

Oracle® Service Contracts

User Guide

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Oracle Service Contracts User Guide, Release 12

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Preface

Intended Audience

Welcome to Release 12 of the *Oracle Service Contracts User Guide*.

See Related Information Sources on page xvi for more Oracle Applications product information.

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Related Information Sources

Related Service Contracts Guides:

Oracle Contracts Implementation and Administration Guide

Other Related Guides:

Oracle Advanced Pricing User's Guide

Oracle Applications User's Guide

Oracle Bills of Material User's Guide

Oracle Common Application Components User Guide

Oracle Complex Maintenance, Repair, and Overhaul User's Guide

Oracle General Ledger User Guide

Oracle Installed Base User Guide
Oracle Inventory User's Guide
Oracle Order Management User's Guide
Oracle Receivables User Guide
Oracle TeleService User Guide
Oracle Workflow User's Guide
Oracle XML Publisher User's Guide

Integration Repository

The Oracle Integration Repository is a compilation of information about the service endpoints exposed by the Oracle E-Business Suite of applications. It provides a complete catalog of Oracle E-Business Suite's business service interfaces. The tool lets users easily discover and deploy the appropriate business service interface for integration with any system, application, or business partner.

The Oracle Integration Repository is shipped as part of the E-Business Suite. As your instance is patched, the repository is automatically updated with content appropriate for the precise revisions of interfaces in your environment.

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.

Creating Contracts

This chapter covers the following topics:

- Overview of Oracle Service Contracts
- Elements of a Service Contract
- Managing the Service Contract Life Cycle
- Creating a Contract
- Copying Information Between Contracts
- Searching for a Contract or Template
- Creating a Template from a Contract

Overview of Oracle Service Contracts

Oracle Service Contracts provides a complete contract authoring execution solution to manage warranties, extended warranties, usage, and subscription services, as well as complex service agreements. With Oracle Service Contracts you can:

- Sell multiple types of service
- Define pricing and billing schedules
- Ensure timely service entitlement checks
- Automate renewals for recurring revenue opportunities
- Simplify change management
- Minimize service revenue leakage

Elements of a Service Contract

A contract in Oracle Service Contracts comprises:

- a header, page 1-2
- one or more lines, page 1-2
- one or more sublines, page 1-4

Header

The header is where you enter a brief description and specify the contract duration. You can default values from the header of a contract down to the lines and, if applicable, to sublines as well.

The header level is composed of the fields at the top of the Service Contracts Authoring form as well as the Summary tab. The Summary tab also includes several secondary tabs. The following list briefly describes these pages:

- **Parties:** Enter information about the customer, including the bill to and ship to information for the contract.
- **Pricing/Billing:** Assign a price list and various accounting rules for pricing and billing contracts. In most cases, Oracle Service Contracts retrieves the contractual prices of services or usage from Oracle Advanced Pricing, however, pricing is done manually in some situations.
- **Renewals:** Define the renewal rules that are applied during manual or automatic renewal of the contract.
- **Administration:** Define administrative components that are used to process the contract, such as the QA checklist, contract groups, and workflow.
- **Security/Text:** Grant contract access by the resource group or user level.

Lines

Lines list the individual service, usage, and subscription items that are included in the contract. A single contract can have multiple lines.

Each line inherits certain information from the contract header 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 the customer requirements. A contract line may be related to one or more sublines.

Three line types are available:

- 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.

Each service line can cover one or more items that a customer owns.

See Entering Service Lines, page 3-3 for more information about service lines.

- Usage lines: Charge customers for usage. For example, a photo copier company might wish to charge for the number of copies that are made within a period.

See Entering Usage Lines, page 4-3 for more information about usage lines.

- Subscription lines: Cover subscriptions for both tangible and intangible items. Tangible items include magazines, collateral, or any other physical item that can be shipped through Oracle Order Management. Intangible items can be collateral sent through e-mail.

See Entering Subscription Lines, page 5-5 for more information about subscription lines.

Note: Subscription lines do not have sublines.

The Lines tab includes several secondary tabs, which include:

- Accounts
- Effectivities
- Pricing/Products
- Exemption/Payment Options
- Counters
- Events

Note: The fields within each secondary tab are unique to the line type that you select.

For details on entering lines, refer to the specific line type topics.

- Entering a Service Line (General Procedure), page 3-3
- Entering a Usage Line in a Contract, page 4-3
- Entering a Subscription Line, page 5-5

Sublines

Sublines specify what the service covers or the counters where the usage is tracked. You can access this information from the Pricing/Products subtab of the Lines tab.

The following list describes how each line type uses sublines:

- Service lines: Sublines for service lines specify what the service covers. A service line can cover a party, a customer, a site, a system, a product, or an item. See *Levels of Coverage and Their Uses*, page 3-15.
- Usage lines: Sublines for usage lines specify the counters where the usage is tracked. See *Entering a Counter*, page 4-21.
- Subscription lines: Subscription lines do not have sublines. See *About Subscriptions*, page 5-5.

Managing the Service Contract Life Cycle

Oracle Service Contracts enables you to manage the entire contract life cycle, including contract creation, renewal, and termination. For detailed information refer to the following procedures:

- *Creating a Contract*, page 1-4
- *Approving Contracts*, page 9-4
- *Extending and Renewing Contracts*, page 17-2
- *Terminating Contracts*, page 20-1
- *Managing the Contract Life Cycle*, page 16-1

Creating a Contract

You can create a contract manually. In addition, a contract can be created automatically through Oracle Order Management or by creating a product that has a warranty in Oracle Installed Base. See *About Ordering Service in Oracle Order Management*, page 6-2.

You can author service contracts in multiple operating units without changing responsibility. You must select an operating unit for each contract.

Note: This procedure covers how to create a contract by navigating from the Launchpad. You can also open the Service Contracts Authoring form from the Administrator Workbench. For more

information about the Administrator Workbench, see Overview of the Administrator Workbench, page 13-1.

To create a contract:

1. Log in under the **Service Contracts Manager** or **Service Contracts User** responsibility.
2. Navigate to **Contract Administration**, and then select **Launchpad**.
The Oracle Contracts window appears.
3. Select **New** from the Tools menu.
The Create a New Contract window appears.
4. To create a contract manually:
 1. Select the **Create a New Contract Manually** radio button.
 2. Select an operating unit using the list of values (LOV).
Note: The Operating Unit LOV shows operating units that are available to the security profile that is specified in MO: Security Profile. If a default operating unit is specified in MO: Default Operating Unit, the application uses the default operating unit.
3. Select a category using the LOV:
 - If you are creating a contract with service agreements for individual items (covered products) in the customer's installed base, then select **Warranty and Extended Warranty** or **Service Agreement**. Warranty and Extended Warranty category does not permit you to add usage lines or to sell service to other levels of coverage (a party, site, or system).
 - If you are creating a usage contract or a service agreement for levels other than items in the customer's install base (Products), then you must select **Service Agreement**.
 - If your contract includes subscriptions, then select **Subscription Agreement**. Subscription agreements permit you to enter subscriptions, service, and usage lines.
5. To create a contract using a template:
 1. Select the **Create a Contract from a Template** radio button.

2. Select a template using the Template LOV. If you do not know the template name you can search for the template by description and other criteria by clicking **Find**. See Searching for a Contract or Template, page 1-11.

6. Click **Create**.

The Service Contracts Authoring window appears. The category that you selected appears in the Category field at the top of the window. The start date becomes today's date.

The application supplies a contract number for you automatically after you first save the contract, but you can instead enter a number of your own. The contract number can be a combination of any characters, but it must be unique.

7. Optionally, enter another short identifier in the Known As field to help you identify the contract later.
8. Specify the dates that the contract is effective by entering:
 - The start date or end date
 - Duration and period

The dates that you enter here are automatically passes to each new line in the contract. The dates that individual lines are effective cannot fall outside this range; they cannot have a start date earlier than the contract start date or an end date later than the contract end date. If you enter dates that are outside this range in a contract line, then you must extend the contract dates accordingly for your contract to pass Quality Assurance (QA).

9. To help you identify the contract later, enter a description in the Description field.
10. In the Party region, the operating unit entered in the Create a New Contract window defaults as the Vendor Operating Unit (or the Merchant Operating Unit for Subscription Agreements).
11. Save.
12. You are now ready to enter the rest of the contract information that is required for your contract to become active:

Note: To speed up entry, you can copy information from an existing contract. See Copying Information from an Existing Contract, page 1-8.

- General contract information, including the vendor and customer, what quality check the contract must pass to become active, and how the contract will be renewed.
 - Contract lines according to procedures described in:
 - Entering a Service Line (General Procedure), page 3-3
 - Entering a Usage Line in a Contract, page 4-3
 - Entering a Subscription Line, page 5-5
13. You can create different versions of the contract for your customer and at different price points and send them out for review. See Creating Different Contract Versions for Your Customer, page 16-15.
 14. Check to see whether you have entered all the required information in the contract or whether some external reason exists why the contract cannot be implemented, by running the QA check.
 15. The QA check alerts you of any issues with your contract.

Following are examples of issues that are tracked in the QA check:

- Failure to create a billing schedule for the customer.
- Failure to include an e-mail address for the customer contact.
- Absence of sales credits for contract lines.
- Customer credit on hold.

Your contract becomes active only after it passes the QA check list and obtains the

approvals that are required by the Oracle Workflow process.

Note: The application uses a common workflow for new and renewed contracts. Each new contract, whether a renewal or new, initiates a workflow process. See *Overview of Managing Contract Negotiation*, page 11-1.

The standard contract approval workflow integrates with Oracle Approval Management Engine (AME). Standard AME features support rules based approval routing and definition of approval groups. Key attributes have been seeded in AME for approval setup, such as Contract ID, Operating Unit, Customer Party, Contract Category, and Contract Amount.

Your administrator can define additional attributes through AME. For more information see the *Oracle Service Contracts Implementation Guide*.

See *About the Quality Assurance Check (QA Check)*, page 8-1 and *Approving Contracts*, page 9-4.

Copying Information Between Contracts

You can copy information from an existing contract into a new contract, an existing contract, or to a new modifier of the existing contract.

Note: For existing contracts, you cannot copy the components of a contract across categories. For example, you cannot copy the components from a Warranty into a Service Agreement.

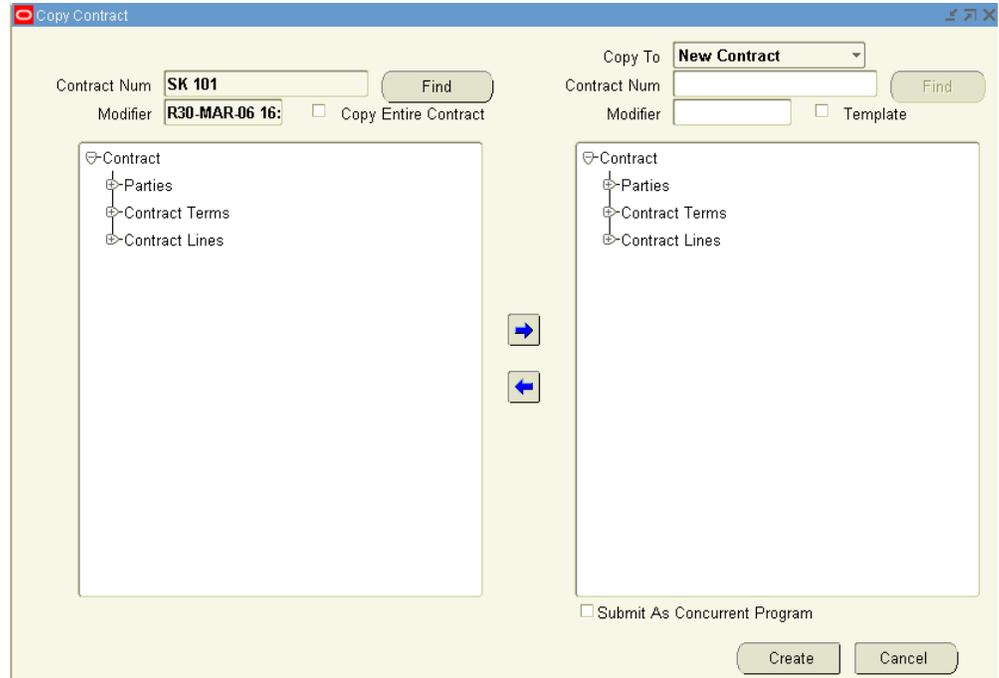
You can copy from Contract Navigator as well as the results table in the Search Templates and Contracts window. In this case, you select the Source Contract and then search for a target contract to which you can copy the information.

You can also initiate copy from within the contract itself. In this case, the selected contract is the target contract and you search for a source contract from which you intend to copy components. You will typically use this method to copy service lines and covered level into the contract you have open.

To copy information from an existing contract:

1. From the Contract Navigator or Search Results region of the Search Templates and Contracts window, right-click a contract and select **Copy**.

The Copy window appears and the selected contract number supplied in the upper left region.



2. Select the information that you want to copy in the left half of the window.
 You can make multiple selections by holding down the **Shift** and **Ctrl** keys on your keyboard. You can expand the tree outlining the information by clicking any of the nodes.
3. Use the right arrow button to copy information from the left-side of the window to the right (the new contract).

Note: To copy the entire contract, select the Copy Entire Contract check box. After you select this check box you can no longer use the left and right panels to make selections.
4. From the Copy To field, select **New Contract**.

Note: To copy into an existing contract select Existing Contract. To copy into a new contract that has the same contract number as the source contract but with a new modifier select New Modifier.
5. To copy into a new contract, and make that contract a template, select the Template check box.
 When you create a new contract, you will see that template in the list of available template contracts.

6. If you are copying a large contract and you do not want to use too many system resources, you can select the **Submit as Concurrent Program** check box.
7. Click **Create**.
The application confirms the copy with a message.
8. From the message window, select **OK** to view the new contract.

Note: Your administrator can set the profile OKS: Copy Notes to control whether notes are copied. If this profile is set to yes, the notes within the existing contract are copied into the new contract.

Within the Notes window, the Entered By field indicates **ANONYMOUS** if the note was copied from an existing contract.

To copy information from within the contract:

1. Open a contract.
2. From the Action menu, select **Copy from Contract/Template**.
The Copy window appears and the contract number of the contract you are in appears in the upper right region. The Copy To field is set to Existing Contract and cannot be changed. In addition, the Copy Entire Contract check box is disabled.
3. Click **Find** to find a contract or template from which to copy. The Search Templates and Contracts window appears.
You must search for a contract, highlight the contract in the results region, and select **OK**.
4. Select the information to copy in the left panel.
You can make multiple selections by holding down the **Shift** and **Ctrl** keys on your keyboard. You can expand the tree outlining the information by clicking any of the nodes.
5. Use the right arrow button to copy information from the left-side to the right (the new contract).
6. Click **Create**.
The application confirms the copy with a message.
7. From the message window, select **OK** to view the new contract.

Searching for a Contract or Template

To search for a contract or template:

1. From the Navigator, navigate to **Contract Administration**, and then select **Launchpad**. The Oracle Contracts window appears.

2. From the View menu, select **Find**.

The Search Templates and Contracts window appears.

3. Enter your search criteria.

Narrow your search by:

- Searching for contracts within a particular operating unit by choosing a value from the LOV.
- Selecting either a contract number or template name from the Contract Number LOV.

4. If you have selected Service Agreement, Warranty and Extended Warranty, or Subscription Agreement for the category parameter, click the **More** button for additional search criteria for finding contracts.
 1. When you click the More button, the application displays the Service Module Search window. This window enables you to search on specific attributes for service contracts, such as agreement names, date signed, order number, bill to address, and e-mail.
 2. Click **OK** to return to the Search Templates and Contracts window.

The image shows a dialog box titled "Service Module Search". It contains five text input fields stacked vertically, labeled "Agreement Name", "Date Signed", "Order Number", "Bill To Address", and "Email". At the bottom of the dialog, there are two buttons: "OK" and "Cancel".

5. Select **Search**.

A list of contracts that match your search criteria appear in the Results region.

6. Select a contract, right-click and select **Open**.

Creating a Template from a Contract

A template makes it possible for you to speed up the contract creation process by filling in frequently used values.

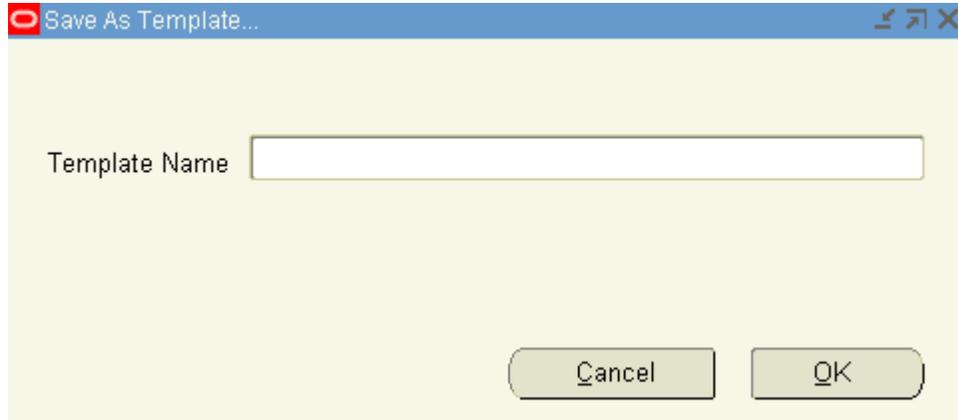
Prerequisite

Display a contract.

To create a template from a contract:

1. From the Actions menu, select **Save as Template**.

The Save As Template window appears.



2. Enter a template name.
3. Click **OK**.

The application responds with a note informing you that the template has been created.

Note: You can save any contract as a template.

When you create a new contract from a template, the application creates a new contract in the **Entered** status. The header, lines, and sublines from the template are copied into the new contract.

See *Creating a Contract*, page 1-4.

Entering Defaults for Contracts

This chapter covers the following topics:

- Overview of Entering Defaults for Contracts
- Specifying Contract Effectivity and Maximum Duration
- Entering Parties to the Contract
- Entering Party Contacts
- Creating or Modifying a Customer Contact Record
- Entering the Billing Account and Address
- Entering the Shipping Account and Address
- Entering the Price List
- Entering Billing Schedules
- Billing Schedules Overview
- Creating a Billing Schedule Using Billing Streams
- Entering a Billing Stream
- Using Billing Streams to Handle Irregular Billing Periods
- Creating a Billing Schedule from a Billing Profile
- Specifying How Billed Amounts Appear on Invoices
- Suspending Billing for a Contract
- Holding Credits Until the Next Billing Cycle
- Entering Tax Exemptions
- Specifying a Payment Method
- Specifying Payment by Credit Card or Commitment Number
- Requiring a Purchase Order
- Specifying a Purchase Order Number for Invoices

- Specifying a Receivables Transaction Type for Payment
- Assigning Sales Credits
- Requiring and Specifying a Purchase Order for Service Charges
- Specifying How a Contract Will Be Renewed
- Defining Grace Periods
- Specifying and Starting the Contract Approval Workflow
- Organizing Contracts by Assigning Them to Contract Groups
- Specify a Different Quality Assurance Check List
- Entering an Estimate of Contract Revenue
- Specifying Contract Terms
- Granting Additional Access Privileges
- Entering an Additional Description or Comment
- Setting Up Defaults for Contract Renewal
- Overview of Default Levels
- Entering Contract Defaults
- Setting Up System Profiles for Renewal Defaults
- Speeding Up Contract Line Entry Using Default Values

Overview of Entering Defaults for Contracts

This group of topics describes how to enter the contract details. Some contract details default to service lines.

Specifying Contract Effectivity and Maximum Duration

You can specify the dates that your contract is effective. The dates you enter become the default dates for each new contract line and set a limit to the duration of all lines in the contract.

A contract line cannot have a start date earlier than the contract header start date or an end date later than the contract header end date.

Entering effectivity dates using this procedure affects new lines only. To make the new dates also apply to existing contract lines, you must cascade the values to those lines. See *Applying Default Values to Existing Contract Lines*, page 3-60 for details.

Note: If you are using this procedure to modify the dates for a contract with existing lines and your change makes any of the lines fall outside

the new date range, then you must cascade the values to existing lines. If you do not, your contract will not pass the default quality assurance check.

You can change the dates that you specify here at the individual line or subline level provided the changes do not fall outside this range.

To specify contract effectivity and maximum duration:

1. From the Service Contracts Authoring window, select the **Summary** tab and **Parties** subtab.
2. Specify the dates that the contract is effective by entering either:
 - End date
 - Duration and period
3. Save.

Entering Parties to the Contract

Usually, entering parties to the contract is limited to your organization and the customer, but you can also enter a third party such as a distributor or a dealer. You can bill only those accounts belonging to the parties that you enter here or to related accounts as defined in Oracle Receivables.

Note: You cannot change a customer party or third party if dependent data exists on the contract such as a related bill to account or ship to account.

Prerequisites

Set up customers and third parties

Define profile MO: Security Profile

Define profile MO: Default Operating Unit (optional)

To enter the parties to the contract:

1. From the Service Contracts Authoring window, select the **Summary** tab and **Parties** subtab.
2. In the Party region, the operating unit entered in the Create a New Contract window defaults as the Vendor Operating Unit (or Merchant Operating Unit for

Subscription Agreements).

3. Enter the customer:
 1. Select **Customer** (or **Subscriber** for Subscription Agreements) from the Role LOV.
 2. Enter the customer name using the Name LOV.
4. Enter any third party, such as a dealer or distributor:
 1. Select **Third Party** using the Role LOV.
 2. Enter the third party using the Name LOV.

Note: You can enter only third parties that do not have an account-level relationship to the customer. Such relationships between accounts can be set up in Oracle Receivables.

5. Save.

Entering Party Contacts

You can enter contacts for the different parties to the contract. This includes the sales people in your organization (the vendor).

Note: You must enter the sales person as a contact for the vendor to run the Service Contracts Bookings report.

To enter party contacts:

1. From the Service Contracts Authoring window, select the **Summary** tab and **Parties** subtab.
2. Select the party for which you want to enter the contact.
3. Select the contact's role using the Role LOV.
4. Select the contact from the Name (LOV). If the contact does not exist in the database or the contact information needs to be modified, you can create a new record or modify the existing one by selecting **Maintain Contact** from the Actions menu. See *Creating or Modifying a Customer Contact Record*, page 2-5 for details.

Important: You must enter an operating unit. From the Party region of the Parties subtab:

1. Select a Vendor Operating Unit from the Role LOV.
2. Select an Operating Unit from the Name LOV.
5. Enter an e-mail address in the Email field or you can modify the existing e-mail address.
6. To modify or verify phone contact information for the contact, select **Maintain Contact** from the Actions menu. See *Creating or Modifying a Customer Contact Record*, page 2-5 for details.
7. Save.

Creating or Modifying a Customer Contact Record

You can create or modify basic contact information such as the contact name, phone number, and e-mail address from the Parties subtab. To create a new customer address or enter other contact details, you must 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 that are described in the *Oracle TeleService User Guide* and *Oracle Receivables User Guide* for details.

To create or modify a customer contact record:

1. From the Service Contracts Authoring window, select the **Summary** tab and **Parties** subtab.
2. In the Party region, select the party for which you want 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. Select **Maintain Contact** from the Tools menu.
The Contact window appears.

Contact Role

Party

Name Number

Type Email

Address

Contact

Title Last First

Job

Telephone Fax

Mobile Email

Address

Mailstop

5. If you are creating a new contact, then:
 1. Select a role for this contact using the Contact Role LOV.
 2. Enter the contact last and first name.
 3. Use the following guidelines for entering other information:
 - Select the titles and job descriptions from the Titles and Job LOVs. These are preset by your application administrator.
 - Do not use delimiters when entering phone, fax, and mobile numbers. Each is composed of three fields: a country code (LOV), an area code, and the number itself.
 - Select only one of the existing party locations for the contact address. 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 E-Business Suite applications.

You cannot modify the address or mail stop number.

To select another address or enter a different mail stop, 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.

Important: 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 want to revert to the existing record, click **Reset**.
8. Click **OK** to return to the Service Contracts Authoring window.
9. Save.

Entering the Billing Account and Address

You can select the default billing account and address for new contract lines. You can bill to an account belonging to the customer, to any third party that you have entered as a party to the contract, as well as to any account with an established relationship to either of the two in Oracle Receivables.

The billing account number that you select here:

- Specifies who is billed for the contract

If you enter an account belonging to a third party it will be that third party that will receive the invoice.

- Filters the pricing information that you enter on the Pricing/Billing tab.

If you are billing a third party for the contract, then the price list and other required

fields are for that third party rather than the party that is specified as Customer.

- Populates the account number field for each new contract line.

The entry that you make here affects new contract lines only. To change existing contract lines based on your entry, you must cascade the changes to them. See *Applying Default Values to Existing Contract Lines*, page 3-60 for details.

Prerequisite

Enter the parties to the contract.

To enter the billing account and address:

1. From the Service Contracts Authoring window, select the **Summary** tab and **Parties** subtab.
2. Use the Account Party Name LOV or Account Number LOV in the Bill To region to enter the billing account. The account that you select here becomes the bill to account number for all lines in the contract.

Note: The LOV includes customer accounts, accounts for any third party that you entered, as well as accounts that have an established relationship to those accounts in Oracle Receivables.

3. Select the billing address where you want invoices to be sent using the Location LOV.
4. Save.

Entering the Shipping Account and Address

Although entry is required only if your contract includes physical items that must be shipped to the customer address, the application also uses the shipping address to estimate taxes on services.

The entry that you make here affects new contract lines only. To change existing contract lines based on your entry, you must cascade the changes to them. See *Applying Default Values to Existing Contract Lines*, page 3-60 for details.

Prerequisite

Enter the parties to the contract.

To enter the shipping account and address:

1. From the Service Contracts Authoring window, select the **Summary** tab and **Parties**

subtab.

2. Use the Account Party Name LOV or Account Number LOV in the Ship To region to enter the account for shipping physical items. The account that you select here becomes the ship to account number for all new lines in the contract.

Note: The LOV includes customer accounts, accounts for any third party that you entered, as well as accounts that have an established relationship to those accounts in Oracle Receivables.

3. Select the shipping address using the Location LOV, if physical items need to be shipped or location based tax should be estimated.
4. Save.

Entering the Price List

You can specify the price list for the contract in the Pricing/Billing subtab. The price list that you enter automatically passes to each new contract line.

To apply the price list to existing contract lines, you must edit each line separately.

To enter the price list:

1. From the Service Contracts Authoring window, select the **Summary** tab and **Pricing/Billing** subtab.

The screenshot displays the Oracle Service Contracts Authoring interface. At the top, the window title is 'Service Contracts Authoring (Vision Corporation: USD)'. The main form contains the following fields:

- Number: 22015
- Version: 0.1
- Status: Entered
- Negotiation Status: Draft
- Order: (empty)
- Start Date: 21-APR-2006
- End Date: 20-APR-2007
- Subtotal: USD
- Known As: (empty)
- Duration: 1
- Period: Year
- Tax: (empty)
- Description: Business World Contract - 1 Year
- Category: Service Agree
- Total: (empty)

Below the main form, there are several tabs: Summary, Lines, Parties, Pricing / Billing, Renewals, Administration, and Security / Text. The 'Pricing / Billing' tab is active, showing the following sections:

- Agreement:** Business World
- Price List:** Business World
- Payment Details:** Terms: 30 Net
- Billing:** Bill Services: Yes, Accounting Rule: Immediate, Invoicing Rule: Advance Invoice
- Adjusted Amounts:** Discount, Surcharge
- Termination Amounts:** Unbilled, Credited, Suppressed, Overridden
- Contract Value:** Canceled, Adjusted, Terminated, Subtotal, Tax, Total, Billed
- Currency Conversion:** From Currency: USD, To Currency: USD
- Partial Periods:** Period Type, Period Start, Price UOM
- Exemption:** Control, Number, Reason
- Service Charges:** Pre-Payment Required, PO Required, PO Number

2. If your organization has a Pricing Agreement set up with the party you are billing, then use the Agreement LOV to enter it. This automatically passes all of the other required fields including the price list, the accounting rule, the payment terms, and the invoicing rule.

Pricing Agreements, which specify prices, discounts, and billing practices for a particular customer, are created in Oracle Order Management. See *Oracle Order Management User's Guide*, "Pricing Tab: Setting Up a Blanket Sales Agreement" for details.

Note: The values that you enter in the contract by specifying a Blanket Sales Agreement can be changed. For example, if you use a Billing Profile to pass billing schedules, the application overwrites the values you enter in the Accounting Rule and Invoicing Rule fields with the Billing Profile.

3. If no Blanket Sales Agreement is available, or to modify any passed values, then:
 1. Use the LOV that is provided to enter the price list.
 2. From the Billing region, use the LOVs that are provided to enter the:
 - Accounting rule
 - Invoicing rule. You can specify whether the customer is to be billed at the start of the billing period (Advance Invoice) or at the end of the billing period (Arrears Invoice).

Note: Some usage contracts require you to specify arrears invoicing. For example, a customer that is billed each month based on a meter reading must be billed at the end of the month after the counter is read. See *Entering Usage Lines*, page 4-3.

3. From the Payment Details region:
 1. Use the LOV that is provided to enter the price list.
 2. You can enter a credit card or commitment using the Method list. See *Specifying Payment by Credit Card or Commitment Number*, page 2-23.
4. Save.

Entering Billing Schedules

This group of topics explains how to create a billing schedule at the contract header level to speed up the entry of multiple service and usage contract lines with similar billing schedules. It covers:

- *Billing Schedules Overview*, page 2-11
- *Creating a Billing Schedule Using Billing Streams*, page 2-12
- *Entering a Billing Stream*, page 2-13
- *Using Billing Streams to Handle Irregular Billing Periods*, page 2-15
- *Create a Billing Schedule from a Billing Profile*, page 2-18

Note: Do not use the procedures in this section for subscription contracts. Instead, see *Specifying a Billing Schedule for Subscriptions*, page 5-12.

Billing Schedules Overview

A billing schedule determines when the customer is billed for the services they receive.

For contracts with service lines you can bill the customer either at the line level or the subline level, but for contracts with usage lines you can bill only at line level.

For service lines, this means that you can bill at the level of the service that is sold to the customer (called the Top Level in the application) or individually at the level of each of

the items that is covered by that service (Covered Level), be it an individual item, a system, a covered location, an account, or party.

For usage lines, you can bill only at the usage line level (Top Level).

(Subscription lines represent a special case and so are covered in Entering Subscription Lines, page 5-5).

You can either create an individual billing schedule for each individual line or subline in the contract, or create a billing schedule at the contract header level using either of the two methods described in this section and then apply that schedule to existing contract lines.

Note: Unlike the other information that you enter in the Summary tab, the application does not automatically pass billing schedules to new lines and sublines. To pass a schedule you create at the header, you must first enter the contract lines and then apply the schedule to them.

You can create billing schedules for passing to contract lines by one of the two following methods. Which method you select depends on your implementation and the complexity of the schedule that you are creating:

- Using billing profiles, page 2-18

Build a schedule by selecting a schedule template that is set up by your application administrator. Use this method for setting up simple periodic billing schedules, for example, when a customer orders a year of service and wants to be billed monthly or quarterly.

- Using billing streams, page 2-12

Using this method you can create complex billing schedules or billing schedules with irregular periods, for example, when a customer orders additional service in the middle of a billing period or requires service only intermittently.

Creating a Billing Schedule Using Billing Streams

To create a default billing schedule by using billing streams:

1. From the Service Contracts Authoring window, select the **Summary** tab and **Pricing/Billing** subtab.

2. Click **Billing**.

The Billing Schedule window appears.

3. From the Level LOV, select one of the two following levels:
 - **Top Level:** To pass a schedule at the line level
 - **Equal Amount:** To bill for equal amounts across sublines over the billing period and have control over the amount.

Note: Equal Amount cannot be selected if Usage lines exist on the contract.

4. Create the billing periods by entering one or more billing streams. See *Entering a Billing Stream*, page 2-13.
5. Click **Schedule** to create the schedule.
The application displays a caution notice asking you whether you want to overwrite all existing schedules.
6. Any contract lines that you enter in the future will not automatically have this schedule. To apply this schedule to them, you must return to this window and click **Schedule** again.

Entering a Billing Stream

A billing stream is designed to speed up the creation of a set of regular billing periods.

You specify that you want your customer billed in 12 periods of one month each, for example, and the application automatically specifies the invoice dates and schedules the billing.

If the dates of the ordered service coincide with billing dates, then you can set up the billing periods with just one billing stream. However, you may need to set up multiple billing streams to handle irregular billing situations. See *About Using Billing Streams to Handle Irregular Billing Periods*, page 2-15.

Prerequisites

Display a billing schedule in the Billing Schedule window.

To enter a billing stream:

1. If this is the first or only billing stream, then:

1. Enter **1** in the Seq Num field.

The application passes the start date from the start date of the contract.

2. Enter either the end date or the duration and period.

The application supplies the missing information.

2. If this is an additional billing stream, then:

1. In the Seq Num field, enter a number corresponding to the order in which the billing periods are created.

The sequence numbers for billing streams must be in order of the billing period dates. If you want to enter a billing period earlier than an existing billing stream, then you must reorder the entire sequence.

Note: If you are reordering or otherwise editing billing stream information, you must click **Cascade Dates** to recalculate and refresh the dates in the Stream Level region.

The application passes the start date from the end date of the previous billing stream.

2. Enter either the end date or the duration and period.

The application supplies the missing information.

3. To adjust the date that the customer sees as the invoice date, enter a positive or a negative number of days in the Invoice field. For example, entering +2 shifts the invoice date forward two days. Entering -2 shifts it back two days.

4. To adjust the date that the application sends billing amounts to Oracle Receivables

for billing, enter a positive or a negative number of days in the Interface field.

5. Click **Schedule** to generate the schedule.

Using Billing Streams to Handle Irregular Billing Periods

You can set up multiple billing streams to handle irregular billing situations. For example, to handle a customer who starts a contract in the middle of a month, but wants to be billed at the beginning of each month.

This section illustrates how to use billing streams for the customer who wants to be billed at the beginning of each month for two services with different durations and incompatible start dates:

- General Service for January 1, 2005 through December 31, 2005
- Premium Service for May 15, 2005 through November 14, 2005

To use billing streams to handle irregular billing periods:

Here is how to set up the first service:

1. Create a contract with 01-JAN-2005 through 31-DEC-2005 as the start and end dates. The first line is the longest line in the contract, so you must use its dates.
2. Because the customer wants to be billed at the start of each month, select **Advance Invoice** as the invoicing rule for the contract. Do this on the Summary tab and Pricing/Billing subtab.
3. Enter the service that the customer wants to purchase as a contract line on the Lines tab.
4. Click **Billing** on the Pricing/Products subtab to open the Billing window.
5. Enter one billing stream:

Seq Num	Number of Periods	Start Date	End Date	Duration	Period
1	12	01-JAN-2005		1	Month

6. Save. The application calculates the end date automatically.
7. Click **Schedule** to generate a billing schedule. The following table shows the generated schedule which bills the customer at the beginning of each month. The

table includes the following columns:

- **Seq Num:** The sequence number is the number of the billing stream. Each row displays 1 in this case as the entire schedule was generated from one billing stream.
- **Level Seq:** The number of the billing period within a sequence.
- **Invoice Date:** The date on the invoice. This is the first of the month because we have selected an Advanced Invoice and not entered any invoice offset.
- **Bill From:** The start date of the billing period.
- **Bill To:** The End date of the billing period.
- **Interface Date:** The date the application sends the amount to be billed to Oracle Receivables for billing. This is the same as the Invoice Date as we have not entered any offset.

Seq Num	Level Seq	Invoice Date	Bill From	Bill To	Interface Date
1	1	1-Jan-05	1-Jan-05	31-Jan-05	1-Jan-05
1	2	1-Feb-05	1-Feb-05	28-Feb-05	1-Feb-05
1	3	1-Mar-05	1-Mar-05	31-Mar-05	1-Mar-05
1	4	1-Apr-05	1-Apr-05	30-Apr-05	1-Apr-05
1	5	1-May-05	1-May-05	31-May-05	1-May-05
1	6	1-Jun-05	1-Jun-05	30-Jun-05	1-Jun-05
1	7	1-Jul-05	1-Jul-05	31-Jul-05	1-Jul-05
1	8	1-Aug-05	1-Aug-05	31-Aug-05	1-Aug-05
1	9	1-Sep-05	1-Sep-05	30-Sep-05	1-Sep-05
1	10	1-Oct-05	1-Oct-05	31-Oct-05	1-Oct-05
1	11	1-Nov-05	1-Nov-05	30-Nov-05	1-Nov-05

Seq Num	Level Seq	Invoice Date	Bill From	Bill To	Interface Date
1	12	1-Dec-05	1-Dec-05	31-Dec-05	1-Dec-05

Adding a Six-Months Service That Starts in the Middle of a Month

Now suppose that the same customer wants to start an additional six months of service on May 15 in the middle of a billing period.

To modify the contract to ensure the customer is billed only one time each month:

1. Enter the service as a second contract line on the Lines tab.
2. Click **Billing** on the Pricing/Products subtab to open the Billing window.
3. Create three billing streams:

Seq Num	Number of Periods	Start Date	End Date	Duration	Period	Invoice Offset Days
1	1	15-MAY-2005	31-MAY-2005			-14
2	5	01-JUN-2005		1	Month	
3	1	01-NOV-2005	14-NOV-2005			

1. Create the first billing stream for the partial month:
 - Enter the end date as **31-May-2005**. The application provides the duration and period automatically.
 - Enter **-14** in the Offset Days Invoice field, to shift the invoicing date to the beginning of the month. Otherwise, the customer receives two invoices, one dated on the first of the month and a second dated May 15.
2. Create a second billing stream for the regular monthly periods:

- The application supplies the start date automatically based on the first billing stream.
 - When you enter five periods of 1 month, the application supplies the start and end dates automatically.
3. Enter a third billing stream to cover the partial month at the end of the six-month period:
- The application supplies the start date automatically based on the second billing stream.
 - Enter the end date. The application supplies the duration and period values automatically.
4. Click **Schedule** to generate the following billing schedule:

Seq Num	Level Seq	Invoice Date	Bill From	Bill To	Interface Date
1	1	1-May-05	15-May-05	31-May-05	1-May-05
2	1	1-Jun-05	1-Jun-05	30-Jun-05	1-Jun-05
2	2	1-Jul-05	1-Jul-05	31-Jul-05	1-Jul-05
2	3	1-Aug-05	1-Aug-05	31-Aug-05	1-Aug-05
2	4	1-Sep-05	1-Sep-05	30-Sep-05	1-Sep-05
2	5	1-Oct-05	1-Oct-05	31-Oct-05	1-Oct-05
3	1	1-Nov-05	1-Nov-05	14-Nov-05	1-Nov-05

Creating a Billing Schedule from a Billing Profile

You can create a default billing schedule, called a billing profile, from a template.

Prerequisites

- Confirm the setup of billing profiles.
- Enter the contract lines for which you want to set up the default billing schedule

To create a billing schedule from a billing profile:

1. From the Service Contracts Authoring window, select **Cascade Attributes** from the Actions menu.

The Cascade Attributes window appears.

2. Select the **Billing Profile** check box.
3. Use the LOV in the field to the right to enter the billing profile template.
4. Make sure that **Header to Lines** is selected for the Cascade list at the top of the window and all the lines are selected on the right of the window.
5. Click **Submit**.

The Transaction Log appears.

6. Click **Apply**.

Note: The billing schedule overwrites any existing billing schedule at the line and subline level.

If required, you can now edit the schedule at the individual line or subline level.

Specifying How Billed Amounts Appear on Invoices

You can have the amounts itemized for each subline or included in the contract line.

To specify how billed amounts appear on invoices:

1. From the Service Contracts Authoring window, select the **Summary** tab and **Pricing/Billing** subtab.
2. If your organization has implemented a custom invoices solution for billing contracts, then you can use that solution by selecting the **Summary Print** check box.
3. To summarize billed amounts by contract line, then select the **Summary Transaction** check box.
4. To itemize charges by subline, clear the **Summary** check box.

Note: The contract administrator must set the system profile OKS: Summary Transactions to **No**. If this profile is set to **Yes**, then the

application sends the summarized billing details even when you leave this check box cleared.

5. Save.

Suspending Billing for a Contract

Normally, all eligible billing records are automatically passed to Oracle Receivables for invoicing on the invoice date that you specify in the billing schedule. An example of when you may want to suspend billing for a contract is when the customer disputes the invoice.

To suspend billing for a contract:

1. From the Service Contracts Authoring window, select the **Summary** tab and **Pricing/Billing** subtab.
2. Select **No** from Bill Services LOV.
3. Save.

To resume billing, update Bill Services to **Yes**. The application then bills the customer for all outstanding charges since the suspension started.

Note: To suspend billing for the remainder of the contract term and resume normal billing upon renewal, set Bill Services to **At Renewal**.

Holding Credits Until the Next Billing Cycle

You can place a hold on credit memos until the next billing cycle. This setting does not hold invoices.

By default the Hold Credits check box is cleared, so the credit memo immediately picks up the billing amount.

To hold credits until the next billing cycle:

1. From the Service Contracts Authoring window, select the **Summary** tab and **Pricing/Billing** subtab.
2. Select the **Hold Credits** check box.

3. Save.

Clear this check box to credit the customer immediately.

Entering Tax Exemptions

Oracle Service Contracts integrates with Oracle E-Business Tax to provide a preview of estimated tax on a contract. The estimated tax amount that is provided is based on applicable tax rates, exemptions, exceptions, and so on, as defined in Oracle E-Business Tax setup. You can specify exemption handling for a contract by selecting the Exemption Control attributes on a contract. These are Exemption Control, Exemption Number, and Exemption Reason. The entry that you make here applies to new contract lines only. To apply a change of status to existing lines you must use the Cascade Attributes window. See Applying Default Values to Existing Contract Lines, page 3-60.

To enter tax exemptions:

1. From the Service Contracts Authoring window, select the **Summary** tab and **Pricing/Billing** subtab.
2. In the Exemption region, set Tax Exemption Control to **Exempt**, **Required**, or **Standard** to specify exemption handling for the contract.
3. If you select **Exempt** :
 1. You are prompted to select tax exemption number from the Number LOV.
 2. The list of valid exemptions is restricted as follows:
 - Exemptions that are defined for the Bill To Account Party.
 - Exemptions that have an Exempt Status of Primary or Manual. Exemptions with Exempt Status Discontinued, Rejected or Unapproved are not included in the LOV.
 - Exemptions that are in effect as of the start date of the contract.

Note: The Reason field is view-only and is populated when an exemption is selected.

Note: You can define tax exemptions with or without an end date in Oracle E-Business Tax setup. If the application applies an exemption with an end date to a service contract, the tax exemption might expire prior to the end date that is specified

on the contract. For a contract with recurring billing, such as Monthly or Quarterly, this can lead to the exemption being applied to the invoices that are generated by the contract before the tax exemption expires, while the selected exemption is not applied to invoices that are sent to Oracle Receivables after the exemption has expired.

For example, a contract with a start date of 01-Nov-06 and an end date of 31-Oct-07 is given a monthly billing schedule that will result in an invoice being created on the first day of each month starting on 01-Nov-06. If the exemption that is applied to the contract expires on 31-Dec-06, then the exemption will be applied for the invoices that are created on 01-Nov-06 and 01-Dec-06. The exemption is not applied to invoices that are created from 01-Jan-07 onwards.

The preceding scenario can lead to a discrepancy between the estimated tax amount previewed on the contract and the actual tax amount that appears on invoices. Therefore, when a tax exemption is applied to a contract or service line and is not active for the full duration of the contract or service line, a QA warning message is provided to inform the user.

- If Exemption applied to a contract header is not valid for the full duration of the contract:

Tax exemption certificate number N on the header is only partially valid for the contract duration. Exemptions will not be applied after the exemption certificate expires.

- If Exemption applied to a service line is not valid for the full duration of the service line billing period:

Tax exemption certificate number AS-Ex-10 on line 1 is only partially valid for the billing period. Exemptions will not be applied after the exemption certificate expires.

4. If you select **Standard**, no override exemptions are entered on the contract. Standard tax handling applies to the contract.
5. If you select **Required**, tax is required on the contract. You cannot apply a specific exemption to the contract. The application also ignores any tax exemptions that are defined in Oracle E-Business Tax that normally apply to the contract.

6. Save.

Specifying a Payment Method

This group of procedures explains how to specify a payment method.

Note: The payment method values that you enter on the header are used for the lines unless you manually enter a different value for a line.

- Specifying Payment by Credit Card or Commitment Number, page 2-23
- Requiring a Purchase Order, page 2-24
- Specifying a Purchase Order Number for Invoices, page 2-25

The payment method information that you enter using the procedures described in this section applies only to new contract lines. You must cascade the entries by selecting the Payment method check box in the Cascade Attributes window to apply them to existing lines as well. See *Applying Default Values to Existing Contract*, page 3-60 for details.

Specifying Payment by Credit Card or Commitment Number

Commitments, which are set up in Oracle Receivables, represent a customer's prepayment for goods or services (prepayments) or contractual agreements (guarantees).

Prerequisite

- Confirm the setup of commitments in Oracle Receivables. See the *Oracle Receivables User Guide*.
- Confirm that the contract has a Bill To Party and Location.

To specify payment by credit card or commitment number:

1. From the Service Contracts Authoring window, select the **Summary** tab and **Pricing/Billing** subtab.
2. To specify payment by credit card:
 1. Select **Credit Card** from the Method list in the Payment Details region. The Number, Expiry, and Security fields appear.
 2. Select a credit card from the Number LOV.

The credit card numbers in the LOV appear masked if your administrator

defined credit card masking rules in Oracle Payments. After you select a credit card, the application masks the card number in the Number field. Date of Expiry appears for the card number that you select.

Note: If you do not find the card number that you need, you can cancel out of the LOV and enter the card number, expiration date, and security code manually. When you save, Oracle Payments validates the credit card details. If the card details are valid, Oracle Payments creates an account for the new credit card and the application masks the number that you entered on the Service Contracts Authoring form (first 12 digits only).

3. Enter the security code in the Security field.

Security code is mandatory if your administrator set up Oracle Payments to require a security code when accepting credit card as a payment method. After you save and the application validates the security code, it appears masked in the Service Contracts Authoring form.

4. Save. After you save, the security code appears masked within the Security field.

Note: If the application administrator has set the system profile OKS: Credit Card Validation Level to Authorize Payment, then when QA is run for the contract, a QA check authorizes the transaction for the amount that is specified in OKS: Credit Card Minimum Authorized Amount.

3. To specify payment by commitment:
 1. Select **Commitment Number** from the Method list. The Number field appears.
 2. Enter the commitment number using the LOV.
4. Save.

Requiring a Purchase Order

When you require the entry of a purchase order, the contract cannot pass the QA check and become active unless a purchase order is entered for every line.

The requirement does not affect any existing contract lines. You must use the Cascade Attributes window and select the Payment Method check box to enforce the requirement to all lines.

To require a purchase order number for contract lines:

1. From the Service Contracts Authoring window, select the **Summary** tab and **Pricing/Billing** subtab.
2. Select the **Purchase Order Required** check box.
3. Save.

Specifying a Purchase Order Number for Invoices

You can specify a purchase order number, which is passed to Oracle Receivables and appears on customer invoices.

You must use the Cascade Attributes window and select the Payment Method check box to copy the number to lines.

To specify a purchase order number for invoices:

1. From the Service Contracts Authoring window, select the **Summary** tab and **Pricing/Billing** subtab.
2. Enter the purchase order number in the PO Number field.
3. Save.

Specifying a Receivables Transaction Type for Payment

Oracle Receivables uses transaction types to specify which accounts are credited for customer payment.

Prerequisite

Review the Oracle Receivables transactions types that were created for your organization.

Note: A default transaction type of Invoice-OKS is applied to invoices that are created from Oracle Service Contracts if the Transaction Type is not entered on the contract.

Note: Transaction Type is a mandatory field when the tax method that is associated with the contract is Latin.

To specify a Receivables transaction type for payment:

1. From the Service Contracts Authoring window, select the **Summary** tab and **Pricing/Billing** subtab.
2. Select the transaction type from the Transaction Type LOV.

Assigning Sales Credits

You can assign the default sales credits for each new contract line in your contract. You can assign both revenue and non revenue credits.

To apply the sales credits to existing contract lines, you must cascade the changes to them. See Applying Default Values to Existing Contract Lines, page 3-60 for details.

To assign sales credit:

1. From the Service Contracts Authoring window, select the **Summary** tab.
2. Select **Sales Credits** from the Actions menu.

The Sales Credits window appears.

Contract Number Service Name Party Name
 Modifier Start Date End Date

Sales Credits

Sales Person	Sales Group	Credit Type	%
<input checked="" type="checkbox"/> Robertson, Ms. Barbara		Quota Sales Credit	100.0000
<input type="checkbox"/>			

Revenue Total %
 Non Revenue Total %

3. Enter the sales agents and the revenue and non-revenue credit they are to receive. Sales group entry is optional. Revenue credit must always add up to 100 percent.
4. Click OK.

Requiring and Specifying a Purchase Order for Service Charges

You can specify a purchase order or require an agent to specify a purchase order number for charges that are not covered by the contract.

To determine which purchase order number appears in invoices, the application first checks the service request that is associated with the service that is being performed. It uses only the purchase order you enter here when no number is entered in the service request.

Requiring the entry of a purchase order, prevents the contract from passing the QA check and reaching Active status until the entry is made. It does not prevent the service from being scheduled or performed.

To require or specify a purchase order for service charges:

1. From the Service Contracts Authoring window, select the **Summary** tab, **Pricing/Billing** subtab, and **Service Charges** region.
2. To require entry of the purchase order number and prevent the contract from becoming active until the entry is made, select the **Purchase Order Required** check

box.

3. You can enter the purchase order number in the PO Number field.
4. Save.

Specifying How a Contract Will Be Renewed

Your application administrator can set up automatic default values for contract renewals, see *Entering Contract Defaults*, page 2-36. If such defaults exist, then you may not be required to enter renewal information. Check with your application administrator.

To renew the contract, you must also specify how to renew each line, see *Specifying How a Contract Line is to Be Renewed*, page 3-12.

For more information about contract renewals, see *Understanding Contract Renewals*, page 17-11.

To specify how the contract is to be renewed:

1. From the Service Contracts Authoring window, select the **Summary** tab and **Renewals** subtab.

The screenshot shows the 'Service Contracts Authoring' window with the 'Renewals' subtab selected. The main window has a header with 'Service Contracts Authoring (Vision Operations QA1: USD)'. Below the header, there are several input fields: Number (22721), Version (0.1), Status (Entered), Negotiation Status (Draft), Order, Start Date (19-APR-2006), End Date (18-APR-2007), Subtotal (USD), Known As, Duration (1), Period (Year), Tax, Description (BW Contract), Category (Service Agreen), and Total. The 'Renewals' subtab is active, showing a 'Renewal' section with fields for Process, Approval, Renew Up To, Pricing Method, Price List, Markup, Billing Profile, PO Number, PO Required, Grace Duration, and Grace Period. There is also an 'Estimated' section with fields for Percent and Duration. At the bottom, there is a 'Quote To' section with fields for Party, Account, Address, Contact, Phone, Fax, and Email, and an 'Email Quote...' button.

2. Select the renewal process from the Process LOV.
 - **Evergreen:** Customer acceptance will not be needed for activation.

- **Manual:** All process steps will require a user action.
 - **Online:** An automatic submission will be provided.
 - **Do Not Renew:** Contract will not be renewed.
3. Select a value from the Approval LOV.
- The Approval LOV differs based on your selection in the Process field.
- **Evergreen:**
 - Not Required
 - Required
 - **Manual:**
 - Not Required
 - Required
 - **Online:**
 - Automatic
 - Manual
 - Not Required
- Note:** If the renewal process is Do Not Renew, you cannot select an approval value.
4. To specify a billing schedule for the renewed contract, select a billing profile using the Billing Profile LOV.
- Billing profiles are templates that you can use to specify simple periodic billing schedules and accounting and invoicing rules for the renewed contract. This schedule overrides any billing schedule in the contract that is being renewed. See *Creating Billing Profiles*, page 10-7.
5. Specify how the renewed contract is to be priced. For details, see *Specifying How the Renewed Contract will Be Priced*, page 17-26.
6. Save.

Defining Grace Periods

You can use grace periods to extend the service that a customer receives while a renewed contract is being negotiated and approved. See *Allowing a Grace Period for Renewals*, page 17-28.

Specifying and Starting the Contract Approval Workflow

Your administrator sets up rules in the Oracle Approval Management Engine (AME) that determine the approver for the approval process. Oracle Service Contracts starts the process that you specify when the contract passes the quality assurance check.

Note: The default approval process for Oracle Service Contracts is called **Approval Process**.

Prerequisite

Confirm the name of the approval process to select.

To specify and start the contract approval workflow:

1. From the Service Contracts Authoring window, select the **Summary** tab and **Administration** subtab.
2. In the Approval region, use the Name LOV to select an approval process.
3. Click **Submit**.

The application automatically runs the Quality Assurance check on your contract. You must correct any errors.

The application automatically starts the Workflow process after the contract passes the check with no errors.

Organizing Contracts by Assigning Them to Contract Groups

Contract groups organize contracts in the Contract Navigator tab of the Oracle Contracts window.

To organize contracts by assigning them to contract groups:

1. From the Service Contracts Authoring window, select the **Summary** tab and **Administration** subtab.
2. In the Contract Groups region, use the Group Name LOV to select each contract

group where this contract should appear.

3. Save.

Specify a Different Quality Assurance Check List

The application uses the quality assurance check list that is specified in the system profile OKS: Default QA Checklist to check and validate the contract for errors and completeness before it can become active.

Prerequisite

Create a QA checklist.

To specify a different quality assurance check list:

1. From the Service Contracts Authoring window, select the **Summary** tab and **Administration** subtab.
2. In the Approvals region, select an alternate check list from the QA Checklist LOV.
3. Save.

Entering an Estimate of Contract Revenue

The revenue that you enter appears in the Service Contracts Forecast Summary Report and the Service Contracts Forecast Management Report.

To enter an estimate of contract revenue:

1. From the Service Contracts Authoring window, select the **Summary** tab and **Administration** subtab.
2. In the Estimation region, enter the number representing the percentage of revenue that you predict is going to be realized from this contract.
3. Enter the date that the estimated revenue will be realized.
4. Save.

Specifying Contract Terms

To specify contract terms:

1. From the Service Contracts Authoring window, select the **Summary** tab and **Administration** subtab.
2. Click **Contract Terms**.

The application displays the Contract Terms page in a separate browser window.

Refer to the following procedures in the Oracle Contracts online help:

- *Applying a Contract Template*
- *Removing Contract Terms*
- *Adding Sections*
- *Adding and Updating Clauses*
- *Moving Contract Terms*
- *Renumbering Contract Terms*
- *Validating Contract Terms*
- *Checking for Clause Updates*
- *About the Contract Terms Library*
- *Update Contract Source*

Note: You can only use this feature in Oracle Service Contracts to change the contract template

- *Updating Clauses and Creating Non-Standard Clauses in a Business Document*
- *Comparing Clauses*

Note: The *Update Variable Value* function is not supported within Oracle Service Contracts.

Granting Additional Access Privileges

You can grant the ability to modify the contract either to an individual or a resource group.

You cannot use this procedure to restrict access to a contract, only to grant additional access. This is because the ability to view and modify contracts depends on a combination of security privileges granted both by the responsibility and at the individual contract level.

The access level that is granted by a responsibility takes precedence over the access that you grant using this procedure. This means that if users log into the application under a responsibility that permits modification of contracts, then you cannot restrict their right to modify a specific contract.

You can use this procedure if your implementation has created a responsibility with view-only access. In this case, you can grant individual users or members of a resource group the ability to modify a specific contract as well. Your entries affect only users logging in under that responsibility.

Note: Users logging in under a view-only responsibility, cannot create new contracts using the Service Contracts Authoring window.

Prerequisite

Set up a responsibility with read-only access to contracts.

To grant additional access privileges:

1. From the Service Contracts Authoring window, select the **Summary** tab and **Security/Text** subtab.
2. In the Security region use the Type list to select one of the following:
 - **User:** to grant the right to modify this contract to a user.
 - **Group:** to grant the right to modify the contract to a specific resource group.

Note: Your administrator can create resource groups from the Resource Manager module. If a resource group is created with the Contracts role type, you can select it within the Security/Text subtab of a contract. If the resource group is granted access to a contract, then any member of the resource group has access to the contract. For information about Resource Manager refer to the *Oracle Common Applications Implementation Guide*.

3. Select the resource group or user name from the LOV.
4. Select **Modify** from the Level list.
5. Save.

Entering an Additional Description or Comment

To enter an additional description or comment:

1. Select the **Summary** tab and **Security/Text** subtab.
2. Enter the text in the Text region either in the Long Description or the Comments fields.
3. Save.

Note: You can use the Query by Example method to find the contract with the text that you entered.

Setting Up Defaults for Contract Renewal

This group of topics is intended to help application administrators set up default renewal rules for groups of contracts. These rules, which are entered in the Global Contracts Default window, can be overridden by agents for individual contracts.

Note: The Global Contracts Default is also used for entering defaults required by contracts that are generated automatically from Oracle Order Management orders. These defaults are described in *Setting Up New Contract Defaults for Oracle Order Management*, page 6-20.

This group of topics covers:

- Overview of Default Levels, page 2-34
- Entering Contract Defaults, page 2-36
- Setting Up System Profiles for Renewal Defaults, page 2-43

Overview of Default Levels

You can specify how attributes of a contract pass at the time of renewal at three different levels:

1. Party

Enables you to specify different renewal rules for different customers.

2. Organization

Enables you to specify different renewal rules for different organizations in your own company.

3. Global

Enables you to specify global default rules that apply to contracts that do not satisfy any of the default rules that you specified for the previous levels.

The application looks for renewal rules in the order Party, Organization, and Global and uses the first applicable set of rules it finds.

For example, suppose that you set up your renewal preferences for the customer Business World and your organization Vision Enterprises.

If an agent creates a contract for Business World, the application automatically passes the preferences that you have set up at the party level, regardless of the organization that created the contract.

If an agent at Vision Enterprises creates a contract for ABC Corp., it is subject to the renewal rules that you set up at the organization level. A contract for ABC Corp. that is created by an agent at Vision Communications, another organization in your enterprise, is subject to the global rules only.

An agent creating or editing a contract, can override the defaults you set at any level by making an entry in the Summary tab and Renewals subtab.

Note: Agents specifying renewals in individual contracts, using the Summary tab and Renewals subtab, do not see the default values that you enter here.

You enter all of the different levels of default renewal rules in the same Global Contracts Default window. Although the entries you that you make are almost identical for each default rule level, the user interface layout is different for entering global defaults (in the top half of the window) and for entering defaults at the party or organization level (the tabs in the lower half).

To complete the setup of renewal defaults, you must also set the system profiles described in Setting Up System Profiles for Renewal Defaults, page 2-43.

Note: Although the application looks at the renewal rules defined on the contract and follows the renewal rules in the following order, Party, Organization, and Global, the QA check and approval workflow are always taken from the Global Contracts Default window and not the contract itself.

Entering Contract Defaults

At a minimum, you should enter renewal rules at the global level. Optionally, you can enter renewal rules at the party and organization levels. Upon renewal the application processes renewal rule attributes in the following order:

1. Contract
2. Parties
3. Organizations
4. Global

If renewal rules are not found at one level, the application moves to the next level.

Prerequisites

To enter rules for:

- Organizations, confirm the operating unit, such as Vision, France.
- Parties, confirm party names, such as Business World.

To enter contract defaults:

1. Navigate to **Setup: Service Contracts**, and then **Global Contracts Defaults**.
The Global Contracts Default window appears.

The screenshot shows the 'Global Contracts Defaults' window with the following sections:

- Global Renewal:** Renewal Contract Group: Service; Renewal Process: Manual; Approval: []; Layout Template Set: OKS XML Template; Template Language: []; Grace Duration: 30; Grace Period: Day; Estimated Percentage: 100.00; Estimated Duration: 30; Estimated Period: Day; PO Required: [checked]
- Pricing/Billing:** Pricing Method: Manual; Price List: []; Markup Percentage: []; Billing Profile: OKS_BILLING_PRC; Period Type: []; Period Start: []; Price UOM: []
- Online Acceptance Process:** [checked] Purchase Order; [checked] Credit Card; [checked] Check; [checked] Wire; [checked] Commitment; Enable: [checked]; Payment Terms: 2 Net; Help Desk: Able, Ms. Marst
- Thresholds:** Base Currency: []; Evergreen Amount: 300; Online Amount: 100; Credit Card Amount: 5000; Evergreen Approval: []; Online Approval: []
- Integration:** New Contract Group: Warranty and; Approval Workflow: Approval Proc; Party Role: Third Party; QA Checklist: Default Qu; Return Credit: Calculated; Interface Price Break: [checked]

Organizations / Parties Tab:

Renewal	Pricing/Billing	Online Acceptance Process	Threshold	Integration					
Name	Start Date	End Date	Renewal Contract Group	Renewal Process	Internal Approval	PO Required	Grace Duration	Grace Period	Layout Template
Vision Comm	01-JAN-2002			Online	Manual				
Vision Operat	10-JAN-2003	15-JUL-2007	eRenewal	Evergreen	Required	Yes			US Templ

2. Navigate to the appropriate region of the window, depending on which type of renewal rule set you want to enter:
 - To enter global defaults, make entries in the Global region on the top half of the window.
 - To specify rules for an organization within your business, select the Organizations tab.
 - To specify rules for a customer, select the Parties tab.

To enter Global level defaults

You can define Global defaults in the Global region on the top half of the window. The Global defaults are divided into the following regions:

- Renewal
- Pricing/Billing
- Online Acceptance Process
- Thresholds
- Integration

The following steps provide guidelines for entering information into each of these regions:

1. Select the renewal defaults from the Renewal region.

From this region, you can:

1. Specify the contract group to which the renewed contract will belong from the Renewal Contract Group LOV.
2. Select the renewal process from the Process LOV and the internal approval method from the Approval LOV.

The renewal process that you select affects which internal approval methods are available. Following is a description of the renewal processes and corresponding internal renewal methods.

- **Evergreen:** Customer acceptance will not be needed for activation.

Internal Approval Methods

- Not Required
- Required

- **Manual:** All process steps will require a user action.

Internal Approval Methods

- Not Required
- Required

- **Online:** An automatic submission will be provided.

Internal Approval Methods

- Automatic
- Manual
- Not Required

- **Do Not Renew:** Contract will not be renewed.

Note: If the renewal process is Do Not Renew, you cannot select an approval value.

3. Select the XML layout template set and language from the Layout Template Set LOV and the Template Language LOV.
4. Specify a grace period beyond the expiration date of a renewed contract at no extra charge by entering a grace duration and grace period.

5. Require an agent to enter a purchase order number in the contract before it can become active by selecting the **PO Required** check box.
6. Estimate the probability of renewal as well as the time frame by which the revenue is realized with the Estimated Percentage, Estimated Duration, and Estimated Period fields.

2. Select pricing and billing defaults from the Pricing/Billing region.

From this region, you can:

1. Define the pricing of the renewed contract from the Pricing Method LOV.

The pricing method that you select affects whether you must select a price list or enter a markup percentage. Following is a description of the pricing methods.

- **Manual:** The application charges the customer the same price for the renewed contract as they paid for the original contract.
- **Markup Percent:** Automatically adjusts the price up or down by a percentage that you enter. (A positive number marks up the price; a negative number discounts it.) Optionally, you can cap the maximum adjustment based on a price list.
- **Price List:** Charges the customer based on the price list that you enter in the Price List field. The price charged is the current price listed in the price list at the time the contract is renewed.

2. If necessary, select a price list from the Price List LOV.

3. If necessary, enter a markup percentage from the Markup Percentage LOV.

4. Specify a billing schedule for the renewed contract, by selecting a billing profile from the Billing Profile LOV.

Billing profiles are templates that you can use to specify simple periodic billing schedules and accounting and invoicing rules for the renewed contract. This schedule overrides any billing schedule in the contract that is being renewed. See *Creating Billing Profiles*, page 10-7.

5. Define partial period attributes.

A partial period is any billing period or service effective duration that is not in multiples of Billing/Pricing Period unit of measure (UOM). For example, a service may be priced and billed at a specific rate per month. If the service duration is 01-Jan-06 to 15-Mar-06, the service amount that is priced or billed is calculated based on the number of periods (months) in the

duration; in this case, two full months for January and February and one partial period for the 15 days in March. Partial periods define how the application calculates pricing, billing, and termination amounts and can occur at the beginning, the end, or both the beginning and the end of the service duration.

Important: Partial Period Duration is equal to the Actual Days in the Partial Period (numerator) divided by the Total Number of Days in Pricing/Billing Period (denominator). Number of days in the denominator is determined by Default Pricing/Billing Period Type and Price UOM value of subline for pricing and for Default Pricing/Billing Period Type and Billing Steam Period Duration for billing.

Following is a description of the fields that make up the partial period attributes:

- **Period Start:** Enables you to select where the partial period calculation occurs within a pricing, billing, or termination duration when service starts in the middle of a period.

Service start counts full periods from service start date, then a partial period at end.

Calendar Month start counts full periods based on full calendar months that span the duration.

- **Price UOM:** Enables you to define a default period for pricing and billing. Valid values are Day, Month, Quarter, Half-year and Year. If Month is specified as the price unit of measure, then it is used as the basis for calculating partial periods for all pricing, billing and termination calculations.
- **Period Type:** Enables you to define whether the duration is based on a fixed definition or an actual definition. For example, for:
 - Fixed, a duration of 30 days is given for a month, 90 days for a quarter, and 360 days for a year
 - Actual, a duration is based on actual days in the default period.

For example, if a service spans 11 whole months, March 1 through January 31, plus 10 days in February, the amount for the 10 days in February can be calculated in one of two ways:

- 10/30 of the price/month if the calculation is based on a fixed 30 day month

- 10/28 of the price/month if the calculation is based on actual days in the month (non-leap year)

3. Define how the processing of online acceptances from the Online Acceptance Process region.

From this region, you can:

1. Define which payment methods can be used for online acceptances by selecting the relevant check box. Payment method can be set up to process or authorize payment with a purchase order, credit card, check, wire, or commitment.
2. Enable the use of thresholds for the online acceptance process by selecting the **Enable** check box.

If this field is not selected, the online acceptance is processed.

Enable is a yes or no setting at global level. At operating unit and party level, the options are yes, no, and null. If this field is set to:

- **Yes:** Thresholds determine whether a contract automatically qualifies for renewal rule Online at time of renewal based on the value of the contract.
- **No:** Thresholds do not determine whether the contract qualifies for online renewal.
- **Null:** The application traverses the hierarchy to the next level to determine the renewal setting.

Example

For example, renewal rules for a party are set as follows:

- Renewal Process: Manual
- Enable: Yes
- Threshold: \$2,500
- Online Threshold: \$5,000

The contract renews as follows:

- If the contract amount is less than or equal to \$2,500, contract renews with renewal process Evergreen.
- If the contract amount is less than or equal to \$5,000, contract renews with renewal process Online.

- If the contract amount is greater than \$5,000, contract renews with renewal process Manual.
3. Select payment terms for the renewal.
 4. Identify an individual the customer should contact with questions by selecting a name from the Help Desk LOV.
4. Define currency information, approval thresholds, and approval requirements from the Thresholds region.
From this region, you can:
 1. Select a currency, such as USD.
 2. Enter the limit for processing Evergreen renewals in the Evergreen Amount field.
 3. Enter the limit for processing Online renewals in the Online Amount field.
 4. Enter the limit for processing credit card payments by entering a value in the Credit Card Amount field.
 5. Define whether an internal review is required for the Evergreen renewal based on Evergreen Amount threshold.
 6. Define whether an internal review is required for the Online Acceptance renewal process based on Online Amount threshold.
 5. Change how the contract uses other functionality within Oracle Service Contracts and how it integrates with other applications within the Oracle E-Business Suite from the Integration region. A renewed contract inherits defaults from the original. This region provides you with a way of changing defaults upon renewal.
From this region, you can:
 1. Specify a different contract group for the renewed contract, by choosing the contract group from the New Contract Group LOV.
 2. Select a new approval workflow from the Approval Workflow LOV.
 3. For contracts that are generated from Oracle Order Management, select `Third Party` from the Party Role LOV.
 4. Determine whether the contract is eligible for price breaks by selecting the Interface Price Break check box.

5. Select a new QA checklist from the QA checklist LOV.
 6. Change how return credits are processed from the Return Credit LOV.
6. Save.

Related Topics

Setting Up New Contract Defaults for Oracle Order Management (Global Contracts Default window), page 6-20

Specifying How the Template Sets Are to Be Used (Global Contracts Default window), page 18-23

Setting Up System Profiles for Renewal Defaults

You must also set up the following system profiles to supplement the entry of renewal rules:

- **OKS: Enable Sales Credits:** This system profile determines how sales credits are transferred to the renewed contract.
 - **Retain:** Carries forward the sales credits from the existing contract to the renewed contract.
 - **Derive:** Derives a sales person for the renewal agreement according to the setting of the OKS: Use Territories to Default Sales Person and OKS: Sales Person.
 - **Drop:** The application does not carry forward and default any sales credit information to the renewed contract.
- **OKS: Use Territories to Default Sales Person:** If this profile is set to **Yes**, the application determines the default sales person assigned to the renewed contract based on sales territories. If this profile is set to **No**, then the application determines the sales person for the contract based on the value that is entered in OKS: Sales Person.
- **OKS: Sales Person:** If OKS: Use Territories to Default Sales Person is set to **No**, this profile determines the sales person to receive sales credit and to be listed as the vendor contact. You must enter a sales agent in this profile or the contract fails to renew. An agent can manually add additional sales people to the Sales Credits window and assign them sales credits after the renewal agreement has been created.
- **OKS: Revenue Type Distribution for Sales Credit:** This system profile assigns the

percentage of revenue that you specify to the sales agent who is determined from the previous two system profiles. Agents can specify additional sales credits in the Sales Credit window, but the total of revenue sales credits must always add up to 100 percent.

- **OKS: Revenue Type for Sales Credits:** The setting of this system profile specifies whether you want to assign the sales agent revenue credit or non-revenue credit.
- **OKS: Vendor Contact Role:** This system profile specifies the vendor contact role to the renewal agreement. By default this profile option is set to **Salesperson**.
- **OKC: Contract Approver:** Set this system profile to the individual in your organization who is to approve renewed contracts. The application notifies the agent that you specify here to approve any contracts that are renewed under the Submit for Approval renewal type.

Speeding Up Contract Line Entry Using Default Values

You can use multiple methods to speed up the entry of values to individual contract lines. If you are creating a new contract similar to an existing contract, for example, then you can copy the existing contract and modify it. Or for creating multiple similar contracts, you may instead want to save the original as a template and use that template to create the new contracts.

You can default values from the header of a contract down to the lines and, if applicable, to sublines as well. For example, if you select the corporate price list on the Summary tab and then enter a service contract line, that line's price list is automatically set to corporate as well.

With the exception of billing schedules, the defaults that you enter on the Summary tab apply only to new contract lines. Existing contract lines are not affected. If you later change the default price list at the header level to the good customer discount price list, for example, that change applies only to new line entries unless you use the cascade attributes procedure to specifically change the existing lines as well.

Default billing schedules, by contrast, apply only to existing contract lines and automatically overwrite any schedules you have entered at the line or subline level. You must apply the default schedule again to any new lines because they do not automatically inherit it.

Entering Service Lines

This chapter covers the following topics:

- Overview of Entering Service Lines
- About Service Lines
- Entering a Service Line (General Procedure)
- Changing the Billing and Shipping Accounts and Locations
- Entering Billing and Shipping Contacts for a Contract Line
- Creating or Modifying a Contract Line Contact
- Specifying How a Contract Line Is to Be Renewed
- Renewing Service Purchased for Seasonal or Peak Periods
- Specifying What a Service Covers
- Levels of Coverage and Their Uses
- Covering Customer Products (Instances in Oracle Installed Base)
- Covering Customer Products
- Browsing Oracle Installed Base to Identify Item Instances for Coverage
- Entering a Customer Product into Oracle Installed Base
- Covering Parties
- Covering Customer Accounts
- Covering Party Sites
- Browsing Through Party Sites
- Covering Systems
- Browsing Through Oracle Installed Base Systems
- Covering Inventory Items
- Viewing Details About a Covered Product

- Maintaining Pricing Attributes for Covered Products
- Specifying How the Service Prints on an Invoice
- Omitting a Line or Subline from the Invoice
- Specifying the Invoice Text
- Specifying a Billing Schedule
- Pricing What a Service Covers
- Adjusting the Price of a Service for a Covered Product or an Item
- Repricing a Service by Changing the Price List
- Manually Adjusting the Price
- Changing the Basis for Pricing a Service
- Pricing Service for a Party, Customer Account, Site, or System
- Specifying a Payment Method for a Contract Line
- Specifying Payment by Credit Card or Commitment Number
- Requiring a Purchase Order
- Specifying a Purchase Order Number
- Modifying Coverage Provided by a Service
- Scheduling Preventive Maintenance Activities
- Scheduling Multiple Activities at the Same Time
- Scheduling Individual Activities
- Scheduling Activities at Regular Intervals Using Schedule Streams
- Viewing Maintenance Program and Activity Details
- Updating Scheduled Service Dates for a Maintenance Program
- Ending Service Lines on a Day Specified by the Customer
- About Cotermination
- Applying the Cotermination Date to a Service
- Specifying Tax Status
- Applying Changes from a Service Line to the Covered Sublines
- Assigning Sales Credits for a Contract Line
- Updating Service
- Applying Default Values to Existing Contract Lines

Overview of Entering Service Lines

This group of topics explains how to enter service lines into your contract.

About Service Lines

A service can cover broad-category business processes such as field service, depot repair, call center, technical support, safety inspections, and any other user-defined business activities.

Each service is set up by the application administrator as an item in Oracle Inventory and is associated with a coverage template. The coverage template specifies the business processes that are covered, the times that the customer is entitled to the coverage, amounts that are covered and applicable discounts, as well as any resources that are to be used and their pricing.

If preventive maintenance is required as part of the service, the service is also associated with a program of maintenance activities. These activities are scheduled automatically when you enter the service line.

The administrator can also restrict which customers or products are permitted to use this service.

You must be familiar with the details of the services that are created for your organization before using them in a contract because you select a service in a service line by its Oracle Inventory name.

A service can cover different types of entities. A safety inspection service can cover individual customer sites or the entire enterprise. A depot repair service can cover individual products, a group of products, all products at a specific location, or all products that are grouped into a system.

For example, a service may cover field service for all of the computer equipment at site A, or it may instead cover laptops L451, L359, and L863.

A service line can cover multiple entities, each of which you enter as a subline.

