |
| Invoicing Tab | - |
| Invoicing Enabled | Select this check box if the item is to be sold to customers (not a warranty) such as, an extended warranty contract, a subscription, or a service agreement. |
| Order Management Tab | - |
| Customer Orders Enabled | Select this check box if the service can be ordered externally. |
| Shippable | Select this check box if this item is shippable. |
| Internal Orders Enabled | Select the check box if the service can be ordered internally. |

For additional information see the *Oracle Inventory User's Guide* chapter on Items, Service Attribute Group.

Defining Usage

As well as selling services on a service agreement, usage can be sold, such as copies on a printer or supports calls to be made. Usage must be defined as an item in the item master to be priced and sold on a contract.

To define usage:

1. From the Responsibilities menu, select **Inventory > Items > Master Items (T) Service**.
2. In the Contract Item Type, select the Usage option from the list of values.
3. Open the Order Management tab.
4. Select the Customer Order Enabled check box.
5. Open the Invoicing tab.
6. Select the Invoicable Item and Invoice Enabled check boxes.
7. Save your changes.

Pricing Service and Usage

This topic group includes the following:

- Service Pricing, page 2-15
- Usage Pricing, page 2-16
- Usage Item Price Breaks, page 2-18
- Defining Usage Price Breaks, page 2-22

Service Pricing

The list price of a service is defined in Oracle Advanced Pricing through price lists. Fixed or variable values can be assigned to each service program. Fixed prices are expressed as actual prices on the price list. Variable prices are expressed as a percentage of the list price of the serviceable product. When sales orders are entered in Oracle Order Management for service programs, Oracle Order Management references the appropriate price list to find or dynamically calculate the price of the ordered service program. Services can be defined in multiple price lists. For example, corporate, standard, and seasonal list with different list prices. However, only one price list can be associated with a service contract at any given time. There are two main methods for the pricing of services:

- **Unit-Based Pricing:** Prices are based on a fee per period per product for service.
- **Percentage-Based Pricing:** Prices are based on a percentage of the list price of the product(s) that is being covered. This is also based on a fee per period per product.

For pricing services that are entered on a contract, the mechanism works as follows: First, a price list is associated with a contract. When services are entered on a contract, a price can be retrieved from Oracle Advanced Pricing either as a list price (for unit-based pricing) or a percentage (for percentage-based pricing). In computing an extended price, a number of factors must be considered whether:

- Price needs to be applied to the number of products covered
- Price needs to be applied to the duration of the contract or service

For example, consider a service priced using unit-based pricing at \$100 per month. If the service duration is 12 months, and the coverage is for 50 pieces of equipment, then the extended price is:

- $\$100 \text{ per month} \times 12 \text{ months} \times 50 \text{ installed base items} = \$60,000$

In the same example, priced using percentage-based pricing at 10% per month where the list price is \$1,200. For the same duration of 12 months and coverage for 50 pieces of equipment, then the extended price is:

- $(\$1,200 \times 10\%) \times 12 \text{ months} \times 50 \text{ installed base items} = \$72,000$

Once a price has been retrieved from the price list, you can manually override that price by entering a value in the subtotal field for that subline. Prices entered manually can be positive or negative values.

Discounting and Applying Surcharges

Prices on a contract may also be discounted or increased using Oracle Advanced Pricing by applying modifier lists either automatically or manually. Qualifier lists may be used to determine when to automatically apply certain modifier lists. Modifiers can uplift as well as discount pricing.

For more information, please refer to Pricing Adjustment, page 2-86s.

Please refer to the *Oracle Advanced Pricing User's Guide*, for information on setting up and using Modifiers and Qualifiers.

Covered Levels and Pricing

Covered Levels define the level of product coverage and include the following types:

- **Site:** Covers all products at a particular customer site.
- **Item:** Covers all products of a particular item type for the customer (for example, all Dell PC's, Model: OptiPlex GXa). Items are defined in the inventory item master.
- **Product:** Covers a particular product from the customer's installed base (for example, Dell PC, Model: OptiPlex GXa, Serial #123456789).
- **System:** Covers all products of a particular system configuration.
- **Customer:** Covers all products for that customer account.
- **Party:** Covers all products for that party.

If the covered level is Product or Item, then the price of the product is obtained from the price list. In all other cases you must manually enter the price.

Usage Pricing

Usage is an item in the item master and is priced on a price list defined in Oracle Advanced Pricing. Usage tracks the customer's use of a product or service. You can define counters to monitor the usage of customer products and services and execute business processes based upon the usage information. Common everyday objects that have counters are automobiles (the odometer), gas meters, and photo copy machines. Examples of service counters include the number of calls made to a help desk or visits to a health club. Counters provide a mechanism for tracking new product warranties, service contracts, support agreements, and similar business needs.

Counter group templates are defined for groups of counters and are associated with products or services. Once the counter group is created it can be modified for an instance or for all instances. Counters are automatically made when a customer product is created in Oracle Install Base or when service item that is associated with a counter group template in the item master is placed on a contract line. Counters cannot be manually created.

Counters may be defined in any of four types:

- **Regular:** These represent the physical counters found in tangible objects like automobiles, gas meters, and photocopy machines. Also Service Counters can track events that take place but they are not associated with a piece of equipment. For example, if the number of service calls per customer is tracked manually you would set up a counter of type Regular and have the agents increment the counter after each call.
- **Group function:** This type enables you to derive counters using SUM and COUNT. Group Function counters can be used in Formula Counters.
- **Formula:** Formula type counters enables you to use simple math to derive the counter value. For example you may have a photocopy machine that provides black & white copies and color copies. You may wish to track the total number copies. You would create a Counter Group with three Counters:
 - A Regular counter for total black & white copies
 - A Regular counter for the total color copies
 - A Formula counter for the total black & white + the total color copies
- **Time Based:** Time based counters are updated by a concurrent program, Time Based Counters Engine, based upon the unit of measured assigned. For example, you may wish to count the number of months since the product or service was purchased, the number of weeks since the last maintenance, and so on.

Product counters are created when you create a customer product instance in Oracle Install Base through the Create Customer Product form of Oracle Customer Support or from the Add a Product feature of Oracle iSupport. In the same manner service counters may be created upon the creation of a service contract, such as warranty, extended warranty, and service agreement.

The Counters readings can be captured manually from the Capture Counters User Interface (UI). The Capture Counter reading UI is available from the Service Request UI, Field Service UI, or the Service Contracts Authoring UI.

The pricing for usage of products and services (tracked by counters) involve the following:

- Products and services that are priced and tracked by counters, as well as the usage item, should be defined as items in Oracle Inventory.
- The pricing of usage is defined in Oracle Advanced Pricing using price lists via price breaks. Usage can be in multiple price lists (for example, corporate, standard) with different list prices.
- In Oracle Install Base, counter group templates (groups, counters, properties) should be defined and associated with either products or services.
- While authoring contracts, it is necessary to select the price list at the contract header level. This price list is used to price usage and service lines. If selected from the

price list Oracle Service Contracts creates a pricing rule and stores the price for a service line. However, this is not the case for usage lines. While billing, the amount to be billed is calculated through Oracle Advanced Pricing. Oracle Service Contracts also supports usage pricing based on a negotiated amount, which supersedes the calculated amount based on price breaks.

Usage Item Price Breaks

Similar to any items defined in the item master, usage items are set up in the price list. Price breaks are defined with line type as Price Break Header that allows the entry of price breaks. In addition, the Price Break Type is defined as either Point or Range method. Point method designates that pricing is based on a specific range in the price break. Range designates that pricing is based on all the price break ranges up to the level corresponding to the counter reading.

The following example distinguishes the difference between Point and Range price break types for a net counter reading of 3500 copies:

| Break | Price |
|---------------|----------|
| 0-1000 | \$.05 |
| 1001-3000 | \$.04 |
| 3001-5000 | \$.03 |
| 5001-10000 | \$.02 |
| | |
| Point | Amount |
| 3500 Xs \$.03 | \$105.00 |
| Total Invoice | \$105.00 |
| | |
| Range | Amount |
| 1000 Xs \$.05 | \$50.00 |
| 2000 Xs \$.04 | \$80.00 |
| 500 Xs \$.03 | \$15.00 |
| Total Invoice | \$145.00 |

Detailed Price Break Billing

To explain how billing amounts are calculated, Service providers can send billing statements to their customers that include pricing details such as quantity billed and unit price. When billing Usage items from counter readings, Oracle Service Contracts sends the quantity billed and unit price for both Point and Range price breaks to Oracle Receivables. Service providers can use this information to include price break details in

invoices. The Price Break details are stored in the Billing History tab. To enable transfer of detailed billing information to Oracle Receivables for price breaks, the Interface Price Break check box, in the Global Contracts , page 3-52Defaults form, must be selected.

Advanced Meter Based Solutions

Oracle Service Contracts enables service providers to create contracts based on product usage. Usage billing can be based on actual, estimated counter readings, or negotiated values. For example, the usage of an office printer may be billed based on the number of pages printed. Oracle Service Contracts also provides Advanced Meter Based solutions to support usage estimation, price break proration, and contract specific price breaks:

Usage Estimation

When billing is due based on actual usage for a contract, and no counter readings are available, Service Contracts can use either a user-defined default usage, or use the AMCV (Average Monthly Counter Volume). Also when setting up a counter template in Counters, an estimation method can be mapped to the counter template. The estimation method can be changed at the counter instance level. The estimation functionality available in Counters is supported for the usage calculation in Oracle Service Contracts. Usage can be estimated for a full billing period, or as of a specific date that may fall in the middle of a billing period. For example, estimate usage as of 24-Nov-2003. The type of estimation process that the Billing program would use, is based on the value selected for Estimation Method and Fill fields of the Usage Line type. The following table describes the possible scenarios:

| Option # | Fill check box | Estimation Method | Behavior |
|----------|----------------|-------------------|---|
| 1 | Selected | AMCV | <p>If no reading is available for the billing period, the AMCV method will be used for estimation. If AMCV returns null, then the default will be used for estimation.</p> <p>If only partial reading is available for the billing period, then the remaining period will be estimated using the AMCV method, if no AMCV, then the default will be used for estimation.</p> <p>Minimum check will be honored.</p> |

| Option # | Fill check box | Estimation Method | Behavior |
|----------|----------------|-------------------|---|
| 2 | Not Selected | AMCV | <p>The same as option #1. If no reading is available for the billing period, the AMCV method will be used for estimation.</p> <p>If the AMCV returns null, then the default will be used for estimation. If any reading available for the billing period, no estimation will be done.</p> <p>Regular minimum check will be honored.</p> |
| 3 | Not Selected | Not Selected | <p>The same as option #1.</p> <p>If no reading is available for the billing period, then the default will be used for estimation.</p> <p>If any reading is available for the billing period, no estimation will be done.</p> <p>Regular minimum check will be honored.</p> |

| Option # | Fill check box | Estimation Method | Behavior |
|----------|----------------|-------------------|--|
| 4 | Selected | Counter | <p>If no reading available for the billing period, the Counter method will be used for estimation.</p> <p>If the Counter returns null, then the default will be used for estimation. If only partial reading is available for the billing period, then the remaining period will be estimated using the Counter method, if no Counter, then the default will be used for estimation.</p> <p>Minimum check will be honored.</p> |
| 5 | Not Selected | Counter | <p>If no reading available for the billing period, the Counter method will be used for estimation.</p> <p>If the Counter returns null, then the default will be used for estimation. If any reading available for the billing period, no estimation will be done. Regular minimum check will be honored.</p> |

Counters provides the following additional methods for estimating usage:

- Fixed value estimation
- Estimation based on percent usage of the associated counter

Prorating Price Breaks

Oracle Service Contracts provides the functionality to prorate price breaks. This functionality supports the following business scenarios:

- When you want to simplify the definition of usage pricing and use one price break definition for different billing periods
- When a contract starts in the middle of a billing period
- When a contract is terminated in the middle of a billing period

Contract Specific Price Breaks

Service providers typically define standard price breaks for usage agreements. Non-standard pricing terms sometimes need to be negotiated for specific contracts. Oracle Service Contracts supports the ability to store, modify, and lock price breaks for each usage lines in a contract. Changes to the price list do not change a price break that has been locked against a contract line.

Defining Usage Price Breaks

After setting up the usage item, price breaks are set up in a price list that will be used for contract pricing.

Prerequisites

The usage item must be created using Oracle Inventory. The price list must be defined using Oracle Advanced Pricing.

To define a price list:

1. From the Responsibility menu select **Pricing > Price Lists and Discounts > Price Lists > Price List Set Up**.
2. Query the applicable price list. Navigate to the List Lines tab to enter the usage price breaks.
3. Enter Item for Product Context.
4. Enter Item Number for Product Attribute.
5. Enter the item name, for example QP-LPTR-U, for Product Value.
6. Enter Ea as the Unit of Measure (UOM).
7. Enter Price Break Header for Line Type.
8. Enter Point or Range for Price Break Type.
9. Click Price Break to enter the price breaks.
10. Enter the break ranges as required in the Value From and Value To.
11. Enter the price for each range.
12. Click Save to commit and close the window.

References

- Refer to the *Oracle Install Base Concepts and Procedures* for instructions on how to create a counter group template and different types of counters.
- Refer to the *Oracle Install Base Concepts and Procedures* for instructions on how to manually create a customer product.
- Refer to the *Oracle iSupport Concepts and Procedures* for instructions on how to manually create a customer product.

Selling Products and Services in Order Management

When ordering a serviceable product in Oracle Order Management, if it has an associated warranty it will be automatically created as a contract when the product is shipped. At the same time a serviceable product is placed on a sales order, associated services may also be sold which will be interfaced to Oracle Service Contracts as extended warranties.

This section covers the following information:

- Automated Creation, page 2-23
- Flexible Service Programs, page 2-23
- Activating Service, page 2-24
- Service Coverage, page 2-24
- Controlled Service Availability, page 2-25
- Ordering Service Programs, page 2-25
- Cotermination, page 2-26
- Warranties and Extended Warranties, page 2-27
- Warranty and Extended Warranty Process Flow, page 2-27
- Contract Details at Order Management, page 2-29
- Order Cycle, page 2-30
- Warranty and Extended Warranty Consolidation, page 2-31
- Reprocessing Orders, page 2-32

Automated Creation

Warranties and extended warranties can be automatically created with the act of selling goods or services. Integration with Oracle Order Management facilitates this process. When a product is ordered, if it has an associated warranty in the bill of materials, then the warranty contract is automatically created. Likewise, if a customer chooses to buy extended service on their products, then the information regarding the service to be supplied is passed to Oracle Service Contracts.

Additionally, warranties can be created automatically when a product that includes a warranty is added to Oracle Install Base manually.

Flexible Service Programs

Oracle Service Contracts can be used to create, maintain, and administer as many service programs as are necessary to meet the service needs and price expectations of each market segment. The following scenarios describe how service programs can be used to provide customer support:

Provide targeted support based on product characteristics

- To support a low-priced, high-volume product you can define a service program for hotline support. To support a more complex, higher-priced product you can define a service program for onsite support.

Provide multiple service programs to support the same product

- For a customer who uses your product for critical applications, you can create a service program that ensures support 24 hours a day, seven days a week, while a customer who uses the product for less critical applications can purchase a service program that limits support to weekdays.

Allow customers to purchase multiple service programs for the same product

- One service program may not allow the flexibility to satisfy all of a customer's diverse needs. A customer can purchase multiple service programs for the same product. Should your customer want both hotline support and regular preventive maintenance, you can define two different service programs that can be attached to the same customer product.

Defining service programs that support the unique needs of each market segment allows you to meet all customer expectations. For example, using Oracle Order Management, each service program can be priced to achieve the market penetration and volume that needed to sustain the growth of your organization.

Service programs also let you design mass customizing solutions. You can provide service solutions that not only satisfy customers but also help to retain and generate additional business. To ensure better administration, the availability of service programs can be controlled by product, by customer, or a combination of both. To simplify the management of service programs, a group of service programs can be coterminated at the same time, so that they can also be renewed at the same time.

Oracle Service Contracts enables status tracking of each service program purchased by a customer regardless of the time of its purchase. Customers can order service programs at the same time as a product order, or later when the customer requires support. Expiring service programs can also be identified and customers notified, in order to prevent any breaks in the support services they receive by using Events.

Activating Service

Oracle Service Contracts offers several ways to activate the support services customers receive. During order entry, start and end dates can be specified for service programs, or the start date alone can be specified, with Oracle Order Management determining the end dates from service program duration information.

The Service Starting Delay can be defined as an attribute of the serviceable products when they are defined in Oracle Inventory. The Service Starting Delay represents the time, in days, a service program or warranty should commence after the shipment date. For example, a radio has a service starting delay of five days. If the radio ships on January 15, five days are added to the shipment date and the service program starts on January 20. The start date of the warranty is the ship date plus the starting delay. The end date is calculated by adding the duration to the start date of the support service. Starting delays do not apply if an installation date is entered. Coverage becomes effective immediately upon installation.

Service Coverage

Service coverages list the actual days during the week and hours during the day when customers are covered under their contract for services they request. The definition of a service coverage also determines what percentages of labor, material, and expenses are covered, and whether a maximum limit exists for each. As many coverages as necessary

can be defined, then each associated with a service program or warranty. Because service personnel have online access to all customer service information, they can easily verify whether customers are contacting them at authorized times, or whether material, labor, and expenses are covered by a support service. Charges are discounted based on material, labor and expense billing types.

Controlled Service Availability

By default, a service program is available to be assigned to any serviceable product. If necessary, the availability of a service program can be restricted by product, party, or both. For example, your company still sells Product ABC because it has refurbished products in stock. However, since the items are refurbished, you do not want people to sell your extended warranty package A123. You can define the Service Availability form to identify that package A123 can be sold on any product except ABC, or you may wish to create a special support service, X23, for product ABC and define Service Availability to indicate that service X23 is only available for product ABC.

Service availability by product is available regardless of whether the product is in the installed base. It is applicable for the covered levels of covered item as well as covered product. These restrictions will be highlighted when the QA check is executed in the Service Contract Authoring form.

Ordering Service Programs

As sales orders are entered for serviceable products, one or more service programs can be selected to cover each serviceable product. Ordering service at the same time as ordering the serviceable product is termed Immediate Service. For immediate service the reference type on the sales order line for the service is ORDER. The service is associated with the appropriate serviceable product by selecting the order number and the line number where the product is sold. The product may be on a different order than the service. The serviceable product and its service programs will then be on the same sales order and the same invoice.

Service programs can also be sold after the sale of the serviceable product. This is termed Delayed Service. For delayed service, the reference type on the sales order line could be either ORDER or CUSTOMER PRODUCT. The service is associated with the appropriate serviceable product by selecting the product from the installed base, or by selecting the order on which the serviceable product was sold. For example, you sell a telephone with a warranty that expires after 90 days. After 90 days, the customer decides to purchase extended service coverage for the telephone. You can then sell the extended coverage as a service program three months after the original sale.

Note: Service programs must always apply to a serviceable product and cannot be sold without referencing a serviceable product.

Regardless of how a service order is started, there are a variety of order processing options from which to choose, including dynamically calculated service program prices, sales credits, and approval cycles that can be applied to the entire order or specific order lines.

Cotermination

Oracle Service Contracts enables a common expiration date (cotermination date) to be specified for all service programs for a specific customer or system. This date can be set at the customer level so that all service programs for products ordered by a particular customer end simultaneously, or at the system level so that all service programs for products associated with a particular system end simultaneously. The customer level cotermination is defined in Oracle Service Contracts. The system cotermination is defined in Oracle Install Base.

Cotermination is used to determine the end date for service programs that are ordered in Oracle Order Management or in Oracle Service Contracts. When the cotermination check box is selected on an order or a contract, the system cotermination date is checked first; if none is found, then Oracle Service Contracts checks the customer cotermination date.

As an example, suppose you set a cotermination date at the system level for October 31, and a customer cotermination date for December 1. Service programs first check for the system cotermination date and set the end dates to October 31. If no date had been set at the system level when the system was defined, then the customer level cotermination date is used. Another customer has five systems, each with a different cotermination date. For each system, the individual cotermination date becomes the cotermination date for that system only. In turn, if the system had not been assigned a cotermination date, the customer cotermination date would be used.

A customer is notified late in December that the current service programs covering their power generators will be replaced on December 1 of the following year with a more comprehensive service program, and the current service program will not longer be valid. A cotermination date is set at the customer level of November 30. The same customer renews a current service program in January for an existing power generator. In March, the customer orders three more power generators and service programs for other sites. All service programs are checked for cotermination. All four service programs will coterminate on November 30, so the new service programs can start on December 1.

When a service program is ordered, if there is no cotermination date set at either the customer or system level and if the Coterminate check box or button has been selected when ordering the service program, then the cotermination date is the end date of the service program and the duration is one year. For example, if a service start date is June 26, 2003, then the cotermination date is June 25, 2004.

Any service programs applied to customer products use the cotermination date that is current at either the system level or the customer level. If the cotermination date is changed at either the customer or system level, then services ordered after the change use the new cotermination date. For example, if a customer level cotermination date is August 31, and five service programs are ordered for customer products in February, the cotermination date is August 31. If the date is then changed to July 31, and new service programs are ordered, then the cotermination date for the existing five service programs remains August 31, but the cotermination date for the new service programs is July 31. All subsequent new service programs have the July 31 cotermination date until the date is changed.

Minimum service duration (in days) can be applied. For example, you have a cotermination day and month of December 31, and a minimum service duration of 30 days. All services ending on or before December 1 coterminate on December 31 of the current year, and services ending after December 1 coterminate on December 31 of the following year. If coterminating a service program sets its duration to less than the minimum duration, then the service program will be set to coterminate during

the following year. For more information, see the OKS: Minimum Service , page 3-36Duration profile option.

Warranties and Extended Warranties

Warranties and extended warranties are service contracts. When a customer orders a product that has an associated warranty or the customer orders an extended warranty with the product, Oracle Service Contracts automatically creates the warranty contracts based on the information from the sales order. When products are returned, replaced, upgraded, or transferred, the warranty and extended warranty are updated appropriately.

Manage your warranties and extended warranties with the following activities:

- Define serviceable products in the item master.
- Define warranties and extended warranties in the item master with a corresponding coverage template.
- Associate or link warranties to the serviceable product in the bill of materials.
- Create warranties as service contracts when serviceable products are ordered.
- Create extended warranties as service contracts when serviceable products are ordered or added to an existing order line or serviceable product that has already been sold.
- Update warranties and extended warranties when customer products are upgraded, replaced, transferred, returned or split.
- View warranties and extended warranties in the Service Request window.

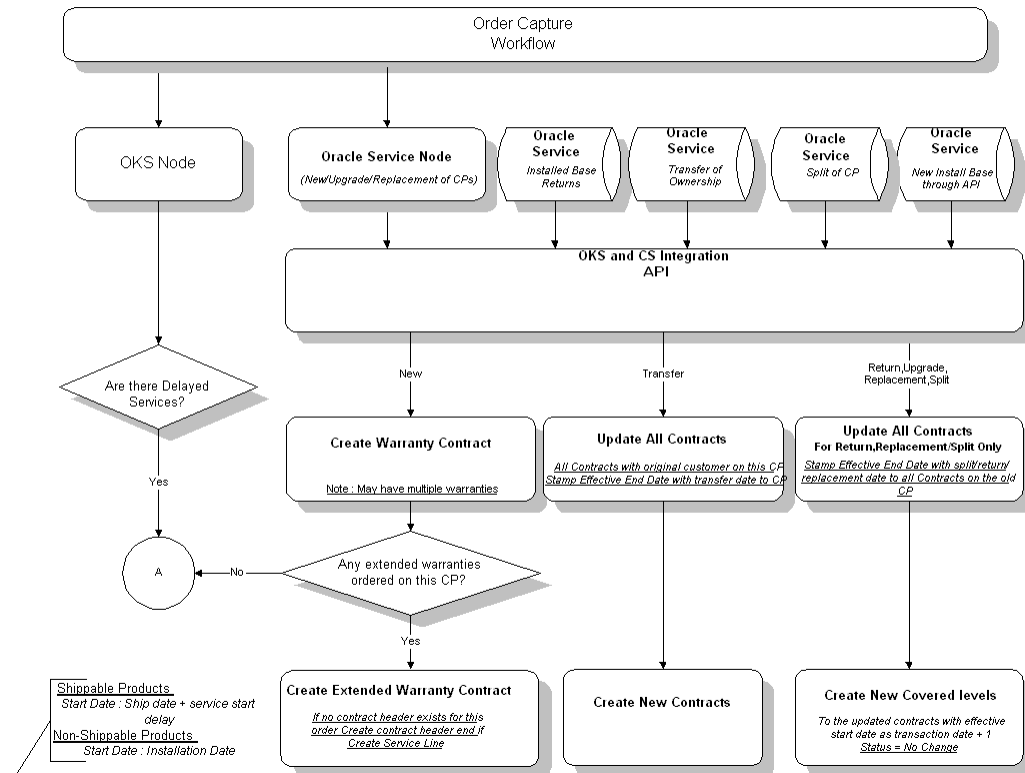
Warranty and Extended Warranty Process Flow

The following diagrams illustrate the process flow for the integration between Oracle Order Management and Oracle Service Contracts and the logic that is involved in creating a warranty and extended warranty.

A sales order creates a contract that can be viewed (in read-only mode for warranties) using the Oracle Service Contracts Authoring window. Oracle Quoting is notified by Oracle Order Management through the Process Order API/Update Notice API about any changes occurring in the orders such as header and line attributes. Oracle Quoting in turn passes the information on to update the Installed Base and to create or update the warranties and extended warranties in Oracle Service Contracts. This integration happens behind the scenes.

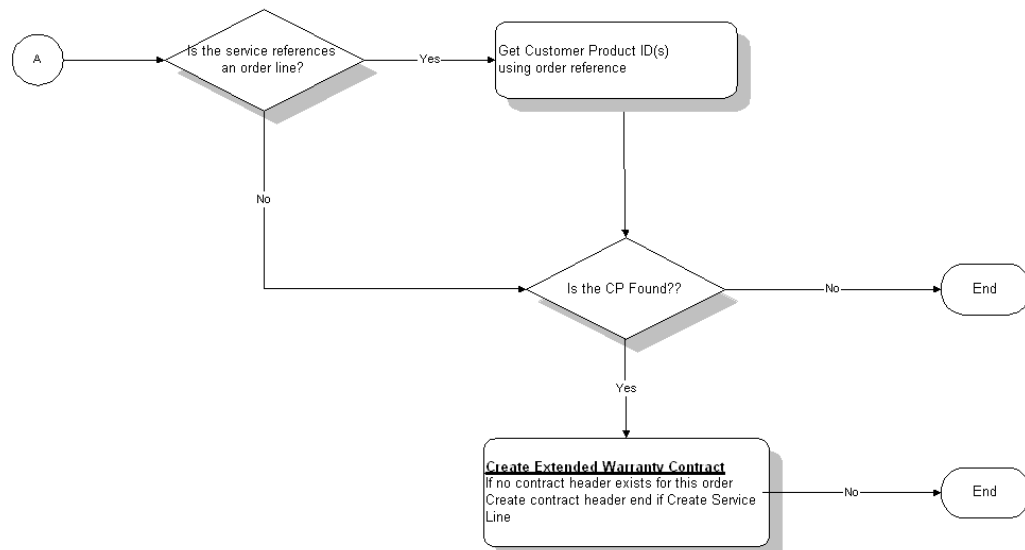
Process Flow - Integration Between OC/OM to Oracle Service Contracts

Process Flow - Integration between OC/OM to OKS



Process Flow - Integration Between OC/OM to Oracle Service Contracts

Process Flow - Integration between OC/OM to OKS



Contract Details at Order Management

Using the Order Management Actions button on the Line tab, contracts details may be defined which specify the renewal rules, PO required, pricing method, cap price list, markup/markdown, and customer contact. In addition, merging rules may be specified to determine to which contract an order line is to be merged. An order line may be merged to an existing contract or to a contract on the current order. This window is available to the service line only.

To add contract details:

1. From the **Order Management Responsibility** navigate to **Orders, Returns > Sales Orders (T) Line Items**
2. Click Actions. The Contract Details window is displayed. The upper region of the form displays the order details.
3. If applicable, select the Apply All check box. If an order has multiple service lines, subsequent lines may inherit the same renewal and merging attributes as specified in the initial order line.
4. Select a Line Renewal Type. If an order line is merged to an existing contract, its duration may be less than the target contract. In order to facilitate renewals, the order line will coterminate with the target contract header. The Duration Inheritance attribute determines the desired duration of the service line. The valid values are:
 - Full: The service contract line inherits the duration of the renewed contract.
 - Remaining: The service contract line retains its original duration and coterminates with the renewed contract.
 - Do Not Renew: The service contract line is allowed to terminate and will not be processed by the renewal event.
5. If the order line is to be merged with the current order, click New Option. The Existing option button is disabled.
6. Select a Renew Type from the list of values. The Renewal Type determines how the renewal is to be processed and whether the sales rep is to be notified to select the renewal type. The valid values are:
 - Notify Sales Rep: The renewal event sends a notification to the sales rep, based on the territory in which he/she resides, to facilitate the renewal. For example, the sales rep negotiates the pricing with the customer prior to sending the contract for approval.
 - Submit for Approval: This will create a renewed contract in an entered state awaiting review and approval before it can become active. If the Autorenewal process has been implemented, a contract with an Active Contract renewal type will either become signed or active, depending on whether the start date has passed. If the contract has not passed QA however, it will remain in the entered state.
 - Evergreen: The renewal event automatically approves and activates the contract.
 - Electronic Renewal: The renewal event places the renewed contract into entered status and sends a notification to both the sales representative and the customer. The customer receives notification in the form of an

e-mail with a link to a web page where customer can review the quote and accept, reject, or request changes to the contract renewal.

- Do Not Renew: The contract cannot be renewed.
7. If applicable, select the PO Required check box if a PO is required for contract renewal.
 8. Select a Renewal Pricing Type from the list of values within the Repricing Details region. These attributes determine how the renewed contract is going to be priced. The valid values are:
 - Price List: Renewal pricing is based on the current price list.
 - Markup: Renewal pricing is based on a markup percentage (%) and a cap price list. For example last year's negotiated markup% is subject to cap list price. The fields Markup% and Price List are enabled. Enter the markup percent. This may be a positive or negative percent. Select the price list from the list of values.
 - Manual: Renewal pricing uses last year's negotiated price.
 9. Select a Role from the list of values within the Customer Contacts region. One or more customer contacts may be associated with the new contract.
 10. Select the Contact Name from the list of values. The customer address is automatically displayed.
 11. If the order line is to be merged to an existing contract, click Existing Option. The New option button is disabled along with all the renewal and pricing attributes. This specifies the type of merging to take place and the valid values are:
 - Order: Merge the current order line to the contract to be created for the current order. The list of values displays the applicable contracts for the current order.
 - Contract: Merge the current line to a contract with the same customer and service line. The list of values include:
 - Contracts that begin before and after the start date of the new order line
 - Contracts that their end dates are before and after the end date of the new order line

The start date of the selected contract will be moved forward, if the start date of the new order line is earlier than the original start date of the contract (after running the Order Capture Integration concurrent program).

The end date of the contract will be extended if the end date of the order line is beyond the original end date of the contract line.
 12. If type is Order, select the contracts from the current order from the list of values.
 13. If type is Contract, select the contract from the list of values. The Contract Number, Contract Line No, Service, Start Date and End Date entries are displayed.

Order Cycle

After the sales order has been booked, it should progress through the order cycle that has been defined.

For more information about the order cycle, see the *Oracle Order Management Concepts and Procedures Guide*.

For orders that include shippable items, the order cycle will typically involve a pick release process and ship confirm. The ship confirm process includes a process that updates the installed base with the details of the newly shipped product. This program will also initiate the transfer of contract information from Oracle Order Management to Oracle Service Contracts if the product has associated services or warranties.

For orders that do not include shippable items, for example delayed service orders, the ship cycle does not apply. In this case, the order should be progressed from Oracle Order Management. To initiate the transfer of contract information, the Service Contracts Order Capture Integration concurrent program should be run.

Warranty and Extended Warranty Consolidation

Large sales orders may contain many products and services, which in turn means many warranties and extended warranties may be generated. Wherever possible, these agreements are consolidated into a single warranty or extended warranty per sales order.

For each different warranty that is included with the products from the order, a separate warranty line will be created within the single warranty that is generated for a given sales order. Depending on how the products are created in Oracle Install Base (serialized or non-serialized with Auto Split on or off) each of these warranty lines may have multiple sublines to represent the various products under that coverage. If partial shipments are made from an order, the original warranty will be updated whenever possible. New lines or sublines will be added to the warranty originally created for that sales order unless that agreement is in terminated status. This would require a new warranty to be generated. Because dates and durations may vary from one warranty line to the next, the agreement will begin on the earliest start date and end on the latest end date of all the lines.

Extended warranties are consolidated in the same way as, but separately from, the warranties. All those sold on a single sales order are captured on one agreement with separate lines for each different extended warranty. The products under each line create one or more sublines based on how they are created in the installed base. As with the warranties, the extended warranties are updated by subsequent shipments from that order unless the agreement is in terminated status, then a new agreement is generated. Start and end dates for extended warranties are also handled the same way as warranties.

Serialized Products

When products are serialized, a separate item instance in Oracle Install Base is created for each item ordered. For example, when quantity of three is ordered of a product, for each serial number an item instance is created in Install Base. A single warranty contract is created with one warranty line and one subline for each item instance. In this case three sublines are created under that one line. A separate extended warranty contract is created for the order with one subline for each item instance.

Note: The CSI Auto-split Instances During Instantiation profile option does not apply when products are serialized. The reason is, serialized products create separate item instances.

Partial Shipments

When partial quantity of a booked order is shipped, in most cases, only one contract is created. At the time the remaining items are shipped, new sublines are created for the additional products under the appropriate line (or if the item is covered by a different warranty or service, a new warranty or service line is created). The warranty or extended warranty contract would need to be signed and the Active or Hold status updated. If the warranty or extended warranty is expired when the remainder of the order is shipped, the contract duration is extended to accommodate the subsequent shipments by adding new lines and sublines. If the warranty or extended warranties is terminated or canceled, a new agreement is created.

Reprocessing Orders

When a product under warranty is sold with an extended warranty, the product details are added to Oracle Install Base and the corresponding warranty and extended warranty contracts are created in Oracle Service Contracts.

If the process for creating a contract fails, you can use the Order Reprocess window to identify the errors and, after fixing the errors, reprocess the orders. You can also use the Order Reprocess window to review:

- Information (error messages) about service order lines that failed to interface to Oracle Service Contracts
- Install Base transactions affecting customers' products such as split, transfer, replace, return, and terminate
- Contracts and contract lines that have been updated or created

To reprocess orders:

1. From the Navigator, choose Service Contracts Manager > Reprocess Order. The Reprocess Order window includes Line Details and Transaction Details tabs.
2. Line Details tab: Use the Line Details tab to view the statuses of all orders that have been executed. The Line Details tab includes:
 - The Processed column displays the statuses of all orders that have been executed as Processed or Error. You can use the Order Reprocess form to create new service order lines and submit them for processing. To create a new service order line, you need to set the status in the Processed field to New.
 - Select All button changes the status of orders from Error to Reprocess.
 - Deselect All button reverts the changes in status performed by the Select All button.
 - Submit button updates the Service Contracts process table and calls the concurrent program to process all lines with the New and Reprocess statuses. To prevent an order line being resubmitted for processing while it is already in process, the concurrent manager ID is stored along with other details in the Service Contracts process table.
3. Transaction Details tab: The Transaction Details tab includes Products and Contracts subtabs:
 - Use the Products subtab to query and review information related to the customer product including:

- Order Line
 - Order Number
 - Transaction Type
 - Transaction Date
 - Reference Number
 - Item Name
 - Parameters
- Use the Contracts subtab to review the history of transactions performed on a customer product. The Covered Levels Before and After regions display the transaction history details about the contracts and contract lines that are created or modified as the result of the following transactions being performed on the product:
 - Split
 - Replace
 - Transfer
 - Terminate
 - Return
 - New
 - Installation Date Change
 - Update

Authoring

The Authoring function of Oracle Service Contracts enables you to define offerings that meet your customers' specific requirements, that are not available in standard offerings.

The following features are available in the Authoring form:

- Specifying bill to and ship to addresses for related customers
- Specifying vendor and customer contacts
- Specifying a specific payment method at the header or line level
- Specifying contract specific renewal and re-pricing rules
- Recording sales credits at the contract header and line levels
- Specifying and applying pricing adjustments at the header and line levels
- Displaying the sales tax at the covered level, service and contract header levels
- Distributing revenue across one or more General Ledger accounts
- Maintaining pricing attributes for a covered product
- Defining a flexible billing schedule

This topic group consists of the following:

- Contract Authoring and Pricing, page 2-35

Creating Contracts, page 2-36
Contract Header , page 2-37
Using the Summary Tab, page 2-38
Summary Parties Tab, page 2-39
Summary Pricing/Billing Tab, page 2-41
Summary Renewals Tab, page 2-44
Summary Administration Tab, page 2-47
Summary Security/Text Tab, page 2-48
Using the Lines Tab, page 2-57
Lines Accounts Tab, page 2-59
Lines Effectivities Tab, page 2-61
Lines Pricing/Products Tab, page 2-64
Lines Billing Button, page 2-76
Lines Tax/Payment Options Tab, page 2-83
Lines Counters Tab, page 2-83
Lines Events Tab, page 2-84
Using the Tools Menu, page 2-84
Revenue Distribution, page 2-84
Create New Version, page 2-85
Change Status, page 2-85
Pricing Qualifier, page 2-86
Pricing Adjustment, page 2-86
e-mail Quote, page 2-86
Update Service, page 2-86
Terminate Subline, page 2-88
Invoice Details, page 2-88
Summary/Lines, page 2-88
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Using the Actions Menu, page 2-90
Save as Template, page 2-90
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Counter Setup, page 2-90
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Check QA, page 2-91
Submit for Approval, page 2-91

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Pricing Attributes, page 2-92
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Revert Update, page 2-109

Contract Authoring and Pricing

You can define an offering using the contract authoring function and then saving the contract as a template.

After you define the appropriate template, you can use it to create a contract and obtain customer approval on the pricing, coverage, and other terms and conditions defined in the contract. You can also create a contract from scratch. In general, contract authoring and pricing entails the following steps:

- Select the contract template that best matches the customer's needs. If you are using a template, specify the party and customer account information.
- Define the contract's terms, conditions, and coverage.

If you have created a contract using a template, you can either use the existing terms and conditions, or modify them as necessary. For a new contract, you need to define the following:

- **Parties:** This refers to all the parties on the contract, for example, vendor and customer parties. The customer party's bill-to and ship-to addresses are also defined. If required, contacts can be defined for each party.
- **Billing Information:** This includes accounting and invoicing rules. A Billing schedule may be defined at the header level, which is automatically cascaded to the lines when they are added. If required, a Billing schedule can be defined at the individual line level. In addition, a payment method can be specified at the header that would default to the lines. Optionally, a line level payment method may be defined.
- **Pricing:** The price list specified on the contract is used to price the service, usage, and subscription lines. Modifiers, both discounts and surcharges, may be specified at the header level, which cascade down to the lines. Optionally, a modifier may be specified at the line level. For usage lines, the price breaks may be displayed.
- **Renewals:** Renewal and re-pricing rules may be specified at the contract level. This would include specifying the quote to contact for electronic renewals.
- **Services:** This refers to the services defined on contracts. The start and end dates default from the contract header, but they can be different, as long as they are within the header effective dates.

- **Covered Levels:** For a service line, different covered levels can be defined including: party, customer, customer site, system, item, and customer product. For covered products and items, the pricing is automatic (based on the price list). For the other covered levels, the pricing is manual.
- **Coverage Details:** You can update the coverage details of a service, which can default from the Coverage Template. Coverage details include coverage days and times, reaction and resolution times, preferred resources and billing types, for example, material, expenses, and labor. If required, a preventative maintenance schedule can be defined. The preventive maintenance schedule can be defined for specific dates or a date ranges. Additionally, the schedule can be defined for the preventive maintenance program, or for each activity in the program. For tangible items in subscriptions, a fulfillment schedule is automatically created. Based on the fulfillment schedule, the Service Contracts Subscription Fulfillment concurrent request automatically generates orders in Order Management for fulfillment. When the order is shipped, the status of the order, in the fulfillment schedule, is updated.
- **Counters:** Service and Product counters can be referenced in contracts. Both Service and Product counters can be used for usage billing. Also, an action can be triggered based on the counter reaching a threshold value. This is facilitated by an event. For example, for a service counter, a preventive maintenance service request could be generated every three months.
- **QA Check the contract.** The QA Check is an automated process that verifies the contract contains the required and correct information. A default QA checklist is seeded in the application. However, if required, the default QA checklist may be modified to include other checks. A process within the QA checklist can be defined with two severity levels, error and warning. Errors must be corrected before submitting the contract for approval. For additional information, see *Creating QA Checklists*, page 3-11. You can launch the QA Check from one of three places:
 - On the Summary Administration tab, there is a Submit button that launches the QA check and, if it passes, allows the contract to progress through the Approval workflow. This is useful for checking a single contract during authoring. Results of the QA check are displayed immediately, so you can make any necessary corrections.
 - Launch the QA check from the Actions menu when you are in the contract. This will also display the results immediately. However if the contract passes, it will not launch the Approval workflow.
 - Run the Contracts QA Report concurrent program. You can select a range of contracts and run QA for all of them at one time. The process produces a report listing the results of each contract. This process could optionally launch the Approval workflow after the QA is complete.
- **Approve the contract:** Oracle Workflow processes the contract approval and signing. After the contract has been signed, its status is changed to Active.