When you cover individual customer products (Oracle Installed Base item instances or Items in Oracle Inventory), you can have the application price the service automatically and take advantage of Oracle Advanced Pricing features including discounts. Your organization can price the same service differently by setting up multiple price lists, and it can offer different prices for the service based on service length. This means that your organization can offer discounts if a customer purchases service for a longer period of time.

Entering a Service Line (General Procedure)

Prerequisites

Create the contract with the appropriate category:

- To cover products in a customer's installed base, you can use any of the available contract categories: Warranty and Extended Warranty, Service Agreement, and Subscription Agreement.
- If your contract includes usage lines, or the service covers other levels including parties, sites, accounts, and inventory items, then you must select **Service Agreement** or **Subscription Agreement**.
- To include subscription lines in the same contract, you must select **Subscription Agreement**.
- Enter the required fields on the header of the contract.

To enter a service line:

1. From the Service Contracts Authoring window, select **Lines** tab and **Accounts** subtab.

The screenshot displays the 'Lines' tab in the 'Accounts' subtab of the Service Contracts Authoring window. The main table has the following columns: Line, Line Type (with 'Service' selected), Name, Line Ref, Order / Line, Bill To Account, Location, Ship To Account, and Location. Below the table, there are two sections: 'Bill To' and 'Ship To', each with 'Party' and 'Address' fields. At the bottom, there is a 'Customer Contacts' table with columns for Role, Name, Address, Start Date, and End Date.

2. Select one of the following from the Line Type list of values (LOV) depending on the contract category:
 - For a service contract of category Service Agreement or Subscription Agreement, select **Service**.
 - For a service contract of category Warranty and Extended Warranty, select **Extended Warranty**.

Note: Both choices permit you to select from the same list of service offerings.

3. Select the service from the Name LOV, which comprises all services that your organization offers. You must select a service that is applicable to what you are covering. Because you select the service first and what it covers later, the application informs you of a wrong choice only after you enter the items that you are covering.

Note: If the application displays a note that your entry is not a valid service, then the application administrator excludes the customer from ordering this service. See the *Oracle Service Contracts Implementation Guide* for more information about defining service availability rules.

4. Enter billing and shipping contacts that are specific to this contract line by following the procedure described in *Entering Billing and Shipping Contacts for a Contract*, page 3-10. If a contact does not exist in the database, then you can add one following the procedure described in *Creating or Modifying a Contract Line Contact*, page 3-10.

The contacts that you enter here are different from the ones that you entered in the contract header.

5. Select the **Effectivities** subtab.

Line	Type	Name	Status	Start Date	End Date	Duration	Period	Qty	UOM	Renewal
	Service		Entered	25-APR-2006	24-APR-2007	1	Year			

Description:

Price List: Invoice Text:

Coverage

Name: Details...

Description:

Standard

Exception Coverage

Name: Details...

Description:

6. You can review the status of the line. Lines on entered status contracts can be individually canceled if you elect not to purchase the service during contract negotiation. Leaving a line on the contract and canceling it rather than removing it from the contract provides more visibility to lost opportunity for new and renewal contracts. When a line is canceled, the application records the cancellation date and reason.
7. Specify the duration of the service.

By default, the start and end dates of the service and duration are copied from the contract header.

You can specify a different duration by:

- Clicking **Coterminate** to end the service line on a day that is preferred by the customer.

This button is enabled only in contracts with a status of Entered for customers to simplify renewals by terminating all contracts on the same day each year, for example at the end of the calendar or fiscal years. This date is called the cotermination date. See Ending Service Lines on a Day Specified by the Customer, page 3-56 for more details.

- Entering either of the following:
 - Start and end dates
 - Duration and period

The application calculates the missing information. If you supply a duration and period, then the start date is the start date of the contract.

Note: If your organization prices contracts differently based on different periods, for example offering different prices for a service that is purchased by month, quarter, and year, then the value in the Period field determines which price applies in the absence of a specified price UOM for the line.

You can change the price basis when you price the service. You may need to do so whenever you sell a service for an unusual service length, for example. By default, a customer purchasing a contract for one year and five days is charged based on a daily and not the yearly price because the line length is not divisible by a year.

For more information, see *About Changing the Basis for Pricing a Service*, page 3-43.

If the duration of the service starts earlier than the start date or ends later than the end date of the contract, then you must extend the start and end dates of the contract at the header level before you can make the contract active.

8. If the contract can be renewed (you have not selected **Do Not Renew** on the Summary tab and Renewals subtab), then specify how the line is to be renewed using the Renewal Type LOV. For details, see *Specifying How a Contract Line is to Be Renewed*, page 3-12.
9. Select the **Pricing/Products** subtab and **Effectivity** secondary tab.

10. Specify what the service line covers. For each subline, specify one of the covered levels and then enter what is being covered.

A service can cover:

- A specific product that the customer owns (an Oracle Installed Base item instance)
- A party
- A customer account (party account)
- A party site
- An Oracle Installed Base system
- An Oracle Inventory item

For covered products, you can either enter each subline individually or click the LOV indicator to open a browsing window where you can select multiple sublines at once.

See *Specifying What a Service Covers*, page 3-14 for an explanation of the covered levels and how to enter them.

11. If you are covering an inventory item or a product (instance) that the customer owns, then the application prices the service for you. You must, however, price the other covered levels manually. See *Pricing What a Service Covers*, page 3-39.
12. Much of the remaining information for a service line comes from the defaults that you enter in the Summary tab or by the application itself from the coverage template that is associated with the service. You can make modifications by following these procedures:

- Changing the Billing and Shipping Accounts and Locations, page 3-9
- Specifying a Payment Method for a Contract Line, page 3-45
- Specifying a Billing Schedule, page 3-38
- Specifying How the Service Prints on an Invoice, page 3-35
- Modifying Coverage Provided by a Service, page 3-47
- Scheduling Preventive Maintenance Activities, page 3-48
- Specifying Tax Status, page 3-57
- Assigning Sales Credits for a Contract Line, page 2-26

13. Save.

Changing the Billing and Shipping Accounts and Locations

The application uses the billing and shipping accounts and locations from the entries that you made in the contract header. You can change the values to any account and location that are related to the parties that are entered in the contract header.

The Bill To account and location that you select for the line is the account that receives the invoice for this line. Your entries also restrict the contacts that you can enter for this line.

Note: You must select the location by the application-generated location codes. The corresponding addresses appear at the bottom of the tab.

Prerequisite

Enter the contract line.

To change the billing and shipping accounts and locations:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Accounts** subtab.
2. Select the contract line to modify.
3. Use the LOVs to select a Bill To and Ship To account and location.

Entering Billing and Shipping Contacts for a Contract Line

The contacts that you enter here are separate from those that you entered for the party on the Summary line.

Note: The list of contacts that you can select is limited to those at that particular account location. While you can create new contacts according to the procedure that is described in *Creating or Modifying a Contract Line Contact*, page 3-10, make sure that you do not create any unnecessary duplicates.

Prerequisite

Select the shipping and billing accounts.

To enter billing and shipping contacts for a contract line:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Accounts** subtab.
2. Select the service line at the top of the subtab.
3. Place your cursor in an empty record in the Role field in the Customer Contacts region.
4. To enter a contact for the billing account, select **Billing Contact** from the Role LOV. This entry limits the available names to contacts for the billing account.
5. To enter a contact for the shipping account, select **Shipping Contact** from the Role LOV. This entry limits the available names to contacts for the shipping account.

Note: Entering any other available role, such as Technical Contact, makes contact at both accounts available for selection.

6. Enter the contact using the Name LOV.
7. You can specify a start date and end date for a contact using the date fields.
8. To view the phone and other contact information for a contact, select the contact and select **Maintain Contact** from the Tools menu.

Creating or Modifying a Contract Line Contact

The contact that you create becomes a contact for the bill to account, the ship to account,

or both, depending on your selection.

Prerequisite

Enter a service contract line

To create or modify a contract line contact:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Accounts** subtab.
2. Select the contract line to which you want to associate to a contact.
3. In the Customer Contacts region, place the cursor in the Role field.
4. Select **Maintain Contact** from the Actions menu.
The Contact window appears.
5. If you are creating a new contact, then:
 1. Select a role for this contract using the Contact Role 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 want to create a contact for the billing or shipping account in the contract line.

The role that 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:
 - Select 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 when entering your number.
 - For the contact address, you can select only one of the existing customer locations that is 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 E-Business Suite applications.

You cannot modify the address or mail stop number after you have saved them. To select another address or enter a different mail stop, 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 contact does not delete it from the database. Creating a replacement record creates a duplicate.

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

Specifying How a Contract Line Is to Be Renewed

This procedure applies to lines of all types (Service, Usage, and Subscription).

Prerequisites

- Enter a contract line.
- You cannot renew a line if you have indicated that the contract is not to be renewed at the header level. See *Specifying How a Contract Will Be Renewed*, page 2-28.

To specify how a line is to be renewed:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Effectivities** subtab.
2. Select the line to set up.
3. Select one of the renewal options from the Line Renewal Type list. The choices are:
 - **Do Not Renew:** The line will not be renewed when the contract is renewed.
 - **Full Duration:** The line will be renewed for the whole duration of the new contract. For example, if a customer ordered six months worth of a yearly service in the current contract, but the renewed contract is for a period of one year, then the service line is extended to the full year as well.
 - **Keep Duration:** The duration of this line will remain the same in a renewed contract. Use this setting for intermittent or seasonal service lines. For example, a mountain resort may order special service for peak periods in winter and summer. Using this setting, you ensure that the renewed contract retains the same structure. See *Renewing Service Purchased for Seasonal or Peak Periods*, page 3-13.

Renewing Service Purchased for Seasonal or Peak Periods

This topic explains how to set the renewal types for service lines in a contract that includes intermittent or seasonal service.

Customer Problem

A mountain resort has installed power generators and wants to purchase two kinds of service:

- Regular service for the whole calendar year that entitles them to repair during regular business hours.
- Premium 24/7 service for peak winter and summer periods.

Oracle Service Contracts Solution

The following guidelines explain how to structure a contract based on the customer requirements.

Service Line Entry

Create a contract with three service lines:

- Line 1: Regular service for the whole year.
- Line 2: Premium for the winter
- Line 3: Premium for the summer

Renewal Information

To keep the same contract structure when the contract is renewed in the future specify the following renewal information for each line:

Line	Renewal Type	Explanation
1. Regular Service	Full Duration	Renewed for the full duration of the new contract.
2. Premium Winter	Keep Duration	Keeps the same duration in the renewed contract.
3. Premium Summer	Keep Duration	Keeps the same duration in the renewed contract.

Specifying What a Service Covers

A service can cover everything from individual products that a customer owns to telephone support for a whole corporation.

Note: Contracts of category Warranty and Extended Warranty restrict you to covering products that the customer owns (Oracle Installed Base item instances). The other covered levels are available for service lines that you enter in the Service Agreement and Subscription Agreement contract categories.

This group of topics explains the different levels of coverage that are available and provides procedures for entering them.

- Levels of Coverage and Their Uses, page 3-15
- Covering Customer Products, page 3-20
- Covering Parties, page 3-27
- Covering Customer Accounts, page 3-28

- Covering Party Sites, page 3-30
- Covering Systems, page 3-32
- Covering Inventory Items, page 3-34

Levels of Coverage and Their Uses

Service can cover products on multiple levels. For example, you can have a service cover the repair of an individual product that the customer owns, or you can use it to provide telephone support for a whole enterprise.

Covered Levels

The following table lists the different levels of coverage, specifies the contract categories for which they are available, and provides a brief explanation of each.

Level LOV Name	What It Covers	Available in Contract Category	Explanation
Party	A party in the database	Service Agreement only	<p>Covers:</p> <ul style="list-style-type: none"> • Item instances that are owned by all accounts belonging to a party in your database. In Oracle Installed Base, ownership is defined as a combination of party and account. • Business processes that are performed for the party as defined in service coverage. <p>Requires manual pricing.</p>

Level LOV Name	What It Covers	Available in Contract Category	Explanation
Customer	A customer account (an account belonging to a party in the database)	Service Agreement only	Covers: <ul style="list-style-type: none"> • All item instances that are owned by the customer account. • Business processes that are performed for the account as defined in service coverage. Requires manual pricing.
Site	A party site	Service Agreement only	Covers: <ul style="list-style-type: none"> • All items that are installed at a particular party site. • Business processes that are performed for the site as defined in service coverage. Requires manual pricing.

Level LOV Name	What It Covers	Available in Contract Category	Explanation
System	An Oracle Installed Base system	Service Agreement only	<p>Covers:</p> <ul style="list-style-type: none"> • Item instances belonging to a specific system. A system is a grouping of item instances that are created in Oracle Installed Base. • Business processes that are performed for the system as defined in service coverage. <p>Requires manual pricing.</p>

Level LOV Name	What It Covers	Available in Contract Category	Explanation
Product	An item instance in Oracle Installed Base	Warranty and Extended Warranty Service Agreement	<p>Covers:</p> <ul style="list-style-type: none"> • A specific serialized or non serialized item instance in Oracle Installed Base. For a serialized product such as a computer or a printer, the item instance is always an individual product. But an item instance can represent multiple quantities for non-serialized items such as printer cartridges, for example. • Business processes that are performed for the item instance as defined in service coverage. <p>Uses the price list that you have specified in the contract line to automatically update the price.</p>

Level LOV Name	What It Covers	Available in Contract Category	Explanation
Item	An Oracle Inventory item	Service Agreement only	<p>Covers:</p> <ul style="list-style-type: none"> • A serviceable inventory item. • Business processes that are performed on that inventory item as defined in service coverage. <p>Uses the price list that you have specified in the contract line to automatically update the price.</p>

How to Use Coverage Levels

Which level you use depends on the type of service you are selling and on the different needs of your enterprise.

The following table provides suggested guidelines. It lists some of the main business uses and lists the recommended covered levels for each.

Business Use	Recommended Levels	Example
Servicing a customer product	<ul style="list-style-type: none"> • Product 	<ul style="list-style-type: none"> • A washing machine manufacturer sells extended warranties for the products it has sold. • Any serialized product • A fire safety equipment vendor sells service for emergency generators that are installed in a building.

Business Use	Recommended Levels	Example
Servicing high-volume and low-cost items	<ul style="list-style-type: none"> • Party • Customer • Site • System 	The fire safety equipment vendor services fire sprinklers by customer site because they are too numerous to track in a contract individually.
Providing services not tied to any specific product such as telephone support or safety inspections.	<ul style="list-style-type: none"> • Party • Customer • Site 	<p>Sometimes a service covers a business process rather than any specific product that a customer owns.</p> <p>For example:</p> <ul style="list-style-type: none"> • A computer manufacturer provides telephone support to troubleshoot all of its products. • A vendor of fire protection equipment offers periodic safety inspections at a particular site or building.
Providing support for products that the customer plans to purchase in the future	<ul style="list-style-type: none"> • Item 	<p>Use the Item level to cover products that are not yet in the installed base.</p> <p>For example, a customer plans to purchase additional generators in the near future, so they want to include them in the same service agreement to receive a discount.</p>

Covering Customer Products (Instances in Oracle Installed Base)

This group of procedures explains how to cover one or more customer products by a service:

- Covering Customer Products, page 3-21 provides the general procedure for

entering a product.

- Browsing the Oracle Installed Base to Identify Item Instances for Coverage, page 3-24 explains how to use a built-in browsing window to identify the Oracle Installed Base item instances that you want to cover if you do not know their serial numbers or item instance numbers. Here you also learn how the browser speeds up your entries of multiple sublines at the same time.
- Entering a Customer Product into the Installed Base, page 3-26 explains how to create a record in Oracle Installed Base so that you can cover products that a customer has purchased from third parties.

Covering Customer Products

You can enter one or more products to be covered by the service.

You are not restricted to covering products that are owned by the parties in the contract. You can cover any product belonging to any party that is an item instance in Oracle Installed Base. However, Oracle recommends covering products that belong to the customer party or third party on the contract, or any party that is related to the contract customer party.

For contracts in renewal streams, service can be canceled for individual covered levels.

Prerequisites

- Enter a service line.
- If a product that you want to cover is not entered in Oracle Installed Base (for example, if you are selling service for a product that the customer purchased from a third party), then you must create an item instance as described in Entering a Customer Product into the Installed Base, page 3-26.

To cover customer products:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Pricing/Products** subtab.
2. Select the service line that will cover the product.

Note: If customer products are associated with the contract line, you can select **Show All Products**, which opens the Product Details window. This window shows the details of the products covered by the service in a spread table.

3. Select the **Effectivity** secondary tab.

4. Enter the product or products to cover by one of the following two methods:
 - If you have a small number of products to cover and you know their serial numbers or item instance numbers, you can enter each subline individually making entries directly into the fields on each line:
 1. On a new line on the Effectivity secondary tab, select **Product** from the Level LOV.
 2. In the Name field, enter the Oracle Inventory name or a partial name with the percent sign to indicate any missing characters. If the product inventory name is AS45888, for example, then you can enter AS45888 or AS45%.
 3. Press the **Tab** key.
The LOV search window appears:
 4. You can search by complete serial number or the Oracle Installed Base item instance number. Enter it after the % sign in the Find field. For example: AS54888%99855.
 5. Click **Find**.
If the search identifies a unique customer instance, the application returns you to the authoring window. Otherwise, you have to narrow your search criteria or select an item on the list and click **OK**.
 - To select multiple products for coverage at the same time, or if you do not know the serial number or the item instance number of an individual product to cover, you can make your selection from a graphical display of the contents of the customer's installed base by clicking the LOV indicator in the Name field. For details see Browsing the Oracle Installed Base to Identify Item Instances for

Coverage, page 3-24.

A product that you enter is displayed in the Name field by its inventory item name. You can see the customer product's serial number, item instance number, or both in the Description field.

Note: Your administrator can set the profile OKS: Item Display Preference to display an item by name or by description. If the profile is set to Name, then you can select and view products by the item name, such as AS54888, and the description text following the sublines table shows the item description, such as Sentinel Standard Desktop. If the profile is set to Description, then you can select and view products by description and view the name in the Description field following the sublines table.

5. Save.

The application automatically updates the price of the service line.

Note: The application calculates prices based on the quantity that is attached to the item instance and the price list that you have selected for the service line. Most item instances are specified for individual items, but non-serialized items, including consumables such as ink cartridges, can come in any quantity. If the updated price is more than you expected, then check the quantity that is attached to the item instance by clicking **Product Details**.

6. You can review the status for the covered level. If an existing covered level has a canceled status you, can scroll to find the cancellation date and reason.
7. To create an item instance in the installed base, select **New Instance**. The Create Item Instance window appears.

Contract Number: 22845

Service Line:
 Number: 1 Name: WR23765 Description: Extended Notebook PC Service Pr
 Start Date: 26-APR-2006 End Date: 25-APR-2007 Duration: 1 Year

Item	Party	Account	Qty	UOM	Installed Date	Type	Party	Address	Create Warranty
AS54000	Business World	1600	1	EACH	26-APR-2006	Party Site	Business Wu	2391 L STR	<input checked="" type="checkbox"/>
									<input type="checkbox"/>
									<input type="checkbox"/>
									<input type="checkbox"/>

Description: Sentinel Standard Desktop TPD

Buttons: Clear Record, OK, Cancel

1. Select the product to add from the Item LOV.
2. Enter a quantity.
3. Select a **unit of measure(UOM)** from the LOV.
4. Select a location type from the Current Location Type list, such as Party Site.
5. Select a party from the Current Location Party LOV.
6. Select an address from the Current Location Address LOV.
7. Click **OK**.

Note: You can create multiple item instances at one time and then select OK. The application adds the newly created item instances as covered products to the selected service line.

The Service Contracts Authoring window appears, and the new item instance appears within the Effectivity secondary tab.

8. Save.

Browsing Oracle Installed Base to Identify Item Instances for Coverage

You can browse the customer's Oracle Installed Base records and select one or more products for coverage. Each product that you select appears as a separate line in the authoring window.

Prerequisite

Enter a service line.

To browse Oracle Installed Base to identify item instances for coverage:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Pricing/Products** subtab.
2. Select the service line that will cover the product.
3. Select the **Effectivity** secondary tab.
4. Select **Product** from the Level LOV.
5. Click the LOV indicator in the Name field.

The Product window appears.

6. Because the size of your installed base can be too large for browsing, you can restrict the view in a number of ways. You can:
 - Select different views.

By making a selection from the Level list, you can view the item instances by:

- **Item:** Selecting this level displays all of the instances for a particular inventory item.
 - **Model:** If you have configured items in your installed base, you can view them by model.
 - **System:** If your Oracle Installed Based item instances are grouped in systems, you can display the instances by system.
 - **Site:** Use this level to display all the item instances at a particular address.
 - **Customer:** Use this level to view item instances by a customer account.
 - **Party:** Use this level to organize the display by customers in your database. This view is most useful if you are selling to consumers.
- Specify which customer records display.

By selecting a customer context, you specify what customer records appear:

- **Customer:** Limit the display to the party that is entered as the customer on the Summary tab of the contract.
- **Related Customer:** Display parties with a relationship to the customer in the Oracle Trading Community Architecture (TCA) party model.

You can display item instances for:

- **Both:** Both the customer and related parties.
- **All:** All parties in the database.
- Restrict the list that is displayed in the window.

Enter a search term in the Name field to restrict what is displayed in the list. You can use partial entries and the percent sign % to represent omitted characters.

For example, to view the installed base by inventory item but not view all items, you can restrict the display to just the item that you want by entering it in the Name field.

7. After you have entered the display criteria, click **Find**.

The window displays the installed base in the form of a tree.

8. View the details of any node on the tree by clicking it.
9. Select any item instance that you want to add, holding down the **CTRL** and **Shift** keys for multiple selections.
10. Click **OK** to return to the Service Contracts Authoring window.

Each selection creates an individual line in the Effectivity secondary tab.

Entering a Customer Product into Oracle Installed Base

You can cover a product that does not have an item instance in Oracle Installed Base. You may have to create an instance if you provide service for products that a customer purchased from a third party such as a vendor or a dealer, for example.

Prerequisites

- Set up product as an item in Oracle Inventory.
- Enter a service line.

To enter a customer product into Oracle Installed Base:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Pricing/Products** subtab.
2. Select the service for the product that you are about to create.

3. Select the **Effectivity** secondary tab.
4. Select **New Instance**. The Create Item Instance window appears.

1. Select the product to add from the Item LOV.
2. Enter a quantity.
3. Select a **UOM** from the LOV.
4. Select a location type from the Current Location Type list, such as Party Site.
5. Select a party from the Current Location Party LOV.
6. Select an address from the Current Location Address LOV.
7. Click **OK**.

The Service Contracts Authoring screen appears, and the new item instance appears within the Effectivity secondary tab.

8. Save.

Covering Parties

You can cover one or more parties with a service. A party is a customer in your database. This can be an individual consumer or an organization.

Prerequisite

Create a contract of category Service Agreement.

To cover parties:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Pricing/Products** subtab.
2. Select the service.
3. Select the **Effectivity** secondary tab.
4. If you are covering a small number of parties and you know the party names or a partial party names, then make your entries on separate sublines. For each party:
 1. In a new line, select **Party** as the Level.
 2. Enter the name or partial name in the Name field. (Use the % sign to indicate omitted characters.)
 3. Press the Tab key.

If the application does not find a unique match, it opens a search window where you can refine your search.
5. To enter multiple parties at the same time or if you do not know the name of the party, then you can make a selection from a list of the parties in your database displayed in a logical tree:
 1. Click on the LOV indicator in the Name field.

The Party window appears.
 2. Select **Related Customer** from the Customer Context list.
 3. Click **Find**.

The window displays a list of parties that are related to the customer on the contract.
 4. Select one or more parties (use the **Shift** and **Ctrl** keys for multiple selections).
 5. Click **OK**.
6. Save.

Covering Customer Accounts

You can select one or more customer accounts (party accounts) to cover with a service. You can cover the accounts belonging to the parties in the contract or to any parties with a relationship to them.

Prerequisite

Create a contract of category Service Agreement.

To cover customer accounts:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Pricing/Products** subtab.
2. Select the service.
3. Select the **Effectivity** secondary tab.
4. If you know the party that owns the account, you can enter each account individually as a subline. For each subline:
 1. Select **Customer** for your Level.
 2. In the Name field, enter the name or partial name of the party.
 3. Press the Tab key.

The application displays a list of accounts for the party that you specified in a search window.
 4. Select the account to cover or refine your search by adding the % sign and the account number to the search term.
 5. Click **OK**.

The Name field displays the name of the party. The Description field displays the account number.
5. To enter multiple parties at the same time or if you do not know the party name or account, then you can browse through a list of related parties and accounts:
 1. In a new line, select **Customer** for your Level.
 2. Click on the LOV indicator in the Name field.

The Party window appears.
 3. Select **Related Customer** from the Customer Context list.
 4. Click **Find**.

The window displays a list of parties that are related to the customer on the contract.

You can view the accounts for the parties listed, by clicking the party node.

5. Select one or more accounts (use the **Shift** and **Ctrl** keys for multiple selections).
 6. Click **OK**.
6. Save.

Covering Party Sites

You can cover one or more party sites with a service.

Prerequisite

Create a contract of category Service Agreement.

To cover party sites:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Pricing/Products** subtab.
2. Select the service.
3. Select the **Effectivity** secondary tab.
4. To enter individual sites for which you know the site numbers, enter each site on a separate subline:
 1. On a new line, select **Site** as the Level.
 2. Enter the site number in the Name field. The site number is the unique identifying number that is generated by the application for each party address.
5. To cover multiple sites at the same time or if you do not know the site number, then you can find the site to cover by browsing through a list of customers and their sites. See *Browsing Through Party Sites*, page 3-30.

Browsing Through Party Sites

You can select sites to cover by browsing through a list of sites organized by party.

Note: When coverage is provided for a product, the Installed At location in Oracle Installed Base is the site that is pertinent when coverage is provided for that product. When you create a service request the contract will not appear as an Open Contract unless the product is Installed At the designated site. If Party Type Is HZ

Location, then the entitlement check does not return that contract line. Coverage is not provided if the Party Type for the Installed At location is not Party Site. Changing the Installed At address in the Service Request does not mean that the product will be covered under the designated contract.

Prerequisite

Enter a service line.

To browse through party sites:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Pricing/Products** subtab.
2. Select the service line.
3. Select the **Effectivity** secondary tab.
4. On a new line, select **Site** from the Level LOV.
5. Click the LOV indicator in the Name field.
The Site window appears.
6. Restrict which parties to display by choosing a Customer Context:
 - To view only the sites for the contract customer, select **Customer**.
 - **Related Customer**: Displays the parties with a relationship to the customer in the Oracle TCA party model.
 - **Both**: Displays both the customer and related parties.
 - **All**: Displays all parties in the database.
7. To restrict the list that is displayed to a particular party name, enter a name or partial name.
8. Click **Find**.
The window displays a list of parties that meet your criteria.
9. View the sites for any party, by clicking the party node.
10. Select the sites to cover (hold down the **Shift** and **Ctrl** keys for multiple selections).
11. Click **OK** to return to the Service Contracts Authoring window.

Covering Systems

You can cover one or more systems with a service. A system is a grouping of item instances that are created in Oracle Installed Base.

Prerequisite

Create a contract of category Service Agreement.

To cover systems:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Pricing/Products** subtab.
2. Select the service.
3. Select the **Effectivity** secondary tab.
4. To enter systems individually when you know the system names, for each system:
 1. On a new line, select **System** from the Level LOV.
 2. Enter the name or partial name in the Name field. Use the % sign to represent missing characters.
 3. Press the **Tab** key.
5. To enter multiple systems at the same time or if you do not know the system names, you can browse through a list of systems by party, party account, or party site. See *Browsing Through Oracle Installed Base Systems*, page 3-24.

Browsing Through Oracle Installed Base Systems

You can identify and select systems for coverage by browsing through a list of systems organized by party, party account, or party site.

Prerequisite

Enter the service line.

To browse through Oracle Installed Base systems:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Pricing/Products** subtab.
2. Select the service line.

3. Select the **Effectivity** secondary tab.
4. Select **System** from the Level LOV.
5. Click the LOV indicator in the Name field.
The System window appears.
6. To limit the number of customer systems to browse through at any one time, you can:
 - Select different views
By making a selection from the Level list, you can view systems by:
 - **Customer account**, by choosing **Customer**.
 - **Party**, by choosing **Party**.
 - **Party site (identified by its number)**, by choosing **Site**.
 - Specify which parties to display by choosing a Customer Context. You specify what customer records display. The choices are:
 - **Customer**: Limit the display to the party entered as the customer in the contract.
 - **Related Customer**: Show parties with a relationship to the customer in the Oracle TCA party model.
 - **Both**: Show both the customer and related parties.
 - **All**: Show all parties in the database.
 - Restrict the list that is displayed in the window
Enter a search term in the Name field to restrict what is displayed in the list.
For example, if you have selected Party as the level, you can limit the display to a specific party by entering its name in this field.
7. After you have entered the desired display criteria, click **Find**.
The window displays the systems in the desired view of the installed base systems in the form of a logical tree.
8. View the systems in any node on the tree by clicking it.
9. Select the systems that you want to cover (use the **Shift** and **Ctrl** keys for multiple selections).

10. Click **OK** to return to the Service Contracts Authoring window.

Covering Inventory Items

You can cover one or more Oracle Inventory items with a service. You can cover multiple quantities of the item on each subline.

Prerequisites

- Create a contract of category Service Agreement.
- Identify the Oracle Inventory item name of the item to cover.

To cover inventory items:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Pricing/Products** subtab.
2. Select the service.
3. Select the **Effectivity** secondary tab.
4. Select **Item** for your Level.
5. Use the Name LOV to enter the item name.
6. Save.
7. Navigate to the **Pricing** tab.
8. Enter the quantity of item that is being covered in the Qty field.
9. Select the unit of measure using the UOM LOV.
10. Save.

Viewing Details About a Covered Product

The products that are covered by a service line are identified in the Service Contracts Authoring Window by their Oracle Inventory names. You can view the complete details about a covered product (an instance in Oracle Installed Base), including the installation address, installation date, and pricing information.

Prerequisites

- Set up the product as an item in Oracle Inventory.

- Enter a service line.

To view details about a covered product:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Pricing/Products** subtab.
2. Select the service covering the product.
3. Select the **Effectivity** secondary tab.
4. Select the covered line to display. The Level must be of type Product.
5. Click **Product Details**.

The Product Details window appears with the information.

Note: For service contracts of category Warranty and Extended Warranty, you can view details for all of the covered products at the same time, by clicking the **Show All Products** button.

Maintaining Pricing Attributes for Covered Products

The pricing attributes can be maintained for any of the covered products.

To maintain pricing attributes for Covered Products:

1. From the Service Contracts Authoring window, select the **Lines** tab and the **Pricing/Products** subtab, and then select the service line to update.
2. Select the **Effectivity** secondary tab and highlight a covered product.
3. From the Actions menu select **Pricing Attributes**.
4. Select the Pricing Context from the LOV. For each Pricing Context, you can enter the pricing attributes in the corresponding descriptive flexfield.
5. Click **Apply** to save the pricing attributes

Specifying How the Service Prints on an Invoice

By default, Oracle Receivables prints both the line and subline on the customer invoice.

You can specify:

- Whether a service line and subline is omitted from the invoice, page 3-36
- What text gets printed, page 3-37

Omitting a Line or Subline from the Invoice

You can control the printing of contract line and subline details with the Invoice Print Flag check box. By default, the application activates this check box and prints the line and subline. You can prevent a selected line or subline from being printed on the invoice, by clearing the check box. Omitting the line or subline from the printed invoice does not remove the price from the invoice subtotals.

Prerequisite

Enter a service line.

To omit a line or subline from the invoice:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Pricing/Products** subtab.

Line	Line Type	Name	Line Ref	Duration	Period	Price UOM	Last Contract		Subtotal	Tax	Print Invoice
							Price	Curr			Total
1	Service	WR23765		1	Year	Month	0,00		0,00	0,00	<input checked="" type="checkbox"/>
											<input type="checkbox"/>
											<input type="checkbox"/>
											<input type="checkbox"/>
											<input type="checkbox"/>

Line	Level	Name	Line Ref	Last Contract		Renewal Type	Print Invoice
				Price	Curr		
1.1	Product	AS54888				Full Duration	<input checked="" type="checkbox"/>
							<input type="checkbox"/>
							<input type="checkbox"/>

Description: Sentinel Standard Desktop TPD

2. To omit a line from the invoice, clear the **Print Flag** check box on the right.
3. To omit a subline from the invoice:
 1. Select the line.
 2. Select the **Administration** secondary tab.
 3. Clear the **Print Flag** check box.

4. Save.

Specifying the Invoice Text

You can specify what text appears on the invoice for the service line and sublines.

The application automatically creates a description of the line and sublines for you. For contract lines, this is the service description and the effective dates separated by colons.

For example, if the service name is Gold Service and the effective dates are 01-JAN-2005 to 31-DEC-2005, then the text invoice reads:

```
Gold Service:01-JAN-2005:31-DEC-2005.
```

For covered sublines, the description also includes the name of the item that is covered.

If you have sold Gold Service, 01-JAN-2005 to 31-DEC-2005, for washing machine SuperWash, then the generated description reads:

```
Gold Service:01-JAN-2005:31-DEC-2005.
```

Prerequisite

Enter a service line.

To specify the invoice text:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Effectivities** subtab.
2. Select the service covering the product.
3. Modify the line descriptions in the Invoice Text field.
4. If you are billing for individual covered items, then:
 1. Select the **Pricing/Product** subtab.
 2. Select the **Effectivity** secondary tab and modify the text in the Invoice Text field.
5. Save.
6. You can copy the description you have entered to the sublines by using the Cascade Attributes option from the Actions menu. See Applying Changes from a Service Line to the Covered Sublines, page 3-58.

Specifying a Billing Schedule

You can specify how the application bills the customer for a service and when the application sends the billing records to Oracle Receivables.

You can bill a customer for a service either at the contract line level or separately for each of the sublines that are covered by the service. If you are billing separately for each subline, then you can create a different billing schedule for each.

If you entered a billing schedule at the contract header level, then this schedule passes to the line level.

Prerequisite

Enter a service line.

To specify a billing schedule:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Pricing/Products** subtab.
2. Select the service line to set up.
3. Click **Billing**.
The Billing window appears.
4. Select a billing level from the Level LOV:
 - **Equal Amount:** to bill for equal amounts over the billing period and have control over the amount as well as the billing periods.
 - **Top Level:** to bill customers for the service as a whole.
 - **Covered Level:** to bill customers at the level of each subline.
5. Specify the billing schedule by entering one or more billing streams. This is the same procedure as is used for creating schedules at the header level. See *Entering a Billing Stream*, page 2-13 for details.
6. If you chose **Covered Level** you can modify the billing schedule for any of the sublines:
 1. Select the service line on the Lines tab and Pricing/Products subtab.
 2. Select the **Pricing** secondary tab.
 3. Select the subline that you want to modify.

4. Click **Billing**.

The Billing window appears for this subline.

5. Create a billing schedule for this subline using one or more billing streams.
6. Click **OK**.

Pricing What a Service Covers

The application automatically prices a service on an Oracle Inventory item or a product that the customer owns (an item instance in Oracle Installed Base) based on the price list.

Following is a summary of how pricing works for covered products, whether you are adding an existing item instance to a contract as a covered product or creating new item instances and adding them to the contract:

- **Obtaining an Asking UOM:**

If Price UOM for a covered product is NULL, Oracle Service Contracts passes the service duration UOM on the covered product subline as the Asking UOM for the pricing call.

Note: The UOM for service duration is always converted to the highest possible UOM. For example, if you enter 365 days as the service duration for the subline, at time of save the service duration is updated to 1 year. If Price UOM is present on a covered product subline, the Price UOM takes precedence over the service duration UOM and the application passes it as the Asking UOM for the pricing call.

- **Pricing the Service:**

If you define a service price in the same UOM as the Asking UOM, then the price is returned at a rate/uom for the same UOM that is passed as the asking price.

Example

- Asking UOM is Month
- Price List has price defined as Month is \$100 and Year is \$900
- Service duration is 4 months
- Price is \$400 (Quantity 4 at a monthly price of \$100)
- Unit Price = \$100

If you do not define a service price in the same UOM as the Asking UOM, then the price returns as follows:

1. If your Price List has a price defined for a UOM for which the Primary check box is selected, then the price list price/UOM is converted into a price/asking UOM to derive the service price.

Example

- Asking UOM is Month
- Price List has following prices:
 - Month is \$100; Precedence is 20
 - Year is \$900; Primary UOM; Precedence is 20
- Service duration is 4 months
- Price returned is \$300 (Quantity 4 multiplied by (\$900/12))
- Unit Price is \$900

Note: Unit Price is based on the price list UOM the application uses to calculate the price.

2. If your Price List has more than one price defined for a UOM for which the Primary check box is selected, then the price list UOM with the highest precedence is used.

Example

- Asking UOM is Month
- Price List has the following prices:
 - Month is \$100; Precedence is 20
 - Year is \$900; Primary UOM; Precedence is 20
 - Quarter is \$270; Primary UOM; Precedence is 10
- Service duration is 4 months
- Price is \$360 (Quantity 4 multiplied by (270/3))
- Unit Price is \$270

Note: Unit Price is based on the Price List UOM that the application uses to calculate the price.

3. If Price List does not have a Price List UOM that is the same as the Asking UOM and the price list does not have a price defined in another UOM selected as a Primary UOM, then the application does not return a price for the Asking UOM.

The preceding logic applies for both Covered Product pricing and Covered Item pricing.

You must price the other covered levels manually. For this reason, you must use different procedures for entering and adjusting prices:

Adjusting the Price of a Service for a Covered Product or an Item, page 3-41, Pricing Service for a Party, page 3-41.

Additional ways of adjusting prices for your customer are covered in Adjusting Prices, page 7-1.

Adjusting the Price of a Service for a Covered Product or an Item

The application automatically prices a service for an inventory item or a covered product (an item instance in Oracle Installed Base) using the price list that you entered on the Effectivities subtab.

To reprice, you can:

- Apply preset discounts and surcharges by using the pricing Adjustments window (a selection from the Tools menu). See Entering Price Adjustments, page 7-3.
- Adjust the price manually directly in the Authoring window when you enter the subline. See Manually Adjusting the Price, page 3-42.
- Change the price list on the Effectivities subtab. See Repricing a Service by Changing the Price List, page 3-41 for details.

Repricing a Service by Changing the Price List

You can reprice the service line or an individual subline by changing the price list.

Prerequisite

Enter a service line.

To reprice a service by changing the price list:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Effectivities** subtab.
2. Select a different price list from the Price List LOV.
3. Save.

4. Select the **Pricing/Products** subtab.
5. Select the line that you want to reprice.
6. To reprice an individual subline:
 1. Select the **Pricing** secondary tab.
 2. Select the subline that you want to reprice using the new price list.
 3. Click **Reprice** to update the price.
7. To reprice the whole line, click **Reprice** on the subtab itself.
8. Save.

Manually Adjusting the Price

You can manually adjust the price of a service covering an inventory item or a covered product (Install Base item instance) in one of two ways:

- By applying discounts or surcharges that are preset by the administrator using the Adjustment window. See *Entering Price Adjustments*, page 7-3.
- By modifying the price directly in the authoring window as described in this procedure.

Note: Your application administrator must set up this item or product with a manual modifier in Oracle Advanced Pricing for you to be able to adjust the price using this method.

Prerequisite

Enter a service line.

To manually adjust the price:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Pricing/Products** subtab.
2. Select the service line to adjust.
3. Select the **Pricing** secondary tab.
4. Select the subline to reprice.

5. Adjust the price using one of the following methods:
 - Enter a different price in the Subtotal field and click **Save**. For example, if the service costs \$100, then you can give the customer a 10% discount by entering 90.

Note: The application applies the discount that you enter here provided that the application administrator has set the system profile OKS: Use Advanced Pricing for Manual Adjustment to Yes. You can verify whether the item has been discounted by clicking the Price Calculation button. See Viewing Adjustments for the Whole Contract, page 7-7.

- If your organization prices a service based on different time increments, for example charging a different price if the service is purchased by the year, by the quarter, or by the month, then you can use the Price UOM to specify which increment to use to calculate the price. If you do not sell by different increments, then leave this field blank.

To reprice:

1. Select a length from the Price UOM LOV.
2. Save.

See About Changing the Basis for Pricing a Service, page 3-43 for details on when and how to use this repricing method.

6. If you are not satisfied with the changes you have made, you can restore the original price by clicking **Reprice**.

Changing the Basis for Pricing a Service

If your organization prices the same service based on different time increments, for example offering different prices for a year contract and a monthly contract, you can specify which increment price will be the basis for charging the customer by making an entry in the Price UOM field.

This enables you to:

- Offer a customer any of the available prices for the service.

For example, you can offer a customer who wants to purchase a service for nine months either the monthly, the quarterly, or the yearly price.
- Ensure that a customer purchasing a contract for an irregular time period is charged the correct price.

If you do not make any entries in the Price UOM field, then the application charges the customer based on the value of the Period field on the Lines tab, Effectivities subtab. The period, which is passed by the application, may not always be the one that you want to use as the basis for charging the customer.

Suppose your organization offers a service in yearly, quarterly, and daily increments, and a customer wants to start the service on January 1, 2005 and end it on January 4, 2006. Because this period of one year and five days is not divisible by one year or a quarter, the application uses a day as the period.

This means that, unless you enter a different basis in the Price UOM field, the customer will pay 370 times the price of a daily contract rather than the price of a yearly contract plus a prorated price for the extra five days.

Note: If you specify a UOM that is not priced on the price list, the application charges the customer based on the price of the UOM that the administrator has specified as primary. If the UOM is not priced and no UOM is designated as primary, then the application returns a price of 0.

Pricing Service for a Party, Customer Account, Site, or System

You can price a service for covered levels that are not priced automatically: party, customer (party) account, site, and system. You must price each subline individually.

Prerequisite

Enter a service line.

To price a service for parties, customer accounts, sites, and systems:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Pricing/Products** subtab.
2. Select the service line to set up.
3. Select the **Pricing** secondary tab.
4. Select the subline to price.
5. Enter the price using one of the two following methods:
 - Calculate the extended price for the service based on a quantity and unit price:
 1. Enter the quantity in the Qty field.
 2. Select the unit of measure from the UOM LOV.

3. Enter the unit price in the Unit Price field.
4. Press the **Tab** key.
The application calculates the extended amount.
5. You can modify the subtotal.

Note: The entries that you make here are optional. They are designed to aid you in making the calculation only.

- Enter the price directly into the Subtotal field.
6. Save.

Specifying a Payment Method for a Contract Line

This group of procedures explains how to specify a payment method for a specific contract line.

- Specifying Payment by Credit Card or Commitment Number, page 3-45
- Requiring a Purchase Order, page 3-46
- Specifying a Purchase Order Number, page 3-46

To specify the same payment method for all the lines in your contract, instead create a default payment method on the Summary tab according to the procedure that is described in Specifying a Payment Method, page 2-23.

If you have already set up the default payment method, then payment information automatically appears.

Specifying Payment by Credit Card or Commitment Number

Commitments represent a customer's prepayment for goods or services (prepayments) or contractual agreements (guarantees). Commitments are set up in Oracle Receivables.

Prerequisite

Confirm the setup of commitments in Oracle Receivables. See the *Oracle Receivables User Guide*.

To specify payment by credit card or commitment number:

1. From the Service Contracts Authoring window, select the **Lines** tab and

Exemption/Payment Options subtab.

2. To specify payment by credit card:
 1. Select **Credit Card** from the Payment Type list.
 2. Enter the credit card number and expiration date.
3. To specify payment by commitment:
 1. Select **Commitment Number** from the Payment Type list.
 2. Enter the commitment number using the LOV.
4. Save.

Requiring a Purchase Order

You can require the entry of a purchase order number for the contract line. The contract then cannot pass the QA check and become active unless a purchase order is entered for every line.

To require a purchase order:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Exemption/Payment Options** subtab.
2. In the Payment Method region, select the **Purchase Order Required** check box.
3. Save.

Specifying a Purchase Order Number

You can enter a purchase order number in a contract line. This number is sent to Oracle Receivables and appears on customer invoices.

To specify a purchase order number:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Exemption/Payment Options** subtab.
2. In the Payment Method region, enter the purchase order number in the PO Number field.
3. Save.

Modifying Coverage Provided by a Service

Each service that you select as a contract line item comes with a predefined list of what that service covers (terms of coverage). This includes:

- Covered business processes (service fulfillment channels)
- Pricing and discounts
- Time zones covered, and the days and times that coverage is available
- Required reaction and resolution times
- Preferred resources to carry out the work

Your administrator defines the coverage terms that are included in a service offering, using a coverage template at the time the service item is defined in Oracle Inventory.

You can modify any of the coverage provided for an individual service line in the contract. For example, you can change the response time, or extend a service providing weekday telephone support to cover weekends as well. However, the contract price is not affected by any of the modifications that you make in an individual contract, so your organization may prefer to make any coverage changes in the coverage template itself.

Prerequisite

Enter a service line.

To modify coverage provided by a service:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Effectivities** subtab.
2. Select the service line to modify.
3. Click **Details**.

The Service Contracts Coverage window appears.

(Vision Operations: UCL) - Service Contracts Coverage: WR23786

Coverage
 Name: Type: Importance Level: Effective Dates: -
 Description: Standard Exception: Suitable as Exception

Warranty
 Warranty Inheritance: Synchronize Date Installed Free Upgrade Transfer:

Preventive Maintenance
 Program Name: Program Description:

Business Process	Duration	Period	Start Date	End Date	Price List	Discount
Customer Support	1 Month		26-MAY-2006	25-APR-2007	Corporate	
Field Service			26-APR-2006	25-APR-2007	Corporate	
Depot Repair			26-APR-2006	25-APR-2007	Corporate	

Coverage Times | Reaction Times | Resolution Times | Resources | Billing Types

Time Zone: Default Apply Default to other Time Zones

Start Time	End Time	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
00:00	23:59	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
00:00	23:00	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
07:00	17:00	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
08:00	17:00	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
08:30	17:00	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4. Click **Customize** to create contract-specific coverage terms.
5. Modify the coverage as described in Defining Standard Coverage, page 23-7.
6. Click **Reapply Standard** to reapply the standard coverage terms to the service line.

Note: You can customize the coverage terms for an approved and activated contract; however, you cannot reapply the standard coverage template to a service line once it appears on an approved and activated contract.

Scheduling Preventive Maintenance Activities

This procedure is for scheduling periodic activities only. For scheduling activities based on usage, for example, maintaining a printer based on the number of copies made, you must use Oracle Complex Maintenance, Repair, and Overhaul.

If preventive maintenance activities are required as part of the service that you have entered in a contract line, then the application includes these along with the other coverage details that are attached to the item.

The application administrator can set up the application to automatically schedule these maintenance activities for you when you enter the contract line. The scheduled dates are the planned start dates of any service requests the application generates to carry out the work.

You can:

- Specify new dates when each of the activities is to start.
The dates that you enter become the planned start dates in any service requests that the application generates for these activities.
- Specify a range of dates that the maintenance activities are to start.
The start date of each activity is the planned start date in the corresponding service request.

Note: The application can automatically generate a schedule based on start dates only. To specify a date range, you must enter the start and end dates into the contract manually.

Prerequisites

- Enter a service line.
- Confirm the setup of the preventive maintenance program and associated activities in Oracle Complex Maintenance, Repair, and Overhaul.

To schedule preventive maintenance activities:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Effectivities** subtab.

2. Select the service line to modify.

3. Click **Edit Coverage**.

The Service Contracts Coverage window appears.

The preventive maintenance program that is associated with the service line by your application administrator appears in the Program name field in the Preventive Maintenance region of the window.

The preventive maintenance program encompasses the required maintenance activities for the product. Both the program (also called a maintenance requirement) and its activities are set up in Oracle Complex Maintenance, Repair, and Overhaul.

4. Click **Schedule**.

The Preventive Maintenance Schedule window appears showing the Program Schedule tab. If the application administrator has set up a schedule for this program, then the Schedule region is already populated with dates.

The maintenance activities that you must schedule are listed on the Activity Schedule tab.

5. You can schedule the preventive maintenance activities in one of two ways. You

can:

- Create a template schedule on the Program Schedule tab and use that schedule to schedule multiple activities. See Scheduling Multiple Activities, page 3-50.
- Create a separate schedule for each activity. See Scheduling Individual Activities, page 3-51.

6. Click **OK**.

Scheduling Multiple Activities at the Same Time

You can later modify the default schedule to create a unique schedule for each activity.

Prerequisites

- Enter a service line.
- Confirm the setup of the preventive maintenance program and associated activities in Oracle Complex Maintenance, Repair, and Overhaul.
- Associate a preventive maintenance program with a coverage template.

To schedule multiple activities at the same time:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Effectivities** subtab.
2. Select the service line to modify.
3. Click **Edit Coverage**.
The Service Contracts Coverage window appears.
4. Click **Schedule** in the Preventive Maintenance region.
The Preventive Maintenance Schedule window appears.
5. Select the **Program Schedule** tab.
6. If the customer must approve scheduled tasks in the service request before they are performed, then select the **Confirmation Required** check box.
7. Create a default schedule for the activities in the Stream Levels region. See Scheduling Activities at Regular Intervals Using Schedule Streams, page 3-52.
8. To default this schedule to multiple activities:

1. Select the **Activity Schedule** tab.
2. Make sure that only the Select check boxes for the activities you want to set up are selected.
3. Click **OK**.

The application asks you whether you want to copy the schedule to the activities.

4. Click **Yes**.

9. To pass this schedule to a single activity:

1. Save.
2. Select the **Activity Schedule** tab.
3. Select the activity by placing your cursor in any field on the line.
4. Click **Populate from Program**.

The application copies the default dates or date ranges to the selected activity.

Scheduling Individual Activities

Prerequisites

- Enter a service line.
- Confirm the setup of the preventive maintenance program and associated activities in Oracle Complex Maintenance, Repair, and Overhaul.
- Associate a preventive maintenance program with coverage template.

To schedule an individual activity:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Effectivities** subtab.
2. Select the service line to modify.
3. Click **Edit Coverage**.

The Service Contracts Coverage window appears.

4. Click **Schedule** in the Preventive Maintenance region.

The Preventive Maintenance Schedule window appears.

5. Select the **Activity Schedule** tab.
6. Make sure that only the activities you want to set up are selected using the Select check box to the right of the Activity region.
7. If you have created a default schedule that you want to use to schedule this activity, then click **Populate from Program**.

The application passes the schedule that you have created on the Program Schedule tab.

8. To create a separate schedule for this activity, create the schedule in the Stream Levels region. See *Scheduling Activities at Regular Intervals Using Schedule Streams*, page 3-52.
9. If the customer must approve the tasks in the service request before work starts, then select the **Confirmation Required** check box that is located to the right of the activity.
10. Save.

Scheduling Activities at Regular Intervals Using Schedule Streams

You can schedule an inspection every month for a piece of equipment that requires 12 inspections during the year.

Each set of regular dates is called a schedule stream. You can set up any number of such schedule streams using this procedure to handle complex requirements. For example, if a piece of equipment requires two inspections in the first year and six for every year thereafter, you can schedule the semiannual inspections for the first year using one stream and use the second stream to create the schedules for the six inspections in the second year.

You can use this procedure on both the Program Schedule and the Activity Schedule tabs, depending on whether you are creating a default schedule for all the activities in a program or scheduling individual activities. See *Scheduling Multiple Activities at the Same Time*, page 3-50 and *Scheduling Individual Activities*, page 3-51.

To schedule an activity at regular intervals using a scheduling stream:

1. From the Preventive Maintenance Schedule window, navigate to the Stream Levels region:
2. If this is the first stream, then:

1. Enter **1** in the Seq Num field.

The application passes the start date from the start date of the contract line.

2. Enter the number of times that you want the activity to be performed in the Periods field

3. Enter the length of each period in the UOM/Period and UOM fields. For example, to schedule an inspection once a month, enter 1 in the UOM/Period field and select Month from the UOM LOV.

The application supplies the end date.

3. If this is an additional stream, then:

1. In the Seq Num field, enter a number corresponding to the order in which the periods are created.

The sequence numbers for scheduling streams must be in order of the dates in the schedule. To schedule an activity earlier than an existing activity, reorder the entire sequence.

The application passes the start date from the end date of the previous stream.

2. Enter the length of each period in the UOM/Period and UOM fields. For example, to schedule an inspection once a month, enter **1** in the UOM/Period field and select Month from the UOM LOV.

The application supplies the end date.

4. To postpone the scheduled start of the first activity in the stream, enter an offset period by either of these two methods:

- Enter a different date in the First Date field.
- Enter the number of periods in Offset Period and the length of the offset period in Offset UOM.

5. To create a schedule based on individual suggested dates, select the **Auto Schedule** check box.

6. To create a schedule based on a date range, clear the **Auto Schedule** check box.

7. Click **Schedule** to generate the schedule.

The application displays the generated schedule in the schedule region.

8. If you left the Auto Schedule check box cleared, the application permits you to enter a date or a date range to replace the automatically generated date.

Enter the date range for any of the scheduled dates in the From and To fields.

9. Save.

Viewing Maintenance Program and Activity Details

Both the program and activities are set up and maintained in Oracle Complex Maintenance, Repair, and Overhaul. See *Oracle Complex Maintenance, Repair, and Overhaul User's Guide* for details.

Prerequisite

Enter a service line.

To view maintenance program and activity details:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Effectivities** subtab.
2. Select the service line to modify.
3. Click **Edit Coverage**.

The Service Contracts Coverage window appears.

- To view details about the program, click **View Program** on either the Program Schedule or the Activity Schedule tabs.

The application opens a new browser window displaying the details of the maintenance requirements.

- To view details about individual activities:
 1. On the Activity Schedule tab, select the activity in the Activity region.
 2. Click **View Activity**.

The application opens a new browser window displaying the details of the activity. See *Oracle Complex Maintenance, Repair, and Overhaul User's Guide* for details.

- To view the maintenance history of the product that the customer owns:
 1. On the Program Schedule tab, click **History**.

The application displays the Search Unit Maintenance Plan page in a separate browser window. Search for the maintenance history for the product according to procedures described in *Oracle Complex Maintenance, Repair, and Overhaul User's Guide*.

Updating Scheduled Service Dates for a Maintenance Program

Companies that perform preventive maintenance sometimes need to update schedule maintenance dates on active contracts to accommodate customer requests to reschedule planned service. For example, the scheduled maintenance may fall on a holiday, the equipment may not be available for service on the date scheduled, or the equipment may not need servicing due to a low level of usage. Program schedule dates and activity schedule dates can be updated if Auto schedule is cleared and a service request has not been generated for the scheduled maintenance.

Prerequisites:

- Enter a service line.
- Associate a preventive maintenance program with the coverage template.
- Activate the contract.
- Confirm Open for Update allowed for Active status contracts.

To update activity schedule dates:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Effectivities** subtab.
2. Select the service line to modify.
3. Click **Edit Coverage**.
The Service Contracts Coverage window appears.
4. Click **Schedule** in the Preventive Maintenance region.
The Preventive Maintenance Schedule window appears.
5. Select the **Activity Schedule** tab.
6. Select an Activity on which to update scheduled maintenance dates.
Dates in activity schedules can be updated only if:
 - Auto Schedule is cleared.
 - A Service Request has not already been created for the scheduled maintenance.

To update program schedule dates:

1. From the Service Contracts Authoring window, select the **Lines** tab and

Effectivities subtab.

2. Select the service line to modify.

3. Click **Edit Coverage**.

The Service Contracts Coverage window appears.

4. Click **Schedule** in the Preventive Maintenance region.

The Preventive Maintenance Schedule window appears.

5. Select dates to update in the program schedule.

Dates in the program schedule can be updated only if:

- Auto Schedule is cleared.
- The new scheduled service date is greater than the latest scheduled service date for any activity under the program for which a service request has already been created.

Ending Service Lines on a Day Specified by the Customer

You can define a cotermination date, which is a date that has been chosen by the customer as the end date for all service lines:

- About Cotermination, page 3-56
- Applying the Cotermination Date to a Service, page 3-57

About Cotermination

To simplify renewals and accounting, customers sometimes request all contracts to terminate on the same date, such as the end of the calendar or fiscal year. This date is called the cotermination date.

Your application administrator can set up a cotermination date for a customer account. The customer account for the service line is the bill to account that you enter on the Lines tab, Accounts subtab.

You can tell that a cotermination date exists for the service line, when the Coterminate and Coterminate All buttons are enabled.

Note: You cannot apply the cotermination date for contracts with a status of Active.

If the cotermination date falls too close to the start of the service in your contract, the

application automatically extends the service until the same cotermination date the following year. For example, if a customer purchases six months of service in December 1 and the cotermination date on December 31 then the application extends the service until December 31 of the following year instead of selling just one month-worth of service. Just what minimum service length triggers the extension is determined by the values in system profiles OKS: Minimum Duration and OKS: Minimum Period.

Applying the Cotermination Date to a Service

Prerequisites

- Enter a service line.
- Confirm that the contract is in Entered status.

To apply the cotermination date to a service:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Effectivities** subtab.
2. Select the service line to end on the cotermination date.
3. Click **Coterminate**.

The new end date that you have entered does not automatically apply to the items that are already covered by the service. If you have already specified what the service covers, then you must copy the new end date using the Cascade Attributes window.

Specifying Tax Status

You can enter tax exemption information

If you have already set up a default tax status for all lines, then the tax status fields are already populated for you.

Prerequisite

Enter a service line.

To specify tax status:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Exemption/Payment Options** subtab.
2. In the Tax Exemption region, select the customer's tax status from the Control LOV.

3. If you entered **Exempt**, then select the tax exemption number from the Number LOV.

This populates the Reason field.

4. Select the code that is used to determine the tax rate from the Tax Classification Code LOV.

Note: If you entered **Exempt**, you can still select Tax classification code.

5. Save.

Applying Changes from a Service Line to the Covered Sublines

If you change the length of a service, for example by applying a cotermination date, you must apply them to any existing sublines. You can also use this procedure to copy the following line attributes to the sublines:

- Invoice text
- Renewal type
- Printing preferences (the setting of the Invoice Print Flag)

Prerequisite

Identify a contract with sublines (what the service covers) and modify the dates for the service later.

To apply changes from a service line to the covered sublines:

1. From the Service Contracts Authoring window, select **Cascade Attributes** from the Actions menu.

The Cascade Attributes window appears.

2. Select **Lines to Sublines** from the Cascade list.
3. Select the check boxes for the line attributes that you want to apply.
4. Select the sublines that you want to copy to on the right side of the window. You can use the check boxes to the right to select individual sublines, or the **Select All** button.
5. Click **Submit**.

Assigning Sales Credits for a Contract Line

You can assign both revenue and non-revenue credits.

To assign sales credits for a contract line:

1. From the Service Contracts Authoring window, select the **Lines** tab and select the service to enter sales credits for on any of the subtabs.
2. Select **Sales Credits** from the Actions menu.

The Sales Credits window appears.

Sales Person	Sales Group	Credit Type	%
Robertson, Ms. Barbara		Quota Sales Credit	100.0000

Revenue Total %
Non Revenue Total %

3. Enter the sales agents and the revenue and non revenue credit that they are to receive. Sales group entry is optional. Revenue credit must always add up to 100 percent.
4. Click **OK**.

Updating Service

You can use the Update Service window to review existing service information and select one or more new replacement services for the covered products on the contract line. You can assign a percentage of the price of the former service to the new service lines.

The Update Service window is intended 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 8 a.m. to 5 p.m. After the customer restructures their service offerings, Bronze service is no longer offered. Level II support is the comparable offering. To make contracts reflect the new offering, rather than adding a new line and adding all the covered products to that line, select the old service line and click Update Service, select 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 update service:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Pricing/Products** tab.
2. Select the service line to update.
3. From the Tools menu select **Update Service**.
4. Review the Contract Line region to make sure this line should be updated.
5. From Update Service region, select the new service item from the Name LOV. This is the item replacing the item that is 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 disappears and the new service items appear. The new price is reflected for the line item. The billing schedule reflects the new pricing as well.

Applying Default Values to Existing Contract Lines

You can apply values that you have entered in the Summary tab of the contract down to existing lines.

Note: For information about applying changes from a service line to a subline, see *Applying Changes from a Service Line to the Covered Sublines*, page 3-58.

To apply default values to existing contract lines:

1. From the Service Contracts Authoring window, select **Cascade Attributes** from the Action menu.

The Cascade Attributes window appears. The window automatically disables contract attributes that have not yet been entered. For example, if you have not entered any sales credits in your contract, the Sales Credits check box is disabled and you cannot cascade sales credits.

2. Select **Header to Lines** from the Cascade list.
3. Select the check boxes next to the attributes that you want to apply to the contract lines. You can cascade the following values from the header to existing contract lines:

- **Effective dates:** The dates entered in the Start Date and End Date fields.

Note: If you are changing the effective dates of an existing warranty line, this method changes the contract dates only. It cannot be used to change the installed date in Oracle Installed Base. To change both the contract date and the installed date, then use the procedure describe in *Modifying the Dates a Warranty Is Effective*, page 6-18.

Extending a contract using cascading does not reprice sublines.
Extending a contract using a mass change will reprice sublines.

- **Accounting Rule:** Accounting rule entered on the Summary tab and Pricing/Billing subtab.
- **Bill To Account:** Bill To account entered on the Summary tab and Parties subtab.
- **Bill To Address:** Bill to address entered on the Summary tab and Parties subtab.
- **Bill To Contact:** Bill to contact entered on the Summary tab and Parties subtab.
- **Ship To Account:** Ship To account entered on the Summary tab and Parties subtab.

- **Ship To Address:** Ship To location entered on the Summary tab and Parties subtab.
- **Invoicing Rule:** Invoicing rule entered on the Summary tab and Pricing/Billing subtab.
- **Exemption Control:** Tax status entered on the Summary tab and Pricing/Billing subtab.

Note: Exemption will be cascaded from header to line only if the header and line have same party account.

- **Exemption Number:** Exemption number entered on the Summary tab and Pricing/Billing subtab.
- **Tax Classification Code:** This LOV uses the tax classification lookup codes that are created for Oracle E-Business Tax. By selecting a value from this LOV, you can cascade the tax classification code to the Lines tab and Tax/Payment Options subtab.
- **Billing Profile:** Billing profile entered on the Summary tab and Pricing/Billing subtab.
- **Recalculate Tax:** After applying an exemption to the contract or to a service line, recalculate tax using Cascade Attributes. You must also use cascade attributes to recalculate tax if you enter a tax classification code on a service line.
- **Payment Method:** Payment method and details entered in the Payment Details region of the Summary tab and Pricing/Billing subtab, such as a credit card.
- **Sales Credits:** Sales credits entered at the contract header level.
- **Price List:** Price list that you selected on the Summary tab and Pricing/Billing subtab. (If you changed the header price list and, at the time you made the change did not cascade the change to the lines, you can use the cascade attributes form to select specific lines to which to cascade the new price list).

Note: When attributes cascaded from header to line, repricing is done for all eligible sublines that:

- Are not terminated.
- Are not 100% billed.

- Do not contain manually priced sublines.
- **Price UOM:** Price UOM populated on the Summary tab and Pricing/Billing subtab from the Global Contracts Defaults form. Price UOM can be cascaded from header to all service lines. Although other lines will appear in the Lines block, you cannot choose the select option for usage and subscription lines. When Price UOM is cascaded from header to line, lines are not repriced. (If you change the header Price UOM, you can use the cascade attributes form to cascade the new Price UOM to selected service lines and covered levels)

Important: The Price UOM value is used in the partial period calculation for pricing, billing, and termination. For more information, see Entering Contract Defaults, page 2-36.

4. In the Lines region, specify which lines to change by selecting the check boxes to the right of those lines. You can use the **Deselect All** and **Select All** buttons.

Note: By default, all of the check boxes are selected so all lines in the contract will be changed.

5. Click **Submit**.
6. The Transaction Log displays the status of the changes that you are about to make.
7. Click **Apply**.

Note: By default when you select a header attribute to cascade on a contract with multiple lines all lines are selected.

To control which lines inherit specific attributes, select the attribute that you want to cascade, and then deselect the lines that should not inherit the attribute value. You can then select the next attribute and deselect the lines that should not inherit the attribute.

For example, suppose you have a contract with two lines, Service Line 1 and Usage Line 2, and you want to cascade the Accounting Rules and Bill To Address attributes to Service Line 1 but not to Usage Line 2. You would select the Accounting Rules attribute and deselect Usage Line 2, and then select the Bill To Address attribute and deselect Usage Line 2.

Entering Usage Lines

This chapter covers the following topics:

- Overview of Entering Usage Lines
- Charging a Customer for Usage
- Entering a Usage Line
- Specifying How the Customer Is Charged
- Charging Based on a Fixed Quantity of Usage Regardless of the Actual Usage
- Charging a Flat Fee Regardless of the Actual Usage
- Charging for Reported or Estimated Usage Per Period
- Charging Based on Reported Usage
- Entering a Counter
- Entering the Starting Counter Reading
- Creating Special Price Breaks
- Point and Range Price Breaks
- Deleting Special Price Breaks
- Prorating Price Breaks to Apply to Multiple Periods
- How Price Breaks Are Prorated
- Specifying a Billing Schedule for a Usage Line
- Recording Usage by Updating a Counter Reading

Overview of Entering Usage Lines

This group of topics explains how to charge customers for usage.

Charging a Customer for Usage

To charge a customer for usage, you must enter:

- A usage item as a contract line, page 4-2. This is where the prices for usage are defined.
- One or more counters as sublines, page 4-2. These track usage.

About Usage Items

The usage item specifies the price list and the price breaks that are used to charge the customer.

The application administrator sets up the usage items themselves as items in Oracle Inventory, and prices them using price lists in Oracle Advanced Pricing.

For example, a bank may create price breaks on the corporate price list that offers customers 10 free support calls per month and then charges \$1.50 for each call. A copier distributor may set up a price list to charge customers based on the volume of copies made, for example, \$0.05 for the first 1000 copies, charging \$0.03 for the next thousand, and then \$0.02 for copies greater than 2,000.

You can modify the pricing and the price break ranges for each contract.

About Counters

The application records customer use within counters. These can represent real devices that measure usage such as a counter in a copier, automobile odometers, and electric meters. The counters can also be purely logical constructs that are used to record the number of phone calls to a call center, for example.

The application creates counters automatically each time you order a service or enter a customer product as an item instance in Oracle Installed Base.

For example, if a bank's application administrator sets up the Gold service to track phone calls made to the call center, then each time you add the Gold service as a line in your contract, the application automatically creates a counter where the number of calls can be tracked. For physical objects, such as the copier, the application creates a counter that is linked to the Oracle Installed Base instance.

Although the application creates counters automatically for you, for each usage line you must enter the counters that you want to use to charge the customer as sublines. This may be just one counter, to track phone calls to a call center or to charge for copies that are made on one printer, for example, or many counters to charge for the copies that are made in a building, for example.

You can enter actual usage into the counters manually. Service agents can enter counter readings in Oracle Service Contracts (see *Entering the Starting Counter Reading*, page 4-22), Oracle TeleService (see *Recording Counter Readings* in the *Oracle TeleService User*

Guide), and Oracle Field Service (see *Recording Counter Readings* in the *Oracle Field Service User Guide*). Customers can enter counter readings from a Web portal that is created with Oracle iSupport.

How Usage Lines and Counters are Entered

The following provides an overview of how to enter usage lines and counters:

- If you are charging for usage as part of a service (for phone calls made to a call center, for example), then you must enter the service as a line in your contract first.
- Enter the usage item as a line in the contract.
- Enter the counters as sublines.
 - You identify counters that are attached to a service by the service name, the contract number, and the line number where you entered the service.
 - You identify physical counters by the inventory name of the product where the counter is located and by that product's serial number, the Oracle Installed Base item instance number, or both.

Note: Because of the way counters are named, you can have only one counter per service line in a contract and one counter per item instance in Oracle Installed Base.

You can specify various options on how to charge and bill the customer.

You can charge the customer for the actual usage that is recorded in the counter each month and have the application estimate any missing counter readings, for example, or you can charge a flat rate regardless of what the counter readings are.

You can also specify minimum amounts charged and the details of how customers are credited for any overcharges.

Entering a Usage Line

Prerequisites

- Create the contract with the Service Agreement or Subscription Agreement category.
- Enter required information in the contract header and Summary tab.
- If you are charging a customer for usage that is tied to a service that you are selling, enter the service line first.
- Identify the prices and price breaks for the items that are set up within your

organization.

To enter a usage line:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Accounts** subtab.

Line	Line Type	Name	Line Ref	Order / Line	Account	Location	Account	Location
1	Usage	QP-LPTR-U			1608	San Jose (OPS)	1608	San Jose (OPS)

Bill To

Party: Business World
Address: 2391 L STREET 101 SAN JOSE SANTA CLARA CA 95106 United States

Ship To

Party: Business World
Address: 2391 L STREET 101 SAN JOSE SANTA CLARA CA 95106 United States

Customer Contacts

Role	Name	Address	Start Date	End Date

2. Select **Usage** from the Line Type LOV.
3. Select the usage item from the Name LOV.
4. The party accounts that you selected on the Summary tab and Parties subtab appear as the Bill to and Ship to accounts. (The Account fields display the account numbers. The Location fields display the city. The account parties and addresses for those accounts appear at the bottom of the window.) You can select different accounts for this contract line using the LOVs that are provided.
5. Optionally, enter billing and shipping contacts that are specific to this contract line by following the procedure that is described in Entering Billing and Shipping Contact for a Contract Line, page 3-10. If a contact does not exist in the database, then you can add one by following the procedure that is described in Creating or Modifying a Contract , page 3-10.

The contacts that you enter are different from the ones that you entered in the contract header.

6. Select the **Effectivities** subtab.

Line	Type	Name	Status	Start Date	End Date	Duration	Period	Qty	UOM	Renewal
1	Usage	QP-LPTR-U	Entered	31-MAR-2007	30-MAR-2008	1	Year			Full Dur

Description: Usage item for laser printers

Price List: Corporate Invoice Text: Usage item for laser printers

Usage Type: Fixed Per Period Actual by Quantity
 Actual Per Period Negotiated Price
 Period: Month

Average and Settlement: Averaging Interval: Settlement Interval:

Termination Method:

7. The price list comes from the entry that you made on the Summary tab. Make sure that the price list that is displayed in the Price List field matches the price list that is used by the usage item.

8. Specify the duration of the usage line.

By default, the start date, end date, and duration are copied from the contract header.

You can specify different values by entering either of the following:

- Start and end dates
- Duration and period

The application calculates the missing information. If you supply a duration and period, then the start date is the start date of the contract.

Note: If the duration of the usage line starts earlier than the start date or ends later than the end date of the contract, then you must extend the start and end dates of the contract at the header level before you can make the contract active.

9. If the contract can be renewed (you have not selected **Do Not Renew** on the Summary tab and Renewals subtab), then specify how the line is to be renewed using the Renewal Type LOV. The renewal options are the same for usage lines as they are for service lines. See Specifying How a Contract Line is to Be Renewed, page 3-12.

10. Specify how the customer is to be charged and any counters that are required to capture the usage. Different ways of charging the customer require different

combinations of entries in the Effectivities and Pricing/Products subtabs. See Specifying How the Customer is to be Charged, page 4-6.

11. The remaining information for a line comes from the information that you entered in the Summary tab. You can make modifications by following these procedures:
 - Specifying a Billing Schedule for a Usage Line, page 4-31
 - Changing the Billing and Shipping Accounts and Locations, page 3-9
 - Entering Billing and Shipping Contacts for a Contract Line, page 3-10
 - Specifying a Payment Method for a Contract Line, page 3-45
 - Specifying Tax Status, page 3-57
 - Assigning Sales Credits for a Contract Line, page 3-59

12. Save.

Specifying How the Customer Is Charged

You can charge customers in four different ways, depending on the selection that you make in the Usage Type region of the Lines tab, Effectivities subtab.

Line	Type	Name	Status	Start Date	End Date	Duration	Period	Qty	UOM	Renewal
1	Usage	QP-LPTR-U	Entered	31-MAR-2007	30-MAR-2008	1	Year			Full Dur

Description: Usage item for laser printers

Price List: Corporate Invoice Text: Usage item for laser printers

Usage Type

Fixed Per Period Actual by Quantity

Actual Per Period Negotiated Price

Period: Month

Average and Settlement

Averaging Interval:

Settlement Interval:

Termination Method:

The following table lists the different methods and the selection that you must make for each.

Method for Charging the Customer	Usage Type
For a fixed quantity of usage every period, regardless of the actual usage recorded	Fixed Per Period
A flat fee regardless of the actual usage recorded	Negotiated Price
For reported or estimated usage in each billing period	Actual Per Period
For usage whenever usage is reported	Actual by Quantity

Follow the procedure corresponding to the method that you want to use:

- Charging Based on a Fixed Quantity of Usage Regardless of the Actual Usage , page 4-7
- Charging a Flat Fee Regardless of the Actual Usage, page 4-9
- Charging for Reported or Estimated Usage Per Period, page 4-11
- Charging Based on Reported Usage, page 4-17

Charging Based on a Fixed Quantity of Usage Regardless of the Actual Usage

You can charge a customer for making 100 phone calls to the call center, regardless of the number of calls that were actually made. The price that the customer pays for the 100 phone calls is determined by the usage item's price list and its price breaks.

Prerequisite

Enter a usage item.

To charge a customer based on a fixed quantity of usage regardless of the actual usage:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Effectivities** subtab.

The screenshot shows the 'Lines' subtab in the Oracle Service Contracts interface. The main table contains the following data:

Line	Type	Name	Status	Start Date	End Date	Duration	Period	Qty	UOM	Renewal
1	Usage	QP-LPTR-U	Entered	31-MAR-2007	30-MAR-2008	1	Year			Full Dur

Below the table, the 'Description' field is set to 'Usage item for laser printers'. The 'Price List' is 'Corporate' and the 'Invoice Text' is 'Usage item for laser printers'. The 'Usage Type' section has 'Fixed Per Period' selected, with 'Month' chosen for the 'Period'. The 'Average and Settlement' section has empty fields for 'Averaging Interval' and 'Settlement Interval'. The 'Termination Method' field is also empty.

2. In the Usage Type Region, select **Fixed Per Period**.
3. From the Period LOV, select the period to use as the basis for the entries you will make.
4. Save.
5. Select the **Pricing/Products** subtab.

The screenshot shows the 'Pricing / Products' subtab. The main table contains the following data:

Line	Line Type	Name	Line Ref	Duration	Period	Price	UOM	Subtotal	Tax	Print Invoice
1	Usage	QP-LPTR-U		1	Year	0,00		0,00	0,00	0,00

Below the table, the 'Effectivity' secondary tab is active, showing the following data:

Line	Name	Serial Num	Reference	Status	Line Ref	Start Date	End Date	Du
1.1	AS54888		Product;16356	Entered		31-MAR-2007	30-MAR-2008	

The 'Description' field is 'Sentinel Standard Desktop' and the 'Invoice Text' is 'Usage item for laser printer'. The 'Product Details' button is visible at the bottom right.

6. Using the Name field LOV on the Effectivity secondary tab, enter the counter that is used to record the usage. See Entering Counters, page 4-21 for details.
7. Select the **Counter Details** secondary tab.

The screenshot shows a software interface with several tabs: Summary, Lines, Accounts, Effectivities, Pricing / Products, Tax / Payment Options, Counters, and Events. The main table has columns for Line, Line Type, Name, Line Ref, Duration, Period, Price UOM, Last Contract Price, Last Contract Cur, Subtotal, Tax, and Print Invoice Total. The first row shows Line 1, Usage, QP-LPTR-U, 1 Year, 0.00, 0.00, 0.00, and a checked Print Invoice Total of 0.00. Below the table are buttons for Show All Products, Price Break..., Price Calculation..., Reprice, and Billing... The Counter Details subtab is active, showing a table with columns for Line, Name, Reference, Minimum Fixed, UOM, Fill, Method, Start Date, Default, Level, Reading, and Net Reading. The first row shows Line 1.1, AS54888, Product, 310, Each, and a Description of Sentinel Standard Desktop TPD.

8. Enter the quantity on which you are going to be charging in the Fixed field. The fixed quantity is based on the period that you selected on the Effectivity subtab. The period acts as a unit of measure for your entry.

Suppose that you are billing the customer monthly.

If you chose a year as the period, then entering 1200 here means that the customer is charged for the usage of 100 each month.

If you chose a month as the period and enter 1200, then the customer is charged 1200 per month.

9. Save.
10. Repeat steps 6 through 9 for each additional counter that you want to use to calculate usage.
11. Optionally, enter the counter reading to use to start calculating usage:
 - If you have already captured previous readings with this counter, then select the start reading from the Reading LOV. This LOV includes all historical readings for this counter.
 - If no historical reading is available to select, the application assumes the initial reading for the contract is 0. To enter another initial reading, follow the procedure that is described in Entering the Starting Counter Reading, page 4-22.

Charging a Flat Fee Regardless of the Actual Usage

You can charge a customer \$100 for making phone calls to the call center, regardless of the number of calls that were actually made. In this case, the customer is charged the

price that you enter here rather than the price in the price list.

Prerequisite

Enter a usage item.

To charge a flat fee regardless of the actual usage:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Effectivities** subtab.
2. In the Usage Type Region, select **Negotiated Price**.

The screenshot shows the Oracle Service Contracts Authoring window with the **Lines** tab selected and the **Effectivities** subtab active. The main table displays the following data:

Line	Type	Name	Status	Start Date	End Date	Duration	Period	Qty	UDM	Renewal
1	Usage	QPLPTR-U	Entered	31-MAR-2007	30-MAR-2008	1	Year			Full Dur

Below the table, the **Description** field contains "Usage item for laser printers". The **Price List** is set to "Corporate" and the **Invoice Text** is "Usage item for laser printers:20-APR-2005:20-JUN-2007".

The **Usage Type** region includes the following options:

- Fixed Per Period
- Actual by Quantity
- Actual Per Period
- Negotiated Price

The **Average and Settlement** region includes the following fields:

- Averaging Interval:
- Settlement Interval:

The **Termination Method** field is currently empty.

3. Save.
4. Select the **Pricing/Products** subtab.
5. Using the Name field on the Effectivity secondary tab, enter the counter that is used to record usage. See *Entering a Counter*, page 4-21 for details.
6. Optionally, enter any text that you want to display in the invoice regarding this subline. Because invoice formats are specific to each implementation, contact your application administrator to determine whether this text is used in the invoice.
7. Select the **Pricing** secondary tab.

Line	Line Type	Name	Line Ref	Duration	Period	Price UOM	Last Contract Price	Curr	Subtotal	Tax	Total	Print Invoice
1	Usage	QP-LPTR-U		1	Year		0.00		200.00	18.00	218.00	<input checked="" type="checkbox"/>
												<input type="checkbox"/>
												<input type="checkbox"/>
												<input type="checkbox"/>
												<input type="checkbox"/>
												<input type="checkbox"/>
												<input type="checkbox"/>
												<input type="checkbox"/>
												<input type="checkbox"/>
												<input type="checkbox"/>

Line	Name	Reference	Line Reference	Subtotal	Tax	Total
1.1	QP-LPTR-103	Product;2019846		200.00	18.00	218.00

8. Enter the total currency amount on which you are going to be charging the customer in the Subtotal field.
9. Save.
10. Repeat steps 5 through 9 for all counters you are using to track usage for this usage item.
11. Optionally, enter the counter reading that you want to use to start calculating usage:
 - If you have already captured previous readings with this counter, then select the start reading from the Reading LOV. This LOV includes all historical readings for this counter.
 - If no historical reading is available to select, the application assumes that the initial reading for the contract is 0. To enter another initial reading, follow the procedure that is described in Entering the Starting Counter Reading, page 4-22.

Charging for Reported or Estimated Usage Per Period

You can charge the customer for actual or estimated usage within a period. This usage type permits you to have the application create an estimate for any missing or partial counter readings and bill the customer based on these estimates.

Prerequisites

- Enter a usage item.
- Confirm that billing is set to arrears.

To charge for reported or estimated usage per period:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Effectivities** subtab.

Line	Type	Name	Status	Start Date	End Date	Duration	Period	Qty	UOM	Renewal
1	Usage	QP-LPTR-U	Entered	31-MAR-2007	30-MAR-2008	1	Year			Full Dur

Description: Usage item for laser printers

Price List: Corporate Invoice Text: Usage item for laser printers:20-APR-2005:28-JUN-2007

Usage Type

Fixed Per Period Actual by Quantity
 Actual Per Period Negotiated Price
 Period: Year

Average and Settlement

Averaging Interval:

Settlement Interval:

Termination Method:

2. In the Usage Type region, select **Actual Per Period**.
3. From the Period LOV, select the period to use as the basis for the entries that you will make on the Counter Details secondary tab.
4. To charge customers based on an average of usage in a particular number of periods, enter the number of periods in the Averaging Interval field.

Note: The entry that you make here is based on the period that you selected on this tab rather than the period in the billing schedule.

Billing based on an average usage enables you to offer customers with uneven usage a different set of price breaks from what they would get if they were charged based on actual use.

To have usage averaged, the application administrator must periodically run the Service Contracts Usage Averaging concurrent program. See Running the Service Contracts Usage Averaging Program , page 10-15.

5. Specify when the application settles any customer undercharges or overcharges using the Settlement Interval LOV. The choices are:
 - **Billing Period:** The application settles at the end of each period. The customer receives a credit memo or is invoiced for the difference in the next billing period. This action is performed automatically by Oracle Receivables.

- **End of Usage:** The application settles all undercharges and overcharges at the end of the contract. The customer receives one credit memo or invoice for the difference. The application administrator must regularly run the Service Contracts Usage Settlement concurrent program which calculates the settlement.
6. From the Termination Method LOV, select one of the two methods for charging the customer for usage when the line is terminated:
 - **Amount Based Termination**

Charges the customer based on the amount of usage that is recorded when the contract is terminated. The customer is charged based on the actual usage. This is the default method for all usage types.

See About Crediting a Customer in Terminations, page 4-17 .
 - **Counter Based Termination**

The application credits the unused portion of the service based on the price that the customer would pay if they continued consumption at the same rate for the rest of the period. This means that the customer receives any price break based on the estimated usage.
 7. Save.
 8. Select the **Pricing/Products** subtab.
 9. Using the Name field on the Effectivity secondary tab, enter the counter that is used to record the usage. See Entering a Counter, page 4-21 for details.

Entry in the Line Ref field is for your information only. It is not used in by the application.
 10. Optionally, enter any text to display in the invoice regarding this line. As invoice formats are specific to each implementation, contact your application administrator to determine whether this text is used in the invoice.
 11. Select the **Counter Details** secondary tab.

Line	Line Type	Name	Line Ref	Duration	Period	Price UCM	Price	Price Curr	Subtotal	Tax	Print Invoice Total
1	Usage	QP-LPTR-U		1	Year		0,00		0,00	0,00	0,00

Line	Name	Reference	Fixed	Minimum	UCM	Fill	Estimation Method	Start Date	Default	Level	Reading	Net Reading
	QP-LPTR-Product:z			2	Each							

Description: Lightning Laser Printer

12. In the Default field, enter the reading that the application uses to charge a customer if no counter reading is entered manually and no estimate is available. For example, the application uses the default quantity to charge a customer at the beginning of a contract when no historical data exists to calculate an estimate.

Note: The entries that you make in the Default and Minimum fields are based on the period that you selected in the Effectivities tab.

The period acts as a unit of measure.

Suppose that you are billing the customer monthly.

If you chose year as the period, and enter 1200 as the minimum, then the customer is billed for a minimum of 1200 in any month.

If you chose month as the period, then entering 1200 as the minimum bills the customer for a minimum of 100 units in any month.

13. Optionally, enter a minimum counter value in the Minimum field. A customer is charged this minimum if a counter reading or estimate falls below this number in any billing period.
14. You can have the application estimate usage for a billing period when no reading is entered or the reading does not cover the whole period. To do so:
 1. Select an estimation method from the Estimation Method LOV:
 - **Average Monthly Counter Volume**
Averages historical readings to calculate any missing values within a billing period.

- **Counter Estimation**

Your application administrator can set up additional estimation methods using the Counters module of Oracle Installed Base.

For an explanation of the available methods see About Estimation Methods, page 4-16.

2. If you chose Counter Estimation as your method, then enter a date that you want to use as the start date for the estimation in the Start Date field. The counter estimation bases the estimates on all readings since the start date.

Note: You must select an estimation method before entering any counter readings. The estimation method will not work if you have already made an entry.

3. Set the **Fill** check box:

- When this check box is cleared, the application estimates usage only when no reading was taken during the period.
- When this check box is selected it estimates usage for any remaining days in a billing schedule period since the reading was entered.

For example, if 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.

15. If you are billing a customer based on the usage that is recorded in multiple counter values, to average out all of the counter readings each period, select the **Level** check box.

For example, a copier manufacturer charging a customer by the number of copies made may charge for all the copiers in a building at the same time and apply minimums and discounts based on average volumes rather than per copier.

16. Enter the counter reading to use to start calculating usage:

- If you have already captured previous readings with this counter, then select the start reading from the Reading LOV. This LOV includes all historical readings for this counter.
- If no historical reading is available to select, the application assumes that the initial reading for the contract is 0. To enter another initial reading, then follow the procedure that is described in Entering the Starting Counter Reading, page 4-22.

17. Save.
18. Repeat steps 8 through 17 to enter any additional counters.

About Estimation Methods

You can have the application estimate the missing counter values for you and bill the customer accordingly. If the customer is overcharged, you can generate a credit later.

You can use one of the following two methods for estimating usage for a given billing period:

- Average Monthly Counter Volume

Oracle Service Contracts uses a simple averaging method, Average Monthly Counter Volume (AMCV), to calculate missing readings within each scheduled billing period.

Note: Although the name suggests otherwise, this estimation method creates averages based on any billing schedule period that you are using, whether it is month, quarter, week, or day.

The AMCV sums up all historical counter readings and averages them by dividing them by the number of billing periods.

- Counter Estimation

Your application administrator can set up additional estimation methods using the Counters module of Oracle Installed Base. The module enables you to set up additional methods for estimating usage, including:

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

Charging a Customer with No Estimation Method

The selection of an estimating method is optional. If you do not select an estimation method and no counter reading is available for the billing period, then the application bills the amount that is entered in the Default field.

If any counter reading is entered within the billing period, the application bills based on the reading. If the counter reading is lower than the amount entered in the Minimum field, then the application bills based on the minimum instead.

Charging with Estimation

The application uses the estimation methods as follows:

- If no reading is available for the billing period and you chose the Average

Monthly Counter Volume estimation method, then the application uses the historical average to estimate the usage. If you chose Counter Estimation, then the application uses the method that is set up by the application administrator to calculate missing readings from the date that you entered in the Start Date field.

- If no readings are available to extrapolate from, for example, at the beginning of the contract when no historical data exists to make an estimate, then the application uses the number that is entered in the Default field.
- If the reading covers only a part of the period and you have selected the Fill check box, then the application estimates the rest of the period and adds this estimate to the partial counter reading.
- If the reported and estimated amount is less than the amount that you entered in the Minimum field, then the application bills for the minimum.

About Crediting a Customer in Terminations

You can have the application credit a customer for any disputed amount of usage that has already been billed when a customer terminates a usage line.

Suppose, for example, that a customer is being billed based on monthly usage of a copier. The customer calls after receiving the invoice for February to complain that the copier has not been working properly since February 10. For this reason, the customer does not want to pay for all the copies that were made that month and wants to terminate the contract for the copier.

You can have the application use the previous month's reading to estimate the amount that the customer should be charged from February 1 until February 10 and credit him for the rest.

How the application calculates the usage and credits the customer depends on the termination method that you select:

- **Counter Based Termination**

The application estimates how much the customer used based on the quantity that the customer used in the previous billing period.

- **Amount Based Termination**

The application estimates how much the customer used based on the currency amount that the customer used in the previous billing period.

Charging Based on Reported Usage

Here is an example of how this method applies to a copier customer who is being billed monthly based on the number of copies that are made:

Billing Period	Counter Reading Reported	Minimum	Default	Number of Copies Charged that Month
December	No counter reading in December.	90	100	100 The customer is charged the default because no recorded usage is available for the month.
January	1,000 on January 10	90	100	1,000 The customer is charged for usage based on the recorded usage.
February	No counter reading in February.	90	100	100 The customer is charged the default because no usage is recorded for the month.
March	50 on March 1	90	100	90 Because the recorded usage is less than the minimum, the customer is charged the minimum. If you do not set a value as the minimum, then the customer is charged based on the recorded usage.

Prerequisite

Enter a usage item.

To charge based on reported usage:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Effectivities** subtab.
2. In the Usage Type Region, select **Actual by Quantity**.

Line	Type	Name	Status	Start Date	End Date	Duration	Period	Qty	UOM	Renewal
1	Usage	OP-LPTR-U	Entered	31-MAR-2007	30-MAR-2008	1	Year			Full Dur

Description: Usage item for laser printers

Price List: Corporate Invoice Text: Usage item for laser printers:20-APR-2005:20-JUN-2007

Usage Type

Fixed Per Period Actual by Quantity

Actual Per Period Negotiated Price

Period: Year

Termination Method:

Average and Settlement

Averaging Interval:

Settlement Interval:

3. Save.
4. Select the **Pricing/Product** subtab.
5. Using the Name field on the Effectivity secondary tab, enter the counter that is used to record usage. See Entering a Counter, page 4-21 for details.
6. Optionally, enter any text to display in the invoice regarding this subline. Because invoice formats are specific to each implementation, contact your application administrator to determine whether this text is used in the invoice.
7. Select the **Counter Details** secondary tab.

Line	Line Type	Name	Line Ref	Duration	Period	Price UOM	Price	--- Last Contract ---	Subtotal	Tax	Print Invoice Total
1	Usage	QP.LPTR.U		1 Year			0,00		0,00	0,00	0,00

Line	Name	Reference	Minimum	UOM	Fill	Estimation	Method	Start Date	Default	Level	Reading	Net Reading
	QP.LPTR.Product;2			Each	<input type="checkbox"/>	<input type="checkbox"/>				<input checked="" type="checkbox"/>		

Description: **Lightning Laser Printer**

8. In the Default field, enter the reading that that application uses to charge a customer if no counter reading is entered manually or the estimated reading is 0. The entry that you make here is based on the time period you selected in the Effectivities tab.
9. Optionally, enter a minimum counter value. A customer is charged this minimum if a counter reading or estimate falls below this number in any billing period.
10. If you are billing a customer based on the usage recorded in multiple counter values, to average out all of the counter readings each period, select the **Level** check box.

For example, a copier manufacturer charging a customer by the number of copies made, can charge for all the copiers that the customer owns at the same time and apply minimums and discounts based on average volumes rather than per copier.

11. Save.
12. Repeat steps 5 through 11 to enter any additional counters for this usage item.
13. Enter the counter reading to use to start calculating usage:
 - If you have already captured previous readings with this counter, then select the start reading from the Reading LOV. This LOV includes all historical readings for this counter.
 - If no historical reading is available to select, the application assumes that the initial reading for the contract is 0. To enter another initial reading, follow the procedure that is described in Entering the Starting Counter Reading, page 4-22.

Entering a Counter

You can enter a counter to track usage for either a physical item, such as a printer, or the usage of a service, such as the number of telephone support calls.

Note: If you are entering multiple counters for a usage line, then each counter must be associated with a different Oracle Installed Base item instance number or a different service line. The application cannot distinguish between two counters that are attached to the same item. For example, if your organization sets up copiers with two different counters to register the number of copies, one for color copies and the other for black and white, you cannot distinguish between these two counters.

Prerequisites

You must be in the process of entering a usage line.

Identify the item to which the counter will be attached.

To enter a counter:

1. From the Service Contracts Authoring window, select the **Lines** tab, **Pricing/Products** subtab and **Effectivities** secondary tab, and click the LOV indicator in the Name field in a new line.

The Counter window appears.

2. Enter a partial or complete inventory item name in the Find field. You can use the % sign to represent missing characters.
3. Click **Find**.

The window displays the list of counters for the inventory item.

- For physical items, the References field includes a concatenation of the two unique identifiers:
 - Product serial number
 - Oracle Installed Base item instance number
 - For service items, this field displays the concatenation of the contract number and line number of the contract for which you are specifying the usage line.
4. Enter the identifying information for the counter after the % sign and click **Find** again.

5. Select the counter to enter, and click **OK**.

The Name field displays the inventory item name of the product or service to which the counter is attached. The Reference field shows the identifying information including the product serial number and the counter number.

Entering the Starting Counter Reading

You must do this if the counter that you are using does not start at 0.

Prerequisite

Enter a usage line.

To enter the starting counter reading:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Counters** subtab.
2. Select the usage line to update.

The screenshot shows the Oracle Service Contracts Authoring window with the 'Lines' tab selected. The 'Counters' subtab is also active. The main table displays a single usage line with the following details:

Line	Line Type	Name	Status	Start Date	End Date	Duration	Period
1	Usage	QP.LPTR.U	Entered	31.MAR.2007	30.MAR.2008	1	Year

Below the main table, the 'Counters' region is visible, containing a table with the following data:

Name	Type	Source Det...	Sena...	Refer...	Uom...	Net Reading	Timestamp
Printer counte...	REGULAR	Lightning Las...	2019...	Ea	10000	04-DEC-2...	

3. Select the counter for the usage line in the Counters region.
4. From the Actions menu, select **Counter Setup**.
The Setup Counters window appears.
5. Enter the initial counter reading in the Initial Reading field.
6. Click **OK**.
7. Save.

Creating Special Price Breaks

Each usage item is associated by the application administrator with a list of default price breaks. You can modify these default price breaks and create special price breaks for your customer. You can offer special price breaks at the usage line level for all the items that are covered by the usage line, or at the subline level, for individual counters.

By modifying the price breaks, you are creating a locked copy of the price list attached to the line or subline where you create it. This means that any future changes to the price list are not reflected in the copy.

Prerequisite

Enter a usage item.

To create special price breaks:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Pricing/Products** subtab.
2. Select the usage item to set up.
3. To set up a price break for all of the items that are covered by the usage line, click **Price Break** on the Pricing/Products subtab.

Line	Line Type	Name	Line Ref	Duration	Period	Price UOM	Last Contract Price	Curr	Subtotal	Tax	Total	Print Invoice
1	Usage	QP-LPTR-U		1	Year		0.00		0.00	0.00	0.00	<input checked="" type="checkbox"/>
												<input type="checkbox"/>
												<input type="checkbox"/>
												<input type="checkbox"/>
												<input type="checkbox"/>

Line	Name	Reference	Line Reference	Subtotal	Tax	Total
1.1	QP-LPTR-103	Product:2019846				

4. To set up a price break for a specific counter that is covered by a usage line:
 1. Select the **Pricing** secondary tab.
 2. Select the counter.
 3. Click **Price Break**.

The Price Break window appears.

If the Locked check box is cleared, then the price breaks that are in effect are the same as those that were set up by the application administrator.

A selected Locked check box indicates that the price breaks have already been modified. The prices are now determined by the locked price list.

Note: The appearance of this variation of the Price Break window is different:

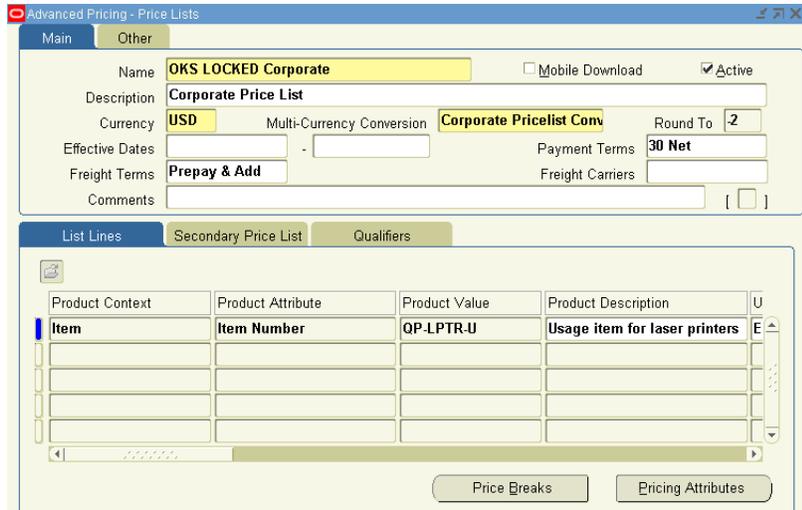
- The Update button replaces the Lock button.
- The Delete button restores the original price list.

5. Click **Lock** or **Update**.

The first time you modify the price breaks, the application creates a copy of the price list where the price breaks are defined. This action locks the prices for usage to their values at the time the copy is made.

The Advanced Pricing - Price Lists window appears.

Note: Although the application displays a full copy of the price list, you can modify only the price-break related information. Entries affect only the copy. They have no effect on the price list itself.



6. To change the price break type from point to range or vice versa, scroll to the right in the List Lines tab and change the type using the Price Break Type LOV. See Point and Range Price Breaks, page 4-26 for an explanation of the two price break types.

7. To change the price break ranges themselves:

1. Click **Price Breaks**.

The Price Breaks window appears.

2. You can modify the ranges by:

- Entering different values in the Value From and Value to fields.

Note: With release 12, the application uses continuous price breaks. These are price breaks where there are no gaps between the price tiers, for example, 0–1000, 1000–2000, 2000–3000. Price breaks set up prior to release 12, will not use continuous price breaks and will continue to behave as in the prior release. Non-continuous price breaks do not overlap, for example, 0–100, 101–200.

This primarily affects proration, see How Price Breaks Are Prorated, page 4-29.

For more information about how pricing works, refer to the *Oracle Advanced Pricing User's Guide*.

- Modifying the prices for each range in the Pricing field.

Note: You may have to scroll to the right or maximize the window to see the Pricing field.

3. Save and close the window.
8. Save and close the Advanced Pricing Price Lists window.

Point and Range Price Breaks

You can have the application apply price break discounts based on one of the following methods:

- Point
- Range

The following example explains the difference between the two methods for a customer reporting that they made 3500 copies in the billing period.

The following table lists the price breaks:

Price Breaks

Break	Price
0–1000	\$.05
1000–3000	\$.04
3000–5000	\$.03
5000–10000	\$.02

Point Method

The point method gives the customer the best price based on the total number of copies made:

Point Method

Point Calculation	Amount
3500 Xs \$.03	\$105.00
Total Invoice:	\$105.00

Range Method

The range method charges based on all of the price break ranges up to the level corresponding to the counter reading.

Range Method

Range Calculation	Amount
1000 Xs \$.05	\$50.00
2000 Xs \$.04	\$80.00
500 Xs \$.03	\$15.00
Total Invoice:	\$145.00

Deleting Special Price Breaks

To delete the special price breaks:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Pricing/Products** subtab.
2. Select the usage item to modify.
3. To delete a special price break that was created for all of the items that are covered by the usage line, click **Price Break** on the Pricing/Products subtab.
4. To revert the special price break that was created for a specific counter that is covered by a usage line:
 1. Select the **Pricing** secondary tab.

2. Select the counter.
3. Click **Price Break**.

The Price Break window appears.

5. Click **Delete**.

Prorating Price Breaks to Apply to Multiple Periods

Price breaks are set up in each price list based on one specific period. A customer is offered a discount if they purchase so many units in each quarter, for example.

You can turn proration on to enable the price breaks to be prorated for other periods as well. This way, a customer receives the same price breaks for purchasing 1/3 the amount within one month as the full amount in the quarter. When you turn proration on using this procedure, it is available for all periods including one week and one day.

You can use this procedure to turn proration on or off. By default, proration is turned off.

See *How Price Breaks Are Prorated*, page 4-29 for an explanation of how the proration is calculated and how it takes rounding errors into account.

Prorating price breaks is independent of price list locking.

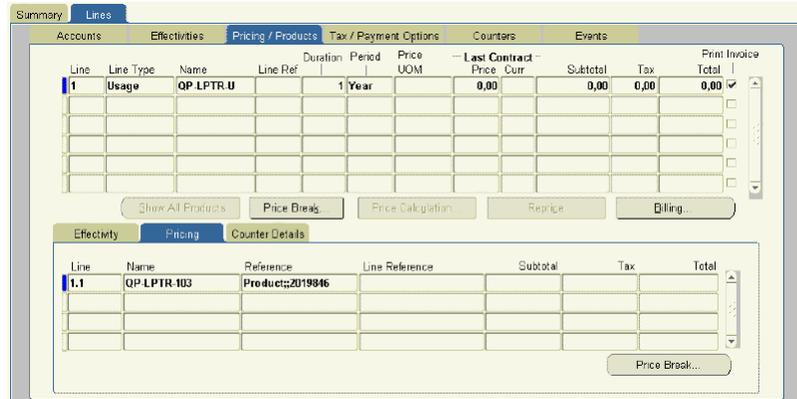
Prerequisites

- Confirm the setup of price breaks or the price list.
- Confirm that the system profile QP: Break UOM Proration Allowed is set to **Yes**.

To prorate price breaks to apply to multiple periods:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Pricing/Products** subtab.
2. Select the usage item to set up.
3. To turn on or off proration for all of the items that are covered by the usage line, click **Price Break** on the Pricing/Products subtab.

Note: Turning price breaks on or off at the line level does not affect any sublines where proration has been set.



4. To enable or disable price break proration for a specific counter that is covered by a usage line:
 1. Select the **Pricing** secondary tab.
 2. Select the usage line.
 3. Click **Price Break**.

The Price Break window appears.

Note: The appearance of this window is different if the price break ranges have already been modified. In this case, the Locked check box is selected and the Update button replaces the Lock button.

5. To turn price break proration on, select **All** from the Prorate LOV.
6. To turn price break proration off, select **None** from the Prorate LOV.
7. Save.
8. To modify the price break ranges, click **Lock** or **Update** and follow the procedure that is described in *Creating Special Price Breaks for Your Customer*, page 4-23.

How Price Breaks Are Prorated

This topic explains how the application calculates prorated price breaks. With Release 12, the application uses continuous price breaks. Continuous price breaks do not have gaps between the price tiers, for example, 0–1000, 1000–2000, 2000–3000. It is important to understand that there may be minor differences between how much customers are

charged for prorated amounts depending on whether the application uses continuous price breaks or non-continuous price breaks, which existed before Release 12.

Note: This section describes how proration works for continuous price breaks.

Suppose, for example, that the price breaks that are set up in the price list are based on quarterly usage as shown in the following table:

Price Breaks

Units/Quarter	Price per Unit
0–1000	\$.05
1000–3000	\$.04
3000–5000	\$.03
5000–99999999	\$.02

Now suppose, you extend the same price breaks to a customer billed based on monthly usage by turning proration on.

Here is how the application calculates the monthly price breaks. It divides the range by a third.

Note: Oracle Service Contracts truncates to two decimal points.

Calculated Ranges

Quarterly Ranges/3
0–333.33
333.33–1000
1000–1666.67
1666.67–33333333

Prorated Price Breaks

Units/Month	Price per Unit
0–333.33	\$.05
333.33–1000	\$.04
1000–1666.67	\$.03
1666.67–33333333	\$.02

Note: Price breaks set up prior to release 12, did not use continuous price breaks. Non-continuous price breaks did not allow the use of fractions during proration. The prorated price breaks for each tier were set to the previous whole number, for example 0–333, rather than 0–333.33.

For information on how price breaks were prorated before release 12, refer to prior releases of the Oracle Service Contracts documentation, which is available on Oracle Metalink

Specifying a Billing Schedule for a Usage Line

You can bill a customer for usage at the usage line level.

If you have entered a billing schedule at the contract header level, then this schedule appears at the line level.

Prerequisite

Enter a usage line.

To specify a billing schedule for a usage line:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Pricing/Products** subtab.
2. Select the line to set up.
3. Click **Billing**.

The Billing window appears.

Screenshot of the Oracle Billing Usage: QR-LTR-U interface showing the Schedule tab. The Invoicing Rule is set to **Arrears Invoice**, Accounting Rule to **Immediate**, and Level to **Top Level**. The Start Date is 31-MAR-2007 and the End Date is 30-MAR-2008. The Amount is 0.00. The Terminated section shows Unbilled, Credited, Suppressed, Total, and Overridden amounts, all at 0.00. The Adjusted section shows Discount, Surcharge, and Total amounts, all at 0.00. The Stream Level table has one row with Seq Num 1, Start Date 31-MAR-2007, End Date 30-MAR-2008, and Duration 1 Year. The Schedule table is empty. Buttons for Cascade Dates, Errorate, Schedule, OK, and Cancel are visible.

Top Level is selected as the Level.

4. Select the appropriate accounting rule for invoicing from the Invoicing Rule LOV. You must select **Arrears Invoice** for the two usage types that charge customers based on recorded counter values in a period: Actual Per Period and Actual by Quantity.
5. Specify the billing schedule by entering one or more billing streams. This is the same procedure that is used for creating schedules for service lines. See Entering a Billing Stream, page 2-13 for details.
6. Click **Schedule** to generate the schedule.
7. Click **OK**.

Recording Usage by Updating a Counter Reading

Counter values can also be captured in other Oracle E-Business Suite applications, including Oracle Depot Repair, Oracle Field Service, and Oracle TeleService.

To record customer usage by updating a counter reading:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Counters** subtab.
2. Select the usage line to update.

3. From the Actions menu, select **Counter Capture**.

The Counter Capture Reading window appears.

4. Follow the Capturing Counter Reading procedure that is described in the *Oracle Installed Base User Guide* to enter your reading.

Note: If your application administrator has set the system profile OKS: Counter Validate to **Yes**, then you must select the Valid Flag check box for the customer to be billed based on your entry. If this system profile is set to **No**, the application bills for the entry that you make regardless of whether you select this check box.

Warning: You cannot nullify a counter reading after billing occurs.

Entering Subscription Lines

This chapter covers the following topics:

- Overview of Entering Subscription Lines
- About Subscriptions
- Entering a Subscription Line
- Specifying a Schedule of Product Shipments
- Adjusting the Subscription Price
- Viewing Pricing Details
- Specifying a Billing Schedule for Subscriptions
- Viewing the Shipment Status of a Subscription Order

Overview of Entering Subscription Lines

This group of topics explains how to enter subscriptions.

About Subscriptions

You can use Oracle Service Contracts to sell subscriptions for both tangible and intangible items. Tangible items include magazines, collateral, or any other physical item that can be shipped through Oracle Order Management. Intangible items can be collateral that is sent through e-mail.

Note: While tangible items are fulfilled through Oracle Order Management, the current release includes no fulfillment method for intangible items. This must be set up individually by each implementation.

Subscription lines differ from service and usage lines in the way they are entered:

- Service and usage lines require you to enter sublines, subscriptions do not.
To sell a service or usage, you enter the service or usage item as a contract line and then enter sublines to specify what the service covers or the counters where the usage is tracked. Subscriptions require that you enter only the line.
- Subscriptions for tangible items require that you set up a subscription schedule.
A subscription schedule specifies when the application creates booked orders in Oracle Order Management.
- The billing schedule invoices customers equal amounts in each billing period.
Just as for other contract lines, you must set up a billing schedule for invoicing the customer, but you are restricted to billing the customer in equal amounts in each period.
The application takes the total price and divides it equally among the invoices that you specify. It does not matter how many billing periods you set up, however. You can invoice customers at the beginning of the subscription for the total amount, for example, or have them pay in equal installments over the entire length of the subscription.

How Subscription Items Are Set Up

The item that you enter in a subscription line is an inventory item.

For tangible items, the inventory item is actually the product in inventory that is being shipped out. For intangible subscriptions, the application administrator must set up a new item in inventory representing the subscription itself.

What determines whether the inventory item is tangible or intangible is the attached subscription template.

The item is tangible when fulfillment is done through Order Management. It is intangible when fulfillment is done through a customized solution.

The subscription template also specifies the period for the subscription.

For a tangible item, the period is used for setting up the schedule for creating orders in Oracle Order Management.

For an intangible item, the period is used as the unit of measure for the price for the subscription. If the price of the subscription in the price list is \$10 and the period in the subscription template is a week, then the subscription is priced at \$10 per week.

Pricing and Credit for Tangible Subscriptions

When you enter a subscription line for a tangible item such as a magazine, you are actually entering the very inventory item that is shipped to the customer. (The inventory item becomes a subscription item with extra setup from the application administrator.)

The application calculates the price for the subscription period based on the price of the item in the price list, not on the length of the subscription. Suppose, for example, that a publisher of a monthly magazine publishes an issue every month except for December. A customer purchasing a year's subscription is charged not by the year but for purchasing 11 issues. If the magazine is priced at \$3 per issue, then the customer pays $11 \times \$3 = \33 . Customers who cancel the subscription before the year is over get credited on the basis of any items they have not yet received. This means customers who cancel before the November issue is shipped get a credit of \$3, and customers who cancel after the issue is shipped pay the full amount because they have received all of the issues for the year.

Your application administrator can set up price breaks based on the number of products shipped, not on the length of the subscriptions or the quantity that you enter in the line. For example, if the application administrator at the monthly magazine publisher sets up price breaks at 12 and 23 issues to give discounts to subscribers who purchase two-year and three-year subscriptions, then a customer who purchases two one-year subscriptions gets the same discount as the customer who purchases one two-year subscription because the number of items that are ordered by both is the same.

Pricing and Credit for Intangible Subscriptions

If the profile OKS: Intangible Subscription Pricing Method is set to Subscription Based , partial periods are not calculated for Intangible subscriptions. This profile setting causes the intangible subscription lines to price, bill, and terminate in the same way as tangible subscriptions. If profile OKS: Intangible Subscription Pricing Method is set to Effectivity Based, partial periods are calculated for pricing amounts on intangible subscription lines as follows:

1. The fulfillment frequency, such as weekly, monthly, or quarterly, acts as the Price UOM in the partial period calculation
2. Regardless of the period start value on the contract, the application uses the period start as the service start when billing subscription lines. This is due to the strong tie between fulfillment quantity, pricing and billing on subscription offerings.
3. The application considers the period type setting.

Effectivity Based and Subscription Based Pricing Examples

The price that a customer pays for a contract line for an intangible subscription is based on the subscription period length and quantity of subscriptions that you enter.

The price of a subscription is based on the price for a specific period. (The price comes from the price list and the period from the subscription template).

The period of a subscription becomes important for pricing partial periods and for assigning credit for those partial periods when the customer terminates the subscription.

The price that customers pay and the credit they receive for partial periods depends on the period and the setting of the system profile OKS: Intangible Subscription Pricing

Method.

The application administrator can set this profile to either Effectivity Based or Subscription Pricing:

- **Effectivity Based**

The application charges and credits the customer for partial periods.

Suppose, for example, that a customer subscribes to an online newsletter for a period starting January 15, 2005 and continuing through February 1, 2006, a period that is 16 days longer than one year.

If the service is priced at \$30 per month, then the application charges the customer \$375.48: \$360 for twelve months (12 x \$30) and then \$15.48 (16 x \$30/31) for the partial last month in the contract, January 16 through February 1, 2006.

If the customer cancels on January 3, 2006, then the application issues a credit based on the number of unused days, in this case: 29 days x \$30/31 = \$28.06.

- **Subscription Pricing**

The application charges the full amount for the period even if the subscription ends in the middle of that period.

The same customer purchasing the subscription for one year and 16 days, is charged \$390 for 13 months (\$360+\$30).

If the customer cancels on January 3, 2006, the application issues a credit for one month.

Billing Schedule Independent of Price Paid or Credit Given

The price that the customer pays or the credit they receive is independent of the billing schedule that you set up for either tangible or intangible items. It does not matter whether you set up a billing schedule to invoice the customer for the full subscription duration at the beginning of the subscription or invoice them monthly. The billing schedule just divides the total price into however many billing periods you want.

Selling Service on Subscription Lines

When you enter a subscription line, the application automatically creates an Oracle Installed Base item instance. This means that you can sell a service for the subscription by entering a service line and covering the subscription at the covered product level. (You must know its item instance number.)

Each time Oracle Order Management ships one of the physical items, the application also automatically creates a child item instance. This enables an agent to identify a particular item for reorder, exchange, or credit.

To create the child item instances, the application administrator must run the Service Contracts Instance Relationship Program concurrent program after the order fulfillment occurs.

Entering a Subscription Line

Follow the references for details about any step.

Prerequisite

Create the contract with the Subscription Agreement category.

To enter a subscription line:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Accounts** subtab.

Line	Line Type	Name	Line Ref	Order / Line	Account	Location	Account	Location
1	Subscription	Weekly Vision			1608	San Jose (OPS)	1608	San Jose (OPS)

Bill To		Ship To	
Party	Address	Party	Address
Business World	2391 L STREET 101 SAN JOSE Santa Clara CA 95106 United States	Business World	2391 L STREET 101 SAN JOSE Santa Clara CA 95106 United States

Customer Contacts				
Role	Name	Address	Start Date	End Date

2. Select **Subscription** from the Line Type LOV.

3. Select the subscription item from the Name LOV.

The party accounts that you selected on the Summary tab and Parties subtab appear as the Bill to and Ship to accounts.

4. Optionally, enter billing and shipping contacts that are specific to this contract line by following the procedure that is described in Entering Billing and Shipping Contacts for a Contract Line, page 3-10. If a contact does not exist in the database, then you can add one following the procedure that is described in Creating or Modifying a Contract, page 3-10.

The contacts that you enter are different from the ones you entered in the contract header.

5. Select the **Effectivities** subtab.

Line	Type	Name	Status	Start Date	End Date	Duration	Period	Qty	UCM	Renewal
1	Subscription	Weekly Vision	Entered	01-MAY-2006	30-APR-2007	1	Year	1	Each	Full Dur

Description: Weekly Vision Subscription

Price List: Corporate Invoice Text: Weekly Vision Subscription

Template

Name: Weekly Vision Edit Schedule

Description: Weekly Vision Subscription

Coterminate Coterminate All

6. Specify the duration of the subscription.

By default, the start and end dates are copied from the start and end dates for the contract.

You can specify different dates by entering either of the following:

- Start and end dates
- Duration and period

The application calculates the missing information. If you supply a duration and period, then the start date is the start date of the contract.

Note: If the duration of the subscription starts earlier than the start date or ends later than the end date of the contract, then you must extend the start and end dates of the contract at the header level before you can make the contract active.

7. Enter the number of subscriptions that you are ordering in the **Qty** field.

8. If the contract can be renewed (you have not selected **Do Not Renew** on the Summary tab and Renewals subtab), then specify how the line is to be renewed using the Renewal Type LOV. The renewal options are the same for subscription lines as they are for service, and usage lines. See *Specifying How a Contract Line is to Be Renewed*, page 3-12.

9. If the subscription is for a physical item, then specify the schedule of orders that are placed through Oracle Order Management by clicking **Edit Schedule**. See *Specifying a Schedule of Product Shipments*, page 5-7.

10. The price of the subscription is calculated automatically by the application based on

the price list that is specified in the Price List field.

You can modify the price by choosing a different price list, by entering a new price manually in the Pricing/Products subtab, or by using the price Adjustment window. For details, see *Adjusting the Subscription Price*, page 5-10.

11. Optionally, modify the text that the customer sees on the invoice by editing the text in the Invoice Text field.
12. Create a billing schedule. For details, see *Specifying a Billing Schedule for Subscriptions*, page 5-12. Because the billing schedule for a subscription line is based on the price of the line, you must re-create the billing schedule for a subscription any time you modify the price.
13. The remaining information for the line comes from the information that you entered in the Summary tab. You can make modifications by following these procedures:
 - *Changing the Billing and Shipping Accounts and Locations*, page 3-9
 - *Entering Billing and Shipping Contacts for a Contract Line*, page 3-10
 - *Specifying a Payment Method for a Contract Line*, page 3-45
 - *Specifying Tax Status*, page 3-57
 - *Assigning Sales Credits for a Contract Line*, page 2-26
14. Save.

Specifying a Schedule of Product Shipments

You can specify a schedule of shipments for physical items in the subscription through Oracle Order Management. The application books each order automatically on the date that you specify here. This is called the interface date. The order must still be picked and shipped using Oracle Order Management, however.

Prerequisite

Enter a subscription line.

To specify a schedule of product shipments:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Effectivities** subtab.
2. Select the subscription line to set up.
3. Click **Edit Schedule**.

The subscription schedule window appears.

Subscription Template

Name: **Weekly Vision** Description: **Weekly Vision Subscription**

Subscription Type: **Magazines** Media Type: **Document**

Fulfillment Channel: **Order Management** Frequency: **Weekly**

Comments: **Weekly Vision Subscription**

Start Date: **07-JUL-2003** End Date: **06-JUL-2004** Offset Days: **-6**

Schedule Pattern

Year	Month	Week	Week Day	Day
*	*	*		

Refresh Schedule OK Cancel

Interface Schedule

Start Date	End Date	Interface Date	Qty	UOM	Order Number	Order Status
13-JUL-2003	19-JUL-2003	07-JUL-2003	1	Each		
20-JUL-2003	26-JUL-2003	14-JUL-2003	1	Each		
27-JUL-2003	02-AUG-2003	21-JUL-2003	1	Each		
03-AUG-2003	09-AUG-2003	28-JUL-2003	1	Each		
10-AUG-2003	16-AUG-2003	04-AUG-2003	1	Each		
17-AUG-2003	23-AUG-2003	11-AUG-2003	1	Each		

Total Quantity: **52**

- By default, the application creates the order in Oracle Order Management on the same date as the start date of each subscription period. This is called the interface date.

To move the interface date, enter a number in the Offset Days field. A negative number creates the order before the start date. For example, entering **-2** creates the order two days before the start of each period.

- Use the Schedule Pattern region to specify the shipping periods:
 - To ship an item every period that is specified in the Frequency list, click **OK**. The application creates a shipping schedule automatically. If the frequency is specified for weekly, then the application schedules one item for shipment every week, if monthly, then every month and so on.
 - If the subscription schedule is not regular, then you can specify the schedule you want by entering multiple sets of regular periods.
- Enter each set of regular periods on a separate line. For examples, see How to Use Schedule Sets to Enter Complex Subscriptions, page 5-9.

Note: The fields that are available for entry are limited by the period for the subscription. For example, if the period for the subscription is a week, then you can make entries only in the Week, Month, and Year fields.

You can use the following symbols for your entries:

Symbol	Meaning	Examples
*	All periods	Entering a * in the Month column means that an order is created every month.
-	Indicates a range of periods	Entering 1-3 in the Month column means that an order is created only in January, February, and March.
,	Indicates a series of periods	Entering 1, 2, 4 in the Month column means that an order is created only in January, February, and April.

Note: To manipulate the daily schedule you must clear the * from the Day field. This enables the Week and Week Day field, which allows you to enter the day of the week for the subscription to be fulfilled.

- When you are done, click **Refresh Schedule** to generate the schedule. If you are not satisfied with the result, you can reenter the schedule and refresh again.

- Click **OK**.

How to Use Schedule Sets to Enter Complex Subscriptions

The following two examples illustrate how you can use multiple schedule pattern lines to handle complex subscription schedules.

In both cases, the schedules are for a customer that purchases a one-year subscription for a tangible item from February 1, 2005 through January 31, 2006.

Example 1: A periodical that publishes every week except December when it

publishes only the first week

You can create this schedule by entering the following two lines:

Year	Month	Week
*	1-11	*
*	12	1

Example 2: A newsletter that publishes twice a month except in November and December when it published only one issue at the beginning of the third week.

You can create this schedule by entering the following two lines:

Year	Month	Week
*	1-10	1,3
*	11-12	3

Note: For both of the preceding examples, the administrator must set up the subscription template for the subscription item with a frequency of **Weekly**.

Adjusting the Subscription Price

The application automatically prices a subscription based on the price list that is entered on the Effectivities subtab.

You can modify the price either by changing the price list or entering a different price manually on the Pricing/Products subtab.

Prerequisite

Enter a subscription line.

To adjust the subscription price:

1. From the Service Contracts Authoring window, select the subscription line.
2. Adjust the subscription price using any one of the three following methods:

- Changing the price list
 1. Select the **Lines** tab and **Effectivities** subtab.
 2. Select the subscription line that you want to reprice.
 3. Select a different price list form the Price LOV.
 4. Select the **Pricing/Products** subtab.
 5. Click **Reprice**.

The application recalculates the price based on the new price list.

- Entering a different price manually:
 1. Select the **Lines** tab, **Pricing/Products** subtab.
 2. Enter the modified price in the Subtotal field.

Note: Modifying the price manually may or may not be permitted in your application implementation.

- Applying available discounts using the Adjustments window.
3. Save.
 4. If you are repricing a line with an existing billing schedule, then you must re-create the billing schedule for the new price. See *Specifying a Billing Schedule* , page 5-12.

Viewing Pricing Details

Prerequisite

Enter a subscription line for tangible items and create the subscription schedule.

To view the pricing details:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Pricing/Products** subtab.
2. Select the subscription line to view.
3. Click **Price Calculation**.

The Price Calculation window appears. It displays the quantity, list price, any

adjustments that were made to the price, and the extended price.

4. To view any price breaks that the application administrator may have set up for this item, click **Price Breaks**.

Specifying a Billing Schedule for Subscriptions

You can specify a billing schedule for an individual subscription line in a contract or for a multiple subscription lines in a contract at the same time.

Billing schedules for subscriptions are different from those you create for service or usage lines:

- You must select **Equal Amounts** as the schedule level.
- You bill customers only at the line level. (There are no covered products as for service lines and individual usage counters as for usage lines.)
- You can only bill the customer in equal amounts per period over the length of a single billing stream.

For example, if a market research company charges \$1,200 for a one-year subscription to a newsletter, it can bill the customer the whole amount in one invoice, invoice them \$100 per month every month, invoice them \$200 every other month, or even invoice them at different intervals over the length of the subscription.

You can use multiple billing streams to invoice the customer at different intervals over the length of the subscription with the amounts billed proportional to the length of the billing interval. For example, the same market research company can invoice the customer \$100 every month for the first three months, and then send one invoice for \$300 every quarter (three months) for the remainder of the subscription period. You can set up this scenario using the following two billing streams:

Stream Sequence Number	Number of Periods	Duration	Period
1	3	1	Month
2	3	1	Quarter

Prerequisite

Enter a subscription line.

To specify a billing schedule for subscriptions:

1. To create the same schedule for multiple subscription lines within the same contract, create a schedule at the header level.

From the Service Contracts Authoring window, select the **Summary** tab and **Pricing/Products** subtab.

2. To create a billing schedule for an individual subscription line:
 1. From the Service Contracts Authoring window, select the **Lines** tab and **Pricing/Products** subtab.
 2. Select the subscription line that you want to set up.
3. Click **Billing**.

The Billing window appears.

The screenshot shows the 'Billing' window for a subscription named 'Weekly vision'. The window is divided into several sections:

- Header Information:** Invoicing Rule (Advance Invoice), Accounting Rule (Immediate), Level (Equal Amount), Start Date (07-JUL-2003), End Date (06-JUL-2004), and Amount (120.00).
- Terminated:** Unbilled (0.00), Credited (0.00), Suppressed (0.00), Total (0.00), and Overridden (0.00).
- Adjusted:** Discount (0.00), Surcharge (0.00), Total (0.00), and Billed (0.00).
- Stream Level Table:**

Seq Num	Number of Periods	Start Date	End Date	Duration	Period	Amount	Total Amount	Offset Days	Invoice	Interface
1	12	07-JUL-2003	06-JUL-2004	1	Month	10.00	120.00			
							Total	120.00		
- Schedule Table:**

Seq Num	Level Seq	Invoice Date	Bill From	Bill To	Interface Date	Amount
1	1	19-MAY-2005	07-JUL-2003	06-AUG-2003	07-JUL-2003	10.00
1	2	19-MAY-2005	07-AUG-2003	06-SEP-2003	07-AUG-2003	10.00
1	3	19-MAY-2005	07-SEP-2003	06-OCT-2003	07-SEP-2003	10.00
1	4	19-MAY-2005	07-OCT-2003	06-NOV-2003	07-OCT-2003	10.00
1	5	19-MAY-2005	07-NOV-2003	06-DEC-2003	07-NOV-2003	10.00

4. The invoicing and accounting rules come from those that were entered in the Summary tab, Pricing/Billing subtab. If want, you can select different rules from the Invoicing Rule and Accounting Rule LOVs.
5. For subscriptions, select **Equal Amount** as the billing level.
6. Specify the billing schedule by entering one or more billing streams. This is the same procedure that is used for creating schedules for service lines. See Entering a Billing Stream, page 2-13 for details.
7. Click **Schedule** to generate the schedule.

If you are creating a schedule on the Summary tab, the application displays a message warning you that you are about to replace any existing billing schedules at the line level. Click **OK**.

The application divides the total price for the line equally for each billing period within each billing stream.

Note: You can manually enter an amount in the Amount field before clicking **Schedule** and have the application charge that amount each period instead. In this case, the application automatically reconciles any discrepancy with the total in the last billing period. The customer is always billed for the same total amount.

8. Click **OK** to return to the authoring window.

Viewing the Shipment Status of a Subscription Order

Use this procedure to view the Oracle Order Management shipment status for tangible items that were ordered in a subscription line.

Prerequisite

Confirm the order has been created in Oracle Order Management.

To view the shipment status of a subscription order:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Effectivities** subtab.
2. Click **Edit Schedule**.

The subscription schedule window appears. This window is named according to the name of the subscription item.

The Interface Schedule region displays order numbers and status for any orders that have been placed with Oracle Order Management.

3. To view more details about the order, including the date that any shipment occurred, click the drill-down indicator to the left of the schedule line.

The Fulfillment History window displays details about the order.

Ordering Service in Oracle Order Management

This chapter covers the following topics:

- Overview of Ordering Service in Oracle Order Management
- About Ordering Service in Oracle Order Management
- Ordering Service in a Sales Order
- Adding Service Lines to an Existing Contract
- Specifying Renewal and Other Details for a New Contract Created for Your Order
- Running Concurrent Programs to Generate Contracts Automatically
- Reprocessing Orders That Did Not Create Contracts
- Viewing Created Contracts by Sales Order Number
- Viewing Contracts by Sales Order Number in Oracle Service Contracts
- Viewing Contracts by Sales Order in Oracle Installed Base
- Modifying the Dates That a Warranty Is Effective
- Changing Only the That Dates a Warranty is Effective
- Changing Both the Warranty Dates and Installed Date
- Setting Up New Contract Defaults for Oracle Order Management
- Understanding the Impact of Contingencies on Revenue Recognition

Overview of Ordering Service in Oracle Order Management

You can order service using Oracle Order Management and have the application create the appropriate contracts automatically.

Your administrator can define the profile OKS: Category for Order Management Originated Contracts, which determines the contract category for Order

Management-originated contracts.

This group of topics covers both sales agent and application administrator procedures for adding service agreements to a sales order, generating contracts automatically, and troubleshooting any errors.

This group of topics covers only steps relating to service contracts. For detailed information about how to create and manage orders, see the *Oracle Order Management User's Guide*.

About Ordering Service in Oracle Order Management

This topic explains:

- Selling services in Oracle Order Management
- What contracts are created from your Order
- When a service contract is created
- Understanding warranties
- Selling service through Oracle Order Management or Oracle Service Contracts
- Understanding what is passed from the order to the contract

Selling Services in Oracle Order Management

You can sell services in an Oracle Order Management sales order just as you do any physical product. However, a few differences exist.

Each service line must refer to either an item that is already in a customer's installed base or an item that is in an order (the item can be either in the same order or in a different order altogether). For steps detailing how to add service lines, see *Ordering Service in a Sales Order*, page 6-6.

For a service, you must enter the service duration. If you are ordering service for an item in an order, then you can have the application automatically calculate the start date of that item based on the expiration of the warranty for that item. (You supply the duration of the service, but omit the start and end dates.)

However, the application does not supply a start date for an item a customer already owns. If you are ordering service for an installed base item, you must enter the start date manually, taking the length of any existing warranty into account.

What Contracts Are Created from Your Order

By default, the application automatically creates a single contract for all the service lines in your order. You can add renewal and contact information for the new contract using the procedure that is outlined in *Specifying Renewal and Other Details for a New*

Contract Created for Your Order, page 6-11.

The contract becomes effective on the earliest start date and expires on the latest end date.

Suppose that your order has the following three lines:

- Service 1: One year contract starting January 1, 2005
- Service 2: Two year contract starting February 1, 2005
- Service 3: Two year contract starting January 15, 2005

In this case, the application creates a contract with a start date of January 1, 2005 and an end date of January 31, 2007.

Alternatively, by using the Contract Details window, you can instead choose to merge the service lines in your order into an existing contract. See Adding Service Lines to an Existing Contract, page 6-9.

When a Service Contract Is Created

The application generates a new contract from the service lines in your order, or appends the lines to an existing contract only when the item that the service covers is entered into the installed base. For tangible items, this means that the order must be booked, picked, and shipped.

To generate contracts from sales orders, your application administrator must also:

1. Run the Service Contracts Order Capture Integration, and Workflow Background Process concurrent programs at regular intervals.

See Running Concurrent Programs to Generate Contracts Automatically, page 6-14

2. Reprocess any contracts that were generated with errors. See Reprocessing Orders that did not Create Contracts, page 6-15.

You can view the generated contracts by sales order number from within Oracle Service Contracts or Oracle Installed Base. See Viewing Created Contracts by Sales Order Number, page 6-16.

Warranties

Warranties, which are offered to customers free of charge, are created by the application automatically when the item is shipped to a customer based on an entry that the application administrator makes in the bill of materials (BOM).

Warranties go into effect on the shipment date. The administrator can add an automatic delay to the warranty start date to account for the shipment or installation delay and ensure that the customer receives the full benefit of the warranty. You can specify a different date for the warranty to become effective by following the procedure

Modifying the Dates a Warranty is Effective, page 6-18.

Selling Service Through Oracle Order Management or Oracle Service Contracts

If you have the application create a new contract from your order (rather than adding the lines to an existing order), you should be aware of some key differences between the contract that was created for you automatically and one that you create in Oracle Service Contracts application.

Contracts created in Oracle Order Management:

- Are restricted to service that covers products that the customer owns (Oracle Installed Base item instances) or products that the customer is in the process of buying (items in Oracle Inventory). You cannot use them to sell service that covers larger sets of inventory items or to sell service at the system, site, or party levels.
- Are automatically created in the Active status.
- Do not have to pass the usual quality assurance check list and approval process as contracts created in Oracle Service Contracts.
- Are billed through Oracle Order Management. This means that the customer is billed in one invoice and you cannot take advantage of the flexible billing schedules that you set up in Oracle Service Contracts. (To add flexibility, you can instead set up Payment Terms in Oracle Receivables to set up incremental billing over time.)
- Cannot have their coverage modified. Agents can modify the coverage for only contracts that are created in Oracle Service Contracts.
- Do not contain usage lines, because no way is available to create a usage line in the sales order itself.

For renewals, the contracts that are generated in Oracle Order Management become just like any contract that is created in Oracle Service Contracts.

Understanding What Is Passed from the Order to the Contract:

The following information passes from the order to the contract:

Header Level

Order Field	Contract Field
Bill To Customer	Bill To Party
Ship To Customer	Ship To Party

Bill To	Bill To Location
Ship To	Ship To Location
Sales Person	Vendor Contact Name
Currency	Currency
Price List	Price List
Accounting Rule	Accounting Rule
Invoicing Rule	Invoicing Rule
Payment Type	Payment Type
Payment Terms	Payment Terms
Tax	Tax
Sales Credits	Sales Credits
Order Number	Order Number

Line Level

Order Field	Contract Field
Service Duration	Duration
Service Period	Period
Ordered Item	Line Item
Service Start Date	Start Date
Service End Date	End Date
Ordered Item	Item

Quantity	Quantity
Unit Selling Price	Price
Sales Credits	Sales Credits
Currency	Currency
Service Item	Item Instance

Note: The application does not support non seeded contract types.

Ordering Service in a Sales Order

You can order service for an item that a customer has on order or already owns. You can use it to order service for:

- An item in the same order
- An item in a different order
- An item in the customer's installed base

Prerequisites

- If you are ordering service for an item in a separate order, then you must know:
 - That order's number.
 - The line number and shipment number for the item to cover.
 - The date to start the service, taking into account any other existing service agreements and warranties.
- If you are ordering service for an item that the customer already owns, then the item must be already entered in your customer's installed base and you must know the item instance number (referred to in Oracle Order Management as the Reference Number) or its serial number.

The item instance number is automatically generated by the Oracle Installed Base application when the item is added to a customer's installed base.

If the item does not exist in the customer's installed base, then you must create it using procedures that are described in the *Oracle Installed Base User Guide*.

To order service in a sales order:

1. Under the Order Management Super User responsibility, navigate to **Orders, Returns** and then **Sales Orders**.

The Sales Orders window appears.

Note: If you are tracking sales credits, and your organization is using Oracle Service Contracts territories to assign sales agents to service contracts, then the application does not use the sales agent that you enter in the Salesperson field on the Order tab, Main subtab to the contract itself. If your organization is not using territories for sales agent assignment, then the agent that you enter is entered as a vendor contact in the new contract.

Note: Oracle Service Contracts carries sales credits from the order header to the contract header and the order line to the contract line. Because Oracle Order Management generates the invoice, the information proceeds directly to Oracle Receivables. During credit generation, information is sent by way of Oracle Service Contracts.

2. If you are ordering a service agreement for an item in the same order, then enter that item first.
3. In the Sales Order window, select the **Line Items** tab and the **Main** subtab.
4. Use the Ordered Item LOV to enter the inventory item number of the service that you are ordering.
5. Leave the Qty field blank. The application supplies the correct quantity automatically:
 - If you are ordering service for a line in an order.
The application copies the quantity from that line. For example, if you are ordering service for an order line with three widgets, then the service quantity is 3.
 - If you are ordering service for an item in the customer's installed base.

Note: The quantity field specifies the number of services that you are ordering. It is not related to the length of the agreement that is specified in the UOM (Unit of Measure) field. If you enter 5 as the quantity and the UOM field shows YR (year), you

are not ordering one five-year contract.

6. Select the **Services** tab.
7. If the service is for an item either in this or another customer order, then:
 1. Select **Order** from the Service Reference Type LOV.
 2. Use the Service Order Type LOV to enter the order type of the sales order. If you are ordering service for an item in this order, then enter the same type that you entered in the Main tab of the Sales Order form.
 3. In Service Ref Order Number, enter the number of the sales order. If you are ordering service for an item in this order, then enter the sales order number that appears in the title bar of the Sales Order window.
 4. Use the Service Ref Line Number LOV to select the line number and shipment number. (The shipment number appears in the Service Ref Shipment Number field.)

Note: You must scroll to view all required fields.

8. If you are ordering service for an item the customer already owns, then:
 1. Select **Customer Product** from the Service Reference Type LOV.
 2. Scroll to the Service Ref Cust Product field and use the LOV to enter the customer product instance to cover with the service. You can search either by the Oracle Installed Base instance number (labeled Reference Number in this LOV) or, if the item is serialized, by the item's serial number.

Note: The application automatically checks to determine whether the service is valid for the item that you just entered. If the application informs you that it is not, then you must go back and enter another service.

9. To simplify renewals, a customer can end all contracts on a single day each year (called the cotermination day). Selecting the **Service Coterminate Flag** check box sets the end date to that day. If the application administrator has set up the cotermination day for the customer, that entry overrides any end date that you enter for this agreement. See About Cotermination, page 3-56 for more information.
10. Enter service dates and duration:

- If you are ordering service (an extended warranty) for an item in an order, you can have the application automatically fill in the start and end dates by entering the duration only. The application starts the service the day after any warranty for the product expires. The application provides the dates only after the order is fulfilled and the contracts are created.
- If you are ordering service for an installed base item, then enter either:
 - The service start and end date: The application calculates the duration.
 - The start date and duration: The application calculates the end date.

Note: If you selected the Service Coterminate Flag check box, the application may override the end date that you enter here.

11. Save.
12. To add the services in the order to an existing contract or specify renewal information for a new contract, click **Actions** and select Service Contract Details from the LOV. See Adding Service Lines to an Existing Contract, page 6-9 or Specifying Renewal and Other Details for a New Contract Created for Your Order, page 6-11 for details.
13. Book the order.
14. If you have created a mixed order, then you must also pick and fulfill the order for a new contract to be created or an existing contract to be modified.
15. You can view any new contracts that were created for the customer by following the procedure described in Viewing Created Contracts by Sales Order Number, page 6-16.

Note: Contracts are created by concurrent processes that are set up by the application administrator to run on a periodic basis, and so may not be available for viewing immediately.

Adding Service Lines to an Existing Contract

By default, the application creates a new contract for the service lines in your order. You can have an individual line, or all the lines in your order, added to an existing contract instead. The destination contract must be:

- For the same customer.

- Active or signed.
- Of the contract category that is specified by the application administrator in the profile option OKS: Category for Order Management Originated Contracts.

Prerequisites

- Create your order first and open it in the Oracle Order Management Sales Order window.
- Confirm the contract number.

To add service lines to an existing contract:

1. In the Sales Order window, select the service line to add to an existing contract. To add all lines in the order to the same contract, select the first service line in the order.
2. Click **Actions**.
3. Select **Service Contract Details**.

The Contract Details window appears.

4. To apply all the rules that are selected in the Contract Details form to all the service lines, select the **Apply All** check box. Leaving this check box cleared adds only the current line.

If it is selected for one service line, you cannot select it for other service lines.

5. Use the Line Renewal Type list to specify how to renew the contract line:
 - **Do Not Renew:** The line will not be renewed when the contract is renewed.
 - **Full Duration:** The line will be renewed for the duration of the whole contract.
If your order includes multiple service lines, the contract duration begins on the earliest start date and ends on the latest end date from all the lines.
 - **Keep Duration:** The duration of this line will remain the same in a renewed contract. Use this setting for intermittent or seasonal service lines. For example, a mountain resort may want to order special service for peak periods in winter and summer. Using this setting, you ensure that the renewed contract retains the same structure. See Seasonal or Peak Period Service.

The screenshot shows the 'Contract Details' window with the following fields and sections:

- Order Number: 56935
- Order Line Number: 1
- Customer Name: Business World
- Service Ordered: WR16533
- Start Date: 22-FEB-2005
- End Date: 21-FEB-2006
- Apply All:
- Line Renewal Type: Full Duration
- Merging Rules**
 - New
 - Renewal Type: [text box]
 - FO Required: Billing Profile: [text box]
 - Repricing Details:
 - Renewal Pricing Type: [dropdown]
 - Price List: [text box]
 - Markup(%): [text box]
 - Quote To:
 - Contact: [text box]
 - Address: [text box]
 - Email: [text box]
 - Phone: [text box]
 - Fax: [text box]
 - Customer Contacts:

Role	Name	Address
[text box]	[text box]	[text box]
[text box]	[text box]	[text box]
 - Existing
 - Type: Contract
 - Contract Number: [text box]
 - Start Date: [text box]
 - End Date: [text box]

6. Select the **Existing** radio button.
7. To restrict the choice of available contracts to those that are already entered in this order, select Order from the Type list.
8. Otherwise, select Contract. This displays all active (entered) contracts in the Contract Number LOV.
9. Use the Contract Number LOV to enter the contract number.

Note: If a contract has already been renewed, then its number appears more than once in the Contract Number column. In this case, pay attention to entry in the Contract Number Modifier column to select the correct contract.
10. To have all remaining service lines in the order added to the same contract, select the **Apply All** check box. This setting does not affect any service lines that already have a contract specified for them.

Specifying Renewal and Other Details for a New Contract Created for Your Order

You can choose to specify the information for a single service line or for all service lines in the order. Your administrator can set up default renewal settings for different customers or organizations within your enterprise. The entries that you make here override those defaults.

Prerequisite

Create your order and open it in the Oracle Order Management Sales Order window.

To specify renewal and other details for a new contract created for your order:

1. In the Sales Order window, select the service line for which you to create a new contract. To have the information apply to the whole order, select the first service line.
2. Click **Actions**.
3. Select **Service Contract Details** from the menu.
The Contract Details window appears.
4. If you plan to permit contract renewal, then use the Line Renewal Type list to specify how to renew the current service line:
 - **Do Not Renew:** The line will not be renewed when the contract is renewed.
 - **Full Duration:** The line will be renewed for the whole duration of the contract.
If your order includes multiple service lines, the contract duration is as long as the length of the longest service line.
 - **Keep Duration:** The duration of this line will remain the same in a renewed contract. Use this setting for intermittent or seasonal service lines. For example, a mountain resort may order special service for peak periods in winter and summer. Using this setting you ensure that the renewed contract retains the same structure.
5. To add the information that you enter here to all lines in the order, select the **Apply All** check box.
6. Select the **New** radio button.
7. Select the Renewal Type for the contract:
 - **Manual:** Requires manual action for all process steps.
 - **Online:** Submits contract to customer.
 - **Evergreen:** Activates without customer acceptance.
 - **Do Not Renew:** Does not renew upon expiry.

For information about renewals, see Understanding Contract Renewals, page 17-11

8. If a purchase order is required for the contract to be renewed, then select the **PO Required** check box. This selection is available only for the Notify Salesrep and Submit For Approval renewal options.
9. To specify a billing schedule for the renewed contract, then select a billing profile using the Billing Profile LOV.
10. Specify how to price the renewed contract by making a selection from the Renewal Pricing Type list in the Repricing Details region:
 - **Price List:** Charges the customer based on the price list that you enter in the Price List field. The price charged is the current price that is listed in the price list at the time the contract is renewed.
 - **Manual:** The application charges the customer the same price for the renewed contract as they paid for the original contract.
 - **Markup Percent:** Automatically adjusts the price up or down by a percentage that you enter. Optionally, you can cap the maximum adjustment based on a price list.

11. If you have selected Markup Percent, then:

1. Enter the percentage that you want the price to be adjusted. Entering a positive number marks up the price. A negative number discounts the contract renewal.
2. If you are marking up the contract price and want to put a limit on the maximum price that the customer will pay, then enter a price list in the Price List field. The price of the renewed contract cannot go over the price that is listed in the price list.

For example, if you enter 20% as your markup and the current list price of the service is \$100, then the renewed contract is priced at \$120. If you enter a price list that lists the service at \$110, however, then this price list caps the maximum price for the service at \$110. The customer pays a maximum of \$110 for the renewal.

Note: The price cap works only for markups and not for discounts.

12. If you have selected an electronic renewal, then in the Quote to region, enter the contact to be notified by e-mail:

Note: The contact must have an existing e-mail address. You cannot add new addresses here.

1. Enter the contact using the Contact LOV.
2. If the contact has multiple e-mail addresses, then select the address where you want to send the notification.

Note: The application administrator must enter a return (From:) e-mail address in the Global Contracts Defaults window as described in Setting Up New Contract Defaults for Oracle Order Management, page 6-20.

13. Optionally, enter customer contacts for this contract in the Customer Contacts region.
14. Select the **Apply All** check box to have all of the remaining service lines in the order added to the same contract. This setting does not affect any service lines that already have a contract specified.
15. Save.

Running Concurrent Programs to Generate Contracts Automatically

You must run the following two concurrent programs to generate contracts from Oracle Order Management sales orders:

- Service Contracts Order Processing Program
- Workflow Background Process

For more information about running and troubleshooting concurrent programs see the *Oracle Applications User's Guide*.

To run concurrent programs to generate contracts automatically:

1. Under the Order Management Super User responsibility, select **Requests** from the View menu.

The Find Requests window appears.

2. Click **Submit a New Request**.

The Submit a New Request window appears.

3. Select the **Single Request** radio button.

4. Click **OK**.

The Submit Request window appears.

5. In the Name field, enter `Workflow Background Process` and press the tab key. The Parameters window appears.
6. Enter the following parameters:

Prompt	Entry
Item Type	OM Order Line
Process Deferred	Yes
Process Timeout	Yes
Process Stuck	No

7. Click **OK**.
8. Click **Submit**.
9. Change responsibility to Service Contract Manager.
10. Submit the Service Contracts Order Processing Program concurrent program. No parameters are required for this program.

Reprocessing Orders That Did Not Create Contracts

Prerequisite

Run the Workflow Background Process and Service Contracts Order Capture Integration concurrent processes as described in Running Concurrent Programs to Generate Contracts Automatically, page 6-14.

To reprocess orders that did not create contracts:

1. From the Navigator, navigate to **Workflow**, and then select **Reprocess Order**. The Reprocess Order window appears.

Note: The Reprocess Order form displays order details and product history in a Multi Org Access Control (MOAC) context. The MOAC feature allows you to access secured data in one or more operating units from a single responsibility.

Your system administrator defines the scope of access privilege with the following profile options:

- MO: Security Profile
 - MO: Default Operating Unit (Optional)
2. Use the **Query By Example** in the View menu to query all errors:
 1. From the View menu, select **Query By Example** then **Enter**.
 2. Enter **Error** in the Status field.
 3. From the View menu, select **Query By Example** then **Run**.
The window displays all errors.

3. Click **Select All**.

4. Click **Submit**.

The application displays a note informing you of the process number.

Viewing Created Contracts by Sales Order Number

You can view the contracts that are generated by the application from your sales orders in either Oracle Service Contracts or Oracle Installed Base.

Viewing Contracts by Sales Order Number in Oracle Service Contracts

To view contracts by sales order number in Oracle Service Contracts:

1. From the Navigator, navigate to **Contract Administration**, and then select **Launchpad**.
2. Click **Search** in the toolbar.
The Search Templates and Contracts window appears.
3. From the Category LOV, select the contract category that is set in the profile OKS: Category for Order Management Originated Contracts, for example Warranty and Extended Warranty.
4. Click **More**.
The Service Module Search window appears.

5. Enter the order number using the Order Number field LOV.
6. Click **OK** to return to the Search Templates and Contracts window.
7. Click **Search**.
8. Select the warranty to display in the authoring window.
9. Right-click and select **Open** from the shortcut menu.

Viewing Contracts by Sales Order in Oracle Installed Base

To view contracts by sales order in Oracle Installed Base:

1. Switch responsibility to Oracle Installed Base Agent User.
2. Double-click the **Oracle Installed Base Agent User** to find the Install Base Navigation Menu.
3. Select the **Item Instance** menu.
4. Under Item Instance main menu, double-click **Item Instances** to open a search page.
The Search Item Instances page appears in a separate browser window.
5. Select **Sales Order Number** from the Quick Find list. Sales Order Number is one of many search attributes that are available.
6. Enter the Sales Order number.



7. Click **Go**.
The application displays all of the instances that are included in the sales order.
8. Using the **Select** radio button, select an Instance for which you want to see the

Contact details.

9. Select **Contracts** from the View Details list.
10. From the Actions LOV, select **Contracts**.
11. Click **Go**.

The application displays contracts that apply to that instance.

Modifying the Dates That a Warranty Is Effective

Oracle Service Contracts calculates the start date of a warranty date by adding an optional delay to the shipment date. The same date is also used by Oracle Installed Base as the installed date of the product.

The purpose of the delay, which the application administrator enters at the time the item is created in Oracle Inventory, is to account for the time that the item is in transit and being installed. This ensures that customers receive the full benefit of the warranty.

Your organization can instead specify the actual warranty start date to ensure that customers are charged for all of the services they receive.

Note: Oracle Service Contracts does not allow a change in warranty dates if a service request is opened during the period.

You can:

- Change the warranty start and end dates only, page 6-19
Use this procedure for products, such as toasters or cameras, that do not require installation or for which the installed date is not important.
If a user changes the installed date in Oracle Installed Base, the warranty does not get updated automatically.
- Change the installed date and have the application adjust the warranty accordingly, page 6-19.

Use this method if your organization records and tracks installed dates. When you change the installed date in Oracle Installed Base, Oracle Service Contracts automatically adjusts the start date of the warranty for you. This method ensures that installed date and warranty start date remain synchronized.

Note: For the installed date to automatically change the warranty start date, the application administrator must select the Synchronize Date Installed check box in the Warranty region of the Coverage template. (You can check whether this check box has

been selected in any warranty by clicking the Edit Coverage button on the Lines tab and Effectivities subtab.)

Changing Only the That Dates a Warranty is Effective

This procedure does not change the installed date for the item in Oracle Installed Base.

Prerequisites

- Confirm that the order is processed and that a warranty is created by the concurrent processes run by the administrator.
- Confirm that the order number.

To change only the dates that a warranty is effective:

1. Find the warranty by order number using the Search Templates and Contracts window and display it in the Service Contracts Authoring window. See Viewing Contracts by Sales Order Number in Oracle Service Contracts, page 6-16.
2. Select **Cascade Attribute** from the Actions menu.
The Cascade Attributes window appears.
3. Enter the new dates for the warranty in the Effective Dates fields in the Header Attributes region.
4. Select the **Effective Dates** check box.
5. Verify that **Header to Lines** is selected for Cascade.
6. Click **Submit**.
The Transaction Log appears.
7. Click **Apply**.

Changing Both the Warranty Dates and Installed Date

Prerequisite

- Confirm that a warranty has been created before you modify the installed date.
- Confirm the order number.

To change both the warranty dates and installed date:

1. Switch responsibility to Oracle Installed Base Agent User.
2. Double-click the **Oracle Installed Base Agent User** to find the Install Base Navigation Menu.
3. Click the **Item Instance** menu.
4. Under Item Instance main menu, double-click **Item Instances** to open a search page.
The Search Item Instances page appears in a separate browser window.
5. Select **Sales Order Number** from the Quick Find list. Sales Order Number is one of many search attributes that are available.
6. Enter the Sales Order number.
7. Click **Go**.
The application displays all of the instances created from the sales order.
8. Using the select radio button, select an instance for which you want to change the warranty dates or installed date.
9. Click the **Update** icon.
An update Item Instance page appears.
10. Scroll to the Install Date and change the date.
11. Save.