Creating Contracts

To create a new contract, you need to provide general information regarding the customer (such as the customer's identification, shipping, and billing addresses), define the services you are providing for the customer, and define the coverage terms associated with each service. Use this procedure to create a contract:

To create a contract:

1. From the Navigator, choose Launch Contracts. The Oracle Contracts window appears.
2. In the Contract Navigator tab, select a contract group.
3. Right-mouse click anywhere and choose the New option. The Create a New Contract window appears.
4. Select Create a New Contract Manually.
5. Select a category. You can select: Service Agreement, Subscription Agreement, or Warranty and Extended Warranty.
6. Click the Create button to open the Service Contracts Authoring window.
7. Enter the header information for the contract.
8. Save your work.
9. In the **Summary** tab, enter summary information. Most of contract summary information will default down to the lines, unless overridden at the line level.
10. In the **Lines** tab, choose Usage, Service, Subscription (for Subscription Agreements), or Extended Warranty (for Warranty and Extended Warranty) for the line type. Enter the necessary information for each line.
11. Save your work.

Guidelines

You can save your contract at any time as a template.

See Contract Header, page 2-37 for field descriptions for the header section of the window.

See Using the Summary Tab, page 2-38 for the procedure to enter summary information.

See Using the Lines Tab, page 2-57 for the procedure to enter line information.

Contract Header

While authoring a contract, the top portion of the Service Contracts Authoring window includes the following fields as listed in the table below:

| Field | Description |
|-----------------|--|
| Contract Number | The contract number may be entered manually or is system generated the moment the contract is saved. |
| Known As | Provides an alternative, free format reference for the contract. Can be used to enable an easy search for the contract at a later date. |
| Order | The Order Number is populated when a contract is automatically created from Order Management via the Installed Base Interface. This is applicable only for warranty and extended warranty contracts. |

| Field | Description |
|-------------------|---|
| Short Description | Enter a short description of the contract. |
| Version | Displays the contract version number. You can choose to create a new version by using the Version option from the Tools menu within the Authoring form or via a change request. The history of versions can be reviewed by double clicking on a contract from the Contract Navigator to open the Execution form |
| Start Date | Enter the contract start date. |
| End Date | Enter the contract end date. The end date is automatically calculated when either the period or the duration is changed. |
| Duration | Enter the duration in whole numbers. The duration is automatically calculated if the start and end dates are entered. |
| Period | Select the period from the list of values (for example, month, year). |
| Category | The Category is a read-only field and defaults based on the category selected when creating a new contract. |
| Status | The status is always defaulted to Entered or the status that you set as the default. |
| Subtotal | Displays the sum of all line level subtotals after the contract has been saved. |
| Tax | Displays the sum of all line level estimated taxes after the contract has been saved. |
| Currency | The currency code defaults based on your responsibility's operating unit. |
| Total | The total amount for a contract is updated after the contract has been saved. The Total represents the sum for all service lines including estimated taxes. |
| Terminated | Displays the total amount terminated. |

Using the Summary Tab

The Summary tab in the Service Contracts Authoring window provides a summary of the contract data. The summary information sets defaults used throughout the contract, many of which can be overridden at the line level. Use this procedure to enter your contract summary information.

To enter contract summary information:

1. Navigate to Summary > Parties tab.
2. Select the persons or business entities that have a business relationship to the contract. In the Party Role field, you can select the Customer role only once. However, you can select any additional party roles, which have been defined in setup.
3. Select any contacts that relate to a selected party.
4. Select the correct bill and ship addresses for the party.
5. Select the Pricing/Billing tab.
6. Enter the default pricing and billing rules for the contract including the payment method and tax exemption status.
7. Select the Renewals tab. Enter renewal rules to be used for the contract.
8. Select the Administration tab.
9. Enter the QA checklist and approval workflow associated with the contract.
10. Select the Contract Terms button to reference standard articles, create non-standard articles, and organize articles in different sections.
11. Select the Security/Text tab.
12. Optionally enter free form text for description or comments and contract specific security by user or group.
13. Save your work.

Guidelines

The summary billing schedule is based on contract billing parameters set in the Pricing and Billing tab. Subsequently, this will default the billing schedules on the lines. If required, line specific billing schedules can be defined. Please note that any modifications to the summary billing schedule could override all line specific billing schedules.

Workflow processes can be launched from the Administration tab by clicking the Submit button. Click the Monitor button to view the progress of the workflow process. Click the Stop button to stop the workflow process.

See Summary Parties Tab, page 2-39 for field explanations.

See Summary Pricing/Billing Tab, page 2-41 for field explanations.

See Summary Renewals Tab, page 2-44 for field explanations.

See Summary Administration Tab, page 2-47 for field explanations.

See Summary Security/Text Tab, page 2-48 for field explanations.

See Managing Contracts Terms section, page 2-49 for more information and field explanations.

Summary Parties Tab

The following table displays the fields and field descriptions for the Parties tab:

| Field | Description |
|------------------------|--|
| Party region | - |
| Role | <p>The seeded roles that are supplied with Oracle Service Contracts are:</p> <ul style="list-style-type: none"> • For Service, Warranty, and Extended Warranty category contracts: Vendor, Customer, and Third Party • For Subscription category contract: Merchant, Subscriber, and Third Party <p>User-defined roles can also be used. The vendor role will default to your company name. You must also enter a role of Customer. A role of Third Party can optionally be entered. You can only have one occurrence of each role for a contract.</p> |
| Name | Select the party name from the list of values. Your company name automatically defaults as the vendor. |
| Party No | The party number is automatically displayed when the party name is entered. This is a display-only field. |
| GSA | This designates the contract as a government supply agency contract. This flag is set up in the party and is automatically defaulted when the party is identified. |
| Contacts region | - |
| Role | Enter the role that the contact is expected to play from the list of values. Individuals can be assigned to the contract along with the specific role each person has for the contract, depending on their legal relationship to the contract parties. |
| Name | Enter the contact name from the list of values. |
| Sales Group | The vendor's sales group is defaulted when the contact is identified. If nothing is applicable, the Unassigned group is defaulted. Optionally, select the appropriate Sales Group for the contact from the list of values. Oracle Contracts Intelligence uses the Sales Group information for reporting by hierarchy. |
| e-mail | The e-mail address is defaulted when the contact is selected. For customer contacts, the e-mail address can be updated. |
| Start Date | Effective start date for a party contact |

| Field | Description |
|--|---|
| End Date | Effective end date for a party contact |
| Bill To Address and Ship To Address regions | - |
| Bill to Address | This also includes the Account/Party and Location for related parties. Select the Bill to Address from the list of values. Select the Location. |
| Ship to Address | This also includes the Account/Party and Location or related parties. Select the Ship to Address from the list of values. Select the Location. |

Summary Pricing/Billing Tab

The following table displays the fields and field descriptions for the Pricing/Billing tab. Many of these fields are also found on the Billing tab for lines.

| Field | Description |
|-----------------------|--|
| Agreement | Optionally, select an agreement. Information from the agreement will appear in price list, accounting rule, invoicing rule, and payment terms. |
| Price List | Specify the price list to be used from the list of values. This price list should be in the same currency specified at the header. |
| Accounting Rule | If an agreement was not selected, then specify the accounting rule from the list of values. The accounting rule determines when revenue is recognized for service performed. The accounting rule is defaulted in the billing schedule. |
| Payment Terms | Enter the payment terms from the list of values. AR uses this field to determine when the payment is due on the invoice. |
| Invoicing Rule | Choose the invoicing rule from the list of values for the contract header. The invoicing rule is defaulted in the billing schedule. |
| Billing region | - |
| Transaction Type | Select the Transaction Type from the list of values to be associated with billing for the contract. The default is NULL and is assumed to be the service contract transaction type. |

| Field | Description |
|-------------------------|---|
| Summary Print | Can be used by a customized invoice print program to control printing the invoice. If the check box is selected, it will print at summary level or brief invoice. If the check box is not selected, it will print a detailed invoice. |
| Summary Transaction | <p>If selected, the system profile OKS: Summary Transactions will be ignored for that contract and only summary level transactions will be sent to AR for that contract. If left deselected, the system profile will be used to determine how the contract should be billed. By default, this check box will be unchecked.</p> <p>Note: When deselected, it does not mean that detailed transactions will be sent to Oracle Receivables. The check box is only considered when it is selected. When deselected, it is ignored</p> |
| Purchase Order Required | Select if using a purchase order to pay for the contract. |
| PO Number | <p>If you want the to reference the PO number on the invoice, enter the purchase order number in this field. The Contract Billing process sends the purchase order number along with billing transactions to Oracle Receivables.</p> <p>Note: If the Purchase Order Required check box is selected but no PO Number is entered, you can still save the contract. The QA check will only alert you that the PO number must be entered.</p> |
| AR Interface | Controls which contracts are eligible to be interfaced to AR. The default setting is checked. |
| Hold Credits | You can use the Hold Credits check box to place a hold on credit memos until the next billing cycle. This setting does not hold invoices. The default setting is unchecked which allows changes in the billing amount to be picked up immediately. |
| Payment Type | <p>Optionally select a payment type from the list of values. You can select:</p> <ul style="list-style-type: none"> • Null (the default value) • Credit Card: Select this option if the customer chooses to pay for the service agreement by credit card. • Commitment Number. See Commitment and Credit Card Billing Methods, page 2-104.. |

| Field | Description |
|--------------------------------------|--|
| Credit Card Number and Expiry fields | <p>If the Credit Card option is selected, enter the credit card number and expiration date.</p> <p>The level of validation to be applied to the number can be controlled by the Contracts profile option OKS: Credit Card Validation Level.</p> <p>The minimum authorized amount is validated by the profile option OKS: Minimum Authorized Amount.</p> <p>The card details are passed to Oracle Receivables during the Billing process.</p> |
| Commitment Number | <p>The system displays this field, if in the Payment Type field; the Commitment Number option is selected.</p> <p>Select the commitment number from the list of values. For more information, see Commitment and Credit Card Billing Methods, page 2-104</p> |
| Billing Button | Opens the Billing Schedule window to allow creation of header level billing schedule that can be rolled down to the lines and sublines. |
| Tax Exemption region | - |
| Status | Specify the tax exemption status, if applicable. |
| Number | If the tax exemption status is Exempt, enter the tax-exempt certificate number. |
| Reason | If the tax exemption status is Exempt, enter the reason for exemption. |
| Currency Conversion region | If the contract currency is not the same as the functional currency, this region is enabled. |
| From Currency | The contract currency code is defaulted in this field. This is a read-only field. |
| To Currency | The functional currency is defaulted in this field. This is a read-only field. |
| Type | Enter the conversion type from the list of values. |
| Date | Enter the date for the entered conversion rate. |
| Rate | If the currency conversion type is the User, enter the conversion rate. Otherwise the rate is defaulted based on the information in the Type and Date fields. |
| Service Charges region | - |

| Field | Description |
|--------------------------|--|
| Pre-Payment Required | This feature is reserved for future functionality |
| Purchase Order Required | Select if using a purchase order for payment of charges for services rendered. |
| PO Number | Enter the purchase order number to be used for payment. Note: If the Purchase Order Required check box is selected but no PO Number is entered, you can still save the contract. The QA check will only alert you that the PO number must be entered. |
| Terminated region | The fields in this region display termination details. |
| Unbilled | The field displays the unbilled amount due to termination, |
| Credited | This field displays the credit amount issued due to termination of the contract. |
| Suppressed | This field displays the amount that was suppressed when the credit was calculated and issued. |
| Overridden | This field displays the amount that was overridden during termination. |
| Adjusted region | The fields in this region display adjustment details. |
| Discount | This field displays the total discount amount. |
| Surcharge | This field displays the total surcharge amount. |
| Total | This field displays the sum of discount and surcharge. |
| Billed | This field displays the total amount billed for the contract, line, and subline. |

Summary Renewals Tab

The renewal rules defined on this tab will be applied during manual or automatic renewal of the contract. If rules are not defined at the contract level, the rules will be retrieved from the Global Contracts Defaults. See Contract Renewal, page 2-110.

The following table displays the fields and field descriptions for the Renewals tab:

| Field | Description |
|----------------|--|
| Renewal region | - |
| Type | <p>The renewal type specifies how the renewal is to take place. Select the renewal type from the list of values:</p> <ul style="list-style-type: none"> • Active Contract: This specifies that the contract will automatically be renewed without any manual intervention. • Do not Renew: This specifies that the contract will not be renewed. • Electronic Renewal: This specifies that the contract will be renewed along with an e-mail quote sent to the customer contact. • Notify Sales rep: This specifies that the contract will be renewed along with a notification to the sales rep. • Submit for Approval: This specifies that the contract will be renewed and automatically submitted for approval. |
| Renew Up To | <p>This field is only available for contracts with renewal type of Active Contract. This records the date when the automatic renewal process should stop renewing the contract. This will be the end date of the final renewed contract.</p> |
| Notification | <p>If a renewal event has been set up, this field identifies who was notified of an impending renewal. This field will not be populated until after the renewal event has picked up the contract and has sent the notification.</p> |
| Pricing Method | <p>This determines how pricing is to take place during contract renewal. Select the pricing method from the list of values:</p> <ul style="list-style-type: none"> • Manual: The contract is renewed at last year's price. • Markup Percent: The contract is renewed at a markup with a cap price list. • Price list: The contract is renewed with the specified price list. |
| Price List | <p>If the Pricing Method is Price List or Markup Percent, select the price list.</p> |
| Markup | <p>If in the Pricing Method field, you selected the Markup Percent option, enter the percentage (positive or negative) that should be used to adjust the price of the renewed contract. The new price will be compared to the cap price list and renew the contract at the lower of the two prices.</p> |

| Field | Description |
|-------------------------------|---|
| Billing Profile | This is used to identify the billing profile that sets up the billing parameters in the renewed contract. Select the billing profile from the list of values. |
| PO Required check box | This specifies that a purchase order is required during renewal process. If selected, the renewal cannot be sent for approvals without a purchase order. |
| PO Number | During contract renewal, you need to enter the PO number, if the PO Required check box is selected. |
| Grace Duration | Enter the grace period duration. See Grace Period, page 2-121 |
| Grace Period | Select the grace period type from the list of values. For example, Day or Month. |
| Estimated Percent | This is used to specify the probability that the renewal will be booked within the estimated time frame. From a forecasting perspective, this percentage represents the amount to be booked at renewal. |
| Duration | The duration in which the renewal will be booked. |
| Period | Enter the period from the list of values. |
| Renewal History region | The Renewal History region is a read-only region and is updated when the contract is renewed. All the fields are the same as the Renewal regions except for the following: |
| Active Threshold | This represents the threshold that was defined for contracts that were automatically renewed. |
| Electronic Threshold | This represents the threshold that was defined for contracts that were electronically renewed. |
| Quote To region | This region is used to specify the customer contact that will receive the quote for renewal. |
| Account/Party | Select an account/party from the list of values. This list of values refers to parties identified on the Parties tab. |
| Contact | Select the contact from the list of values. These contacts are associated with the party selected above. |
| Address | Select the street address from the list of values that is applicable to the individual contact listed above. |

| Field | Description |
|--------|---|
| e-mail | This field will default from the contact setup. It can be overridden. |
| Phone | This field will default from the contact setup. It can be overridden |
| Fax | This field will default from the contact setup. It can be overridden. |

Summary Administration Tab

The following table displays the fields and field descriptions for the Administration tab:

| Field | Description |
|-----------------------------|--|
| Quality Assurance Checklist | Enter the QA checklist that is to be used for this contract. |
| Effective region | - |
| Date Approved | Displays the date that the contract was approved. |
| Date Signed | Displays the date that the contract was signed. |
| Date Canceled | Displays the date that the contract was canceled. |
| Date Terminated | Displays the date that the contract was terminated. |
| Date Renewed | Displays the date that the contract was last renewed. |
| Grace Duration | Enter the grace period duration. See Grace Period, page 2-121 This field is enabled if the profile option OKS: Enable Grace Period is set to Yes. |
| Grace Period | Select the grace period type from the list of values. For example, Day or Month. |
| Grace End Date | The system displays the grace end date based on information you entered in the Grace Duration and Grace Period fields. This is based on the end date of the contract. |
| Estimation region | - |
| Percent | Enter the percentage revenue that is estimated to be achieved for this contract. This can be used by a salesperson to give some measure of the revenue that may be generated for a new contract. |

| Field | Description |
|---------------------------------|--|
| Date | Enter the date by which the estimated revenue is predicted to close. |
| Contract Groups region | - |
| Group Name | Select one or more contract groups to which this contract belongs. A contract is visible in the Contract Navigator only, if a contract group has been specified here. |
| Description | The group description appears when the group name is selected. |
| Approval Workflow region | - |
| Name | Enter the name of the process that will be used to approve the contract. |
| Process | The approval process name is displayed here. This is a read-only field. |
| Submit | Clicking the Submit button launches the QA check and then, if it passes, allows the contract to progress through the Approval workflow. The QA check results are displayed immediately, so you can make any necessary corrections. |
| Monitor and Stop button | Use the Monitor and Stop buttons to monitor the approval process. |
| Contract Terms Button | See Managing Contracts Terms, page 2-49 |

Summary Security/Text Tab

Contract access is a combination of security granted both by the responsibility and at the individual contract level. You do not restrict access at the contract, you can only grant additional access. For example, if a user logs in with a responsibility that grants modify access to contracts they will not be restricted on a particular contract by a Read Only security level for a particular contract. However, someone logging in with a responsibility of Read Only may be granted Modify access for a particular contract.

The following table provides descriptions of the fields on the Security/Text tab:

| Field | Description |
|------------------------|---|
| Security region | - |
| Type | Identifies Group or User access. |
| Group or User Name | Enables you to choose either a group or user name. |
| Level | Enables you to select either Modify or Read-Only access level. |
| Text region | - |
| Description | This is free formatted text. Enter contract details, if applicable. |
| Comments | This is free formatted text. Enter additional contract comments, if applicable. |

Managing Contract Terms

Oracle Service Contracts provides the Contract Terms Management features including:

Contract Terms Library

Oracle Service Contracts enables you to standardize business relationships through the use of the Contract Terms library. This library provides the legal department and selling organization a powerful tool to create reusable articles.

Contract Authoring

You begin the Authoring process by selecting a Contract Template, based on the requirement of that specific contract, and then select or remove terms from the contract. Also, you can create non-standard articles that pertain to a specific contract.

This section covers the following topics:

- Applying Contract Templates, page 2-49
- Changing Contract Templates, page 2-50
- Removing Contract Terms, page 2-51
- Adding and Deleting Sections, page 2-51
- Adding and Updating Articles, page 2-52
- Moving Contract Terms, page 2-55
- Renumbering Contract Terms, page 2-56
- Validating Contract Terms, page 2-56
- Checking for Article Updates, page 2-57

Applying Contract Templates

Contract templates consist of articles that can be applied to contracts.

Prerequisites:

Contract Template. For more information, please see the Defining Contract Templates section of *Oracle Contracts Implementation and Administration Guide*.

To apply contract templates:

1. Navigate to Service Contracts Authoring (T) Summary (T) Administration (B) Contract Terms. The system displays the Contract Terms page.
2. Click Search for Contract Template, to search and select a template in the Library.
3. Enter your search criteria.
4. Click Go. The Results page displays all templates that:
 - Match the search criteria for Template Name and Description.
 - Are active as of the start date of the contract
 - Are relevant to the organization authoring the contract
5. Select the appropriate template from the list and click Select.
6. In the Contract Terms page, click Apply Template to bring in all the articles from the template to the Contract Term page.

Contract Terms Page:

The Contract Terms page also displays the following columns:

- Non-Standard: A check mark in this column indicates that the article is non-standard. For more information, please see: Create Non-Standard Articles, page 2-54
- Mandatory: Articles that are marked as Mandatory cannot be deleted.
- Select Alternate: A **Plus (+)** sign indicates that the article has alternates. Click the Plus sign, to view and select an alternate article.
- Update: Click the Update icon if you want to make any changes to an article.
- Delete: Click the Delete icon if you want to remove an article. You cannot delete articles that are marked as Mandatory.

Changing Contract Templates

You can choose a different template after making an initial choice. To use this feature the contract must be in the Entered status.

If you change the template on a contract:

- All standard articles will be deleted from the contract.
- All manually added standard and non-standard articles are retained. However, they are moved to an 'Unassigned' section.
- Any other changes, such as formatting and layout, are removed.

To change contract templates:

1. Navigate to Service Contracts Authoring (T) Summary (T) Administration (B) Contract Terms (B) Change. The system displays the Change Contract Template page.
2. Click Search for Contract Template, to search and select a template from the library.
3. Enter your search criteria.
4. Click Go. The Results page displays all templates that match your search criteria.
5. Select the appropriate template from the list.
6. Click Select. The system displays the Change Contract Template page.
7. Click Apply to bring in all the articles from the template to the contract.

Removing Terms

After applying a Contract Template, page 2-49 to a contract, you can choose to remove all the articles and sections that are in the contract. To use this feature the contract must be in the Entered status.

To remove terms:

1. Navigate to Service Contracts Authoring (T) Summary (T) Administration (B) Contract Terms. The system displays the Contract Terms page.
2. In the Actions field, select the Remove Terms option.
3. Click Go.
4. Click Yes to confirm removal of all the articles and sections in the contract. Once the terms are removed, the system displays the initial page and the Apply Template button becomes available.

Adding and Deleting Sections

Sections allow Articles to be grouped together for logical display in the contract. For each section, you can add subsections and group articles as necessary. You can manually create a section for the contract or select a pre-defined section from the Sections library. To add a section to a contract, select the location for the section. You can select an existing section and choose to add the new section before, after, or within the section. If you choose to add the section within the selected section, it would be treated as a subsection.

You can only update sections that are manually added. Sections that are added from the Sections Library or the Unassigned section (Unassigned is a seeded section) cannot be updated.

For more information, please see the topic about defining sections in the *Oracle Contracts Implementation and Administration Guide*.

To add a section:

The steps for adding a new section manually or from the Sections Library are:

1. Create a new contract or open a contract in the Entered status.

2. Navigate to Service Contracts Authoring (T) Summary (T) Administration (B) Contract Terms. The system displays the Contract Terms page.
3. Select an existing section.
4. Click Add Section. If no sections exist on the Contract Terms Page, select the Contract Terms node and click the Add Section button. The system displays the Add Section page.
5. In the Location field select the appropriate location for the new section.
6. In the Create field, select one of the following options:
 - From Library: Select this option if you want to select a section from the Sections library. In the Title field, enter the title for the section. You can also use the Search for the Title icon to search for the title and select it in the Search and Select Title page.
 - New: Select the New option if you want to add a section manually. Enter the Title and Description for the new section.
7. Click Apply.

Deleting a Section

If you delete a section, all articles and subsections within that section are deleted. A section with mandatory articles in it, cannot be deleted.

To delete a section:

1. Open a Contract in the Entered status.
2. Navigate to Service Contracts Authoring (T) Summary (T) Administration (B) Contract Terms. The system displays the Contract Terms page.
3. Click Delete, for the section you want to remove. The system displays the Delete Section page.
4. Click Yes, to confirm.

Adding and Updating Articles

As part of creating contract terms, you can:

- Adding Standard Articles, page 2-52
- Updating Articles, page 2-53
- Deleting Articles, page 2-54
- Creating Non-Standard Articles, page 2-54
- Selecting Alternate Articles, page 2-54

Adding Standard Articles

Articles can be added in two ways:

- Search and Add Articles

- Browse and Add Articles

To search and add articles:

1. Create a new contract or open a contract in the Entered status.
2. Navigate to Service Contracts Authoring (T) Summary (T) Administration (B) Contract Terms. The system displays the Contract Terms page.
3. To add a standard article, select the location where it needs to be added to the contract.
4. Click Add Article. The system displays the Add Article page.
5. Search for the article by:
 - Keyword
 - Title
 - Type
 - Number
 - Default Section
6. Click Go. The Results section displays all articles that are active as of the start date of the contract.
7. To review the article text prior to adding the article, click the Show link for the article you want to add.
8. Select the check box for articles you want to add.
9. Click Apply.

To browse and add articles:

1. Create a new contract or open a contract in the Entered status.
2. Navigate to Service Contracts Authoring (T) Summary (T) Administration (B) Contract Terms. The system displays the Contract Terms page.
3. To add a standard article, select the location where it needs to be added to the contract.
4. Click Add Article. The system displays the Add Article page.
5. Instead of using the Search option, click Browse to search for articles by Article folders. For more information, please see the Defining Article Folders section of *Oracle Contracts Implementation and Administration Guide*.
6. Select the check box for articles you want to add.
7. Click Apply.

Updating Articles

Articles can only be updated for contracts in the Entered status.

To update articles:

1. Open a contract in the Entered status.

2. Navigate to Service Contracts Authoring (T) Summary (T) Administration (B) Contract Terms. The system displays the Contract Terms page.
3. Click the Title link for the article you want to update. The View Article page displays:
 - Complete article text
 - Article attributes: Mandatory, Provision, Lock Text, Non-Standard

Note: If the Lock Text check box is selected, the article cannot be made non-standard.
4. Click Update to open the Update Article Page. To open the Update Article page, you can also click the Update icon in the Contract Terms page.
5. Make the necessary changes to the article.

Note: The Article Variables table is reserved for future functionality.
6. Click Apply.

Deleting Articles

Articles marked as Mandatory cannot be deleted.

To delete articles:

1. Open a contract in the Entered status.
2. Navigate to Service Contracts Authoring (T) Summary (T) Administration (B) Contract Terms. The system displays the Contract Terms page.
3. Click Delete for the article you want to remove. The system displays the Delete Article page.
4. Click Yes to confirm the action.

Creating Non-Standard Articles

There are two ways to create a non-standard article. You can:

- Create a new non-standard article
- Create a non-standard article from any standard article

To create a new non-standard article:

1. Open a contract in the Entered status.
2. Navigate to Service Contracts Authoring (T) Summary (T) Administration (B) Contract Terms. The system displays the Contract Terms page.
3. Select the section for the new article.
4. Click Add Article. The system displays the Add Article page.
5. Click Create Non-Standard Article. The system displays the Create Non-Standard Article page.
6. Enter the following parameters:
 - Article Title (Required)

- Display Name (Optional)
 - Description (Optional)
 - Article Text (Required)
7. Use the Provision check box to mark those articles that can only be used in negotiation documents and not in contractual documents.
 8. The Non-Standard check box is selected automatically.
 9. Oracle Service Contract does not support the Article Variables functionality. Do not add article variables to the article text.
 10. Click Save to save your work.
 11. Click Apply to add the article.

To create a non-standard article from any standard article:

1. To create a non-standard article from a standard article, the Text Lock option for the standard article must be set to No.
2. Open a contract in the Entered status.
3. Navigate to Service Contracts Authoring (T) Summary (T) Administration (B) Contract Terms. The system displays the Contract Terms page.
4. Click the Title link for the standard article you want to use to create a non-standard article. The system displays the View Article page.
5. Confirm that the Lock Text check box is not selected, for the standard article.
6. Click Update to open the Update Article page.
7. Click Make Non-Standard.
8. Make the necessary changes to the article.
9. Click Apply to save your changes and close the Update Article page.

Comparing Standard and Non-Standard Articles

You can use the Compare feature to compare the differences between standard and non-standard articles. To use this feature:

Click the Title link for the non-standard article to open the View Article page.

Click the Compare to Standard Article button. The system displays the Compare Articles page. The inserted texts are marked with an Underline line, and deleted texts are marked with a Strike-through line.

Moving Contract Terms

You can move contract terms (sections and articles) within a contract. The contract must be in the Entered status.

To move contract terms:

1. Open a contract in the Entered status.

2. Navigate to Service Contracts Authoring (T) Summary (T) Administration (B) Contract Terms. The system displays the Contract Terms page
3. Select the article or section that you want to move.
4. Click Move to open the Move Term page.
5. Use the Destination Location field to specify the insert location by selecting one of following options:
 - Before Selection
 - After Selection
 - Within Selection
6. Select the appropriate radio button as the destination for the article or section.
7. Click the Apply button.
8. To achieve proper numbering, you need to manually renumber the contract terms. For more information, see Renumbering Contract Terms , page 2-56.

Renumbering Contract Terms

After making any changes, such as moving or deleting sections and article, you need to manually renumber the contract terms. Numbering schemes are defined in the Contract Terms Library. For more information please see the Defining Numbering Schemes section of *Oracle Contracts Implementation and Administration Guide*.

To renumber contract terms:

1. Navigate to Service Contracts Authoring (T) Summary (T) Administration (B) Contract Terms. The system displays the Contract Terms page.
2. Click Renumber. The system displays the Renumber page.
3. In the Pick Numbering Scheme filed, select a scheme from the list.
4. Review the numbering scheme before applying the changes to the contract terms.
5. Click Apply.

Validating Contract Terms

As part of the quality assurance process for a service contract, you can validate contract terms.

To validate contract terms only, you can launch the Validation process at any time during the contract terms authoring process.

The system also validates contract terms automatically when a service contract is submitted for approval.

To run the validation process:

1. In the Contract Terms page, click the Validate button. (N) Service Contracts Authoring (T) Summary (T) Administration (B) Contract Terms (B) Validate.

2. Review the results. The Validation Results page displays the number of errors and warnings, and information related to errors and warnings including:
 - Type
 - Title
 - Section
 - Severity
 - Problem
 - Problem Description
 - Suggestions for fixing the errors or warnings.
3. For a service contract to be submitted for approval, you need to fix all reported errors. For more information, please see the Validation Errors and Warnings section of *Oracle Contracts Implementation and Administration Guide*.

Check for Article Updates

Use the Check for Article Updates function to view the list of articles that have newer versions in the library, and then select the applicable ones to apply to the contract terms. This feature checks for latest updates for only those articles that are currently in the contract.

To apply the latest version of an article:

1. Navigate to Service Contracts Authoring (T) Summary (T) Administration (B) Contract Terms. The system displays the Contract Terms page.
2. In the Actions field, select the Check for Article Updates option.
3. Click Go. The system displays the Check for Article Updates page. This page includes the following fields:
 - Article: Article Name
 - Section: The location of article in the document
 - Current Version: The article version used in the document
 - Latest Version: The latest version available
 - Compare Text: Click the icon to open the article text and review differences between the current and library versions.
4. Select the articles you want to update.
5. Click **Apply**.

Using the Lines Tab

Contracts that are authored (versus those that are automatically created) may contain service, subscription or usage type lines. Services, subscriptions and usages are all items that have been created in the item master (see Defining Service, , page 2-10Subscription, and Usage Items). The line types available for a contract will depend on the contract category that has been selected. If the category is Service Agreement

or Extended Warranty, two line types will be available - Service and Usage. For a Subscription Agreement, line types are Service, Usage and Subscription.

When a service line is added to a contract, the coverage terms associated with that service are defaulted onto the contract line. The default coverage terms can be modified as necessary on the contract, but the price is unaffected. For example, you could choose a service for 9x5 (nine hours a day for five days a week), and increase the coverage to 24x7, but the price will not increase because it was a 9x5 service that was selected on the contract. However, when a tangible subscription item is added, the fulfillment schedule defaults from the subscription template based on the duration of the contract. Changes to the contract's duration could impact the price and the number of items shipped.

To enter a contract line:

1. Navigate to the Lines > Accounts tab.
2. Enter a service, subscription, extended warranty, or usage line.
3. Enter customer contact, and address information.
4. Select the Effectivities tab.
5. Make any changes necessary to the effectivity dates for the lines. For a service or extended warranty line, optionally edit the coverage. For a subscription line, the quantity and unit of measure are defaulted. Optionally edit the fulfillment schedule. For usage lines, specify the usage type.
6. Select the Pricing/Products tab.
7. For service lines, enter the covered levels and pricing information.
8. If you want to review details about the product, from Oracle Install Base for a serviceable product, then click Product Details.
9. If you want to view the components of the price calculation, then click Price Calculation.
10. For Usage lines, enter the counter and the pricing estimation attributes.
11. Click Billing.
12. Enter the billing information for the line.
13. Select the Tax/Payment Options tab.
14. Enter tax exemption and payment method information for the line.
15. Select the Counters tab.
16. Review counter information. To review the counter, right-click the counter line and choose **Counter Setup**, or select the **Counter Setup** option from the **Actions menu**. The system displays the Setup Counters window.
17. To capture counter values, right-click the counter line and choose **Counter Capture**, or select the **Counter Capture** option from the **Actions menu**. The system displays the Capture Counter Reading window.
18. Select the **Events** tab.
19. Select the Event Details option from the Actions menu, to review the event details.
20. Save your work.

Guidelines

There is no limit to the number of contract lines that can be defined for a contract. However, only one set of coverage terms can be defined for each service, although it may include several business processes. For each business process (for example, Depot Repair) a unique set of terms can be defined (for example, coverage times, reaction times, or bill rates.)

There is no limit to the number of business processes that can be defined for a coverage terms contract line. Also there is no limit on the number of billing types that can be defined for a business process.

The contract information defined in the Summary tab (header) governs the terms and conditions of the entire contract. However, these may be overridden by explicitly entering alternative values in the Lines tab.

Counters that track usage of products and services are defined in Oracle Install Base. For instance black and white copies and color copies made on copy machines are examples of product counters. Total number of support calls and total number of service requests are examples of service counters. To enter a usage type of product and service line, it must be defined as an item in the Item Master and flagged as a Usage Item serviceable product. Usage type information is entered on the Effectivities tab.

See Lines Accounts Tab, page 2-59 for field explanations for the Customer Account information.

See Lines Effectivities Tab, page 2-61 for field and button explanations.

See Lines Pricing/Products Tab, page 2-64 for field and button explanations.

See Lines Billing Button , page 2-76for field explanations for Billing.

See Lines , page 2-83Tax/Payment Options Tab for field explanations.

See Lines Counters Tab, page 2-83 for field explanations for Counters.

See Lines Events Tab, page 2-84 for field explanations for Events.

Lines Accounts Tab

The following table displays the fields and field descriptions for the Accounts tab:

| Field | Description |
|-------------|---|
| Line Number | The line number is automatically generated. This number is unique to the contract and will not be reused even if the line is deleted and new lines are added. |
| Line Type | Select Service, Subscription, Extended Warranty, or Usage. This field can be defaulted by setting the profile option OKS: Default Line Style, page 3-36. Extended warranty line type is only available for the Warranty and Extended Warranty categories. Service and usage lines types are available for Service Agreements. Service, subscription and usage lines types are available for Subscription agreements. |

| Field | Description |
|---------------------------------|--|
| Name | Select the name of the item from the list of values. |
| Line References | Allows entry of a user-defined free format line reference for each contract line. This may be used to represent the customer's reference, for example, a PO line number, or a CLIN reference. This field is not system generated. |
| Order/Line | If service contract has been interfaced with Order Management, this shows the order/line number. If a service contract is created manually, this field is blank. |
| Bill To Account | This defaults automatically from the Summary/Parties tab. If different, select the Bill to Account Number from the list of values. If there is no Bill to at the line level, you can use the Cascade Attributes option of Actions menu to copy the Bill to Address from the header to the lines. |
| Bill To Location | This defaults automatically from the Summary/Parties tab. If different, select the Bill to Location Name from the list of values. |
| Ship To Account | This defaults automatically from the Summary/Parties tab. If different, select the Ship to Account Number from the list of values. If there is no Ship to at the line level, you can use the Cascade Attributes option of Actions menu to copy the ship to address from the header. |
| Ship To Location | This defaults automatically from the Summary/Parties tab. If different, select the ship to location name from the list of values. |
| Customer Contacts Region | For each line entered on the contract, the following information can be entered: |
| Role | Enter the role from the list of values. Similar to the header contacts, customer contacts can be created for the party that the customer account is associated with. |
| Name and Address | Enter the party name from the list of values. The Address field is populated automatically. |

| Field | Description |
|-----------------------------|---|
| Start Date and End Date | For each contact, enter the start and end dates to indicate the effective dates of that contact, if applicable. |
| Bill To and Ship To Address | The bill to and ship to addresses in this portion of the tab are those addresses that belong to the customer account as entered or defaulted above. |

Lines Effectivities Tab

The following table displays the fields and field descriptions for the Effectivities tab:

| Field | Description |
|--------------|---|
| Line Number | Defaulted from the Lines-Accounts tab. |
| Line Type | Defaulted from the Lines-Accounts tab. |
| Name | Defaulted from the Lines-Accounts tab. |
| Status | Defaulted from the header status. |
| Start Date | This defaults from the contract start date. Enter the service line start date, if different. |
| End Date | This defaults from the contract start date. Enter the service line end date, if different. If a duration and period are entered, then the end date is calculated. |
| Duration | Enter the duration in whole numbers. |
| Period | Select the period type from the list of values. For example, Month or Year. |
| Qty | Enter the quantity per delivery (Available only for Subscription lines) |
| UOM | Select the unit of measure from the list of values. For example, Each, or Dozen. (available only for Subscription lines) |
| Renewal Type | <p>This determines line duration for renewal. By default, it is Full Duration, but it may be manually changed during the renewal review. See Determining Line Duration, page 2-114. The valid values are:</p> <ul style="list-style-type: none"> • Full Duration: The line is renewed for the full duration of the contract. • Do Not Renew: The line is not renewed. • Keep Duration: This line is renewed for the original duration of the line. |

| Field | Description |
|--|--|
| Description | Displays the item description for the selected line. |
| Invoice Text | This text is defaulted based on the item description and effective dates, but can be overridden. The text is sent to AR during the billing process. |
| Coterminate (button) | Sets the end date of the currently selected contract line to be the same as the end date established by the Service Cotermination setup. |
| Coterminate All (button) | Sets the end date of all of the lines on the contract to be the same as the end date established by the Service Cotermination setup. For additional information see Defining Service Cotermination, page 3-25 in the Implementing Service Contracts portion of the Oracle Service Contracts Concepts and Procedures Guide. |
| Coverage Region for Service Line | Every service item defined in inventory is associated with a coverage template. When you select a service item in authoring and save it, the associated coverage template is used. The coverage name and description appear. |
| Name | Displays the coverage name |
| Description | Displays the description for the coverage. |
| Edit Coverage button | Click Edit Coverage button to view or edit the coverage. |
| Exception Coverage Region | If the coverage has an exception coverage defined, then the exception coverage name and description appear. |
| Name | Displays the exception coverage name |
| Description | Displays the description for the exception coverage. |
| View Coverage button | Click the View Coverage button to view the exception coverage. |
| Template Region for Subscription Line | - |
| Name | Displays the name for the Subscription template. |
| Description | Displays a short description for the Subscription template. |

| Field | Description |
|---|--|
| Edit Schedule button | <p>Click the Edit Schedule button to open the Subscription Schedule form. This form displays the order details and order fulfillment history for each schedule delivery. You can also use this form to update the subscription schedule by editing the patterns.</p> <p>The patterns specify the schedule for the subscription item delivery. The Schedule patterns consist of Year, Month, Week, Weekday and Day. For each of these components, you can enter individual values or range of values separated by commas (.). Use a hyphen (-) to specify a range by entering a hyphen between the lowest and highest values. For example, the value 1,3-6,9 in the month component would mean January, March to June and September.</p> <p>A value of * in any of the component means 'ALL'. For example, a '*' in the month field would mean January to December.</p> |
| Usage Type Region for Usage Line | - |
| Fixed Per Period | Select this usage type if the customer will pay for the same number of units each month regardless of the actual counter reading. |
| Actual Per Period | Select if the billing is based on an actual net usage in a billing period. This usage type allows default and minimum counter values. If no counter reading is captured for a period, the default is billed. If the net reading for a billing period is less than the minimum, the minimum is billed. In addition, usage averaging is enabled where an average billing is allowed if no counter readings are captured for a given period. This type can only be billed in arrears. |
| Actual by Quantity | Select if the billing is based on an actual usage by quantity. This usage type allows default and minimum counter values. If no counter reading is captured for a period, the default is billed. If the net reading for a billing period is less than the minimum, the minimum is billed. This type can only be billed in arrears. |
| Negotiated Price | Negotiated price is selected if the customer is going to pay a fixed dollar amount regardless of the usage reading. Negotiated Price usage type can be billed in advance or arrears, as can Fixed Per Period usage type. |
| Period | Enter the period that is applicable to the fixed, default, and minimum quantities defined for the counter. |

| Field | Description |
|---|---|
| Termination Method | <p>Set the termination process you want to use by selecting a termination option from the list of values. The options are:</p> <ul style="list-style-type: none"> Amount Based Termination: The amount billed for a period is used to calculate the credit memo amount. Amount billed for a billing period is prorated for termination date and credit memos are issued for remaining part. Counter Based Termination: The counter value billed for a period is used to calculate the credit memo amount. Counter value for a billing period is calculated based on the price list and prorated for termination date. This amount is then decremented from billed amount to obtain the credit memo value. |
| Average and Settlement | (Actual per Period Usage Type.) |
| Averaging Allowed | Select if averaging is allowed across invoices. If the Averaging check box is checked, the averaging interval is mandatory entry. |
| Averaging Interval (Bills) | The averaging interval is a whole number and is based on the period defined in the Usage Type region. |
| Settlement against actual usage allowed | Select if settlement against actual usage is allowed. If checked, the Settlement against Actual Usage concurrent request compensates or settles billing against actual usage. If a minimum or default invoice amount is generated, this may be executed after the counter reading is taken. If the counter reading is greater than the previously billed amount, an invoice is generated to compensate for the under billing. If the counter reading is less than the previously billed amount, a negative invoice is generated to make up for the over billing. In addition, this generates an additional billing history line in the Lines / Billing tab. |