Setting Up New Contract Defaults for Oracle Order Management

Application administrators must use this procedure to enter information that is required to create new contracts from orders in Oracle Order Management. This information is required for contracts to be created successfully and is not entered by the agent in the order. For information about the Global Contracts Defaults, see *Entering Contract Defaults*, page 2-36.

You can also default renewal information for these contracts. See *Specifying How a Contract Will Be Renewed*, page 3-12.

To set up new contract defaults for Oracle Order Management:

1. Log in to the Service Contracts Manager responsibility. Navigate to **Setup: Service Contracts**, and then select **Global Contracts Defaults**.

The Global Contracts Default window appears.

2. In the upper half of the window, make the following entries:
 1. Renewal region:
 - Select the contract group where new contracts will appear within the Contracts Navigator from the Renewal Contract Group LOV.
 - Select the Renewal Process from the Renewal Process LOV.
 - Select the Approval method from the Approval LOV.
 - Select the Layout Template from the Layout Template Set LOV.
 - If the Purchase Order details need to be fetched, check the PO Required check box.
 2. Pricing /Billing region: Select the Pricing Method from the Pricing Method LOV.
 3. Thresholds region: Select the Ledger Currency from the Ledger Currency LOV.
 4. Integration region:
 - Select a QA checklist to test contract completeness before the contract can become active from the QA Checklist LOV .
 - Select the workflow for processing contract approvals from the Approval Workflow LOV.
 - Select `Third Party` from the Role LOV. This entry defines the party role when the sold-to party is not the same as the ship to party for contracts that are created from Oracle Order Management.
 - Select the **Interface Price Break** check box to send price break details to Oracle Receivables during billing. This includes quantity, unit price, and amount.
 - Select the credit that a customer receives if service is terminated from the Return Credit LOV. The options are:
 - **Full**: The customer receives full credit.

- **Calculated:** The credit is prorated based on the date terminated.
 - **None:** The customer does not receive credit.
5. **Online Acceptance region:**
- Select the return e-mail address for electronic renewals from the Help Desk LOV. This address appears on the From: field of the e-mail notification that is sent to customers.
 - Select the Payment Terms from the Payment Terms LOV.
3. Save.

Understanding the Impact of Contingencies on Revenue Recognition

With the revenue management feature you can automatically time revenue recognition in accordance with the removal of revenue deferral reasons as required by US Generally Accepted Accounting Principles (GAAP) and International Accounting Standards (IAS). To leverage the features of the Revenue Management module, Oracle Service Contracts has modified the billing process to send the order line id relating to the covered goods to Oracle Receivables (AR). The AR interface contains a new column to accept the order line ID, which is also referred to as the parent line ID. If the application passes an order line ID, AR uses it to check the acceptance contingencies on that order line, to determine whether to defer revenue on the service. The application does not send an order line to AR in the following cases:

- Goods covered in a contract, which were not sold in Oracle Order Management
- Usage lines
- Subscription lines
- Services with covered levels other than covered product
- Services with summary level billing

AR does not defer revenue without an order line ID. The application treats the service as if no contingencies are defined for the goods that are covered by the service.

Note: Administrators can select variable accounting rules to recognize revenue based on any duration (for example, daily, weekly or quarterly). Accounting rules are set up in Oracle General Ledger.

1. Associate an Accounting Rule with a contract in Oracle Service

Contracts.

2. Switch the responsibility to Invoicing and Accounting Rule.
3. Use the Period field and the Number of Periods field within the Accounting Rule form to define revenue recognition.
4. Select the **Deferred Revenue** check box to ensure that the application does not use the existing accounting rule.
5. If you check the Deferred Revenue box and you want to manually recognize revenue, navigate to Oracle Receivables, then select Control, then select Accounting, and then select Revenue Accounting

The Revenue Accounting and Sales Credits form appears.

- The Number is the Invoice Number.
- The Reference is the Order Number.

You can schedule or unscheduled revenue here.

Adjusting Prices

This chapter covers the following topics:

- Overview of Adjusting Prices
- Entering Price Adjustments
- Getting Help in Picking Adjustments
- Viewing Total Adjustment Amounts
- Viewing Adjustments for the Whole Contract
- Viewing the Total Adjustments for an Individual Line or Subline
- Reverting to the Original Price List Price
- Cascading Service Price

Overview of Adjusting Prices

This group of topics explains how you can adjust prices of service, subscription, and usage lines in your contract by applying adjustments that are set up by the application administrator.

Use the procedures in this group of topics to adjust prices for service lines that are automatically priced by the application based on a price list that you have entered. The pricing of other lines is based on an agreement between the agent and a customer, so the lines should already include any adjustments.

Contract lines that the application prices based on the price list include:

- Usage lines of all types except Negotiated Price.

You manually enter a price for Negotiated Price lines, so you must change that price directly to reflect any additional discounts.

- Service lines for Item and Product levels.

Service lines covering Customers, Sites, Parties, and Systems are also priced

manually.

- Subscription lines.

If your contract includes a mix of lines that are priced on the price list and that are priced manually, and you decide to adjust the price at the contract level, then the adjustments that you enter apply only to those lines that are priced based on the price list.

About Price Adjustments

Using Oracle Advanced Pricing, application administrators can set up discounts or surcharges (called price modifiers) for the services, usage contracts, and subscriptions that you sell in Oracle Service Contracts. The price modifiers provide adjustments either in percentages or in currency amounts.

Note: Lump Sum modifiers, which get applied to the final negotiated price or subtotal, are not supported for service items.

The modifiers can be of two types:

- Automatic price adjustments. The application automatically applies the discount or surcharge if the customer qualifies. For example, a company may choose to give an automatic 15% discount to all existing customers.
- Price adjustments that you can select manually while authoring a contract. For example, you can choose to offer a customer 10%, 15%, or 20% off the list price.

The administrator can set up either type of adjustment so that you can change the amount of the discount manually. You can identify this type of modifier by the Y value in the Update Allowed field. If you are applying an adjustment manually, this field appears in the Modifier Number LOV.

If the administrator has set up such a modifier to apply to the line automatically, then you can enter an entirely new price for the contract line. You can do so either in the line itself or in the Price Adjustment window itself.

Different Levels of Discounts

The administrator can set up different price adjustments to apply at the contract, line, and subline levels. For example, a copier manufacturer may offer a 10% discount on a particular service and a 15% sale for all customers purchasing service contracts worth \$1,000 or more (contract-level discount).

Price adjustments that are applied at different levels are cumulative and are applied against the price list price.

Suppose that a customer purchases a service contract with a list price of \$1000 and receives the following two levels of discounts:

- An automatic 10% preferred customer discount at the contract level
- A 15% discount at the line level because of a promotion on the specific service they are purchasing

The resulting price is \$750 (\$1000–\$100 –\$150).

The application deducts any currency adjustments after the percentage adjustments are made. If an agent entered -\$30 in the preceding example, then the final price that the customer pays is \$750–\$30= \$720.

Adjustment Methods

You can adjust prices in two ways:

- Change the price list and reprice the line or contract. (This method is discussed in the chapters describing how you enter contract lines).
- Select price adjustments using the Adjustments window.
- Directly override the price.

Optionally, you can enter any information that may help a customer qualify for an adjustment and let the application suggest valid adjustments for you.

For example, you can use this method to find out what discounts are available for a customer who calls Support. Or perhaps the customer wants the same discounts as a colleague from another company.

About Partial Period Computation

You can set attributes that enable the application to calculate pricing for partial periods. A partial period duration is less than pricing period duration, such as 10 days rather than a full month. It is a ratio of the number of days in the partial period to the number of days in the pricing period duration (default full period or price unit of measure (UOM)). The number of days in the pricing period duration is based on the selection that is made in the partial period attributes Period Type and Price UOM fields.

You can select where the partial period calculation occurs within a pricing duration when service starts in the middle of a period by setting the Period Start attribute. If you select Calendar, the period start and end dates match the calendar start and end dates. If you select Service, then the application uses the service start date and only the last period can be a partial period.

You can define partial period attributes at the operating unit level within Global Contracts Defaults. See *Entering Contract Defaults*, page 2-36.

Entering Price Adjustments

You can:

- Enter price adjustments (discounts or surcharges). You can adjust only prices on lines that have been priced using the price list.
- Have the application suggest appropriate adjustments for contract lines by first entering qualifying information. See Getting Help in Picking Adjustments, page 7-6.

Note: If you edit a modifier value, the change is not reflected on an existing contract even after you reprice it. In this case, you must delete the modifier and reprice the contract.

To enter price adjustments:

1. Indicate the level at which you want to apply or review adjustments:
 - **Header:** Select the **Summary** tab.
 - **Line:** Select the **Lines** tab, the **Effectivities** subtab, and the line that you want to adjust.
 - **Subline:** Select the **Lines** tab, the **Pricing/Products** subtab, the line, and the subline that you want to adjust.

2. Select **Pricing Adjustment** from the Tools menu.

The Adjustment window appears listing any discounts that have been applied at this level.

Note: Remember that, although adjustments are cumulative, adjustments at one level do not show up in the windows at other levels.

The heading at the top of the window indicates whether you are adjusting the price at the header or line level.

Note: The Adjustment window interface does not distinguish between line and subline adjustments. It views them all as lines. If you are adjusting prices at the subline level, then the Line Number field actually refers to the subline number and the Level field lists Line as your adjustment level although you are adjusting the subline.

3. Select any additional price adjustments using the Modifier Number LOV. A DLT in the Modifier Type field indicates a discount; SLT indicates a surcharge.
4. If the modifier that you selected can be updated manually (Y appears in the Manual Override field in the LOV), then you can enter either of the following:
 - Percentage adjustment in the Rate field.
 - Currency amount adjustment in the Price Reduction field.

Note: You can apply a modifier that allows an override at both the header and subline level. For contract lines, you can only apply a modifier that does not allow an override.

Whether the modifier permits you to enter an amount or percentage adjustment depends on the way it has been set up by the administrator.

Note: At the header level, you can enter only percentage adjustments.

For a discount, entering a positive number reduces the price. Entering a

as the attribute and enter a range of 1000 through 2000 in the value fields.

4. Save and close the window.

The qualifying information that you have entered is now used by the application to:

- Apply any automatic price adjustments the customer is entitled to based on the information that you entered. The information is sent whenever the pricing call occurs, for example, when you save the line or reprice.
- Filter the price adjustments (modifiers) that are listed in the Modifier Number LOV.

You are now ready to select any manual price adjustments. See *Entering Price Adjustments*, page 7-3 .

Viewing Total Adjustment Amounts

You can view the total adjustment amounts for:

- The whole contract
- An individual line or subline

Viewing the totals does not tell you what specific adjustments were applied or at what level. To view the sources of adjustments, you must open the Adjustment window at all the different levels. See *Entering Price Adjustments*, page 7-3 for details.

Viewing Adjustments for the Whole Contract

To view adjustments for the contract as a whole, select the **Summary** tab and **Pricing/Billing** subtab. The total adjustments appear in the Adjustments region.

Viewing the Total Adjustments for an Individual Line or Subline

You can view the total price adjustment for a line and subline.

To view the total adjustments for an individual line or subline:

1. Select the **Lines** tab and **Pricing/ Products** subtab.
2. Select the line (and optionally the subline) to view.

The Pricing Calculation button is active only for lines that have no sublines, such as subscriptions.

3. Select the **Pricing** secondary tab.

4. Click **Pricing Calculation**.

The total adjustments for the line and subline appear in the Pricing Calculation window.

You can review the details that are related to the Covered Level:

- List price
- Quantity
- UOM
- Extended Amount

In addition, you can review the details that are related to the Top Line level:

- List price
- Operator: Represents how the service is priced (amount based or percentage based).
- Quantity
- UOM
- Adjusted Price: Reflects the adjusted price if modifiers have been applied.
- Extended amount
- Status Text: Represents the status of the pricing, such as Success.

Reverting to the Original Price List Price

You can remove any adjustments that you have made and revert an adjusted price of a line or subline to the price that is listed on the price list. This removes the adjustments that you have added manually by calling the pricing application for the most up-to-date price on the price list, along with any automatic modifiers.

To revert to the original list price:

1. Remove price adjustments at any of the three levels:
 - For a line (this removes all subline adjustments.):
 1. Select the **Lines** tab and **Pricing/Products** subtab.
 2. Select the line to change.

3. Click **Reprice** on the Pricing/Products subtab.
- For a single subline:
 1. Select the **Lines** tab and **Pricing/Products** subtab.
 2. Select the line and subline to change.
 3. Click **Reprice** on the Pricing secondary tab.
 - The entire contract:
 1. Select the **Summary** tab and **Pricing/Billing** subtab
 2. Click **Reprice**.
The reprice Decision dialog box appears.
 - Select one of the two repricing methods:
 - To remove the adjustments for the entire contract and return the prices to those listed in the price list that is attached to each contract line, click **Reprice Only**.
 - To remove the adjustments for the entire contract and reprice the entire contract based on the price list entered in the Price List field of the Pricing/Billing subtab, click **Cascade and Reprice**.
The Repricing results window appears.
2. If all lines are repriced successfully, then click **Apply** to make the changes. If some lines fail and show a severity of Error or Unexpected Error, the Apply button is disabled. In this case, you must correct the error before attempting to reprice.

Cascading Service Price

You can access the Cascade Service Price window from the Actions menu and use it to cascade the service line price to the covered level prices at the same proportions. For example, in the following table, the current service line price is \$2,000 and in this case, the percentage of the service price applied to lines L1 and L2 is 75% and 25% respectively. The same proportions are cascaded to the lines if \$4,000 is applied.

Current	New
S1 \$2000	\$4000

Current	New
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 Service Contracts Authoring window, select the **Actions** menu and then select **Cascade Service Price**.
3. Review the 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.

Refresh the billing schedule to reflect the new values.

Running Quality Assurance Results and Troubleshooting

This chapter covers the following topics:

- About the Quality Assurance Check (QA Check)
- Running the Quality Assurance Check from the Actions Menu
- Submitting the Contract for Approval from the Actions Menu
- Running the Quality Assurance Check from the (Summary) Administration Subtab
- Running the Contracts QA Program
- Troubleshooting Errors

About the Quality Assurance Check (QA Check)

This group of topics explains how to use quality assurance results to troubleshoot issues within your contract.

The QA Check is an automated process that verifies the validity of a contract.

A default QA checklist is seeded in the application. However, if required, the default QA checklist can be modified to include other checks. The default is set with the profile option OKS: Default QA Checklist. You can override the default checklist from the Summary Administration tab of the Service Contracts Authoring form.

A QA checklist consists of one or more processes that are defined in the Process Definitions form prior to their being selected for the QA checklist.

A process within the QA checklist can be defined with two severity levels, error and warning. Errors must be corrected before the contract is submitted for approval.

You can start the QA checklist as follows:

- **Actions menu:** Starting the QA checklist from the Actions menu shows the results for an individual contract immediately in the Quality Assurance Results window,

but does not submit the contract to the Approval workflow. See Running the Quality Assurance Check from the Actions Menu, page 8-2.

- **Actions menu:** Submitting the contract for approval runs the QA check, shows the results immediately in the Quality Assurance Results window, and enables you to submit the contract to the Approval workflow. See Submitting the for Approval from the Actions Menu, page 8-3.
- **Summary Administration subtab:** Starting the QA checklist from the Summary Administration subtab shows the results for an individual contract immediately in the Quality Assurance Results window, and enables you to submit the contract to the Approval workflow. See Running the Quality Assurance Check from the (Summary) Administration Subtab, page 8-4.
- **Contracts QA Report concurrent program:** Starting the QA checklist from the Contracts QA Report enables you to run a QA check on multiple contracts. The process produces a report listing the results of each contract. This process can optionally start the approval workflow after the QA is complete. See Running the Contracts QA Program, page 8-6.

Note: After the QA Results appear you must fix the errors. For a listing of errors and the corrective actions, see Troubleshooting Errors, page 8-7.

Running the Quality Assurance Check from the Actions Menu

To run the Quality Assurance Check from the Actions menu:

1. From the Service Contracts Authoring window, select the **Actions** menu and select **Check QA**.

The Quality Assurance Results window appears.

Note: The Continue Approval box is not active. If you want to continue with the approval process from the QA check, then you need to submit the contract for approval from the Summary Administration tab.



2. Verify the following:

- Contract Number
- Default QA Checklist
- Results

For information about fixing errors, see Troubleshooting Errors, page 8-7.

Note: You can change the default QA checklist by selecting a different checklist from the Default QA Checklist LOV within the Summary tab and Administration subtab. After making the change, you must select the Check QA action again.

Submitting the Contract for Approval from the Actions Menu

To submit the contract for approval from the Actions menu:

1. From the Service Contracts Authoring window, select the **Actions** menu and select **Submit for Approval**.

The Quality Assurance Results window appears.

Note: If errors appear in the results, the Continue Approval box is not active. If you want to continue with the approval process, you must fix the errors and resubmit the contract.

2. Verify the following:

- Contract Number
- Default QA Checklist
- Results

For information about fixing errors, see *Troubleshooting Errors*, page 8-7.

3. If all results indicate Success, select **Continue Approval** to submit the contract to the approval workflow.

If warning messages appear, you can review the messages and determine whether the issues should be fixed. If you determine that they do not need to be fixed, you can ignore them.

Note: You can change the default QA checklist by selecting a different checklist from the Default QA Checklist LOV within the Summary Administration tab. After making the change, you must select the Submit for Approval action again.

Running the Quality Assurance Check from the (Summary) Administration Subtab

To run the Quality Assurance Check from the (Summary) Administration subtab:

1. From the Service Contracts Authoring window, select the **Summary** tab and **Administration** subtab. Select **Submit**.

The Quality Assurance Results window appears.

Note: If errors appear in the results, the Continue Approval box is not active. If you want to continue with the approval process, you must fix the errors and resubmit the contract.

2. Verify the following:

- Contract Number
- Default QA Checklist
- Results

For information about fixing errors, see Troubleshooting Errors, page 8-7.

3. If all results indicate Success, select **Continue Approval** to submit the contract to the approval workflow.

If warning messages appear, you can review the messages and determine if the issues should be fixed. If you determine that they do not need to be fixed, you can choose to ignore them.

Note: You can change the default QA checklist by selecting a different checklist from the Default QA Checklist LOV within the Summary Administration tab. After making the change, you must select Submit again.

Running the Contracts QA Program

This report enables you to run a QA check on multiple contracts. This is particularly useful when the reports is run immediately before the billing process to help identify issues on contracts before they are submitted to Accounts Receivable.

Use this option for very large contracts, when you do not want to wait for the entire QA process to finish.

To run the contracts QA program:

1. From the View menu, select **Requests**.
The Find Request window appears.
2. Select **Submit a New Request**.
The Submit a New Request window appears.
3. Select the **Single Request** radio button and click **OK**.
The Submit Request window appears.
4. From the Name LOV, select **Contracts QA Report** and click **OK**.
The parameters window appears.
5. Set the following parameters as required:
 - From Contract Number (required)
 - To Contract Number
 - From Start Date (required)

Note: When you run the report, the From Start Date and To Start Date will both default to the current date. If your contracts start prior to this date, you will not see a report. Be sure to check your start dates.

- To Start Date
- Contract Status
- Level of Details (required)

You can select a report that details all contracts selected, all contracts that pass the QA check, or all contracts that fail the QA check.

- **Submit for Approval:** If this parameter is set to Yes, the contract is automatically submitted for approval if it passes QA.
 - **Ignore QA Warning:** If this parameter is set to Yes, QA warnings are ignored
6. Click **OK**.
The Submit Request window appears with a concatenated listing of the parameters.
 7. Select **Submit**.
A Decision window appears with the request ID. You should make a note of this ID.
 8. Click **No**.
The Find Request window appears. You can use this window to track your request.
 9. Verify that the **View All My Request** radio button is selected, and click **Find**.
The Request window appears.
 10. After your request is completed, you can view the details by selecting **View Output**

Troubleshooting Errors

After you run the QA Check, you must review the Quality Assurance Results window. The results show any errors or warnings that are associated with the contract.

Following is a list of errors and a list of warnings that may appear in the Quality Assurance Results window.

Error Messages

You must correct all errors that are listed in the Quality Assurance Results. Error messages will prevent you from passing the QA check and submitting the contract for approval.

Error Messages Summary

Process Name	Error Message	Meaning and Resolution
Check Address	Bill to address is required on top line number Line 1.	<p>This message validates the following: a bill to address exists for service, usage, and extended warranty lines.</p> <p>It occurs when: the bill to address is missing on service, usage, or extended warranty lines.</p> <p>To fix the error: add a bill to account that has a billing address on the reported line.</p>
Check Address	Bill to address is invalid on top line number 1	<p>This message validates the following: whether bill to address is active for service, usage, and extended warranty lines.</p> <p>It occurs when: bill to address is not active on service, usage or extended warranty lines.</p> <p>To fix the error: change the bill to address on the reported line.</p>
Check Address	Bill to address is invalid at header level	<p>This message validates the following: whether bill to address is active at the header.</p> <p>It occurs when: bill to address is not active on header.</p> <p>To fix the error: change the bill to address at the header level.</p>

Process Name	Error Message	Meaning and Resolution
Check Address	Subscription line 1 should have a ship to address.	<p>This message validates the following: whether ship to address exists for subscription line.</p> <p>It occurs when: ship to address is missing on subscription line.</p> <p>To fix the error: add a ship to account that has a shipping address on the reported line.</p>
Check Address	Ship to address is invalid on top line number Line 1.	<p>This message validates the following: whether ship to address is active for service, usage and extended warranty lines.</p> <p>It occurs when: ship to address is not active on service, usage, or extended warranty lines.</p> <p>To fix the error: change the ship to address on the reported line.</p>
Check Address	Ship to address is invalid at header level	<p>This message validates the following: whether ship to address is active at the header.</p> <p>It occurs when: ship to address is not active on header.</p> <p>To fix the error: change the ship to address at the header level.</p>

Process Name	Error Message	Meaning and Resolution
Check Billing Schedule	Top line Line 1 Stream Level should be entered.	<p>This message validates the following: checks the Stream Level Line of the top line billing schedule.</p> <p>It occurs when: top line Stream Level Line has not been entered.</p> <p>To fix the error: enter the Stream Level Line of the top line billing schedule.</p>
Check Billing Schedule	Line 1 billing schedule should be entered.	<p>This message validates the following: checks the top line level elements.</p> <p>It occurs when: the level elements are missing.</p> <p>To fix the error: enter the level elements for the reported line.</p>
Check Billing Schedule	Sub line SLL period not same as bill schedule period.	<p>This message validates the following: reports an error if for Equal Amount and Covered level billing type the top line period is not the same as the sum of level elements.</p> <p>It occurs when: the top line period is not the same as the sum of level elements for Equal Amount and Covered level billing type.</p> <p>To fix the error: change the Stream Level Line period on the reported line.</p>

Process Name	Error Message	Meaning and Resolution
Check Billing Schedule	For Line 1 there is a mismatch between line amount and total billing schedule amount (sum of level elements).	<p>This message validates the following: for Equal Amount billing type a mismatch should not exist between line amount and billing schedule amount.</p> <p>It occurs when: the billing type is Equal Amount and the line amount is different from the billing schedule amount.</p> <p>To fix the error: change the billing schedule amount on the reported line.</p>
Check Billing Schedule	Line 1 Stream level effectivities should be within line effectivities	<p>This message validates the following: reports an error if billing cycle end date is prior to the top line end date or the billing cycle start date is not the same as the top line start date.</p> <p>It occurs when: billing cycle end date is prior to top line end date or when billing cycle start date is not the same as top line start date.</p> <p>To fix the error: change the billing cycle end date if it is prior to the top line end date or change the billing cycle start date if it is not the same as top line start date.</p>

Process Name	Error Message	Meaning and Resolution
Check Billing Schedule	Line 1 Stream level effectivities should be within line effectivities.	<p>This message validates the following: whether billing type is Equal Amount or Covered Level then billing cycle end date should not be later than top line end date.</p> <p>It occurs when: billing type is Equal Amount or Covered Level and billing cycle end date is later than top line end date.</p> <p>To fix the error: Make the billing cycle end date same as top line end date or change the billing type to Top Level.</p>
Check Billing Schedule	Subscription line 1 with final price can not be less than billed amount.	<p>This message validates the following: reports an error for subscription line if negotiated price is less than billed amount.</p> <p>It occurs when: negotiated price is less than billed amount in a subscription line.</p> <p>To fix the error: change the negotiated price on the reported line.</p>
Check Billing Schedule	Sub line billing flag should be same as top line billing flag.	<p>This message validates the following: subline billing type should be the same as top line billing type.</p> <p>It occurs when: subline billing type is different from top line billing type.</p> <p>To fix the error: make both subline and top line billing type the same.</p>

Process Name	Error Message	Meaning and Resolution
Check Billing Schedule	Start date and end date of sub line should be same as top line in equal amount.	<p>This message validates the following: start date and end date of sub line should be same as top line in Equal Amount.</p> <p>It occurs when: start date or end date of the sub line is not the same as the top line for Equal Amount billing type.</p> <p>To fix the error: change the start date or end date of the reported subline or top line.</p>
Check Billing Schedule	Sub line 1 Stream Level Line should be entered.	<p>This message validates the following: reports an error if subline stream level line is not found.</p> <p>It occurs when: sub line stream level line is not found.</p> <p>To fix the error: enter the stream level line on the reported subline billing schedule.</p>
Check Billing Schedule	Line 1 billing schedule should be entered.	<p>This message validates the following: reports an error if level element (billing schedule) is not found in the sub line.</p> <p>It occurs when: level element is not found in the subline.</p> <p>To fix the error: enter the level element on the reported subline.</p>

Process Name	Error Message	Meaning and Resolution
Check Billing Schedule	Sub line 1 SLL period 1 not same as bill schedule period 1.	<p>This message validates the following: reports an error if for Equal Amount and Covered level billing type the sub line billing period is not the same as the sum of level elements.</p> <p>It occurs when: billing type is Equal Amount or Covered level and the sub line billing period is not the same as the sum of level elements.</p> <p>To fix the error: fix the stream level line period for the reported sub line.</p>
Check Billing Schedule	Sub line 1 Product final price not same as total bill schedule amount.	<p>This message validates the following: subline level element total should be equal to subline price negotiated.</p> <p>It occurs when: covered line's billing schedule amount is not equal to the covered line's price negotiated.</p> <p>To fix the error: change the covered line's billing schedule amount.</p>
Check Billing Schedule	Sub line 1 Product final price cannot be less than billed amount.	<p>This message validates the following: subline final price cannot be less than billed amount.</p> <p>It occurs when: subline final price is less than billed amount.</p> <p>To fix the error: make the final price equal to or greater than the billed amount.</p>

Process Name	Error Message	Meaning and Resolution
Check Billing Schedule	Subline 1 SLL effectivities should be within sub line effectivities.	<p>This message validates the following: checks for Product billing cycle end date equal to lines end date for Equal Amount and Covered Level billing type</p> <p>This check is not done for Top level billing type because the stream level line end date in that case might go beyond the line end date.</p> <p>It occurs when: billing type is Equal Amount and Covered Level and product billing cycle end date is not the same as lines end date.</p> <p>To fix the error: change the billing cycle end date.</p>
Check Billing Schedule	Subline 1 SLL effectivities should be within sub line effectivities.	<p>This message validates the following: For Top Level billing type the billing cycle start date and subline start date should be the same.</p> <p>It occurs when: billing type is Top Level and subline billing cycle start date is not the same as subline start date.</p> <p>To fix the error: change the sub line billing cycle start date to the subline start date.</p>
Check Covered Levels OKS	At least one covered level line is required for contract line, 1, Service.	<p>This message validates the following: if a covered level is entered.</p> <p>It occurs when: covered level is missing.</p> <p>To fix the error: enter the covered level.</p>

Process Name	Error Message	Meaning and Resolution
Check Covered Levels OKS	Please enter a value for Final Price in contract line 1.	<p>This message validates the following: negotiated amount at covered levels is required.</p> <p>It occurs when: negotiated amount is missing from covered levels.</p> <p>To fix the error: enter a negotiated amount at covered levels.</p>
Check Covered Levels OKS	Quota Sales Credit at line must be assigned to 100% in contract line 1, Service.	<p>This message validates the following: sales credits must be defined for the line.</p> <p>It occurs when: sales credits have not been defined for the line.</p> <p>To fix the error: enter sales credits for the lines.</p>
Check Covered Levels OKS	Service item &Line_Name is not an active inventory item	<p>This message validates the following: contract contains an inactive inventory item from Oracle Installed Base</p> <p>It occurs when: a contract contains an inactive inventory item from Oracle Installed Base.</p> <p>To fix the error: enter an active inventory item in the Covered Name field.</p>
Check Covered Levels OKS	Covered item &Line_Name is not an active inventory item	<p>This message validates the following: contract contains an inactive covered item.</p> <p>It occurs when: contract contains an inactive covered item.</p> <p>To fix the error: enter an active covered item in the Covered Level field.</p>

Process Name	Error Message	Meaning and Resolution
Check Covered Levels OKS	Covered Party &Line_Name is not active	<p>This message validates the following: contract contains an inactive covered party.</p> <p>It occurs when: contract contains an inactive covered party.</p> <p>To fix the error: enter an active covered party in the Covered Level field.</p>
Check Covered Levels OKS	Covered Product &Line_Name is not active.	<p>This message validates the following: contract contains an inactive covered product.</p> <p>It occurs when: contract contains an inactive covered product.</p> <p>To fix the error: enter an active covered product in the Covered Level field.</p>
Check Covered Levels OKS	Covered System &Line_Name is not active.	<p>This message validates the following: contract contains an inactive covered system.</p> <p>It occurs when: contract contains an inactive covered system.</p> <p>To fix the error: enter an active covered system in the Covered Level field.</p>
Check Covered Levels OKS	Covered Site &Line_Name is not active	<p>This message validates the following: contract contains an inactive covered site.</p> <p>It occurs when: contract contains an inactive covered site.</p> <p>To fix the error: enter an active covered site in the Covered Level field.</p>

Process Name	Error Message	Meaning and Resolution
Check Covered Product Quantity	Item instance item 1 for line 1 is not found in installedbase.	<p>This message validates the following: whether the item instance is in installed base.</p> <p>It occurs when: the item is not found in installed base.</p> <p>To fix the error: select a new product.</p>
Check Covered Product Quantity	Covered product quantity and unit of measure on line 1 does not match the quantity and unit of measure in installedbase.	<p>This message validates the following: checks the covered product quantity and unit of measure against the quantity and unit of measure in installed base.</p> <p>It occurs when: the covered product quantity and unit of measure is different from the quantity and unit of measure in installed base.</p> <p>To fix the error: select a different product from the installed base or update the product quantity.</p>
Check Covered Product Quantity	Covered product quantity on line 1 does not match quantity in installedbase.	<p>This message validates the following: checks the covered product quantity against the quantity in installed base.</p> <p>It occurs when: the covered product quantity is different from the quantity in installed base.</p> <p>To fix the error: select a different product from the installed base or update the product quantity.</p>

Process Name	Error Message	Meaning and Resolution
Check Covered Product Quantity	Covered product unit of measure on line 1 does not match the value stored in installedbase.	<p>This message validates the following: checks the covered product unit of measure against the unit of measure in the installed base.</p> <p>It occurs when: the covered product unit of measure is different from the unit of measure in installed base.</p> <p>To fix the error: select a different product from the installed base or update the unit of measure</p>
Check Customer Availability	Bill to customer account is inactive on line number 1.	<p>This message validates the following: whether bill to customer account is active.</p> <p>It occurs when: bill to customer account is not active.</p> <p>To fix the error: change the bill to customer on the reported line.</p>
Check Customer Availability	There is no customer in the contract. Please define a party with the role of customer for the contract.	<p>This message validates the following: whether the contract header has a customer or third party.</p> <p>It occurs when: the contract header has no customer or third party.</p> <p>To fix the error: add a customer or subscriber or third party to the contract.</p>

Process Name	Error Message	Meaning and Resolution
Check Customer Availability	At least one bill to account on the contract lines belongs to Account 1. The Customer/Third party on the contract header is not related to this account.	<p>This message validates the following: whether the customer account that is stored in the contract lines belongs to the customer, third party or related customer.</p> <p>It occurs when: customer account stored on the contract top line does not belong to the customer, third party or related customer.</p> <p>To fix the error: change the customer account on the reported line.</p>
Check Email Address	Check Email Address	<p>This message validates the following: whether a valid e-mail id is provided for a contact at the header.</p> <p>It occurs when: e-mail address for a contact is not active on header.</p> <p>To fix the error: enter an email ID for a contact within the summary tab.</p>
Check Item Instance Is Valid	Service line 1 is covering an invalid subscription product.	<p>This message validates the following: whether the subscription item being covered belongs to an active/signed contract.</p> <p>It occurs when: a subscription item being covered as a covered product in contract A belongs to contract B but contract B is not active or signed.</p> <p>To fix the error: select another subscription item or make contract B active.</p>

Process Name	Error Message	Meaning and Resolution
Check Product Availability	Service 1 is not available for product 1.	<p>This message validates the following: if line status is Entered, then it checks whether service is available for the covered product or item.</p> <p>It occurs when: line status is Entered and service is not available for the covered product or item.</p> <p>To fix the error: select another covered product or item.</p>
Check Required Values	Please assign at least 2 different parties to your contract.	<p>This message validates the following: the contract contains only one party role.</p> <p>It occurs when: the Customer/Third Party information is missing in the contract.</p> <p>To fix the error: enter customer/third party details in the Summary tab.</p>
Check Required Values OKS	The contract has no CUSTOMER attached to it.	<p>This message validates the following: the contract contains a customer.</p> <p>It occurs when: customer has not been entered for the contract.</p> <p>To fix the error: enter customer details in the Summary tab.</p>

Process Name	Error Message	Meaning and Resolution
Check Required Values OKS	QA Check list is required for contract header 1.	<p>This message validates the following: the contract has a QA check list.</p> <p>It occurs when: a QA check list has not been selected for a contract.</p> <p>To fix the error: select a QA check list from the Administration subtab.</p>
Check Required Values OKS	Only one party role, may be attached to the contract.	<p>This message validates the following: Only one CUSTOMER/SUBSCRIBER may be attached to a contract.</p> <p>It occurs when: the contract has more than one party of role type customer/subscriber.</p> <p>To fix the error: verify that you have only one customer/subscriber.</p>
Check Required Values OKS	Only one party role, may be attached to the contract.	<p>This message validates the following: Only one VENDOR/MERCHANT can be attached to a contract.</p> <p>It occurs when: the contract has more than one party of role type vendor/merchant.</p> <p>To fix the error: verify that you have only one vendor/merchant.</p>
Check Required Values OKS	Short description is required for contract header 1.	<p>This message validates the following: a short description is in contract header.</p> <p>It occurs when: you do not have a short description on the contract header.</p> <p>To fix the error: add a short description.</p>

Process Name	Error Message	Meaning and Resolution
Check Required Values OKS	Either the price list is inactive or the price list is invalid for the contract currency. Select a valid price list for the contract currency.	<p>This message validates the following: whether that price list is active or valid for the contract currency.</p> <p>It occurs when: the price list is inactive, missing, or is invalid for the contract currency.</p> <p>To fix the error: select a valid price list.</p>
Check Required Values OKS	Price list ID is required for contract header 1.	<p>This message validates the following: a price list ID is in contract header.</p> <p>It occurs when: you do not have a price list under Pricing/Billing subtab.</p> <p>To fix the error: add a price list under the Pricing/Billing subtab.</p>
Check Required Values OKS	Contract group must be entered for contract header 1	<p>This message validates the following: a contract group is entered in the contract header.</p> <p>It occurs when: contract group is not entered on the contract header.</p> <p>To fix the error: add a contract group under the Administration sub tab.</p>

Process Name	Error Message	Meaning and Resolution
Check Required Values OKS	An approval workflow must be selected for the contract.	<p>This message validates the following: an approval workflow is selected for the contract.</p> <p>It occurs when: an approval workflow is missing.</p> <p>To fix the error: add an approval workflow under the Administration subtab.</p>
Check Required Values OKS	Line 1 UOM code and values should be entered.	<p>This message validates the following: if profile option OKS: Use Advanced Pricing for Manual Adjustment is set to Yes, then a value should be entered on the subline for unit price or UOM.</p> <p>It occurs when: profile option OKS: Use Advanced Pricing for Manual Adjustment is set to Yes, and unit price or UOM code is missing from subline.</p> <p>To fix the error: add a unit price or UOM code to the reported subline.</p>
Check Required Values OKS	Line 1 UOM code and values should be entered.	<p>This message validates the following: If profile option OKS: Use Advanced Pricing UOM is set, UOM becomes a required field on the subline.</p> <p>It occurs when: profile option OKS: Use Advanced Pricing for Manual Adjustment is set to No and uom code is missing from subline.</p> <p>To fix the error: add a uom code to the reported subline.</p>

Process Name	Error Message	Meaning and Resolution
Check Required Values OKS	Please enter the PO number for billing.	<p>This message validates the following: the PO flag and number under the billing section. If Purchase Order Required check box is selected, then PO number is required.</p> <p>It occurs when: the PO check box is checked but PO number is missing under the billing section under the Pricing/Billing subtab.</p> <p>To fix the error: add a PO number under the billing section under the Pricing/Billing subtab or clear the PO check box.</p>
Check Required Values OKS	Service PO number is missing.	<p>This message validates the following: the PO flag and number under the Service Charges section. If Purchase Order Required check box is selected, then PO number is required.</p> <p>It occurs when: the PO flag is checked under the Service Charges section under the Pricing/Billing subtab but the PO number is not entered.</p> <p>To fix the error: add the PO number under the Service Charges section under the Pricing/Billing subtab or clear the PO check box.</p>

Process Name	Error Message	Meaning and Resolution
Check Required Values	Conversion information is required for this contract.	<p>This message validates the following: the currency conversion type is entered if the From Currency and the To Currency are different.</p> <p>It occurs when: the to and from currencies are different and the currency conversion type is missing.</p> <p>To fix the error: add a currency conversion type under the Pricing/Billing subtab.</p>
Check Required Values	Price list currency, does not match header currency.	<p>This message validates the following: compares price list currency with contract header currency.</p> <p>It occurs when: the price list currency is not the same as the header currency.</p> <p>To fix the error: change the price list under the Pricing/Billing subtab</p>
Check Service Effectivity	Please enter a value for Inventory item status not active in contract line 1.	<p>This message validates the following: whether the inventory item status is active.</p> <p>It occurs when: When inventory item is no longer valid.</p> <p>To fix the error: change the inventory item on the reported line.</p>

Process Name	Error Message	Meaning and Resolution
Check Service Effectivity	Item: line 1 Not a valid Service	<p>This message validates the following: whether service or extended warranty is a valid item in the inventory table.</p> <p>It occurs when: the service or extended warranty is not a valid item.</p> <p>To fix the error: select another service or extended warranty line on the Accounts subtab, or delete the line.</p>
Check Service Effectivity	Item: line 1 Not a valid Usage	<p>This message validates the following: if the usage item is valid.</p> <p>It occurs when: the usage is not a valid item.</p> <p>To fix the error: select another usage on the Accounts subtab, or delete the line.</p>
Check Service Effectivity	The Product Item is not a Serviceable Product.	<p>This message validates the following: whether covered product is serviceable.</p> <p>It occurs when: a covered product is not serviceable.</p> <p>To fix the error: select another covered product from the Effectivities secondary tab (Products/Pricing subtab).</p>

Process Name	Error Message	Meaning and Resolution
Check Service Effectivity	Please enter a value for Covered item status not active in contract line 1.	<p>This message validates the following: the covered item status is active.</p> <p>It occurs when: covered item status is not active.</p> <p>To fix the error: select another covered item from the Effectivities secondary tab (Products/Pricing subtab).</p>
Check Service Effectivity	Please enter a value for Covered party status not active in contract line 1.	<p>This message validates the following: if covered party status is active.</p> <p>It occurs when: covered party status is not active.</p> <p>To fix the error: select another covered party.</p>
Check Service Effectivity	Please enter a value for Covered product status not active in contract line 1.	<p>This message validates the following: reports an error if covered product status is not active and contract status is not QA hold. Reports an error if covered product status is not active and the covered product has a future termination date and the contract status is QA hold.</p> <p>It occurs when: the covered product status is not active and contract status is not QA hold or when the covered product status is not active and the covered product has a future termination date and the contract status is QA hold.</p> <p>To fix the error: select another covered product.</p>

Process Name	Error Message	Meaning and Resolution
Check Service Effectivity	Please enter a value for Covered system status not active in contract line 1.	<p>This message validates the following: reports an error if Covered System status is not active.</p> <p>It occurs when: covered system status is not active.</p> <p>To fix the error: select another covered system.</p>
Check Service Effectivity	Please enter a value for Covered site status not active in contract line 1.	<p>This message validates the following: Reports an error if Covered Site status is not active.</p> <p>It occurs when: covered site status is not active.</p> <p>To fix the error: select another covered site.</p>
Check Subscription Element Exist	Subscription line 1 should have at least one subscription element.	<p>This message validates the following: for tangible items a delivery schedule is available.</p> <p>If the subscription line has a tangible item, then it should have at least one subscription element (delivery schedule).</p> <p>It occurs when: delivery schedule is missing for a tangible subscription.</p> <p>To fix the error: enter a delivery schedule.</p>

Process Name	Error Message	Meaning and Resolution
Check Subscription is Shippable	Subscription line 1 should have a ship to rule.	<p>This message validates the following: if subscription item is shippable, then ship to rule is required for that subscription line.</p> <p>It occurs when: subscription item is shippable, but ship to rule is missing from the subscription line.</p> <p>To fix the error: enter a ship to rule for the subscription line</p>
Check Subscription is Shippable	Subscription line 1 should have a ship to address.	<p>This message validates the following: if subscription item is shippable, then ship to address is required for that subscription line.</p> <p>It occurs when: subscription item is shippable, but ship to address is missing from the subscription line.</p> <p>To fix the error: enter a shipping address for the subscription line.</p>
Check Sum of Credit Card Numbers	Credit Card Number is invalid	<p>This message validates the following: whether the credit card numbers are valid based on sum calculations.</p> <p>It occurs when: credit card numbers are invalid.</p> <p>To fix the error: change the credit card number.</p>

Process Name	Error Message	Meaning and Resolution
Check Tax Exemption	Tax Exemption 1 on Line 1 is not effective for all billing periods in the billing schedule. The Tax Exemption will not be applicable after invoice date.	<p>This message validates the following: reports an error if tax exemption is invalid.</p> <p>It occurs when: tax exemption is invalid.</p> <p>To fix the error: select another tax exemption under the Exemption/Payment Options subtab.</p>
Check Tax Exemption	Tax Exemption 1 on Line 1 is not effective for all billing periods in the billing schedule. The Tax Exemption will not be applicable after invoice date	<p>This message validates the following: whether the exemption is valid on the line end date.</p> <p>It occurs when: the exemption is not valid on the line end date.</p> <p>To fix the error: adjust the line duration , or adjust the tax exemption duration.</p>
Check Tax Exemption	Tax exemption number 1 is either unapproved or invalid on the start date of line number 1 Tax exemption will not be applied to this line.	<p>This message validates the following: whether the exemption is valid on the line start date.</p> <p>It occurs when: the exemption is not valid on the line start date.</p> <p>To fix the error: approve the exemption or adjust the exemption duration .</p>

Process Name	Error Message	Meaning and Resolution
Check Tax Exemption	Tax exemption certificate number 1 on line 1 is only partially valid for the billing period. Exemptions will not be applied after the exemption certificate expires.	<p>This message validates the following: whether the exemption is valid on the line end date.</p> <p>It occurs when: the exemption is not valid on the line end date.</p> <p>To fix the error: adjust the line duration, or adjust the tax exemption duration.</p>
Check Tax Exemption	Tax exemption certificate number 1 on the header is only partially valid for the contract duration. Exemptions will not be applied after the exemption certificate expires.	<p>This message validates the following: whether the exemption is valid on the header end date.</p> <p>It occurs when: the exemption is not valid on the header end date.</p> <p>To fix the error: adjust the duration of the header, or adjust the duration of the tax exemption.</p>
Check Tax Exemption	Invalid tax exemption 1 for customer account on line 1.	<p>This message validates the following: whether the assigned tax exemption belongs to the customer on the line.</p> <p>It occurs when: the tax exemption does not belong to the customer on the line (when the line is transferred to a new customer, or the line was copied to a contract with a different customer).</p> <p>To fix the error: Remove the tax exemption (or assign the tax exemption that is associated with the current customer).</p>

Process Name	Error Message	Meaning and Resolution
Check Tax Exemption	Tax exemption certificate number 1 on the contract header is invalid or unapproved.	<p>This message validates the following: whether the assigned tax exemption is approved and valid.</p> <p>It occurs when: the tax exemption is invalid or unapproved.</p> <p>To fix the error: Approve the exemption or remove the exemption.</p>
Check Tax Exemption	This contract has an unapproved exemption. Billing this contract will result in creation of an invoice with an unapproved tax exemption.	<p>This message validates the following: whether the assigned tax exemption is approved.</p> <p>It occurs when: the tax exemption is unapproved.</p> <p>To fix the error: Approve the exemption.</p>

Warning Messages

You should review all warning messages before submitting the contract for approval. However, warning messages will not prevent you from passing the QA check and submitting the contract for approval.

Warning Messages Summary

Process Name	Warning Message	Meaning and Resolution
Check Covered Level Overlap	Line 1 is also in Contract 1	<p>This message validates the following: whether the current contract has covered lines for which dates overlap the covered lines of an existing contract that is not canceled, terminated, or expired.</p> <p>It occurs when: the current contract has lines that overlap with an existing contract that is not canceled, terminated or expired.</p> <p>If the warning should be fixed: delete the lines that are overlapping.</p>
Check Email Address	This Contract is missing at least one party contact with email address.	<p>This message validates the following: party contact has an e-mail address.</p> <p>It occurs when: the party contact is missing an e-mail address.</p> <p>If the warning should be fixed: add an e-mail address to the party contact.</p>
Check Preventive Maintenance	Contract line 1; The definition of Preventive Maintenance Program or Activities is no longer valid.	<p>This message validates the following: whether preventive maintenance program or activities have been terminated in AHL.</p> <p>It occurs when: preventive maintenance program or activities have been terminated in AHL.</p> <p>If the warning should be fixed: select a different program name in coverage that is not terminated.</p>

Process Name	Warning Message	Meaning and Resolution
Check Preventive Maintenance	Contract line 1; No Preventive Maintenance Schedule is defined for any activity	<p>This message validates the following: whether there any schedules are defined in Contracts for the Preventive Maintenance Program or Activities.</p> <p>It occurs when: no schedules defined in Oracle Service Contracts for the Preventive Maintenance Program or Activities</p> <p>If the warning should be fixed: navigate to the Program Schedule or Activity Schedule tab as appropriate and define stream levels and schedules.</p>
Check Preventive Maintenance	Contract line 1; The definition of Preventive Maintenance Program has been modified.	<p>This message validates the following: new activities have been associated with the preventive maintenance program in AHL.</p> <p>It occurs when: new activities have been associated with the preventive maintenance program in AHL.</p> <p>If the warning should be fixed: select the same Program Name from the LOV.</p>

Process Name	Warning Message	Meaning and Resolution
Check Price Lock	Price locks are removed during contract renewal or copy. To re-lock the price list for contract line 1, refer to contract 1 line 1 for the previous locked price.	<p>This message validates the following: whether price lock is present on the original contract lines and not on the copied/renewed lines.</p> <p>It occurs when: price lock is present on the original contract lines and not on the copied/renewed lines.</p> <p>If the warning should be fixed: review the prior prices if necessary and relock prices on the current contract on the reported line.</p>
Check Required Values for Preventive Maintenance	Contract line 1; The effective start date of the Preventive Maintenance Program / Activities should be less than or equal to the line start date.	<p>This message validates the following: the effective start date of the Preventive Maintenance Program or Activities should be after the contract line start date.</p> <p>It occurs when: the effective start date of the Preventive Maintenance Program or Activities is after the contract line start date.</p> <p>If the warning should be fixed: select a different program name in Coverage that is effective.</p>

Approving Contracts

This chapter covers the following topics:

- Approving Contracts
- Submitting Contracts for Approval
- Tracking Contracts During the Approval
- Approving Contracts
- Signing Contracts

Approving Contracts

This group of topics explains the contract approval process.

Oracle Service Contracts leverages Oracle Workflow to automate the contract approval process. After you author a contract you must:

- Submit the contract for approval.
- Secure approval on the contract.
- Obtain a signature on the contract.

The Submit for Approval function starts the quality assurance (QA) check. If the QA check is successful you can continue the approval process, which submits the contract to the approval workflow. See *About the Quality Assurance Check*, page 8-1.

Note: The standard contract approval workflow integrates with Oracle Approval Management Engine (AME). Oracle Service Contracts supports standard AME features such as rules based approval routing and definition of approval groups. There are mandatory setups in AME for Oracle Service Contracts. For more information, see the *Oracle Service Contracts Implementation Guide*.

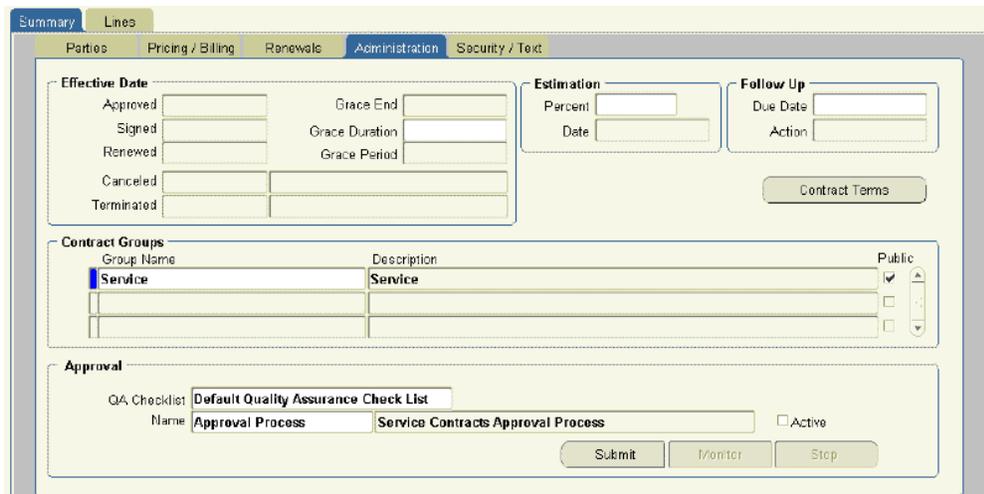
Following the contract approval and signing, the application updates the contract status to Signed or Active, depending on whether or not the start date has passed.

Submitting Contracts for Approval

You can submit a contract for approval from the Service Contracts Authoring window, which is covered in the following procedure. You can also submit a contract for approval from the Administrator Workbench, see Submitting a Contract for Approval from the Administrator Workbench, page 13-7.

To submit contracts for approval:

1. From the Service Contracts Authoring window, select the **Summary** tab and **Administration** subtab.



The screenshot shows the 'Summary Administration' subtab of the Service Contracts Authoring window. The interface includes several sections: 'Effective Date' with fields for Approved, Signed, Renewed, Canceled, and Terminated; 'Estimation' with Percent and Date fields; 'Follow Up' with Due Date and Action fields; 'Contract Groups' with a table listing 'Service' groups; and 'Approval' with a QA Checklist dropdown set to 'Default Quality Assurance Check List' and a Name field containing 'Approval Process' and 'Service Contracts Approval Process'. There are 'Submit', 'Monitor', and 'Stop' buttons at the bottom right.

2. Click **Submit**.

The Quality Assurance Results window appears. You must confirm there are no errors on the report. See About the Quality Assurance Check, page 8-1.

3. From the Quality Assurance Results window, click **Continue Approval**.

The Contract Authoring page returns with the Summary Administration subtab selected. You have submitted the contract to the approval workflow that is selected in the Approval Workflow region.

Review the following procedures:

- Tracking Contracts During the Approval, page 9-3.
- Approving Contracts, page 9-4.

- Signing Contracts, page 9-6.

Alternatively, you can submit the contract by selecting **Submit for Approval** from the Actions menu.

Note: Contracts that have been submitted to the approval workflow are locked for further authoring. However, communications and attachments can still be added to the contract after it has been submitted for approval.

Tracking Contracts During the Approval

To track contracts during the approval:

1. From the Service Contracts Authoring window, select the **Summary** tab and **Administration** subtab.

The screenshot displays the 'Administration' subtab of the Service Contracts Authoring window. It features several sections:

- Effective Date:** Fields for Approved, Signed, Renewed, Canceled, and Terminated, along with Grace End, Grace Duration, and Grace Period.
- Estimation:** Fields for Percent and Date.
- Follow Up:** Fields for Due Date and Action.
- Contract Groups:** A table with columns for Group Name, Description, and Public. The first row shows 'Service' for both Group Name and Description, with the Public checkbox checked.
- Approval:** Fields for QA Checklist (Default Quality Assurance Check List) and Name (Approval Process), with an Active checkbox checked. Buttons for Submit, Monitor, and Stop are located at the bottom right.

2. Select **Monitor**.

The Monitor Diagram page appears in a new browser window.

Beneath the Current Status heading, you can view the current status and a visual diagram of the workflow approval process.

3. Follow the green arrow within the diagram to determine where the contract is in the approval process.

For example, if the contract requires approval the green arrow leads to the Contract Approval Required process.

4. To view details for a given process step, select the process icon within the diagram.

The tabs beneath the diagram show status information for the selected process.

Tabs include Definition, Status, Usage, and Notification.

For more information on monitoring workflows, refer to the *Oracle Workflow User's Guide*.

Note: You can stop the approval process by selecting the **Stop** button within the Administration subtab.

Approving Contracts

To approve a contract:

1. From the Navigator, navigate to **Contract Administration**, and then select **Launchpad**.
2. From the Inbox region, click **Find**.
The Inbox Find window appears.
3. From the Select Notification Type list, select **Contract Approvals**.

InBox Find

Select Status

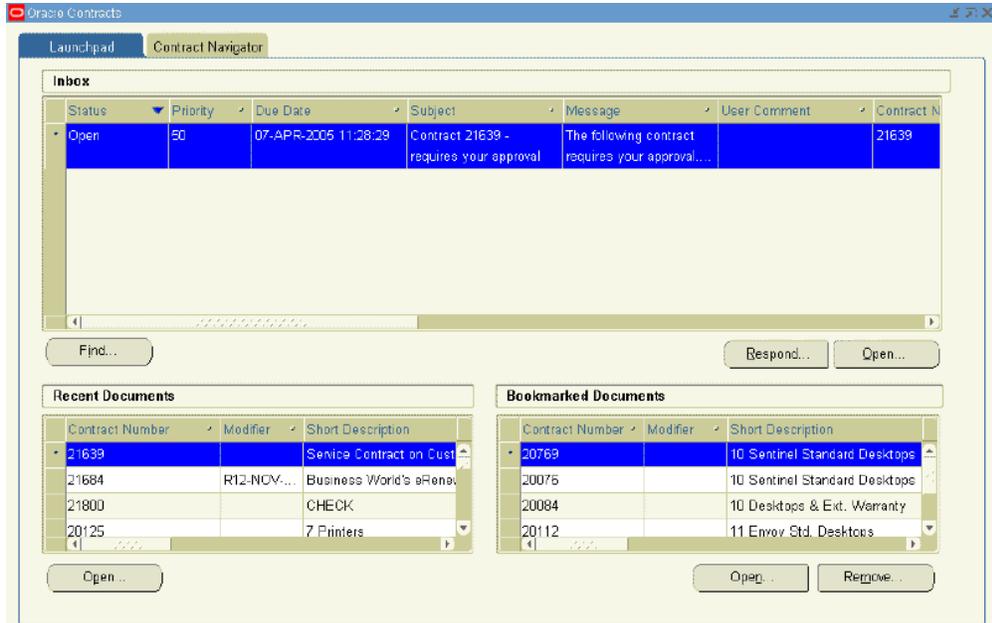
Select Notification Type **Contract Approvals**

Find Cancel

4. Select **Find**.

The Inbox is refreshed with contracts that require approval.

5. Highlight the contract you would like to approve.



6. Select **Respond**.

A worklist page appears within a new browser window. You can either approve, reject, reassign the approval to someone else, or request information.

You may add a note to the Response region.

7. Select **Approve**.

The Worklist summary appears. The message indicates, **Contract requires your signature**. You can select the **Contract requires your signature** link and sign the contract.

Signing Contracts

To sign a contract:

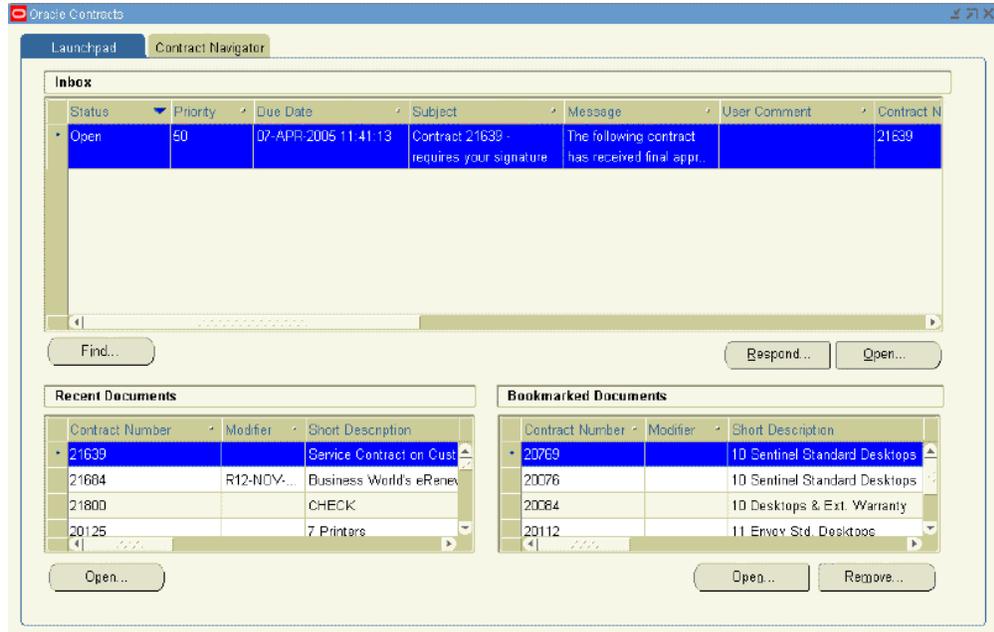
1. From the Navigator, navigate to **Contract Administration**, and then select **Launchpad**. The Launchpad appears.
2. In the Inbox region, click **Find**.
The Inbox Find window appears.
3. From the Select Notification Type list, select **Contract Requiring Signature**.



4. Select **Find**.

The Inbox is refreshed with contracts that require a signature.

5. Highlight the contract you would like to sign.



6. Select **Respond**.

A worklist page appears within a new browser window. You can either sign, not sign, reassess, or request additional information.

You may add a note to the Response region.

7. Select **Yes**.

The Worklist summary appears. The message indicates, **Contract has been Signed**.

This chapter covers the following topics:

- Overview of Billing
- Understanding Billing Levels
- Creating Billing Profiles
- Billing Customers Based on Usage
- Billing Using Credit Cards or Commitments
- Specifying Multiple General Ledger Accounts for Contract Revenue Streams
- Executing Billing Through Concurrent Programs
- Running the Service Contracts Main Billing Program
- Running the AutoInvoice Import Program
- Running the Service Contracts Fetch Receivables Info for Billing Program
- Running the Service Contracts Usage Averaging Program
- Running the Service Contracts Usage Settlement Program
- Viewing Invoice Details
- Viewing Invoice History
- Reviewing Invoice Transactions in Oracle Receivables
- Understanding Bill Presentment Architecture
- Using Variable Accounting and Partial Periods Revenue Recognition

Overview of Billing

This group of topics explains how billing works.

A billing schedule determines when the customer is billed for the services they receive. You must specify billing schedules for each contract that you author in Oracle Service

Contracts.

Note: Contracts can be indirectly created from Oracle Order Management. You do not need to create billing schedules for such contracts.

Billing schedules can be defined at the contract header, the contract line, or the subline level.

For information about setting up billing schedules at the contract header level, see *Entering Billing Schedules*, page 2-11.

For information about setting up billing schedules at the line level, see:

- *Specifying a Billing Schedule*, page 3-38 (for a service line)
- *Specifying a Billing Schedule for a Usage Line*, page 4-31
- *Specifying a Billing Schedule for Subscriptions*, page 5-12

About Partial Period Computation

You can set attributes that enable the application to calculate billing for partial periods. A partial period duration is shorter than a full billing period duration, such as 10 days rather than a full month. It is a ratio of the number of days in the partial period to the number of days in the billing period duration (stream period unit of measure (UOM)). The number of days in the billing period duration is based on the selection that is made in the partial period attributes Period Type. For example for billing period duration Month, if you select a Fixed Period Type, then number of days for any month is considered 30, but if you select Actual, then number of days for any month is the actual number of days as per the standard calendar. The application uses the Period Start attributes if service effectivity starts from the middle of a billing calendar period and ends in the middle of a billing calendar period. The Period Start attribute provides two options, Calendar and Service.

You can define partial period attributes at the operating unit level within Global Contracts Defaults. See *Entering Contract Defaults*, page 2-36

Partial Period Billing Example

Suppose your contract contains:

- Service Line Duration: 15-JAN-2006 to 14-JAN-2007
- Billing Frequency: Month
- Period Type: Actual
- Period Start: Calendar

The application generates the first billing schedule period using a partial period with

start date as service start date, which is 15-JAN-2006, and end date as first calendar billing period's end date, which is 31-JAN-2006. The application generates the last billing schedule period with start date of the last calendar billing period, which is 01-JAN-2007, and the end date of the service end date, 14-JAN-2007. All other billing schedules start from the calendar month's first date and end with calendar month's end date. For example, the application generates the second billing schedule with a start date of 01-FEB-2006 and an end date of 28-FEB-2006. The following table lists the billing schedules:

Sequence	Start Date	End Date
1	15-JAN-2006	31-JAN-2006
Partial Period		
2	01-FEB-2006	28-FEB-2006
3	01-MAR-2006	31-MAR-2006
4	01-APR-2006	30-APR-2006
5	01-MAY-2006	31-MAY-2006
6	01-JUN-2006	30-JUN-2006
7	01-JUL-2006	31-JUL-2006
8	01-AUG-2006	31-AUG-2006
9	01-SEP-2006	30-SEP-2006
10	01-OCT-2006	31-OCT-2006
11	01-NOV-2006	30-NOV-2006
12	01-DEC-2006	31-DEC-2006
13	01-JAN-2007	14-JAN-2007
Partial Period		

No Partial Period Billing Example

Suppose your contract contains:

- Service Line Duration: 15-JAN-2006 to 14-JAN-2007

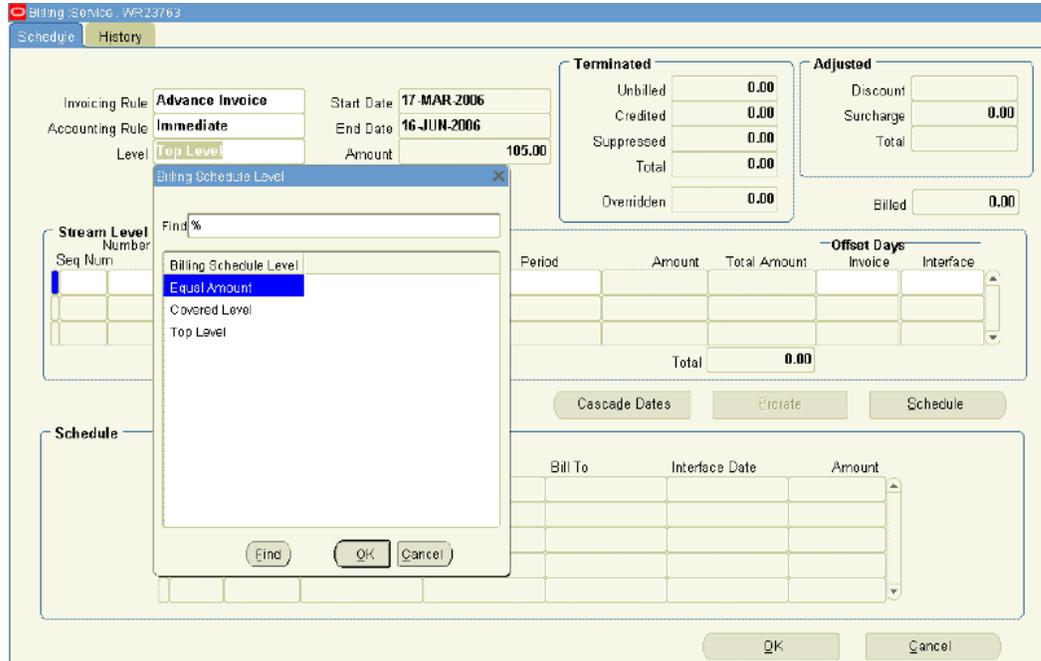
- Billing Frequency: Month
- Period Type: Actual
- Period Start: Service

The application creates 12 billing schedules, each with full billing period durations. For example, the first billing schedule is 15-JAN-2006 to 14-FEB-2006, and the second billing schedule is 15-FEB-2006 to 14-MAR-2006. The application follows this pattern until the end date. The following table lists the billing schedules:

Sequence	Start Date	End Date
1	15-JAN-2006	14-JAN-2006
2	15-FEB-2006	14-FEB-2006
3	15-MAR-2006	14-MAR-2006
4	15-APR-2006	14-APR-2006
5	15-MAY-2006	14-MAY-2006
6	15-JUN-2006	14-JUN-2006
7	15-JUL-2006	14-JUL-2006
8	15-AUG-2006	14-AUG-2006
9	15-SEP-2006	14-SEP-2006
10	15-OCT-2006	14-OCT-2006
11	15-NOV-2006	14-NOV-2006
12	15-DEC-2006	14-DEC-2006

Understanding Billing Levels

From the Billing window, you can define a billing level for the billing schedule. Three levels exist, but not all levels are available to each line type, nor are all levels available at the header level.



The following provides general information about the billing levels, however; to understand which of these levels the header and lines can use, refer to the topics that are noted at the end of each description.

The three billing levels are:

- **Equal Amount:** enables you to bill for equal amounts over the billing period and have control over the amount to be billed as well as the billing periods. You can also use the Prorate button to spread the amount across billing periods. The start and end dates of all top lines and their sublines must be the same. You cannot modify the schedule form after it is generated.

Equal Amount can be set at the header, service line, or subscription line level:

- Header, see *Creating a Default Billing Schedules*, page 2-11
- Service lines, see *Specifying a Billing Schedule*, page 3-38
- Subscription lines, see *Specifying a Billing Schedule for Subscriptions*, page 5-12
- **Top Level:** enables you to define the billing periods. The billing engine calculates the bill amounts, so the amount fields and Prorate button are disabled. With Top Level, line level start and end dates can differ from the sublines. When you are creating billing schedules at this level, the total stream level amounts from the sublines roll up to the line levels. Also, once a line level billing schedule exists, all new sublines that are added will automatically update the billing amount per period without your needing to revisit the line level and click Schedule again.

Whenever the duration of the line is increased, an additional billing stream is 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 can be automatically removed, as long as those streams are entirely outside of the new contract duration. If these changes are cascaded to the sublines, 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.

Top Level can be set at the header, service line, or usage line level:

- Header, see *Entering Billing Schedules*, page 2-11
 - Service lines, see *Specifying a Billing Schedule*, page 3-38
 - Usage lines, see *Specifying a Billing Schedule for a Usage Line*, page 4-31
- **Covered Level:** when the covered level effective dates are not the same as the service line effective dates and you want to have different billing frequency for each subline, you can 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, you can modify and update the billing schedule for a given covered level. You can enter amounts for every period and use the Prorate button.

Covered Level can be set at the service line level:

- Service lines, see *Specifying a Billing Schedule*, page 3-38

Note: You can select a billing level default by setting the profile OKS: Billing Schedule Level. If the level that you select is not available to the header or the line, the defined value will not default.

For example, if the default is set to Top Level and you create a subscription line, the defaulted value will not be Top Level, despite the setting. This is because subscription lines must be Equal Amounts, not Top Level.

Note: Although subline totals are the same for Covered Level and Equal Amount, the calculations at the line level are different.

- For Equal Amount, the schedule amount is the sum of subline level element amount. However, if you navigate to the subline billing schedule, the subline level amount and equal amount are the same. If you view the schedule from

each of the sublines, all stream level and billing schedule amounts and level amounts are the same.

- For Covered level billing, the schedule amount is the subline level amount at the top line. It is not rolled up from subline.

Example

A service line has two sublines, each with \$100 for a year. The amount in the billing stream for line is calculated as $\$200/12=16.67$ and is same for both Equal Amount and Covered Level. For Equal Amount, each entry in the Billing Schedule at the line level, equals the sum of the individual amounts for each subline. The amount for periods 1 through 11 are \$16.68 ($\$8.34 + \8.34) and the amount for period 12 is \$16.52 ($\$8.26 + \8.26). For Covered Level, each entry in the Billing Schedule at the line level is set to the calculated amount from the stream level (\$16.67). Each of the twelve Level Amount entries is always the same amount. The schedule amount is what is billed to AR and not the amount in the billing stream.

Creating Billing Profiles

All customer account information is set up in Oracle Receivables, which includes a single billing profile that is applicable when you are 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.

For example, you could set up a billing profile, called Monthly Interval, which passes a monthly billing schedule with specific accounting and invoicing rules. You could use this profile to default information and also when renewing contracts if the billing durations are not the same between the original and renewed contracts.

You can use the billing profile to overwrite any existing line level billing schedule 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 with the Global Contract Defaults form.

Prerequisites

Define the following options:

- Accounting Rules

- Invoicing Rules
- Billing Levels
- Recurring Intervals

To create billing profiles:

1. From the Navigator, select **Setup: Service Contracts**, and then select **Billing Profiles**.

The Billing Profile window appears.

The screenshot shows the 'Billing Profile' window with the following fields and options:

- Profile Number: [Text Field]
- Description: [Text Field]
- Party: [Text Field]
- Party Number: [Text Field]
- Accounting Rule: [Text Field]
- Invoicing Rule: [Text Field]
- Billing Level: [Dropdown Menu] (Current selection: Top Level)
- Bill To Address: [Text Field]
- Billing Type**
 - One time
 - Recurring
 - Interval: [Text Field]
- Offset(Days)**
 - Invoice: [Text Field]
 - Interface: [Text Field]

2. Enter an alphanumeric profile number.
3. Enter the profile description.
4. Optionally, select a party, such as Business World.
When a billing schedule is assigned to a party, the profile is limited to that party. If you are creating a contract for another party, you do not see this billing profile in the LOV when you cascade attributes.
5. Select an Accounting Rule from the LOV.
6. Select an Invoicing Rule from the LOV.
7. Select a Billing Level from the LOV.

8. Select **One Time** or **Recurring** as the Billing Type option.
For the Recurring billing, select a billing Interval from the LOV, 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 on which the billing period passes to Oracle Receivables.
11. Save.

The screenshot shows the 'Billing Profile' form with the following details:

- Profile Number: BP-BW1
- Description: Business World Profile 1
- Party: Business World
- Party Number: 2813
- Accounting Rule: Immediate
- Invoicing Rule: Arrears Invoice
- Billing Level: Top Level
- Bill To Address: San Jose (OPS)
- Address: 2391 L Street San Jose, Santa Clara CA 95106, United States
- Billing Type:**
 - One time
 - Recurring
 - Interval: Month
- Offset(Days):**
 - Invoice: []
 - Interface: []

Note: 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.

No restrictions exist for the number of billing profiles.

Billing Customers Based on Usage

For usage lines, you can bill customers using different methods. Some of these methods are fixed; others are based on counter readings or estimation values.

To understand how a customer can be charged for usage lines, see *Specifying How Customer is Charged*, page 4-6.

Billing Using Credit Cards or Commitments

Oracle Service Contracts integrates with Oracle Receivables to support multiple billing methods.

When you enter billing terms for a contract, you can select a method of payment from a LOV. These methods include Credit Card and Commitment (prepayment). You select a method from the Pricing/Billing subtab of the Summary tab.

If you select the Credit Card method, then you must select a credit card from the LOV. The application displays the 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. See:

- (header) Specifying Payment by Credit Card or Commitment Number, page 2-23.
- (lines) Specifying Payment by Credit Card or Commitment Number, page 3-45.

Specifying Multiple General Ledger Accounts for Contract Revenue Streams

Situations may occur in which you want to distribute revenue for a contract line to one or more general ledger accounts other than the default account that was specified during the implementation.

You can change the default revenue distribution for an Entered contract. You can also open an Active contract for update, or create a change request. If you are changing the revenue distribution for a contract after a line has been billed, you will change only 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 specify multiple general ledger accounts for contract revenue streams:

1. From the Service Contract Authoring window, select a line to specify multiple general ledger accounts.
2. From the Tools menu, select **Revenue Distribution**.

The Revenue Distribution window appears for the line.

Service : WR18533

GL Account

Revenue Distribution

Override Account	Percent

Total %

3. Review the account in the GL Account field.
4. Select the LOV for the Override Account field.
The Operations Accounting Flex window appears.

Operations Accounting Flex

Account Alias Payables

5. Select the LOV for the Account Alias field.
The Account Alias window appears.
6. Select an account alias.
The account number for the account alias appears in the Override Account field.

Note: For some accounts, the Operations Accounting Flex window appears. You can select the overriding account by selecting the

segment values, or by selecting from the list of combinations.

For more information, refer to the *Oracle General Ledger User Guide*.

7. Enter the percentage to be allocated to the account in the Percent field.
After you have entered all the override accounts, the Total % field must equal 100%.
8. To add additional override accounts, repeat steps 3 through 7.

Service : WR18533

GL Account

Revenue Distribution

Override Account	Percent
<input type="checkbox"/> 01-000-2210-0000-000	55.00
<input checked="" type="checkbox"/> 01-580-7740-0000-000	45.00
<input type="checkbox"/>	

Total %

9. Click OK.

Executing Billing Through Concurrent Programs

To initiate and complete the billing process, you must run the following concurrent programs:

- Service Contracts Main Billing
- AutoInvoice Import Program

- Service Contracts Fetch Receivables Info for Billing

Note: You should run contracts through the quality assurance check prior to submitting them for billing. This helps to ensure that the billing process is successful.

Note: As part of the Multi Org Access Control (MOAC), all billing programs process only those contracts that belong to the operating units that are listed by the security profile associated with the current responsibility

Running the Service Contracts Main Billing Program

This program is owned by Oracle Service Contracts. It generates a log file of the total value processed, total value successful, and total value rejected for billing. For a description, see About Concurrent Programs, page 21-8.

For usage lines, the Service Contracts Main Billing program calculates billing amounts based upon the usage type. See Specifying How the Customer is Charged, page 4-6.

To run the Service Contracts Main Billing program:

1. From the Navigator, navigate to **Requests**, and then select **Run**.
The Submit New Request window appears.
2. Select **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 that you want as the default. (The default is the system date on your computer.)
 - **Operating Unit:** Enter the operating unit 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 to send these transactions to special preview tables to enable you to review the invoice details before you submit them to Oracle Receivables. Leave it at no if you want the transactions passed to Oracle Receivables.

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. Because the invoice number is assigned and tax is calculated by Oracle Receivables, neither of these pieces of information can be populated until after the Service Contracts Fetch Receivables Info for Billing program is run. The tax amount will be omitted and the invoice number of -99 will be supplied.

Running the AutoInvoice Import Program

This program is owned by Oracle Receivables. It imports the billing transactions from the Service Contracts Main Billing Program into Oracle Receivables and generates the invoice details.

To run the AutoInvoice Import Program:

After you run the Service Contracts Main Billing Program, you must run the Autoinvoice Import Program to import the billing transactions into Oracle Receivables for processing.

For more information about how to run this program, see the *Oracle Receivables User Guide*.

Running the Service Contracts Fetch Receivables Info for Billing Program

This program is owned by Oracle Service Contracts. For a description, see About Concurrent Programs, page 21-8.

To run the Service Contracts Fetch Receivables Info for Billing program

1. From the Navigator, navigate to **Requests**, and then select **Run**.
The Submit a New Request window appears.
2. Select **Single Request**, and click **OK**.

The Submit Request window appears.

3. In the Name field, select **Service Contracts 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. The invoice number and tax appear in the billing details.

Running the Service Contracts Usage Averaging Program

Usage averaging is used to give price benefits to the user for higher consumption in a period. This feature enables the user to distribute consumption evenly in multiple billing periods. After the application distributes the consumptions evenly, price breaks are applied to these consumptions to get new billing amounts for the period.

This program is owned by Oracle Service Contracts. For a description, see About Concurrent Programs, page 21-8.

For information about usage lines, see Entering Usage Lines, page 4-3.

To run the Service Contracts Usage Averaging program:

1. In the Navigator, navigate to **Requests**, and then select **Run**.
The Submit New Request window appears.
2. Select **Single Request**, and click **OK**.
The Submit Request window appears.
3. In the Name field, select **Service Contracts Usage Averaging**.
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**. In the Submit Request window, click **Submit Request**.

Running the Service Contracts Usage Settlement Program

Usage billing supports settlement features for Actual Per Period. This program is used to settle the discrepancies between actual consumption and actual billed amount. This type of situation may arise when consumption for billing period is captured after you run the main billing for that billing period. Currently a separate settlement program exists to do settlements of usage lines.

Settlement can also be done by billing program at the time of invoice generation.

The Service Contracts Usage Settlement program is owned by Oracle Service Contracts. For a description, see About Concurrent Programs, page 21-8.

For information about usage lines, see Entering Usage Lines, page 4-3.

To run the Service Contracts Usage Settlement program:

1. In the Navigator, navigate to **Requests**, and then select **Run**.
The Submit New Request window appears.
2. Select **Single Request**, and click **OK**.
The Submit Request window appears.
3. In the Name field, select **Service Contracts Usage Settlement**.
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**. In the Submit Request window, click **Submit Request**.

Viewing Invoice Details

You can use the Invoice Details function to review payment, credit, and adjustment information that is applicable to the contract, lines, and sublines.

Prerequisite

Run the necessary concurrent programs to generate billing transactions. See Executing Billing Through Concurrent Programs, page 10-12.

To view invoice details:

1. From the Service Contracts Authoring window, select the **Tools** menu and **Invoice Details**.
The Invoice Details window appears with the invoice number, date, source, transaction type, and amount.

Seq Num	Number	Date	Class	Source	Transaction Type	Amount
1	613	17-MAR-2005	Invoice	Service	Regular Invoice	420
2	742	14-APR-2005	Credit Memo	Service	Termination Credi	-246.72

Buttons: Payment Details, Line Details, OK

- Click the **Payment Details** button.
The Payment Details window appears with the payment amount and payment date.
Click **OK** when finished viewing payment details.
- From the Invoice Details window, click the **Line Details** button.
The Line Details window appears with item names and descriptions, unit of measure, unit price, billed amount, and tax rate for the lines.
Click **OK** when you are finished viewing the Line Details.
- Click **OK** to return to the Service Contract Authoring window.

Viewing Invoice History

You can use the History tab of the Billing window to review billing history. This tab is populated after you run the billing execution programs. See Executing Billing Through Concurrent Programs, page 10-12.

You should understand the following about the details that are associated with the History tab of the Billing window:

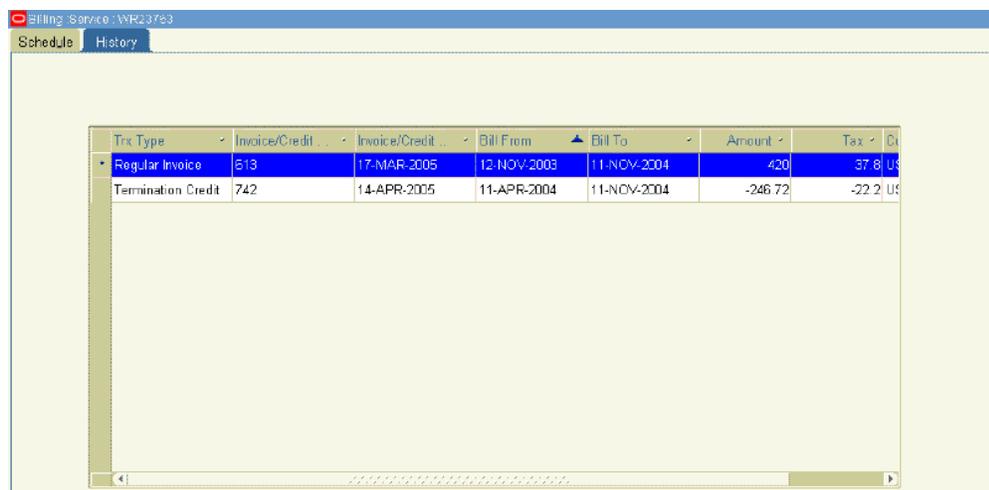
- Line-level billing schedule histories are populated with the actuals.
- Header-level billing schedules do not show any billing history.

Prerequisite

Run the necessary concurrent programs to generate billing transactions. See Executing Billing Through Concurrent Programs, page 10-12.

To view invoice history:

1. From the Service Contracts Authoring window, select the **Lines** tab and **Pricing/Products** subtab.
2. Select a line.
3. Click the **Billing** button
The Billing window appears.
4. Select the **History** tab.



The screenshot shows a window titled "Billing Service: WR237e3" with two tabs: "Schedule" and "History". The "History" tab is active, displaying a table with the following data:

Trx Type	Invoice/Credit	Invoice/Credit	Bill From	Bill To	Amount	Tax	Ct
Regular Invoice	613	17-MAR-2005	12-NOV-2003	11-NOV-2004	420	37.8 US	
Termination Credit	742	14-APR-2005	11-APR-2004	11-NOV-2004	-246.72	-22.2 US	

You can view the billing history from this tab, including invoice information and billing dates.

Note: If summary transactions are selected with either a profile option or the contract check box, the history contains one transaction line per billing period. However, if detail transactions are being sent to Oracle Receivables, the billing history shows the details for each subline per billing period. You can view the details of that billing transaction by right-clicking any line in the billing history.

Reviewing Invoice Transactions in Oracle Receivables

For detailed information about using Oracle Receivables, see the *Oracle Receivables User Guide*.

To review invoice transactions in Oracle Receivables:

1. From the Navigator, select the **Receivables, Vision Operations (USA)** responsibility.
2. Navigate to **Transactions**, and then select **Transactions**.
The Transactions window appears.
3. From the toolbar, select the **Flashlight** icon.
The Find Transactions window appears.
4. In the Sales Order Number field, enter the contract number.

Find Transactions (Vision Operations)

Transaction Numbers -

Sales Order Number

	Bill To	Ship To
Name	<input type="text"/>	<input type="text"/>
Number	<input type="text"/>	<input type="text"/>
Taxpayer ID	<input type="text"/>	<input type="text"/>

Purchase Order Numbers -

Document Numbers -

Reference Numbers -

Transaction Dates -

GL Dates -

Transaction Batches -

Transaction Batch Sources -

Transaction Types -

Class

Complete

Primary Salesperson

Credited Transaction

Period

Currency

5. Click **Find**.
The Transactions Summary window appears with the invoice information.

Understanding Bill Presentment Architecture

Bill Presentment Architecture (BPA) enables you to customize the content and formatting of billing data that your customers view online or print. Oracle Service Contracts is one of the data sources that can be used by the BPA framework.

A number of setups are required to enable this functionality. For more information, see the *Oracle Receivables User Guide*.

Using Variable Accounting and Partial Periods Revenue Recognition

Oracle Service Contracts carries sales credits from the order header to contract header and onto Oracle Receivables. Your administrator can select a variable accounting rule to recognize revenue based on any duration, such as daily, weekly or quarterly.

In addition, Oracle Service Contracts integrates with Oracle Receivables to enable partial period revenue recognition for services that are billed from service contracts. Your administrator can define accounting rules that recognize revenue evenly across all full periods in a schedule, and prorate recognition for partial periods that fall at the beginning or end of a schedule.

The following examples explain the two options that are available for partial revenue recognition. The first option is with daily rate applied to all periods including partial periods, and the second option is with revenue rate applied only to the first and last periods.

Example

Example: Your customer signs a contract on April 17, 2005 for a six-month service and the total price for six months is \$600 (with \$100 per month rate). The application bills one time in the amount of \$600 and recognizes revenue over the contract period. Accounting rule detail is:

- Type: Variable
- Period: Month

Option 1 Accounting Rule Type: Daily Revenue Rate, All Periods.

The application bases partial periods and full periods on the number of days in the periods.

1. Calculate daily rate based on the total number of days in the contract. The daily rate is $600/183$, which equals 3.28
2. First period equals number of days multiplied by the daily rate.
3. Middle period equals the number of days multiplied by the daily rate.
4. Last period equals the remainder. $600 - (45.92+101.68+98.40+101.68+101.68+98.40) =$

52.24 5.

5. Revenue Schedule is:

GL Date	Period	Amount	Days
17-APR	Month of April	\$45.92	14
17-MAY	Month of May	\$101.68	31
17-JUN	Month of June	\$98.40	30
17-JUL	Month of July	\$101.68	31
17-AUG	Month of August	\$101.68	31
17-SEP	Month of September	\$98.40	30
16-OCT	Month of October	\$52.24	16
Summary	7 Periods	\$600.00	183

Option 2: Accounting Rule Type: Daily Revenue Rate, Partial Periods

The application prorates partial periods based on the number of days in the periods. Full periods have equal revenue distributions.

1. Daily rate equals total amount/total number of days, which is $600/183 = 3.28$
2. First period equals the number of days multiplied by the daily rate.
3. Last period equals the number of days multiplied by the daily rate.
4. Middle periods equals (total amount less (the sum of the first period and last period))/number of middle periods, which is $(600 - (45.92+52.48))/5 = 100.32$
5. Revenue Schedule is:

GL Date	Period	Amount	Days
17-APR	Month of April	\$45.92	14
17-MAY	Month of May	\$100.32	31

17-JUN	Month of June	\$100.32	30
17-JUL	Month of July	\$100.32	31
17-AUG	Month of August	\$100.32	31
17-SEP	Month of September	\$100.32	30
16-OCT	Month of October	\$52.48	16
Summary	7 Periods	\$600.00	183

Accounting rules are set up in Oracle Receivables. For more information, see the *Oracle Receivables User Guide*

Managing Contract Negotiation

Overview of Managing Contract Negotiation

This group of topics explains the contract negotiation process. Topics include:

- Understanding the Negotiation Workflow, page 11-1
- Understanding the Negotiation Phases, page 11-3

Understanding the Negotiation Workflow

Most contracts go through several stages after you author or renew them. The negotiation workflow manages each of the stages of the negotiation cycle. The process is essentially the same for both new and renewed contracts with a few differences.

New Contracts

1. **Contract Creation and Negotiation:** Sales representative authors a new contract and negotiates the contract terms with customer.
2. **Notify Customer:** Sales representative notifies customer that the contract is waiting acceptance.

The sales representative can use the application e-mail or publish the contract online or use another means to notify the customer.
3. **Customer Acceptance:** Customer accepts, declines, or requests additional information either through the Online Acceptance Portal or verbally.
4. **Internal Approval:** After the customer or sales representative accepts the contracts the Internal Approval action is available from the Administrator Workbench .
5. **Activation:** Application activates the contract following acceptance and approval.

Renewal Contracts

1. **Contract Renewal and Branching:** The application can create a renewal from a renewal event or you can create a renewal manually from the Service Contracts Authoring form. After the renewal contract is created, the initiates a workflow for that contract and the negotiation status is set to Draft. Workflow determines the routing of the renewal contract based on two parameters: Renewal Process Type and threshold amounts. See Understanding Contract Renewals, page 17-11.
2. **Notify Customer:** Customer receives notifications that a renewal contract has been created and is awaiting approval.
 - **Manual Renewals:** The renewal specialist who is managing contracts has three options for notifying the customer. He can:
 - Print a quote letter to fax or mail.
 - Send the quote letter in an e-mail.
 - Publish the quote online.

The application stamps the negotiation status accordingly.

- **Online Renewals:** Contracts that qualify for online renewals are published to the customer and do not require manual intervention. Every time a quote is sent by e-mail or published online, the workflow process runs a quality assurance (QA) check to validate the contract. If the contract fails this QA check, the action is abandoned and the application stamps the negotiation status.
3. **Customer Acceptance:** Customer acceptance can be both implicit and explicit when the quote is published online.
 - If the customer accepts the contract from the online portal, workflow updates the negotiation status and routes the contract back to the renewal specialist. If the renewal specialist submits a contract in Quote Published status for approval, this assumes implicit customer acceptance.
 - For manual contracts, the renewal specialist submits contract for internal approval after securing written or verbal customer acceptance.
 4. **Contract Approval:** The Approval Workflow is a subworkflow within the base workflow. After a contract is submitted for approval, workflow uses Approvals Management Engine (AME) to derive the contract approver and routes the contract to that approver.
 5. **Contract Activation:** After a contract is approved, the application activates the contract. The contract status changes to Active or Signed and the negotiation status changes to Complete.

Understanding the Negotiation Phases

The application assigns the contract seeded negotiation statuses during the negotiation process. While you cannot update these values, they do enable you to track contracts under negotiation.

The Negotiation Status field appears in the:

- Service Contracts Authoring header region
- Administrator Workbench within the My In Process Contracts region. For more information about the Administrator Workbench, see Overview of the Administrator Workbench, page 13-1

Negotiation Phase

During this phase of the contract negotiation you will see the following negotiation status:

Negotiation Status	Meaning
Draft	Sale representative negotiates contract with customer.

Notify Customer Phase

During this phase of the contract negotiation, you may see one of the following negotiation statuses:

Negotiation Status	Meaning
Pending Publication	Publish to Customer action executed and QA is in process; this status is applicable only while QA lasts.
Publish QA Failed	Process failed due to QA Check failure prior to publishing the quote online.
Publish Failed	Process failed due to application failure for online customer acceptance with the Online Acceptance process or after Publish To Customer action executed by sales representative.

Quote Published	Contract quote published for online customer acceptance through Online Acceptance process or through Publish To Customer action by sales representative.
-----------------	--

Customer Acceptance Phase

During this phase of the contract renewal, you may see one of the following negotiation statuses:

Negotiation Status	Meaning
Quote Accepted	Customer accepts the contract quote through Online Acceptance, or the sales representative has captured customer acceptance.
Quote Canceled	Sales representative cancels the contract quote. The Contract Status changes to Canceled.
Quote Declined	Customer declines a contract quote through Online Acceptance process. The Contract Status changes to Canceled.
Assistance Required	Customer requests assistance through Online Acceptance process

Internal Approval Phase

During this phase of the contract renewal, you may see one of the following negotiation statuses:

Negotiation Status	Meaning
Internal Approval QA Failed	Process failed due to QA Check failure prior to submitting the quote for Internal Approval.
Internal Approval Failed	Process failed due to application failure after Submit for Internal Approval executed by sales representative.

Pending Activation	Contract submitted for Activation because Approval is not required.
Pending Internal Approval	Contract is submitted for Internal Approval, from the manual, online, or evergreen processes.
Rejected	Contract is rejected by approver.

Activation Phase

During this phase of the contract renewal, you will see the following negotiation statuses:

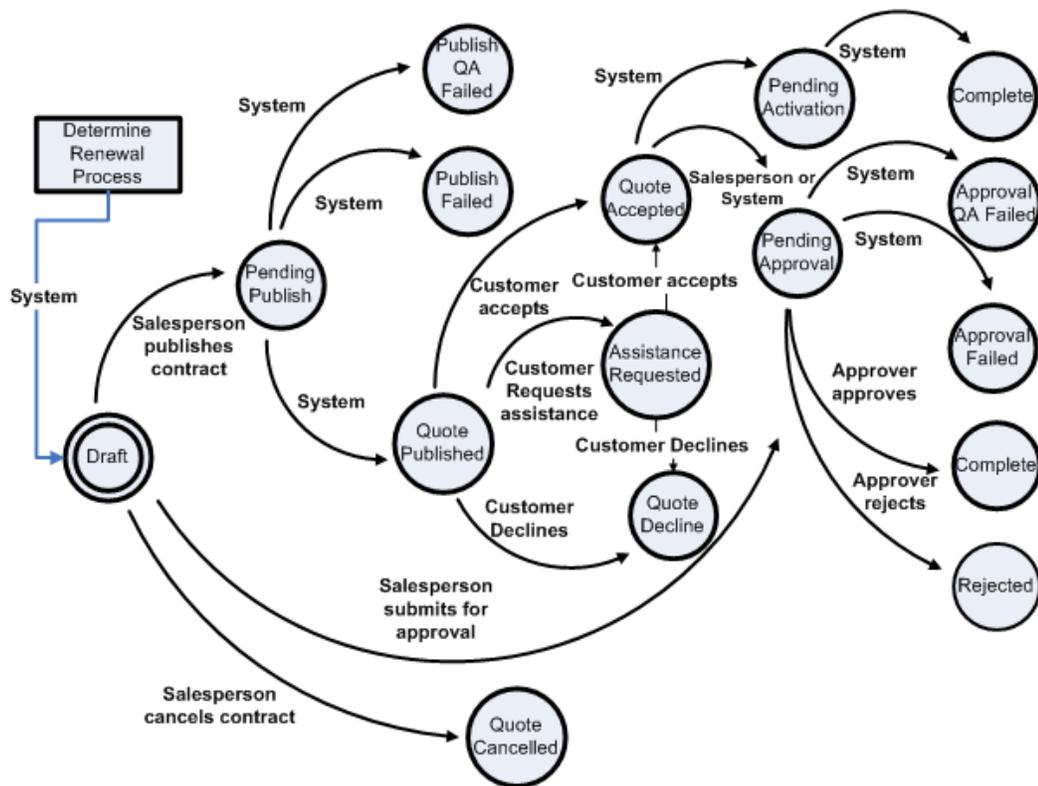
Negotiation Status	Meaning
Complete	Application activates contract or sales representative signs contract. The Contract Status changes to Signed or Active.

Status Transitions

The following diagrams provide an overview of status transitions during contract negotiation.

Note: For new contracts, the status transitions are the same as those of a manual renewal process, except for the Determine Renewal Process step, which does not apply to new contracts. Refer to *Manual Renewal Process Status Transition State Diagram*.

Manual Renewal Process Status Transition State Diagram



The preceding diagram shows negotiation status transitions during a manual renewal. The following describes the process:

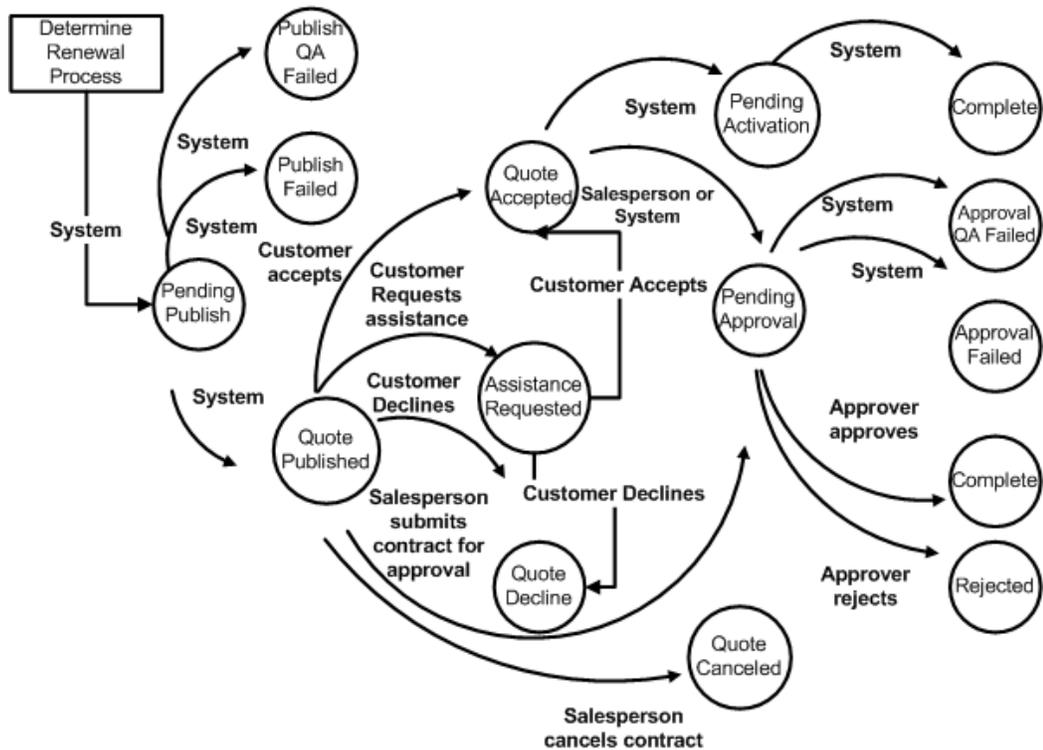
- Determine Renewal Process: System changes negotiation status to Draft.
- Draft: Salesperson publishes contract and negotiation status changes to Pending Publish, or salesperson cancels the contract and the negotiation status changes to Quote Canceled.
- Pending Publish: System changes negotiation status to Publish QA Failed, Publish Failed, or Quote Published.
- Pending Approval: Salesperson submits the contract for approval and one the following occurs.

- System changes negotiation status to Approval QA Failed.
- System changes negotiation status to Approval Failed.
- Approver approves contract, which changes negotiation status to Complete.
- Approver rejects contract, which changes negotiation status to Rejected.

- Quote Published: If the system updates the negotiation status to Quote Published, one of the following occurs:
 - Customer accepts the quote and the negotiation status changes to Quote Accepted.
 - Customer requests assistance and the negotiation status changes to Assistance Requested.
 - Customer declines the quote and the negotiation status changes to Quote Declined.

- Quote Accepted: Either the system updates the negotiation status to Pending Activation, or the salesperson or system updates the negotiation status to Pending Approval.
- Assistance Requested: After the customer receives assistance, he can choose to either accept or decline the quote.
- Quote Declined: Customer declines quote.
- Pending Activation: System changes status to Complete.

Online Renewal Process Status Transition State Diagram

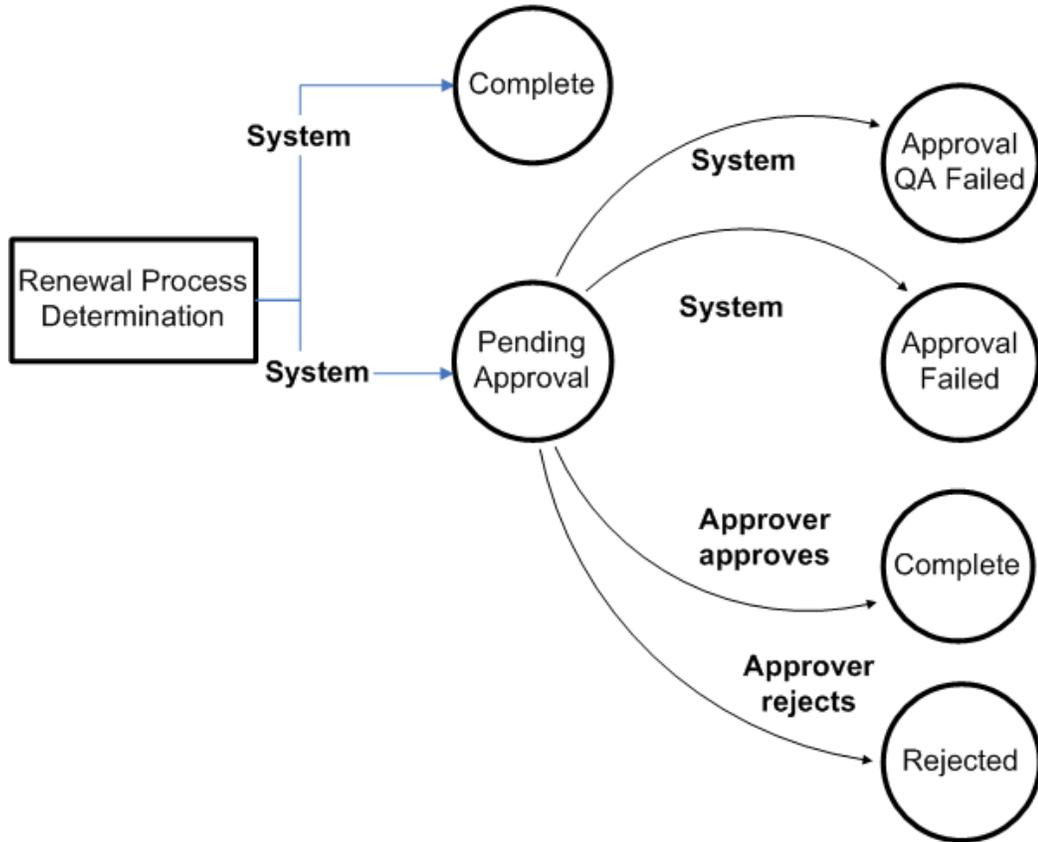


The preceding diagram shows negotiation status transitions during an online renewal. The following describes the process:

- Determine Renewal Process: System changes negotiation status to Pending Publish.
- Pending Publish: System changes negotiation status to Publish QA Failed, Publish Failed, or Quote Published.
- Quote Published: If the system updates the negotiation status to Quote Published, one of the following occurs:
 - Customer accepts the quote and the negotiation status changes to Quote Accepted.

- Customer requests assistance and the negotiation status changes to Assistance Requested.
 - Customer declines the quote and the negotiation status changes to Quote Declined.
 - Salesperson accepts the quote and the negotiation status changes to Pending Approval.
 - Salesperson cancels the quote and the negotiation status changes to Quote Canceled.
-
- Quote Accepted: Either the system changes the negotiation status to Pending Activation or the salesperson or system changes the negotiation status to Pending Approval.
 - Assistance Requested: After he receives assistance, the customer chooses to accept or decline the quote.
 - Pending Approval: Salesperson submits the contract for approval and one the following occurs.
 - System changes negotiation status to Approval QA Failed.
 - System changes negotiation status to Approval Failed.
 - Approver approves contract, which changes negotiation status to Complete.
 - Approver rejects contract, which changes negotiation status to Rejected.
 - Pending Activation: System changes status to Complete.

Evergreen Renewal Process Status Transition State Diagram



The preceding diagram shows negotiation status transitions during an evergreen renewal. The following describes the process:

- Determine Renewal Process: System changes negotiation status to Complete or Pending Approval.
- Pending Approval: One the following occurs.
 - System changes negotiation status to Approval QA Failed.
 - System changes negotiation status to Approval Failed.
 - Approver approves contract, which changes negotiation status to Complete.

- Approver rejects contract, which changes negotiation status to Rejected.

Managing Your Work

This chapter covers the following topics:

- Overview of Managing Your Work
- Finding Contracts by Status or Notification Type
- Finding Your Most Recently Accessed Contracts
- Bookmarking Contracts
- Finding Bookmarked Contracts
- Creating Groups
- Organizing Contracts by Group and Subgroup
- Finding Contracts Using the Contract Groups Hierarchy
- Removing a Contract from a Group
- Searching for Contracts Using the Entitlements Search Window
- Using the Index to Navigate Through Contracts

Overview of Managing Your Work

This group of topics explains how to manage your work in Oracle Service Contracts.

You can access contracts from multiple points within the application. Oracle Service Contracts enables you to find contracts by status or notification type, and to open recently accessed or bookmarked contracts.

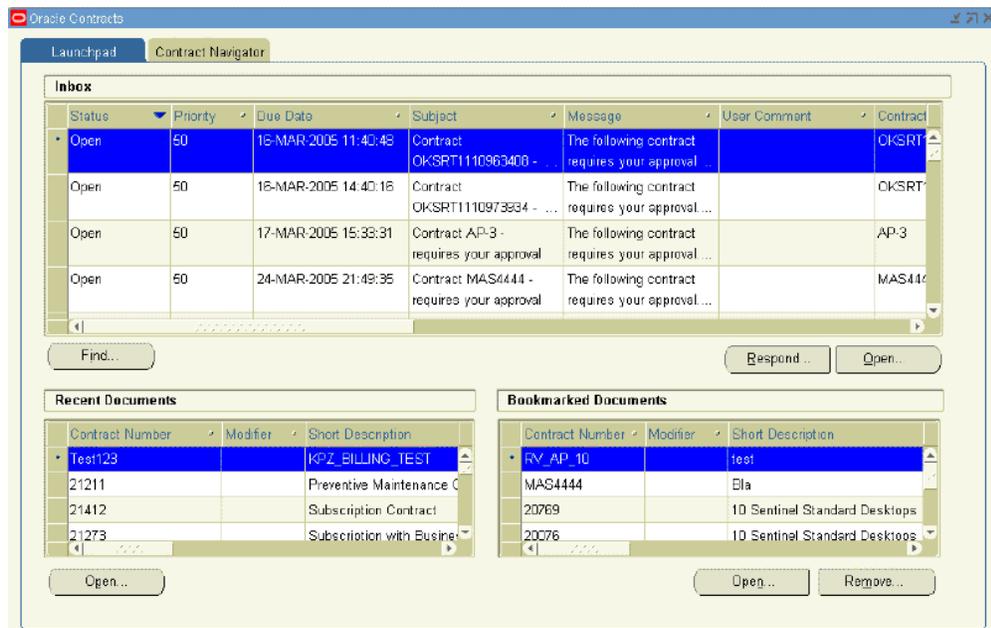
You can also organize your contracts into a hierarchy of groups, which can be viewed from the Contract Navigator. Contract groups provide a convenient way to organize contracts using any criteria. They are similar to folders and can be created for private or public use.

You will generally access contracts from either the Launchpad or the Contract Navigator.

Finding Contracts by Status or Notification Type

To find a contract by status or notification type:

1. From the Navigator, navigate to **Contract Administration**, and then select **Launchpad**. The Launchpad appears.



2. In the Inbox region, click **Find**.
The Inbox Find window appears.
3. Select your search criteria:
 1. To find a contract with a particular status, select a status from the Select Status list.
 2. To find a contract with a particular notification type, select a notification type from the Select Notification Type list.

For example, you could perform a search for contracts with an open status that require contract approvals or you could simply search for contracts that require contract approval.
4. Select **Find**.
The application refreshes the Inbox with contracts that meet your criteria.

5. To sort the results, click the column heading by which you want the results sorted. You can sort columns in ascending or descending order.
6. Highlight the contract to review.
7. From the Inbox region, select **Open**.

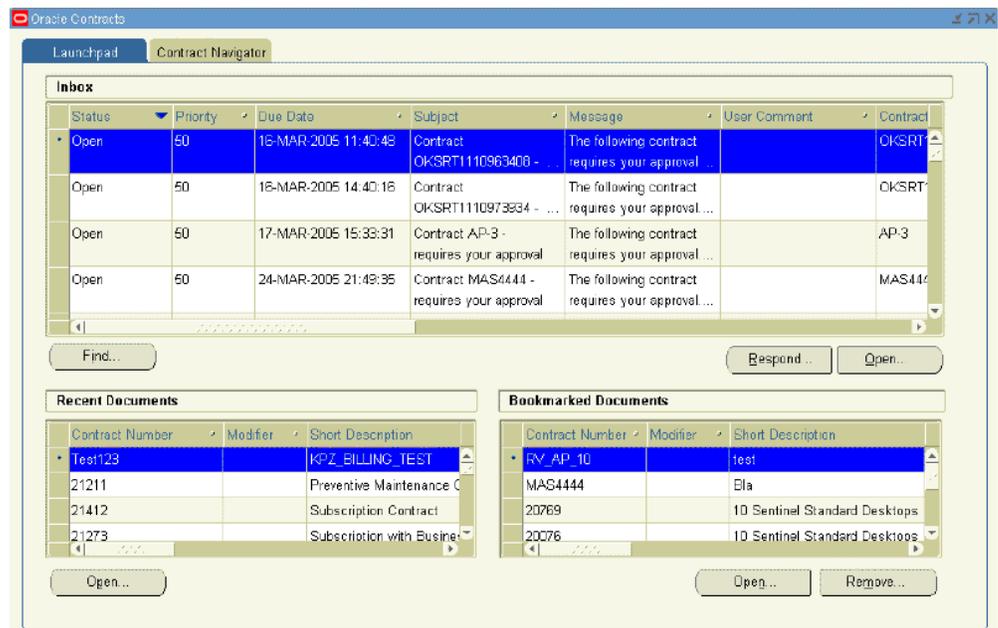
The contract appears in the Service Contracts Authoring window.

Note: For information about responding to notifications, see *Approving Contracts*, page 9-4.

Finding Your Most Recently Accessed Contracts

To find your most recently accessed contracts:

1. From the Navigator, navigate to **Contract Administration**, and then select **Launchpad**. The Launchpad appears.



2. In the Recent Documents region, scroll through the list of contracts. These are the contracts that you have most recently accessed.
3. To sort the list, click the column heading by which you want the list sorted. You can sort columns in ascending or descending order.

4. Highlight the contract to review.
5. From the Recent Documents region, select **Open**.
The contract appears in the Service Contracts Authoring window.
Note: You can also double-click the contract number to open the Service Contracts Authoring window.

Bookmarking Contracts

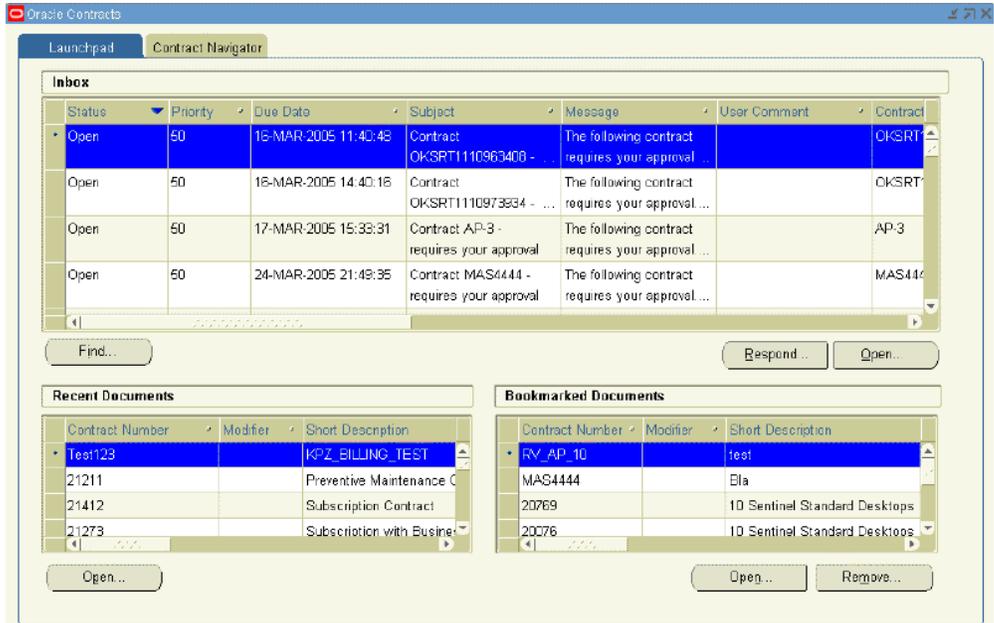
To bookmark contracts:

1. From the Service Contracts Authoring window, select the **Actions** menu and select **Bookmark**.
A note appears, indicating that the contract has been successfully bookmarked. This adds the bookmark to the Bookmarked Documents region in the Launchpad. The Bookmarked Documents region is a personal listing of contracts that you can access quickly.
2. To review bookmarked contracts, see Finding Bookmarked Contracts, page 12-4.
Note: You can also bookmark a contract from the Contract Navigator by:
 1. Highlighting a contract in the right panel
 2. Selecting **Add Bookmark** from the Tools menu.

Finding Bookmarked Contracts

To find bookmarked contracts:

1. From the Navigator, navigate to **Contract Administration**, and then select **Launchpad**. The Launchpad appears.



2. In the Bookmarked Documents region, scroll through the listing of contracts.

Creating Groups

Groups help you to organize and find contracts more efficiently. A contract can be in more than one group at a time. For example, a contract can be in your personal group My Contracts and also be in the public group Business World Contracts. You can also use groups to help you identify contracts that can be processed through actions such as mass change, or reports.

To create a group:

1. From the Navigator, navigate to **Contract Groups**, and then select **Contract Groups**.

The Contracts Groups window appears.



2. In the Name field enter the group name, for example, Service Agreements.
3. In the Description field, provide a description of the group.
4. If you want this folder to be public, select the **Public** check box.

Note: If you do not select the Public check box, you will create a private folder that only you will see.

For you to be able to create public folders, your administrator must set the profile OKC: Public Group Creator to **Yes**.

5. Save.

Note: If you want to see a listing of all groups, you can use the query function to display the groups in the Contracts Groups window.

1. From the View menu, select **Query by Example** and **Enter**. The form changes to query mode.
2. Enter % in the Name field.
3. From the View menu, select **Query by Example** and **Run**. A complete listing of the Contract Groups appears.

Organizing Contracts by Group and Subgroup

To organize contracts by group and subgroup:

1. From the Navigator, select **Contract Groups**, and then select **Assign Contract Groups**.

The Contracts Groupings window appears. The Groupings region on the left provides a hierarchy that you can use to navigate the contract groups.



You can click the + icon to expand a node

You can click the - icon to collapse a node.

2. Select a node from the Global region, for example, **Service**.

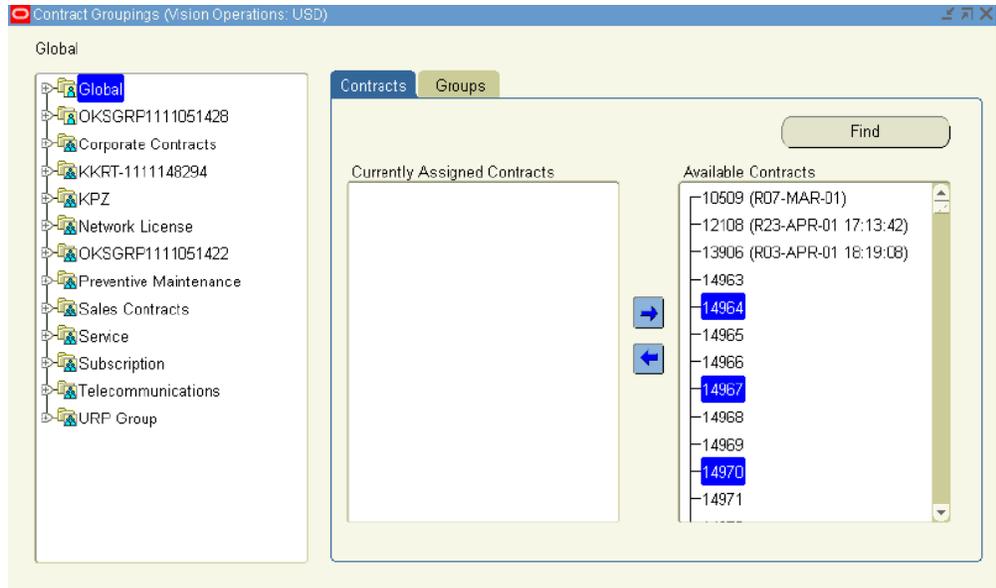
The contracts that are currently a part of the group appear under the **Currently Assigned Contracts** heading.

3. Click **Find**.

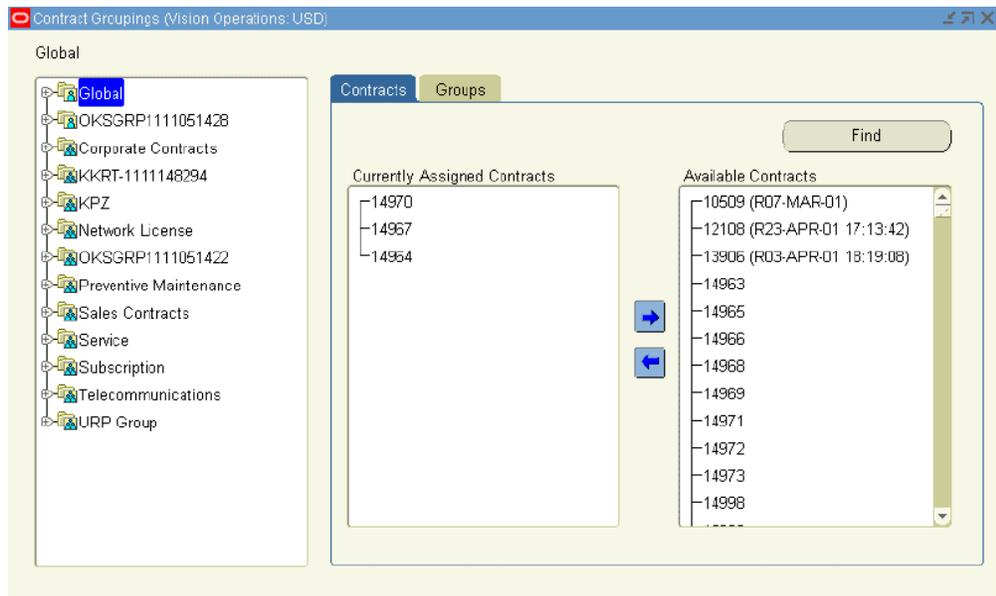
The Search templates and Contracts window appears. You can use this window to search for contracts that you want to add to the criteria.

4. Enter your search criteria, and click **Search**.

The results appear in the **Available Contracts** region of the Contract Groupings window.



- To add a contract to the group, highlight the contract in Available Contracts and select the left arrow.

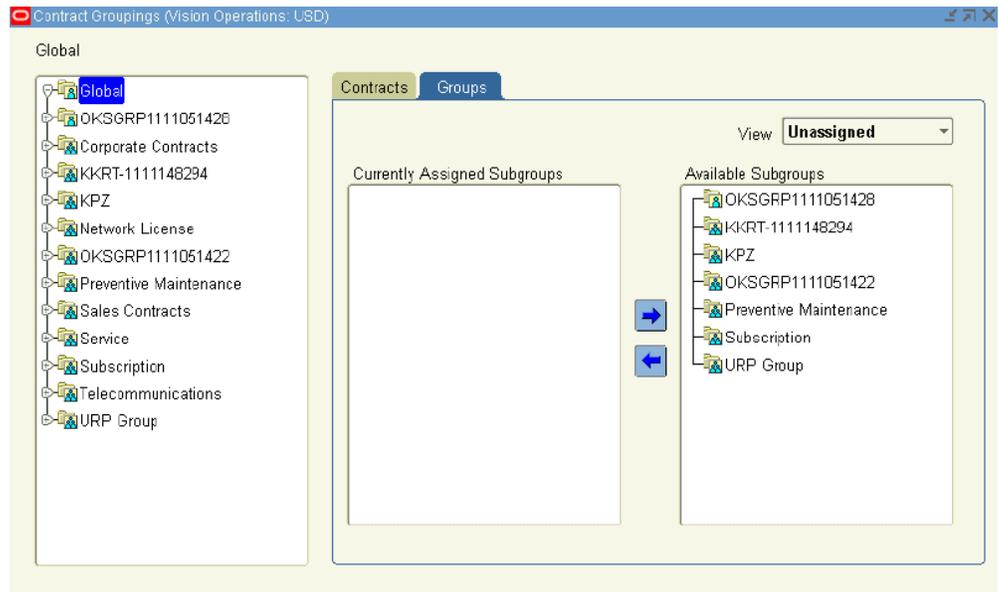


The contract is moved to Currently Assigned Contracts, which indicates that it is a part of the group.

- To remove a contract from the group, highlight a contract in the Currently Assigned Contracts region and select the right arrow.

The contract is moved to Available Contracts, which indicates that it is not a part of the group.

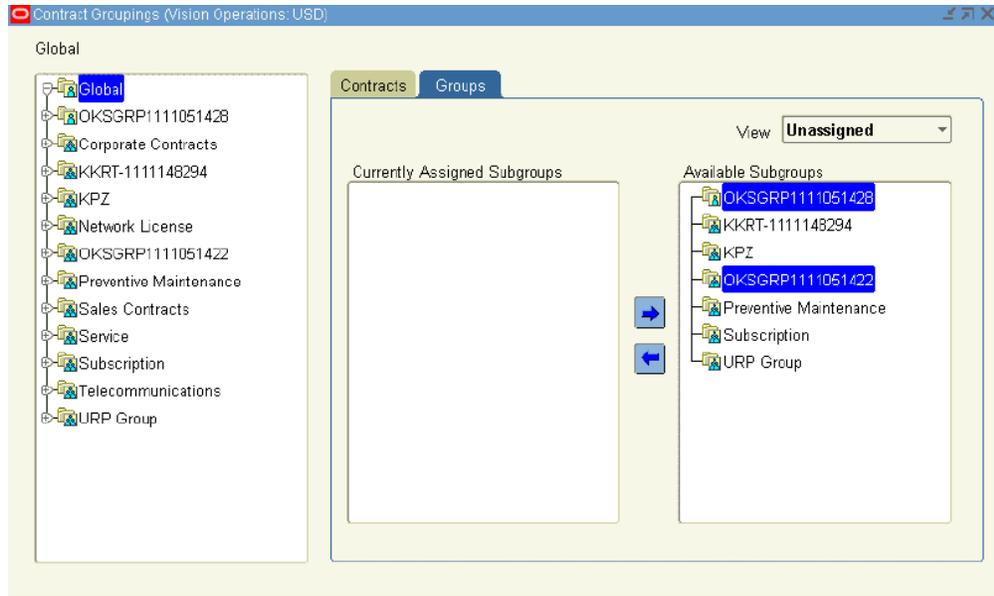
7. To add a subnode to the Group, select the **Groups** tab.



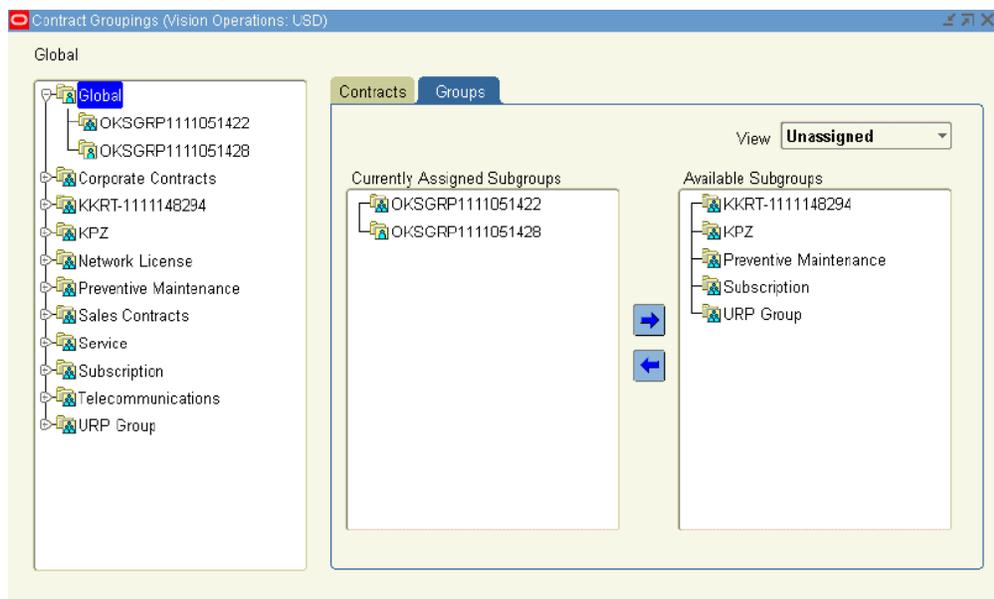
The Currently Assigned Groups and Available Subgroups regions are populated with a listing of subgroups.

You can change the view of the Available Subgroups region by selecting either **Unassigned** or **All Groups** from the View list.

8. To add a subgroup to the group, highlight the subgroup in the Available Subgroups region and select the left arrow.



The subgroup is moved to Currently Assigned Groups, which indicates that it is a subgroup of the group.



9. To remove a subgroup from the group, highlight a subgroup in the Currently Assigned Groups region and select the right arrow.

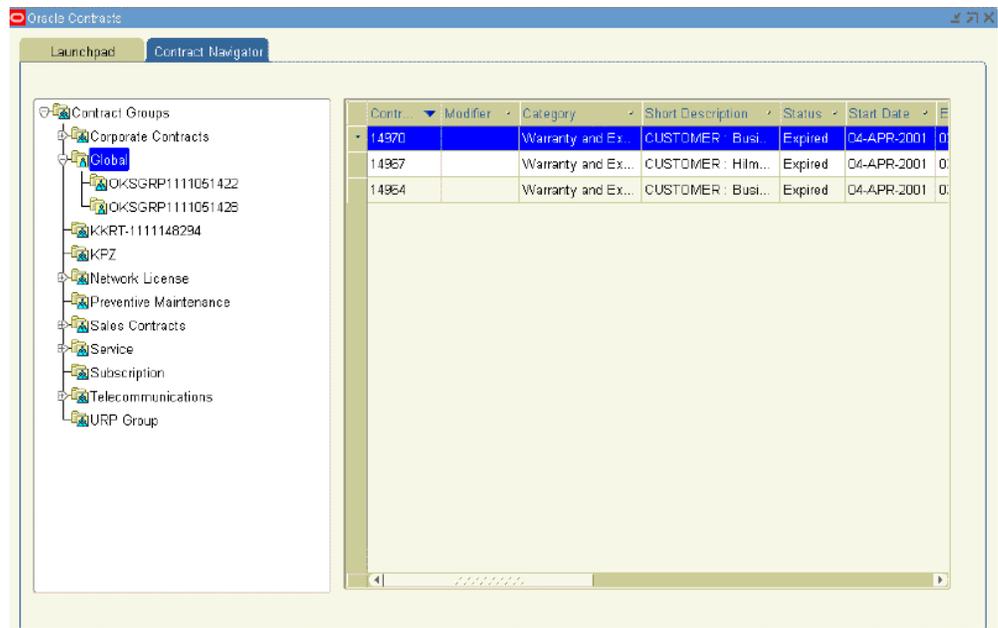
The contract is moved to Available Subgroups, which indicates that it is not a part of the group.

10. Save.

Finding Contracts Using the Contract Groups Hierarchy

To find a contract using the contract groups hierarchy:

1. From the Navigator, navigate to **Contract Administration**, and then select **Launchpad**. The Launchpad appears. Select the **Contract Navigator** tab.
2. In the left panel, review the group hierarchy.
You can expand a node by selecting the + icon. You can collapse a node by selecting the - icon.
3. Select a node to view the contracts that are in contract group node.



For example, you could select the Global node to view all contracts within that node.

The contracts that are included in this group appear in the right-hand panel.

4. To sort the results, click the column heading by which you would like the results sorted.

You can sort columns in ascending or descending order.

5. Highlight the contract that you want to review.
6. Right-click and select **Open**.

The contract appears in the Service Contracts Authoring window.

Note: Double-click the contract number to open the Contract Execution window.

Removing a Contract from a Group

To remove a contract from a group:

1. From the Navigator, navigate to **Contract Administration**, and then select **Launchpad**. The Launchpad appears. Select the **Contract Navigator** tab.
2. In the left panel, select a group such as Service.
A listing of contracts appears.
3. Highlight the contract to remove from the group.
4. You can do one of the following:
 1. Right-click the contract and select **Remove from Group**.
 2. From the Tools menu, select **Remove from Group**.
A decision box appears, asking whether you are sure that you want to remove the contract from the group.
5. Click **Yes**.
The contract is removed from the group.

Note: You can also add or remove a contract from a group by updating the Contracts Group region within the Administration subtab of the contract.

Searching for Contracts Using the Entitlements Search Window

To search for contracts using the Entitlements Search window:

1. From the Navigator, navigate to **Contract Administration**, and then select **Entitlements Search**.
The Entitlements Search window appears.

You can use this 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, header attributes, or line attributes, or a combination of these.

2. From the Search Option region, select whether to search all contracts or entitled contracts.

Entitled contracts are those that are within their start and end dates as of the time of the search, and are in a status that has the operation Eligible for Entitlement set to Yes.

3. From the Contract Covered Levels region, specify the contract covered levels to use in your search.

You can search by the following covered levels: product, item, site, system, account, and party.

This region has specific attributes associated with each covered level, which are separated by rows. For example, if you select a product, the row with the Product Name field also contains a Serial Number field and Reference Number field. These additional attributes are used to narrow your search.

4. From the Lines region, specify lines attributes.

For example, you could add a service name, a status, and a duration to the search criteria.

5. From the Header region, specify header attributes.

For example, you could add a contract status, party, and duration.

Note: To clear the form and enter your search criteria again, select **Clear**.

6. Select **Search**.

The Results window appears, which shows contract line details that match the search criteria. You can also determine the operating unit for the contract.

Contract Number	Modifier	Operating Unit	Number	Type	Name	Line Start Date	End Date	Status	Coverage Name
22017		Vision Operations	1	Service	WR23763	07-MAY-05	06-MAY-06	Entered	Gold
22010		Vision Operations	1	Service	WR23763	27-APR-06	26-APR-07	Entered	Gold
22020		Vision Operations	1	Service	WR23763	10-JUN-06	09-JUN-07	Entered	Gold
RV_REN_00		Vision Operations	1	Service	WR23763	02-AUG-05	01-AUG-06	Active	Gold
RV_REN_80	R04-MAY-06	Vision Operations	1	Service	WR23763	02-AUG-05	01-AUG-07	Entered	Gold
KPZ_EBTAX_1		Vision Operations	1	Service	WR23763	01-JAN-06	31-DEC-06	Active	Gold
KPZ_EBTAX_1	R04-MAY-06	Vision Operations	1	Service	WR23763	01-JAN-07	31-DEC-07	Signed	Gold
KPZ_EBTAX_1	R04-MAY-06	Vision Operations	3	Service	WR23763	01-JAN-07	31-DEC-07	Signed	Gold
KPZ_EBTAX_1	R04-MAY-06	Vision Operations	4	Service	WR23763	01-JAN-07	31-DEC-07	Signed	Gold

Contract Description:

Buttons: View Coverage, Open

7. To view the coverage for a specific contract and line, select the line and click **View Coverage**.

The Coverage Template appears in read-only form.

8. To open the contract, select the contract line and click **Open**.

The Service Contracts Authoring window appears. From this window, you can manually adjust Warranty Start and End dates on installed products.

Note: If the entitlements search is used for any application other than Oracle Service Contracts, the Line Detail window appears in read-only mode. For example, a service agent could use entitlement search from Oracle TeleService.

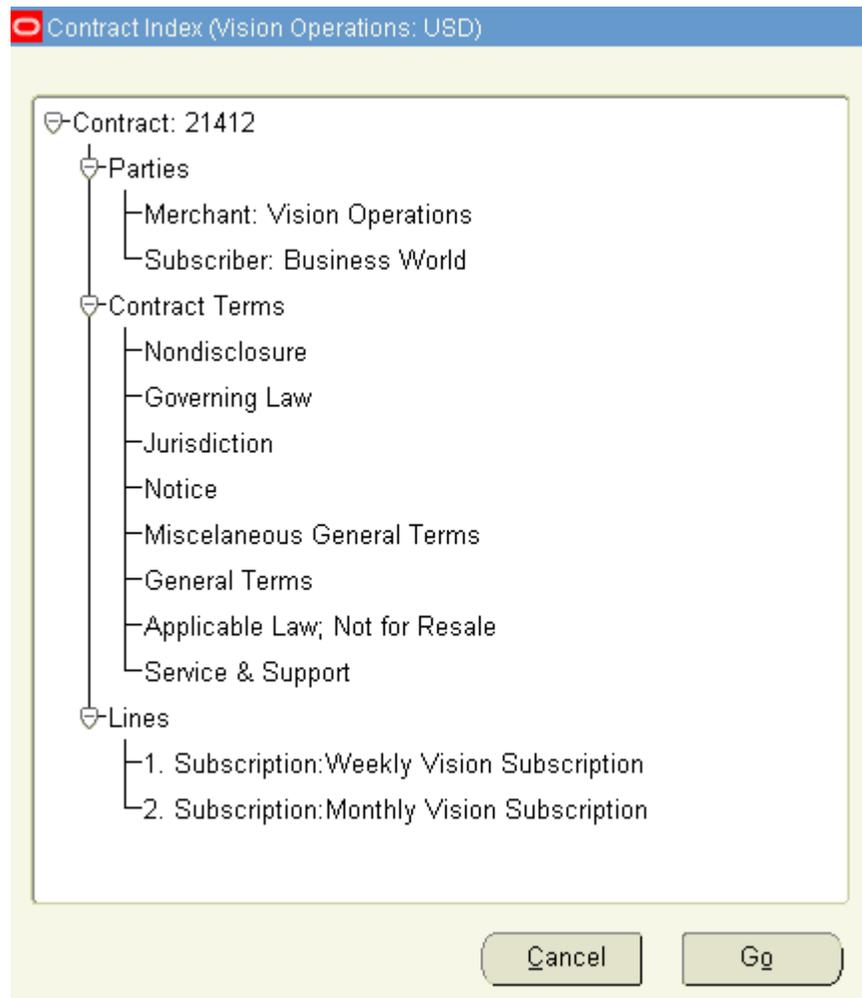
Using the Index to Navigate Through Contracts

The index helps you find parts of the contract and allows you to navigate to them directly, for example, to a particular line number.

To use the index to navigate through contracts:

1. From the Service Contracts Authoring window, select the **Actions** menu and **Show Index**.

The Contract Index window appears.



From this window, you can view details of the contract such as the parties, the line level service items, the covered level products at the sublines, and the names of any terms that are attached to the contract.

You can expand the hierarchy by selecting the + icon next to the node.

You can collapse the hierarchy by selecting the - icon next to the node.

2. To navigate to a specific point within the contract:

1. Highlight the node.

2. Click **Go**.

For example, if you highlight the Lines node and click **Go**, the Service Contracts Authoring window displays the Lines tab.

3. Optionally, you can close the Contract Index window by selecting **Cancel**.

Using the Administrator Workbench to Manage Contracts Under Negotiation

Overview of the Administrator Workbench

The Administrator Workbench enables sales representatives, managers, and contract administrators to track progress of workloads and initiate follow up actions on contracts under negotiation. Sales representatives may have several open quotes in various stages of negotiation. These open quotes may be undergoing revisions, awaiting approvals for special terms, or with customers for review. The Administrator Workbench informs users of what is currently in their queue.

As a sales representative, you can perform multiple actions during the negotiation process from the Administrator Workbench. It enables you to track new contract and renewal opportunities by providing information in bins and portlets that you can personalize:

- **Quick Search:** Enables you to perform a search using a search intent and search criteria. You can also navigate to an advanced search page for an expanded criteria list.
- **Notifications:** Provides a list of open notifications that require your attention. From this region, you can view notification details and submit responses.
- **My In Process Contracts:** Provides a list of views for open service contracts that are assigned to you. The following views for open service contracts are seeded in the application:
 - **All In Process Contracts:** A list of all open contracts under negotiation or pending approval and activation.
 - **Follow Up Actions:** A list of open contracts with assigned follow-up actions and due dates.

- **Online Quotes** : A list of all open contracts that are routed for automatic online customer acceptance.
- **Pending Internal Approval** : A list of all contracts that are accepted by customers and pending internal review and approval
- **Pending Quotes**: A list of all open contracts for which quotes have been sent to the customer. This view does not include contracts that have been accepted by the customer and are pending approval.
- **Pending Salesrep Assistance**: A list of online acceptance contracts for which customers requested assistance in clarifying terms or want to make corrections. This is the default view for the bin.
- **Reminder Sent**: A list of open contracts for which reminder notices have been sent to the customer.
- **Renewals**: A list of all open renewals under negotiation.

When you select a view and click the **Go** button, the My In Process Contracts bin refreshes. The following options are available:

- **Personalize**: In addition to the seeded views, you can define personalized views to manage your contracts by using the OA Framework personalization features.

Note: For information about personalization of the HTML pages, refer to the *Oracle Applications Personalization Guide*.

- **Full List**: This option shows your full list of tracked contracts.

Note: All actions that are available from the renewal tracking bin are also available from the full list page.

From the My In Process Contract bin, you can:

- Identify follow-up actions on contracts.
- Publish contract online to customers.
- Submit contract for internal review.
- Manage reminders and notifications.
- Run quality check to validate contract information.

- Open the contract in the Service Contracts Authoring window for editing.
- Initiate communication with customers through e-mail.

Note: The My In Process bin actions are separated based on whether they can be performed on a single contract or multiple contracts.

- Actions performed on multiple contracts: Publish to Customer, Submit for Approval, Disable Reminders, Enable Reminders, Run QA Check
 - Actions performed on single contracts: Open Contract, Email Customer, Print Quote
- **Shortcuts:** Provides a list of links that provide shortcuts to other functions within Oracle Service Contracts.

This group of procedures covers the following:

- Viewing Notifications, page 13-4
- Publishing a Contract to a Customer for Acceptance, page 13-6
- Submitting a Contract for Approval from the Administrator Workbench, page 13-7
- Suppressing Reminders, page 13-7
- Enabling Reminders, page 13-8
- Running the Quality Assurance Check, page 13-8
- Updating Multiple Contracts, page 13-9
- Updating a Contract, page 13-11
- Opening a Contract, page 13-13
- Sending an E-mail to a Customer from the Administrator Workbench, page 13-13
- Printing Quotes and Contracts, page 13-14
- Identifying Follow-Up Actions, page 13-14
- Using Shortcuts in the Administrator Workbench, page 13-15

Viewing Notifications

You can view a list of notifications from the Administrator Workbench. If the notification does not require a response, the application provides a message within the Notification Detail page.

The following table provides a list of notifications that you may see in Oracle Service Contracts:

Notification Title	Example
Quote Published Online	Contract 21100-R31-Nov-05 for Business World (3422.50 USD) has been published online
Quote Sent to Customer	Contract 21100@R31-Nov-05 for Business World (3422.50 USD) has been emailed
Customer Acceptance Notification	Contract 21100@R31-Nov-05 for Business World (3422.50 USD) has been accepted by Sharpe, Marty
Customer Decline Notification	Contract 21100@R31-Nov-05 for Business World (3422.50 USD) has been declined by Sharpe, Marty
Assistance Request Notification	As entered by customer from Online renewal flow.
Request for Internal Approval notification	Contract 21100@R31-Nov-05 for Business World (3422.50 USD)
Internal Approval Reject Notification	Contract 21100@R31-Nov-05 for Business World (3422.50 USD) has been rejected by Stock, Pat
Signature Required	Contract 21100@R31-Nov-05 for Business World (3422.50 USD) requires your signature
QA Check Failure Notification	QA Check Failure in Contract 21100@R31-Nov-05 for Business World (3422.50 USD)

Workflow Error Notification	Workflow Error in Contract 21100@R31-Nov-05 for Business World (3422.50 USD)
Reminder Failure Notification	Reminder Failure in Contract 21100@R31-Nov-05 for Business World (3422.50 USD)

To view notifications:

1. From the Navigator, navigate to **Contract Administration**, and then select **Administrator Workbench**.

Your notifications appear at the top of the page.

2. To see all your notifications, select **Full List**.
3. To open a notification, select the corresponding Subject link.

The Notification Detail page appears. From this page, you can approve, reject, delegate, or request information by clicking the appropriate action button.

If a notification does not require a response, a note appears at the top of the page. You can select **OK** to close the notification and return to the Administrator Workbench.

4. Select an action:
 - **Approve:** Opens the Notification Detail page.
To approve the contract:
 1. Enter a response note.
 2. Click **Approve**.
 - **Reject:** Opens the Notification Detail page.
To reject the contract:
 1. Enter a response note.
 2. Click **Reject**.
 - **Delegate:** Opens the Delegate Notification page.
To delegate a notification:

1. Select an assignee.
 2. Enter comments.
 3. Click **Submit**.
- **Request Information:** Opens the Request Information page.
 - To request information:
 1. Select the individual from whom you want to request more information.
 2. Enter the information requested.
 3. Click **Submit**.
 - **OK:** Returns to the Administrator Workbench.

Note: You can return to the Administrator Workbench, by selecting the Service Contracts link preceding the notification title.

Publishing a Contract to a Customer for Acceptance

You can publish a manual renewal contract or a new contract online for customer acceptance. Contracts that are marked for online renewal get published online upon renewal. However, you may decide to publish additional contracts that are currently being manually managed by using this action. This action publishes selected contracts on the online acceptance portal. You can publish one or multiple contracts online.

To publish a contract to a customer for acceptance:

1. From the Navigator, navigate to **Contract Administration**, and then select **Administrator Workbench**.

A list of contracts appears in the My In Process Contracts region.

2. Choose the **Select** check box next to the contract that you want to publish to a customer for approval.
3. From the Select Contracts list, select **Publish to Customer**.
4. Click **Go**.

A confirmation appears, which indicates the contracts that have been submitted for online acceptance. If the contract is already published online, a message appears indicating that the contract is already published.

Submitting a Contract for Approval from the Administrator Workbench

You can submit contracts for internal business approval . The Submit for Approval action puts the contract in the approver's worklist. You can submit contracts for approval for one or multiple contracts.

To submit a contract for approval from the Administrator Workbench:

1. From the Navigator, navigate to **Contract Administration**, and then select **Administrator Workbench**.

A list of contracts appears in the My In Process Contracts region.

2. Choose the **Select** check box next to the contract that you want to publish for internal approval.
3. From the Select Contracts list, select **Submit for Approval**.
4. Click **Go**.

A confirmation appears indicating the contracts that have been submitted for approval. If the contract is already submitted for approval, a message appears indicating that the contract is already in the approval queue.

Suppressing Reminders

You can suppress reminders for contracts using the suppress reminders actions. Customers do not get reminder notifications for contracts from the auto reminder program for contracts that require customer acceptance. You can suppress reminders for one or multiple contracts.

To suppress reminders:

1. From the Navigator, navigate to **Contract Administration**, and then select **Administrator Workbench**.

A list of contracts appears in the My In Process Contracts region.

2. Choose the **Select** check box next to the contract that you want to disable reminders.
3. From the Select Contracts list, select **Disable Reminders**.
4. Click **Go**.

A confirmation appears, which indicates that reminders have been disabled for the selected contracts. All contracts for which reminders have been suppressed are

marked with an icon next to the contract number.

Enabling Reminders

You can enable reminders for those contracts for which reminders were suppressed. You can enable reminders for one or multiple contracts.

To enable reminders:

1. From the Navigator, navigate to **Contract Administration**, and then select **Administrator Workbench**.

A list of contracts appears in the My In Process Contracts region.

2. Choose the **Select** check box next to the contract that you want to enable reminders.
3. From the Select Contracts list, select **Enable Reminders**.
4. Click **Go**.

A confirmation appears, which indicates that reminders have been enabled for the selected contracts.

Running the Quality Assurance Check

You can run the quality assurance (QA) check on selected contracts. You can run the QA check for one or multiple contracts.

To run the quality assurance check:

1. From the Navigator, navigate to **Contract Administration**, and then select **Administrator Workbench**.

A list of contracts appears in the My In Process Contracts region.

2. Choose the **Select** check box next to the contract that you want to publish to a customer for approval.
3. From the Select Contracts list, select **Run QA Check**.
4. Click **Go**.

A confirmation appears, which indicates the QA Check concurrent request has been submitted and provides a concurrent request id.

Note: For more information about the QA check, see About the Quality Assurance Check (QA Check), page 8-1.

Updating Multiple Contracts

You can update one or more attributes on multiple contracts from the Mass Update Contracts page.

Prerequisites:

Identify one or more contracts with a status of Entered or Canceled. The negotiation status must not be Pending Approval or Pending Activation.

Note: This procedure shows the navigation from the Administrator Workbench page.

You can also access the Mass Update Contracts page when the Mass Update action is selected from the following pages:

- Search
- Advanced Search

To update multiple contracts:

1. From the Navigator, navigate to **Contract Administration**, and then select **Administrator Workbench**.

A list of contracts appears in the My In Process Contracts region.

2. Mark the **Select** check box next to the contracts that you want to update.
3. From the Select Contracts list, select **Mass Update**.
4. Click **Go**.

The Mass Update Contracts page appears.

A read-only table at the top of the page shows the following attributes for the contracts that you selected:

- Contract Number
- Customer
- Description
- Status
- Start Date
- End Date

- Follow-Up Due Date
- Follow-Up Action
- Amount

You can also add the following columns using the personalization feature:

- Forecast Close Date
- Forecast Percent
- Negotiation Status
- Known As
- Category

5. To update the contract status information, scroll to the Contract Status region. You can update the following:
 - **Status:** Select a new status from the drop down list.
 - **Reason:** Select a reason from the drop down list.
 - **Comments:** Enter comments to explain the status update.
6. To create a follow up action, scroll to the Follow-Up region. You can create the following:
 - **Action:** Select an action from the drop down list, such as Call Customer.
 - **Due Date:** Select the date that you expect the action to be completed.
7. To update forecast details, scroll to the Forecast region. You can update the following:
 - **Close Date:** Select a new close date for the forecast.
 - **Close Percent:** Enter a new close percent for the forecast.
8. To enter notes, scroll to the Notes region and enter any notes relating to the contract within the **Notes Text** field.
9. Click **Apply**.

A confirmation message appears indicating that the contracts were successfully updated.

Updating a Contract

You can update one or more attributes on a single contract from the Update Contracts page.

Prerequisite: .

Identify a contract with a status of Entered or Canceled. The negotiation status must not be Pending Approval or Pending Activation.

Note: This procedure shows the navigation from the Administrator Workbench page.

You can also access the Update Contracts page when the Update Contract action is selected from the following pages:

- Search
- Advanced Search

To update a contract:

1. From the Navigator, navigate to **Contract Administration**, and then select **Administrator Workbench**.

A list of contracts appears in the My In Process Contracts region.

2. Mark the **Select** check box next to the contract that you want to update.
3. From the Select Contracts list, select **Update Contract**.
4. Click **Go**.

The Update Contracts page appears.

A read-only table at the top of the page shows the following attributes for the contract that you selected:

- Contract Number
- Customer
- Description
- Status
- Start Date
- End Date

- Follow-Up Due Date
- Follow-Up Action
- Amount
- Forecast Close Date
- Forecast Percent
- Negotiation Status
- Known As
- Category

You can change the display of the page by using the personalization feature.

5. To update the contract status information, scroll to the Contract Status region. You can update the following:
 - **Status:** Select a new status from the drop down list.
 - **Reason:** Select a reason from the drop down list.
 - **Comments:** Enter comments to explain the status update.

6. To create a follow up action, scroll to the Follow-Up region. You can create the following:
 - **Action:** Select an action from the drop down list, such as Call Customer.
 - **Due Date:** Select the date that you expect the action to be completed.

7. To update forecast details, scroll to the Forecast region. You can update the following:
 - **Close Date:** Select a new close date for the forecast.
 - **Close Percent:** Enter a new close percent for the forecast.

8. To enter notes, scroll to the Notes region and enter any notes relating to the contract within the **Notes Text** field.

9. To add a note to the interaction history of the contract, scroll to the Interaction History region.
 1. Filter the interactions by selecting a value from the **View** list, such as In Person.

2. Click **Go**.
This filters the interactions.
 3. Select the Interaction to which you would like to add a note.
 4. Enter a text in the **Note** field.
10. Click **Apply**.
A confirmation message appears indicating that the contract was successfully updated.

Opening a Contract

You can open the Service Contracts Authoring window from the Administrator Workbench, where you can make updates to the contract, save those changes and return to the workbench. You are limited to opening one contract at a time.

To open a contract:

1. From the Navigator, navigate to **Contract Administration**, and then select **Administrator Workbench**.

A list of contracts appears in the My In Process Contracts region.

2. Choose the **Select** check box next to the contract that you want to open.
3. From the Select Contracts list, select **Open Contract**.
4. Click **Go**.

The Service Contracts Authoring window appears. You can make updates to the contract in this form.

For information about the Service Contracts Authoring window, see *Creating a Contract*, page 1-4.

Sending an E-Mail to a Customer from the Administrator Workbench

You can send an e-mail to a customer from the Administrator Workbench. This opens the Email Customer page, where you can select the communication template and specify a description. You are limited to sending an e-mail for one contract at a time.

The procedure for sending an e-mail from the Administrator Workbench mirrors the procedure for sending an e-mail from the Service Contract Search page. See *Sending an E-Mail to a Customer (HTML)*, page 14-4 for details.

Printing Quotes and Contracts

You can select a contract and the Print Quote action to view the quote in the PDF format. You are limited to creating a quote document for one contract at a time.

To print quotes and contracts:

1. From the Navigator, navigate to **Contract Administration**, and then select **Administrator Workbench**.
A list of contracts appears in the My In Process Contracts region.
2. Choose the **Select** check box next to the contract for which you want to create a Quote Document.
3. From the Select Contracts list, select **Print Quote**.

4. Click **Go**.

The File Download window appears.

5. Select **Open** to open the file, or **Save** to save to the file to your computer.
If you chose to open the file, the Quote Document opens in a new window.
6. Review the details on the Quote Document, such as:
 - Contract number
 - Short description
 - Contract term (start and end dates)
 - Amount
 - Line details
7. You can print the Quote Document for your computer.

Identifying Follow-Up Actions

You can view contracts that require follow-up actions from the My In Process Contracts bin.