Lines Pricing/Products Tab

The Pricing/Products tab is where sublines are created for each service line to add the items that are covered for the particular service. The Effectivity tab is where you select the coverage level and associated product(s) for each subline. If the products to be selected are not already in the Install Base, they can be added from the Covered Product Selection window's New button. On the Pricing tab, you can view, enter, or override the price of each subline as appropriate. Once the sublines are priced, billing schedules can be established. The following table displays the fields and field descriptions for the Pricing/Products tab:

| Field | Description |
|--|--|
| Line Number | Line number is automatically generated when the line is created on the Lines Accounts tab |
| Line Type | Defaults from the Lines Accounts tab. |
| Name | Defaults from the Lines Accounts tab. |
| Line Ref | Defaults from the Lines Accounts. |
| Duration | Defaults from the Effectivities tab. |
| Period | Defaults from the Effectivities tab. |
| Price (Last Contract) | Displays the price of the contract line from the previous contract, prior to renewal. |
| Currency (Last Contract) | Displays the currency code of the contract line from the previous contract, prior to renewal. |
| Subtotal | This field displays the total price of all the covered levels. |
| Tax | This field displays the estimated line level tax amount for all the covered levels. |
| Total | The Total represents the sum of the line level Subtotal and estimated Tax fields. |
| Invoice Print Flag | A custom invoice print program uses this flag, not the standard Receivables invoicing process. The Invoice Print Flag check box is available for each contract line to indicate whether the line should be printed on an invoice. There may be business practices that do not require the lines to be printed on the invoice. The default setting for this check box is selected. Deselect the check box, if you do not want to print the invoice for the corresponding line item. |
| Show All Products (Button). Only enabled for Warranty and Extended Warranty Service Lines. | Lists Products for all sublines that are covered under a particular Service Line. Items under other coverage levels (site, item) will not be displayed. |

| Field | Description |
|-------------------------------------|--|
| Price Break (Button) for usage line | <p>Click the button to open the Price Break form to:</p> <ul style="list-style-type: none"> • Review the price break details • Lock price breaks: If required, the price breaks can be locked for the contract to ensure that the price break details agreed on the contract are protected from price list changes. If the breaks are already locked, the Locked check box is checked. Optionally, the price breaks can be unlocked by pressing Delete. • Prorate price breaks: Price breaks can be defined based on different billing schedules. For example, if the price breaks are defined assuming a monthly schedule, and the contract starts part way through a month, the price breaks can be prorated appropriately. To prorate the price breaks, the profile option QP: Break UOM Proration Allowed must be set to Yes and the break UOM must be defined for the usage item in the price list. Select whether or not the price breaks are to be prorated using the drop down list. The valid values are All and None. If you select All, the entire price breaks are prorated based on the break unit of measure. If you select None, none of the price breaks are prorated. <p>See Usage Item Price Break, page 2-18 for more information.</p> |
| Price Calculation (Button) | <p>To review the components of the price calculation, then click Price Calculation button. This is applicable to Subscription lines only.</p> <ul style="list-style-type: none"> • List price: This is the list price of the line. • Quantity: This is the quantity ordered. • UOM: This is the unit of measure of the quantity ordered. • Adjusted Price: This is the adjusted price. • Extended Amount: This is the total of the Quantity multiplied by the Adjusted Price. • Status Text: This is the status of the pricing, normally it is Success. |
| Reprice (Button) | <p>Enables the repricing of service items in a contract when a new price list is selected. Repricing can be done at any time, not just while Renewal, at Contracts level or Covered Product Level.</p> |

| Field | Description |
|---------------------------|---|
| Billing (Button) | This button allows you to create a line level billing schedule. |
| Effectivity Subtab | (Service Line) |
| Line Number | This is the system generated line number. |

| Field | Description |
|-------|--|
| Level | <p>This identifies the covered level for the service. When searching for covered products in this field, there are two different LOV formats available. The standard Oracle applications window will open, if you enter a partial name or number with the wildcard (%). Oracle Service Contracts has a special search form that can be accessed by clicking LOV in the Covered Level field. This form allows you to search using the fields and filters described below. If the product to be covered is not already in the installed base, clicking the New button, in the Cover Products Selection window, will open Install Base to allow new products to be manually added. The covered levels are:</p> <ul style="list-style-type: none"> • Site: Covers all products at a particular customer site. You can search for sites of the Customer named on the contract, any parties that are related to that Customer, both the Customer and their related parties or all customers. This covered level is not priced automatically. • Item: Covers all products of a particular item. This covered level is priced automatically by entered the quantity and unit of measure. • Product: Covers a particular product from install base. You can search the installed base of the named Customer, any parties related to that Customer, both the Customer and their related parties, or all customers. You can filter your search to look for just items, models or systems. Or you can search all installed products for a site, party, or customer. This covered level is priced automatically. • System: Covers a particular system configuration for the Customer and/or related parties as well as all customers. This covered level is not priced automatically. • Customer: Covers all products for a given customer account. You can search for the Customer and/or parties related to the Customer as well as all customers. This covered level is not priced automatically. • Party: Covers all products for a given party. You can search for the Customer and/or parties related to the Customer as well as all customers. This covered level is not priced automatically. |

| Field | Description |
|-----------------|--|
| Name | <p>For the Item level this is the item name.</p> <p>For the Party level this is the party name.</p> <p>For the Product level this is either the installed base product name, if the OKS: Item Display Preference profile option is set to Name, or product description if the OKS: Item Display Preference profile option is set to Description.</p> <p>For the Site level this is the site number for the customer.</p> <p>For the System this is the system name in the installed base.</p> <p>For the Customer this is the customer's name.</p> <p>With the Product level, you can select one or more entries from the Product search window. Upon selecting the products and clicking the OK button, the covered products are automatically added to the contract and priced accordingly. For all other covered levels, you can designate the coverage of multiple products on a single subline. However, except for item, the pricing for this entry would be manual.</p> |
| Line Ref | Allows entry of user-defined free format reference for each contract subline. This may be used to represent the customer's reference, for example, a PO line number, or a CLIN reference. This field is not system generated. |
| Start Date | This defaults from the line start date. Enter the start date for this subline, if different. |
| End Date | This defaults from the line end date. Enter the end date for this subline, if different. |
| Duration | Defaulted from the Effectivities tab. |
| Period | Defaulted from the Effectivities tab. |
| Date Terminated | The date at which the covered level was terminated. |
| Description | Displays the product description, if profile option OKS: Item Display Preference is set to Description. Displays the product name, if profile option OKS: Item Display Preference is set to Name. |
| Invoice Text | This text is defaulted based on the item description and effective dates, but can be overridden. The text is sent to Oracle Receivables during the billing process. |

| Field | Description |
|---------------------------|---|
| Product Details (Button) | Click the button to access the Customer Products window. This window displays details such as product name, serial number, reference number, address, installation date, and quantity. |
| Effectivity Subtab | (Usage Line) |
| Line Number | The is a system-generated line number. |
| Name | Select the name of the product or service counter from the list of values. The name is displayed, if profile option OKS: Item Display Preference is set to Name. The description is displayed, if profile option OKS: Item Display Preference is set to Description |
| Reference | <p>This identifies the counter reference details.</p> <ul style="list-style-type: none"> • If this is a product counter, it includes the product designation, serial number, and reference number. • If this is a service counter, it includes the service designation, contract number, modifier, and line number. |
| Line Reference | This is the user-defined free format text. |
| Start Date | This defaults from the line start date. This is a read-only field. |
| End Date | This defaults from the line end date. This is a read-only field. |
| Duration | This defaults from the Effectivities tab. This is a read-only field. |
| Period | This defaults from the Effectivities tab. This is a read-only field. |
| Date Terminated | The date that the counter (product or service) was terminated. |
| Description | Displays product description, if profile option OKS: Item Display Preference is set to Description. Displays product name is if profile option OKS: Item Display Preference is set to Name. |
| Product Details (Button) | For product counters only. The Customer Products window displays details such as product name, serial number, reference number, address, installation date, and quantity. |
| Pricing Subtab | (Service Line) |

| Field | Description |
|----------------|--|
| Line Number | The line number is automatically generated. This is a read-only field. |
| Level | Defaults from the Effectivities tab. This is a read-only field. |
| Name | Defaults from the Effectivities tab. This is a read-only field. |
| Line Reference | Displays the sub-line reference, set on the Effectivity Tab. This is a read-only field. |
| Quantity | Enter the quantity to be covered for all covered levels, except product. This is a display-only field for a covered level of Product. |
| UOM | Select a unit of measure from the list of values for all covered levels, except product. This is a display-only field for a covered level of Product. |
| Unit Price | If the covered level is Product or Item, then Oracle Advanced Pricing is called to retrieve the price including any modifiers, for example, discounts and surcharges. The pricing is based on the profile option OKS: Default Pricing Date. In all other cases, you must manually enter the price. This is a display-only field for covered levels Product and Item. |
| Extended Price | The extended price is the unit price multiplied by quantity. This is a display-only field for covered levels Product and Item. |
| Price UOM | Allows you to choose what unit of measure to price for service, regardless of the unit of measure of the service itself. For example, the service may be 450 days duration, but the user may choose to price in years. This will ensure that a consistent price is retrieved per unit of time, for different lengths of service. This is enabled for covered levels Product and Item only. |
| Subtotal | The Subtotal is equal to the extended price. You can manually override the subtotal, if desired. |
| Tax | Displays the covered level estimated tax. |
| Total | The Total represents the sum of the covered level Subtotal and estimated Tax fields. |
| Description | This is the same as description/name displayed in the Effectivity tab. |

| Field | Description |
|----------------------------|--|
| Billing (Button) | This enables you to create or modify a covered level billing schedule. |
| Reprice (Button) | Allows re-pricing of a covered level when a new price list is selected. This is applicable to covered level Products and Items only. |
| Price Calculation (Button) | <p>Allows you to review how the price derived. This is applicable to covered level Product and Item only.</p> <ul style="list-style-type: none"> List price: This is the list price of the item. Quantity: This is the quantity of the products covered. UOM: This is the unit of measure of the products covered. Extended Amount: This is the extended amount. <p>In addition the line level details are displayed:</p> <ul style="list-style-type: none"> List price: This is the list price of the line. Operator: This represents how the service is priced (amount based or percentage based). Quantity: This is the quantity of service ordered. UOM: This is the duration of the service ordered. Adjusted Price: This is the adjusted price, if modifiers have been applied. Extended amount: This is the extended amount. Status Text: This is the status of the pricing, normally it is Success. |
| Pricing subtab | (Usage Line) |
| Line Number | This read-only field is a system-generated line number. |
| Name | This is the name displayed on the Effectivity subtab. |

| Field | Description |
|----------------------|---|
| Reference | <p>This read-only field identifies the counter you enter in the Name field:</p> <ul style="list-style-type: none"> For product counters, it includes the item name, the Oracle Install Base item instance number, and the serial number For a service counter, it includes the service name, the contract number, the contract modifier, and the line number where the service appears. |
| Line Reference | Read-only field defaulted from the Effectivity subtab. |
| Subtotal | Currency amount the customer is charged for usage. Agents can make entries in this field for the Negotiated Price usage type. This field is disabled for other types. |
| Tax | Application-calculated tax. |
| Total | Subtotal and tax added. |
| Price Break (Button) | <p>Click this button to open the Price Break window where you can:</p> <ul style="list-style-type: none"> Review price break details. Lock price breaks: If required, the price breaks can be locked for the contract to ensure that the price break details agreed on the contract are protected from price list changes. If the breaks are already locked, the Locked check box is checked. Optionally, the price breaks can be unlocked by pressing Delete. Prorate price breaks: Price breaks can be defined based on different billing schedules. For example, if the price breaks are defined assuming a monthly schedule, and the contract starts part way through a month, the price breaks can be prorated appropriately. To prorate the price breaks, the profile option QP: Break UOM Proration Allowed must be set to Yes and the break UOM must be defined for the usage item in the price list. Select whether or not the price breaks are to be prorated using the drop down list. The valid values are All and None. If you select All, the entire price breaks are prorated based on the break unit of measure. If you select None, none of the price breaks are prorated. <p>See Usage Item Price Break, page 2-18 for more information.</p> |

| Field | Description |
|------------------------|--|
| Counter Details | (Usage Line) |
| Line Number | Read-only field copied from the Effectivity subtab. |
| Name | Read-only field copied from the entries you made in the Effectivity subtab. |
| Reference | Read-only field copied from the entries you made in the Effectivity subtab. |
| Fixed | This field is enabled for entry only for the Fixed Per Period usage type. Use it to enter the quantity you are going to be charging the customer. The amount is based on the period you selected in the Period field in the Effectivities subtab. |
| Minimum | This field is enabled only for Actual by Quantity and Actual Per Period usage types. Use it to enter the minimum counter value. The customer is charged this minimum if a counter reading or estimate falls below this number in any billing period. The amount is based on the period you selected in the Period field in the Effectivities subtab. |
| UOM | Unit of Measure |
| Fill | <p>This check box is available only for the Actual Per Period usage type.</p> <p>When unselected, the application estimates usage only when there is no reading during the period.</p> <p>Selecting the check box also estimates usage for any remaining days in a billing schedule period since the reading was entered.</p> <p>For example, if the you are billing the customer monthly, and a reading is entered on 15 January, then selecting the Fill check box causes the application to estimate usage for the remaining half of January.</p> |

| Field | Description |
|-----------------------|---|
| Estimation Method | <p>This field is available only for the Actual Per Period usage type.</p> <p>Select an estimation method from the list of values. You can select:</p> <ul style="list-style-type: none"> • Average Monthly Counter Volume (AMVC): AMCV is applicable to the Actual per Period and Actual by Quantity usage types only. It is used to calculate an estimate based on readings from the start of the contract when a counter reading is not available. • Counter Estimation: Counter estimation is used for usage billings based on the options selected in the estimation template for the counter defined in Oracle Install Base. For more information, see the Implementing and Using Counters section of <i>Oracle Install Base User's Guide</i>. |
| Estimation Start Date | <p>This field is available only for the Actual Per Period usage type.</p> <p>If in the Estimation Method field, you selected the Counter Estimation method, optionally enter the date from which counter readings are to be taken when calculating an estimate. If you leave this field blank, counter readings will be taken with a reading date on or after the start date of the line.</p> |
| Default | <p>If the usage type is Actual per Period or Actual by Quantity, enter the mandatory default counter value. If a counter reading is not taken for a given period, a default invoice will be generated. For example, the default counter value defined on the contract would be used to determine the invoice amount.</p> |
| Level | <p>If multiple counters are defined on a contract and one or more counter readings are significantly higher than the others, usage leveling can be used to equalize or distribute the readings across all the counters for a given billing period. This simplifies the customer's invoice by showing an even billing distribution across all the counters. If applicable, check Level for each applicable counter.</p> |
| Reading | <p>A list of values (LOV) with all historical readings for this counter. You can use this LOV to enter the initial base reading for the contract. The monthly net counter reading is based on this base reading. If left blank, the application assumes that the base reading is zero (0).</p> |

| Field | Description |
|------------------------------|---|
| Net Reading | This display-only field tracks all historical activity for the counter such as roll-overs. |
| Description | This is the same description/name displayed in the Effectivity tab. |
| Administration subtab | Service Lines |
| Line Number | The is the system-generated line number. |
| Name | Select the name of the product or service counter from the list of values. The name is displayed, if profile option OKS: Item Display Preference is set to Name. The description is displayed, if profile option OKS: Item Display Preference is set to Description. |
| Reference | <p>This identifies the counter reference details.</p> <ul style="list-style-type: none"> • If product counter, this included the Product designation, serial number, and reference number. • If service counter, this includes the Service designation, contract number, modifier, and line number. |
| Line Reference | This is the user-defined free format text. |
| Price (Last Contract) | Displays the price of the covered level on the previous contract, prior to renewal. |
| Currency (Last Contract) | Default from contract line. |
| Renewal Type | <p>This determines line duration for renewal. By default, it is Full Duration, but it may be manually changed during the renewal review. See Determining Line Duration. , page 2-114The valid values are:</p> <ul style="list-style-type: none"> • Full Duration: the line is renewed for the full duration of the contract. • Do Not Renew: the line is not renewed. • Keep Duration: this line is renewed for the original duration of the line. |

Lines Billing Button

The Lines Billing button gives you the ability to determine a flexible billing amount and schedule. This billing schedule gives the liberty to bill whatever amount you want to bill for a given period of time. For example, you can choose not to bill in the first month and adjust that amount in the billing for the subsequent months. The billing schedule can be set up at the header and rolled down to the line level or created individually for each line on the contract.

You have an option of conveniently billing for different billing periods. This can be decided by choosing the Billing Type from the Schedule header. The three choices are:

- Equal Amount
- Top Level (not available for Subscription type contracts)
- Covered Level (not available for Subscription type contracts).

You can select one of these levels as the default so that each time you create a billing schedule, that choice will appear automatically. The billing level default is selected in the OKS: Billing Schedule Level profile option.

For Equal Amounts, you can bill for equal amounts over the billing period and has full control over the amount to be billed and the billing periods. Or by using the Prorate button, the amount can be spread across the billing periods. The start and end dates of all top lines and their sublines must be the same. The schedule form, once generated, cannot be modified for the covered product line.

For Top Level, you can define the billing periods and the billing engine calculates the bill amounts (therefore the amount fields will be disabled). Line level start and end dates can differ from the sublines. The Prorate button will be disabled. When creating billing schedules at this level, the total stream level amounts from the sublines will roll-up to the line levels. Also, once a line level billing schedule exists, all new sublines added will automatically update the billing amount per period without needing to revisit the line level and click Schedule again.

Also, for Top Level bill schedules, whenever the duration of the line is increased, an additional billing stream will be created. If the contract has a later end date, the unit of measure of the billing stream is taken from the previous stream. If the duration is reduced, billing streams may be removed, as long as those streams are entirely outside of the new contract duration. If these changes are cascaded to the sublines, those billing schedules will be updated when the cascade is initiated. If the changes are not cascaded, only the line level billing schedule will be automatically updated.

When the covered level effective dates are not the same as the service line effective dates, you have the option to create a covered level specific billing schedule. As a prerequisite, the service line billing schedule level must first be set to the Covered Level. By default, all the covered level lines inherit the service line billing schedule. If required, the billing schedule can be modified and updated for a given covered level. Amounts can be entered for every period or the Prorate button may be used. This level of billing schedule is not available when you are creating a header level billing schedule.

When creating a header level billing schedule, it will become the default information for all service and usage lines in the contract. If changes are made to the line level billing schedules, it is important to note that refreshing the header level billing schedule will overwrite these changes since the header schedule is rolled down to the lines each time the schedule is refreshed. A warning message will appear reminding you that this is about to happen. The header billing schedule does not receive billing history information. It cannot be updated or used to schedule lower levels once billing has happened.

Stream Level Window

A billing schedule may have many billing streams. Each stream level is a set of billing periods. For example: A contract starts on 17 December 2003 and runs till 31 December 2004, duration of 380 days. Due to this irregular duration, the billing period would have

been calculated at a daily rate and would have given varying billing amounts, depending on the length of each calendar month. Billing stream levels allows you to set up a separate stream for the irregular period of 15 days, followed by a second stream of 12 months. The stream level in this case would be “bill for 1 period of 15 days at \$500 followed by 12 periods of 1 month at \$1,000.”

Schedule and History Tabs of Billing Schedule Window

The Schedule tab displays the termination and adjustment details. The History tab displays the billing history. The Billing Schedule window opens once the Billing button is clicked from Lines > Pricing/Products.

| Field | Description |
|--------------------------|--|
| Schedule Tab | - |
| Invoicing Rule. | Choose the invoicing rule from the list of values for the contract line. The invoicing rule is defaulted from the contract header invoicing rule |
| Accounting Rule | Defaults from the contract header accounting rule. The accounting rule determines when revenue is recognized for the service contract billing. |
| Level | Select a level from the list of values: Equal Amount, Top Level or Covered Level. Note: The Covered level is not available for usage lines and only the Equal Amount level can be used for Subscription contracts. |
| Start Date | This field is a display-only field and shows the start date of the contract line. |
| Amount | Displays contract price. |
| End Date | Enter the end date of the contract. |
| Terminated Region | The fields in this region display the termination details. |
| Unbilled | The field displays the unbilled amount due to termination, |
| Credited | This field displays the credit amount issued due to termination. |
| Suppressed | This field displays the amount that was suppressed when the credit was calculated. |
| Total | The total of Unbilled, Credited, and Suppressed fields. |
| Overridden | This field displays the credit amount that was overridden during termination. |

| Field | Description |
|----------------------------|---|
| Adjusted Region | The fields in this region display the adjustment details. |
| Discount | This field displays the total discount amount. |
| Surcharge | This field displays the total surcharge amount. |
| Total | This field displays the sum of discount and surcharge. |
| Billed | This field displays the total amount billed for the contract, line, and subline. |
| Stream Level Region | - |
| Seq No | Enter the sequence in which you wish to have the billing stream levels billed. |
| Number of Periods | Enter the number of billing periods to be included in this stream level. For example, to set up a stream level of "bill for 1 period of 15 days at \$500," the value in this field should be one (1). |
| Start Date | This field is a read-only field and displays the start date for the contract line. |
| End Date | Enter the end date for the stream level. |
| Duration | Enter the number of periods to be included in this stream level, in the above example, the value in this field should be 15. |
| Period | Enter the unit of measure for the billing period, in the above example, the value in this field should be Day. |
| Amount | Enter the amount to be billed for each period in the stream level. For a level of Equal Amount, you must enter a value in this field or use the Prorate button to create the value. For a level of Top Level, this field is disabled as Oracle Service Contracts can calculate a value automatically based on the price of the contract line. When viewing a Top Level billing schedule, the stream level values for the sublines beneath it will be rolled up and displayed in this field. |
| Total Amount | This field displays the total amount for all periods in the billing stream. |

| Field | Description |
|------------------------|--|
| Invoice Offset | <p>For an invoicing rule of Advance, the invoice date is determined by Oracle Service Contracts. Enter the number of days (plus or minus) from which the invoice date should be set from the bill from date. The invoice date must be on a later date than the current date but may be prior to the start date of the contract.</p> <p>For arrears billing, the Invoice Offset field is disabled.</p> |
| Interface Offset | <p>Enter the number of days from which the Interface date should be set from the bill from date. The Billing program uses the information to determine the date for sending the billing records to Oracle Receivables. Oracle Service Contracts will enforce that the interface date is the earlier of either the Invoice Date or the Bill from Date. As the result, only offsets less than 0 will have any effect on the interface date. Using the interface offset to create an interface date prior to the start date of the billing period may, during the first billing cycle, result in the interface date being prior to the start date of the contract. The billing engine will find any billing stream where the interface is on or before the date specified. Therefore, an interface date in the past will not prevent billing from running successfully.</p> |
| Cascade Dates | <p>After making a change in the start or end dates of the billing sequences, click this button to automatically set the dates to cascade from one to the next, so that the billing schedule does not have any gaps or overlapping dates.</p> |
| Prorate | <p>Use this button for Equal Amount billing to have Oracle Service Contracts automatically calculate the invoice amounts based on the billing sequences that have been defined.</p> |
| Schedule | <p>Use the Schedule button to display the billing schedule after creating or making any changes to the billing schedule or contract effectivity dates at any level that affects the billing schedule. It creates schedules for sublines (where applicable) and must be clicked to save the schedule.</p> |
| Schedule Region | <p>All fields in this region are display only and show the result of the values that have been entered in the previous region.</p> |
| Seq No | <p>This field shows the sequence number of the billing schedule from the previous region.</p> |
| Level Seq | <p>This field shows the sequence number of each stream level.</p> |

| Field | Description |
|----------------|--|
| Invoice Date | This field displays the invoice date that is sent to AR. However, for the Advance invoicing rule, this date can be changed by using the Invoice Offset field in the previous region. |
| Bill From | This field shows the start date of the billing period. This date is used to derive the accounting period for which revenue is to be recognized for the contract line. |
| Bill To | This field shows the end date of the billing period. |
| Interface Date | This field shows the date when Oracle Service Contracts billing program will pick up the record to send to AR. This date can be changed by using the Interface Offset field in the previous region. |
| Amount | This field shows the amount that will be billed in the billing period. |
| History Tab | This tab displays the billing history. Information is updated first by the Service Contracts main billing and then updated by the Fetch to display actual amounts billed including tax and invoice numbers. Only the line level billing schedule histories will be populated with actuals. Header level billing schedules will not show any billing history. If summary transactions are selected with either the profile option or the contract check box, the history will contain one transaction line per billing period. However, if detail transactions are being sent to Oracle Receivables, the billing history will show the details for each subline per billing period. In the billing history, right-mouse click Details on a line to view the details for that billing transaction. |

Lines Tax/Payment Options Tab

The application checks tax exemption effectivity at time of billing.

Since tax exemptions for a contract may not be effective for all of the billing periods on the contract, the application validates that the billing period is valid for the exemption associated with the period. The validation checks that the transaction date for the billing period falls within the defined period of effectivity for the tax exemption. If the billing period does not, then the billing period does not pass a tax status to Oracle Receivables. The application still passes the tax exemption number and the tax engine determines the tax handling for the billing period.

Tax exemptions can be defined for a specific date, for a date range, or for an open-ended period of time. If there are billing periods on a contract that have a transaction date that falls outside the period the tax exemption is effective, a warning message informs the user that not all billing periods on the contract will qualify for the tax exemption.

The tax amount displayed by the application takes into consideration the number of billing periods that qualify for the tax exemption.

The following table displays the field names and descriptions for the Tax/Payment Options tab:

| Field | Description |
|----------------------|---|
| Tax Exemption region | - |
| Line Number | This is the system-generated line number. |
| Line Type | Indicates Service or Usage line |
| Name | Identifies the Service or Usage item |
| Tax Status | <p>Select the tax status for the item selected. You can select:</p> <ul style="list-style-type: none"> Exempt Require (or Override Exemptions) Standard <p>The Tax Status list of values (LOV) makes the Require and Override Exemptions values mutually exclusive.</p> <p>The LOV displays Override Exemptions if tax is mandatory and the tax database is Oracle. It displays Require if tax is mandatory and the tax database is Vertex or Taxware.</p> <p>A QA check warns if tax exemption is not valid for all billing periods on the contract.</p> |
| Number | Enter the tax exemption certificate number from the list of values (if applicable). Not available if Status is other than Exempt. |
| Reason | Indicates the reason this item is tax exempt (for example, Reseller). Not available if Status is other than Exempt. |
| Tax Code | <p>If Status referenced above is other than Exempt, this field provides a list of values from which to select the appropriate tax code for this item.</p> <p>Entry in the Tax Code field is optional when the Tax Status has been set to Required.</p> <p>A tax status of Required means that the application overrides any exemptions entered in the contract as tax is mandatory for the transaction. It does not mean that the tax code must be sourced from the contract in order to calculate tax. By leaving the Tax Code field blank, users permit the tax engine to derive the applicable tax code.</p> |

| Field | Description |
|------------------------------|--|
| Tax Inclusive Flag | The Tax Inclusive Flag check box is defaulted based on the tax code setup in Oracle Receivables. |
| Payment Method region | - |
| Purchase Order Required | If using a purchase order for payment, select the Purchase Order Required check box. |
| PO Number | If you want to reference the PO number on the invoice, enter the purchase order number in this field. |
| Payment Type | <p>Optionally select a payment type from the list of values. You can select:</p> <ul style="list-style-type: none"> Null (the default value) Credit Card: Select this option if the customer chooses to pay for the service agreement by credit card. Commitment Number. See Commitment and Credit Card , page 2-104Billing Methods |

Lines Counters Tab

The following table displays the fields and field descriptions for the Counters tab:

| Field | Description |
|-------------|--|
| Name | Counter name |
| Type | Counter type |
| UOM Code | The code for the unit of measure |
| Net Reading | The difference between the current counter reading and the last reading that was billed. |
| Timestamp | The date the net reading was recorded. |

For the Usage line type, in addition to above fields, the Counter tab displays:

| Field | Description |
|------------------|------------------|
| Source Details | Counter details |
| Serial Number | Serial number |
| Reference Number | Reference number |

Lines Events Tab

Events are normally linked to a counter, whether it be a unit based or time based counter. Events are defined in the Condition Template form. The Events tab shows the anticipated outcome that is a PL/SQL procedure that executes some business logic. For example XYZ Company wants to schedule a preventive maintenance service request after a time-based counter has elapsed 3 months. In this case, the outcome is a custom PL/SQL procedure that uses the Create/Update SR API to call a Service Request template.

The following table displays the fields and field descriptions for the Events tab:

| Field | Description |
|---------------|---|
| Name | Event name such as counter update. |
| Description | Event description |
| Date Active | Date event becomes active. |
| Date Inactive | When event has become inactive. |
| One Time | Identifies whether the event will be evaluated once only, rather than potentially being triggered on a recurring basis. |

Using the Tools Menu Functions

The following functions can be accessed from the Tools menu

- Revenue Distribution, page 2-84
- Create New Version, page 2-85
- Change Status, page 2-85
- Pricing Qualifier, page 2-86
- Pricing Adjustment, page 2-86
- e-mail Quote, page 2-87
- Update Service, page 2-87
- Terminate Subline, page 2-88
- Invoice Details, page 2-88
- Summary/Lines, page 2-88
- Notes, page 2-89

Revenue Distribution

This provides the ability of distributing revenue for service items on a contract into accounts other than the default account that has been set up. You can enter new revenue information for some lines without changing others. You can change the default revenue distribution of an Entered status contract or you can open an Active contract for update (or create a change request). You can change the revenue distribution for a contract even after a line has been billed but this will only change the revenue distribution for future

billing. If the contract is copied, renewed or used as a template these distributions will also be copied to the new agreement.

To distribute revenue:

1. Navigate to Service Contracts Authoring > Tools > Revenue Distribution.
2. Review the account defaulted in the GL Account field.
3. Select the Override account field. A list of values is displayed with the different account aliases.
4. You can choose the overriding account by selecting the segment values, or by choosing from the list of combinations.
5. Enter the percentage to be allocated to the account in the Percent field. The Total Percentage should equal 100%.
6. Save your work.

Create New Version

Provides the ability to create a new version of an existing contract.

To create a new version of an existing contract:

1. From the Contract Navigator, click the contract to be versioned.
2. Navigate to Contracts Authoring > Tools > Create New Version.
3. The new version of that contract is created.
4. In order to view the new version or any previous versions, from Contract Navigator go to Launch Contracts > Contract Navigator > Service. Double click the contract. A window will open. On the bottom of the window click the History tab. The different versions of the contract would be listed there and you can pick any version for read-only access.

Change Status

Provides the ability to change the current status of the contract to another status.

To change the contract status:

1. Navigate to Service Contracts Authoring > Tools > Change Status.
2. The Change Status window will open.
3. Select the new status from the list of values.
4. Select a Reason Code from the list of values.
5. Enter any relevant comments.
6. Commit and the status of the contract will be changed.

Pricing Qualifier

This provides the ability to define the pricing qualifiers that are eligible for the contract. This information is passed to Oracle Advanced Pricing to calculate the appropriate discounts or surcharges. For more information about Qualifiers and Modifiers, please refer to the *Oracle Advanced Pricing User's Guide*.

To define pricing qualifiers:

1. With the cursor at the line level, navigate to Tools > Pricing Qualifier.
2. The Pricing Qualifier window will open.
3. Select segments from the list of values.
4. This will qualify if the contract is eligible for any discounts or surcharges.

Pricing Adjustment

Price adjustments that have been applied automatically can be reviewed using this feature, and also additional adjustments can be applied manually. If done manually, make changes and save them. Then apply the changes and reprice the contract for the changes to appear. You can enter price adjustments at the contract header, line or subline.

For header level pricing adjustments:

- If the price adjustment is a percentage, that percentage would be applied to each subline.
- If the adjustment is a fixed amount, the adjustment would be applied to each subline. For example, if the amount entered in the Adjustment window is a \$10 discount, each subline would be reduced by \$10 with lines above reflecting the cumulative effect of those discounts. For a line containing three sublines, each subline is discounted by \$10. As the result, the cumulative effect on the price of the line would be a \$30 reduction.

To perform pricing adjustments:

For Header Level Price Adjustments:

1. Navigate to Service Contracts Authoring > Tools > Pricing Adjustments.
2. The Pricing Adjustment window will open.
3. Select a modifier number from the list of values. The modifier number is a type of pricing adjustment set up in Oracle Advanced Pricing.
4. Apply the changes.

For Line Level Price Adjustments:

Highlight the line or subline to be adjusted.

5. Navigate to Service Contracts Authoring > Tools > Pricing Adjustments.
6. The Pricing Adjustment window will open.
7. Select a modifier number from the list of values. The modifier number is a type of pricing adjustment set up in Oracle Advanced Pricing.

8. Apply the changes.

E-mail Quote

Quote letters can be generated and e-mailed to a customer as part of the renewal process. The person who receives this e-mail quote is specifically identified on the Summary Renewals tab, as described previously.

Prerequisites

The following profile options must be set up in order to use the e-mail Quote functionality:

OKS: SMTP Domain

OKS SMTP Host

OKS: SMTP Port

Refer to the Implementing section of *Oracle Service Contracts Concepts and Procedures* for more information regarding these profile options.

To generate an e-mail quote:

1. Navigate to Service Contracts Authoring > Tools > e-mail Quote
2. Select the quote printing report to be run (these will be specific to the environment). This is not generated from Oracle Quoting. It is a report summarizing the contents of the renewal contracts.
3. The To field will default from the Quote To field in the Summary Renewals tab. Enter a Reply To/Copy e-mail address of the sales representative or other individual who should be copied or replied to about this e-mail. This field is free-format text.
4. Add additional recipients if necessary.
5. Enter any text for the body of the e-mail.
6. Click Send. Clicking Send creates two concurrent requests. The first generates the quote using the quote printing report specified above and the second creates and sends the e-mail.

Update Service

This form enables you to review existing service information and choose one or more new replacement services for the covered products on the contract line. It allows you to assign a percentage of the price of the former service to the new service line(s). It is intended as a tool for use on entered status contracts, generally during the renewal process. For example, a customer has a contract with a line that covers 500 laptops for Bronze service which covers Monday through Friday from 8am to 5pm. After restructuring their service offerings, Bronze service is no longer offered but Level II support is the comparable offering. In order to make contracts reflect the new offering, rather than having to add a new line and add all the covered products to that line, simply select the old service line, click Update Service, choose the new service and indicate what percentage of the existing service's price should be applied to the new service. This amount does not need to equal 100% it can be more or less depending on the appropriate value for the new service. Contract value and billing schedule amount are adjusted accordingly. Coverages

and invoice text are not changed. The renewal relationship to the prior contract is not lost when Update Service is performed on a service line. The Update Service function is not available for Usage and Subscription lines.

To review and update services:

1. Navigate to Service Contracts Authoring for the contract being updated.
2. From the Lines - Pricing/Products tab, place cursor on the Service Line item that is being updated.
3. From the Tools menu select Update Service.
4. Under Contract Line at the top of the form, review the information to make sure this is the line that should be updated.
5. Under Update Service select from the List of Values the new service item that is replacing the item shown at the top of the form.
6. In the Prorate column, indicate the percentage of the price from the existing service item that should apply to the new service item. For example, if the existing item is \$150 and the new item should cost \$75, enter 50 to see a final price on the new line that is equal to 50% of the old line.
7. Enter additional service lines as necessary. The prorate column does not need to total 100%. You will receive a message indicating that the total is more or less, select OK to proceed or cancel to return to the form.
8. When all of the new lines have been entered, click Apply. The existing service item will be gone and the new service items will appear instead. The new price will be reflected for the line item. The billing schedule will reflect the new pricing as well.

Terminate Subline

For information on this topic, see the Terminating a Subline, page 2-120 section.

Summary/Lines

Use the Summary/Lines function to open the Summary or Lines tab.

Invoice Details

Use the Invoice Details function to review payment, credit, and adjustment information applicable to the contract, lines, and sublines.

To view invoice details:

1. Navigate to Service Contracts Authoring > Tools > Invoice Tools
2. The Invoice Details window displays: Invoice Number, Date, Source, Transaction Type, and Amount.
3. Click the Payment Details button to open the Payment Details window. This window displays:
 - Payment Amount

- Payment Date
- 4. To review details for a specific line, select the line and click the Line Details button. The Line Details window displays:
 - Item Names and Descriptions
 - Unit of measure
 - Unit Price
 - Billed Amount
 - Tax Rate

Notes

Use the Notes function to add extra information to the contract. The note can contain any free format text. For examples, you can include notes for contract administrators regarding the management of the contract, or to customer care agents regarding the services provided under the contract.

You can create two types of notes in Oracle Service Contracts:

- **Contract Coverage notes:** Contract Coverage notes allow you to add further information to either the coverage template or to service included on a contract. With the exception of Private notes, any note added to the coverage template is automatically added to the instantiated coverage definition when the service is included on a contract. Service application users as well as Service Contract application users can view these types of notes.
- **Contract Admin notes:** Contract Admin notes allow you to add further information to the contract. These types of notes can be associated to the contract header and coverage. Only Oracle Service Contracts users can view Contract Admin notes.

The following table displays the fields and field descriptions for the Notes form:

| Field | Description |
|-------------|---|
| Notes | Enter the note text in the Notes region |
| Type | The default for the Note Type field is Contract Coverage. You can accept the default or select another type from the list of values. |
| Status | Select a particular status for the note from the list of values. You can select: Publish: All users can view it. Public: The creator and other users can read and write to it. Private: Only the creator can view it. |
| More button | Click More to open the Detailed Note page and enter additional information. |
| New button | Click New to add a new note. |

Using the Actions Menu Functions

The following functions can be accessed from the Actions menu:

- Save as Template, page 2-90
- Copy from Template/Contract, page 2-90
- Counter Setup, page 2-90
- Counter Capture, page 2-90
- Check QA, page 2-91
- Submit for Approval, page 2-91
- Bookmark, page 2-91
- Event Details, page 2-91
- Show Index, page 2-91
- Delete Contract, page 2-91
- Cascade Service Price, page 2-91
- Sales Credits, page 2-91
- Pricing Attributes, page 2-92
- Cascade Attributes, page 2-92
- Revert Update, page 2-109

Save as Template

You can create contracts with minimum required information. At any time you can save a contract as a template, using the Save as Template option from the Actions menu. For more information, see the Save as Templates section of *Oracle Contracts Core User Guide*.

Copy from Template/Contract

Use the Copy from Template/Contract function to copy **a contract or a condition template** into your contract. **For more information**, see the Copying a Condition Template section of *Oracle Contracts Core User Guide*.

Counter Setup

To review the counter, select the Counter Setup option from the Actions menu. The system displays the Setup Counters window.

Refer to the Using the Lines Tab, page 2-57 section for more information.

Counter Capture

If you want to edit counter values, select the Counter Capture option from the Actions menu. The system displays the Capture Counter Reading window.

Refer to the Using the Lines Tab, page 2-57 section for more information

Check QA

For information on this topic, see the Check QA of Contract Authoring and Pricing , page 2-35section.

Submit for Approval

The Submit for Approval function launches the QA check and, if successful, allows the contract to progress through the Approval workflow.

Bookmark

Use the Bookmark function to add the contract, to your personal list of contracts in the Home Page.

Event Details

When you are on a contract line, you can go to the Actions menu and select Event Details. The Condition Template form appears where you can enter either action (for example, counter updated) or date based (for example contract signed) conditions. Events (conditions) that are already associated with the contract can be viewed on the Events tab. For more information, see the Defining Condition Templates section of *Oracle Contracts Core Implementation Guide*.

Note: When creating a service contract, if there is no counter and event attached with the service item, the Event Details menu option will be grayed out.

Show Index

At any point once the contract has been created, you can use the Show Index feature from the Actions Menu to see some of the high-level details of the agreement. The index shows the parties, line level service items, the covered level products at the sublines and the names of any rules or articles attached to the contract. By selecting an item on the index and clicking Go, you can navigate to that point in the contract.

Delete Contract

Use the Delete Contract function to delete contracts with statuses of Entered and Canceled.

Cascade Service Price

For information on this topic, see the Cascade Service Price, page 2-110 section.

Allocating Sales Credits

Contract authoring allows the allocation of sales credits to multiple sales reps. Sales credits can be assigned at the header level and the line level (for either service or usage lines). Cascade attributes can be used to copy header level sales credits to line levels. If a contract containing sales credits is copied, renewed or used as a template the sales credits are also copied to the new agreement.

To allocate sales credits:

1. Navigate to Service Contracts Authoring > Actions > Sales Credit.
2. Review the Contract Number, Service Name, Party Name, Modifier, and Start and End dates. These are read-only fields.
3. Select a Sales Person from the list of values.
4. A Sales Group defaults once the Sales Person is entered. The sales group can be changed, if the sales person belongs to more than one group.
5. Select the Credit Type from the list of values. The valid values are:
 - Quota Sales Credit
 - Non Quota Sales Credit
6. Enter the percent allocated to the given salesperson.
7. Review the Revenue Total that is a running total of revenue credits. This is a read-only field and must equal 100%.
8. Review the Non Revenue Total that is the running total of non-revenue credit. This is a read-only field and may not exceed 100%.
9. Select OK to save.

Pricing Attributes

The pricing attributes may be maintained for any of the covered products. To access these attributes, the covered product should be highlighted when selecting Pricing Attributes from the Action menu.

To maintain pricing attributes:

1. From the Authoring window navigate to Actions > Pricing Attributes.
2. Select the Pricing Context from the list of values. For each Pricing Context, the pricing attributes may be entered in the corresponding descriptive flexfield.
3. Click Apply to save the pricing attributes

Cascade Attributes

Provides the ability to cascade contract attributes from each level, header to lines and lines to sublines. For example, changes to the start and end dates can be rolled down to the next level in the contract. Attributes that can be cascaded from header to line are Date, Accounting Rule, Bill to Address, Bill to Contact, Ship to Address, Invoice Rule, Tax Status, Exemption Number, Billing Profile ID, Recalculate Tax, Sales Credit, and Payment Method. Attributes that can be cascaded from line to subline are Date, Invoice Text, Renewal Type, and Invoice Print Flag. After selecting the attribute to be cascaded, you can select the lines or sublines to receive the changes.

To cascade attributes:

1. From the Authoring window navigate to Action > Cascade Attributes
2. Select Cascade type 'Header to Lines' or 'Lines to Sublines' from the Cascade field.

3. Select the attributes to be cascaded by selecting the appropriate check box.
4. When cascading line to sublines, the sublines can be viewed by double clicking the line indicator box. This will open a window displaying all the sublines for that line. The sublines to be selected can be indicated with a check box.
5. Review the lines or the sublines to be changed and identify any to be excluded from the change by clearing the check box.
6. Click Submit.
7. Review the transaction log to check for errors.
8. Apply the changes.
9. For date-related changes, check the billing schedule and Refresh as necessary to keep the billing schedule dates in synch with the effectivity dates.

Revert Update

For information on this topic, see the Revert Update , page 2-109section.

Billing

Contract billing involves determining the exact amount to be charged for services provided against a contract. Oracle Service Contracts lets you set up flexible billing cycles. For example, you can set up a monthly billing cycle for a contract and bill the customer when they want to be billed. Oracle Service Contracts can calculate the amounts for each period and execute them through an invoicing system, such as Oracle Receivables.

In addition to billing for services, contract billing is able to support flexible usage (or meter) billing based upon minimum usage, defaults, AMCV, and estimation.

This topic group consists of the following:

- Billing for Contracts, page 2-93
 - Billing for Services, page 2-96
 - Automatic Service Program Billing, page 2-97
 - Summary Billing, page 2-97
 - Bill Settlement, page 2-97
 - Bill Termination, page 2-98
 - Service Settlement, page 2-100
 - Executing Main Billing, page 2-101
 - Commitment and Credit Card Billing Methods, page 2-104

Billing for Contracts

Billing for Contracts enables you to define billing schedules with one-time or recurring billing in Oracle Service Contracts. Billing can be defined for Advanced or Arrears invoicing. Invoice Date for a billing period can be adjusted, as well as the date that the billing period interfaces to Oracle Receivables. Recurring billing can be defined with

equal amounts defined for each billing period in the billing schedule, with user-defined amounts for each billing period in the billing schedule, or a combination of user-defined and calculated amounts for billing periods in the billing schedule.

For example, suppose you create a \$10,000 service agreement for a customer starting from April 1, 2004 to March 31, 2005. The customer wants to pay monthly on the first of every month. The billing schedule can be set up so the amount of the first bill is \$1,000 for the payment on April 1, 2004, and prorate the balance evenly over the remaining months. It then sends the calculated amounts to Oracle Receivables for invoices to be processed. The bill dates do not necessarily need to be the same every month or even on regular intervals. You can offer the customer no payments the first month (or any point in the contract) and schedule the subsequent billing dates and amounts for anytime you choose.

In addition to interfacing billing transactions to Oracle Receivables, you can send the billing transactions to special “preview” tables. From these tables, you can create custom reports that reflect the information that is used in your customer invoices. This allows you to see the information that the customer will see on their invoice before billing is run. If there are any problems with the billing information, it can be corrected easily in the contract before it is interfaced with Oracle Receivables.

To stop a contract from being billed as a result of finding errors on the pre-invoice process, the status of the contract should be set to one where the operation Invoicing Allowed is not selected. After corrections have been made, the status of the contract should be changed to one that allows invoicing to occur.

Using Advance and Arrears Billing Schedules

The Invoicing Rule and the Payment Terms on a contract are interfaced to Oracle Receivables when the contract is billed. The Invoicing Rule determines when the invoice is sent to the customer and when to record (post) the receivable amount on the invoice.

If Advance, the earliest accounting rule start date is used as the invoice GL date.

If Arrears, the latest accounting rule start date is used as the invoice GL date.

The Invoicing Rule is not used to determine the date for sending records from Oracle Service Contracts to Oracle Receivables. The billing schedule in a contract determines the frequency and timing for interfacing billing records to Oracle Receivables. The Interface Dates shown in the billing schedule indicate when a billing period is scheduled to interface and the Invoice Date indicates when the billing period will invoice to the customer. The Interface and Invoice dates in the schedule can be adjusted using the Invoice Offset and Interface Offset fields when defining billing streams. Entering a negative invoice offset results in earlier invoice date. Entering a positive invoice offset delays the invoice date for the billing period. A negative Invoice Offset also results in an earlier interface date in the billing schedule. The reason is, the billing period must interface to Oracle Receivables early in order to Print the invoice early.

In a situation where the billing program is run later than the scheduled Invoice date, the invoice date will be set to the current date. When the invoice date is in the future, this date will remain unchanged when interfaced to AR. The Service Contracts Main Billing program sends the invoice dates to AR Interface Tables for both Advance and Arrears billed contracts. However, for Advanced Billed contracts you can use the Invoice Offset field to adjust the invoice date.

The following table shows an example of a billing schedule when the billing program is run after the start of a contract and has to catch up billing for the first few billing

periods. The contract effective dates are 01/01/03 to 12/31/03 and are to be billed monthly.

Today is 03/15/04 and the default date that is entered when running the billing program is 04/01/04. The first 3 months that should have already been billed would have their invoice date set to 03/15/04 since their original invoice date is in the past. The fourth month has an invoice date of 04/01/04, which is later than today's date, but since the default date when running the billing program is 04/01/04, then the invoice for April would also be sent to Accounts Receivable, with an invoice date of 04/01/04. The Interface Date will default to the Bill From Date unless adjusted using the offsets. This means that the billing transaction is eligible to be sent to AR on or after the first day of the billing period.

Invoicing Rule - Advance Invoice

| Invoice Date | Bill From | Bill To | Interface Date |
|--------------|-----------|----------|----------------|
| 03/15/04 | 01/01/04 | 01/31/04 | 01/01/04 |
| 03/15/04 | 02/01/04 | 02/28/04 | 02/01/04 |
| 03/15/04 | 03/01/04 | 03/31/04 | 03/01/04 |
| 04/01/04 | 04/01/04 | 04/30/04 | 04/01/04 |
| 05/01/04 | 05/01/04 | 05/31/04 | 05/01/04 |
| 06/01/04 | 06/01/04 | 06/30/04 | 06/01/04 |
| 07/01/04 | 07/01/04 | 07/31/04 | 07/01/04 |
| 08/01/04 | 08/01/04 | 08/31/04 | 08/01/04 |
| 09/01/04 | 09/01/04 | 09/30/04 | 09/01/04 |
| 10/01/04 | 10/01/04 | 10/31/04 | 10/01/04 |
| 11/01/04 | 11/01/04 | 11/30/04 | 11/01/04 |
| 12/01/04 | 12/01/04 | 12/31/04 | 12/01/04 |

For the Arrears Invoicing Rule, the Invoice Date defaults to the Bill To Date unless adjusted using the offsets. The Interface Date will default to the Bill To date plus one day. This means that the transaction is eligible to be sent to AR the day after the billing period ends.

The following table shows an example of a billing schedule for arrears.

| Invoicing Rule - Arrears Invoice | | | |
|---|------------------|----------------|-----------------------|
| Invoice Date | Bill From | Bill To | Interface Date |
| 01/31/04 | 01/01/04 | 01/31/04 | 02/01/04 |
| 02/28/04 | 02/01/04 | 02/28/04 | 03/01/04 |
| 03/31/04 | 03/01/04 | 03/31/04 | 04/01/04 |
| 04/30/04 | 04/01/04 | 04/30/04 | 05/01/04 |
| 05/31/04 | 05/01/04 | 05/31/04 | 06/01/04 |
| 06/30/04 | 06/01/04 | 06/30/04 | 07/01/04 |
| 07/31/04 | 07/01/04 | 07/31/04 | 08/01/04 |
| 08/31/04 | 08/01/04 | 08/31/04 | 09/01/04 |
| 09/30/04 | 09/01/04 | 09/30/04 | 10/01/04 |
| 10/31/04 | 10/01/04 | 10/31/04 | 11/01/04 |
| 11/30/04 | 11/01/04 | 11/30/04 | 12/01/04 |
| 12/31/04 | 12/01/04 | 12/31/04 | 01/01/05 |

Revenue Tracking in Oracle Receivables

In order for all earned, unearned, or unbilled revenue for the contract to be visible in Oracle Receivables, all billing transactions for the contract should be interfaced to AR. Postings need to be made into the correct period.

To meet this requirement, the Bill From date on the contract billing schedule will become the invoice rule start date, which will take the accounting rule into consideration and will determine the date for the transaction. If it is required that all bills are interfaced at the start of the contract, when running the Service Contracts Main Billing program, the default date parameter should be set far enough in advance to pick up all bills for the contract.

Billing for Services

The Service Coverage defined for a service contract determines the exact amount to be charged to a customer for services provided.

For example, suppose you have created a 9-to-5, 100 percent material coverage, and you define a 10 percent discount on labor. When a service technician replaces parts for a customer, the customer is charged only for labor with a 10 percent discount. The customer is not charged for parts replaced.

The entitlement engine determines the coverage for each billing line based on the combination of type of billing transaction and the billing type associated with the part on the line. It applies the pricing, discounts, and other parameters defined in the contract for each billing line to derive the actual price to be billed as per the contract.

Automatic Service Program Billing

Customers can automatically be billed for extended warranties they purchase. Oracle Order Management uses Oracle Receivables, through the Receivables Interface, to create invoices for service programs on sales orders. In this case, the service programs are extended warranties. Billing can be done either in advance or in arrears using Oracle Receivables invoicing rules. Upon renewal of the extended warranty, billing occurs in Oracle Service Contracts as described in the Billing for Contracts section.

Summary Billing

Oracle Service Contracts provides the option to summarize billing lines for interface to Oracle Receivables. When the Summary Transaction check box is selected for a contract, billing for contract sublines will be consolidated under each service line according to subline start and end dates.

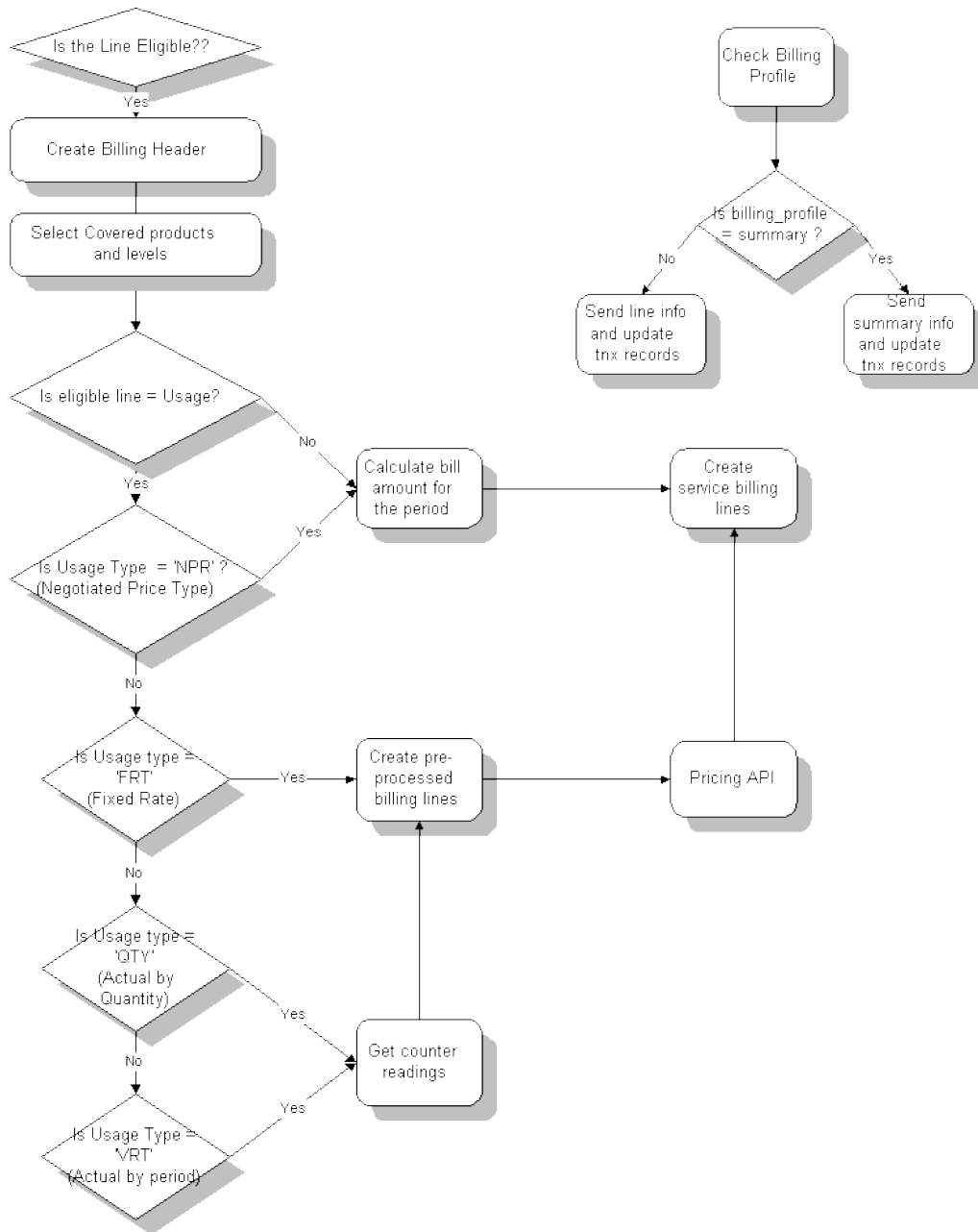
Bill Settlement

It may be necessary to settle the billing with customers because of usage limits, fixed usage billing, or termination. Settlement billing creates an invoice or credit memo based on the difference between the actual readings and what was billed.

The following diagram illustrates how the Service Contract Billing engine calculates the billing amount. Regardless of the line type, billing details are calculated and stored. When the invoices are ready to be generated and sent to Oracle Receivables, the customer billing profile is accessed to determine if summarized or detailed billing is to occur.

Oracle Service Contracts Billing Engine

Oracle Service Contracts Billing Engine (Regular) OKS API



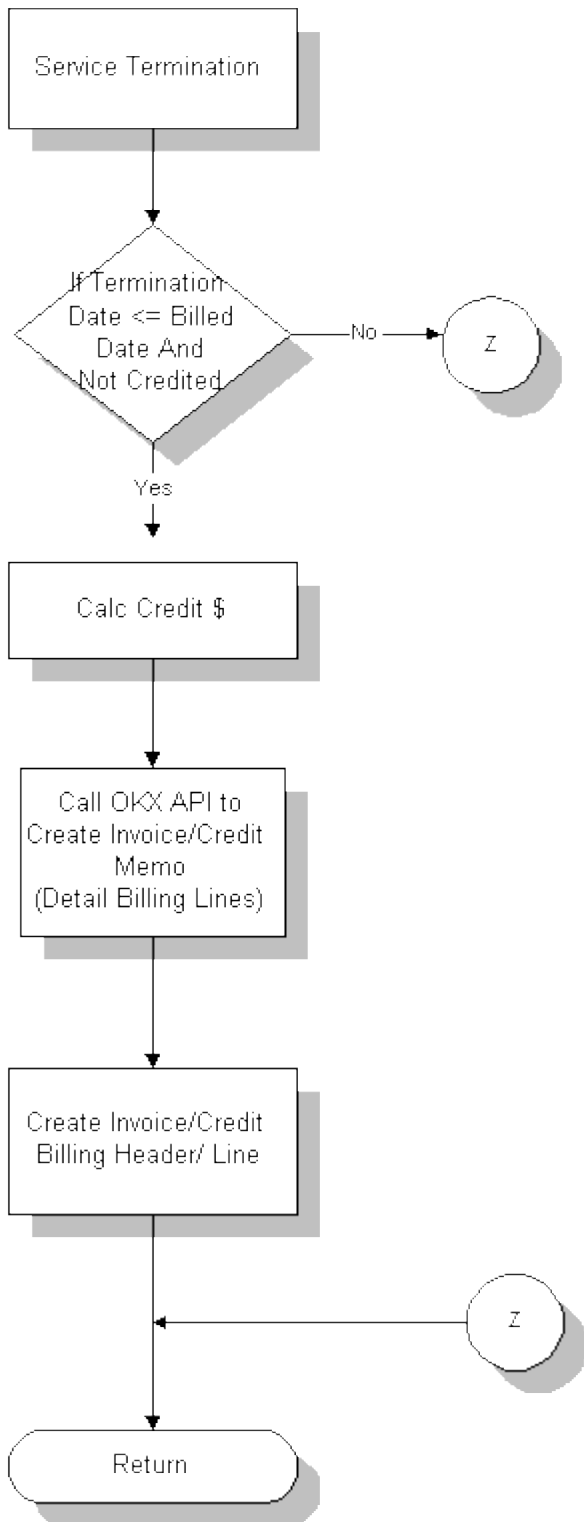
Bill Termination

The following diagram shows the process flow for bill termination.

A customer can choose to terminate a whole contract or individual contract lines (service or usage) or sublines. The termination of contract lines can be post dated (Services only) or future dated. When service lines are terminated post dated, the customer can

be credited as needed for any overpayment. When service lines are terminated future dated, billing schedules are updated to reflect the appropriate end dates.

Process Flow for Bill Termination



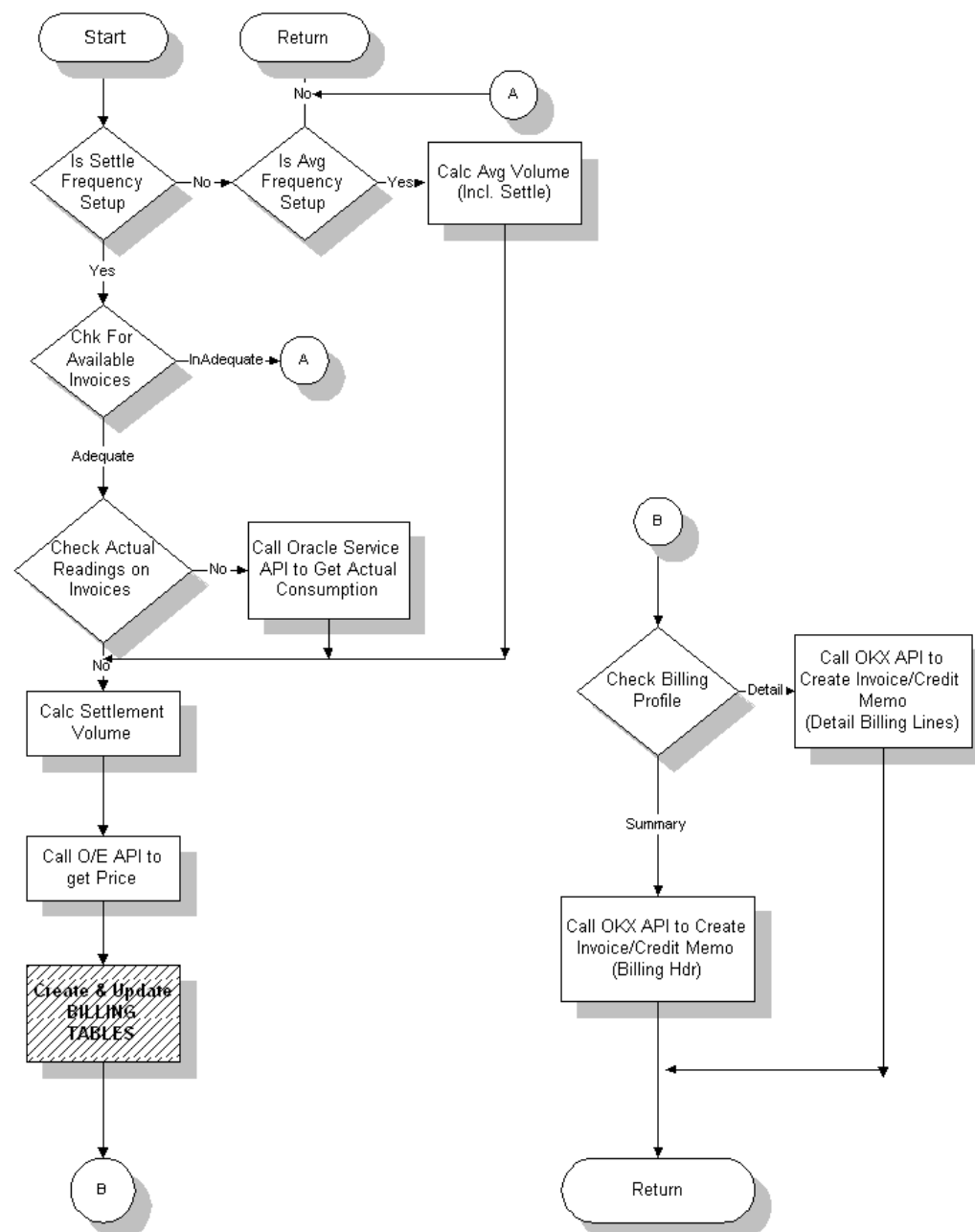
Service Settlement

Service settlement is based on whether a service or usage line is to be settled and involves the generation of a credit memo or invoice depending on the time frame in which the service is terminated. Settlement of a service line type is straightforward. On the other hand, settlement for a usage line type is based on attributes that are set up for usage lines.

The following diagram highlights the logic for determining the amount of the settlement:

Service Settlement

Service Settlement



Executing Main Billing

Billing Execution procedures consist of the following topics:

- Overview, page 2-101
 - Running the Billing Program, page 2-102
 - Running the Fetch AR Program, page 2-103
 - Running Usage Averaging and Settlement Program, page 2-103

Overview

The procedures for executing service contract billing involves the following concurrent requests:

- Service Contracts Main Billing: Detailed transactions are generated in billing interface tables based on:
 - Attributes set up in the contract and billing schedule
 - Setup of Interface Price Break option in the Global Contracts Defaults form, page 3-52.
- AutoInvoice Import Program: The billing transactions are then imported into Oracle Receivables.
- Service Contracts Fetch Receivables Info for Billing. This concurrent request fetches the invoice number and tax from Oracle Receivables and updates the contract billing history. This information is displayed in the contract's billing history.

Depending on the usage type, the following occurs when Service Contracts Main Billing is executed:

- For Fixed and Negotiated Price usage types, billing may be submitted without any counter updates. The actual invoice amount is based on the fixed counter value or the negotiated price defined on the contract.
- For Actual by Quantity, the counter reading should be updated prior to any billing using price breaks.
- For Actual per Period.
 - If a counter reading has not been taken, Service Contracts Main Billing uses a default counter value defined on the contract to determine the invoice amount. If AMCV is set and the prerequisite billing periods have passed, the invoice amount is the average over the defined interval, if not, it is the default.
 - If the counter is updated and it is less than the minimum, the invoice amount is the minimum counter value; otherwise it is the actual counter reading using price breaks (also applies to Actual by Quantity).
 - If the customer is billed for the minimum, the consumption is calculated without regard to the previous under-usage. The usage calculation for each billing period should be independent. That is, if the minimum usage is not used, then the customer loses the consumption shortfall.
 - If one or more billing periods have passed without any counter updates, the Settlement concurrent request should be run after the counter is updated. Settlement compensates or makes up for the estimated invoice value

for each period after the counter readings have been taken for each period. This is displayed as another line in the billing history.

Prerequisites

You must define the following:

- Transaction Types (Oracle Receivables) - Invoice and Credit memo
- Batch Source (Oracle Receivables)
- Grouping Rules (optional) (Oracle Receivables)
- Applicable usage items must be included on an active price list (Oracle Advanced Pricing)
- Party and customer accounts and contacts must be defined (TCA)
- If Billing profiles are to be used they must be defined, for example, bill to address, summarized billing, billing frequency, advanced or arrears billing

Running the Billing Program

Use this procedure to run the Billing program.

To run the Billing program:

1. In the Navigator, choose Control > Requests > Run. The Submit New Request window appears.
2. Choose Single Request and click OK. The Submit Request window appears.
3. In the Request region, select Service Contracts Main Billing.
4. In the Parameters window, specify one or more of the following:
 - Contract Number: Enter the numbers of the contracts to be billed.
 - Default Date: Enter the date you want as the default. (The default offered is the system date on your computer.)
 - Organization Id.: Enter the organization id for which all the contracts are to be billed.
 - Customer Name: Enter the name of the customer for which all the contracts are to be billed.
 - Category: Enter the category for which all the contracts are to be billed.
 - Group: Enter the name of the group for which all the contracts are to be billed.
 - Preview: Change this option to yes if you wish to send these transactions to special preview tables. Leave it at no if you want the transactions interfaced to Accounts Receivable.
5. Click OK.
6. In the Submit Request window, click Submit Request.

The billing program sends the invoice amount to Oracle Receivables, which then generates the invoice. The process also populates some billing transaction history information in the History tab of the Billing Schedule. Since the invoice number

is assigned and tax calculated by Oracle Receivables neither of these pieces of information could be populated until after the Service Contracts Fetch Receivables Info for Billing program is run. The tax amount will be left blank and the invoice number will be populated with -99.

References

For more information on invoicing, see the *Oracle Receivables User's Guide*.

Running the Fetch AR Program

The Service Contracts Fetch Receivables Info for the Billing program retrieves the invoice number and tax amount from AR and updates the contract's billing history accordingly. The tax amount is nonzero if tax is "required" in the contract.

Prerequisites

In Oracle Receivables, run the AutoInvoice Import program to generate the invoicing. The user who runs AutoInvoice must have the profile option AR: Define Document Sequences set to Partially Used at either the user level or at the responsibility level.

To run the AutoInvoice program:

1. From the Navigator, choose: Other > Control > Requests > Run. The Submit a New Request window appears.
2. Choose Single Request and click OK. The Submit Request window appears.
3. In the Name field, select Fetch Receivables Info for Billing.
4. Click OK.
5. In the Submit Request window, click Submit Request. This updates the invoicing information in the customer's contract.

Running Usage Averaging and Settlement for Billing Program

Use this procedure to run the Usage Averaging and Settlement for Billing program.

To run the program:

1. In the Navigator, choose: Other > Submit Requests. The Submit New Request window appears.
2. Choose Single Request and click OK. The Submit Request window appears.
3. In the Name field, select Usage Averaging and Settlement for Billing.
4. In the Parameters window, enter the number of the contract. If you leave this field blank, all contracts will be used.
5. Click OK.
6. In the Submit Request window, click Submit Request.

Commitment and Credit Card Billing Methods

Oracle Service Contracts integrates with Oracle Receivables to support multiple billing methods including Prepayment (commitment) and Credit Card.

When entering the billing terms for a contract, you can select a method of payment from a list of values. If the Credit Card method is selected, the authoring process mandates the entry of credit card information such as credit card number, and credit card expiration date. If you select the Commitment method, then the Authoring process requires the entry of a commitment number. Customer commitments must be set up in Oracle Receivables prior to use as a method of payment in Oracle Service Contracts.

Reviewing Entitlements

Along with the usual functionality of checking entitlements, for example, finding out if a customer is calling during his coverage hours, or to find the agreed reaction time, a separate component of Oracle Service Contracts allows other applications to view the coverage for a particular contract.

Entitlement information is made available to any application that requests it such as, Oracle TeleService, Field Service, Install Base, and Depot Repair.

Sharing Contract Information

Oracle Service Contracts provides detailed contract information through other Oracle applications:

- Customer Support
 - Contract details for a given customer such as account, end date, status, contract type, and contract number
 - Retrieval of all active, terminated, and expired contracts for a given customer
 - Preferred, primary, and excluded engineers for a service
 - Coverage time for a service request or customer call
 - Coverage levels associated with a service
 - Reaction and resolution times for coverage
 - Billing rate for a specified coverage
 - Material, labor, and expense Billing types
 - Retrieves the list of contract lines with Preventive Maintenance program attached and an existing schedule
 - Retrieves preventive maintenance schedules for a contract line
 - Retrieves the confirmation flag for a contract line
- Field Service
 - Preferred, primary, and excluded engineers for a service
- Install Base
 - Contract details for a given customer such as account, end date, status, contract type, contract number

- Usage items may be tracked by one or more counters
- Billing rate for a specified coverage
- Billing types: material, labor or expense
- Depot Repair
 - Details for repairs, exchanges, replacements, and loaners
- Charges
 - Details for billing types and billing rates (when applicable, billing rates apply to labor)
- Advanced Service Online
 - History and activities of any Preventative Maintenance program

Overview of Entitlements Processing

Once a contract is in effect, entitlement information for a customer is shared automatically, based on the customer's contract, and shows the amount to be billed after service has been delivered.

Entitlement processing refers to the services that the customer is entitled to once the contract is in effect. The entitlements cover the following:

- Checking for service overlaps
- Performing discount calculations
- Checking for coverage details and reaction times
- Applying requisite billing rates

The entitlements are defined in the Service Contracts window and are automatically enforced through Oracle Support. The discounts and reaction times are defined in the coverage window in Oracle Service Contracts. For every business process that is covered in the contract you can define coverage times and reaction times. For example, an onsite preventative maintenance transaction could be part of a 9-to-5 service, with 5 percent material covered in the service. The coverage times for an onsite preventive maintenance service can be 9-to-5, five days a week, with a reaction time of two hours for a high severity call. If a high priority call comes in at 10:00 A.M., then the service request window would automatically calculate 12:00 P.M. as the time by which the call needs to be resolved.

Similarly, the discounts that are defined in a contract are automatically applied in the service request Charges window that the customer service is delivered. Therefore, the onsite preventive maintenance service includes a replacement of parts transaction type and an upgrade of part transaction type. Once you have the necessary entitlements defined in the service contract, you can associate the contract with the service request and have the charges and discounts applied to the service that is being rendered.

Oracle Service Contracts determines the entitlement of a customer automatically. It accomplishes the following:

- Entitlement processing is integrated with service requests and determines deliverables, time frames, and coverage available for the product and serial number listed on the service request window. The entitlements also determine performance guidelines to be followed such as a 2-hour reaction time, whether specified parts are

included, and whether service is covered between specified hours. More detailed information regarding a contract is available through a drill down on the contract coverage in the service request.

- In Oracle Depot Repair, contract entitlements deal with repairs, exchanges, replacements, loaners, and returns from customers.
- In Charges billing, the entitlement engine determines the coverage for each line based on the combination of type of billing transaction and the billing type associated with the part on the line. It applies the pricing, discounts, and other parameters defined in the contract for each Charges billing line to derive the actual price to be billed.

Entitlements Search

You can use the Entitlements Search window to search for all contracts that match your search criteria, or limit the search to Entitled contracts. You can search for contracts based on their covered levels attributes such as Product Name, and Item Name.

The Entitlements Search window includes the following regions:

- Search Option region: In this region you can select one of the following options:
 - All Contracts: Select the All Contracts radio button, if you want to search for all contracts that match your search criteria.
 - Entitled Contracts: Select this option, if you want to search only for the entitled contracts. If this option is selected, at least one covered level must be selected prior to performing the search.
- Contract Covered Levels region: The Contract Covered Levels region allows selection of all six types of covered levels, with appropriate attributes for every level. The following table displays the covered levels and their attributes:

| Covered Level | Attribute 1 | Attribute 2 | Attribute 3 |
|------------------|--------------|------------------|------------------|
| Product | Product Name | Serial Number | Reference Number |
| Item | Item Name | Item Description | - |
| Site | Site Name | Site Number | - |
| System | System Name | System Number | - |
| Customer Account | Account Name | Account Number | - |
| Party | Party Name | Party Number | - |

- Contracts Additional Search region: If you select any search option from the Contract Covered Levels region, this region will act as a filtering criteria, otherwise the contract lines are retrieved based on the search criteria you enter in this region. The following attributes are available in this region:
 - Line Attributes: Service Name, Status, Renewal Type, Coverage Type, Bill To Address, Ship To Address, Start Date range, and End Date range.

- Header Attributes: Contract Number, Status, Renewal Type, Postal Code, Party (Party role as Customer), Contract Group, Start Date range, End Date range, and Date Terminated range.

After entering your search criteria, click the Search button. The search results are displayed in the Results form. The Results window displays details of the contract lines that match the search criteria:

- Contract unique identification (number and modifier) and description
- Contract line number
- Line type (for example, Service)
- Item name (for example, name of the service program)
- Line start and end dates
- Status of the line (for example, Active)
- Coverage name

In addition, in the Results window you have access to:

- View Coverage button: Select a contract line and click the View Coverage button to open the Coverage form in read-only mode.
- Open button: Select a contract line and click the Open button to display:
 - The Authoring window of Oracle Service Contracts. From the Authoring window, you can manually adjust Warranty Start and End dates on , page 2-107 installed products.
 - Line Detail window (in read-only mode). When entitlements search is used by any application other than Service Contracts (for example, when it is used by a Customer Care agent in Oracle TeleService).

To adjust start and end dates for warranties:

The steps for adjusting the start and end dates for a warranty line are:

1. From the Result window, select a Warranty line.
2. Click Open to display the Authoring window.
3. Select the Cascade Attribute option from the Actions menu. The system displays the Cascade Attribute window. In the Cascade Attribute window, all header attributes are grayed out, except the Date attribute.
4. Saving Warranty Dates and Cascading from Header to Lines: You can change the Start Date and End Date fields in Header and Lines regions. At this time, you can update the Warranty Header and Lines dates. If a Line check box is not selected and you click the Save button, the Header and Lines Dates will be saved as entered. If any Line check box is selected, and you click the Submit button, the Header dates are cascaded to those selected lines.
5. Saving Warranty Dates and Cascading from Lines to Sublines: Cascading from Lines to Sublines option opens a similar window with Start Date and End Date in enable mode. You can change the Start Date and End Date for the selected Sublines. If a Line check box is not selected and you click the Save button, the Header and Lines Dates are saved as entered. If any Line check box is selected, and you click the Submit button, the header dates are cascaded to those selected sublines.

Adjusting dates can also be done from Oracle Install Base. This is based on the Synchronize Date Installed check box of the coverage associated with the install base item.

Update Quantity initiated from Install Base, will update the warranty covered levels quantities accordingly.

Managing Contracts

After the contract authoring process is complete, the contract will need to be managed during its life cycle. Changes may have to be made to the coverage, duration, and so on. This section describes some of the Contract Management features that can be used to help streamline and control this administrative process.

Contract Management consists of the following tasks:

- Editing a Contract, page 2-108
- Finding a Contract, page 2-109
- Cascade Service Price, page 2-110
- Contract Renewal, page 2-110
- Termination Procedures, page 2-118
- Extending a Contract Line, page 2-120
- Grace Period, page 2-121
- Mass Change, page 2-121
- Reassigning Resources, page 2-127
- Reporting, page 2-128

Editing a Contract

Handling Change Requests

A contract may be set to a status that does not allow changes to be made online through the authoring form, but does allow changes through a change request. This provides more control over tracking the changes made to a contract through its life cycle.

If the Active status does not allow “online updates”, then any changes to the contract would have to go through the change request process. Once a change request has been approved, a notification is sent to the Contract Administrator. From the Inbox, the contract may then be opened for update. (Note that in this instance the Open for Update button is not visible in the contract itself.) After the contract updates have been completed, the contract is run through the QA Check and if everything passes, the contract status is set back to Active.

See the *Oracle Contracts Core User Guide* for the steps describing entering, approving, and closing change requests.

Open for Update Button

This button is used to allow updates to a given contract and is applicable to contracts having the status Active. If this status allows “online updates,” the Open for Update

button is enabled. If other users try to access the same contract, they will be able to display the contract, but unable to do any updates as the Open for Update button will be disabled. For the selected contract, clicking the Open for Update button will set the contract status to QA Hold. After the updates are completed, for example, pricing, billing attributes or adding a new service line, select Check QA from the Actions menu to run the quality assurance check. If it passes, hit cancel and the status will be set back to Active when the QA window closes. Since the contract has already been approved and signed, it is not necessary to Submit for Approval a second time.

Warranty contracts may not be updated using Open for Update. Extended Warranty and Service Agreement contracts may be edited; however, the portion of the contract that has already billed (whether via Oracle Service Contracts or Oracle Order Management) may not be altered. A billed line may have new sublines added to it, but the billing stream applied (periods, uom/period, uom) will be identical to the billing stream under which the line has previously been billed. If a new line is entered, a new billing stream is entered and may be different than the billing stream on any lines that have been previously billed.

If, during the Open for Update action, lines have been added (which are technically in an Entered state) those lines can be deleted without having to revert any other changes as well. Since entered lines can be deleted from an Entered status contract, the same behavior will apply to the new lines on a contract in QA Hold.

Revert Update

After a contract has been approved, the contract may be opened for update through the Open for Update button. A series of updates (on multiple occasions) may be performed on this contract. At any point, Revert Update will “undo” all the updates. However, once the contract is has been through the QA check and is set back to Active status, it is not possible to “undo” changes that were made prior to the QA Check. In other words, the Revert Update feature is available only while the contract is QA Hold status.

Finding a Contract

To help in locating a contract or a template, Oracle Service Contracts provides a search window. Use the Search Templates and Contracts window to enter your search criteria and execute the search. When the search is completed, a list of contracts that match your search criteria appear in the Results region. Select the contract and right click to open it.

To find a contract:

1. From the Navigator, choose Launch Contracts. The Oracle Contracts window appears.
2. From the View menu, select Find. The Search Templates and Contracts window appears.
3. Enter your search criteria.
4. If applicable, click the More button. The More button provides an enhanced search criteria for finding contracts. The button is activated when a Service Contract category is selected as one of the search criteria. When you click the More button, the system displays the Service Module Search window. This window provides the ability to search on specific attributes for service contracts. Searchable fields are:
 - Agreement Name

- Date Signed
- Order Number
- Bill to Address
- Organization
- Contact e-mail

Cascading Service Price

The Cascade Service Price window is accessed from the Actions menu and is used to cascade the service line price to the covered level prices at the same proportions. The Cascade Service Price function is not available for Subscription lines.

For example in the table below, the current service line price is \$2,000 and in this case, the percentage of the service price applied to lines L1 & L2 is 75% and 25% respectively. The same proportions are cascaded to the lines if \$4,000 is applied.

| Current | New |
|-----------|--------|
| S1 \$2000 | \$4000 |
| L1 \$1500 | \$3000 |
| L2 \$500 | \$1000 |

To cascade the service price:

1. Select the contract line to which you want to make a price change.
2. From the Authoring window navigate to Actions > Cascade Service Price.
3. Review Service, Start Date, End Date, and Current Price fields. These are display-only fields.
4. Enter the New Price that is to be allocated across the sublines.
5. Click Apply to save. The new price is cascaded in the appropriate proportions to the final price of each covered level.
6. Refresh the billing schedule to reflect the new values.

Renewing Contract

Contract Renewal

The process of renewing a contract involves making a copy of an existing, active contract as of a point in time. The dates are changed to reflect a period of time similar to the existing contract; beginning on the first day after the existing contract expires. Other attributes of the new contract may also be changed such as pricing. Because there may be an overlap between the time the existing contract creates the renewal contract and the time the renewal contract goes into effect, be aware that changes to the existing contract will not update the renewal contract. For example, if a contract is renewed 90 days prior to expiration and the customer requests changes to their existing contract 15 days after

the renewal process has begun, the changes made to the existing contract will not be reflected on the renewed agreement.

Note: When renewing a Subscription type contract:

- A new instance is NOT created in Install Base and the new contract continues to cover the same parent item. However, if you use the Copy function to create a new Subscription contract, a new instance is created in Install Base.
- The Fulfillment schedule is copied to the new contract.

Renewal and pricing attributes may be entered in the individual contracts and apply to all contract categories. If not specified in contract, the renewal and pricing attributes are retrieved from the renewal event or from the Global Contracts Defaults in the following order of precedence:

- Event
- Party
- Organization
- Global

Some of the renewal information is held in profile options, which determine what information will be obtained from the profile option settings upon contract renewal.

Setting the profile option OKS: Enable Sales Credits to Retain, will result in sales credits from the prior contract being carried forward to the renewal contract.

By setting the profile option OKS: Enable Sales Credits to Derive, the system will use the following profile options to derive a sales person for the renewal agreement:

- **OKS: Use Territories to Default Sales Person:** if set to Yes, sales person will be derived from Territory Setup. If set to No, then Service contracts looks to the value entered in OKS: Sales person to derive the vendor contact/sales person.