To identify follow-up actions:

1. From the Navigator, navigate to **Contract Administration**, and then select

Administrator Workbench.

2. From the View list, select **Follow Up Actions** .
3. Select **Go**. A list of contracts appears.

You can view contracts that require follow-up actions. The due date is the date on which you must complete the action. All follow-up actions that are past due are marked with an icon next to the due date.

Using Shortcuts in the Administrator Workbench

The Shortcuts bin provides links to other functions within Oracle Service Contracts. You can use the Shortcuts bin to search for contracts or create contracts:

- **Advanced Search:** Opens the Advanced Search page.
- **Create Service Agreement:** Opens the Service Contracts Authoring window with a Status of **Entered** and a Category of **Service Agreement**.
- **Create Extended Warranty:** Opens the Service Contracts Authoring window with a Status of **Entered** and a Category of **Warranty and Extended Warranty**.
- **Create Subscription:** Opens the Service Contracts Authoring window with a Status of **Entered** and a Category of **Subscription Agreement**.

To use shortcuts:

1. From the Navigator, navigate to **Contract Administration**, and then select **Administrator Workbench**.
2. Click the link for the function that you want to start, such as **Create Service Agreement**.

Viewing Contract Details in HTML

Overview of Service Contracts in HTML

HTML pages are accessible from the Service Contract Administrator workbench, the Oracle Installed Base Mass Update workbench, the Oracle Installed Base Instance Details page, the Oracle Sales Online Customer Details page, and the Daily Business Intelligence (DBI) portal for service contracts. From the HTML pages, you can view the following:

- Service lines and covered product level information for all line types
- Billing schedules
- Billing history
- Notes
- Attachments
- Interactions
- Contract terms

Use the following procedures to navigate the HTML pages:

- Finding Contracts (HTML), page 14-2
- Sending an E-Mail to a Customer (HTML), page 14-4
- Viewing Contract Details (HTML), page 14-5
- Viewing Service Line Details (HTML), page 14-7
- Viewing Coverage Details (HTML), page 14-8

- Viewing Covered Level Details (HTML), page 14-9
- Viewing Usage Line Details (HTML), page 14-10
- Viewing Usage Counter Details (HTML), page 14-11
- Viewing Subscription Line Details (HTML), page 14-11
- Viewing Item Instance Details (HTML), page 14-12
- Viewing Order Information for a Service Contract (HTML), page 14-13
- Viewing Billing Transactions (HTML), page 14-14

You can also use the following procedures to update one or more contracts:

- Updating a Contract (HTML), page 13-11
- Updating Multiple Contracts (HTML), page 13-9

Note: You can personalize the view within the HTML pages. For information about personalization of the HTML pages, refer to the *Oracle Applications Personalization Guide*.

Finding Contracts (HTML)

This procedure describes how to find a contract from the Search page. You can also find contracts from the Service Contracts Administrator Workbench.

To find contracts:

1. From the Navigator, navigate to **Contract Administration**, and then select **Contract Search**.

The Service Contracts Search page appears.

2. From the Display LOV, select the view to display for your search results.

For example, select **All Contracts**.

3. To narrow the search results, enter your search criteria.

For example, enter **Business World** in the Customer field and **Entered** in the Status field.

- The flashlight icon to the right of a field opens a Search and Select page, which you can use to find an item.

- The calendar icon to the right of a field opens a calendar, which you can use to select a date.

Note: To specify additional search criteria that is not available in the Search region, click the Advanced Search button. The Advanced Search page appears. This page provides additional search criteria from which to select.

4. Select **Go**.

The search results appear at the bottom of the page.

5. To revise your search, select **Clear** and enter new criteria. Then repeat the previous steps.

6. To view the contract details for a specific contract click the corresponding Contract Number link.

7. To export the search results to a spreadsheet, select **Export**.

You will be prompted to open or save the file to your computer.

8. To take action on a contract or multiple contracts:

1. Choose the corresponding **Select** check box.

To select all contracts, click the **Select All** link.

2. From the Select Contracts list, select an action.

The following actions are available:

- **Publish to Customer**
- **Submit for Approval**
- **Disable Reminders**
- **Enable Reminders**
- **Run QA Check**
- **Open Contract**
- **Email Customer**
- **Print Quote**

- **Mass Update**
- **Update Contract**

For example, you can open the contract in the Service Contracts Authoring window by selecting a single contract and choosing Open Contract.

Note: You can select only a single contract for the following actions: Open Contract, Email Customer, and Print Quote

3. Click **Go**.

For most actions, a confirmation message appears at the top of the page.

See also Overview of Service Contracts in HTML, page 14-1.

Sending an E-Mail to a Customer (HTML)

Prerequisite: Navigate to Find Contracts and review your search results. See Finding Contracts (HTML), page 14-2.

To send an e-mail to a customer:

1. From the Search results, choose the **Select** check box for the contract.
2. From the Select Contracts list, select **Email Customer**.
3. Click **Go**.

The Email Customer: Service Contract page appears.

4. Specify details for the e-mail.
 - At a minimum, you must complete the fields that contain an asterisk, such as To and From.
 - To select a message layout template, select the flashlight icon to the right of the Message Layout Template field.

This opens the Search and Select page. From here you can search for and select a template.

Note: After you select a template, you can preview the template by clicking the Preview button to the right of the Message Layout Template field.

- To select an attachment layout template, select the flashlight icon to the right of the Attachment Layout Template field.
This opens the Search and Select page. From here you can search for and select a template.
5. Click **Send**.
 6. A confirmation message appears at the top of the page, which indicates that the e-mail has been sent successfully to the customer contact.

Viewing Contract Details (HTML)

Prerequisite: Navigate to Find Contracts and review your search results. See Finding Contracts (HTML), page 14-2.

To view contract details:

1. From the Search results click the corresponding **Contract Number** link for a contract.

The Service Contract page appears. You can view the contract header or select any of the following subtabs to view contract details that are defined at the header level:

- Lines

Note: To export lines into a spreadsheet, select Export

- Contacts
- Billing

Note: Amounts in the Terminated and Billed regions are rolled up from lines and sublines.

- Sales Credits
- Renewals
- Related Documents

Note: If an order exists, you can view order details by clicking the order number link in the Document Reference column. The Sales Order page appears.

- History

Note: The application provides navigation that enables you to return to previous pages. After you select a subtab, you can return to the previous page by clicking the navigation link preceding the page title. For example, if the following navigation appears , Service Contract Search > Service Contract: 23248, click the Service Contract: 23248 link to return to the contract header.

You can also view additional detail pages by clicking the links within the Additional Details block:

- Interaction History
- Billing History

Note: To export billing transactions into a spreadsheet, select Export. The Transaction number link navigates to Oracle Bill Presentment view of Invoice and Credit Memo.

- Contract Terms
- Notes and Attachments
- Contract Groups

2. Review customer and contract information in the contract header. For example, you identify the customer, status, term, and contract amount.
3. To view line details, select the Lines tab. See:
 - Viewing Service Line Details (HTML), page 14-7
 - Viewing Usage Line Details (HTML), page 14-10
 - Viewing Subscription Line Details (HTML), page 14-11
4. To open the Service Contracts Authoring window click the **Open** button. This opens the form where you can modify the contract.

Note: The Open button is not visible if you navigate from pages of applications other than Oracle Service Contracts.

Viewing Service Line Details (HTML)

Prerequisite: Open a contract containing service lines.

To view service line details:

1. To drill down into the service line details, select the **Lines** tab and the service line link that is associated with the service.

The secondary tabs for the selected line appear, with the Covered Levels secondary tab selected:

- Covered Levels
 1. Select **Show** from the Details column to expand the display.
 2. To open the details for the service contract line, select the link corresponding line.

The Service Contract Line Covered Level page appears. View the Covered Level details for the selected line.

To view billing transactions for the line, select the **Billing Transactions** link from the Additional Covered Level Details block.

3. If an associated item instance is entered in Oracle Installed Base, you can click that link to view the Item Instance page. See Viewing Item Instance Details, page 14-12.

- Contacts

- Billing

Note: Amounts in the Terminated and Billed regions are rolled up from sublines.

- Sales Credits
- Related Documents
- History

You can also view additional pages by clicking the links within the Additional Line Details block:

- Billing Transactions

Note: You can view accounts receivables invoices and credit memos for the line as Billing History and also future Billing Schedules.

- Coverage Details

Note: Select Coverage Details to view the service level agreements, such as coverage and response times.

- Notes

2. To return to the Contract, click the Service Contract link preceding the page title.

Related Topics

Viewing Usage Line Details (HTML), page 14-10

Viewing Subscription Line Details (HTML), page 14-11

Viewing Coverage Details (HTML)

Prerequisite: Open a contract containing service lines and select a service line.

To view coverage details:

1. From the Additional Line Details region, select **Coverage Details**. The Coverage Details page appears.
2. Review the coverage entitlements associated with the service line:
 - Review the Coverage Header.
 - Select a business process, such as Customer Support. The following regions are updated to correspond to the business process that you select.
 - Coverage Times: You can change the view of the coverage times by selecting one of the Display radio buttons, either **By Interval** or **By Day**.
 - Response Times: You can change the response time view by selecting a value from the View list, either **Reaction Times** or **Resolution Times**.
 - Preferred Resources
 - Billing Types

Related Topics

For a description of defining coverage templates, see *Defining a Coverage Template*, page 23-7

Viewing Covered Level Details (HTML)

Prerequisite: Open a contract containing service lines and select a service line.

To view covered level details:

1. Click the Line link for the covered level details that you want to view. The Line Details page appears.
2. Review the Covered Level Details that are associated with the line:
 - Covered Level Header
 - Covered Level Details:
 - Instance details: Appears only if the covered level is Product.
 - Item details: Appears only if the covered level is Item.
 - System details: Appears only if the covered level is System.
 - Site details: Appears only if the covered level is Site.
 - Account details: Appears only if the covered level is Account.
 - Party details: Appears only if the covered level is Party.
 - Pricing Calculation: Appears only if the covered level is Product or Item.

Note: You can drill down further into detail pages if a link exists. For example, clicking the Item Instance link opens a detail page for the item instance.

- Related Documents
3. Navigate to other pages with additional subline details, by clicking a link within the Additional Covered Level details bin, for example, Billing Transactions.

Related Topics

For a description of the various covered levels, see *Levels of Coverage and Their Uses*, page 3-15.

Viewing Usage Line Details (HTML)

Prerequisite: Open a contract containing usage lines.

To view usage line details:

1. To drill down into the usage line details, select the **Lines** tab and the usage line link that is associated with the service.

The secondary tabs for the selected line appear, with the Counters secondary tab selected:

- Counters
- Contacts
- Billing

Note: Amounts in the Terminated and Billed regions are rolled up from sublines for Negotiated Usage lines, or come from the line itself for all other types of Usage lines.

- Sales Credits
- Renewals
- Related Documents
- History

You can also view additional pages by clicking the links within the Additional Line Details block:

- Billing Transactions
- Notes

2. To return to the Contract, click the Service Contract link preceding the page title.

Related Topics

Viewing Service Line Details (HTML), page 14-10

Viewing Subscription Line Details (HTML), page 14-11

Viewing Usage Counter Details

Prerequisite: Open a contract containing usage lines with a counter.

To view usage counter details:

1. From the Lines tab, click the Service link, such as QP-LPTR-U. The Usage Line page appears with the Counters tab selected.
2. Click the Line Number link, such as 1.1. The Usage Counter page appears.

You can view the counter read history within the Counter Readings region and Billing History in the Billing Transactions region. You can use the Transaction Number link in the Billing Transactions region to drill down to the Oracle Bill Presentment view of the invoice or credit memo.

You can reconcile quantity billed for a particular billing transaction with the default or minimum, actual, estimate, or actual and estimate that is shown in the Usage Pricing Details region. This depends on the usage type. You can also reconcile amount billed for a particular billing transaction with the applied price breaks that are shown in the child Usage Pricing Details region.

Viewing Subscription Line Details (HTML)

Prerequisite: Open a contract containing subscription lines.

To view subscription line details:

1. To drill down into the subscription line details, select the **Lines** tab and the subscription line link that is associated with the service.

The secondary tabs for the selected line appear, with the Fulfillment Details secondary tab selected:

- Fulfillment Details: Shows the subscription fulfillment schedules for a tangible subscription.

Note: You can click the **Order Number** link to navigate to the sales order view page and view the shipment dates and delivery numbers.

- [Contacts](#)
- [Billing](#)

Note: Amounts in the Terminated region and Billed regions come from the line itself for Subscription lines.

- [Sales Credits](#)
- [Related Documents](#)
- [History](#)

You can also view additional pages by clicking the links within the Additional Line Details block:

- [Billing Transactions](#)
- [Notes](#)

2. To return to the contract, click the Service Contract link preceding the page title.

Related Topics

[Viewing Service Line Details \(HTML\)](#), page 14-10

[Viewing Usage Counter Details \(HTML\)](#), page 14-11

Viewing Item Instance Details (HTML)

Prerequisite: Open a contract containing service lines.

To view item instance details:

1. Select the **Lines** tab and the service line link that is associated with the Service.

Drill down into the service line by clicking the associated Service link. The secondary tabs for the selected line appear, with the Covered Levels secondary tab selected.

2. Select the instance number link in the Item Instance column.

The Item Instance Page appears with the General subtab selected. You can view the installed base details by selecting the other subtabs.

- [Location](#)

- Associations
- Configuration
- Counters
- Notes

Note: For more information, see the *Oracle Installed Base User Guide*.

3. To return to the line, click the Service Contract: Line link preceding the page title.

Viewing Order Information for a Service Contract (HTML)

Prerequisite: Open a contract that is associated with an order.

To view order information for a service contract:

1. Select the **Related Documents** subtab.
2. From the Document Reference column, click the **Order Number** link.

The Sales Order page appears with the Lines tab selected. You can view the sales order details by selecting the other subtabs.

- Contract Terms
- Contract Documents
- Invoices
- Deliveries
- Notes

Note: For more information, see the *Oracle Order Management User's Guide*.

3. To return to the line, click the Service Contract: Line link preceding the page title.
4. Optionally, click the **View Contract** button to open the terms and conditions that are attached to the sales order in a PDF format.

Viewing Billing Transactions (HTML)

Prerequisite: Open a contract containing lines.

To view billing transactions:

1. Select the **Lines** tab and click the Service link. You can click this link for service lines, usage lines, and subscription lines and covered level details. For more information, refer to the following procedures:
 - Viewing Service Line Details (HTML), page 14-7
 - Viewing Usage Line Details (HTML), page 14-10
 - Viewing Subscription Line Details (HTML), page 14-11
 - Viewing Covered Level Details (HTML), page 14-9
2. From the Additional Details bin, click the **Billing Transactions** link. The Billing Transactions Detail page appears. Use the following regions to view billing transaction details:
 - Billing Rules
 - Billed (Amounts)
 - Billed Amount equals rolled up invoice amounts.
 - Unbilled Amount equals the contract amount not yet invoiced.
 - Terminated (Amounts)
 - Billing History
 - Displays all invoices and credit memos that are linked to this contract.
 - Click the **Transaction Number** link to view invoice or credit memo in Oracle Bill Presentment.
 - Billing Schedule

Note: For more information about how billing works, see Overview of Billing, page 10-1.

Using the Customer Acceptance Portal

Overview of the Customer Acceptance Portal

The Customer Acceptance Portal lists newly authored contracts and renewal contracts that require customer acceptance. Contracts appearing within the portal can be manually submitted by the sales representative as well as generated with the Online renewal process. After logging into the Customer Acceptance Portal, a customer can accept, decline, or request additional information for each contract.

Customers can:

- Specify payment methods that comply with regional requirements for their international contracts. Acceptable payment methods are defined within Global Contracts Defaults and include credit card, commitment, purchase order, check, or wire. See *Entering Contract Defaults*, page 2-36.
- Upload a payment document, such as the image of a PO or check.
- Either log in directly to the Customer Acceptance Portal or access the page through a link embedded within an e-mail notification.
- Capture cancellation reasons and comments.

After a customer accepts or declines a contract, it is no longer available in the pending contracts region. Contracts for which customers request assistance remain available for acceptance or declination.

Additionally, sales representatives can:

- Review request assistance messages and cancellation notes within the customer interactions of the contract.
- Maintain customer account and password information.

The following table lists notifications that customers receive during the authoring and

renewal process that may require acceptance within the Customer Acceptance Portal:

Note: For each of these customer e-mails, the application provides a link to the Customer Acceptance Portal if the cover letter template includes a link. The seeded cover letter template has a link.

Check with your administrator to determine whether the seeded letter has been modified.

E-Mail Template	Method that customer receives e-mail
Quote Letter	<p>The application sends an e-mail notification at renewal in the Online process or using the Publish to Customer action.</p> <p>You can also send this notification to a customer using the Email Customer action and selecting the Quote Letter notification for the e-mail message body. See Sending an E-Mail to a Customer (HTML), page 14-4.</p>
Reminder Letter	<p>The application sends an e-mail notification when a Reminder program identifies a target contract</p> <p>You can also send this notification to a customer using the Email Customer action and selecting the Reminder Letter notification for the e-mail message body. See Sending an E-Mail to a Customer (HTML), page 14-4.</p>
Acceptance Confirmation	<p>If a customer accepts a renewal, an acceptance confirmation e-mail is generated.</p> <p>If the sales representative accepts on behalf of the customer, an activation confirmation is sent at contract activation.</p> <p>You can also send this notification to a customer using the Email Customer action and selecting the Acceptance Confirmation notification for the e-mail message body. See Sending an E-Mail to a Customer (HTML), page 14-4.</p>

Cancellation Letter

If a customer declines a renewal, a cancellation e-mail is sent.

This may also generate a cancellation letter if a sales representative declines on behalf of the customer by changing the contract status to Canceled.

You can also send this notification to a customer using the Email Customer action and selecting the Cancellation Letter notification for the e-mail message body. See *Sending an E-Mail to a Customer (HTML)*, page 14-4.

Activation Confirmation

If a customer accepts a renewal, an e-mail notification is generated at the start date of the contract.

You can also send this notification to a customer using the Email Customer action and selecting the Activation Confirmation notification for the e-mail message body. See *Sending an E-Mail to a Customer (HTML)*, page 14-4.

Related Topics

[Opening the Customer Acceptance Portal, page 15-3](#)

[Accepting a Contract, page 15-4](#)

[Declining a Contract, page 15-6](#)

[Requesting Assistance, page 15-7](#)

Opening the Customer Acceptance Portal

Prerequisite: Your administrator must create a login. The application sends login information in the initial quote letter.

To open the Customer Acceptance Portal:

1. Log in to the Customer Acceptance Portal with your user name and password, such as `marsha.able@vision.com/welcome`. The Pending Service Contracts page appears.

You can accept the contract, decline the contract, or request assistance. You can also

view a PDF version of the contract quote.

2. Review the list of contracts and identify the contract that you will work with.
3. Choose the **Select** radio button.
4. To view a contract quote, select the **Quote** icon for the contract. This opens a PDF version of the quote in a separate window.

Related Topics

Accepting a Contract, page 15-4

Declining a Contract, page 15-6

Requesting Assistance, page 15-7

Accepting a Contract

Prerequisite: Access the Customer Acceptance Portal. You must have contracts that require your action.

To accept a contract:

1. Choose the **Select** radio button for the contract that you want to accept.
2. Click **Accept**.

The Accept contract detail page appears with an html view with key information of the contract, such as contract amount and bill to information. Additional details will be available in the quote letter pdf file. You can cancel the acceptance process, request assistance, or continue to acceptance process.
3. Review the contract details.

Note: You can open a PDF view of the Quote by selecting the Quote link.
4. Select a Payment Type in the Payment Details region. Depending on the type that you select, you may need to enter additional information.
5. If you select **Credit Card on File**:
 1. Select a credit card from the LOV.
 2. Enter a security code.

6. If you select **Check**, enter the check number.
7. If you select **Commitment**, select a commitment number from the LOV.
8. If you select **New Credit Card**:
 1. Enter a credit card.
 2. Select an expiration date.
 3. Enter a security code. This field may be required if the vendor requires a security code for credit card transactions.
9. If you select **Purchase Order**, enter the PO number covering the contract.
10. If you select **Wire Transfer**, enter the account number from which the fund will be wired.
11. To add a supporting payment document or other attachment, select **Add Attachment** within the Attach Documents region. The Add Attachment page appears. See Adding an Attachment, page 15-5.
12. Select **Continue**. The Accept Service Contract: Review and Confirm page appears.
13. Review the contract details.
14. In the Acceptance Clause region, select the check box indicating that you agree to the contract terms and conditions.
15. Select **Accept**. A confirmation appears indicating that your acceptance has been received.
16. To print a copy of your acceptance terms, select **Printable Page**
17. Select **Done**.

Related Topics

- Opening the Customer Acceptance Portal, page 15-3
- Declining a Contract, page 15-6
- Requesting Assistance, page 15-7

Adding an Attachment

Prerequisite: Open the Customer Acceptance Portal and accept a contract. From the Accept detail page select **Add Attachment**.

To add an attachment:

1. Name your attachment in the Title field.
2. Provide a summary of the attachment in the Description field.
3. Select a **File Type** radio button. You can choose File, URL, or Test.
4. If you select **File**, select **Browse** to select a file from your computer to attach. This starts the File Upload box for your computer and enables you to navigate and select a file.
5. If you select **URL**, enter a url to reference, such as <http://www.oracle.com>.
6. If you select **Text**, enter or paste the text that you want to reference within the Text box.
7. Click **Apply**. The attachment appears in the Attach Documents region.

Note: After you apply your attachment, you can select **Add Another** to add an additional attachment. If you select **Add Attachment**, you will receive a message that the attachment has been added successfully but not saved. You must select **Apply** to continue.

After you add an attachment, you can update it by selecting the Update icon. You can also delete it by selecting the Delete icon.

Declining a Contract

Prerequisite: Access the Customer Acceptance Portal. You must have contracts that require your action.

To decline a contract:

1. Select the **Select** radio button for the contract that you want to decline.
2. Click **Decline**.
3. The Decline contract detail page appears with an html view with key information about the contract. You can cancel the declination process, request assistance, or decline the contract.
4. Select a reason from the LOV.
5. Select the check box that indicates that you agree to the terms of the Decline Clause.

6. Optionally, enter your comments.
7. Click **Decline**. A confirmation message appears indicating that your decline instruction has been received.

Related Topics

Opening the Customer Acceptance Portal, page 15-3

Accepting a Contract, page 15-4

Requesting Assistance, page 15-7

Requesting Assistance

Prerequisite: Access the Customer Acceptance Portal. You must have contracts that require your action.

To request assistance:

1. Choose the **Select** radio button for the contract for which you need help.
2. Click **Request Assistance**.
3. The Request Assistance page appears with an e-mail form for you to complete. The sales representative for the contract appears in the To field. Your e-mail ID appears in the CC field. The Subject field is populated with the contract number, such as `Salesrep Assistance for Contract : 23126`. You can send an e-mail or cancel your request.
4. Enter a description of your issue in the Description block.
5. Select **Send**.
6. A confirmation appears indicating that your request for assistance has been forwarded to the sales representative who is responsible for your contract.

Related Topics

Opening the Customer Acceptance Portal, page 15-3

Accepting a Contract, page 15-4

Declining a Contract, page 15-6

Managing the Contract Life Cycle

This chapter covers the following topics:

- Overview of Managing the Contract Life Cycle
- Modifying Multiple Contracts at the Same Time (Mass Change)
- Handling Change Requests
- Entering Contract Changes
- Reviewing and Approving Changes
- Updating Contracts Online
- Creating Different Contract Versions for Your Customer
- Viewing Contract History
- Handling Returns and Granting Credit
- Changing Contract Status

Overview of Managing the Contract Life Cycle

This group of topics explains how you can manage the contract life cycle.

After the contract authoring process is complete, you must manage your contracts on an ongoing basis. You may need to change coverages, durations, versions, and other aspects your contracts.

You can streamline and control administrative processes, by leveraging functionality that manages updates and changes.

For information on contract extensions and renewals, see *Approving Contracts*, page 9-4.

Modifying Multiple Contracts at the Same Time (Mass Change)

You can change one attribute of multiple contracts with a single request using mass

change functionality. Mass change is allowed for contracts that are in appropriate status, where the operation *update online* is permitted.

Note: Canceled contracts and Entered contracts that contain no lines do not appear in the Mass Change form. This form is designed for contract administrators to centrally manage contracts, which are generally in the Active status. Entered contracts, which may have lines and no sublines are essentially acted upon by assigned sales representatives who do not typically need to perform mass changes. Sales representatives are usually managing a limited number of contracts with specific requirements, rather than a large number of contracts that may require mass changes.

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

The Mass change window allows you to enter the scope of the mass change request and selection criteria. It determines which contracts are to undergo a mass change. 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:

- Category
- Contract Group
- Operating Unit
- Party
- Contract

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 LOV in the Mass Change header:

- Accounting Rule
- Agreement
- Business Process Price List
- Contract End Date
- Contract Group

- Contract Line Ref
- Contract Start Date
- Contract Renewal Type
- Coverage End Time
- Coverage Start Time
- Coverage Timezone
- Coverage Type
- Header Bill to Address
- Header Ship to Address
- Invoicing Rules
- Known As
- Party Billing Contact
- Party Shipping Contact
- Payment Term
- PO Numbering for Billing
- PO Required for Renewal
- Preferred Engineer
- Preferred Resource Group
- Price List
- Product Line Ref
- Reaction Time
- Resolution Time
- Revenue Account
- Salesperson

- Summary Print

Note: if the billing schedule is defined with Equal Amount or Covered Level, you cannot use Mass Change to modify either the contract start date or the contract end date, as the billing schedule must be adjusted for each individual contract.

To modify multiple contracts at the same time:

1. From the Navigator, navigate **Contract Administration**, and then select **Mass Change**.

The Mass Change Operation window appears.

2. Enter the name of mass change.
3. From Mass Change Details select the value **Update Level** from the LOV, such as Party.
4. Select **Value** from the LOV, such as Business World.
5. Select an appropriate attribute from the LOV, such as Price List
Attributes supported by mass change are listed in this list.
6. Select an old value, such as Corporate.

- Select a new value, such as Business World.

Criteria

Mass Change
Name: Operation Status:

Mass Change Details
Update Level: Value:
Attribute:
Old Value: New Value:

Request
Request Id:
Requester:
Request Date:

Results

Contract Number	Modifier	Description	Party	Contract Status	Start Date	End Date	Old Value	Process Status	Check QA
15550		Service Contract	Business World	Expired	03-AUG-2001	02-AUG-2003	Corporate	Available for Proc	<input checked="" type="checkbox"/>
15551		Service Contract	Business World	Entered	03-AUG-2001	02-AUG-2003	Corporate	Available for Proc	<input checked="" type="checkbox"/>
15588		Service Contract	Business World	Expired	03-AUG-2001	02-AUG-2003	Corporate	Available for Proc	<input checked="" type="checkbox"/>
15608		SERVICE CONTR	Business World	Expired	08-AUG-2001	07-AUG-2003	Corporate	Available for Proc	<input checked="" type="checkbox"/>
15620		Service Agrsme	Business World	Expired	04-AUG-2001	31-JUL-2002	Corporate	Available for Proc	<input checked="" type="checkbox"/>
15648		Service Contract	Business World	Terminated	14-AUG-2001	13-AUG-2002	Corporate	Available for Proc	<input checked="" type="checkbox"/>
15649		Service Contract	Business World	Terminated	14-AUG-2001	13-AUG-2006	Corporate	Available for Proc	<input checked="" type="checkbox"/>

Contract Description:

- Click **Search** or click **Cancel** and start over.

If you click the Search button, all the contracts that meet the criteria appear in the Result region. By default, all the records are selected.

Mass Change Operator

Criteria

Mass Change Name: Operation Status:

Mass Change Details

Update Level: Value:

Attribute:

Old Value: New Value:

Request

Request Id:

Requester:

Request Date:

Results

Contract Number	Modifier	Description	Party	Contract Status	Start Date	End Date	Old Value	Process Status	Select	Check QA
OKSRT1110969080		Test	Business World	Entered	12-OCT-2004	11-OCT-2005	Corporate	Available for Proc	<input type="checkbox"/>	<input type="checkbox"/>
OKSRT1110968862		Test	Business World	Terminated	12-OCT-2004	11-OCT-2005	Corporate	Available for Proc	<input type="checkbox"/>	<input type="checkbox"/>
OKSRT1110967757		Test	Business World	Active	12-OCT-2004	11-OCT-2005	Corporate	Available for Proc	<input type="checkbox"/>	<input checked="" type="checkbox"/>
OKSRT1110967814		Test	Business World	Active	17-OCT-2004	16-OCT-2005	Corporate	Available for Proc	<input type="checkbox"/>	<input checked="" type="checkbox"/>
OKSRT1110967814	R16-MAR	Test	Business World	Entered	17-OCT-2004	16-OCT-2006	Corporate	Available for Proc	<input checked="" type="checkbox"/>	<input type="checkbox"/>
OKSRT1110968286		Test	Business World	Entered	17-OCT-2004	16-OCT-2005	Corporate	Available for Proc	<input checked="" type="checkbox"/>	<input type="checkbox"/>
OKSRT1110969080		Test	Business World	Active	16-MAR-2004	15-MAR-2006	Corporate	Available for Proc	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Contract Description:

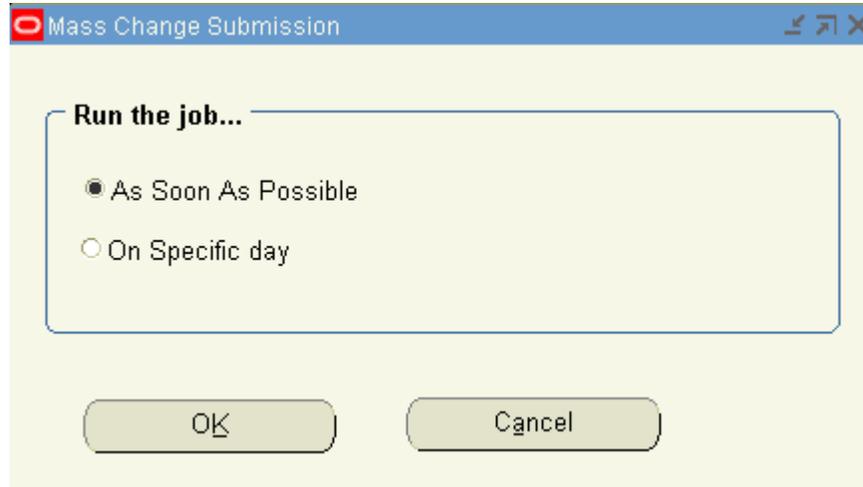
- To deselect a contract, check the **Select** check box.

Note: You can deselect all contracts by clicking **Deselect All** or you can select all contracts by clicking **Select All**.

- To run the quality assurance (QA) check first, select the **Check QA** check box.
- To preview the request without submitting it, click **Preview**.

The Mass Change Submission window appears.

Because the Mass Change is a powerful process, you may preview a report. This ensures that you do not unintentionally update any contracts. To do so, you can run a preview, review the report, then submit it when you are confident the changes are correct.



12. To submit the request, click **Submit the Request**.

The Mass Change Submission window appears.

1. Select either **As soon as possible** or **On Specific day**.
2. Click **OK**.

A note appears, indicating that the Mass Change request was successfully submitted.

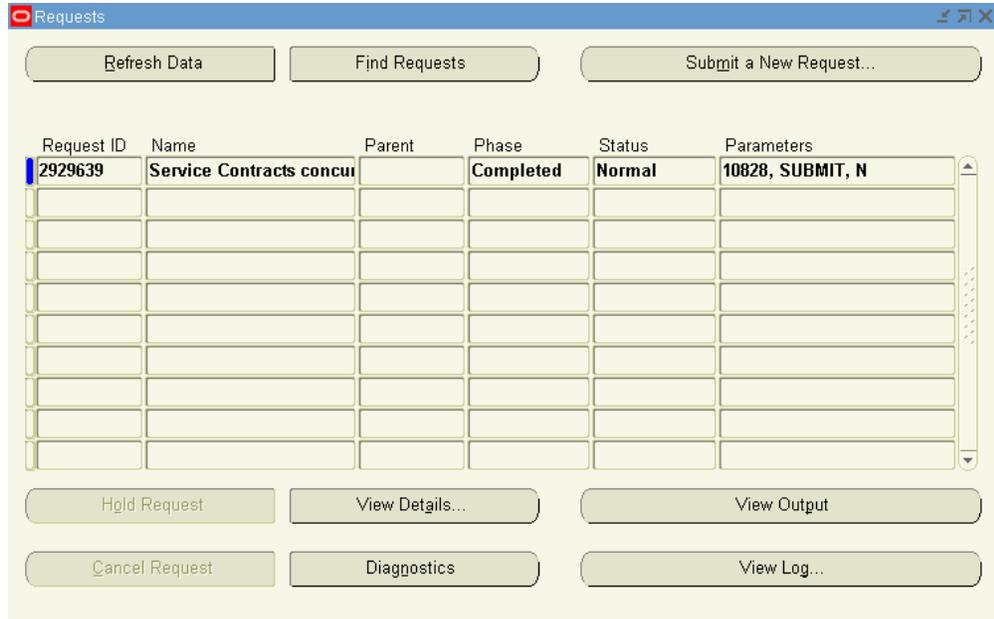
You are returned to the Mass Change window. The Operation Status field provides the status for the mass change.

The Request region is populated with details of the request.

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 until all the contracts in the mass change request are successfully processed.

13. To view the details for the request, select **View Request**.

The Requests window appears.



- After the request is completed, requery the Mass Change request window to view the updated operation status and request information in the Mass Change Operation window.

Handling Change Requests

Your administrator can set a contract 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. After a change request has been approved, a notification is sent to the Contract Administrator. From the Inbox, you can open the contract for update. In this situation the Open for Update button is not visible in the contract itself.

After you complete the contract updates, you can run the contract through the QA Check and if everything passes, the contract status is set back to Active.

Entering Contract Changes

Prerequisite

Confirm the status and operations setup allows changes for the category and status.

To enter contract changes:

1. From the Navigator, navigate to **Contract Administration**, and then select **Launchpad**.
2. Select the **Contract Navigator** tab.
3. Highlight the contract you want to change.
4. Right-click the contract and select the **Create Change Request** option.

The Create Change Requests window appears.

Contract Number Modifier Version Applied

Request Name Status

Description

Details Admin

Requested By Request Date

Effective

Start Date End Date

Version Contract

Signature Required

Changes

Line	Description	Change Text
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

5. Enter the request name and a description.
6. Confirm the requester's name in the Request By field.
This person receives a workflow notification when changes are approved and can be applied to the contract.
7. Enter the request date.
8. Enter the effective dates.
9. To version the changed contract, select the **Version** check box.
10. To require signature, select the **Signature Required** check box.

- Record the lines for which you are requesting a change and the exact nature of the change. For example, apply an extra 10% discount.

Create Change Requests (Vision Operations: USD)

Contract Number: 21815 Modifier: Version Applied: 0.1

Request Name: Change Price List - Line 1 Status: Entered

Description: To change the price list for line 1 from Corporate to Business World.

Details Admin

Requested By: CONMGR Request Date: 29-APR-2005

Effective

Start Date: 29-APR-2005 End Date:

Version Contract Signature Required

Changes

Line	Description	Change Text
1	Change Price List	To change the price list for line 1 from Corporate to Business World.

- Select the **Admin** tab.
- In the Workflow Name field, select the approval workflow.
- Select an administrator.
- Select party approvals (optional).
- Save.

Party	Role	Date Accepted
Business World	Customer	29-APR-2005
Vision Operations	Vendor	29-APR-2005

17. Click **Submit for Approval**.

A note message appears, indicating that the change request has been *Submitted for approval*

18. Click **OK**.

Reviewing and Approving Changes

The change request must first be approved before you can change the contract. After the change request has been approved, you can open the contract and apply the changes as described in the change request notification. After you start editing the contract, you automatically lock the contract for other users with an approved change request.

Prerequisite

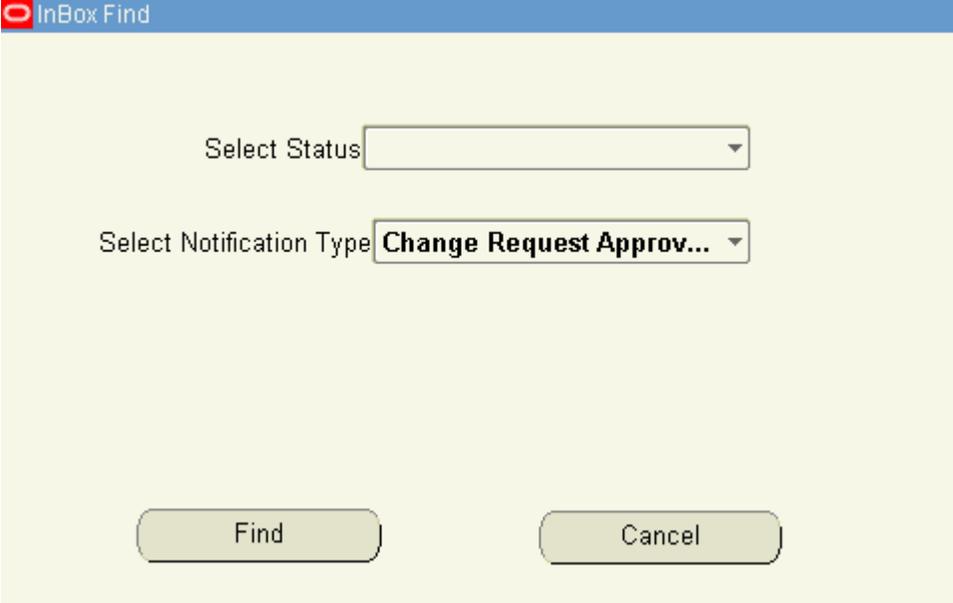
Open the change request notification in your Inbox and confirm no other change requests are in process.

To review and approve changes:

1. From the Navigator, navigate to **Contract Administration**, and then select **Launchpad**.
2. From the Launchpad, click **Find**.

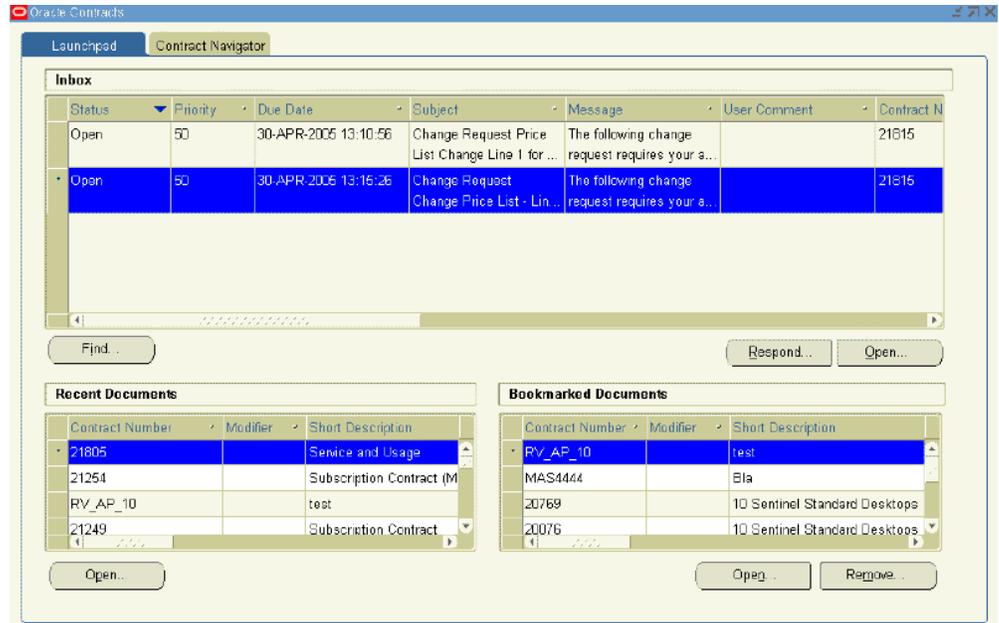
The Inbox Find window appears.

3. From Select Notification Type, select **Change Request Approvals**.
4. Click **Find**.



The screenshot shows a window titled "InBox Find" with a blue header bar. The main content area is light yellow and contains two dropdown menus. The first dropdown is labeled "Select Status" and is currently empty. The second dropdown is labeled "Select Notification Type" and has "Change Request Approv..." selected. At the bottom of the window, there are two buttons: "Find" and "Cancel".

The contracts that have open change requests appear.



5. Highlight a contract from the Inbox and click **Respond**.
The Notification Details window appears.
6. Click **Approve**.
The worklist window shows the change request has been approved.
Close the worklist.
7. From the Launchpad Inbox select **Find**:
 - From the Select Notification Type list, select **Change Requests Approved**.
 - Click **Find**.
The approved change requests appear.
 - Highlight the change request and select **Open**.
The contract opens in status of QA Hold (or Open for Update).
After you make changes to the contract, you must submit the contract for a QA check.
8. From the Actions menu, select **Check QA**.
The Quality Assurance Results window appears. If the contract passes QA, select **OK**.
A new version of the contract will be created if that option was selected in the

change request.

Note: To change a contract that has been submitted through the change request process to Active status, you can open the change request and click Check Contract on the Admin tab.

Updating Contracts Online

After the contract has gone through the approval process, you can update a contract through the Update Online operation, as long as the status and operations definition allows it.

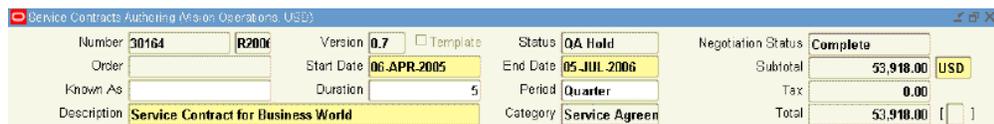
Prerequisites

- Set the OKC: Global Update Privileges profile option to Yes.
- Grant the Update Online function to the user responsibility
- Confirm other users do not have the change request lock on the contract.

To update contracts online:

1. From the Service Contracts Authoring window, select the **Summary** tab and select **Open for Update**.

The Contract Status should change from **Active** to **QA Hold**. This locks the contract.



The screenshot shows a window titled "Service Contracts Authoring (Mission Operations, USD)". The contract details are as follows:

Number	30164	R2006	Version	0.7	<input type="checkbox"/> Template	Status	QA Hold	Negotiation Status	Complete
Order			Start Date	06-APR-2005		End Date	05-JUL-2006	Subtotal	53,918.00 USD
Known As			Duration	5		Period	Quarter	Tax	0.00
Description	Service Contract for Business World		Category	Service Agreen		Total	53,918.00 []		

2. Make changes to the contract.
3. Save.
4. From the Actions menu, select **QA Check**.
5. Review the QA results.
6. If the QA results are clean, click **OK**.
7. The Contract Status changes from **QA Hold** to **Active**.

Creating Different Contract Versions for Your Customer

The contract version consists of a major version and a minor version. The major and minor versions are separated by a period. When a contract is created, the version is set to 0.0. The minor version increases incrementally each time that the contract is changed. When you create a new version, the major version number of a contract is changed from its most recent value to the next increment. The minor version changes each time that the contract is changed, but the major version will not change again unless you create another contract version.

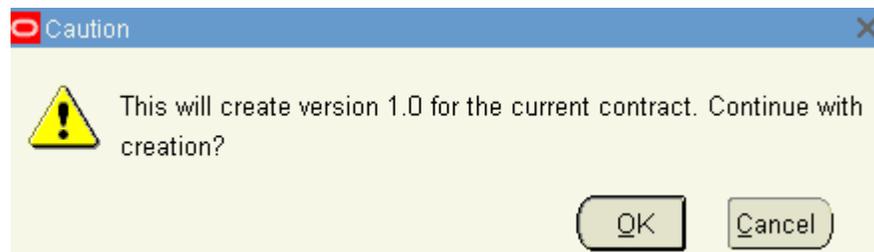
For example:

Contract Changes	Version
Initial creation	0.0
First save with changes	0.1
Second save with changes	0.2
Create new version	1.0
First save after new version	1.1
Second save after new version	1.2

To create different contract versions for your customer:

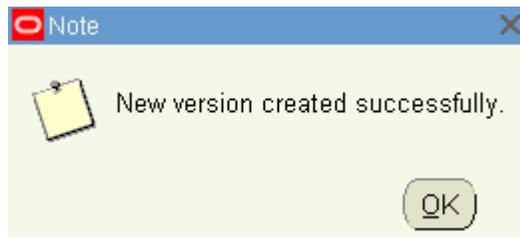
1. From the Service Contracts Authoring window, select the **Tools** menu and select **Create New Version**.

A caution window appears indicating that the application will create a new version.



2. Click **OK**.

A note appears, indicating that a new version has been created successfully.



3. Click **OK**.

In the Version field, the digit that is in front of the period, or the major version number, increases by one. The minor version is reset to zero.

Viewing Contract History

To view contract history:

1. In the **Contract Navigator** tab of the Oracle Contracts window, select a contract.
2. Double-click the contract.

The Contract Execution window appears.

21811

Contract Number **21811** Modifier

Short Description **Negotiated Renewal**

Status **Active** Start Date **12-JAN-2005**

Category **Service Agreement** End Date **11-JAN-2006**

Amount **5,000.00** **USD** Terminate Date

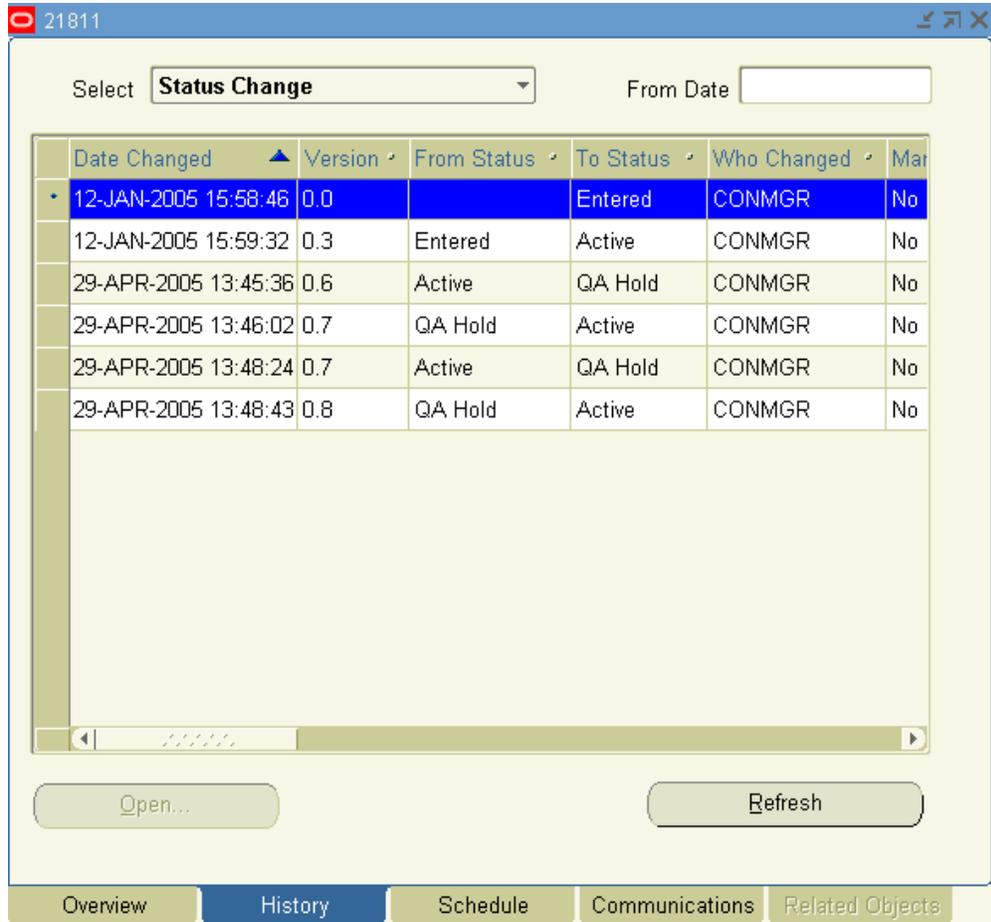
Renew Date **12-JAN-2005**

Description Comments

Line...	Status M...	Name	Start Date	End Date	Line Style
1	Active	Usage item fo...	12-JAN-2005	11-JAN-2006	Usage

Overview History Schedule Communications Related Objects

3. Select the **History** tab.



4. From the Select list choose an option:
 - Status Change
 - Contract Versions
 - Change Requests
 - Change Requests and Contract Versions
5. To open a contract version or change request, highlight the version and select **Open**.

Depending on what you select, the Service Contracts Authoring window or the Create Change Request window appears.

See also:

- Extending a Contract Line (Contract Execution window), page 17-6

- Terminating a Contract Line (Contract Execution window), page 20-5

Handling Returns and Granting Credit

Credits are determined by the RMA line type in Oracle Order Management. When a product is returned from Oracle Order Management, Oracle Installed Base makes a call to Oracle Service Contracts with the parameter `raise_credit`, which determines if a full, a partial, or no credit is to be issued.

- **Full:** Product line in Oracle Service Contracts is terminated as of the start date of the product line and a full credit is issued.
- **Calculated (Partial):** Product line in Oracle Service Contracts is terminated as of the return date of the product. A partial prorated credit is issued based on the return date.
- **None:** Product line in Oracle Service Contracts is terminated as of return date and no credit is issued.

If there is a null value and nothing is passed in the parameter `raise_credit`, then Oracle Service Contracts uses the credit option rule set in the Credit Amount field of the Global Contracts Defaults window. You can set the credit option to Full, Calculated, or None. For more information on the Global Contracts Defaults window, see *Entering Contract Defaults*, page 2-36.

If you define the credit option rule in Global Contracts Defaults, and your administrator sets the OKS: Raise Credit Memo for IB Instance Termination option to Yes, the application uses the values defined in the Global Contracts Defaults. If your administrator sets the profile option to No, the application does not generate credits.

Changing Contract Status

To change a contract status:

1. In the Contract Navigator, right-click a contract and select **Change Status**.
The Contract Status window appears.

Contract Status

Current Status Current Status Type

New Status New Status Type

Reason

Comments

Selected Contracts

Contract Number	Modifier	Status	Start Date	End Date
30164	R2006	Active	06-APR-2005	05-JUL-2006

Termination Reason

OK Cancel

2. Select the new status from the LOV.

Note: The New Status LOV is dependent on the Current Status. For example, the New Status LOV values for Terminated contract are different from that of an Entered or Active Contract.

3. Select a reason from the LOV.

If you need to add more reasons for the status change, your system administrator can add more options in the Lookup Codes.

4. Use the Comments field to enter any additional information.

5. Click **OK**.

6. A Status window appears indicating that the status change was successful.

7. Click **OK**.

Note: The Termination Reason field populates only for Terminated Contracts. This feature allows you to know the termination reason and segregate contracts with similar reasons under New Status.

8. In the Contract Navigator tab, right-click the contract and select **Refresh**.

The contract shows the new status.

Note: Certain status transitions are made based upon the start date or end date on a contract or on a contract line. There are two concurrent programs used to automatically change the status of a contract:

- Contract Status Change by Range
- Contract Status Change by Contract

These programs are used when the status transitions are not manual.

For example, a contract:

- expires when an end date is reached.
- becomes active from the signed status at the start date.

Extending and Renewing Contracts

This chapter covers the following topics:

- About Contract Extensions and Renewals
- Extending a Contract Without Repricing
- Repricing an Extended Contract
- Extending a Contract Line
- How Billing Schedules Are Updated for Extended Contracts
- Understanding Contract Renewals
- Managing Manual Renewals
- Managing Online Renewals
- Managing Evergreen Renewals
- Understanding Sales Credits During Contract Renewals
- Explaining the Pricing of Renewed Contracts
- Specifying How the Renewed Contract Will Be Priced
- Renewing Contracts Manually
- Managing the Event-Driven Renewal Process
- Allowing a Grace Period for Renewals
- About Grace Periods
- Specifying a Grace Period for the Current Contract
- Specifying a Grace Period for the Renewed Contract
- Understanding Billing Schedules on Renewed Contracts
- Consolidating Multiple Contracts for Renewal
- Sending Quote Letters by E-mail
- Understanding Line Level Cancellation and Termination Reasons

- Canceling a Contract Line
- Canceling a Contract Subline

About Contract Extensions and Renewals

This group of topics explains how you can extend and renew contracts.

Contract Extensions

Oracle Service Contracts allows you to extend the duration of a contract or a contract line without having to submit the contract to the approval workflow.

A contract must be in a status of Active, Signed, or Expired to be extended. Contracts in a status of Entered, Canceled, or Terminated are examples of contracts that cannot be extended.

When you extend the duration of a contract, the contract lines are automatically extended, as long as the end date of the line is the same as the end date of the contract. If the end date for the line is different from the end date for the contract, the line will not change if the contract is extended. This functionality ensures that a service with a duration that, is deliberately different from the contract duration, retains its intended duration.

Either you can extend the contract without repricing it, or you can choose to reprice it. For example, you may:

- Provide a customer with six months of additional coverage, because he is a good customer and you want to show your appreciation. In this scenario, you choose not to reprice the contract. See *Extending a Contract without Repricing*, page 17-4.
- Extend a contract by three months because of a customer request. Although you agree to extend the contract, you advise the customer that he will be charged for the extension. In this scenario, you choose to reprice the contract. See *Repricing an Extended Contract*, page 17-5.

You can also extend the duration of a contract line manually. See *Extending a Contract Line*, page 17-6.

After you have extended a contract, you should review any changes to the billing schedules. See *How Billing Schedules Are Updated for Extended Contracts*, page 17-9

Note: You cannot extend the original contract if it has already been renewed. However, you can extend the renewed contract, as long as another contract does not follow it.

Contract Renewals

The process of renewing a contract involves making a copy of an existing, active

contract at a point in time. The dates are changed to reflect a period similar to that of 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.

Contracts can be renewed either manually or automatically. You can manually renew a contract from the Contract Navigator, or your administrator can set up the application to automatically submit a contract for renewal. Regardless of whether you plan to renew contracts manually or automatically, you can:

- Define renewal rules within a contract. See *Specifying How a Contract Will Be Renewed*, page 2-28.
- Create global defaults. See *Setting Up Defaults for Contract Renewal*, page 2-34.

After a contract has been renewed, changes to the existing contract will not update the renewal contract. For example, if a contract is renewed 90 days before 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. If changes have not been made on the renewal contracts and it is still in an Entered state, you can:

- Delete the renewal contract.
- Change to the original contract.
- Renew the contract again, so that the latest changes are incorporated on the renewal contract.

Note: When renewing a Subscription contract:

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

To upsell a contract by adding additional services or covered goods, you may do so at renewal. To upsell a contract, you must work with a sales representative when an opportunity to open and update the contract occurs.

You can cancel service lines or covered products during a renewal if you no longer want to renew them. See *Understanding Line Level Cancellation and Termination Reasons*, page 17-37.

For information about creating and enabling templates for e-mails to customers, see *About Templates for E-Mails to Customers*, page 18-1.

Extending a Contract Without Repricing

To extend a contract without repricing:

1. From the Contract Navigator, highlight a contract and right-click.

2. Select **Extend**.

The Extend Contracts window appears.

3. Select a Duration and Period.

The End Date field is populated based on the duration and period.

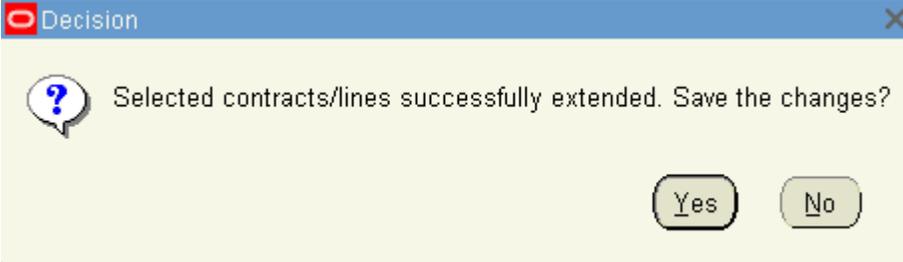


The screenshot shows a dialog box titled "Extend Contracts (Vision Operations: USD)". It contains the following fields and controls:

- End Date:** 02-NOV-2004
- Duration:** 2
- Perpetual:**
- New End Date:** (empty field)
- Period:** Year
- Buttons:** Extend, Cancel

4. Select **Extend**.

5. A decision message indicating that the contract was successfully extended appears. Click **Yes** to save changes.



The screenshot shows a dialog box titled "Decision" with a question mark icon. The text inside reads: "Selected contracts/lines successfully extended. Save the changes?". At the bottom, there are two buttons: "Yes" and "No".

6. To verify if that the contract was extended, highlight the contract and right click.

7. Select **Open**.

The contract authoring window appears.

8. Check the duration of the header to verify whether the contract was extended.

9. Select the **Lines** tab and **Effectivities** subtab to verify whether the lines were extended.

Note: For the procedure about extending a contract line, see Extending a Contract Line, page 17-6.

Repricing an Extended Contract

To reprice an extended contract:

1. From the Service Contracts Authoring window, select the **Summary** tab and **Parties** subtab, and then select **Open for Update**.

Note: If you do not see the Open for Update button, your administrator may not have set the status and operations to allow online updates.

The status of the contract changes to QA hold.

2. To reprice the contract line by line, navigate to the **Lines** tab and **Pricing/Products** subtab.
3. Select **Reprice**.

The Repricing Results window appears.

4. Click **Apply**.

Verify that the pricing was updated. You may also want to review the billing streams. The application adds an additional stream level sequence to cover the extended duration.

Note: 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.

5. From the Actions menu, select **Check QA** to run the QA check.

The Quality Assurance Results window appears.

6. Click **Continue**.

7. The contract status updates to the original status.

Note: You can reprice the entire contract, by navigating to the Summary tab and Pricing/Billing subtab and selecting **Reprice**.

Extending a Contract Line

To extend a contract line:

1. From the Contract Navigator, select the contract that contains the line to extend.
2. Double-click the contract to open the Contract Execution window.

21882

Contract Number **21882** Modifier

Short Description **Business World Agreement**

Status **Signed** Start Date **17-MAR-2006**

Category **Service Agreement** End Date **16-SEP-2006**

Amount **210.00 USD** Terminate Date

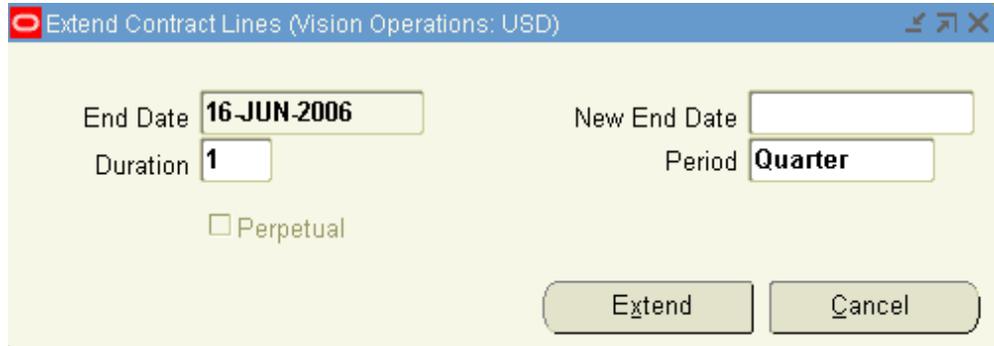
Renew Date

Description Comments

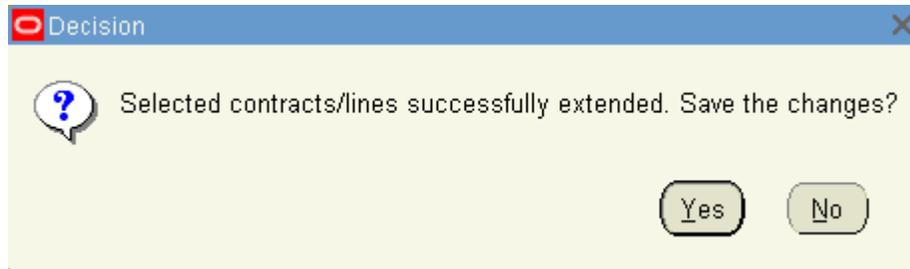
Line...	Status M...	Name	Start Date	End Date	Line Style
1	Signed	Extended Not...	17-MAR-2...	16-SEP-20...	Service
• 2	Signed	Usage Item fo...	17-MAR-2...	16-JUN-2006	Usage

Overview History Schedule Communications Related Objects

3. Select the Overview tab. The lines of the contract appear in the lower portion of this tab.
4. Highlight the line you want to extend, right-click and select **Extend Line**.
The Extend Contracts Line window appears.
5. Enter a duration and period.



6. Click **Extend**.
7. A decision box appears, indicating that the line was successfully extended.



8. Select **Yes** from the decision box.
9. Close the Contract Execution window and return to the Contract Navigator.
10. To verify that the contract line was extended, return to the Contract Execution window.
11. Select the line, right-click, and select **Refresh**.

Contract Number: 21882
Short Description: Business World Agreement
Status: Signed
Category: Service Agreement
Amount: 210.00 USD
Start Date: 17-MAR-2006
End Date: 16-SEP-2006

Line...	Status M...	Name	Start Date	End Date	Line Style
1	Signed	Extended Not...	17-MAR-2...	16-SEP-20...	Service
2	Signed	Usage item fo...	17-MAR-2...	16-SEP-20...	Usage

How Billing Schedules Are Updated for Extended Contracts

After the contract is extended, an additional billing stream sequence appears in the billing schedule. This sequence covers the extended duration. Depending on the billing schedule, the total amounts for any unbilled periods are updated to reflect the remaining duration of the contract.

Billing Schedules for Extended Contracts Without Repricing

If you do not reprice the contract, the total amount of the contract remains unchanged. However, for each line, a new billing stream sequence is added with the same billing period as the preceding stream sequence. The number of periods for the new billing stream sequence reflects the duration of the extension.

Although the total amount of the contract has not changed, the billing stream sequences for any unbilled total amounts are also updated to reflect the remaining duration of the contract. The billing schedule is also updated.

For example, if you have a one-year contract with a service line that is priced at 100

USD and is scheduled to be billed one time during the one-year duration, and you extend that contract without repricing it; a second billing stream sequence is added with the same billing period as the previous billing stream sequence. Because the contract has not been billed, the amount for each billing stream sequence is now 50 USD. However, the total amount of the service line remains 100 USD.

Billing Stream Before Contract Extension

Seq	Number of Periods	Start Date	End Date	Duration	Period	Amount	Total Amount
1	1	01-MAR-2005	28-FEB-2006	1	Year		100

Billing Stream After Contract Extension

Seq	Number of Periods	Start Date	End Date	Duration	Period	Amount	Total Amount
1	1	01-MAR-2005	28-FEB-2006	1	Year	50	
2	1	01-MAR-2006	28-FEB-2007	1	Year	50	

Billing Schedules for Extended Contracts with Repricing

If you reprice the contract, the total amount of the contract is updated to reflect the new pricing. For each line, a new billing stream sequence is added with the same billing period as the previous stream. The number of periods for the new billing stream reflects the duration of the extension. Because the total amount of the contract has changed, the billing streams for any unbilled amounts are updated to reflect the new amount and the new billing stream. The billing schedule is also updated.

For example, you have a one-year contract with a service line that is priced at 100 USD, and is scheduled to be billed one time during the one-year duration, and you then extend the contract and reprice the service line to 200 USD, a second billing stream sequence is added with the same billing period as the previous billing stream sequence. Because the contract has not been billed, the amount for each billing stream is now 100 USD and the total amount of the service line is 200 USD.

Billing Stream Before Contract Extension

Seq	Number of Periods	Start Date	End Date	Duration	Period	Amount	Total Amount
1	1	01-MAR-2005	28-FEB-2006	1	Year		100

Billing Stream After Contract Extension

Seq	Number of Periods	Start Date	End Date	Duration	Period	Amount	Total Amount
1	1	01-MAR-2005	28-FEB-2006	1	Year		100
2	1	01-MAR-2006	28-FEB-2007	1	Year		100

Understanding Contract Renewals

Contracts can be renewed manually or through an event-driven process.

The life cycle of a renewal contract is similar to a newly authored contract. See *Overview of Managing Contract Negotiation*, page 11-1.

The key difference between a new contract and a renewal contract is the process following contract creation. A new contract remains in a sales representative's queue pending his action; whereas the application routes a renewal contract to the sales representative, the customer, or bypasses both and activates the contract. Two parameters determine the branching: the renewal rule and the threshold amounts derived from the Global Contracts Defaults. See *Entering Contract Defaults*, page 2-36.

You can set up renewal rules that apply to both the manual renewals and the event-driven renewals. See *Specifying How a Contract Will Be Renewed*, page 2-28, *Renewing Contracts Manually*, page 17-27, and *Managing the Event-Driven Renewal Process*, page 17-28.

Understanding Renewal Rules Setup and Renewal Contract Branching

To derive the renewal process, the application evaluates renewal rules using the contract, party, organization, and global level hierarchy for the authored contract. At each level, starting with the contract authoring level, the application evaluates renewal rules according to a logic that first evaluates threshold conditions and determines the validity of a threshold-driven process. If a threshold condition is not satisfied, the

application uses the renewal process entered on the contract. If no renewal process is entered on the contract, the logic is repeated at the next level of the hierarchy, such as the organization level. The renewal process follows the following logic to determine the renewal process for a contract:

1. Based on the setup of the contract and the Global Contracts Defaults, the renewal process determines the effective renewal rule. This rule includes three values:
 - Default Renewal Process: following the contract, party, organization, global hierarchy
 - Evergreen Threshold Amount: following the party, organization, global hierarchy
 - Online Threshold Amount: following the party, organization, global hierarchy
2. The application checks if the renewal process is Evergreen. If so, the application renews the contract as an Evergreen contract.
3. The application then determines if the contract qualifies as Evergreen based on the Evergreen threshold amount. If so, the application renews the contract as an Evergreen contract.
4. If the contract fails the previous two Evergreen checks, the application determines if the contract qualifies as an Online contract based on the Online threshold amount. If so, the application renews the contract as an Online contract.
5. If the amount does not meet the Online threshold but renewal process is set to Online, the application renews the contract as an Online contract.
6. If the contract does not qualify as Evergreen or Online based the previous steps, the application uses the default renewal rule during renewal.

How the Application Derives the Effective Renewal Rule for a Contract

Level	Renewal Process	Evergreen Threshold	Online Threshold
Contract	Null	NA	NA
Party	Evergreen	Null	20,000
Organization	Null	10,000	15,000
Global	Online	--	--

Effective Renewal Rule Values	Evergreen	10,000	20,000
--------------------------------------	------------------	---------------	---------------

In the previous example, if the contract amount is equal to 15,000, the application uses the default renewal process at the party level, which is Evergreen. This level is used irrespective of the contract amount.

How the Application Derives the Effective Renewal Rule for a Contract

Level	Renewal Process	Evergreen Threshold	Online Threshold
Contract	Online	NA	NA
Party	Manual	Null	20,000
Organization	Null	10,000	15,000
Global	Online	--	--
Effective Renewal Rule Values	Online	10,000	20,000

In the previous example, if the amount is 5,000, the Evergreen process holds. If the contract amount is 15,000, the Online process holds. If the amount is 25,000, the Online process holds. After the application derives the renewal process, workflow logic determines contract routing and the process flow.

Understanding Renewal Rules Setup and the Approval Flag

Renewal types include the following:

- **Manual**
- **Online**
- **Evergreen**
- **Do Not Renew**

The Manual, Online, and Evergreen renewal types have subprocesses that you define by selecting an Internal Approval method either within the contract itself or within the Global Contracts Defaults. Internal approval method is a required field that needs to be defined when a renewal process is defined at the contract, party, organization, or global level. When the renewal process determines the renewal process type for a contract, the

corresponding approval flag determines the internal approval method for that contract. See *Entering Contract Defaults*, page 2-36.

The following table provides an overview of the combinations of renewals types and internal approval methods. You can start renewals through an event-driven process or manually:

Renewal Process	Internal Approval Method	Description
Manual	Required	This renewal type sends a notification to the inbox of the sales representative associated with your contract. See <i>Understanding Manual Renewals with the Internal Approval Set to Required</i> , page 17-15.
Manual	Not Required	The <i>Submit for Internal Approval</i> action associated with this renewal type results in an automatic QA check and contract activation. A QA check failure results in a <i>Failure</i> notification, and routes the contract back to the negotiation stage of the process, where you can update it. Activation takes place with the <i>Signature</i> notification directed to the sales representative. See <i>Understanding Manual Renewals with the Internal Approval Set to Not Required</i> , page 17-16.
Online	Manual	This renewal type sends an e-mail notification to the customer to renew the contract over the Web. See <i>Understanding Online Renewals with the Internal Approval Set to Manual</i> , page 17-16.
Online	Automatic	This renewal type enables a contract that has been accepted online by the customer to be automatically submitted for internal approval without a sales representative's intervention. See <i>Understanding Online Renewals with the Internal Approval Set to Automatic</i> , page 17-18.

Online	Not Required	This renewal type skips the internal approval allowing a contract to be directly submitted for activation as a result of online customer acceptance. See Understanding Online Renewals with the Internal Approval Set to Not Required, page 17-18.
Evergreen	Required	This renewal type enables you to have the application create a renewed contract and submit it for approval to the sales representative specified on the contract or the help desk contact specified in the Global Contracts Defaults. See Understanding Evergreen Renewals with Internal Approval Set to Required, page 17-18.
Evergreen	Not Required	This renewal type enables the application to renew the contract in Active status. No approval or human intervention is required. See Understanding Evergreen Renewals with the Internal Approval Set to Not Required, page 17-19.
Do Not Renew	NA	This renewal type enables you to prevent a contract from being renewed. See Understanding How Do Not Renew Works, page 17-19.

Understanding Manual Renewals with the Internal Approval Set to Required

By setting the renewal type of a contract to a Manual renewal with the Internal Approval set to Required, the application sends a notification to the Inbox of the sales representative associated with your contract.

The process works as follows:

- The application renews the contract in Entered status with a negotiation status of Draft.
- The application sends a notification to the inbox of the sales representative.
- The sales representative reviews the contract and makes any necessary changes. The application sets the negotiation status to Pending Approval.

- The sales representative submits the contract for approval.
- After the contract is approved, the application changes the status to Active or Signed and sets the negotiation status to Complete.

See Managing Manual Renewals, page 17-19.

Understanding Manual Renewals with the Internal Approval Set to Not Required

By setting the renewal type of a contract to Manual with the Internal Approval set to Not Required, you can author a contract and have it activate after customer acceptance.

The following describes how the process works:

- The Submit for Internal Approval action results in an automatic QA Check and then activation.
- A QA Check failure results in a Failure notification, and routes the contract back to Negotiation stage of process where it may be updated and then activated.
- The application activates the contract by the Signature notification directed to the sales representative.

See Managing Manual Renewals, page 17-19.

Understanding Online Renewals with the Internal Approval Set to Manual

By setting the renewal type of a contract to Online with the Internal Approval Set to Manual, the application sends an e-mail notification to the customer to renew the contract over the Web.

The following describes how the process works:

- The application renews the contract with a status of Entered.
- The application runs a QA Check against the contract.
- If the QA Check fails, the application sends a notification. The hierarchy for the notification is:
 - Sales representative, if defined on contract
 - Helpdesk, set up in Global Contracts Defaults
- After the contract has been corrected, the contracts administrator can resubmit it, so it will be picked up by the Autorenew workflow.
- The application sends an e-mail notification to the customer. This is the Quote To contact on the contract. The e-mail contains the following:

- A cover letter, which is defined in OKC Print Contracts Setup
- A URL for customer to view Quote Letter, which is defined in OKC Print Contracts setup.
- An account and password that are required to log into the web page and view quote. Account and Password are stored in FND USERS and associated with the Quote To contact.

Note: The first e-mail sent to the Quote To user, contains a password 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. See Overview of the Customer Acceptance Portal, page 15-1.

If the customer accepts the contract renewal, the following occurs:

- The application updates renewal status to Quote Accepted.
 - The application updates contract with the payment details.
 - The application sends notification depending on hierarchy.
 - The application logs an interaction.
 - The contract administrator must initiate the approval process by manually submitting the contract for approval.
- The application sends a notification to the contract approver. If the QA Check fails, the application sends a notification to the help desk e-mail account.
 - If the customer rejects the quote, the application sends a notification and places the contract in the Rejection negotiation status. The hierarchy for the notification is as follows:
 - Sales representative, if defined on contract
 - Helpdesk setup in Global Contract Defaults
 - The sales representative must resubmit rejected quotes for approval after making required modifications. After the approval, the application updates the status to Active or Signed.

See Managing Online Renewals, page 17-20.

Understanding Online Renewals with the Internal Approval Set to Automatic

By setting the renewal type of a contract to Online with the Internal Approval Set to Automatic, the application submits contracts accepted Online by the customer for internal approval without sales representative intervention.

See Managing Online Renewals, page 17-20.

Understanding Online Renewals with the Internal Approval Set to Not Required

By setting the renewal type of a contract to Online with the Internal Approval Set to Not Required, you are allowing the internal approval to be skipped during the Online process. This allows the application to directly submit a contract for activation after online customer acceptance.

The following describes how the process works:

- Online customer acceptance results in an automated QA check and automatic submission for contract activation.
- A QA Check failure after customer acceptance prompts a failure notification, and routes the contract back to Negotiation stage of process, where it may be updated and submitted for activation.
- Activation takes place by the Signature notification directed to the sales representative.

See Managing Online Renewals, page 17-20.

Understanding Evergreen Renewals with Internal Approval Set to Required

By setting the renewal type of a contract to Evergreen with Internal Approval set to Required, the application creates a renewed contract and submits it for approval.

The following describes how the process works:

- The application renews the contract in Entered status.
- The application automatically submits the contract for approval.
- The application sends a notification as follows:
 - Sales representative, if defined on contract
 - Helpdesk setup in Global Contract Defaults

Note: If you do not see the Submit button, your administrator may not have set the status and operations to allow online updates.

See Managing Evergreen Renewals, page 17-22.

Understanding Evergreen Renewals with the Internal Approval Set to Not Required

By setting the renewal type of a contract to Evergreen Renewals with the Internal Approval set to Not Required, the application renews the contract in a status of Active.

Following is a description of how the process works:

- The application renews contract in Active status.

This renewal type does not require approval or human intervention.

See Managing Evergreen Renewals, page 17-22.

Understanding How Do Not Renew Works

By setting the renewal type of a contract to Do Not Renew, you can prevent a contract from being renewed.

Managing Manual Renewals

Note: Setting the renewal type within does not necessarily mean the contract will be renewed accordingly. The application may override this option based on the Evergreen and Online renewal types as well as thresholds specified in the Global Contracts Defaults.