OKS: Sales Person: If OKS: Use Territories to Default Sales Person is set to No, this profile determines the sales person for the Sales Credit form and for the vendor contact on the contract summary. If OKS: Use Territories to Default Sales Person is set to No, and you do not set a value for OKS: Sales Person, the contract will fail to renew and instead produce an error message. You may manually add additional sales people to the Sales Credits form after the renewal agreement has been created.

OKS: Revenue Type Distribution for Sales Credit - assigns the percentage of revenue to the sales person whose name was determined by the Sales Person or Use JTF profile options. Sales Credits must total 100% in order to pass the QA check. If you add additional sales people to the Sales Credits form, remember to distribute revenue to them until the total is 100%.

OKS: Revenue Type for Sales Credits - indicate whether this revenue is quota or non-quota for the sales person that was defaulted.

OKS: Vendor Contact - adds a vendor contact role to the renewal agreement. This information is in addition to copying any vendor contact roles and names that are on the original contract. Ideally, you should set this profile option to salesperson, however that is not required. The vendor contact name that will populate this role is the person who is identified by the JTF territory assignment if OKS: Use Territories to Default Sales Person is set to yes, or will be the salesperson specified in the Sales Person profile option.

If Enable Sales Credits is set to Drop, the information from these profile options is not included in the renewal agreement nor is it copied from the original contract. No sales credit information will default to the renewal agreement; it would be entered manually.

Contract renewal consists of the following topics:

- Renewal Types, page 2-112
- Renewal Procedures, page 2-112
- Renewal Consolidation, page 2-116

Renewal Types

Renewal types have been added so that the renewed contract isn't automatically defaulted to the Entered status, requiring it to go through approval again. You can set the renewal type on the Administration tab at the header to be one of four options:

- Do Not Renew
- Active Contract
- Notify Salesrep
- Submit for Approval
- Electronic Renewal

The Do Not Renew option prevents the contract from being renewed.

Active Contract allows the contract to be renewed automatically and put straight to Active, no approval required, no human intervention, this is called Evergreen.

Notify Salesrep places the renewed contract into entered status and sends a notification to the sales representative who then must review it, make any necessary changes and submit it for approval.

Submit for Approval, creates a contract in entered status, automatically submits it for approval and sends a notification to the sales representative.

Electronic Renewal places the renewed contract into entered status and sends a notification to both the sales representative and the customer. The customer receives notification in the form of an e-mail with a link to a web page where customer can review the quote and accept, reject, or request changes to the contract renewal.

Independent Conditions can be used to set the contract to auto renew a certain number of days prior to contract expiration. This period of time can be used to negotiate the terms of the contract and administer any required changes prior to the start date of the new contract. For setting up an Independent Condition, see Defining Condition Templates in the *Oracle Contracts Core Implementation Guide*.

Using Renewal Procedures

Once a contract has been renewed, use the processes below to prepare it for approval when necessary:

- Verifying Party Information, page 2-113
- Repricing a Contract, page 2-113
- Reviewing Renewal and Administration Rules, page 2-113
- Defining Security Attributes, page 2-114

- Determining Line Duration, page 2-114
- Reviewing Pricing Attributes, page 2-115

Verifying Party Information

Before the renewed contract can be approved, changes may need to be made to the parties or contacts. Refer to Summary Parties Tab , page 2-39for more details.

Repricing a Contract

Repricing normally occurs at renewal but it is also possible to reprice a contract at contract line or covered product level at any time. It could be based on a new price list or on a price list in another currency. In the case of repricing in another currency, this can be done on condition that no previous billing has been executed for the current duration of the contract.

To reprice a contract:

1. Navigate to the Summary > Pricing/Billing.
2. If appropriate, select a new Price List from the list.
3. If multi-currency repricing is desired, enter the currency code of the price list in the header context region.
4. Click Reprice. All service lines are repriced in the new currency and the contract total is displayed in the header context region.
5. Save your work.

Reviewing Renewal and Administration Rules

Repricing rules may be specified at the time the order is created in Order Management. However, if this is not the case, the renewal event may specify renewal and administration rules, or they may be retrieved from the Global Contracts Defaults. These rules are retrieved in the following order of precedence: party, organization, and global. If a specific rule is not found at a given level, it is retrieved at the subsequent level and ultimately at the global level if they do not exist in the other levels. In any case, the renewed contract would have all the elements required for renewal and repricing and submit the contract for approval.

To review renewal and administration rules:

1. Navigate to the Summary (T) Administration.
2. Select or validate the appropriate Quality Assurance Checklist from the list of values.
3. Select or validate the appropriate Contract Groups.
4. Select or validate the Process Type Workflow Name, and Workflow Process.
5. Navigate to the Summary (T) Renewal.
6. Select or validate the appropriate Renewal Type from the list of values.
7. Select or validate the appropriate Pricing Method from the list of values.

8. If the Pricing Method is Price List or Markup Percent, validate the Price List by selecting the appropriate Price List from the list of values.
9. If the pricing method is Markup Percent, validate the Markup by entering the appropriate percent.
10. The PO Required check box may be selected from the renewal event or party, organization or global levels. If selected, the PO Number field is mandatory. Enter the corresponding PO number.
11. Save your work.

Defining Security Attributes

To define security attributes:

1. Navigate to the Summary > Security/Text.
2. Select the security type from the drop down list. The valid values are:
 - Group: This specifies contract group security
 - User: This specifies user security
3. Select the Group or User Name from the list of values, depending on the security type.
4. Access to view a contract cannot be restricted. Access to modify a contract is granted to the user who meets any one of the following criteria:
 - The user is granted the Modify access in the Security tab of the contract.
 - The user is part of a group that was granted the Modify access in the Security tab of the contract.
 - The user logged into a responsibility that has been granted the Modify access for the contract category.
5. Select the security level appropriate to the security type. The contract offers modify access to any user whose responsibility allows them modify access to the application. You can reduce their access by restricting them to read-only for this particular contract. Once you enter information in this security field, only the users you name can access the agreement and only with the level of security you indicate. If a user has read-only access to the application, granting them modify access to a specific contract will give not them access to make changes to the agreement. So these security attributes serve only to restrict access further, not to grant any additional access. The valid values are:
 - Modify: This allows update access to the given contract.
 - Read Only: This allows read-only access to the given contract.
6. Save your changes.

Determining Line Duration

Previously, a single order translated into a single service contract. However, with the ability to enter contract details in Oracle Order Management, it is possible to merge any order line to an existing contract or to the contract on the current order. If a service

contract has been interfaced through Oracle Order Management, the field Order / Line number is populated at the service line level on Lines/Accounts tab. If the service contract is created manually, this field is disabled.

If customer contacts are entered for the given service line, the address is automatically displayed for the corresponding customer contact.

With the ability to merge an order line to an existing contract, the order line duration in most cases would be shorter than the contract duration. In order to facilitate contract renewal, all the service lines coterminate. In addition, a new line attribute has been added to determine the line duration at the time of renewal. This attribute would normally be automatically initialized from OM in the Contract Details window; however, it may be manually changed during the renewal review.

To determine the line duration:

1. Navigate to Lines > Effectivities.
2. If the line duration requires changing, select a Duration from the list of values. The valid values are:
 - Full Duration: At renewal time, the service line would inherit the duration of the contract.
 - Keep Duration: At renewal time, the service line duration would remain the same but would coterminate with the contract header.
 - Do Not Renew: The service line cannot be renewed.
3. Enter Invoice Text. Invoice text may be entered for the invoice imported to Oracle Receivables. By default, the invoice text is the same as the product description. However, any free text may be entered in this field where there is no validation.

Both attributes are also found at the subline level.

Reviewing Pricing Attributes

The upper portion of the Pricing and Products tab includes the pricing attributes for the previous contract. If this is the initial contract, the last contract price and currency would be null. If this is a renewed contract, the renewal event would have populated last contract price and currency. The Final Price is the sum of all the sublines. All three fields are display-only fields.

To review the pricing attributes:

1. Navigate to the Lines > Pricing/Products > Effectivities.
2. Review the Renewal Type and Invoice Text.
3. Navigate to the Pricing tab.
4. Review the last contract price and currency. Similarly to the upper half of this tab, the renewal event would populate these fields, but they are null if this is the initial contract.

Renewal Consolidation

Renewing service contracts is an important part of any service business. Each contract up for renewal represents an opportunity for revenue that should be easier to obtain than a new sale.

Renewing service contracts can be complicated because some organizations will always sell a full duration service contract the first time, resulting in a single customer having numerous contracts expiring at different times over the course of a year. This requires the customer be contacted multiple times per year for renewal confirmation and perhaps renegotiation. This increases the workload for renewal.

Renewal Consolidation addresses the problem of multiple contracts expiring during a year (or other given period) causing multiple renewals. With Renewal Consolidation, all the contracts to be renewed over a given period are consolidated into a single renewal contract.

Renewal Consolidation has several benefits:

- The number of renewal contracts is decreased, reducing workload and the difficulties imposed by large numbers of contracts.
- Customer relationship is improved. All the customer's services may be included in a single contract, or several consolidated contracts based on how the contracts are to be billed.
- It reduces the number of invoices sent to the customer.

Using Renewal Consolidation

The renewal consolidation process is initiated after a contract has been renewed, which may have been the result of the renewal event where contracts are renewed in mass or manually renewed from the Contract Navigator using the right mouse click. In both cases the contract is in the Entered status and is considered the Target contract.

If a contract is not valid for consolidation, you will see the error message "Target contract is invalid." If the target contract is eligible for renewal consolidation, the Renewal Consolidation window is displayed and is used to facilitate the selection of all the "source" contracts for consolidation. The upper half of the window displays all the details of the target contract. The lower half displays all the eligible source contracts in a tree structure. The system will by default, automatically select all the source contracts for consolidation and place a "***" next to the given source lines.

The following lines are displayed:

- Service lines
- Sublines or covered levels, for example, Party, Customer, Site, Product, Item, and System

A contract is eligible as a source contract if the following are true:

- Customer account is the same as the target
- "End date plus one day" of the potential source contract must be prior to the new, renewed target contract's end date
- Potential source contract must be in Active or Expired status

When submitting the renewal consolidation, a concurrent request consolidates all of the selected source lines into the target contract. If the services are the same on the

source and target contracts, the covered levels of those services can be merged into one contract line on the target contract.

Merging occurs if the following conditions are met:

- Target and source lines have the same:
 - Service Item
 - Organization ID
 - Renewal Type
 - Bill-To site
 - Start and End Dates

In addition, setting the profile option OKS: Check Coverage Match, page 3-36 to Yes, forces the renewal consolidation process to preserve differences in coverage.

The Check Coverage API compares each attribute of the coverage and stops as soon as one difference is found. It returns the result to the renewal consolidation process. If the coverages are the same, the sublines of the source contract are merged under the service of the same name on the target contract. If the coverages are different, a new contract line is created on the target contract for the service on the source contract.

The Check Coverage API checks the following attributes:

- Coverage Name
- Coverage Type
- Business Processes
- Preferred Resources

The start dates of the consolidated lines begin one day after the expiration of the original source line and all the end dates coterminate with the target contract. When the operation instance is reviewed at a later date, that is, after the concurrent request has terminated normally, all the consolidated source lines are identified with “##”.

When the renewal consolidation or operation instance is created, a source line is eligible for consolidation at that point in time. However, between the time it's created and the time it's submitted, a given source line may have been renewed, whether it be by consolidation in another operation instance or renewed manually. Therefore, at the time of submission, the system verifies that the source is still eligible for consolidation. If not eligible, Oracle Service Contracts excludes the source line from the consolidation.

If a source contract is deselected and the operation instance is submitted for renewal consolidation, it may be selected at a later time for consolidation in the same target contract as long as the target is still in “entered” status. If the target contract has already been approved and activated, the contract may be consolidated as a source in another target contract.

After consolidation has taken place, the target may be opened to verify that all the source contracts have been consolidated successfully. The new terms and conditions may then be reviewed with the customer. Once the customer agrees with its terms and conditions, the contract may be submitted for approval and billed at the intervals designated in the contract.

To submit for renewal consolidation:

1. Navigate to Launch Contracts > Contract Navigator.
2. Select a target contract and perform right mouse click to select Renewal Consolidation. The Renewal Consolidation window appears.
3. Click Query Source. If there are no contracts eligible as source contracts for the target contract, the lower half of the window will remain empty.
4. To deselect a line, highlight the branch and click Deselect Line. If a branch with child branches is deselected, all the child branches are also deselected. A single child branch may be deselected, as required. If deselected, the source line(s) are no longer identified with a "***". You can reselect the Source lines by highlighting the line and clicking the Select Line button.
5. Verify source lines are valid for consolidation.
6. If you want to save and retrieve the consolidation at a later review, click **Save** (this will create an operation instance).
7. If you want to submit the Renewal Consolidation, click **Submit**. A concurrent request id is immediately displayed.
8. Open the target contract and verify all source contracts have been consolidated successfully.
9. Submit the contract for approval.

Termination

Generate Credit on Termination

While terminating a contract line or subline, if billing has been run in advance, a credit would be generated and sent to AR at that point rather than waiting until the end of the contract date. The credit would include the day that the contract is terminated (the termination date).

For example, a customer has paid for ten days of service in advance (from January 1st to January 10th), but informs you on January 6th that he wants to end the agreement. If you terminate the contract on January 6th, the customer would be credited for 5 days (from January 6th to January 10th).

After completing the Termination program, the termination date is displayed and the status is changed to Terminated.

Contract Termination

Use the following procedures when terminating a contract.

To terminate a contract:

1. Navigate to Launch Contracts > Contract Navigator.
2. Select the contract(s) that you wish to terminate. Multi selects can be made using shift-click, control-click with the mouse.
3. Select the Terminate option from the Tools menu to open the Terminate Contracts window.

4. In the Date field, enter the date of termination. The date can be in the past.
5. In the Reason field, select a termination reason from the list of values. The system displays a description for the termination reason in the Description field.
6. If terminating multiple contracts, click the Preview button to enter additional information regarding the individual contracts. For each contract, you can enter a different termination date and reason.
7. Click the Review button to verify the information before completing the process.
8. If customer is due a credit for amounts paid prior to the termination date, the amount is indicated.
9. Optionally, you can use the Override Amount field to override the calculated amount. The amount entered for override cannot be negative or more than the original credit. Entering zero in the Override field will not prevent a credit memo from being generated; it will generate a credit memo for zero dollars.
10. If you want to issue a full credit during termination, check the Full Credit check box. If you check the Full Credit check box, the Amount field displays the total amount that was billed for the covered level, top line, or contract at the time of termination.
11. If you do not want to generate any credit memo, check the Suppress Credit check box.
12. Click Terminate to complete the process.

Having terminated the contract(s), you can run the Main Billing program to generate the necessary billing transactions as a result of the termination.

Terminating a Contract Line

Use the following procedures when terminating a contract line.

To terminate a contract line:

1. Navigate to Launch Contracts >Contract Navigator.
2. Select the contract that contains the line to terminate.
3. Double click the contract to open the Contract window.
4. Select the Overview tab. The lines of the contract are displayed in the lower of this tabbed window.
5. Select the contract line(s) to terminate.
6. Right mouse click and select Terminate Line from the menu.
7. Enter a termination reason from the list of values. A description of the termination reason will be displayed.
8. Click review to see the information before completing the process.
9. If customer is due a credit for amounts paid prior to the termination date, the amount is indicated.
10. Optionally, you may override the calculated amount. The amount entered for override cannot be negative and cannot be more than the original credit. Entering zero in the override field will not prevent a credit memo from being generated; it will generate a credit memo for zero dollars.

11. If you do not wish to generate any credit memo, check the Suppress Credit check box.
12. Click Terminate to complete the process.

Having terminated the contract line(s), you can run the main billing program to generate the necessary billing transactions as a result of the termination.

Terminating a Subline

Use the following procedures when terminating a subline:

To terminate a subline:

1. Navigate to Launch Contracts >Contract Navigator.
2. Select the contract in which the subline needs to be terminated.
3. Select the individual subline that needs to be terminated.
4. From the Tools menu, select Terminate Subline.
5. Select a termination reason from the list of values. A description of the termination reason will be displayed.
6. Click review to see the information before completing the process.
7. If customer is due a credit for amounts paid prior to the termination date, the amount is indicated.
8. Optionally, you may override the calculated amount. The amount entered for override cannot be negative and cannot be more than the original credit. Entering zero in the override field will not prevent a credit memo from being generated; it will generate a credit memo for zero dollars.
9. If you do not wish to generate any credit memo, check the Suppress Credit check box.
10. Click Terminate to complete the process.
11. Save the contract and run billing.

Extending Contract Line

Anytime the dates of a contract header, line, or subline are changed, remember to verify that amounts and billing schedules are updated or retained as appropriate for the situation.

To extend a contract line:

1. Navigate to Launch Contracts >Contract Navigator.
2. Select the contract that contains the line that you wish to extend.
3. Double click the contract to open the Contract window.
4. Select the **Overview** tab. The lines of the contract are displayed in the lower portion of this tab.
5. Right mouse click and select **Extend Line** from the menu.
6. Save your changes.

Grace Period

When a contract is nearing the end date, or has already expired, it may be desirable to provide a “grace period” so that service and entitlement may continue while progress is made toward negotiating a renewal contract. The grace period is granted to the Active or Expired contract, not the renewal contract being negotiated. The actual start and end dates of the contract will be unaffected by the decision to add a grace period to the contract. The billing schedule also remains unaffected.

You can use the Global Contracts Defaults form to set up a standard grace period for the contracts that are renewed.

When an entitlement API is called, it will take into consideration whether a grace period has been entered against the contract when calculating entitlement eligibility. Entitlement is only extended for those contract lines and sublines that end on the same date as the contract end date. For example:

Contract start date 01-JAN-2003 end date 31-DEC-2003

Service 1 start date 01-JAN-2003 end date 31-JAN-2003

Service 2 start date 01-JAN-2003 end date 31-DEC-2003

Service 3 start date 01-OCT-2003 end date 31-DEC-2003

The user updates the contract to add a Grace Period of 30 days, that is, up to 30-JAN-2004. Service 2 and Service 3 would be eligible for entitlement during the extended period, but not Service 1.

The same logic applies to sublines and coverage terms. Only those items that end on the same day as the contract end date are considered for coverage during the grace period. As long as the business processes are eligible for entitlement, the original terms associated with the business process (preferred engineer, coverage times, reaction times, resolution times, and billing types) will continue through the extended period.

The grace period can be removed from the contract by the user either before the contract expires (if the renewal agreement is completed in time) or during the grace period once the renewed contract becomes active.

Prerequisites

You must set the profile option OKS: Enable Grace Period, page 3-36 to Yes at the Site Level to update the grace period fields on the contract.

To extend a grace period:

1. Navigate to Summary > Administration.
2. Enter/Remove a Grace Duration (for example, 30).
3. Enter/Remove a Grace Period (for example, days).
4. Save your work.

Mass Change

The Mass Change window allows one attribute of multiple contracts to be updated in a single request. The contracts that are eligible for update are based on the scope and

criteria of mass change. Mass change is allowed for contracts that are in appropriate status, where the Update Online operation is permitted.

Mass Change Scope

Mass Change will support changes to a particular instance selected in the update level. For example, if changes are to be made at the organization, it will update records pertaining to that organization.

Mass Change Operation Window

This window allows you to enter scope of mass change request and selection criteria. It determines which contracts are to undergo a mass change. The top part of the window, the Criteria tab, enables you to enter the scope (update level and update level value), selection criteria (attribute, old value), and the new value for the attribute that would be changed. You will enter the name of the mass change to facilitate re-query. Update Level displays the list of values (LOV) to filter the contract. Based on the update level, you select the value from the LOV. The update level is seeded, but may also be restricted by use of the OKS: Mass Change Security Level profile option. If the security of the profile option is turned on, the list may contain only the Contract and Contract Group levels; otherwise, the following is the list of update levels available:

- Organization
- Category
- Contracts Group
- Party
- Contract

Mass Change Attributes

Mass change permits the following attributes to be changed. Making change on a contract has a subsequent cascading effect and therefore needs to be carefully considered before allowing such a change. Following attributes are permitted for mass change that can be selected from the Attribute's list of values (LOV) in the Mass Change header:

- Contract Group
- Contract Start Date
- Contract End Date
- Price List
- Contract Line Reference
- Product Alias
- Known As
- Coverage Time
- Reaction Time
- Header Bill to Address
- Header Ship to Address
- Sales Person

- Header Billing Contact
- Header Shipping Contact
- Purchase Order Number (for Billing)
- Purchase Order Required (for Renewal)
- Summary Print
- Contract Renewal Type
- Business Process Price List

| Field | Description |
|-----------------------------------|--|
| Criteria Tab | - |
| Name | Name of the mass change. |
| Operation Status | Status of the mass change request. |
| Mass Change Details Region | - |
| Update Level | Scope of selecting the contracts for a given mass change request. |
| Value | The actual value of the update level. |
| Attribute | The attribute that is being changed in the mass change. |
| Old Value | The actual value of the attribute that has to be updated. It can be a specific value, NULL or ALL. |
| New Value | The value to which the attribute is to be updated. |
| Results Region | - |
| Contract Number | The number to identify a contract. |
| Modifier | To identify a contract. It goes with the contract number. |
| Description | The description of the contract. |
| Party | Name of the customer party. |
| Contract Status | Current status of the contract. For example, entered, signed, or active. |
| Start Date | Start date of the contract. |
| End Date | End date of the contract. |

| Field | Description |
|----------------------|--|
| Old Value | The actual value of the attribute that has to be updated. It can be a specific value, NULL or ALL. |
| Process Status | Status of the mass change operation line |
| Select | To select any particular contracts. |
| Contract Description | Full description of the contract highlighted. |
| Buttons | - |
| Deselect All | To deselect the contracts. |
| Select All | To select the contracts. |
| Cancel | To cancel the operation |
| Preview | To preview the request. When the button is clicked the mass change submission window pops up and accordingly you can make selections |
| View Request | Once previewed, you can view your request through View Request. |
| Submit | Submit the mass change request. When the button is clicked, the mass change submission window pops up and accordingly you can make selections. |

To perform a mass change:

1. Navigate to Mass Change from the Navigator. The Mass Change Operation window appears with Criteria window on the top.
2. Enter the Name of mass change.
3. From Mass Change Details select the value Update Level from the LOV.
4. Select Value from the LOV.
5. Select an appropriate Attribute from the LOV. All the attributes supported by mass change are listed in this list.
6. Select Old Value and New Value from the LOV.
7. Click Refresh if all entries are correct, or click Cancel and start over. If Refresh button is clicked, all the contracts that meet the criteria are displayed in the Result window. By default all the records are selected.
8. To deselect some contracts, check the Select check box.
9. Click Preview.
10. You have two options: OK or Cancel. If you click OK, you can choose to Run the Job As Soon As Possible or On Specific Day. If Run the Job As Soon As Possible is

selected, you have the option to View request and subsequently View Output. At this stage you can also go back to the Mass Change Operation window and make changes to the mass change request, if any.

11. Accordingly submit the request. Again two options will be available: Run the Job As Soon As Possible or On Specific Day. If Run the Job As Soon As Possible is selected, you have the option to View Request and subsequently View Output.
12. Click OK. The Mass Change concurrent request will be submitted. If you Cancel, you will go back to the Mass Change window.

Note: While submitting the mass change request, if one of the requests has an error it will display an error message. In this case, you can resubmit the request after making the changes to that request. This can be done till all the contracts in the mass change request are successfully processed.

Electronic Renewals

Electronic Renewals takes advantage of workflow and XML reporting features to offer improved efficiency and improved customer satisfaction.

This process offers:

- Improved efficiency renewing lower dollar contracts
- Allows resources to be focused on larger contracts and customers
- Improves customer satisfaction by making the renewals process more customer driven

Overview

Only contracts with the category of Warranty and Extended Warranty are eligible for electronic renewals. Contracts of this category may be given a Renewal Rule of Electronic Renewal. When the renew contract API recognizes a contract with a Renewal Rule of Electronic Renewal, a workflow process is launched and the following occurs:

- A contract is renewed with a status of Entered.
- A QA Check is run against the contract.
- If the QA Check fails, a notification is sent to the help desk e-mail address (if one has been entered in Global Contracts Defaults).
- Once the contract has been corrected, it can be resubmitted and picked up by the Autorenew workflow.
- E-mail notification is sent to the customer (Quote To contact on the contract). The e-mail contains the following:
 - Cover Letter (defined in OKC Print Contracts Setup)
 - A URL for customer to view Quote Letter (defined in OKC Print Contracts Setup)
 - Account\password that is required to log into the web page and view quote (account\password is stored in FND USERS and is associated with the Quote To contact)

Note: In the first e-mail sent to the "Quote To" user, the password is sent in a readable format. For security, the

password will be encrypted in the subsequent e-mails sent to the same user.

Upon receipt of the e-mail, the customer may log into the web page to review the quote and accept, reject, or request changes to the contract renewal.

There are two ways for the customer to accept the quote:

- Payment by Credit Card - the customer provides credit card information. The card is validated (via integration to Payment Server). If the card passes validation, the contract is put in Signed status.
- Payment by PO – the customer provides a PO Number. A workflow process is launched which results in a QA Check being run against the contract. If the QA Check passes, the contract status is updated to Submitted for Approval status and a notification is sent to the contract approver. If the QA Check fails, a notification is sent to the help desk e-mail account.

If the quote is rejected a notification is sent to the help desk e-mail account and the contract is placed in Canceled status.

Changes to the quote may be requested by sending an e-mail to the help desk e-mail account.

Note: When referring to quotes above, these are reports which contain information about the renewal agreement. They are not generated by, or interfaced with Oracle Quoting.

Prerequisites:

The following prerequisite steps must be performed for Electronic Renewals to work properly:

- Enable the Electronic Renewals option in the Renewal Rule Defaults form, page 3-52. Also use this form to set up renewal defaults at the system, party, and organization levels. You can set up the threshold amount, currency type, method of payment, payment term, help desk e-mail, template set, and billing profile in the Renewal Rule Defaults form. The Electronic Renewal rule may also be specified at the contract level.
- Create templates for quote letter, cover letter, and so on, in OKC Print Contract Setup.

This is an XML reporting feature supported by Contracts Core. For guidance on how to create XML reports, see the topic about setting up XML reports in the *Oracle Contracts Core Implementation Guide*.

- Define a Template Set in Define Electronic Renewal Template.

Reports/Templates created in OKC Print Contract Setup are mapped to a Template Set in this setup screen. This is also where you would map reminder notices, cancellation notices, or similar reports created in OKC Print Contract Setup that you would like to automatically send to a customer (see Autorereminder section).

- Set Profile Option OKS: Electronic Renewal URL to identify the URL that will be used for customer responses to Electronic Renewal notifications.

Note: Template JSP files are provided. These files may be used as is or modified to achieve the desired look, feel and content in the HTML customer interface.

Autorereminder

Oracle Service Contracts provides functionality to automate the process of reminding customers to renew their contracts. After a particular notice is sent, the Autorereminder functionality updates the contract status and monitors the Autorereminder process interactions.

When a contract nears expiration, it may be automatically renewed, for example, 90 days prior to its end date. Throughout this 90-day window, the appropriate level of attention needs to be given to ensure that the renewal is secured with the customer. Rather than the sales representative having to check for contracts due for renewal and contact customers by phone or fax to renew a contract, which would be inefficient, a reminder notice will be automatically generated and sent to the customer for review through e-mail.

Autorereminder notices can automatically be sent by scheduling the Service Contracts Autorereminder program to run on a regular basis (for example, nightly).

The following prerequisite steps must be performed prior to scheduling auto reminder notices:

- Create templates for a quote letter, cover letter, and so on, in OKC Print Contract Setup.

This is an XML reporting feature supported by Contracts Core. For guidance on how to create XML reports, see the *Oracle Contracts Core Implementation Guide*.

- Define a Template Set using the Define Electronic Renewal Template, page 3-35.

Reports/Templates created in OKC Print Contract Setup are mapped to a Template Set in this setup screen. Create templates for a quote letter, cover letter, and so on, in OKC Print Contract Setup. A Template Set used for AutoReminders may be the same one that is used for Electronic Renewals.

For each report (reminder notice) that is added to a Template Set, you can also set a lead date and, optionally, a status code. There are two types of reminders: Reminder Notice and Cancellation Notice. The Reminder Notice can have any Entered status type associated with it. The Cancellation Notice can have any Canceled status typed associated to it. The AutoReminder Program updates contract status to the status associated with the relevant reminder notice as defined in the Template Set. Only contracts that qualify to have a particular reminder notice sent to the customer would have their statuses updated.

- Associate a Template Set in the Global Contracts Defaults. See: Setting Up , page 3-52Global Contract Defaults

Reassigning Resources

Service Contracts Concurrent Program for Reassigning Resources

Service contracts are generally assigned to a resource that is responsible for following through on inquiries from the customer through the life of the contract, from the initial sale through the renewal process. If that person moves to another department, or leaves the company, the appropriate level of attention may not be given to the contract.

This process ensures that contract assignments are correct and that no contract is left assigned to an inactive contact.

This concurrent process can be scheduled to run as often as necessary, for example, nightly. The process will check all contracts in an 'Entered' status type. It will

compare the Vendor Contact resource that is assigned to the contract with the resource assigned to the territory that the contract maps to in JTF territory management. If the resources are different, the resource associated to the territory will overwrite the resource that was assigned to the contract. The resource to which the contract is being assigned will receive a workflow notification.

Prerequisites

The JTF Territory assignments will have to be set up. The profile option OKS: Use Territories to Default Sales Person should be set to 'Yes' to use this process. The profile option OKS: Enable Sales Credits should be set to Derive.

The resource will have to be assigned to the contract on the Summary Parties tab in the Contacts region for the vendor.

Reporting

Many report programs contain parameters for running the report, which enable you to narrow down the results that are returned. You can run some reports for as little as a single contract to as broad every contract in your database. So where there are parameters listed for the reports, this means you can constrain your search to find only the contracts that meet criteria in those fields.

Contracts QA Report

Use this report to run QA for multiple contracts. You can select a range of contracts based on the following parameters:

- Contract Number range
- Start Date range
- Contract Status

You can also choose a report, which details the results of the QA for all contracts selected, or just for contracts which passed or failed. The report includes details of the data checked including whether the checked data had warnings and errors and if so, what results were found.

OKS Products Not Renewed Report

This report lists products on contracts that have expired and not been renewed. Parameters include organization, range of contract end dates, sales rep, and customer.

Service Contracts Bookings Report

This report lists the service contracts booked in a stated period along with the corresponding invoice details (if applicable). Parameters are organization, sales representative, range of approved dates or start dates, and contract value. You can choose to sort this report by any of these parameters as well as the customer name, invoice date, invoice number, invoice value, modifier, contract number, or start date.

Service Contracts by Status Report

This report allows the sales representative to track contracts by status. Parameters include organization, sales rep, customer number or name, currency code, range of start dates, range of end dates, status code, and status type.

Service Contracts Detail Report

This report will display key details of the contract headers, contract lines, and covered products for contracts in the Warranty and Extended Warranty category. It will not be possible to extract all Service Agreement information into this report, since it is focused on covered products. Parameters include Contract number, Customer, Status type, Status code, Start Date (From and To), and End Date (From and To).

Service Contract Forecast Management Report

This report allows the sales representative and management to track the anticipated close of contract renewals. Parameters include organization, sales rep, status, forecast period start and end, minimum and maximum contract values, currency code, and revenue recognition date.

The report can be sorted in two different ways:

- Sales representative, contract value, status type, and customer name
- Status type, status code, contract value, and customer name

You can run this report only for contracts that:

- Have one or more Service or Extended Warranty line
- Are in the Entered status type
- Have a valid Customer and Vendor role
- Have a valid Vendor Contact Role of Sales Person or Support Sales

Example:

If you run the report with the following parameters:

- Forecast Start Period: 01-Dec-03
- Forecast End Period: 31-Dec-03
- Revenue Recognized Date: 31-Dec-03

Output:

Contract Value = Total value of contracts with estimated close date between 01-Dec-03 and 31-DEC-03.

Contract Forecast = Sum of (Contract Value * Estimated Percent) for all contracts estimated to close between 01-Dec-03 and 31-Dec-03.

Revenue to Be Recognized = Total amount of revenue that can be recognized as of 31-Dec-03 for all contracts expected to close between 01-Dec-03 and 31-Dec-03.

Forecast Revenue = Sum of (Revenue to Be Recognized * Estimated Percent) for all contracts estimated to close between 01-Dec-03 and 31-Dec-03

The values for above fields are calculated based on the information you enter in the Administration tab of the Authoring window (Estimation Percent and Date fields).

Service Contracts Forecast Summary Report

This report lists the contracts eligible for renewal for a given period along with the recognized revenue date. Parameters are organization, currency code, start and end dates, minimum and maximum contract value, and recognized revenue date.

Service Contracts Setup Report

The Service Contracts Setup Report is a diagnostic tool provided to facilitate debugging of implementation issues. This report also helps in implementation by summarizing the set ups and providing information on mandatory set up items. It provides a comprehensive report on the set up done in any application environment and highlights incomplete mandatory setup steps in red. The output from this report is a PDF, which can be displayed by clicking View Output on the concurrent request form, after the report is complete. Run this report to review:

- **Profiles Setup:** This section provides a list of User Profile Option Names and Values set for them. If any of the mandatory settings are missing or not properly set, they will be highlighted in red. The Profile Setup values and mandatory column are as follows. Global Contracts Defaults: The report shows the values set in the Global Contracts Defaults set up.
- **Transaction Type Setup:** For this setup, the report checks for Batch Transaction Source OKS_CONTRACTS and Transaction Type Invoice-OKS and Credit-OKS.
- **Service Key Flexfield Setup:** Checks whether the key Flexfield Code SERV has been set up.
- **Category Setup:** Under Category set up, the report displays the categories and responsibilities set and the access level for Service and Warranty Categories.
- **Order Quoting Integration Setup:** Validates that Oracle Service Contracts is set for Order Quoting integration.
- **Time Units Mapping:** The report displays the user-defined time code units.
- **Coverage Template Setup:** The report shows if any coverage template has been defined for warranty as well as service items.
- **Statuses and Operations:** The report displays all the contract statuses and operations for each status type.

Service Contracts Summary Report

This report allows the sales representative to track all contracts by customer. Parameters include organization, sales representative, customer name or number, and from and to dates.

Service Contracts Quote Printing Program for US

This will generate a printed quote for a selection of contracts by country, party, or organization for a given X number of days before expiration. The program does not create the renewal agreement but prints the details of the entered status renewal contract in a report along with a cover letter. This is designed to be a sample report that can be tailored to meet the needs of the organization.

Service Contracts Billing Report

When the Contracts Main Billing program completes, a log file is generated. That information contains the total value processed, total value successful, and total value

rejected. For all unsuccessful transactions, further contract information will be displayed so that you can pinpoint the contract and/or line that caused the issue. The information includes:

- Contract number and modifier
- Customer bill to account name and number
- Contract group
- Contract line and subline number
- Item name
- Line amount
- Reason for failure of main billing

Speeding Up Access to Other Applications Using the Quick Menu

You can use the Quick Menu to quickly navigate to windows in other applications and preserve the current customer context. This saves you from having to change responsibilities and performing queries again to display the same customer information.

For example, if you are working on a contract for a product a customer owns, you can display information about that product from Oracle Install Base with two clicks of the mouse.

Only Quick Menu-enabled applications preserve the context in the new window. Contact your application administrator for more information.

Prerequisites

- Your responsibility must enable you to access the application you wish to open.
- Your application administrator must set up the Quick Menu selections.
- Display a contract in the Service Contracts Authoring window.

To access other applications using the Quick Menu:

1. From the Tools menu, choose **Quick Menu**.

The Quick Menu window appears.

2. Double-click on the desired menu option.

The application opens in a new window and, where available, displays information related to the contract customer.

Creating or Modifying a Contact Record

The procedures in this section explain how you can create and modify a contact record for a customer or for an account associated with a contract line:

- Creating or Modifying a Customer or Third-Party Contact Record, page 2-132
- Creating or Modifying a Contact Record for an Account in a Contract Line, page 2-133

Using these procedures you can enter or modify only the basic information such as the contact name, phone number, and e-mail address. You cannot use them to create a new customer address, for example. To create a full customer contact record, use the Customer Standard window in Oracle Receivables or the Contact Center window which is available under the Customer Support responsibility. See the contact creation procedures described in the *Oracle TeleService User's Guide* and *Oracle Receivables User Guide* for details.

Creating or Modifying a Customer or Third-Party Contact Record

Use this procedure to create a new contact for a customer or a third party or to modify an existing contact record.

Prerequisites

- Display a contract for the customer in the Service Contract Authoring window.
- You must enter the customer or third party as a party before you can enter the contact.

To create a customer or third party contact record:

1. Select the Summary tab and the Parties subtab.
2. In the Party region, select the party for which you wish to create the contact. You can create a contact either for the customer or a third party.
3. In the Contacts region, place the cursor in the Role field.
4. Choose **Maintain Contact** from the Actions menu.
The Contact window appears.
5. If you are creating a new contact, then:
 1. Choose a role for this contact using the Contact Role List of Values (LOV).
 2. Enter the contact last and first name.
 3. Use the following guidelines for entering other information:
 - Choose the titles and job descriptions from the Titles and Job LOVs. These are preset by your application administrator.
 - Phone, fax, and mobile numbers are composed of three fields: a country code (LOV), an area code, and the number itself. Do not use any delimiters in entering your number.
 - For the contact address, you can only choose one of the existing party locations. You can add a mail stop or a mail box, however, by pressing the Tab key after entering the address.
6. If you are modifying an existing contact, then you can:
 - Change the title and job description by selecting a different one from the Title and Job LOVs.
 - Change the phone, fax, and mobile numbers.
 - Change the e-mail address.

Note: When modifying existing contact information, be aware that you are modifying the contact record for all Oracle eBusiness Suite applications.

You cannot modify the address or mail stop number. If you wish to select another address or enter a different mail stop, then you must:

- Navigate back to the Service Contracts Authoring window.
- Delete the contact by selecting it and clicking **Delete** in the Toolbar.
- Create a replacement contact with the correct address information.

Note: Deleting the contact from the contract does not delete it from the database. Creating a replacement record creates a duplicate.

7. If you are modifying an existing contact and wish to revert to the existing record, then click **Reset**.
8. Click **OK** to return to the Service Contracts Authoring window.
9. Click **Save** to save the contact record.

Creating or Modifying a Contact Record for an Account in a Contract Line

Use this procedure to create a new contact for a contract line. The contact you create becomes a contact for the bill to account, the ship to account, or both, depending on your selection.

Prerequisites

- Display a contract for the customer in the Service Contract Authoring window.
- You must enter a service contract line before you can create a contact.

To create a contact for the contract line account:

1. Select the Lines tab and the Accounts subtab.
2. Select the contract line where you wish to create a contact.
3. In the Customer Contacts region, place the cursor in the Role field.
4. Choose **Maintain Contact** from the Actions menu.
The Contact window appears.
5. If you are creating a new contact, then:
 1. Choose a role for this contract using the Contact Role List of Values (LOV). Usually this is either **Billing Contact** or **Shipping Contact**.
 2. Select the Bill To or the Ship To radio button depending on whether you wish to create a contact for the billing or shipping account in the contract line.

The role you selected in the previous step restricts your choices: if you selected the Billing Contact role, then you cannot select the Ship To radio button and vice versa.

3. Enter the contact last and first name.
4. Use the following guidelines for entering other information:
 - Choose the titles and job descriptions from the Titles and Job LOVs. These are preset by your application administrator.
 - Phone, fax, and mobile numbers are composed of three fields: a country code (LOV), an area code, and the number itself. Do not use any delimiters in entering your number.
 - For the contact address, you can only choose one of the existing customer locations associated with the account. You can add a mail stop or a mail box, however, by pressing the Tab key after entering the address.
6. If you are modifying an existing contact, then you can:
 - Change the title and job description by selecting a different one from the Title and Job LOVs.
 - Change the phone, fax, and mobile numbers.
 - Change the e-mail address.

Note: When modifying existing contact information, be aware that you are modifying the contact record for all Oracle eBusiness Suite applications.

You cannot modify the address or mail stop number after you have saved them. If you wish to select another address or enter a different mail stop, then you must:

- Navigate back to the Service Contracts Authoring window.
- Delete the contact by selecting it and clicking **Delete** in the Toolbar.
- Create a replacement contact with the correct address information.

Note: Deleting the contact from the contract does not delete it from the database. Creating a replacement record creates a duplicate.

7. If you are modifying an existing contact and wish to revert to the existing record, then click **Reset**.
8. Click **OK** to return to the Service Contracts Authoring window.
9. Click **Save** to save the contact record.

Creating and Enabling Templates for E-Mails to Customers

This group of topics explains how application administrators can take advantage of the Oracle Service Contracts integration with Oracle XML Publisher to create and enable templates for personalized e-mail communications with customers.

The overview, page 2-135 describes the two types of e-mail communications you can create. The two topics that follow provide the general steps for creating each:

- Creating and Enabling Templates for E-mail Attachments Sent by Agents, page 2-136
- Creating and Enabling Templates for Communications Generated by Electronic , page 2-137Renewals

Use the references in each step to view the detailed procedures required.

Overview

Using the procedures in this section, you can create templates for e-mail communications with customers that can be used:

- By agents to send quotes and other communications as e-mail attachments
- For e-mail renewal notices generated automatically during electronic renewals

About E-mail Attachments Sent by Agents to Customers

Agents can send e-mails to contacts from the Service Contracts Authoring window by choosing **E-Mail Quote** from the Tools menu. The agent types the e-mail address, the subject, and the body, and can attach a PDF communication that is automatically generated from the template you create using the procedures in this section.