To specify the contract should be renewed manually with the internal approval set to required:

You can specify whether a contract should renewal manually on the contract. Upon renewal, whether it is an event-driven or manual renewal, the application sends a notification to the sales representative associated with the renewal. See Understanding Sales Credits During Renewals, page 17-22.

Prerequisites

Confirm the setup of sales territories, or set OKS: Use Territories to Default Sales Person to **No** and specify the sales representative who handles renewal requests in the profile option OKS: Default Sales Person for Renewal.

1. From the Service Contracts Authoring window, select the **Summary** tab and the **Renewals** subtab.
2. Select **Manual** from the Type LOV in the Renewal region.
3. Select **Required** from the Approval list.

4. To require the sales representative to enter a purchase order before the contract can be renewed, select **Yes** from the PO Required list.

To specify the contract should be renewed manually with the internal approval set to not required:

You can allow a contract to automatically activate after customer acceptance.

1. From the Service Contracts Authoring window, select the **Summary** tab and **Renewals** subtab.
2. Select **Manual** from the Type LOV in the Renewal region.
3. Select **Not Required** from the Approval list.
4. To require the contract author to enter a purchase order before the contract can be renewed, select **Yes** from the PO Required list.

Managing Online Renewals

Prerequisite

Confirm the setup of online renewal.

To specify the contract should be renewed online with the internal approval set to manual:

Online renewal is available for Warranty and Extended Warranty, Service Agreement, and Subscription categories of contracts.

The e-mail the application sends includes a hyperlink the customer can use to access your organization's web site and renew the contract. See Overview of the Customer Acceptance Portal, page 15-1.

1. From the Service Contracts Authoring window, select the **Summary** tab and the **Renewals** subtab.
2. Select **Online** from the Process LOV in the Renewal region.
3. Select **Manual** from the Approval list.
4. In the Quote to region, use the LOV to enter the contact, e-mail address, and phone.

Note: The contact must have an existing e-mail address. You cannot add new addresses here.

5. Save.

To specify the contract should be renewed online with the internal approval set to automatic:

You can allow a contract to be automatically submitted for internal approval without intervention by the sales representative after it is accepted online by a customer.

1. From the Service Contracts Authoring window, select the **Summary** tab and the **Renewals** subtab.
2. Select **Online** from the Process LOV in the Renewal region.
3. Select **Automatic** from the Approval list.
4. In the Quote to region, use the LOV to enter the contact, e-mail address, and phone.

Note: The contact must have an existing e-mail address. You cannot add new addresses here.

5. Save.

To specify the contract should be renewed online with the internal approval set to not required:

You can have online customer acceptance result in an automated QA check and submission for contract activation.

1. From the Service Contracts Authoring window, select the **Summary** tab and the **Renewals** subtab.
2. Select **Online** from the Process LOV in the Renewal region.
3. Select **Not Required** from the Approval list.
4. In the Quote to region, use the LOV to enter the contact, e-mail address, and phone.

Note: The contact must have an existing e-mail address. You cannot add new addresses here.

5. Save.

Managing Evergreen Renewals

To specify an evergreen renewal with the internal approval set to required:

You can have the application create a renewed contract and submit it for approval to the sales representative specified on the contract or the help desk contact specified in the Global Contracts Defaults.

1. From the Service Contracts Authoring window, select the **Summary** tab and **Renewals** subtab.
2. Select **Evergreen** from the Type LOV in the Renewal region.
3. Select **Required** from the Approval list.
4. To require the entry of a purchase order before the contract can be approved, select **Yes** from the PO Required list.

To specify an evergreen renewal with the internal approval set to not required:

You can have the application renew a contract upon expiration.

1. From the Service Contracts Authoring window, select the **Summary** tab and the **Renewals** subtab.
2. Select **Evergreen** from the Process LOV in the Renewal region.
3. Select **Not Required** from the Approval list.
4. Specify a date in the Renew Up To field. The contract keeps renewing automatically until this date.
5. Save.

Understanding Sales Credits During Contract Renewals

The following provides an overview of how Oracle Service Contracts determines which sales representative receives sales credit for the renewal. The application uses OKS: Enable Sales Credit profile to make this determination. This profile option has four values:

OKS: Enable Sales Credit Profile Option Setup	Business Rule
---	---------------

Derive for Revenue Type	Drops both types of sales credits and derives only the sales credit specified under the OKS:Revenue Type profile option.
Derive for Revenue Type and Retain Other	Drops and derives only the sales credit specified under the OKS:Revenue Type profile option; Retains the other sales credit.
Drop All	Drops both sales credits; no derivation of either.
Retain All	Retains both sales credits; no derivation of either.

Rules to Derive Sales Representative When the Profile Option OKS: Enable Sales Credits is set to Derive:

The application uses the following profile options to derive a sales representative for the renewal agreement:

- **OKS: Use Territories to Default Sales Person**
 - If set to Yes, the sales representative uses Territory Setup.
 - If set to No, then Service Contracts uses the value entered in OKS: Sales person to derive the vendor contact and or sales representative.
- **OKS: Sales Person**
 - If OKS: Use Territories to Default Sales Person is set to No, this profile determines the sales representative 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 fails to renew and produces an error message. You may manually add additional sales representative to the Sales Credits form after the application creates the renewal agreement

Other Profile Options Used for Sales Credits:

- **OKS: Revenue Type Distribution for Sales Credit:** Assigns the percentage of revenue to the sales person whose name was determined by the OKS: Sales Person or OKS: Use Territories to Default Sales Person profile options. Sales Credits must total 100% in order to pass the QA check.

Note: 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:** Indicates whether the revenue is quota or non-quota for the default sales representative.

Explaining the Pricing of Renewed Contracts

You can set up renewal rules that apply to both manual renewals and automatic renewals. Pricing methods specify how the contract will be priced at renewal. There are three pricing methods:

- **Price List:** Charges the customer based on the price list you enter in the Price List field. The price charged is the current price listed in the price list at the time the contract is renewed.
- **Manual:** The application retains the price of the original contract for the renewed contract.
- **Markup Percent:** Automatically adjusts the price up or down by a percentage you enter. (A positive number marks up the price; a negative number discounts it.) Optionally, you can cap the maximum adjustment based on a price list.

For more information on defining pricing methods for renewals, see:

- [Specifying How the Renewed Contract will Be Priced](#), page 17-26.
- [Setting Up Defaults for Contract Renewal](#), page 2-34.

Understanding the Price List Pricing Method

The following is intended to help you understand how the Price List pricing method works.

A contract using the Price List pricing method has the Corporate price list assigned. For the original contract the list price of item X is \$150. Before the contract is renewed, item X on the corporate price list is changed to \$200. Item X on the renewed contract will be \$200.

Understanding the Manual Pricing Method

The following is intended to help you understand how the Manual pricing method works.

A contract using the Manual pricing method contains item X. For the original contract the list price of item X is \$150. Before the contract is renewed, item X on the price list is changed to \$200. When the contract is renewed, item X will be \$150, not the increased

price of \$200.

Understanding Renewal Markup Pricing

The following is intended to provide some scenarios to help you understand how renewal markup pricing works.

In calculating the amount of a contract for a renewal agreement using Renewal Markup Pricing, begin with the original year contract **Con03**. This agreement has a final price that is comprised of the year 2003 price list plus any discounts or surcharges that are applied (modifiers).

The contract contains a renewal markup that indicates that the final price of the contract should be increased or decreased by a certain percentage when that contract is renewed. Also identified is a renewal price list **Cap04**. This price list is generally used to assure that renewal customers are not being asked to pay more for their renewal agreements after markups than new customers are paying for their original service contracts.

When renewing the contract, any modifiers carried over from **Con03** to the renewal agreement are applied to the **Cap04** list price to calculate the final price. Service Contracts compares this amount to value of **Con03** plus the renewal markup percentage. The renewal markup value is used unless it exceeds the cap pricing value. The application, effectively, selects the lower of the two values and that amount becomes the new contract final price for the renewal agreement.

Example 1: Markup pricing does not exceed cap (using surcharges)

Con03

List price of item X \$1,000

Modifier: 10% surcharge

Contract Final price: \$1,100

Renewal markup: 5%

Con03R04

Cap List price of item X \$1,500

Modifier: 10% surcharge

- **Comparison:**

Markup Pricing: \$1,155

Cap Pricing: \$1,650

New Contract Final Price \$1,155

Example 2: Markup up pricing exceeds cap (using surcharges)

Con03

List price of item X \$1,000

Modifier: 10% surcharge

Contract Final price: \$1,100

Renewal markup: 5%

Con03R04

Cap List price of item X \$1,000

Modifier: 10% surcharge

- **Comparison:**

- Markup Pricing: \$1,155

- Cap Pricing: \$1,100

New Contract Final Price \$1,100

Example 3: Markup pricing does not exceed cap (using discounts)

Con03

List price of item X \$1,000

Modifier: 10% discount

Contract Final price: \$900

Renewal markup: 5%

Con03R04

Cap List price of item X \$1,200

Modifier: 10% discount

- **Comparison:**

- Markup Pricing: \$945

- Cap Pricing: \$1,080

- New Contract Final Price \$945**

Specifying How the Renewed Contract Will Be Priced

To specify how the renewed contract will be priced:

1. From the Service Contracts Authoring window, select the **Summary** tab and **Renewals** subtab.
2. From the Pricing Method LOV, select a pricing method.
3. If you have selected Price List, then enter the price list to be used for the renewal in

the Price List field.

4. If you have selected Markup Percent, then:
 1. Enter the percentage, which adjusts the price accordingly. Entering a positive number marks up the price. A negative number discounts the contract renewal.
 2. If you are marking up the contract price and wish to put a limit on the maximum price the customer will pay, then enter a price list in the Price List field. The price of the renewed contract cannot go over the price listed in the price list.

For example, if you enter 20% as your markup and the current list price of the service is \$100, then the renewed contract is priced at \$120. If you enter a price list that lists the service at \$110, however, then this price list caps the maximum price for the service at \$110. The customer pays a maximum of \$110 for the renewal.

Note: The price cap works only for (positive) markups and not for discounts.

Renewing Contracts Manually

To renew contracts manually:

1. From the Contract Navigator, highlight an active contract.
2. Right mouse click to select **Renew**.

The Renew Contract window appears with the following fields populated:

- **New Number:** new contract number.
- **New Modifier:** a modifier to differentiate the old and renewed contract.
- **New Start date:** new start date.

3. Enter the Duration and Period.

The New End date field populates after you enter the duration and period.

Note: If your contract is a large contract, you may wish to process the contract in the background. You can do this by selecting the Submit Request check box.

4. Click **Renew**.
5. A decision message appears indicating that the contract successfully renewed. Click **Yes** to save changes.
The Contract Navigator appears.
6. On the right hand side of the form, right mouse click to select Refresh.
You should be able to identify the contract with the new modifier.
7. On the right hand side of the form, highlight the contract with the New Modifier and right mouse click to select Open.

Managing the Event-Driven Renewal Process

There are a number of implementation setups that are required to define and trigger the renewal process. For more information, see the *Oracle Service Contracts Implementation Guide*.

Allowing a Grace Period for Renewals

By entering a grace period, you can extend the service a customer receives while a renewed contract is in the process of being negotiated and approved. This group of topics explains how grace periods work and how to set them up:

- About Grace Periods, page 17-29

- Specifying a Grace Period for the Current Contract, page 17-30
- Specifying a Grace Period for the Renewed Contract, page 17-30

About Grace Periods

By specifying a grace period you grant the customer the services of a contract beyond the expiration date at no extra charge. Grace periods ensure the customer does not experience an interruption of service while a contract is being renegotiated, for example.

The actual start and end dates of the contract and the billing schedule are unaffected by the grace period.

If the renewal happens within the grace period, the new contract takes effect the day after the original contract expired and the customer is billed accordingly.

Suppose, for example, that a customer calls on January 15 to renew a service contract that expired on December 31. Because the contract had a one month grace period, the customer did not experience any interruption of service, but the new contract goes into effect and is billed from January 1 rather than from the date of the call or the end date of the grace period.

You can specify a grace period both for the current contract and for the renewed contract.

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

The grace period affects only lines and sublines that expire on the same day as the contract.

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

If you add a 30 day grace period to this contract, services 2 and 3 are eligible for entitlement until 30-JAN-2004. Service 1 is not.

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.

You can delete the grace period from the contract at any time, either before the contract expires, when the grace period goes into effect, or when the renewed contract becomes active.

Specifying a Grace Period for the Current Contract

You can grant, modify, or deny a grace period for the current contract. During a grace period, the customer continues the same level of service as under the old contract, at no extra charge, if the contract expires.

Prerequisite

Set the profile option OKS: Enable Grace Period to **Yes** at the Site Level.

To specify a grace period for the current contract:

1. From the Service Contracts Authoring window, select the **Summary** tab and **Administration** subtab.
2. To grant a grace period:
 1. Enter a number in the Grace Duration field. (For example: 30)
 2. Select the unit of measure from the Grace Period LOV. (For example: Days)
3. To adjust the grace period, make changes in these same fields.
4. To deny an existing grace period, delete the entry in the Grace Duration field.
5. Save.

Specifying a Grace Period for the Renewed Contract

A grace period becomes effective upon the expiration of the renewed contract.

Prerequisite

Set the profile option OKS: Enable Grace Period to **Yes** at the Site Level.

To specify a grace period for the renewed contract:

1. From the Service Contracts Authoring window, select the **Summary** tab and **Renewals** subtab.
2. To grant a grace period, then:
 1. Enter a number in the Grace Duration field. (For example: 30)

2. Select the unit of measure from the Grace Period LOV. (For example: Days)
3. To adjust the grace period, then make changes in these same fields.
4. To deny an existing grace period, then delete the entry in the Grace Duration field.
5. Save.

Understanding Billing Schedules on Renewed Contracts

If the renewed contract has the same duration as the original contract, a copy is made of the original contract, which also includes a copy of the billing schedule.

If the renewed contract has a duration that is different than the original contract, then the billing schedule does not appear on the renewed contract. The renewed contract fails the QA check because the billing schedule does not adjust itself to the new duration. This also happens when you renew a one year contract for six months. Even if the renewal type is Evergreen (Internal Approval is Not Required), the renewed contract stays in Entered status because it fails the QA check.

If you are considering using the Evergreen (Internal Approval is Not Required) renewal type, you should also consider using billing profiles. When a billing profile is defined in the global defaults, the billing schedule for the renewed contract is created according to that billing profile.

Consolidating Multiple Contracts for Renewal

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, which 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:

- Decreases the number of renewal contracts, reducing workload and the difficulties imposed by large numbers of contracts.
- Improves the customer relationship. 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.

- Reduces the number of customer invoices.

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 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
- Source contract end date +1 is within the effectivity of the target contract.
- 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 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 coverage is 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 processed 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 is created and the time it is 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 application verifies that the source is still eligible for consolidation. If not eligible, Oracle Service Contracts excludes the source line from the consolidation.

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.

Note: An Extended Warranty line can be consolidated into a Service line. However, a Service line cannot be consolidated into an Extended Warranty line. This is because an Extended Warranty line supports only a product while a Service line supports party, customer, site, product, item, and system.

To consolidate multiple contracts for renewals:

1. From the Contract Navigator, select a target contract, right-click and select **Renewal Consolidation**.

The Renewal Consolidation window appears.

Note: The Renewal Rules region references the rules that will be applied to all lines, which are consolidated into the target contract.

Contract Num: 21279 Modifier: R15-APR-05 08:59:13 Description: Service Contract for Bu
Category: Service Agreement Status: Entered Amount: 5000
Start Date: 21-JUL-2008 End Date: 20-JUL-2009

Renewal Rules
Renewal Type: Notify Salesrep Pricing Method: Manual Price List:
Markup%: PO Number: PO Required:
Revenue Estimation %: 100 Estimation Duration: 30 Period: Day

Query Source

Source Contracts

*** = Selected ## = Processed ?? = Error

Select Line Deselect Line Submit Save Cancel

2. 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.

- To select a line, highlight the branch and click **Select Line**.

If selected the source line is identified with **.

- To deselect a line, highlight the branch and click **Deselect Line**.

If a branch with child branches is cleared, all the child branches are also cleared.

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.

Note: 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.

- Verify source lines are valid for consolidation.
- To save and retrieve the consolidation at a later review, click **Save**. You can leave this window and when your changes are reflected in the Renewal Consolidation

window.

7. To submit the Renewal Consolidation, click **Submit**.
A Note window with a concurrent request id appears.
8. Save.
You can refresh the window by clicking **Refresh Source** to monitor the processing. After the line has been consolidated the ## appears next to the line, which indicates Processed.
9. Open the target contract and verify all source contracts have been consolidated successfully.
10. Submit contract for approval.

Sending Quote Letters by E-mail

You can generate quote letters and e-mail them 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.

Prerequisites

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

- OKS SMTP Host
- OKS: SMTP Port

To send quote letters by e-mail:

1. From the Service Contracts Authoring window, select the **Tools** menu and then select **Email Quote**.

The Email Quote window appears.

The To field comes 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.

You can use different From and Reply To e-mail addresses depending on which address the e-mail should come from, and which address you wish to route the e-mail replies.

The screenshot shows a window titled "Email Quote" with a blue header bar. The window is divided into three main sections:

- Addresses:** Contains four input fields: "From" (jrichard@vision.com), "To" (andrebeaulie@businessworld.com), "Cc" (empty), and "Reply-To" (empty).
- Message:** Contains two input fields: "Subject" (Quote Details For Contract Number: 21279-R15-APR-05 08:) and "Text" (Attached is the quote for the renewal.).
- Attachment:** Contains two input fields: "Report Name" (Service Contracts Quote Printing Program For US) and "Type" (empty).

At the bottom right of the window, there are three buttons: "Send", "Clear", and "Cancel".

2. In the addresses region, add additional recipients as desired.
3. In the message region, enter any text that you wish to appear in the body of the e-mail.
4. In the Attachments region, select the quote printing report.
The reports are specific to the environment.
This report summarizes the contents of the renewal contracts.
5. Click **Send**.

A Note window indicating a concurrent request has been submitted appears.

See also *Creating and Enabling Templates for E-Mails to Customers*, page 18-4.

Understanding Line Level Cancellation and Termination Reasons

You may elect not to maintain one or more services on the contract at the time of renewal. Alternately, you may choose to discontinue service only for specific service lines or covered products on a service contract at time of renewal.

You can:

- Cancel individual services or covered lines on a contract.
- Flag service lines and covered products on renewed contracts as canceled.
- Provide a cancellation reason at both service lines and covered products. If a service line is canceled, all child sublines are canceled as well. Similarly, canceling a contract should result in all lines and sublines being canceled.

Note: Your administrator can define status and operations to prevent canceled status lines from being deleted from contracts. Entered lines can similarly be controlled.

You can terminate lines and sublines in contracts due to service transfer, product return, product replacement, updates to instance quantity in installed base, instance expiration/termination in installed base and manual service termination. When you terminate lines and sublines, the termination reason and source appears in the authoring form along with termination date and status.

Note: When services are transferred from Entered contracts, the transferred service lines and sublines are automatically placed in Canceled status with a cancellation reason of Service Transferred. Lines canceled due to service transfer are not eligible for status change back to Entered.

You cancel both lines and sublines for contracts with the Entered status; whether these contracts were created as new contracts through authoring, or as renewal contracts through the renewal event or the manual renewal process. You can also cancel both lines and sublines for Manual and Online renewal contracts, provided they pass QA successfully at time of renewal, Evergreen contracts go straight to Active status and are not typically eligible for line level cancellations.

If you cancel a line or subline, the cancellation date stamp is today's date. You must also enter a cancellation reason.

If you attempt to delete an Entered contract with lines that are canceled due to Transfer, all canceled status lines are deleted on the contract except for the lines that are canceled with a cancellation source of Service Transfer.

You cannot delete service lines or covered levels that were canceled as a result of a service transfer:

Canceled lines are excluded from quotes, QA checks, and are not eligible for billing or termination. Amounts for canceled lines are not rolled up to contract line/header. Canceled lines are included in reports.

After you activate a contract, the canceled lines and sublines remain on the active contract as Canceled. In subsequent renewals, the canceled lines drop from the renewed contract. If all lines in Signed, Active, Expired status are terminated during the life of

the contract and the only remaining lines on the contract are in Terminated or Canceled status, the contract should not be selected for renewal by an automated renewal event.

Canceled lines or sublines cannot be made active on Active contracts.

You cannot perform the following actions on a canceled service line:

- Enter revenue distribution.
- Enter pricing adjustment.
- Enter pricing qualifier.
- Use as a target for copy
- Use as a target for renewal consolidation.
- Use as a source for renewal consolidation.
- Revert update.
- Cascade attributes as either a source or target.
- Cascade service price.
- Update service.
- Use for pricing calls, such as reprice or currency change.

You cannot perform the following on a canceled service subline:

- Enter pricing adjustment
- Enter pricing qualifier
- Use as a source for renewal consolidation
- Revert update
- Use as a source for cascade attributes
- Cascade service price
- Update service
- Use for pricing calls, such as reprice or currency change.

Cancellation and Termination Reasons

When you cancel or terminate services and sublines, the reasons and source appears in

the authoring form along with a date and status.

The following cancellation sources appear in the authoring form:

Cancellation Source	Cancellation Reason
Manual	you determine
Service Transfer	Service Transferred

The following termination sources appear in the authoring form:

Termination Source	Termination Reason
Manual	you determine
Service Transfer	you determine
Item Instance Return	Covered Product Returned
Item Instance Replacement	Covered Product Replaced
Item Instance Expiration	Covered Product Expired
Item Instance Quantity Update	Covered Product Quantity Updated

Canceling a Contract Line

Prerequisite: Open a contract with contract lines in Entered status.

To cancel a contract line:

1. Select **Lines** tab and **Effectivities** subtab.
2. Select the line to cancel.
3. From the Tools menu, select **Change Status**. The Service Line Status window appears.

Service Line Status

Current Status: **Entered** Current Status Type: **Entered**

New Status: New Status Type:

Reason:

Comments:

Selected Service Line

Line Number: **1** Contract Number: **22100**

Type: **Service** Modifier:

Service: **WR23765**

Start Date: **07-APR-2005**

End Date: **06-JAN-2006**

4. From the New Status LOV, select **Canceled**.
5. Select a reason from the LOV.
6. Select **OK**. A confirmation message appears. Click **OK** to continue.
The Status field within the service line is Canceled.

Summary Lines

Accounts Effect/W/Use Pricing / Products Tax / Payment Options Counters Events

Line	Type	Name	Status	Start Date	End Date	Duration	Period	Qty	UCM	Renewal
1	Service	WR23765	Canceled	07-APR-2005	06-JAN-2006	3	Quarter			Full Dur

Description: **Extended Notebook PC Service Program (Bronze)**

Price List: **Corporate** Invoice Text: **Extended Notebook PC Service Program:07-APR-05:06-JAN-06**

Coverage

Name: **Gold** Details...

Description: **Gold Coverage (24x7)**

Standard

Exception Coverage

Name: Details...

Description:

7. Scroll right to view the Cancellation fields, Amount, Date, and Reason.

Line	Type	Name	Status	Cancellation			Termination	
				Amount	Date	Reason	Date	Reason
1	Service	WR23765	Canceled	49,354.00	11-MAY-2005	Customer Produ		

Description: Extended Notebook PC Service Program (Bronze)

Price List: Corporate Invoice Text: Extended Notebook PC Service Program:07-APR-05:06-JAN-06

Coverage
 Name: Gold Details...
 Description: Gold Coverage (24x7)
 Standard Reapply Standard

Exception Coverage
 Name: Details...
 Description:

Terminate Terminate All

8. Select the **Pricing/Products** subtab and **Effectivities** secondary tab. Cancelling the line cancels the subline.

Canceling a Contract Subline

Prerequisite: Open a contract with contract lines in Entered status.

To cancel a contract subline:

1. Select **Lines** tab and **Pricing** subtab.
2. From the Effectivity secondary tab select the subline to cancel.
3. From the Tools menu, select **Change Status**. The Covered Level Status window appears.

4. From the New Status LOV, select **Canceled**.
 5. Select a reason from the LOV.
 6. Select **OK**. A confirmation message appears. Click **OK** to continue.
- The Status field within the service subline is Canceled.

Line	Level	Name	Serial Num	Status	Line Ref	Start Date	End Date
1.1	Customer	Apex Systems		Canceled		07-APR-2005	06-JAN-2006

Description: 2959
 Invoice Text: Extended Notebook PC Service Program:1:2959:07-APR-0

7. Scroll right to view the Cancellation fields, Date and Reason.

Effectivity		Pricing		Administration		Cancellation		Termination	
Line	Level	Name	Serial Num	Status	Date	Reason	Date		
1.1	Customer	Apex Systems		Canceled	11-MAY-2006	Customer Product I			

Description: 2959
 Invoice Text: Extended Notebook PC Service Program:1:2959:07-APR-06
 Product Details (G) New Instance...

8. Select the **Effectivities** secondary tab. Cancelling the subline does not cancel the line.

Creating and Enabling Templates for E-Mails to Customers

This chapter covers the following topics:

- About Templates for E-Mails to Customers
- Overview of Templates for E-Mails to Customers
- Creating and Enabling Templates for E-Mail Attachments Sent by Agents
- Enabling Templates for Communications Generated by the Negotiation Workflow
- 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 Customer Communications
- Specifying How the Template Sets Are to Be Used
- Viewing PDF Attachments
- Viewing Sample Marked-Up Documents Provided with the Application

About 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.

Overview of Templates for E-Mails to Customers, page 18-2 describes the two types of e-mail communications you can create. The topics that follow provide the general steps for creating each:

- Creating and Enabling Templates for E-Mail Attachments Sent by Agents, page 18-4

- Creating and Enabling Templates for Communications Generated by the Negotiation Workflow , page 18-5

Overview of Templates for E-Mails to Customers

You can create templates for communications with customers that can be used by:

- Agents to send quotes and other communications as e-mail attachments for manual renewal or initial contract negotiation.
- The negotiation workflow to send customer communications during the online process for both new and renewal contracts.

About E-Mail Attachments Sent by Agents to Customers

Agents can send e-mails to contacts from different places within the application. From the:

1. Service Contracts Authoring form: Select **E-Mail Quote** from the Tools menu. This opens up the HTML e-mail page. You enter an e-mail address, the subject, and the body, and can attach a cover letter and attachment PDF communication 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. See *Sending Quote Letters by E-Mail*, page 17-36.
2. Administrator Workbench: Select the **Email Quote** action of the My In Process bin. See *Sending an E-Mail to a Customer from the Administrator Workbench*, page 13-13.

About E-Mails Generated by Electronic Renewals

The negotiation workflow sends e-mail notifications to customers at various points during the negotiation cycle. You can also have the negotiation workflow use the template for one or more of the e-mail communications generated by the process. These communications can be generated for renewal contracts or new contracts.

You can define document types. Available document types are extensible, allowing user-defined document types to be added within the FND setup. The following document types are seeded:

- Quote Document
- Cover Letter (Application attaches the Quote Document)
- Reminder Letter (Application attaches the Quote Document)
- Acceptance Confirmation

- Activation Confirmation
- Cancellation Letter

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 18-5. 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 18-25.

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 18-19 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 Customer Communications, page 18-21.
2. Specify how the template set is to be used. See Specifying How the Template Sets Are to Be Used, page 18-23.

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

Prerequisite

Confirm system profile OKS: Layout Template Source is set to **XML Publisher** at the Site level.

To create and enable templates for e-mail attachments sent by agents:

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 18-19.
4. Change the responsibility back to **Service Contracts Manger**.
5. Group the templates into sets and specify when to send the notices. Creating the Set of Templates Used for Customer Communications, page 18-21.

All templates defined in a template set are available for agents to send as a PDF attachment when they send out an e-mail from the Oracle Service Contracts Authoring window or Administrator Workbench. The application resolves the correct template set for the selected contract based on party, organization, and global hierarchy and displays all templates available for that contract.

Enabling Templates for Communications Generated by the Negotiation Workflow

You can 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 communications generated by the Negotiation Workflow:

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 18-19.
4. Change responsibility back to **Service Contracts Manger**.
5. Group the templates into sets and specify when to send these notices. *Creating the Set of Templates Used Customer Communications*, page 18-21.
6. Specify how you wish to use the template sets. See *Specifying How the Template Sets Are to Be Used*, page 18-23.
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 Attachments*, page 18-24.

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
- Recipient of e-mails generated by the electronic renewal process
- Sales agent on the contract

- Customer name and number
- Default contract billing schedule
- Contract billing address
- Contract shipping address
- Contract taxes
- Contract line information
- Contract line taxes
- Contract line billing schedule
- Contract line billing contact
- Contract sublines (what the line covers)
- Login information for the URL for customer renewals
- Current date
- Contract payment terms

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 18-18.

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

Sales Representative Attributes	XML Data Element
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/HdrBillSchdVORow/
```

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

/ContractDetails/HeaderVO/HeaderVORow/HdrBillSchdVO/HdrBillSchdVORow/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/HdrBillToAddrVORow/  
/
```

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

```
/ContractDetails/HeaderVO/HeaderVORow/HdrBillToAddrVO/HdrBillToAddrVORow/  
/City
```

Header Bill To Address Attributes	XML Data Element
Address1	Address1
Address2	Address2
Address3	Address3
Address4	Address4

Header Bill To Address Attributes	XML Data Element
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

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/LineBillToContD  
tlsVO/LineBillToContDtlsVORow/
```

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

```
/ContractDetails/HeaderVO/HeaderVORow/LinesVO/LinesVORow/LineBillToContD  
tlsVO/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/SubLinesVO/SubLinesVORow/
```

For example, to insert the level of coverage for a service line in your document you must enter:

```
/ContractDetails/HeaderVO/HeaderVORow/LinesVO/LinesVORow/SubLinesVO/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 in the following tables. 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