This PDF can be either a report about the current contract, or any other communication such as a general announcement.

About E-mails Generated by Electronic Renewals

You can also have the automatic renewal process use the template for one or more of the e-mail communications generated by the automatic renewal process. These are:

- An initial renewal notification (called a Cover Letter in this application) (HTML)
- One or more reminder notices (HTML)
- One or more cancellation notices (HTML)
- The PDF attachment sent with all of the above e-mails (called a Quote Letter in this application)

For each e-mail communication, the application generates an HTML e-mail body from the template and attaches the PDF attachment.

The subject line for each e-mail type is preset and cannot be modified. The following table lists the subject lines for the three types of e-mail communications:

| E-mail Communication Type | Automatically-generated Subject Line Text |
|---------------------------|--|
| Cover letters | Contract <contract number and modifier> requires your approval. |
| Reminder notices | Reminder notice for contract <contract number and modifier>. |
| Cancellation notices | Cancellation notice for contract <contract number and modifier>. |

The application sends all communications to the e-mail address the agent enters into the contract authoring window (the Quote To region of the Summary tab, Renewals subtab).

You can create multiple sets of templates for use on different dates, by different internal organizations, or targeted to different customers.

Process Overview

You must complete the following two steps to create both e-mail attachments and electronic renewal communications:

1. Create the template documents, using Microsoft Word (or another application capable of saving files in the RTF format), following the procedures described in the *Oracle XML Publisher User's Guide*.

In the document you can embed codes (XML data elements) which the application uses to supply contract-specific information including:

- Details about the contract
- The URL the customer can use to log into an application-generated Web page. There they can review the quote, indicate their acceptance, or request changes.
- The user name and password for the login.

For a complete list of contract data you can include see Contract-Specific Data Available for Inclusion in Template Documents, page 2-137. You can view sample documents provided with this application by following the instructions described in Viewing Sample Marked-Up Documents Provided with the Application, page 2-157.

2. Upload the document and register it as a template in Oracle XML Publisher. See Uploading and Registering a Template in Oracle XML Publisher, page 2-150 for details.

To create templates for e-mails sent automatically by the electronic renewals feature of this application you must also complete these two additional steps:

1. Specify the set of templates that are going to be used for a specific renewal flow. See Creating the Set of Templates Used for a Specific Renewal Flow, page 2-152 for details.
2. Specify how the template set is to be used. See Specifying How the Template Sets Are to Be Used, page 2-153 for details.

Creating and Enabling Templates for E-mail Attachments Sent by Agents

Use this procedure to create templates for E-mail Attachments sent by agents.

Prerequisites

System profile OKS: Layout Template Source must be set to **XML Publisher** at the Site level.

To create and enable templates for PDF attachments to agent e-mails:

1. Create the RTF document according to the procedures in the *Oracle XML Publisher User's Guide*.

2. Change responsibility to XML Publisher Administrator.
3. Upload and register the document as a template in Oracle XML Publisher. See *Uploading and Registering a Template in Oracle XML Publisher*, page 2-150.

The document is now available for agents to send as a PDF attachment when they send out an e-mail from the Oracle Service Contracts Authoring window.

Creating and Enabling Templates for Electronic Renewals

Use this procedure to create and enable the templates the electronic renewal process uses to generate e-mail communications with the customer.

Note: Electronic renewals are available only for contracts of categories Service and Warranty and Extended Warranty.

To create and enable templates for renewal communications:

1. Create the RTF document according to the procedures in the *Oracle XML Publisher User's Guide*.
2. Change responsibility to XML Publisher Administrator.
3. Upload and register the document as a template in Oracle XML Publisher. See *Uploading and Registering a Template in Oracle XML Publisher*, page 2-150.
4. Change responsibility back to Service Contracts Manager.
5. Group the templates into sets and specify when renewal and cancellation notices are to be sent. See *Creating the Set of Templates Used for a Specific , page 2-152* Renewal Flow.
6. Specify how you wish to use the template sets. See *Specifying How the , page 2-153* Template Sets Are to Be Used.
7. Optionally, you can preview the communications generated by the template set for a specific contract, for a party, or for an entire internal organization by running the Generate Quotes concurrent program. See *Viewing PDF , page 2-155* Attachments.

Contract-Specific Data Available for Inclusion in Template Documents

The data definition supplied by Oracle, OKSCONDATA, makes it possible for you to include information about the following aspects of the contract in the e-mail body or PDF quote attachment:

- Basic contract information from the contract header, page 2-138
- The recipient of e-mails generated by the electronic renewal process, page 2-138
- The sales agent on the contract , page 2-140
- Customer name and number, page 2-141
- The default contract billing schedule, page 2-142
- Contract billing address, page 2-142
- Contract shipping address, page 2-144
- Contract taxes, page 2-144

- Contract line information, page 2-144
- Contract line taxes, page 2-145
- Contract line billing schedule, page 2-145
- Contract line billing contact, page 2-146
- Contract sublines (what the line covers), page 2-147
- Login information for the URL for customer renewals, page 2-148
- Current date, page 2-148
- Contract payment terms, page 2-149

Note: For this release, you are restricted to the data definition provided by Oracle. You can view the structure of the data definition by following the procedure described in Viewing the Data Definition Structure, page 2-149.

Contract Header

The following table lists XML data elements you can use to insert information from the contract header (basic information about the contract the agent enters at the top of the Service Contract Authoring window).

You must preface any of the XML data elements with the following string:

/ContractDetails/HeaderVO/HeaderVORow/

For example, to insert the contract number into your document you must enter:

/ContractDetails/HeaderVO/HeaderVORow/ContractNumber

| Contract Header Field | XML Data Element |
|-----------------------|------------------|
| Contract Number | ContractNumber |
| Contract Modifier | ContractModifier |
| Start Date | StartDate |
| End Date | EndDate |
| Status | Status |
| Short Description | ShortDescription |
| Currency | Currency |
| Contract Amount | ContractAmount |

Electronic Renewal Recipient Information

The following table lists the XML data elements for inserting information about the recipient of electronic renewals communications.

Agents enter this information in the Quote To region of the contract. This region is found either on the Summary tab, Renewals subtab of the Service Contracts Authoring window or, if you are generating contracts automatically from Oracle Order Management, in the Contract Details window.

Note: Some of the XML data elements are derived from information entered by agents in applications other than Oracle Service Contracts. For example, address details are entered in Oracle TeleService, Oracle Receivables, Oracle TeleSales and other applications.

You must preface the XML data elements with the following string:

```
/ContractDetails/HeaderVO/HeaderVORow/QuoteToContDtlsVO/QuoteToContDtlsVORow/
```

For example, to insert the full name of the recipient into your document you must enter:

```
/ContractDetails/HeaderVO/HeaderVORow/QuoteToContDtlsVO/QuoteToContDtlsVORow/FirstLast
```

| Quote to Contact Attributes | XML Data Element |
|-----------------------------|------------------|
| First Name | FirstName |
| Middle Name | MiddleName |
| Last Name | LastName |
| Full Name | FirstLast |
| Job Title | JobTitle |
| Phone Area Code | PhoneAreaCode |
| Phone Number | PhoneNumber |
| Email | EmailAddress |
| Address1 | Address1 |
| Address2 | Address2 |
| Address3 | Address3 |
| Address4 | Address4 |
| City | City |
| Postal Code | PostalCode |
| State | State |

Sales Agent Information

The following table lists the XML data elements for information you can insert in your documents regarding the sales agent on the contract.

This sales agent can be:

- The vendor contact of role Salesperson entered on the Summary tab, Parties subtab of the Service Contracts Authoring window.
- If you are using Oracle Order Management to create contracts, the sales agent in the Sales Order window.
- Assigned by the application automatically if your organization has implemented territories.

You must preface the XML data elements with the following string:

```
/ContractDetails/HeaderVO/HeaderVORow/SalesRepVO/SalesRepVORow/
```

For example, to insert the full name of the sales agent into your document you must enter:

```
/ContractDetails/HeaderVO/HeaderVORow/SalesRepVO/SalesRepVORow/FullName
```

| Sales Representative Attributes | XML Data Element |
|--|-------------------------|
| First Name | FirstName |
| Middle Name | MiddleName |
| Last Name | LastName |
| Full Name | FullName |
| Phone Area Code | PhoneAreaCode |
| Phone Number | PhoneNumber |
| Email | EmailAddress |
| Job Title | JobTitle |
| Manager Name | ManagerName |
| Address1 | Address1 |
| Address2 | Address2 |
| Address3 | Address3 |
| Address4 | Address4 |
| City | City |
| Postal Code | PostalCode |
| State | State |

Customer Name and Number

The following table lists the XML data elements for the customer name and number you can insert in your documents. The customer for the contract is the party of role customer.

You must preface the XML data elements with the following string:

```
/ContractDetails/HeaderVO/HeaderVORow/CustomerVO/CustomerVORow/
```

For example, to insert the customer name into your document you must enter:

```
/ContractDetails/HeaderVO/HeaderVORow/CustomerVO/CustomerVORow/PartyName
```

| Customer Attributes | XML Data Element |
|----------------------------|-------------------------|
| Party Number | PartyNumber |
| Party Name | PartyName |

Default Contract Billing Schedule Information

The following table lists the XML data elements you can use to insert information on the default billing schedule.

Agents set up the default billing schedule on the Summary tab, Pricing/Billing subtab of the Service Contracts Authoring window. Agents use this contract-level billing schedule to default schedules to contract lines, so entry is optional.

If you have only one billing period in the schedule, preface the XML data elements with the following string:

```
/ContractDetails/HeaderVO/HeaderVORow/HdrBillSchdVO/HdrBillSchdVO  
Row/
```

For example, to insert the date of start date of the billing period in your document you must enter:

```
/ContractDetails/HeaderVO/HeaderVORow/HdrBillSchdVO/HdrBillSchdVO  
Row/StartDate
```

If your billing schedule has multiple billing periods, follow the instructions described in the *Oracle XML Publisher User's Guide*.

| Header Billing Schedule Attributes | XML Data Element |
|------------------------------------|------------------|
| Start Date | StartDate |
| End Date | EndDate |
| Invoice Date | TransactionDate |
| Interface Date | DateToInterface |
| Amount | Amount |

Contract Billing Address

The following table lists the XML data elements for contract billing address information. Agents select the billing address in the Bill To region of the Summary tab, Parties subtab. The address itself must be entered in other applications.

You must preface the XML data elements with the following string:

```
/ContractDetails/HeaderVO/HeaderVORow/HdrBillToAddrVO/HdrBillToAd  
drVORow/
```

For example, to insert the city in your document you must enter:

```
/ContractDetails/HeaderVO/HeaderVORow/HdrBillToAddrVO/HdrBillToAd  
drVORow/City
```

| Header Bill To Address Attributes | XML Data Element |
|-----------------------------------|------------------|
| Address1 | Address1 |
| Address2 | Address2 |
| Address3 | Address3 |
| Address4 | Address4 |
| City | City |
| Postal Code | PostalCode |
| State | State |
| Province | Province |
| County | County |

Contract Billing Contact Information

The following table lists the XML data elements you can use to insert information about the contract's billing contact. Agents enter the billing contact by entering a customer or a third party contact with the role of Billing in the Contact region of the Summary tab, Parties subtab.

You must preface the XML data elements with the following string:

```
/ContractDetails/HeaderVO/HeaderVORow/HdrBillToContDtlsVO/HdrBillToContDtlsVORow/
```

For example, to insert the last name of the contact in your document you must enter:

```
/ContractDetails/HeaderVO/HeaderVORow/HdrBillToContDtlsVO/HdrBillToContDtlsVORow/LastName
```

| Header Billing Contact Attributes | XML Data Element |
|-----------------------------------|------------------|
| First Name | FirstName |
| Last Name | LastName |
| Phone | BillToPhone |
| Fax | BillToFax |
| Email | BillToEmail |

Contract Shipping Address

The following table lists the XML data elements for the contract shipping address information. Agents select the shipping address in the Ship To region of the Summary tab, Parties subtab. The address itself must be entered in other applications.

You must preface the XML data elements with the following string:

```
/ContractDetails/HeaderVO/HeaderVORow/HdrShipToAddrVO/HdrShipToAddrVORow/
```

For example, to insert the city in your document you must enter:

```
/ContractDetails/HeaderVO/HeaderVORow/HdrShipToAddrVO/HdrShipToAddrVORow/City
```

| Header Ship to Address Attributes | XML Data Element |
|-----------------------------------|------------------|
| Address1 | Address1 |
| Address2 | Address2 |
| Address3 | Address3 |
| Address4 | Address4 |
| City | City |
| State | State |
| Province | Province |
| County | County |
| Postal Code | PostalCode |

Contract Taxes

If you wish to enter the amount of taxes for the contract as a whole into your document, then enter the following string:

```
/ContractDetails/HeaderVO/HeaderVORow/HdrTaxAmountVO/HdrTaxAmountVORow/TaxAmount
```

The contract tax amount is calculated by the application and appears in the Tax field on the Service Contracts Authoring window header.

Contract Line Information

The following table lists the XML data elements you can use to insert information about the lines in your contract.

If you have only one contract line, preface the XML data elements with the following string:

/ContractDetails/HeaderVO/HeaderVORow/LinesVO/LinesVORow/

For example, to insert the name of the service, usage, or subscription in your document you must enter:

/ContractDetails/HeaderVO/HeaderVORow/LinesVO/LinesVORow/Name

To insert information from multiple lines, follow the instructions described in the *Oracle XML Publisher User's Guide*.

| Contract Line Attributes | XML Data Element |
|--------------------------|------------------|
| Line Number | LineNumber |
| Line Name | Name |
| Start Date | StartDate |
| End Date | EndDate |
| Line Amount | LineAmount |

Contract Line Taxes

If you have only one line in your contract, you can display the tax for that line in your document, by entering the following string and the XML data element:

/ContractDetails/HeaderVO/HeaderVORow/LinesVO/LinesVORow/LineTaxAmountVO/LineTaxAmountVORow/TaxAmount

To insert information from multiple lines, follow the instructions described in the *Oracle XML Publisher User's Guide*.

Contract Line Billing Schedule

The following table lists the XML data elements you can use to enter information about billing schedules for individual contract lines into your document.

If you have only one line in your contract, preface the XML data elements with the following string:

/ContractDetails/HeaderVO/HeaderVORow/LinesVO/LinesVORow/LineBillSchdVO/LineBillSchdVORow/

For example, to insert the date of the invoice in your document you must enter:

/ContractDetails/HeaderVO/HeaderVORow/LinesVO/LinesVORow/LineBillSchdVO/LineBillSchdVORow/TransactionDate

To insert information from multiple lines, follow the instructions described in the *Oracle XML Publisher User's Guide*.

| Line Billing Schedule Attributes | XML Data Element |
|----------------------------------|------------------|
| Start Date | StartDate |
| End Date | EndDate |
| Invoice Date | TransactionDate |
| Date To Interface | DateToInterface |
| Amount | Amount |

Line Billing Contact

The following table lists the XML data elements you can use to enter into your document billing contact information for individual contract lines. Agents enter the billing contact by entering a customer contact of role Billing Contact on the Lines Tab, Accounts subtab of the Service Contracts Authoring window.

If you have only one contract line, then preface the XML data elements with the following string:

```
/ContractDetails/HeaderVO/HeaderVORow/LinesVO/LinesVORow/LineBillToContDtlsVO/LineBillToContDtlsVORow/
```

For example, to insert the name of the contact in your document you must enter:

```
/ContractDetails/HeaderVO/HeaderVORow/LinesVO/LinesVORow/LineBillToContDtlsVO/LineBillToContDtlsVORow/Name
```

To insert information from multiple lines, follow the instructions described in the *Oracle XML Publisher User's Guide*.

| Line Billing Contact Attributes | XML Data Element |
|---------------------------------|------------------|
| Name (first and last name) | Name |
| Email | Email |
| Address1 | Address1 |
| Address2 | Address2 |
| Address3 | Address3 |
| Address4 | Address4 |
| City | City |
| State | State |
| Province | Province |
| County | County |
| Postal Code | PostalCode |

Sublines

The following table lists the XML data elements you can use to enter information about sublines. For service lines, this is what the service covers (for example, a product, or a customer site). For usage lines, this is the individual counter used to track usage.

If you have only one subline in your contract, then preface the XML data elements with the following string:

```
/ContractDetails/HeaderVO/HeaderVORow/LinesVO/LinesVORow/SubLines
VO/SubLinesVORow/
```

For example, to insert the level of coverage for a service line in your document you must enter:

```
/ContractDetails/HeaderVO/HeaderVORow/LinesVO/LinesVORow/SubLines
VO/SubLinesVORow/CoveredLevel
```

To insert information from multiple sublines, follow the instructions described in the *Oracle XML Publisher User's Guide*.

| SubLine Attributes | XML Data Element |
|--------------------|------------------|
| SubLine Number | SubLineNumber |
| Name | Name |
| Covered Level | CoveredLevel |
| Start Date | StartDate |
| End Date | EndDate |
| Quantity | Quantity |
| UOM | Uom |
| SubLine Amount | SubLineAmount |

Login Information for Electronic Renewals

The following table lists the XML data elements you can use to include in your document information users can use to log into an automatically generated HTML page where they can review and renew their contract.

The URL for that page must be entered by the application administrator in the system profile OKS: Electronic Renewals URL.

The application automatically creates a user name and password which you can insert in the renewal e-mail by including the XML names tags listed below. If you include the password tag name, the application sends the automatically generated password with the first communication to the customer and encrypts the password as a series of stars in all subsequent e-mails.

You must preface the XML data elements with the following string:

/ContractDetails/

For example, to insert the user name into your document you must enter:

/ContractDetails/UserName

| Web UI Login Attributes | XML Data Element |
|-------------------------|------------------|
| User Name | UserName |
| Password | Password |
| Web UI Login URL | WebUILoginURL |

Current Date

If you wish to insert the current date (sysdate) into your document, then enter the following string as the XML tag name:

`/ContractDetails/HeaderVO/HeaderVORow/ReportGeneratedDate`

Contract Payment Terms

If you wish to insert the contract payment terms into your document, then enter the following string as the XML tag name:

`/ContractDetails/HeaderVO/HeaderVORow/PayTermVO/PayTermVORow/PaymentTerms`

Viewing the Data Definition Structure

Use this procedure to display a sample document with all of the available data elements.

To view the data definition structure:

1. Log into Oracle Applications under the XML Publisher Administrator responsibility.
2. Click **Data Definitions** in the Navigator.

The Data Definitions search page appears in a new browser window.

ORACLE XML Publisher [Home](#) [Logout](#) [Preferences](#) [Help](#) [Personalize Page](#) [Diagnostics](#)

[Templates](#) **[Data Definitions](#)**

Data Definitions

Search

Name

Application

Code

Active

[Personalize Region](#)

| Name | Application | Start Date | End Date | Update |
|---------------------------------------|-------------------|-------------|----------|--------|
| Service Contract Data | Service Contracts | 28-Oct-2004 | | |

[Personalize Region](#)

[Personalize Region](#)

3. Enter *Service Contracts* in the Application field.
4. Click **Go**.
5. Select the Service Contract Data link.

The View Data Definition page appears.

ORACLE XML Publisher [Home](#) [Logout](#) [Preferences](#) [Help](#) [Personalize Page](#) [Diagnostics](#)

[Data Definitions](#) [Templates](#) **[Data Definitions](#)**

[Data Definitions](#) >

View Data Definition: Service Contract Data [Update](#)

| | | | |
|--------------|--------------------------------|------------|-------------|
| Name | Service Contract Data | Code | OKSCONDATA |
| Application | Service Contracts | Start Date | 28-Oct-2004 |
| XML Schema | | End Date | |
| Preview Data | OKSCONDATA.xml | | |

Description

Sample data of a Service Contract.

[Return to Data Definitions](#) [Update](#)

- Click the OKSCONDATA.xml link in the Preview Data field to view or save the file.

Uploading and Registering a Template in Oracle XML Publisher

Use this procedure to upload and register a template in Oracle XML Publisher. This step is required to use your document for electronic renewals.

Prerequisites

You must first create the template as an RTF document.

To upload and register a template:

- Log into Oracle Applications under the XML Publisher Administrator responsibility.
- Click **Templates** in the Navigator.
The Templates search page appears in a new browser window.
- Click **Create Template**.
The Create Template page appears.

[Templates](#) >**Create Template**

Start Date and End Date define when the Template is active. The Name can be translated while the Code is identical for all languages. [Cancel](#) [Apply](#)

General

| | | | |
|---------------|----------------------|-------------------|----------------------|
| * Name | <input type="text"/> | * Code | <input type="text"/> |
| * Application | <input type="text"/> | * Data Definition | <input type="text"/> |
| * Type | <input type="text"/> | * Start Date | <input type="text"/> |
| | | End Date | <input type="text"/> |
| | | Subtemplate | <input type="text"/> |

Description

Template File

| | | |
|-------------|----------------------|---------------------------|
| * File | <input type="text"/> | Browse... |
| * Language | <input type="text"/> | |
| * Territory | <input type="text"/> | |

[Cancel](#) [Apply](#)

4. In the Name field, enter a user-friendly name for your template.
5. In the Code field, enter a code (no longer than 10 characters) for the template. start with this product's short code (OKS) and a descriptive ending. For example: *OKS_cover*.
6. Choose **Service Contracts** from the Application List of Values (LOV).
7. Choose **OKSCONDATA** from the Data Definition LOV. This is the data definition supplied by Oracle. In this release, you are restricted to using this data definition only.
8. Choose **RTF** from the Type LOV.
9. In Start Date, enter the date from which the template will be active.
10. In the End Date, enter the date when this template becomes inactive. This is optional.
11. Sub-templates are not supported in this release.
12. Optionally, enter a description in the Description field.
13. Click **Browse** and select the RTF template file.
14. Choose the language of the template you have uploaded from the Language LOV.
15. Language territories are not supported in this release, so you can leave the Territory field blank.
16. Click **Apply**.
17. You can preview a PDF of your template to validate your work by navigating to the View Template page and selecting the **Preview** icon. See the Viewing and Updating section of the *Oracle XML Publisher User's Guide* for details.

Creating the Set of Templates Used for a Specific Renewal Flow

Use this procedure to create a set of templates that the application uses for a specific renewal flow.

In the template set, you specify which RTF template is used for which communication. For reminder and cancellation notices, you also specify when they will be sent. For example, you may wish to send one renewal reminder 30 days before the contract expires and, if the customer does not respond, send out another 15 days before expiration. If the customer has not responded two weeks after the expiration date, you may wish to send a reminder that the contract is being cancelled.

You can set up just one template set to be used for communications for all renewals. Or you can set up different sets to go to different customers or to be used by different organizations within your company.

This step is required to use your document for electronic renewals.

Prerequisites

You must first create and upload into Oracle XML Publisher RTF templates for:

- The cover letter (the HTML body of the initial renewal e-mail)
- The quote letter (the PDF attachment)

Reminder and cancellation notices are optional.

To specify a set of templates to be used for electronic renewals:

1. Navigate to Setup > Define Electronic Renewal Template.

The Template Set window appears.

| Report Type | Report Name | Effective Dates | Duration | Report Period | Status |
|-------------|-------------|-----------------|----------|---------------|--------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

2. Enter a name for the template set in the Name field.
3. Optionally, enter a start and end date if you wish to restrict the availability of this template set.

4. Using the Quote Letter LOV, choose the Oracle XML Publisher template the application will use to generate the PDF attachment sent with every e-mail to the customer.
5. Using the Cover Letter LOV, choose the Oracle XML Publisher template the application will use to generate the HTML body for the initial renewal e-mail.
6. If you wish to send one or more reminder notices if the contact does not reply to the initial e-mail. Then for each reminder notice:
 1. Choose **Reminder Notice** from the Report Type LOV.
 2. From the Report Name LOV, choose the template the application will use to generate the HTML body of the reminder.
 3. If you wish to restrict the use of this reminder to a specific time period, then enter a start date, an end date, or both.
 4. Specify when you wish the reminder to be sent in relationship to the start date of the renewed contract. This is done by entering a negative number in the Duration field and choosing the time unit of measure from the Period LOV. For example, if you wish to send the reminder two weeks before the start date of the renewed contract, then enter -2 as the duration and choose **Week** as the period.
 5. You can have the application reset the status of the contract after the notice is sent. If you wish to do so, choose a status from the Status LOV.

You can set a contract to any status of type Entered.

7. If you wish to send one or more cancellation notices to the contact if the customer does not renew the contract the end date, then, for each cancellation notice:
 1. Choose **Cancellation Notice** From the Report Type LOV.
 2. From the Report Name LOV, choose the template the application will use to generate the HTML body of the cancellation notice.
 3. If you wish to restrict the use of this cancellation notice to a specific time period, then enter a start date, an end date, or both.
 4. Specify when you wish to send the cancellation notice in relationship to the planned start date for the renewed contract. This is accomplished by entering a positive number in the Duration field and choosing the time unit of measure from the Period LOV. For example, if you wish to send the cancellation notice two weeks after the planned start date of the renewed contract, then enter 2 as the duration and choose **Week** as the period.
 5. You can have the application reset the status of the contract after the cancellation notice is sent. If you wish to do so, choose a status from the Status LOV.

You can set a contract to any status of type Cancelled.

Note: The application must periodically run the concurrent request Service Contracts Autorereminder program to send reminder and cancellation notices.

Specifying How the Template Sets Are to Be Used

Use this procedure to specify how the template sets you have created will be used by the application.

You can:

- Specify a single template set for all electronic renewals, the global level.
- Specify different template sets for use by different organizations within your company.
- Specify different template sets to be used for different individual customers.

The application looks for an appropriate template set from the most specific to the global. If the application does not find a template set specified at the customer level, it looks at the organization level, if none is found at the organization level either, it uses the template specified at the global level.

For example, if you specify Set 1 of renewal e-mail communications to be used at the global level, and specify Set 2 to be used for customers A and B. Then any contract for customers A and B will use Set 2, and contracts for all other customers will use Set 1.

Note: For electronic renewals to work, you must at least associate a template set at the global level.

Prerequisites

You must first create the template sets used to generate the renewal communications.

To specify how the template sets are to be used:

1. Navigate to Setup > Global Contracts Defaults.

The Global Contracts Defaults window appears.

| Party Name | Start Date | End Date | Threshold | Payment Terms | Help Desk | Template Set | Billing Profile |
|----------------------|-------------|----------|-----------|---------------|-----------------|--------------|-----------------|
| | | | Curr | Amount | for Credit Card | | |
| General Technologies | 01-JAN-2002 | | | | | | |
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2. Choose a template set to be used for electronic renewals at the global level using the Template Set List of Values (LOV) in the Global region at the top of the window.
3. If you wish to specify different template sets for individual customers, then for each customer:

1. Select the Parties Tab and Electronic Renewal subtab.
2. Choose the customer from the Party Name LOV.
3. Choose the template set from the Template Set LOV.
4. If you wish to specify different template sets for organizations in your own company, then for each organization:
 1. Select the Organizations tab and Electronic Renewal subtab.
 2. Choose the organization from the Organization Name LOV.
 3. Choose the template set from the Template Set LOV.
5. Click **Save**.

Viewing PDF Attachments

The application automatically generates and e-mails the PDF attachment with every electronic renewal communication. Use this procedure to generate the PDF for your own review. You can view the PDF to be sent for a single contract, all the PDFs being sent to a customer, or all the PDFs generated for an internal organization.

Prerequisites

You must be familiar with submitting concurrent requests for Oracle Applications. See the *Oracle Applications Users Guide* for instructions.

To generate PDF attachment for review:

1. Navigate to Control > Requests > Run.
The Submit a New Request window appears.
2. Select the **Single Request** radio button.
3. Click **OK**.
The Submit Request window appears.
4. Enter **Generate Quote** in the Name field using the List of Values (LOV).
The Parameters window appears.



5. Choose the template set name from the Quote Template LOV.
6. Enter any of the following to limit the number of contracts to be generated:

Note: If you do not enter any values, the application generates the communications for the entire database of contracts.

 - If you wish to generate communications for an internal organization, then enter the organization name using the Org LOV.
 - For a single customer, choose the customer from the Party LOV.
 - For a single contract, choose the contract number from the Contract Number LOV.
7. Click **OK** to exit the Parameters window.
8. Click **Submit**.

The Decision window appears with the identification number of the request you have submitted. Use this number to monitor the progress of your request.
9. Click **No** if you do not wish to submit another request.
10. Choose **Requests** from the View menu.

The Find Requests window opens.
11. Click **Find** to find the requests you have submitted.

The Requests window appears showing the status of your concurrent requests.

The Generate Quotes process you have submitted automatically launches the Service Contracts Quote request. Both have to complete successfully for the communications to be generated successfully.
12. Place your cursor in the line displaying the Service Contracts Quote process status.
13. Click **View Output** to display the generated communications in a separate browser window.

Viewing Sample Marked-Up Documents Provided with the Application

Oracle supplies sample templates in Oracle XML Publisher with XML name tags already embedded. Use this procedure to view and download these documents.

To view the sample documents provided with your application:

1. Log into Oracle Applications under the XML Publisher Administrator responsibility.
2. Click **Templates** in the Navigator.

The Templates search page appears in a new browser window.

ORACLE XML Publisher Home Logout Preferences Help Personalize Page Diagnostics

Templates Data Definitions

Templates

Search

Name Code

Application Data Definition

Type Active

Personalize Region

| Name | Application | Data Definition | Type | Start Date | End Date | Duplicate |
|--|-------------------|-----------------------|------|-------------|----------|-----------|
| Cancellation Notice - Sample | Service Contracts | Service Contract Data | RTF | 29-Oct-2004 | | |
| Cover Letter - Sample | Service Contracts | Service Contract Data | RTF | 29-Oct-2004 | | |
| Quote Letter - Sample | Service Contracts | Service Contract Data | RTF | 29-Oct-2004 | | |
| Reminder Notice - Sample | Service Contracts | Service Contract Data | RTF | 29-Oct-2004 | | |

Personalize Region

3. Enter `%sample%` in the Name field.
4. Choose **Service Contracts** from the Application List of Values (LOV).
5. Click **OK**.
6. The window displays the sample documents.
7. To download a document:
 1. Select a link in the Name column.
The View Template page opens.
 2. Click **Download**.

Implementing Oracle Service Contracts

This section describes the setup forms and gives references that help you understand the underlying dependencies.

The implementation section consists of the following topics:

- Confirming Setups of Oracle Applications, page 3-2
- Setting Up Service Contracts, page 3-8

This chapter covers the following topics:

- Confirming Setups of Oracle Applications
- Confirm Setup Steps
- Service Contracts Setups
- Defining Lookup Codes
- Registering in Quoting
- Mapping Time Units of Measure
- Setting Up Status and Operations
- Defining Quality Assurance Checklists
- Defining Access to a Category
- Defining Coverage Templates
- Coverage Template Fields
- Defining Coverage Types
- Defining Warranty Inheritance for Coverage
- Billing Rates Fields
- Defining Contract Groups
- Setting Up Contract Numbering
- Defining a Billing Profile
- Defining Service Availability
- Defining Service Cotermination
- Setting Up Service Billing
- Invoice Level Loading

- Invoice Preview
- Setting Up Transaction Type
- Setting Up Batch Transaction Sources
- Setting Up Transaction FlexField Segments
- Setting Up Service Renewals
- Defining Renewal Notification Letters
- Defining Electronic Renewal Templates (Template Sets)
- Setting Up Renewal Events
- Setting Up System Profile Options
- Setup for Service Key Flexfields
- Setting Up Global Contract Defaults
- Setting Up Subscription Templates
- Service Contracts Setup Report
- Implementing Sales Territories to Assign Sales People
- Implementing Quick Menu
- Implementing Multi-Currency Price List Support

Confirming Setups of Oracle Applications

Complete the following steps in the order shown in this table:

| Required | Step Title |
|----------|---|
| Yes | Set up System Administrator, page 3-3 |
| Yes | Define Key Flexfields, page 3-3 |
| Yes | Define Calendar, Currency, and Set of Books, page 3-4 |
| Yes | Set up Organizations, page 3-5 |
| Yes | Set up Employees, page 3-5 |
| Yes | Set up Inventory, page 3-5 |
| Optional | Set up Bills of Material, page 3-6 |
| Optional | Set up Work in Process, page 3-6 |
| Yes | Setup Order Management, page 3-6 |
| Yes | Set up Advanced Pricing, page 3-6 |
| Optional | Set up TeleService, page 3-7 |
| Optional | Set up Knowledge Base, page 3-7 |
| Optional | Set up Notes, page 3-7 |
| Yes | Set up Resources, page 3-7 |
| Yes | Set up Install Base, page 3-7 |
| Optional | Set up Depot Repair, page 3-7 |
| Yes | Set up Oracle Contracts, page 3-8 |

Confirm Setup Steps

Step 1: Set Up System Administrator

This step involves the following tasks:

- Define responsibilities. See *Oracle Applications System Administrator's Guide*.
- Set up printers (optional). See the topic about setting up printers in *Oracle Applications System Administrator's Guide*.

Step 2: Define Key Flexfields

When fully installing other applications, such as Oracle Human Resource Management or Oracle Inventory, be sure to coordinate the flexfield setup for these products before defining the key flexfields for this application. It is not recommended to change flexfields frequently. For more information, see *Oracle Applications Flexfields Guide*.

For each key flexfield, perform the following tasks (some are optional):

- Define the flexfield structure
- Define value sets
- Define flexfield segments
- Define flexfield segment values
- Define security rules
- Assign security rules
- Define roll-up groups
- Define cross-validation rules

Set up the following Accounting flexfield (you may not need to perform this step if you have already installed and set up Oracle General Ledger or performed a common-applications setup. For additional information, see *Oracle General Ledger User's Guide*).

Set up the following Human Resources key flexfields (you may not need to set up these key flexfields if you have already installed and set up Oracle Human Resource Management Systems or performed a common-applications setup. For additional information, see *Oracle Human Resources User's Guide*).

- Grade
- Job
- Position
- People Group

Step 3: Define Calendars, Currencies, and Set of Books

If you have defined your calendars, currencies, and set of books while setting up a different Oracle Applications product, proceed to the next step. However, if you are performing a Multi-Org implementation, see the note below.

Note: If you are performing a Multi-Org implementation, you may optionally create more than one calendar, currency, or set of books. See: Multiple Organizations in *Oracle Applications*.

This step involves the following tasks:

- Set up calendars.
- Define period types. See Defining Period Types in *Oracle General Ledger User's Guide*.
- Define accounting calendar. See Defining Calendars in *Oracle General Ledger User's Guide*.
- Define transaction calendar. See Defining Transaction Calendars in *Oracle General Ledger User's Guide*. (Optional)
- Define workday calendar. See Overview of Workday Calendar in *Oracle Bills of Material User's Guide*. (Optional)
- Define exception templates. See Creating a Workday Exception Template in *Oracle Bills of Material User's Guide*. (Optional)
- Define currencies. See Defining Currencies in *Oracle General Ledger User's Guide*.

- Define conversion rate types. See Defining Conversion Rate Types in *Oracle General Ledger User's Guide*.
- Assign your set of books to a responsibility. See Assigning Responsibility to Set of Books in *Oracle General Ledger User's Guide*.
- Set up currency rates.
- Set up accounting code combinations. See Setting up Accounting Code Combinations in *Oracle General Ledger User's Guide*.
- Open and close accounting periods. See Opening and Closing Accounting Periods in *Oracle General Ledger User's Guide*.

Step 4: Set Up Organizations

You may not need to perform this step if you have already installed and set up Oracle Inventory or performed a common-applications setup. For the following tasks relating to setting up organization, see *Oracle Human Resources User's Guide*.

- Define organization QuickCodes

Define business groups (if you want to define new business groups rather than using the default Setup Business Group, see the section View-all Responsibility in: Setting Up Security for Applications Using Some HRMS windows.

- Define organizations
- Define human resources organizations
- Define legal entities organizations
- Define Oracle users for operating-unit organizations
- Assign operating units to legal entities
- Set up inventory organizations. For the tasks relating to setting up inventory organizations, see *Oracle Inventory User's Guide*
- Define organization hierarchies. See *Oracle Human Resources User's Guide*
- Assign business groups and operating units to responsibilities (make sure that the profile option *HR: Business Group* is set at the responsibility level to the business group for that responsibility. See *Oracle Human Resources User's Guide*

Define profile options:

- MO: Security Profile
- Top Reporting Level

Step 5: Set Up Employees

If you do not install Oracle Human Resource Management Systems with Oracle Depot Repair, use the Enter Employee form to define and maintain employees in Oracle Purchasing, otherwise, the forms in Oracle Human Resource Management Systems are used to enter and maintain employees.

Step 6: Confirm Setup of Oracle Inventory

Ensure that all the setups listed below have been reviewed and completed as necessary. See Overview of Setting Up in the *Oracle Inventory User's Guide*.

Item flexfield, Account aliases flexfield, Receiving options, Unit of Measure classes, Stock locators, Default category set, Item templates, Cost types, Material overhead rates, Movement statistics parameters, Transaction types, Interface managers, Customer items, Category, Sales orders flexfield, Picking rules, Transaction source types, Shortage parameter, Unit of Measure, Item attribute controls, Statuses, Items, Cost activities, Freight carriers, Economic zones, Transaction reasons, Profile options, Customer items cross reference, Catalog group flexfield, Change organization, ATP, Unit of Measure Conversion, Categories, Item catalog groups, Accounting periods, Cross-reference types, Material sub-elements, Organization shipping network, Account aliases, Purchasing options, Container types, Notification list, Stock locator flexfield, Intercompany relations, Planners, Sub inventories, Category set, Item types, Item delete constraints, Material overheads, Shipping method, and Commodity codes.

Note: Prior to setting up Items in Oracle Inventory, you need to set up Coverage , page 3-12 Templates and Subscription Templates , page 3-59 in Oracle Service Contracts.

Step 7: Confirm Setup of Oracle Bills of Material

Ensure that all the following setups have been reviewed and completed as necessary. See Overview of Setting Up in *Oracle Bills of Material User's Guide*.

- Profile options, Workday calendar for organization, Resource groups, Departments, Overheads with departments, Standard instructions, Exception tables, Define parameters, Simulation sets, Resource and resource shifts to departments, Alternates, Change order types, Workday calendar, Resources, Locations, Overheads, Standard BOM comments, and Delete constraints.

Step 8: Confirm Setup of Oracle Work in Process

Ensure that all the following setups have been reviewed and completed as necessary. See Overview of Setting Up in the *Oracle Work in Process User's Guide*.

- Profile Options, WIP parameters, WIP accounting class, Schedule Groups, Labor Rates, Job and Schedule Documents, and Operation Documents.

Step 9: Confirm Setup of Oracle Order Management

Ensure that all the following setups displayed in the table below have been reviewed and completed as necessary. See Overview of Setting Up in the *Oracle Order Management User's Guide*.

- Profile options, Sales persons, Workflow, Customer classes, Cost of goods sold, Credit checking, Freight changes and carriers, Parameters, Tax, Document sequences, Customers, Processing constraints, Holds, Pricing, Invoicing, Quick codes, Order import sources, Transaction types, Defaulting rules, Attachments, and Shipping.

Step 10: Confirm Setup of Oracle Advanced Pricing

While there may be a few, very limited, instances where a customer would not need to use Oracle Advanced Pricing when implementing Oracle Service Contracts, in the majority of situations it will be needed for discounts or price breaks. In addition, the APIs which Oracle Service Contracts calls for pricing covered products are part of Oracle Advanced Pricing and therefore the product is required if that feature will be

used. Ensure that all the setups displayed below have been reviewed and completed as necessary. See *Overview of Setting Up* in the *Oracle Advanced Pricing User's Guide*.

- Profile options, Pricing attributes, Pricing lookup, Shipping lookup, Line types, Freight cost, types, System sourcing, Qualifiers, Attribute sourcing, Order Management lookup, Order types, Freight terms, Payment terms, and Event phasing.

Step 11: Confirm Setup of Oracle TeleService

Ensure that all the following setups have been reviewed and completed as necessary:

- Profile options, Service request types, Business processes, Lookup codes, Problem and resolution codes, Billing types, Request status, Request severity and urgencies, and Billing rates.

For more information, see the *Oracle TeleService Implementation Guide*.

Step 12: Confirm Setup of Oracle Knowledge Management

Ensure that all the following setups have been reviewed and completed as necessary:

- Profile Options, and Lookups.

For more information, see *Oracle Knowledge Management Implementation Guide*

Step 13: Set Up Notes

Ensure that all the following setups have been reviewed and completed as necessary:

- Profile Options, Source Type And Note Type Mapping, and Note Types.

For more information, see *Oracle Common Application Components Implementation Guide*.

Step 14: Set Up Resources

Ensure that all the following steps have been reviewed and completed as necessary:

- Profile Options, Lookup Codes, Roles, and Role Types.

For more information, see the *Oracle Common Application Components Implementation Guide*.

Step 15: Confirm Setup of Oracle Install Base

Ensure that all the following setups displayed below have been reviewed and completed as necessary:

- Counters, Estimation Methods, Profile options, Product types, System types, Lookup codes, Split product reasons, Product status codes, and Customer product configuration.

For more information, see *Oracle Install Base Implementation Guide*.