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

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
```

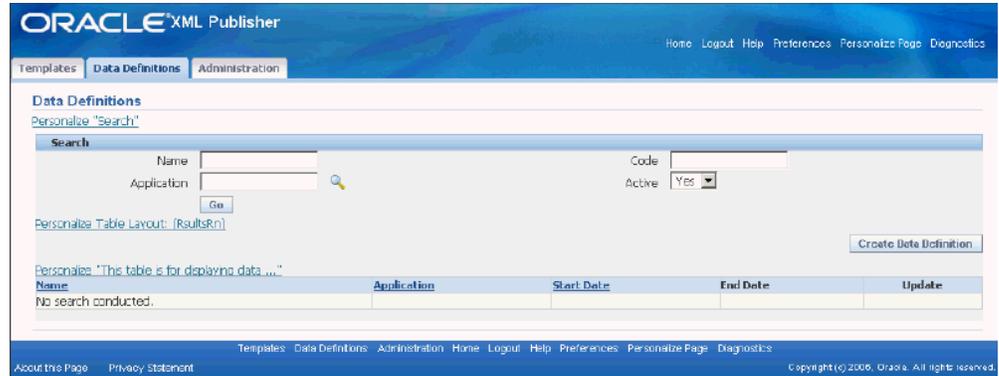
Viewing the Data Definition Structure

You can display a sample document with all of the available data elements.

To view the data definition structure:

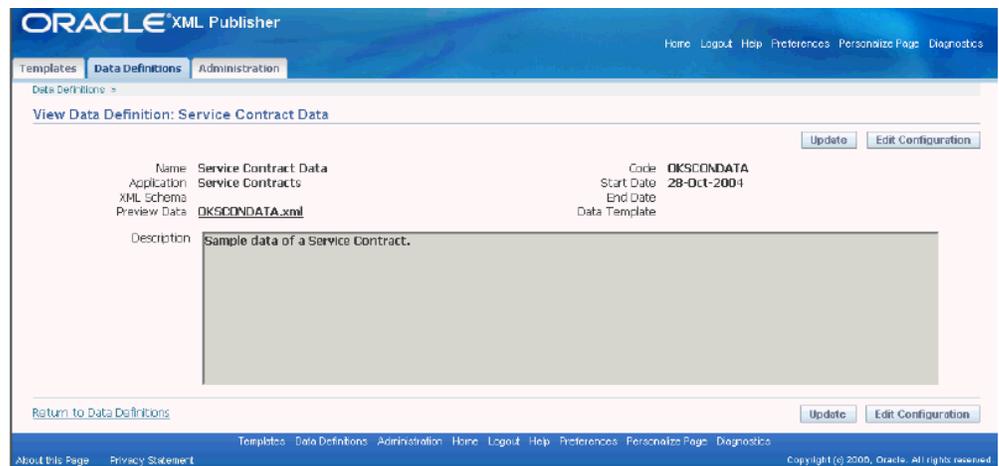
1. Log into Oracle Applications under the **XML Publisher Administrator** responsibility.
2. Click **Data Definitions** in the Navigator.

The Data Definitions search page appears in a new browser window.



3. Enter **Service Contracts** in the Application field.
4. Click **Go**.
5. Select the **Service Contract Data** link.

The View Data Definition page appears.



6. 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

This step is required to use your document for electronic renewals.

Prerequisite

Create the template as an RTF document.

To upload and register a template in Oracle XML Publisher:

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.

3. Click **Create Template**.

The Create Template page appears.

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 Application Type

Code Data Definition Start Date End Date Subtemplate

Description

Template File

File Browse... Language Territory

Translatable

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. Select **Service Contracts** from the Application LOV.
7. Select **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. Select **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. Select 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 Customer Communications

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, 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 send a reminder that the contract is being canceled.

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

Create and upload into Oracle XML Publisher RTF templates for communications you wish to send the customer:

Note: Reminder and cancellation notices are optional.

To create the set of templates used for customer communications:

1. Navigate to **Setup: Contract**, then select **Define Layout Template Set**.
The Template Set window appears.
2. Enter a name for the template set in the Name field.
3. Optionally, enter a start and end date to restrict the availability of this template set.

4. Optionally, enter a description.
5. From the Templates region:
 1. Select the renewal process to associate with the template from the Process LOV:
 - Manual: Identifies Print templates for the Print Document action during the Manual process, and for attachments available with the Email Customer action.
 - Online: Identifies e-mail templates used in the Online process, including e-mails used by the Reminder process, and e-mail body templates available with the Email Customer action.
 - Both online and manual: Identifies template for both manual and online negotiation processes.

2. Select a Document Type from the LOV. The seeded document types are:

- Acceptance Confirmation
- Activation Confirmation
- Cancellation Confirmation
- Quote
- Reminder Notice

You can also create user defined document types. See About E-mails Generated by Electronic Renewals, page 18-2.

3. From the Applies to LOV select whether the template applies to new contracts, renewals, or both.
4. Select a Message Template from the LOV.
5. Select an Attachment Template from the LOV.
6. Optionally, enter an Attachment Name.
7. To restrict the use of this reminder to a specific time period, then enter a start date, an end date, or both.
8. 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, to send the reminder two weeks before the start date of the renewed

contract, then enter -2 as the duration and select **Week** as the period.

9. You can have the application reset the status of the contract after the notice is sent. To do so, select a status from the Status LOV.

6. Save.

Specifying How the Template Sets Are to Be Used

You can:

- Specify a single template set for all negotiation workflow processes, 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.

Prerequisite

Create the template sets used to generate the negotiation communications.

To specify how the template sets are to be used:

1. Navigate to **Setup: Contract** and then select **Global Contracts Defaults**.
The Global Contracts Defaults window appears.
2. Select a template for electronic renewals at the global level using the Template Set LOV in the Global region at the top of the window.
3. Select a template set language. This attribute determines the language passed to the XML publisher while looking up templates. XML Publisher returns the appropriate template for the specified language.

4. To specify different template sets for individual customers, then for each customer:
 1. Select the Parties Tab and Electronic Renewal subtab.
 2. Select the customer from the Party Name LOV.
 3. Select the template set from the Template Set LOV.
5. 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. Select the organization from the Organization Name LOV.
 3. Select the template set from the Template Set LOV.
6. Save.

Viewing PDF Attachments

The application automatically generates and e-mails the PDF attachment with every electronic renewal communication. 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.

To view PDF attachments:

1. Navigate to **Control: Requests**, then select **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 LOV.
The Parameters window appears.
5. Select 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.

- To generate communications for an internal organization, then enter the organization name using the Org LOV.
 - For a single customer, select the customer from the Party LOV.
 - For a single contract, select 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. Select **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 starts 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

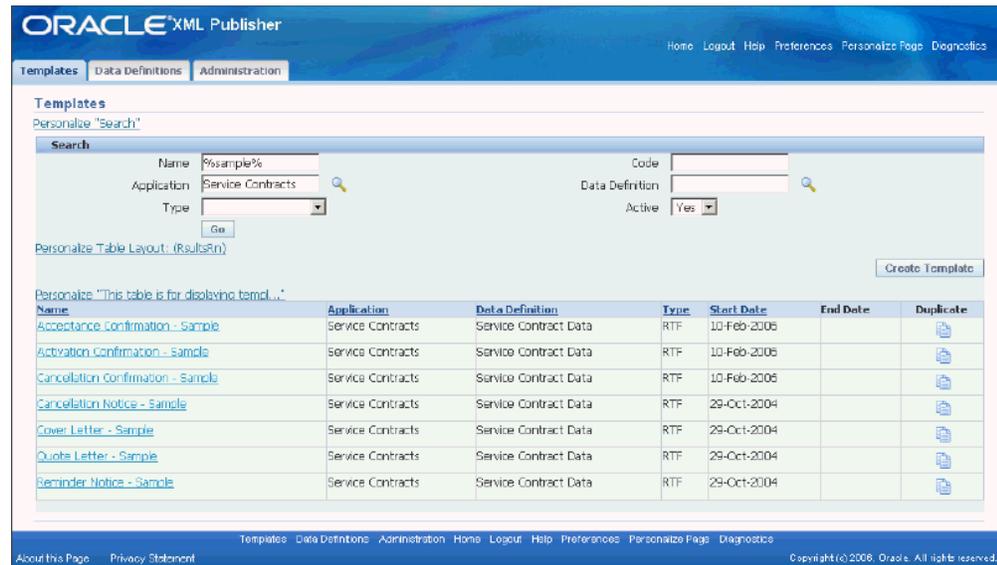
Oracle supplies sample templates in Oracle XML Publisher with XML name tags already embedded.

To view the sample documents provided with the 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.

3. Enter %sample% in the Name field.
4. Select **Service Contracts** from the Application 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**.

Using Notes

This chapter covers the following topics:

- Using Notes
- How Notes Are Used in Oracle Service Contracts
- Adding Service Contract Notes
- Adding Service Coverage Notes to a Standard Coverage
- Adding Service Coverage Notes to a Service Coverage (Instantiated Coverage)
- Viewing Notes

Using Notes

This group of topics explains how you can use notes to add additional information to a contract.

For detailed information about using notes, refer to the *Oracle Common Application Components User Guide*.

You can use notes to communicate with other contract administrators, service agents, and sales representatives regarding the details of a contract. For example, you can include notes for contract administrators regarding the management of the contract, or to service agents regarding the services provided under the contract.

A note can contain any free format text and can be attached to either a:

- Service contract, see Adding Service Contract Notes, page 19-3.
- Coverage template, see Adding Service Coverage Notes to a Standard Coverage, page 19-6.
- Service coverage (which is the instantiated coverage of a particular service line), see Adding Service Coverage Notes to a Service Coverage (Instantiated Coverage), page 19-8.

Note: Because Notes is a context based menu, Service Contract notes or Service Coverage notes are invoked based on where you place your cursor within the application.

You can define a note status so that:

- All users can view it.
- You and other users can read and write to it.
- Only you can view it.

Note Types Used in Oracle Service Contracts

Oracle Service Contracts uses two types of seeded notes:

Note: Although there are two seeded note types, note types are user extensible. You can add your own note type to the contract note source.

For detailed information about using notes, refer to the *Oracle Common Application Components User Guide*.

1. **Contracts Admin:** allows you to add further information to the contract at the contract header level, to the coverage template, or at the service level.

Contracts Admin notes indicate how to manage the contract itself and are useful for the sales representative or contract administrator.

You can view Contracts Admin notes at the header level and at the line level

2. **Contract Coverage:** allows you to add further information to the coverage template or the service coverage.

Contract Coverage notes generally relate to a specific service and explain any relevant details of how the service is to be carried out. These notes are most useful to the users who review entitlements.

You can also add Contract Coverage notes to a coverage template, which will be copied over to the actual instantiated coverage that is tied to the contract line. These notes can be viewed from the service coverage on the contract.

You can see Contract Coverage notes only at the line level.

How Notes Are Used in Oracle Service Contracts

The following examples show how notes are used within Oracle Service Contracts.

Contracts Admin Notes Added to a Service Contract

Include Jane Smith in renewal discussions on this contract, as well as other designated resources.

Spoke to Harry Jones 24 June 2006, confirmed that products A, B and C require upgraded coverage next year.

See Adding Service Contract Notes, page 19-3.

Contracts Coverage Note Added to a Coverage Template

Perform inspection 3 times per month for this particular service on these products.

See Adding Service Coverage Notes to a Standard Coverage, page 19-6.

Contracts Coverage Notes Added to a Service Coverage

Every time service is performed at site A, the engineer must contact the Security Patrol to obtain a key.

Ensure that John Doe signs the work orders when performing any work against under this service.

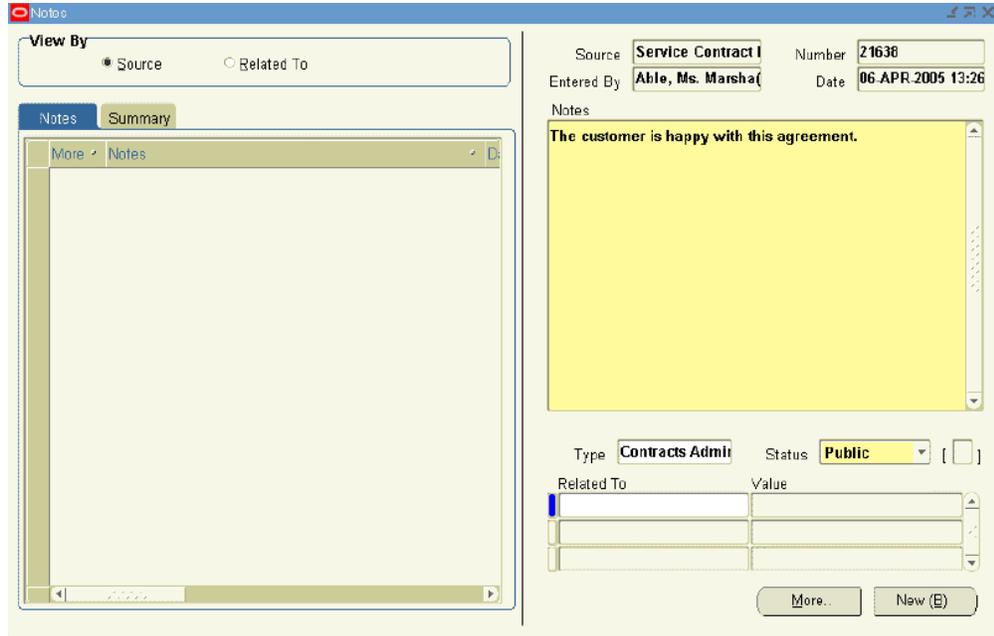
See Adding Service Coverage Notes to a Service Coverage (Instantiated Coverage), page 19-8.

Note: Notes are part of the Oracle Common Application Components that are leveraged by applications across the Oracle E-Business Suite. For more information on Notes, refer to the *Oracle Common Application Components User Guide*.

Adding Service Contract Notes

To add a service contract note:

1. From the Service Contracts Authoring window, select the **Summary** tab. From the Tools menu select **Notes**.

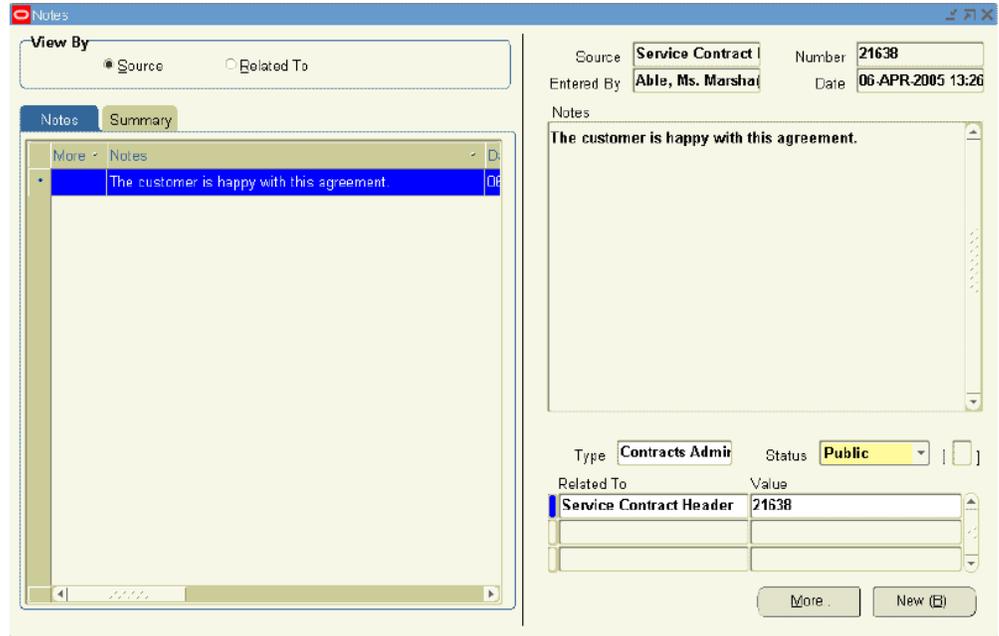


The Notes window appears. The application populates the note with:

- **Source:** Service Contract Header
- **Number:** The contract number
- **Entered By:** The user entering the note
- **Date:** A time stamp of when the note was created

Note: If a note exists, click **New** to add a new note.

2. Enter the note text in the Notes field.
3. Select **Contracts Admin** from the Type LOV.
4. Select one of these statuses:
 - **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.
5. Save.



The note appears in the Notes tab.

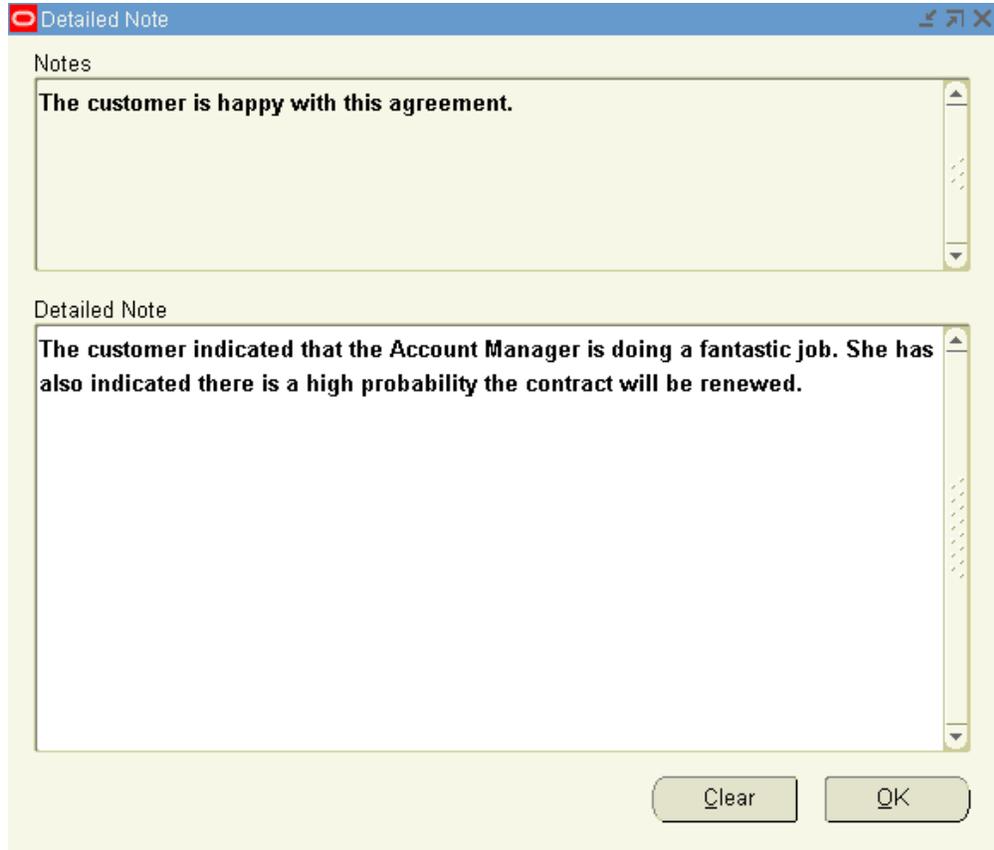
The Related To field is populated with the Service Contract Header value from the Source field.

The Value field is populated with the contract number.

6. To enter additional information, click **More**.

The Detailed Note window appears.

7. Enter text in the Detailed Note field.



8. Click **OK**.

Note: You can view a summary listing of all notes by selecting the Summary tab.

Note: Only Oracle Service Contracts users can view notes of Contracts Admin type.

Adding Service Coverage Notes to a Standard Coverage

Prerequisite: Open a Standard Coverage.

To add service coverage notes to a standard coverage:

1. From the Standard Coverage window, select **Notes**.

The Notes window appears. The application populates the note with:

- **Source:** Coverage Template
- **Number:** The coverage name, such as Gold
- **Entered By:** The user entering the note
- **Date:** A time stamp of when the note was created

Note: If a note exists, click **New** to add a new note.

2. Enter the note text in the Notes field.

The screenshot shows the 'Notes' application window. On the left, there is a 'View By' section with radio buttons for 'Source' (selected) and 'Related To'. Below this are tabs for 'Notes' and 'Summary'. The main area on the left is a large empty text field. On the right, there is a form with the following fields: 'Source' (Service Coverage), 'Number' (Gold), 'Entered By' (Able, Ms. Marsha), and 'Date' (22 MAY 2006 14:52). Below these is a large yellow text area containing the note: 'Please inspect the product quarterly.' At the bottom right, there are fields for 'Type' (Contract Covera), 'Status' (Public), and a 'Related To' table with two empty rows. There are also 'More...' and 'New (B)' buttons at the bottom right.

3. Select **Contracts Coverage** from the Type LOV.

4. Select one of these statuses:

- **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.

5. Save.

The note appears in the Notes tab.

The Related To field is automatically populated with the Coverage Template value and the Value field indicates the coverage template.

6. To enter additional information, click **More**.

The Detailed Note window appears.

7. Enter text in the Detailed Note field.
8. Click **OK**.

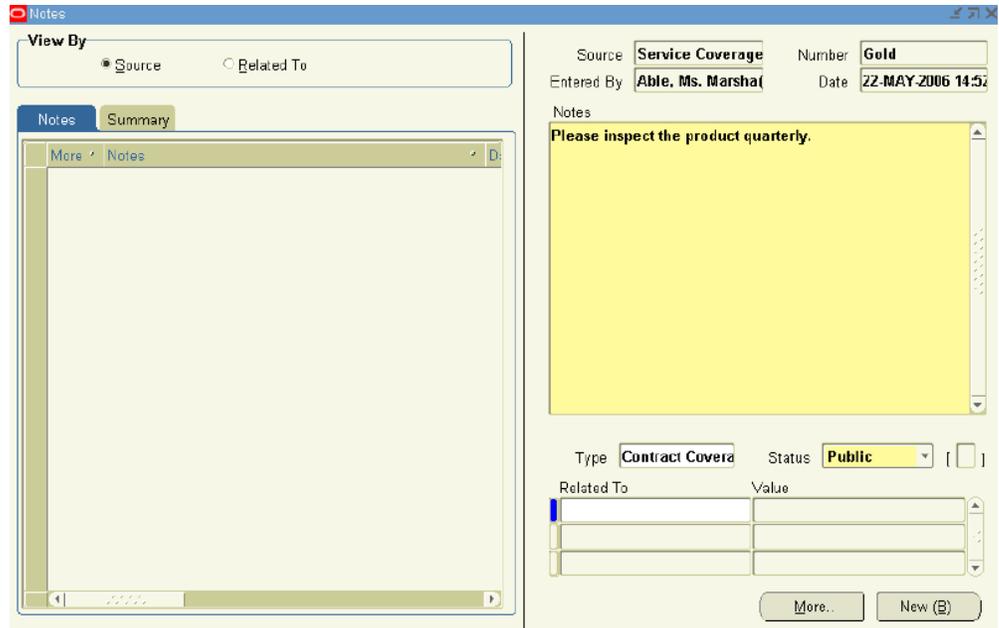
Note: With the exception of Private notes, if you add a service coverage note to the coverage template, the note appears whenever the coverage template is instantiated to a service line.

Note: Service coverage notes added to a service coverage template can be viewed by Service Contracts application users as well as Service application users

Adding Service Coverage Notes to a Service Coverage (Instantiated Coverage)

To add a service coverage note to a service coverage:

1. From the Service Contracts Authoring window, select the **Lines** tab. From the Tools menu, select **Notes**.



The Notes window appears. The application populates the note with:

- **Source:** Service Coverage
- **Number:** The coverage name, such as Gold
- **Entered By:** The user entering the note
- **Date:** A time stamp of when the note was created

Note: If a note exists, click **New** to add a new note.

2. Enter the note text in the Notes field.
3. Select **Contracts Coverage** from the Type LOV.
4. Select one of these statuses:
 - **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.
5. Save.

The note appears in the Notes tab.

The Related To field is automatically populated with the Service Coverage value and the Value field indicates the coverage template.

6. To enter additional information, click **More**.

The Detailed Note window appears.

7. Enter text in the Detailed Note field.

8. Click **OK**.

Note: If you enter a service coverage note for an instantiated coverage of a service line, the note is attached to that specific coverage.

If your contract has more than one service line, then the note is added only to the instantiated coverage for the selected service line, not to all service lines.

Note: Service coverage notes added to a service line can be viewed by Service Contracts application users as well as Service application users

Viewing Notes

Prerequisites

Notes for the contract and coverage notes for a service line are managed and viewed separately. You access these notes from different points within the application.

- To view notes for a contract, select the **Summary** tab.
- To view notes for a service coverage, select the **Lines** tab, and then select a service line.

To view notes:

1. From the Service Contracts Authoring window, select the **Tools** menu, and then select **Notes**.

The Notes window appears. On the Notes tab, you will see a listing of the available notes.

2. Highlight the note you wish to view.

The note details appear in the right-hand side of the window.

3. To verify if additional details are included on the note, select **More**.

Note: To view the notes that are attached to a coverage template, navigate to the Service Contracts Coverage Template form, and click the Notes button.

Terminating Contracts

This chapter covers the following topics:

- Overview of Terminating Contracts
- About Terminating Contracts
- How Termination Works
- Terminating a Contract
- Restrictions for Terminating a Contract
- Terminating a Contract Line
- Terminating a Contract Subline
- Terminating Multiple Contracts at the Same Time
- Viewing the True Value of a Contract
- Understanding Termination and Credit Generation with Partial Periods

Overview of Terminating Contracts

This group of topics explains how you can terminate contracts, contract lines, and contract sublines.

About Terminating Contracts

You can terminate a contract, a contract line, or a contract subline. The termination date must fall between the start date and end date of the service or services being terminated. You cannot terminate a service or contract that has already been terminated. For example, if you have a future date terminated, you cannot change it to an earlier date.

You can terminate multiple contracts and contract lines at one time.

During the termination process the application calculates a credit amount. You can:

- Override the credit
- Provide a full credit
- Suppress the credit

How Termination Works

The following describes various termination scenarios. These scenarios will help you understand the termination methods that you can use and their impact on the true value of the contract. See *Viewing the True Value of a Contract*, page 20-12.

Assumptions for all examples: Your customer has a one-year contract that is valued at \$1,200. The contract start date is December 1 and the termination date is March 1. The contract has two billing periods, which bill in advance. Billing period 1 has been billed; billing period 2 has not.

Override the credit example: The customer is due a credit of \$300, which is for the unused portion of the billed amount. However, you and the customer have mutually agreed to deduct \$100 from the credit.

An override amount of \$200 is entered during the termination. The customer is issued a credit of \$200.

The contract total is updated to \$400 and the terminated amount is updated to \$800. The terminated amount is equal to the override amount plus the unbilled amount in billing period 2.

Provide a full credit example: The customer is due a credit of \$300, which is for the unused portion of the billed amount. Because this is a very good customer, you allow a credit for the full amount, not just the unused portion.

The full amount is \$600 for the billed amount. The customer is issued a credit of \$600. The contract total is updated to \$0 and the terminated amount is updated to \$1,200. The terminated amount is equal to the full credit amount plus the unbilled amount in billing period 2.

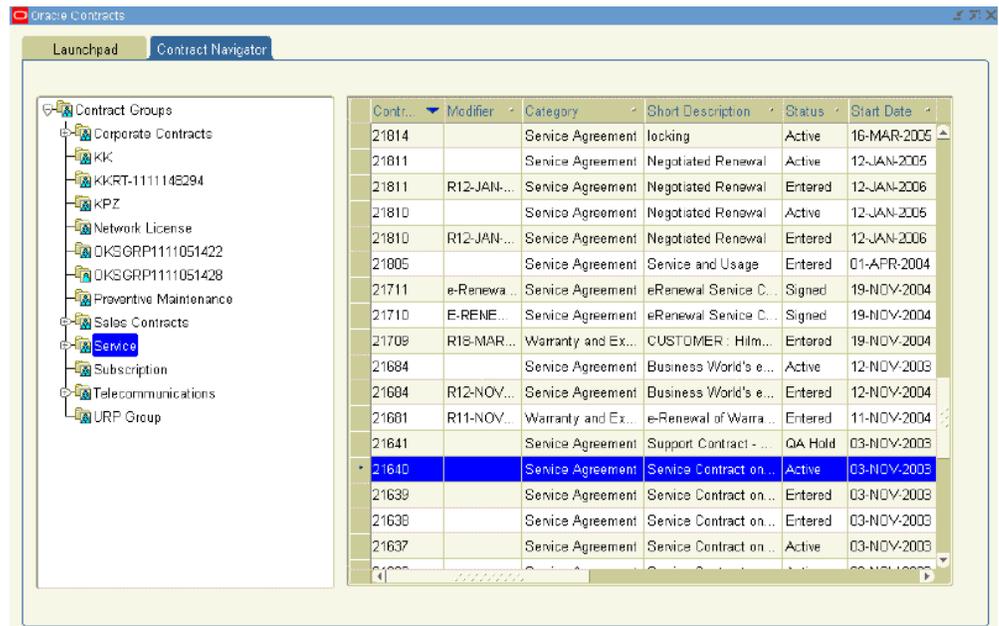
Suppress the credit example: The customer is due a credit of \$300. However, the contract is being terminated for a breach and your company policy is that credit is not issued when a contract is breached.

You can suppress the credit so that the customer receives no credit, which ensures that the credit is not processed by Accounts Receivable. The contract total is updated to \$300 and the terminated amount is updated to \$900. The terminated amount is equal to the amount suppressed plus the unbilled amount in billing period 2.

Terminating a Contract

To terminate a contract:

1. From the Contract Navigator, highlight the contract that you want to terminate.



2. From the Tools menu, select **Terminate**.

The Terminate Contracts window appears.

3. Select the following:

- **Date:** The termination date, which must be within the contract start and end dates.
- **Reason:** The reason for terminating the contract.

Your administrator can define reasons by navigating to Setup: Contract and then Termination Reasons.



4. Select **Review**.

If the customer is due a credit for amounts that were paid prior to the termination date, then the credit amount, which is prorated based on the date terminated and the amount billed, appears in the Amount field.

5. Optionally, you can use the Override Amount field to override the calculated amount.

The amount that is 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.

6. To issue a full credit during termination, select the **Full Credit** check box.

The Amount field displays the total amount that was billed for the contract at the time of termination.

Note: The Full Credit check box gives you greater flexibility to control the credit amount. You can also use this check box in situations where you wish to credit more than the prorated amount but not the full credit amount, by selecting the Full Credit check box and then entering a value in the Override Amount field.

For example, if the prorated amount is \$500 and the Full Amount is \$1,000 and you want to credit \$800, you can select the Full Credit check box and enter \$800 in the Override Amount field.

7. If you do not want to generate a credit memo, select the **Suppress Credit** check box.

Note: If credits are suppressed in error, you can run the Service Contracts Program to Process Suppress Credits. This program enables users to generate credits for contract terminations for which credits have been suppressed. See About Concurrent Programs, page 21-8.

8. Click **Terminate**.

Terminate Contracts (Mission Operations: USD)

Date: 14 APR 2005
Reason: Mutual Agreement
Description: Mutual Agreement

Amount: 0.00
Override Amount:

Full Credit Suppress Credit

Review Terminate Cancel

9. A Decision window appears, indicating that the contract was successfully terminated. Click **Yes** to save your changes.

Note: After you terminate the contract, you can run the Main Billing program to generate the necessary billing transactions as a result of the termination.

Restrictions for Terminating a Contract

Be aware of the following restrictions relating to the contract status. If the contract status is:

- **QA Hold:** You cannot perform a termination.
- **Hold:** You can perform a termination irrespective of the status and operation setting, Eligible for Invoicing.
- **All Other Statuses:** You cannot perform a termination if the status and operation setting, Eligible for Invoicing, is not enabled.

Terminating a Contract Line

To terminate a contract line:

1. From the Contract Navigator, double-click the contract.
The Contract Execution window appears.

Contract Number: 21635
Short Description: Service Contract on Covered Product Level
Status: Active
Category: Service Agreement
Amount: 400.00 USD
Start Date: 03-NOV-2003
End Date: 02-NOV-2006
Description: [Empty]
Comments: [Empty]

Line...	Status M...	Name	Start Date	End Date	Line Style
1	Active	Extended Des...	03-NOV-2...	02-NOV-2...	Service

Overview | History | Schedule | Communications | Related Objects

2. From the Overview tab, highlight the contract line you want to terminate. You can select multiple lines.
3. Right-click the mouse, and select **Terminate Line**.
The Terminate Contract Lines window appears
4. Select the following:
 - **Date:** The termination date, which must be within the contract start and end dates.
 - **Reason:** The reason for terminating the contract line.

Terminate Contract Lines (Vision Operations: USD)

Date: 14-APR-2005
Reason: Non-compliance
Description: Non-compliance

Amount:
Override Amount:

Full Credit Suppress Credit

Review Terminate Cancel

5. Select **Review**.

If the customer is due a credit for amounts that were paid prior to the termination date, the credit amount appears in the Amount field.

6. Optionally, you can use the Override Amount field to override the calculated amount.

7. To issue a full credit during termination, select the **Full Credit** check box.

The Amount field displays the total amount that was billed for the line at the time of termination.

8. If you do not want to generate a credit memo, select the **Suppress Credit** check box.

Note: If credits are suppressed in error, you can run the Service Contracts Program to Process Suppress Credits. This program enables users to generate credits for contract terminations for which credits have been suppressed.

9. Click **Terminate**.

Terminate Contract Lines (Vision Operations: USD)

Date: 14-APR-2005
Reason: Non-compliance
Description: Non-compliance

Amount: 400.00
Override Amount:

Full Credit Suppress Credit

Review Terminate Cancel

A Decision window appears, indicating that the contract line was successfully terminated. Click **Yes** to save your changes.

The Status Meaning for the line shows as Terminated.

Contract Number: 21635
Short Description: Service Contract on Covered Product Level
Status: Active
Category: Service Agreement
Amount: 400.00 USD
Start Date: 03-NOV-2003
End Date: 02-NOV-2006

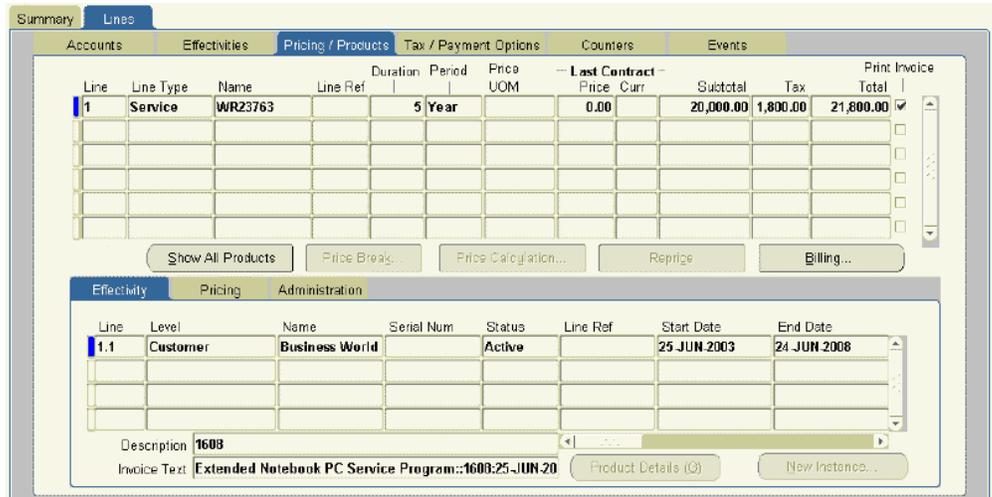
Line...	Status M...	Name	Start Date	End Date	Line Style
1	Terminated	Extended Des...	03-NOV-2...	02-NOV-2...	Service

Note: After you terminate the contract line, you can run the Main Billing program to generate the necessary billing transactions as a result of the termination.

Terminating a Contract Subline

To terminate a contract subline:

1. From the Service Contracts Authoring window, select the **Line** tab, **Pricing/Products** subtab, and the **Effectivity** secondary tab, and then select the subline to terminate.



- From the Tools menu, select **Terminate Subline**.

The Terminate Sublines window appears.



- Select the following:

- Date:** The termination date, which must be within the contract start and end dates.
- Reason:** The reason for terminating the contract subline.

- Select **Review**.

If the customer is due a credit for amounts that were paid prior to the termination date, the credit amount appears in the Amount field.

- Optionally, you can use the Override Amount field to override the calculated amount.

The amount that is 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.

- To issue a full credit during termination, select the **Full Credit** check box.

The Amount field displays the total amount that was billed for the covered level or

usage at the time of termination.

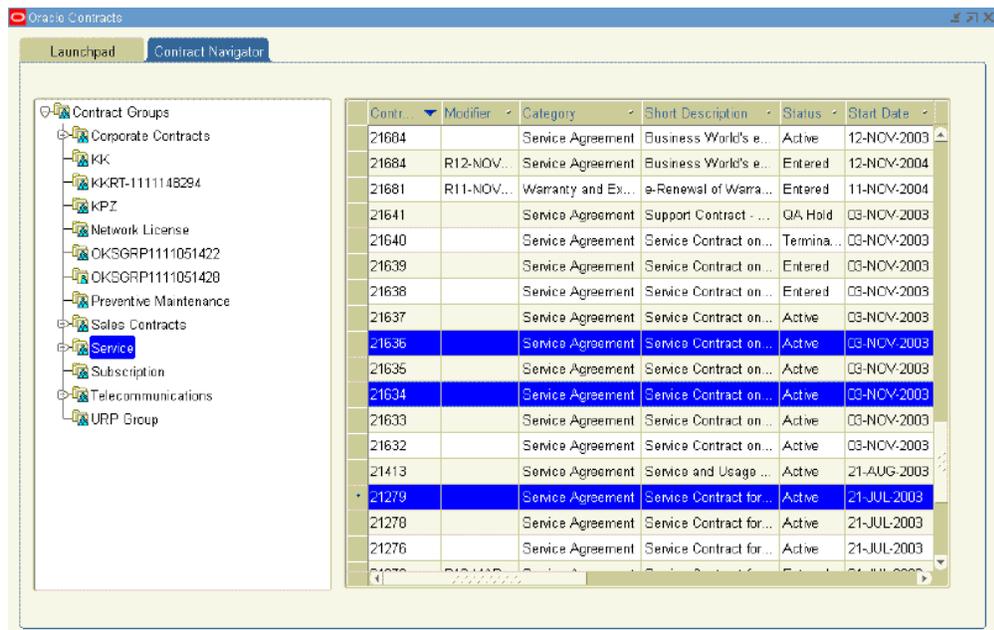
7. If you do not want to generate a credit memo, select the **Suppress Credit** check box.
8. Click **Terminate**.

Terminating Multiple Contracts at the Same Time

To terminate multiple contracts at the same time:

1. From the Contracts Navigator, highlight the contracts to terminate.

To select multiple contracts, hold down the Control key and select the contracts that you want to delete. To select a block of rows, select the first contract row, hold down the Shift key, and then select the last contract row.



2. From the Tools menu, select **Terminate**.

The Terminate Contracts window appears.

3. Select the following:
 - **Date:** The termination date, which must be within the contract start and end dates.
 - **Reason:** The reason for terminating the contract.

Terminate Contracts (Fiserv Operations, USD)

Date: 14-APR-2005

Reason: Mutual Agreement

Description: Mutual Agreement

Preview

4. Select **Preview**.

The Selected Contracts for Termination region appears with a listing of the contracts that you have selected to be terminated.

5. Confirm whether the customer is due a credit for amounts that were paid prior to the termination dates. The amount is indicated in the Amount field for each associated contract number.

6. Optionally, you can use the Override Amount field to override the calculated amount.

The amount that is 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.

7. For each contract, you can enter a different:

- Termination Date
- Reason

8. To issue a full credit during termination, select the **Full Credit** check box for the associated contract number.

The Amount fields display the total amount that was billed for the associated contract number at the time of termination.

9. If you do not want to generate a credit memo, select the **Suppress Credit** check box for the associated contract number.

Note: If credits are suppressed in error, you can run the Service Contracts Program to Process Suppress Credits. This program enables users to generate credits for contract terminations for which credits have been suppressed. See About Concurrent Programs, page 21-8.

10. Click **Terminate**.

Terminate Contracts (Vision Operations: USD)

Date: Description:
Reason:

Selected Contracts for Termination

Contract Number	Modifier	Version	End date	Termination Date	Reason	Amount	Override Amount	Full Credit	Suppress
21636		.9	02-NOV-2004	14-APR-2005	Mutual Agree	0		<input type="checkbox"/>	<input type="checkbox"/>
21634		.9	02-NOV-2004	14-APR-2005	Mutual Agree	0		<input type="checkbox"/>	<input type="checkbox"/>
21279		.9	20-JUL-2008	14-APR-2005	Mutual Agree	1342.47		<input type="checkbox"/>	<input type="checkbox"/>
								<input type="checkbox"/>	<input type="checkbox"/>
								<input type="checkbox"/>	<input type="checkbox"/>
								<input type="checkbox"/>	<input type="checkbox"/>
								<input type="checkbox"/>	<input type="checkbox"/>

Reason Description:

A Decision window appears, indicating that the contracts were successfully terminated. Click **Yes** to save your changes.

Note: After you terminate the contracts, you can run the Main Billing program to generate the necessary billing transactions as a result of the terminations.

Viewing the True Value of a Contract

When you terminate a contract, a contract line, or a subline, the contract total in the header is automatically adjusted to reflect the terminated amount.

To view the true value of a contract:

- From the Service Contracts Authoring window, review the following in the header:
 - Total:** Reflects the true value of the contract incorporating any price adjustments or credits that have been applied to the contract.
 - Terminated:** Reflects a sum of the following after a termination is submitted:
 - The unbilled amount for the original contract
 - The termination credit that was issued
 - Any termination amounts that were suppressed
- Alternatively, navigate to the **Summary** tab and **Pricing/Billing** subtab.

3. Select **Billing**.

The Billing window appears.

The screenshot shows the 'Billing' window with a 'Schedule' tab. The main area contains several input fields: Invoicing Rule (Advance Invoice), Accounting Rule (Immediate), Level (empty), Start Date (17-MAR-2005), End Date (16-MAR-2006), and Amount (3.39). To the right, there are two summary tables. The 'Terminated' table shows Unbilled (395.00), Credited (31.61), Suppressed (0.00), Total (416.61), and Overridden (0.00). The 'Adjusted' table shows Discount (0.00), Surcharge (0.00), Total (0.00), and Billed (35.00).

Terminated	
Unbilled	395.00
Credited	31.61
Suppressed	0.00
Total	416.61
Overridden	0.00

Adjusted	
Discount	0.00
Surcharge	0.00
Total	0.00
Billed	35.00

4. Review the following:

- **Amount:** Reflects the true value of the contract.
- **Total field in the terminated region:** Reflects the amount that was credited after the termination was submitted.
- **Billed:** Reflects the amount that was originally billed.

Understanding Termination and Credit Generation with Partial Periods

If a contract is terminated during a billing period, credits are prorated by the application. The calculation of the prorated amount varies among line types. Following are descriptions of how the prorated amount is handled for each line type.

Service Lines

You can request service line termination at different levels, such as contract level, line level, and subline level. Regardless of the termination level, the new extended price, termination amount, credit, or unbilled amounts are calculated at sub line level and then rolled up to the higher levels.

The following list describes how the application calculates terminations and generates credits using partial periods for service lines:

Note: You define Partial Period attributes in the Global Contracts Defaults window. See Entering Contract Defaults, page 2-36.

- Determines a start date and an end date of termination period.
 - Termination Period Start Date: Termination date
 - Termination Period End Date: Original Service End of sub line
- Calculates Termination period duration in terms of price unit of measure (UOM)

using Partial Period Method as described in pricing section.

- Calculates termination amount by multiplying termination period duration with unit price.
- Calculates new extended price of subline by subtracting termination amount from original extended price.
- Compares new extended price and already billed amount.
- Calculates unbilled amount, credit amount, suppressed credit amount and overridden amount based on suppressed credit flag, full credit flag, and override amount (as is).
- If termination action is requested at service line level or contract level, then repeats the preceding for all sublines that are affected and rolls up amounts to higher levels.

The application processes partial periods differently for contracts that are generated from Oracle Order Management. The following table describes some of the variations within the termination logic.

Type	Partial Period Impact on Termination Logic
Oracle Service Contracts Generated Contracts	As described in the preceding list.
Oracle Order Management originated contract with dates and Partial Periods attributes defined.	As described in the preceding list.
Fixed logic	Period Start: Period Start
	Period Type passes from Global Contracts Defaults
Oracle Order Management originated contract with dates and Partial Periods attributes defined.	As described in the preceding list.
Actual logic	Period Start: Period Start
	Period Type passes from Global Contracts Defaults
Oracle Order Management originated contract with dates and no Partial Periods attributes defined.	Application bases termination on Daily Rates.
	Application does not stamp contract with Partial Period values.

Oracle Order Management originated contract with no dates defined on the contract and Partial Periods attributes defined.	As described in the preceding list. Application does not calculate Partial Period.
Fixed logic	Fixed Rate UOM conversion as follows: 1 Month equals 30 days.
Oracle Order Management originated contract with no dates defined on the contract and Partial Periods attributes defined.	As described in the preceding list. Application does not calculate Partial Period.
Actual logic	Fixed Rate UOM conversion as follows: 1 Month equals 30 days.
Oracle Order Management originated contract with no dates defined on the contract and no Partial Periods attributes defined.	As described in the preceding list. Application does not calculate Partial Period. Fixed Rate UOM conversion as follows: 1 Month equals 30 days.

For information about service lines, see [About Service Lines](#), page 3-3.

Usage Lines

For usage lines, you must define the termination method that the application will use to calculate the usage and to credit the customer upon termination. You can choose between the Amount Based Termination and Counter Based Termination method.

Amount Based Termination

Charges the customer based on the amount of usage that is recorded when the contract is terminated. The customer is charged based on the actual usage. This is the default method for all usage types.

Counter Based Termination

The application credits the unused portion of the service based on the price that the customer would pay if they continued consumption at the same rate for the rest of the period. This means that the customer receives any price break based on the estimated usage.

For information about usage lines, see [About Crediting a Customer in Terminations](#), page 4-17.

Partial Periods Effect on Usage Line Terminations

Partial periods affects only estimation and termination of usage. Price UOM and Period Start (Service or Calendar) do not drive pricing or billing of usage lines. The period that you define for the Usage Type in the Lines tab and Effectivities subtab drives usage pricing. The billing schedule is manually entered.

When the application is calculating estimated fill for partially billed periods or termination amounts, usage lines use the Period Type setting for partial period calculations. Estimated fill involves calculating a partial period amount for the rest of the billing period. Termination amounts can be calculated by determining the amount per day in a billing period to determine the termination amount (Amount Based) or can be calculated by determining the consumption per day to determine the estimated consumption as of the termination date (Counter Based). Whether determining amount per day or consumption per day within a billing period, the application bases the calculation on actual days or fixed days according to the Period Type setting.

The following table summarizes the how Partial Period setup impacts different usage types:

Usage Types	Partial Period Impact on Termination
Negotiated Price	Partial Period termination calculation uses the Period Type settings.
Fixed per Period	Partial Period termination calculation uses the Period Type settings.
Actual per Period	Partial Period termination calculation uses the Period Type setting. Volume based terminations call Oracle Installed Base for estimated consumption.
Actual by Quantity	Partial Period termination calculation uses the Period Type setting.

Subscription Lines

For subscription lines, how the terminated contract is prorated depends on whether it is for a tangible or an intangible subscription.

Tangible Subscription Termination

Termination for tangible subscriptions can be done only for quantities (or fulfillment periods), that have not been passed to Oracle Order Management. The termination amount correlates to the quantity that is terminated. For example, if 12 fulfillment periods exist for the subscription line, then the line can be terminated only in 1/12th increments of the total line value. If the end date of the latest fulfilled period is greater than the termination date, the termination date for the subscription line will be moved forward to be equal to the end date of the latest fulfilled period.

Suppose that you have a 12-month subscription with a start date of January 1. The billing amount for each month is \$10. The months of January, February, and March have passed to Oracle Order Management. If a termination date of February 15 is

entered, the termination date is moved to March 31 because this is the end date of the latest fulfilled period. The months of April through December are included in the terminated amount, which is \$90.

Intangible Subscription Termination

Termination for intangible subscriptions can be either fulfillment based or effectivity based, depending on whether the system profile, OKS: Intangible Subscription Pricing Method is set to Effectivity Based or Subscription Based. Effectivity Based is the same as the termination functionality for terminations that are performed against Service Lines. Subscription Based, is the same as the termination of tangible subscriptions.

For information about subscription lines, see About Subscriptions, page 5-1.

Partial Periods Effect on Subscription Line Terminations

The application does not calculate partial periods for tangible subscription lines because pricing, billing, and termination amounts are strictly tied to whole-number fulfillment quantities for the subscription line.

If profile OKS: Intangible Subscription Pricing Method is set to Subscription Base, the application does not calculate partial periods for Intangible. This profile setting causes the intangible subscription lines to price, bill, and terminate in the same fashion as tangible subscriptions.

If profile OKS: Intangible Subscription Pricing Method is set to Effectivity Based, the application calculates partial periods for pricing, billing, and termination amounts on intangible subscription lines as follows:

- Because Price UOM is not available for subscription lines, the fulfillment frequency (weekly, monthly, quarterly, and so on) acts as the Price UOM in the partial period calculation
- Regardless of Period Start value on the contract, the application always uses Period Start as Service Start when billing subscription lines. This is due to the relationship between fulfillment quantity, pricing, and billing on subscription offerings.
- The application uses the Period Type setting.

Running Reports and Programs

This chapter covers the following topics:

- Overview of Running Reports and Concurrent Programs
- About Reports
- About Concurrent Programs
- Running Reports and Programs

Overview of Running Reports and Concurrent Programs

This group of topics explains the reports available in Oracle Service Contracts.

Oracle Service Contracts provides several reports and concurrent programs designed to help you analyze information and manage the application.

About Reports

This section provides a high-level description of various reports that are available in Oracle Service Contracts and describes the parameters that are available for each. Some parameters are required, while other parameters are optional and can be used to narrow the scope of the information that is included in the report.

Reports also create output information, that can be used to analyze your contracts.

The following reports are listed in the order in which they appear in the Reports list of values (LOV) for the Service Contracts Manager responsibility. The Reports LOV includes reports and concurrent programs. For information on how to submit a report, see Running Reports and Programs, page 21-14.

Contracts QA Report

This report enables you to run a quality assurance (QA) check on multiple contracts. A QA check is particularly useful when run immediately before the billing process to help identify contract issues on before the contracts are submitted to Accounts Receivable.

You can define the following parameters for this report:

- From Contract Number (required)
- To Contract Number
- From Start Date (required)

Note: When running this report, the defaults From Start Date and To Start Date are the current date. If your contracts start before this date, you will not see a report. Be sure to check your start dates.

- To Start Date
- Contract Status
- Level of Details (required)

You can choose a report that details all contracts selected, all contracts that pass the QA check, or all contracts that fail the QA check.

- Submit for Approval: If this parameter is set to Yes, the contract is automatically submitted for approval if it passes QA.
- Ignore QA Warning: If this parameter is set to Yes, QA warnings are ignored

The report output includes details of the data checked including whether the checked data had warnings and errors and if so, what results were found.

List of Contracts By Contract Group

This report provides a list of contracts by contract group. You can define the following parameters:

- Group
- Role (required)
- Category
- Start Date From
- Start Date To
- Status
- Currency

- Order By Amount

The report output lists the contract number, modifier, short description, date signed, currency code, estimated amount and the status. The output is sorted by the contract group and the role, such as customer.

Contracts QA Report for List of Contracts

This report allows you to run a QA check for multiple contracts.

You can enter multiple contract numbers within the Contract IDs separated by comma parameter.

The report output includes details of the data checked including whether the checked data had warnings and errors and, if so, what results were found.

Generate Quote

This report integrates with XML Publisher, to generate a PDF file using the quote template that you specify in the parameters.

You can define the following parameters:

- Quote Template (required)
 - Acceptance Confirmation - Sample
 - Activation Confirmation - Sample
 - Cancellation Confirmation - Sample
 - Cancellation Notice - Sample
 - Cover Letter - Sample
 - Quote Letter - Sample
 - Reminder Notice - Sample
- Contract Number

The report output provides a PDF file based on the quote template that you select.

OKS Products Not Renewed Report

This report helps the sales representative identify customer products that have extended warranties in an Expired or Terminated status. The extended warranty must have a valid customer and vendor, and must include a vendor contact role of sales person or support sales. In addition, the product must not have been renewed to any other extended warranty with in a Signed or Active status.

You can define the following parameters:

- Contract Group
- Operating Unit
- Sales Rep
- Customer
- From End Date
- To End Date

The report output includes a listing the part number, product description and serial number, along with details of the line amount and the installed base start and end dates.

Service Contract Forecast Management Report

This report allows the sales representative and management to track the anticipated close of contract renewals. It checks service agreements, warranties, or extended warranties in an Entered status with a valid and customer role specified. To be included, contracts must also have a valid vendor contact role of sales person or support sales.

Note: To get results for Booking Forecast, Revenue Recognition Value, and Forecast Value, you must enter values for Revenue Estimation Date and Percentage.

You can define the following parameters:

- Contract Group
- Operating Unit
- Sales Rep
- Status Code
- Currency Code
- Minimum Contract Value
- Maximum Contract Value
- Forecast Start Period

- Forecast End Period
- Revenue Recognized Date

The report output provides a listing of forecast information by sales representative. This includes customer, contract number, modifier, status, start and end date, forecast percentage, forecast date, last update date, contract value, contract forecast, revenue to be recognized, and currency code.

Service Contracts Bookings Report

This report lists the value of all service agreements, warranties and extended warranties, in an Active, Approved, or Signed status with a valid customer or vendor role specified. To be included, contracts must also have a valid vendor contact role of sales person or support sales.

Contracts are grouped by the sales representative assigned to the contract.

You can define the following parameters:

- Contract Group
- Operating Unit
- Sales Rep
- Start Date From (required)
- Start Date To (required)
- Approved Date From
- Approved Date To
- Value Exceeding
- Sort By

You can sort the report output by any of the preceding parameters or by contract number, contract value, currency, customer name, date approved, invoice date, invoice number, invoice value, modifier, sales representative, or start date.

Service Contracts Detail Report

This report displays key details of the contract headers, contract lines, and covered products for contracts in the warranty and extended warranty categories. The report does not extract all Service Agreement information. The report focuses on covered products.

You can define the following parameters:

- Contract Group
- Contract #
- Customer
- Status Type
- Status Code
- Start Date From
- End Date From
- Start Date To
- End Date To
- Operating Unit

The report output provides a listing of:

- Header level details, such as the contract number, modifier, vendor, start and end dates, customer, status, total value, currency code.
- Service level details for each line, such as the line number, the service, start and end dates, and total value.
- Product level details for each line, such as line number, product name, start and end dates, installed base number, serial number, reference number, quantity, pricing attributes, and final price.

Service Contracts Forecast Summary Report

This report lists the contracts eligible for renewal for a given period as well as the recognized revenue date. It checks service agreements, warranties and extended warranties in an Entered status with a valid customer and vendor role specified. To be included, contracts must also have a valid vendor contact role of sales person or support sales.

You can define the following parameters:

- Contract Group
- Operating Unit
- Currency Code
- Start Date

- End date
- Minimum Contract Value
- Maximum Contract Value
- Recognized Revenue Date

The report output provides a listing of the following information by status type and status code; currency code, number of contracts, contract value, booking forecast, revenue recognized value, and forecast value.

Note: To get results for Booking Forecast, Revenue Recognition Value, and Forecast Value, you must enter values for Revenue Estimation Date and Percentage.

Service Contracts Summary Report

This report allows the sales representative to track all contracts by customer. It includes service agreements, warranties and extended warranties with a valid customer and vendor role specified. To be included, contracts must also have a valid vendor contact role of sales person or support sales.

You can define the following parameters:

- Contract Group
- Operating Unit
- Rep Name
- Customer Number
- Customer Name
- Form Date
- To Date
- Currency Code

The report output provides a summary listing of contracts for each customer, sorted by sales representative. The report includes customer number, customer name, contract number, modifier, status type, start and end dates, total value, currency code, and when the contract was last updated.

Service Contracts by Status Report

This report allows sales representatives to track contracts by status. It includes service agreements, warranties and extended warranties with a valid customer and vendor role specified. To be included, contracts must also have a valid vendor contact role of sales person or support sales.

You can define the following parameters:

- Contract Group
- Operating Unit
- Sales Rep Name
- Customer Number
- Customer Name
- From Start Date (required)
- To Start Date (required)
- From End Date
- To End Date
- Status Code
- Status Type
- Currency Code
- Detail Report

The report output provides a listing of service contracts by status. It is sorted by sales representative and provides status, customer, and start and end dates as well as the contract value, selected status product value, and the annual rate.

About Concurrent Programs

The section provides a high-level description of concurrent programs that are available in Oracle Service Contracts and describes the parameters that are available for each. Some parameters are required, while other parameters can be used to narrow the scope of the information processed. These programs are used to initiate processes that enable particular functionality in the application.

The following programs are listed in the order in which they appear in the Reports LOV for the Service Contracts Manager responsibility. The Reports LOV includes reports and

concurrent programs. For information on how to submit a report, see *Running Reports and Programs*, page 21-14.

Contracts Status Change by Contract

This program enables you to execute contract status change programs for a given contract. This process changes the contract status if the selected contract qualifies for a status change.

You can define the following parameters:

- Contract Number (required)
- Contract Number Modifier

Contracts Status Change by Range

This program enables you to execute contract status change programs for a range of contracts. This process changes the contract status if the selected contracts qualify for a status change.

You can define the following parameters:

- Category
- From Number
- To Number
- From modifier
- To modifier
- Last Run Date

AutolInvoice Import Program

This program is owned by Oracle Receivables. It imports the billing transactions from the Service Contracts Main Billing Program into Oracle Receivables.

You can define the following parameters:

- Transaction Source (required)
- Default Date (required)
- Transaction Type
- (Low) Bill To Customer Number

- (High) Bill to Customer Number
- (Low) Bill to Customer Name
- (High) Bill to Customer Name
- (Low) GL Date
- (High) GL Date
- (Low) Ship Date
- (High) Ship Date
- (Low) Transaction Number
- (High) Transaction Number
- (Low) Sales Order Number
- (High) Sales Order Number
- (Low) Invoice Date
- (High) Invoice Date
- (Low) Ship To Customer Number
- (High) Ship To Customer Number
- (Low) Ship To Customer Name
- (High) Ship To Customer Name
- Base Due Date on Trx Date
- Due Date Adjustment Days

For more information about this program, refer to the *Oracle Receivables User Guide*.

OKS Update Sales Group

This program updates a sales group for a particular contract. You run this program before any updates to the sales group can be performed.

You can define the following parameters:

- Contract Number

- Contract Group

Service Contracts AutoReminder Program

This program automates the process of reminding customers to renew their contracts by sending a notification for both manual and online renewals.

For online renewals the program sends reminders for all contracts for which a quote has been published online.

For manual renewals the program sends reminders for all contracts that have the contract status specified in the parameters when you run the program. After the reminder is sent, the program marks the contract with a flag indicating that a reminder has been sent. Subsequent runs of the program will look at this flag to determine whether to send a reminder.

Example

The following scenario helps describe which contracts are selected when you run the Service Contracts AutoReminder Program.

Contract	Type	Contract Status	Negotiation Status
Contract X	Manual	Quote Sent	Draft
Contract Y	Manual	Entered	Draft
Contract Z	Online	Entered	Quote Published

Based on the preceding table, if you set the Service Contracts AutoReminder Program to select all contracts where the contract status is to Quote Sent, then reminders are sent for Contracts X and Z.

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

- Create templates for a quote letter and cover letter in the Template Set. Navigate to Service Contracts, select Setup, select Service Contracts, and select Communication Templates.
- Define a Template Set using the Define Electronic Renewal Template.

You can define the Contract Status parameter.

Note: You can set up statuses from the Duration field of the Template Set form. When you add reminder notices to a template set, you can indicate how many days lead time the application uses for reminder notices. For example, if you have a reminder notice set at -90, the

concurrent program finds eligible contracts and sends out a *90 day notice* reminder for any contract with a start date 90 days in the future.

Service Contracts Concurrent Program for Reassigning Resources

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

Service contracts are generally assigned to a resource who 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 contract may not receive appropriate level of attention.

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 who 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 who was assigned to the contract. The resource to which the contract is being assigned will receive a workflow notification.

The following prerequisites are required to run this program:

- JTF Territory assignments must be set up.
- Profile option OKS: Use Territories to Default Sales Person should be set to Yes to use this process.
- Profile option OKS: Enable Sales Credits should be set to Derive.
- Resource must be assigned to the contract on the Summary Parties tab in the Contacts region for the vendor.

You can define the following parameters:

- Contract Number
- Contract Status
- Operating Unit
- Sales Person

Service Contracts Fetch Receivables Info for Billing

This program fetches the invoice number and tax from Oracle Receivables and updates the contract billing history. There are no parameters to define for this report.

Service Contracts Instance Relationship Program

This program associates the parent instance created for a subscription line with any child instances that are created when a tangible subscription ships.

You can define the Contract Number parameter.

Service Contracts Main Billing

This program generates a log file of the total value processed, total value successful, and total value rejected for billing. For all unsuccessful transactions, further contract information appears and you can pinpoint the contract, the line, or the contract and line, that caused the issue.

You can define the following parameters:

- Contract Number
- Default Date
- Operating Unit
- Customer Name
- Category
- Group
- Preview

Service Contracts Order Processing Program

This program processes order lines from Oracle Order Management and creates contracts in Oracle Service Contracts.

When ordering a serviceable product in Oracle Order Management, if an application has an associated warranty, the application automatically creates a contract when the product ships. When a serviceable product is placed on a sales order, associated services may also be sold; these pass to Oracle Service Contracts as extended warranties.

You can define the followings parameters:

- Status
- Source

Service Contracts Program to Process Suppress Credits

This program sends credits to Oracle Receivables if the suppress credit check box was

selected during termination.

You can define the following parameters:

- Contract Number
- Operating Unit
- Category

Service Contracts Usage Averaging

This program calculates usage averaging based upon the averaging interval defined for each usage line in a contract.

Usage averaging allows you to give price benefits to customers for higher consumption, by allowing you to average invoices over multiple periods. Usage averaging ensures that consumption is evenly distributed, which allows customers to take advantage of price breaks.

See *Charging for Reported or Estimated Usage Per Period*, page 4-11.

You can define the Contract Number parameter.

Service Contracts Usage Settlement

This program calculates usage settlement based upon the settlement frequency defined for each usage line in a contract. It calculates the settlement of any customer undercharges or overcharges using the value defined in the Settlement Interval LOV.

Usage settlement reconciles discrepancies between actual consumption and estimated billed quantity. Discrepancies may arise if consumption is not captured before you run the Service Contracts Main Billing program. When the consumption is not captured before the billing program runs, the billing program estimates the consumption for the period. Because the consumption captured for the billing period after running the billing program may be greater than or less than the actual billed quantity, you can use this program to settle the discrepancies.

Your administrator should determine how frequently to run this program: monthly, quarterly, or at the end of the contract.

See *Charging for Reported or Estimated Usage Per Period*, page 4-11.

You can define the Contract Number parameter.

Running Reports and Programs

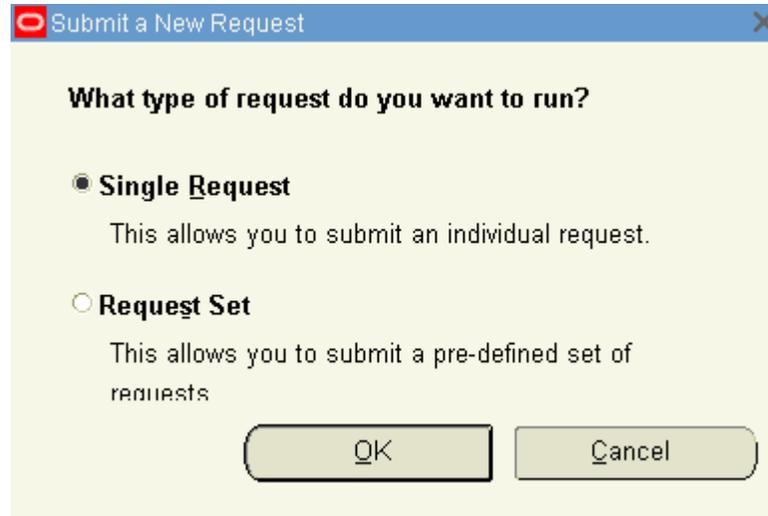
To run reports and programs

1. From the View menu, select **Requests**.

The Find Request window appears.

2. Select **Submit a New Request**.

The Submit a New Request window appears.



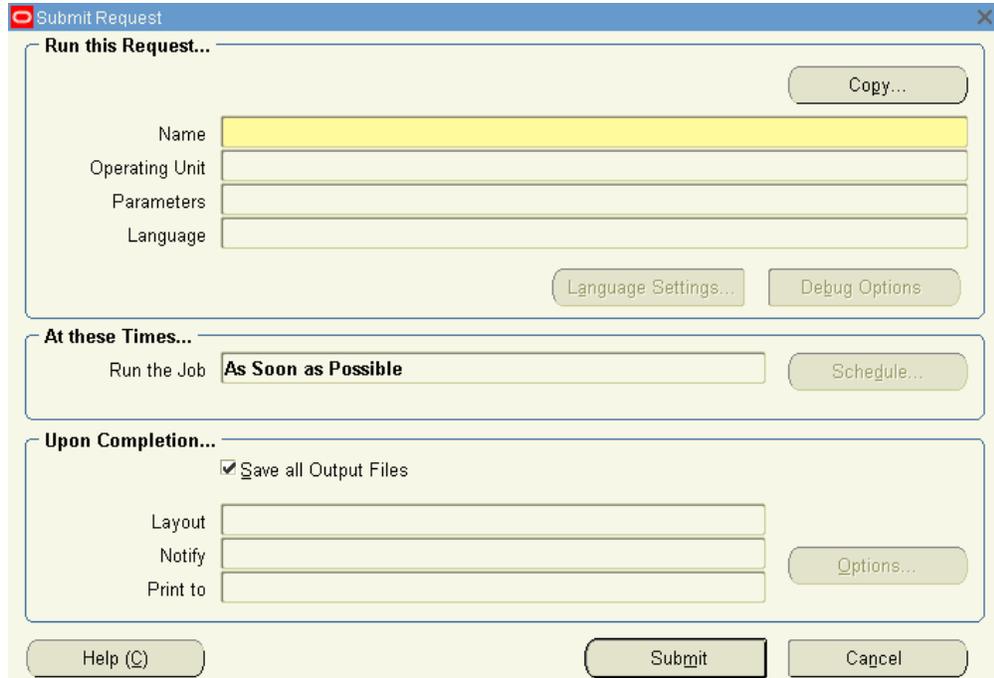
3. Select the Single Request option and click **OK**.

The Submit Request window appears.

4. From the Name LOV, select the report you want to submit, for example (**Contracts QA Report**) and click **OK**.

The parameters window appears.

5. Define all mandatory parameters.

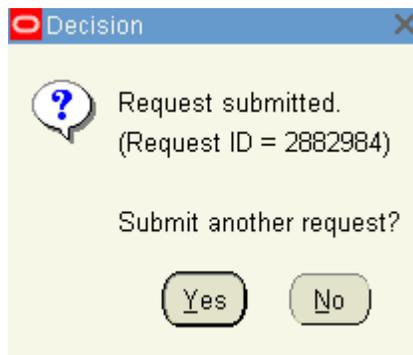


6. Click **OK**.

The Submit Request window appears with a concatenated listing of the parameters.

7. Select **Submit**.

A Decision window appears with the request id. You should make a note of this id. The application asks if you want to submit another request.



8. Click **No**.

The Find Request window appears. You can use this window to track your request.

9. Verify that the **View All My Request** option is selected, and click **Find**.

The Request window appears.

Creating Contract Items in Oracle Inventory

This chapter covers the following topics:

- About Contract Item Types
- Creating Service Items
- Creating Warranty Items
- Creating Subscription Items
- Creating Usage Items
- Defining Serviceable Products
- Restricting How Items Are Used

About Contract Item Types

This group of topics explains how setup items in Oracle Inventory for use in contracts.

Whether a contract is authored in Oracle Service Contracts or created automatically from Oracle Order Management or Oracle Installed Base, a contract must include lines.

The line types used in a contract are items that are created in Oracle Inventory. For example, a computer manufacturer could set up a service item WR23763, to cover the Extended Notebook PC Service Plan.

Items are classified into four contract item types: service, subscription, usage, and warranty. How you classify these items restricts which contract categories can use them. See *Restricting How Items Can be Used*, page 22-22.

Because an item must be defined as a serviceable item to be covered on a contract, you must also ensure that the Item Master contains serviceable items. See *Defining Serviceable Products*, page 22-20.

Creating Service Items

Services are items that you define in the item master. They include the coverage terms

that are given or sold to a customer.

You must define service items in the item master.

This procedure highlights an example of how a service item can be set up. For additional information about setting up product items in Oracle Inventory, refer to the *Oracle Inventory User's Guide*.

For information about entering service lines, see About Service Lines, page 3-3.

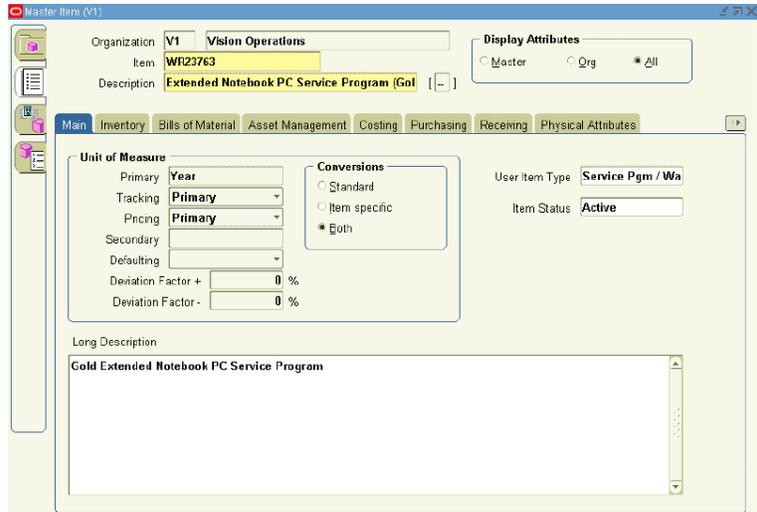
Prerequisite

Confirm that a Coverage Template is defined. See Defining a Coverage Template, page 23-7.

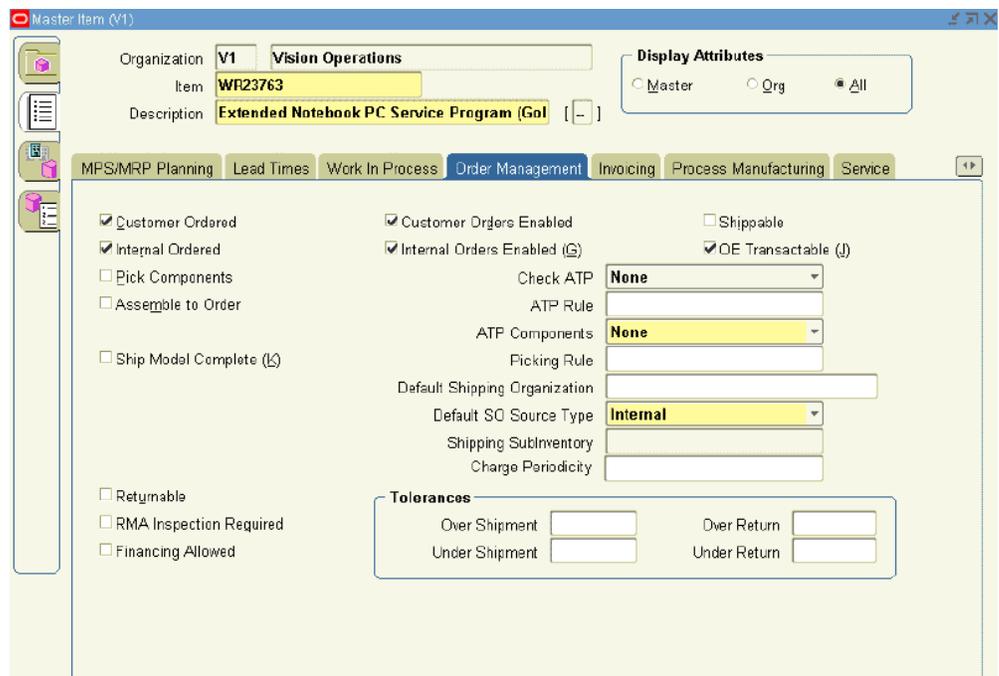
To create a service item:

1. Open Oracle Inventory and navigate to **Inventory**. Select **Items**, and then select **Master Items**.
2. If prompted, enter an Organization.
The Master Items window appears.
3. Enter an item.
4. Enter a description.
5. From the Main tab:
 1. Select the User Item Type, **Service Pgm / Warranty**.
 2. Select a unit of measure (UOM), from the Primary LOV.

Note: You set up a service using a time UOM, such as Year, not a quantity UOM, such as Each.



6. Select the **Order Management** tab:



1. Select the **Customer Ordered** check box.
The **Customer Orders Enabled** check box is automatically selected.
2. Select the **OE Transactable** check box.

3. Select the **Internal Ordered** check box.

The **Internal Ordered Enabled** check box is selected automatically.

7. Select the **Invoicing** tab:

The screenshot shows the Oracle Master Item (V1) window with the Invoicing tab selected. The form contains the following fields and values:

- Organization: V1 Vision Operations
- Item: WR23763
- Description: Extended Notebook PC Service Program (Gol)
- Display Attributes: Master (selected), Org, All
- Invoiceable Item:
- Invoice Enabled:
- Accounting Rule:
- Invoicing Rule:
- Output Tax Classification Code:
- Sales Account: 01510.4110.0000.000
- Payment Terms:

- Select the **Invoiceable Item** and **Invoice Enabled** check boxes

8. Select the **Service** tab.

The screenshot shows the Oracle Inventory Master Item form for item 'WP23763' (Extended Notebook PC Service Program (Gold)). The form is in the 'Service' tab. Key fields include:

- Organization:** V1 Vision Operations
- Item:** WP23763
- Description:** Extended Notebook PC Service Program (Gold)
- Service Request:** Inactive
- Service Contracts:**
 - Contract Item Type: Service
 - Duration: 1
 - Duration Period: Year
 - Template: Gold
 - Starting Delay (Days): 0
- Installed Base:**
 - Track in Installed Base:
 - Create Fixed Asset:
 - Instance Class: [Dropdown]
- Debrief and Charges:**
 - Recovered Part Disposition: [Dropdown]
 - Enable Service Billing:
 - Billing Type: [Dropdown]

1. In the Contract Item Type, select **Service** from the LOV.

2. Select a Duration and Duration Period.

The duration and duration period are used for passing the service duration for the service item, when it is selected in the Oracle Quoting application.

3. From the Template LOV, select a coverage template.

9. Save.

Creating Warranty Items

Warranties are services that are given to the customer free of charge. The price is assumed to be included in the price of the associated product.

You must define warranty items in the item master.

This procedure highlights an example of how a warranty item can be set up, for additional information on setting up product items in Oracle Inventory refer to the *Oracle Inventory User's Guide*.

For information about warranties, see About Ordering Service in Oracle Order Management, page 6-2.

This table distinguishes between warranties and services. Extended warranties are considered services:

Warranties	Services
Non-orderable and managed automatically	Can be sold on a quote, order, or service contract.
Cannot be authored, can only be created when products under warranty are sold from Oracle Order Management or are manually created in the Install Base	Can be authored or created through the Order Management interface.
Do not have a price	Has unit or percentage based pricing.
Associated with serviceable items in Bill of Materials (BOM)	Not included in a 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.

Prerequisite

Confirm that a Coverage Template is defined. See *Defining a Service Coverage*, page 23-7.

To create a warranty item:

1. Open Oracle Inventory and navigate to **Inventory**. Select **Items**, and then select **Master Items**.
2. If prompted, enter an organization.
The Master Items window appears.
3. Enter an item.
4. Enter a description.
5. On the Main tab, select the User Item Type, **Service Pgm/Warranty**.

Master Item (V1)

Organization **V1** **Vision Operations**

Item **WR11531**

Description **Desktop PC Warranty** [...]

Display Attributes

Master Org All

Main Inventory Bills of Material Asset Management Costing Purchasing Receiving Physical Attributes

Unit of Measure

Primary **Year**

Tracking **Primary**

Pricing **Primary**

Secondary

Defaulting

Deviation Factor + **0** %

Deviation Factor - **0** %

Conversions

Standard

Item specific

Both

User Item Type **Service Pgm / Wa**

Item Status **Active**

Long Description

6. Select the **Order Management** tab:

- Select the **OE Transactable** check box.

Master Item (V1)

Organization: V1 Vision Operations
 Item: WR11531
 Description: Desktop PC Warranty

Display Attributes:
 Master Org All

MPS/MRP Planning | Lead Times | Work In Process | **Order Management** | Invoicing | Process Manufacturing | Service

Customer Ordered
 Internal Ordered
 Pick Components
 Assemble to Order
 Ship Model Complete (S)
 Returnable
 RMA Inspection Required
 Financing Allowed

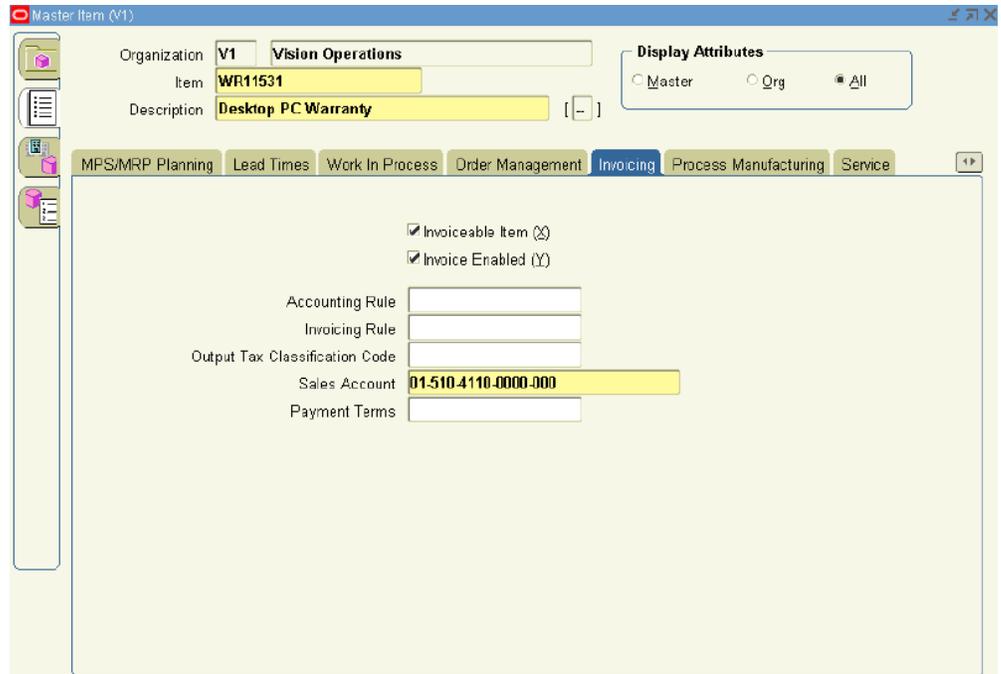
Customer Orders Enabled
 Internal Orders Enabled (S)
 Shippable
 OE Transactable (A)

Check ATP: None
 ATP Rule:
 ATP Components: None
 Picking Rule:
 Default Shipping Organization:
 Default SO Source Type: Internal
 Shipping Subinventory:
 Charge Periodicity:

Tolerances

Over Shipment		Over Return	
Under Shipment		Under Return	

7. Select the **Invoicing** tab:



- Select the **Invoiceable Item** and **Invoice Enabled** check boxes.
8. Select the **Service** tab.

The screenshot shows the Oracle Master Item (V1) form for 'Desktop PC Warranty'. The form is organized into several sections:

- Header:** Organization: V1 Vision Operations; Item: WR11531; Description: Desktop PC Warranty.
- Display Attributes:** Radio buttons for Master, Org, and All.
- Navigation:** Tabs for MPS/MRP Planning, Lead Times, Work In Process, Order Management, Invoicing, Process Manufacturing, and Service (selected).
- Service Section:**
 - Service Request: Inactive (dropdown)
 - Enable Contract Coverage (Z):
 - Enable Defect Tracking:
 - Enable Provisioning:
- Service Contracts Section:**
 - Contract Item Type: Warranty (dropdown)
 - Duration: 3 (text field)
 - Duration Period: Year (dropdown)
 - Template: 100% Coverage (dropdown)
 - Starting Delay (Days): 0 (text field)
- Installed Base Section:**
 - Track in Installed Base:
 - Create Fixed Asset:
 - Instance Class: (dropdown)
- Debrief and Charges Section:**
 - Recovered Part Disposition: (dropdown)
 - Enable Service Billing:
 - Billing Type: (dropdown)

1. In the Contract Item Type, select **Warranty** from the LOV.
2. Select a Duration and Duration Period.
3. From the Template LOV, select a coverage template.
4. You may enter Starting Delay (Days).

For Warranty items, you can enter Starting Delay (Days), which will affect the start date for the contract. The start date for the contract is equal to the ship date plus the value entered in the Starting Delay (Days) field. The same date is also used by Oracle Installed Base as the installed date of the product.

For information on modifying warranty dates, see *Modifying the Dates a Warranty Is Effective*, page 6-18.

The screenshot shows the Oracle Inventory Master Item (V1) form for item AS54688. The form is titled "Master Item (V1)" and displays the following information:

- Organization: V1 Vision Operations
- Item: AS54688
- Description: Sentinel Standard Desktop TPD

The "Display Attributes" section shows radio buttons for Master, Org, and All, with All selected.

The "Service" tab is active, showing the following configuration:

- Service Request: Enabled
- Enable Contract Coverage (Z):
- Enable Defect Tracking:
- Enable Provisioning:

The "Service Contracts" section shows the following configuration:

- Contract Item Type: [Dropdown]
- Duration: [Text Field]
- Duration Period: [Text Field]
- Template: [Text Field]
- Starting Delay (Days): [Text Field]

The "Installed Base" section shows the following configuration:

- Track in Installed Base:
- Create Fixed Asset:
- Instance Class: [Dropdown]

The "Debrief and Charges" section shows the following configuration:

- Recovered Part Disposition: Fast Return
- Enable Service Billing:
- Billing Type: Material

9. Save.

Note: After a warranty is defined, it must be associated with a serviceable product in the Bill of Materials for a warranty contract to be automatically created. Refer to the *Oracle Bills of Material User's Guide* for further information.

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

Each serviceable product can be fulfilled with one or more base warranties defined as components in the BOM for the product.

10. Select the **Enable Contract Coverage** check box.

This makes the product serviceable. The **Track in Installed Base** check box is automatically selected.

11. If defects for this item are to be tracked, then select the **Enable Defect Tracking** check box.

12. Select the **Enable Service Billing** check box.

13. Select the Billing Type field. For example, Material, Labor, or Expense.
14. Select the **Recovered Part Disposition** speed.
This indicates if replaced parts are to be recovered and how quickly.
15. Save.

Creating Subscription Items

For subscription items to be priced and sold on a contract, they must be defined in the item master.

A Subscription Item Type can either be selected as a contract line item on subscription agreement, or as a subline to a service line.

- When a subscription is on a line, you are selling that subscription. An example is a magazine subscription, delivered once per month for a year.
- If you want to sell service that provides coverage on a subscription, an example is a subscription used to track the duration that a user has access to a web based service. The service coverage on that subscription would be used to provide support if the customer has problems with the service, such as a login issue.

This procedure highlights an example of how a subscription item can be set up, for additional information on setting up product items in Oracle Inventory refer to the *Oracle Inventory User's Guide*.

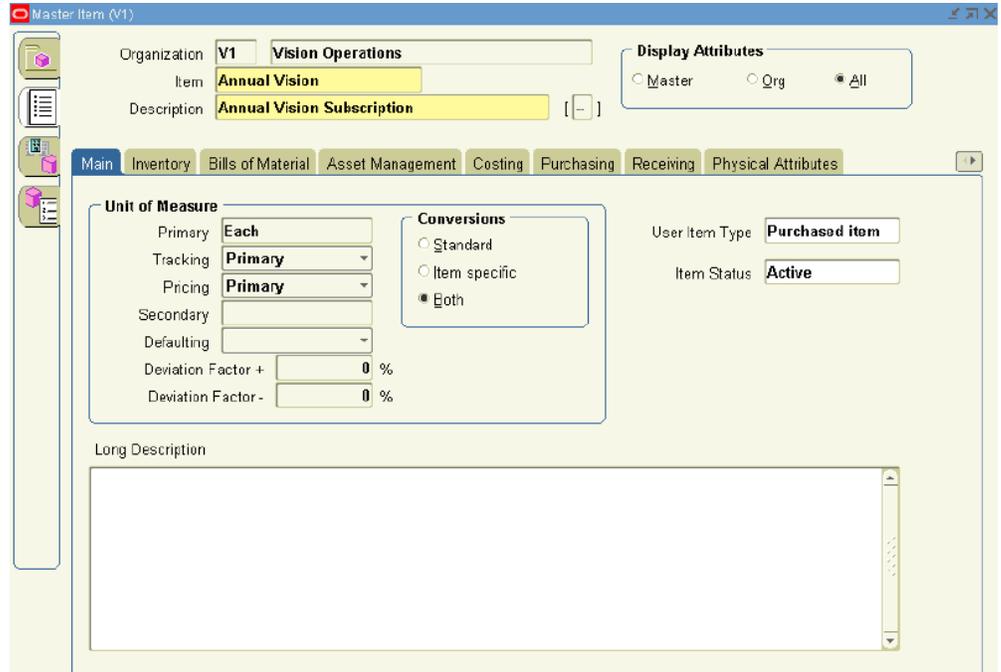
For information on entering subscription lines, see About Subscriptions, page 5-1.

Prerequisite

Confirm that a Subscription Template is defined. See Setting Up a Subscription Template, page 23-14.

To create a subscription item:

1. Open Oracle Inventory and navigate to **Inventory**. Select **Items**, and then select **Master Items**.
2. If prompted, enter an Organization.
The Master Items window appears.
3. Enter an Item.
4. Enter a Description.
5. From the Main tab, select the User Item Type.



6. Select the **Order Management** tab:

1. Select the **Customer Ordered** check box.

The screenshot shows the Oracle Master Item (V1) form for the item 'Annual Vision Subscription' under the organization 'V1 Vision Operations'. The 'Order Management' tab is active. The form includes several sections:

- Organization:** V1 Vision Operations
- Item:** Annual Vision
- Description:** Annual Vision Subscription
- Display Attributes:** Master, Org, All (All is selected)
- Navigation Tabs:** MPS/MRP Planning, Lead Times, Work In Process, Order Management (selected), Invoicing, Process Manufacturing, Service
- Customer Ordered:**
 - Customer Ordered
 - Internal Ordered
 - Pick Components
 - Assemble to Order
 - Ship Model Complete [K]
- Customer Orders Enabled:**
 - Customer Orders Enabled
 - Internal Orders Enabled [G]
- Shippable:**
 - Shippable
 - OE Transactable [J]
- Check ATP:** None (dropdown)
- ATP Rule:** (dropdown)
- ATP Components:** None (dropdown)
- Picking Rule:** (dropdown)
- Default Shipping Organization:** Seattle Manufacturing (dropdown)
- Default SO Source Type:** Internal (dropdown)
- Shipping Subinventory:** (dropdown)
- Charge Periodicity:** (dropdown)
- Tolerances:**
 - Over Shipment: (input)
 - Over Return: (input)
 - Under Shipment: (input)
 - Under Return: (input)
- Returnable:**
 - Returnable
 - RMA Inspector Required
 - Financing Allowed

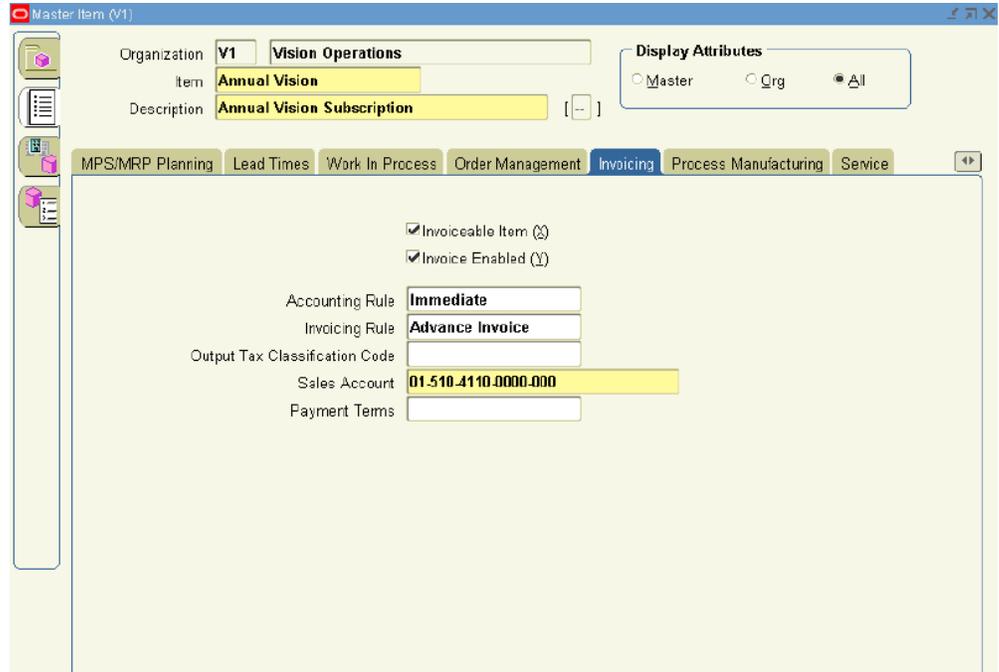
The **Customer Orders Enabled** check box is automatically selected.

2. For tangible subscriptions, select the **Shippable** check box.
3. Select the **OE Transactable** check box.
4. From the Contract Item Type LOV, select **Subscription**.
5. Select the Subscription Template that should be associated with this item.

This defines the fulfillment schedule defaults.

Note: You must select a Subscription template. If you do not select a template, the subscription cannot be used on the authoring form, it will display an error.

7. Select the **Invoicing** tab.



- Select the **Invoiceable Item** and **Invoice Enabled** check boxes.
8. Select the **Service** tab:
1. To enable the ability to file service requests against this item, select **Enabled** from the Service Request list.
 2. Select the **Enable Contract Coverage** check box to identify this product as being serviceable.
The **Track in Installed Base** check box is automatically selected.

The screenshot shows the Oracle Master Item form for 'Annual Vision Subscription'. The form is titled 'Master Item (V1)' and includes the following fields and sections:

- Organization:** V1 Vision Operations
- Item:** Annual Vision
- Description:** Annual Vision Subscription
- Display Attributes:** Master, Org, All (All is selected)
- Navigation Tabs:** MPS/MRP Planning, Lead Times, Work In Process, Order Management, Invoicing, Process Manufacturing, Service (selected)
- Service Section:**
 - Service Request: [Dropdown]
 - Enable Contract Coverage (Z)
 - Enable Defect Tracking
 - Enable Provisioning
- Service Contracts Section:**
 - Contract Item Type: Subscription
 - Duration: [Text]
 - Duration Period: [Text]
 - Template: Annual Vision
 - Starting Delay (Days): [Text]
- Installed Base Section:**
 - Track in Installed Base
 - Create Fixed Asset
 - Instance Class: [Dropdown]
- Debrief and Charges Section:**
 - Recovered Part: [Dropdown]
 - Disposition: [Text]
 - Enable Service Billing
 - Billing Type: [Dropdown]

3. From the Contract Item Type LOV, select **Subscription**.
4. Select the Subscription Template that should be associated with this item.

This value defines the fulfillment schedule defaults.

Note: You must select a Subscription template. If you do not select a template, the subscription cannot be used on the authoring form, and an error appears.

9. Save.

The subscription item is now an inventory part as well as a serviceable product.

Creating Usage Items

For usage items to be priced and sold on a contract, they must be defined in the item master. Usage includes things such as the number of copies made on a printer or the number of calls made to Support.

This procedure highlights an example of how a usage item can be set up, for additional information on setting up product items in Oracle Inventory refer to the *Oracle Inventory User's Guide*.

For information about entering usage lines, see About Charging a Customer for Usage, page 4-2.

To create a usage item:

1. Open Oracle Inventory and navigate to **Inventory**. Select **Items**, and then select **Master Items**.
2. If prompted, enter an Organization.
The Master Items window appears.
3. Enter an Item.
4. Enter a Description.
5. From the Main tab, select a User Item Type.

Organization: V1 Vision Operations
Item: QP-LPTR-J
Description: Usage item for laser printers

Display Attributes: Master Org All

Main | Inventory | Bills of Material | Asset Management | Costing | Purchasing | Receiving | Physical Attributes

Unit of Measure:
Primary: Each
Tracking: Primary
Pricing: Primary
Secondary:
Defaulting:
Deviation Factor +: 0 %
Deviation Factor -: 0 %

Conversions:
 Standard
 Item specific
 Both

User Item Type: Finished good
Item Status: Active

Long Description

6. Select the **Order Management** tab.
 1. Select the **Customer Ordered** check box.
The **Customer Orders Enabled** check box is automatically selected.
 2. Select the **Internal Ordered** check box.
 3. The **Internal Orders Enabled** check box is automatically selected.

Master Item (1)

Organization: V1 Vision Operations
 Item: QP-LPTR-U
 Description: Usage item for laser printers

Display Attributes: Master Org All

MPS/MRP Planning | Lead Times | Work In Process | **Order Management** | Invoicing | Process Manufacturing | Service

Customer Ordered
 Internal Ordered
 Pick Components
 Assemble to Order
 Ship Model Complete (K)
 Returnable
 RMA Inspection Required
 Financing Allowed

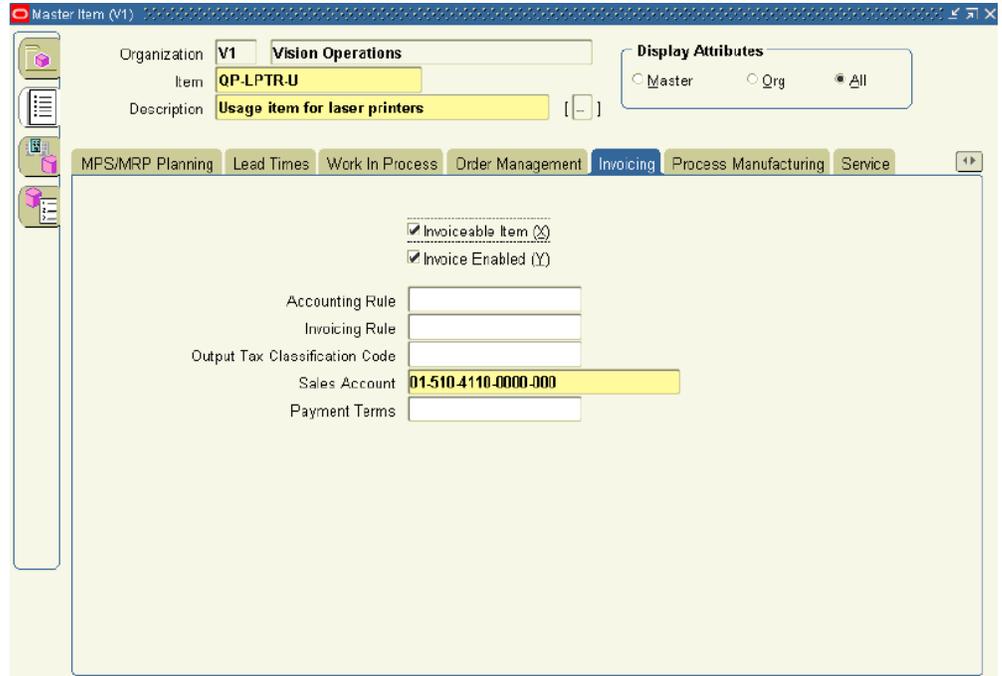
Customer Orders Enabled
 Internal Orders Enabled (G)
 Shippable
 CE Transactable (J)

Check ATP: None
 ATP Rule:
 ATP Components: None
 Picking Rule:
 Default Shipping Organization:
 Default SO Source Type: Internal
 Shipping Subinventory:
 Charge Periodicity:

Tolerances

Over Shipment		Over Return	
Under Shipment		Under Return	

7. Select the **Invoicing** tab.



- Select the **Invoiceable Item** and **Invoice Enabled** check boxes.
8. Select the **Service** tab.

The screenshot shows the Oracle Master Item (V1) window for item QP-LPTR-U. The organization is Vision Operations. The description is Usage item for laser printers. The Service tab is selected, showing the following settings:

- Service Request:** Inactive
- Service Contracts:**
 - Contract Item Type: Usage
 - Duration: 0
 - Duration Period: (empty)
 - Template: (empty)
 - Starting Delay (Days): 0
- Installed Base:**
 - Track in Installed Base: (unchecked)
 - Create Fixed Asset: (unchecked)
 - Instance Class: (empty)
- Debrief and Charges:**
 - Recovered Part Disposition: (empty)
 - Enable Service Billing: (unchecked)
 - Billing Type: (empty)

1. In the Contract Item Type, select Usage from the LOV.

9. Save.

Defining Serviceable Products

To be covered by a service item, subscription item, warranty item, or extended warranty item, a product item must be classified as a serviceable product.

Prerequisites

Confirm that the product items exist in Oracle Inventory.

For additional information on setting up product items in Oracle Inventory, refer to the *Oracle Inventory User's Guide*.

To define a serviceable product:

1. Open Oracle Inventory and navigate to **Inventory**. Select **Items**, and then select **Master Items**.

The Master Items window appears.

2. Query an item.

1. From the View menu, select **Query By Example** and then **Enter**.

2. Enter a value in the Item field, for example %AS5%.
3. From the View menu, select **Query By Example** and then **Run**.

The queried item appears in the form. Click the arrow to see additional items that match your query.

3. Select the **Service** tab.

The screenshot shows the Oracle Inventory Master Item (M1) form for item AS54888. The 'Service' tab is selected, displaying the following configuration options:

- Service Request:** Enabled
- Enable Contract Coverage (Z)
- Enable Defect Tracking
- Enable Provisioning
- Service Contracts:**
 - Contract Item Type: [Dropdown]
 - Duration: [Text Field]
 - Duration Period: [Text Field]
 - Template: [Text Field]
 - Starting Delay (Days): [Text Field]
- Installed Base:**
 - Track in Installed Base
 - Create Fixed Asset
 - Instance Class: [Dropdown]
- Debrief and Charges:**
 - Recovered Part Disposition: Fast Return
 - Enable Service Billing
 - Billing Type: Material

4. To enable the ability to file service requests against this item, select **Enabled** from the Service Request list.
5. Select the **Enable Contract Coverage** check box.
This selection makes the product serviceable. The **Track in Installed Base** check box is automatically selected.
6. If defects for this item are to be tracked, then select the **Enable Defect Tracking** check box.
7. Select the **Enable Service Billing** check box.
8. Select the Billing Type field. For example, Material, Labor, or Expense.
9. Select the **Recovered Part Disposition** speed.
This value indicates if replaced parts are to be recovered and how quickly.

10. Save.

The product item is now a serviceable product.

Restricting How Items Are Used

Contract categories restrict the line types that can be added to a contract. Accordingly, how you classify an item in Oracle Inventory impacts which contract categories can use the item.

This table shows the contract line items that can be used by each of the contract categories.

Contract Line Item	Service Agreement	Subscription Agreement	Warranty and Extend Warranty	Warranty (automatically generated from Oracle Order Management)
Service contract item type	Yes	Yes	Yes. Line Type indicates Extended Warranty rather than Service.	No
Subscription contract item type	Cannot be used as a contract line, but can be used as a subline	Yes	Cannot be used as a contract line, but can be used as a subline	No
Usage contract item type	Yes	Yes	No	No
Warranty contract item type	No	No	No	Yes

Setting Up Standard Coverage and Subscription Templates

This chapter covers the following topics:

- Overview of Standard Coverage and Subscription Templates
- Specifying Standard Coverage
- Defining Standard Coverage
- Setting Up a Subscription Template
- Copying Standard Coverage into a New Coverage
- Modifying Standard Coverage for Existing Contracts
- Modifying Standard Coverage for New Contracts

Overview of Standard Coverage and Subscription Templates

This group of topics explains how can set up coverage and subscription templates.

Oracle Service Contracts enables you to define a standard set of templates, to create offerings for a common set of agreements used by your organization, and modify them to meet your customers' requirements.

In order to create a:

- Service item in Oracle Inventory, you must first define a Standard Coverage.
- Subscription item in Oracle Inventory, you must first define a Subscription Template.

Standard Coverage

A Standard Coverage contains attributes that are associated to a Service Item in Oracle Inventory. It provides key information on how service should be carried out on products covered under the contract. For each business process covered, it defines the

times of coverage, days of coverage, reaction and resolution times for a service request, preferred resources, and the discounted rates that would be applied when work is performed on covered products, see *Specifying Standard Coverage*, page 23-3.

You can use Standard Coverage to define warranty inheritance rules and transfer rules.

You can also link a Preventive Maintenance (PM) program to standard coverage, which includes the schedule to perform a particular set of activities, such as changing toner in a copy machine.

Note: 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 *Oracle Complex Maintenance, Repair, and Overhaul User's Guide*.

The following topics and procedures define and describe how to set up standard coverage:

- *Specifying Standard Coverage*, page 23-3
- *Defining Standard Coverage*, page 23-7
- *Copying Standard Coverage into a New Coverage*, page 23-16
- *Modifying Standard Coverage for Existing Contracts*, page 23-16
- *Modifying Standard Coverage for New Contracts*, page 23-17

Subscription Template

A subscription template contains attributes, that are associated to a subscription item in Oracle Inventory. The attributes include Subscription type, Media and Property type, Fulfillment Channel, and Frequency.

A subscription item can be a tangible item like a magazine, or an intangible item like a membership.

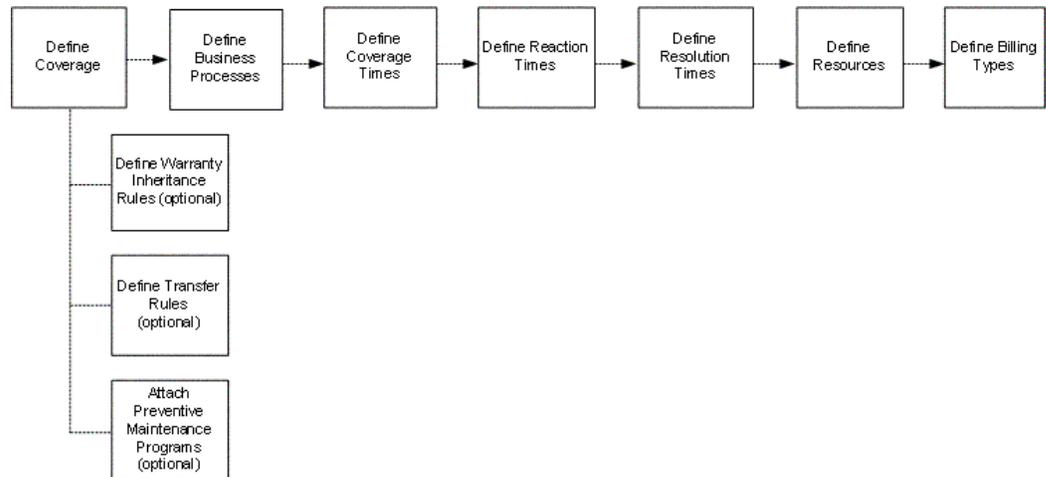
Currently Oracle Order Management is supported as the fulfillment channel. If no fulfillment channel is specified, it is considered an intangible item, and no delivery schedule is created for that item. Subscription Frequency such as Yearly, Monthly, Weekly, and Daily identifies how often an item should be delivered.

The following procedure describes setting up a subscription template, *Setting Up a Subscription Template*, page 23-14.

Specifying Standard Coverage

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 Depot Repair. Coverage Terms are then defined for these business processes.

Creating a Standard Coverage



The preceding diagram shows the steps necessary to complete standard coverage. A description of the steps and an example follow:

- **Define Coverage:** Specify coverage name, type, importance level, effective dates, warranty inheritance, transfer rules, or attach a preventative maintenance program.
- **Define Business Process:** Specify the business processes that the Standard Coverage will use.

For example, select the Field Service business process. You will need to define coverage times, reaction times, resources, and billing types for each business process that you add.

- **Define Coverage Times:** Specify the days of the week and hours used to calculate reaction and resolution times. A customer can request service anytime. If they call up support, the service agent will not turn down the call if the call is beyond the coverage times. The coverage times simply determine the starting point from where you start counting reaction and resolution times. For example, if coverage ends at 5 p.m. on a Monday and starts again at 9 a.m. on a Tuesday, with a two-hour response time, then a call received at 4 p.m. on Monday, will have a respond time of 10 a.m. Tuesday (assuming that work through is not selected). If the coverage is 24 hours per day, seven days a week, then the respond by time would be 6 p.m. Coverage times are defined for each business process as part of coverage terms, and they are applicable to one time zone.

- **Define Reaction Times:** Specify the allowed amount of time by which action must be initiated for a requested process.

For example, set up reaction times of two hours on Monday through Sunday, Therefore, you must respond within two hours of being notified by the customer.

Reaction times are tied to severity.

- **Define Resolution Times:** Specify a fixed time per contract by which a normal operation should be restored. The Resolution Times will be made available to other functions, such as Service Request.

For example, you could set up resolution times of eight hours Monday through Friday, which means if the customer calls Monday through Friday you must resolve the issue within eight hours.

Resolution times are tied to severity.

Note: When checking entitlements in Oracle TeleService, the application uses the best customer time zone to calculate reaction and resolution times. For example, in the preceding scenario, if the best customer time zone is EST.

Service request determines the best customer time zone for service entitlement in the following order:

- **Incident time zone:** The time zone of the incident. It can be derived from the incident address on a service request.
- **Primary contact time zone:** The time zone of the primary contact
- **Customer time zone:** The time zone derived from the Service Request Customer's identifying address or phone number.
- **Server time zone:** The time zone of the server. By convention, all date and time information in the E-Business Suite is stored according to this time zone. In many cases, this time zone is also referred to as the corporate time zone.

Other rules that help determine the best customer time zone, include:

- If the best customer time zone matches a coverage time zone, the application converts the service request reported time to the best customer time zone and uses the coverage times setup for the best customer time zone. The application returns respond by and resolve by times by adding the applicable response time and resolution time to the passed service request reported time

in server time zone.

- If the best customer time zone does not match any coverage time zone but the default coverage is defined applicable to all time zones, the application converts the service request reported time to the best customer time zone and uses the coverage times setup for the default coverage time zone. The application returns respond by and resolve by times by adding the applicable response time and resolution time to the passed service request reported time in server time zone.
- If the best customer time zone does not match any coverage time zone and default coverage is not applicable to all time zones, the application converts the service request reported time to the default coverage time zone and compares it with the coverage time defined for the default coverage time zone. The application returns respond by and resolve by times by adding the applicable response time and resolution time to the passed service request reported time in server time zone.

Example

Scenario	Result
Best customer time zone: EST	Respond By: 10AM, EST
Reported Time: 9AM, EST	Resolve By: 2PM, EST
Coverage (not default) defined for time zone EST:	
<ul style="list-style-type: none">• Coverage Time: 9AM to 6PM, Monday through Friday• Response Time: 1 Hour• Resolution Time: 5 Hour	

Best customer time zone: EST Respond By: 10AM, EST

Reported Time: 9AM, EST Resolve By: 2PM, EST

Coverage defined for time zone
EST:

- Coverage Time: 9AM to 6PM,
Monday through Friday
- Response Time: 1 Hour
- Resolution Time: 5 Hour

Best customer time zone: EST Respond By: 10AM, EST

Reported Time: 9AM, EST Resolve By: 2PM, EST

No Coverage defined for time zone
EST

Default Coverage and applicable to
all time zones:

- Coverage Time: 9AM to 6PM,
Monday through Friday
- Response Time: 1 Hour
- Resolution Time: 5 Hour

Best customer time zone: EST Respond By: 1PM, EST

Reported Time: 9AM, EST Resolve By: 5PM, EST

No Coverage defined for time zone
EST

Default Coverage but not
applicable to all time zones:

- Coverage Time: 9AM to 6PM,
Monday through Friday
 - Response Time: 1 Hour
 - Resolution Time: 5 Hour
-

- **Define Resources:** Specify 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.

For example, identify a primary service engineer that responds to service calls.

This information is used by Assignment Manager to assign a service engineer.

- **Define Billing Types:** Specify for each Business Process, 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.

For example, define a replacement transaction type where the customer is charged for material and labor.

Defining Standard Coverage

Prerequisites

The following must be defined as part of your implementation:

- Coverage Type Lookup Code (Oracle Service Contracts)
- Business Processes (Oracle TeleService)
- Price List (Oracle Order Management)
- Time Zone
- Service Request Severity (Oracle TeleService)
- Resource Types (Oracle TeleService)
- Resources (Oracle TeleService)
- Billing Types (Oracle TeleService)
- Billing Rates (Oracle TeleService)
- Preventive Maintenance Program (Oracle Complex Maintenance, Repair and Overhaul)

To define standard coverage:

1. From the Navigator, navigate to **Service Offerings**, and then select **Standard Coverage**.

The Standard Coverage window appears.

- In the Coverage region, enter the following:

Name: Enter the name of the coverage.

Type: Select the type of coverage such as Gold, Silver, or Bronze from the LOV.

After you select a coverage type, the Importance Level field and start dates for the Effective Dates fields are populated with values.

The effective Start Date is required and the End date is optional.

Note: When reviewing a service request, a service agent can click the Line Details button to open the Line Details form, which enables the service agent to view the covered level details and compare the products covered under the contract with those that are related to the service call.

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 standard coverage.

Access to the Line Details option is controlled by application function security so that only authorized users are able to see the contract line details. You must ensure that your administrator has added the Service Contracts function named **Covered Level Details** to the appropriate user menus.

Description: Enter a brief description for the coverage.

Exception: Optionally, enter an exception coverage for the standard coverage

definition.

Note: Although there is no support for exception coverage during entitlement calls, the ability to define exception coverage does facilitate extensions to the entitlement process.

For example, you may wish to extend exception coverage to all customers with the Gold coverage plan in order to ensure a minimum level of support for these customers even if their contracts expire; or an exception coverage may be referenced for entitlement calls to a contract under a grace period.

Suitable as Exception check box: Select this check box if you want to use this standard coverage as an exception coverage for other standard coverages.

Note: You can add a note the standard coverage by clicking the Notes button. This opens the Notes window.

For information on notes, see *Communicating Using Notes*, page 19-1.

1. Define warranty inheritance rules as follows:

Warranty check box: Select this check box to define warranty inheritance, which allows the warranty to continue if the product is replaced. This check box controls whether or not this coverage can be selected against a warranty item in the item master.

Inheritance: Select value if the warranty should continue when the product is replaced.

Remaining Duration: Replacement product's warranty is the remaining duration of the original warranty.

Full New Duration: Replacement product's warranty is a new warranty duration.

Note: 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.

Synchronize date installed check box: Select this 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.

In order for this feature to work you must confirm that within the Status and Operation setup, the Active status is checked for Update Online within the Warranties/Extended Warranties category.

Define other standard coverage rules as follows:

Free upgrade check box: Select this check box if you want to track this coverage as having a free upgrade.

This flag does not provide any automated functionality at this time.

Transfer: Determine the status of the contract in case a customer product is transferred from one owner to another. This is a required field.

No Change: There would not be any changes in the existing owners contract. No new contract is created for the new owner.

Terminate: The current contract subline is terminated. The termination date would be the transfer date. No new contract is created for the new owner.

Terminate ifNot 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.

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.

Transfer if Not Related: If the new owner is related to the current owner, this option keeps 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.

Define Preventive Maintenance programs as follows:

Program Name: Select a Preventive Maintenance Program.

The program description displays after you select a program name.

Preventive Maintenance programs are set up in Oracle Complex Maintenance, Repair, and Overhaul.

Note: You can open the Preventive Maintenance Schedule form and view or modify the information related to the selected Preventive Maintenance program, by clicking the Schedule button.

For more information on setting up Preventive Maintenance programs, see the *Oracle Complex Maintenance, Repair, and Overhaul User's Guide*.

3. In the Business Process region, enter the following:

Business Process: Select a Business Process from the LOV, such as Depot Repair.

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.

Price List: Select the default price list that should be used when billing service charges.

Discount: Select the percentage of discount allowed for the transaction group, for example 10%, from the LOV.

4. From the Coverage Times tab, enter the following:

Timezone: Select a Time zone from the LOV.

You can define more than one time zone for each business line. However, you must define at least one time zone for every business process line.

Default check box: Select a time zone as the default for the selected business process.

Apply Default to Other Time Zones check box: To have the Default coverage

times applied to any other time zone for which you have not entered any coverage times, select the Apply Default to Other Time Zones check box

In the Covered Times region: Enter a Start Time, End Time, and select the check boxes for the applicable days for each time zone.

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.

You can also define multiple coverage times for the same day, as long as the coverage time records do not overlap.

Note: You can click the Always Covered button, to set to set the Start Time and End Time for all days to 00:00 and 23:59 respectively.

- From the Reaction Times tab, enter the following:

Severity Name	Severity	Work Through Active	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Highest	High	<input checked="" type="checkbox"/>	1:00	1:00	1:00	1:00	1:00	1:00	1:00
Average	Medium	<input checked="" type="checkbox"/>	3:00	3:00	3:00	3:00	3:00		
Lowest	Low	<input checked="" type="checkbox"/>	8:00	8:00	8:00	8:00	8:00		
		<input type="checkbox"/>							
		<input type="checkbox"/>							
		<input type="checkbox"/>							
		<input type="checkbox"/>							

Workflow: _____

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 LOV.

Workthrough check box: If selected, this check box overrides the normal coverage times for that transaction.

For example, suppose you have support between 9 a.m. and 5 p.m. from Monday through Friday with a two-hour reaction time. If a customer calls at 4:45 p.m. in the middle of the week and Work Through is selected, then the customer is entitled to receive support by 6:45 p.m. that evening. If the Work Through option is not selected, then the support representative has until 10:45 a.m. the next morning to respond to the call.

Active check box: If selected, this check box indicates this severity level is active and makes the reaction times available through an entitlements call.

Reaction Times for days of the week: Enter specific reaction times, in hours, for each applicable day.

For example, if 2:00 is entered in the Monday field, then a service call must be made within two hours if the call occurs on Monday.

Workflow: Select the applicable workflow for each reaction time name specified.

- From the Resolution Times tab, enter the following:

Severity Name		Severity	Work Through	Active	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Highest	High		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	4:00	4:00	4:00	4:00	4:00	6:00	6:00
Average	Medium		<input type="checkbox"/>	<input checked="" type="checkbox"/>	8:00	8:00	8:00	8:00	8:00		
Lowest	Low		<input type="checkbox"/>	<input checked="" type="checkbox"/>	16:00	16:00	16:00	16:00	16:00		
			<input type="checkbox"/>	<input type="checkbox"/>							
			<input type="checkbox"/>	<input type="checkbox"/>							
			<input type="checkbox"/>	<input type="checkbox"/>							

Severity Name: Comes from the Severity Name on the Reaction Times tab.

Severity: Comes from the Severity on the Reaction Times tab.

Workthrough check box: If selected, this check box overrides the normal coverage times for that transaction.

Active check box: If selected, this check box indicates this severity level is active and makes the resolution times available through an entitlements call.

Resolution Times for days of the week: Enter specific resolution times, in hours, for each applicable day.

For example, if 4:00 is entered in the Monday field, then the issue must be resolved within four hours if a call occurs on Monday.

- From the Resources tab, enter the following:

Type	Name	Classification
Preferred Engineer	Abbott, Ms. Rhonda	Preferred

Type: Select a resource type from the LOV. For example, Engineer.

Name: Select the resource by name.

Classification: Select the proper classification for the resource from the LOV.

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.

- From the Billing Types tab, enter the following:

Service Activity Billing Type	Up To Amount	% Covered
Per Call Charge-Labor-Labor	250,000.00	20.00
New-Material-Material	250,000.00	60.00

Service Activity Billing Type: Select the billing type from the LOV.

Duplicates are not allowed.

If the billing type is Labor, then the Billing Rates button is enabled.

Up To Amount: Enter the maximum allowed amount.

If you leave this field blank, the upper limit is restricted by the percentage covered or discount you enter in the % Covered field.

% Covered: Enter the percentage covered or discount.

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) because the discount is below the \$300 maximum.

Allow Full Discount check box: If selected, this check box 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: Check this button to open the Billing Rates form.

9. Save.

Setting Up a Subscription Template

To set up a subscription template:

1. From the Navigator, navigate to **Service Offerings**, and then select **Subscription Template**.

The Subscription Template window appears.

The screenshot shows a dialog box titled "Subscription Template". It contains the following fields and controls:

- Name:** A text input field.
- Description:** A text input field.
- Subscription Type:** A text input field.
- Media Type:** A text input field.
- Fulfillment Channel:** A text input field.
- Frequency:** A dropdown menu with "Monthly" selected.
- Comments:** A text input field.
- Active:** A checked checkbox.
- Buttons:** "OK" and "Cancel" buttons at the bottom right.

2. In the Name field, enter a name for the template.
Examples of names include Monthly or Yearly.
3. In the Description field, enter a description for the template.
Examples of descriptions include Monthly Subscription and Yearly Subscription.
4. In the Subscription Type field, select the type of subscription from the LOV.
Examples of subscription types include journals, magazines, and newsletters.
5. In the Media Type field, select the type of medium from the LOV.
Examples of medium include document, image, and audio.
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 a subscription frequency:
 - **Daily**
 - **Weekly**
 - **Monthly**
 - **Yearly**
8. Enter any additional information in the Comments field.
9. Verify that the **Active** check box is selected to ensure that the subscription template is active.

The screenshot shows a 'Subscription Template' dialog box with the following fields and values:

Name	Monthly Vision	Description	Monthly Vision Subscription
Subscription Type	Magazines	Media Type	Document
Fulfillment Channel	Order Management	Frequency	Monthly
Comments	Monthly Vision Subscription		<input checked="" type="checkbox"/> Active

Buttons: OK, Cancel

10. Select **OK**.

Copying Standard Coverage into a New Coverage

You can provide a new service offering by making copy of the existing standard coverage and incorporating required changes to it. For example, you can copy a coverage and add additional business processes and change response times.

To copy standard coverage into a new coverage:

1. From the Navigator, navigate to **Service Offerings**, and then select **Standard Coverage**.
The Standard Coverage window appears.
2. Click the **flashlight** icon in the toolbar. The Coverage Template window appears with a list of the standard coverages. Select a standard coverage.
3. From the Tools menu, select **Copy Coverage**. The Copy Coverage window appears.
4. Enter a name for the new coverage.
5. Click **OK**.

Modifying Standard Coverage for Existing Contracts

To modify standard coverage for existing contracts:

1. From the Navigator, navigate to **Service Offerings**, and then select **Standard Coverage**.
The Standard Coverage window appears.
2. Search for the coverage name that to modify.
3. Make updates as desired.

4. Save.

Modifying Standard Coverage for New Contracts

Prerequisite: Create a copy of the coverage name you wish to modify. See Copying Standard Coverage into a New Coverage, page 23-16.

To modify standard coverage for new contracts:

1. Make updates as desired.
2. Save.
3. Assign the new coverage to the service item in the Item Master. See Creating Service Items, page 22-1.

Moving forward, the application applies the new coverage when the service is ordered in a contract or order.