Step 16: Confirm Setup of Oracle Depot Repair

Ensure that all the following setups have been reviewed and completed as necessary:

Profile Options, Depot Repair Types, and Depot Repair Reason Codes.

For more information, see the *Oracle Depot Repair Implementation Guide*.

Step 17: Confirm Setup of Oracle Contracts

Ensure that all the setups described in the *Oracle Contracts Implementation and Administration Guide* have been reviewed and completed as necessary.

Service Contracts Setups

Follow the guidelines in this table for setting up Oracle Service Contracts.

| Step Title |
|--|
| Defining Lookup Codes, page 3-9 |
| Registering in Quoting, page 3-10 |
| Mapping Time Units of Measure, page 3-10 |
| Setting Up Status and Operations, page 3-11 |
| Defining Quality Assurance Checklist, page 3-11 |
| Defining Access to a Category, page 3-12 |
| Defining Coverage Templates, page 3-12 |
| Defining Contract Groups, page 3-23 |
| Setting Up Contract Numbering, page 3-23 |
| Defining a Billing Profile, page 3-23 |
| Defining Service Availability, page 3-24 |
| Defining Service Cotermination, page 3-25 |
| Setting Up Service Pricing and Billing, page 3-26 |
| Setting Up Service Renewals, page 3-34 |
| Setting Up System Profile Options, page 3-36 |
| Defining Key Flexfields, page 3-3 |
| Setting Up Renewal Rule Defaults, page 3-52 |
| Setting Up Subscription Templates, page 3-59 |
| Setting Up Report, page 3-59s |
| Implementing Sales Territories to Assign Sales People, page 3-60 |
| Implementing Quick Menu, page 3-62 |
| Implementing Multi-Currency Price List Support, page 3-63 |

Defining Lookup Codes

To locate Lookup Codes from the navigator, choose Service Contracts Manager > Setup > Others > System > Lookups.

Use the list displayed in the table below to identify lookup codes (QuickCodes) you need to define for your implementation. You can enter them in any order. Please follow the standard procedure outlined in the *Oracle Applications Users Guide*.

| Code | Description |
|---------------------------|--|
| OKC_ARTICLE_SET | Defines sets of articles |
| OKC_BILLING_RATE_CODE_RDF | Billing rate code |
| OKC_CHANGE_REQUEST_STATUS | Change request status |
| OKC_CONTACT_ROLE | Defines contact roles |
| OKC_CONTINGENT_EVENTS | Contingent events |
| OKC_INHERITANCE_TYPE_RDF | Inheritance type |
| OKC_PRICE_TYPE | Pricing types |
| OKC_PROCESS_USAGE_TYPES | Process usage type |
| OKC_REL_OBJ | Related object types |
| OKC_LINE_RENEWAL_TYPE | Defines renewals for line types |
| OKC_RENEWAL_PRICING_TYPE | Defines renewal pricing types |
| OKC_RENEWAL_TYPE | Defines renewal types |
| OKC_ROLE | Party contact roles |
| OKC_RULE_DEF | Rule definitions |
| OKC_RULE_DEF | Rule group definitions |
| OKC_STATUS_TYPE | Contract status types |
| OKC_SUBJECT | Standard article subject types |
| OKC_TERMINATION_REASON | You must specify a reason for terminating a contract |
| OKC_TIME | Seeded time units of measure |
| OKC_WINDOW_TITLES | Dynamic window titles |
| OKS_WHE_TYPE | Warranty inheritance rule type |
| OKS_BILL_ACTIONS | Billing action rules |
| OKS_MEDIA_DEF | Invoice media definitions |

| Code | Description |
|---------------------|---------------------------------------|
| OXS_SC_DISTRIBUTION | Sales credit definition |
| OXS_SC_YES_NO | Service Contracts yes/no |
| OXS_SVC_PERIOD | Service periods |
| OXS_USAGE_TYPE | Billing types for usage items |
| OXS_SUB_TYPE | Available subscription type items |
| OXS_MED_PRTY_TYPE | Subscription media and property types |

Registering in Quoting

Service Contracts must be registered in Oracle Quoting, to enable contracts to be created for any immediate services or delayed services, as well as, warranties and extended warranties originating from Oracle Order Management.

Prerequisites

You must define Oracle Service Contracts as an application (System Administrator).

To register:

1. From the Navigator, choose Quoting Sales Manager > Quick Codes.
2. Query lookup: ASO_ORDER_FEEDBACK_CRM_APPS.
3. Enter the code OXS.
4. Enter Service Contracts as the code meaning.
5. Optionally, enter the description.
6. Enter the effective dates (from/to dates).
7. Save your work.

Mapping Time Units of Measure

Oracle Service Contracts defines unit of measure conversion for time differently from other Oracle applications. This helps ensure that the scheduling is more accurate than a simple conversion such as 1 month = 30 days, which is only correct for 5 out of the 12 months. To define your own time unit conversions for extending a contract or for scheduling, you must define your own time unit conversions.

There are five internal time units: minutes, hours, days, months, and years. Make sure to map each time unit you want to use in Oracle Service Contracts. An example of a mapping: Day (your definition) = 1 day (base definition).

To map time Units of Measure:

1. Navigate to Service Contracts Manager > Setup > Contract > Units of Measure > Time Units of Measure.

2. Select a user unit of measure from the list of units of measure.
3. Select the base unit of measure that equals the user unit of measure.
4. If needed, enter conversion information.
5. Optionally, enter a description.
6. Save your work.

Setting Up Status and Operations

Oracle Service Contracts enables you to control the operations (such as update online and delete contract) that can be performed on a contract depending upon the category assigned to the contract when it is created and the status of the contract (such as active or terminated). For example, if you define a new status for the status type Active, then you have to make sure that you specifically allow operations such as online update. If you create a new status without specifying any allowed operations, then you implicitly allow no operations for this contract status. In order for the concurrent program Status Change to automatically update contract status, you must define a default status for each status type.

To define status and operations:

1. From the Navigator, choose Service Contracts Manager > Setup > Contract > Status and Operations.
2. Select a status type.
3. Optionally, enter additional statuses for the status type, enter the text to display in application windows in the Meanings field, and select the default status for the contract when it first reaches the stage of the selected status type.
4. For each status, select every category, operation, and level (header or line level) combination you want to relate to the status.
5. For each line you created in the Allowed Operations by Category section, select Allowed to allow the operation. Clear Allowed to prohibit the operation.
6. Save your work.

Defining Quality Assurance Checklists

Service Contracts validates a contract before you can submit it for approval using a quality assurance (QA) checklist. Each checklist consists of one or more processes which have been defined in the Setup > Contract > Process Definition screen prior to selecting them for the QA Checklist.

In addition to the seeded QA checklist, you can define additional checklists for Service Contracts. The seeded QA checklist is executed automatically for any contract, in addition to any other checklist you may wish to run against the contract. You cannot modify or update the default checklist. If you create an additional checklist and would like it to default to your contracts during authoring, make sure to set the profile options OKS: Default QA Checklist.

To define a quality assurance checklist:

1. Navigate to Service Contracts Manager > Setup > Contract > Quality Assurance.
2. Enter a name and a description.
3. In the Processes region, select the process that will become a part of the QA checklist.
4. Make sure the Active check box is selected.
5. From the Severity list, select one of the following levels:
 - **Warning:** The contract passes Approval.
 - **Stop:** The contract does not pass Quality Assurance if this process fails
6. Optionally, override the default values for the parameters.
7. Save your work.

Defining Access to a Category

A category is a type of contract, such as a service agreement, subscription agreement, or warranty contract. Contract categories are seeded in Oracle Service Contracts and do not need to be set up. User defined categories are not supported for Service Contracts because certain processes in the application are dependent upon data being present that may be missing in a user defined category. The structure of the contract is conducive to the needs of the industry for which the module is designed and enables a more functionality rich application. Responsibilities that have been defined need to be assigned access to a category before they can read or modify service contracts.

Prerequisites

You must define the Responsibilities in System Administrator

To define access to a category:

1. From the Navigator, choose Service Contracts Manager > Setup > Contract > Categories and Sources> Define Categories.
2. Hit F11 to enter the query mode.
3. Select Service Agreement for Class. The class you select determines what authoring window is used.
4. In the Responsibilities tab, select the responsibilities to which you wish to grant access and assign access level rights to the responsibilities along with effective dates.
5. Save your work.

Defining Coverage Templates

Service coverage describes the situations under which the customer is covered for service. Services are broken down into business processes, which are related the service (such as Customer Support or Depot Repair). Coverage Terms are then defined for these business processes. The information you enter to define coverage terms include:

- **Coverage Details:** This includes coverage name, type, importance level, effective dates, warranty inheritance, and so on.

- **Coverage Times:** The days of the week and hours during the day that the customer can request service. The coverage times are defined for each business process as part of coverage terms, and are applicable to one time zone.
- **Reaction Times:** The amount of time allowed by which action must be initiated for a particular process being requested.
- **Resolution Times:** A fixed time per contract by which a normal operation should be restored. The Resolution Times will be made available to other functions (for example, Service Request).
- **Resources:** This is the list of resources that are eligible to work on a specific task when a service request is created. Resources can be classified as Primary, Preferred, or Excluded.
- **Billing Types and Rates:** For each Business Process, define what type of work is covered, to what limit and at what rate. The billing types and rates are used when calculating the amount to charge a customer when work has been performed.

Prerequisites

The following must be defined:

- Coverage Type Lookup Code (Service Contracts)
- Business Processes (Customer Support)
- Price List (Order Management)
- Time Zone
- Service Request Severity (Customer Support)
- Resource Types (Customer Support)
- Resources (Customer Support)
- Billing Types (Customer Support)
- Billing Rates (Customer Support)
- Preventive Maintenance Program with the Complete Status (Oracle Complex Maintenance, Repair, and Overhaul)

References

For using Coverage Templates, see the Coverage Templates section., page 2-6

For setting up a Preventive Maintenance program, see the Managing Maintenance Routes section of *Oracle Complex Maintenance, Repair, and Overhaul User's Guide*.

Guidelines

To sell a service contract, at least one coverage template must be created and linked to the service items, defined in Oracle Inventory. You should define one coverage template for each of your service offerings.

Coverage Template Fields

From the Navigator, choose Service Contracts Manager > Coverage Templates. You can change Coverage Name, Description, Suitable as Exception check boxes, and Exception Coverage on the coverage template. When editing coverage from the contract, you cannot change coverage dates, Suitable as Exception, and Warranty fields.

The following table displays the fields and field descriptions for the Coverage Template window.

| Field | Description |
|------------------------|---|
| Coverage region | - |
| Name | Enter a name for the coverage template. A duplicate coverage name is not allowed. |
| Type | Select the type of coverage such as Gold, Silver, or Bronze from the list of values. |
| Importance Level | Displays Importance Level of the selected Coverage Type. The Importance Level is mapped to the Coverage Type and is a numeric indication of coverage priority, with highest priority being number one. The Importance Level helps the customer care agent select the appropriate coverage in the event that an entitlement call returns multiple coverages. |
| Effective Dates | If the coverage template should only be valid for a certain time frame, enter a date range for the Effective Dates. The effective Start Date is required and the End date is optional. |
| Description | Use the Description field to enter brief description for the coverage. |
| Exception | Exception coverage is applicable between the time that coverage expires and the time it is renewed. Optionally, select an exception coverage from the list of values. |
| Suitable as Exception | When creating a coverage template, you can identify the selected coverage as Suitable as Exception for another coverage. When another coverage template is created, the LOV for Exception would show the coverage template identified as 'Suitable as Exception'. |

| Field | Description |
|--------------|--|
| Line Details | <p>Click the Line Details button to open the Line Details form. When reviewing a service request, this option enables the customer care agent to view the covered level details and compare the products covered under the contract with those that are related to the service call.</p> <p>Note:</p> <ul style="list-style-type: none"> • The Line Details button is active only when the contract coverage is viewed from the Service Request form. It is disabled when you create or update a coverage template. • The Line Details function provides only view capabilities. To make any changes, use the appropriate responsibility. |
| Notes | <p>Click the Notes button to open the Note page. See the Coverage , page 2-89Template Note section for additional information.</p> |
| Warranty | <p>If applicable, select the Warranty check box. If selected, Warranty Inheritance may be entered. In the case of a coverage template, the Warranty check box can be updated. However, if an Inheritance has been entered in conjunction with the Warranty check box, the Inheritance must be set to NULL before the Warranty check box can be unchecked. Billing Types may be set up for warranties as for any other type of coverage.</p> |
| Inheritance | <p>If the warranty should continue when the product is replaced, select the inheritance criteria. The duration of the warranty on the replaced product is determined by the inheritance type you select. You can select:</p> <ul style="list-style-type: none"> • Remaining Duration: By selecting this option, the replacement product's warranty is the remaining duration of the original warranty. • Full New Duration: The replacement product's warranty is a brand new warranty duration. |

| Field | Description |
|----------------------------|--|
| Synchronize Date Installed | <p>Select the Synchronize Date Installed check box, if you want to set the warranty start date to be the same as the installation date. When a product installation date is changed, Service Contracts checks for contracts that cover that product. For every service that covers the product, the coverage definition is checked for warranty coverage that has the attribute set to allow the installation date synchronization. If this option is selected, Service Contracts checks whether any service request has been logged on dates that would be outside the warranty period if it were changed to start on the new installation date. If no service request exists, the warranty start date is changed to the installation date. To preserve the original duration of the warranty, the end date is also changed. The effect of the change is automatically cascaded to the coverage definition.</p> |
| Free Upgrade | <p>Select the Free Upgrade check box, if you want to track this coverage as having a free upgrade.</p> <p>This flag does not provide any automated functionality at this time.</p> |

| Field | Description |
|---------------------------------------|--|
| Transfer | <p>A customer product can be transferred from one owner to another and the changes are cascaded to install base, warranty, extended warranty and service agreement.</p> <p>The Transfer flag on coverages would determine the status of the contract in case of transfer of a customer product from one owner to another.</p> <p>Select one of the following transfer options from the list of values:</p> <p>No Change: There would not be any changes in the existing owners contract. No new contract is created for the new owner.</p> <p>Terminate: The current contract subline is terminated. The termination date would be the transfer date. No new contract is created for the new owner.</p> <p>Terminate if Not Related: If the new owner is related to the current owner, no changes are made to the contract. If the parties are not related, the current contract is terminated. The termination date would be the Transfer date.</p> <p>Transfer: The current contract subline is terminated with the Termination date set to Transfer date. If the Contract Transferred is a Warranty Contract, then a Contract for the new Owner is created in Active Status. If the Contract transferred is an Extended Warranty or Service Contract, a contract is created for the new owner in the status defined by the profile option OKS: Transfer Status. The contract will have a one-time billing schedule and advance billing.</p> <p>Transfer if Not Related: If the new owner is related to the current owner, this option would keep the current owners contract in force. If the owners are not related, the current contract is terminated and a contract for the new owner is created. If the contract transferred is a Warranty contract, then the new contract is created in the Active status. If the contract transferred is an Extended Warranty or Service type contract, the contract will have an advance one-time billing schedule and the status of the contract would be defined by the profile option OKS: Transfer Status.</p> |
| Preventive Maintenance - Program Name | <p>If applicable, select a Preventive Maintenance program from the list of values. The list of values displays all programs, with the Complete status.</p> <p>Preventive Maintenance programs are created in Oracle Complex Maintenance, Repair, and Overhaul.</p> |

| Field | Description |
|--|---|
| Preventive Maintenance - Program Description | Displays the description for the Preventive Maintenance program. |
| Schedule button | The Schedule button is enabled only when a Preventive Maintenance program is associated to the coverage template. Click this button to open the Preventive Maintenance Schedule form and view or modify the information related to the selected Preventive Maintenance program. |
| Business Process region | - |
| Business Process | Select a Business Process from the list of values. For example, Hotline, or On-Site Support. |
| Offset Duration | Enter the offset duration or amount of time you would like the service to be offset from the authored contract's start date. For example, set onsite support to start one month after the contract comes into effect and set hotline support to be available immediately. |
| Offset Period | Specify the unit of measure for the offset duration, such as hour or day. If the Offset Duration is modified, the Start and End dates are automatically adjusted as long as they're within the range of the service coverage dates, and conversely, if the Start and End dates are modified, the Offset Duration is automatically adjusted. |
| Start and End Dates | These dates are automatically inserted when you specify an offset period. The transaction group dates may not be outside of the service dates. If the Offset Duration is modified, then the start and end dates are automatically adjusted as long as they're within the range of the service coverage dates, and conversely, if the start and end dates are modified, the offset duration is automatically adjusted. |
| Price List | Select the default price list that should be used when billing service charges, from the list of values. |
| Discount | Enter the percentage of discount allowed for the transaction group, for example 10%, from the list of values. |
| Coverage Times tab | - |

| Field | Description |
|-----------------------------------|--|
| Time Zone | Select a Time Zone from the list of values. You can define more than one time zone for each business line. However, it is required to define, at least, one time zone for every business process line. |
| Default Time Zone | Select the Default check box to specify the time zone as the default for the business process. You can set only one time zone as the default for a specific business process. |
| Apply Default to Other Time Zones | To apply the Default coverage times to any other time zone for which you have not entered any coverage times, select the Apply Default to Other Time Zones check box. |
| Start Time and End Time | <p>For every time zone, enter the Start Time, End Time, and select the check box for the applicable days.</p> <p>For a given business process, the coverage time for at least one day must be entered. You can enter multiple coverage times for a specific time zone record. You can also define multiple coverage times for the same day, as long as the coverage time records do not overlap.</p> <p>Valid time values range from 00:00 to 23:59. Leaving blanks indicates that there is no coverage for a given day.</p> |
| Always Covered | If applicable, click the Always Covered button to set the Start Time and End Time for all days to 00:00 and 23:59 respectively. |
| Reaction Times tab | - |
| Severity Name | Enter a name for the severity definition, for example, Level 1 or Important. |
| Severity | Select the level of severity, for example High, from a list of values. |
| Work Through | Select the Work Through check box, to override the normal coverage times for that transaction. For example, suppose you have 9-to-5 support, Monday through Friday, with a 2-hour reaction time. If a customer calls midweek for support at 4:45 P.M., and Work Through is checked, the customer is entitled to receive support by 6:45 that evening. If the Work Through option is not selected, then the support representative has until 10:45 the next morning to respond to the call. |

| Field | Description |
|-------------------------------|---|
| Active | Select the Active check box to indicate this severity level is active and to make these reaction times available through an entitlements call. This allows you to easily switch between different severity definitions. |
| Reaction Times | Enter specific reaction times, in hours, for each applicable day. |
| Workflow | Select the applicable workflow for each reaction time name specified. |
| Resolution Times tab | - |
| Severity Name | Enter a name for the severity definition, for example, Level 1 or Important. |
| Severity | Specify the level of severity, for example High, from a list of values. |
| Work Through | Select the Work Through check box, to override the normal coverage times for that transaction. |
| Active | Select the Active check box to indicate this severity level is active and to make these reaction times available through an entitlements call. This allows you to easily switch between different severity definitions. |
| Resolution Times | Enter specific resolution times, in hours, for each applicable day. |
| Resources tab | - |
| Type | Select a resource type from the list of values. For example, Engineer. |
| Name | Use the Name field to identify the resource by name. |
| Classification | Select the proper classification for the resource from the list of values. You can classify a resource as Preferred, Primary or Excluded. If you classify a resource as Excluded, the Assignment Manager removes the resource from the list of available resources. |
| Billing Types tab | - |
| Service Activity Billing Type | Select the billing type from the list of values. Duplicates are not allowed. If the billing type is Labor, then the Billing Rates button is enabled showing Flat Rate field. |

| Field | Description |
|---------------------|--|
| Up To Amount | Enter the maximum allowed amount. If you leave this field blank, the upper limit would only be restricted by the percentage covered or discount you enter in the % Covered field. |
| % Covered | Enter the percentage covered or discount. |
| Allow Full Discount | When checked on the template, provides 100% coverage for warranties without requiring setup of billing types. If unchecked on the template, the box will be grayed out on the contract. Any bill types data populated on the template will override the use of this check box. |
| Billing Rates | If you select Labor as the Service Activity Billing Type, the Billing Rates button is enabled. Click the Billing Rates button to open the Billing Rates form, page 3-22. |

Defining Coverage Types

Use the Coverage Types window to define Coverage types and associated Importance Level. The same Coverage type code cannot be defined twice. Importance Level must be a numeric value. Once a code is defined, the field is disabled on the Coverage Types window. Coverage Types defined as lookups with lookup type OKSCVETYPE have been migrated to the Coverage Types window.

To define coverage types:

1. Navigate to the Coverage Types window: (N) Service Contracts Manager > Setup > Contract > Define Coverage Types
2. Code: Enter an alphanumeric code.
3. Coverage Type: Enter a name for the coverage type.
4. Description: Enter a description for the coverage type.
5. Importance Level: Enter the importance level (numeric value). In the Coverage window the importance level will be automatically displayed, once the Coverage Type is selected.
6. Effective Dates From: Effective Dates From defaults to the system date.
7. Effective Dates To: Enter a date in the Effective Dates To field, if applicable. The date in the Effective Date From field should be less than or equal to the date in the Effective Date To field.
8. Save your work.

Defining Warranty Inheritance for Coverage

In the Service Contracts Coverage Template you can set inheritance criteria that determines how the warranty coverage should behave, when a product is replaced. This

is applicable only to Warranty lines, so the Warranty check box must be selected before you can enter information in this field. Inheritance types are:

- **Full New Duration:** The Full New Duration type means the replacement part receives a new warranty for the full duration of the covered period.
- **Remaining Duration:** The Remaining Duration type means the warranty on the replacement part is good for the remainder of the original warranty duration.

Example:

- A warranty exists on a desktop PC (serial # 123) from 1/1/2001 - 12/31/2001.
Desktop serial # 123 is returned for a replacement with serial # 456 on 3/3/2001.

Scenario 1: Warranty inheritance type is Remaining Duration

In this scenario, the above warranty would be updated as follows:

Desktop warranty on serial # 123 would run from 1/1/2001 - 3/2/2001 (Expired)

A new warranty line would be created on the contract to cover desktop PC serial # 456 for the remainder of the original warranty from 3/3/2001 - 12/31/2001

Scenario 2: Warranty inheritance type is Full New Duration

In this scenario, the above warranty would be updated as follows:

Desktop warranty on serial # 123 would run from 1/1/2001 - 3/2/2001 (Expired)

A new warranty line would be created on the contract to cover desktop PC serial # 456 for a full year from 3/3/2001 - 3/2/2002

Billing Rates Fields

Use the Billing Rates form to review and update the Regular and Holiday billing rates. Billing rates control the discounts that should be applied when work is performed under contract. For example, if new parts have been installed to fix a problem at a customer site, the bill for the work needs to be calculated, taking the coverage on the service contract into account. If parts are covered 50% up to a maximum of \$300, and the charge for parts was \$800, after applying the rates agreed on the contract, the charge would be calculated as \$500, after the maximum discount of \$300 has been applied. For the same contract rates, if the charge for parts came to \$500, the customer would receive the full 50% discount (\$250) since the discount is below the \$300 maximum.

The following table displays the fields and field descriptions for the Billing Rates form.

| Field | Description |
|-------------------------|---|
| Start Time and End Time | For every labor item, enter the Start Time, End Time, and select the check box for the applicable days. |
| Labor Item | Select the Labor Item from the list of values. |
| Description | The system displays the description for the labor item. |
| Bill Rate | Select the Billing Rate Name from the list of values. For example, Normal, Double, and Overtime. |
| Flat Rate | Enter the rate for the labor item. |
| UOM | Enter the unit of measure for the Flat Rate. For example, Day and Hour. |
| % Over Price List | Enter the allowed percentage over the list price. |

Defining Contract Groups

Contract groups are used to logically group contracts into folders for easy access and may be defined as private or public. For example, a set of contracts may be grouped by customer or by persons administering the contracts. In addition, a contract may exist in multiple groups. The system requirement is that at least one group must be defined for the contract. Contracts created via integration with Order Management as well as warranties created when a product is created in the Install Base are assigned a contract group based on the information provided in the Global Contract Defaults. When manually authoring contracts, any contract group can be selected from the list of values on the Summary > Administration tab under Groups.

From the Navigator, choose Service Contracts Manager > Contract Groups > Define Contract Groups.

For more information please refer to Contract Groups in the *Oracle Contracts Core User Guide*.

Setting Up Contract Numbering

Service Contracts supports the same contract numbering processes used by Contracts Core. Ranges of numbers, prefixes and/or suffixes, manual numbering, and number lengths maybe set up for different business groups, operating units, classes or categories. For guidance on how to set up automatic and manual contract number, see *Oracle Contracts Core implementation Guide*.

Defining a Billing Profile

All customer account information is set up in Oracle Receivables, which includes a single billing profile that is applicable when invoicing all customers. You can set up multiple, ad hoc billing profiles in Oracle Service Contracts. Billing profiles include information about accounting and invoicing rules, type of billing, and its

frequency. Invoices are generated according to the billing profile attributes. The billing engine accesses the billing profile and bills accordingly.

You can use the billing profile to overwrite any existing line level billing schedule information on the contract authoring form by selecting it in the Cascade Attributes form. You can also default billing profile information onto the contract by associate a billing profile template to a customer in the Global Contract Defaults form.

Prerequisites

The following options must be defined:

- Accounting Rules
- Invoicing Rules
- Billing Levels
- Recurring Intervals.

To define billing profiles:

1. Navigate to Service Contracts Manager > Setup > Contract > Billing Profile
2. Enter an alphanumeric profile number.
3. Enter the profile description.
4. Select an Accounting Rule from the list of values.
5. Select an Invoicing Rule from the list of values.
6. Select a Billing Level from the list of values.
7. Select One Time or Recurring as the Billing Type option.
8. For the Recurring billing, select a billing Interval from the list of values, for example, Month.
9. In the Invoice Offset field, enter the number of days to move forward or push back the invoice date.
10. In the Interface Offset field, enter the number of days to move forward or push back the date that the billing period will interface to Oracle Receivables.

Guidelines

A billing profile should be defined according to the billing requirements. If multiple customer accounts have different billing requirements, the number of billing profiles should be defined accordingly. There are no restrictions on the number of billing profiles.

Defining Service Availability

Service availability is used to define the available services for service programs, warranties, and extended warranties. Exceptions can be listed for parties and for products. The Generally Available check box determines whether the entries in Product and Party tabs are inclusions or exclusions. By selecting the Generally Available check box for a service, all products and parties listed will be excluded from receiving that service. By leaving the Generally Available check box unselected, the products and parties listed will be the only ones eligible to receive that service.

Prerequisites

You must define Service items as well as Serviceable Products in Oracle Inventory and define Parties in Oracle Receivables.

To define service availability:

1. From the Navigator, choose Service Contracts Manager > Setup > Contract > Service Availability.
2. Select a service item from the LOV.
3. Access the Party tab and select the Generally Available check box (if applicable).
4. Enter the effective dates.
5. Select a Party from the LOV.
6. Enter the start and end dates.
7. Access the Product tab and select the Generally Available check box (if applicable).
8. Enter the effective dates.
9. Select a Product from the LOV.
10. Enter the low and high item revision numbers (if applicable).
11. Enter the start and end dates.
12. Save your changes.

Defining Service Cotermination

The Service Cotermination option enables you to set any or all of a customer's service lines to a pre-determined end date. You can set up the Service Cotermination for Parties or Systems. When using Cotermination for a party, set up the Cotermination as described below. Then when selling service to that party, either in Service Contracts or in Order Management, the end date of the services can be set to the established cotermination date. In Service Contracts you would do this by clicking the Coterminate or Coterminate All buttons on the Lines> Effectivities tab. See *Oracle Order Management User's Guide* for guidance on how to coterminate service sold on sales orders.

The system level Cotermination is set up in Customer Support and will apply to any new items added to the system going forward.

Prerequisites

You must define the parties and their customer accounts in advance.

To define service cotermination for party level:

1. From the Navigator, choose Service Contracts Manager > Setup > Contract > Service Cotermination.
2. Select a Party from the list of values. The corresponding customer account is displayed.
3. Enter the cotermination day.
4. Enter the cotermination month.

5. Save your work.

To define service cotermination for system level:

1. From the Navigator, choose Customer Support > Installed Base > Maintain Systems.
2. Select a System from the list of values.
3. Enter the cotermination day.
4. Select the cotermination month.
5. Save your work.

Setting Up Service Billing

This topic covers the following set up processes for service billing:

- Invoice Level Loading (Parallel Worker), page 3-27
- Invoice Preview, page 3-27
- Setting Up Transaction Type, page 3-28
- Setting Up Batch Transaction Sources, page 3-31
- Setting Up Transaction Flexfield Segments, page 3-34

The procedures for executing service contract billing involve the following concurrent requests:

- Service Contracts Main Billing: According to pricing attributes set up in the contract and billing schedule, detailed transactions are generated in the Service Contracts billing interface table.
- Autoinvoice Import Program: The billing transactions are then imported into Oracle Receivables.
- Service Contracts Fetch Receivables Info for Billing. This concurrent request obtains the invoice number and tax from Oracle Receivables, and updates the contract billing history. This information is displayed in the contract's billing history.

These processes should be set to run on a periodic basis, the frequency of which is dependent on your billing policy. For more information on running these processes, see the Executing Main Billing section., page 2-101

Prerequisites

You must define the following:

- Transaction Types (Oracle Receivables)
Credit Memo Batch Sources (optional) (Oracle Receivables)
Grouping Rules (optional) (Oracle Receivables)
Service items Inventory (Oracle Inventory)
Applicable service items must be included on one or more price lists (Oracle Order Management)
Party and Customer Accounts (Oracle Receivables)

Invoice Level Loading

The Service Contracts Main Billing process utilizes Invoice Level Loading, a parallel program to assign groups of invoices to different concurrent programs. The program first determines the COUNT for all of the contract lines that qualify for the master request submission. If the COUNT is greater than the threshold value (currently set to 500) the program splits up the master request into sub requests. There is no setup for this functionality other than to enable the profile option. For more details, see the OKS: Parallel Worker profile option, page 3-36.

Invoice Preview

Before sending billing transactions directly to Oracle Receivables, you have the option of previewing the invoice information to ensure it is accurate. When initiating the billing process, it can be set to place the transactions into a separate set of Service Contracts tables. These tables will mirror the billing transaction tables used during the normal main billing process.

Guidelines:

If necessary, you can create a simple report to access the required information in these tables.

The tables used for Invoice Preview are:

oks_bcl_pr

oks_bsl_pr

oks_btn_pr

oks_bsd_pr

oks_btl_pr

The preview process will run in much the same way as the normal billing process. It will include only those contracts that meet the same criteria that need to be met to be included in the actual contract billing process (for example, status is eligible for invoicing, bill on date is due). The process will not include invoices for services not covered under contract and not normally billed by the Contracts application (for example, time and material charges).

If potential billing errors are found during the preview, you can make adjustments manually in the appropriate application, for example, Oracle Service Contracts or Oracle Install Base, and re-run the pre-invoice report. This iterative process would continue until the pre-invoice process gives the expected results, at which point you may choose to run the actual billing process.

The billing process would use the latest data in calculating the invoices, so it should be recognized that the actual invoices created may be different from those included in the last pre-invoice process, if there is sufficient delay between running the process and the actual billing process. Changes may have occurred such as counters updated, contracts terminated, new products added to coverage, all of which will affect the actual invoices created from the Contracts application.

Contracts data (for example, contract statuses) will not be automatically updated as a result of running the pre-invoice process. For example, to identify them as ready to bill or not.

The process will include the same information that would normally be sent to Oracle Receivables during the actual billing process. Service Contracts sends either detailed or summary information to Oracle Receivables, depending on the value of the OKS: Summary Transactions profile option.

Setting Up Transaction Type

Transaction types are used to define the accounting for the debit memos, charge backs, commitments, and invoices you create in Oracle Receivables. Transaction types also determine whether your transaction entries update your customer's balances and whether Oracle Receivables posts these transactions to your general ledger. To bill from Service Contracts, transaction types must be defined for invoices and credit memos.

To Set Up Transaction Types for Invoices and Credit Memos:

These steps are case sensitive and must be entered exactly as described.

Invoice Transaction Type

1. From the Responsibilities menu, choose Receivables Manager > Setup > Transactions > Transaction Types.
2. Enter a transaction name: Invoice-OKS (this OKS transaction type is case sensitive and must be entered as: Invoice-OKS). Optionally enter a description.
3. Select Invoice as transaction class for this transaction type.
4. Select the Open Receivable check box. This updates your customer balances each time you create a complete debit memo, chargeback, or on-account credit with this transaction type. Oracle Receivables also includes these transactions in the standard aging and collection processes.
5. Select the Post To GL check box to be able to post transactions with this type to your general ledger.
6. Choose a default Printing Option for transactions with this transaction type. Select Print or Do Not Print. You can override this value when entering transactions.
7. Choose a Transaction Status of Open, Closed, Pending, or Void. Use these statuses to implement your own invoice approval system.
8. Optionally select the Allow Freight check box to allow freight to be entered for transactions with this transaction type.
9. Select the Tax Calculation check box to let Oracle Receivables calculate tax for transactions with this transaction type.
10. Choose a Creation Sign. If you are using the Cash Basis accounting method, your transaction's creation sign must be either Positive or Negative. You cannot update this field after you enter transactions with this type.
11. If you want to restrict the direction in which items with this transaction type can be updated by applications entered against them select the Natural Application Only check box. If you select this box, Oracle Receivables sets Allow Overapplication to No. You cannot update this option after you save this transaction type.
12. Enter an Application Rule Set for this transaction type or select one from the list of values (optional). An Application Rule Set determines the default payment

steps when you use the Applications window or AutoLockbox to apply receipts to transactions using this type. If you do not enter a rule set, Oracle Receivables uses the rule set in the System Options window as the default.

13. If you did not select the Natural Application Only check box, choose whether to Allow Overapplication against items with this transaction type by selecting or deselecting this box. If you select this check box, Oracle Receivables sets Natural Application to No and you cannot update it after you save this transaction type. If you use the Cash Basis accounting method, the default value is No and you cannot change it.
14. Enter the Receivable Account for transactions with this transaction type. Oracle Receivables uses this information, along with your AutoAccounting definition, to determine the receivable accounts for transactions with these types. Oracle Receivables creates a transaction record using this account so you can transfer to your general ledger and create a journal entry if the Post To GL check box is selected for this transaction type.
15. Enter a Freight Account for transactions with this transaction type. Oracle Receivables uses this information, along with your AutoAccounting definition to determine the freight account for transactions with this transaction type. Oracle Receivables skips this field if the Allow Freight check box is not selected.
16. Enter a Revenue Account for transactions with this transaction type. Oracle Receivables skips this field if the Allow Freight is not selected. Oracle Receivables uses this information, along with your AutoAccounting definition, to determine the revenue account for transactions with this transaction type.
17. Enter a Clearing Account for transactions with this transaction type. Oracle Receivables uses this account to hold any difference between the revenue amount specified for the Revenue Account and the selling price times the quantity for imported invoice lines. Oracle Receivables only uses the Clearing Account if you have enabled this feature for transaction sources that you use for your imported transactions.
18. Enter an Unbilled Receivable Account. When you use the Bill In Arrears invoicing rule, Oracle Receivables uses this information, along with your AutoAccounting definition, to determine the Unbilled Receivable account for transactions with this transaction type.
19. Enter an Unearned Revenue Account. Oracle Receivables uses this information, along with your AutoAccounting definition, to determine the unearned revenue account for transactions with this transaction type. Oracle Receivables only uses this account when your transaction's invoicing rule is Bill In Advance.
20. Enter a Tax Account. Oracle Receivables uses this information along with your AutoAccounting definition to determine the tax account for transactions with this transaction type.
21. Enter the Credit Memo Type to use when crediting items with this transaction type (optional). When you enter a credit memo against an invoice with this transaction type, the value you enter here is the default credit memo transaction type.
22. Enter the range of dates that this transaction type will be active. The default Start Date is today's date, but you can change it. If you do not enter an End Date, this transaction type will be active indefinitely.
23. Save your work.

Credit Memo Transaction Type

1. From the Responsibilities menu, choose Receivables Manager > Setup > Transactions > Transaction Types.
2. Enter a transaction name: Credit-OKS (this OKS transaction type is case sensitive and must be entered as: Credit-OKS). Optionally enter a description.
3. Select Credit Memo as transaction class for this transaction type.
4. Select the Open Receivable check box. This updates your customer balances each time you create a complete debit memo, chargeback, or on-account credit with this transaction type. Oracle Receivables also includes these transactions in the standard aging and collection processes.
5. Select the Post To GL check box to be able to post transactions with this type to your general ledger.
6. Choose a default Printing Option for transactions with this transaction type. Select Print or Do Not Print. You can override this value when entering transactions.
7. Choose a Transaction Status of Open, Closed, Pending, or Void. Use these statuses to implement your own invoice approval system.
8. Optionally select the Allow Freight check box to allow freight to be entered for transactions with this transaction type
9. Optionally select the Tax Calculation check box to let Oracle Receivables calculate tax for transactions with this transaction type.
10. Choose a Creation Sign. If you are using the Cash Basis accounting method, your transaction's creation sign must be either Positive or Negative. You cannot update this field after you enter transactions with this type.
11. If you want to restrict the direction in which items with this transaction type can be updated by applications entered against them, select the Natural Application Only check box. If you select this box, Oracle Receivables sets Allow Overapplication to No. You cannot update this option after you save this transaction type.
12. Enter an Application Rule Set for this transaction type or select one from the list of values (optional). An Application Rule Set determines the default payment steps when you use the Applications window or AutoLockbox to apply receipts to transactions using this type. If you do not enter a rule set, Oracle Receivables uses the rule set in the System Options window as the default.
13. If you did not select the Natural Application Only check box, choose whether to Allow Overapplication against items with this transaction type by selecting or deselecting this box. If you select this check box, Oracle Receivables sets Natural Application to No and you cannot update it after you save this transaction type. If you use the Cash Basis accounting method, the default value is No and you cannot change it.
14. Enter the Receivable Account for transactions with this transaction type. Oracle Receivables uses this information, along with your AutoAccounting definition, to determine the receivable accounts for

transactions with these types. Oracle Receivables creates a transaction record using this account so you can transfer to your general ledger and create a journal entry, if the Post To GL check box is selected for this transaction type.

15. Enter a Freight Account for transactions with this transaction type. Oracle Receivables uses this information, along with your AutoAccounting definition to determine the freight account for transactions with this transaction type. Oracle Receivables skips this field if the Allow Freight check box is not selected.
16. Enter a Revenue Account for transactions with this transaction type. Oracle Receivables skips this field if the Allow Freight is not selected. Oracle Receivables uses this information, along with your AutoAccounting definition, to determine the revenue account for transactions with this transaction type.
17. Enter an Unbilled Receivable Account. When you use the Bill In Arrears invoicing rule, Oracle Receivables uses this information, along with your AutoAccounting definition, to determine the Unbilled Receivable account for transactions with this transaction type.
18. Enter an Unearned Revenue Account. Receivables uses this information, along with your AutoAccounting definition, to determine the unearned revenue account for transactions with this transaction type. Receivables only uses this account when your transaction's invoicing rule is Bill In Advance.
19. Enter a Tax Account. Receivables uses this information along with your AutoAccounting definition to determine the tax account for transactions with this transaction type.
20. Enter the range of dates that this transaction type will be active. The default Start Date is today's date, but you can change it. If you do not enter an End Date, this transaction type will be active indefinitely.
21. Save your work.

Setting Up Batch Transaction Sources

Batch sources control the standard transaction type assigned to a transaction and determine whether Oracle Receivables automatically numbers your transactions and transaction batches. Active transaction batch sources appear as list of values choices in the Transactions, Transactions Summary, and Credit Transactions windows.

You can define two types of transaction batch sources:

- **Manual:** Use manual batch sources with transactions that you enter manually in the Transaction and Transactions Summary windows.
- **Imported:** Use imported batch sources to import transactions into Oracle Receivables using AutoInvoice. Batches are automatically numbered with the batch source name - request ID.

You can make a batch source inactive by deselecting the Active check box and saving your work. Oracle Receivables does not display inactive transaction batch sources as list of values choices or let you assign them to your transactions.

Suggestion: If you have installed multiple organization support (multi-org), define an imported batch source with the same name in each organization (these sources can have

the same or different settings). This enables you to import order lines that belong to different organizations in Oracle Order Management into Oracle Receivables.

To set up batch transaction sources:

1. From the Responsibilities menu, choose Receivables Manager > Setup > Transactions > Sources.
2. Select the Batch Source tab.
3. Enter OKS_CONTRACTS as the name.
4. Select Imported as the type.
5. Enter a description.
6. Enter the range of Effective Dates for this source. The Start date is the current date, but you can change it. If you do not enter an end date, this transaction batch source will be active indefinitely.
7. Select the Automatic Transaction Numbering check box and enter a Last Number to automatically number new transactions you create using this source. You can use automatic transaction numbering with both Imported and Manual sources.
8. Select the Copy Document Number to Transaction Number check box (optional) to use the same value for both the document number and the transaction number for transactions assigned to this source.
9. Enter Invoice-OKS as the Standard Transaction Type for this batch source. When you choose a batch source during transaction entry, this is the default transaction type. You can define new transaction types in the Transaction Types window.
10. Select the AutoInvoice Options tab.
11. Specify how you want AutoInvoice to handle imported transactions that have Invalid Tax Rates. An invalid tax rate is one in which the imported transaction's tax rate does not match its tax code. Enter "Correct" if you want AutoInvoice to automatically update the tax rate that you supplied to the one that you defined previously for the tax code. Enter "Reject" if you want AutoInvoice to reject the transaction.
12. Specify how you want AutoInvoice to handle imported transactions with Invalid Lines by entering either "Reject Invoice" or "Create Invoice."
13. Specify how you want AutoInvoice to handle imported transactions that have lines in the Interface Lines table that are in a closed period. To have AutoInvoice automatically adjust the GL dates to the first GL date of the next open or future enterable period, enter "Adjust" in the GL Date in a Closed Period field. This attribute is called "GL Date in a Closed Period." Enter "Reject" to reject these transactions.
14. Enter a Grouping Rule to use for a transaction line (optional). If you do not enter a grouping rule, AutoInvoice uses the following hierarchy to determine which rule to use:
 - The grouping rule specified in the Transaction Sources window for the batch source of the transaction line.
 - The grouping rule specified in the Customer Profile Classes window for the bill-to customer and bill-to site of the transaction line.

- The grouping rule specified in the Customer Profile Classes window for the bill-to customer of the transaction line.
 - The default grouping rule specified in the System Options window.
15. If you want AutoInvoice to require that the revenue amount for each transaction line is equal to the selling price times the quantity specified for that line, select the Create Clearing check box. Use this option to distribute revenue on a transaction in an amount that is not equal to the transaction line amount. If you select this check box, AutoInvoice puts any difference between the revenue amount and the selling price times the quantity for a transaction into the AutoInvoice Clearing account that you have defined. Otherwise, AutoInvoice requires that the revenue amount be equal to the selling price times the quantity for all of the transactions it is processing. Define your clearing account in the Automatic Accounting window.
 16. Indicate whether sales credits can be entered for transactions using this source by selecting or deselecting the Allow Sales Credit check box. This option and the Require Salesreps option in the System Options window determine whether sales credits are optional or required.
 17. Select the Customer Information tab.
 18. Select "Id" for each option to indicate that AutoInvoice validates your customer information for this batch source using an identifier. Choose Value if you use this source to import data from a non-Oracle system.
 19. Select the Accounting Information tab.
 20. Select "Id" to indicate how AutoInvoice validates your Invoice and Accounting Rule data for this batch source.
 21. Select "Id" to indicate whether you want AutoInvoice to validate the identifier for this batch source.
 22. Select the Derive Date check box to derive the default rule start date and default GL date from the ship date, rule start date, order date and the default date that you supply when you submit AutoInvoice. If Oracle Inventory is installed, this must be selected.
 23. Select "Id" to indicate that AutoInvoice validates your Payment Terms for this batch source using identifiers.
 24. Select "Percent" to indicate that AutoInvoice validates your Revenue Account Allocation data for this batch source.
 25. Select the Other Information tab.
 26. Select "Id" to validate other data except for Agreement, Sales Territory, and Related Document.
 27. Select the Sales Credit Validation tab.
 28. Select "Id" for first two options to validate information using identifiers for this batch source.
 29. Select Percent to validate sales credits based on percent.
 30. Save your work.

Setting Up Transaction FlexField Segments

Transaction flexfields are descriptive flexfields that AutoInvoice uses to uniquely identify transaction lines. Oracle Receivables lets you determine how to build your transaction flexfield structure and what information you want to capture. To define the line-level Transaction Flexfield, query “Line transaction Flexfield” in the title field of the Descriptive Flexfield Segments window and enter the text and segments associated with this transaction flexfield.

The table below shows the values for the transaction flexfields.

| Column Name | Segment Name | Value Set | Req |
|---------------------------|-------------------|--------------|-----|
| INTERFACE_LINE_ATTRIBUTE1 | CONTRACT_NUMBER | OKS_K_NUMBER | Y |
| INTERFACE_LINE_ATTRIBUTE2 | CONTRACT_MODIFIER | OKS_K_NUMBER | N |
| INTERFACE_LINE_ATTRIBUTE3 | INSTANCE_NO | CE_NUMBER30 | Y |
| INTERFACE_LINE_ATTRIBUTE4 | BILLED_FROM | CE_DATE | Y |
| INTERFACE_LINE_ATTRIBUTE5 | BILLED_TO | CE_DATE | Y |
| INTERFACE_LINE_ATTRIBUTE6 | AMOUNT | CE_NUMBER30 | Y |

To set up transaction flexfield segments:

1. From the Responsibilities menu, choose System Administrator > Application > FlexField > Descriptive > Segments.
2. Select Oracle Receivables as the application and Line Transaction Flexfield for the Title.
3. Deselect the Freeze Flexfield Definition check box (otherwise you cannot create a new record).
4. Select OKS CONTRACTS in the Context Field Values region.
5. Click Segments to edit the definition.
6. Enter the values listed in the above table. Note: These must be entered in upper case.
7. Compile the flexfield by selecting Compile.
8. Select the Freeze Flexfield Definition check box to freeze the definition.

Setting Up Service Renewals

To set up service renewals:

- Define Renewal Notification Letters, page 3-35
- Define Electronic Renewal Templates, page 3-35

- Set Up Renewal Events, page 3-35

Defining Renewal Notification Letters

Oracle Service Contracts supports two ways of creating renewal notification letters:

- You can create the text of the e-mails and attachments using Microsoft Word (or other software capable of producing RTF files) and use Oracle Service Contracts' integration with Oracle XML Publisher to create the templates used by the electronic renewals process. To use this preferred method you must set the system profile OKS: Layout Template Source to **XML Publisher** at the Site level. For details about creating the e-mail communications using this method, see *Creating and Enabling Templates for E-Mails to Customers*, page 2-134.
- Use the XML reporting functionality from Contracts Core. If you are planning to use this method set the system profile OKS: Layout Template Source to **Standard** at the Site level. This is the default setting. For guidance on how to create XML reports, see *Oracle Contracts Core Implementation Guide*.

Defining Electronic Renewal Templates (Template Sets)

Use the Template Set form to define an electronic renewal template. This form includes a field for status code at the header level and for each report defined at the lower portion. A status defined at the header level will be used as part of Electronic renewals. When an e-mail along with quote is sent to the customer, the status will be used to update the contract status for which the quote is sent. An interaction will be logged. For each report (reminder notice) that is added to a template set, you can define lead days and have the option to select a status code that contracts will be updated to, when the reminder notice is sent to the customer. If no status code is selected for a report, then no update would be made to the contract status when Service Contracts Autorereminder program runs.

The steps for creating a template are:

- Navigate to the Template Set form. (N) Setup> Contracts> Define Electronic Renewal Template
- Name: Enter a name for the template set.
- Description: Enter a description for the template set (optional).
- Start and End Dates: Enter the start and end dates for the template set (optional).
- Quote Letter: Select a quote letter from the list of values.
- Cover Letters: Select a cover letter from the list of values.
- In the Report section of the form, enter the necessary information.
- Save your work.

Setting Up Renewal Events

Events can be set up to track contract renewals automatically and take appropriate action on the expiring contracts. For more information, see the *Entering a Condition* section of *Oracle Contracts Core User Guide*.

You also need to set up the required concurrent programs to run periodically, to check the conditions and events to trigger the renewal process. For further information, see *MetaLink Note # 223708.1 - Service Contracts Auto Renewal Setup Steps*.

Setting Up System Profile Options

Use this list to identify profile options you need to change for your implementation. You can set these profile options in any order you like. You can access the profile option window by navigating to: Service Contracts Manager > Control > Profile Option.

To change profile options, please follow the standard procedure outlined in the *Oracle Applications Users Guide*.

| Option | Sample Values | Required | Description |
|------------------------------|---------------|----------|---|
| Sequential Numbering | Partially | Y | Sequential Numbering assigns numbers to documents created by Oracle Financial products and provides a method of checking whether documents have been posted or lost. This profile option must be set at the application level to Always Used. Do not set this option at the Responsibility level. |
| OKC: Batch size | 1 | N | Determines the number of records to be updated before they are saved in the database (this parameter should be fine-tuned by the database administrator). |
| OKC: Change Request Approver | Able, Marsha | N | This profile identifies the default change request approver, which would override the workflow approver. |
| OKC: Contract Approver | Sysadmin | N | This profile identifies the default contract approver, which would override the workflow approver. |

| Option | Sample Values | Required | Description |
|-------------------------------------|------------------|-------------------------------------|---|
| OKC: Public Group Creator | Able, Marsha | N | Users assigned to this profile would be able to create a public group in Oracle Service Contracts. |
| OKC: Renewed Contract Identifier | R | N | This identifier will be a prefix attached to the system date and shown as a modifier on the renewed contract. |
| OKC: Schedule Rule Alert Window | 3 | N | The number of days before a task is due that the user is notified of an upcoming task. |
| OKC: Schedule Rule Escalate | 1 | N | The number of days after an incomplete task's due date when escalation begins. |
| OKC: Time UOM Class | Time | Y | Limits the units in the Map Time Units window. Note: This is case sensitive and Time should be entered using the exact case. |
| OKC: View Contracts By Organization | Yes | Required for multi-org installation | By setting this profile option to Yes, users would only have visibility to contracts that are authored in the operating unit that is associated to their responsibility. |
| QP: Time UOM Conversion | Oracle Contracts | N | Allows users to price for service based on the calendar, as used by Service Contracts, or the standard Oracle Applications conversion. If set to Service Contracts, pricing will take the calendar into account, including irregular length months or leap years. |

| Option | Sample Values | Required | Description |
|----------------------------------|---------------|----------|--|
| OXS: Billing Schedule Level | Top Level | N | <p>Defines the default level for billing schedules. You can:</p> <ul style="list-style-type: none"> Define billing periods with complete control of dates and amount (Equal Amount). Define billing periods so that Service Contracts calculates the amount (Top Level). Define billing dates and amounts to be charged for each period for each covered level (Covered Level). |
| OXS: Check Coverage Match | Yes | N | <p>Set this profile option to Yes, to force the renewal consolidation process to preserve differences in coverage between source and target contracts.</p> |
| OXS: Contracts Validation Source | Install Base | N | <p>Defines the organization information that should be referenced, when creating a warranty contract from Oracle Order Management.</p> |

| Option | Sample Values | Required | Description |
|-------------------------------------|---------------|----------|---|
| OKS: Credit Card Display Privileges | Limited | N | <p>Determines how much of a customer's credit card number is displayed on screen. Valid values are:</p> <ul style="list-style-type: none"> • All: Complete credit card number is displayed. • Limited: The last four digits are displayed. • None: The card number is not displayed. |
| OKS: Credit Card Validation Level | Validate | N | Used by the QA process to determine whether to validate the entered credit card number, by calculating the checksum or obtaining an authorization. |
| OKS: Counter Validate | Yes | N | If set to Yes, only counter readings that are marked as being valid in Install Base are considered for billing. If set to No, all counter readings are considered for billing. |
| OKS: Debug Error Log | No | N | If set to Yes, it will generate a debug file. Should remain set to No, unless directed by a support analyst. |
| OKS: Default Line Style | Service | Y | Defines the default line style of a service contract. Only Service, Extended Warranty, Warranty, Subscription, and Usage line styles are supported for Service Contracts. |

| Option | Sample Values | Required | Description |
|--|--|----------|--|
| OKS: Default Pricing Date | Subline start date | N | Defines the date used to determine the correct price list and pricing effectivity. Valid values are Contract Subline (covered level) Start Date, Contract Signed Date, Contract (header) Start Date, System Date, or Top Line (service line) Start Date. The default is the System Date. |
| OKS: Default QA Checklist | Default | Y | Specifies the QA checklist to be used as the default when authoring new contracts. This profile option applies only to new contracts that are created during authoring. |
| OKS: Default Time Zone | America/New_York | N | Defines the default time zone for business process while authoring a contract. |
| OKS: Electronic Renewal URL | http:// webpage. yourcorp.com:port/ jtflogin.jsp | N | Setup the URL for the web page that will be provided to customers for Electronic Renewals. Customers can use the web page to review and respond to renewal notifications. |
| OKS: Enable Install Base Integration Notifications | Y | N | Determines if notifications, from Install Base, are enabled when a warranty or extended warranty is created or updated. |
| OKS: Notify User of Install Base Integration Notifications | Able, Marsha | N | Identifies the user to be notified whenever a warranty or extended warranty is created or updated in Install Base. |

| Option | Sample Values | Required | Description |
|--------------------------------|---------------|----------|--|
| OKS: Enable Negative Invoicing | Yes | N | Set to Yes, to enable negative amounts on invoices. If set to No, negative values are invoiced at zero value. |
| OKS: Enable Sales Credits | Derive | N | <p>When renewing a contract, determines Sales Person, Revenue Type Distribution, Revenue Type, and Vendor Contact.</p> <p>If set to Derive, upon renewal of the contract, this profile option will refer to the following other profile options to obtain information with which to populate the new contract:</p> <ul style="list-style-type: none"> • Sales Person (unless OKS: Use Territories to Default Sales Representative is set to Yes) • Revenue Type Distribution • Revenue Type • Vendor Contact. <p>If set to Retain, existing information will be copied into the renewed contract.</p> <p>If set to Drop, none of this information will populate in the new contract.</p> |

| Option | Sample Values | Required | Description |
|--|---------------|----------|--|
| OKS: Enable Grace Period | Yes | N | Indicates whether users should be able set up a Grace Period, when authoring or updating a contract. This site level profile option defaults to No, which causes Grace Period fields on the Contracts Authoring form to be grayed out. If set to Yes, users can populate the Grace Duration and Grace Period fields. |
| OKS: Item Display Preference | Description | Y | Specifies the display order in the list of values for Inventory items when selecting Covered Products or Covered Items, while creating a subline in the Authoring form. |
| OKS: Mass Change Security Level | Basic | Y | Defines list of update levels available to the user when making mass change. If set to Basic, then only the Contract and Contract Group level can be selected for updates. If set to Advanced, users can perform mass change updates at all levels. |
| OKS: Credit Card Minimum Authorized Amount | 100 | N | Defines minimum amount to block during credit card authorization, if Credit Card Validation Level is set to Authorize. |

| Option | Sample Values | Required | Description |
|-------------------------------|---------------|----------|--|
| OXS: Layout Template Source | Standard | N | <p>Specifies the method you wish to use to create the e-mail renewal notices sent by the electronic renewals process:</p> <ul style="list-style-type: none"> XML Publisher: Permits you to create the text of the e-mail communications to customers using software capable of producing an RTF file, such as Microsoft Word, and use Oracle Service Contract's Integration with Oracle XML Publisher to create the templates. Standard: You must use the XML reporting capability supplied by Oracle Contracts Core. This is the default setting. |
| OXS: Minimum Service Duration | 1 | N | <p>Defines the minimum duration of a service for cotermination. If a service program sets its cotermination date for duration less than the minimum service duration, then the service program honors the minimum service duration to determine the cotermination date.</p> |

| Option | Sample Values | Required | Description |
|--------------------------------------|---------------|---|--|
| OKS: Minimum Service Period | 1 | N | Defines the minimum period of a service for cotermination. If a service program sets its cotermination date for duration less than the minimum service duration, then the service program honors the minimum service duration to determine the cotermination date. |
| OKS: Notify Contract Administrator | Marsha Able | Required for reassignment of sales reps | Identifies the administrator to be notified if unable to reassign the sales representative on the contract. |
| OKS: Notify Sales Administrator | Marsha Able | Required for reassignment of sales reps | Identifies the administrator to be notified if the sales representative setup is incomplete. |
| OKS: Notify Territory Administrator | Marsha Able | Required for reassignment of sales reps | Identifies the administrator to be notified if the territory setup is incomplete. |
| OKS: Parallel Worker | Yes | N | Defines how the Service Contracts Main Billing concurrent program is run for efficient performance. If set to Yes, will spawn multiple concurrent requests for Service Contracts Main Billing program, when the billing load exceeds 500 lines. |
| OKS: Payment Method for AR Interface | Credit Card | N | Captures the payment method for a customer for integration with iPayment Server. |

| Option | Sample Values | Required | Description |
|--|---------------|----------|--|
| OKS: Raise Credit Memo for IB Instance Termination | Yes | N | Determines if a credit memo is raised when a contract subline is terminated due to transfer, return, or termination of a customer product in Install Base. |
| OKS: Reprice Warning Message | Yes | N | Used to suppress the warning message while repricing or manually overriding the final price. If set to No, the warning message "This action is irreversible. Do you wish to Continue?" will be suppressed. Default value is set to Yes. |
| OKS: Revenue Type Distribution for Sales Credit | 100 | N | Used to set the credit percentage on a renewed contract for a sales representative. In order to pass QA, revenue distribution for a renewal contract must be 100%. If OKS: Enable Sales Credits is set to No, this profile option will be ignored. |
| OKS: Revenue Type for Sales Credits | Quota | N | This Profile Option is for setting the Sales Credit type, for example quota or non-quota, for creating the sales credits during renewal. If OKS: Enable Sales Credits is set to Drop, this profile option will be ignored. |

| Option | Sample Values | Required | Description |
|---------------------------------------|----------------|--|--|
| OKS: Default Sales Person for Renewal | Able, Marsha | N | Sets the default sales person for sales credits on a renewed contract. It also populates this name in the Vendor Contact in the Party Contact Role. If the profile option OKS: Use Territories to Default Sales Person is set to Yes, the sales representative is retrieved from resource management instead of this profile option. If OKS: Enable Sales Credits profile option is set to Drop, this profile option is ignored. |
| OKS: Service Request Creator | Able, Marsha | Y (if using automated service request creation) | Sets default username for automated creation of service requests. |
| OKS: SMTP HOST | xyx.oracle.com | Required for e-mail quote | Identifies name of the outgoing mail server used to deliver external e-mail notifications. This is a required profile for e-mail quotes. |
| OKS: SMTP PORT | 25 | Required for e-mail quote | Identifies SMTP port number used by the SMTP server defined in OKS: SMTP Host profile option. This is a required profile for e-mail quotes. |
| OKS: Summary Transactions | Yes | Y | If not specified at the contract header level, this determines if the summary or detailed transactions are sent to Oracle Receivables. |

| Option | Sample Values | Required | Description |
|--|---------------|----------|--|
| OKS: Territory Sales Person for First Year Contracts | Retain | N | <p>Determines whether the application uses sales territories to assign sales agents (vendor contacts of role Salesperson) to new contracts created from orders in Oracle Order Management.</p> <p>By default this system profile is set to Retain, causing the application to copy the sales person on the order.</p> <p>A setting of Derive uses sales territories to assigns one resource as a vendor contact of type Salesperson to each contract.</p> |
| OKS: Use Territories to Default Sales Person | Y | N | <p>Determines whether to use Territories to default the sales representative for a renewed contract. If set to No, the sales representative is retrieved from OKS: Default Sales Person for Renewal. If set to Yes, it will retrieve the sales person assigned by territory. Territories must be setup if this profile is set to 'Yes.' This profile must be set to 'Yes' if using Reassign Resources concurrent request. If OKS: Enable Sales Credits is set to 'Drop,' this profile option is not used to populate the sales person renewal agreement.</p> |

| Option | Sample Values | Required | Description |
|---|---------------|----------|---|
| OKS: Use Advanced Pricing for Manual Adjustment | Yes | N | Controls integration with Advanced Pricing for manual override of the final price. If set to No, Advanced Pricing will not be used to create or derive price adjustments. If set to Yes, Advanced Pricing will be used to derive price adjustments. All adjustments will be stored in Oracle Service Contracts and can be viewed via the pricing adjustment screen. Default value is Yes. |

| Option | Sample Values | Required | Description |
|---|---------------|----------|---|
| OKS: Vendor Contact Role | Admin | N | Sets the role for creating contacts during contract renewal. Select any role from the list of values to be added to the party role contacts, which will be copied from the expiring contract. This profile option populates only the role. The person assigned to this role is named in the profile option OKS: Default Sales Person for Renewal. The Concurrent Process for Reassigning Resources looks to the Vendor Contact Role of SalesPerson to validate the name of the sales rep indicated in the territory assignment. Therefore, consider setting this profile option to SalesPerson. If OKS: Use Territories to Default Sales Person is set to yes and the vendor contact role is SalesPerson, this party role contact name may be changed to match the territory assignment. If OKS: Enable Sales Credit is set to no, this profile option will be ignored. |
| OKS: Category for Order Management Originated Contracts | Service | N | Determines the contract category for Order Management originated contracts. |

| Option | Sample Values | Required | Description |
|---|--------------------|---|--|
| OKS: Subscription Item Filter | All | N | Determines which items the user can select in a subscription line under a subscription agreement. If the value is set to Subscription, only subscription items can be selected. If the value is set to All, the user can select any subscription or products (except service warranty and usage items) at the subscription line. |
| OKS: UOM Code | Each | N | Sets the Unit of Measure (UOM) code for covered party, site, system, and customer. |
| OKS: Contact Center Date Range | 30 | Y (for viewing contracts from the Contact Center) | Controls the date range of contracts that can be viewed from the Contact Center. Enter the number of days prior to the current date. |
| OKS: Default Order Type for Subscriptions | Mixed | Y (if using tangible subscriptions) | Defines order type for subscription line orders. |
| OKS: Intangible Subscription Pricing Method | Subscription Based | N | Determines the pricing method for Intangible Subscription items. Pricing method can be set to Effectivity based or Subscription based. |
| OKS: Transfer Party Relationship | PARTNER | Y | Used to specify the relationship that would identify related parties during the transfer management process. If this relationship does not exist between the parties, the parties are considered unrelated. |

| Option | Sample Values | Required | Description |
|---|---------------|----------|--|
| OXS: Transfer Status | ACTIVE | Y | Used to specify the default contract status for the new contract(s) after a covered product or system is transferred. |
| OXS: Update Contract with Install Base Quantity | Yes | Y | Determines if the contract covered product quantity is updated as a result of the update to item instance quantity in Install Base. |
| OXS: Usage Billing Calculation | Actual | Y | Determines whether 'Default' or 'Actual' counter readings to be considered in Usage billing computation. |
| OXS: Wallet Path | | N | When the environment is set up for HTTP communications over SSL, a wallet is required to make a HTTPS request. This profile specifies the directory path where the wallet is saved and that wallet will be used in the E-mail Quote functionality. Wallet password is appended to this path with a '\$\$' prefix in the format 'path\$\$pswd'. |
| OXS: Consolidate Warranty for Multiple Order | No | Y | Determines if an order for products with warranties or extended warranties, sold in Order Management, should be consolidated when the service contract is created. Similar warranties or extended warranties are grouped on a single contract rather than creating separate contracts. |

| Option | Sample Values | Required | Description |
|-------------------------------------|---------------|----------|--|
| OKS: Full Credit for Product Return | Yes | N | Determines if a full or partial credit should be issued when a subline is terminated as a result of a customer product return. |
| OKS: Merge System Transfers | Yes | N | Determines if contracts covering multiple products in a system are merged into a single contract. |

Setup for Service Key Flexfields

This key flexfield allows pricing attributes to be stored at the covered product level in the contract authoring form. This function is available from the Actions menu.

Key Flexfield Registration

To register key flexfields:

1. Log on to Application Developer.
2. Navigate to Flexfields > Key > Register.
3. Double Click Register to open Key Flexfields form.
4. Enter Oracle Inventory as the Application.
5. Enter the code: SERV.
6. Enter the title: ORACLE_SERVICE_ITEM_FLEXFIELD.
7. Enter a description: Item Flex Field that displays segments in different sequence.
8. Enter the Table Application: Oracle Inventory.
9. Enter the Table Name: MTL_SYSTEM_ITEMS_B.
10. Enter the Unique ID Column: INVENTORY_ITEM_ID.
11. Enter the Structure Column: ORGANIZATION_ID.
12. Deselect the Dynamic Inserts Feasible check box.
13. Select the Check Allow ID Value Sets check box.
14. Save your work.

Setting Up Global Contract Defaults

If renewal rules are not specified in Order Management, a contract will be created without any renewal criteria. To renew a contract, renewal criteria should be retrieved from the defaults defined at the contract, event, party, organization, and global

levels. The Renewal Event evaluates the renewal criteria in the following precedence and applies them to a renewed contract:

- Contract
- Event
- Party
- Organization
- Global

If a specific rule is not found at a given level, it is retrieved at the subsequent level and ultimately at the global level if they do not exist in the other levels. In any case, the renewed contract would have all the elements required for renewal and repricing and to submit the contract for approval.

Use the Renewal Rule Defaults form to set up renewal defaults at the system, party, and organization levels. You can set up the defaults at the system level in the Global region of the form. The defaults at the organization and party levels are set up in the Parties and Organization tabs respectively. The Administration tab is the same for both.

To set up global defaults:

1. Navigate to Service Contracts Manager > Setup > Contract > Global Contracts Defaults. The system displays the Global Contracts Default window.
2. The following table displays the fields and field descriptions for the Global Contracts Default window.

| Field | Description |
|---------------|-------------|
| Global Region | - |

| Field | Description |
|---------------------------------|--|
| Renewal Type | <p>Select the Renewal Type from the drop down list. The valid values are:</p> <ul style="list-style-type: none"> • Notify Sales Rep: This will send a notification to the sales rep, based on the territory in which he/she resides, to facilitate the renewal. For example, when the sales rep needs to negotiate the pricing with the customer prior to sending the contract for approval. • Submit for Approval: This will create a renewed contract in an entered state awaiting review and approval before it can become active. If the autorenewal process has been implemented, a contract with an Active Contract renewal type will either become signed or active, depending on whether the start date has passed. If the contract has not passed QA however, it will remain in an entered state. • Active Contract: The renewal event automatically approves and activates the contract. • Do Not Renew: When the contract expires, no further action is taken. • Electronic Renewal: Places the renewed contract into the Entered status and sends a notification to both the sales representative and the customer. The customer receives notification in the form of an e-mail with a link to a web page. From that page, the customer can review the quote and accept, reject, or request changes to the renewed contract. |
| PO Required | <p>Select the PO Required check box to specify that a purchase order is required during the renewal process. If selected, the renewal cannot be sent for approval without a purchase order.</p> |
| Interface Price Break check box | <p>Use this option to control the interface of price breaks details to Oracle Receivables. Select the Interface Price Break check box if you want the price break details to be sent to Oracle Receivables during billing. The Price break information includes quantity, unit price, and amount.</p> |

| Field | Description |
|-------------------|---|
| Pricing Method | <p>Select the pricing method from the list. This determines how pricing is to take place in contracts during renewals. The valid values are:</p> <ul style="list-style-type: none"> • Price List: Renewal pricing is based on the current price list. • Markup Percent: Renewal pricing is based on a markup percentage (%) and a cap price list. For example, last year's negotiated markup % is subject to a capped list price. • Manual: Renewal pricing uses last year's negotiated price. |
| Price List | <p>If either the Price List or Markup Percent method is selected, then the Price List field is enabled. Select a Price List from the list of values.</p> |
| Markup % | <p>If the Markup Percent Method is selected, then the Markup% field is enabled. This represents the percentage that is to be used to markup or markdown the contract lines during contract renewal. The value may be entered as a positive or negative percent.</p> |
| Approval Workflow | <p>Select the approval workflow from the list. This workflow is used to approve the renewed contract</p> |
| Role | <p>Select a Role from the list of values. The valid values include:</p> <ul style="list-style-type: none"> • Customer • Merchant • Subscriber • Third party |
| QA Checklist | <p>Select the QA checklist from the list. This checklist will be used to QA the renewed contract.</p> |
| Help Desk | <p>Select the Help Desk E-mail account that should receive notifications when an Electronic Renewal contract notification cannot be sent to a customer due to problems with the contract renewal.</p> |
| Template Set | <p>Select the Template Set that will be used for electronic renewals.</p> |
| Billing Profile | <p>Select the Billing Profile that will be used for electronic renewal contracts.</p> |

| Field | Description |
|-------------------------------------|--|
| Contract Group Region | - |
| New Order | Select a group from the LOV for New Order. Any contract that is created from a sales order will be placed in this group. |
| Renewal | Select a group from the list for Renewal. Renewed contracts will be placed in this group |
| Revenue Region | - |
| Estimated % | Enter the percentage revenue for Estimated %. This is an estimate to be achieved for the renewed contract. |
| Duration | Enter Duration. This represents the duration before the expiration of the contract for when it is predicted the percentage revenue will be achieved. |
| Period | Select the period from the list of values. |
| Grace Region | Use the Grace region to set up a standard grace period for the contracts that are renewed. |
| Duration | Enter the duration for grace period. |
| Period | Enter the period type. For example, Day or Month. |
| Credit Card Threshold Region | Use the Credit Card Threshold region to specify a threshold amount that would make credit card the only available method of payment. In the Credit Card Threshold region, enter the threshold Amount and Currency type. |
| Active Threshold Region | Use the Active Threshold region to set a threshold amount for Active renewals such that all contracts below the threshold amount would renew and invoice customers automatically. In the Active Threshold region, enter the threshold Amount and select the Currency type. |
| Electronic Renewal Region | - |
| Enable | Select the Enable check box to enable Electronic Renewals. |

| Field | Description |
|---|---|
| Payment Terms for Credit Card | Use the Payment Terms for Credit Card field to set up the default payment terms for credit card orders. When customers log into the portal web page to respond to an Electronic Renewal notification, they may select the Credit Card payment method in the process of accepting the contract renewal. When the Credit Card payment method is selected, the payment term that is entered in this field is defaulted as the payment terms on the contract. |
| Threshold Currency and Threshold Amount | Enter the Threshold Currency and Threshold Amount, if the Enable check box has been selected. The amount entered will be the threshold amount used to determine whether or not a contract qualifies for Electronic Renewals. All contracts having a total value less than or equal to the amount entered will generate an Electronic Renewal. |
| Organizations - Renewal Rules Tab | This tab is used to specify the renewal and pricing attributes at the organization level. |
| Organization | Select the Organization number from the list of values. The Organization Name is automatically displayed. |
| Start and End Dates | Enter the effective Start and End dates for the organization. These fields are mandatory. The end date must be greater than the start date. |
| Renewal Type | Select the renewal rules per Global defaults. In this tab, the renewal and pricing rules are optional. |
| Organizations - Admin Tab | The Organization Name and effective Start and End dates are displayed. Select the Contract Group, QA Checklist, Approval Workflow, and Role. These values are optional. |
| Organizations - Revenue Tab | The Organization Name and effective Start and End dates are displayed. Enter the Revenue Estimated %, Duration, Period, Credit Card Threshold Amount, and Currency type. These values are optional. |
| Organizations - Electronic Renewal Tab | The Organization Name and effective Start and End dates are displayed. Enter the Threshold Amount and Currency, Payment Terms for Credit Card, Help Desk Email, Template Set, and Billing Profile. These values are optional. |

| Field | Description |
|---------------------------------|--|
| Organizations - Preferences Tab | <p>The Organization Name and effective Start and End dates are displayed.</p> <p>Enter the Active Threshold Amount and Currency type, Grace Duration, and Period type. These values are optional.</p> |
| Parties Tab | Use the Parties tab to specify the renewal and pricing attributes at the party level. |
| Parties - Renewal Rules Tab | - |
| Party Number | Select the Party Number from the list of values. The Party Name is automatically displayed. |
| Start Date and End Date | Enter the effective Start and End dates. These dates are mandatory. The end date must be greater than the start date. |
| Renewal Type | Select the Renewal Type and Pricing Method. If applicable, enter the Markup% and Price List. These values are optional. |
| Parties - Admin Tab | <p>This tab has the same administration attributes as the Organization - Admin tab.</p> <p>Select the QA checklist, Approval Workflow and Role. These values are optional.</p> |
| Parties - Revenue Tab | <p>The Organization Name and effective Start and End dates are displayed.</p> <p>In the Revenue region, enter the Estimated percent, Duration, and Period. These values are optional.</p> <p>In the Credit Card Threshold region, enter the Currency type and threshold Amount. These values are optional.</p> |
| Parties -Electronic Renewal Tab | <p>The Organization Name and effective Start and End dates are displayed.</p> <p>Select the threshold Amount and Currency, Help Desk Email, Template Set, and Billing Profile. These values are optional.</p> |
| Parties -Preference Tab | <p>The Organization Name and effective Start and End dates are displayed.</p> <p>Enter the Active Threshold Amount and Currency type. These values are optional.</p> <p>Enter the Grace Duration and Period type. These values are optional.</p> |

Setting Up Subscription Templates

Subscription items are created in the Inventory Master Items form. Before creating the subscription items, a Subscription Template must be created. The subscription template will control the fulfillment of the subscription.

To set up subscription templates:

1. Open the Subscription Template form by navigating to Service Contracts Manager > Subscription Template.
2. In the Name field, enter a name for the template.
3. In the Description field, enter a description for the template.
4. In the Subscription Type field, select the type of subscription such as Journals, Magazines, and News Letters from the list of values.
5. In the Media Type field, select the type of medium such as Document, Image, and Audio from the list of values.
6. In the Fulfillment Channel field, select one of the following options:
 - Order Management: for tangible items that need to be shipped
 - None: for intangible items
7. In the Frequency field, select one of the following subscription frequency options:
 - Daily
 - Weekly
 - Monthly
 - Yearly
8. Enter any additional information in the Comments field.

Service Contracts Setup Report

The Service Contracts Setup Report is a diagnostic tool provided to facilitate debugging the issues reported in Oracle Service Contracts. This report also helps in implementing Service Contracts by summarizing the set ups. A comprehensive report is provided on the setup done in any application environment. This report not only summarizes all the setups at one place, but also provides information on any mandatory setup that needs to be done in that environment for Service Contracts to function effectively. This report is part of the Oracle Service Contracts and is applicable only to Service Contracts.

To run the Service Contract Setup report:

1. From the responsibility menu, choose Service Contracts Manager > Request > Run > Single Request.
2. In Name choose "Service Contracts Setup report."
3. Click Submit.

The report can be viewed from the "View Output" of the concurrent request. The output of this report is in PDF format and it gives all the setups done for the Service Contracts Module. If any of the setups are mandatory and are not set, the report

will highlight them in red. This report consists of mandatory and non-mandatory settings.

- **Profiles Setup:** This section provides a list of User Profile Option Names and Values set for them. If any of the mandatory settings are missing or not properly set, they will be highlighted in Red. The Profile Setup values and Mandatory column are as follows.
- **Transaction Type Setup:** For this setup, the report checks for Batch Transaction Source OKS_CONTRACTS and Transaction Type "Invoice-OKS" and "Credit-OKS."
- **Service Key Flexfield Setup:** Verifies whether the key Flexfield Code SERV has been set up.
- **Category Setup:** Displays the categories and responsibilities that have been setup and the access level for Service and Warranty Categories.
- **Oracle Quoting Integration Setup:** Oracle Service Contracts must be set for Order Quoting Integration.
- **Time Units Mapping:** The report displays the user defined time code units.
- **Global Contracts Defaults:** The report shows the values in the Global Contracts Defaults setup.
- **Coverage Template Setup:** Shows any coverage templates that have been defined for warranty as well as service item.
- **Statuses and Operations:** Displays all the contract statuses and operations for each status type.

Implementing Sales Territories to Assign Sales People

You can set up sales territories using Oracle Territory Manager to have the application:

- Automatically assign sales agents as vendor contacts to new contracts created from Oracle Order Management orders.

By default, service contracts created through Oracle Order Management carry over the sales person on the sales order as the vendor contact for the contract itself. Using the procedures described here you can instead use sales territories to assign the sales agent to the contract. This feature is most useful for customers that use different organizations for selling and renewing service contracts.

- Automatically assign new sales agents to contracts after personnel changes and reorganizations.

Application administrators can run the concurrent program Service Contracts Concurrent Program for Reassigning Resources to assign new sales agents to contracts in entered, active, signed, and hold statuses. For contracts in the active, signed, and hold statuses, the concurrent program adds the resource in the territory as a new vendor contact of role Salesperson and enters an end date for any existing vendor contacts of role Salesperson. For contracts in the entered status, the concurrent program replaces the existing vendor contacts of role Salesperson with the one derived from the territory.

When the application cannot assign a resource from the territory, for example for new or dormant customers that have no territories set up for them, the application automatically notifies the territory administrator defined in system profile

OKS: Notify Territory Admin that the contract remains unassigned. If this profile is not set, the application looks for the individual to notify first in OKS: Contract Administrator and, if none is set, then in OKC: Contract Approver.

Use these guidelines to use territories for assigning vendor contacts of role Salesperson.

To use sales territories to assign sales people to contracts:

1. Set up sales territories for Oracle Service Contracts as described in the *Oracle Territory Manager User Guide*. Follow these guidelines during your setup:
2. Under the CRM Administrator responsibility, navigate to Territory Manager > Territory Administration.
3. Enable Oracle Service Contracts qualifiers:
 1. From the Administration Menu, choose Setup Qualifiers.
The Setup Qualifier window appears.
 2. From the Usage List of Values, choose Oracle Service Contracts.
 3. Click **Find**.
The application displays the list of qualifiers available for use in Oracle Service Contracts:
 - Country
 - Customer Name
 - Customer Range (alphabetical range)
 - State
4. Enable the qualifiers you wish to use by selecting the Enabled check box.
5. Click **Update Qualifiers**.
6. Close the window to return to the territory Navigator.
7. Navigate to Select the Oracle Service Contracts folder in the territory manager Navigator and create your territories. For each territory:
 1. Choose Contract Renewal as the Transaction Type (it is the only choice available).
 2. On the Transaction Qualifiers tab, choose the qualifiers using the Name LOV. (Only those you have enabled are available for use.)
 3. Enter the qualifier values for the territory.
 4. Enter the name of one resource. (If you enter multiple resources, the application uses only the first one on the list.)
8. Set the system profile OKS: Notify Territory Admin to the resource you wish to notify if the contract if territory assignment fails to assign a sales agent.
9. Run the concurrent program Generate Territory Packages with the following parameters:
 - Usage: Oracle Service Contracts
 - Transaction Type: Contract Renewal

10. If you wish to have the application use the sales territories to automatically assign a resource as a vendor contact in contracts created through Oracle Order Management orders, then:
 1. Set the system profile OKS: Territory Sales Person for First Year Contracts to Derive. (By default this system profile is set to Retain, causing the application to copy the sales person on the order to be the vendor contact or type Salesperson on the contract.)
 2. Make sure the following system profiles are set to the resource you wish to notify if the application cannot assign a sales person to the contract based on the territory setup. In this case, the application creates the contract without a vendor contact and looks for a resource to notify in the following system profiles and in the following order:
 - OKS: Notify Territory Admin
 - OKS: Contract Administrator
 - OKC: Contract Approver
11. If you wish to reassign sales agents to contracts based on the sales territories, for example, as a result of personnel changes or reorganizations, then run the concurrent program Service Contracts Concurrent Program for Reassigning Resources. This program reassigns sales agents to in Entered, Active, Signed and Hold statuses. For contracts in the Entered status, the application replaces all vendor contacts of role Salesperson with the resource supplied by the territory. For contracts in the Active, Signed, and Hold statuses, the application end-dates (sysdate -1) the current vendor contact(s) of role Salesperson and appends the resource supplied by the territory. The application sets the new sales person's start date to the sysdate. You can restrict the scope of the concurrent program's assignment by entering any of the following parameters:
 - Contract Number
 - Contract Status
 - Organization
 - Sales Person (sales person within that organization)

If you do not enter any of these parameters, the program reassigns sales agents to all contracts.

Implementing Quick Menu

Oracle Service Contracts' agents can use the Quick Menu to navigate to windows in other applications without having to change responsibility and requery the customer as in past releases. The Quick Menu (which is available as a selection on the Tools menu) increases agent productivity by preserving the customer context. For example, an agent working on a contract for Business World can, with two clicks of a mouse, display detailed information on Business World and its contacts in the Contact Center. There the agent can modify customer information, including addresses, accounts, and other details, and then switch back to the contract.

To enable the Quick Menu for Oracle Service Contracts follow the instructions in the *Oracle TeleService Implementation Guide* in addition to the guidelines below.

To enable the Quick Menu:

1. Select the Application Developer responsibility.
2. Navigate to Application > Menu
3. Verify that the Quick Menu for Service Contracts is added to OKS_MANAGER_TOP_MENU as a submenu.
4. Add the forms you wish to use to the menu Quick Menu for Service Contracts (OKS_QUICKMENU).
5. You can add forms from any application, but only forms that are Quick-Menu-enabled will pass the customer context from the contract. For a complete list, see the seeded Quick Menu for Customer Support (CSX_CUSTOMER_SUPPORT_QM).
6. Set the system profile Customer Care: Start Menu for Quick menu to Quick Menu for Service Contracts at the Responsibility level. (By default, this system profile is set to Quick Menu for Customer Support at the Site level.)

Note: Even if you do not set up the Quick Menu, the selection remains enabled in the Tools menu. In this case, selecting the quick menu displays the seeded Quick Menu for Customer Support (this is the menu for the Oracle TeleService application). However, Oracle Service Contracts agents cannot use this quick menu. If they attempt to do so, they receive an error message that their responsibility does not permit them to use its functions.

Implementing Multi-Currency Price List Support

Set up multi-currency price lists as specified in the Multi-Currency Conversion Lists chapter of the *Oracle Advanced Pricing User's Guide*.

To implement multi-currency price lists you must:

1. Set the system profile QP:Multi Currency Installed to **Yes**.
2. Run the concurrent program Update Price Lists with Multi-Currency Conversion Criteria.

Note: After you have run the concurrent program, you cannot revert your price lists back to single-currency price lists. Oracle does not support changing the profile QP: Multi Currency Installed back to **No**.

